

**PCU/BCC/04/02** - Economic study and cost benefit analysis of co-operative research and management for the BCLME.

**Project value:** US\$30,100.00

**Contracted to:** Fisheries Economics Research Unit, University of British Columbia

**Completion date:** November 2004

### ***Objectives***

The main purpose of this study was to analyse the economics of fishery management and other marine industries in the BCLME and review the case for and against regional co-operation in managing the BCLME. The analysis was undertaken for the major transboundary commercial fisheries of the region, using the hake fisheries as an example.

### ***Recommendations***

Current knowledge of the BCLME indicates that:

- the deep water hake stock is shared by South Africa and Namibia, and the shallow water hake stock is also shared, if only indirectly through cannibalism;
- the pilchard and horse mackerel stocks are shared between Angola and Namibia;
- red crabs and bronze whaler sharks are shared between Angola and Namibia, and
- bigeye, yellowfin and albacore tunas are also shared by the countries of the BCLME, both within their EEZs and on the high seas.

Based on these facts, and the key results from the economic theory of shared stocks management, the answer to the question posed is yes, co-operative management of the BCLME is indeed justifiable.

The report concludes that the potential for obtaining net benefits from regional co-operative management of the BCLME are huge, and recommends that the establishment of an Interim Benguela Current Commission (IBCC) should be pursued.

The report recommends that the IBCC should commence at a modest level, using the experience gathered over the years from the BCLME and BENEFIT programmes. This approach will allow for learning and the building of confidence and mutual trust between the parties, which are all crucial for the success of the Commission. Furthermore, this approach will not initially need a huge infusion of new resources.

A fundamental issue that must be agreed upon is how to fund the IBCC sustainably. Ultimately the resources for running the IBCC will have to come from the region if the Commission is to be sustainable over the long-term. Various funding sources should be explored and analysed to help determine the combinations of funding opportunities that will work best.

Experience from around the world demonstrates that strong political commitments, at the highest level of government, are required to make joint management work. Therefore, if the region decides to establish the IBCC, it would have to back it up politically.

To help the new IBCC get on its feet, the report recommends that current funding levels by international donors be continued until a selected date sometime in the future, when the national governments of Angola, Namibia and South Africa will take over the full funding of the Commission.

It is crucial for the success of the IBCC that all stakeholders in the fishing sectors of the three countries (or at least a significant majority) strongly support the concept of joint management. Efforts should be put into making this happen.

To help deal with the occasional disputes that are bound to occur from time to time, the parties need to put in place a binding dispute resolution mechanism.

The report recommends that the following points should be given special attention when designing the nature and structure of the IBCC. First, care should be taken to make sure that the sovereignty issue does not become a significant problem. Second, the fact that there is no assurance that the member states will have identical resource management goals is important, and needs to be taken into account. Third, there will be the need for high quality research, the results of which are seen as being credible by all parties. Fourth, secured sustainable funding and strong political commitment by the countries should be at the center of the development of the IBCC.

Finally, the new Commission should put in place structures for collaborating with international organisations such as ICCAT, SADC and SEAFO.