

Composite Brief – Inland Fisheries  
Subheads F1 – F2

**Shaded Areas Contain Confidential Information – Not  
For Public Release**

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## 2007 Outturn & 2008 Estimates

Subhead	2007 Outturn €000	2008 Estimate €000
F1 – Inland Fisheries	31,357	35,737
F2 – Salmon Conservation	11,858	16,000

## **1. Fisheries Boards**

The Department has overall policy responsibility for the conservation, management, regulation and development of the inland fisheries resource. The inland fisheries sector is complex, dynamic and highly politicised. The sector is characterised by a regionalised management structure (central and 7 regional fisheries boards plus north south body) with strong involvement by local interests in decision-making, complex issues of ownership, reliance on State funding and tensions between competing stakeholders.

Over-exploitation of fish stocks is a significant threat to the long-term sustainability of the inland fisheries resource. Fish habitats are under threat particularly from a variety of adverse environmental and water quality pressures.

The Central and Regional Fisheries Boards are responsible for policy advice, co-ordination, services and implementation of services. The Central Fisheries Board has the function of supporting and co-ordinating, where necessary, the performance of the Regional Boards under the Fisheries Act 1980, as amended. The seven Regional Fisheries Boards have responsibility in relation to the management, conservation, protection, development and improvement of the fisheries in their respective fisheries regions and for the promotion and development of angling for salmon, trout, coarse and sea fish. Their activities have increased significantly following the implementation of the Habitats Directive, Water Framework Directive and the Government decision to align the wild salmon fishery fully with scientific advice from 2007 onwards.

## **2. Operational grant of the Fisheries Board**

Subhead F1 provides more than €35 million in 2008 for inland fisheries, including over €31 million for the operations and activities of the Central and Regional Fisheries Boards and includes additional resources allocated to salmon management initiatives.

### **3. Loughs Agency**

The Loughs Agency is an agency of the Foyle, Carlingford and Irish Lights Commission (FCILC), established under the British-Irish Agreement Act 1999 to provide the effective conservation, management, promotion and development of the fisheries and marine resources of the Foyle and Carlingford Areas. The Department's contribution (50%) in 2008 to the costs of the Loughs Agency is €4.49million.

### **4. Review of the Inland Fisheries Sector**

The Select Committee will be aware of the ongoing high level review of the Government's involvement in inland fisheries.

The proposed restructuring of the inland fisheries sector contained in the Government decision made on foot of the Farrell Grant Sparks Review of the Inland Fisheries Sector in Ireland (namely the subsuming of the 8 fisheries boards into a single national authority with a regional structure based on river basin districts established under the Water Framework Directive), which itself is more than two years old, met with a lot of stakeholder resistance. In these circumstances and responding to a call of the Fisheries Boards' Chairpersons for a somewhat different approach to restructuring of the boards, the Minister requested that they develop an agreed proposal for his consideration by April of this year.

Following receipt of this proposal, the most appropriate way forward in terms of streamlining the sector will be identified for implementation and it is expected that Government approval will be sought soon after that.

### **5. Salmon Management**

#### **Salmon Hardship Scheme**

The €25m Salmon Hardship Scheme directed at commercial salmon fishing licence holders, launched last year following the recommendations of the Independent Salmon Group and the Government's decision to align the management of wild salmon fisheries fully with scientific advice, has now concluded.

Over 1,000 applicants (including 127 in the Foyle area) will receive payments under the Scheme, ranging in value from under €1,200 up to €190,000.

## Background

In March 2007, following the recommendations of the Independent Salmon Group and the Government decision in respect of this matter, the Minister for Communications, Marine and Natural Resources established a fund of €25 million to

*“address the hardship likely to be experienced by commercial salmon fishermen affected by the Government decision to align the wild salmon fishery with the scientific advice from the Standing Scientific Committee of the National Salmon Commission for 2007 and beyond”.*

The scheme was launched on 2<sup>nd</sup> March 2007 with BIM as the administrative agency and an initial closing date for receipt of completed applications set for 30<sup>th</sup> March. This date was later extended to 27<sup>th</sup> April.

The scheme is (subject to any future direction or specific ruling of the appeals officer<sup>1</sup>) normally available to all commercial salmon licence holders who *‘held a licence for the 2006 season’*, with payments calculated on the following basis:

1. Payment is based on the average verifiable (tag return) catch for each licence holder for the 5 years 2001 to 2005;
2. Payment is based on the average net income per salmon in the commercial drift and draft – net fishery for the 5 years 2001 to 2005 i.e. €23 per salmon;
3. Each eligible applicant may receive a payment calculated as 6 times their average catch multiplied by the average net income per salmon;
4. In all cases a payment equal to 6 times the 2006 licence fee in respect of each licence will be made.

### Note:

- a) No payments other than those outlined above are available under the scheme.
- b) Successful applicants are allowed spread payment over (up to) 3 years.

### Take-up of the scheme

A total of 1,332 Letters of Offer have been issued, by BIM, to eligible applicants. The total value of these, if all were fully taken up by the applicants, amounts to €25,016,406 (note these figures do not include

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<sup>1</sup> Whereas the official closing date for the scheme was the end of April 2007, application received after this date have been treated favourably **provided** the applicant complied with all the terms and conditions set out in the scheme brochure and letter of offer issued by BIM. Conversely BIM does not have **any** authority to accept applications after the ‘final date of acceptance’ of the 31 December 2007.

[up to] an additional 25 cases which are under appeal with the independent appeals officer). The number and cost of payments eligible under the scheme is shown in Table 1.

**TABLE 1**  
**Number and cost of payments**

Payment	No.	Total Cost	Average Payment
Less than €10,000	701	€3,439,938	€4,907
€10,000 - €25,000	332	€5,344,146	€16,097
€25,000 - €50,000	176	€6,089,982	€34,602
€50,000 - €100,000	96	€6,514,098	€67,855
Greater than >€100,000	27	€3,628,242	€134,379
	<b>1,332</b>	<b>€25,016,406</b>	

### **Closing Date**

Following their initial application, (27 April '07 closing date) applicants had until the 31 December 2007 to complete the decommissioning of their nets and comply with the other terms of the scheme. 115 of the acceptances received by the 31 December 2007 were incomplete because they omitted either a current tax clearance certificate or a certificate that their fishing gear had been decommissioned by their local fisheries board or both. These applicants who are relying on the action of a third party to complete the process have been given until the end of February to comply with these conditions.

### **Status of Payments made to date**

Of the 1,332 applicants who received letters-of-offer in 2007, 994 applicants (75%) have made claims (see below). The final cost of payment of these cases amounts to €22,043,078 (or 88% of the €25 million originally allocated to the scheme). These figures are further broken down as follows:

- 849 applicants have received (partial or full) payment.
- 115 applicants have formally accepted the scheme but have not, to date, submitted either (or both) a tax clearance certificate or a net decommissioning certificate.
- 30 cases (that received a letter of offer from BIM) have appealed the amount offered to the independent appeals officer.
- It should also be noted that there are (up to) 25 additional cases with the appeals officer which did not receive a letter of offer from BIM.

- The final cost of the scheme, currently €22,043,078, may rise as a result of the appeals process but by no more than an estimated €500,000.

**TABLE 2 Analysis of Applicants**

The following table shows the acceptance/non-acceptance of the scheme by county.

County	Issued offers	Paid to Date	Accepted but not Paid	Under appeal	Did not accept offer	% of offers not accepted
Clare	56	40	2	4	10	18
Cork	187	140	27	1	19	10
Derry	1	0	0	0	0	0
Donegal	243	147	25	2	69	28
Dublin	18	5	0	1	12	66
Galway	105	78	10	0	17	16
Kerry	128	77	9	2	40	31
Kilkenny	40	17	0	0	23	58
Limerick	32	25	1	1	5	16
Louth	63	34	10	2	17	27
Mayo	116	73	24	4	15	13
Meath	28	16	1	1	10	36
Monaghan	1	0	0	0	1	100
Sligo	21	14	3	2	2	10
Tipperary	20	13	0	2	5	25
Waterford	156	100	2	8	46	29
Wexford	107	60	1	0	46	43
Wicklow	10	9	0	0	1	10
<b>(Total)</b>	<b>1,332</b>	<b>849</b>	<b>115</b>	<b>30</b>	<b>338</b>	<b>25%</b>

### Analysis of eligible applicants who did not claim payment

338 of 1332 initial applicants (that received letters of offer) have not submitted acceptance forms for the scheme. The aggregate amount of hardship payment covered by these applications is €3,159,776. This is further broken down in the table 3.

**TABLE 3**  
Analysis of eligible applicants who did not claim payment

Payment	No	Total Cost	Average Payment
Less than €10,000	251	€994,272	€3,961
€10,000 - €25,000	60	€887,550	€14,792
€25,000 - €50,000	18	€594,182	€33,010
€50,000 - €100,000	7	€418,908	€59,844
Greater than >€100,000	2	€264,864	€132,432
	<b>338</b>	<b>€3,159,776</b>	

Of those who did not proceed with a claim 251 or 74% were entitled to claim less than €10,000 (average €3,961). Some of the nine applicants entitled to payments over €50,000 may have appealed to the IAO.

### Schedule of payments

Table 4 outlines the payments made to BIM in 2007 and to be made for 2008 – 2010. The deferral of payment of €512,000 to 2010 arises as a result of claims received late in 2007 for whom a first payment was not made until January 2008. A number of those claimants opted to spread payment of the amount due to them over 3 years.

TABLE 4 Schedule of payments

Total Claim Value €22,043,078 (excl est. €500k with Appeals Officer)

Year	Amount
2007	€10,505,387
2008	€8,814,332
2009	€2,211,357
2010	€512,002
	<u>€22,043,078</u>

### Revenue's approach to Taxation

The Revenue Commissioners have stated that payments will be taxable on recipients as income in the year of receipt. They also advised that not all of the payment from the Hardship Fund will be taxable. Commercial fishermen will have to include any payment received under the scheme as a receipt in their accounts. However, that part of the payment which relates to payment of six times the value of the 2006 licence fee will not be liable to tax<sup>2</sup>.

Accordingly, when making payments from the fund, BIM will identify that part which is specified as a multiple of the 2006 licence fee so that recipients can exclude that amount from their income tax returns.

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<sup>2</sup> Revenue explain that as this element was introduced to provide a minimum payment which would apply to all applicants but would equally apply to persons who had a licence but never generated any income from it, a payment to persons who previously generated no such income, does not have the hallmarks of income and is therefore not taxable to income tax. Payments related to income previously generated under licence are in the nature of income payments, made to replace income foregone, and as such are within the charge to income tax.

Eligible applicants may receive any payment due under the scheme as a single payment or they may opt to spread any payment due over a three-year period. NB: No interest will accrue on any deferred payments under the scheme.

### Loughs Agency Hardship Scheme - Take-up of the scheme

Of those applicants who received letters-of-offer in 2007, 127 applicants have made claims (see below). The final cost of payment of these cases amounts to €3,608,124. Those who have not taken up the Scheme continue to fish (as fishing continues within Lough Foyle where there is a harvestable surplus where it can be exploited without impacting on stocks of other rivers).

**TABLE 5 Number and cost of payments (of which DCENR pays 50%)**

Payment	No	Total Cost	Average Payment
Less than €10,000	30	€186,401	€6,213
€10,000 - €25,000	39	€657,699	€16,864
€25,000 - €50,000	31	€890,899	€28,738
€50,000 - €100,000	26	€1,750,992	€65,345
Greater than €100,000	1	€122,133	€122,133
<b>Total</b>	<b>127</b>	<b>€3,608,124</b>	

Table 6 outlines the payments made to the Loughs Agency in respect of the Salmon Hardship Scheme in 2007 and to be made for 2008 – 2009. The scheme provides for payments to be made in three instalments to all claimants, 60% in 2007 and 20% in each of the years 2008 and 2009.

**TABLE 6 Schedule of Payments (of which DCENR pays 50%)  
Total Claim Value €3,608,124**

Year	Amount
2007	€2,586,300
2008	€510,912
2009	€510,912
<b>Total</b>	<b>€3,608,124</b>

**TABLE 7 Summary of Payments under Salmon Hardship Scheme**

This table outlines the total payments to be made (including the Loughs Agency and a provision for €500,000 in respect of the appeals made to the Appeals Officer).

Payments under Salmon Hardship Scheme	Amount
Amounts due under Salmon Hardship Scheme	€22,043,078
Amounts due under Loughs Agency Scheme (50%)	€1,804,062
Contingency Provision for claims with Appeals Officer	€500,000
	<b>€24,347,140</b>

### **Independent Appeals Officer**

The Salmon Hardship Scheme was established in accordance with Government Decision S180/20/0684B of 01/11/2006. The scheme is intended to address the hardship which may be experienced by those affected as a result of the Government's decision to align the wild salmon fishery with the scientific advice from 2007 onwards.

Letters indicating individuals' entitlements issued in the second half of 2007 and applicants had until 31 December 2007 to take up the offer.

The Minister for Communications, Energy and Natural Resources appointed Mr John Loughrey as the Independent Appeals Officer (IAO) for the Salmon Hardship Scheme.

The special remit of the IAO is:

- Provide an independent appeals procedure for all cases in respect of decisions of the administrative authority (An Bord Iascaigh Mhara).
- Liaise with BIM and relevant regional fisheries boards in respect of applications which are under appeal.
- Obtain and consider the facts on which the decision of the administrative authority was made.
- Obtain any new facts or any relevant change of circumstances that come to light after a decision was made by the administrative authority.
- Adjudicate on the correctness or otherwise of decisions made by the administrative authority in relation to the salmon hardship scheme.

- Provide a report and determination in each case indicating grounds for decision.
- Make recommendations, if appropriate, to address any financial hardship experienced as a result of measures imposed on the applicant.
- Advise the applicant of the outcome of his determination within a reasonable period of time.
- Provide instruction to BIM as to this determination in each case.

Applicants could appeal the decision of the administrative authority by submitting an appeal in writing to the (IAO). The appeal must state the grounds on which a revised decision is being sought.

The closing date for any appeal in respect of the scheme was 31 January 2008. To date the IAO has received 119 appeals approx. BIM are aware that 30 cases which they dealt with are under appeal. It might be assumed that the balance of appeals came from among the 338 applicants who did not accept the offer. The closing date for lodging an appeal was 31 January 2008. We can expect that the IAO will make determinations on completion of his examination of cases over the coming weeks.

### **Community Support Scheme**

The €5m Community Support Scheme launched in March 2008 is designed to assist the development of additional economic opportunities for the labour force previously employed in the ancillary sectors of the commercial salmon industry. It will focus on retraining of the affected labour force, diversification into non-salmon fishing activity and projects to promote the quality of the local environment. It is imperative that local economies can continue to benefit from their skills. An amount of €16 million has been provided under Subhead F2 for payments under these two Schemes in 2008.

### **Background to Scheme**

The Government adopted the key recommendations of the report of the Independent Working Group. The central recommendation of this report was the creation of a hardship fund for those affected by the compulsory cessation of indiscriminate mixed stock fishing for salmon at sea. The Government realised that the cessation of indiscriminate mixed stock fishing for salmon would entail hardship for commercial fishermen and to offset this they established a hardship scheme valued at €25 million. In addition to the hardship scheme the Government provided a fund amounting to €5 million for a Community Support Scheme which has been drafted to focus primarily on those

communities where commercial salmon fishing has been a well-established activity and where its withdrawal demonstrably impacts on the economic and social fabric of the community.

### **Administration of Scheme**

The scheme will be made available to those affected by the cessation of the mixed stock salmon fishery in 16 of the fishery districts through 15 identified LEADER companies and Comhdháil Oileáin na hÉireann (in respect of island communities) and Meitheal Forbartha na Gaeltachta Teoranta (in respect of the Gaeltacht areas). While the scheme is focused on those affected by the ending of drift-netting, it will also address those areas where other mixed stock fishing activities are affected (draft, snap, loop, bag, trap).

The scheme is not ordinarily directed at commercial salmon fishing licence holders (who have the opportunity to avail of payments from the Salmon Hardship Scheme) but rather at the development of additional economic opportunities for crews and employees in the processing and ancillary sectors in the communities where commercial salmon fishing has been a well-established activity.

The scheme is to be administered by the LEADER companies under the supervision of this Department in conjunction with the Department of Community, Rural and Gaeltacht Affairs (DCRGA). Consultations with the LEADER companies, conducted through DCRGA, informed the most effective distribution of funds.

The implementing body is required to publish the scheme, inviting applications from potential participants and organisations promoting a project.

The scheme will operate over two years. The closing date for applications for assistance under the scheme will be 31 December 2008. The latest date for making payments under the scheme will be 30 November 2009. Funding of up to €3 million in quarterly instalments will be available in 2008 with the balance of €2 million to be made available in 2009.

The funding is to be allocated to those affected fishery districts, proportionate to the impact of the cessation of the mixed stock fishery. A relative weighting factor was applied to each fishery district based on the districts' average recorded commercial catch of salmon and sea trout (> 40cm) for the period 2001 to 2005.

## **Project Criteria**

The types of projects that may be carried out under the Scheme are as follows:

1. Re-training of labour force previously involved in commercial salmon fishing
2. Retraining of labour force previously involved in ancillary activities associated with the commercial wild salmon fishery
3. Diversification into non-salmon fishing economic activity (other than that covered by existing BIM schemes)
4. Diversification from ancillary activities previously dependent on the wild salmon fishery
5. Education and employment preparation for the labour force at (1) and (2) above.
6. Projects to promote the quality of the coastal environment
7. Any other appropriate community project identified during the course of the Scheme. Where proposed projects fall into this category, the relevant LEADER Company must consult with and gain approval from this Department before agreeing to the proposed project.

## **Reporting and Monitoring**

Inland Fisheries Division of this Department will be responsible for monitoring the scheme.

The LEADER companies, as implementing bodies, will be required to furnish quarterly progress reports on the operation of the scheme to the Inland Fisheries Division of this Department.

Officials from the Department of Community, Rural and Gaeltacht Affairs will be responsible for carrying out audit/inspections on all aspects relating to the scheme implementation as part of the normal governance of the LEADER companies.

## **Salmon management regime**

The Fisheries Boards are being equipped to undertake salmon management initiatives, such as river habitat improvement and fish stock rehabilitation, to capitalise on the significant €30m investment in

the Salmon Hardship Fund. Additional resources have also been provided to boost salmon stock protection and enforcement efforts of the Boards.

## **6. Conservation component of Salmon Licences**

Licence duties are increased on an annual basis and such increases are in line with the Consumer Price Index. Licence duties are set at rates recommended by the National Fisheries Management Executive (Fisheries Boards Managers) and endorsed by the National Salmon Commission. In 2007, as part of a suite of conservation measures for the management of the wild salmon fishery, a salmon conservation component was applied to all licences.

This component represents 50% of the licence fee and income generated from the component is dedicated by the Fisheries Boards to the rehabilitation of salmon habitats and conservation measures throughout the country. All of the proceeds of the licence fee income are reinvested, by the Fisheries Boards, in the conservation, protection and development of wild salmon fisheries habitat and stocks.

## **7. Eels**

A recent EU Regulation for the recovery of European eel stocks [June 2007] requires the preparation and completion of eel management plans by 31 December 2008 for implementation from 1 July 2009 at the latest.

The objective of each Eel Management Plan (EMP) is to reduce anthropogenic mortalities so as to achieve a target escapement of 40 % of the biomass of adult eels (the Regulation specifies the parameters for calculating this). In the event that this plan is not approved by the Commission, a mandatory 50% reduction in the fishery is required as an immediate emergency measure.

## **8. Water Framework Directive**

The Fisheries Boards are statutorily obliged to undertake monitoring for the EPA under this Directive. The Water Framework Directive (EC Directive 2000/60/EC - Water Policy Regulations S.I. No. 722 of 2003)

(WFD) states that monitoring of all elements is mandatory, i.e. "Fish shall be monitored at all sites selected for Surveillance Monitoring (SM)" and that monitoring shall commence in January 2007.

Fish shall be monitored in rivers (188 sites), lakes (73) and transitional waters. Fish survey sites were selected to coincide with the EPA locations on rivers and lakes. This information must be collected in each year of a 3 year programme (2007 to 2009). It is essential that all the biological elements (i.e. fish, macro-invertebrates, phyto-benthos etc.) are surveyed in the same year as changes within ecological systems can occur quickly, particularly in rivers. The rivers and lakes must be sampled between June and November when all fish species are available for capture.

Non-compliance with the Directive will result in a serious threat of infringement proceedings for failure to implement the Directive. Constraints and uncertainty surrounding the provision of essential funding resulted in a limited start-up of this programme by the Fisheries Boards in 2007. All other agencies are on schedule with delivery of their monitoring commitments for the WFD but due to the delayed start, gathering of fish data for 2007 are not available and will now have to be gathered in 2008.

## **9. Habitats Directive**

Implementations of the EU Habitats Directive as transposed by the European Communities (National Habitats) Regulations 1997 (S.I. No.94 of 1997) is primarily a matter for the Department of the Environment, Heritage and Local Government.

Regulation 31 of these regulations makes provision for the implementation of the Habitats Directive by other Ministers with responsibilities in relation to environmental protection.

The Department of Communications, Energy and Natural Resources has responsibility for fish species that are protected under the Directive (these include salmon, sea lamprey, allis shad and allis twaite). This Directive requires the designation of Special Areas of Conservation for a number of species including, inter alia, atlantic salmon.

Ireland's salmon management regime was brought into line with the Habitats Directive towards the end of 2006 when measures were adopted ending the indiscriminate mixed stock fishing (i.e. drift and some draft net fisheries).

DG Environment of the EU Commission withdrew threatened infringement proceedings against Ireland for its management of the wild salmon fishery once they assessed the changes implemented in

the management régime consequent on the Government decision to end mixed stock fishing.

Measures adopted by Ireland to comply with the Habitats Directive in relation to restricting harvest to the identifiable surplus available in rivers meeting their conservation limits for Atlantic Salmon are provided for in the following statutory instruments:

- Wild Salmon and Sea Trout Tagging Scheme Regulations 2006 (S.I. 208 of 2006), and the Wild Salmon Sea Trout Tagging Scheme (Brown Tags) Regulations 2007 (S.I. 209 of 2007) in accordance with section 3(a) of the Fisheries (Amendment) Act 2000 (No. 34 of 2000) of the Fisheries (Amendment) Act 1999 (No. 35 of 1999), after consultation with the National Salmon Commission, and section 90(3)(a)(v) (inserted by section 4 of the Fisheries (Amendment) Act 2000) of the Fisheries (Consolidation) Act 1959 (No. 14 of 1959),
- The Control of Fishing for Salmon Order 2007 (S.I. No. 129 of 2007), The Control of Fishing for Salmon (Amendment) Order 2007 (S.I. No. 154 of 2007) and the Control of Fishing for Salmon (No. 2) Order 2007 (S.I. No. 208 of 2007) in accordance with section 29 (as amended by paragraph 4 of Part II of the Fourth Schedule to the Fisheries Act 1980 (No. 1 of 1980)) of the Fisheries (Amendment) Act 1962 (No. 31 of 1962),
- The River Shannon Tidal Waters (Issue of Fishing Licences) Regulations 2007 (S.I. No. 207 of 2007) in accordance with section 88 of the Fisheries (Consolidation) Act 1959 (No. 14 of 1959), and
- Under section 9 of the Fisheries (Consolidation) Act 1959 the Salmon and Trout Conservation (Drift Nets, Snap Nets and Other Engines) Bye-law No. 822, 2007. Salmon and Trout Conservation (Draft Nets) Bye-law No. 821, 2007. Conservation of Salmon and Sea Trout Bye-law No. 820, 2007. Conservation of Salmon and Sea Trout Bye-law No. C.S. 290, 2007. Conservation of Salmon and Sea Trout Bye-law No. C.S. 287, 2006, Conservation of Salmon and Sea Trout Bye-law No. 815, 2006, Conservation of Salmon and Sea Trout Bye-law No. 814, 2006
- The National Salmon Commission and Standing Scientific Committee (Terms of Reference and Procedure) Order 2006 (S.I. No. 483 of 2006) This Order was adopted under section 55D of the Fisheries (Consolidation) Act 1959 inserted by section 22 of the Fisheries (Amendment) Act 1999.