

# **ECONOMIC IMPACTS OF CLIMATE CHANGE ON MARINE FISHERIES IN THE ARCTIC**

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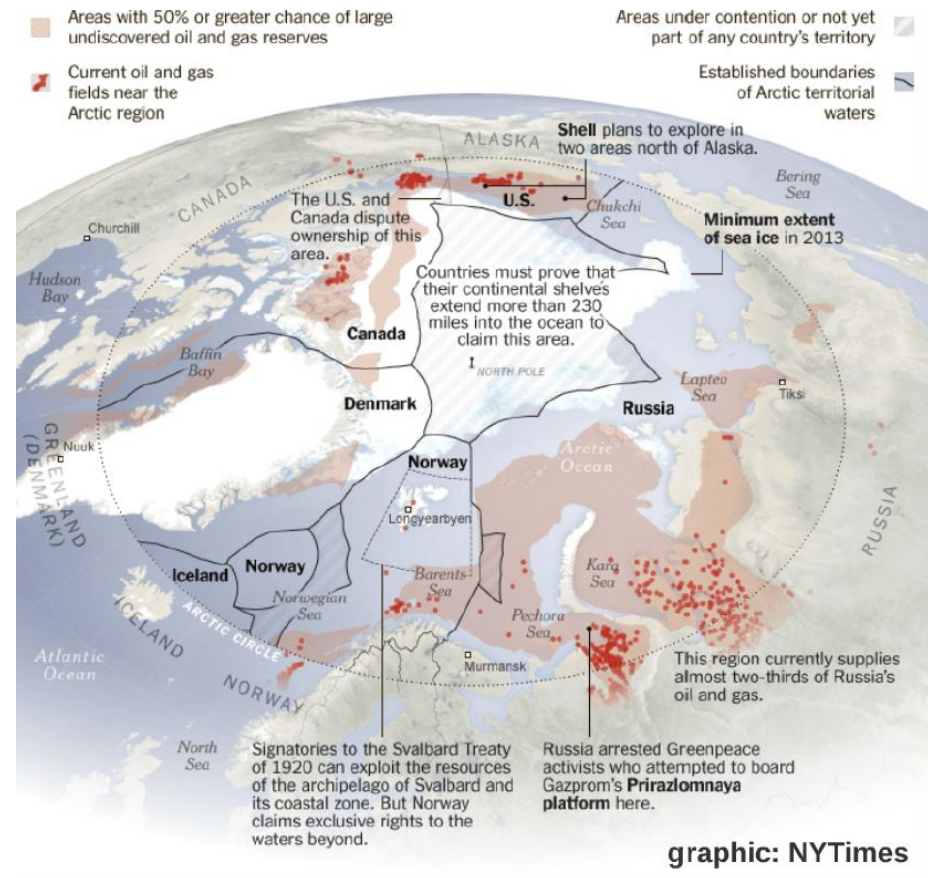


**NAAFE 2017  
LA PAZ**

# REGIMES – PREDICTION

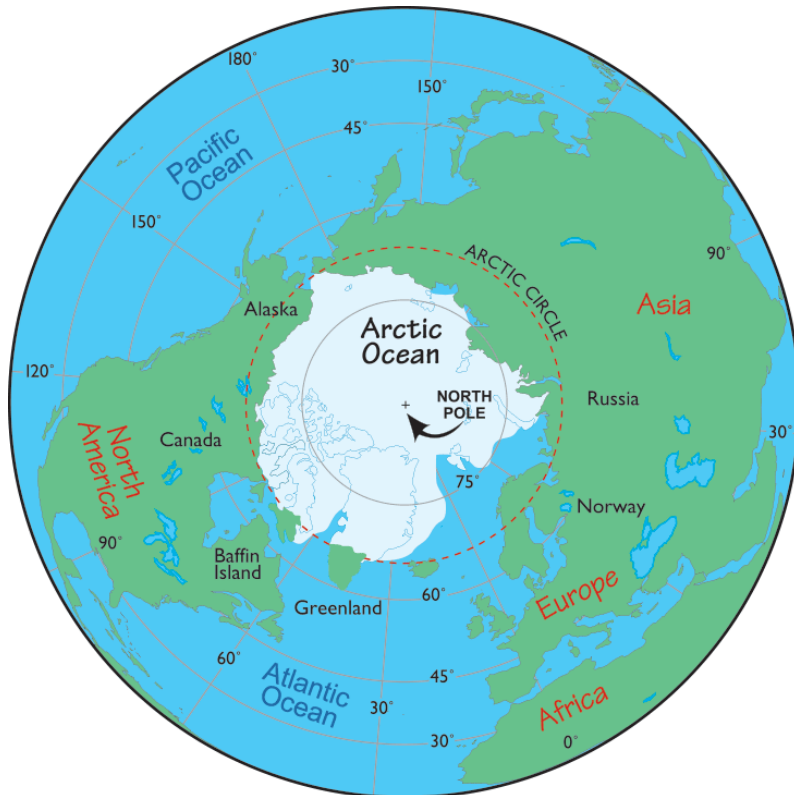
**REGIMES:** *Interdisciplinary investigations of ecosystem services and scenarios in the Svalbard Zone under a changing climate in the Arctic.*

- To investigate the effects of climate change on the Arctic marine ecosystem services
- To study how this will affect the potential for escalating conflicts over the Svalbard Fisheries Protection Zone.



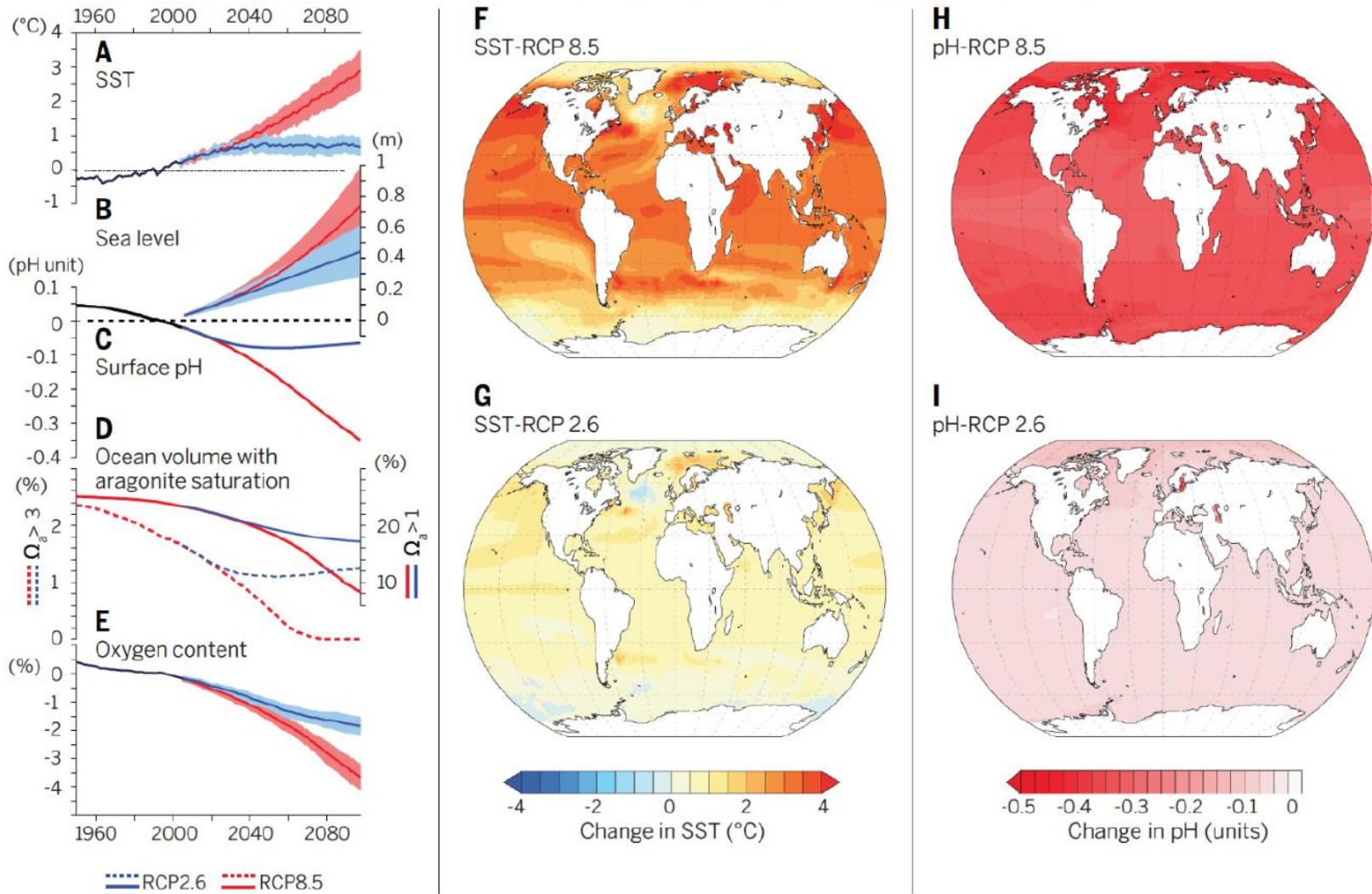
# The Arctic

- **Area:** 14.056 million sq. km (5.4 million sq. mi.), largely frozen ocean.
- **Top fishing countries** Norway, Iceland, Greenland, Russia & Faeroe Island (based on landed values);
- Norway – largest current landed value\* (**US\$ 929 million**);



# Climate is Changing

Gattuso, Magnan, Billé, Cheung, Howes, Joos, et al. 2015 *Science*



**Fig. 1. Environmental changes over the industrial period and the 21st century for a business-as-usual scenario and a stringent emissions scenario consistent with the UNFCCC target of increase in global surface temperature by 2°C.** (A to E) Changes in globally averaged (A) SST, (B) sea level, (C) sea surface pH (total pH scale), (D) ocean volume (in % of total ocean volume) with saturation state of calcium carbonate in aragonitic form ( $\Omega_a$ ) above 1 and above 3, and (E) dissolved oxygen. RCP8.5, red lines; RCP2.6, blue lines. Maps show the 21st century changes in SST (F and G) and in sea surface pH (H and I) for RCP8.5 (top) and RCP2.6 (bottom), respectively. All projected values represent ensemble mean values from the Coupled Model Intercomparison Project 5 [CMIP5 (23)].

# Climate change impact on marine resources

## Physical change in the ocean

- ↑ Sea temperature;
- ↑ Acidification;
- Δ Ocean current pattern;
- Δ Salinity;
- Retreat of sea ice;
- ↑ Coastal hypoxic & oxygen min. zone;
- ↑ Sea level.

## Biological / ecological change in the ocean

### INDIVIDUAL

- Physiology
- Growth; &
- Body size.

### POPULATION

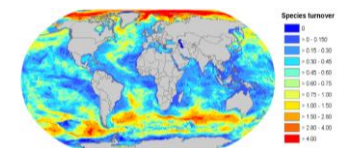
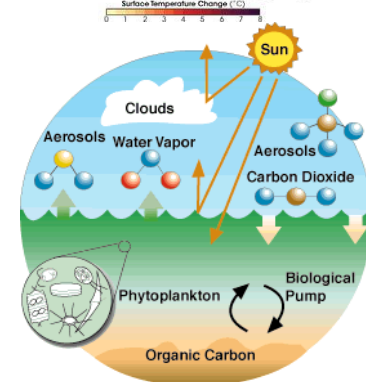
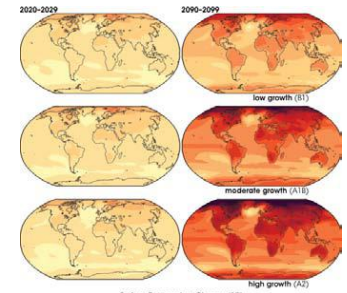
- Recruitment
- Abundance
- Distribution

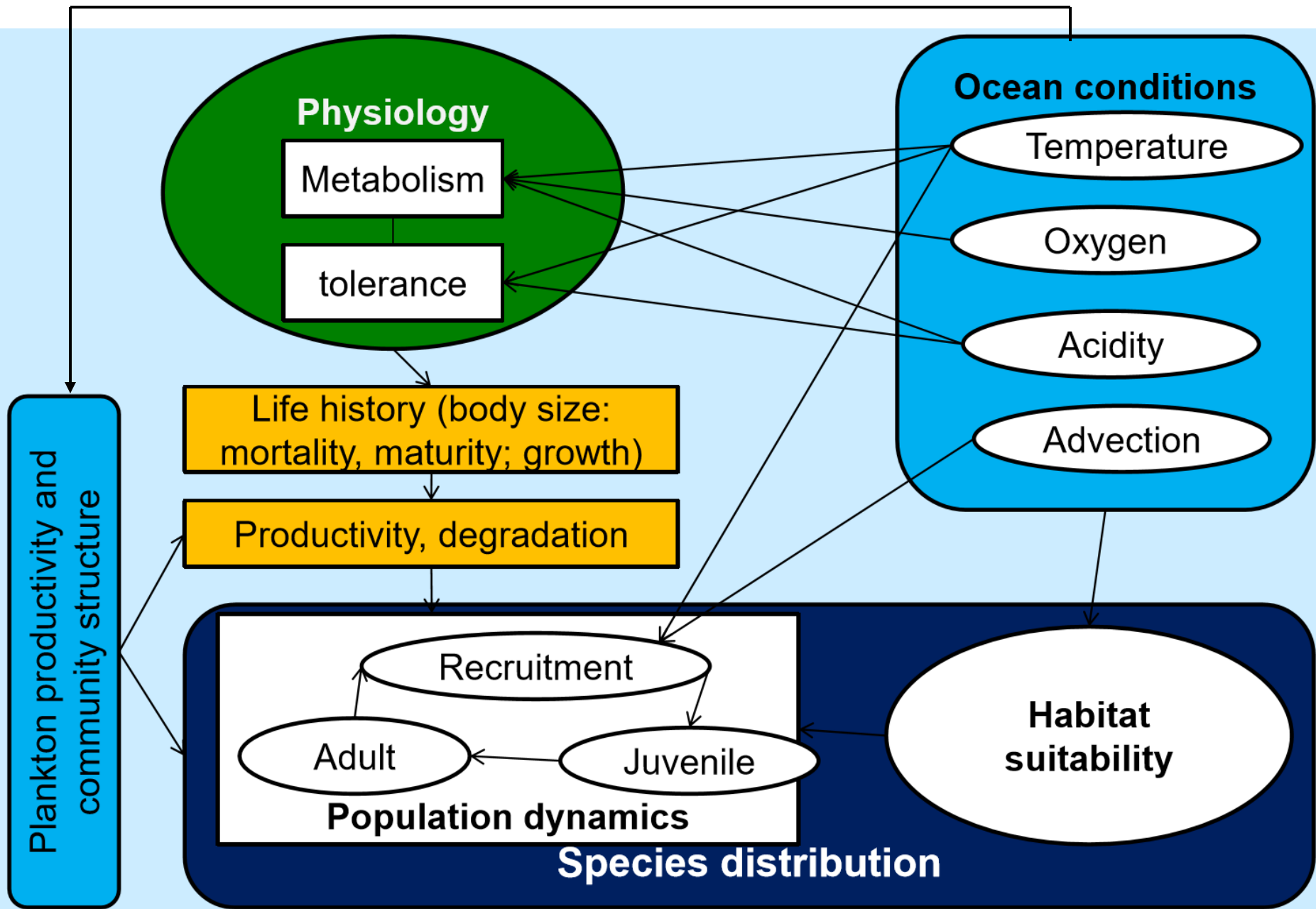
### COMMUNITY

- Species composition;
- Invasion/extinction.

### ECOSYSTEM

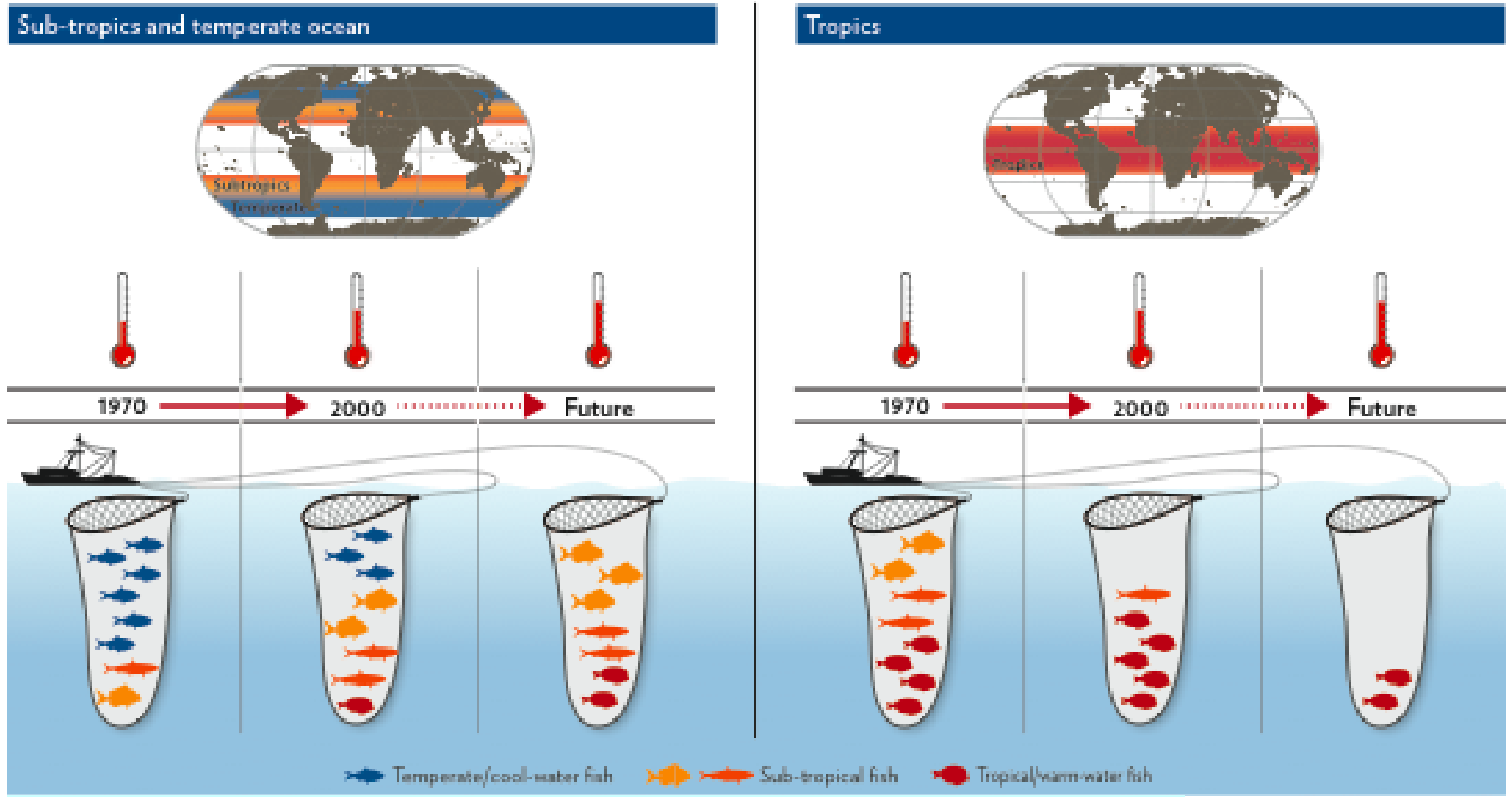
- Productivity;
- Species interaction.





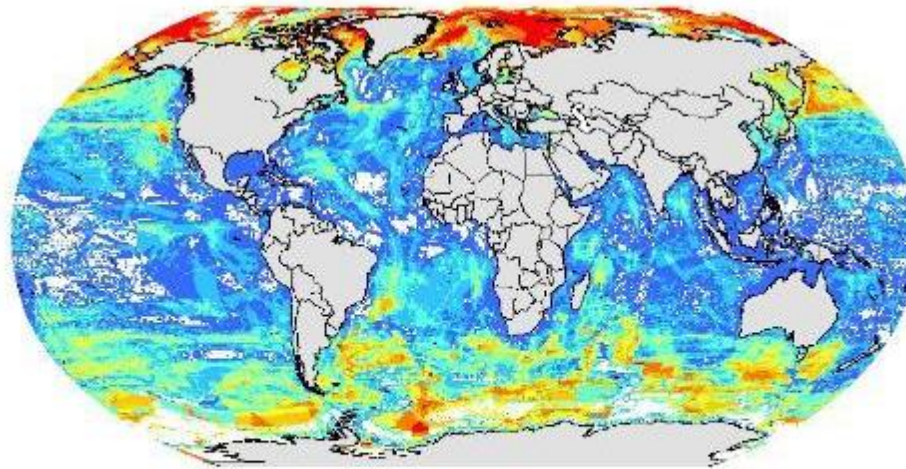
# Ocean warming drives changes in species composition

Species from warmer waters are replacing those that are traditionally caught in fisheries worldwide.

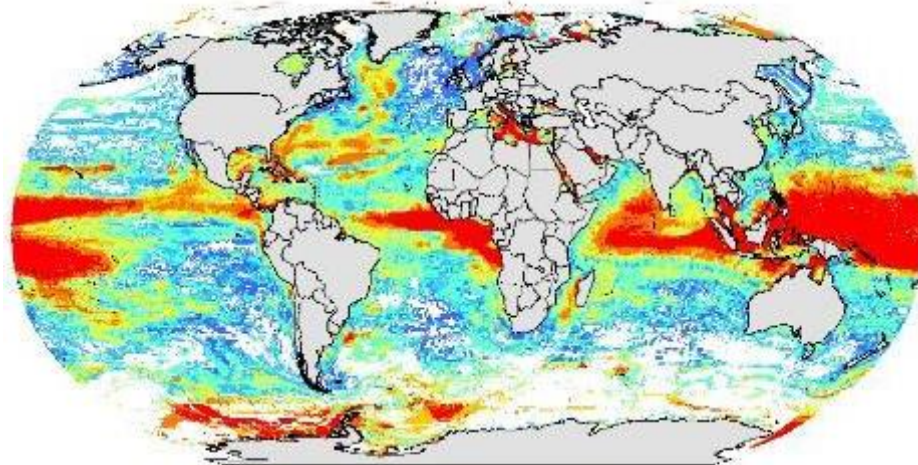


Credit: Pew Charitable Trust; Based on Cheung *et al.* (2013) Nature

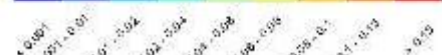
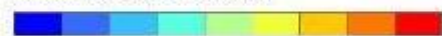
# Species gain and local extinction



Rate of species invasion



Rate of local extinction



- Range shifts lead to species gain and local extinction;
- 1000 species;
- 2050s relative to 2000s, RCP 8.5



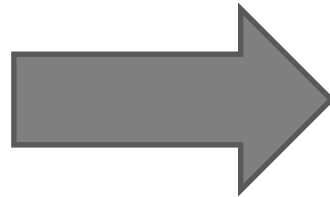
**E.g., Snow crab in Norway;**



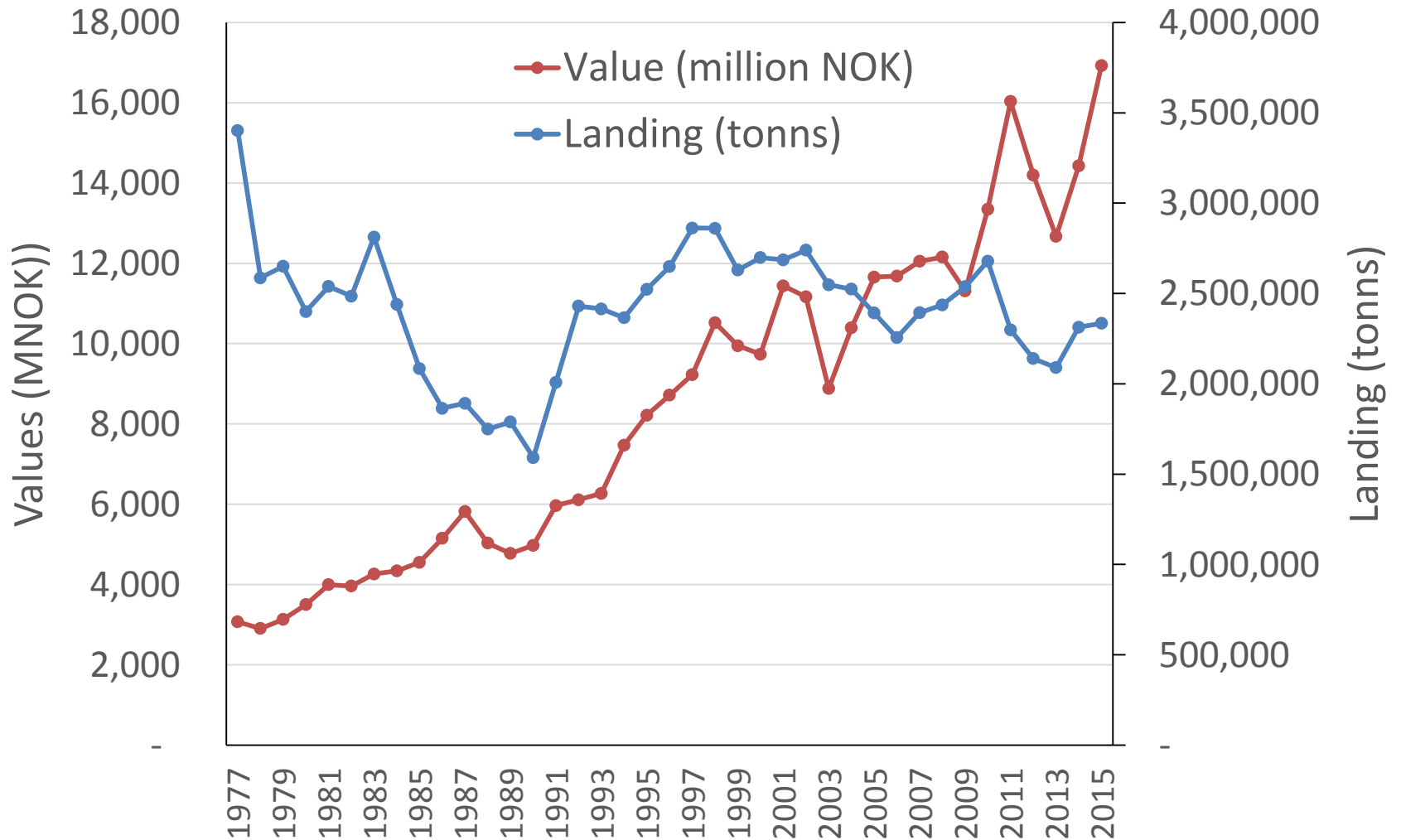
# Climate Change Impact on Fishing Sector

## Expected in the Arctic:

- Ocean warming has positive impacts on fisheries;
- Ocean acidification has negative impacts on fisheries;
- Impacts on: catches, costs, prices, revenues and jobs;
- Impacts on fishing sector and society.



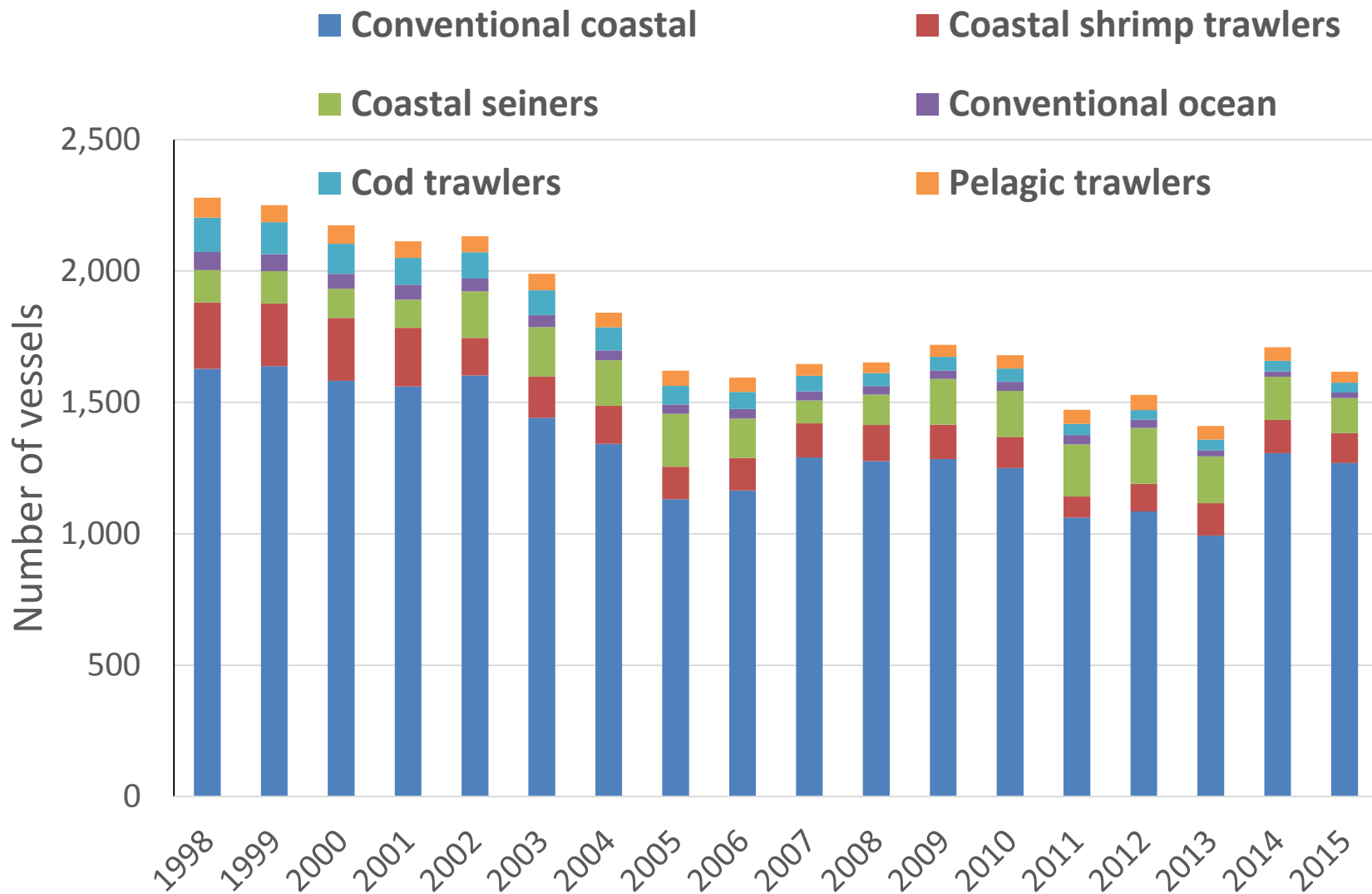
# Norwegian Fisheries



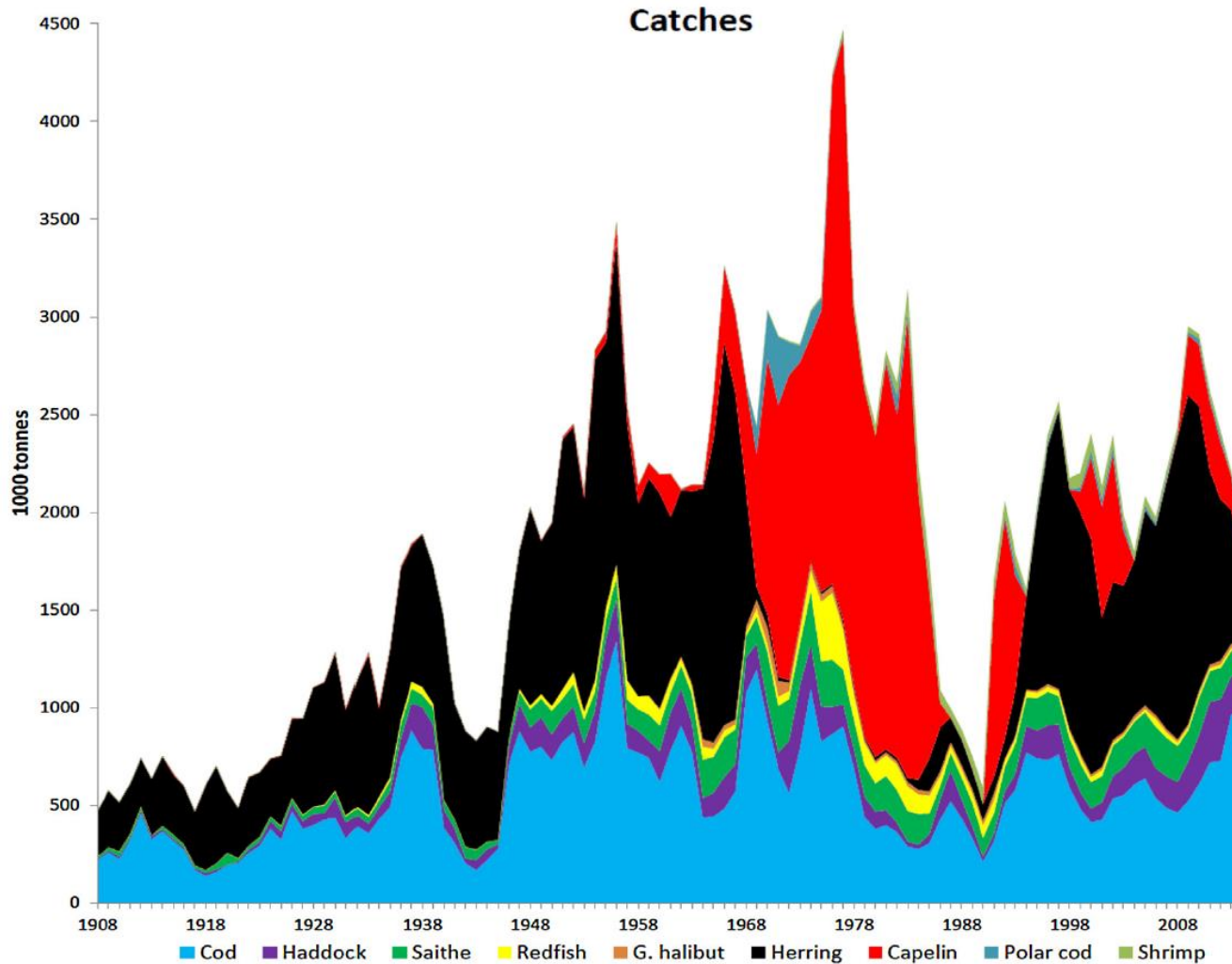
# Fish Species and fisheries in Norway

- **Pelagic species:** herring, mackerel, capelin, brisling (sprat), sandeel, Norway pout, blue whiting, etc.
- **Demersal species:** cod, saithe, haddock, pollack, ling, tusk, halibut, etc.
- ❖ **Coastal fisheries:** Conventional, coastal seiners, shrimp trawler.
- ❖ **Ocean fisheries:** Conventional, cod trawler, pelagic trawlers.

# Norwegian Fishing vessels



# Changes in Catch

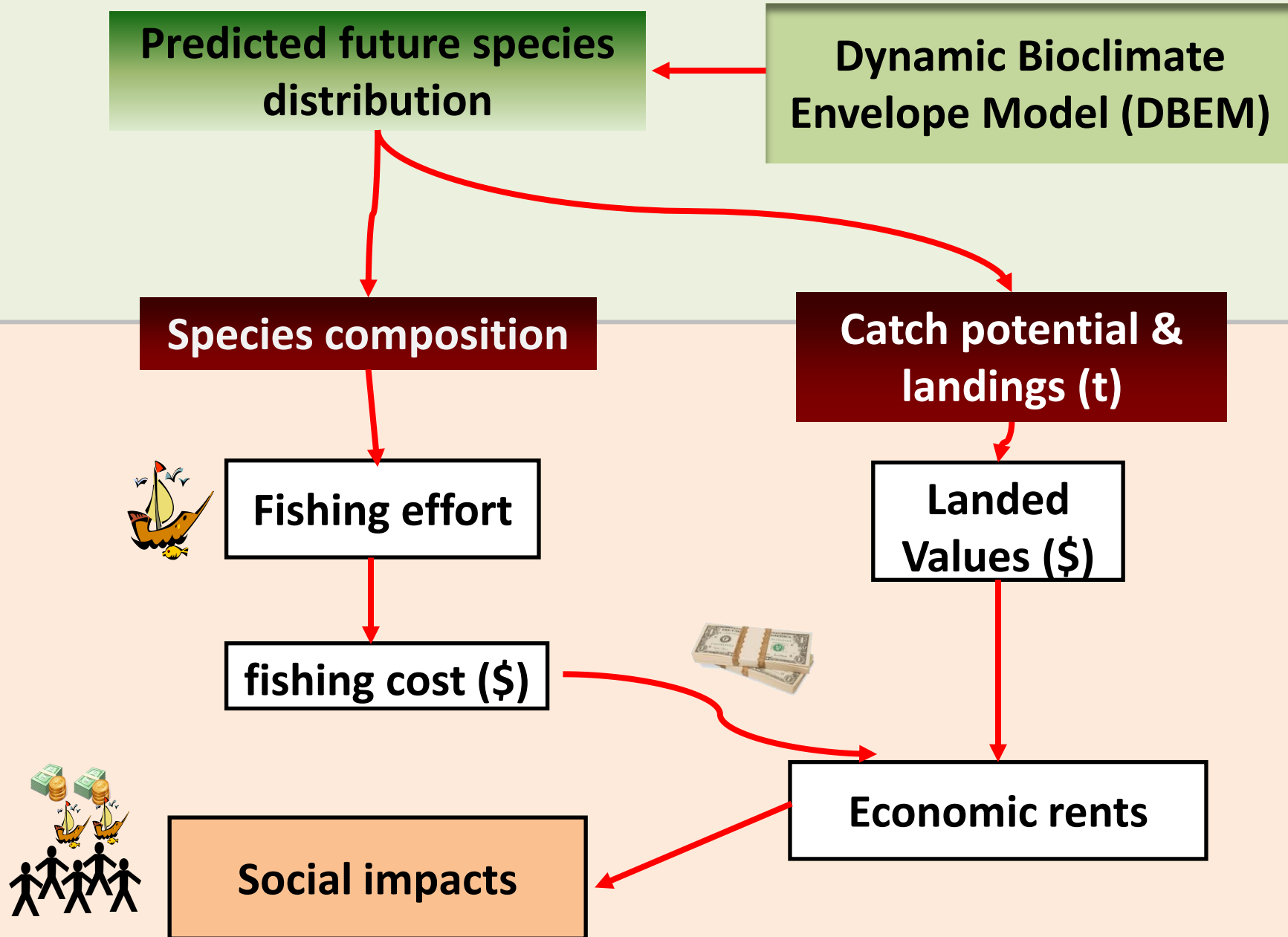


**Fig. 3.** Catches of main stocks in the Barents and Norwegian Seas 1908–2014. Historically, the catch reached a level between 2 and 3 million tonnes in the 1950s and has since mostly been within this range. A peak in the 1970s was due to large capelin catches, and a dip in the late 1980s was caused by low catches of all stocks. Data are taken from ICES (ICES, 2015a,b,c; Lassen et al., 2012). The catches include all catches of the species in ICES areas I, IIa and IIb (Fig. 1 for ICES areas). For herring, all catches of Norwegian spring-spawning herring are included, also those outside the mentioned ICES areas.

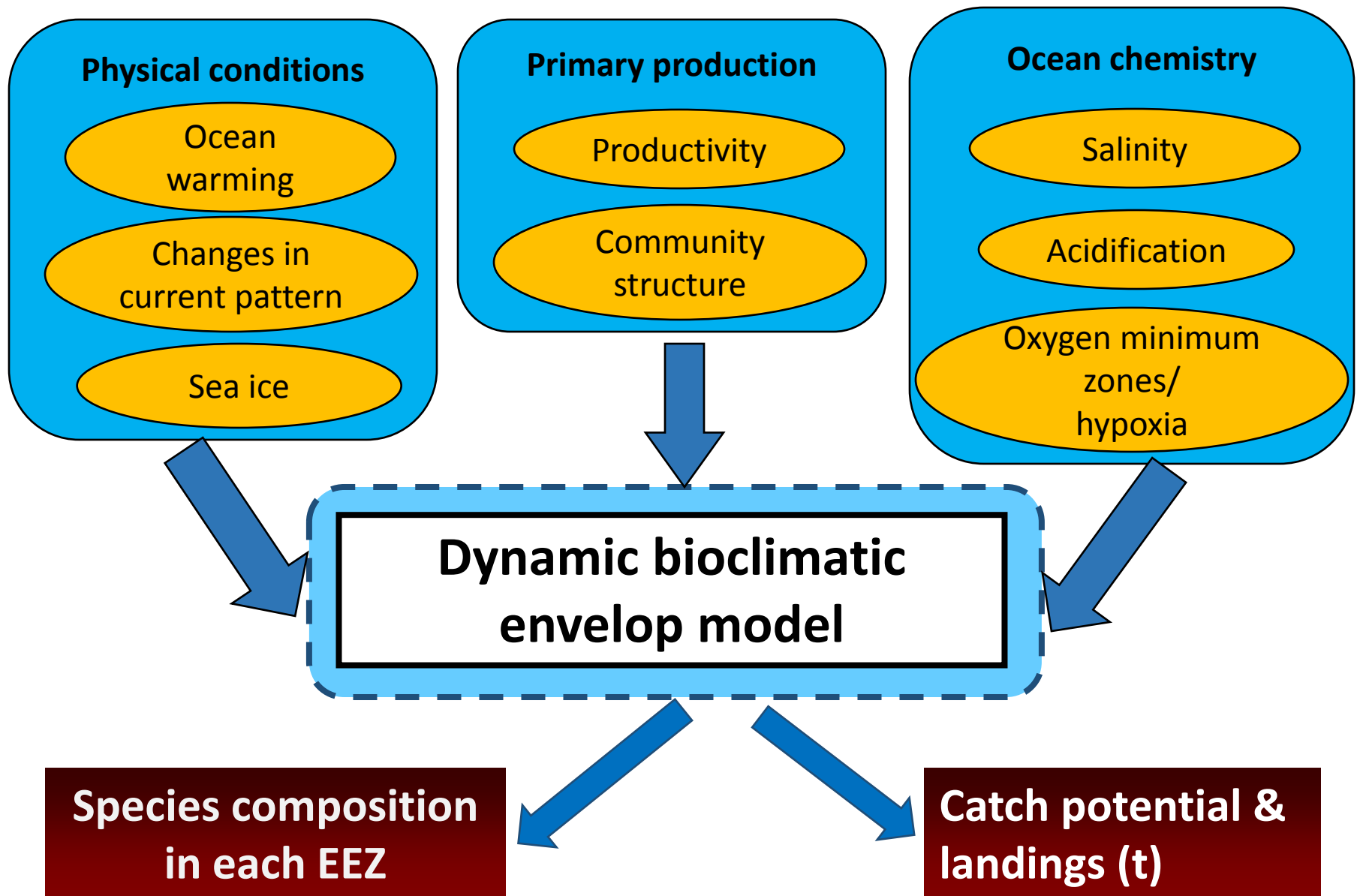
# Methods

- **Ecological: Dynamic Bioclimatic Envelop model;**
  - Multi-model ensemble (GFDL, IPSL, CSM 1.4, CCSM3) under IPCC SRES A2 scenario to explore uncertainty of the assessment;
  - OA scenarios (based on Kroeker *et al.* 2010);
  - Monte Carlo method to determine the level of uncertainty;
  - Major species of exploited Arctic marine fishes and invertebrates are included;
  
- **Economic: production, cost, benefit**
  - Projected catches – production function
  - Costs – variable and fixed costs
  - Prices (supply/demand)

# Bioeconomic Model Structure



# Dynamic Bioclimatic Envelop Model (EBEM)





# Economic Model Structure

Species composition  
in each EEZ

Catch potential &  
landings (t)

Technology  
development

Fishing fleet  
dynamics  
(entry/exit)

Price dynamics  
(demand model)

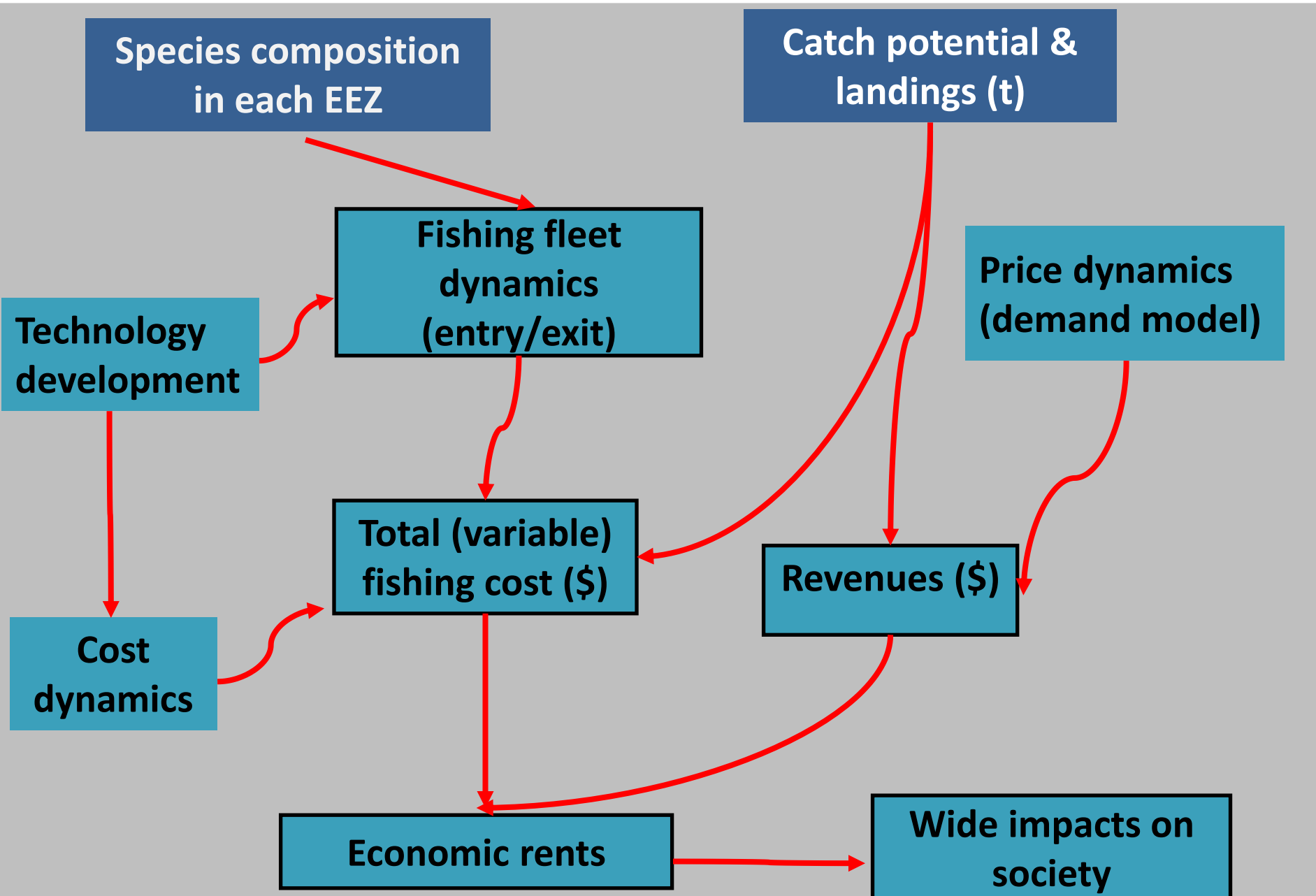
Total (variable)  
fishing cost (\$)

Revenues (\$)

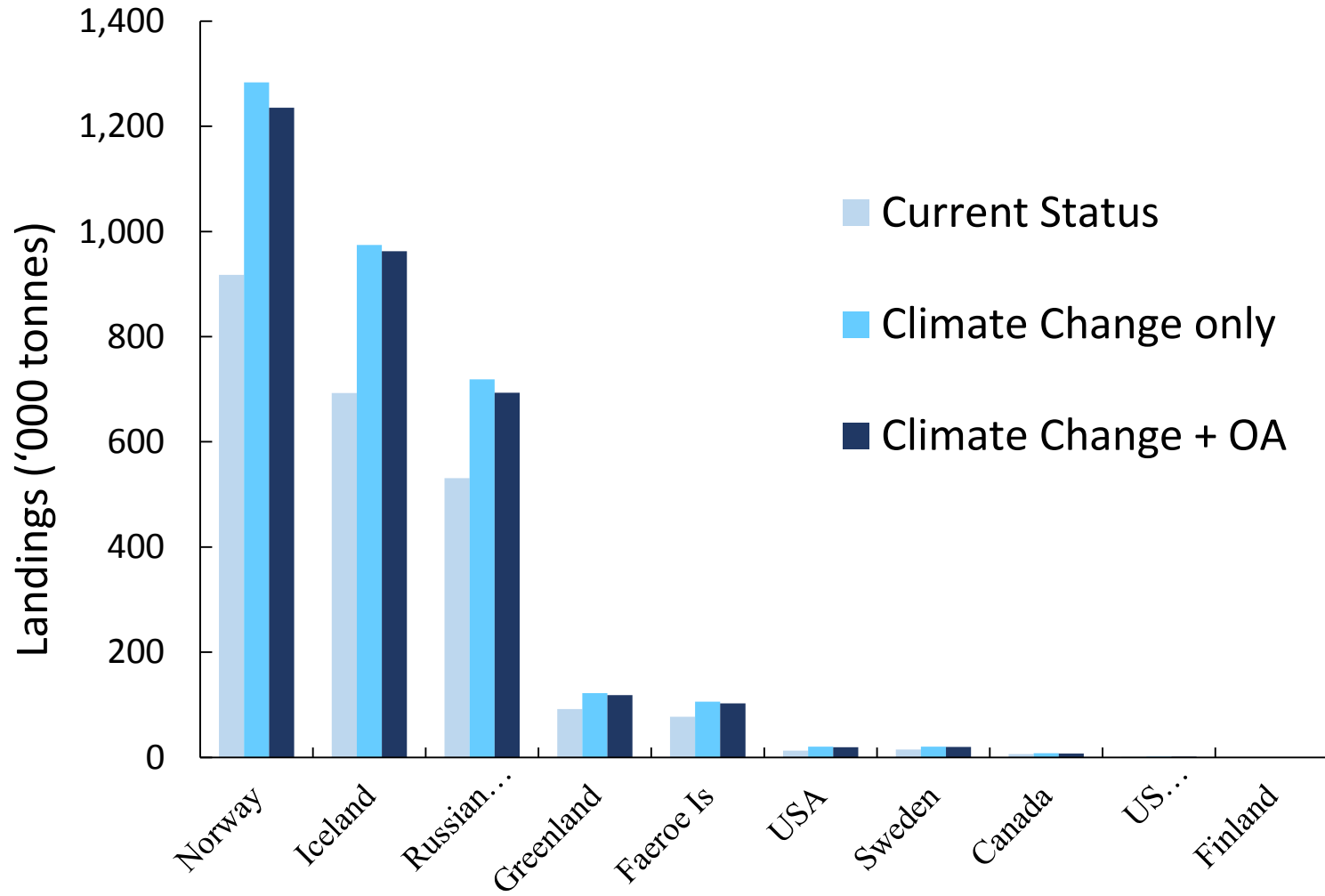
Cost  
dynamics

Economic rents

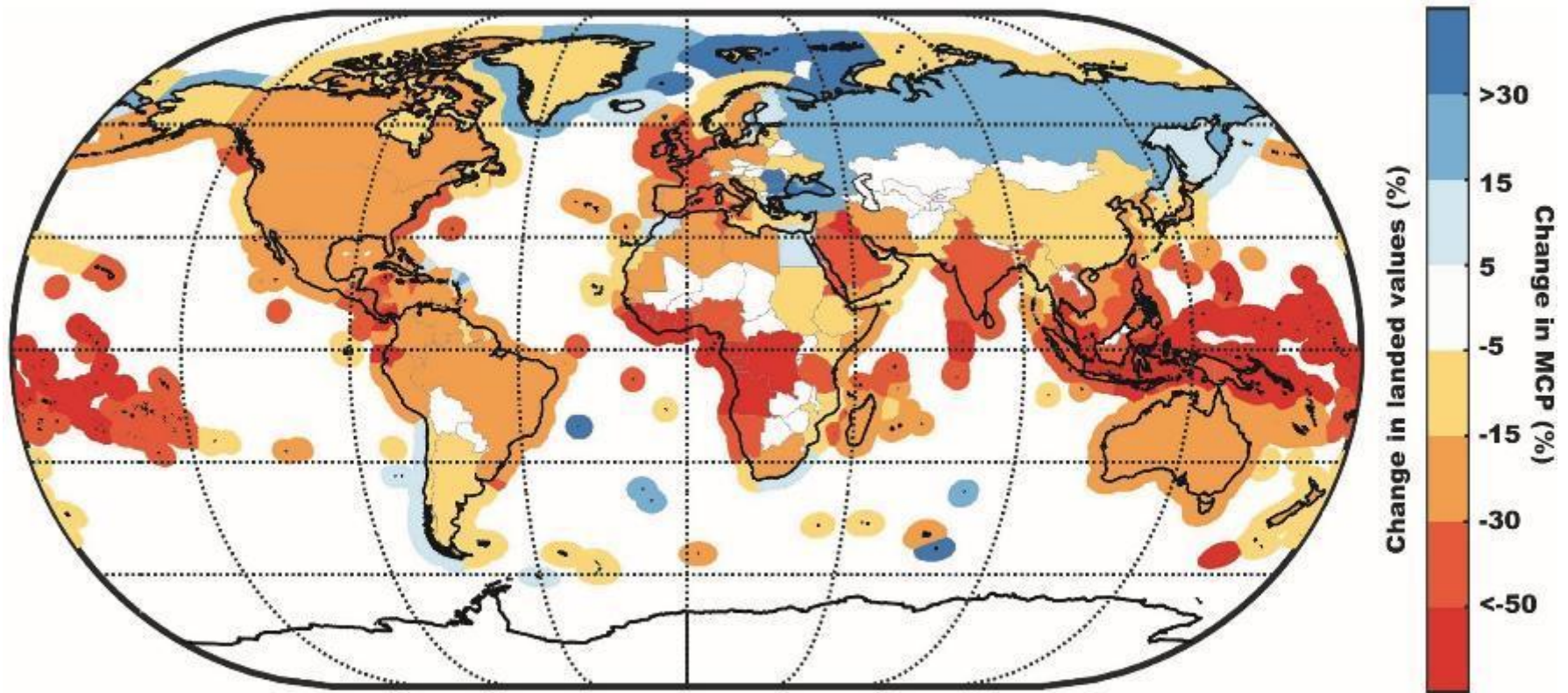
Wide impacts on  
society



# Projected landing under climate scenarios



## Mean percentage change in maximum catch potential (MCP) and revenues in the 2050s relative to current status under RCP 8.5 scenario

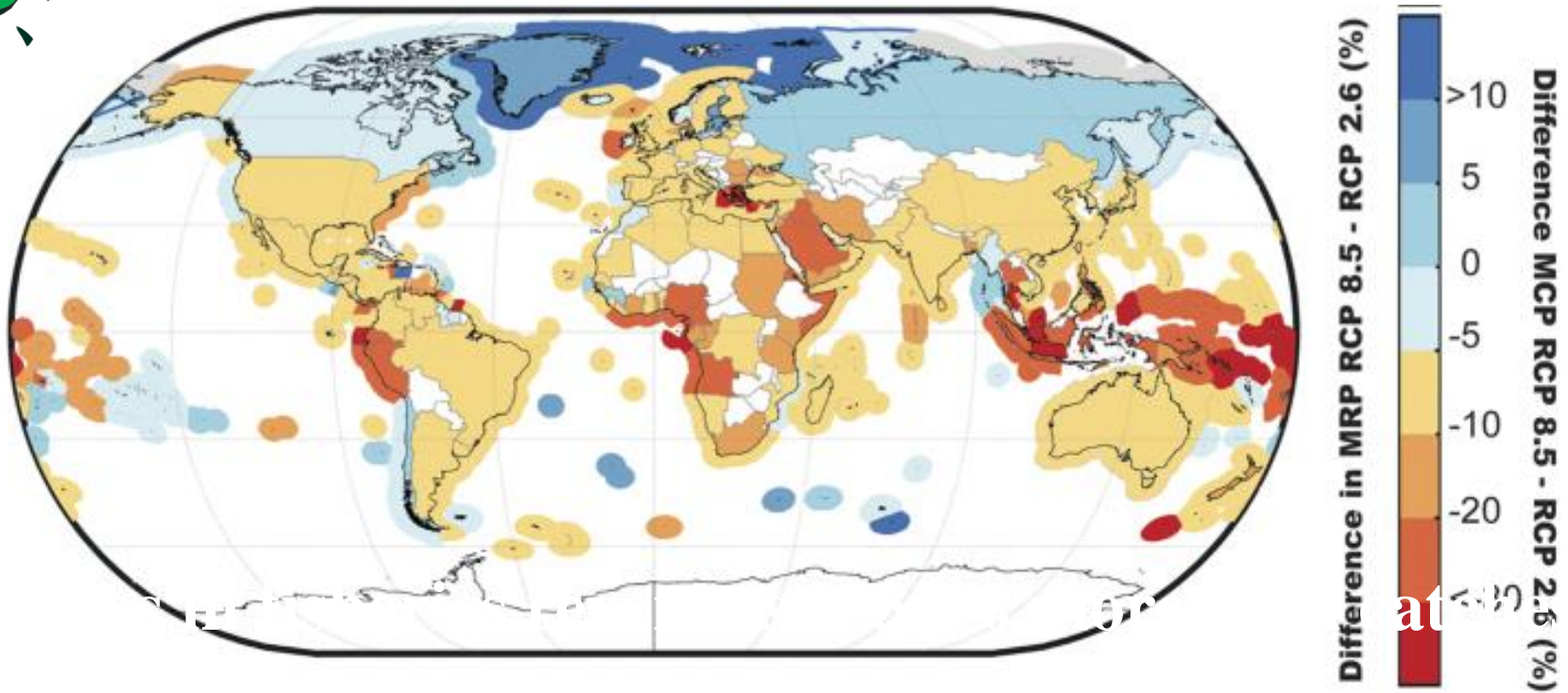


The map is created using MATLAB R2012b, <http://www.mathworks.com>

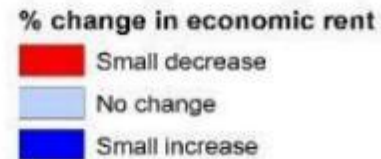
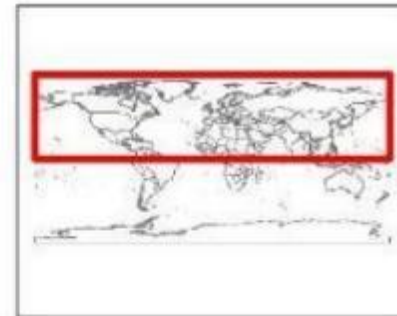
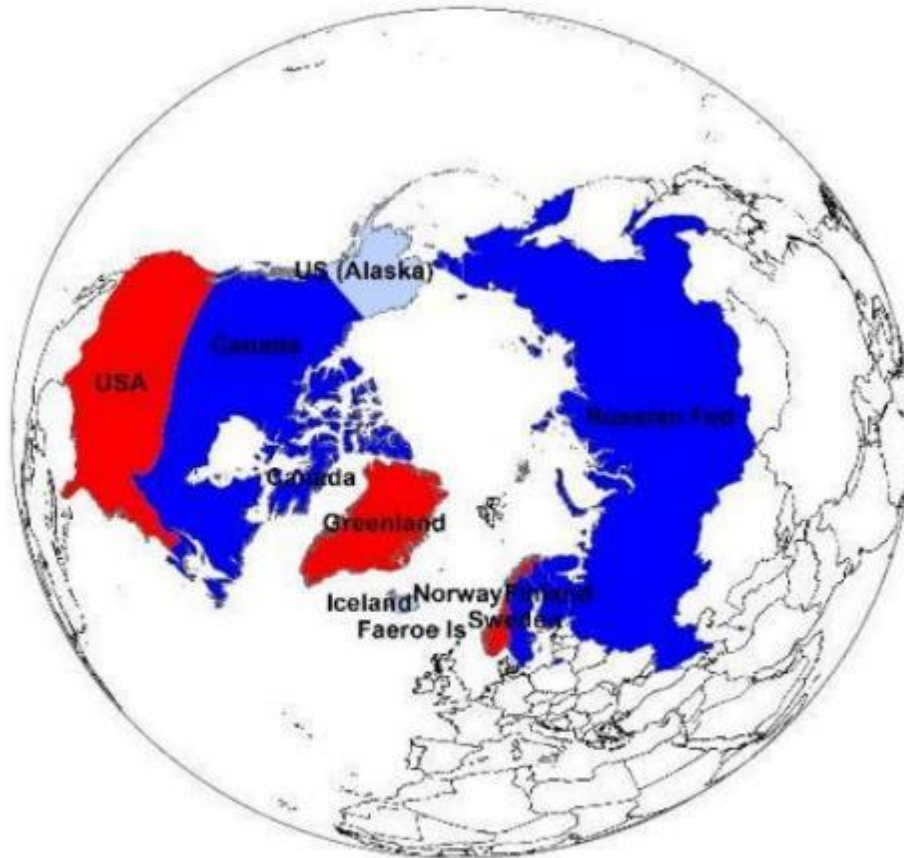
	Mean	Standard deviation
% change in MCP	-7.71	4.36
% change in revenues	-10.37	4.20

% change in revenues is 35% more than % change in MCP

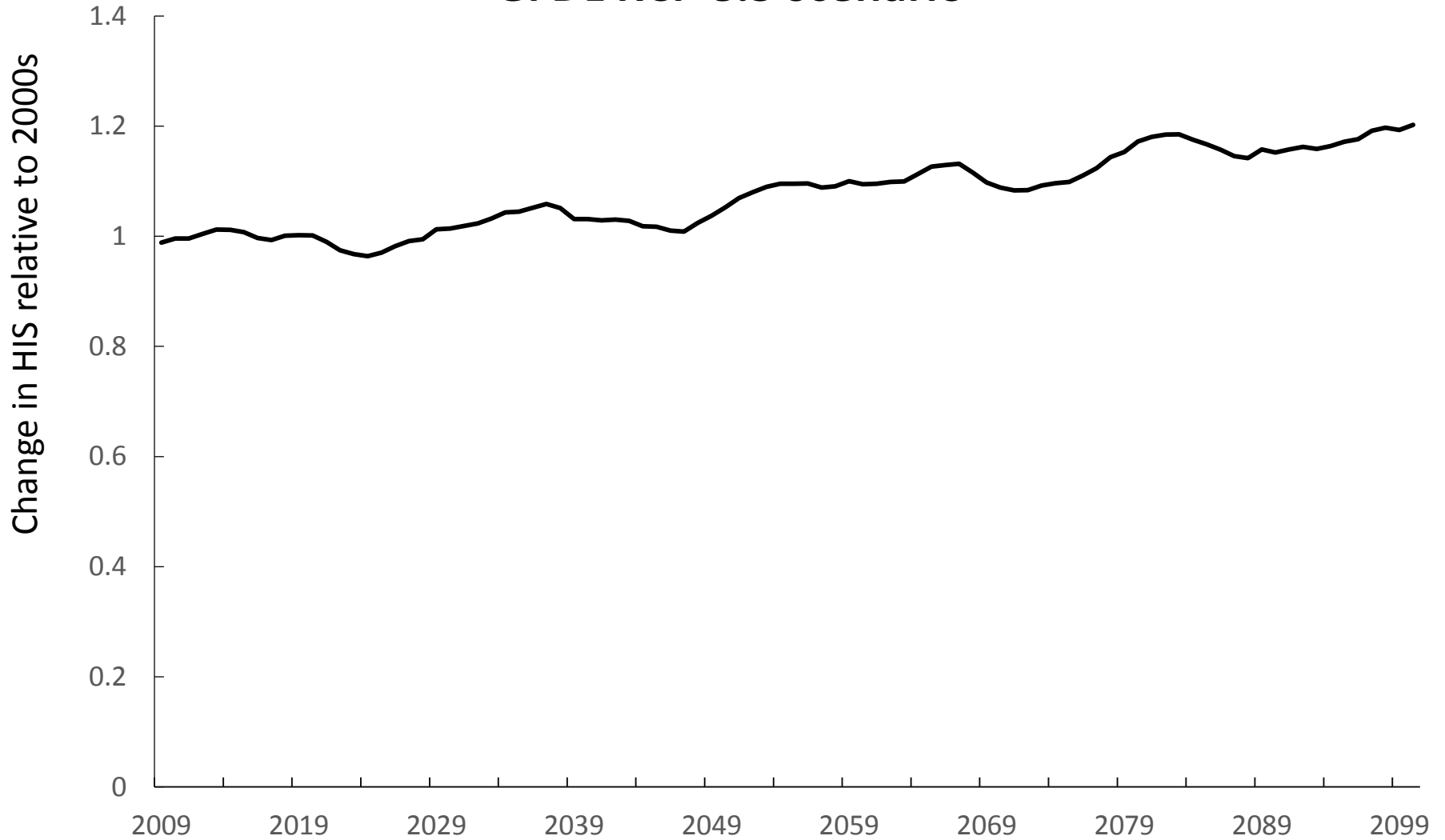
# Difference maximum revenues (MRP) between RCP 8.5 and RCP 2.6



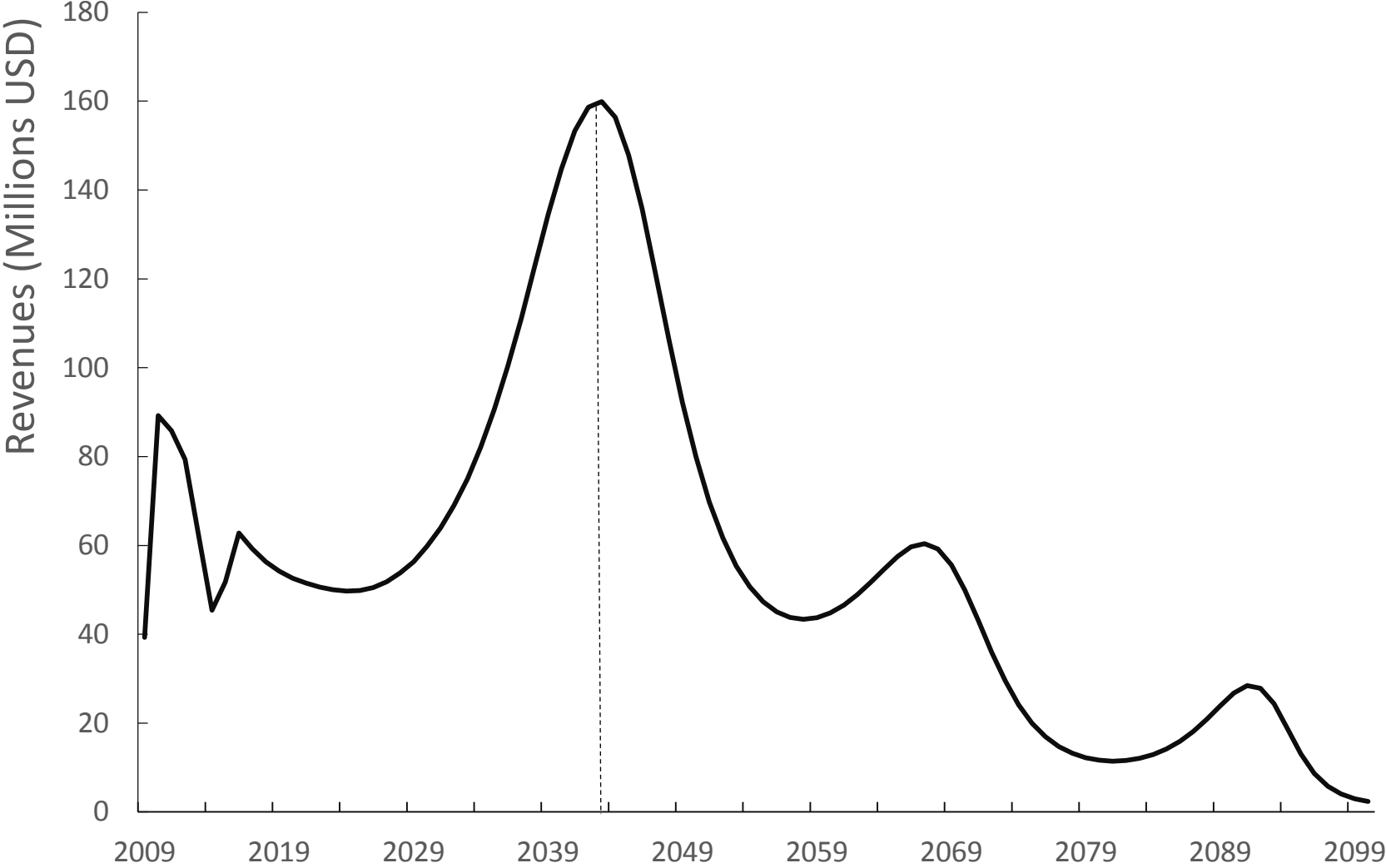
# Revenues from Fisheries in the Arctic



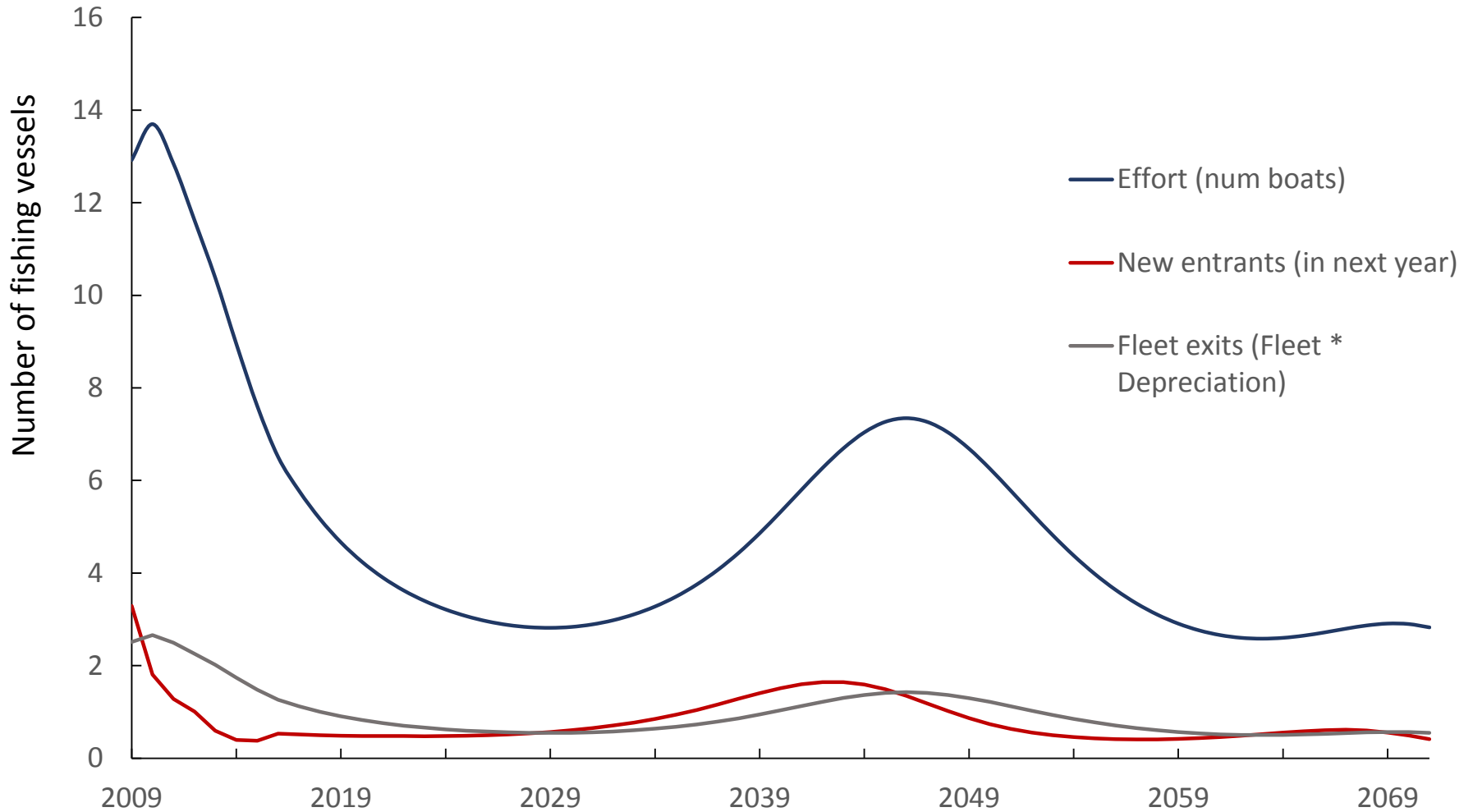
# Change in Habitat Suitability Index (HIS) of Atlantic cod in Norway EEZ (area for ocean fisheries) relative to that in the 2000s under GFDL RCP 8.5 scenario



# Projected revenues of Atlantic cod by conventional ocean fleet in Norway EEZ under GFDL RCP 8.5 scenario

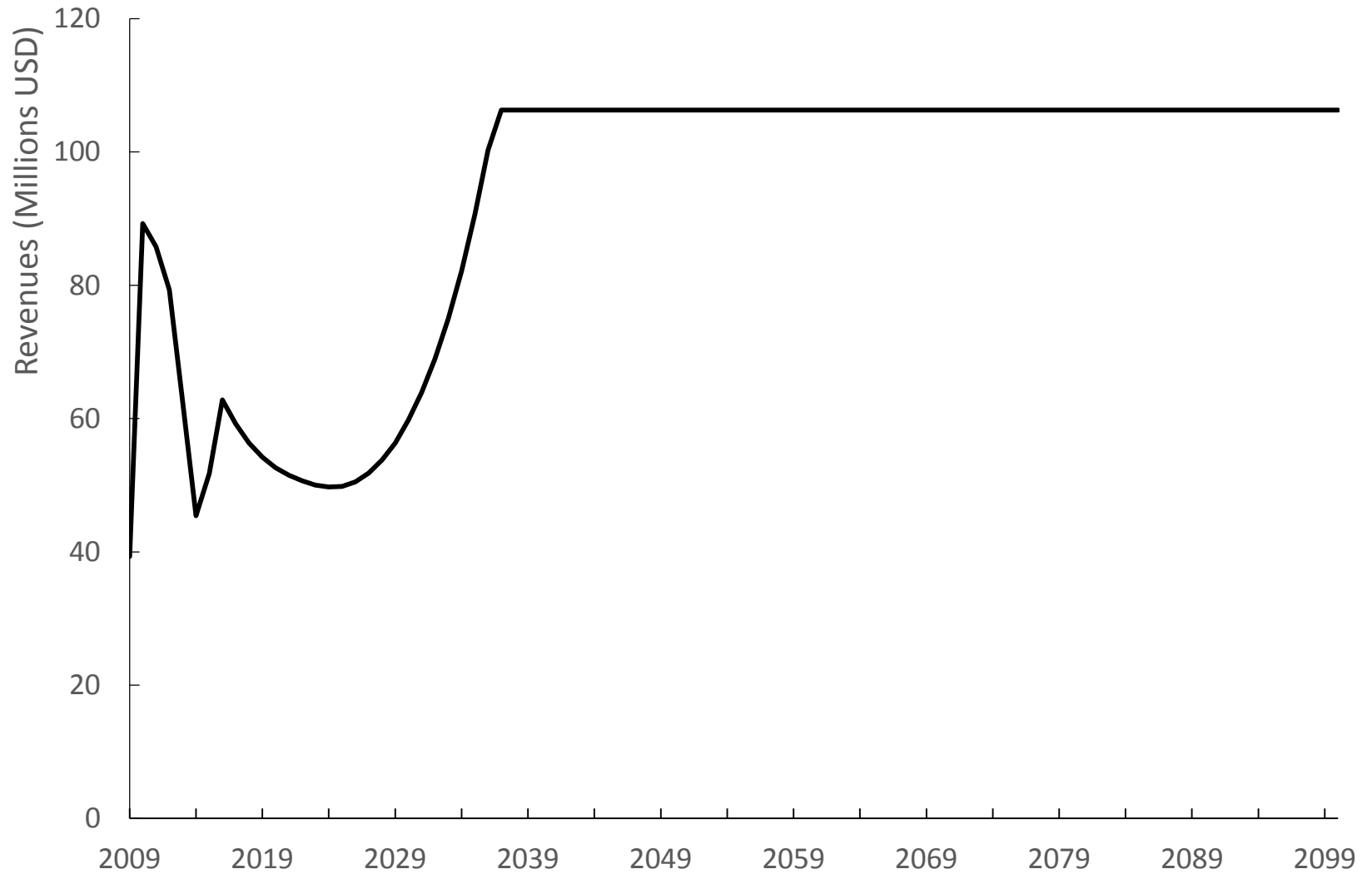


# Projected fishing efforts (number of vessels) of conventional ocean fleets under GFDL RCP 8.5 scenario

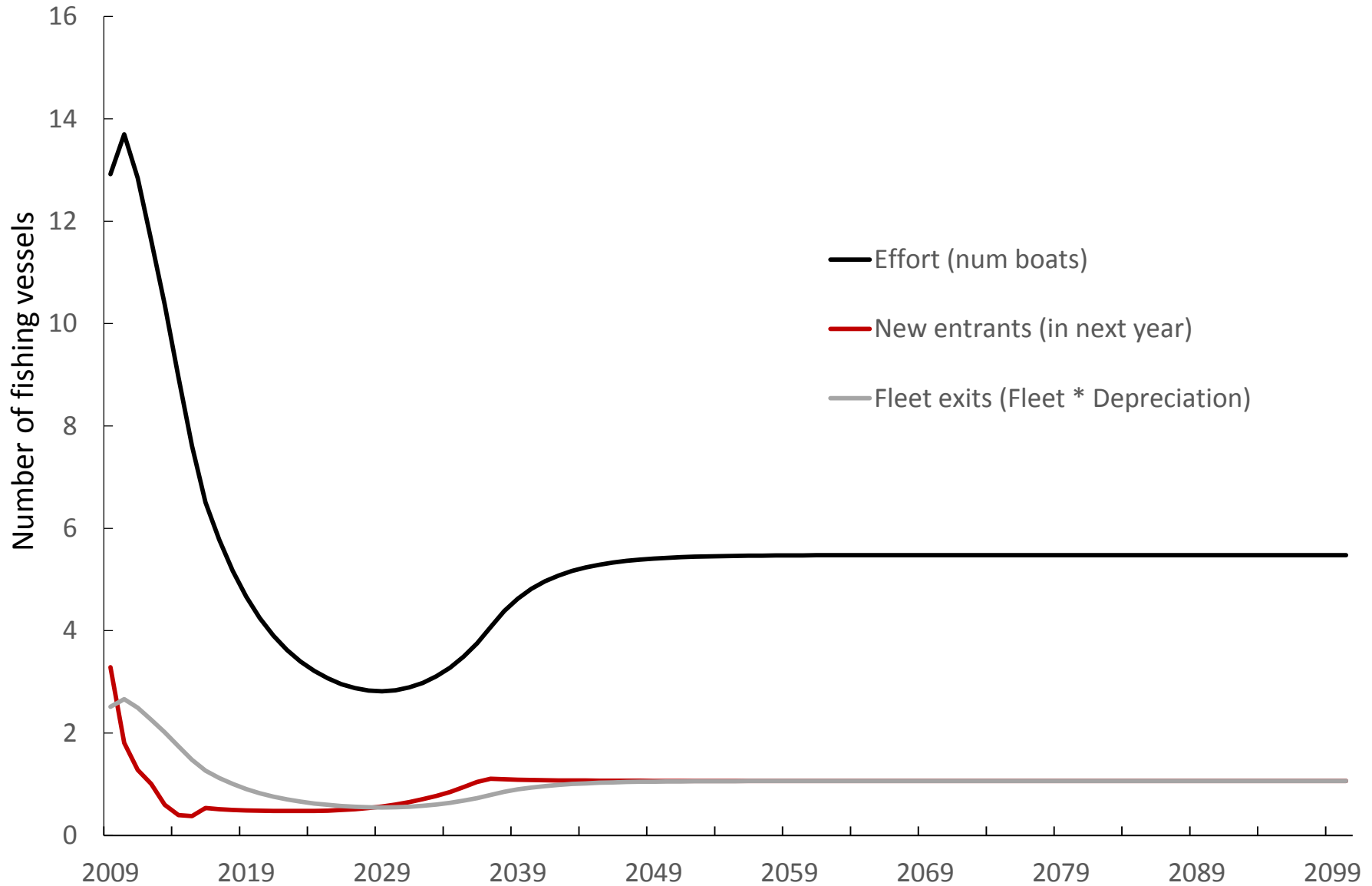




# Projected revenues of Atlantic cod by conventional ocean fleet in Norway EEZ under GFDL RCP 8.5 scenario (with TAC)



# Projected fishing efforts (number of vessels) of conventional ocean fleets under GFDL RCP 8.5 scenario (with TAC)



# Next,

- Add fishing fleet dynamics (effort);
- Cost dynamics (fishing & travel costs);
- Price function (demand);
- NPV;
- Different management scenarios;
- Winners vs. losers

# Acknowledgement

- Funding support from Norwegian Research Council
- REGIMES TEAM:
  - **Dorothy Dankle** from University of Bergen
  - **Rachel Tiller** from SINTEF OCEANS
  - **Yajie Liu** from Department of Economics, NTNU
  - **William Cheung and Vicky Lam** from University of British Columbia



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