

North Atlantic Fisheries Ministers' Conference – 11 March 2021
Statement of Iceland – Kristján Þór Júlíusson

Dear Colleagues

The COVID pandemic is clearly the biggest issue of the present time. It affects all our societies and economic sectors. As Fisheries Ministers, it is important that we are well aware of the effects of the pandemic on the fisheries sector and seafood markets, and consider the best way forward.

I'm sure we have undertaken similar thinking in past months. We try to analyse the situation and different aspects of the problems we are faced with. This includes identifying which problems are temporary and we expect to be overcome as we move beyond the pandemic and which problems are likely to persist for the long term. The most difficult problems may end up being ones that were already there before, but got worse because of the pandemic.

Another aspect is the different roles of governments and the sector itself. It is important to remember that our role as governments is not to take over the running of the fisheries sector but to support it through this difficult period and have the sector as strong as possible as we go to a post-pandemic world.

I would like to start by mentioning a few issues related to government operations.

Monitoring, Control and Enforcement, MCS, has proved problematic during the pandemic. MCS is an essential part of well-functioning fisheries management and it must continue even under these difficult circumstances. Of course, the last thing we want is to risk the health of our inspectors, or even run the risk of having infections transmitted between fishing vessels by inspectors. The problems that have arisen in MCS have led us to think increasingly about various options that were already becoming more prominent before COVID. This includes options relating to electronic means of MCS and an ever greater emphasis on better targeted MCS utilising risk assessment.

This leads directly into the work of regional fisheries management, including both RFMOs and management agreements among coastal States. The pandemic has forced us to work differently and we have seen a lot of disruption in our regional fisheries management. Virtual meetings have worked well, as far as they go. We have found that some issues can just as easily be dealt with through virtual meetings.

However, other types of discussions will be firmly cemented as face-to-face fora. In particular, we have found that complex disagreements are not most effectively resolved in virtual gatherings. In addition to this, many international meetings have been cancelled, postponed, or have had more limited agendas. Consequently, we have been building up a big to-do-list that we will have to start to address as we move beyond the pandemic. This will probably take some time.

We are lucky enough to have here in the North East Atlantic a reasonably robust system of regional fisheries management. We are all aware of the big problems we have in agreeing sharing arrangements, which pre-date the pandemic, and these have certainly not gone away. However, organisations like NEAFC and NAFO will continue to operate effectively and coastal States will continue to work together in management, on a bilateral and more multilateral basis. While we have had significant disruptions of the international work in our region, we must keep in mind the fact that most of the other regions of the world will be in a worse situation. We therefore must be active in working through various international organisations, such as the FAO, to support regional fisheries management around the world and to assist the rebuilding of management processes where needed.

Moving on to the situation faced by the sector itself, we have noted that the main market issue caused by the pandemic seems to be changes in consumption patterns. At the outset, there appeared to be something of a collapse in some markets, when demand from restaurants, hotels, office cafeterias, etc. simply vanished almost overnight. However, the people working in the sector are resourceful and the products ended up finding their way to markets, even if they needed to be processed differently and sold to different markets. Unfortunately, in some cases both previous markets and the new markets have not paid as well as before. Although the sector overall seems to be doing well under the circumstances, some have therefore had a hit to their income even if they have managed to maintain the flow of their products to the market.

Some of the changes that the pandemic has caused will be resolved without the need for much targeted action when things return to normal. Others may require some interventions. Some changes may be for the better. An example is the apparent increase in people cooking seafood at home. We will clearly want to work together to keep that trend permanent. We are therefore not faced with a simple situation of trying to go back to how things were. We must also look for opportunities in the upheaval.

Of course, different parts of the sector will come out of the crisis in different economical situations. While some will be reasonably strong from the outset, it

is inescapable that some will have difficulties getting fully back to business, and some businesses will foreseeably not be able to get back how they were before. This is of course not unique for the fisheries sector, but unfortunately the fisheries sector is also unlikely to be exempt from this difficulty.

Government assistance has lessened the problems to some extent. All our governments have adopted measures to help our economies get through the pandemic, measures that apply also to the fisheries sector. This includes support measures for businesses as well as support measures for individuals. The pandemic has provided a textbook example of a case where the government needs to step in during a time of emergency. The approaches might be different, but we have all adopted measures to get our people and our economies through this difficult period.

In this context, I would like to emphasise an important point. It is vital that these support measures do not end up being transposed into permanent government subsidies to the fisheries sector. Temporary relief must not become long-term support. We don't want to look back in a decade's time and conclude that the pandemic resulted in long-term government management of the businesses that make up the fisheries sector. That would limit the sector's flexibility and adaptiveness for the future. It will therefore undermine the long-term prosperity of the sector and the people who rely on it. Good intentions are not enough to get good results.

The seafood sector will always be better equipped than the government to react quickly to changes. The pandemic has underlined that fact. In Iceland we have seen that our fisheries management system has proven flexible enough to support quick adaptation. For example, firms that specialised in supplying fresh fish to restaurants transformed into offering different types of products without needing to go through some bureaucratic process.

In fact the Icelandic sector seems to have sailed relatively safely through the rough waters of last year, with export value of seafood in 2020 roughly unchanged in Icelandic kronas from 2019, compared to a 75% decrease in export earnings in the tourist industry.

We as Ministers must ensure it is well understood by the fisheries sector that we intend the future of the sector to be one where it stands firmly on its own two feet and where the pandemic has not resulted in increases in government support or micromanagement. Fisheries must be sustainable from both an environmental and economic perspective if they are to contribute to the well-being of our societies.