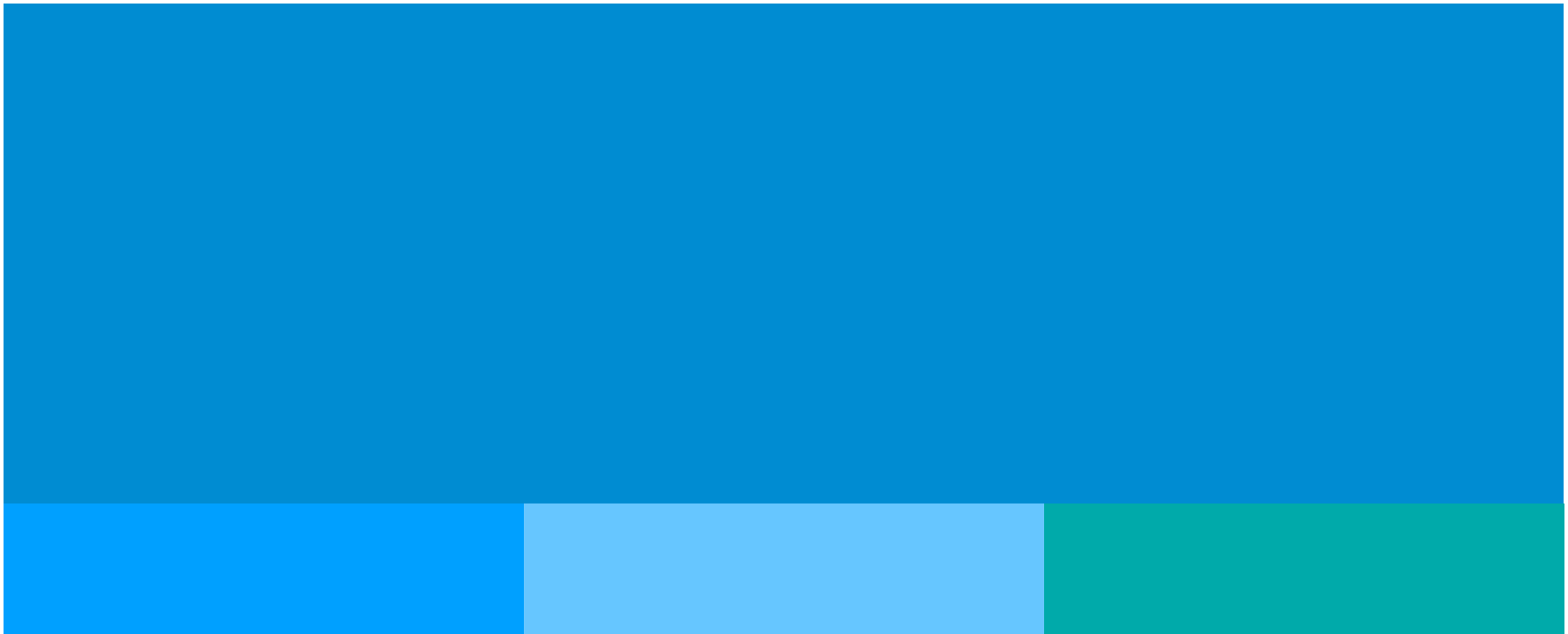
STECF – MEDAC Exchange

Fishing effort regime for demersal fisheries in West Med (Economic analyses)

Cecilia Pinto & Ralf Döring (Co-chairs)



Cecilia Pinto

- Postdoc at the University of Genova working as fishery scientist in the Ligurian Sea area (GSA 9)
- Member of STECF (see below) with specific expertise in fisheries science and evaluation of management plans
  - STECF is the advisory committee for the European Commission regarding the implementation of the CFP
  - Members are independent experts
- Co-chair of EWG 23-11

Ralf Doering (Meeting moderator)

- Senior Advisor/Chief Economist Thuenen-Institute of Sea Fisheries in Bremerhaven/Germany
- Member of STECF with specific expertise in economic analyses of fisheries management measures
- Co-chair of EWG 23-11 especially responsible for the Term of Reference regarding economic analyses

Few words regarding this meetings

- **We will take notes but not record the meeting**
- **We will not use any of the information you give us directly in the EWG report (no direct quotes, for example) – Chatam House rules)**
- **When you later try to answer our questions we will note that and then may come back to you if we need additional information (again this will not be used directly in the report, it should only inform us to improve the model results)**
  - Best way would be if you can provide us with extra data we so far have not used and we then can use in the bio-economic models

Overview

- Background information on the requests to STECF and the advisory process
- (Selected) Outcomes from the EWG 22-11 meeting (September 2022)
- Data from Italy on developments in the fleet after the implementation of the MAP
- Objective of this meeting

Background information

- For several years STECF is requested to give advice regarding the implementation of the West Med Management plan
- Main request is to assess the achievement of the objectives of the plan (e.g. reaching MSY)
- Main method is the application of a number of bio-economic models
- DG Mare has requested STECF to further develop the socio-economic outputs of the models

Background information - Approach

- Challenge: the bio-economic models existed before the management plan was adopted and are since 2020 further developed for the assessment of the Management plan
- Three different models developed for specific GSAs/fleets/fisheries are applied and outputs need to be homogeneised to obtain comparable results for socio-economic variables
- For 2023 the first aim is to continue harmonizing the outputs of the models (same socio-economic variables)

Background information - Approach

- Second aim is to have an additional exchange with stakeholders regarding the results of the economic analyses
- STECF economists see an exchange with stakeholders as some kind of ‚reality check' of the modelling results vs. the real development in the sector

(Selected) Outcomes from the EWG 22-11 meeting

- **A few general remarks:**
  - The STECF report includes very detailed information on the available data regarding fishing effort by fleet segments, fishing gear or GSA
  - The applied bio-economic models aim to predict the changes in fishing mortality, catches or effort by running a different set of scenarios
  - Challenge regarding socio-economic assessments: development of fuel prices, financial support of the fishing sector (e.g. to partly mitigate increase in fuel costs) but also the implementation of mitigation or adaptation measures by Member States

(Selected) Outcomes from the EWG 22-11 meeting

EWG 22-11 focused on scenarios testing the effects of the introduction of maximum catch limits (MCLs) (implemented in 2022) …

The scenarios considered had a Maximum Catch Limit (MCL) for Hake (HKE), one for Blue and Red Shrimp (ARA), and one for both HKE and ARA.

- decreasing MCL through time (forward scenario: aims at reaching catch at Fmsy by 2025) and an increasing MCL through time (inverse scenario: starting value is catch at Fmsy)

(Selected) Outcomes from the EWG 22-11 meeting

In **EMU 2** implementing a MCL on the deep-water fisheries suggested an improvement for all stocks except for HKE.

- ARA and Giant red shrimp (ARS) would improve thanks to the control of the MCL, while MUT (Red mullet), DPS (Deep-water rose shrimp) and NEP (Norway lobster) would stay within the upper and lower limits of Fmsy, despite the reallocation of fishing effort from deep to coastal fisheries.
- The implementation of a reverse MCL did not show a recovery of the stocks. Moreover, a MCL split by month seems to have a lower impact on the catches of ARA and ARS in the short term.
- The Gross Value Added (GVA) shows an increase for the passive gears fleets (i.e., gillnetters and longliners) and a strong decrease for all trawling fleets in the first two years, with a stable trend over the following years.

(Selected) Outcomes from the EWG 22-11 meeting

In **EMU 1** none of the scenarios allowed reaching Fmsy for all six species targeted by the MAP, except when applying a MCL on both ARA (Blue and red shrimp) and HKE (European hake), simultaneously.

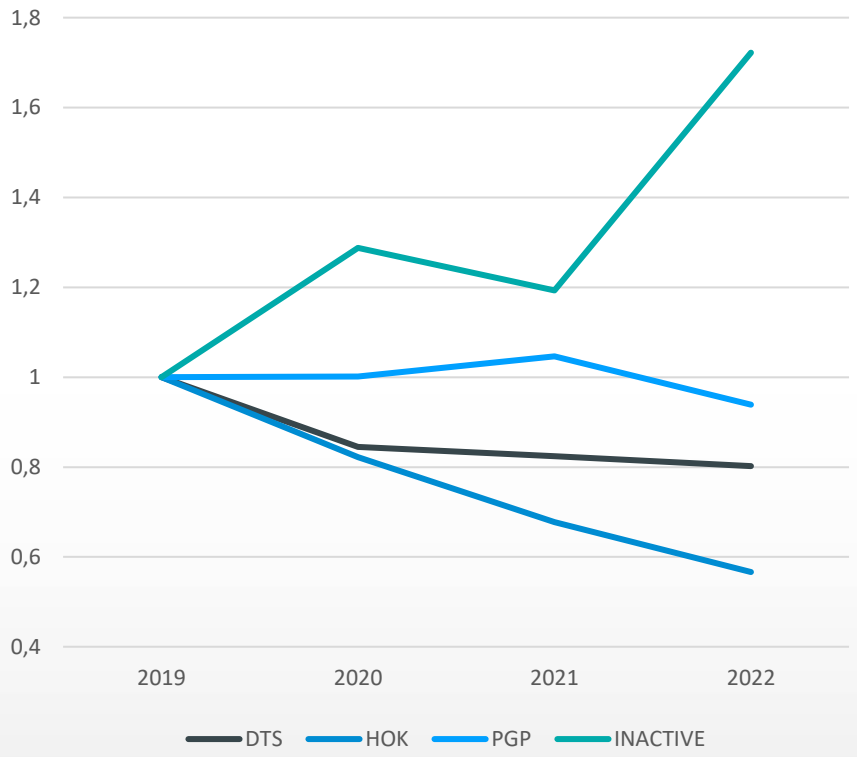
- Interpreting the application of an MCL on HKE should be taken with caution as the MCL was considered only on catch from trawlers in these scenarios, but this species can generally be targeted also by longliners and gillnetters.

- The economic consequences of scenarios accounting for a MCL on HKE, or both ARA and HKE, lead to a massive drop of GVA for the Spanish and French trawling fleets, while economic advantages are observed for longliners and gillnetters.

Example on developments in the fleet of Italy after the implementation of the MAP

Trend in the number of vessels (GSA 9, 10, 11), ITA

Number of vessels				
year	DTS	HOK	PGP	INACTIVE
2019	637	90	3835	612
2020	538	74	3840	788
2021	525	61	4014	730
2022	511	51	3600	1054
2022/2019	**-20%**	**-43%**	**-6%**	**72%**



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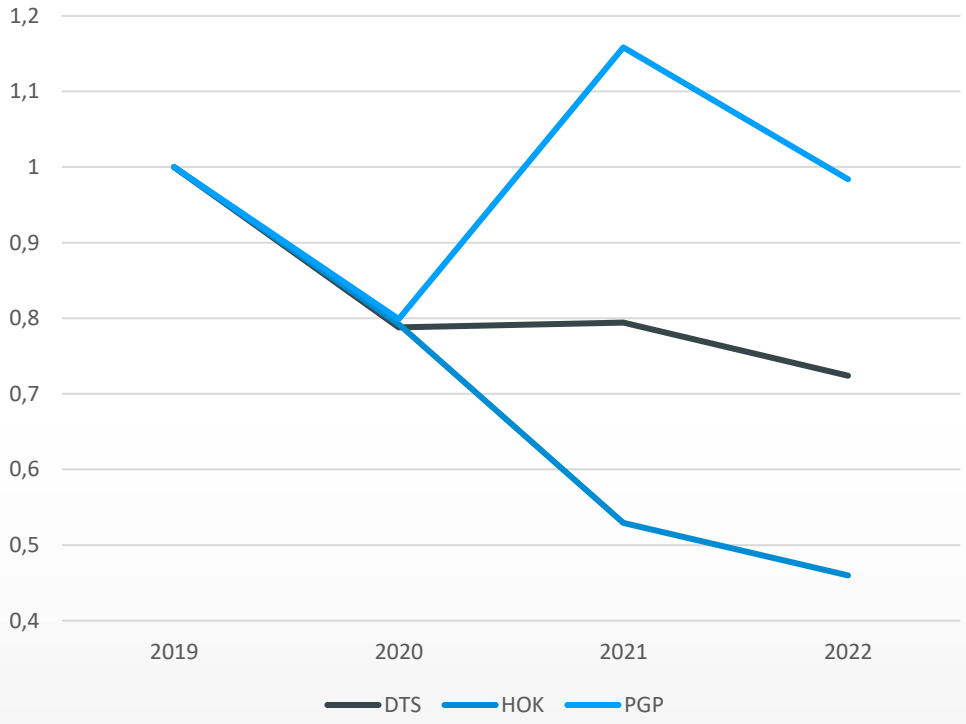
Trend in the number of fishing days (GSA 9, 10, 11), ITA

year	DTS	HOK	PGP
2019	92052	7411	405240
2020	72541	5870	323768
2021	73122	3924	469332
2022	66648	3408	398681
2022/2019	**-28%**	**-54%**	**-2%**



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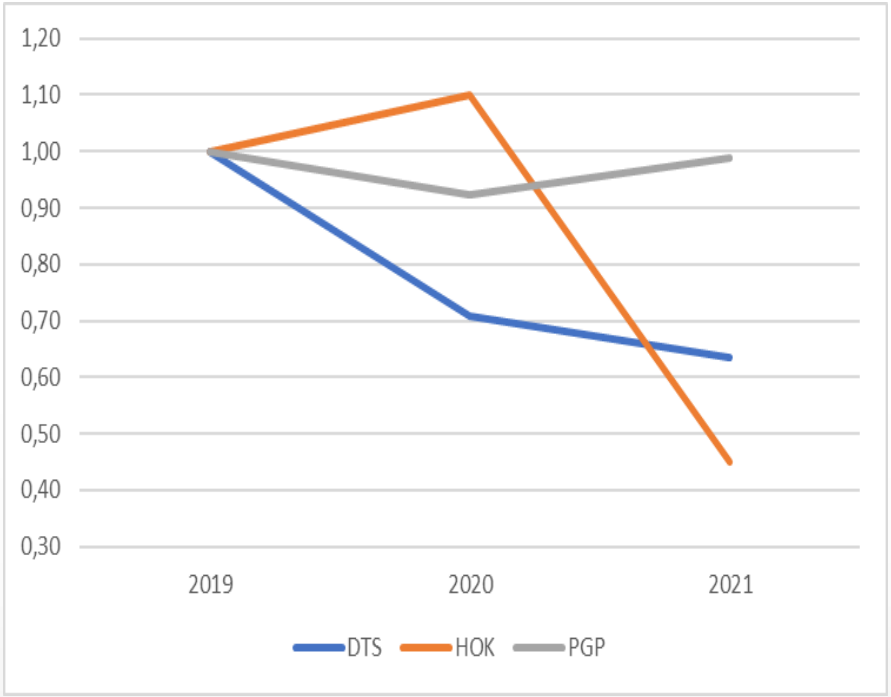
Trend in Gross Value Added (GSA 9, 10, 11), ITA

Gross value Added (millions of euros)			
	(GSA9+10+11)		
year	DTS	HOK	PGP
2019	69,5	4,0	70,9
2020	49,2	4,4	65,5
2021	44,1	1,8	70,0
	-37%	-55%	-1%



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Objective of this meeting

- **Direct exchange with members of MEDAC regarding the development of the sector after implementation of the plan**
- **Discussion of factors that influence the socio-economic assessments which may not be part of the assessments so far**

List of questions from the EWG members to the stakeholders

1) Crew cost is always a sensitive issue when discussing reductions in catches, effort etc. For the models applied in the EWG we usually use as wages a share of the revenues as salary not really knowing how realistic a, for example, very low or even no salary then is. Do the owners have to always pay a minimum salary (also depending on legal minimum wage requirements)?

2) We have no real information how effort reductions are or would be distributed between fleet segments.

a. Are/would the authorities, for example, reduce the available effort by a certain percentage for each vessel or are there other models like that the reduction is aligned to the impact of a fleet segment on a certain stock? Then the reduction may be higher in some fleet segments for which a stock is more important than for other fleet segments.
b. May be, there is also a quota pool or specific roles for POs?
c. Specifically for the offshore fleet we want to know how they work with the effort allocation by métier? Is this controlled?
d. How is the effort reallocated when areas are closed?

3) **Our data shows that effort quotas are not fully used in some areas – why not? Is there any redistribution of that quota?**

4) **For the application of the IAM model for EMU 1 the EWG uses a list of fleet segments which is based on the data sources provided (see Appendix 1). Would it be possible to get some feedback on the relevance for fleet management of those fleet segments?**

5) **What is your perspective on the different implementation of quota restrictions in the Member States? We know that there are quota distributions by vessel, an overall limit by GSA or fleet segment or just an open quota where the fishery is closed when reaching that quota.**

6) **What can you tell us about the development of the different fleets affected by the management plan? Especially interesting are information on social aspects, employment, regional differences regarding fleet reductions or impacts on coastal communities.**

Thank you very much!