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

Chapter 1

INTERNATIONAL GOVERNANCE
(includes regional fisheries bodies)

NATIONAL LEGISLATION AND POLICY
Leads to key decisions on:
1) Setting fisheries objectives
2) Role of government in fisheries
3) Access to the resources
4) Allocation of resources

PLANNING THE FISHERY
- Planning the fishery
- Gathering knowledge/science
- Setting harvest limits
- Establish management approach (effort controls, quotas, open access)
- Develop fishery management plan

MONITORING CONTROL AND SURVEILLANCE
- At-sea observers
- Dockside monitoring
- Catch reporting
- Quota monitoring
- Aerial and/or satellite monitoring
- Data analysis

ENFORCEMENT AND SANCTIONS

LACK OF SUPPORT FROM COMMUNITIES AND/OR INDUSTRY

WEAK NATIONAL LEGISLATION AND/OR POLICY

INADEQUATE KNOWLEDGE

ECOCLOGICAL VARIABILITY

SOCIAL PRESSURE

ILLEGAL, UNREPORTED AND UNREGULATED FISHERIES

EXCESS FISHING CAPACITY

GAPS IN MONITORING, CONTROL AND SURVEILLANCE

GAPS IN INTERNATIONAL GOVERNANCE

RISKS
Choosing and designing audits of fisheries

• Four basic steps for an audit on fisheries
  
  Step 1: 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 is upgrading the guidance on water. The document will be ready in June 2013.

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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