



INTOSAI  
Working Group  
on Environmental  
Auditing

# Auditing Sustainable Fisheries Management: Guidance for Supreme Audit Institutions

Secretariat of the INTOSAI WGEA

# Background

- Project leader: SAI of South Africa
- Sub committee members:
  - SAIs of Canada, Bahamas, Botswana, Netherlands, New Zealand, Norway
- Guidance was published in 2010

# Introduction, scope and background

- Purpose of the paper
- Why fisheries are important
- Scope
- Background on fisheries
- What are the problems
- What are the international responses
- Conceptual framework

# Contribution of fisheries to livelihoods



## Social benefits

Income from community managed fisheries can provide community income to improve infrastructure such as this school in Lao PDR



## Reduced vulnerability

Fishing often forms part of a diverse livelihood strategy, reducing vulnerability to poverty and food insecurity



## Employment benefits

Over 38 million people worldwide are employed full time in fishing, and a further 88 million in other related sectors such as processing and trading



## Cultural benefits

Fishing is often a very social activity, strengthening community cohesion



## Cash Income

The money received from selling fish provides access to other goods and services such as health, clothing, education and the purchase of other assets



## Household food security

Fish provide important nutritional benefits to consumers



# Threats to fisheries (1)

## Over-exploitation, especially overfishing

- Causes
  - Illegal practices (poaching)
  - Result of illegal, unregulated and unreported fishing
  - Lacking resources to manage/control fishing
  - Lacking knowledge about fish stocks
  - Economics (incentive to maximize fishing effort)
  - Social and politic factors (create employment; stimulate economic activity; increase demand; and harvest above or near maximum sustainable levels)
- Consequences
  - Collapse of fisheries and other resources.

# Threats to fisheries (2)

## Illegal, unreported and unregulated fishing

- Causes
  - Illegal fishing takes place where fisheries operate in violation of the laws of a fishery, either within areas of national jurisdiction, the regional fisheries management organizations or the high seas.
  - Unreported fishing is fishing that has been unreported or misreported to the relevant national authority or regional organization, in contravention of applicable laws and regulations.
  - Unregulated fishing refers to fishing by vessels without nationality, or vessels flying the flag of a country not party to the regional fisheries management organization governing that fishing area or species.
- Consequences
  - Overfishing, habitat loss, fishing down the food web.

# Threats to fisheries (3)

## Habitat loss

- Causes
  - Change caused by damage to sea beds and corals due to trawling and other destructive fishing practices.
- Consequences
  - Decline in distribution, size and genetic diversity of species.

# Threats to fisheries (4)

## Limited knowledge of aquatic ecosystems

- Causes
  - Complexity of ecological systems. Practical limits to the amount of data that can be gathered. Uncertainty in scientific assessments. Lack of clear and forceful scientific advice.
- Consequences
  - Overfishing.

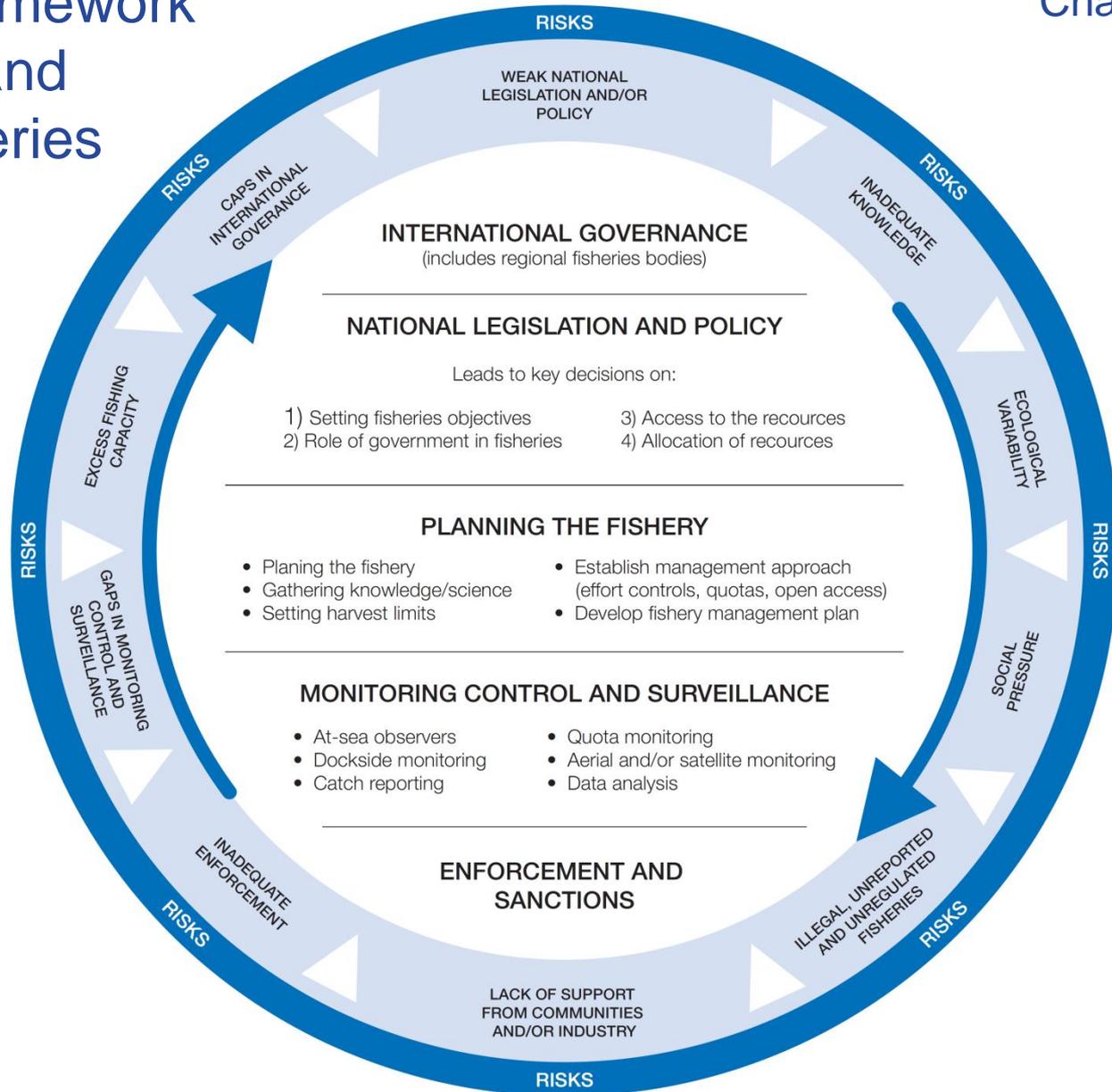
# Threats to fisheries (5)

## Impact of technology

- Causes
  - Changes to fishing technology that make fishing, combined with the increased value of fish products, economically viable when fish resources are in decline.
- Consequences
  - Overfishing.



# Conceptual framework for governing and managing fisheries



# Choosing and designing audits of fisheries

- **Four basic steps for an audit on fisheries**

## **Step1: Identify the countries fisheries and the main threats**

- Q: What are the main characteristics of the fishery sector?
- Q: What is the importance of fisheries for the economy?
- Q: What is the social and cultural importance of fisheries?
- Q: What are the main threats to fisheries resources?
- Q: What are the drivers behind these threats?
- Q: Which sectors are most relevant?

# Choosing and designing audits of fisheries (2)

## Step 2: Understand the government's responses to these threats and the relevant players

- Q: What is government doing about these threats?
- Q: Are there international targets and obligations that commit your country?
- Q: What are the regional and national objectives?
- Q: Who are the main role players and what are their roles and responsibilities?
- Q: What policies and instruments correspond to the threats?
- Q: What are the levels of public expenditure for different policy instruments and policy responses?

# Choosing and designing audits of fisheries (3)

## Step 3: Choose audit sub-topics and priorities

- Q: What are the highest risks to fisheries?
- Q: Do the government's financial statements reflect costs and liabilities?
- Q: Does the SAI have the mandate and authority?
- Q: Will reporting requirements and expected audience influence the choice of an audit topic?
- Q: How will the audit contribute to good governance?

## Step 4: Decide audit approaches, audit objectives and lines of enquiry

- Q: What are the most relevant objectives and lines of enquiry?



# Examples of audits

- Australia
- Botswana
- Canada
- Denmark, Estonia, Finland, Germany, Latvia, Lithuania, Poland, Russia, Sweden
- European Court of Auditors
- Japan
- Morocco
- Netherlands
- New Zealand
- Norway and Russia
- South Africa
- United Kingdom



# Materials

- INTOSAI WGEA guidance is available at <http://www.environmental-auditing.org/Home/WGEAPublications/StudiesGuidelines/tabid/128/Default.aspx>
- INTOSAI WGEA is upgrading the guidance on water. The document will be ready in June 2013.
- See also INTOSAI WGEA database of Environmental Audits Worldwide at <http://www.environmental-auditing.org/Home/EnvironmentalAuditsWorldwide/AuditsbyCountry/tabid/126/Default.aspx>

# Conclusion

- Governments initiate agreements, legislation and policies, but fail to implement.
- Good governance also accomplished through the auditing of international agreements, national legislation and government policies, with recommendations to government and follow-up audits to ensure implementation of corrective action.
- Government Auditors exist to strengthen their countries democracy by enabling oversight, accountability and governance in the public sector.
- Guidelines are therefore designed to enable public sector auditors to contribute towards good governance in the management of fisheries in their respective countries

Thank you!

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