Action Plan to the Annual Fleet Report 2019 of Latvia

Concerning adjustments of the Fleet Segment Trawlers VL2440 and Gillnetters in Fleet Segment Less Than 24 Meters Targeting Baltic Cod

1. Introduction

Member States compile an Annual Report on the balance between the fishing capacity of their fleets and their fishing opportunities to meet the aim of Article 22(1) of Regulation (EU) No 1380/2013 of the European Parliament and of the Council, which states: "*Member States shall put in place measures to adjust the fishing capacity of their fleet to their fishing opportunities over time*".

To achieve a balance between fleet capacity and fishing opportunities, the fleets of the different Member States are segmented based on main gear used and on length size of the vessels. To evaluate each of this segments common indicators of vessel activity, economical and biological indicators are established. The methodology for calculating these indicators shall follow the guidelines set out in COM (2014) 545 final.

Article 22(3) of the COM (2014) 545 final states that: "*If the assessment clearly demonstrates that the fishing capacity is not effectively balanced with fishing opportunities, the Member State shall prepare and include in its report an action plan for the fleet segments with identified structural overcapacity*".

This Action Plan identifies the part of the fleet segment VL2440 which indicators clearly show that the respective segment capacity targeting Baltic cod is not in balance with fishing opportunities.

Due to direct cod fishery ban in the Baltic gillnet fishing vessels targeting Baltic cod will be considered to remove from the fleet in this Action plan because there is not sufficient quota of other fish stocks.

2. Technical Indicators

Latvian fleet segment of trawlers VL2440 is targeted to the three stocks fished in Baltic Sea: sprat, herring and cod. Taking into account the reduction of sprat and herring fishing quotas in last few years and implementation of targeted cod fishery ban in eastern part of the Baltic Sea (partly in 2019 and in full extent in 2020) the values of two technical indicators are in red zone according to the traffic light system.

Level of inactive vessels increased in last few years to almost 14% (**Fig.1**). In the period of 2014-2017 average level of inactivity was around 4%. Annually Latvia fulfils the fishing quotas of the sprat and herring assigned thereto almost completely. Taking into account implementation of targeted cod fishery ban the level of inactivity could be higher in the next years because vessels targeted to cod fishery cannot reorient to sprat and herring fishery due to unavailability of sufficient quota.

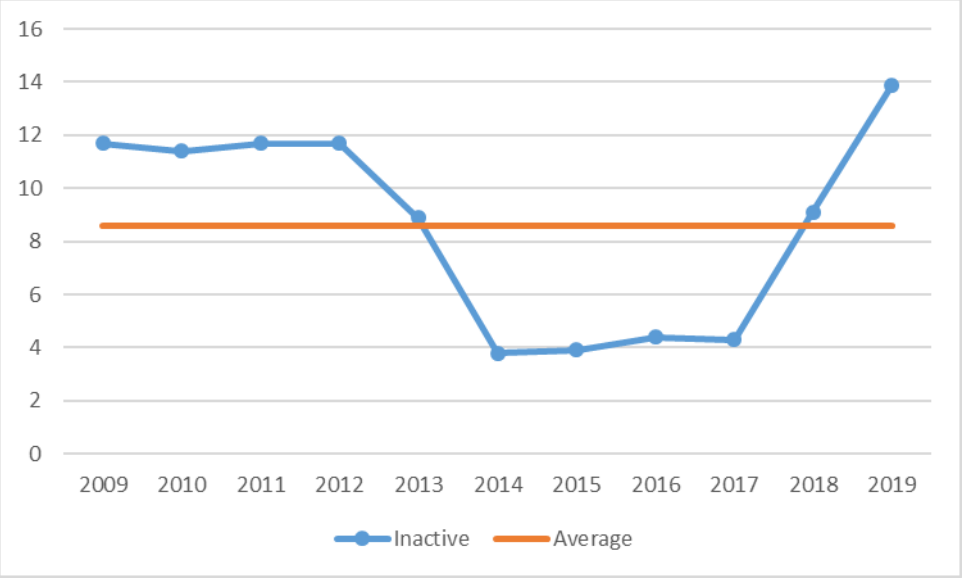

Fig.1. Level (in %) of inactive vessels in 2009-2019.

The average utilization level of fleet segment VL2440 in period 2006-2019 is less than 60% (**Fig.2**). The maximum was reached in 2018 and it constituted 73%. In 2019 level of utilization decreased to 66%. Taking into account sprat and herring quota reduction and targeted cod fishery ban partly in 2019 and fully in 2020, part of this segment could

be out of fishery. As the result, some of the fishing vessels in the segment VL2440 will not be fully utilized and could increase the level of inactive vessels already starting from this year.

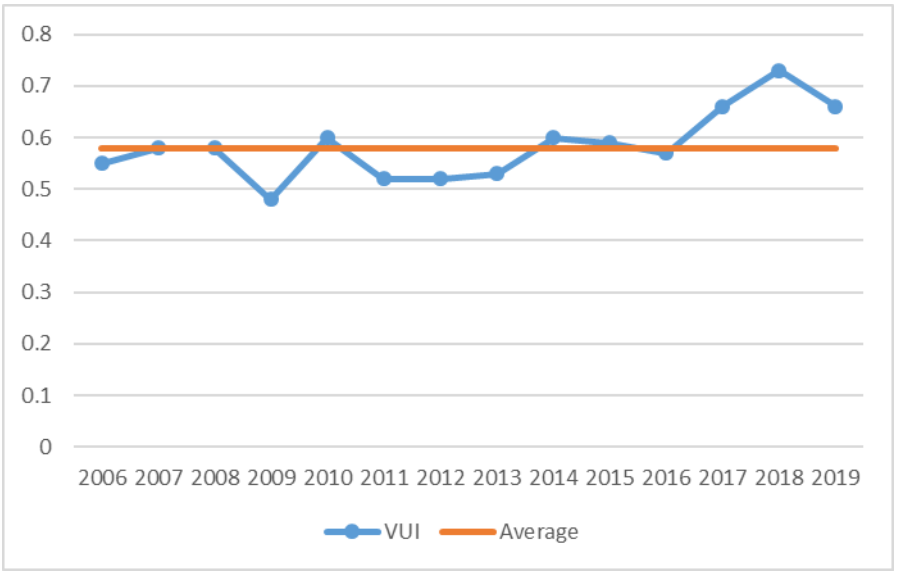

Fig.2. Level of Vessel Utilization Indicator in 2006-2019.

Analysis of gillnet fishing vessels shows that in last years these vessels were trying to reorient from cod fishery to salmon fishery in the Baltic sea but unsuccessful. Fishing of salmon using longlines is not very effective and not used by fishermen very often. In period 2014-2018 two fishing vessels were inactive at least one year. In other years average VUI of one vessel was higher than 0.9 what could be explained with attempts to reorient to seasonal salmon fishery, average VUI of second one was close to 0.3 and shows that vessel was involved in fishery not more than one and a half month during the year.

3. Biological Indicators

A review of changes in the SHI indicator values in 2006-2018 for the fleet segment VL2440 shows that this segment has quite high potential of fishing capacity (Fig. 3). Noticeable dominance of values above "1" (9 years out of 13) demonstrates the risk of being permanently in the “red zone”, i.e., outside the “balance between fleet capacity and the possibility of fish resources” in at least medium term.

As two gillnet fishing vessels are harvesting the same Baltic cod stock as fleet segment VL2440 it could be considered that they are outside the “balance between fleet capacity and the possibility of fish resources” in at least medium term.

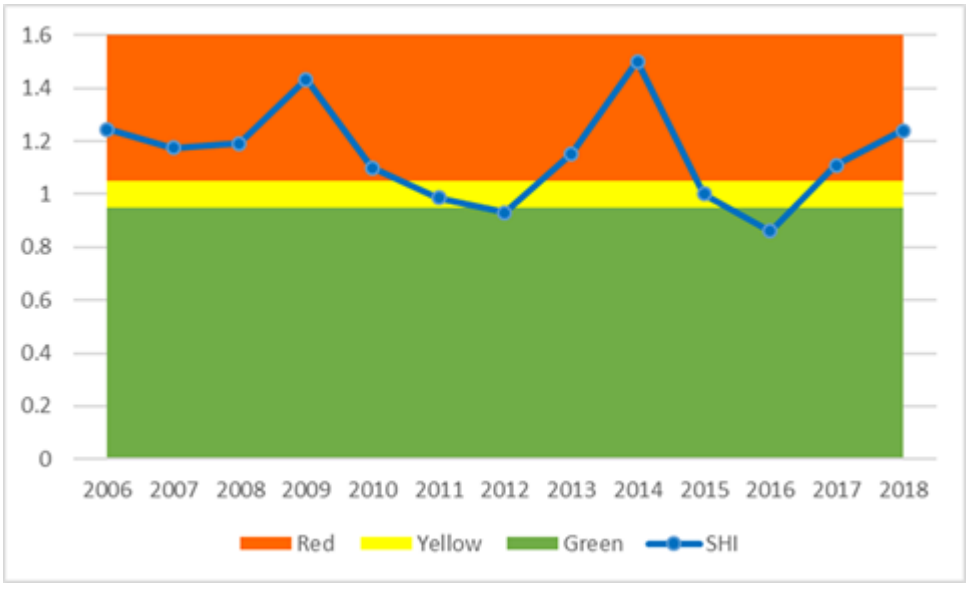

Fig.3. Level of Sustainable Harvest Indicator (ratio of fishing mortality and maximum sustainable yield) in 2006-2018 mapped in traffic light system.

The latest ICES advices noted that when the precautionary approach is applied, there should be zero catch of Eastern Baltic cod in 2020. Even with recorded lowest fishing mortality (what is significantly lower than natural mortality), spawning stock biomass of cod is below B_{lim}. Probability to reach good stock status in short and medium time is below 0.01%. Recruitment of cod has been declining, and the latest recruitment estimates was the lowest in the time series. The stock size of three pelagic stocks fished by Latvian fishermen (herring in Central Baltic Sea, herring in the Gulf of Riga and Sprat in the Central Baltic Sea) are above biological reference points and is on safe level therefore no effort reduction is needed for midwater otter trawls.

4. Description of fleet segment VL2440 and two gillnetters in fleet segment less than 24 meter

The fleet segment VL2440 in 2019 consisted of 43 vessels with overall engine power equal to 14601 and overall gross tonnage equal to 5778 (Table 1). Only 37 vessels were active in 2019. Six vessels were inactive in 2019 due to reduced quota on herring and due to low catches of cod in first half of the year and partly ban of targeted cod fishery in eastern part of the Baltic Sea as from April 2019 (by the National and the European Commissions' decisions).

Table 1. Description of fleet segment VL2440

2019	Number	KW	GT
Active	37	12763	5103
Inactive	6	1838	675
Total	**43**	**14601**	**5778**

The overall engine power of two gillnetters in fleet segment less than 24 meters is 441 and overall gross tonnage 151. Both vessels were active in 2019.

5. Aims to be achieved

In fleet segment VL2440 main fishing gears are midwater otter trawls (OTM) targeted to sprat and herring and bottom otter trawls (OTB) targeted to cod. Biological indicators provided by ICES are showing positive trend for stock utilized by midwater otter trawls, while fishing opportunities for bottom otter trawls targeting eastern Baltic cod will be limited or close to zero. With the aim of adjusting fleet capacity to available resources, the goal of fleet reduction was therefore set based on highest total cod catches in 2014-2018 (more than 150 tons or cod should be at least 65% from total catches). The aim of adjusting fleet capacity to available resources will be achieved through the permanent withdrawal from fishing activity of a number of vessels, which were involved in cod fishery in 2014-2018. Taking into account hard restrictions for eastern Baltic cod targeted fishery as from April 2019 (national and the European Commission emergency measures) the cod fishing activities in 2019 is no very representative and the catches are extremely low. An overall reduction in the fleet segment VL2440 is expected to achieve level up to 24% less vessels, up to 20% less gross tonnage and up to 20% less engine power (Table 2).

In fleet segment less than 24 meters main fishing gear is Set gillnets (anchored) (GNS) targeted to cod and flounder. This fleet segment consists of two fishing vessels which is decided to remove from the fleet (Table 2).

Table2. Aim of reduction

	Number	KW	GT
VL2440	10	2809	1138
Less than 24 meters	2	441	151
Total	**12**	**3250**	**1289**

6. Action Plan Implementation Schedule

The fleet adjustment measures will be decided for their implementation before 31-12-2020 in accordance with applicable European Union legislation. The most appropriate and efficient implementation time frame would be within the programming period 2014-2020 (with n+ 3 rule). In a case of unavoidable legal and technical constrains or limitations the available measures under next programming period 2021-2027 should be used.

7. Applicable Financial Instruments

Fishing vessels will be permanently withdrawn through financial aid provided to vessel owners and respective fishermen from the segment of trawlers VL2440 as described in this Action Plan and capacity as identified in Table 4, in accordance with Article 34(2), (3) and (5) of Council Regulation (EU) 508/2014 (EMFF Regulation) of 15 May

and other rules which may be established in national legislation. The amount of aid will be determined based on the calculation methods set out in the operational programme OP Mar 2020.

In accordance with EMFF regulations, vessel owners in the fleet segment of trawlers VL2440 specified in this Action Plan and falling under capacity identified in the Table 4 may not benefit from aid for the replacement of drive and auxiliary engines (Article 41(2) and (3)). Moreover, they may not benefit from the aid set out in Article 31 for start-up support to young fishermen (Article 31(1)(d)).

However in a case of unavoidable legal and technical constrains or limitations which could appear within the existing legal framework of the EMFF then the available measures under next EMMF programming period 2021-2027 should be applied in accordance to respective regulations in force.