



Krill Industry Report

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The Krill Industry Report provides reports, information and commentaries on the Antarctic krill industry.

CCAMLR Decisions on Krill

CCAMLR 2009 saw much discussion about the krill fishery but little change in management rules.

The biggest change occurred with a Norwegian proposal for an exploratory krill fishery in 48.6 around Bouvet Island. Russia had earlier withdrawn a proposal for exploratory fishing in area 88.3, between the Ross Sea and the Antarctic Peninsula.

CCAMLR members agreed to new sub-management units for Area 48.6 and a requirement that no more than 75% (11,250 tonnes) of the exploratory catch limit (15,000 tonnes) be taken from “within 60 nautical miles of known breeding colonies of land-based krill-dependent predators”. The single vessel permitted will have to carry out additional research and have 100 percent scientific observer coverage.

There was no agreement on increasing the level of scientific observer coverage on other krill vessels. Japan backed away from the agreement at CCAMLR’s Working Group EMM to place scientific observers on 100% of vessels fishing for krill. China (which is not a krill fisher) and South Korea joined with Japan to block progress on this.

In contrast, other krill fishers Norway, Ukraine and Russia supported 100% coverage at the meeting, along with other CCAMLR parties.

Progress on dividing krill catches among small scale management units (SSMU) to

protect predators stalled during the meeting. A range of fishing states seem to be happy not to apply additional measures despite evidence that the current catch may be adversely affecting some predators, mainly penguins and fish.

Krill Vessel Numbers Reduced

CCAMLR members saw the withdrawal of more boats from the list of krill fishers. Norway confirmed that the second Aker vessel - *Antarctic Navigator* - will not fish for krill. The vessel has been sold by Aker Biomarine to its parent company Aker for US\$80m.

Prior to the CCAMLR meeting the US informed other members that four of its previously five notified vessels would not be fishing this year. The vessels - *Frey*, *Frig*, *Odin* and *Thor* - are still flagged to Vanuatu and are fishing mainly for jack mackerel in the South Pacific just outside the Chilean EEZ.

Ukraine also withdrew the *Topaz*, which had proposed to catch 120,000 tonnes.

The total indicated remaining proposed catch for this season is 589,000 tonnes. This is just less than the current catch limit of 620,000 tonnes. However, there have been questions raised at CCAMLR about how well catches are reported due to problems with conversion factors used in converting processed catch weight back to unprocessed ‘greenweight’. Different factors used could make actual catches up to four times reported catches.

At the end of last year CCAMLR countries had licensed only six vessels for krill fishing this season. These vessels are from Japan

(*Niitaka Maru*), Korea (*Dongsan Ho* and *Insung Ho*), Norway (*Juvel* and *Saga Sea*), Russia (*Maksim Starostin*).

Cook Islands, Poland, Ukraine and the United States had not licensed any of their notified vessels by the beginning of the year.

Another Norwegian vessel, the *Thorshovdi*, is still under going a refit, and three Russian vessels have gotten into controversies in China and Korea and may not fish this year.

Problems for Russian Krill Boats

Three Russian-notified krill fishing vessels got into trouble in 2008 after being converted in shipyards in China.

The three fish factory ships - *Ivan Lyudnikov*, *Kapitan Kuznitz*, and *Semiozerno* - were extended at the COSCO shipyards at Zhoushan, China. The three vessels all had 21m added to their hulls.

In addition a new vacuum fish pumping system was installed, with an additional refrigeration system and fish processing system.

The COSCO Shipyard Group was established in 2001 and is a subsidiary of China Ocean Shipping Company (COSCO). The Shipyard Group operates large ship-building and repairing operations in six Chinese ports.

In October last year the vessels went for sea trials with Russian crew after completion of the conversion. Instead of returning back to port, the vessels headed out to sea, taking with them 15 employees of COSCO Shipyards.

The owner of the three Russian ships owes the shipyard over US\$12m in repair fees after paying only US\$4m for the repairs.

Nine days later the vessels were found in Korean waters by South Korea's maritime police and China's Maritime Safety Administration. After some negotiations the

crew on board agreed to return the abducted 15 COSCO employees.

The vessels have since been in Busan port in Korea. The Chinese Maritime Safety Authority has urged the vessel owners to return them to China for investigation for possible breaches of Chinese law. The vessels were still in the Busan Port in mid-January.

Norwegian Vessel Refit

A new Norwegian krill fishing vessel, the *Thorshovdi*, is in the final stages of a major refit. The vessel was previously known as the *Vlieborg* and was converted from a 132m long container vessel to a trawler at the Western Shipyard in Lithuania by UAB Vakaru Laivu Remontas WSR. The total vessel refit cost around \$US 17 million.

This makes it Norway's biggest fishing vessel. Two other vessels are fishing for krill for different Norwegian companies, the *Saga Sea* for Aker Biomarine, and the *Juvel* for Emerald Fisheries.

The vessel is owned by Norwegian Krill Seaproducts AS. The company is one of three Norwegian Antarctic krill fishers and is a joint venture consisting of five investors - T Remøy (28.6%), E T Remøy (28.6%), Spencer Energy (23.8%), G A Jensen (14.3%) and Remøy Management (4.8%). The owners have previous involvements with fishing, vessel management and the oil and gas sector.

The ship is now in Norway at Fiskerstrand Verft on the north-west Coast of Norway where the final work will include installation of the krill processing factory.

The vessel is planned to be commissioned in May this year. Once operational, it will be able to catch up to 1000 tonnes of krill per day and produce 300 tonnes of krill products. The vessel was notified to catch up to 50,000 tonnes this year.

MSC and Krill

The Marine Stewardship Council (MSC) is investigating an application by Aker Biomarine for MSC certification for the krill fishery in the South Atlantic.

UK-based Moody Marine is the certifier involved in assessing the Antarctic krill fishery for Aker. Aker intends to catch about 55,000 tonnes of krill using the *Saga Sea*. They have recently launched Omega-3 based krill oil supplements in Europe, the US and Asia.

The certification process is at the information gathering phase. Meetings with people interested in the fishery are being held and documents and facts gathered. Moody has organized meetings in Bergen and Oslo in Norway and London in the UK. So far no meetings have been organized in the Southern Hemisphere where the fishery operates, or in Washington, DC where the Antarctic Krill Conservation Project is based. ASOC has written to both the MSC and Moody in support of a public meeting in Washington, DC, as has WWF, which participated along with Greenpeace in the London stakeholders' meeting.

The members of the assessment team are Paul Medley (independent fisheries consultant, based in the UK), Graham Piling (Fisheries Biologist and Advisor with the Centre for Environment, Fisheries and Aquaculture Science, UK) and Andy Payne (Science Area Head: Fisheries Management at CEFAS, UK, previously from South Africa). The lead assessor will be Moody's Andrew Hough and project coordinator is Seran Davies, both in the UK.

The assessment team is proposing to use the default assessment tree contained within the MSC Fishery Assessment Methodology Version 1 in their evaluation of the Aker Biomarine Antarctic Krill Fishery. It is unclear whether Moody will meet with the CCAMLR Secretariat or key krill scientists based in southern hemisphere countries.

Moody is expecting the assessment process to take nine months and is scheduled to complete the assessment about June 2009. The target eligibility date for this fishery is 1 June 2009.

Climate Change Effects on Antarctica Growing

Climate change will have to be included in any consideration of krill fisheries in Antarctica and the impact on krill predators, including penguins.

Recently published reports indicate that:

- All Antarctica has warmed over the last 50 years and not just the Antarctic peninsula.
- Acidification of the seas caused by increasing carbon dioxide levels will have a major impact on Antarctic species.
- Up to 75 percent of major Antarctic penguin colonies may disappear due to climate change.

Disclaimer: *The material in this newsletter is intended to assist people in understanding the nature of the krill industry. While we try to ensure that information is accurate and up to date, the Antarctic and Southern Ocean Coalition gives no warranty as to its accuracy.*

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