1. **Opening of the meeting**
The Chair opened the meeting welcoming the participants and summarising the work done up to now on the implications that the FAO Port State Measures Agreement (PSMA) may have on the NEAFC Port State Control (PSC), including recent Annual Meeting decision to include fresh fish in the scope of the PSC.

2. **Adoption of the agenda**
The draft agenda was approved and is attached as Annex 1 of this report. Document No. 7 was agreed to be discussed under Agenda item 5.1.

3. **Ratification of FAO PSMA**

   3.1. **Update on the status of ratification by NEAFC Contracting Parties**
   Russia is in the process of ratifying the PSMA and it is not known the probable date.
   Norway has ratified the PSMA.
   Iceland will have an election in March and new Parliament will have to schedule ratification as soon as possible.
   The EU approved the PSMA on 7 July 2011 and requested that CPs which have not yet ratified to provide detailed information on their process of ratification.
   DFG Denmark will soon ratify on behalf of both Faroes and Greenland. Greenland’s Parliament had already ratified PSMA.
3.2. **Update on the status in FAO**

The Chair reviewed the FAO list of states and fishing entities that are signatory and/or already ratified the PSMA (Doc. 8). So far only 4 states/fishing entities have ratified and therefore 21 are still needed before the PSMA comes into force. The Chair encouraged the CPs that had not ratified yet to do it as soon as possible as this is being visited at every meeting.

The EU remarked that other CPs ratifying would give good example for other port States to follow.

4. **The minimum levels for inspection of vessels**

The Chair summarised the previous discussions on the minimum inspection levels, stressing that all Parties agree with a risk based management of inspection but that there is no consensus on the precise figure.

EU remarked that the existing threshold is a minimum level, not a target to be achieved. Risk management would lead to inspections being focused on landings identified as of higher risk, such as NCP vessels, landings of significant catch volumes, landings of frozen products and landings of products transhipped at sea.

Norway noted that risk management may not have the same variables in all CPs and that it may be beneficial to clearly outline such variables on the text establishing the minimum levels of inspection.

Iceland noted that the minimum level will be a reference and that presently foreign landings of fresh fish (from Norway, Faroe and Greenland) are all monitored; fresh products are also landed in Iceland by EU vessels and that containers are sent to France, Belgium and Netherlands for first sale.

DFG (FRO) noted that the existing 15% would be impossible to keep when adding landings of fresh fish to frozen fish, proposing 5% as a reasonable minimum level of inspection; EU vessels also land fresh fish that are then sent by container (i.e. Scotland) noting that there is a very close cooperation between inspection services on the follow up of those landings.

Russia noted that in accordance with its national legislation all landings are controlled by the respective authority. There are very few landings of fresh fish in the Russian ports and most of them are from the Norwegian vessels.

EU stated that all fish products entering the EU from foreign fishing vessels are currently subject to port State control with mandatory catch certification and that the minimum level of inspection of 5% on the basis of risk management is realistic and sufficient; EU agrees that risk management variables could be added as an annex to the Scheme in the form of "risk management guidelines”.

Norway reiterated its view that a 5% minimum level for inspections was too low and that 10% would be a more appropriate level.

The Chair concluded that not all CPs agree to have 5% minimum level of inspection, that the inspection effort should be based in risk management and that there is a need for PSC inspection “implementation guidelines”.
5. Drafting possible amendments to the Scheme

5.1. Review of Chapter V with “Scope” as all fish

The Chair invited EU to introduce document 7.

EU presented the document as a possible outline for an alternative Chapter V of the Scheme as, after the CPs agreed to expand the scope to include fresh fish, all of Chapter V should be revisited. This was the document that had been introduced previously at the extraordinary PECCOE meeting on 15 November 2012.

EU explained the advantages of the proposed drafting technique, which would explicitly refer to the provisions of the FAO PSMA and merely keep those provisions of the NEAFC scheme that go beyond the minimum requirements set by the FAO PSMA.

EU suggested that one should avoid using terms like “all fish” which could create problems when enforcing PSC and that “fisheries resources” is a better wording.

The Chair responded that the wording “all fish” is not found anywhere in the draft text, rather “fisheries resources” which is defined in the Scheme and further in the Convention.

Norway referred to the term “resources subject to recommendations established under the Convention” in document 7 and said that this would limit the scope of the Scheme considerably, as a number of species in the Convention Area would not be covered by the port state measures of the Scheme. Norway further explained that they had raised this issue bilaterally with EU in the margins of the Annual Meeting. From the explanation given by EU, Norway understood that it was not the intention of this document to narrow the scope of the Scheme in this way.

The EU explained that Article 20 on scope of port State control applied to ‘resources subject to recommendations established under the Convention’ as it seemed logical to avoid application on species not regulated by NEAFC. In any case species not regulated by NEAFC would be covered by domestic legislation adopted by individual CPs, in their capacity as parties to the FAO PSMA. In the case of the EU, this obligation is fulfilled by the IUU Regulation 1005/2008 and the Control Regulation 1224/2009.

The Chair invited Norway to present document 9.

Norway presented document 9, in which it is recalled that the AHWGPSC at its meeting in Reykjavik in June 2012 prepared a draft version of the Scheme showing possible amendments if the scope of the Scheme was to be expanded to include fresh fish. Norway expected this document to serve as the basis for the discussions regarding amendments to the Scheme, since it is the result of two years of work and prolonging discussions on previously agreed issues was not productive.

Russia expressed its concern about using the term “resources subject to recommendations established under the Convention” proposed in Document 7 which would greatly limit the scope and may lead to a situation when such unregulated but commercially valuable resources as cod and some other species would be out of the scope of the proposed Article 20. Besides, most of Recommendations concerning fishery resources are limited in time and usually enter into force much later than January 1st. Besides, under Article 12 of the Convention the Contracting Parties have the right to object a Recommendation which means that for vessels of such Contracting Party a fishery resource stock is managed not by a Recommendation but by national measures. Russia was of the opinion that the term
“resources subject to recommendations established under the Convention” may lead to confusion in many respects.

EU remarked that the present PSC, when adopted in 2006 was a solution to the specific problem of IUU fishing of Cod in the Barents Sea, which was now effectively eliminated; the working group had not identified any specific problem regarding landings of fresh fish and that the proposed scope would increase the inspection burden without targeting specific problems and therefore without added value; EU opinion is that existing PSC goes beyond the PSMA and that new scope to include fresh fish requires a complete review of the text.

The Chair summarised two opposing views on the way forward; to continue the work done so far on the Chapter V text after the decision to extend the scope to include fresh fish (document 9) and on the other hand start discussions based on new approach as expressed by document 7.

5.2. Review of the current state of drafting

Given the opposing views the Chair invited CPs to clarify their positions on the way forward proposing to start working on the inspection “risk management guidelines”.

EU stressed that document 7 was the result of EU internal discussions and that the participants had no mandate to amend existing text; nevertheless EU was open to discussing the content of document 7 eventually including alternative text proposed by other CPs.

Norway once again noted that two years of work reflected in document 3 should not be lost and that document 3 had the agreement of CPs.

EU considered that the majority of the drafting work carried out so far on document 3 was still valid as document 7 referred only to Chapter V of the Scheme, which chapter could also include some of the text already drafted in document 3.

There was no consensus on how to proceed, the Chair proposed, after consultation with the Heads of Delegation from each CP, that document 7 is used as a base to draft a new text for Chapter V with the aim to clarify that NEAFC PSC fulfils all basic requirements of the FAO PSMA, but Norway could not agree to this. However, after discussions, Norway accepted working on text from document 7 under the clear understanding that this did not mean that Norway accepted the approach of drafting new text as proposed in document 7. Norway could only agree to look into the possibility of including text in the version drafted in Reykjavik expressing that the provisions of Chapter V should be read in conformity with the FAO PSMA and that CPs shall cooperate in the effective implementation of the PSMA.

5.3. Drafting proposals for changes to the Scheme

CPs produced the “Working paper on the alignment of the NEAFC Scheme of Control and Enforcement with the FAO PSMA” that is document 10 of the meeting.

The Chair invited the CPs to continue the work in order to have a broader consensus during next meeting taking into view the extensive work already done, the fact that a consensus has been reached on a risk based inspection management system and that the scope as drafted in the fresh and frozen fish version mention only “fisheries resources”. This wording should take care of comments made that extending the scope might lead to include species which are managed by others.
6. **Any other business**
There was no other business.

7. **Next meeting**
There was agreement to meet the AHWGPSC in London immediately after the PECCOE meeting on the 18 and 19 April 2013.