

Fisheries

A guide to best practice in transparency, accountability
and civic engagement across the public sector

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The collaborative aims to expand the impact, scale and coordination of funding and activity in the transparency and accountability field, as well as explore applications of this work in new areas.

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Fisheries

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'... Lack of basic transparency could be seen as an underlying facilitator of all the negative aspects of the global fisheries sector – IUU [illegal, unreported and unregulated] fishing, fleet overcapacity, overfishing, ill-directed subsidies, corruption, poor fisheries management decisions, etc. A more transparent sector would place a spotlight on such activities whenever they occur, making it harder for perpetrators to hide behind the current veil of secrecy and requiring immediate action to be taken to correct the wrong.'¹

Excerpt from the 2010 State of World Fisheries and Aquaculture report, FAO

Global marine fisheries are in a state of crisis. Data collated by the United Nations Food and Agriculture Organization (FAO) shows that since the early 1980s total landings of fish from the sea have decreased steadily and the majority of commercially targeted fish stocks are fully exploited or overexploited.² Scientific studies in almost all regions of the world highlight decreasing fish catches and the degradation of marine ecosystems, primarily caused by overfishing but also compounded by climate change, pollution and habitat destruction. The global commercial fishing fleet is now estimated to be at least twice the size needed to catch marine fish sustainably, and many forms of industrial fishing cause high levels of by-catch and discards. The World Bank has estimated that, due to subsidies, waste and unsustainable management, lost rents from marine fisheries amount to \$50 billion per year.³

The inability to stem overfishing represents a profound failure of governance on national and international levels. Lack of transparency and government openness is increasingly recognised as part of the problem. In many coastal and island states, basic information on which companies are allowed to fish, how much these companies can catch, how much revenue is being generated from fisheries and how this is being spent is obscured from the public. Commercial fisheries tend to be secretive, aided by the fact that they operate 'off-shore' and out of sight. Studies on illegal fishing in Africa, which has been conservatively estimated to be worth \$1 billion each year, claim that levels of illegal fishing are closely related to proxies of good governance, including transparency, media freedom and the rule of law.⁴

Lack of transparency is not a problem unique to developing states, but it is citizens living in Africa, Asia-Pacific and Latin America who disproportionately feel the negative impacts

of governance failure, corruption and overfishing. This is partly due to the importance of marine fisheries to national incomes, diets and livelihoods in many poorer coastal and island states. According to FAO, developing countries now account for 60% of the global fish trade, estimated to be worth \$100 billion annually, and of the estimated 135 million people directly employed in marine fisheries 90% are based in developing countries. Many more people, particularly women, are engaged in artisanal or subsistence fishing and fish processing. Furthermore, fish from the sea is a vital source of low-cost, high-quality protein, and alternatives to fish are either expensive or in short supply for significant numbers of coastal communities.⁵

The current trend of overfishing and the degradation of marine ecosystems will therefore have a catastrophic impact on developing countries, including worsening food security. Lack of transparency is not only undermining the effectiveness of fisheries management and denying national revenues; it is also obscuring the true value of marine resources, as well as the social and economic cost of losing them. Less than half of African countries publish data on fish catches and exports, and illegally caught fish may account for up to 30% of fish trade worldwide.⁶ A commitment by governments, in all regions, to be more open about the management of fisheries would lead to improved knowledge about the actual and potential contribution of fisheries, which in turn may stimulate political will to better address the threats caused by overfishing and the further degradation of marine ecosystems.

¹ FAO. 2010. *State of World Fisheries and Aquaculture*, p.105.

² Ibid.

³ World Bank. 2009. 'The Sunken Billions: The Economic Justification for Fisheries Reform', World Bank: Washington.

⁴ MRAG. 2005. 'Review of Impacts of Illegal, Unreported and Unregulated Fishing on Developing Countries', Marine Assessment Resources Group, London.

⁵ C. Béné and S. Heck. 2005. 'Fish and food security in Africa', NAGA, WorldFish Centre Quarterly, Vol. 28 No. 3 & 4.

⁶ FAO. 2010. 'State of World Fisheries and Aquaculture'.

Initial steps

Goal 1

Goal

Governments publish detailed and up-to-date information on the proposed contents of bilateral fisheries access agreements.

Justification

Access to national waters for foreign commercial fishing boats is often governed by bilateral fisheries access agreements. These are contracts negotiated by governments or fishing associations that pay for a certain number of fishing boats to operate in a given area. It has been estimated that there are at least 100 fisheries access agreements in operation worldwide, and the amount spent on access agreements is approximately \$1 billion.⁷ The majority of these agreements provide fishing opportunities in the national waters of developing countries and island states for distant water fishing fleets flagged in the European Union, Russia, Japan, China, Taiwan, South Korea and the United States.

Fees paid to host countries are often considered 'off-budget' payments, and are therefore not reflected in annual government accounts. Although most access agreements are calculated on a percentage of the value of expected fish landings, access agreements can also contain extra funds for development projects, or they can form part of broader government-to-government aid. The terms of these agreements should – but often do not – place restrictions on fishing intensity and by-catch, as well as restrictions on the type of fishing gear, the sea areas or seasons in which boats can operate. At a minimum, they should be in conformity with prevailing national regulations.

Public knowledge of the contents and implementation of access agreements is limited. Most access agreements are negotiated confidentially and few of them are published. This lack of transparency creates opportunities for corruption, and citizens are denied important economic and environmental information on how their marine resources

are being exploited. Maintaining the confidentiality of access agreements, which is a condition typically imposed by those paying for access, also places host countries at a disadvantage in negotiating better terms. This is because they have little information about what other countries are receiving.

Recommendations

1. Governments should commit to publishing all existing contracts of access agreements, and they should ensure that future contracts of all fisheries access agreements are made publicly available before parties sign these agreements, thereby allowing for public debate and input. Such documents should be translated into local languages where necessary.
2. All details of the actual financial sums paid/received through these contracts, and any further documentation relating to scientific and economic audits or evaluations of these agreements, should also be made public, preferably through the website of the ministry or department responsible for marine fisheries in the host country, as well as through the national press.

Country examples

The EU started publishing details of fisheries access agreements with developing countries in the early 1990s. All contracts signed between the EU and third countries are available on the EU's website, as well as some meeting notes from the joint committees that oversee the implementation of these agreements.⁸ Certain other documents, such as ex ante and post ante evaluations of these agreements commissioned by the European Commission, are still kept confidential. Fisheries agreements signed between the USA and Caribbean and Pacific island countries are publicly available, and are negotiated openly and regionally, whereas all bilateral access agreements signed between developing countries and Japan, China, Russia and Taiwan, among others, are kept entirely confidential.

Goal 2

Goal

National fishing authorities publish detailed and timely information on commercial fishing licences and catch quotas.

Justification

Many countries do not publish any information on the details of private fishing licences, including which company has bought the licence, the type of fishing allowed and any restrictions on fishing activity, the price paid for the licence,

the flag state of the vessel or the quantity of fish that the licence holder is allowed to catch. This means that citizens are denied basic information on the management of their marine resources, which undermines research, public debate and the quality of decision-making. It also creates opportunities for embezzlement and fraud. In the Solomon Islands, an investigation by the Auditor General in 2002 revealed that the country had lost \$4 million through the theft of licence fees by the Ministry of Fisheries. Similar cases have been documented in Fiji and Guinea-Bissau.⁹

⁷ Sumaila et al. 2010. 'A bottom-up re-estimation of global fisheries subsidies'. *Journal of Bioeconomics* 12: 201–225.

⁸ http://ec.europa.eu/fisheries/cfp/international/agreements/index_en.htm

⁹ See Standing. 2008. 'Corruption and Industrial Fisheries in Africa', Issue paper 2008:7, U4 Anti-Corruption Resource Centre/Christian Michelson Institute, Bergen, Norway.

Lack of transparency in fishing licences also undermines international and national efforts in combating illegal fishing: with greater knowledge on the legal status of fishing boats, the public and the fishing sector will be able to identify instances of illegal fishing and fishing by unlicensed boats. FAO has recently established a Global Record for fishing vessels that requires national authorities to submit information on fishing authorisations for all commercial fishing boats. FAO has argued that a failure to contribute to the Global Record thus far is undermining international law enforcement and obscures product traceability.

Recommendations

1. All fishing licences and permits authorised by governments for boats of over 10 metres in length or 10 gross tons¹⁰ should be made public and available on the websites of the authority issuing the licence, within seven days of it being granted. Late publishing of information on licences undermines the ability of the public and other fishing vessels to use such information to monitor illegalities and fraud.

2. In countries where the relevant fishing authority does not have a working website, there should be a commitment to provide detailed information on licences on an annual basis in the national press and to the public on request at any time.

Country examples

The fisheries authorities of Madagascar publishes complete details of fishing licences in local newspapers. Gabon published a full list of fishing licences for the first time in 2010.¹¹ Countries including South Africa, Namibia and New Zealand have comprehensive websites containing details of all fishing licences and catch quotas, including information on price, conditions of the licence and details on the companies that buy licences.

Goal 3

Goal

Governments should publish complete and up-to-date information on penalties and fines imposed on individuals and companies for illegal fishing activities.

Justification

Illegal fishing poses one of the key threats to the sustainable use of marine resources. It is a problem in all waters, but may be particularly prevalent in developing countries due to lower capacity in monitoring, control and surveillance, as well as weak governance. Public information on arrests or prosecutions stemming from illegal fishing is important, not only to act as a deterrent, but also to allow citizens insight into the effectiveness of government agencies in combating illegal fishing and the appropriateness of resulting punishments and penalties. Increased public information on successful cases of prosecuting illegal fishing boats may also stimulate greater reporting of illegalities by citizens and responsible boat owners. Few countries make such information available, and when boats are caught fishing illegally, details on penalties or fines can be kept secret. This may create an environment where forms of corruption and payment of bribes can undermine the rule of law. Moreover, there is considerable concern in many developing countries that operators of foreign boats caught for illegal fishing locally are pardoned due to diplomatic pressure from the home governments of boat owners.

Recommendations

1. Governments should commit to making timely information publicly available on all surveillance activities, infractions observed/recorded and fines or punishments related to illegal fishing.¹² This information should be made publicly available through annual reports or documents on government websites.
2. Where governments lack the capacity to publish annual reports, or they do not have existing websites on marine fisheries, fishing authorities should provide information on penalties and fines imposed on companies or individuals committed for illegal fishing to members of the public on request.

Country examples

Government agencies in the USA that are responsible for law enforcement against illegal fishing, including the Department of Fish and Wildlife and the National Coast Guard, publish substantial details on penalties and fines associated with illegal fishing, and these government organisations have a good reputation for being open and responsive to requests for information on this issue. The government of New Zealand publishes regular updates on cases of illegal fishing through the website of the Ministry of Fisheries, and includes statistics on penalties and fines in its annual reports. In the past, the South African Department for Marine and Coastal Management included details of high-profile arrests and court cases for illegal fishing in annual reports, although this type of information was selective and there has been a shortage of similar information in the past few years.

¹⁰ Boats smaller than this can be classified as artisanal fishing boats. In many developing countries, artisanal fishing boats are numerous and often they are not licensed. Placing a restriction on the size of boats for which information on licensing should be made public makes this goal more achievable and realistic.

¹¹ http://www.finances.gouv.ga/IMG/pdf_registr_licences_peche_public_09_DGPA_cle01f96f.pdf

¹² This does not include information on on-going investigations, which in many cases needs to be kept confidential.

More substantial steps

Goal

Governments commit to publishing comprehensive information on subsidies paid to the fisheries sector.

Justification

Government subsidies paid to the fisheries sector worldwide are considered a major cause of overcapacity in the global fishing fleet, which directly contributes to overfishing and the intensification of competition between fishing boats. The most recent and thorough estimate of subsidies paid to the fishing sector globally is approximately \$27 billion.¹³ Of this amount, \$16 billion can be classified as 'capacity-enhancing subsidies'. Since 2001, deliberations at the WTO have attempted to place disciplines on the use of fisheries subsidies that contribute to overcapacity, such as subsidies on fuel and boat-building. In 2005 the WTO Ministerial meeting in Hong Kong led to a strong commitment by governments to strengthen fish subsidy disciplines, including a specific call for WTO rules to address issues of transparency and enforcement (the 'Hong Kong Mandate'). Discussions are on-going and a final outcome has yet to be reached. However, for the time being, governments provide inconsistent and limited data on fisheries subsidies. This inhibits public debate and undermines the potential role that civil society can play in monitoring subsidy payments and impacts.

Recommendations

1. All governments should commit to publishing comprehensive data on subsidies paid to the fisheries sector, as stated in the 2005 Hong Kong Mandate. The public should be notified of subsidy payments to the fisheries sector in advance of these payments being made, thereby increasing the scope for public debate and possible objections to be made.
2. In disclosing information on subsidies, governments need to provide comprehensive information on the amount transferred, the purpose of the subsidy and details of the recipient company or organisation and owner.

Country examples

Having responded positively to a request for information, the EU released comprehensive data on fisheries subsidies in 2008, amounting to approximately €1 billion. An NGO initiative, <http://fishsubsidy.org>, has made this information publicly available through a searchable website. Subsequent analysis of the data by fishsubsidy.org and other organisations, including Greenpeace and UNEP, has greatly enhanced debates on EU subsidy reforms, including raising awareness of where capacity-enhancing subsidies have been given to boats targeting overfished stocks, and where subsidies have been given to boats known to be engaged in illegal fishing.

Most ambitious steps

Goal

Governments produce comprehensive annual reports on marine fisheries that are accessible to the public, including clear information on fisheries policy, available data on production and trade, revenues received from commercial fisheries and a summary of expenditures and financial statements.

Justification

Comprehensive annual reports on marine fisheries provide citizens with an understanding of how their marine resources are being managed, the objective and priorities of the state's approach to managing these resources and what achievements have been made in meeting policy objectives. Lack of information sharing by governments creates distrust and frustration among stakeholders, which can undermine responsible fisheries governance. It also allows governments to pursue fisheries policies that may not be in the interest of the majority of citizens. Not all countries produce such reports but, in producing them, governments can consult technical guidelines produced by FAO on best practice in information sharing.¹⁴ However, because best practice in producing annual reports is currently lacking, further work needs to be undertaken by international organisations and experts to develop guidelines, including what information should be considered essential. A commitment by governments to produce annual reports for marine fisheries would certainly ensure that such guidelines are produced and that technical assistance is made available.

Recommendations

1. Governments should produce comprehensive annual reports, made available online and in hard copies that are distributed widely through local CBOs and NGOs. They should contain a summary budget and financial statement of the department responsible for managing fisheries, as well as information on the revenues generated from selling fishing licences and access agreements. All this information is vital for stimulating broad-based participation in policy and service delivery, including among the small-scale fishing sector.
2. Financial resources need to be set aside for this activity, and governments should highlight annual reports as an important tool in the management of marine resources. In multilingual countries, these reports should be translated.

Country examples

Countries that produce substantive annual reports on marine fisheries include, among others, the Seychelles, Namibia, South Africa and New Zealand. These reports are made available to the public on government websites. Other countries fail to produce annual reports, or they produce annual reports inconsistently and they contain limited data and information, often with no financial information. In some cases, lack of funding and expertise may be a barrier to the publication of such reports.

¹³ See: Sumaila, U.R., A.S. Khan, A.J. Dyck, R. Watson, G. Munro, P. Tyedmers and D. Pauly. 2010. 'A bottom-up re-estimation of global fisheries subsidies'. *Journal of Bioeconomics* 12: 201–225.

¹⁴ See FAO. 2009. 'Information and Knowledge Sharing'. FAO Technical Guidelines for Responsible Fisheries, No. 12.

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