



MSC FISHERY SURVEILLANCE REPORT

The Danish Pelagic Producers Organisation

Atlanto-Scandian Herring Fishery

Surveillance audit No.4

REPORT NO. 2013-018

REVISION NO. 01 –14.11.2013



MSC FISHERY SURVEILLANCE REPORT

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The objective of this project has been the fourth surveillance audit of the Danish Pelagic Producers Organization for MSC Fishery certification of their Atlanto - Scandian (Norwegian Spring Spawning) Herring fisheries, caught by purse seine and pelagic trawl in the North East Atlantic.

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ABBREVIATIONS

ACOM	ICES Advisory Committee
ASH	Atlanto-Scandian Herring
Blim	Limit Reference Point for Spawning Stock Biomass
Bmsy	Maximum Sustainable Yield Biomass
Btrigger	Value of spawning stock biomass (SSB) that triggers a specific management action
Bpa	Precautionary Reference Point for Spawning Stock Biomass
CFP	Common Fisheries Policy
CR	Council Regulation
DNV	Det Norske Veritas
DPPO	The Danish Pelagic Producers Organization
DTU	The Danish Technical University
EC	European Community
ETP	Endangered, threatened and protected species
EU	European Union
F	Fishing mortality rate
FAM	Fisheries Assessment Methodology
FD	Fisheries Directorate
ICES	International Council for the Exploration of the Sea
ITQ	Individual Transferable Quota
MCS	Monitoring, Control and Surveillance
MSC	Marine Stewardship Council
NGO	Non-Governmental Organisation
NS	North Sea
PI	Performance Indicator
RAC	Regional Advisory Council
SG	Scoring guidepost
SSB	Spawning Stock Biomass
TAC	Total Allowable Catch
VMS	Vessel Monitoring System
WWF	World Wildlife Fund



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1 GENERAL INFORMATION

This report contains the findings of the fourth surveillance audit for the Danish Pelagic Producers Organisation (DPPO) Atlanto-Scandian Herring Fisheries, caught by purse seine and pelagic trawl.

The purpose of this annual Surveillance Report is:

1. To establish and report on any material changes to the circumstances and practices affecting the original complying assessment of the fishery;
2. To monitor the progress made to comply with any “conditions” raised and described in the Public certification Report of 18th June 2009 and in the corresponding Action Plan drawn up by the client;
3. To monitor any actions taken in response to any “recommendations” made in the Public Report;
4. To re-score any Performance Indicators (PIs) where practice or circumstances have materially changed during the intervening year, focusing on those PIs that form the basis of “conditions” raised

The fishery had no conditions attached to its certification in 2009. The fourth surveillance assessment focused on the overall ongoing operation of the fishery in relation to the MSC Principles and Criteria, on monitoring of actions taken in response to the recommendation made during the third annual surveillance audit and on harmonisation with the assessments of other AS herring fisheries in the MSC programme.

The updated list of vessels for this certification is shown in Appendix 1.

1.1 Name and contact information for the certified fishery

Client name Danish Pelagic Producers Organisation (DPPO)
 Contact person Esben Sverdrup-Jensen
 Address H.C. Andersens Boulevard 37.1
 DK-1553 Copenhagen V
 Denmark
 Tlf. +45 61 66 09 78
 E-mail es@pelagisk.dk

1.2 Danish Pelagic Producers Organisation (DPPO)

Danish Pelagic Producers Organisation (DPPO) in Denmark was established in 1984 as an organisation for purse-seiners. In 2001 it was opened for membership to trawlers. The association is governed by the General Assembly consisting of all the members. The management is undertaken by The Board of Directors who are elected by the General Assembly. The day to day administration is carried out by the General Manager, Mr. Esben Sverdrup-Jensen from DPPO’s headquarters in Copenhagen, Denmark.

The legal fishing activities for DPPO are regulated by the EU TAC-quota Regulation and the Danish regulation on fishing. When fishing in Norwegian waters, the fishing activities for DPPO are also regulated by Norwegian legislation. Each year, the size of the quota is adjusted by the EU commission in accordance with the development in the fish stock. In Denmark, the individual quotas are given to each boat related to Member Licenses (ITQ).

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2 THE ASSESSMENT PROCESS

2.1 Previous Assessments.

2.1.1 Summary of the original assessment

The intent of the Danish Pelagic Producers Organisation (DPPO) Atlanto-Scandian Herring Fisheries to become MSC certified was announced in November 2008, and they received their certificate on 21st July 2009.

The original assessment was conducted by Det Norske Veritas in the period November 2008 to July 2009. The default assessment tree, according to the Fisheries Assessment Methodology (FAM) version 1, was used for this certification. Eighteen main stakeholder groups were identified and consulted during the assessment process.

The fishery attained a score of 80 or more against each of the MSC Principles and did not score less than 60 against any of the individual MSC Criteria. The fishery had neither conditions nor recommendations attached to its initial certification

Scope of certification is up to the point of landing and chain of custody commences from the point of sale at landing.

2.1.2 The first surveillance audit in 2010

The assessment process for the first surveillance audit was performed according to the requirements set out in the MSC Fisheries Certification Methodology. The default assessment tree, according to the Fisheries Assessment Methodology (FAM) version 1, was used for this certification.

The first surveillance audit for the Danish Pelagic Producers Organisation (DPPO) Atlanto-Scandian Herring Fisheries was coordinated with the client's certification for 2 other fisheries- the DPPO NEA Mackerel fisheries and the DPPO North Sea Herring fisheries.

The surveillance audit was announced on the MSC website on 9th April 2010 followed by a supporting notice to stakeholders issued by the MSC on the same date. Direct email notification was also sent to the stakeholders that had previously been identified for this fishery on 10th April 2010, inviting interested parties to contact the audit team.

Sandhya Chaudhury, DNV Lead auditor and Independent expert Eskild Kirkegaard conducted an on-site meeting with the client at the client's offices in Skagen, Denmark on Wednesday 23rd June 2010 followed by a meeting with the Fisheries Directorate on Thursday 24th June 2010. Eskild Kirkegaard is a member of the original assessment team. Further details of meetings as well as details of other information consulted in the assessment process can be found under point 6 (information sources) in the 1st Surveillance report published on www.msc.org.

No conditions were set for the certification of the DPPO Atlanto-Scandian Herring fisheries in July 2009. There were no recommendations in the Public Certification Report of July 2009.

Notice of a successful audit and continuation of the certification was announced on the MSC website on 3rd August 2010.

2.1.3 The second surveillance audit in 2011

The second surveillance audit for the Danish Pelagic Producers Organisation (DPPO) Atlanto-Scandian Herring Fisheries was coordinated with the client's certification for 2 other fisheries- the DPPO NEA Mackerel fisheries and the DPPO North Sea Herring fisheries.

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The surveillance audit was announced on the MSC website on 13th May 2011 followed by a supporting notice to stakeholders issued by the MSC on the same date. Direct e-mail notification was also sent to the stakeholders that had previously been identified for this fishery in May 2011, inviting interested parties to contact the audit team. Sandhya Chaudhury, DNV Lead auditor; Anna Kiseleva, DNV observer and Independent expert Eskild Kirkegaard conducted an on-site meeting with the client at the DNV office in Copenhagen, Denmark on Monday 27th June 2011 followed by a meeting with the Fisheries Directorate on Tuesday 28th June 2011. Eskild Kirkegaard is a member of the original assessment team. Further details of meetings as well as details of other information consulted in the assessment process can be found under chapter 4 (information sources) in the 2nd Surveillance report published on www.msc.org.

No conditions were set for the certification of the DPPO Atlanto-Scandian Herring fisheries in July 2009. There were no recommendations in the Public Certification Report of July 2009.

The Surveillance team re-evaluated, at the second surveillance audit, the stock status relative to target and limit reference points (PIs 1.1.1 and 1.1.2) based on ICES new advice on MSY reference points and the MSC Policy Advisory 12: Further Guidance on Scoring Reference Points in Principle 1, of 13 February 2010. The re-evaluation did not give cause to change the original score for the two PIs.

2.1.4 The third surveillance audit in 2012

The third surveillance audit for the Danish Pelagic Producers Organisation (DPPO) Atlanto-Scandian Herring Fisheries was coordinated with the client's certification for 2 other fisheries- the DPPO NEA Mackerel fisheries and the DPPO North Sea Herring fisheries.

The surveillance audit was announced on the MSC website on 29th May 2012 followed by a supporting notice to stakeholders issued by the MSC on the same date. Direct e-mail notification was also sent to the stakeholders that had previously been identified for this fishery in May 2012, inviting interested parties to contact the audit team. Sandhya Chaudhury (DNV Lead auditor), Anna Kiseleva (DNV observer), Lars Windmar (DNV observer) and Independent expert Eskild Kirkegaard conducted an on-site meeting with the client at the DNV office in Copenhagen, Denmark on 28th June 2012 and a meeting with the Danish AgriFish Agency on 27th June 2012. Eskild Kirkegaard, Sandhya Chaudhury and Anna Kiseleva are all members of the original assessment team.

Neither conditions, no recommendations were set for the certification of the DPPO Atlanto-Scandian Herring fisheries in July 2009.

During this surveillance audit (2012), a recommendation on verification of Codex was given to the certified fishery. See section 3.2 of this report for more information.

2.1.5 The fourth surveillance audit in 2013

The fourth surveillance audit was performed according to MSC Certification Requirements, version 1.2, 10 January, 2012.

The surveillance audit was announced on the MSC website 30.04. 2013 followed by a supporting notice to stakeholders issued by the MSC on the same date. Direct e-mail notification was also sent to the stakeholders, which had previously been identified for this fishery, on the 04.05.2013 inviting interested parties to contact the assessment team.

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Anna Kiseleva, DNV and a member of the original assessment team, Independent expert Eskild Kirkegaard, conducted an on-site meeting with the client at the DNV's offices in Copenhagen on the 24th of June 2013 followed by meetings on the same day with the Danish AgriFish Agency.

Due to new developments in the AS herring management, results of the fourth annual surveillance of the DPPO AS herring fishery had to be harmonized across all AS herring fisheries involved in the MSC programme and the publication of the annual surveillance report was postponed through the variation process. For more information see assessment downloads for this fishery. For more information on harmonisation - see Chapter 6 of this report.

3 RESULTS, CONCLUSIONS AND RECOMMENDATIONS

3.1 The distribution of the stock of Atlanto-Scandian herring

The Atlanto-Scandian herring (*Clupea harengus*) is the largest herring stock in the world. It is highly migratory throughout large parts of the NE Atlantic during its lifespan. Spawning takes place in late winter along the Norwegian west coast. After spawning the herring is migrating westward into the Norwegian Sea to start feeding. The main concentrations are found in the central part of this area. In July the herring are spread out over a wide area feeding around the fringes of the Norwegian Sea, particularly in the northern and western region, while almost no herring are observed in the central region.

Until about 2002 the bulk of the adult herring wintered in fjords in northern Norway. Since then the amount of herring wintering in the fjords has decreased rapidly and since 2007 no wintering herring has been observed in the fjords and the herring is found offshore during winter.

After hatching, the larvae drift northwards and the juveniles have their nurseries in the Barent Sea (ICES Division Ia). Most of the young herring leave the Barents Sea as 3 years old and feed in the north-eastern Norwegian Sea for 1–2 years before recruiting to the spawning stock.

There have in recent years been large changes in both the wintering and feeding area with a general south-western shift in the distribution (ICES, 2012).

3.2 Summary of the DPPO Atlanto-Scandian Herring fishery

The DPPO vessels participating in the ASH fishery is given in appendix I. The catch data is given in chapter 8 of this report. The total Danish quota for ASH is allocated to the DPPO vessels. The majority of the catches are taken in first quarter in Norwegian waters. The remaining is normally fished in the fourth quarter in Norwegian and International waters.

Updated information on by-catches and retained species was presented to the Surveillance team. All retained species are reported when landed. All landings of species for which the DPPO vessels have quotas are counted against these quotas and therefore not reported as by-catches. Reported retained species are Norway pout and whiting. The quantities of these species taken in the ASH fishery have been very limited.

As part of the Codex for a Sustainable and Responsible Pelagic Fishery adopted by the DPPO all DPPO vessels operate a self - sampling and reporting system for by-catches, including ETP species. DPPO vessels have since the first surveillance audit reported by-catch of one porbeagle in the AS herring fishery. See Appendix I for overview of ETP by-catches per member vessel in 2012.

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3.3 Development in the Atlanto-Scandian herring stock, the fishery on the stock and the management of the fishery.

The evaluation of the status of the Atlanto-Scandian herring stock and the fisheries on the stock presented in the Public Certification Report was based on ICES 2008 advice. In the period from the initial assessment and until the fourth surveillance audit ICES has issued five new stock assessments and management advice (ICES, 2009, 2010, 2011, 2012 and 2013).

Until 2009, ICES' advice was based on the precautionary approach, extended by long-term considerations for maximising yield and considering ecosystem effects of the fishery. In 2010, ICES has started a more formal approach for the implementation of the maximum sustainable yield-concept in its advice. ICES bases its MSY approach on attaining a fishing mortality rate at or below F_{MSY} . In this approach, both fishing mortality and biomass reference points are used; these reference points are F_{MSY} and $B_{MSY-trigger}$. $B_{MSY-trigger}$ is a biomass reference point that triggers a cautious response. ICES approach does not include a MSY biomass target (B_{MSY}).

ICES (ICES, 2013) has assessed the SSB in 2013 to be 5 million t (Figure 1). This is equal to $B_{MSY-trigger}$ and the lowest stock size observed since 1990. Fishing mortality is estimated to 0.144 in 2012, which is below F_{MSY} (0.15) but above F_{target} (0.125).

Between 1998 and 2004, the stock produced five strong year classes which led to a large increase in spawning stock biomass reaching in 2009 the highest level observed in the last 20 years. However, recruitment has been poor since 2004 and spawning stock biomass consequently declined since then and is expected to decline further in the near future, even when fishing is conducted according to the management plan.

The short-term prognoses conducted by ICES (ICES, 2013) indicate a decline of SSB from the 5 million t in 2012 to 4.1 and 3.5 million tonnes in 2014 and 2015 respectively, assuming a fishing mortality in 2013 based on a total catch equal to the declared national quotas and in 2014 in according with the management plan.. Given the low recruitment in recent years, it is expected that SSB will remain below B_{pa} in the short term. Even with no fishing in 2014 ICES expects that the stock will decline to 3.9 million tonnes in 2015. This situation will continue until large year classes appear and recruit into the spawning stock. Because maturation takes place between the ages of 4 and 6 it will take at least four years until a strong year class contributes to an increase in the SSB.

The ICES assessment has in recent years shown a retrospective pattern with SSB been overestimated and fishing mortality underestimated. ICES considers it likely that the 2013 assessment also is overestimating SSB and underestimating F in the terminal year, but to a much smaller extent. The assessment may therefore overestimate the present state of the stock slightly.



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Fig. 1. Developments in landings, recruitment, fishing mortality and spawning stock biomass for Atlanto Scandian herring in the period 1950 to 2012 as assessed by ICES (ICES, 2013).

3.4 The management of the fishery

The Atlanto Scandian herring fishery has since 1999 been managed in accordance with the management plan signed by the coastal States EU, Faroe Islands, Iceland, Norway and Russia. This management plan still has the support of all signatories and continues to provide the basis for management and conservation of the stock. ICES has reviewed this management plan and has formally endorsed it as being consistent with the precautionary approach.

The current target fishing mortality of 0.125 in the management plan is in the range of fishing mortalities (0.1-0.2) that according to ICES would lead to MSY and a low risk of the stock falling below Blim. ICES estimate of F_{MSY} is 0.15. The management plan is hence in conformity with the ICES MSY framework. Although the current target F may be on the low side of this range, there is no significant long term gain in yield by increasing the current target.

The catch advice given by ICES is equal to the predicted catch assuming a fishery at the target fishing mortality rate of the management plan. Although catches in recent years have been consistent with the advice, the realised fishing mortality has been higher than the target fishing mortality forming the basis for the advice. This is due to the bias in the assessment resulting in an overestimation of the stock size and underestimation of fishing mortality in the terminal year (see section 3.3).

The ICES TAC advice for 2013 consistent with the management plan is 619,000 t. Since 2006 the annual TAC has been shared between the coastal States applying the following allocation key:

Party	Relative share in %
EU	6.51
Faroe Islands	5.16
Iceland	14.51
Norway	61.00
Russia	12.82



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At the ordinary coastal State meeting in London 18th to 19th October 2012 the Faroe Islands announced that they could not sign an agreement for 2013 based on the allocation key used since 2006. The Faroese requested a higher share of the TAC. The parties could not reach an agreement and a second meeting was held on 14th December. No progress was made at that meeting and on 23rd January EU, Iceland, Norway and Russia signed an agreement for 2013 on a TAC of 619,000 t and the sharing of the TAC applying the allocation key used since 2006. This agreement includes a quota set aside for the Faroe Islands of 31,940 t.

This was not acceptable to the Faroe Islands and on the 26th of March 2013, the Faroese Ministry of Fisheries has announced the intention of the state to raise its national catch ceiling for AS Herring to 17% of the TAC, corresponding to 105,200 t. This means that the total quota set for AS herring by the Coastal States for 2013 amounts to 692,260 t. or 73,260 t more than the agreed TAC. ICES has in its advice from October 2013 (ICES 2013) predicted that a catch of 692,260 t will result in a fishing mortality of 0.15 which is equal to FMSY but higher than the target F in the management plan. If this situation continues, the high catches will accelerate the present decline of the stock and increase the risk of the stock going below Blim.

The surveillance team therefore re-evaluated several performance indicators e.g PI 1.1.1, PI 1.2.2, PI 3.1.1, PI 3.1.3, PI 3.2.1 and PI 3.2.2. The results of the re-evaluation were harmonised across all other AS herring fisheries involved in the MSC programme, at the harmonisation meetings held on 1st of March and 29th of October 2013 between DNV, FCI, Intertek Moody Marine., and MSC. See Chapter 6 for detailed results of the harmonisation meetings.

4 STATUS OF CERTIFICATION CONDITIONS

No conditions were set for the certification of the DPPO Atlanto-Scandian Herring fisheries in July 2009.

There were no recommendations in the Public Certification Report of July 2009. During the third surveillance audit the following recommendation was given:

<p><u>Recommendation:</u> EXTERNAL REVIEW AND/OR VERIFICATION OF COMPLIANCE OF THE DPPO CODEX: The DPPO should establish a formal annual external review protocol for assessing members' compliance with the provisions of the Codex.</p>
<p><u>Observation</u> The DPPO has, as part of the implementation of the Codex for a Sustainable and Responsible Pelagic Fishery, established a formal recording protocol for retained by-catches including slipped catches. Copies of forms filled in with information on by-catches including slipping by each vessel were presented to the surveillance team. No ETP by-catches (except 1 porbeagle) or slipping in the NEA herring fishery was reported by DPPO vessels. See Appendix I for overview of ETP by-catches and slippings per member vessel in 2012.</p>
<p><u>Timeline:</u> A system for annual external review should be implemented before the next annual surveillance.</p>
<p><u>Conclusions:</u> A formal recording protocol for non-retained bycatch has been implemented and a formal annual review process for assessing DPPO members' compliance with the provisions of the Codex has been implemented as well. A responsible for the formal review process has been appointed (Claus Redtz Sparrevohn). Recommendation is therefore closed.</p>



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5 ANY CONSEQUENTIAL RESCORING OF PERFORMANCE INDICATORS

No rescoring of performance indicators was deemed necessary during the fourth surveillance. See chapter 6 for more information.

6 HARMONISATION

The harmonisation process for all Atlanto Scandian Herring fisheries involved in the MSC programme was triggered by the dispute between Coastal States with regard to quota allocation. The first meeting was held between the CAB's and MSC on the 13th of February 2013 where the decision to proceed with a harmonization process was undertaken. The second harmonisation meeting was held on the 1st of March 2013 between DNV, FCI, Intertek Moody Marine, and MSC in order to evaluate how the recent developments in the management of AS herring could affect compliance of AS herring fisheries engaged in MSC programme with MSC Principles and Criteria. Issues discussed during this harmonisation meeting and conclusions reached are presented in the table 6.1 below.

Issue discussed	CR/GCB requirement	Conclusion reached
Does the FPO AS herring fishery still meet the scope requirements for MSC fisheries (CR 27.4.4.1)?	<p>27.4.4.1 The CAB shall verify that the fishery is conforming to Principle 3, Criterion A1: A fishery shall not be conducted under a controversial unilateral exemption to an international agreement.</p> <p>a. CABs shall use these definitions to interpret this criterion:</p> <p>i. Controversial means creating a controversy in the wider international community rather than simply between two states.</p> <p>ii. Unilateral means arising from the action of a single state.</p> <p>iii. Exemption means a refusal to join or abide by the rules of an international management body, or the taking of a reservation or exception to a measure adopted by such body, when in either such case the effect is to undermine the sustainable management of the fishery.</p> <p>iv. International agreements are those with a direct mandate for sustainable management of the resources affected by the fishery according to the outcomes expressed by Principles 1 and 2. When verifying fishery conformity with this criterion, CABs shall take into consideration:</p> <p>i. The relationship between</p>	<p>No consensus reached on what constitutes a controversial unilateral exemption to an international agreement.</p> <p>More guidance from MSC on CR 27.4.4.1 is planned for the next revision of Fishery certification requirements.</p> <p>With regard to FPO AS herring fishery, it was agreed that it would be up to DNV to reach the final decision on whether or not the fishery still meets the MSC scope requirements.</p> <p>The DNV assessment team has noted that all parties continue to agree with the management plan but the Faroe Islands have not signed the Coastal States Agreement for the 2013 Atlanto Scandian herring fishery. It will be premature to judge whether this is to be considered as a controversial unilateral exemption to an international agreement given that there is no evidence as of today that they intend to operate in a way that specifically undermines the sustainable management of the fishery.</p>



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	<p>international and coastal state jurisdictions recognised by relevant international agreements.</p> <p>ii. Whether exemptions result in the implementation of a higher or lower level of conservation than are currently agreed by an international management body.</p> <p>iii. In all cases, the important point is whether the sustainable management of the fishery is undermined.</p>	
Rescoring of PI 1.1.1	<p>PI 1.1.1 SG 80 b The stock is at or fluctuating around its target reference point.</p>	<p>It was agreed that a rescoring of PI 1.1.1 would be premature at this stage. This is due to the fact that nothing had happened to the stock yet.</p> <p>The stock is on the way down, but this is due to the poor recruitment in the recent years.</p> <p>How the fact that Faroese delegation has not signed the coastal state agreement for 2013 would affect the status of the stock is unclear. This conclusion could be first drawn after the ICES advice for 2014 is made available.</p>
Rescoring of PI 1.1.3 in 2014	<p>PI 1.1.3 SG 60 a Where stocks are depleted rebuilding strategies which have a reasonable expectation of success are in place.</p>	<p>It was recognized by all CBs that, should the stock fall below Bpa in 2014, PI 1.1.3 will have to be rescored, most probably in 2014.</p> <p>Two rescoring outcomes were considered:</p> <ol style="list-style-type: none"> <u>Failure to meet SG 60</u> If AS herring stock fall below Bpa in 2014 and Coastal state agreement is still not signed by all Coastal states, the fishery would fail to meet PI 1.1.3 on the basis that SG 60a requires reasonable expectation of success. <u>Pass with a condition</u> On the other hand it could be argued that stock-rebuilding is already enshrined within AS Herring Long-term management plan (Agreed record of conclusions Annex II). Considering that current dispute does not affect existing Long-term Management Plan, but allocation key only, the fishery



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		could still meet requirements at PI 1.1.3.
Rescoring of PI 1.2.2	<p>PI 1.2.2 SG80c</p> <p>Available evidence indicates that the tools in use are appropriate and effective in achieving the exploitation levels required under the harvest control rules.</p>	<p>It is too soon to rescore PI 1.2.2 at this time. PI 1.2.2 is based on the available evidence. Currently, there is no clear evidence available to indicate that the tools in use could be inappropriate or/and ineffective in achieving the exploitation levels required under the harvest control rules.</p> <p>This conclusion could be first drawn after the ICES advice for 2014 is made available.</p>
Rescoring of PI 3.1.1	<p>PI 3.1.1 SG80b</p> <p>The management system incorporates or is subject by law to a transparent mechanism for the resolution of legal disputes which is considered to be effective in dealing with most issues and that is appropriate to the context of the fishery.</p>	<p>It was concluded that it is too soon to rescore PI 3.1.1 and CBs agreed to wait and see how the situation will develop and what would be the outcome of the dispute on the allocation key. It was also discussed how the current dispute could influence the management of other stocks in the North East Atlantic.</p>
The rescoring that should apply specifically to the Faroese fishery and not to all of the other fisheries (PIs 3.2.1-5).	<p>PI 3.2.1 PI 3.2.2</p>	<p>With regards to FPO AS herring fishery, it was agreed that it would be up to DNV to reach the decision on whether or not to rescore PIs 3.2.1-5.</p> <p>It is therefore in the view of DNV that it would be premature to undertake the rescoring for the second component of the principle 3, while the situation is so unclear. The fishery will receive a recommendation(s) which will be followed up at the next surveillance audit in 2014.</p>
Absence of a suitable dispute resolution mechanism	CR 27.4.5-6	<p>The NEA Mackerel situation and now the AS Herring situation are indicative of a lack of a suitable dispute resolution mechanism across the constituent members of the relevant Coastal States Agreement. This is a fundamental scope requirement and so must be addressed - by the Coastal States and their fisheries - or it could have serious implications for all fisheries operating under these agreements. The lack of such a mechanism, or the conclusion that a dispute has overwhelmed the fishery/ies in question, could</p>



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		potentially lead to suspension or withdrawal of certification for one or all of the parties involved.
Expedited audits		Shall new information with 'material' differences to the allocated scores become available before the next surveillance activity; expedited audits may be required to be undertaken.
CBs List of actions		<p>DNV DNV will publish an annual surveillance report as scheduled. No rescoring will be included in the report. The fishery will receive a recommendation(s) which will be followed up at the next surveillance audit in 2014.</p> <p>FCI + Moody Int. Run surveillance activities as planned. No rescoring for the year 2013 would be undertaken.</p> <p>DNV + FCI + Moody Int. Draft a harmonized "letter of warning/recommendation" to all AS herring fisheries clients involved in the MSC programme. Letter should outline what implications can arise from the absence of the Coastal State Agreement (E.g. suspension, loss of certification).</p>

Table 6.1 Results of harmonisation meeting held on 1st of March 2013 in regards to all AS herring fisheries involved in the MSC programme.

On the 26th of March 2013, the Faroe Islands has announced the intention of the state to raise its national catch ceiling for AS Herring to 17%. The size of the AS herring quota set aside by the Faroe Islands (105 200 tonnes) were significantly higher than the share allocated to them by the Coastal states sharing arrangement (31 940 tonnes). This meant that the total quota set for AS herring by the Coastal States for 2013 amounted to 692,260 t. or 73,260 t more than the agreed TAC. In order to consider the implications of the exceeded quota on the certification status of AS Herring Fisheries, following steps were undertaken:

- The publication of surveillance report was postponed till the publication of the ICES advice on AS Herring stock (3rd of October 2013)
- A third harmonization meeting was held on the 29th of October 2013 between DNV, FCI, Intertek Moody Marine, and MSC in order to evaluate how the conclusions from the recent ICES advice could affect the compliance of AS herring fisheries engaged in MSC programme with MSC Principles and Criteria. Issues discussed during this harmonisation meeting and conclusions reached are presented in the table 6.2 below.

The surveillance report for DPPO AS herring fishery was updated according to harmonisation results presented below.

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Topic	Discussion summary
<p>Norway Spring Spawning Herring re-assessment Principle 1 considerations</p>	<p>The Norwegian re-assessment was carried out based on ICES advice 2012. ICES considered AS herring stock as being harvested sustainably. The management plan was considered to be precautionary. The only concern was fishing mortality, which was higher than the MP. The TAC was however complied with.</p> <p>In 2013, there is an indication that there is a discrepancy between the sum of nationally set quotas and ICES advice.</p> <p>The reason for discrepancy is disagreement between coastal states. Whether the current disagreement has P1 implications for year 2013 cannot be evaluated, as total catches for 2013 are not yet known.</p> <p>Though, there are causes for concerns (e.g. falling SSB and absence of Coastal State agreement for 2013), at the moment, there is no evidence to conclude that a condition for P1 should be triggered.</p>
<p>DPPO AS Herring surveillance N4 P1 considerations, PI 1.2.2 SG 80 c</p>	<p>The MSC standard requires that under PI 1.2.2 at SG 80c: “Available evidence indicates that the tools in use are appropriate and effective in achieving the exploitation levels required under the harvest control rules”.</p> <p>The total quota set for AS herring by the Coastal States for 2013 amounts to 692,260 t. or 73,260 t more than the agreed TAC. Thus, the available evidence (sum of national quotas set by coastal states) indicates that tools in use are not appropriate in achieving the exploitation levels required under the HCR.</p> <p>Based on the catch data for Faroe Islands (already more than originally set aside quota of 31,940 t) it is difficult to accept that the tools in use are appropriate. It is important to highlight that it is not just officially reported catches that have to be evaluated under PI 1.2.2, but the effectiveness of the tools and whether they are appropriate in keeping the catches in line with TACs.</p>
<p>Group discussion on PI 1.2.2 SG 80 c</p>	<ul style="list-style-type: none"> - The PI 1.2.2SG 80 c wording is based on available evidence. Currently there is no evidence to conclude that 2013 catches will exceed ICES advice. Placing a condition here would therefore be based on what might happen, not what is happening. - It is not possible to get catch data for 2013 for all nations before ICES advice 2014 becomes available. - There is a possibility that 2013 catches are below the TAC. <hr/> <ul style="list-style-type: none"> - There is no need to wait for the catch statistics. National TACs are known and there is already catch data available which clearly indicates that catches of AS herring in 2013 will exceed ICES advice. Furthermore, the tools have to be effective in achieving the outcome of the HCR, this is not the case based on the available evidence. <hr/> <ul style="list-style-type: none"> - Mackerel –case is paralleled to AS herring and we should strive to be consistent with them. It was only



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	<p>when the ICES advice for mackerel showed that mackerel catches were in fact above the TAC, that the rescoring and the consequent condition was triggered.</p> <ul style="list-style-type: none"> - For mackerel conditions were triggered for PI 1.2.1 (Harvest Strategy) and 3.2.2 (Decision making process). However, the wording of PI 1.2.1 and 3.2.2 requirements under old CR are not appropriate for the AS herring case. - All agreed that dispute between coastal states on quota allocation is fundamentally a P3 issue which should be addressed under Principle 3 - governance of the fishery (e.g. PI 3.1.1 Mechanism for resolution of disputes). What is clear at this time is that there is no effective management, as evident by the sum of the national quotas exceeding the TAC, but until the catch statistics are available, the tools in use for the fishery are still appropriate and it is therefore not a P1 issue.
PI 3.1.1, CR v1.3	<p>There is no mechanism for resolving disputes between the coastal states. Thus, the concerns raised under PI 1.2.2 SG 80 c should be addressed under PI 3.1.1, either in scoring issue a, b or both.</p> <p>The MSC CR and guidance on PI 3.1.1 has been changed since the mackerel harmonization in order to address management of the straddling stocks.</p> <p>In CR v.1.3 the revised PI 3.1.1 addresses mechanisms for national and international cooperation in case of shared stocks. At SG 80, for scoring issue a, CBB4.2.1.2, lists several examples of things that need to be in place in order for a fishery to meet effective and organized cooperation. One of which is that cooperation should at least be the delivery of management actions in line with sustainable management advice.</p> <p>All agreed that 3.1.1. is the appropriate place for a condition, but the revisions to this PI is new for 1.3 and that specific language therefore does not apply to any of the fisheries at present. It therefore seems appropriate that fisheries will be eligible to this condition as and when they enter re-assessment under CR v1.3. The Norway-spring spawning herring fishery will be the first of the fisheries to be subject to the new CR.</p>
Coastal states agreement on AS herring	<p>The Coastal states agreement is a part of the convention and conventions are not legally binding.</p> <p>Thus, the Coastal state agreement for AS Herring is not a binding agreement but a recommendation which coastal states should take into account when setting the national quotas.</p> <p>The quota shares between the coastal states should be agreed on the annual basis and there is no document with a binding allocation key.</p> <p>What is binding is the management plan.</p> <p>For Pelagic stocks in NEA, there is no agreed allocation key for mackerel, herring and blue whiting.</p> <p>The cooperation between the coastal states is not very strong. E.g. mackerel. For many years the Iceland was in NEAFC</p>



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	<p>given a quota which was not acceptable to Iceland and Iceland objected to the NEAFC recommendation and the recommendation was consequently not binding to Iceland according to NEAFC's rules.</p> <p>There were concerns that these conflicts over mackerel and now herring, are the start of a domino effect and we will see more fisheries succumb to similar disputes. Does the current CR have enough language to deal with international disputes?</p>
Conclusion of Harmonization	<ul style="list-style-type: none"> - More evidence is required, before the condition shall be set for PIs under Principle 1. - Agreed evidence – catch data officially reported to NEAFC or published in ICES advice 2014 (September). - In 2013, a condition will be placed for PI 3.1.1 - Assessment team for Norway SSH will draft a condition for PI 3.1.1 and distribute to all affected CBs for consultation. - Condition will apply to Norwegian fishery first. Other fisheries will then join as and when they come up for recertification, according to CR v1.3. - Thus, the condition for PI 3.1.1 will not apply to the surveillance activities of Norwegian and Danish AS Herring fisheries at this time, since they are assessed under their respective older versions of the CR.

Table 6.2 Results of harmonisation meeting held on 29th of October 2013 in regards to all AS herring fisheries involved in the MSC programme.



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7 CONCLUSIONS UPDATE

Results of the fourth surveillance audit could be summarized as follows:

1. Conditions where requirements are deemed to have been met on target but which will be reviewed at the next surveillance audit prior to closure.

None

2. Conditions which are considered to be on-target and which will be subject to full review in future surveillance audits

None

3. Conditions where work is currently falling behind target and which will be subject to full review at the next surveillance audit

None

As there are no outstanding conditions for this fishery, it is therefore recommended that the fishery proceeds to the recertification.



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8 CATCH DATA

8.1 TAC established for the NEA Herring fishery (tonnes)

2011	988,000
2012	833,000
2013	692,260

8.2 EU's share of the total TAC (tonnes)

2011	64,319
2012	54,228
2013	40,297

8.3 DPPO share of the total TAC (tonnes)

2011	22,443
2012	20,733
2013	13, 806

8.4 Total catch taken by client (tonnes)

2011	23,130
2012	21,754
2013 per 19.06.2013	12, 390

9 INFORMATION SOURCES

Standards and Guidelines used:

1. MSC Principles and Criteria for Sustainable Fishing
2. MSC Certification Requirements, Version 1.2, 10 January, 2012
3. Guidance to MSC Certification Requirements, Version 1.2, 10 January, 2012

Submitted documents:

1. Agreed Record of conclusions of Fisheries consultations on the management of the Norwegian spring-spawning herring stock in the North East Atlantic for 2011.
2. Agreed Record of conclusions of Fisheries consultations on the management of the Norwegian spring-spawning herring stock in the North East Atlantic for 2012.
3. Agreed Record of conclusions of Fisheries consultations on the management of the Norwegian spring-spawning herring stock in the North East Atlantic for 2013.
4. ICES 2008, Norwegian spring-spawning herring. ICES Advice, Book 9: 9.4.5 <http://www.ices.dk/products/icesadvice.asp>
5. ICES 2009, Norwegian spring-spawning herring. ICES Advice, Book 9: 9.4.5. <http://www.ices.dk/products/icesadvice.asp>
6. ICES 2010, Norwegian spring-spawning herring. ICES Advice, Book 9: 9.4.5. <http://www.ices.dk/products/icesadvice.asp>
7. ICES 2011, Herring in the Northeast Atlantic (Norwegian spring-spawning herring). ICES Advice, Book 9: 9.4.5. <http://www.ices.dk/products/icesadvice.asp>
8. ICES 2012, Herring in the Northeast Atlantic (Norwegian spring-spawning herring). ICES Advice, Book 9: 9.4.5. <http://www.ices.dk/products/icesadvice.asp>
9. Catch and quota overview 2012.

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10. Catch and quota overview 2013.
11. Sample of electronic log-books for pelagic fisheries.
12. Sample of sales notes for pelagic fisheries.
13. List of vessels engaged in NEA herring fishery in 2012.
14. List of landing sites for NSS herring in 2012.
15. Records of sanctions and penalties, discards and slipping 2012-2013
16. Contracts and agreements for MSC certification and use of MSC certificate between the DPPO, SFPO and DFPO.
17. Danish MSC Fisheries: <http://www.danish-msc-fisheries.dk/default.asp?id=35441>
18. Notes from internal audit of the DPPO Code for Sustainable Pelagic Fishery
19. Process description for internal audit of the DPPO's Code for Sustainable Pelagic Fishery
20. Check list for internal audit of the DPPO's Code for Sustainable Pelagic Fishery.
19. Danish AgriFish Agency, <http://agrifish.dk/>

Field Inspections:

Name	Affiliation	Date	Key Issues
Ulla Wiborg (Head of section). Søren Palle Jensen (Senior fisheries officer) Bent Pallisgaard (Senior advisor)	Danish AgriFish Agency	24 June 2013	<ul style="list-style-type: none"> • Total TACs, Danish TACs and level of catches in 2012, 2013. • Changes in fishing patterns • Changes/additions/deletions to Denmark/EU regulations since 2012 • Implementation of electronic logbooks. • Changes in control, surveillance and monitoring routines/regulations in Denmark/EU since 2012 • The European Fisheries Control Agency (EFCA): cooperation, joint activities with DK in 2012-2013. • Real time closures, overview of closed areas applicable for fisheries under surveillance. • International cooperation and negotiations. • Mechanism for resolution of disputes within Coastal States framework • Subsidies applied/granted to fisheries under surveillance 2012/2013. • Inspections Plans for 2012-2013. • Level of slipping/discards • Significant discrepancies found at landing control in 2012/2013. • General compliance of fishermen with laws and regulations compare to 2012. • Review of VMS data
Esben Sverdrup-Jensen (DPPO) Claus Sparrevohn (DPPO)	Client representatives	24 June 2013	<ul style="list-style-type: none"> • Review of general info about DPPO • Review of fishing operation • Review of impact on ecosystem • Compliance with rules and regulations: • Review of progress on conditions and recommendations - Review of Chain of Custody



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APPENDIX 1: LIST OF VESSELS COVERED BY DPPO'S CERTIFICATE

Vessel number	Vessel name	Compliance with DPPO Codex	Slipping/Discards/Catch of ETP species	Sanctions/fees in 2012
E 349	Cattleya	Reviewed 02.01.2013	None per 02.01.2013	None per 02.01.2013
E 532	Rockall	Reviewed 06.01.2013	1 Porbeagle released 2013	None per 15.01.2013
HG 62	Beinur	Reviewed 05.01.2013	None per 03.01.2012	None per 03.01.2012
HG 264	Ruth	Reviewed 14.08.2011	None per 20.01.2012	None per 20.01.2012
HG 333	Isafold	Reviewed 28.01.2013	None per 30.01.2012	1 fee in 2012 due to an oil spill.
S 349	Gitte Henning	Reviewed 01.04.2013	None per 01.04.2013	None per 01.04.2013
HG 265	Asbjørn	Reviewed 31.01.2013	None per 31.01.2013	1 fee in 2012 due to incorrect estimation of mackerel by-catches in herring landings
L 303 ¹	Ariadne	NA (new purchase)	NA (new purchase)	NA (new purchase)
S 144	Themis	NA (new member)	NA (new member)	NA (new member)

¹ New purchase