

The Future of Canada's Commercial Fisheries

- Discussion Document -

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Introduction

Purpose

Fisheries and Oceans Canada (DFO) is meeting with stakeholders and Aboriginal groups to discuss ways to modernize fisheries management.

Over the course of this process, you will have the opportunity to:

- Learn more about DFO's long-term approach to fisheries management, including key components such as the stabilization of sharing arrangements and the use of evergreen Integrated Fisheries Management Plans (IFMPs) based on scientific advice provided on a multi-year cycle;
- Learn about a new *Policy Framework on Managing Bycatch and Discards* and provide input and feedback that will inform the policy's development;
- Learn about two new sustainability tools: the *Precautionary Approach Framework Rebuilding Plan Guidelines* and the *Benthic Ecological Risk Analysis Framework*, and how they are to be used; and
- Offer your thoughts on how the complex web of rules currently governing fisheries management could be streamlined, with a focus on improving the fisheries management regime so that harvesters can make long-term business decisions and create a self-adjusting industry that better responds to changing market conditions.

This current engagement is part of an ongoing process that, for over the past 20 years, has spurred initiatives that reflect the need to change how Canada's fisheries are managed. It is not the only opportunity to contribute to the fisheries management modernization process; the Department will continue to work with Aboriginal groups and stakeholders to develop and implement a 21st-century management system.

This document discusses the international and domestic challenges driving the need for management reform, identifies aspects of the current fisheries management system that may impede sustainable economic growth going forward, confirms the need to base economic decisions on a sustainably managed regime, and lays out the core elements of proposed new policies, tools and initiatives aimed at modernizing fisheries management.

General Direction

Fisheries and Oceans Canada envisions a competitive and prosperous Canadian fishing industry that is able to maximize value from fisheries resources and generate economic growth, while ensuring stocks remain healthy and abundant for future generations. Current global and domestic challenges, however, must be addressed to achieve this.

Within this context, DFO has developed a suite of policies and tools aimed at modernizing fisheries management to ensure Canada's fisheries are more sustainable, prosperous and globally competitive for years to come.

International Change Drivers

Canada is one of the largest seafood-exporting nations in the world – the \$3.9 billion in seafood products Canada exported in 2010 was eighth highest that year. This is driven by a highly export-oriented commercial fishing industry, which sends approximately 85 percent of its products to other countries. Major export markets include the United States and the European Union – which together accounted for 73 percent of Canada’s seafood exports in 2010 – as well as China and Japan. Four key species accounted for nearly 60 percent of all seafood exports in 2010: lobster, snow crab, shrimp and farmed Atlantic salmon.

In addition, operating costs (notably the cost of fuel) have increased in recent years while prices for several seafood products have decreased. Adding further strain is the strong Canadian dollar, which imposes a significant competitive disadvantage on exporting Canadian products and factors into reduced profit margins. Furthermore, Canadian industry is contending with these challenges under intensified international competition from both wild capture and aquaculture producers.

At the same time, seafood buyers in many key markets are increasingly demanding evidence – typically in the form of third-party eco-certification – that seafood products come from sustainable fisheries. They are also concerned about product safety. Furthermore, governments – notably the European Union – are implementing traceability measures to ensure catches are obtained legally. Meeting these shifting buyer preferences and complying with new foreign government regulations imposes additional costs on exporters to these markets.

Domestic Change Drivers

A number of domestic developments may also affect the long-term viability and prosperity of the Canadian fishing industry. Looking forward, a key challenge will continue to be conserving Canada’s fish stocks for generations of Canadians to come. Even with an increased focus on conservation in recent years, some Canadian marine stocks are declining or remain at low levels.

Some fisheries remain oversubscribed and are operating at overcapacity, despite efforts to reduce capacity on both the East and West coasts. Overcapacity has two types of potential consequences: it can a) stifle economic performance, and b) put stress on the sustainability of the resource. These consequences are linked in some fisheries but many fisheries experience one type without experiencing the other. As a result, solutions to these problems can be different and must respond to the nature of the challenge.

Following the global trend, aquaculture production in Canada has increased steadily in recent years and represents a valuable growth market. The value of aquaculture production more than doubled between 1997 and 2010 – rising from \$392 million to \$919 million – and now generates nearly half the value of the Canadian wild capture industry. Aquaculture producers compete with capture operators for space, labour and buyers,

offering, in many cases, year-round employment (as opposed to seasonal terms in capture fishing) and producing quality products at competitive prices.

These developments are occurring in the context of changing demographics in the fishing industry: the workforce is aging and younger workers continue to seek employment in other industries and regions.

On the other hand, Aboriginal participation in Canada's fisheries has grown in recent years. Increased Aboriginal participation is an encouraging trend and DFO will continue to be a supportive partner in this growth.

As the composition of the industry continues to evolve, competition for ocean and freshwater space is intensifying. More than ever, the interests of commercial fishers with regard to ocean and freshwater space must be reconciled with those from other industries, including: recreational fishing, aquaculture, marine tourism, natural resource extraction and shipping. This will prove a formidable challenge going forward, but it will also provide equally promising opportunities for Canadians.

Fisheries Management Needs to Change

At present, the Canadian fishing industry is struggling to meet all of these international and domestic challenges. The current fisheries management approach has been developed in a patchwork manner, shaped over time and largely influenced by specific conflicts over access and allocation. The result is that Canada's fisheries management system is governed by a complex web of rules and policies and is largely customized to each fishery.

In many fisheries, the management regime is characterized by a highly prescriptive and interventionist role for DFO. In these fisheries, decisions are often made *ad hoc* instead of in a structured, strategic way. This fosters rigid, unstable and unpredictable business environments which prevent industry from maximizing the economic benefits from fisheries and create disincentives for buying-into conservation goals. Moreover, these characteristics inhibit the industry's ability to adjust and adapt to current and emerging challenges, both global and domestic.

Modernizing Fisheries Management

A fisheries management system based on the principles of stability, sustainability and transparency can realize greater economic benefits, ensure long-term sustainability and ocean health, and create a resilient industry. In an effort to modernize Canada's system of fisheries management, DFO is continuing to develop and adopt a policy suite rooted in these principles.

Moreover, Fisheries and Oceans Canada seeks to manage fisheries in a manner consistent with the constitutional protection provided to Aboriginal and treaty rights under S. 35 of the *Constitution Act, 1982*, and consistent with the Supreme Court of Canada in *R. v.*

Sparrow and subsequent court decisions. The Department's policy suite respects this principle.

In developing these policies and tools, the views of stakeholders and Aboriginal groups have and will continue to be taken into account.

The policy suite is based upon:

- A **long-term, stable approach** to fisheries management decision-making;
- Supporting the **conservation and sustainability** of fisheries resources; and
- Setting the context for greater **economic prosperity**.

Over the years, resource users have expressed a need for greater stability and predictability in fisheries management. In response, DFO has announced a long-term approach to decision-making to ensure management decisions remain in force longer and follow common guidelines.

DFO's policies to support sustainability and economic prosperity are mutually reinforcing. On a general level, measures to ensure sustainability protect future stock abundance and thus enable fisheries to realize economic gains over the longer term. Evidence that fisheries are managed sustainably, provided through eco-certification, for example, is also increasingly becoming a requirement for market access. Eco-certification organizations evaluate whether robust management measures are in place and the harvest stock is healthy before providing their unconditional stamp of approval. New policy tools are being proposed as part of the *Sustainable Fisheries Framework* (SFF), and build upon and compliment the original elements introduced in 2009. These tools will further solidify the foundation for ecosystem-based fisheries management in Canada's fisheries, ensuring Canada's fisheries are well-positioned for long-term prosperity and sustainability.

More prosperous fisheries reduce pressures to maximize short-term gains by trying to fish harder, and encourage longer-term considerations of the health of the resource. To help achieve economic prosperity in our fisheries, we have heard that we need to streamline and simplify the complex web of rules that govern the industry. The objective is to create a more attractive environment for investing in Canada's fishing industry and spur economic growth, reducing incentives for short-term revenue maximization and other unsustainable practices. These improvements will build on current initiatives aimed at increasing economic prosperity.

Planning for the long term

The top line

Sustainability comes from taking a long-term view of things. To help ensure the sustainability of Canadian fisheries, Fisheries and Oceans Canada is taking a new management approach – one based on longer-term planning and strategies. Key to this will be ‘evergreen’ Integrated Fisheries Management Plans (IFMPs) – plans with no specific end dates. These will be developed for all major fisheries, supported by a multi-year cycle of scientific advice and regular monitoring to maintain a good level of knowledge and data. Where evergreen IFMPs are not in place, multi-year management plans will be developed.

Another important element of the long-term approach is the broader establishment of allocation stability and a move toward market-based allocation adjustments. Establishing allocation stability in key fisheries where it does not already exist will help to instill greater certainty and confidence around the privileges tied to shares.

In addition to helping make fisheries management more efficient, this longer-term approach will encourage strategic business planning in the fishing industry and reduce incentives to engage in inefficient and potentially unsustainable harvesting practices concentrated on short-term revenue maximization.

What's driving the change

Stability

Stability and predictability are essential for fish harvesters to make informed decisions that will help them succeed both today and in the long term. Taking a new approach to fisheries management planning and decisions will contribute to that stability and predictability.

Efficiency

The federal government is committed to better serving Canadians by modernizing fisheries management, adopting new technologies, eliminating duplications of effort and using tax dollars as wisely as possible. One area where such efficiencies might be gained is the practice of annual stock assessments. Because the conditions for some species don't tend to change significantly year over year, the time, effort and cost associated with annual science advice are hard to justify and often unnecessary. The same is true of annual fishing plan development, review and consultation. Canada has an opportunity to streamline its approach and establish more effective, collaborative ways of working toward common fisheries goals.

Consistency

Fisheries and Oceans Canada recognizes the need for a nationally consistent approach to long-term planning. While a number of Canadian fisheries already have stable sharing arrangements and evergreen IFMPs, this is not uniform across all key fisheries, and needs to be expanded.

Fisheries planning: A fresh approach

To address the need for efficiency, consistency and predictability, Fisheries and Oceans Canada has announced that evergreen IFMPs – plans with no specific end date – will become standard. Information requiring updates, such as formal multi-year science advice, will be added as annexes, but the IFMP will be revised only if there is a major change to the fishery or the plan's objectives, or if a significant number of changes accumulate over time. Unless such revisions are necessary, the IFMPs will stand as created.

Formal science advice provided on a multi-year basis will underpin these evergreen IFMPs and any fishing plans not yet developed into IFMPs. Stocks will continue to be monitored on an ongoing basis and annual advice will be given when stock biology or other scientific reasons make it necessary.

What about shorter-lived species?

A multi-year formal advisory process may not be appropriate for all stocks. Species with rapid turnover (those with a young age of reproductive maturity), such as silver hake, or populations where the adult stock fished each year is based primarily on a single generation of young fish, such as sockeye salmon, may not be suited to this approach. In those situations, annual assessments and exemption from the multi-year approach may be required.

Stability in allocations

Dividing the resource among harvesters is one of the most important aspects of fisheries management, and stability and predictability in this regard are essential pre-conditions of a successful industry. While many fisheries – particularly in Atlantic Canada – are stable, Fisheries and Oceans Canada aims to stabilize sharing arrangements in all key fisheries the Department manages. Doing so will help fishers make long-term plans with confidence and will give them the tools to make their own decisions on how to manage their fishing enterprises. If resource users want to change established arrangements they will do so cooperatively, negotiating among themselves rather than requiring Fisheries and Oceans Canada to intervene. Only in exceptional cases, such as in response to legal obligations and obligations stemming from comprehensive land claims agreements, would the Department become involved in adjusting already established sharing arrangements. In such instances, the Department's decision-making will be more transparent and accountable, with clear demonstration of how various factors were considered, and what consultation was done. All legislation, regulations, agreements and treaties used to guide the process will also be highlighted, and decisions and their rationale will be made public.

Stabilizing allocations will not impact upon established programs to reallocate shares to Aboriginal harvesters, such as the Allocation Transfer Program. However, when allocation decisions may affect Aboriginal fishery interests, DFO will consult with groups that may be affected.

The role of precautionary approach frameworks

Precautionary approach (PA) frameworks will also be developed for all major commercial stocks – those with a landed value greater than \$1 million or with an annual landed weight greater than 2,000 tonnes, such as East coast halibut. They may also be applied to other stocks. Because establishing a PA framework requires development beyond that of an IFMP, plans can be prepared and PA frameworks established afterward.

One of the main components of PA frameworks is the establishment of reference points and associated stock status zones (healthy, cautious and critical). Scientific advice is essential in establishing these points, which would normally only be re-examined if there were a significant and long-term change to the marine ecosystem or new advances in science for establishing reference points. Also key to the PA framework are harvest decision rules and associated management actions for each stock status zone: these are pre-determined with resource users. Once established, these would not change during the period covered by a multi-year stock assessment or possibly a longer timeframe. Management actions, as described by the harvest decision rules, will be adjusted according to the stock status based on the multi-year science advice and regular monitoring.

Regular surveys

Formal science advice on stock status will generally be offered every three to five years although, as noted, the frequency will be adjusted based on what works best for each

stock. Regular surveys would remain a priority, of course, and continue to be conducted along with stock monitoring and key indicator tracking between the multi-year formal science advisories. This will ensure any changes in conditions are noted. Changes would be reported at meetings with resource users and other interested parties so that management actions outlined in the IFMP can be adjusted accordingly if necessary and so the fishing industry and the Department have access to current information they can respond to if needed.

Interventions and exemptions

Intervention – in the form of a formal science advisory process outside of the predetermined multi-year schedule – may occur if annual monitoring results indicate stocks are outside established boundaries. Harvest decision rules or measures may also be modified where the status of the stock has moved outside of the range for which the decision rules were originally designed (e.g., significant or unpredicted changes in stocks). As mentioned, exemptions to a multi-year approach may be granted to stocks with high turnover, but multi-year formal science advisories may be suitable even for species with high turnover – if those species are subject to low exploitation. Stocks that are assessed annually due to any treaty requirements or international obligations may also be exempt unless alternative arrangements can be made.

Timelines

A realistic schedule for the rollout of long-term plans is currently under development. As each IFMP is launched, affected Aboriginal groups and fishery stakeholders will be regularly informed of developments through advisory processes, as well as through the Fisheries and Oceans Canada website and other means.

The big picture

Planning for the long term is only a first step. In the coming three years, Canadians will take part in the process of establishing a more modern, economically and ecologically sustainable fishing industry.

The long-term approach has clear potential economic benefits and compliments other initiatives aimed at supporting a more prosperous industry, such as the Department's efforts to streamline and simplify the complex web of rules that govern fishing. Over the coming months, Fisheries and Oceans Canada will work with stakeholders and Aboriginal groups to identify the tools and policies necessary in a modern fisheries management regime – one that supports a sustainable and prosperous industry. This process is described in greater detail in the next chapter.

Economic prosperity in the 21st century

The top line

The Canadian fishing industry needs greater ability to respond to changing market conditions and resource fluctuations than that afforded by Canada's current system of fisheries management. The long-term approach to fisheries management proposed in the previous chapter will go part of the way toward enabling a more robust industry, but other roadblocks remain. Restrictive licensing rules that do not focus on conservation and vary significantly across the country may serve to impede the economic prosperity of the harvesting sector and discourage investment in the industry.

A renewed, nationally consistent approach to fisheries management is needed to create a business environment conducive to economic prosperity in the 21st century. Rules must be re-evaluated for continued need and relevance, management measures must be harmonized, and harvesters must be given the freedom to self-adjust to resource fluctuations and market demands.

To realize these goals, Fisheries and Oceans Canada is seeking feedback and input from Canadians on how these changes can be realized.

What's driving the change

In recent years, Fisheries and Oceans Canada has been moving forward on fisheries management reform. In response to international and domestic challenges, as well as feedback received from Aboriginal groups and stakeholders, the Department has taken steps to build a management system that supports longer-term economic prosperity. For example, DFO has enacted measures to improve access to capital and open up new opportunities for fishers to better manage investments in their enterprises.

Though progress has been made, we've heard from resource users and other interested parties that further change is needed.

The need for simplicity...

Canada's fisheries management framework has evolved over time. Unfortunately, policies have been adopted in a patchwork manner, resulting in a complex web of rules that can differ from region to region and from fishery to fishery. And often, these policy decisions favoured a short-term outlook focused on maximizing quantity rather than long-term planning aimed at improving value and the economic prosperity of the harvesting sector. Despite the fact the approach to fisheries management has changed over the years – for example, the increased use of individual quotas – many old rules still remain in effect.

The various approaches guiding fisheries licensing and management in Canada can often restrict harvesters' ability to respond to changing economic and environmental pressures. This can also result in competitive operating conditions that make it difficult for harvesters to achieve conservation goals, diversify their operations, self-adjust to market pressures and adopt management strategies that lead to profitability and prosperity.

The need for financial options...

Accessing capital – the money used to start, improve or expand business operations – continues to be a challenge for many harvesters. In order to compete globally, industry needs to be able to raise capital and grow their businesses.

We have heard that the complex web of rules that govern fishing in Canada may be inhibiting the industry's ability to raise capital. While some of these rules are necessary for conservation reasons, others may be discouraging investment and making it difficult for industry to raise capital and adapt to variations in stock availability and global market conditions.

The goal is to create an environment where industry is enabled to make its own business plans and decisions, maximize the value from the resource and improve the economic value of their enterprises.

Fisheries management: A fresh approach

Building on success

Steps have been taken toward improving approaches to licensing over the past years. However, Fisheries and Oceans Canada recognizes that to address remaining challenges, a more efficient, market-based approach to fisheries management is needed — one that will provide security through long-term stability, support self-adjustment and succession planning, and create an environment conducive to investment.

Identifying policies that require change

With input from stakeholders and Aboriginal groups, Fisheries and Oceans Canada is in the process of identifying the tools and policies that are required for a modern fisheries management regime. The following question is proposed to help in this process:

- What tools do harvesters need to compete on a global scale?

Your input will help us begin work on streamlining these rules.

Fisheries and Oceans Canada will also be meeting with Aboriginal groups to discuss ways to improve their participation in Canada's fisheries. Aboriginal groups are encouraged to provide comments on the following questions:

- What challenges do you see to your participation in the fisheries?
- What changes are necessary to address those challenges?
 - What issues or challenges might these changes pose to your interests in the fishery?

Feedback from Aboriginal groups and stakeholders will assist Fisheries and Oceans Canada in our efforts to modernize fisheries management in Canada.

Moving toward a prosperous and sustainable fishery

In the coming months, Fisheries and Oceans Canada will work with harvesters to find areas for improvement and move toward greater cooperation in achieving a healthier, more sustainable fishery — both environmentally and economically — with the goal of giving harvesters the freedom to adapt and make decisions that will improve the economic prosperity of their enterprises and the sector as a whole.

The big picture

We've heard some stakeholders and Aboriginal groups tell us they desire a bigger role in shaping the commercial fishing industry. By streamlining rules and policies and providing greater stability and transparency, harvesters (Aboriginal and non-Aboriginal) will be better positioned to take on this new and expanded role. Further, a less restrictive and more straightforward regulatory environment will enable industry to maximize economic benefits from the resource.

Moving forward, Fisheries and Oceans Canada will be there to ensure the conservation and protection of fish and fish habitat. As resource sustainability and economic prosperity are inherently linked, the Department's work in promoting sustainable harvesting will support a viable and prosperous industry in the long term. The next chapter describes new policy tools aimed at solidifying the foundation for sustainable fisheries and ecosystems-based fisheries management. These tools will strengthen the *Sustainable Fisheries Framework* and facilitate its full implementation, protecting aquatic ecosystem health and resource abundance and thus supporting industry viability for years to come.

Supporting Sustainable Fisheries

An Introduction

Toward a sustainable fishery

Healthy aquatic ecosystems underpin stable and prosperous fisheries. Depleted stocks may threaten potential economic gains from fisheries. The link is clear: for fisheries to thrive economically, management systems must support the health of aquatic ecosystems and promote sustainable use.

Sustainability is a top priority for Fisheries and Oceans Canada. In recent years, DFO has developed and begun implementing several policies and tools supporting resource conservation and sustainable harvesting. These policies and tools incorporate the ecosystem and precautionary approaches to fisheries management and have established a solid foundation for sustainable harvesting going forward.

Introduced in 2009, the *Sustainable Fisheries Framework* (SFF) is a suite of policies and tools designed to ensure that the management of Canada's fisheries supports conservation goals and sustainable use. The SFF was developed with input from resource users and other interested parties, and has two main elements:

- 1) Conservation and sustainable use policies; and
- 2) Planning and monitoring tools.

The original policies under the SFF include *A Fishery Decision-Making Framework Incorporating the Precautionary Approach* (PA Framework); *Managing Impacts of Fishing on Sensitive Benthic Areas*; and the *Policy on New Fisheries for Forage Species*. Integrated Fisheries Management Plans (IFMPs) and self-diagnostic tools are among the planning and monitoring tools developed to help implement sustainable use policies.

New measures supporting sustainability

DFO has developed new measures to further support conservation and sustainability. For example, the Department has drafted a policy for dealing with bycatch and discards. It has also developed a pair of planning and monitoring tools – one which helps fisheries managers and resource users determine risks to benthic environments and another which provides guidance for creating and monitoring effective stock rebuilding plans. Over time, these new measures will be added to the SFF as needed to protect the future of Canada's fisheries. They will be discussed in greater detail in the chapters that follow.

The application of the SFF policies is subject to fisheries legislation in general. It also takes into account relevant comprehensive land claims agreements, the duty to consult where decisions may adversely affect established or potential Aboriginal rights, the constitutional protection provided to Aboriginal rights by Section 35 of the *Constitution Act* (1982), and other relevant Departmental policies and considerations.

Supporting Sustainable Fisheries

Policy Framework on Managing Bycatch and Discards

The top line

Managing bycatch and discards has long been part of Canadian fisheries management, as realistically, it is not always possible to fish for one species without incidentally capturing another species or undesired individuals of the target species.

To ensure long-term productivity, biodiversity and sustainability, Fisheries and Oceans Canada is developing a new policy framework for managing bycatch and discards that builds on the success of existing measures. This new policy is a key component of a strengthened *Sustainable Fisheries Framework* and is consistent with the ecosystem approach to fisheries management.

What's driving the change

Impact on species

Efforts to enhance the selectivity of fishing, conserve bycatch species and reduce discard mortality are already in place in Canadian fisheries, yet concerns persist – partly because adequate data, a key for evaluating risks and possible impacts, is sometimes lacking or not readily available. Excessive bycatch and discard mortality can threaten a species or stock. How much of a threat bycatch and discard mortality causes varies by species or stock, and may be influenced by species mortality in other fisheries. Thus, in developing bycatch and discard policies, the combined mortality of a species across fisheries should be considered.

Upholding international guidelines

In February 2011, the Government of Canada adopted the Food and Agriculture Organization's (FAO's) *International Guidelines for Bycatch Management and Reduction of Discards*. These voluntary guidelines call on member states to adopt effective bycatch and discard management measures to a) minimize the capture of fish that are not going to be used and the mortality of discards; and b) to improve reporting on and accounting of the entire catch, including bycatch and discards. In Canada, a policy framework consistent with the FAO guidelines would support the effective management of bycatch and discards.

Changing market expectations

Increasingly, retailers and consumers are demanding proof that seafood comes from sustainable sources. As evidence, many are demanding that fisheries meet third-party eco-certification standards. Eco-certification includes an evaluation of whether the fishery is managing its impact on bycatch species adequately. For Canadian fisheries seeking eco-certification, the need to meet these emerging standards is putting pressure on them to make improvements, as necessary.

Bycatch: A fresh approach

Fisheries and Oceans Canada has developed a draft policy that puts in place a more consistent approach to bycatch and discard management. The policy supports compliance with international guidelines and codes and is consistent with the ecosystem approach. It provides a general framework for developing measures to manage bycatch through the fisheries planning process. While the policy improves management consistency and provides a useful frame of reference for fisheries managers, it is not a "one size fits all" solution. DFO recognizes that bycatch and discard problems are often fishery-specific and this new policy allows for adapting to meet fishery-specific challenges.

Bycatch and discard management are of course not new in Canada. Strategies and procedures for managing the impact of fisheries on bycatch species are already in place in Canadian fisheries. The newly proposed policy will help guide improvements to those

existing strategies and procedures, where needed. The policy will also provide guidance for the development of new bycatch management strategies and procedures, where the need for such is identified. Where improvements are needed, both the biological and socioeconomic implications of options would be considered.

Another ‘of course’ is that not all discarding should be viewed the same way. In some instances, the consequences of bycatch are potentially more severe than in others: for example, returning undersized crab or lobster to the water alive is essential to conservation goals and the future production of those species.

The goals of the policy are to promote conservation and improve accounting of bycatch and discards while minimizing the risk that bycatch and discard species could be seriously or irreparably harmed by fishing activities. The following have been determined to be necessary in achieving these objectives:

1. Ensuring adequate reporting and monitoring of bycatch and discard mortality, with the development of systems to support full accounting;
2. Evaluating the risks to bycatch species from fishing;
3. Ensuring management measures minimize the capture and maximize the live release of species that will be discarded, to the extent practicable; and
4. Developing and implementing measures to manage bycatch and regularly evaluate their effectiveness.

The scope of the proposed policy

The proposed new bycatch and discards policy applies to all commercial, recreational and Aboriginal fisheries licensed and/or managed by Fisheries and Oceans Canada under the *Fisheries Act*¹. It considers both retained bycatch (any species or specimens that a fisher is not licensed to direct for but is required or permitted to retain) and all discards (including catch released from gear and entanglements).

The policy does not apply to any retained catch fishers hold a license for, or to the bycatch of corals, sponges or other benthic organisms, which are addressed under other *Sustainable Fisheries Framework* policies. As well, it does not apply to incidental fishing mortality from pre-catch losses or ghost-fishing (lost or abandoned fishing gear that continues to catch fish). Fisheries and Oceans Canada will develop new policies and procedures concerning these latter issues if necessary.

¹ Like all SFF policies, this policy would also take into account relevant comprehensive land claims agreements, the duty to consult where decisions may adversely affect established or potential Aboriginal rights, the constitutional protection provided to Aboriginal rights by Section 35 of the Constitution Act (1982), and other relevant Departmental policies and considerations.

Timelines

Similar to other *Sustainable Fisheries Framework* policies, the implementation of the proposed new policy on managing bycatch and discards will be phased in based on national, regional and fishery priorities, through the existing Integrated Fisheries Management Planning processes.

The big picture

This new policy reflects DFO's commitment to fostering sustainability in Canada's fisheries. It has been developed under the *Sustainable Fisheries Framework* – a suite of policies and tools that help ensure Canadian fisheries are managed in a manner that supports conservation and sustainable use. Together, these policies and tools provide the foundation for an ecosystem approach to fisheries management. Developed with input from resource users and other interested parties, the *Sustainable Fisheries Framework* – including this new policy – represents a huge step forward in protecting the future of Canadian fisheries.

Supporting Sustainable Fisheries

***Precautionary Approach Framework
Rebuilding Plan Guidelines and the
Benthic Ecological Risk Analysis
Framework***

The top line

In recent years, measures to protect sensitive benthic areas – such as coldwater corals and sponge-dominated communities, which are vulnerable to some fishing activities – and rebuild depleted stocks have been central to efforts to improve fisheries sustainability.

Fisheries and Oceans Canada is taking steps to address both of these needs. This policy suite includes the *Ecological Risk Analysis Framework* (ERAF) – a tool which will help fisheries managers and resource users determine the risk that fishing activity will cause serious or irreversible harm to sensitive benthic areas.

Additionally, to support stock replenishment, DFO is implementing the *Precautionary Approach Framework*. The Framework requires rebuilding plans to be established when a stock has reached the ‘Critical Zone’, a state of high risk. A new tool – *Rebuilding Plan Guidelines* – will help fisheries managers develop plans for growing stocks out of a depleted state.

These new tools will be added to the *Sustainable Fisheries Framework* (SFF), strengthening it significantly and solidifying the foundation for healthy and productive aquatic ecosystems well into the future.

What's driving the change

Threats to benthic areas

Fishing activities have the potential to cause serious and in some cases irreversible harm to sensitive benthic areas, as well as sensitive marine habitats, communities and species. Harming these sensitive areas and species may have serious implications for overall aquatic ecosystem health, and thus the sustainability and prosperity of Canada's fisheries. Currently, corals and sponges are the primary focus of international efforts to protect sensitive benthic areas. Those efforts include the Food and Agricultural Organization's (FAO's) *International Guidelines for the Management of Deep-Sea Fisheries in the High Seas* and the Northwest Atlantic Fisheries Organization's (NAFO's) *Vulnerable Marine Ecosystem* impact assessments. While these international tools are a step in the right direction, there is a clear need for a domestic policy to fill in the gaps – one which will reduce or prevent negative impacts on sensitive benthic areas – as well as a tool that will support its implementation.

Depletion of fish stocks

At present, a number of fish stocks have declined to the Critical Zone, as defined in the *Precautionary Approach (PA) Framework*. The PA Framework requires rebuilding plans for stocks that reach the Critical Zone. While rebuilding today is done using tools available through the *Fisheries Act*, the law itself does not specify requirements and there is no national framework in place to guide the rebuilding of stocks managed under the Act. What's clear is that a new tool is needed to guide the development and implementation of rebuilding plans to ensure depleted stocks are brought back up to healthy status.

Tools for sustainability: A fresh approach

The Ecological Risk Analysis Framework (ERAF) tool

Building upon the *Policy for Managing the Impacts of Fishing on Sensitive Benthic Areas*, introduced by DFO in 2009, the Department has developed an *Ecological Risk Analysis Framework* (ERAF) that assists in identifying and measuring the ecological risks and impacts of fishing on sensitive benthic areas. This tool and the policy on which it is based have been developed in recognition of the importance of sensitive benthic areas to overall aquatic ecosystem health. Its implementation will support healthy and productive oceans and better ensure fishing is conducted sustainably.

The ERAF will be applied to coral and sponge areas designated as 'significant' based on advice given by the Canadian Science Advisory Secretariat in March 2010 – supplemented with additional scientific information where required.

Management options will be proposed according to the determined ecological risk level. Where that risk is low, no additional management options

What about other benthic habitats?

Currently, the ERAF applies only to the management of coldwater corals and sponge-dominated communities. Should additional benthic habitats, communities and species fall under the *Policy to Manage the Impacts of Fishing on Sensitive Benthic Areas*, the ERAF will need to be modified.

will be required. Moderate and high-risk areas may require additional management options: at the moderate level, these may include changes to fishing methods; where risk is high, options could include fisheries closures or gear modifications and/or restrictions. Socioeconomic factors will also be taken into account before final management measures are decided on and implemented.

The Rebuilding Plan Guidelines tool

Fisheries and Oceans Canada has developed a set of *Rebuilding Plan Guidelines* that will help harvesters develop rebuilding plans for stocks that have fallen into the Critical Zone, as defined in the PA Framework. The Guidelines will serve as a framework for managing the rebuilding process – from plan development through to implementation and monitoring. The intended outcome of implementing this tool is the quick recovery of depleted stocks, which will improve aquatic ecosystem health and open up new fishing opportunities for harvesters.

The Guidelines offer advice on defining rebuilding objectives, providing a definition of ‘rebuilding’, discussing setting short- versus long-term goals, and advising on

What about IFMPs?

While rebuilding plans for stocks in the Critical Zone are now required under the PA Framework, they are only part of the entire rebuilding process. Rebuilding plans must work with other tools and strategies — including Integrated Fisheries Management Plans (IFMPs) — to effectively help stocks move into the Cautious and Healthy Zones.

incorporating multi-species and socio-economic objectives into broader rebuilding objectives. They also give insight into how to establish practical timelines for rebuilding, and how to increase the likelihood of successful implementation through the support and participation of resource users and management partners.

Furthermore, the *Rebuilding Plan Guidelines* contain best management practices – measures that have helped rebuild stocks in the past - including catch reductions, gear modifications and restrictions, closed areas, harvest decision rules, compliance and enforcement, regular monitoring and reporting, and habitat restoration and enhancement.

Timelines

Similar to other *Sustainable Fisheries Framework* policies, the implementation of the ERAF and *Rebuilding Plan Guidelines* will be phased in based on national, regional and fishery priorities, through the existing Integrated Fisheries Management Planning processes.

The big picture

These new tools reflect DFO's commitment to fostering sustainability in Canada's fisheries. They have been developed under the *Sustainable Fisheries Framework* – a suite of policies and tools that help ensure Canadian fisheries are managed in a manner that supports conservation and sustainable use. Together, these policies and tools provide the foundation for an ecosystem approach to fisheries management. Developed with input from resource users and other interested parties, the *Sustainable Fisheries Framework* – including these new tools – represents a huge step forward in protecting the future of Canadian fisheries.

Conclusion

The discussions we're having today are not the last opportunity to provide your feedback. They are part of an ongoing engagement process that has, over the past 20 years, spurred initiatives that have reflected the need to change fisheries management. The Department has responded to your feedback with such initiatives as the *Atlantic Fisheries Policy Review*, the development of the *Wild Salmon Policy*, and revisions to licensing policies.

As Fisheries and Oceans Canada rolls out the long-term approach to fisheries management and implements tools for sustainability, participants in the fishery will have the opportunity to pose questions to the Department through fisheries management advisory processes. Additionally, we will continue to engage stakeholders and Aboriginal groups on ways to improve economic prosperity in Canada's fisheries and seek your feedback to help guide future policies.

Fisheries and Oceans Canada understands the importance of transparency and accountability. The Department also recognizes the value of input from interested parties in the development of policies. This is why we are engaging a broad range of groups on the modernization of fisheries management, including Aboriginal groups, industry representatives, non-governmental organizations, fisheries experts and the Canadian public.

For the first time in the Department's history, traditional face-to-face discussions are being augmented by online engagement. We value your insights and experience; that's why we're providing a forum to share your views and an opportunity to contribute to future work. Online discussions will ensure that more people are able to participate in this engagement process. Please visit our website for information on how to be part of our online discussions (www.dfo-mpo.gc.ca).

Moving forward, we're confident that by working together, we can improve the quality, relevance and effectiveness of DFO's fisheries management programs and services, and lay the foundation for a sustainable and prosperous fishery, well into the future.

Feedback received during these discussions will be incorporated into a *What We Heard* document. These discussions are part of the long-standing DFO tradition of engaging Canadians on new ideas and initiatives, and reflect the Department's commitment to transparency and accountability in fisheries decision-making.