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**COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN
PARLIAMENT AND THE COUNCIL**

Consultation on the fishing opportunities for 2017 under the Common Fisheries Policy

{SWD(2016) 199 final}

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INTRODUCTION

This Communication sets out the principles for the Commission proposals for fishing opportunities for 2017. Member States, Advisory Councils, stakeholders and the public are invited to provide suggestions on these policy orientations by 1 September 2016. This Communication also contains the annual report on implementation of the landing obligation, progress on achieving MSY and the situation of fish stocks¹.

Fishing opportunities for 2017 will be fixed under the 2014 CFP objectives and based on the best available scientific advice². Under the CFP, the fishing pressure on stocks concerned should be aligned as soon as possible, and by 2020 at the latest, to the objective of maximum sustainable yield (MSY) under Article 2.2 of the CFP. Where no scientific advice is available, the Commission will apply the precautionary approach in line with the CFP objectives.

This Communication is set against the background of the agreement reached by the co-legislators in early 2016 on a multiannual plan for stocks in the Baltic Sea³. This plan will form the basis for the TAC proposals for the stocks concerned.

For the Mediterranean, although fishing opportunities are not fixed at EU level through TAC⁴, overfishing remains prevalent. The Commission considers that urgent actions are needed to reverse this situation.

An additional element to be considered is the introduction of the landing obligation, in the Baltic and in the pelagic fisheries (2015), and gradually in specific demersal fisheries in the Atlantic and North Sea basin (2016). In 2017 more fisheries will be covered in the latter sea basins, as well as demersal fleets in the Mediterranean and Black Sea basins.

AGREEMENT ON A MULTIANNUAL PLAN FOR BALTIC STOCKS

An important step towards achieving the CFP objectives is the agreement of the European Parliament and the Council on the proposal for a multiannual plan for the Baltic Sea. The plan specifies targets for MSY with deadlines for the stocks concerned and introduces fishing mortality ranges consistent with achieving MSY (F_{MSY}). These ranges, provided for by scientific advice⁵, cover all levels of fishing mortalities which result in MSY in the long term in the Baltic Sea.

The F_{MSY} ranges cover two parts. Under normal circumstances fishing opportunities should be fixed within the part of the range with the lower values of F_{MSY} . The part of the range with the higher values can be used for fixing the TAC in specific circumstances⁶: if, on the basis of scientific advice or evidence, this is necessary to achieve CFP

¹ As required under Articles 15(14) and 50 of Regulation (EU) No 1380/2013 of 11 December 2013 (OJ L 354 of 28.12.2013).

² From ICES and where applicable from STECF and SAC (Scientific Advisory Committee of the GFCM).

³ Based on Commission proposal COM(2014) 614 final of 6 October 2014.

⁴ With the exception of Bluefin tuna.

⁵ Provided by ICES (International Council on the Exploration of the Seas).

⁶ Provided that the stock is above the level that allows for fishing in accordance with MSY.

objectives in mixed fisheries situations or where there is a threat of serious harm to a stock caused by intra- or inter-species stock dynamics. The upper part of the range can also be used to limit year-to-year variations of the TAC (to a maximum of 20%). When a stock falls below scientifically determined levels remedial measures are foreseen to restore the stock above the level that allows producing long-term maximum sustainable yields.

This agreement is a breakthrough for implementation of the CFP, which considers the adoption of multiannual plans a priority. Following this, the Commission will accelerate the development of proposals for multiannual plans for other EU sea basins.

MEDITERRANEAN FISHERIES

The Commission remains particularly concerned about the Mediterranean Sea. Many of the assessed stocks are fished considerably above the MSY target estimates. The Mediterranean is facing significant challenges to achieve MSY for most stocks by 2020. The Commission has called upon all stakeholders to take urgent action to reverse the trends on catches and biomass⁷. All involved (Member States, international bodies like the General Fisheries Commission for the Mediterranean (GFCM), stakeholders) need to take responsibility and develop concrete measures to achieve sustainability.

The Commission will continue to promote actions through the GFCM to improve the stocks shared with third countries (e.g. Strait of Sicily demersal stocks, or Ionian and Aegean seas small pelagic and demersal stocks) and will accelerate the preparation of proposals for EU multiannual plans for stocks almost exclusively fished by EU fishermen (Adriatic small pelagic fisheries and western Mediterranean demersal fisheries). In parallel, Member States should urgently finalize the review of the national management plans⁸ incorporating MSY targets.

2017 PROPOSALS FOR TOTAL ALLOWABLE CATCHES (TAC)

Stocks with MSY assessment

To achieve MSY by 2020 at the latest, the share of stocks fished at levels corresponding to MSY must increase. In this respect, the Commission has requested the scientific advisory bodies to monitor the evolution of the fishing mortality and state of the stocks in all EU sea basins in view of the 2020 objective of achieving MSY.

An important step towards achieving this is the Commission's intention to propose TAC in line with achieving MSY in 2017. This will require a commitment by the Council to align its decisions to this approach. MSY allows for the largest catch over an indefinite period without harming the stock.

For the stocks with MSY assessment (except for the Baltic stocks), for the 2017 TAC proposals the Commission intends use the available point values for MSY until new multiannual plans have been adopted for other sea basins.

A delay in reaching MSY beyond 2017 would only be acceptable under well-substantiated circumstances where very large reductions of fishing opportunities would seriously jeopardize the social and economic sustainability of the fishing fleets involved. In these exceptional cases, the Commission expects Member States concerned to provide tangible evidence of such social and economic impacts.

⁷ At a high-level seminar in Catania on the status of the stocks in the Mediterranean, in February 2016.

⁸ Adopted under Article 19 of Regulation (EC) No 1967/2006.

The increase in the number of fish stocks being fished in accordance with MSY, more robust stocks and the prospect of higher yield, coincides with an improved general situation in terms of the economic performance of the EU fleet. An example of EU fisheries showing increased returns from sustainable fishing is the North Sea sole and plaice fishery. The economic performance of plaice-dependent fleets improved significantly under the management plan which moved the fishery to MSY. Since the stock has been exploited at MSY, landings per unit effort and value per unit effort have increased for all segments, especially the British and Dutch trawlers. A positive economic trend is also observed in some fleets involved in the haddock fisheries. Details are provided in the Staff Working Document accompanying this Communication.

Where existing multiannual plans are consistent with fishing in accordance with MSY in 2017, they should be applied. For plans which are no longer compatible with the MSY objective, e.g. because they include a less ambitious objective, the Commission intends to adopt proposals for TAC on the basis of MSY in 2017.

For (MSY-assessed) stocks shared with third countries the Commission continues to seek agreement with our partners based on the same approach. For stocks managed through Regional Fisheries Management Organizations (RFMOs) the Commission follows the approach laid down by Council in negotiation directives for RFMOs, following the same standards and principles as in the EU.

Other stocks

For stocks without full MSY assessment alternative parameters are considered. TAC proposals will be based on the available biological advice, without jeopardising the conservation of the stocks. For these stocks, a number of different cases can be identified.

Stocks with data available to determine MSY proxies

These stocks are assessed with trend forecast models, and ICES delivers quantitative catch advice⁹. The approach will be similar as for stocks with full MSY assessment.

Stocks with survey-assessed trends or with catch time series

In absence of MSY assessment, scientific advice proposes catch limits. The Commission will use the ICES advice on these stocks and will consider the situation on a case-by-case basis, applying the precautionary approach and proposing commensurate reductions as required.

Stocks with a presumption of stability

In 2013, Council decided to maintain TAC unchanged until 2018 for 26 stocks unless biological advice calls for adjustment. Generally, these are stocks exploited as by-catches only, with low levels of quota uptake, of low economic importance, and with limited information on stock status. The Commission intends to continue with this approach, taking into account possible ICES indications for review and proposing TAC adjustments where this would be in line with such advice.

Stocks without biological advice

In the absence of biological advice, appropriate TAC proposals under the precautionary approach should be applied in a systematic, predefined and transparent way, in line with Article 2(2) of the CFP. ICES is working to further develop tools to fill existing gaps.

TACs and the obligation to land all catches

⁹ Based on a proxy for MSY.

Under the CFP rules, fishing opportunities for stocks falling under the landing obligation should be fixed taking into account catches rather than landings, based on biological advice. This should not jeopardise the MSY objective or increase the fishing mortality.

Feedback from operators and Member States has underlined the importance of these TAC adjustments to avoid the so-called *choke species* effect – situations where the full uptake of quota for one stock could lead to interruption of the fishery despite the availability of quota for other stocks. TAC adjustments are part of the overall package of measures to implement the landing obligation, including improved quota swapping strategies and continued limited discarding under survivability and *de minimis* exemptions. The adjustment of technical measures and the regionalized adaptation of selectivity and avoidance approaches must also play a significant role to avoid choke species effects in the future. The Commission's proposal for a new technical measures framework¹⁰ further contributes to alleviating this problem.

Member States groups in the different sea basins are preparing for the further phasing in of the landing obligation in 2017, for which the further coverage of meaningful stocks that define the fisheries as listed in Article 15(1) of the 2014 CFP is expected. As in 2016, the Commission envisages TAC adjustments for stocks falling under the landing obligation as of 2017. The Commission will submit the method used to calculate last year's TAC adjustments to its Scientific, Technical and Economic Committee for Fisheries (STECF) for advice. When no validated or complete discard data are available, the Commission intends to calculate the TAC adjustments on the basis of data extrapolations where this is methodologically acceptable.

There is no need for adjustments of TACs in 2017 for stocks or catches for which the landing obligation enters into force in later years. Where TAC adjustments are envisaged for stocks jointly managed with international partners (third countries, RFMOs), adjustments are subject to consultation and negotiations with these partners.

DEVELOPMENT OF STATE OF STOCKS

Progress in achieving MSY

To report on the progress in achieving MSY, the STECF assessed progress of the MSY targets on an individual stock basis, and per sea basin. This assessment provides indications on numbers of stocks fished in line with MSY, on overall fishing mortality levels, and on relevant biomass parameters. The Staff Working Document accompanying this Communication provides details of the 2016 STECF analysis¹¹.

Overall and regional assessment

According to STECF, overall there has been progress towards MSY¹². In all the TAC regions the rate of fishing above MSY has decreased considerably. Fishing¹³ compared to F_{MSY} was at 104% in 2014 (down from 147% in 2003 and 120% in 2008). The strongest performance is observed in the (greater) North Sea, where the mean fishing mortality of the fleets was 92% compared to F_{MSY} in 2014 (148% in 2003; 123% in 2008). Despite significant downward trends, other regions and fisheries are still experiencing overfishing compared to F_{MSY} .

¹⁰ COM(2016) 134 final of 11 March 2016.

¹¹ STECF report "Monitoring the performance of the Common Fisheries Policy" (STECF-16-05) - JRC scientific and policy reports, 2016.

¹² STECF-16-05, table 7.

¹³ Model-based overall mean, see for details the Staff Working Document accompanying this Communication.

The 2015 Communication on the fishing opportunities¹⁴ reported 32 out of 62 MSY-assessed stocks fished in accordance with MSY in 2013¹⁵. This year's STECF report¹⁶ analyzes that 31 out of a total of 59 MSY-assessed stocks were fished in accordance with MSY in 2014¹⁷. While reporting on 2013 and 2014 data, the STECF report seems to indicate that the historical trend of strong progress towards MSY may be slowing down. This may not necessarily be due to overfishing alone but also due to changing environmental conditions or other biological factors.

Nonetheless, in the Mediterranean and in the Black Sea, stocks are largely overfished and/or in a bad state. In the Mediterranean this is particularly the case for stocks exploited mainly or exclusively by EU operators.

Baltic Sea

In the Baltic Sea for 2016 four TAC were set at MSY (western and central herring, plaice) or below MSY (main basin salmon). The TAC for western cod, which was reduced for a number of years, was decreased again by 20% in 2016, the stock continues to give cause for concern.

TAC reductions for Gulf of Bothnia herring (-24%), Gulf of Riga herring (-10%), sprat (-5%) and a roll over for Gulf of Finland salmon will move the fishing in the direction of MSY. The Gulf of Finland salmon has a precautionary TAC and eastern cod is under the data-poor approach. The TAC for the Main basin salmon is kept stable at a low level with the aim to contribute further to improve the stocks in the weakest salmon rivers.

North Sea

Cod will be fished for the first time in accordance with MSY in 2016, allowing a 15% increase of the TAC, and the stock is now recovering to levels observed in the mid-1980s. The haddock and saithe 2016 TAC are again in accordance with MSY. This allowed for a 30% increase for haddock, but required a 6% reduction for saithe. TAC for *Nephrops* in the Skagerrak, Fladen grounds, Firth of Forth and Moray Firth will be fished in accordance with MSY.

The other stocks are either fished above F_{MSY} , or lack MSY assessment. The Kattegat cod remains at a low level but the biomass has increased since 2009.

North-east Atlantic pelagic stocks

Most herring stocks (North Sea, Irish Sea and Celtic Sea) are fished in accordance with MSY, with corresponding 2016 TAC for these stocks. The situation is also positive for southern and western horse mackerel and the TAC allows fishing at levels corresponding to MSY in 2016.

Based on the 2014 Arrangement between the Faroe Islands, Norway and the EU for sustainable management of mackerel, and taking into account a management strategy submitted to ICES in 2016, a TAC for 2016 corresponding to 20 % less than the 2015 level was agreed. The fishery remains above F_{MSY} . For blue whiting no arrangement is in place between the Coastal States. The EU and Faroe Islands based their unilateral quotas on the F_{MSY} level, while Norway and Iceland based their quotas on a higher figure. In 2016 the fishery will be well above F_{MSY} . No Coastal States arrangement is in place for Atlanto-scandian herring, but all 5 Parties agreed to base their unilateral quotas on the

¹⁴ Communication from the Commission to the European Parliament and the Council – Consultation on the fishing opportunities for 2016 under the Common Fisheries Policy, COM(2015)239 final, 2.6.2015.

¹⁵ Based on ICES 2014 advice using 2013 stock information.

¹⁶ STECF – 16-05, tables 2, 3 and 4.

¹⁷ Based on ICES 2015 advice using 2014 stock information.

F_{MSY} level. The 2016 fishery will be slightly above F_{MSY} , because of higher Faroes unilateral quota.

Iberian-Atlantic area and the Bay of Biscay

The northern hake stock continues a growing trend. The southern hake and megrim stocks are above safe biological limits but fished above MSY. Anglerfish is fished sustainably and in good shape. *Nephrops* (Cantabrian Sea and northern Iberian Peninsula) are still depleted, but in the south the stock is stable or increasing.

Anchovy in the Bay of Biscay is fished sustainably, the stock is fully reproductive and above the recent average size. Fishing mortality of sole has increased recently, but the stock is within safe limits. Only a limited number of stock assessments is available for the Bay of Biscay and Iberian-Atlantic Seas.

West of Scotland, Irish Sea and Celtic Sea

Haddock stocks west of Scotland and in the Irish Sea have shown improvement, but cod and whiting remain at low levels with high fishing mortality and discard levels. Technical measures were developed by Member States and industry to reduce cod mortality and to avoid unwanted catches (e.g. in the Irish Sea). Significant efforts will be needed to solve potential difficulties of the landing obligation. More efforts are required to improve the knowledge and analytical assessment for several stocks, e.g. whiting and cod in area VI and Irish Sea cod.

In the Celtic Sea cod and haddock TAC were reduced as a result of recent high recruitments disappearing. Improved recruitment in 2013 should lead to a higher cod biomass for 2017. For haddock, discarding is still a problem, although it has decreased among others helped by mandatory avoidance devices. For whiting (subject to the landing obligation in 2016) the TAC was increased substantially. The majority of the *Nephrops* stocks are now subject to MSY advice. The Porcupine bank *Nephrops* continues to be managed with a sub-TAC and seasonal closure.

Several stocks, including cod in the Irish Sea and *Nephrops* in parts of area IX are at very low levels. Sole in the eastern Channel is still in poor shape and a management strategy was put in place in 2015 to recover the stock.

Deep-sea species

Fishing opportunities for deep-sea stocks are fixed under a two-year cycle and in November TAC will be negotiated for 2017 and 2018. The Commission is monitoring the Member States' commitments made for 2015 and 2016 and will continue to take into account the stocks' particular characteristics.

Mediterranean Sea and Black Sea

In the Mediterranean Sea, certain fish stocks are mostly exploited by EU fishing vessels, while others are jointly exploited with non-EU countries. *The overall level of overfishing is broadly between 2 and 3 times F_{MSY}* ¹⁸. Around 9% of stocks are fished at levels below MSY, and 9% of stocks are exploited at levels close to MSY¹⁹. Despite recent improvements, the number of stocks with unknown status remains large. For stocks such as hake, red mullet, black-bellied anglerfish and blue whiting current fishing mortality rates have been up to six times higher than MSY. The Commission is working on

¹⁸ For details see the Staff Working Document accompanying this Communication.

improved data collection for all relevant stocks, and has requested STECF for advice on new stocks.

For stocks shared with third countries the situation is even more challenging. Actions are being prepared both at EU and international level for measures towards MSY targets.

In terms of the economic impact of moving towards MSY, the same potential gains from sustainable fishing identified in the North Sea and Atlantic can be found also in Mediterranean fisheries, where stocks are particularly depleted and where fishing mortality must significantly decrease to fall below F_{MSY} .

There are examples of Mediterranean fisheries where stocks are being exploited at rates consistent with achieving MSY and fleets are showing positive trends, particularly in landings (deep sea pink shrimp and red mullet in the Southern and Central Tyrrhenian Sea). Given the highly mixed nature of Mediterranean fisheries, the effects of stock recovery are not immediately visible in profitability and employment for a variety of reasons including market conditions and price fluctuations.

At the high-level meeting on the status of the Mediterranean stocks (Catania, February 2016), it was agreed that urgent action is needed to reverse the declining trends, considering the large challenge to achieve MSY for all stocks by 2020. It was agreed that Member States and stakeholders must work together with the Commission to identify key stocks and fisheries for action, appropriate tools for each and a timeframe to reverse the declining trend: the implementation and enforcement of current rules and increased data collection, availability and analysis was identified.

The Black Sea still faces important challenges of governance and resource management, partly due to the sharing of stocks with third countries. The Commission will continue to work with Member States and the GFCM on improvements.

REPORT ON THE IMPLEMENTATION OF THE LANDING OBLIGATION²⁰

Regulation 2015/812 ('Omnibus')²¹ introduced an obligation for the Commission to report annually on the implementation of the landing obligation²². This report covers 2015, and is based on information from Member States, Advisory Councils and other sources (industry associations, NGOs).

Overall Member States use a wide range of measures to *promote compliance with the landing obligation*, including websites, discussion forums, guidance publications, and consultation on new requirements. Some Member States have actively informed, others are adjusting domestic licencing and quota management or exploring simplified fisheries management and reduced regulatory burden on fishermen. Industry's understanding of the obligations was hampered by the delays in the so-called Omnibus Regulation.

On *control and compliance* some Member States delayed enforcement until adoption of the Omnibus Regulation, but generally compliance started in January 2015. This has helped to gain experience on the reality of the landing obligation, despite uncertainty about Member States enforcement. Control and compliance was generally characterized as 'learning by doing', with room for improvement and adaptation. Support was provided

¹⁹ One stock of sardine (located in the South of Sicily) and one stock of deep-water rose shrimp (distributed in the Ligurian and North Tyrrhenian Sea).

²⁰ All EU coastal MS submitted reports and contributions were received from BALTFISH, PelAC, SWWAC, NSAC and MEDAC.

²¹ Regulation (EU) 2015/812 of the European Parliament and of the Council of 20 May 2015.

²² Article 15(14) of Regulation (EU) No 1380/2013 on the CFP.

by the European Fisheries Control Agency, and Member States have worked together on joint deployments plans. Member States are regionally identifying risks and related monitoring and enforcement strategies, aiming to ensure the level playing field. Few infringements are reported.

In preparation of the 2016 demersal landing obligation, industry and authorities are collaborating in trials on control tools (e.g. remote electronic monitoring and CCTV), last-haul analyses to examine risk of non-compliance, and catch trials in particular for risk assessment plans. Discussions on interspecies flexibility were held in some regions.

Assessing *socio-economic impacts* of the landing obligation is difficult at the early stage of the landing obligation. Some projects are carried out on economic assessments. Reports raise the possible increased workload (handling, transport of unwanted catches), and that revenues from undersized catch sales is often insufficient to cover the extra costs. Small pelagic vessels report losses when catching large quantities of species for which they have no quota: industry highlights that leasing quota is considerably more expensive than before.

Few specific indications are available on the need for adjustment of *on-board working conditions and storage facilities*, but some information calls for specific needs, such as reviewing fishing practices to ensure sufficient rest periods for the crew, and issues related to vessel stability. On board freezer vessels changes include placing grids over the seawater outlets (to avoid pumping fish out) or sealing of the discard chutes.

Landed undersized catches cannot be used for direct human consumption. The potential use of such catches depends on (local) markets and demand by buyers or processing firms. Member States are expected to support industry in search of new outlets (including the use of EMFF funding); no significant actions were reported. Member States have asked for interpretation of the term 'direct human consumption', and the Commission has facilitated a dialogue on this. Improved selectivity and avoidance is expected to further reduce the levels of unwanted catches over time.

Under the European Fisheries Fund (2007-2013) a number *port infrastructure* projects were funded in view of the landing obligation. Under the recently adopted Operational Programmes 2014-2020 for the European Maritime and Fisheries Fund support for the implementation of the landing obligation is foreseen.

At this early stage, no *significant difficulties* or major impacts on the fishing operations under the pelagic and Baltic landing obligation have been reported. In the context of the Baltic multiannual plan an agreed adjustment to the existing margin of tolerance in pelagic industrial fisheries will address concerns the allegedly unworkable current levels.

In summary, significant efforts were made by industry and administrations to meet the requirements of the landing obligation so far. The introduction of the demersal landing obligation from 2016 on brings the so-called choke species to the fore as a main challenge to the success of implementation of the landing obligation. Industry concerns are that choke species may lead to reduced or delayed quota swapping – an important tool in the adjustment to the landing obligation. The combination of implementation measures available under the CFP should contribute to alleviate the problem. However, managers and industry will need to cooperate to find the optimized combination of available measures in pursuit of a workable and viable landing obligation. Further details are provided in the Staff Working Document accompanying this Communication.

CONCLUSION

The Commission will continue its ambitious implementation of the 2014 CFP and will generally propose fishing opportunities for 2017 in line with the MSY targets in the CFP, and to ensure achievement of its targets as soon as possible. The application of the first multiannual plan under the 2014 CFP sets the stage for progressive introduction of this priority management instrument in other Union sea basins as a means to facilitate the achievement of the main objectives of the CFP.

The European Union and its fleets are further progressing to sustainability and to achieve the MSY objective in a timely fashion. Progress in the trend in the northern waters may be seemingly slowing down, however, with continued reduction of fishing mortality across the board there are no indications that progress towards achieving the MSY 2020 target is being jeopardized. The situation in the Mediterranean is very different, with slow progress both in the knowledge about the resources, and in the sustainable exploitation. The Union needs to intensify efforts in areas that show the slowest progress.

With regards to the implementation landing obligation, no major problems have surfaced from the initial information from Member States and stakeholders on its introduction in 2015. However, there are a number of challenges ahead which will require concerted efforts by both industry and administrations.

SCHEDULE

The planned timetable of work is as follows.

Month(s)	Action
June – September	Public consultation on the Communication
May/June/October	Stock advice by ICES
July	Seminar on stock advice with stakeholders
September	Adoption TAC proposals for the Baltic Sea
October	Council on TAC for the Baltic Sea
	Adoption TAC proposals for deep-sea stocks
November	Council on TAc for deep-sea stocks
	Adoption TAC proposals for Atlantic/North Sea/Black Sea
December	Council on TAC for Atlantic/North Sea/Black Sea