

SURVEILLANCE NO. 4

Report for the Faroe Islands Silver Smelt Fishery

Tavan SP/F

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Objective:

The objective of this report is the fourth surveillance audit of the the Faroe Islands silver smelt Fishery

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Reference to part of this report which may lead to misinterpretation is not permissible.

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GLOSSARY

Abbreviations & acronyms

ACOM	(ICES) Advisory Committee
Ca	Calcium
ETP	Endangered, threatened and protected species
FAM	Fisheries Assessment Methodology
FAMRI	Faroe Marine Research Institute (Havstovan)
FAO	Fisheries and Agriculture Organization (of United Nations)
GSS	Greater silver smelt
HCR	Harvest Control Rule
ICES	International Council for the Exploration of the Sea
MSC	Marine Stewardship Council
NAMMCO	North Atlantic Marine Mammal Commission
PI	Performance Indicator
PSA	Productivity Susceptibility Analysis
RBF	Risk-based fishery
SICA	Scale Intensity Consequence Analysis
spp.	Species
Sr	Strontium
SSB	Spawning Stock Biomass
TAC	Total allowable catch
UoC	Unit of certification
WGDEEP	(ICES) Working Group on Deep-Water Species
XSA	Extended survivorship analysis

Stock assessment reference points

F	Instantaneous rate of fishing mortality
F _{0.1}	The point at which slope of the yield-per-recruit v. fishing-mortality curve equals 10% the slope at the origin
MSY	Maximum sustainable yield

1 GENERAL INFORMATION

Table 1 General information

Fishery name	Faroe Islands Silver Smelt		
Unit(s) of Assessment (UoA)	Fishery Name	Faroe Islands Silver Smelt Fishery	
	Species	Great Silver Smelt (<i>Argentina silus</i>)	
	Geographical area	ICES Division Vb (Faroe Bank & Faroe Plateau) and Via (North of Scotland). FAO area 27	
	Method of capture	Semi-pelagic Demersal trawl	
	Stock	Greater silver smelt (<i>Argentina silus</i>) in Divisions Vb and VIa (Faroes grounds, West of Scotland)	
	Management	The fishery is managed under Faroese jurisdiction by the Ministry of Fisheries with the Fisheries Directorate providing information regarding resource management as well as performing a regulatory role.	
	Client group	UoA covers the fleet of semi-pelagic demersal trawlers that are members of Tavan SP/F. It applies only to these vessels when they are fishing for great silver smelt (<i>Argentina silus</i>) in ICES Division Vb (Faroe Bank & Faroe Plateau) and Via (North of Scotland) and landing their catches at the eligible first points of landing (P/F Landingarmiðstöð Føroya, JFK/Kosin, P.P. Faroe Pelagic).	
	Other eligible fishers:	There are no other eligible fishers who could be entitled to join this certification process. The six vessels in the client fishery are the only vessels licensed to fish for GSS in the UoA; thus, the client fleet's catch equal the total Faroese catch.	
Date certified	29 August, 2012	Date of expiry	29 August, 2017
Surveillance level and type	<i>Surveillance level 6: Default surveillance</i> <i>2013: on-site surveillance</i> <i>2014: on-site surveillance</i> <i>2015: on-site surveillance</i> <i>2016: on-site surveillance</i>		
Date of surveillance audit	10 -14 October 2016		
Surveillance stage	1st Surveillance		
	2nd Surveillance		
	3rd Surveillance		
	4th Surveillance		X
	Other (expedited etc)		
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This report contains the findings of the fourth annual MSC Fisheries surveillance audit conducted for the Faroe Islands Silver Smelt fishery during 10-14 October 2016.

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 any actions taken in response to conditions made in the Public Certification Report for Faroe Islands silver smelt fishery;
3. To re-score any Performance Indicators (PI) where practice or circumstances have materially changed during the intervening year, focusing on those PIs that form the basis of Conditions raised.

The primary focus of this surveillance report is to review the changes occurred since the previous year. For a complete picture of the fishery, this report should be read in conjunction with the Public Certification Report for the Faroe Islands silver smelt fishery available for download at www.msc.org.

2 BACKGROUND

2.1 The Fishery

The certification applies exclusively to the client group fleet of six semi-pelagic demersal trawlers that deliver mainly to the three defined eligible points of landing. It applies only to these vessels when they are fishing for great silver smelt (*Argentina silus*) within the Faroese EEZ (ICES Division Vb and a small slice of the northern part of Division VIa– Faroe Bank & Faroe Plateau).

Tavan has 60 employees who have processed, as mince, c. 8000–12000 t per year of silver smelt since the early 1990s. JFK manages the factories Kósin and P. P. Faroe Pelagic and 4 of the 6 silver smelt vessels and employs 270 people. The two factories produced c. 12 000 t of great silver smelt per year.

The client group vessels are all approved for human consumption catch by the food authorities. These six vessels in the client fishery are the only vessels licensed to fish for GSS in the Faroese waters; thus, their catch is equal to entire Faroese landings of GSS. The vessels are fishing during the whole season with trip length varying from 3 to 7 days depending on the fishery and they take samples of fish sizes during their trip. All the vessels are trawlers using semi-pelagic trawls with 80 mm mesh size in the cod-end.

Table 2 Current vessels in the client group

Vessel	Owner	Length (m)	Hold capacity (t)
Stjørnan	P/F JFK Trol	36.5	120
Polarhav	P/F JFK Trol	36.5	120
Skordaberg*	JFK	44.4	150
Vestmenningur	JFK	44.4	150
Vesturbúgvín	Vørðustiggjur and Vesturbúgvín	36.4	120**
Eysturbúgvín	Vørðustiggjur and Vesturbúgvín	36.4	120**

*The vessel previously named Fram (included in the initial assessment) has changed name to Skordaberg

**Refrigerated seawater tanks

An updated vessel list was published on the MSC website 27 November 2014 to confirm the name change of the vessel previously named Fram to Skordaberg. The publication of the list was followed by a supporting notice from MSC and a direct email notification from DNV GL to fishery-specific stakeholders. Information on this updated vessel list complements information provided on the updated certificate issued December 2014.

2.2 Stock

2.2.1 The biology of Greater Silver Smelt in Faroese Waters

Research and monitoring of fish stocks and the marine environment around the Faroe Islands (ICES Division Vb and in the part of the Faroese EEZ of Division VIa) is undertaken by the Faroe Islands Marine Institute, (Havstovan)¹. In addition to undertaking assessment of fish stocks within Faroese waters, Havstovan also contributes fish-stock and environmental data to the international assessments and environmental monitoring coordinated by ICES and OSPAR.

The 2014-2015 deep water surveys added detailed information on the distribution of the population in the Faroese EEZ but confirmed the general understanding of the population structure and biology. The general biology of greater silver smelt (GSS) is described by the assessment report (MSC 2012) and there is no additional information to report.

2.2.2 Stock status 2016

ICES, in 2015, revised the advice units for greater silver smelt (*Argentina silus*). As a precautionary measure, to reduce the risk of local depletion, ICES gives advice for four advisory units of greater silver smelt where greater silver smelt in Divisions 5b and 6a is accorded as one unit.

¹ www.havstovan.fo

ICES provided advice on the status and fisheries possibilities for greater silver smelt in Vb and VIa for 2016-2017 in June 2015². The ICES framework for category 3 stocks was applied (ICES, 2012) using the Faroese summer groundfish survey as index for the stock development. The stock status relative to candidate reference points (e.g. B_{lim} or MSY) is unknown. Therefore, the precautionary buffer was applied to calculate the landings advice. Discarding is known to take place, but ICES cannot quantify the corresponding catches. ICES advised that when the precautionary approach is applied, landings should be no more than 10 030 tonnes in each of the years 2016 and 2017. This advice applies to the entire area.

Havstovan has assessed the GSS component in ICES Vb and VIa (Ofstad, 2016, extract included in Annex 5). Largely, only data beyond landings are available for the Faroese fishery which takes about 70% of the total catches in Vb+VIa. Comparison between growth data obtained for the Faroese fishery and the Dutch (the most important player in VIa) suggests that the age structure is similar in these two fisheries. This assessment suggests that SSB is declining although above the adopted B_{lim} (74,000 t) and that the fishing mortality is fairly constant in recent years slightly below the adopted FMSY (0.25). The assessment paper includes an analysis of the how best to calculate reference points and proposes that the current fishing mortality is around the F_{MSY} reference point.

2.2.3 Stock Assessment

The saithe on Faroese grounds are assessed annually through the ICES Northwestern Working Group. The assessment is analytical (XSA) and is based on commercial catches (mainly Faroese catches, ages and length frequencies from catch sampling); commercial indices: pair-trawler fleet; annual maturity data from FO-GFS-Q1; survey distribution from FO-GFS-Q1 and FO-GFS-Q3; natural mortalities set at $M = 0.2$. Discarding is considered negligible. Bycatch included. The assessment was benchmarked in 2010. A benchmark for this stock is planned for 2017.

2.2.4 The Faroese Greater Silver Smelt Trawl Fishery

The targeted fishery for GSS in Faroese waters is limited to the six licensed vessels named in the UoC, all of which land their GSS catches in Faroe Islands. As of 2016, the licence specifies that the total allowable catch (TAC) is from this fishery (Annex 3). All vessels use the same semi-pelagic, bottom-skimming trawls. The five of the six vessels are equipped with e-logbooks, see 2014 audit for an example, the sixth continues to use a paper logbook.



Figure 1 A major part of the Faroe Plateau and most of the Faroe Bank are closed to trawling all year round. Within 12-miles: No trawling; red areas, closed to trawlers all year; blue areas, seasonal (e.g. spawning) closures; green areas (C1, C2, C3): coral areas closed to bottom trawlers.

The fishery takes place around the Faroe Bank and along the western and north sides of the Faroe Plateau. Vessels are not allowed to fish within the boundaries of the extensive closed areas (>60% of Faroe shelf waters) that exist over both the Faroe Bank and the Faroe Plateau (Figure 1). The catches tend to be very clean with <1% non-GSS, mainly saithe and redfish but with occasional abnormal catches such as the wreckfish (*Epinephelus coioides*) in 2012. The 'Other' category includes all species

² ICES 2015. ICES advice on fishing opportunities, catch and effort. Faroes and Celtic Seas Ecoregions. Section 9.3.12 Greater Silver Smelt (*Argentina silus*) in Division Vb and VIa (Faroese grounds, West of Scotland). ICES 2016

where individual species catch amounted to less than 1 tonne. Non-GSS species are removed by hand as fish pass along the processing-deck conveyor and are recorded and stored separately. Small quantities of GSS (<1,000 t year⁻¹; in 2015 70 tons), mostly from the blue whiting fishery) are taken as bycatch and landed by other Faroese-registered vessels.

Government officials confirmed that there had been no significant or systematic non-compliance with fishery regulations by client vessels during the GSS fishery during 2014 as were the case in previous years.

2.2.5 Stock development and fishery management

The fishery is managed by quota control of vessels specifically licensed to fish for GSS in Faroese waters supplemented by limitation of by-catches, mesh size and fishing areas. All catches must be retained, recorded in logbooks (that are subsequently cross-checked against sales records) and landed; discarding is not permitted. Total allowable catches (TAC) are set on the basis of scientific advice provided by Havstovan to the Ministry of Fisheries but this arrangement is not set in statute and is no formal stock management plan or harvest control rules.

The MSC certification was made following an RBF review of Havstovan's Faroese fishery management-unit assessment assumptions, but it was placed in the wider ICES context as appropriate (MSC, 2012).³ In response to Recommendation 1 (MSC 2012) the client asked Havstovan to examine the possibility that the GSS fishery in Faroese waters (ICES Division Vb) could be viewed and assessed as a separate management unit, comparable to the approach taken by ICES with respect to GSS in Icelandic waters (Division Va). Havstovan has completed an annual assessment which each year is presented as a Working Document to the appropriate ICES fish stock assessment working Group WGDEEP most recently in 2015 (Ofstad 2016).

Havstovan has maintained a comprehensive biological sampling programme on GSS in Faroese waters since 1994, taking samples both from the commercial fishery and the annual spring and summer Havstovan research-vessel trawl surveys. The trawl surveys are designed to monitor cod, haddock and saithe stocks, which tend to be distributed at shallower depths than GSS. Consequently, they are biased against accurate sampling of the adult GSS stock but gather more representative samples of juvenile fish for recruitment indices (Ofstad and Steingrund, 2012)⁴. In addition to the commercial landing data, these sampling data underpin a standard ICES-type analytical, age-based extended survivor analysis (XSA) version of virtual population analysis (VPA; Ofstad and Steingrund, 2012). The analysis utilises the -year time series (1995 onward) with separate age groups 4–20 and an aggregated age group 20+ similar to that reported for the third surveillance.

The methods followed and information presented are basically the same as in previous years and the conclusions broadly the same. The stock still shows a wide age and size range of mature fish with stable levels of recruitment. On the basis of the most recent assessment, and using F0.1 as the reference point, Havstovan has recommended a TAC of 14 400 t in Faroese waters for 2015 and 13 000 t in 2016, which are the TACs set by the ministry. In 2014 the full quota (16 000 t) was not fished as a result of the early start of the mackerel fishery by mid August 2014.

2.3 Impact on the ecosystem

2.3.1 Retained species

The Faroese government and enforcement authorities maintain a no-discard policy throughout Faroese fisheries. All fish are separated by species either at sea or in the processing factory, identified, recorded and reported. Non-commercial species and damaged fish are separated for fishmeal production and recorded as 'Others'. The total quantity of non-target species taken in the Faroese GSS fishery is less than 1% the total catch, i.e. <100 t year. The most regularly caught non-target species are redfish (c. 30 t year) and saithe (20 t year) but the quantities are truly trivial in relation to total landings from their

³ MSC, 2012. http://www.msc.org/track-a-fishery/fisheries-in-the-program/in-assessment/north-east-atlantic/tavan-spf-faroe-island-silver-smelt/assessment-downloads-1/20120821_PCR_SME292.pdf

⁴ Ofstad, L. H and Steingrund, P., 2012. An age-based assessment of Greater silver smelt in Faroese waters (Division Vb). In WGDEEP, 2012. Report of the Working Group on the Biology and Assessment of Deep-sea Fisheries Resources (WGDEEP); Annex 2, Working Document 1. Pp 644–660. ICES CM 2012/ACOM:17.

respective targeted fisheries. Other species tend to be taken as isolated individuals either more-or-less regularly (e.g. black scabbard) or rarely (e.g. opah).

Table 3 Catch (kg) by client fleet under the UoC, 2014

		Eysturbugvin, OW2487	Fram, OW2100	Polarhav, XPVI	Skoraberg, OW2100	Stjórnan, XPVT	Vestmenningur, OW2097	Vesturbugvin, OW2493	Sum	%
			(útg.22-05-2014)							
Gulllaksur (Great silver smelt)	Argentina silus	2,074,879	846,530	1,403,754	1,164,553	1,453,246	1,956,290	2,241,781	11,141,033	98.3 %
Kongafiskur (redfish)	Sebastes spp.	1,243			2,492	80	507	791	5,113	0.0 %
Stinglaksur (Black scabbard fish)	Aphanopus carbo	458		2,971				621	4,050	0.0 %
Svartkjaftur (Blue Whiting)	Micromesistius poutassou	50,026	7,111	16,943	9,742	16,943	16,220	49,671	166,656	1.5 %
Hemari (Porbeagle)	Lamna nasus			45	118		229	287	679	0.0 %
Upsi (saithe)	Pollachius virens	159	16,490	255	1,497	475			18,876	0.2 %
Annað (Others)						550			550	0.0 %
Total		2,126,765	870,131	1,423,968	1,178,402	1,471,294	1,973,246	2,293,151	11,336,957	100.0 %
Tils (Quota).		2,754,190	870,131	2,999,621	2,408,505	3,046,945	3,128,195	2,913,339	18,120,926	

Table 4 Catch (kg) by client fleet under the UoC, 2015

		EYSTURBUGVIN, OW2487	Fram Fram, OW2100	POLARHAV, XPVI	SKORABERG, OW2100	STJÓRNAN, XPVT	VESTMENNINGUR, OW2097	VESTURBUGVIN, OW2493	Sum (t)	%
			Defunct							
Gulllaksur (Greater Silver Smelt)	Argentina silus	2,381.2		2047.8	2678.8	2020.9	2455.3	2618.1	14202.1	99.76 %
Kongafiskur (Redfish)	Sebastes spp.			2.9	0.5	1.7	0.5		5.6	0.04 %
Lýsingur (Hake)	Merluccius merluccius			1.4		3.2			4.6	0.03 %
Stinglaksur (Black scabbard fish)	Aphanopus carbo			2.7		0.8			3.5	0.02 %
Svartkjaftur (Blue whiting)	Micromesistius poutassou				2		5.5		7.5	0.05 %
Upsi (Saithe)	Pollachius virens			2.5	1.3	0.6	0.5		4.9	0.03 %
Hemari (Porbeagle)	Lamna nasus			0.3		0.5	0.1		0.9	0.01 %

Annað (Others)		0.6		3.3		3.4			7.3	0.05 %
Total		2381.8		2061	2682.6	2031.2	2461.8	2618.1		100. 00%

2.3.2 By-catch species

As there is a prohibition in the Faroe Islands against discarding, the entire catch (with the exception of elasmobranchs returned alive to the sea) will be landed and so will be classified as 'retained species'. All fish caught are retained, recorded and landed. For all practical purposes, there are no bycatch species in this fishery, either commercial or non-commercial.

2.3.3 Endangered, Threatened and Protected Species (ETP)

The five of the six vessels are equipped with e-logbooks, the sixth continues to use a paper logbook. All are obliged to record captures of seabirds or marine mammals (including zero catches) but the e-logbook cannot be completed and closed for the day until the birds and mammal boxes are completed. Data on marine mammals are sent to NAMMCO; no seabirds or marine mammals were recorded by any of the UoC vessels during 2015 and 2016.

2.3.4 Habitat and ecosystem

There have been no changes reported in the fishery which would affect the fisheries impact on habitats or general ecosystem function since the 2012 assessment report. The fishery utilises bottom-skimming pelagic trawls that do not interact with the seabed or sensitive seabed habitats.

2.4 Changes to the management system

No changes to the relevant management system have been made since certification of the fishery. Compliance in the fishery is excellent, according to the Fisheries Inspection Services.

2.5 CoC considerations

Scope of certification is up to the point of landing and chain of custody commences from point of sale/landing at specified eligible first points of landing. Land-based processing sites must have separate Chain of Custody certification. The current list of eligible first points of landing includes:

- P/F Landingarmiðstöð Føroya, Toftagjógv 3, FO-650 Toftir
- JFK / Kósin, Kósarbrúgvín 3, FO-710 Klaksvík
- P.P. Faroe Pelagic, Langasandur 28, Kollafjørður

The updated list of eligible points of landing was published on the MSC website 23 December 2014. The publication of the list was followed by a supporting notice from MSC and a direct email notification from DNV GL to fishery-specific stakeholders.

There are no changes to traceability or chain of custody considerations since the updated list of vessels and eligible first points of landings were published ultimo 2014.

2.6 Catch data

Table 5 TAC and Catch Data (tonnes)

TAC	Year	2016	Amount	13 000
UoA share of TAC	Year	2016	Amount	13 000
UoC share of TAC	Year	2016	Amount	13 000
Total green weight catch by UoC (kg)	Year (second most recent)	2015	Amount	14 052

	Year (most recent)	2016 (per 05.09.2016)	Amount	11 692
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2.7 Summary of Assessment Conditions

Table 6 Summary of Assessment Conditions

Condition number	Performance indicator (PI)	Status	PI original score	PI revised score	Comment on condition
1	1.2.1	Closed	70	95	A harvest strategy that is responsive to the state of the stock and achieving management objectives reflected in the target and limit reference points has been developed and implemented.
2	3.2.1	Closed	70	90	The work on reference points and P2 objectives has progressed sufficiently for the score
3	1.1.1	Closed	RBF PSA score >80; RBF SICA score <80	80	A PRI reference point has been developed and The assessments that have been presented demonstrate that the stock is above PRI reference point

3 THE ASSESSMENT PROCESS

3.1 Scope of the assessment

The MSC Fisheries CR and guidance v2 define the Unit of Certification (UoC) (i.e., the unit entitled to receive an MSC certificate) as follows:

"The target stock or stocks (= biologically distinct unit/s) combined with the fishing method/gear and practice (including vessel type/s) pursuing that stock and any fleets, groups of vessels, or individual vessels of other fishing operators."

The fishery covered by this certification is defined as described in **Table 7** below.

Table 7 UoC – Faroe Islands silver smelt

Fishery name:		Faroe Islands silver smelt
Unit of certification	Species:	Great Silver Smelt (<i>Argentina silus</i>)
	Stock:	Greater silver smelt (<i>Argentina silus</i>) in Divisions Vb and VIa (Faroes grounds, West of Scotland)
	Geographical area:	ICES Division Vb (Faroe Bank & Faroe Plateau) and VIa (North of Scotland). FAO area 27
	Harvest method:	Semi-pelagic Demersal trawl
	Management:	The fishery is managed under Faroese jurisdiction by the Ministry of Fisheries with the Fisheries Directorate providing information regarding resource management as well as performing a regulatory role.
	Client group:	UoA covers the fleet of semi-pelagic demersal trawlers that are members of Tavan SP/F. It applies only to these vessels when they are fishing for great silver smelt (<i>Argentina silus</i>) in ICES Division Vb

		(Faroe Bank & Faroe Plateau) and Via (North of Scotland) and landing their catches at the eligible first points of landing (P/F Landingarmiðstöð Føroya, JFK/Kosin, P.P. Faroe Pelagic).
	Other eligible fishers:	There are no other eligible fishers who could be entitled to join this certification process. The six vessels in the client fishery are the only vessels licensed to fish for GSS in the UoA; thus, the client fleet's catch equal the total Faroese catch.

3.2 History of the assessments

3.2.1 Summary of the original assessment

The intent of the Faroe Islands silver smelt fishery to become MSC certified was announced on 13 June 2011, and the fishery received its certification on 30 August 2012. Scope of certification is up to the point of landing and chain of custody commences from point of sale/landing at specified eligible first points of landing. Land-based processing sites must have separate Chain of Custody certification.

The current list of eligible first points of landing was updated on the MSC website December 2014 and includes:

- P/F Landingarmiðstöð Føroya, Toftagjógv 3, FO-650 Toftir
- JFK / Kósin, Kósarbrúgvín 3, FO-710 Klaksvík
- P.P. Faroe Pelagic, Langasandur 28, Kollafjørður


The updated list of eligible points of landing was published on the MSC website 23 December 2014. The publication of the list was followed by a supporting notice from MSC and a direct email notification from DNV GL to fishery-specific stakeholders.

The default assessment tree as defined in the MSC Fishery Assessment Methodology version 2.1 (FAM v.2.1) with the Risk Based Framework for PI 1.1.1 (stock status) was used for the initial assessment. The assessment team was formed by DNV GL team leader Sandhya Chaudhury, Dr. Stephen Lockwood (Principle 1 and 2 expert) and Mr. Olí Samro (Principle 3 expert). 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. In the initial certification, the scores of the three Principles were:

Table 8 Principle scores – (a):

Principle	Original assessment Score	2016 Revised score
Principle 1 – Target Species	81.3	84.4
Principle 2 – Ecosystem	92.0	92.0
Principle 3 – Management System	91.8	93.8

The fishery achieved a score of below 80 against 2 scoring indicators. The assessment team therefore set two conditions for continuing certification that the client is required to address. A third condition related to the initial assessment was specified at the second annual surveillance audit. The conditions are applicable to improve performance to at least the 80 level within the specified periods set by the DNV assessment team but no longer than the term of the certification. The assessment team set 2 recommendations at the initial assessment. Conditions and recommendations are presented in full in section 5 of this report.



The Faroe Islands silver smelt fishery cannot use the RBF for PI 1.1.1 in any reassessments of the fishery, as the score from the SICA analysis in the initial assessment was <80.

3.2.2 First annual surveillance – 2013

The first surveillance audit was performed as an on-site audit and conducted according to MSC Certification Requirements, version 1.3, 14 January 2013. The default assessment tree with the Risk Based Framework for PI 1.1.1 (stock status) was used for this surveillance.

The surveillance was announced on the MSC website 30 July 2013 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, inviting interested parties to contact the audit team.

The surveillance visit for this fishery was conducted on 20-21 August 2013. Member of the original assessment team, Dr. Stephen Lockwood and DNV GL team-leader Sandhya Chaudhury conducted the surveillance visit. Face-to-face meetings were held with the client, the Faroe Islands Ministry of Fisheries & Natural Resources, Fisheries Inspection Service and the Faroe Marine Research Institute (Havstovan) to gather current information on the fishery and state of the stock in Faroese waters.

The first surveillance report was published on the MSC website 10 October 2013, followed by a supporting notice to stakeholders issued by the MSC on the same date. Identified stakeholders were also informed by a direct email notification.

3.2.3 Second annual surveillance – 2014

The second surveillance audit was performed as an on-site audit and conducted according to MSC Certification Requirements, version 1.3, 14 January 2013. The default assessment tree with the Risk Based Framework for PI 1.1.1 (stock status) was used for this surveillance.


The surveillance was announced on the MSC website 15 May 2014 followed by a supporting notice to stakeholders issued by the MSC on the same date. Direct email notification was sent to stakeholders previously identified for this fishery, inviting interested parties to contact the audit team.

The surveillance visit for this fishery was conducted on 17-18 June 2014. Member of the original assessment team, Dr. Stephen Lockwood (Principle 1 and 2 expert, Team leader) and DNV GL project manager Guro Meldre Pedersen (Chain of custody responsible) conducted the surveillance visit. The change in team was included in the communication of the surveillance activity to stakeholders. It was not considered necessary to include the Principle 3 expert in the surveillance visit as the condition on Principle 3 is strongly linked with Principle 1.

Face-to-face meetings were held with the client, the Faroe Islands Ministry of Fisheries & Natural Resources, Fisheries Inspection Service and the Faroe Marine Research Institute (Havstovan) to gather current information on the fishery and state of the stock in Faroese waters.

During SA2, a third condition was issued. This condition on PI 1.1.1 relates to the RBF SICA score of the initial assessment; according to MSC CR v1.3 CC3.1.4; If the SICA score is less than 80 a condition shall be raised to this PI. Conditions and recommendations are presented in full in section 5 of this report.

A Variation Request on delayed delivery of this surveillance report was submitted and accepted to allow the client time to develop the action plan for the new condition (condition 3). Stakeholders were informed through notification on the MSC website, supporting notice to stakeholders from MSC and



direct mail notification from DNV GL. The second surveillance report was published on the MSC website 19 August 2014, followed by a supporting notice to stakeholders issued

3.2.4 Third annual surveillance – 2015

The third surveillance audit was performed as an on-site audit and conducted according to MSC Certification Requirements, version 1.3, 14 January 2013. The default assessment tree with the Risk Based Framework for PI 1.1.1 (stock status) was used for this surveillance.

The surveillance was announced on the MSC website 31 March 2015 followed by a supporting notice to stakeholders issued by the MSC on the same date. Direct email notification was sent to stakeholders previously identified for this fishery, inviting interested parties to contact the audit team.

The surveillance visit for this fishery was conducted on 12-13 May 2015. The assessment team consisted of Hans Lassen (Team leader and Principle 1 expert) and Guro Meldre Pedersen (DNV GL Project manager, Chain of custody responsible), neither member of the original assessment team. Guro Meldre Pedersen was part of the assessment team also for the second surveillance audit, and introduction was justified in the announcement of the second surveillance audit. The introduction of Hans Lassen in the assessment team was justified in the announcement of the third surveillance audit and the CV was made available to stakeholders. Hans Lassen was nominated to the team based on his background and experience, including experience with MSC assessments. It was not considered necessary to include additional experts in the surveillance visit as the condition on Principle 3 is strongly linked with Principle 1.

Face-to-face meetings were held with the client, the Faroe Islands Ministry of Fisheries & Natural Resources, Fisheries Inspection Service and the Faroe Marine Research Institute (Havstovan) to gather current information on the fishery. Information provided is included in this report and its annexes. The fishery remains in conformance with the scope criteria related to unilateral exemption and destructive fishing practices (Certification Requirements v1.3 section 27.4.4).

3.2.5 Fourth annual surveillance – 2016

The fourth surveillance audit was performed as a standard on-site audit. The surveillance audit methodology, as defined in the MSC Certification Requirements (CR) (version 2.1) and in the subsequent MSC Guidance for the Fisheries Certification Requirements (version 2.0) were followed in this audit. The default assessment tree as defined in the MSC Fishery Assessment Methodology version 2.1 (FAM v.2.1) were used for this surveillance. The surveillance was announced on the MSC website 6 September 2016 followed by a supporting notice to stakeholders issued by the MSC on the same date. Direct email notification was also sent to the stakeholders previously identified for this fishery, inviting interested parties to contact the audit team.

The surveillance activities for the fishery were carried out by DNV GL team leader and CoC expert Anna Kiseleva and Independent MSC Fisheries experts Hans Lassen and Geir Hønneland during 10 -14 October 2016.

The assessment team gathered input from the various stakeholders, including the Faroese Ministry of Fisheries, Fisheries Inspection, the Research Institute Havstovan, Natural History Museum and the client fishery.

3.3 Harmonisation

There are no fisheries in the MSC programme which overlap with the UoA.

3.4 Results

Conditions 1-3 define the need for an assessment of the population fished by the Faroese GSS fishery, sustainable reference points for the exploitation and a Harvest Control Rule based on a harvest strategy. Management based on this harvest strategy should be formally embedded in legislation or an otherwise binding agreement.

The Audit found that work along the lines suggested by the recommendations takes place but also noted that additional information on stock structure has not been presented. Havstovan has presented preliminary assessments of the GSS population fished by the Faroese GSS fleet based on the assumption that the distinct fisheries reflect a corresponding stock separation. The Audit team noted that the genetic studies are underway in cooperation with the University of Tromsø.

There is now resolution of the assessment structure, a legal basis for regulating the specific fishery, a license scheme and an established practice for setting the TAC. The PI 1.1.1 and 1.2.1 are thus rescored and the conditions are closed. The rescored is summarized in Table 6 above.

Table 9 – Condition 1

Performance Indicator(s) & Score(s)	Insert relevant PI number(s)	Insert relevant scoring issue/ scoring guidepost text	Score
	PI 1.2.1 A fishery must be conducted in a manner that does not lead to over-fishing or depletion of the exploited populations and, for those populations that are depleted; the fishery must be conducted in a manner that demonstrably leads to their recovery.	<i>1.2.1.SG80 sia The harvest strategy is responsive to the state of the stock and the elements of the harvest strategy work together towards achieving management objectives reflected in the target and limit reference points.</i> <i>Rational: Although Havstovan continues to work on the development of a structured analytical (XSA) assessment model (consistent with ICES standard procedures), the current harvest strategy is based on a simple steady state surplus production assessment and lacks both biological reference points and an explicit harvest strategy that does not lead to over-fishing or depletion of the exploited populations.</i>	70
Condition	<i>The client shall develop a harvest strategy that is responsive to the state of the stock and the elements of the harvest strategy work together towards achieving management objectives reflected in the target and limit reference points.</i>		
Milestones	<ul style="list-style-type: none"> <i>Evidence on agreement on harvesting strategy with Havstovan and the Ministry of Fisheries should be presented at 1st surveillance.</i> <i>Second surveillance audit and annually thereafter: to provide a report on the status of the agreement with respect to Havstovan advice and annual catches, along with annual updates of the stock assessment.</i> <i>To arrange for expansion of the age-based structure of the stock assessment from 14+ to 20+ years within 5 years of certification.</i> <i>To develop and agree with the management authorities a sustainable harvesting strategy for the stock.</i> 		
Client action plan	<i>The Faroe Marine Research Institute will continue to make annual stock assessments. Tavan will also continue to provide Faroe Marine Research Institute with catch data etc., which is necessary for making stock assessments. This will also improve the parameters which good stock</i>		

	<p><i>assessments are built on.</i></p> <p><i>The Ministry of Fisheries is developing a new Executive Order to secure a sustainable management of the fishery. See email from Ulla Svarrer Wang, Senior Adviser Ministry of Fisheries Dated 16.03-2012 in Surveillance report 2013.</i></p>
Progress on Condition Year 1	<p>Progress: Behind target</p> <p>The client continues to ensure that FaMRI has access to, and is provided with all such data and samples as are required to maintain an ongoing and up-to-date stock assessment of the Faroese GSS fishery. During discussion with FaMRI, the explicit point was made that maintaining the assessment year on year and, more specifically, refining it to cover disaggregated age groups beyond age 14, has resource and funding implications beyond current limits and priorities. As the annual stock assessment is fundamental to the annual surveillance audit, and the extended age-range assessment is a condition on the certificate, it will be essential for the client to discuss with FaMRI and the fisheries ministry what the exact requirements are and how they are to be met.</p> <p>Of more pressing importance concerning this condition on the certification is the requirement to advance from the current gentlemen's agreement approach to fishery management to a more transparent and formalised harvest control and management rules. This should have been completed within the first year of certification but due to a misunderstanding by the client as to who was to take the lead, no progress was made. It was made clear to the client that it is for them to take the lead, even if it is for others to draft the formal management plan. The client has been instructed to provide documentary evidence (letter) within three months (1 December 2013) that they have asked a competent authority to begin work on drafting transparent plan, as specified in the condition above, and to ensure that it is in place by the second surveillance audit.</p> <p>The client has been given an appropriate extension to the timeline to enable them to meet the terms of the conditions. The conditions will be subject to further review at the second annual surveillance audit.</p>
Progress on Condition Year 2	<p>Progress: On target.</p> <p>A sustainable harvesting strategy has yet to be developed. Similarly, there has yet to be a statutory basis for setting annual TACs to an agreed formula. The previous 'gentlemen's agreement' on catch limitation, however, has now been replaced by an government Executive Order setting the annual TAC, specified on each vessel licence, as advised by Havstovan. An up-to-date stock assessment for 2014 (2013 fishing season) was provided by the client and discussed in detail with Havstovan. A sample copy of a licence stating the vessel's GSS quota was provided by the client.</p> <p>Havstovan have demonstrated that an extended age-base for the assessment is possible and is now reviewing the implications with respect to time and resources. The client has been advised to discuss this further with Havstovan. The development of a specific harvesting strategy and management rules may be dependent on the outcome of a new fisheries act that is currently under consultation.</p> <p>The client is largely dependent on the services of Havstovan with respect to this condition and needs to maintain close contact with the scientists to ensure that they receive all the support the client can offer to ensure the condition is met in full.</p> <p>The client is fully compliant with condition 1 with respect to 2014 milestones.</p>
Progress on Condition Year 3	<p>Progress: on target</p> <p>Also in 2015, Havstovan has presented an assessment for the fisheries GSS fishery and presented this assessment as a working document to ICES WGDEEP. This assessment is partly based on data provided by the Client and partly based on data from a three year programme at Havstovan on deep</p>

	<p>water fisheries including the GSS fishery.</p> <p>This assessment is based on an expanded age composition including ages 20+.</p> <p>The TAC for 2015 is based on advice from Havstovan but as of yet there is no formal HCR or Harvest strategy. Work with a new Executive Order to secure a sustainable management of the fishery has grinded to a halt in the legislator system (Landstinget).</p> <p>The client is fully compliant with condition 1 with respect to 2015 milestones.</p> <p>The last milestone defined for this condition is "To develop and agree with the management authorities a sustainable harvesting strategy for the stock." The client is largely dependent on the services of Havstovan and the Ministry with respect to this condition and needs to maintain close contact with both the Institute and the Ministry to ensure that they receive all the support the client can offer to ensure the condition is met in full. However, as stressed at the meeting with the client the condition is not fully met and should be so before the reassessment planned in 2016.</p>
Progress on Condition Year 4	<p>Progress: CLOSED</p> <p>Since 2013 Havstovan has presented an assessment for the GSS fishery. This assessment is partly based on data provided by the Client and partly based on data from a three years' programme at Havstovan on deep water fisheries including the GSS fishery. ICES has, partly based on data from Havstovan, reviewed the assessment structure and the GSS is now assessed as an Vb + VIa unit.</p> <p>The fishery operates under a TAC set based on the advice of HAVSTOVAN and this assessment is responsive to stock development. Havstovan operates in this advice with a PRI (B_{loss}) and has developed a F_{MSY} proxy. Havstovan finds that the current fishery is around MSY. The ICES advice is more conservative based on trends the survey results.</p> <p>Work with a new Executive Order to secure a sustainable management of the fishery has grinded to a halt in the legislator system (Landstinget). The background for this halt is because the current Faroese fishing law is up for revision in 2018 and at the moment the political level considers a general revision of the Faroese fishing regulations which will include the GSS fishery. Hence there is no wish to deal with the GSS fishery as a special case at this time.</p> <p>The client is fully compliant with condition 1 with respect to 2016 milestones. The Condition is resolved to the extent possible and the PI 1.2.1 is rescored and SG80 is met. The condition is closed.</p>
Status of condition	CLOSED

Table 10 – Condition 2

Performance Indicator(s) & Score(s)	Insert relevant PI number(s)	Insert relevant scoring issue/ scoring guidepost text	Score
	PI 3.2.1 The fishery has clear, specific objectives designed to achieve the outcomes expressed by MSC's Principles 1 and 2.	<p><i>SG80: Short and long term objectives, which are consistent with achieving the outcomes expressed by MSC's Principles 1 and 2, are explicit within the fishery's management system.</i></p> <p><i>Rational:</i> Both the ship owners and the Faroese Ministry of Fisheries have accepted the scientific advice from</p>	70

		Havstovan for this fishery and this advice is consistent with MSC principles 1 & 2. At the time of site visits and consultation, however, the advice is not formally adopted as there is no statutory effort limit, TAC or quota allocation (hence the reduced score). Currently catch limits are voluntary although the fishery inspectorate retains the option to close the fishery under the days at sea regulations if Havstovan or fish-size inspections advice prompts such action.	
Condition	The client shall work with others to develop and implement short and long term objectives that are consistent with achieving the outcomes expressed by MSC's Principles 1 and 2, are explicit within the fishery's management system.		
Milestones	<ul style="list-style-type: none"> • Evidence of agreement with the Ministry of Fisheries at 1st surveillance audit • Second and subsequent surveillance audits, provide a report monitoring the agreement and its implementation. 		
Client action plan	<p><i>The Faroe Marine Research Institute will continue to make annual stock assessments.</i></p> <p><i>Tavan will also continue to provide Faroe Marine Research Institute with catch data etc., which is necessary for making stock assessments. This will also improve the parameters which good stock assessments are built on.</i></p> <p><i>The Ministry of Fisheries is developing a new Executive Order to secure a sustainable management of the fishery. See email from Ulla Svarrer Wang, Senior Adviser Ministry of Fisheries Dated 16.03-2012 in Surveillance report 2013.</i></p>		
Progress on Condition Year 1	<p>Progress: Behind target</p> <p>As with condition 1, there was a misunderstanding by the client as to who should take the lead on this condition and the management regime continues to be based on a gentlemen's agreement with no formal basis or limit to total days fishing. As above, within three months (1 December 2013) the client must provide documentary evidence (letter) that they have asked the competent authorities to draft a formal management plan limiting annual catches to no more than FaMRI advise on the basis of its most recent annual assessment. NB This condition is a first step towards meeting condition 1 in full rather than an alternative.</p> <p>The client has been given an appropriate extension to the timeline to enable them to meet the terms of the conditions. The conditions will be subject to further review at the second annual surveillance audit.</p>		
Progress on Condition Year 2	<p>Progress: On target.</p> <p>A sustainable harvesting strategy has yet to be developed. Similarly, there has yet to be a statutory basis for setting annual TACs to an agreed formula. The previous 'gentlemen's agreement' on catch limitation, however, has now been replaced by an Executive Order setting the annual TAC, which is specified on each vessel licence.</p> <p>The development of a specific harvesting strategy and management rules may be dependent on the outcome of a new fisheries act that is currently under consultation.</p> <p>The client is largely dependent on the services of Havstovan and government with respect to this condition and needs to maintain close contact with all tiers of the management framework to ensure that progress continues to be made that will ensure the condition is met in full. The client is fully compliant with condition 2 with respect to 2014 milestones.</p>		

<p>Progress on Condition Year 3</p>	<p>Progress: On target.</p> <p>The condition calls for development and implementation of short and long term objectives that are consistent with achieving the outcomes expressed by MSC's Principles 1 and 2. These short and long-term objectives should be explicit within the fishery's management system. The work that was presented by Havstovan include Principle 1 objectives formulated as a MSY target for the GSS population combined with avoidance of juvenile GSS through the use of selective gear (80 mm mesh size). Principle 2 objectives should be explicitly formulated and laid down in the Harvest Strategy for the GSS fishery. This work has not yet been completed. The objectives that are implicit in Faroese management practise include discard ban, protection of ETP species, restriction of the footprint through close areas and for the GSS fishery the use of light trawls (semi pelagic trawls).</p> <p>The client is fully compliant with condition 2 with respect to 2015 milestones. Based on an MSY objective (Principle 1) Havstovan has continued work on defining long-term reference points for the GSS population fished by the Faroese fleet. Havstovan presented the preliminary results to the Audit team, Ofstad (2015b), see annex 7. In the light of the discussions within ICES WGDEEP the estimates presented are likely to change before they are adopted. The implementation of these objectives in the form of agreed reference points embedded in a Harvest Control Rule is still not completed. Also, Havstovan has presented a preliminary assessment of the population status. This assessment is used to provide advice based on short-term objectives that are consistent with the long-term objectives. $F_{0.1}$ is used as a MSY proxy in advising on the annual TAC. The formalisation of this procedure in the form of an adopted HCR is not completed.</p> <p>Principle 2 objectives – not explicitly defined - are met through a set of restrictions on by-catch, technical measures and closed areas laid down in the executive order that is the basis for the GSS licenses. The Harvest strategy should include a procedure for modifying these restrictions should information indicate that the fishery is not meeting some or all of the Principle 2 objectives.</p> <p>The need for reference points as the basis for defining an appropriate HCR was discussed with Havstovan and need for the 2016 reassessment to have closed the 2012 conditions was stressed. This point was also raised at the meetings with the Client and with the ministry and the inspection authorities.</p>
<p>Progress on Condition Year 4</p>	<p>Progress: CLOSED</p> <p>At the time of the original assessment specific objectives were only implicit; hence a score of 70 was given. During the 3rd surveillance, neither the work to set final reference points nor to define explicit P2 objectives were yet fully completed. However, at the fourth surveillance audit the team was presented with the sufficient documentation showing that the work on reference points and P2 objectives progressed sufficiently to warrant a score of 80 or above. This PI was therefore rescored and supports the score of 90. The justifications are provided in the rescoring table in Appendix 4.</p> <p>The client is fully compliant with condition 1 with respect to 2016 milestones. The Condition is resolved to the extent possible and the PI 3.2.1 is rescored and SG80 is met. The condition is closed.</p>
<p>Status of condition</p>	<p>Closed</p>

Table 11 – Condition 3⁵ (from 2014)

Performance Indicator(s) & Score(s)	Insert relevant PI number(s)	Insert relevant scoring issue/ scoring guidepost text	Score
	PI 1.1.1 The stock is at a level which maintains high productivity and has a low probability of recruitment over-fishing.	<p>SG80</p> <p>a) <i>It is highly likely that the stock is above the point where recruitment would be impaired.</i></p> <p>b) <i>The stock is at or fluctuating around its target reference point.</i></p> <p><i>Rational:</i> Although the scientific advice provided by Havstovan to the Faroese ministry for management of the fishery is based on an analytical assessment with F0.1 used to estimate optimum yield (TAC), there are no formally defined target reference points.</p>	RBF PSA score >80; RBF SICA score <80*
Condition	Within 5 years of certification, evidence must be presented to demonstrate that the silver smelt stock is highly likely to be within biologically based limits.		
Milestones	<p><i>The assessment parameters must be further refined and target reference points defined consistent with the ICES precautionary approach and the concept of MSY.</i></p> <ul style="list-style-type: none"> <i>At the third surveillance meeting, the client shall produce documentary evidence that they have discussed with appropriate bodies how this is to be achieved.</i> <i>At the fourth surveillance meeting, the client shall produce a report on progress made.</i> <i>By the end of the certification period, the client shall present a copy of a Faroe Islands greater silver smelt stock assessment that includes provisional (i.e. not necessarily endorsed by ICES) biological target reference points.</i> 		
Client action plan	<p>The client will consult with the Faroe Marine Research Institute (Havstovan) and support with any information they can, the development of biological target reference points.</p> <ul style="list-style-type: none"> Documentary evidence of discussions with appropriate bodies on how to meet the condition will be presented at the 3rd surveillance audit. A report on progress made will be produced for the 4th surveillance audit. <p>By the end of the certification period, a copy of a stock assessment for the Faroe Islands greater silver smelt stock will be presented, including at least provisional biological target reference points.</p>		
Progress on Condition Year 1	NA: condition was first set during second surveillance audit 2014. Omitted (in error) from original assessment. MSC CR v1.3 CC 3.1.4; If the SICA score is less than 80 a condition shall be raised to this PI.		
Progress on Condition Year 2	NA: condition was first set during second surveillance audit 2014. Omitted (in error) from original assessment. MSC CR v1.3 CC 3.1.4; If the SICA score is less than 80 a condition shall be raised to this PI.		
Progress on Condition Year 3	<p>Progress: Behind the target</p> <p>The client produced documentary evidence in the form of an e-mail</p>		

⁵ Condition was first set during second surveillance audit 2014. Omitted (in error) from original assessment. MSC CR v1.3 CC 3.1.4; If the SICA score is less than 80 a condition shall be raised to this PI.

	<p>correspondence from August 2014, see annex 4 in the third surveillance report (available for download at www.msc.org), that the condition was discussed with Havstovan . Also, the client informed that such discussions have taken place with the Ministry. Havstovan partly as a result of these contacts has received funding from the Faroese Research Fund for a three year deep water fish and fisheries study and these studies include GSS research. In 2014 a special deep water survey providing information on GSS biology and population distribution was funded as part of the three year deep water project. The preliminary assessment was discussed at the meeting with Havstovan.</p> <p>Havstovan is working on reference points and on the assessment issues which combined will provide an assessment of the status of the GSS Faroese population viz-a-viz sustainable reference points. In 2015 Havstovan presented a Working Document on the assessment the annual meeting of ICES WGDEEP updating the assessment (including agegroup 20+ and a preliminary estimate of relevant reference points), annex 7.</p> <p>The Client and Havstovan are both aware of the time schedule inherent in the MSC certification.</p>
Progress on Condition Year 4	<p>Progress: CLOSED</p> <p>The client produced documentary evidence in the form of an e-mail correspondence from August 2014, see annex 3 in the third surveillance report (available for download at www.msc.org), that the condition was discussed with Havstovan . Also, the Client informed that such discussions have taken place with the Ministry. Havstovan partly as a result of these contacts has received funding from the for a three year deep water fish and fisheries study and these studies include GSS research. In 2014 and 2015 special deep water survey providing information on GSS biology and population distribution were funded as part of the three year deep water project. The assessment was discussed at the meeting with Havstovan.</p> <p>ICES has adopted an assessment structure for Greater silver smelt in the Northeast Atlantic that include a unit consisting of Vb + VIa. Havstovan presented an assessment of stock status that is consistent with this unit.</p> <p>The client is fully compliant with condition 1 with respect to 2016 milestones. The Condition is resolved to the extent possible and the PI 1.1.1 is rescored and SG80 is met. The condition is closed.</p>
Status of condition	CLOSED

* MSC CR v1.3 CC 3.1.4; If the SICA score is less than 80 a condition shall be raised to this PI.

Table 12 – Recommendation 1

Performance Indicator(s) & Score(s)	Insert relevant PI number(s)	Insert relevant scoring issue/ scoring guidepost text	Score
	<p>1.2.3 A comprehensive range of information (on stock structure, stock productivity, fleet composition, stock abundance, fishery removals and other information such as environmental information), including some that may not be directly relevant to the current harvest strategy, is available.</p>	<p><i>SG80 Si: NA/general recommendation</i></p> <p><i>Rational:</i> There are insufficient data at present to support the proposition that the Faroese management unit is an independent stock but a comprehensive range of information is available covering the other aspects, including the effects of environmental variation on recruitment.</p>	80

Recommendation	The client should present the results of genetic (or suitable alternative) comparisons between Faroe-Iceland; Faroe-N Norway; Faroe-Biscay (or south of Porcupine Bank) within 5 years of certification.
Progress on recommendation Year 1	Progress: behind target. FaMRI has undertaken some preliminary studies of GSS in Faroes waters and found that there are no apparent differences among GSS taken from any part of the fishing grounds. Further analysis of comparative samples from Iceland, Norway and to the south (ICES areas VII-VIII) is dependent on funding in support of this work. This is a problem that the client must discuss with FaMRI to find a solution.
Progress on recommendation Year 2	Progress: behind target. A preliminary genetic comparison among Faroese fishing grounds has been carried out without significant results. Alternative methods, such as Ca:Sr ratios in otoliths or bones was discussed with scientists at Havstovan.
Progress on recommendation Year 3	Progress: behind target. Havstovan has focused its work with GSS stock structure on defining management areas and Havstovan presented a working paper for WGDEEP (Ofstad and Steingrund 2014). This paper was the basis for a discussion at WGDEEP (2014) and a continuation of this discussion in WGDEEP (2015)-Havstovan informed the audit team that WGDEEP suggests that Divisions VIa and Vb become a separate management area, i.e. the TAC for Subareas I, II, IV, VI, VII, VIII, IX, X, XII, and XIV, and Divisions IIIa and Vb (other areas) be split into a unit formed by Divisions Vb and VIa and two other units including Subareas I, II as one and Subareas IV, VI (excl VIa), VII, VIII, IX, X, XII, and XIV, and Division IIIa (other areas). Whether this proposal will be accepted by ICES ACOM (Advice to be released 4 June 2015) is unknown at the time of writing (21 May 2015). No new information concerning the stock structure was presented. The Client has promoted a genetic study in cooperation with a UK company, but there is no result as of yet.
Progress on recommendation Year 4	Progress: behind target. The genetic study is underway. Cooperation with the University of Tromsø has been established and fish has been sampled and sent to Tromsø for analysis.
Status of recommendation	<i>Behind target.</i>

Table 13 – Recommendation 2

Performance Indicator(s) & Score(s)	Insert relevant PI number(s)	Insert relevant scoring issue/ scoring guidepost text	Score
	2.3.3 Relevant information is collected to support the management of fishery impacts on ETP species, including: - information for the development of the management strategy; - information to assess the effectiveness of the management strategy; and - information to determine the outcome status of ETP species.	<i>SG80 Si: NA/general recommendation</i> <i>Rational:</i> Currently there is no statutory requirement for skippers to record any interactions with marine mammals or seabirds.	90
Recommendation	When the e-logbooks are introduced there will be a statutory requirement for the presence <i>or absence</i> of any ETP species (birds and marine mammals) in the catch to be recorded. The client should anticipate this change by making it a requirement on the current paper log books with immediate effect.		
Progress on	Progress: on target.		

recommendation Year 1	The client vessels are now equipped with and using the e-logbooks; zero interactions with ETP species were recorded other than a small number of spiny dogfish (c. 1 t in 2011) and porbeagle sharks (c. 2 t 2012).
Progress on recommendation Year 2	Progress: on target. Electronic logbooks have been introduced and it is a conditions that the presence or absence of any ETP species (birds and marine mammals) in the catch is recorded before the day's entries can be closed. Nevertheless, this is still a 'trust' requirement and the client should do all that it can to ensure that vessel skippers comply.
Progress on recommendation Year 3	Progress: on target. The e-logbook that is installed on five out of the six vessels that are under the UoC requires that catch of ETP species are being recorded before the transaction can be completed. The audit team met with a skipper from the fleet who confirmed that there is awareness of the catch of ETP species. One vessel is still using a paper logbook.
Progress on recommendation Year 4	Progress: CLOSED Electronic logbooks have been introduced and registration process are implemented and enforced.
Status of recommendation	<i>CLOSED</i>

4 CONCLUSION

The Principle scores for this fishery have not changed since the second surveillance and the certification.

The fishery continues to be within the scope of the MSC fisheries standard (MSC FCR v2.0 § 7.4) according to the following determinations (MSC FCR v2.0 § 7.4):

- The target species is a fish and the fishery does not use poisons or explosives;
- The fishery is not conducted under a controversial unilateral exemption to an international agreement;
- The client or client group does not include an entity that has been successfully prosecuted for a forced labour violation in the last 2 years;
- The fishery has mechanisms for resolving disputes and disputes do not overwhelm the fishery;
- The fishery is not enhanced or based on an introduced species.

Table 14 Conclusion

Fishery	Status of certification	Comment
Faroe Islands silver smelt	Certified	The assessment team therefore concludes that the MSC Certificate for this fishery shall remain active, subject to the agreed annual surveillance schedule and progress on the remaining conditions and recommendations.

5 REFERENCES

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APPENDICES

Appendix 1 Stakeholder submissions PAPERS PRESENTED BY HAVSTOVAN

Summary of Ofstad (2016)⁶

Faroese and Dutch trawlers fish the majority of greater silver smelt in Division Vb and VIa. The Faroese trawlers extended the fishing ground in Faroese waters to Wyville Thomsons ridge in 2008 and recently around 50% of the Faroese catch was from this area.

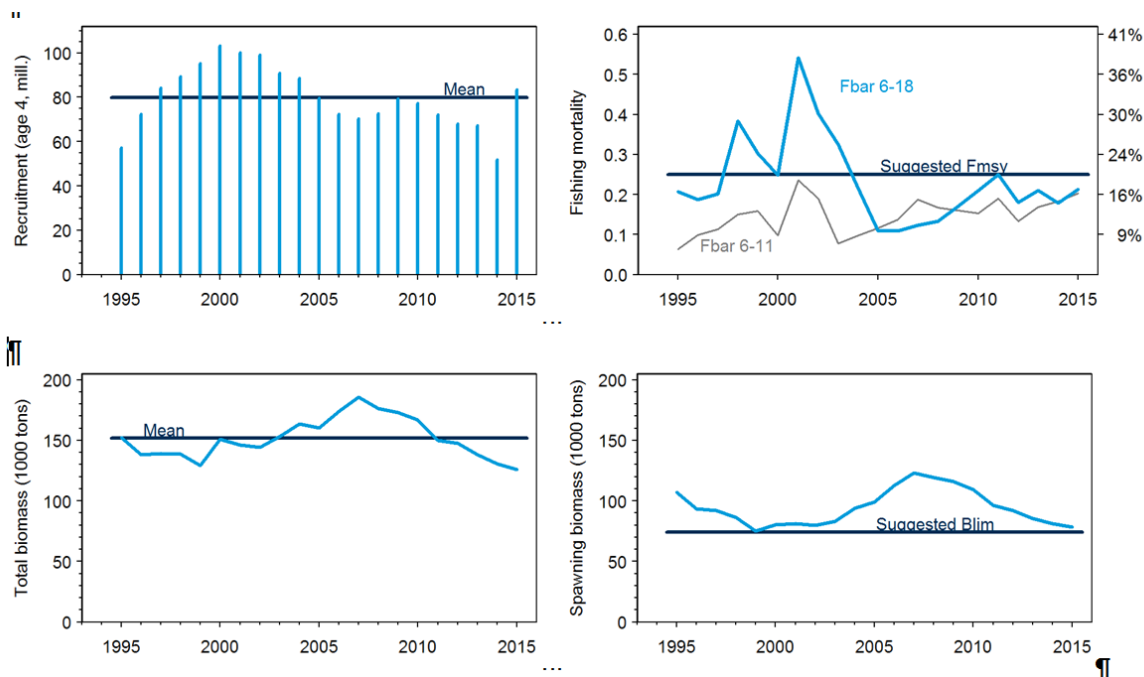
Greater silver smelt in Faroese waters (ICES Division Vb) and west of Scotland (Division VIa) are treated as one assessment unit since 2015. This is supported by the temporal development in the commercial fishery (cpue kg/h from logbooks) for five different fishing areas in Faroese waters show the same pattern. Commercial Cpue and catch rates of greater silver smelt in the Faroese summer groundfish survey were strongly correlated.

There are only age data available for the Faroese catches. The mean length and growth of greater silver smelt caught in the Faroese trawlers and Dutch trawler fisheries are very similar suggesting that the Faroese age composition can be extrapolated to the Dutch component and on this basis the paper presents an age-based assessment of greater silver smelt in Division Vb and VIa. This assessment indicates that the total biomass and spawning biomass are decreasing and that the recruitment at age 4 was around average. The fishing mortality for individuals between 6 and 18 years old was around 0.23 for 2015. The average fishing mortality for 2010-2015 is slightly lower.

The results of three different approaches to calculate F_{MSY} are presented. The analysis suggests that the current fishing mortality is around F_{MSY} and 0.25 is proposed as a proxy for F_{MSY} .

There is limited contrast in the SSB data and this makes an estimate of B_{lim} difficult. Instead it is proposed to use the B_{loss} (SSB at 1999 of 74,000 t) as the B_{lim} proxy. The stock has declined since 2008 from a high level and is now close to B_{loss} .

Assessment Results



The graph shows a suggested F_{MSY} at 0.25, the F is currently estimated at 0.23 per year..

⁶ Ofstad Lise H. 2016. **Greater silver smelt** (MSC-goðkenning av gulllaksur) , Havstovan, Faroe Islands 2016

Appendix 2. Revised Surveillance Program

This year the fishery will follow assessment process defined in MSC FCR v2.0 and new requirements to surveillance will apply.

Surveillance level 6 programme is established as follows:

2013: on-site surveillance

2014: on-site surveillance

2015: on-site surveillance

2016: on-site surveillance

The timing of the third surveillance audit was postponed with 2 months (2 months later than the certificate anniversary date) in order to integrate the surveillance of the Faroe Islands Silver smelt fishery with the assessments of other fisheries at Faroe Islands. These fisheries are:

- Faroe Islands Saithe (certificate issued 15 June, 2013)
- Faroe Islands North East Arctic Cod (certificate issued 17 August 2012)
- Faroe Islands North East Arctic Haddock (certificate issued 18 August 2012)

Appendix 3. List of vessels in the UoC (2015-2016)

Table 15 Current vessels in the client group

Vessel	Owner	Length (m)	Hold capacity (t)
<i>Stjørnan</i>	P/F JFK Trol	36.5	120
<i>Polarhav</i>	P/F JFK Trol	36.5	120
<i>Skordaberg*</i>	JFK	44.4	150
<i>Vestmenningur</i>	JFK	44.4	150
<i>Vesturbúgvín</i>	Vørðustiggjur and Vesturbúgvín	36.4	120
<i>Eysturbúgvín</i>	Vørðustiggjur and Vesturbúgvín	36.4	120

*The vessel previously named Fram (included in the initial assessment) has changed name to Skordaberg

Appendix 4. Rescoring

Evaluation Table: PI 1.2.1

Principle 1		A fishery must be conducted in a manner that does not lead to over-fishing or depletion of the exploited populations and, for those populations that are depleted, the fishery must be conducted in a manner that demonstrably leads to their recovery.		
1.2 Component		Management		Summary Score
1.2.1 PI: Harvest strategy		There is a robust and precautionary harvest strategy in place		95
SG	Scoring Issue	Met Y/N	Comments	Ref
60	The harvest strategy is <u>expected</u> to achieve stock management objectives reflected in the target and limit reference points.	Y	The harvest strategy is based on the Faroese Fishing law requiring sustainable fisheries. The strategy is implemented as a license scheme limiting the overall capacity in this fishery, TAC limiting the total impact and technical regulations (eg minimum mesh size and areas closed to trawling) to support the strategy. Havstovan provides annual advice based on a F_{MSY} proxy and a PRI (B_{loss}) reference point. Therefore, the harvest strategy is expected to achieve stock management objectives reflected in the target and limit reference points. SG 60 is met.	Kunngerd 29 March 2016 Ofstadt (2016)
data	The harvest strategy is <u>likely</u> to work based on prior experience or plausible argument.	Y	The Faroese harvest strategy is to limit annual catches to no more than the upper limit of Havstovan's advice. All stakeholders have confirmed that it is working. It is therefore with stakeholder backing likely that harvest strategy will achieve its goals. SG 60 is met.	Ofstad 2016 Interview with Faroese management Interviews FI & client

	Monitoring is in place that is expected to determine whether the harvest strategy is working.	Y	The fishery is closely monitored by registration of landings, VMS and logbooks. No discarding is permitted within the fishery; all GSS are landed in the Faroe islands; all catches are recorded in log books and landings are controlled by the fishery inspection services (VØRN). The available data are used for stock assessment (combined with non-fisheries data) and it is expected that available data with allow determination whether the harvest strategy is working or not. SG 60 is met.	Interviews FI & client
80	The harvest strategy is responsive to the state of the stock and the elements of the harvest strategy <u>work together</u> towards achieving management objectives reflected in the target and limit reference points.	Y	Havstovan has developed a structured analytical (XSA) assessment model (consistent with ICES standard procedures) and bases its advice on the results from this model. The model is based on data from the fishery and from a summer survey providing an index of recruitment; hence the advice is responsive to stock development as illustrated in the annual changes in the TAC. Other elements of the harvest strategy such as technical regulations and limiting access to the fishery work together with the TAC regime to achieve management objectives reflected in the target and limit reference points. SG80 is met	Ofstadt (2016) Kunngerd 29 March 2016

	The harvest strategy may not have been fully tested but monitoring is in place and <u>evidence</u> exists that it is achieving its objectives.	Y	There is no formal test of the harvest strategy. The fishery and stock is monitored (fisheries statistics, logbooks, VMS, R/V survey) and the information required by the harvest strategy is in place. The harvest strategy has been in place for about 4 years and, TACs have been adjusted (downward) in response to stock development. The stock has in the first 4 year MSC certification period remained well above B_{lim} and F below F_{MSY} proxy and there is thus evidence that the strategy is achieving its objectives. SG80 is met.	Ofstad (2016)
100	The harvest strategy is responsive to the state of the stock and is <u>designed</u> to achieve stock management objectives reflected in the target and limit reference points.	Y	The current harvest strategy is responsive to stock development through Havstovans assessment. The advice is based on an F_{MSY} proxy and a B_{lim} (defined as B_{loss}). The harvest strategy is built around Havstovans ability to provide advice and Havstovans advice is based on appropriate reference points. SG100 is met.	Ofstad (2016) Interview with government officials
	The performance of the harvest strategy has been <u>fully evaluated</u> and evidence exists to show that it is achieving its objectives including being clearly able to maintain stocks at target levels.	N	There is no full evaluation of the harvest strategy nor, because of the continued decline in the stock, is the evidence clear whether target stock levels will be maintained in the future. SG100 is not met.	Ofstad (2016)
	The harvest strategy is <u>periodically reviewed</u> and <u>improved</u> as necessary.	Y	Havstovan updated the assessment annually over the past 3 years, the Faroese fisheries management is reviewed at regular intervals. Currently, the entire Faroese fishing law is being reviewed including the Greater silver smelt fishery. This review is required based on a revision clause by 2018 in the fishing law. SG100 is met.	Ofstadt (2016) Interview with government officials

Evaluation Table: PI 1.1.1

Principle 1	A fishery must be conducted in a manner that does not lead to over-fishing or depletion of the exploited populations and, for those populations that are depleted, the fishery must be conducted in a manner that demonstrably leads to their recovery.			
1.1 Component	Outcome			Summary Score
1.1.1 Stock (C1)	PI: status	The stock is at a level which maintains high productivity and has a low probability of recruitment over-fishing.		95
SG	Scoring Issue	Met Y/N	Comments	Ref
60	It is likely that the stock is above the point where recruitment would be impaired.	Y	The assessment finds that the stock is above the PRI (B_{loss}). Cpue has been stable; the mean length in the catches has been stable fluctuating between 35-40 cm for about 20 years. It is therefore likely that recruitment is not impaired and SG60 is met.	Ofstad 2016
80	It is highly likely that the stock is above the point where recruitment would be impaired.	Y	The assessment finds that the stock is stable over about 20 years and is above the PRI (B_{loss}). This is supported by Cpue data from the commercial fishery, data from the summer survey and that the mean length in the catches has been stable fluctuating between 35-40 cm for about 20 years. It is therefore considered highly likely that recruitment is not impaired. SG 80 is met.	
	The stock is at or fluctuating around its target reference point.	Y	The fishing mortality is below the F_{MSY} proxy and has remain so for a decade. Therefore it could be concluded that the stock is fluctuating around its target reference point. SG80 is met.	
100	There is a high degree of certainty that the stock is above the point where recruitment would be impaired.	N	The stock has been at a high level for about a decade, and is above the point where recruitment would be impaired. However, the stock is declining and is getting close to the B_{lim} (B_{loss}) level. Therefore there is not a high degree of certainty that the stock is above the point where recruitment could be impaired. SG100 is not met	

Evaluation Table: PI 3.2.1

Principle 3	The fishery is subject to an effective management system that respects local, national and international laws and standards and incorporates institutional and operational frameworks that require use of the resource to be responsible and sustainable.			
3.2 Component		Fishery- specific management system		Summary Score
3.2.1 PI: Fishery-specific objectives		The fishery has clear, specific objectives designed to achieve the outcomes expressed by MSC's Principles 1 and 2.		90
SG	Scoring Issue	Met Y/N	Comments	Ref
60	<u>Objectives</u> , which are broadly consistent with achieving the outcomes expressed by MSC's Principles 1 and 2, are <u>implicit</u> within the fishery's management system.	Y	The long term Faroese fishery management objective is for the rational and sustainable use of all marine resources. Such an objective is entirely consistent with the MSC principles. SG80 is met.	<ul style="list-style-type: none"> • AGREEMENT on Cooperation in Research, Conservation and Management of Marine Mammals in the North Atlantic, 1992 • Commercial Fisheries Act (28/1994), Faroese Parliament, 1994 (1996) • Convention for the Protection of the Marine Environment of the North-East Atlantic

80	Short and long term objectives, which are consistent with achieving the outcomes expressed by MSC's Principles 1 and 2, are <u>explicit</u> within the fishery's management system.	Y	<p>Well defined and measurable short and long-term objectives consistent with achieving the outcomes of MSC Principles 1 and 2 are explicit in the Faroese Commercial Fisheries Act and supporting legislation applicable to the Faroese silver smelt fishery. This includes objectives to maintain fish stocks at sustainable levels, operationalized as MSY (here: both target stocks and some other retained species) and protect other parts of the ecosystem, including through maintaining high selectivity, monitoring and protecting marine mammals and protecting vulnerable marine habitats such as coral reefs and vulnerable marine habitats.</p> <p>The Faroe Islands/Denmark is member of the main regional organizations of relevance to the fishery under assessment: the North East Atlantic Fisheries Commission (NEAFC), the OSPAR Commission on protection of the marine environment and the North Atlantic Marine Mammals Commission (NAMMCO). As an additional layer to national regulations, specific objectives are found also in the decisions and recommendations of these commissions.</p>	<p>(OSPAR Convention), 1992</p> <p>Convention on the Future Multilateral Cooperation in North-East Atlantic Fisheries (NEAFC Convention), 1980</p> <p>Ofstad, 2016</p> <p>Bruntse and Tendel, 2001</p> <p>NAMMCO at http://www.nammco.no/marine-mammals/whales-and-dolphins-cetaceans</p>
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100	Well defined and measurable short and long term objectives, which are demonstrably consistent with achieving the outcomes expressed by MSC's Principles 1 and 2, are explicit within the fishery's management system.	P	See justification for SG 80 above. Though short term and long term objectives are well defined and measurable for P1, they are less so for P2 issues. Hence, a partial score is achieved at SG 100 and the score is 90.	
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ABOUT DNV GL

Driven by our purpose of safeguarding life, property and the environment, DNV GL enables organizations to advance the safety and sustainability of their business. We provide classification and technical assurance along with software and independent expert advisory services to the maritime, oil and gas, and energy industries. We also provide certification services to customers across a wide range of industries. Operating in more than 100 countries, our 16,000 professionals are dedicated to helping our customers make the world safer, smarter and greener.