

SUMMARY REPORT

NORTH EAST ATLANTIC FISHERIES COMMISSION

EIGHTEENTH ANNUAL MEETING: 22-25 NOVEMBER 1999

Item 1: Address of Welcome by the President

1. In his opening address, the President outlined the important events in the history of NEAFC during 1999. In February, a multi-annual management regime for mackerel was adopted. The Headquarters Agreement with the UK Government was also signed in February and, since then, the process of establishing a new independent secretariat for the organisation has progressed. The new Secretary, Sigmund Engesaeter, took up his role on 1 March and on 1 July moved to the new offices at Berners Street. On that day the Control and Enforcement Scheme entered into force and João Neves, the computer administrator, and Kate Partridge, the office administrator, joined the Secretariat. In his opening address the President also announced that it was his intention to invite the Presidents and Secretaries of NAFO, NASCO, IBFC and ICCAT to a meeting in NEAFC's new offices in the near future, with the aim to increase co-operation among regional fisheries management organisations in the North Atlantic region.
2. Opening statements were made by all Contracting Parties. Those opening statements that are available in writing are included in Annex A.

Item 2: Adoption of the Agenda

3. Norway asked for a report from the open hearing on Deep Sea Species held in Brussels in June to be presented under Agenda Item 7, Deep Sea Species. No issues were raised under Agenda Item 16 - Any Other Business - and the Agenda at Annex B was adopted. It was agreed that in future years, an explanatory memorandum should be produced and be available prior to the Annual Meeting.

Item 3: Establishment and Arrangements for the Finance and Administration Committee and the Scientific Committee

4. The President noted that the Finance and Administration Committee (FAC) had a significant number of issues to address this year. In addition to discussing the budget for 2000 and the budget estimate for 2001, the FAC would have to consider the proposed Staff Rules, and prepare for a plenary discussion on which rule to apply when calculating Contracting Party contributions. Delegations were asked to appoint representatives to the Committee so that it could constitute itself and start work as soon as possible.
5. An informal group was convened to prepare NEAFC's request for scientific advice from ICES. The EU agreed to co-ordinate this work.

Item 4: Report by the Advisory Committee on Fisheries Management (ACFM)

6. Mr Tore Jakobsen, Chairman of ACFM, presented the latest advice on straddling stocks of particular concern to NEAFC. A summary of the report by the Chairman of ACFM is attached as Annex C. Mr. Jakobsen started his presentation by explaining the way in which ICES' advice was presented. A stock is considered to be outside safe biological limits if the spawning stock is below a certain limit (Bpa) and is harvested outside safe biological limits if the mortality is above a certain limit (Fpa). If a fishery fails to meet the criteria of being within safe biological limits, managers can establish a long term plan for these criteria to be met.
7. The concept of a precautionary approach (PA) is still under development and Mr Jakobsen reported that a meeting between ICES, NAFO, FAO and ICCAT will be held in February 2000 with the aim of harmonising the concept.
8. For Norwegian spring spawning (Atlanto-Scandian) herring, the stock and the catch are within safe biological limits. Mr Jakobsen pointed out that there has been a northward shift in distribution during the summer season. Reference was made to the Coastal State agreement on TAC and sharing as recently agreed by the Coastal States.
9. It was pointed out that blue whiting is harvested outside safe biological limits, and that the current catch is dominated by two younger age groups. There has been a 60

per cent increase in fishing mortality of this stock, substantially greater than the recommended and agreed TAC. The stock of blue whiting in the southern area is estimated at 25-30,000 tonnes, and shows no clear trend.

10. Mackerel is also harvested beyond safe biological limits as current fishing mortality exceeds that recommended ($F=0.21 > F_{pa} = 0.17$). In particular, the North Sea component of the stock needs maximum protection. There is, however, a small chance that the spawning stock biomass will fall below the biomass of the precautionary approach (Bpa) level with the current level of exploitation.
11. With regard to redfish, ACFM has for the first time provided estimates for different parts of the stock at different depths, making a distinction between oceanic *Sebastes mentella* and pelagic type deep sea *mentella*, dividing the two types by 500 metres. The observed stock reduction has resulted in a considerable reduction in catches. The recommendation is to limit catches of the oceanic type to 60,000 tonnes and the pelagic deep sea *mentella* to 25,000 tonnes.
12. Several delegations raised the issue of difficulties with differentiating between the two types of redfish. Russia underlined the difficulty in distinguishing the different types, in particular between April-June, and explained that the trawls used had a vertical opening that could reach 250 metres. This would render differentiation rather meaningless. Russia also wanted to know the basis for the recommendations on the two types of redfish as outlined by Mr Jakobsen.
13. As at last year's Annual Meeting, Iceland gave a scientific presentation, based on research, which suggested that there was a strong indication of genetic differences between the oceanic and deep sea *Sebastes mentella* in the Irminger Sea. However, Iceland also noted that it is difficult to make distinctions between the two types of redfish.
14. According to Mr Jakobsen, the recommendation for the pelagic deep sea *mentella* is based on an exploitation rate of five per cent, while the 60,000 tonnes for the oceanic *mentella* corresponds to a ten per cent exploitation rate of an estimated stock of 600,000 tonnes. He expected that the oceanic stock is probably an underestimate and the correct stock size is most likely somewhere nearer to 1.2 million tonnes, which gives the same exploitation rates for redfish in the two layers.

15. The EU pointed out the change in advice on some species where there is a tendency to treat precautionary reference points as absolute management points. Earlier advice covered a range of options, while now, for example, advice on mackerel consisted of one figure only. The opinion of the EU is that managers should be given a set of options with the associated consequences, rather than an absolute figure for the recommended TAC.
16. The EU requested further advice on the spread of juvenile Norwegian spring spawning (Atlanto-Scandian) herring and the President wanted views on how long the large outtake of blue whiting could continue before the stock became threatened. Finally, Denmark (in respect of the Faroe Islands and Greenland) requested information on the possibility of closing areas with the greatest concentration of blue whiting. Mr Jakobsen explained that distribution of young herring is mostly in coastal waters. He expected that catches of blue whiting would decline rapidly as the poorer year classes come into the fishery, and he could not confirm that the proposal concerned with closure of those areas with a high density of fish was regarded as an option.
17. Denmark (in respect of the Faroe Islands and Greenland) wished to ascertain whether the quantities of oceanic redfish mentioned include discards and if there is a similar degree of uncertainty in respect to advice on the two types of redfish. With regard to the area covered, the question was raised whether there was anything to be added to the estimates because of increased westward distribution of the stock.
18. The Chairman of ACFM explained that possible discards should be included in the catch figures. He was not in a position to elaborate on the degree of uncertainty in estimating the different types of redfish but expected the uncertainty to be of the same magnitude. Finally, he emphasised that the change in area coverage had already been taken into consideration in the advice given.
19. The EU criticised the timing of advice from ACFM. Documentation had only been received a few days prior to the Annual Meeting. It was felt that delegates should have had more time to analyse the advice. The President pointed out that the timing of the advice was of the utmost importance and this had been discussed at this year's dialogue meeting in Nantes. The representative from ICES confirmed that the needs of clients are acknowledged, and informed the meeting that the timing of advice will again be discussed at a follow up dialogue meeting to be held on 8 February 2000.

Item 5: Report by the Working Group on Blue Whiting

20. The Chairman of the Working Group, Mr Løbach (Norway), presented the report from the Working Group. He reported that a workshop had been arranged in Torshavn between 2–4 February 1999 when a computer database for the attribution of catch figures to national and international waters for the 20 year period 1977–1997 had been developed. He also reminded Contracting Parties that the total catch in 1998 was 1.1 million tonnes of a total of 1.2 million tonnes, while the unallocated TAC in NEAFC has been agreed at 650,000 tonnes. Furthermore, the Working Group had concluded that a two pillar system for the management of blue whiting could be foreseen. This would be a system similar to the regime for Norwegian spring spawning (Atlanto-Scandian) herring where there is a Coastal State system and a portion of the TAC is managed by NEAFC. A second meeting of the Working Group, scheduled for October, had been postponed pending a meeting between relevant Coastal States. The report from the Chairman of the Working Group is attached as Annex D.

21. The President thanked Mr Løbach for his report. The EU, Denmark (in respect of the Faroe Islands and Greenland) and Norway, whilst congratulating the Chairman, regretted that the scheduled meeting of Coastal States and the second meeting of the Working Group had been postponed. They underlined the urgency of establishing effective regulatory measures for blue whiting, and emphasised that this process must be given priority. Russia underlined the need for further scientific work in this area. The President suggested that further discussion of this agenda item should take place under Agenda Item 6 (ii) - Conservation and Management Measures for Blue Whiting.

Item 6. (i): Conservation and Management Measures for Oceanic-type Redfish

22. Based on recent advice from ACFM, Iceland proposed to split the TAC for waters above and below 500 metres, and establish a TAC of 60,000 tonnes for the oceanic type and 25,000 tonnes for the pelagic type deep sea *mentella* below 500 metres. When allocating shares of the different parts, Iceland suggested that principles similar to those used when originally allocating the redfish TAC should be applied, namely historic catches, dependency, contribution to science and Coastal State preference.

Iceland also suggested that NEAFC should discuss an observer scheme in conjunction with the redfish fishery. Denmark (in respect of the Faroe Islands and Greenland) supported the Icelandic proposal, but underlined the importance of reaching a consensus on this question.

23. Denmark (in respect of the Faroe Islands and Greenland) proposed adding depth in the logbook and in the catch reports as an additional requirement.
24. The EU pointed out that scientific advice for 2000 called for action and that, to this end, a recovery plan might be contemplated, by way of which the suggested decrease in the TAC could be spread over a number of years. It also referred to difficulties connected with the control of fisheries at different layers. The EU emphasised that, in any event, a consensus solution was of utmost importance.
25. Russia pointed out that fisheries normally take place in the spawning season when most of the stock is below 600 metres. The mix of redfish from different layers can vary considerably. Russia would in general adhere to the recommendations made by ACFM, but stressed that regulatory measures should not be too theoretical.
26. Poland agreed that the regulations should not be too theoretical and added that there is a need for Polish vessels to have a quota that gives scope for a real fishery. If a Polish quota remains unused at a certain date (1 September), Poland is prepared to transfer the unused share of their quota to other Contracting Parties.
27. Norway expressed scepticism about developing a new system that would create difficulties in control. It would be preferable to aim for as few changes as possible in the existing Scheme.
28. In order to make progress after efforts to reach agreement on the two system TAC had failed, Denmark (in respect of the Faroe Islands and Greenland) introduced a proposal for the management of redfish fisheries covering both layers in international waters and the Greenland economic zone. This proposal was voted on and supported by all Contracting Parties, with the exception of Iceland which submitted the following statement to qualify its vote:

*“Iceland expresses grave concern over the failure of NEAFC to agree on adhering to the scientific advice from ICES with regard to the management of oceanic *Sebastes mentella* and deep sea *Sebastes mentella* in the Irminger Sea.*

The lack of support for the relevant Coastal States’ proposal to establish two separate management systems for these stock or stock components, as proposed by ICES, is a matter of great disappointment to Iceland, as it is most urgent to achieve responsible management of the stocks in question. Furthermore, Iceland regrets that the Contracting Parties were not willing to do further work with a view to adopting an agreement at an Extraordinary Meeting before the start of the next fishing season.

Iceland will continue to work for a better understanding of the state of redfish stocks in the Irminger Sea and remains convinced that they can only be managed successfully with two separate management systems.”

29. The recommendation as adopted is attached as Annex E.

Item 6.(ii): Conservation and Management Measures for Blue Whiting

30. The EU expressed regret that it had not been able to conduct the meeting between Coastal States as planned. The work of the Working Group on Blue Whiting has to continue as a matter of urgency and the EU proposed that the Working Group should meet early in 2000 and NEAFC should arrange an Extraordinary Meeting in the spring. In the meantime, the present arrangement should be carried forward.
31. The delegation from Denmark (in respect of the Faroe Islands and Greenland) expressed disappointment on the lack of progress but supported the EU’s proposal. Iceland could foresee an increase in the Icelandic outtake of blue whiting in 2000. Iceland also called for a meeting of scientists from the Contracting Parties prior to the next meeting of the Working Group.
32. Russia presented two papers concerning the distribution of juvenile blue whiting in the Barents Sea. The first paper focussed on the distribution of O-group and the distribution of juvenile blue whiting in the Barents Sea; the second is a statement that Russia wishes to be considered a coastal state for blue whiting. Russia agreed with the scientific recommendation that the catch in 2000 should not exceed 800,000

tonnes, while Norway supported the EU proposal of a rollover of the present agreement.

33. The President concluded that the EU's proposal to roll-over the unallocated TAC for blue whiting of 650,000 for 2000 had been adopted as a temporary measure, and that the Commission agreed to convene an Extraordinary Meeting on 5-6 April 2000 to complete this work.

Item 6.(iii) Conservation and Management Measures for Norwegian Spring Spawning (Atlanto-Scandian) Herring

34. Norway reported on the meeting of Coastal States held in Tórshavn on 19-20 October 1999. A copy of the five Coastal State agreement on TAC, allocation and a long term management plan was circulated to all Contracting Parties. A proposal for regulatory measures for the Norwegian spring spawning (Atlanto-Scandian) herring stock for 2000 was tabled. Norway proposed that the recommendation be adopted and the proposal was adopted unanimously (see Annex F).
35. Poland reiterated the need for Polish vessels to have a quota that gives real scope for a fishery. If a Polish quota remains unused at a certain date (1 September), Poland is prepared to transfer the unused share to other Contracting Parties.

Item 6.(iv): Conservation and Management Measures for Mackerel

36. The EU reported from the meeting between Norway, the EU and the Faroe Islands held in Brussels on 18-19 November, which were intended to form the basis for updated management measures for mackerel to be decided at this meeting. Coastal States had agreed on a reference TAC of 560,000 tonnes, and on a long term management scheme for mackerel.
37. In line with the multi-annual regulatory measure adopted by the Commission during the Extraordinary Meeting in February, the EU tabled a proposal for adjusting the management scheme for mackerel. This proposal was supported by Norway who appealed for support from other Contracting Parties.

38. Iceland expressed disappointment that it is still not considered a Coastal State in respect of mackerel and found the procedure in this case totally unacceptable.
39. Russia also expressed disapproval. Russia has fished mackerel in international waters for more than 20 years, and is the only Contracting Party to have conducted scientific investigations in this area. In this connection a document was distributed giving the results of Russian airborne research into the distribution of mackerel in the Norwegian Sea. The view of Russia is that there is no risk connected to fishing 65,000 tonnes of mackerel in international waters, and that Russia will claim that it is entitled to fish at least 45,000 tonnes in 2000. Russia disagrees with the allocation key applied. Finally, Russia could not accept that the Commission can make recommendations covering more than one year.
40. The tabled proposal was brought to a vote and Iceland and Russia voted against. The proposal was carried with a qualified majority. The EU emphasised that the recommendation was of the greatest importance for the conservation of mackerel stock and that, therefore, it was even more regrettable that, despite intensive efforts to bring about a consensus solution, the recommended measure did not find the support of all the main players in mackerel fisheries. The EU added that cooperation in finding a solution, which would be acceptable to all the parties concerned, will have to continue. The measure agreed is set out in Annex G.

Item 6.(v): Conservation and Management Measures for “Others”

41. The Contracting Parties expressed concern about unmanaged fisheries that take place in straddling stocks outside national zones. The EU was particularly concerned with the recent development of fisheries for haddock in the area around Rockall. The EU explained that these fishing activities risked undermining conservation and management measures adopted within Community fishing waters. It called upon the Contracting Parties to have due regard to the conservation measures already in existence and announced it would revert to this matter at an appropriate time.
42. Discussion on this item was seen as relevant to discussion under Agenda Item 7 – Deep Sea Species.

Item 7. Deep Sea Species

43. The EU presented the report from the Open Hearing on Deep Sea Species held in Brussels on 22 June 1999. This hearing concluded that NEAFC should formulate a specific request to ICES for advice on deep sea fisheries management founded on biomass based analyses.
44. Reference was made to document FC 17/31, produced by ICES and circulated at the 1998 Annual Meeting, showing seven different stocks that merit attention. This paper provides a good basis for work on these stocks. It was agreed that traditional assessment techniques are not suitable for the stocks in question, and that alternative approaches using catch and effort data are needed. In this context, the EU suggested that one could envisage a recommendation of the Commission making it a requirement for Contracting Parties to freeze effort at current levels pending further scientific work on these stocks. Thereby, these stocks would become 'regulated resources' in the sense of the Control and Enforcement Scheme and, thus, fall under the specific reporting requirements of the said Scheme.
45. Iceland and Denmark (in respect of the Faroe Islands and Greenland) expressed the need for further advice from ICES before being able to consider the proposal from the EU. One of the questions is whether there are one or several tusk stocks. Denmark (in respect of the Faroe Islands and Greenland) proposed an expanded reporting regime, where catches of deep water species, whether taken inside or outside economic zones, should be reported to the Secretariat. Russia, reluctant to overburden the Secretariat, saw this as a task to be undertaken by ICES.
46. All delegations agreed that more input from ICES was needed before progress could be made on this issue. Based on this discussion, the President concluded that the meeting should encourage the compilation of catch data on these species on a voluntary basis.

Item 8. Conversion Factors for Species Regulated by NEAFC

47. The President reiterated the importance and the need for exploring the possibility of the harmonisation of conversion factors. A representative from Denmark (in respect

of the Faroe Islands and Greenland), Mr Nedergaard, was asked to present a document containing a collection of conversion factors as applied by the Contracting Parties. He stressed the need for Contracting Parties to inform the Secretariat of those conversion factors that are missing.

48. The President suggested that Contracting Parties should appoint, prior to 1 January 2000, a contact person to liaise with the Secretariat and other Contracting Parties in order to establish a complete catalogue of the different conversion factors in existence. After this first exercise, the appointed contact persons should analyse the existing conversion factors with a view to harmonisation as far as possible prior to the Nineteenth Annual Meeting. As a second step in this process, a number of Contracting Parties considered it important that harmonised conversion factors should be approved and applied to NEAFC's regulated species.

Item 9. Revision of, and Possible Amendments to, the NEAFC Scheme of Control and Enforcement and, as appropriate, to the Non-Contracting Party Scheme.

49. The Secretariat had prepared a document dealing with the NEAFC Control and Enforcement Scheme. This contains suggestions for corrections and amendments to the Scheme. The document also gives an overview of the different elements of the Control and Enforcement Scheme, the Non-Contracting Party Scheme and the status of implementation of these elements by the different Contracting Parties.
50. The President expressed the view that the document presented by the Secretariat was very useful background for following up the Control and Enforcement Scheme. This view was shared by all the Contracting Parties. Denmark (in respect of the Faroe Islands and Greenland) suggested the establishment of a permanent Working Group to evaluate progress, and to propose a means of following up the Scheme. Several delegations shared this view, but felt this suggestion was premature. At this stage, they felt that it is most important for the Scheme to operate in the way that has been agreed.

Corrigendum to the NEAFC Control and Enforcement Scheme

51. Contracting Parties agreed to establish an Expert Group during the Annual Meeting to evaluate the document presented by the Secretariat. After this Expert Group had met, the President asked Mr Nedergaard to report on its work. Mr Nedergaard reported that

some of the elements were considered misprints and some are merely corrections and technical amendments; therefore no Contracting Party opposed the amendments and they were agreed by the Group. The outstanding, more fundamental, issues should be left for further scrutiny by a Working Group.

52. The Secretariat prepared a corrigendum to the Scheme, which was adopted unanimously.

53. An EU proposal to include mackerel as a regulated resource in Annex I of the Scheme was presented. This proposal was agreed by all Contracting Parties.

54. The EU made the following statement with regard to the more fundamental issues:

“The EU delegation welcomes and recommends the work of the Expert Group, chaired by Mr Nedergaard. It was appropriate at this junction to concentrate on technicalities. The EU delegation anticipates that a number of amendments to the Scheme will be necessary because, in the course of time, additional problems might be discovered, but the EU delegation does not agree to piecemeal amendments and amendments should be done in a systematic manner after the first year of Scheme enforcement. Therefore, any proposed amendment should be evaluated by the Contracting Parties at the next Annual Meeting.”

55. A proposal was made by Denmark (in respect of the Faroe Islands and Greenland) to introduce changes to the NEAFC logbook rules to make recordings of the depth of redfish catches mandatory. Iceland proposed alternatively changes to Annex I of the Scheme in order to specify catches of redfish above and below 500 metres. Russia stated that, since there is no definitive scientific proof that there are two different stocks/sub stocks, no amendments to the Scheme should be made at this stage. The Contracting Parties did not reach an agreement on this point and the EU suggested that this issue should be discussed further at the next Annual Meeting. Contracting Parties agreed to this.

Implementation of the Control and Enforcement Scheme

56. Some Contracting Parties expressed doubts concerning the feasibility of full implementation of the VMS system by 1 January 2000.

57. Other Contracting Parties considered it unwarranted to move the benchmark for implementation of the Satellite Monitoring System. They held the view that implementation of the said system should not be postponed but that one must be aware of the fact that some Contracting Parties might encounter certain difficulties with implementation of all elements of the said system by the relevant date. The President suggested that no decision on postponement should be taken but that a pragmatic approach should be followed to take account of any such technical difficulties.

58. In line with this, the President suggested that the following joint statement from Contracting Parties should be included in the report of the Annual Meeting:

“The Contracting Parties note the technical difficulties involved in the implementation of the Satellite Monitoring System. They therefore agree that, during a phasing in period of six months, the control and enforcement authorities of the Contracting Parties will take a practical approach as appropriate to this matter.”

59. Contracting Parties agreed this proposal and the President asked them to inform their control authorities of this decision.

Ad Hoc Technical Working Group

60. The President proposed that the Ad Hoc Technical Working Group should continue and that the terms of reference should be updated. A revised mandate was presented. As no comments were received from Contracting Parties, the proposed terms of reference were agreed and the President suggested that Mr Jacques Verborgh should continue to chair this Group - see Annex H.

Amendments to the Non Contracting Party Scheme

61. A document concerning amendments to the NCP Scheme regarding stateless vessels was presented. The EU proposed that the NCP Scheme should be amended so that the definition of NCP vessels can also cover vessels for which there is reasonable ground for suspecting them to be without nationality (‘stateless vessels’). The EU explained the context in which other international fisheries organisations have already adopted recommendations to consider stateless fishing vessels as non-Contracting Party vessels. On this issue, Contracting Parties agreed to make the NCP Scheme similar to that of NAFO. Denmark (in respect of the Faroe Islands and Greenland) proposed

that the Secretariat should consolidate the text of the NCP Scheme with this amendment. Contracting Parties agreed this recommendation. The revised text of the NPC Scheme is attached as Annex I.

Letter to non-Contracting Parties

62. A draft letter to be addressed to non-Contracting Parties informing them that vessels flying their flags have been observed fishing in the NEAFC Regulatory Area was presented. Contracting Parties adopted the text and the letter will be signed by the President, see Annex J.

Amendments to Article 10

63. Norway proposed an amendment to Article 10 of the Scheme to take into consideration that the requirement to report catch on board at least six hours in advance (and not more than 12 hours) of each entry into the Regulatory Area is of little use, but may pose practical problems for fishing operations, and that this requirement should be reduced to one hour. Iceland agreed with this. The EU disagreed with an amendment at this juncture. It recalled that the clause at issue had formed the subject matter of long and difficult discussions and that, as expressed in its earlier statement (see paragraph 55 above), the matter should be dealt with at the regular review of the Scheme during Annual Meetings of the Commission. The President proposed that implementation should be evaluated over a period of time and an amendment should be prepared to be presented, if necessary, to the Nineteenth Annual Meeting. Norway referred to the possibility of addressing this issue during the Extraordinary Meeting to be held in 2000.

Item 10. Working Group on the Future of NEAFC

64. The two issues under this Agenda Item - (i) development in other regional fisheries management organisations and (ii) future development - were discussed in conjunction with each other. The Chairman of the Working Group on the Future of NEAFC, Mr Friedrich Wieland, reported that this Group had not met in 1999, because it was felt that it would be beneficial to await developments in other regional organisations. There are, however, three issues on which to focus:

- application of the precautionary approach (PA),
- the transparency issue regarding NGO observers, and

- discussion on dispute settlements.

65. As far as the precautionary approach is concerned, there are developments in other regional organisations, in particular NAFO, which NEAFC should follow closely. In this field, ICES is NEAFC's scientific body and NEAFC should let ICES lead the way. Contracting Parties agreed that it is important to harmonise the use of the PA on both sides of the Atlantic.
66. The issue of transparency is becoming more important. NAFO has been engaged in a long process over rules for the admission of observers. Work was concluded at this year's annual meeting of NAFO and Mr Wieland suggested that NEAFC should look into the outcome and, if applicable, adopt similar rules.
67. As with the issues mentioned above, the question of dispute settlements has been considered by NAFO. The work has not been concluded and another meeting will be arranged next year. Mr Wieland advised NEAFC to await the outcome of NAFO's work before moving forward on all these issues.
68. Norway agreed with the EU's suggestions, while Denmark (in respect of the Faroe Islands and Greenland) requested that a fourth item should be added to the list of issues: "the development of a guide for future members with respect to what they could expect of fishing opportunities".
69. The President reminded Contracting Parties that there are currently requests from NGOs wishing to attend NEAFC's meetings as observers, and that the Commission should agree a policy on this issue.
70. The EU felt that the dispute settlement issue must be given the highest priority and NEAFC should develop a modern approach in its workings. With regard to transparency, the EU is of the opinion that the NAFO rules strike a good balance and NEAFC should benefit from their work.
71. The Working Group on the Future of NEAFC was asked to continue with appropriate contacts between delegations and to bring these issues forward at the Nineteenth Annual Meeting.

Item 11. Formulation of Request to ICES for Scientific Advice

72. Scientific experts from all Contracting Parties met during the Annual Meeting, under the chair of Mr Olle Hagström from the EU, and the President asked him to present the results of this meeting. Mr Hagström presented the results of the discussion within the Group. The Group highlighted points of special interest within the framework of the Memorandum of Understanding between NEAFC and ICES. The Group agreed that ICES should be asked to present reports in a timelier manner in order to allow proper preparation by delegations prior to the Annual Meeting. The Group proposed that ICES should present its reports no later than 15 October 2000. The issues highlighted in NEAFC's requests to ICES fall into two categories:

- deep sea stock assessment following the table issued by ICES at the Seventeenth Annual Meeting
- more specific information on the assessment of redfish stocks/sub stocks

73. The President proposed the adoption of the document containing the request to ICES and this was agreed (Annex K).

Item 12. Report of the Finance and Administration Committee

74. The Chairman of the Finance and Administration Committee (FAC), Mr Andrew Thomson of the EU, presented the report of the Committee's work. This report is attached as Annex L. The FAC stressed the importance of all Contracting Parties paying their contribution on time. The fact that two Contracting Parties still have not paid contributions due in May is alarming. The FAC had taken note of the audited accounts for 1998 and the expected outturn for 1999. Based on the expectation that the outstanding contributions will arrive in the near future, the FAC found the economic situation of the organisation satisfactory, and recommended the adoption of the draft budget for 2000 and the budget estimate for 2001.

75. The Commission took note of the comments made by the Chairman of the FAC and adopted the budget for 2000 and the budget estimate for 2001.

76. Two methods of calculating the apportionment of contributions between Contracting Parties were presented. There was extensive discussion on whether a continued

application of the formula contained in Article 17(4) c) of the Convention was still appropriate under the current prevailing circumstances. The contributions due from each Contracting Party under the budget for 2000 were eventually determined on the basis of the said formula. Denmark (in respect of the Faroe Islands and Greenland) and Iceland both agreed to pay a sum outside the budget in order to build up the general fund needed by the organisation as agreed by the 17th Annual Meeting.

77. The FAC had made some minor amendment to the draft proposed Staff Rules, and presented the finally agreed version to the Commission for adoption. The EU acknowledged the work of the FAC on the Staff Rules and recommended that the Commission should support the proposed Staff Rules, which were adopted without dissent.

78. It was also agreed that the proposed Standing Financial Instructions for the Secretariat should be adopted and to make these an integral part of the Staff Rules.

79. Finally, the Commission did not see the need to establish an Audit Committee at this stage. It was agreed to discuss this proposal again based on the experience of a further year of operation.

Item 13: Arrangements for Future Meetings

80. The President proposed that the Nineteenth Annual Meeting be held from 21-24 November 2000 in London, and that the Annual Meeting in 2001 be during the third week of November. This was agreed by all Contracting Parties.

Item 14: Relationships with Other International Organisations

81. The President reported on IBSFC's Annual Meeting

82. Denmark (in respect of the Faroe Islands and Greenland) presented a report from NAFO.

83. Iceland presented a report from ICES

84. Norway presented a report from NAMMCO

85. Poland reported from the Conference on Pollock in the Bering Sea.

86. Denmark (in respect of the Faroe Islands and Greenland), Iceland and Norway agreed to provide reports for the same respective organisations in 2000. Poland undertook to report from IBSFC while Russia agreed to report from the Conference on Pollock in the Bering Sea in 2000.

Item 15: Press Statement and Other Reports of the Commission's Activities

87. The press statement at Annex M was issued.

Item 16: Any Other Business

88. There was no other business

89. At the closure of the meeting a statement was made by the observer from Japan. This statement is attached as Annex N.

Signed in Brussels,
on

Mr Ole Tougaard
President of the Commission