EUROPEAN
COMMISSION

Brussels, 11.6.2018
SWD(2018) 329 final

COMMISSION STAFF WORKING DOCUMENT
Accompanying the document

COMMUNICATION FROM THE COMMISSION

on the State of Play of the Common Fisheries Policy and Consultation on the Fishing Opportunities for 2019

{COM(2018) 452 final}

Contents

I. State of stocks

This section explains in detail the progress made on achieving maximum sustainable yield (F_{MSY}) and the situation of stocks.

1. Progress report

Each year, the Commission requests the Scientific, Technical and Economic Committee for Fisheries (STECF) to measure the progress made on achieving F_{MSY} in line with the objectives of the Common Fisheries Policy (CFP). The exploitation rate relative to F_{MSY} is calculated by the STECF, the International Council for the Exploration of the Sea (ICES) and the General Fisheries Commission for the Mediterranean (GFCM).

In line with recommended best practice, all historical data series have been updated. This means that some new methods have been introduced, new science taken into account, and new data added.

The main findings of the STECF technical report[1] are summarised below.

1.1 Knowledge of the state of stocks

1.1.1 ICES area[2]

The number of stocks for which there is scientific advice about fishing mortality compared to the fishing mortality that would lead to the MSY has remained stable in general at 66. The slight decrease in the number of F_{MSY} assessed stocks from 2015 to 2016 is due to a methodological change made by the STECF, whereby stocks with less than 5 years of data were not included in the analysis.

[1] 2018-XX_STECF XX-XX: *Monitoring the performance of the Common Fisheries Policy (WP)*.
[2] Reference to the ICES area or "North-East Atlantic" covers FAO area 27 and includes the waters of the Baltic Sea, North Sea, Irish Sea, Celtic Sea and adjacent waters.

Figure 1 Number of stocks in the ICES area for which estimates of F/F_{MSY} are available by year

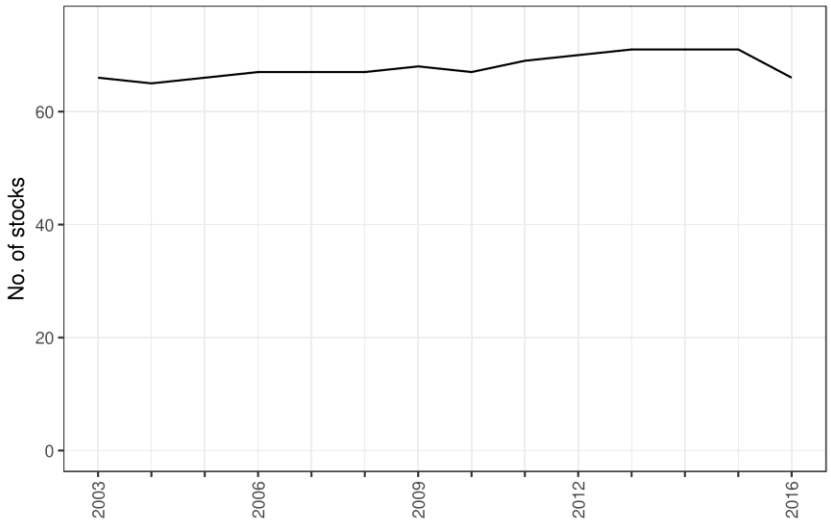


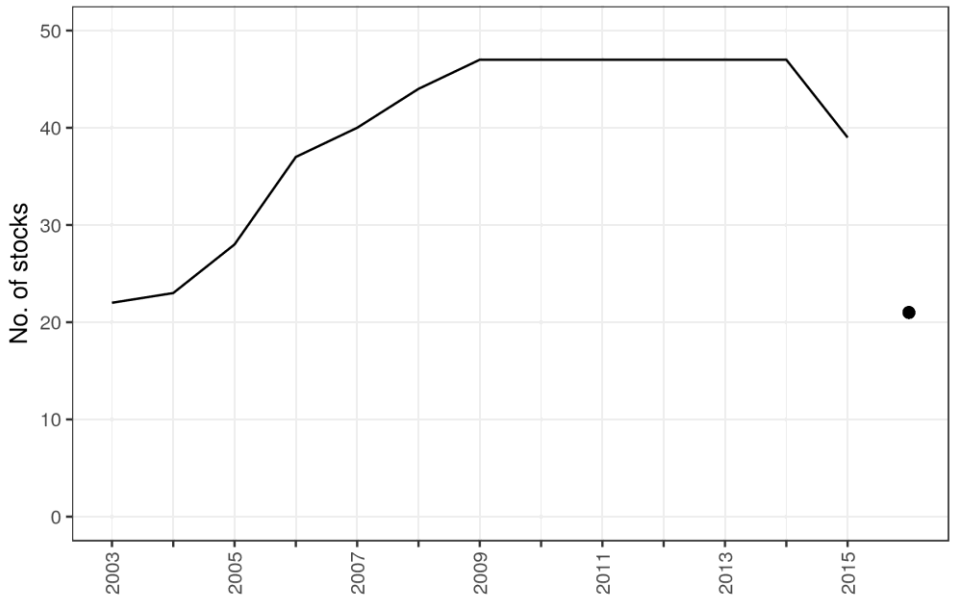
Table 1 Number of stocks in the ICES area for which estimates of F/F_{MSY} are available by ecoregion and year

Ecoregion	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
ALL	66	65	66	67	67	67	68	67	69	70	71	71	71	66
Baltic Sea	8	8	8	8	8	8	8	8	8	8	8	8	8	8
BoBiscay & Iberia	9	9	9	9	9	9	9	9	9	9	9	9	9	9
Celtic Seas	21	20	21	22	22	22	23	22	23	24	25	25	25	23
Greater North Sea	21	21	21	21	21	21	21	21	22	22	22	22	22	22
Widely distributed	7	7	7	7	7	7	7	7	7	7	7	7	7	4

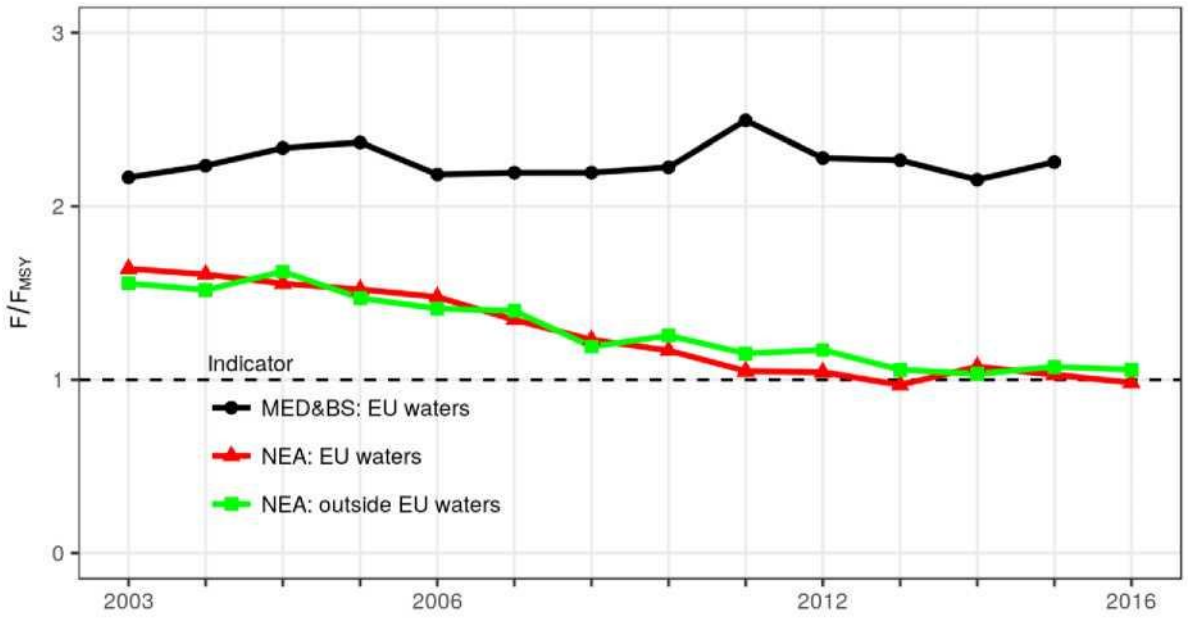
1.1.2. Mediterranean Sea and Black Sea

In the Mediterranean and Black Sea, there was a strong increasing trend in the number of stocks assessed between 2003 and 2009, up from 22 to 47; the number of stock assessments remained stable until 2014, then decreased to 39 in 2015 and 21 in 2016. For 2016, there are no results for any of the GFCM stock assessments and the indicator values for 2016 are based on the results of only 22 stock assessments. As a result, the values are not comparable with those of previous years. Hence in Figure 2, the 2016 value is represented as stand-alone, and the indicators are plotted up to 2015 only.

Figure 2 Number of stock assessments in the Mediterranean a and Black Sea by year. The totals include stocks in the following GSAs only: 1, 5-7, 9, 10-19, 22-23, 25 and 29.



1.2. Fishing compared to the maximum sustainable yield rate (F_{MSY})



1.2.1 North-East Atlantic

On trends in F/F_{MSY}, fishing pressure in the ICES area is decreasing steadily with the indicator value close to 1 in 2016; this means that over all stocks, on average, the exploitation levels are close to F_{MSY}. In the ICES area, among the 65 to 71 stocks that are fully assessed over the years, the proportion of overexploited stocks decreased from more than 70% to close to 40% over the last 10 years.

Figure 3 F/F_{MSY} trend

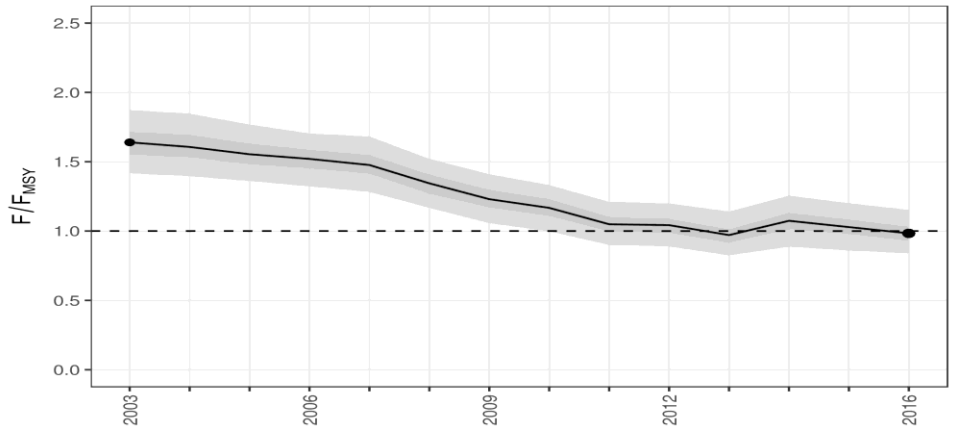


Figure 4 Number of stocks by year for which fishing mortality (F) exceeded F_{MSY}.

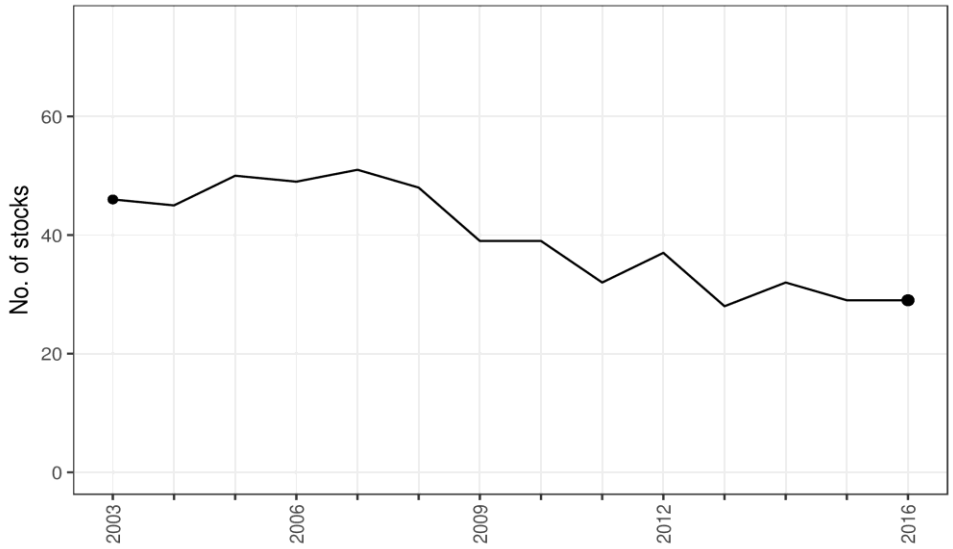


Figure 5 Number of stocks by year and ecoregion for which fishing mortality (F) exceeded F_{MSY}.

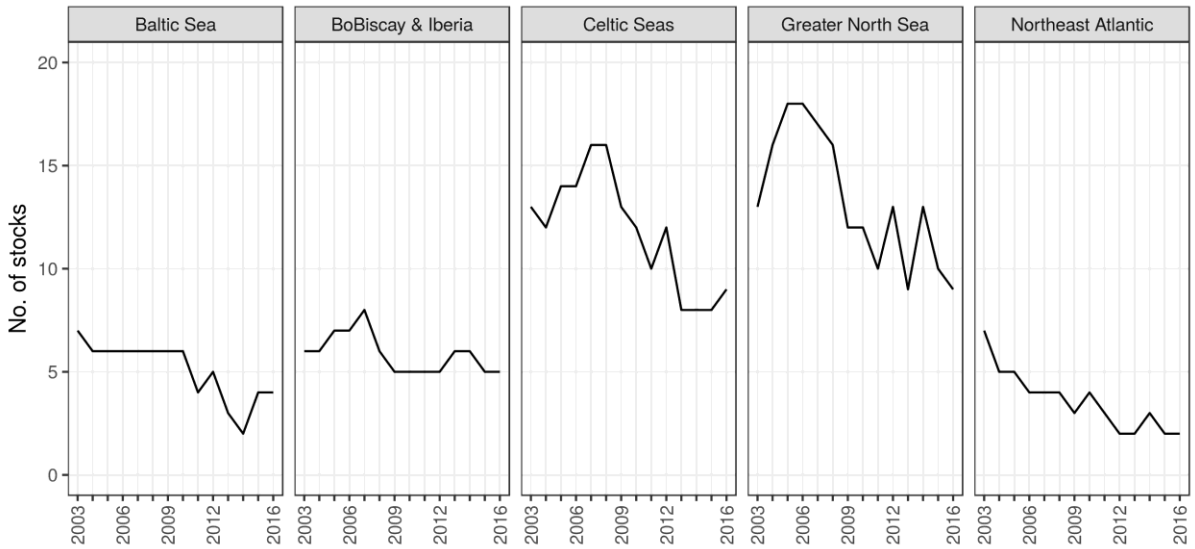


Table 2. Number of stocks by year and ecoregion for which fishing mortality (F) exceeded F_{MSY}.

Ecoregion	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
ALL	46	45	50	49	51	48	39	39	32	37	28	32	29	29
Baltic Sea	7	6	6	6	6	6	6	6	4	5	3	2	4	4
BoBiscay & Iberia	6	6	7	7	8	6	5	5	5	5	6	6	5	5
Celtic Seas	13	12	14	14	16	16	13	12	10	12	8	8	8	9
Greater North Sea	13	16	18	18	17	16	12	12	10	13	9	13	10	9
Widely distributed	7	5	5	4	4	4	3	4	3	2	2	3	2	2

Figure 6 Number of stocks by year for which fishing mortality (F) did not exceed F_{MSY}.

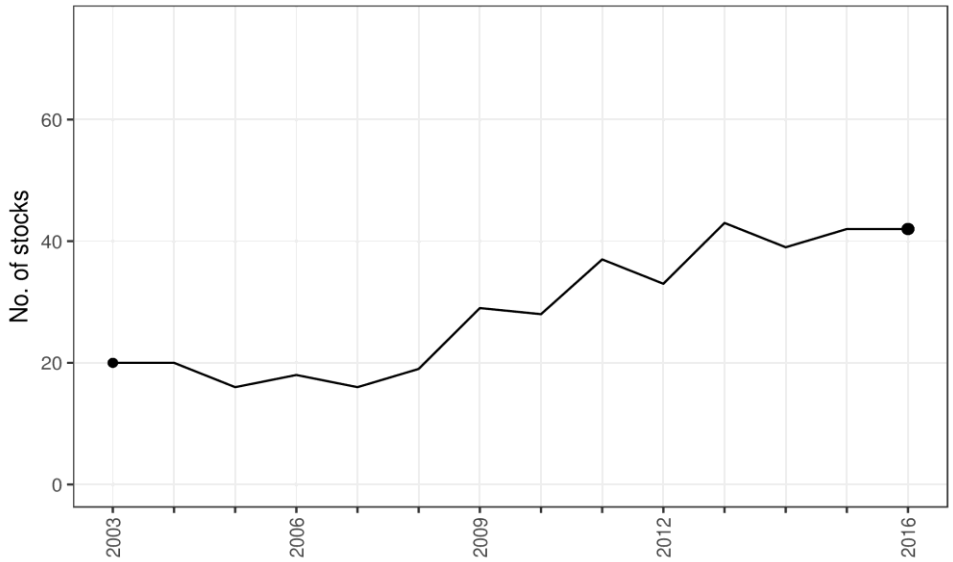


Figure 7 Number of stocks by year and ecoregion for which fishing mortality (F) did not exceed F_{MSY}.

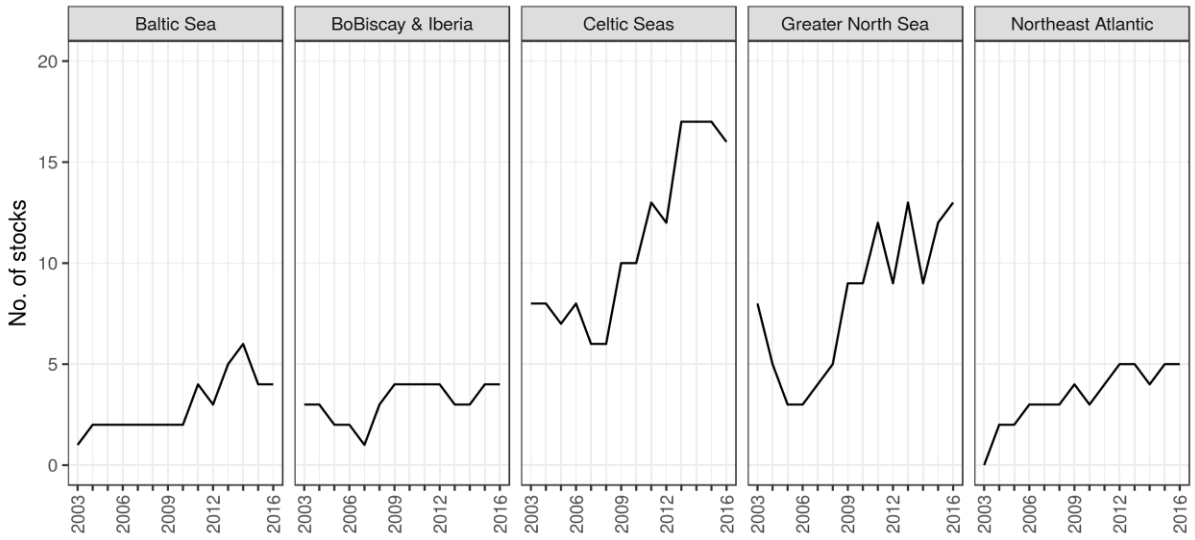


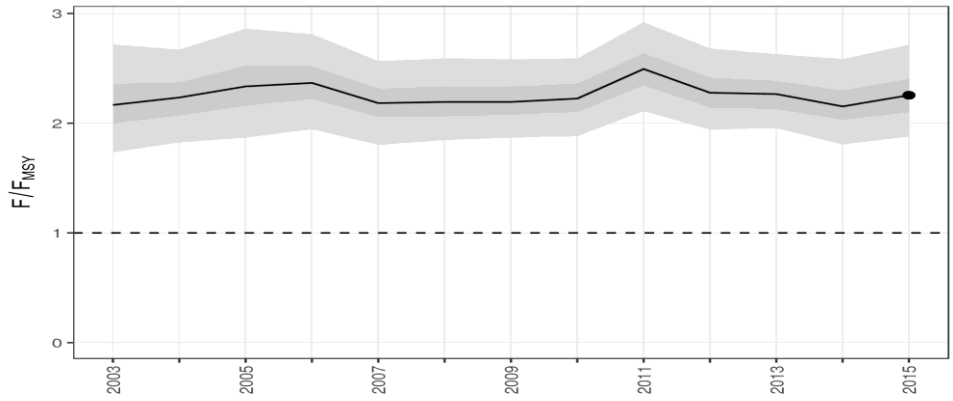
Table 3 Number of stocks by year and ecoregion for which fishing mortality (F) did not exceed F_{MSY}

Ecoregion	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
ALL	20	20	16	18	16	19	29	28	37	33	43	39	42	42
Baltic Sea	1	2	2	2	2	2	2	2	4	3	5	6	4	4
BoBiscay & Iberia	3	3	2	2	1	3	4	4	4	4	3	3	4	4
Celtic Seas	8	8	7	8	6	6	10	10	13	12	17	17	17	16
Greater North Sea	8	5	3	3	4	5	9	9	12	9	13	9	12	13
Widely distributed	0	2	2	3	3	3	4	3	4	5	5	4	5	5

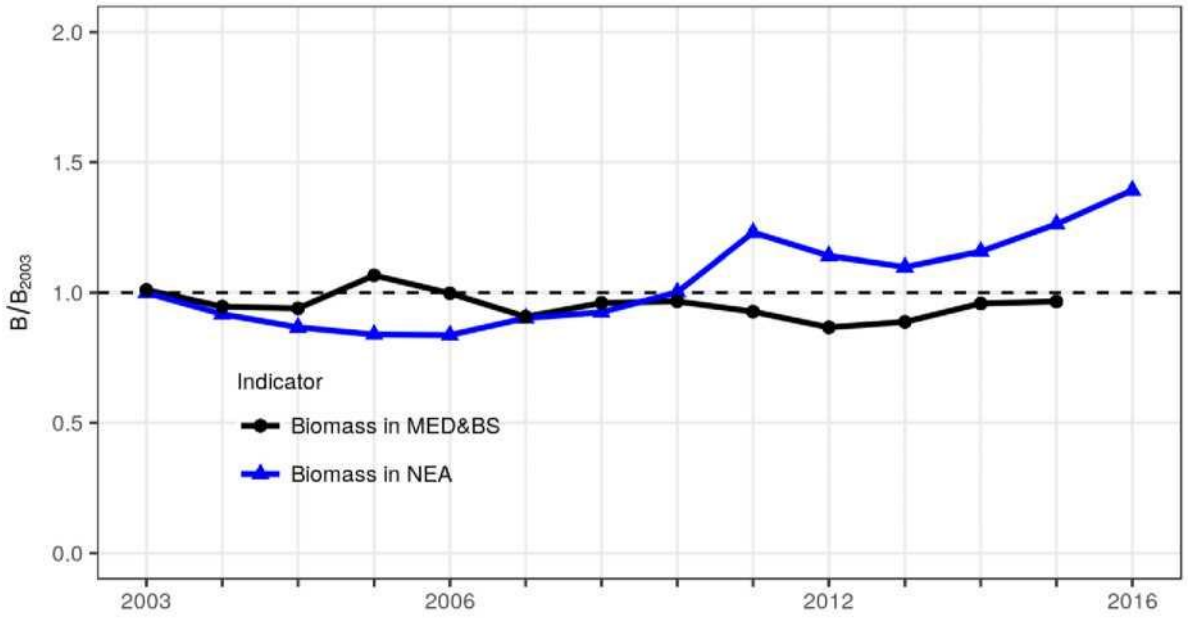
1.2.2. Mediterranean and Black Seas

In the Mediterranean and Black Sea, the trends in F/F_{MSY} show a median level slightly varying around 2.3 from 2003 to 2015, with no decreasing trend.

Figure 8 F/F_{MSY} trend

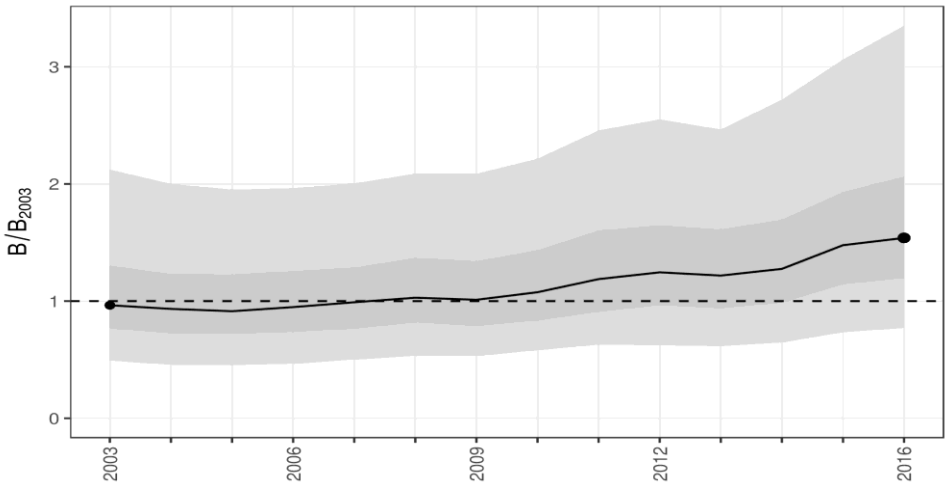


1.3 Biomass trends



In ICES area[3] the Spawning Stock Biomass (SSB) has been genereally increasing since 2006 and was around 39% higher on average in 2016 than in 2003.

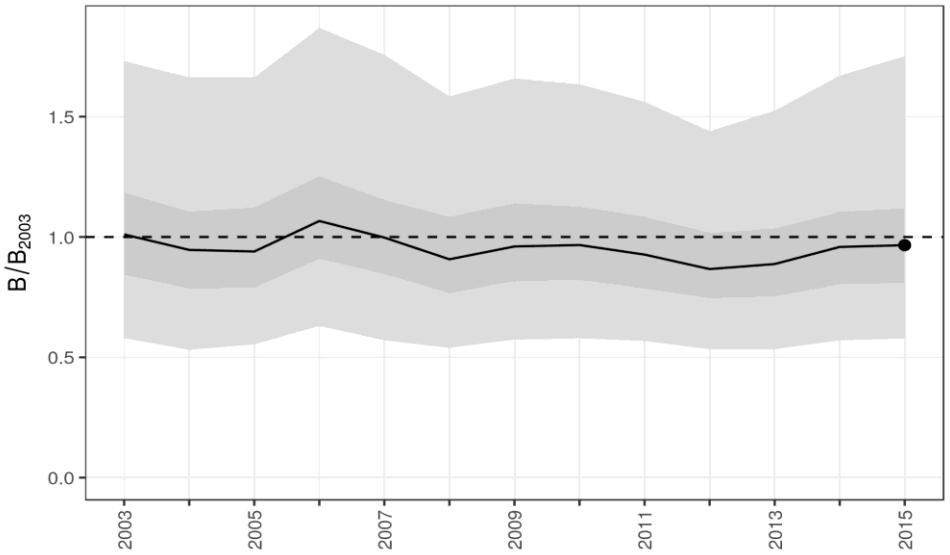
Figure 9 Trend in SSB relative to 2003 in the North East Atlantic



[3] Reference to the ICES area or "North-East Atlantic" covers FAO area 27 and includes the waters of the Baltic Sea, North Sea, Irish Sea, Celtic Sea and adjacent waters.

For the Mediterranean and Black Seas, the level of uncertainty makes it difficult to conclude anything about trend. The situation remains more or less unchanged since the start of the series in 2003.

Figure 10 SSB trend relative to 2003 in the Mediterranean and Black Sea



In outermost regions, the Commission has identified[4] the need for Member States to set up the collection of fisheries scientific data and adopt management measures in line with the CFP to ensure the long-term sustainable development of Outermost regions' fisheries.

2. Setting fishing opportunities

For 2018 the number of total allowables catches (TACs) set in line with F_{MSY} increased from 44 in 2017 to 53[5] in 2018, representing 69% of the F_{MSY} assessed TACs fished in the North-East Atlantic, North Sea and Baltic Sea. Of the overall expected catches for 2018, around 12% do not have F_{MSY} advice, but are assessed by ICES based on precautionary advice. During the discussions with Member States socio-economic considerations have been taken into account, with Member States sending detailed submissions to the Commission.

[4] Communication on "A stronger and renewed partnership with the EU's Outermost regions", COM(2017)623 final of 24.10.2017.

[5] A TAC is considered in line with MSY if it is at or below the MSY TAC advised by ICES and if its biomass is above Btrigger. An example of a TAC not listed on the MSY list in 2018 is western Baltic cod, Although the TAC is in line with MSY 2018, its biomass is below Btrigger.

Table 4: TACs with F_{MSY} advice (volume)

TACs with MSY advice (volume)								
	2010	2012	2013	2014	2015	2016	2017	2018
% share of TACs in line with MSY advice (volume)	50%	45%	49%	48%	51%	55%	61%	60%
% share of TACs not in line with MSY advice (volume)	22%	23%	21%	22%	20%	20%	19%	27%
% share of TACs without MSY advice	28%	33%	30%	30%	29%	25%	20%	13%

Table 5: TACs with F_{MSY} advice (volume in tonnes)

	EU stocks	EU/NO jointly managed stocks	Coastal state stocks	Total
Total TAC volume (MSY assessed stocks)	1.613.861	773.444	891.474	3.278.779
TAC volume fished at F_{MSY}	1.567.277	632.999	28.319	2.228.595
TAC volume not fished at F_{MSY}	46.584	140.445	863.151	1.043.583
% fished at F_{MSY}	97%	82%	3%	69%
% not fished at F_{MSY}	3%	18%	97%	31%

Table 6: Number of TACs with F_{MSY} advice[6]

Number of TACs with MSY advice													
	2005	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
TACs with MSY advice	34	32	33	35	39	35	38	41	46	62	72	75	76
TACs set in accordance with or lower than advice	2	2	4	5	11	13	20	25	27	36	36	44	54
TACs set above advice	32	30	29	30	28	22	18	16	19	30	36	31	23
% of TACs in accordance with or lower than advice	6%	6%	12%	14%	28%	37%	53%	61%	59%	58%	50%	59%	71%

[6] Figures for 2005-2017 are taken from previous Communications.

The following paints a more detailed picture for each sea basin:

- The **Baltic Sea** is the sea basin with the longest experience of Member States and stakeholders working together on fisheries management measures in regionalisation. Considerable effort has been put into developing new gears and putting them in place through joint recommendations that are sent to the Commission. The result of the commitment of stakeholders and Member States to sustainable fisheries management can be seen in the responsible decisions taken on the TACs for 2018. These followed the Baltic Sea multiannual plan with 7 out of 8 TACs, for which we receive F_{MSY} advice set in line with F_{MSY}. In terms of volume of landings this means thatv 95% of the total catch in the Baltic Sea is from sustainably managed stocks in line with F_{MSY}, while 4% is from TACs where we have precautionary advice.

  Herring and sprat were set in line with F_{MSY}, and the TAC for the main basin salmon was set below F_{MSY}. The TAC for western cod was rolled over for 2018. TAC reductions were adopted for eastern cod (-8%) and Gulf of Riga herring (-7%) under the precautionary approach, and for Gulf of Finland salmon (-5%). The main basin salmon TAC follows the F_{MSY} approach and is kept at a low level to help improve stocks in the weakest salmon rivers. In 2017, the Torneälven river was found to have the largest returns of wild Atlantic salmon in the world, thanks to sustainable management.

- In the **North Sea, Skagerrak and Kattegat**, for the F_{MSY} assessed stocks that are managed by the EU alone, 99.7% of expected landings are from sustainably managed stocks. Thanks to the F_{MSY} successes in the North Sea we increased TACs for cod in the North Sea by 10% and in the Skagerrak by 39%. Thanks to F_{MSY} management TACs were increased for nephrops by 22% and for haddock by 23%. The TAC for sole was decreased by 4%. These examples of F_{MSY} management translate into higher and sustainable incomes for the fishing industry. Turbot and brill represent another positive development with the combined TAC increased by 44 % in line with scientific advice.

- In **North-Western Waters,** for the F_{MSY} assessed stocks that are managed by the EU alone, 94% of the expected landings are from sustainably managed stocks.

  This sea basin also boasts important success stories that poove that we are on the right track. Examples are sole stocks in the Channel, where TACs increased by 2 % for the Western Channel and by 25% for the Eastern Channel in line with F_{MSY} in 2018. The positive development for Eastern Channel sole is a major achievement of the Advisory Council, who agreed a management approach for this stock in 2015. It is thanks to this that Eastern Channel sole is nowadays a F_{MSY} success story. Northern hake continues to be the biggest demersal TAC and was decreased by 7% to keep it in line with F_{MSY}.

  There was also a significant improvement in the Celtic Sea, with the TAC for cod increasing by 9% and being managed in line with F_{MSY} in 2018. However, cod is also part of a wider mixed fishery, where the setting of fishing opportunities for other stocks such as haddock and whiting remains challenging. Improvements are needed to increase selectivity as part of the package to prevent the early disruption of fishing opportunities with the implementation of the landing obligation in 2019. Seabass management has been

challenging, with further, worrying decreases in the stock biomass; this calls for even more restrictive measures on both commercial fishing and recreational angling. While stringent in the short-term, these measures agreed at the Council should allow this iconic species to recover.

The *nephrops* fishery in the Celtic Sea is another F_{MSY} success story with an increase of TAC by 15% in the Irish and Celtic Seas. In the Irish Sea there was also a positive story in the recovery of cod, which has seen a 376% increase in the TAC in line with F_{MSY} after several years of low biomass. Haddock and herring will also be fished at F_{MSY} with a 23% and 70% increase respectively in their TACs. All of these increases again translate directly into higher and sustainable incomes for the fishing industry.

- For **South-Western Waters,** of the F_{MSY} assessed stocks that are managed by the EU alone, 90% of expected landings come from sustainably managed stocks. An important success story for this sea basin is the Advisory Council management approach to Bay of Biscay sole which delivered a 6% increase in the TAC and a first ever listing of F_{MSY} thanks to the efforts of the stakeholders. TACs were agreed in line with F_{MSY} for Iberian anglerfish and horse mackerel, Bay of Biscay anglerfish and horse mackerel, nephrops, sole and megrim. The TACs for horse mackerel and megrim in the Bay of Biscay were increased by 20% and 21% respectively in line with F_{MSY}. For megrim and Norway lobster in the Bay of Biscay, both TACs were reduced in line with scientific advice to maintain F_{MSY} status, as was the TAC for Iberian waters horse mackerel (-20%). Southern hake saw a 12% decrease in the TAC with the aim of achieving F_{MSY} in 2019. Anchovy and anglerfish in the Bay of Biscay continue to be fished sustainably with unchanged TAC levels. All of the increases again translate into higher and sustainable incomes for the fishing industry.

- For **deep-sea stocks,** fishing opportunities make up less than 1% of all landings in the EU. They are fixed under a two-year cycle and TACs were set in November 2016 for 2017 and 2018. Roundnose grenadier in North Western Waters, was set in accordance with F_{MSY}. All other stocks are data- or assessment-limited.

- For **stocks subject to Coastal States consultations** 1 out of 10 TACs, for which we receive F_{MSY} advice, are set in line with F_{MSY}, namely Atlanto-Scandian herring. This represents 3% in terms of volume of landings of all Coastal States TACs. While achieving F_{MSY} by 2020 for all Coastal States stocks will be difficult, it is the Commission's objective to make as much progress as possible together with our international partners the Faroe Islands, Norway and Russia on achieving F_{MSY} also for these stocks.

II. Specific actions for the Mediterranean and Black Seas

In recent years the Commission has stepped-up its efforts to advance towards sustainable exploitation levels of marine resources in the Mediterranean and Black Seas, which are threatened by intense overfishing. In particular, the signature of the **'Malta MedFish4Ever Declaration'** in March 2017 created a new strategic framework for fisheries governance in the region and a set of five actions with measurable deliverables for the next 10 years[7]. Increased cooperation and political engagement enshrined in the Declaration have also helped make concrete progress.

The main achievements are summarized below.

A. Within the framework of the GFCM

At the 41st session of the GFCM (October 2017, Montenegro), 8 EU proposals were adopted as binding recommendations. The adopted proposals covered three main areas: fisheries conservation, control and Illegal, Unreported and Uregulated (IUU) fishing activities and data collection. This includes:

- On fisheries conservation: (i) a regional adaptive management plan for the exploitation of red coral in the Mediterranean Sea; (ii) a fisheries restricted area in the Jabuka/Pomo Pit in the Adriatic Sea; (iii) the management of blackspot seabream fisheries in the Alboran Sea; and (iv) a multiannual management plan for turbot fisheries in the Black Sea.
- On control and IUU activities: (v) the implementation of an international joint inspection and surveillance scheme outside the waters under national jurisdiction of the Strait of Sicily – to complement the multiannual plan adopted in 2016; (vi) the implementation of a regional plan of action to combat IUU fishing in the GFCM area of application.
- On data collection: (vii) the submission of data on fishing activities in the GFCM area of application; and (viii) the reporting of aquaculture data.

In addition, the GFCM adopted a set of resolutions, in particular a regional strategy for the sustainable development of aquaculture in the Mediterranean and Black Seas, a network of essential fish habitats and the creation of a permanent working group on vulnerable marine ecosystems.

B. At EU level

Important steps were also taken at EU level to strengthen the implementation of the CFP in the Mediterranean and Black Seas. This includes work on MAPs and discard plans, improving the implementation of the Mediterranean Regulation in line with the objectives of the CFP and strengthening enforcement and control. Member States have also launched some encouraging initiatives to ensure sustainable fisheries also in these basins.

---

[7] Malta MedFish4Ever Ministerial Declaration. Ministerial conference on the sustainability of Mediterranean fisheries (Malta, 30 March 2017).

- Rollout of MAPs and discard plans

In the last year, the Commission has proposed two MAPs: one for small pelagic stocks in the Adriatic Sea, which was adopted in February 2017[8] and is currently being discussed with the co-legislators; and one for the fisheries exploiting demersal stocks in the western Mediterranean Sea[9], which was adopted in March 2018. The Western Mediterranean plan sets F_{MSY} ranges and conservation reference points for the main demersal stocks, *i.e.* hake, red mullet, deep-water rose shrimp, Norway lobster, giant red shrimp and blue and red shrimp. In line with a broad stakeholder consultation, the proposal introduces a fishing effort regime at EU level for all trawls exploiting the concerned stocks. It is also complemented with technical conservation measures such as closure areas. As with previous plans, this proposal introduces provisions for the implementation of the landing obligation and regionalisation.

On discard plans, in 2017 the Commission extended the discard plan for demersal fisheries in the Mediterranean, in term of species, area and fishing gears. In addition, the *de minimis* exemption to the landing obligation for certain small pelagic fisheries in the Mediterranean has been renewed.

- Improving the implementation of the Mediterranean Regulation

On the implementation of the Mediterranean Regulation, our focus is to align the national management plans adopted under this Regulation[10] with the last CFP. In 2017, five national management plans were reviewed by STECF and aligned to the extent possible with the CFP. These include plans for fisheries conducted with boat seines, shore seines, gangui and small purse seines in Croatia, France, Greece and Spain. This process will accelerate in 2018, where we expect another 20 plans to be updated for the fisheries conducted by trawls and purse seiners.

- Strengthening enforcement and control

Given the importance of control and inspection activities in the Mediterranean and in particular for the fisheries subject to multi-annual plans, Commission implementing Decision 2014/156/EU establishing a specific control and inspection programme (SCIP) has been amended and enlarged to incorporate the fishery exploiting hake and deep-water rose shrimp in the Strait of Sicily[11].

[8] COM(2017)097. Proposal for a Regulation of the European Parliament and of the Council establishing a multi-annual plan for small pelagic stocks in the Adriatic Sea and the fisheries exploiting those stocks.
[9] COM(2018) 115 final. Proposal for a Regulation of the European Parliament and of the Council establishing a multi-annual plan for the fisheries exploiting demersal stocks in the western Mediterranean Sea
[10] Council Regulation (EC) No 1967/2006 of 21 December 2006 (OJ L 36, 8.2.2007, p. 6).
[11] Commission Implementing Decision (EU) 2018/17 of 5 January 2018 amending Implementing Decision 2014/156/EU establishing a specific control and inspection programme for fisheries exploiting stocks of bluefin tuna in the Eastern Atlantic and the Mediterranean, swordfish in the Mediterranean and for fisheries exploiting stocks of sardine and anchovy in the Northern Adriatic Sea (notified under document C(2017) 8687) (OJ L 4, 9.1.2018, p. 20).

In addition, joint campaigns coordinated by the European Fisheries Control Agency have been stepped up in 2017 (from 482 inspections in 2014 – dedicated to bluefin tuna – to 2,855 inspections in 2017 –dedicated to bluefin tuna, swordfish, albacore, small pelagics in the Adriatic Sea and demersal species in the Strait of Sicily)[12].

- Member States initiatives

With the support of the Commission, Member States have adopted transitional management measures at national level. For example, the French and Spanish national administrations, in close coordination with stakeholders, agreed on common spatial measures for the conservation of hake in the Gulf of Lion last November 2017.

III. Report on the balance between fishing capacity and fishing opportunities

In line with Article 22(4) of Regulation 1380/2013 (the CFP Regulation), the Commission must report annually to the European Parliament and to the Council on the balance between fishing capacity and fishing opportunities, taking into account the assessment by the STECF.

This report covers the year 2016. It assesses the annual capacity of all the EU fleet segments based on the information included in the Member States' reports submitted to the Commission in 2017[13]. These reports must follow the common guidelines adopted by the Commission in 2014[14] and, for the fleet segments for which structural overcapacity has been identified, they must contain an action plan. The action plan must set out the adjustment targets, tools and a clear time-frame for its implementation.

The submission of the annual fleet reports is an ex-ante conditionality under European Maritime Fisheries Fund (EMFF)[15]. Not submitting the annual fleet report and /or failing to implement the action plan could result in a proportionate suspension or interruption of relevant EU financial assistance to the Member States for the fleet segments concerned as provided by the EMFF Regulation.

1. Member States' annual reports and action plans

[12] EFCA activities in the Mediterranean and Black Seas (direct link here).

[13] Article 22(2) Regulation (EU) No 1380/2013 of the European Parliament and of the Council of 11 December 2013 on the Common Fisheries Policy, amending Council Regulations (EC) No 1954/2003 and (EC) No 1224/2009 and repealing Council Regulations (EC) No 2371/2002 and (EC) No 639/2004 and Council Decision 2004/585/EC, OJ L 354, 28.12.2013, p. 22.

[14] Guidelines for the analysis of the balance between fishing capacity and fishing opportunities according to Art 22 of Regulation (EU) No 1380/2013 of the European Parliament and the Council on the Common Fisheries Policy, COM(2014) 545 final.

[15] See Annex IV of Regulation (EU) No 508/2014 on the European Maritime and Fisheries Fund and repealing Council Regulations (EC) No 2328/2003, (EC) No 861/2006, (EC) No 1198/2006 and (EC) No 791/2007 and Regulation (EU) No 1255/2011 of the European Parliament and of the Council, OJ L 149, 20.05.2014, p. 1.

All 23 coastal Member States submitted their reports to the Commission for 2016, 13 of which include an action plan[16]. The Commission requested STECF to:

- tassess balance indicators for all EU Member States fleet segments;
- review national reports on Member States efforts to achieve balance between fleet capacity and fishing opportunities; and
- assess action plans submitted for fleet segments where Member States identified structural overcapacity.

The data used to compile the various indicators were collected under the Data Collection Framework (DCF)[17]. All balance indicators provided and used in the STECF Expert Working Group (EWG) 16-09 were calculated in accordance with the 2014 Commission Guidelines, which provide a common approach for estimating the balance over time between fishing capacity and fishing opportunities. Regarding the coverage of the data, the STECF concluded that, overall, there has been an improvement in the data quality and coverage compared to previous years despite some discrepancies.

Concerning the fleet segment coverage, the STECF noted that some of the indicators could not be calculated for all fleet segments. This is either due to lack of data or, in the case of economic and technical indicators, due to clustering of segments (done to protect commercial confidentiality). Data deficiencies led to difficulties in the calculation of balance indicators for fleet segments, making them unreliable or non-representative. In some cases, only landings in weight were provided without the corresponding landed values for all active fleet segments reported by a Member State.

The STECF analysis also confirmed a significant number of inactive vessels, especially in the fleet segments with vessels under 10 m (small-scale costal fleets), where many vessels are only used part-time and fishing is often not the only source of income.

Since the entry into force of new CFP, 20 Member States[18] have identified, using biological, economic or technical indicators and/or supplementary information, fleet segments with fishing capacity not effectively balanced with fishing opportunities, or showing latent signs of being imbalanced. Only three Member States concluded that no fleet segments clearly demonstrated imbalance and did not submit action plans[19].

[16] Three (Bulgaria, Croatia and Romania) Member States made amendments to the previous year's action plan and ten (France, Germany, Greece, Italy, Malta, Poland, Portugal, Slovenia, Spain and the UK) provided new action plans.

[17] Regulation (EU) 2017/1004 of European Parliament and the Council on the establishment of a Union framework for the collection, management and use of data in the fisheries sector and support for scientific advice regarding the common fisheries policy and repealing Council Regulation (EC) No 199/2008, OJ 157, 20.06.2017, p. 1.

[18] Belgium, Bulgaria, Croatia, Cyprus, Denmark, France, Germany, Greece Ireland, Italy, Latvia, Lithuania, Malta, Poland, Portugal, Romania, Slovenia, Spain, Sweden and United Kingdom.

[19] Estonia, Finland and Netherlands.

Active fleet segments out of balance						
Member States	Total number of active fleet segment	Number of fleet segments assesssed	Number of fleet segment out of balance	Percentage of fleet segment assessed out of balance (%)	Area 27 Atlantic Northeasat	Area 37 Mediterrean and Blach Sea
BE	8	3	3	100	3	0
BG	23	16	16	100	0	16
HR	34	12	12	100	0	12
CY*	6	0	0	0	0	0
DK	19	15	12	80	12	0
EE	7	5	2	40	2	0
FI	9	4	1	25	1	0
FR	99	29	16	55.2	9	7
DE	21	9	9	100	9	0
GR*	15	0	0	0	0	0
IR	32	13	6	46	6	0
IT	35	16	15	94	0	15
LV	3	1	1	100	1	0
LT	10	3	1	33.3	1	0
MT	20	5	4	80	0	4
NL	28	14	14	100	14	0
PL	19	2	2	100	2	0
PT	55	6	5	83.3	2	0
RO	6	2	2	100	0	2
SI	13	1	1	100	0	1
ES	90	29	21	72.4	9	8
SE	29	23	10	43.5	10	0
UK	44	19	12	63	12	0
Tot	625	227	165		93	65

* No fleet segment was assessed, either due to the lack of data or because the available data are not considered representative.

To address situations of imbalance, Member States proposed a variety of management tools in their action plans including:

- *fleet measures* (ban of new vessels, fleet conversion, reduction of the fishing capacity, permanent or temporary cessation of activities and modernisation of fishing fleet);
- *technical measures* (monitoring of landings, more selectivity or energy-efficient gear, permitting schemes for certain fisheries, space and time-related fishing restrictions);
- *economic measures* (support for development of marketing initiatives or assistance to improve competitiveness); and
- *other measures*, such as measures to improve the cost-effectiveness of fishing vessels and safety at work on board; monitoring of landing through weighing

of fishery products on automatic weighing and labelling machines; fishery inspection measures; real time closures; support measures in the EMFF Operational Programme (assistance for small-scale fleet vessels to meet requirements of the landing obligation, transposition of the legal requirements of the new CFP to promote a positive investment climate within the fishing industry, reduction of fleet activity[20]).

Support for the permanent cessation of fishing activities through the scrapping of vessels was eligible for funding under the EMFF until 31 December 2017 only for the fleet segments considered not in balance. In 2016, Member States used permanent cessation measures to decommission vessels from their fleet and reduce capacity. According to the annual implementation reports for 2016, 147 fishing vessels were decommissioned with public support, with a total public expenditure (certified payment) of almost EUR 342 million, of which EUR 171 million came from the EMFF.

Implementation by Member States of EMFF support for permanent cessation

Member State	Total Public Contribution (EUR)	EMFF Contribution (EUR)	Selected operations (number)
BG	859,500.00	429,750.00	0
CY	3,000,000.00	1,500,000.00	66
DE	0	0	0
ES	118,053,966.00	59,026,983.00	0
FR	30,153,262.00	15,076,631.00	0
GR	40,000,000.00	20,000,000.00	0
HR	26,405,974.00	13,202,987.00	30
IE	16,500,000.00	8,250,000.00	0
IT	66,162,288.00	33,081,144.00	0
LV	4,000,000.00	2,000,000.00	19
PL	24,700,474.00	12,350,237.00	32
PT	12,000,000.00	6,000,000.00	0
Total	**341,835,464.00**	**170,917,732.00**	**147**

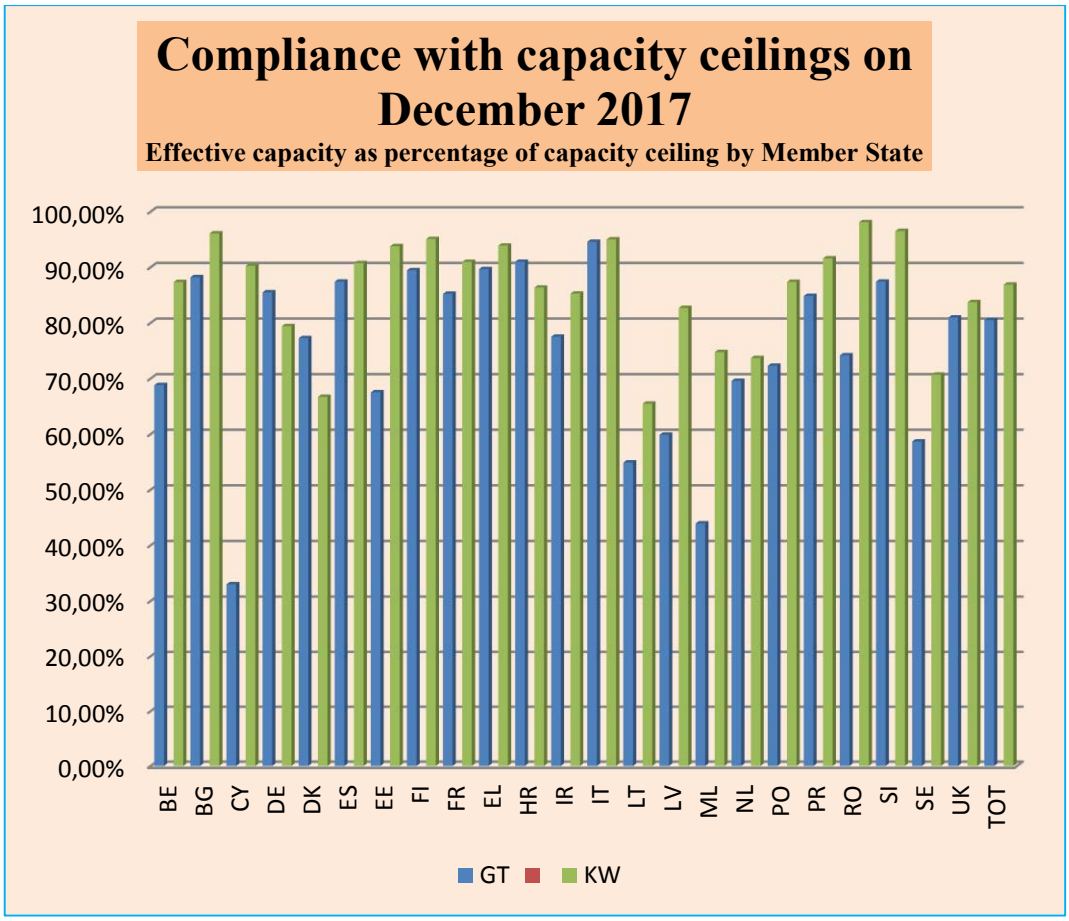
Reference: Financial data from the annual implementation reports (2016)

[20] See STECF-17-18, p.109-134.

2. THE OVERALL CAPACITY OF THE EU FISHING FLEET

As of December 2017, 82.912 vessels were registered in the EU fleet register with an overall capacity of 1.487,983 in gross tonnage (GT) and 5.763,933 in kilowatts (KW). This shows a reduction in 2017 of 1.45% in number of vessels, 6,54% in KW and 9.59% in GT. The fishing capacity of the EU fleet was 19,51 % below the capacity ceilings for tonnage and 13,14 % below the power ceilings. Scrapping has contributed to these results.

The Commission attaches great importance to the accuracy of the information recorded in the EU fleet register. To this end, on 6 February 2017, it adopted a new regulation on the Union fishing fleet register[21]. This regulation introduces a new procedure that guarantees the update of the EU fleet register in real time. It gives the Commission the possibility to check the correctness and correspondence between the data submitted by Member State for any event and the data included in the snapshots.



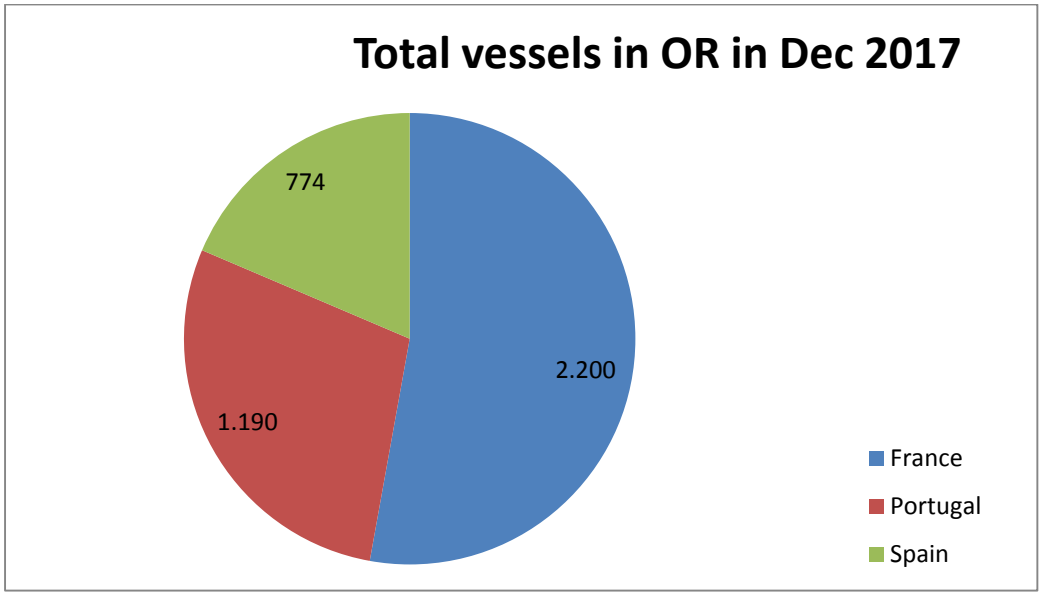
[21] Commission Implementing Regulation (EU) 2017/2018 of 6 February 2017 on the Union fishing fleet register, OJ, L 34, 9.5.2017, p.9.

3. REGIONAL ASSESSMENT

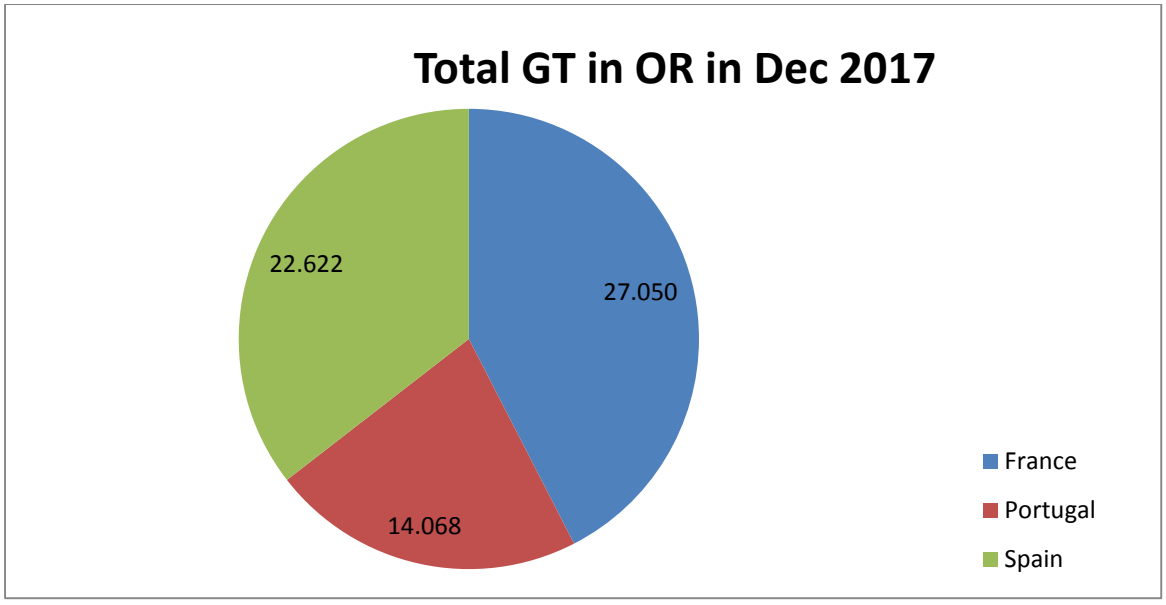
In the North East Atlantic, the fishing capacity continues to decrease both in GT and KW. However, according to the STECF[22], there are fleet segments which are not in balance with their fishing opportunities. According to Stock Harvest Indicator, in this area, out of 625 fleet segments active in 2015, 93 were out of balance. The inactive vessel and use indicators show a decreasing trend for most of fleet segments.

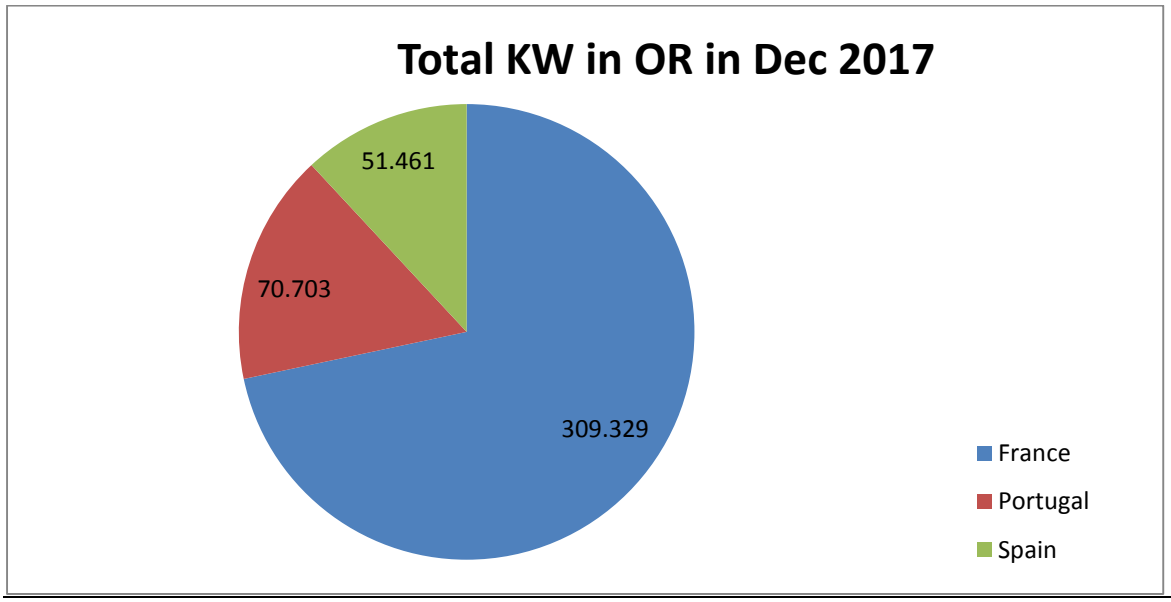
In the Mediterranean and Black Sea, a large number of fleet segments may not be in balance with their fishing opportunities. These fleet segments rely on different stocks, among which turbot, red mullet, Mediterranean horse mackerel, anchovy, pilchard, common sole and swordfish. According to the STECF analysis, the inactive vessel indicator shows a decreasing trend. By contrast, the vessel use indicator shows an increasing trend.

Finally, the fleet in the outermost regions (OR) is composed of 4.164 fishing vessels, which represents 5% of the total EU fleet. The fishing fleets in the outermost regions are primarily composed by small-scale vessels targeting inshore and offshore resources. Fleets in the outermost regions are also below their respective capacity ceilings. In the period between January 2014 and December 2017, fleet capacities in the outermost regions decreased in total by 3.9 % in GT and KW. STECF noted that some fleet segments were out of balance and rely on overfished stocks. Because of lack of data, it was not possible to assess the balance or imbalance of all fleet segments. The ratio between current revenue and break-even revenue and for vessel use indicator shows an increasing trend.



[22] See STECF-17-08, table 4.7.1 p.105 and tables from 7.1.1 and 7.1.4 p. 151 and 158.


Total GT in OR in Dec 2017
22.622
27.050
14.068
France
Portugal
Spain

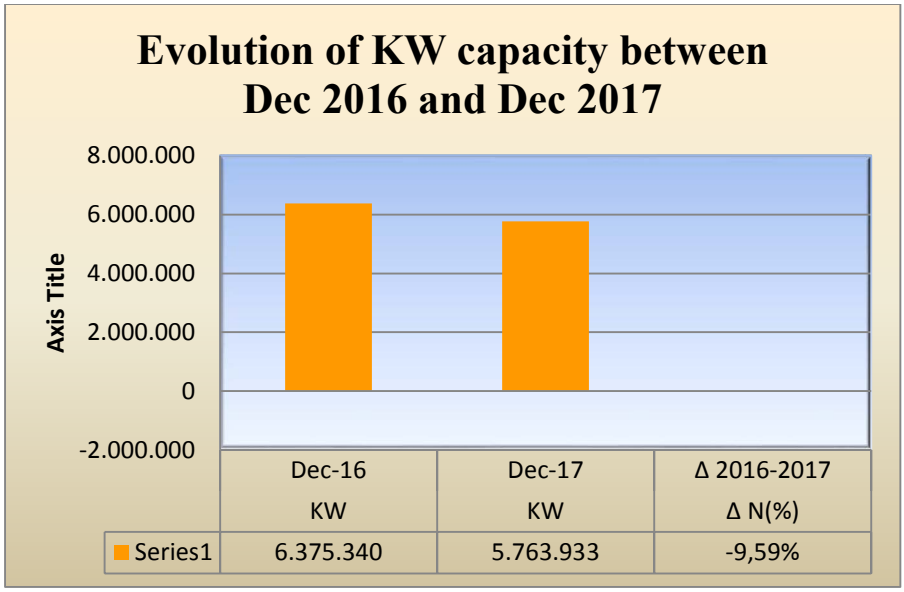

Total KW in OR in Dec 2017
51.461
70.703
309.329
France
Portugal
Spain

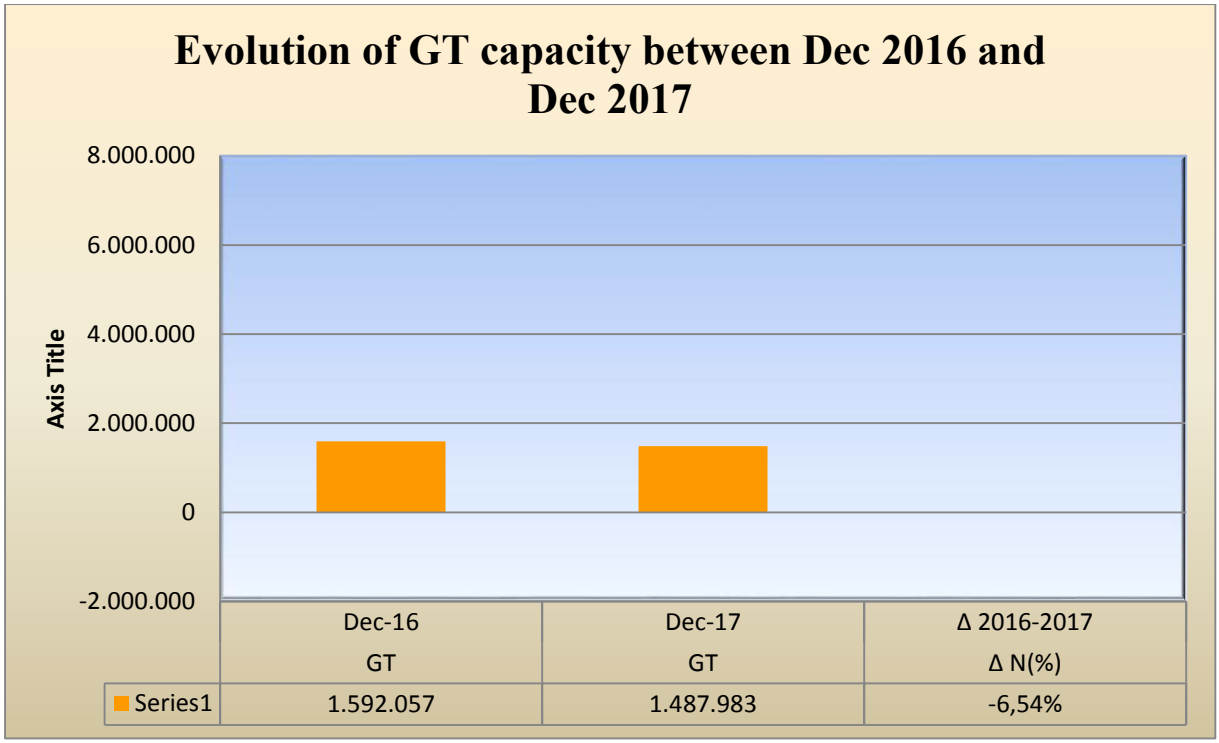
4. CONCLUSIONS

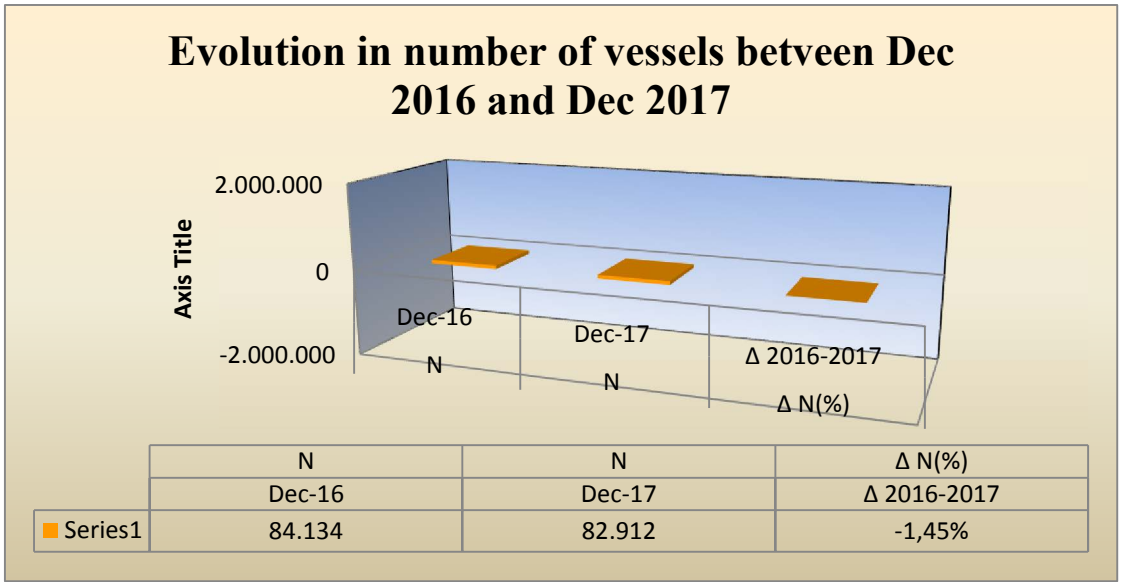
The capacity of the EU fleet continued to decrease, following the same trend as in previous years. Between December 2016 and December 2017, the EU fleet decreased by 1.45% in number of vessels, by 6.54% in kilowatts (KW) and by 9.59% in gross tonnage (GT).

In 2017, all 23 coastal Member States complied with their obligation to report information on the capacity of their fleet segments. 13 of the Member States' reports included an action plan. Action plans contain a large variety of measures to address overcapacity. These masures range from fleet measures, such as temporary or permanent cessation, to technical, economic and control measures.

For the fleet segments that are not in balance, EMFF support for the permanent cessation of fishing activities through the scrapping of vessels was eligible until 31 December 2017. Partly due to permanent cessation measures, in December 2017, the fishing capacity of the EU fleet was 19,51 % below the capacity ceilings for tonnage and 13,14 % below the power ceilings. This is expected to have a positive effect on the conservation of marine biological resources.




Evolution of GT capacity between Dec 2016 and Dec 2017
8.000.000
6.000.000
4.000.000
2.000.000
0
-2.000.000
Axis Title
Dec-16 GT
Dec-17 GT
Δ 2016-2017 Δ N(%)
Series1
1.592.057
1.487.983
-6,54%


Evolution in number of vessels between Dec 2016 and Dec 2017
2.000.000
0
-2.000.000
Axis Title
Dec-16 N
Dec-17 N
Δ 2016-2017 Δ N(%)
N
Dec-16
N
Dec-17
Δ N(%)
Δ 2016-2017
Series1
84.134
82.912
-1,45%

Member States' fleet evolutions (vessels, tonnage and engine power) during 2016-2017									
	N	GT	KW	N	GT	KW	Δ N(%)	Δ GT (%)	Δ KW (%)
		31/12/2016			31/12/2017				
MS							Δ 2016-2017		
BE	74	13,962	45,267	71	13,712	45,051	-4.05%	-1.79%	-0.48%
BG	1,930	6,598	58,984	1,886	6,089	54,662	-2.28%	-7.71%	-7.33%
DK	2,299	69,700	215,029	2,211	68,552	208,957	-3.83%	-1.65%	-2.82%
DE	1,427	63,930	140,171	1,386	60,791	132,659	-2.87%	-4.91%	-5.36%
EE	1,547	13,275	44,535	1,595	13,225	44,973	3.10%	-0.38%	0.98%
IE	2,136	63,498	193,866	2,041	60,117	179,105	-4.45%	-5.32%	-7.61%
EL	15,241	71,882	431,838	15,008	71,240	427,186	-1.53%	-0.89%	-1.08%
ES	9,388	339,949	794,304	9,190	313,218	737,273	-2.11%	-7.86%	-7.18%
FR	6,847	175,445	1,006,598	6,513	147,219	677,842	-4.88%	-16.09%	-32.66%
IT	12,311	157,527	986,471	12,270	157,191	983,153	-0.33%	-0.21%	-0.34%
CY	839	3,427	38,460	805	3,480	37,272	-4.05%	1.55%	-3.09%
LV	681	28,715	47,638	675	27,392	47,648	-0.88%	-4.61%	0.02%
LT	143	40,875	47,993	145	40,878	48,121	1.40%	0.01%	0.27%
MT	917	6,211	67,165	927	6,386	69,603	1.09%	2.81%	3.63%
NL	840	128,090	306,754	848	116,064	258,334	0.95%	-9.39%	-15.78%
PL	875	35,718	86,937	834	27,601	76,568	-4.69%	-22.72%	-11.93%
PT	8,029	93,835	356,258	7,945	78,577	282,624	-1.05%	-16.26%	-20.67%
RO	158	1,118	6,041	156	1,409	6,230	-1.27%	26.01%	3.13%
SI	171	590	8,535	184	590	8,557	7.60%	0.06%	0.26%
FI	3,024	15,549	165,748	3,218	16,309	173,352	6.42%	4.89%	4.59%
SE	1,322	28,050	160,941	1,248	25,450	149,008	-5.60%	-9.27%	-7.41%
UK	6,256	184,312	769,237	6,200	187,047	761,038	-0.90%	1.48%	-1.07%
HR	7,679	49,800	396,570	7,556	45,446	354,717	-1.60%	-8.74%	-10.55%
Σ	84,134	1,592,057	6,375,340	82,912	1,487,983	5,763,933	-1.45%	-6.54%	-9.59%

Table 1: decrease of the EU fishing Fleet capacity per Member State

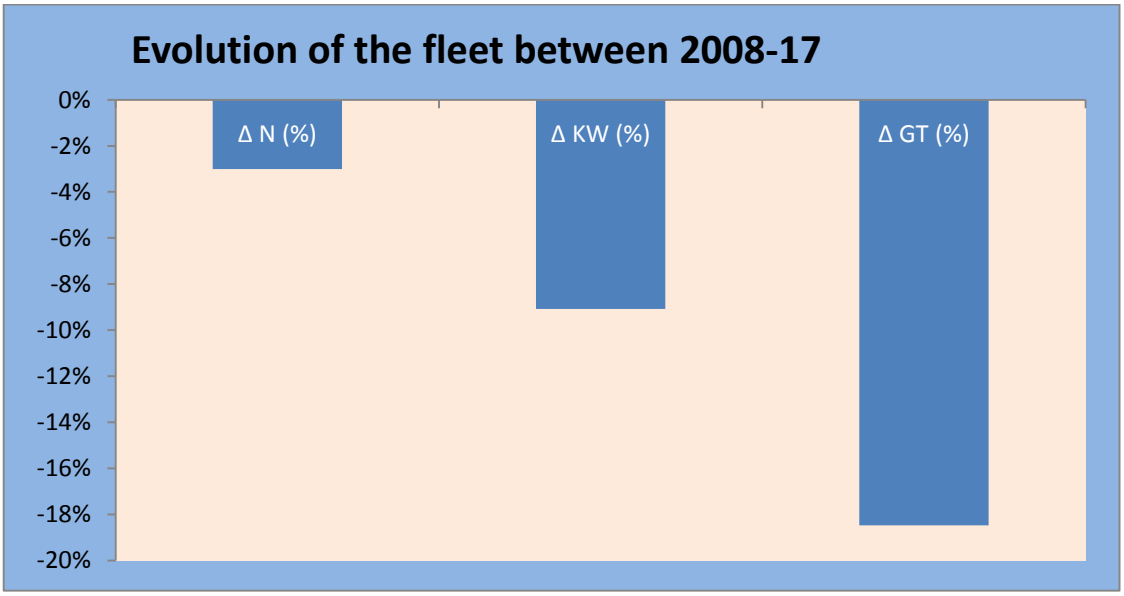


Figure 1: Reduction of the EU fishing fleet between 2008 and 2017 by number of vessels (N), power (KW) and gross tonnage (GT)

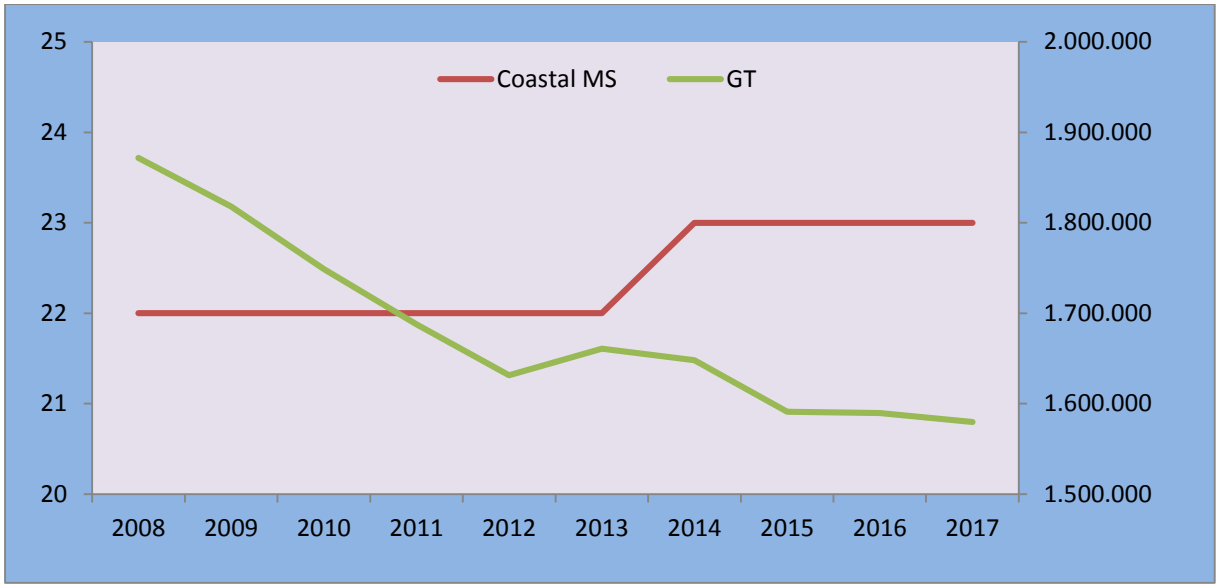


Figure 2: correlation between number of costal Member States and EU fishing Fleet gross tonnage (GT)

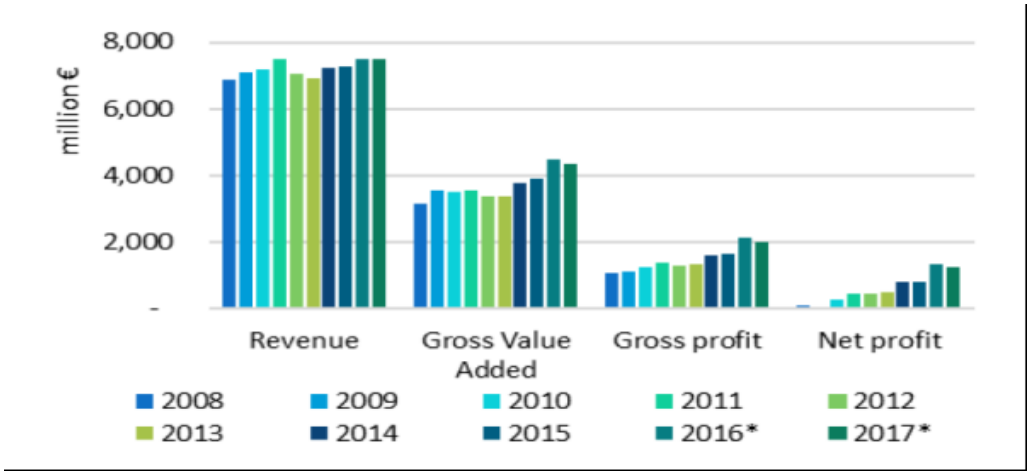
IV. Economic performance of the EU fishing fleet

The 2017 Annual Economic Report (AER) on the EU fishing fleet[23] provides a comprehensive overview of the latest information available on the structure and economic performance of the 23 coastal EU Member State fishing fleets. The results indicate that the profitability of the EU fleet improved further in 2015, compared to 2014. This improvement is expected to have continued into 2016 mainly as a result of increased landings and low fuel prices. Forecasts for 2017 suggest that developments are offset by higher fuel prices compared to 2016.

Direct employment generated by the sector amounted to 152,700 fishers, corresponding to 114,863 FTEs. Average annual wage per FTE was estimated at EUR 24.8 thousand, ranging from EUR 1.4 thousand for Cypriot fishers to €UR 75 thousand for Belgian fishers. The EU fleet spent almost 4.8 million days at sea and consumed 2.3 billion litres of fuel. According to the DCF data, the EU fleet landed 5 million tonnes of seafood in 2015 with a reported landed value of EUR 7 billion.

The amount of Gross Value Added (GVA) and gross profit (all excl. subsidies) generated by the EU fishing fleet (excl. Greece) in 2015 was EUR 3.9 billion and EUR 1.6 billion, respectively. GVA as a proportion of revenue was estimated at 54%, up from 52% in 2014 and gross profit margin at 23%, up from 22% in 2014. With a total net profit of EUR 798 million, 11% of the revenue generated by the EU fleet in 2015 was retained as net profit.

[23] JRC107883; 19-23 June 2017, Italy -- The 2017 Annual Economic Report on the EU Fishing Fleet - (EWG 17-01 and EWG 17-06). (pub:2017.08).



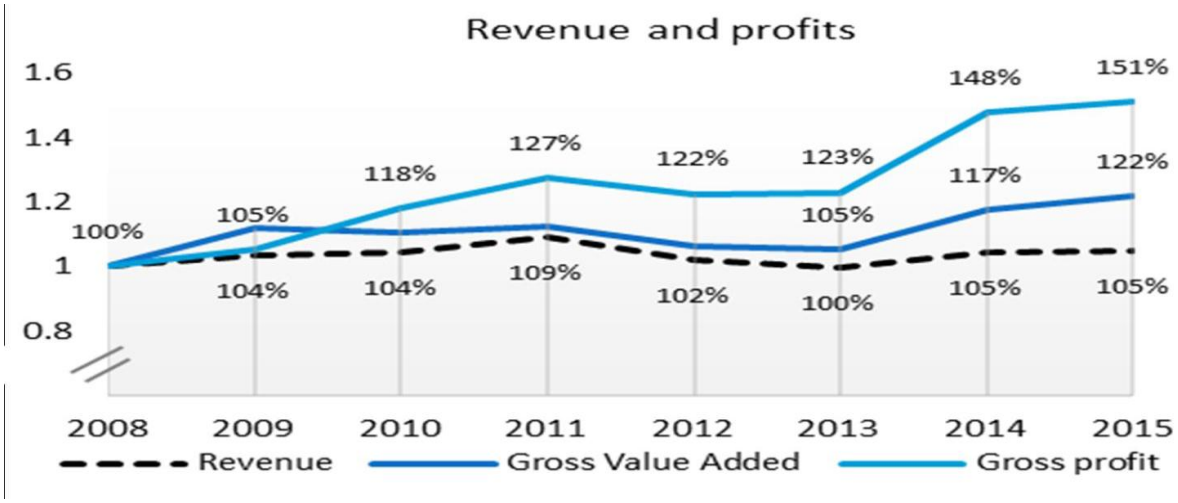
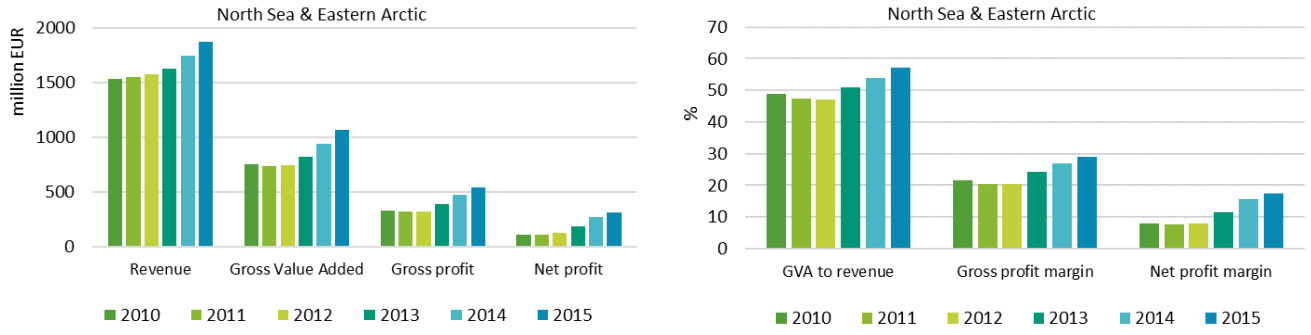


Figure 1: Increase in fleet profits since 2008

Results however varied by fishing region, as discussed below:

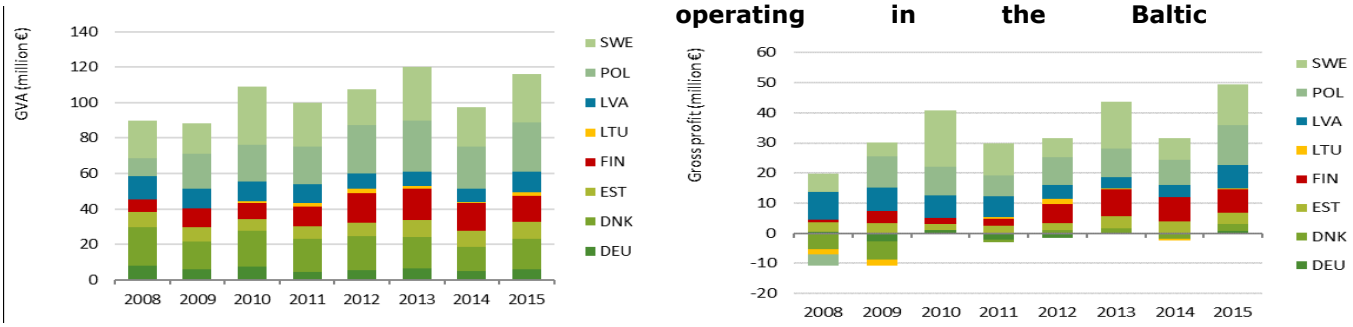
- The overall performance of fleets operating in the **North Sea & Eastern Arctic region** was positive in 2015, and improved further compared to previous years. Overall, fleets operating in the region spent almost 485 thousand days at sea in 2015, and landed 1.66 million tonnes of seafood valued at EUR 1.8 billion. The most profitable fleets were the large (over 40 m) pelagic trawlers, with average gross profits estimated at around EUR 30,000 per day at sea. Factors that may have contributed to the positive situation include: (1) recovery of several stocks, such as the North Sea common sole, plaice, herring, haddock, saithe and cod; (2) increased TACs for a number of species such as plaice, hake, cod, nephrops, sandeels and sprat; (3) higher average prices for a number of important species, such as sole, plaice, common shrimp, cod and nephrops and (4) low fuel prices resulting in lower energy costs. On the other hand, factors that may have hampered economic performance in the region include reduced TACs and quotas for certain key stocks, such as Atlantic mackerel.

Figure 2 : Revenue and profits trends for Member States fleets in the North Sea & Eastern Arctic region



- Overall, the EU **Baltic Sea** fleet spent almost 426 thousand days at sea in 2015, to land approximately 613 thousand tonnes of seafood valued at EUR 217 million. A slight increase in revenue (3%), combined with significant reductions in operating costs (e.g. -17% in fuel costs), helped the overall situation of the Baltic Sea fleet move from a loss-making position in 2014 to post a modest net profit in 2015. The main factors that may have contributed to the positive situation, include: (1) decreasing fuel prices resulting in lower energy costs; (2) policy management instruments in quota allocation and ITQs (as introduced in some countries); (3) several pelagic fisheries that are exploited at F_{MSY} and thus at sustainable levels; (4) vessel decommissioning schemes (these measures positively influenced Polish and Latvian fleet profitability) and (5) EMFF support, such as measures aimed at increasing the added value of products (prioritised for Small Scale and Coastal Fleets) and by-catch from landing obligations (for large-scale fleet). Conversely, factors that may have negatively influenced the performance, include: (1) lower average prices for several commercially important species, such as sprat, herring and cod; (2) reduced TACs and quotas for Baltic cod, which has decreased consistently since 2014; (3) limited fishing activity, especially for the SSCF which is highly dependent on weather conditions and even in the favourable economic conditions could be the limiting factor for fleet performance and (4) the long service life of the vessels, obsolete equipment and insufficient investments increase the maintenance costs and may therefore reduce the fleet profitability.

Figure 3: Trends on gross value added and gross profit for Member States fleets operating in the Baltic



- The major players in the **North East Atlantic** are the Spanish, French, British, Portuguese and Irish fleets. The most important species include mackerel, horse mackerel, hake and Norway lobster. Fleets operating in this region spent an estimated 1.5 million days at sea and landed 1.4 million tonnes of seafood valued at EUR 2.4 billion. Despite the decrease in landings, overall performance improved, with the majority of Member State fleets generating net profits in 2015. In 2015, fuel price decreased and remained low in 2016, while most fish prices remained stable or increased (including plaice and common shrimp). Therefore, it is expected that economic performance further improved as revenues are likely to have increased while costs decreased. Factors that may have contributed to the positive situation include: (1) recovery of some stocks, such as herring and Northern hake; (2) low fuel prices resulting in lower energy costs, especially for pelagic fisheries; (3) increased TACs for Northern hake, herring and anglerfish; (4) stable or higher average prices for some species, such as common sole and Nephrops have helped maintain profitability and (6) capacity reduction (with or without public support) leading to decreased fixed costs. Factors that may have hampered economic performance in the region include: (1) reduced quotas for mackerel, common sole, plaice and cod; (2) lower average prices and total landings for commercially important species, such as, plaice, common shrimp, herring and mackerel.

Figure 4: Trends on landings in weight and value from Member States fleets operating in the NE Atlantic fishing region[24]

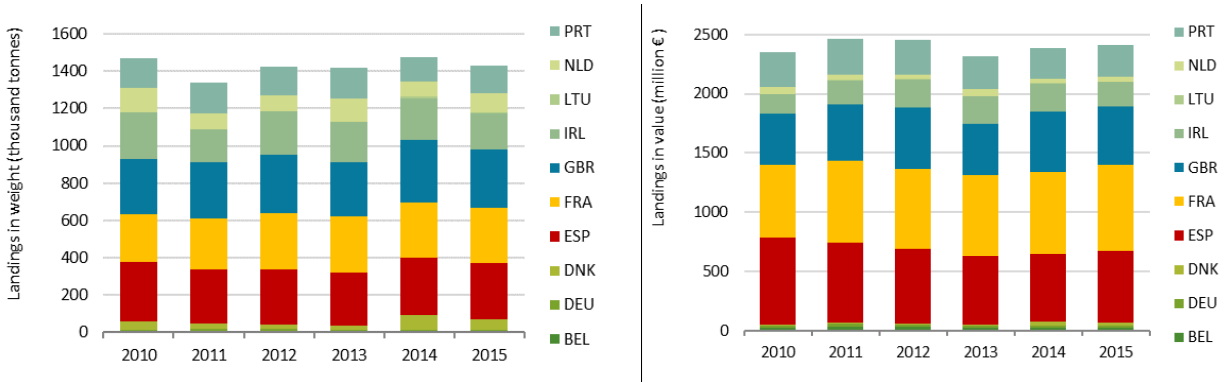


Figure 5: Trends on gross profit for Member States fleets operating in the NE Atlantic region

[24] Data source: Member States data submissions under the DCF 2017 Fleet Economic (MARE/A3/AC(2017)); All monetary values have been adjusted for inflation; constant prices (2015).

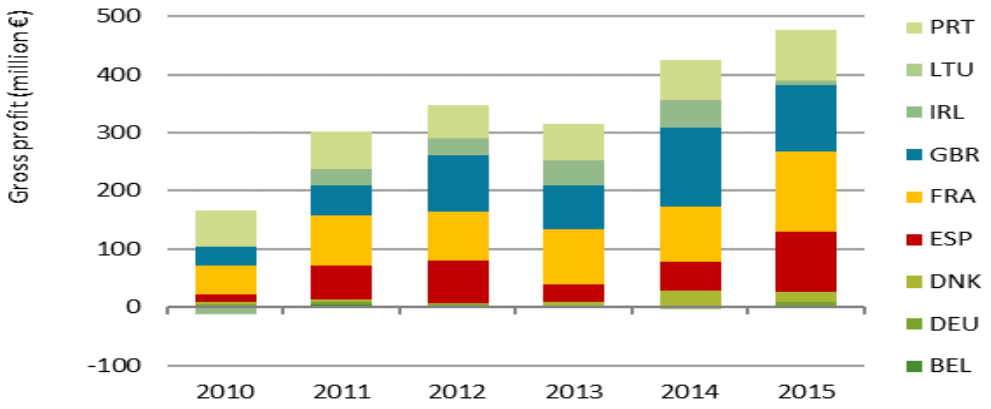
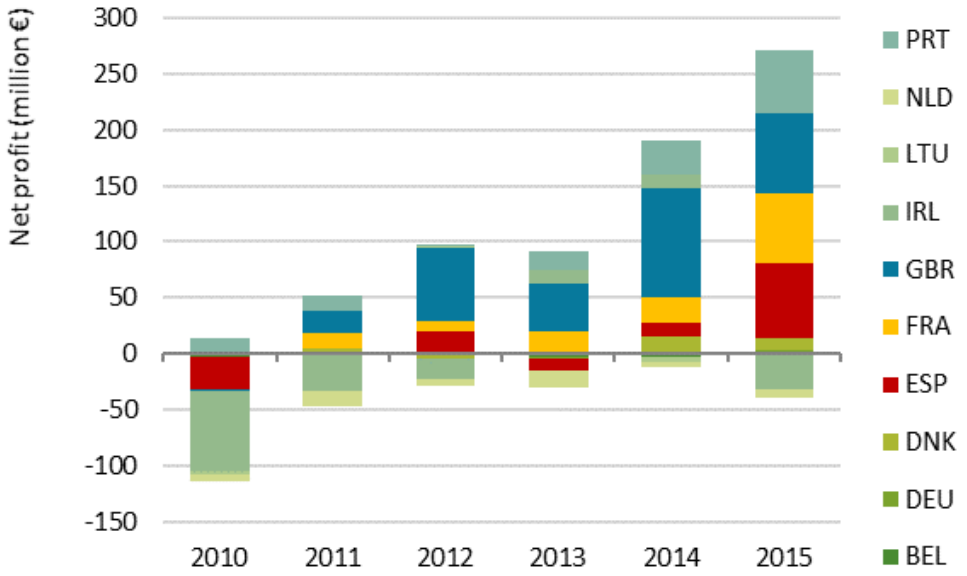


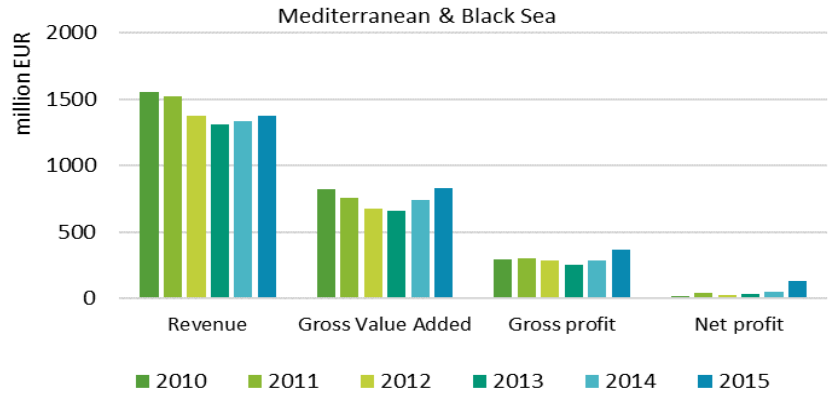
Figure 6: Trends on net profit for Member States fleets operating in the NE Atlantic region



- Overall, the economic situation of EU fleets operating in the **Mediterranean & Black Sea** improved: 2015 was the best year so far analysed, in particular for the Italian fleet, which is the main player and contributor to trends in the region. The main species include anchovy, sardine, and hake. Overall, fleets operating in the region spent almost 2.1 million days at sea in 2015, and landed 368 thousand tonnes of seafood valued at EIR 1.3 billion. Factors that may have contributed to improved economic performance in the region include: (1) higher revenues brought on by increased landings and higher average prices; (2) low fuel prices, which reduce energy costs; (3) more fisheries where stocks are being exploited at rates consistent with achieving F_{MSY} and fleets are showing positive trends, particularly in landings (e.g. deep sea rose shrimp in North Tyrrhenian-Ligurian

Sea). Other factors that affected fleet performance in this region include: (1) overfishing and stock status - only very few demersal stocks are currently being exploited at rates consistent with achieving F_{MSY}; (2) marine resources and ecosystems under increased pressure, driven by diversification and intensification of marine and maritime activities; (3) high competition between professional fishers and recreational fishers; (4) new management measures, in particular the introduction of a TAC for swordfish and for pelagic fisheries in the Adriatic Sea - fishers are concerned that these TACs will have a negative impact on their profits in the future; (5) introduction of two Fisheries Restricted Areas (RFAs) in the Strait of Sicily and (6) lack of investments in fishing gears with lower environmental impact and greater energy efficiency (energy efficiency has not improved in the region in the recent years).

Figure 7: Revenue and profits trends for Member States fleets operating in the Mediterranean & Black Sea[25]



Preliminary results for 2016 indicate a 69 % increase in net profits compared wih 2015, registering record high profits of EUR 1,3 billion for the EU fleets. Results suggest that the EU fleet as a whole was profitable in 2016, with an estimated net profit margin of 17%. Gains in 2016 are offset slightly in 2017 and 2018 due to the increase in fuel costs, however the EU fleet remains profitable with an average net profit margin above 15%. It should be noted that EU fleet moved from marginal profits in 2009 (32 millions) to register 1,3 billion of net profis in 2016. Similarly, gross value added and revenue increased significnatly over the period 2009-2016.

The active EU small-scale coastal fleet (SSCF) employes 77,708 fishers or 47,789 in FTE (including Greece). In 2016, the number of small-scale coastal vessels increased (+7%) mainly due to a significant increase in licenced Croatian SSCF vessels, while FTE increased by only 2.5%. As a whole, the EU SSCF was profitable in 2015: lower energy and capital costs in 2015 together with higher revenues fostered a 6.5% increase in GVA, 28% increase in gross profit and 98.4% increase in net profit compared to 2014. Net profit increased from

[25] Data source: Member State data submissions under the DCF 2017 Fleet Economic (MARE/A3/AC(2017)).

EUR 46.4 million in 2014 to EUR 92.1 million in 2015 (excluding Greece). Projection results suggest that fishing effort, in days at sea, decreased 2.3% in 2016. The reduction in fishing effort combined with low fuel prices, indicate that energy costs decreased by 22%. Landed weight remained stable at around 284 thousand tonnes while landed value, estimated at EUR 851 million in 2016, increased 2.6%. These preliminary findings suggest that the EU SSCF generated EUR 650 million in GVA, an increase of 5.4% compared to 2015. Labour productivity (GVA per FTE) also increased, from EUR 21.4 thousand in 2015 to EUR 22 thousand in 2016. Gross profit was estimated at EUR 236.7 million, a 10.8% increase on 2015. Positive economic developments can also be seen in the performance indicators - GVA to revenue estimated at 67% (+3%%) and gross profit margin estimated at 24.4% (+8.2%) in 2016. With increased capital costs, net profit was estimated at EUR 72.3 million, a decrease of 21.6% compared to 2015, year with the highest net profit (EUR 92 million) observed over the period analysed (2008-2015). Net profit margin moves from 10.1% in 2015 to 7.7% in 2016. However, the 2016 gains are offset slightly in 2017 with fuel costs increasing 10.3%. The SSCF remains profitable with gross and net profit margins of 23% and 7.1%, respectively.

While the EU SSCF as a whole was profitable over the time period analysed, results at the regional and Member State level are mixed. At the regional level, results suggest that the North Sea, Northeast Atlantic, Mediterranean & Black Sea and Outermost region SSCFs were profitable in 2015, generating 2.8%, 8.4%, 6.6% and 8% net profit margins respectively. Conversely, the SSCFs operating in the Baltic Sea suffered net losses, amounting to EUR 18.37 million in 2015. The Danish, Finnish, Polish and Swedish Baltic SSCFs were the most unprofitable, collectively suffering over EUR 19 million in net losses in 2015.

Figure 8: Main indicators for the EU small-scale coastal fleet 2008-2015 and projections for 2016 and 2017

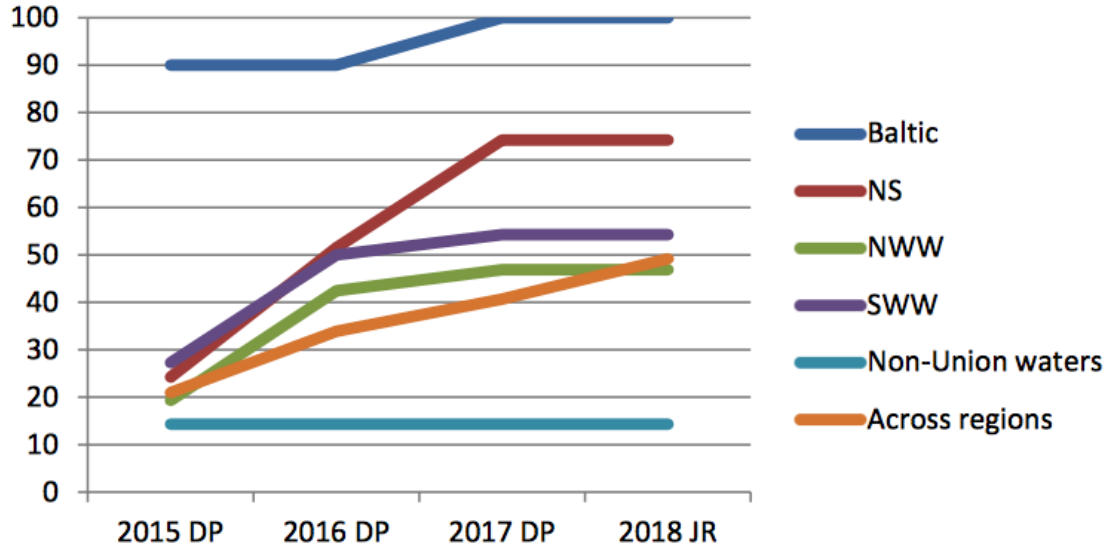
	2008	2009	2010	2011	2012	2013	2014	2015	2016*	2017*	Trend 2008-2017
Total number of vessels	35,980	35,885	36,404	32,854	34,743	34,616	34,220	33,978	36,399	36,743	
Full-time equivalent (national)	31,518	31,217	32,375	30,719	29,115	31,556	28,756	29,299	30,070	30,211	
Days at sea	2,875	2,952	2,768	2,563	2,825	2,763	2,713	2,704	2,641	2,621	
Energy consumption	174.2	194.2	188.5	191.8	170.5	186.2	145.7	156.6	155.4	153.2	
Energy costs	122.9	100.6	118.6	142.3	131.3	134.1	101.2	85.9	67.2	74.1	
Live weight of landings	194.9	196.7	247.5	259.0	276.1	294.7	287.8	284.0	284.3	281.5	
Value of landings	755.9	742.1	899.5	928.0	846.1	782.9	815.0	829.7	851.2	833.7	
Direct income subsidies	24.3	18.7	12.1	13.3	17.0	13.0	10.2	10.7			
Income from landings	1,012.9	1,072.9	1,048.9	1,024.6	909.9	895.6	885.6	920.5	944.2	926.8	
Other income	24.9	27.1	38.4	30.3	26.7	30.1	31.7	25.1	25.0	23.8	
Revenue	1,037.8	1,099.9	1,087.3	1,055.0	936.6	925.7	917.3	945.6	969.2	950.6	
Gross Value Added	653.8	723.7	686.6	636.4	553.9	532.4	579.1	616.9	650.4	625.0	
GVA to revenue	63.0	65.8	63.2	60.3	59.1	57.5	63.1	65.2	67.1	65.8	
GVA per FTE (labour productivity)	21.2	23.8	21.6	21.2	19.4	17.1	20.4	21.4	22.0	21.1	
Gross profit	204.9	221.2	229.9	203.4	173.6	125.2	166.5	213.6	236.7	218.3	
Gross profit margin	20.0	20.2	21.2	19.3	18.6	13.6	18.2	22.6	24.4	23.0	
Net profit	69.7	52.2	58.2	69.3	52.7	5.9	46.4	92.1	72.3	64.6	
Net profit margin	9.1	6.4	7.3	6.8	5.9	0.7	5.2	10.1	7.7	7.1	

V. The implementation of the Landing Obligation

1. Progress Report

For years fishers have adopted uncontrolled discarding practices, returning unwanted catches to the sea, dead or alive. The 2014 reform of the CFP aims to gradually eliminate this wasteful practice of discarding. For this purpose, Article 15 of the CFP Regulation introduced the obligation to retain and land all catches of species subject to catch limits and in the Mediterranean also under minimum sizes, caught both in EU waters or by Union fishing vessels outside EU waters, except in waters under the national jurisdiction of a third country. The CFP provides for the progressive phasing-in of the landing obligation, with full implementation as of the 1 January 2019.

Figure 1: Percentage of TACs partially or fully subject to the LO by sea basin and year*



*** DP: Discard plans; JR: Joint Recommendations**

By 2016, the proportion of EU landings value under the landing obligation (LO) was estimated to be 21%. The Member States with the highest proportion of landings (excluding pelagics) under the landing obligation were Belgium (61%), the Netherlands (43%), Sweden (39%) and Denmark (38%). By 2019, when full implementation is planned with all EU quota species and those with minimum conservation reference size (MCRS) in the Mediterranean subject to the landing obligation, it is estimated that 40% of landed value will be under the landing obligation. The Member States identified in 2016 still show the highest proportion in landings under the landing obligation (Belgium, the Netherlands, Denmark & Sweden) and are joined by France, the UK, Ireland, Greece and Slovenia; all with at least 40% of landings under the landing obligation.

Table 1: Cumulative increase in dependence on species under LO (excluding pelagics)

Member State	Value (€)	Pelagics	others	2015	2016	2017	2018	2019	total no. fleet segme	total no. segments >50%	% of segme >50%	% of top 10* fleet segments
Belgium	81,894,230	17%	83%	0%	61%	61%	61%	83%	4	3	75%	75%
Bulgaria	2,393,024	42%	58%	0%	0%	0%	0%	22%	16	2	13%	20%
Cyprus	6,076,738	46%	54%	0%	0%	0%	0%	34%	6	1	17%	17%
Germany	122,209,222	24%	76%	1%	20%	25%	25%	39%	14	8	57%	60%
Denmark	243,002,674	9%	91%	9%	38%	44%	44%	48%	19	12	63%	70%
Spain	771,947,670	41%	59%	0%	11%	11%	11%	27%	59	6	10%	30%
Estonia	3,807,057	23%	77%	0%	0%	3%	3%	3%	4	-	0%	0%
Finland	8,438,019	21%	79%	2%	2%	4%	4%	4%	5	-	0%	0%
France	959,036,329	37%	63%	0%	27%	27%	27%	51%	52	17	33%	70%
UK	753,189,858	27%	73%	0%	33%	33%	33%	46%	29	15	52%	50%
Greece	102,344,168	33%	67%	0%	0%	0%	0%	47%	13	8	62%	60%
Croatia	29,966,958	21%	79%	0%	0%	0%	0%	28%	23	9	39%	50%
Ireland	149,258,776	18%	82%	0%	32%	32%	32%	45%	22	8	36%	40%
Italy	730,485,586	49%	51%	0%	0%	0%	0%	33%	23	3	13%	0%
Lithuania	3,974,335	9%	91%	0%	0%	5%	5%	5%	5	2	40%	40%
Lativia	4,313,157	7%	93%	0%	0%	15%	15%	15%	4	-	0%	0%
Malta	6,053,717	38%	62%	0%	0%	0%	0%	14%	20	1	5%	10%
Netherlands	268,498,596	21%	79%	0%	43%	43%	43%	53%	14	8	57%	60%
Poland	24,041,154	11%	89%	2%	2%	39%	39%	39%	7	4	57%	57%
Portugal	187,939,450	43%	57%	0%	5%	5%	5%	23%	50	6	12%	10%
Romania	4,005,922	87%	13%	0%	0%	0%	0%	7%	4	-	0%	0%
Slovenia	1,091,636	29%	71%	0%	0%	0%	0%	57%	4	2	50%	50%
Sweden	65,359,031	10%	90%	6%	39%	45%	45%	47%	7	5	71%	71%
Grand Total	4,529,327,309	33%	67%	1%	21%	22%	22%	40%	-	-	0%	0%

Based on the obligation to report on the implementation of the landing obligation in Regulation (EU) No. 1380/2013, the Commission has obtained information from EU Member States, Advisory Councils and other relevant sources on[26]:

- the steps taken by Member States and the producer organisations to comply with the landing obligation;
- the steps taken by Member States regarding the control of compliance with the landing obligation;
- the socio-economic impact of the landing obligation;
- the effect of the landing obligation on safety on board fishing vessels;
- the use and outlets of catches below the minimum conservation reference size of a species subject to the landing obligation;
- port infrastructures and of vessels' fitting with regard to the landing obligation, for each fishery concerned; and

[26] Source: "*Evaluation of Member State's Annual Reports on the Landing Obligation (for 2017)",* dated March 2018, DG MARE Contract No. ARES(2018)1564295.

- the difficulties encountered in implementing the landing obligation and recommendations to address them.

In 2016, a STECF Expert Working Group developed a voluntary questionnaire to facilitate Member States and Advisory Councils to report on the impact of the landing obligation and on national steps taken to implement it. For the exercise covering 2017, the Commission addressed two additional questions to Member States, focusing on enforcement of the landing obligation at sea and reported infringements.

For 2017, the Commission has received reports from 15 Member States and 2 Advisory Councils. As a consequence, care is required in interpreting year on year change since the composition of respondents in the different areas has changed. It is also important to recognise that changes reported in a questionnaire do not necessarily imply a successful outcome related the landing obligation. Such an outcome will depend on confidence that there has been significant change in fishing practice at sea and adequate monitoring and control of all fishing operations to ensure that catches are fully accounted for. Moreover, it needs to take into consideration that the quality of the reports received vary widely: the level of detail they contain therein varies extensively, as many reports repeated information already included in the previous reports.

Information on discard quantities presented by Member States is scant and, based on the questionnaires, it is not possible to say whether there have been any changes in discard quantities. Member States continue to indicate that difficulties encountered so far have been minimal but several highlight that the most significant issue they face is the industries' reluctance to implement the landing obligation despite considerable efforts to disseminate information to them. They also report that fishermen seem slow to change behaviour and in the Mediterranean, in some Member States in the Baltic and in the Black Sea, a "*business as usual*" mentality seems to prevail.

There continues to be a wide divergence in the approach to promoting compliance with the landing obligation. Member States have continued to make significant efforts into disseminating information to fishermen and to engage with the relevant Advisory Councils (for example in conducting choke species analysis - a generally more prominent activity in 2017). A number of Member States reported changes in 2017 to ensure compliance with the landing obligation. Specific training and dedicated workshops for inspectors on control elements of the landing obligation have continued with facilitation by EFCA. Some Member States elaborated on their risk based approach to control and monitoring and some provided data on last haul analysis. This approach seems to have bedded down well in some areas such as the Baltic. New control tools such as remote electronic monitoring and CCTV continued to be tested in 2017 by several countries although there is little evidence of them being used on a mandatory basis. A number of the reports for 2017 raised the issue of ensuring a level playing field before being prepared to commit to these new approaches.

A number of Member States have undertaken specific studies and pilot projects to test selective gears or avoidance strategies and some have reported outcomes for 2017 and strategies for increasing uptake of these gears. Fewer actions have been taken by Member States in the Mediterranean and Black Sea where fewer difficulties with implementing the landing obligation have been reported.

Member States have continued to apply for various exemptions included under the regional discard plans and a few have adjusted their national quota management systems. Inter-species quota flexibility has mostly not been used but inter-annual flexibility mechanisms have.

Most Member States report that it remains difficult to assess the socio-economic impacts of the landing obligation, indicating that problems have been minimal so far but could increase as more species are included. For 2017 one Member State provided details of a completed study which highlighted problems for some, but not all, sectors. During 2017, there was again no clear evidence of the landing obligation causing safety issues on board fishing vessels and reports from Member States were identical to the previous year.

Landings of fish below minimum conservation reference size (MCRS) reported for 2017 by Member States are generally low across the different regions. The landed material below MCRS has been used for fish meal, pet food or as bait for pot fisheries. One study of alternative uses suggest that low prices, limited volume and variable composition of below MCRS material makes the alternatives economically unattractive. The reports for 2017 saw an increase in the extent to which EMFF funding to improve the infrastructure of ports as well as modifications on board fishing vessels has been applied for. Specific actions so far include the provision of cold storage facilities onshore and aboard vessels for storage of unwanted catches.

Responses for 2017 continue to articulate the issues raised already last year (i.e. choke species, confusion in interpretation of regulation). Of greatest concern is the uncertainty over the reporting by fishermen of fish discarded under exemptions (i.e. de minimis and high survivability), discards of fish currently not subject to the landing obligation and catches of fish below MCRS. In part this has been due to the Electronic recording and reporting system (ERS) not being adapted to make it possible to record such catches and, operational facilities need to be fit for purpose to ensure information is correctly recorded.

Overall, it appears that the impacts of the landing obligation on Member States and the fishing industry are low. However, the majority of Member States and the Advisory Councils indicate these will increase with full implementation in 2019. While Member States and Advisory Councils seem to be working more closely under regionalisation the reluctance of the fishing industry to embrace change is a major concern. The lack of accurate reporting of fish discarded under exemptions allowed for under the landing obligation, the very low volumes of fish below MCRS being landed and the difficulties experienced by Member States in monitoring such catches are major concerns and hint to compliance problems.

2. State of play of discard plans

In principle, details of the implementation of the landing obligation must be specified in a multiannual plan (MAP). These include technical measures, the fixing of MCRS where appropriate, high survivability exemptions, and *de minimis* exemptions of up to 5% of the total annual catches. The two MAPs agreed under the new CFP so far, the Baltic MAP and the North Sea MAP, contain indeed provisions on the implementation of the landing obligation and introduce regionalisation as a way to shape delegated acts establishing discard plans for

these sea basins. The first delegated Regulation on the implementation of the landing obligation under a MAP, the Baltic MAP, entered into force earlier this year[27].

In the absence of MAP, the European Parliament and the Council (the co-legislators) initially empowered the Commission to adopt discard plans through delegated acts on a temporary basis and for a period of no more than three years. However, due to delays in the preparation and adoption of MAPs, the initial three year period was proved to be too short: several discard plans were expiring at the end of 2017, with no MAP to rule the details of the implementation of the landing obligation. Practically, this meant that the flexibilities referred to in Article 15 CFP, in particular the possibility to introduce exemptions would be lost for the sea basins for which no MAP was in place.

To tackle this issue the Commission rapidly prepared a proposal to amend Article 15(6) of the CFP Regulation and extend the possibility to adopt discard plans for an additional period of 3 years, in the absence of a MAP. This proposal was agreed by the colegislators[28] and all the discard plans expiring at the end of 2017 were renewed in time.

The full list of discard plans adopted under Article 15(6) CFP currently in force follows (chronological order of adoption):

1.	Commission Delegated Regulation (EU) 2015/2438 of 12 October 2015 establishing a discard plan for certain demersal fisheries in **north-western waters**
2.	Commission Delegated Regulation (EU) 2015/2439 of 12 October 2015 establishing a discard plan for certain demersal fisheries in **south-western waters**
3.	Commission Delegated Regulation (EU) 2015/2440 of 22 October 2015 establishing a discard plan for certain demersal fisheries in the **North Sea and in Union waters of ICES Division IIa**
4.	Commission Delegated Regulation (EU) 2016/2250 of 4 October 2016 establishing a discard plan for certain demersal fisheries in the **North Sea and in Union waters of ICES Division IIa**
5.	Commission Delegated Regulation (EU) 2016/2374 of 12 October 2016 establishing a discard plan for certain demersal fisheries in **South-Western waters**
6.	Commission Delegated Regulation (EU) 2016/2375 of 12 October 2016 establishing a discard plan for certain demersal fisheries in **North-Western waters**
7.	Commission Delegated Regulation (EU) 2016/2376 of 13 October 2016 establishing a discard plan for **mollusc bivalve Venus spp. in the Italian territorial waters**
8.	Commission Delegated Regulation (EU) 2016/2377 of 14 October 2016 amending Delegated Regulation (EU) No 1394/2014 establishing a discard plan for certain pelagic fisheries in **South-**

[27] Commission Delegated Regulation (EU) 2018/306 of 18 December 2017 laying down specifications for the implementation of the landing obligation as regards cod and plaice in Baltic Sea fisheries (OJ L 60, 2.3.2018, p. 1).

[28] Regulation (EU) 2017/2092 of the European Parliament and of the Council of 15 November 2017 amending Regulation (EU) No 1380/2013 on the common fisheries policy, (OJ L 302, p. 1).

	Western waters
9.	Commission Delegated Regulation (EU) 2017/86 of 20 October 2016 establishing a discard plan for certain demersal fisheries in the **Mediterranean Sea**
10.	Commission Delegated Regulation EU) 2017/87 of 20 October 2016 establishing a discard plan for turbot fisheries in the **Black Sea**
11.	Commission Delegated Regulation (EU) 2017/2167 of 5 July 2017 amending Delegated Regulation (EU) 2016/2374 establishing a discard plan for certain demersal fisheries in **South-Western waters**
12.	Commission Delegated Regulation (EU) 2018/45 of 20 October 2017 establishing a discard plan for certain demersal fisheries in the **North Sea and in Union waters of ICES Division IIa** for the year 2018
13.	Commission Delegated Regulation (EU) 2018/44 of 20 October 2017 amending Delegated Regulation (EU) 2016/2374 establishing a discard plan for certain demersal fisheries in **South-Western waters**
14.	Commission Delegated Regulation (EU) 2018/46 of 20 October 2017 establishing a discard plan for certain demersal and deep sea fisheries in **North-Western waters** for the year 2018
15.	Commission Delegated Regulation (EU) 2018/153 of 23 October 2017 amending Delegated Regulation (EU) 2017/86 establishing a discard plan for certain demersal fisheries in the **Mediterranean Sea**
16.	Commission Delegated Regulation (EU) 2018/211 of 21 November 2017 establishing a discard plan as regards salmon in the **Baltic Sea**
17.	Commission Delegated Regulation (EU) 2018/188 of 21 November 2017 amending Delegated Regulation (EU) No 1394/2014 establishing a discard plan for certain pelagic fisheries in **South-Western waters**
18.	Commission Delegated Regulation (EU) 2018/189 of 23 November 2017 amending Delegated Regulation (EU) No 1395/2014 establishing a discard plan for certain small pelagic fisheries and fisheries for industrial purposes in the **North Sea**
19.	Commission Delegated Regulation (EU) 2018/190 of 24 November 2017 amending Delegated Regulation (EU) No 1393/2014 establishing a discard plan for certain pelagic fisheries in **North-Western waters**.

3. Use of the EMFF for measures linked to the implementation of the landing obligation

The prohibition to discard is a radical change in the management of the fishing activity. Therefore several measures are eligible for funding under the European Maritime and Fisheries Fund (EMFF) to facilitate the implementation of the landing obligation. The Commission commissioned a study to assess the use of the EMFF to support the landing obligation[29].

[29] "*FAME Support Unit, AT01.2 ad-hoc consultancy Landing Obligation Final Report (AT1.2 5/5*)", Version 1, February 2018.

According to this study, to date, an overall amount of EUR 49 million in EMFF funding is committed or planned to support the implementation of the landing obligation, i.e. less than 1% of the total funds allocated to sustainable fisheries under Union Priority 1: Promoting environmentally sustainable, resource-efficient, innovative, competitive and knowledge-based fisheries (UP1). Another EUR 59 million was spent under the previous funding instrument, the EFF.

The main findings of the study are discussed below:

Four Member States (DK, IE, PT, UK) reported an uptake of measures to limit the impact of fishing activities on the environment and to implement the landing obligation. Most projects relate to the improvement of fishing gear selectivity and avoidance of protected species. Some Member States also funded studies on the handling and valorisation of unwanted catches.

However, most Member States reported a delayed start of operations under UP1 in relation to the need to finalise administrative and technical arrangements to manage applications and projects. Nine Member States (BE, BG, CZ, FI, FR, HU, NL, RO, SK) could not start UP1 implementation for this reason.

Over the 2014-2016 period, DK and UK appear to be the two Member States having committed significant EMFF funding to the implementation of the LO. Measures include support to vessel operators to reduce the impact of fishing on the environment, innovation, use of unwanted catches, and port measures to facilitate compliance with the obligation to land all catches.

3.1 Extent of EMFF support for the implementation of the landing obligation to date

Regarding the extent of EMFF support, a filtering exercise was undertaken with the Infosys database[30] to identify projects that would be relevant for the implementation of the landing obligation. This process identified an interesting distinction: some projects to reduce 'unwanted catch' are related to by-catch of non-commercial species such as birds or seals. Therefore, although at first they they appeared to be relevant for the landing obligation, they are not directly supporting its implementation.

The analysis below is based on aggregated responses from Member States Managing Authorities, who reviewed the filtered Infosys data (where some projects related to the landing obligation had been identified) and provided an update. Based on this, the table below comprises an overview of total EMFF share of support per Member States and the focus of supported operations. The table is divided in two columns: the first column relates to operations which wete carroed pit under the EMFF up to the end of 2016 and which are considered to have contributed to the implementation of the landing obligation.

[30] Commission Implementing Regulation (EU) No. 1242/2014 of 20 November 2014 laying down rules pursuant to the EMFF Regulation with regard to the presentation of relevant cumulative data on operations and Commission Implementing Regulation (EU) No. 1243/2014 of 20 November 2014 on the information to be sent by Member States, as well as data needs and synergies between potential data sources.

Table 3: Overview of EFF and EMFF support per Member States

	EFF	EMFF			
Member State	Associated spend	to 2016	2017	Planned	Total
Belgium (BE)	€ 12 000 039	€ 122 000	€ 105 500		€ 227 500
Bulgaria (BG)					
Croatia (HR)					
Cyprus (CY)	€ 1 800 000			€ 150 000	€ 150 000
Denmark (DK)		€ 8 201 708	€ 6 578 147	€ 1 009 029	€ 15 788 884
Estonia (EE)				€ 4 500 000	€ 4 500 000
Finland (FI)					
France (FR)	€ 3 100 000				
Germany (DE)					
Greece (EL)	€ 2 674 028			€ 5 250 000	€ 5 250 000
Ireland (IE)	€ 758 683	€ 233 679	€ 1 469 264	€ 370 000	€ 2 072 943
Italy (IT)	€ 74 625 594		€ 77 390	€ 1 315 000	€ 1 392 390
Latvia (LV)			€ 3 526 000		€ 3 526 000
Lithuania (LT)				€ 637 500	€ 637 500
Malta (MT)	€ 4 233 892		€ 337 500		€ 337 500
Netherlands (NL)	€ 33 239 184	€ 1 656 414		€ 5 890 000	€ 7 546 414
Poland (PL)					
Portugal (PT)		€ 613 151			€ 613 151
Romania (RO)	€ 372 963				
Slovenia (SL)					
Spain (ES)	€ 867 069		€ 3 697 688		€ 3 697 688
Sweden (SE)		€ 29 286	€ 303 222		€ 332 508
United Kingdom (UK)		€ 3 429 501			€ 3 429 501
total received	€ 133 671 451	€ 14 285 738	€ 16 094 711	€ 19 121 529	€ 49 501 978
EFF minus Italy	€ 59 045 857	EMFF potential total end 2018:		€ 49 501 978	

By the end of 2017, around EUR 30 million of EMFF had been committed to projects related to the landing obligation across ten Member States. Denmark has committed the most for LO-related projects at EUR 14.7 million, accounting for around 49% of total EMFF support up to 2017. Out of around EUR 8.2 million EMFF support in Denmark up to 2016, about EUR 4 million was focused on gear selectivity, EUR 2 million for ports, EUR 1 million for innovations.

By the end of 2016 the UK had committed EUR 3.4 million to port investments and the Netherlands continued its significant funding support to LO implementation with EUR 1.7 million committed to vessel-based research and fleet investment.

In 2017, the level of commitment accelerated with EUR 16 million of EMFF support committed (compared to EUR 14 million in total from 2014-2016), resulting from the delayed start to EMFF programme implementation in most Member States as well as the increased demand to help address the landing obligation as it was being phased in. In 2017, EUR 6.6 million of EMFF funding supported additional fleet investments in Denmark and EUR 3.7 million supported fleet investments in Spain. Ireland and Sweden also made commitments to port investments.

Latvia committed EMFF funds to a major processing investment of EUR 3.5 million related to the landing obligation. The projects involve fishermen's groups and an NGO and aim to increase added value and the use of unwanted catches related to the production of fish protein and oil.

3.2. Planned EMFF support for LO implementation

The table below shows an overview of Member States estimations of planned EMFF funding related to the landing obligation. In total, a planned EUR 19 million of EMFF funds is reported to be allocated to address the implementation of the landing obligation from 2018 onwards.

Table 4: Overview of planned EMFF support from 2018 onwards per Member State

EMFF			
Member State	**from 2018**		**Focus**
Cyprus (CY)	€	150 000	port investment
Denmark (DK)	€	1 009 029	fleet investment
Estonia (EE)	€	4 500 000	processing investment
Greece (EL)	€	5 250 000	3m innovation, 1,5m added value, 0,75m port investment
Ireland (IE)	€	370 000	gear selectivity
Italy (IT)	€	1 315 000	fleet investment
Lithuania (LT)	€	637 500	port investment
Netherlands (NL)	€	5 890 000	2,6m gear investment, 2,5m research, 1m handling unwanted catch
Total	€	19 121 529	

**MS not listed report no planned LO-related commitments*

Source: MA responses, FAME 2018

The Netherlands plans the biggest spend of EUR 5.9 million on gear investment, research and handling unwanted catch. Greece, which has made no commitments to date, is planning similar levels of support from 2018 onwards with EUR 3 million on innovation, EUR 1.5m on value-added and EUR 0.75m on port investment. Denmark is continuing its significant fleet investment with EUR 1.5m of support planned. Lithuania and Cyprus are planning some port investment related to the landing obligation.

Similar to Latvia in 2017, Estonia reports that it plans support of EUR 4.5 million for a processing investment to a fishermen's group under Article 68 (processing for non-human consumption).

3.3 EMFF operations completed

Not many EMFF operations related to the landing obligation have been completed as yet. Most relevant projects are still ongoing. Notable exceptions are:

- Project "Valduvis" in Belgium, concerning traceability and certification;
- "Fast Track – Sustainable and cost-efficient solutions in fisheries under the landing obligation" in Denmark; the project includes establishing a platform for cooperation in order to identify, collect and distribute knowledge and best practice as well as cost efficient trials of selective gear in order to ensure sustainable fisheries and improved management under the LO;
- Pilot project with scientific observers on board commercial bottom trawlers in southwestern waters, testing different gears in order to increase knowledge on selectivity and catch composition, including the use of video cameras attached to the net to know its performance in the water while trawling but also the performance of fish caught into the net;
- Project "Added value, product quality and use of unwanted by-catch" in Lithuania.