RUSSIA NEEDS SUCCESSFUL FISHERIES MANAGEMENT STRATEGIES
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ABSTRACT

Fisheries management is a problematic issue for many states. It is complex and among its constituents governmental policy plays a decisive role. Fisheries management is a big political issue for Russia.

Russian fishing industry is in a disastrous state. The Russian government speaks a lot about food security and develops a great number of plans, concepts, and programs in fisheries; undertakes multiple restructuring of the fisheries ruling body and replaces incompetent government officials; tries different approaches to fisheries resources distribution on the payment bases (auctions, trading the right to fish) but situation only aggravates. The functions of the State Fisheries Committee are dissipated over more than 10 federal bodies, what leads to jurisdictional disputes and conflicts.

The governmental policy, concentrated not on the resources management and conservation but on financial flows distribution, has led to the bankruptcy of the big fishing enterprises and destruction of fisheries communities. There is no legal basis for the effective functioning of the industry. Such policy is forcing Russian fishermen to conduct illegal fishing. Bioresources of the Russian Pacific seas are drastically running out under a heavy pressure of foreign fleets and transnational economic groups. Unless Russia takes into consideration the interests of her fishermen she will lose her industry, remaining a supplier of cheap fish to foreign markets.

The immediate measures are needed to improve the situation. The successful fisheries management experience of the developed economies based on the sustainability principle could help Russia.

Key words: Fisheries management, Russian fishing industry, governmental policy, bioresources.

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Ladies and gentlemen, its a pleasure to be here and to have the opportunity to provide some comments on Russia’s Fisheries development, from the point of view of the Far Eastern fishermen and an independent researcher studies.

“Would not wish even an enemy to live in times of changes” runs a Confucian saying and this saying seems very apropos for the Russian fisheries. Problems of Russian fishing industry mirror all the problems of the Russian economy in the transition period.

I study the situation in the Russian Fisheries not only because I worked as a translator and analyst in the Russian Far Eastern Fisheries Association for more than 10 years and because I have a special course: Translation in World Fisheries for students, but I have two fishermen in my family, my husband and my son.
Fisheries management is a problematic issue for many countries even for the developed economies and for Russia fisheries management is first of all a big political issue as Doctor V. Zilanov, a member of the Russian Federation Council, said.

You all know that fisheries management is complex. It must combine management of fisheries resources with the economic mechanism of resources harvesting. The first involves such aspects as scientific knowledge of species biology and setting up sustainable levels of fishing, the second concerns important questions of quotas assignment and distribution, studying the capacities of harvesting and production facilities both inshore and at sea, statistics on catches, marketing. Enforcement, jurisdictional, ecological issues are also indispensable components of fisheries management.

Fisheries resources are of global importance. They do not recognize limits: either 12-mile or 200-mile zones. Their conservation and sustainable exploitation are the issues of global concern. To give a strong cooperative impulse to the states in marine resources sustainable development under the conditions of the resource and jurisdictional (law) crises, the world community under the auspice of the UNO and special organizations has elaborated and accepted the following documents:

- Earth Summit Declaration and the Agenda for XXI, 1992;
- Code of Conduct for Responsible Fisheries;
- Agreement to Promote Compliance with International Convention on the Law of the Sea, concerning the Conservation and Management of Straddling Fish Stocks and Highly Migratory Fish Stocks, 1995;
- Kyoto Declaration and Plan of Action on the Sustainable Contribution of Fisheries into the alimentary security, 1995;
- Consensus on World Fisheries in Rome 1995;
- Reykjavik Declaration on Responsible Fisheries in the Marine Ecosystem, 2001

All these documents are targeted at the development of a new direction in marine fisheries marine bioresources management which allows world community to approach the solution of the most important task of the third millennium, defined by the Agenda for the XXI Century development of the sustainable fisheries which would satisfy population needs in fish and other seafood products, would conserve marine bioresources and marine ecosystems as sustainable productive resources.

In the situation of active bioresources exploitation expansion, introduction of the internationally developed norms and standards in bioresources management into national laws and development of mechanisms of bringing them to life is of the first hand importance.

**The notion of marine bioresources management in the International Law**

The essence of marine bioresources management is in providing at the international and national law levels for such effect on fish stocks and other bioresources that would stimulate their high level of reproduction.

The Russian scientists (A.Vylegzhanin & V.Zilanov) basing on the studies of international and national laws point out six constituents of marine bioresources management: 1) ecological component; 2) marine hydrobionts stocks assessment and their monitoring, which must be based on the most bona fide information; 3) setting of maximum sustainable yield (based on the data on the dynamics of correlation of the following components: amount of fishing effort, amount of catch under this effort and the level of stock reproduction under this
amount of catch), 4) economic component; 5) regulatory component, which translates ecological, economic, biological and other corresponding factors in terms of law - fisheries laws and regulations; 6) institutional component (enforcement). [1].

We do not find social component or, maybe, it is implied among “other corresponding”? Regulatory component must include policy making component

Policy making is an important constituent in fisheries management.
The question of fisheries management is tightly connected with the state policy on fisheries. All states must build their fisheries policy in agreement with the Word Community documents and have the target of reaching alimentary security for their citizens. The governmental policy should be concentrated on resources management and conservation but not on financial flows distribution.

If the government considers choosing any management tool, they must recognize and respect the interests of all those involved in the fishery crew members, skippers, their families onshore, prospective fishermen, and all related entities. [2]. This phrase is a citation from the US National Academy of Science Committee Report: Sharing the Fish: Toward a National Policy on Individual Fishing Quotas.

In the United States fairness and efficiency are mandated by the Fisheries Conservation and Management Act (Magnuson-Stevens Act) since 1976. After the worldwide introduction of the 200-miles exclusive economic zones foreign fleet was ousted from the US EEZ, giving all privileges of resources harvesting to the national fishermen. The whole country discussed the law.

The policy of the former Russian Government in fisheries looks very much like fishing in the troubled waters. Russian fishing industry is ruined by the inept policy of Ministry of Economic Development. The Russian Government speaks a lot about food security and develops a great number of plans, concepts, and programs in fisheries; undertakes multiple restructuring of the fisheries ruling body and replaces incompetent government officials; tries different approaches to fisheries resources distribution on the payment bases (auctions, trading the right to fish) but situation only aggravates.

Since 1991 the production volumes in Russian fisheries have reduced twice, the number of employees has lowered by 33%, 60% of the fleet is worn out. Production of sea foods, including canned fish products has reduced by 40%. Federal funding has been cut out since 1992 (Privatization period). At the same time the number of fishing vessels, both domestic and foreign in the Russian Economic zone exceeds the recommended TAC (Total Allowable catch). [3].

In 1985 Russia harvested 10,5 million tones and, we can take for comparison our successful neighbour, China, that produced 7,3 million tones. In 2001 Russian harvest constituted 3, 6 million tones, China’s harvest reached 44 million tones. This comparison is not in favour of Russia.

The figures for the last years did not change for the better.

The industry destruction had started in the privatization period. The most part of fishing and transport vessels was arrested and handed to foreign business. They own about 50% of our bio resources and actually are the holders of the fleet and quotas and they are working under the Russian flag. [4]. Russian companies working for the domestic industry face bankruptcy one after another. Russian fisheries communities die out.
A number of loud cases of corruption have been recently revealed by the State Law Enforcement bodies involving high rank officials, connected with the industry or working in it. The damage caused by these officials to the state accounts for millions of dollars.

**State Fisheries Committee**

The Russian fishing industry ruling body has been reformed and renamed 8 times since the Reconstruction period. State Fisheries Committee (GosComRybolovstvo - GKR) was controlled by more than 10 federal bodies and was authorized by the 11 intergovernmental agreements and 100 regulatory and jurisdictional Acts. Among them 12 Federal Laws, 2 Presidential Orders, more than 30 governmental regulations and orders, which sometimes come into conflict. It led to the situation when reasonable decisions were impossible to implement. [5].

As many fisheries specialists think, the controlling functions over this complex and multifaceted industrial field (including intergovernmental activity) must be concentrated in one body - the Ministry of Fisheries. In Soviet times such structure was successfully functioning in Russia, ruling it into the leading fishing nations.

And again, recently, the main fisheries governing body by the presidential order of March, 9 2004, has been reduced to the Federal Fisheries Agency within the framework of Ministry of Agriculture. The regulatory and law making functions were delegated to the Ministry of Agriculture.

**Law vacuum and trading the right to fish**

The industry has been stagnating in the law vacuum for many years already. More over there is no legal bases for the effective functioning of the industry. The main fisheries Act on the Conservation of Aquatic Bio Resources has been under discussion for 8 (fatal number) years already. It was rejected by the government in spring, 2001, and amended many times has not been accepted yet.

The auctions on fish resources distribution, introduced in accordance with the government Decree #1010, 2001, at which fish was sold in water showed inability of the government to rule the industry. At the auctions the Russian Government traded the right to fish to the Russian citizens! And it was unconstitutional! The auctions invented by the Ministry of Economic Development and Trade seemed to be profitable only for foreign capital.

The foreign capital or the companies it stood behind paid any price for a lot, knowing that they would catch and sell many times more (400$ per ton of Pollack while the economic efficiency in this fishery ends at 200$ per ton). Before the auctions in 2000 the average price for quotas for foreign companies was 265 $ per ton and at auctions in 2001 it constituted 128$ per ton! It was more than 2 time decrease. [6].

Officially the auctions were targeted at improvement of federal stewardship over water bio resources. Unofficially to increase the money flow for the sold resources, to combat corruption in the State Fisheries Committee and regional administrations in marine resources distribution and with a target of filling the federal budget with the money from the auctions.

**Were the targets reached?**

As the Ministry for Economic Development once reported the assignment on selling quotas on fish bio resources for 2001 was overdone. The total amount of money gained from 11 auctions was 5 billion 800 million rubles against the planned 4 billion 500 million.

As the Far Eastern fishers say the auctions robbed from their purse and from regional budgets more than 6 billion Rubles and it was apart from the legal fiscal taxes, throwing the Far Eastern regions into the social and economic abyss. Nobody could explain where all the money had vanished. According to one of the Russian
fishing company’s director the auction catch went not through the Russian treasury but through the Ministry of Finance. Here the transparency ended and the darkness broke in. [7].

Finally, last year the MinEconomRazvitia had to acknowledge that auctions proved to be ineffective mechanism, provoking development of indecent business in the state, so the officials had to return to the system of free of charge quotas, hoping it could save the destroyed industry. As for the mechanism of quotas distribution, it was decided to stimulate fisheries business in the country orienting on the companies that were auctions participants on the historical right basis (and the history takes only 3 years of auctions!). The new way of quotas distribution is being implemented since January this year. Quotas are now assigned for 5 years and it is a significant step forward.

Foreign markets orientation
Russian fishing companies work mainly for the foreign market. With every ton of fish unsold in Russia we lose 14 Rub of the added value. Russia loses more than 15 billion Rub per year, because fish landed in the foreign ports is not taxed by export dues.

Many fishing nation such as the US, Japan, Iceland and others, have the laws, banning resale of fish, harvested in the exclusive economic zone of the country, directly in the fishing area. Catch must be delivered to the port of registry, unloaded and only after that it may be sold wherever. In such states it is prohibited to fishermen to sell fish at sea and to buy fish from foreigners. [8].


Traditional Russian mentality in this question blocks the President’s target of doubling GNP in the economy.

According to FAO statistics medium prices of the Russian fish products are twice lower than the prices of world level. Export orientation of Russian fisheries is a serious threat to the home market. Being one of the main elements of the national alimentary and economic security, this market becomes dependant from imports because the exported fish returns to Russia, being processed and twice or thrice higher in prices. [10].

Resources status and enforcement
The Russian Pacific seas turned into a black hole where fish resources disappear very intensively under the pressure of foreign and domestic fleets.
In the season of 2001 Alaska Pollack was harvested in the Sea of Okhotsk by 858 foreign vessels and 2000 Russian vessels. According to the results of the Pollock fishing season of 2000 the actual total harvest of the Bering Sea Pollack exceeded the one recommended by scientists by 26,000 t. [11].

One of the main threats to the state’s alimentary security is the unsolved problems of marine bio resources protection in the 200-mile economic zone and on the continental shelf. This allows to a number of Russian
and foreign companies to exceed the assigned quotas by 2-3 times, hiding the actual catch volumes and transporting the harvested fish and sea products to foreign ports. By the official data, the damage caused to Russia’s economy amounts 500 billion dollars. But as a result of the talks initiated by the State Fisheries Committee with the Japanese party the new figures emerged. The gap between the Japanese statistics and the Russian figures constituted in the year 2000 1 billion dollars and in 2001 more than 700 million dollars. And there are also other countries: Korea, China, and Norway! Here are the real figures of the commercial poaching. [12].

In 1997 the enforcement functions were handed over from Fish Inspection Service to the Federal Boarder Guard Service and the law about the Russian Federation Exclusive Economic Zone (1998), excluded State Fisheries Committee from the list of bodies entitled to protect the bioresources of the exclusive economic zone.

According to Russian fisheries specialists it is advisable to join the efforts of the enforcement bodies of the State Fisheries Committee and the Federal Boarder Guards Service. Fish Inspection Service should control the fleet in the fishing zone and Boarder Guards should exercise control over all the vessels, including foreign, entering and leaving our zone through check points. In perspective Russia should use international experience and organize a special division of Federal Boarder Guard Service. [12].

In 2001 at the first time for the decade the State Fisheries Committee had to negotiate with the Japanese party the question of long term collaboration on combating poaching in the Far Eastern Seas. Since April 2002 Fisheries Department of Japan, according to the list of the Russian vessels, having State Customs cargo certificate, ousted 20 poaching vessels out of the Japanese ports. [12]

An artificial separation by the state boarder of the exclusive economic zone by the state boarder blocks fishing operations. According to the Federal Law fishermen crossing 12 mile zone (for ex., pursuing fish) have to go through customs procedures in their own 200 mile zone! It consumes time and causes financial losses, fish schools do not wait, till fishermen get their clearance.

**EBFM aspect**
The Sea of Okhotsk, a world unique natural reserve, is being heavily polluted by the international oil extraction projects: Sakhalin-1, Sakhalin-2, 3, 4 and it looks like it is not the limit. Oil extraction processes poison still relatively clean and rich in bioresources waters of the Sea of Okhotsk. Drilling waists discharges lessen bio plankton masses, kill fish and squid larvae, destroy fish metabolism and effect adult fish behaviour. Harmful substances sediments destroy benthic organisms’ habitats and their reproduction cycles. [13].

According to Sakhalin Fisheries Research and Ocean Institute (SakhNIRO), a huge aggregation of herring (more than 11,000 tons) that was on the spawning run had died in Piltun Bay in June 1999 in the area of Molikpaq oil drilling platform (Sakhalin Energy) dislocation. Gray whale populations are effected as well. And this is in spite of the fact that these projects, according to the Russian Statistics Agency of the Russian Federation State Duma, are economically unprofitable to Russia. [14].

**Fishermen’s interests are left behind**
About 750 thousand of fishermen fell out of the policy making processes. They do not have their representatives in the governmental structures. The questions of the social protection of fishermen stay unsolved.
The First All-Russia Fishermen Congress (June, 1998) was ignored by the high level officials. Fishermen were not heard on the governmental level. The Second All-Russia Fishermen Congress (November, 2002) acknowledged the Ministry of Economic Development policy in fisheries as anti-national. It worked in the mass media vacuum. None of the central TV channels even bothered to spotlight it. Some Central newspapers blamed the fishermen themselves in the disastrous situation without expressing any interest in the crux of the matter. Russian fishermen should unite and act as one force. [15].

In October, 2003 a non-governmental organization of fishing fleet captains was founded in Vladivostok. The purpose is to actively participate in solving the industry problems and to overcome the apathy of the officials and their unwillingness to protect interests of the citizens. [16].

**Positives in Russian fisheries development**

The former State Fisheries Committee has developed a system of satellite monitoring over resources exploitation which, upon having jurisdictional force, is supposed to become an effective mechanism of combating resources over-exploitation. This is a unique opportunity to watch the whole situation of resources harvesting in the World Ocean. Slowly the government is starting to turn the fisheries supplies to national shores.

Russia has high class professionals in fisheries and fisheries science. They only want to be heard. Now we hear a lot about biotechnological achievements of Russian scientists and producers and it is true. Russia may be proud of her professionals. But the point is as E. Nazdratenko said in one of his articles in Primorye Fisherman that soon only jelly fish will remain in our seas.

Great progress is achieved by Russian Far Eastern scientists in aquaculture. The program of bioresources replenishment introduced by the Russian Far East Scientists (TINRO- Center) has started getting financial support by the State Fisheries Committee. Scientists work on farming crabs, scallop and cucumberfish, and use unique biotechnique of growing laminaria and sea urchin in polyculture.

Presently the biotechnique of grey sea urchin is being developed by the University of Fisheries in Vladivostok. This is delicacy and a high value product. This is a golden mine as specialists say. There are also unique bio techniques for rearing the Far Eastern cucumber fish and scallop. One pair of Far Eastern cucumber fish gives up to three millions of juveniles. In China 1 kg of the dry cucumber fish costs 120$, and they buy the Far Eastern cucumber fish because it has an incomparably higher biological potential and medical qualities. It sharply increases human immunity. If to put it on the commercial basis big profits may be taken. So Far Eastern aquaculture needs investments. [17].

According to some of the Russian fisheries specialists its time for Russia to send her large scale vessels to the Global Ocean and first of all to the South East Pacific area, where in the Soviet times big stocks of mackerel were discovered by the Russian research fleet. Catches of this prospective species can reach 150 tons of fish per 24 hours.

Food technologies of producing delicacies from this species had been developed by Russian scientists (TINRO-Center) in the 80s. It may happen that this species may follow in the footsteps of the premium price world market product Alaska Pollack.
The new Russian government shows great concern about the drastic situation in the Russian fisheries. In July this year president Vladimir Putin charged the Primorye Governor Sergei Darkin with the mission to elaborate guidelines for Russian fisheries development with the target to raise economic efficiency of the Russian fishing industry and to enhance its competitiveness on the world market. The President is taking the industry under his strict personal control.

An important Far Eastern Fisheries Forum was held recently in Vladivostok. The theses, elaborated by the Primorye Governor, develop many new positive guidelines, including changing of Russian fisheries orientation from the raw material market to the market of a ready made product (deep processing technologies). This could allow to increase the value of the industry output by 2 times without the increase of the catch volume.

Another important guideline concerns illegal fishing combating and blocking the ways of increasing TAC in bioresources harvesting. The implementation of this guideline means that all bioresources harvested in the Russian exclusive economic zone should be directed to the Russian ports for registering.

A question was raised about delegating a number of regulatory functions over the industry from the state to the regional associations. Trying to find the way out of the crisis it was decided to transfer the accent in the governmental policy from the target of providing alimentary security (feeding the population with fish products), to the target of reaching economic efficiency and in the interests of big business. The Governor thinks that this new policy will stimulate the foreign investment flow into the industry. The Far Eastern Fisheries Forum adopted a resolution.

Russia is going to become WTO member and, in this respect, one of the main targets of the industry is to bring national procedures of fish products certification in compliance with the procedures accepted in world practices. None of the Russian certificating bodies is accredited abroad and it is an additional barrier for the national exporters. It is important to put customs duties and fees in compliance with international norms, to regulate and shorten the terms of vessels registering by port authorities, customs, sanitary and veterinary services in order to attract vessels to Russian ports. In the view of Russias entering WTO it is important to provide economic and legislative support for Russian Fisheries development. For the Russian fisheries specialists the analysis of legislative and commercial fisheries practices of the leading fishing nations in foreign economic activity management schemes is of great importance.[10].

Conclusions
Political component is an important constituent of fisheries management. Fish resources of Russia are drastically running out under heavy pressure of the domestic and foreign fleets. The management policy of the Ministry of Economic Development was long concentrated more on financial flows distribution than on the resources management and conservation.

Presently the new government is trying to revive Russian Fisheries initiating new steps to find the way out of the crisis. As we see state fisheries policy must be based on the effective bioresources management and strict control over resources harvesting. For this purpose the state must have the one federal ruling body, the Ministry of Fisheries, possessing all the legal rights that could allow this body promptly and effectively solve all the current questions of fisheries management using all the wide and successful experience of the developed economies. Russia has all the necessary potential to become a big fishing nation. She has bioresources and high class professionals.
Possible revival measures

• The industry should be ruled by one body - the Ministry of Fisheries with a system of co-management based on regional fishery management councils, headed by qualified fisheries specialists.
• The Fisheries Law should be finally discussed as soon as possible taking into consideration the opinion of the professionals and only after that signed.
• Fisheries resources must be harvested for free at least for the transition period; the resources fee calculations now lack reasonable groundings. Possible alternative - introduction of IFQs (American model basing on a really historical use right not less than 10 years) or ITQs practiced in Iceland, Australia or NZ.
• The Foreign fleet must be ousted from the Russian Zone (including JV phasing out/from US experience)
• All the huge army of bureaucratic controlling services should be cancelled immediately.
• The state must introduce changes into the Federal law about the Russian Federation state borders and eliminate the problem of crossing the 12 mile territorial waters for coastal fishing vessels (huge material and financial losses for fisherman).
• EBFM. Close independent studies of the harmful consequences of transnational corporations’ oil extraction projects on fisheries resources in the Sea of Okhotsk should be conducted.
• State support is needed for:
  1. possible return of the Russian fishermen into distant water areas of the Global Ocean;
  2. development of aquaculture;
  3. introduction of favorable crediting policy for vessels construction.

In my presentation I support the views expressed in the press by patriotically minded former GKR Chairman Evgeni Nazdratenko, Academician and the member of the Russian Federation Council Vyacheslav Zilanov, President of the Primorye Fishing Enterprises Alexander Platonov, the (former) head of the biggest fishing company BAMR - Anatolii Kolesnichenko, Prymorye Governor Sergei Darkin and the Far Eastern Fishermen.
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