

# FEIKE NEWS

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fisheries  
aquaculture  
ecosystems

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FEIKE  
natural resource management advisors

Welcome to the September edition of **Feike News!**. As always, we trust that you find our selection of important and hot issues worth reading. This month's edition takes on a strong local flavour as Feike's attention has been focussed on a number of important fisheries management and administrative matters that seem to have been forgotten about by South Africa's fisheries regulator, Marine and Coastal Management.

However, before we get to these important issues, the Cape Town press recently highlighted two cases that call into question Marine and Coastal Management's commitment to empowerment and fiscal prudence. As we are all fully aware, the empowerment of persons disadvantaged by apartheid remains a foremost South African socio-economic and political priority. So why have three black women in rural Port Nolloth who each lost their fishermen sons and their sole source of financial support been so completely ignored by MCM? All they have asked is that MCM transfer the fishing quotas from their deceased sons' estates to themselves so that they could earn a living. That was more than one year ago! They have effectively lost two season's fishing and two season's income. Sadly there are other similar cases. In one case MCM only authorised the transfer after a Cape Town law firm threatened to go to court to force the Minister to act. So much for empowerment!

Then there is the Eagle Star. Why on earth did MCM, while in the middle of a financial crisis, sell a vessel conservatively valued at between R5 and R10 million for R300 000? When Feike broke this story back in March 2007, we were promised an immediate independent audit into the "fire sale". We are still waiting for the results of this audit. The fact that the audit was undertaken and we understand has been completed but the results remain a secret, must mean that the findings were damning implicating the most senior officials at MCM and the Department of Environmental Affairs and Tourism. After all, anyone familiar with the procedures governing the sale of government assets will know that the sale of the Eagle Star would have required the written authorisation of the very top officials at MCM and the Department of Environmental Affairs and Tourism.

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**1. WHERE ARE THE FISHERY MANAGEMENT MANUALS?**

In 2005, the South African government published a suite of fishery policies intended to regulate the allocation of long-term commercial fishing rights between 2005 and 2006. These policies also set the agenda for the management of South Africa's fisheries post the allocation of long-term commercial fishing rights. It was always understood that the detailed fisheries management strategies, such as effort management, the timetable for implementing an ecosystems approach to fisheries management or the recovery of collapsed or overexploited fisheries by 2015 in terms of, *inter alia*, the WSSD and World Parks Congress Recommendations would be spelt out in Fishery Management Manuals. The South African Cabinet determined that Fishery Management Manuals for each of the commercial fisheries were to have been published in consultation with right holders by 2006. There has to date not been a single draft.

The question must therefore be asked: How are we managing our fisheries and in terms of which strategies? How are collapsed fisheries such as line fish and abalone being managed? What recovery strategies are in place for hake? What has become quite apparent in reality is that organised and capital-intensive fisheries have decided to "self-manage" rather than wait for MCM – after all, the right holders in these fisheries have invested many millions of Rands. In the small-scale commercial fisheries, such as abalone, lobster nearshore and traditional line fish where you have hundreds of right holders spread along the coast, "self-regulation" is almost impossible. The result is many right holders in these fisheries have simply decided to poach as much fish as quickly as possible especially since fisheries compliance has by and large collapsed, save for the *ad hoc* arrest of abalone poachers loaded with abalone for the cold storage in Paarden Eiland (see story 3 below).

**So MCM, where are the fishery management manuals?**



## 2. TRANSFER OF FISHING RIGHTS

In terms of Section 21 of the Marine Living Resources Act, 1998, a fishing right may only be transferred from one person to another, once the Minister of Environmental Affairs and Tourism has provided written permission authorising the transfer of right.

Since the allocation of long-term fishing rights in 2005 and 2006, a number of right holders have decided to move into other economic sectors while others have decided to expand their fishing businesses. The reasons are obviously diverse. Many of those wanting to get out of the fishing sector had taken the decision after being allocated quotas too small to continue balancing the books.

In fact, the General Fisheries Policy published by Cabinet in 2005 foresaw that once commercial fishing rights were allocated, the above scenarios would inevitably play themselves out. The General Fisheries Policy therefore stated in Part E, Paragraph 12, the broad policy considerations to be invoked when persons wish to transfer their fishing rights.

Despite the General Fisheries Policy's pronouncements on the matter, and despite the commercial urgency to allow rights to be transferred, Marine and Coastal Management appears convinced that if it keeps its bureaucratic head in the sand and ignores the many applications awaiting the Deputy Director-General's decision, these applications will disappear.

Of course, these applications will not disappear. However, what MCM is encouraging is the creation of an increasingly large class of paper quotas, thereby undermining further policy objectives. The answer is simple. If you want to survive commercially in the South African fishing industry, **avoid having to deal with Marine and Coastal Management at all costs!** Just ask those abalone fishermen who applied in November 2006 for their fishing permits and are still waiting...for their permits at least.

## 3. THE POACHER AND THE REGULATOR

Chatting to fishermen at Kalk Bay harbour a couple of weeks ago raised an important question. Does Marine and Coastal Management not benefit the most from high levels of abalone poaching? According to the fishermen, their theory is sound. They explained their theory to us in English, Afrikaans and Expletives. Having digested their theory and Kalkies fish and chips and coke, we believe their theory is worth repeating, albeit in English alone. We trust it reads at least half as good as it sounded.



Their theory commenced with a caveat that they remembered that when “Moolla and Kleinschmidt” were at MCM, confiscated fish – mostly abalone – was also sold. But – they comforted us – things are definitely different these days.

This is their thinking. It is widely agreed that just more than 1 million units of abalone were seized by South African law enforcement officials during 2006. Translated into kilograms, that is approximately 300 000 kgs or 300 tons. It is also widely agreed that, having regard to South East Asian consumption trends and seafood sales, more than 2000 tons of South African abalone was consumed in 2006. The sale of 300 tons of abalone could conservatively earn MCM R90 million (US\$12 million). That would be the equivalent of a third of MCM's total operating budget. So why would MCM want to stop the illegal fishing of abalone when poachers help make up a third of its budget?

We disagreed. We pointed out that although MCM's compliance and management records have spiralled downward together with its cashflow since 2005, hardly a week goes by without at least one newspaper report of poached abalone being recovered in Johannesburg or Springbok or on a boat to Asia.

That seemed to have made their point. Catching the poachers once they have removed the abalone from the sea is the whole point of financing the Marine Living Resources Fund – especially since MCM is not sure which fishing company owes it what for fish caught. Here is the crunch. If MCM was committed to ensuring that poaching stops and that abalone remain in the sea, why did they stop Operation Trident and the MARINES Programme for no apparent reason? Why were both Environmental Courts closed; again for no reason? Why have there been no further arrests of TRIAD leaders and the heads of poaching syndicates since 2003 and 2004?

We must admit. We did not have answers to these questions.

#### **4. WHY THE SILENCE ON THE TSITSIKAMMA MPA ISSUE?**

Can we breathe a sigh of relief? Has rationality finally been thrust upon Marine and Coastal Management for suggesting that we allow fishing of collapsed line fish stocks in South Africa's oldest and perhaps most successful Marine Protected Area?

The debacle of course not only significantly embarrassed the Minister of Environmental Affairs and Tourism, but also led to the protest resignation of one of the most senior and respected MCM senior specialist scientists.

We await a press statement from the Department formally announcing that it recognises the ecological importance of the Tsitsikamma MPA, that South Africa remains committed to its various international obligations to *increase* and not



decrease protection of its EEZ from fishing and that the socio-economic challenges faced by the people of the Tsitsikamma region could be addressed by implementing (at least in part) the recommendations of the WWF Report on The Economic Value of Marine Protected Areas Along the Garden Route Coast.

#### 5. WRONG ANSWER, MR. VAN SCHALKWYK

On 13 August Minister van Schalkwyk responded to a parliamentary question about the extent of Spanish (in diplomatic language: European Union) influence in the SA fishing industry. In particular, he was asked about shareholding in SA companies, the number of Spanish vessels allowed into the local industry and the extent of subsidies they receive from the EU thus making their involvement here unfairly competitive with SA companies – and thus, does he intend to introduce regulations that even the playing field.

It will be remembered that the European Union (in fact the Spanish, much to the embarrassment of other EU members) pushed for direct access to SA waters during the trade talks in 2000 and 2001. In bullying style they wanted SA to open up its doors similar to the way the Japanese had access. In cavalier fashion the attitude was: we do this sort of thing in other poor countries and you must allow us in. Fortunately Ministers Valli Moosa and Alec Irvin came out strongly against such access and no deal was ever made. Subsequently the Japanese access to our waters was also terminated.

If you cannot come through the front door, try the back door. Use your subsidies to sell off surplus fishing vessels to South Africa and buy up quotas through shareholding in SA companies – and given the lack of policy on transfers – shareholding happens in various forms of disguise. That is what is happening. Somewhere in the region of between 11 and 13 Spanish owned and crewed vessels now operate in our hake industry. Given Spain's history of fishing, in EU waters, off the coast of South America and off the coasts of Canada, it becomes apparent that profitability is often linked to over catching, non declaration of catches, dumping of small fish and other untoward practices when trans-shipments are made to Spanish reefers that take the catches to Europe. Cape Town harbour is no exception.

One would have expected the Minister to say that he is concerned, that he knows that x number of vessels have been allowed in, but that he wants to put a stop to it, that he will investigate these issues more deeply and if warranted he will regulate the matter. The convention of Parliamentary questions and answers are never inspiring stuff, but this is what the Minister answered (don't fall asleep while reading):

“Anecdotal allegations concerning the entry of EU fishing companies into the SA fishing industry have been received and the Department is currently investigating the validity of such allegations. Unconfirmed allegations have been received and the Department is investigating these allegations”.

Worse still – and completely contradicting the Minister’s answers to Parliament – were Mava Scott’s (DEAT Spokesperson) astonishing statements to the Sunday Times on 26 August 2007. Essentially, the Department has admitted that even though they knew convicted poacher and international pirate, Manuel Martinez, was directly linked to a certain vessel, they allowed the vessel into SA waters! Does the Department not realise the consequences of such a statement? Do they think that the Marine Stewardship Council will simply laugh the matter off?

**6. DURBAN SHARK HUNT RESULTS IN PUBLIC OUTCRY**

As a result of an outcry by marine conservationists, a big shark-fishing competition off Durban has been postponed. The conservationists believe that it will result in the needless slaughter of many vulnerable and slow maturing shark species. The competition, which was meant to start on 17 August, had cash prizes for killing the biggest shark.

One of the organisers of the competition, Tom Bradfield stated that a large number of fishermen (recreational) have become angry with being told what to do and what not to do. Bradford also said that they (the fishermen) just want to fish and be left alone.

Grant Smith, director of the conservation group, *Sharklife*, believes that the proposed competition will be “extremely wasteful and not in line with current day sustainable angling ethics.” Smith also noted that many shark species were vulnerable to over-exploitation with more than 30 species in Southern Africa classified as threatened or near-threatened by the World Conservation Union (IUCN).

Fishermen who organised the competition complained that sharks were “stealing” fish off their lines. The latest Natal Deep Sea Rod and Reel Club’s newsletter stated that sharks can be seen under the boats waiting to grab fish as they are brought to the surface.

Bruce Mann of the SA Marine Linefish Management Association stated that “the answer is not to go out there and decimate sharks. Realistically, a competition targeting sharks is not going to reduce the shark population to the extent that its going to solve the problem and its going to result in an outcry from conservationist and the diving fraternity”



## 7. IRVIN & JOHNSON LTD SETS THE BAR

Leading South African fishing company, Irvin & Johnson Ltd, has set the bar in the fight against corruption and maladministration in the fishing industry. In the I&J Newsletter, *Food for Thought*, July 2007, I&J's CEO, Francois Kuttel confirmed that earlier this year, it became known that some of I&J's employees were conducting themselves in a corrupt and unethical manner. A thorough investigation of the facts led to a number of employees resigning, while others had their service agreements terminated.

The newsletter states that "I&J will not tolerate dishonest or unethical behaviour of any kind by any employee no matter how senior or important they may be. We will not turn a blind eye to fraud and will take every possible action to identify, discipline and prosecute any employee found conducting such activities. These actions could include criminal prosecution."

I&J has earmarked R100 000 as an incentive for employees to bring forward information about fraudulent or dishonest activities that are taking place in the company. Information regarding unethical behaviour may be provided through the I&J Tip-Offs Anonymous facility.

## 8. SINKING SHIPS FOR REEFS

Thirty years ago, a cargo ship started leaking and was scuttled off Pulau Pinang in the Redang group of islands. It flattened the reef where it was grounded, but it was eventually cut up for scrap, leaving just the keel and a section of the stern in the water.

Today, the remnants of this cargo ship are festooned with coral and throngs with fish, and actually forms the boundary of the Marine Park Department's house reef. There is no doubt that shipwrecks make fantastic habitats for marine life. So much so, that there has recently been a trend to deliberately sink scrapped ships for the express purpose of creating new marine habitats and to give recreational divers new sites to visit. In Malaysia, marine agencies sank three confiscated fishing vessels some years ago. Today these have become popular dive sites in Malaysia.

Earlier experiments with old tires had mixed results; the tires either became covered by sediment or broke free from their moorings. More advanced techniques using concrete "reef balls" create more stable structures, but they are expensive. The proposal to tow a few retired US or Canadian navy vessels halfway around the planet to sink them near Redang and Perhentian, however, is an eye-brow raiser. The cost of such an operation is not cheap, but not unreasonable in view of the logistical difficulties and vast ocean crossings involved.



Prior to sinking these relics must be thoroughly cleansed of hydrocarbons and stripped of other potentially damaging materials, such as the lead-based paint used on most war-vintage vessels. There is also the matter of site selection. Once the wreck is resting on the seabed the highest section must not come within 7m of the surface so as not to be a hazard to surface vessels.

#### 9. AVAAZ - CALL FOR ACTION

Avaaz is a global NGO, which was co-founded by *Res Publica*, a global civic advocacy group and *MoveOn.org*, an online community that has pioneered internet advocacy in the United States. Avaaz is managed by a small team of campaigners on four continents. It conducts research, prepares rapid response action alerts and notifies the media of campaigns. Their aim is to ensure that the views and values of the world's people shape global decisions.

By using latest technology, *Avaaz.org* allows ordinary people to directly contact key global decision makers, corporations and the media.

Next month, the WTO will propose new global fishing rules. During August finance ministers around the world were deciding what those rules should be.

AVAAZ now gives you a chance to tell our trade minister and other government leaders to oppose the subsidies paid by the European Union and others that lead to overfishing.

Fishers, big and small are hauling in empty nets as a result of massive overfishing by rich countries that subsidise their fishing fleets with millions of Euros. Approximately 90% of big fish species such as tuna and marlin have been overfished. Additionally, the subsidies create an unfair business climate for those that are not subsidized due to the fact that they cannot make similar profits. Another result of subsidies is that, due to the artificial source of income, fishing pressure continues past the point where it would be economically viable to continue fishing.

*Avaaz.org* is asking people the world over to send e-mails to their country's trade ministers urging them to support a fairer and more sustainable global fishing system, stating that the fishing subsidies are unfair to fishers in developing countries. See the article 'Wrong answer Mr. van Schalkwyk' about the Spanish influence in South Africa above.

To view more information about this initiative visit [http://www.avaaz.org/en/make\\_fishing\\_fair/](http://www.avaaz.org/en/make_fishing_fair/). To communicate your views to South

Africa's Minister of Trade and Industry, Minister Mandisi Mphahla, email him at [TMagooa@thedti.gov.za](mailto:TMagooa@thedti.gov.za)

## NEWS BRIEFS

1. Port Louis - Tuna fishermen in the Indian Ocean have landed their smallest catch for 11 years with period since 1996. Higher sea surface temperatures, blamed on global warming, may have driven tuna deeper, out of reach of nets. The bigger question is whether this decline is a consequence of environmental conditions, or whether somehow the catches of the past few years have affected the population levels. The total catches recorded during the first four months of 2007 is estimated at 75 000 tons, the lowest catch reported.

2. Oslo - Over-fishing has made Atlantic bluefin tuna a prized delicacy. "Tuna are now like floating goldmines out in the ocean," says Brian MacKenzie from the Technical University of Denmark. Bluefin tuna teemed in summers in the North Sea and the Norwegian Sea a century ago as part of their 16,000km migrations but are now rarely seen in the region after the burst of industrial fishing from 1910-1950. Bluefin tuna, which spawn in the Gulf of Mexico and the Mediterranean, can be worth \$10 000-\$15 000 (about R70 000-R107 000) each in Japan, where they are eaten raw as sushi, says Andre Boustany, an expert at Duke University in the United States. One single fish sold for a record \$178 000 (about R1,2-million). The Atlantic bluefin stock has plunged in recent decades, meaning that even a total halt to fishing might not help stocks revive, he said. Another study based on electronic tagging showed how the fish often cross the Atlantic. In a 25-year life, a tuna might cover the equivalent of the distance to the Moon - about 240 000 miles. "We released two fish hooked at the same time off Ireland - six months later they were almost 6 000km apart, one off the Bahamas and the other off the Strait of Gibraltar," said Michael Stokesbury of Dalhousie University in Canada. That means that countries on both sides of the ocean should do management of the stock.

3. Paris - Sightings by marine scientists of dolphins in the north Atlantic's Bay of Biscay have dropped off by 80 percent compared to the same period in 2006. Dolphins are sometimes trapped hundreds at a time, and are asphyxiated when they cannot come up for air. Most dolphins typically replenish their lungs with fresh air every five minutes or so. The second - and probably more important - reason that dolphins have disappeared is that there is simply very little left for them to eat. Anchovy fishing in the Bay of Biscay has progressively failed, and this year there is a complete ban by Spain, France and the United Kingdom on the fishing of anchovies, a principal food source for dolphins.

4. Sydney - Australian scientists want to string a vast array of probes across the oceans of the southern hemisphere to warn of changes in ocean circulation that may affect the global climate. The senior science adviser to the United Nations-backed World Climate Research Programme called for the establishment of a network of deep ocean moorings to extend a system already in operation in the northern hemisphere. Instruments could be strung across the South Atlantic and through the Indonesian archipelago, as well as in the Southern Ocean where special designs would be necessary.

A North Atlantic moored network of scientific instruments already provides measurements of the northern "overturning circulation" conveyor belt of ocean currents, which forms a giant loop from the Gulf of Mexico to Iceland and back. The establishment of such a system in the southern hemisphere is critical to providing the additional data ocean scientists need to more accurately monitor any shifts in the global ocean circulation that influence world climate. After a year of observation, a team of international scientists reported that the conveyor belt circulation system may vary widely over 12 months, but there was not yet enough data to tell whether global warming was having an impact.

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### WANT TO SELL YOUR QUOTA?

Feike has received numerous requests by a number of parties querying whether any of our clients may be interested in selling their quotas or vessels. In light of the increasing number of requests, we have decided to flight this public request. If you are interested in selling your hake deep sea trawl, hake inshore trawl, hake long line, small pelagics or large pelagic quota, then please feel free to contact Shaheen Moolla on [smoolla@feike.co.za](mailto:smoolla@feike.co.za). We will put you touch with buyers that are serious and committed to responsible fishing in South Africa's EEZ.

### AQUACULTURE & SEAFOOD CALENDAR EVENTS TO TAKE NOTE OF

- 2 – 4 October: Conxemar in Vigo, Spain, [www.conxemar.com](http://www.conxemar.com)
- 13 – 17 October: Anuga in Cologne, Germany, [www.anuga.com](http://www.anuga.com)
- 17 – 19 October: Danfish International in Aalborg, Denmark, [www.danfish.com](http://www.danfish.com)
- 24 – 26 October: Aquaculture Africa – Fish Africa 2007 in Cape Town, South Africa, [www.fishafrica.net](http://www.fishafrica.net)
- 24 – 27 October: Aquaculture Europe 2007 in Istanbul, Turkey, [www.marevent.com](http://www.marevent.com)
- 28 – 31 October: Dubai International Seafood Expo 2007 in Dubai, UAE, [www.orangeairs.com](http://www.orangeairs.com)



Ancient Fishtraps at Stilbaai, Cape South Coast: **Picture by Andrew Bannister**

Ancient Fishtraps at Stilbaai – also known as fuke or visvywers. Our company name, **Feike**, is a derivative of fuke.