Annual Address to the Fishing Industry and Related Stakeholders
Feb 20th 2006

Dr. Abraham Iyambo

Minister for Fisheries and Marine Resources

Hake Sector
– too many small fish -

Issues:

- Far too many small hake in catches.
- Low CPUE.
- Selectivity devices not effective.
- Processing small hake is not profitable.
- Pressure on small hake bad for resource.

Hake Sector
– too many small fish -

Solutions:

- Use of selectivity devices will be discontinued
- If >5% of hake <36cm, must stop fishing and steam at least 10 n. miles
- Hake TAC to be set below 140 thousand tonnes for next 2 seasons
- Reduce long-line catches

Hake Sector
– too many small fish –

Solutions:

- Revise TAC only if significant improvement in CPUE and average hake size
- Reduce fishing effort.
- Retain existing ban on trawling shallower than 200m
- Future TAC will be issued 70% wet : 30% freezer, commencing 2006/7 season

Hake Sector
- Closed Areas -

Issues:

- Scientists report no well defined ‘hake nurseries’.
- Industry always able to find areas with high CPUE of small hake.
- Some companies have targeted such areas to fill quotas.
- Two companies were proactive and presented their views on establishing new closed areas.

Hake Sector
- Closed Areas -

Solutions:

- Area closures to be introduced where consistently high proportions of small hake reported.
- Location/duration of closed areas to be determined on case-by-case basis.
- Close monitoring required.
- Scientists to accompany commercial vessels regularly.

Hake Sector
- Wetfish-Only Areas -

Issues:

- Government policy is to encourage on-shore processing.
- Adequate supply of raw material to on-shore facilities is critical for efficient operations.
- On-shore processing produces far higher jobs per tonne than at-sea processing.

Hake Sector
- Wetfish-only Areas -

Solutions:

- Certain areas will be designated ‘wet-fish only’ trawling grounds.
- Precise locations yet to be determined.
- Continuously assess impact on industry and resource.
- Close monitoring required.

Hake Sector
- Closed Season -

Issues:

- Currently 12 month season.
- But clear trend in small hake catches.
- During August – November, CPUE is low and small hake proportion is high.

Hake Sector
- Closed Season -

Solutions:

- Two month closed season will be introduced.
- This will be set for September and October each year.

Monk Sector
- Monk By-catch Problem-

Issues:

- On average, 20% of monk TAC taken by hake trawl fleet.
- Means less of monk TAC available for monk right holders.
- Area/seasonal closures not feasible because hake and monk too mixed.
- By-catch levies effectively reduce monk by-catch, but certain level of by-catch is unavoidable.
- Increasing monk by-catch levy can only reduce by-catch taken to a certain extent.

Monk Sector
- The By-catch Problem-

Solutions:

- Stakeholder consultation is urgently required to consider options to reduce monk by-catch by hake trawlers – before 1 May 2006.
- TAC not exceed current level for next 2 seasons.

Small Pelagics Sector
(Pilchard)

Issues:

- Low stock level and unpredictable nature of stock
- Something has changed in the Benguela ecosystem
- March 2006 stock survey will be crucial
- Reasonable level of stock biomass must be detected for a TAC to be set

Small Pelagics Sector

Solutions:

- Current attempts by industry to source raw material from other countries are highly laudable.
- No simple answer to the problem of pilchard stock recovery.

Mid-water Trawl Sector

(Horse Mackerel)

Issues:

- Industry is keen to see relaxation of 200 m depth restriction north of 19 degrees south latitude.
- Hake and pilchard sector views needed.
- Namibianisation plans for crew of Namibian owned vessels have been submitted – being evaluated.
- There are too many foreign chartered vessels.

Mid-water Trawl Sector

Solutions:

- Industry and scientists to work together on 200 m depth line over next 2-3 months.
- Only one foreign chartered vessel to be licensed at any one time per right holder.
- Greater management controls will be introduced for foreign chartered vessels.

Large Pelagic Sector

(e.g..Shark, Tuna, Sword Fish)

Issues:

- Too many charter vessels in operation – only 3 of 23 currently operating are Namibian.
- Targeting pelagic sharks instead of swordfish and tuna.
- Failing to catch ICCAT-issued swordfish quota.
- No value-addition or job creation.
- Exporting jobs and most of the value chain to others.
- Little socio-economic benefit to Namibia.

Large Pelagic Sector

Solutions:

- Examination of socio-economic benefits to be undertaken.
- Greater management controls will be introduced for foreign chartered large pelagic vessels.
- Levies on pelagic sharks to be introduced.

Linefish Sector

(e.g. Kob, Snoek, Steenbras)

- Issues:
- Commercial line-fishery generates very little socio-economic benefit for Namibia.
- A mere N$25 per tonne paid in levies, employment is low, virtually no value-added.
- Recreational fishing, generates about 10 times more socio-economic benefits and multiplier effects.
- Linefish resources are important in terms of food security, especially for low-income Namibians.

Linefish Sector

Solutions:

- Levy of N$25 per tonne to be reviewed.
- Commercial linefishery to focus on snoek.
- New management measures to be introduced.
- Number of vessels to be reduced.

Access to Finance

Issues:

- Credit and cash flow are major problems.
- Finance is a constraint to both capture fisheries and aquaculture.
- On-going dialogue with heads of financial institutes has commenced.
- Lack of transparency in company finances is a problem for banks.

Access to Finance

Solutions:

- Open forum discussions between Government, financial sector and industry must continue.
- Firm strategy to be developed, building on Namibia’s competitive advantages and bright future growth potential.
- I will hold one-on-one consultations with heads of financial sector.

Fishing Rights Evaluation

Issues:

- A total of 33 rights of exploitation due to expire end 2007/early 2008 have been evaluated.
- These rights include 14 hake, 2 monk, 6 small pelagic, 4 horse mackerel, 2 large pelagic, 2 crab, 2 seals and 1 guano.
- Data and information provided in some motivations incomplete.
- Want to keep only efficient, innovative, competitive companies with clear business plans.

Fishing Rights Evaluation

Solutions:

- Preference for those that have shown real commitment to job creation, innovation, value-added processing, clear long term strategies.
- Decision on rights to be extended to be communicated by end February 2006.
- For rights where data still needed, decision to be communicated by end Apr 2006.

Call for new fishing rights ?

Issues:

- Biological data indicate no need for new rights.
- There is a general need to decrease effort on all established commercial fisheries.
- Some exploratory rights show promise for developing new commercial fisheries.

Call for new fishing rights ?

Solutions:

- Moratorium on new rights for at least next 5 years - unless a drastic change in resource.
- Rights may be called for some currently exploratory fisheries.

Vessel Monitoring System (VMS)

Issues:

- Benefits of VMS outweigh costs.
- VMS improves monitoring, control and surveillance, need for closed area management.
- Required for Namibia to fulfill international MCS obligations.
- Cost of Automatic Location Communicator (ALC) purchase is onerous for many companies.
- A few companies have ordered units.

Vessel Monitoring System

Solutions:

- VMS based on secure ALC is not negotiable.
- Rock lobster, linefish and ski boats are exempted due to small size.
- All Namibian vessels must have ALC fitted for fishing outside Namibian EEZ.

Vessel Monitoring System

Solutions (continued):

- All chartered vessels must have ALC fitted.
- All companies yet to order ALCs must give plans to Ministry by end March 2006.
- After 21 March 2007, no vessel will be allowed to fish without an ALC installed.
- Simply no fishing license.

Fisheries Observers

Issues:

- Perform a critical role.
- Industry and Observers have reported a number of concerns.
- These include sea-fitness of some personnel, interpretation of rules and regulations, relations with FOA, payments.
- Some companies have not paid dues to Fisheries Observer Fund due to financial difficulties.

Fisheries Observers

Solutions:

- Permanent Secretary will engage individual companies regarding amounts owing to Fisheries Observer Fund.
- Consultation needed between FOA and industry on issues raised.

Marketing and export promotion

Issues:

- Despite being largest exporter of hake to EU, Namibian seafood exporters have no leverage on prices.
- Improved knowledge of market and consumer trends would benefit many exporters.
- We retain very small part of the value-chain.
- Many countries have established seafood export promotion organisations, boosting market opportunities and retention of value chain.

Marketing and export promotion

Solutions:

- Ministry is procuring expert assistance for research in key markets.
- This will identify:
  - Key market opportunities for species we produce.
  - Options for maximising use of Namibia's productive advantages for greater market penetration, keeping value chain short.
- Key output will be a roadmap for the establishment and funding of an export promotion body.

Concluding Remarks

- In 2004, we landed 530,000 tonnes of fish.
- On-shore processing added only around N$1 Billion to basic value of fish landed.
- Need to do far more in terms of value-addition.
- Too much focus on commodity products.
- Need to create more jobs and retain more of the value chain for ourselves.

Concluding Remarks

- We need to gather more information on market trends and consumer preferences.
- There is an urgent need for better market research and business planning.

Concluding Remarks

- 2006 should be the year we focus on:
  - Value-addition, job creation, productivity and efficiency.
  - Restricting the level of fishing effort.
- Continue with responsible management and conservation of our fisheries resources.
- Let 2006 be a year of industrial peace, efficiency, productivity and dialogue.

Thank you