

SCOPE EXTENSION 1

Scope extension certification report - Estonia North East Arctic Cold Water Prawn Fishery

Reyktal LTD, Reval Seafood Ltd and P/R Ocean Tiger

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ABBREVIATIONS & ACRONYMS

CFP	Common Fisheries Policy (of the European Union)
DNV	Det Norske Veritas
ELDFA	Estonia Long Distance Fishing Organization
ERS	Electronic Reporting System
FAO	Food and Agriculture Organisation (of the United Nations)
FPZ	Fishery Protection Zone
HCR	Harvest Control Rule
ICES	International Council for the Exploration of the Sea
IMR	Institute of Marine Research, Norway
MCS	Monitoring Control and Surveillance
MSC	Marine Stewardship Council
NAFO	Northwest Atlantic Fisheries Organisation
NEAFC	North East Atlantic Fisheries Commission
NIPAG	NAFO/ICES Pandalus Assessment Group
PI	Performance Indicator
TAC	Total Allowable Catch
VME	Vulnerable Marine Ecosystem
VMS	Vessel Monitoring System

STOCK ASSESSMENT REFERENCE POINTS

B_{lim}	Minimum biomass below which recruitment is expected to be impaired or the stock dynamics are unknown.
B_{msy}	Biomass corresponding to the maximum sustainable yield (biological reference point); the peak value on a domed yield-per-recruit curve.
$B_{trigger}$	Value of spawning stock biomass (SSB) that triggers a specific management action.
F	Instantaneous rate of fishing mortality.
F_{lim}	Fishing mortality rate that is expected to be associated with stock 'collapse' if maintained over a longer time (precautionary reference point).
F_{msy}	F giving maximum sustainable yield (biological reference point).
K	Carrying Capacity
MSY	Maximum Sustainable Yield
PA	Precautionary Approach

1 EXECUTIVE SUMMARY

The client, the Estonian fishing company Reyktal, not only fishes for cold water prawn in the Barents Sea but also in the NAFO areas east and west of Greenland. In the latter fishery, that is MSC certified, Reyktal cooperates with the Danish fishing company Ocean Tiger. Ocean Tiger now plans to extend its operations to the Barents Sea. Reyktal and Ocean Tiger have therefore agreed that 50 fishing days (for 2014) that were allocated by the EU to Estonia will be transferred to Denmark so that they can be used by Ocean Tiger's fishing vessel "Ocean Tiger".

In October 2014 the client wanted to include the Danish vessel "Ocean Tiger" in the Estonia cold water prawn fishery's Unit of Certification in order to extend the certificate by including the Danish vessel as a new client to the certificate. Danish legislation and enforcement related to the fishery in question does not allow for/enable fishing practice that is any different from Estonian legislation/enforcement. In fact the fishery for cold water prawn in the Barents Sea is almost entirely regulated internationally by Norwegian, NEAFC and EU regulations and the national part of the regulation (by Estonia and Denmark) is limited.

In conjunction with the Surveillance audit for the Estonia NEA CWP fishery in Tallinn in October 2014, the assessment team conducted a meeting (audit) in Denmark, meeting the Danish client and Danish authorities, for evaluation of the fishery for Principles 2 and 3, which are the only principles that could possibly be affected since P1 implies the whole stock, not only this specific fishery. The team determined that all assessment tree components were held in common with the existing fishery certificate and that including the new Danish vessel within scope of the certificate would not have implications. Also they checked and found that the Danish vessel would fully comply with operational procedures set by the fishery clients and with the conditions set by the DNV GL. The findings of the evaluation the scope extension is described in this report.

The evaluation of the scope extension was published as a part of the Surveillance Report No. 1 for the Estonia NEA cold-water prawn fishery on MSC's website in November 2014, and was available for consultation for 30 days.

No comments were received from stakeholders.

Please note that during the scope extension process, as also stated in the surveillance report, the client planned to include the Ocean Tiger vessel to the Estonia cold water prawn Unit of certifications as 'Other Eligible Fisher' and planned to enter into certificate sharing agreement with this vessel. It is now decided that Reyktal Ltd, Reval Seafood Ltd and P/R Ocean Tiger, represented by vessel Ocean Tiger R38, will form a client group with equal rights and responsibilities in regards to MSC Fisheries certificate maintenance for this fishery. This change does not have any implications on the scope extension assessment results conducted for this fishery.

The scope is therefore extended and a new client, Ocean Tiger, is now added to the certificate for Estonia North East Arctic Cold Water Prawn. See Table 1 in this report.

Please note:

For a complete picture of the Estonia North East Arctic Cold Water Prawn fishery, this report should be read in conjunction with the Public Certification Report and first surveillance report available for download at www.msc.org: <http://www.msc.org/track-a-fishery/fisheries-in-the-program/certified/north-east-atlantic/estonia-north-east-arctic-cold-water-prawn/assessment-downloads>



1.1 Determination with supporting rationale

It was concluded that the addition of the Danish vessel to the Estonia North East Arctic cold water prawn UoC represents no measurable change in the environmental footprint of the fleet nor that there are any issues concerning the effective management of the fishing operations and conduct of these vessels.

The Danish component therefore achieves a score of 80 or more for each of the three MSC Principles, and did not score under 60 for any of the set MSC Criteria. The assessment team therefore recommends the scope extension of the Estonia North East Arctic Prawn certificate to cover additional vessel (Ocean Tiger) as specified in the "Table 1: Revised UoC" in this report.

1.2 Conditions for certification and time-scale for compliance

Ocean Tiger will fully comply with the conditions and time-scale set by DNV GL for the Estonia North East Arctic cold-water prawn certification, and described in the Public Certification Report which is available for download from: <http://www.msc.org/track-a-fishery/fisheries-in-the-program/certified/north-east-atlantic/estonia-north-east-arctic-cold-water-prawn/assessment-downloads>

2 EVALUATION OF CHANGE IN UNIT OF CERTIFICATION

2.1 Introduction

The client, the Estonian fishing company Reyktal, not only fishes for cold water prawn in the Barents Sea but also in the NAFO areas east and west of Greenland. In the latter fishery, that is MSC certified, Reyktal cooperates with the Danish fishing company Ocean Tiger. Ocean Tiger now plans to extend its operations to the Barents Sea. Reyktal and Ocean Tiger have therefore agreed that 50 fishing days (for 2014) that were allocated by the EU to Estonia will be transferred to Denmark so that they can be used by Ocean Tiger's fishing vessel "Ocean Tiger".

In October 2014 the client wanted to include the Danish vessel "Ocean Tiger" in the Estonia cold water prawn fishery's Unit of Certification. They are currently targeting the same species in the same fishing area, use the same gear type under identical or similar rules. Danish legislation and enforcement related to the fishery in question does not allow for/enable fishing practice that is any different from Estonian legislation/enforcement.

In order to gather the necessary information to conduct an evaluation of the addition of the Danish vessel to the UoC, the assessment team conducted meetings (in conjunction with the Surveillance audit for the Estonia NEA CWP fishery in Tallinn October 2014) in Copenhagen, Denmark with the Danish client and Danish authorities, for evaluation of the fishery for Principle 2 and 3, which are the only principles that could possibly be affected since P1 implies the whole stock, not only this specific fishery.

The change of the UoC requires an evaluation regarding any changes of ecosystem impact (P2 scores) or implications for management (P3) scores. Therefore the team has gathered information on the ecosystem impacts of the Danish vessel and the management system for this fishery. On the basis of this information and discussions with the vessel captain, the companies manager and representatives of the Danish Fisheries Directorate (AgriFish Agency) the team has carried out an evaluation of the eligibility of the Danish vessels to be included in the Estonia North East Arctic cold water prawn fishery UoC.

The team determined that all assessment tree components were held in common with the existing fishery certificate and that including the Danish vessel within scope of the certificate would not have implications. Also they checked and found that Ocean Tiger would fully comply with operational procedures set by the fishery client and with the conditions set by the CAB.

The results of this evaluation are described in the following pages. After a short general description of the vessel and its fishing operations the addition of the Danish vessel to the UoC (fleet) is evaluated for the P2 and P3 performance indicator (PI) scores. Referenced scoring for P2 is available in the original assessment report but key points are highlighted here.

2.2 Unit of Certification

The MSC Guidelines specify that the unit of certification is the fishery or fish stock (=biologically distinct unit) combined with the fishing method, gear and practice, and the vessel(s) pursuing the fish of that stock) and management framework.

The Unit of Certification is revised as set out in Table 1.

Table 1 Revised UoC

	Revised Unit of Certification
Fishery Name	Estonia North East Arctic Cold Water Prawn
Species	<i>Pandalus borealis</i>
Geographical area	Barents Sea and Svalbard in FAO statistical area 27, ICES Ia,b and IIb.
Method of capture	Bottom trawl with sorting grid
Stock	Barents Sea shrimp (ICES Division I and II) / FAO 27
Management	<ul style="list-style-type: none"> • Estonia and Denmark Fisheries Management /EU Commission • NEAFC • Norwegian Fisheries Management (Svalbard FPZ)
Client group	<p>The stock is managed according to ICES advice</p> <p>Reyktal Ltd. and Reval Seafood Ltd represented by the following vessels: Taurus, Ontika, Eldborg (owned by Reyktal Ltd), Reval Viking (owned by Reval Seafood Ltd)</p> <p>P/R Ocean Tiger represented by the following vessel: Ocean Tiger R38.</p>
Other eligible fishers:	<p>There are no other identified eligible fishers, as there are no other vessels fishing for cold water prawns (<i>Pandalus borealis</i>) licensed under Estonian fisheries management in the Unit of Certification. If at a later date more vessels are added to the Estonian shrimp fishery in the Barents Sea, their eligibility to share the certificate will be considered upon the application.</p>

2.3 Name and contact information for client group

Table 2 Reyktal contact information

Client name	Reyktal Ltd and Reval Seafood Ltd
Contact Person	Mati Savaret
Contact Address	Veerenni 39 10138 Tallinn Estonia
Email	mati@reyktal.ee
Telephone	+372 6276545

Table 3 Ocean Tiger contact information

Client name	P/R Ocean Tiger
Contact Person	Peter Pedersen
Contact Address	Strandgade 10 3730 Nexø Denmark
Email	pp@ocean-prawns.com
Telephone	+45 56440419

2.4 Background information about the fishery

Background information about the North East Arctic cold water prawn fishery in the Barents Sea is described in Public Certification report and recent updates are described in Surveillance Report No. 1. Both reports are available for download from MSC´s website: <http://www.msc.org/track-a-fishery/fisheries-in-the-program/certified/north-east-atlantic/estonia-north-east-arctic-cold-water-prawn/assessment-downloads>

2.5 Description of the Danish vessel “Ocean Tiger” and its operations

The fishery will be carried out with the fishing trawler “Ocean Tiger” with the Danish registration number R38. This vessel has a LOA of 60 meters and an engine power of KW 4920/3970.

The vessel will only target cold water prawn (*Pandalus borealis*). No other species will be retained. The net is an otter (twin-rig) trawl net which is held open by trawl doors. In the middle between the nets a clump is used to keep the net near the bottom. The weight of the doors is around 6 tons and the weight of the clump is around 9 tons. The ground rope is prevented from making contact with the sea bottom by rubber discs of 21 inch in diameter.

The trawl nets will be equipped with sorting grids, which stream by-catch of fish out of the shrimp trawl, allowing maximum reduction of by-catch of juvenile fish.

The mesh size used in the cod end will be 43 mm. The length of towing is around 4-6 hours, with 3-5 t of shrimp being taken in 1 tow (5-20 t/day).

The fishery generally takes place at 250 – 350 m depth in the Barents Sea. The deepest fishing ground is around 800 m. According to fishermen, shrimp can be found almost everywhere, though not always in



the same volumes. Since the skipper of the Danish vessel Ocean Tiger has not fished in the Barents Sea before, it has been agreed that this vessel will fish along with one of the client's vessel. This means that the vessel will fish in exactly the same fishing areas as the client vessels. These vessels mainly operate on the soft sea bed avoiding rocky grounds where damage to fishing gear could occur.

The minimum landing size of shrimp is 6 cm (15 mm CL¹), while the average size of shrimp caught by client vessels is around 7-8 cm. The mesh size used in the fishery and the current practice of targeting larger shrimps means that the fishable stock is considered to be shrimps of 17 mm CL.

It should be noted that all shrimp, including undersized shrimp is landed. The larger shrimp will be cooked on-board whereas the smaller sizes will be produced for sale to peeling plants.

The fishing gear used by the Danish vessel and the way it will be operated will be identical to the gears and operation of the Estonian vessels already in the UoC.

For this evaluation cold water prawn is considered to be the target species. As stated there will be no other retained species. The catch of Ocean Tiger will be landed mainly in Tromsø.

The Danish vessel will be subjected to the same requirements as the client vessels in the UoC, by the sharing agreement signed between Ocean Tiger and Reyktal. Ocean Tiger will be required to submit all relevant data records to Reyktal. Ocean Tiger will supply Reyktal with all collected data on encounters with Vulnerable Marine Ecosystems (VME) as required by the conditions in place and client action plan.

2.6 CoC considerations

Traceability system for the Danish vessel is deemed to be as robust as for already certified Estonian vessels. The systems applied to the Estonian vessels were scrutinized during the initial assessment of the fishery and the positive results reflect that there is a sufficient system of tracking and tracing in place (incl. control, monitoring and recording systems) to ensure that all cold water prawn products originating from the certified fishery, and sold as certified, could be identified prior to or at the point of landing. For more information see Public Certification Report: http://www.msc.org/track-a-fishery/fisheries-in-the-program/certified/north-east-atlantic/estonia-north-east-arctic-cold-water-prawn/assessment-downloads-1/20131106_PCR_PRA387.pdf

The Eligibility Date (ED)

The Eligibility date set for the Danish vessel is **1st of November 2014**. The ED is connected to the vessel's fishing activities in the cold water prawn fishery in the Barents Sea. The fishery has sufficient traceability and segregation systems implemented before this date.

Traceability system

The Danish vessel's traceability system of tracking and tracing is similar to the Estonian certified vessels. Also on board of the Danish vessel all the shrimp caught are processed, packed and labeled in a similar way as on the Estonian vessels. All products can be traced back to the day and area of capture.

The vessel has a VMS system on board and must complete electronic log books. Danish legislation and enforcement related to the fishery in question does not allow for/enable fishing practice that is different from Estonian legislation/enforcement.

In relation to the possibility of fishing outside the Unit of Certification, the vessel is not fishing in other areas during the same fishing trips. So there is no opportunity for the vessel to substitute certified shrimp products with non-certified prior to or at the point of landing.

¹ Carapace length



There is no transshipment taking place in the fishery in question.

At-sea processing

The at-sea processing is similar to the Estonian vessels; i.e. grading, cooking, freezing, packing and labeling on board. Also the product range and the labels according to EU regulations are the same.

Eligibility to Enter Further Chains of Custody

Pandalus borealis products originating from the Danish vessel covered by this scope extension will be eligible to enter Chain of Custody and carry the MSC logo at the completion of the scope extension process.

Chain of Custody will commence following the sale of frozen *Pandalus borealis* products at the point of landing (auction, cold/freezer or processing plant). Land-based peeling/processing plants, as well as cold/freezer stores that perform anything more than movement of products must have separate CoC certification.

First point of landing for this fishery is mainly Tromsø, Norway.

Main markets are Iceland, Greenland, Denmark, Sweden, China and Russia.

2.7 Short description of the fisheries management system

The Danish vessel Ocean Tiger will either fish in the Svalbard area or in a relatively small triangle of international waters in the eastern Barents Sea (the so called "Loophole"). The rest of the Barents Sea falls almost entirely within the 200 mile exclusive fishing zones of Norway and Russia and like the Estonian vessels the vessel will not operate in these waters.

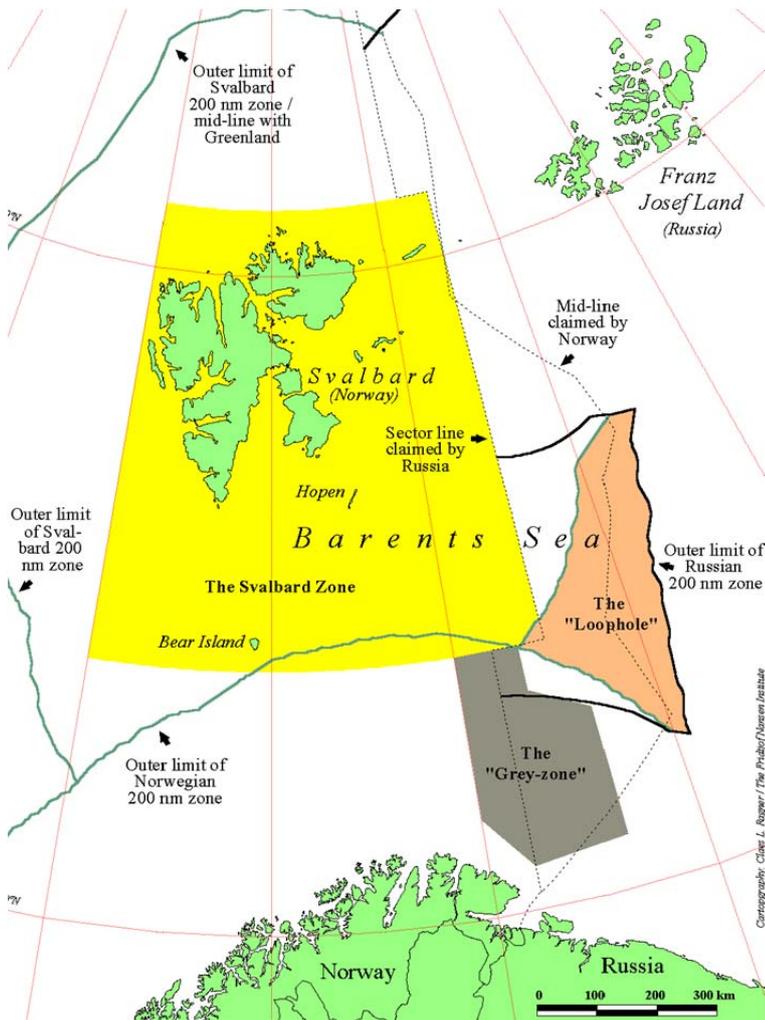


Figure 1: Map of the Barents Sea identifying the Svalbard Area and the "Loophole".

When the Danish vessel will fish in the Svalbard area the vessel will have to comply with the management measures that Norway implemented for this area. Among others Norway implemented a days at sea system and areas closed for fishing. For the Loophole the internationally agreed regulations within NEAFC apply. Within NEAFC EU member states are represented by the EU.

At an international level, the fishery is also managed through the Common Fisheries Policy of the EU in accordance with the basic fisheries regulation (EC. 2371/2002). The CFP has been reviewed in recent years and a new Basic Regulation, which will replace EC. 2371/2002, is in the making. The technical measures for both the Danish vessels and the Estonian member vessels are laid down in Council Regulation (EC) No 850/98 of 30 March 1998 for the conservation of fishery resources through technical measures for the protection of juveniles of marine organisms.

In the Svalbard zone minimum mesh sizes are implemented by Norway. Concerning the fishery in the Loophole the vessel will be subjected to EU and Danish regulations and Danish fishing license conditions. The Danish authorities have stated that the requirement to use a sorting grid will be included in these license conditions.

The minimum mesh size in the cod end in the Svalbard area is 35 mm and in the NEAFC area 40 mm. The Danish vessel will use a cod end with a mesh size of 43 in both areas that is well above the minimum mesh size in these areas.



From the above it can be concluded that for a large part the fishery in the Barents Sea is regulated through international regulation (EU, NEAFC) and the fisheries management system of Norway. So generally speaking it could be concluded that the Danish vessel will operate under the same management system as the Estonian vessels in the EU. Denmark and Estonia play role as flag state. The flag state responsibilities include the implementation of technical measures (safety, VMS), allocation of days of sea and reporting (logbook requirements). These requirements however are based on EU regulations and will therefore be similar if not identical for the Danish and Estonian vessels.

2.8 Gap-analysis of Principle 2 and 3

Principle 2

Principle 2 Component 1: Main retained species

Retained species are those that have been caught and landed together with the target species cold water prawn.

The Danish vessel will not retain other species than the target species.

During the original assessments of the Estonian shrimp trawl UoC it was concluded that the only retained species was cod and that although the quantities landed are low, cod should be considered as a main retained species. The Barents Sea cod stock is considered to be in a healthy condition and highly likely to be between within biologically based limits. This resulted in a score on PI 2.1.1 of 100. It can be concluded that the addition of the Danish vessel should not result in a reduction of the score on PI 2.1.1 since the addition has no impact on retained species and the rationale for the UoC as a whole would not change. The same implies to the management and information PI's of this component. It is therefore concluded that Including the Danish vessel in the UoC will not affect the original scores of the assessments regarding main retained species.

Principle 2 Component 2: By-catch

During the original assessments it was concluded that there are no main by-catch species. Since all vessels in the UoC are required to use sorting grid and permanent and temporary closed areas are implemented the by-catch of all species is effectively minimized. It was also concluded that smaller fish of several species, that can pass through the grid spacing (22 mm), are caught but also that the available information suggests that the quantities are relatively low and not significant at the stock level. Since there was no certainty that all by-catch species are within biological based limits a score of 100 could not be awarded. As there were no main by-catch species the score awarded was therefore 80.

As for the addition of the Danish vessel to the UoC it is therefore crucial that the Danish vessel also uses a sorting grid with identical grid or smaller grid spacing and that the use of the sorting grid is mandatory in both the Svalbard area and the Loophole. The use of the sorting grid is mandatory in the Svalbard zone through Norwegian regulation and for the Loophole through Danish fishing license conditions. Since it can be concluded that the Danish vessel will fish in the same fishing areas as the UoC fleet and use similar fishing gear with identical mesh sizes and sorting grid it can be concluded that including the Danish vessel in the UoC will not affect the original scores of the assessments regarding by-catch species.

Principle 2 Component 3: ETP

According to MSC methodology, ETP species are defined as those that are recognised as such by national legislation and/or binding international agreement (e.g. CITES) to which the jurisdictions controlling the fishery under assessment are party. Denmark is a member of EU and (through the EU) signatory to a wide range of international conventions and agreements aimed at the management and conservation of endangered, threatened and protected species. The vessels are obliged to be fully compliant with these conventions as applied and enforced through the coastal state in addition to meeting the Danish legislation and obligations.

During the original assessment it was concluded that it is highly unlikely that there are unacceptable impact on ETP species. This conclusion was based on the fishing gear used, the use of sorting grids and the fishing depth.

Since the Danish vessel will fish in the same fishing areas and fishing depth as the UoC fleet and use similar fishing gear with identical mesh sizes and sorting grid it can be concluded that including the Danish vessel in the UoC will not affect the original scores of the assessments regarding ETP species.

Principle 2 Component 4: Habitat

In common with the already certified Estonian member vessels, the Danish vessels will be using identical twin-rigged gears. When fishing the vessel will follow an Estonian vessel at close distance because the skipper of the Danish vessel is not familiar with the fishing areas in the Barents Sea. This implies that the habitat impact of the Danish vessel will be identical to the habitat impact of the Estonian vessels in the UoC. The fishery of the Danish vessel will also be guided by the same rules implemented by Norway in the Svalbard area and the move on rule as established by NEAFC in international waters (Loophole).

Concerning the interaction with VME (vulnerable marine ecosystems) a condition has been formulated and the client has formulated a client action plan. Client Reyktal and Ocean Tiger have stated that the Danish vessel will be required to record all interactions with VME (catches of sponges and cold water corals). These records will be regularly sent to Reyktal and this information will be similarly processed and provided to the assessment team at the annual surveillance audits.

Considering the above it can be concluded that including the Danish vessel in the UoC will not affect the original scores of the assessments regarding Habitat.

Principle 2 Component 5: Ecosystem

There is considerable knowledge of the habitats and ecosystem of the Barents Sea. In managing potential habitat and ecosystem impacts in the Barents Sea, industry and management authorities are guided by relevant conventions and agreements.

The MSC certified Estonian fleet has systems in place that work towards minimising any wider ecosystem impacts. There is no reason to believe that the Danish vessel will have any problems adopting these systems. In this context the addition of the Danish vessels will not impact the long term stability of the integrity of the Barents Sea ecosystem.

Principle 3

Principle 3: PI 3.1.1 – Legal framework

The Danish vessel is covered by the fishery management systems of the EU and Denmark. As such it is subject to the EU's Council Regulations under the EU Common Fisheries Policy and the Danish fishery



regulations. As Denmark is a parliamentary democracy operating under civil law, there is a clear mechanism for the resolution of legal disputes. Disputes could be referred to the European Court of Justice. When the Estonian member vessels or the Danish vessels operate in the Svalbard zone also the Norwegian jurisdiction will apply.

It can be concluded that the Estonian and Danish vessels operate under similar regulations under their national port state jurisdictions and as for the EU and Norwegian jurisdiction (technical measures, days at sea) even identical regulations. There is thus no reason to conclude that the addition of the Danish vessel to the UoC would influence the score of the original assessment on PI 3.1.1.

Principle 3: PI 3.1.2 – Consultation process

Consultation and audit meetings in Copenhagen with representatives of the Danish authorities (AgriFish) and representatives of the operator of the Danish vessel Ocean Tiger clearly identified the Danish organisations and individuals involved in the management process. Organisations involved in the management system of the Danish vessel include the EU Commission, NEAFC, relevant government ministries, scientific organisations (ICES) and research institutes (DTU Aqua), fishery industry organisations and NGOs. Their functions, roles and responsibilities are explicitly defined and well understood. There is clear and evident division of responsibility between EU, NEAFC, ICES and national institutions and authorities.

There is a strong tradition of stakeholder consultation in the Danish fisheries management system. Consultation has been formalized through the establishment of committees as formulated in Danish fishery law and regulations. Representatives of the fishing sector and NGO's (have the possibility to) take seat in these committees and they specifically have done so in the committee responsible for EU fisheries management. Before new regulations are passed these would be discussed in these committees and stakeholders would also be informed through the Fisheries Directorate (AgriFish) website. The consultation arrangements are similar to those for the Estonian member vessels as described in the certification report. There is thus no reason to conclude that the addition of the Danish vessels to the UoC would influence the score of the original assessment on PI 3.1.2.

Principle 3: PI 3.1.3 – Long term objectives

For Danish fisheries, at the governance and policy level, clear over-arching long term objectives are set out in the EU common fisheries policy. These objectives have been formulated in the Council Regulation (EC) No. 2371/2002 on the conservation and sustainable exploitation of fisheries resources under the Common Fisheries Policy. This Regulation lays down the Common Fisheries Policy, which covers conservation, management and exploitation of living aquatic resources, aquaculture, and the processing and marketing of fishery and aquaculture products.

Long term objectives for the Danish fishery policy are also formulated in the Danish Fisheries Act of 2004. Thus long-term objectives are explicit within the EU Common Fisheries Policy and the Danish Fisheries regulations and management system. The objectives formulated under the CFP are identical for both the Danish vessel and the Estonian vessels within the UoC. The objectives in the national fisheries policy documents and regulations are for both Denmark and Estonia focused on a sustainable exploitation of fishery resources and reduction of ecosystem impacts. There is thus no reason to conclude that the addition of the Danish vessel to the UoC would influence the score of the original assessment on PI 3.1.3.

Principle 3: PI 3.1.4 – Incentives for sustainable fishing

Existing subsidies in Denmark with regards to the fishing sector are designed to contribute to sustainable fishing practices, e.g. increase of selectivity. There are no subsidies within the Danish fisheries



management system that could result in an increase of fishing capacity. This conclusion was also drawn concerning the Estonian fisheries subsidies in the original assessment.

There is thus no reason to conclude that the addition of the Danish vessel to the UoC would influence the score of the original assessment on PI 3.1.4.

Principle 3: PI 3.2.1 – Fishery specific objectives

Objectives for Danish fisheries, are formulated within the Danish Fisheries Act (2004). The central objective of the Act is to bring about a sustainable exploitation of fishery resources.

In the original assessment the score on this PI was also partly based on the objectives formulated within the CFP, the Norwegian fisheries management system and NEAFC. These objectives are identical for the operations of the Danish vessel and Estonian vessels since both are governed by the EU's, Norwegian and NEAFC fisheries management systems.

There is thus no reason to conclude that the addition of the Danish vessel to the UoC would influence the score of the original assessment on PI 3.2.1.

Principle 3: PI 3.2.2 – Decision making process

Within the Norwegian, Danish, the EU's and NEAFC fisheries management systems decision-making processes are established that have resulted in management measures to achieve the fishery-specific objectives.

The decision making processes are guided by scientific advice, by ICES and national research institutes like IMR and DTU-Aqua. The scientific assessments of the shrimp stock are published on the ICES website. The decision making process takes into account serious issues identified by research, monitoring, evaluation and review activity related to this fishery, such as catch levels, catch and fishing effort, and potential impact of fishing on the marine environment.

By making use of the considerable expertise within ICES the European Commission, Norway, NEAFC and the Danish government ensure that decisions are based on the best available information.

Findings and relevant recommendations emerging from research, monitoring, evaluation and review activity related to this fishery, such as catch levels, catch and fishing effort, potential impact of fishing on the marine environment, are formally reported and available on web-pages (Ministry of Food, Agriculture and Fisheries, Ministry of Environment, NEAFC, ICES (NIPAG), DTU-Aqua, IMR). Information is also available on request and explanation on management actions are provided to stakeholders in regular consultations.

In the original assessment of this fishery the team has mainly considered the decision making process concerning the ICES advice and the decision making by the European Commission and Norway. These processes described are basically identical for both the Danish and Estonian fisheries, carried out under the CFP and within NEAFC. There is thus no reason to conclude that the addition of the Danish vessels to the UoC would influence the score of the original assessment on PI 3.2.2.

Principle 3: PI 3.2.3 – Monitoring, control and surveillance

The MCS system in the Barents Sea cold water prawn fishery includes VMS, logbook requirements (paper logbook and ERS), port state control when the shrimp is landed and control and inspections at sea. Concerning monitoring with VMS it is important that both Estonia and Denmark are EU member states



and that the use of VMS is implemented through EU regulations. The same applies to reporting requirements. The VMS data and the logbook of the Danish vessel will be transmitted to and monitored by Denmark instead of Estonia but basically the requirements and the monitoring are identical.

Ocean Tiger has informed the audit team that the shrimp caught will be landed mainly in Tromsø, Norway. This is the same harbour where the Estonian vessels land their catch and thus it can be concluded that also port state control for the Estonian vessels and the Danish vessel will be identical.

Concerning inspection at sea the arrangements are also identical. Inspection at sea in the Svalbard area is carried out by Norway. In international waters (the Loophole) inspections can be organised by NEAFC through joint deployment plans. Inspection vessels of (several) EU member states can carry out inspections in the framework of these plans. On top of that also Norway carries out at sea inspections in the Loophole.

As in the Estonian management system within the Danish management system there is a set of sanctions and fines to deal with non-compliances. The EU has implemented a point system for infringements (Control regulation 2009/1224; 2011/404). These sanction systems can lead to high fines or loss of fishing opportunities.

Considering the above it can be concluded that the MCS system for the Danish vessel is basically identical to that for the Estonian vessels and thus that the addition of the Danish vessels to the UoC does not influence the score of the original assessment on PI 3.2.3.

Principle 3: PI 3.2.4 – Research plan

The Barents Sea ecosystem is a well-studied ecosystem. Research in the Barents Sea is mainly conducted by research institutes in Russia and Norway (IMR). This research has resulted in countless scientific publications on different aspects of the ecosystem.

Research is planned by Denmark in the framework of the financing of scientific research programme of DTU-Aqua. It is decided by the Food, Agriculture and Fisheries which research projects should be undertaken to address relevant fisheries management issues. Research is also planned within DTU-Aqua on the basis of allocation of available budgets and meeting the EU requirements of data collection. The research projects undertaken includes: investigations on fish and shrimp stocks, incl. stock size, structure and distribution, fishing technology and selectivity of fishing gear, sustainable harvesting of commercial species and the monitoring of the populations of marine mammals and birds. Currently there is not much general research specifically conducted on the Barents Sea ecosystem but Danish scientists are involved in the Joint NAFO/ICES Pandalus Assessment Working Group (NIPAG). Research is also planned within (the terms of reference TOR of) this working group. Research findings are made available through annual reports and ICES papers published on ICES, DTU-Aqua, IMR web sites.

The conclusions on this PI at the original assessment refer to planning of research within the NAFO/ICES working group as well. It is also stated in the scoring rationale that the research direction is steered by research funding through the government. This latter remark is directing in the same way as the statement above that research is planned in the framework of the financing of DTU-Aqua scientific research programme by the Danish Ministry of Food, Agriculture and Fisheries. There is thus no reason to conclude that the addition of the Danish vessels to the UoC would influence the score of the original assessment on PI 3.2.4.

Principle 3: PI 3.2.5 - Monitoring and evaluation

The fishery is regulated by the Norwegian fisheries management system (Svalbard area), NEAFC (international waters) the EU CFP and the Danish fisheries management system. The evaluations



systems of the Norwegian, EU and NEAFC management systems are identical for the Danish vessel and the Estonian vessels and do not need further evaluation here.

Within the Danish Management system there are mechanisms in place to periodically evaluate parts of the management system based on internal review within the Ministry of Food, Agriculture and Fisheries. Management issues will be regularly discussed within the Fisheries Committees that have been established by the Fisheries Act 2004.

One review on the Danish Fisheries has been requested by the European Parliaments Committee on Fisheries (Semrau & Ortega Gras, 2013). This report can be considered an external review. Scientific evaluations on the shrimp fishery have also been conducted by scientists and published in research papers. The Danish management system will also be evaluated externally by the National Audit Office (Rigsrevisionen), an independent institution that falls under the Danish National Parliament.

At the national level concerning the level of evaluation of the Danish management system it can be concluded that the system is subject to regular internal and occasional external review and in this respect there is no difference with the Estonian management system. There is thus no reason to conclude that the addition of the Danish vessels to the UoC would influence the score of the original assessment on PI 3.2.5.

2.9 Determination, Formal Conclusion and Agreement

It is therefore concluded that that the addition of the Danish vessel to the Estonia North East Arctic cold water prawn UoC represents no measurable change in the environmental footprint of the fleet nor that there are any issues concerning the effective management of the fishing operations and conduct of these vessels.

The Danish component therefore achieves a score of 80 or more for each of the three MSC Principles, and did not score under 60 for any of the set MSC Criteria. The assessment team therefore recommends the scope extension of the Estonia North East Arctic Prawn certificate to cover additional vessel (Ocean Tiger) as specified in the "Table 1: Revised UoC" in this report.

2.10 References

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Council Regulation (EC) No. 2371/2002 on the conservation and sustainable exploitation of fisheries resources under the Common Fisheries Policy. (Common Fisheries Policy Basic Regulation.)

Council Regulation (EC) No. 2371/2002 on the conservation and sustainable exploitation of fisheries resources under the Common Fisheries Policy.

Danish National Institute for Aquatic resources website: <http://www.aqua.dtu.dk/>

Danish National Audit Office (Rigsrevisionen) website: <http://www.rigsrevisionen.dk/>

Ministry of Food, Agriculture and Fisheries, The AgriFish Agency website: <http://agrifish.dk/>

Norwegian Institute for marine Research website: <http://www.imr.no/en>

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APPENDIX 1 STAKEHOLDER SUBMISSIONS

No written stakeholder submissions were received.



APPENDIX 2 LIST OF MEMBER VESSELS

Taurus (EK-9914)
Ontika (EK-0101)
Reval Viking (EK-1202)
Ocean Tiger (R38)

Eldborg (EK-0604) is currently do not fish in the UoC



APPENDIX 3 SURVEILLANCE FREQUENCY

The Ocean Tiger vessel will follow the same surveillance frequency which was established for Estonia North East Arctic Cold Water Prawn fishery. See more details in the Enclosure 4 of the Public Certification report: http://www.msc.org/track-a-fishery/fisheries-in-the-program/certified/north-east-atlantic/estonia-north-east-arctic-cold-water-prawn/assessment-downloads-1/20131106_PCR_PRA387.pdf

APPENDIX 4 CLIENT AGREEMENT

Client agreement

On behalf of the Reyktal Ltd, I accept the scope extension certification report Estonia North East Arctic cold-water prawn fishery with the terms of certification detailed therein. I also confirm that information on fishing activities and scope of certification is up to date and correct.

Name: *MATI SAREVET*

Place: *TALLINN*



Signature: *[Handwritten Signature]*

Date: *16.02.15*

On behalf of the P/R Ocean Tiger, I accept the scope extension certification report Estonia North East Arctic cold-water prawn fishery with the terms of certification detailed therein. I also confirm that information on fishing activities and scope of certification is up to date and correct.

Name: *PETER PEDERSEN*

Place: *NEXØ*

Signature: *[Handwritten Signature]*

Date: *16/2-15*

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