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European foreword

This document is a working document.

Introduction

The European distant water sector makes up only about 1 % of the total EU fishing fleet, but provides 21 % of total EU catches, with 13 % being caught in the high seas and 8 % in non-EU EEZs [1]. The economic and social importance of the EU long distance fleet is dependent on access to productive non-EU waters, which can be gained via five different options [2]:

- 1) Fishing licence within international waters gained as a Contracting party of a regional fisheries management organisation (RFMO);
- 2) Fishing in a high seas area not under the mandate of an RFMO;
- 3) License to fish in the EEZ of a third state via Sustainable Fisheries Partnership Agreement (SFPA) between the EU and the coastal State;
- 4) License to fish in the EEZ of a third State via private agreement issued directly to EU shipowners by the authorities of the coastal State;
- 5) Charter contracts where ships with European flags are rented to operate with a non-EU licence.

When considering the access gained within third States EEZs (the latter three options), concerns have been raised regarding the efficiency of the management of these fisheries and their sustainability, mostly due to the frequent data limitation from these areas and common inadequacy in monitoring, compliance and enforcement capabilities. Furthermore, as the fish stocks targeted by the EU fleet within these third State EEZs are usually essential to the economies, diets and livelihoods of the coastal States, ensuring responsible and sustainable fisheries is of utmost importance for all actors involved. Therefore, an increased flow of information and cooperation between the EU and the third States involved would be of great value.

The management recommendation (MR) process described in this document offers best practice guidelines towards improved cooperation between the EU operators fishing in the waters of a third State and the authorities involved, both regional and relevant EU authorities. It follows a framework where the resource users (the operators) are directly involved in the management and decision-making processes, giving them new management responsibilities, while being under the watchful eye of the relevant authorities that have the ultimate decision-making power within the process. Within the MR process, the operators suggest specific management recommendations that together form a plan to reach specific management objectives, previously set forth by the competent authorities. Here, the responsibility of fisheries management is partially transferred to the resource user, who also has to provide the relevant authorities clear documentation on progress towards reaching the management objectives. The aim of implementing the MR process is therefore to facilitate improved cooperation between relevant parties, increased data flow and transparency.

The MR process consists of nine steps performed by three different entities:

- Relevant operators;
- Competent authorities;
- Auditor.

Each entity will play a specific, pre-defined role in each of the nine steps. The guidelines described in this document offer firstly, an outline of the nine steps of the MR process, and secondly, detailed guidance for each of the three entities of the MR process.

1 Scope

This document gives good practice guidelines for developing management recommendations (MRs) for the EU fleet operating outside European waters and offers a roadmap towards:

- The identification of management objectives set forth by the authorities based on existing management issues hindering environmental, social and economic sustainability of the fisheries in question; and
- attaining the set management objectives through identification of a plan in form of management recommendations, set forth by the EU operators.

2 Normative references

The following documents are referred to in the text in such a way that some or all of their content constitutes requirements of this document. For dated references, only the edition cited applies. For undated references, the latest edition of the referenced document (including any amendments) applies.

There are no normative references in this document.

3 Terms and definitions

For the purposes of this document, the following terms and definitions apply.

ISO and IEC maintain terminological databases for use in standardization at the following addresses:

- ISO Online browsing platform: available at <http://www.iso.org/obp>
- IEC Electropedia: available at <http://www.electropedia.org/>

3.1

auditor

independent agent with capacity to audit the performance of the MR

Note 1 to entry: The auditor reviews documentation, evaluates the extent to which the outcome targets (OTs) have been achieved, and submits the audit to the authority and operator(s).

3.2

authority

democratically accountable entity entrusted with the resource management responsibility within the MR process

Note 1 to entry: It is the enacting authority in pursuit of the management objectives decided for a fishery. The authority can come from the coastal state or the European Commission, or both. They oversee the MR process and

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issue the “MR invitation”, which includes specification of measurable objectives, so called “Outcome targets” (OTs), set in order to operationalize goals of existing policies.

Note 2 to entry: The authority has the power to accept or reject the MR developed, proposed and implemented by the operators, based on its performance against the OTs.

3.3

management measure

specific controls applied in the fishery to contribute to achieving the OTs (set by the authorities)

Note 1 to entry: These can be in the form of technical measures (gear regulations, closed areas and time closures), input controls, output controls and user rights

3.4

management objective

objective typically framed within the overall concept of sustainable development and reflects one or more of the various dimensions and criteria that relate to it, with the overall aim to reach biological, social and economic sustainability of the fishery in question

Note 1 to entry: Management objective can include e.g. sustainable utilisation, profitable industry, secure employment, reducing discards).

3.5

management recommendation

formal arrangement between the enacting authority and the operators, that specifies the partners in the fishery and their respective roles, the agreed management objectives and outcome targets (OTs) for the fishery, the management rules and regulations that apply within the fishery

Note 1 to entry: Most importantly, the MRs contain the operators’ proposed management strategies on how to achieve the OTs set by the authority.

3.6

management strategy

one or more management measures proposed by the operators, that together form a strategy towards achieving the OTs, set forth by the authorities

3.7

operator

organised group of resource users, e.g. an association of fishermen with rights in a given fishery

Note 1 to entry: Operators develop, propose and implement an MR which they develop based on the OTs set by the authority. The goal of the MR is therefore to achieve the OTs and to document the effectiveness of chosen strategies to reach those OTs.

3.8

outcome target

specific and measurable requirements set forth by the authority and presented to the operators in the initial MR invitation to reflect overall policy objectives in terms of biology, environment, economics and society

Note 1 to entry: OTs are set based on the management objectives.

EXAMPLE SSB > X t, EBIDTA > Y %, employment > Z, discard rate < Q %.

3.9

responsive fisheries management system

RFMS

fisheries management system where sustainability objectives (environmental, economic and social) are defined and it is then left to the resource users to identify the means to meet the objectives and to document the effectiveness of the means, and ultimately achieve the objectives.

Note 1 to entry: Implementation of the RFMS will involve resource users directly in the management and decision-making processes. As a particular type of co-management, RFMS is distinctive in that it entrusts resource users with new management responsibilities. Building on RBM, the RFMS is a process with three main agents: Authorities, Operators and Auditors.

4 Abbreviations

BBNJ	Marine Biodiversity of Areas Beyond National Jurisdiction
CAP	Climate Adaptation Plan
CFP	Common fisheries policy (of the EU)
DG Mare	Directorate-General for Maritime Affairs and Fisheries (EU)
EBITDA	Earnings before interest, taxes, depreciation, and amortization
EEZ	Exclusive economic zone
MEY	Maximum economic yield
MR	Management recommendation
MR0	Management recommendation zero
MSY	Maximum sustainable yield
OT	Outcome target
RBM	Results-based management
RFMO	Regional fisheries management organisation
RFMS	Responsive fisheries management system
SFPA	Sustainable Fisheries Partnership Agreement
SSB	Statistics Norway

In high-seas fisheries, the role of the authority belongs to the RFMO, where one has been established and is operational for the area. In the absence of an RFMO, the application of the MR process within the RFMS context is not possible, as the existence of a competent authority is a prerequisite for the application of RFMS.

5.4 Operators: Roles and responsibilities

The operator is an organizational unit entrusted with the responsibility to develop and implement the MR, if it fulfils requirements defined by the authority. Successful development and implementation of MR requires a well-organized and committed operator. It could be one or more groups of fishers targeting the same type of resource and/or it could be specified in terms of gear type or fishing areas. The operator should represent all resource users in a fishery, as this would offer the operator with the full potential to develop and implement the proposed MR. An operator that only represents a share of a fishery will have much less scope for developing an effective MR. An effective MR process may require cooperation between several EU fisheries organisations, potentially from different Member States and even using different types of fishing gears. These parties should then act as a common operator during the MR process and the development of MRs for each of the species within the SFPAs water in question. Another option could be to create separate MR for each gear type used for catching the target species in question.

Where the SFPAs cover mixed fisheries, selecting one or more fisheries to enter the MR process may be necessary as a starting point, as initiating multiple processes simultaneously may be inefficient, expensive and simply too complicated for all parties. Whether the fleet of the third nation (or other foreign fleets with access/fishing rights) in which the fishery occurs, is to be included in the MR or not, will differ between cases. This should be based on capacity of the fleet, available data and management capacity of the country.

5.5 Auditor: Roles and responsibilities

The auditor should be a research organization or certification body hiring experts capable of analysing and reviewing the documentation provided by the operator during the implementation of a MR. The main purpose of the audit is to evaluate whether, or the extent to which, the OTs have been achieved. The quality of the submitted documentation should also be assessed, as adequate documentation is part of the requirement for access to the resource in the MR process. The auditor(s) should be independent (e.g. an expert group or certification body without strong institutional linkages to authority and operators). One question to be resolved is how Funding of the auditor shall not undermine the auditors' independence from the authority and the operator.

For pragmatic reasons, a relevant but non-independent agency (e.g. a National research institute or Universities) may be used as auditor, provided it is trusted by both parties. Some level of independence is nevertheless necessary to increase transparency and external credibility of the audit. Persons involved in the audit work shall not be involved in the work of the other RFMS agencies.

5.6 Roles and duties of the RFMS entities within the MR process

No legal definition of RFMS exists. The MR process does therefore not imply legal changes in the distribution of rights and duties between the contracting partners. The agreements in the MR may be formalized and signed as a formal contract between the two parties (or more parties, as could be the case in SFPAs and high-seas fisheries) to increase their mutual confidence in the agreement.

The MRs contain strategies on how to achieve the OTs set by the authority based on the management objectives. These strategies should formally be proposed by the operator, although the authority or contracted research services may assist with the MR development. A draft MR may circulate between the operator(s) and authority until it is found acceptable to both parties, that is, when the strategies set

forward in the draft are considered sufficient to achieve the OTs and considered practicable by the operator(s). The authorities should also evaluate whether the operator’s strategy for progress documentation and data collection is satisfactory, and sufficient in terms of allowing for an audit.

Once the proposed MR has been accepted by the authorities and the implementation of the MR has started, the auditor(s) shall evaluate whether the operators are successful in meeting the OTs. The auditor shall inform the authority, who can request revision of the MR if progress on the OTs is not satisfactory. Table 1 gives an overview of the main roles of the three entities within the MR process.

Table 1 — Overview of main roles of the three RFMS entities within different steps of the MR process, including development, approval, implementation, audit and adaptation of management recommendations (MRs).

	MR Invitation	MR development and approval	MR implementation	MR audit and adaptation
Authority	<ul style="list-style-type: none"> — Initiates and participates in pre-invitation dialogues — Prepares MR invitation (including OTs) and MR0 	<ul style="list-style-type: none"> — Oversees MR process and process log — Evaluates MR proposal from operators — Requests revisions or clarifications if needed — Arranges public hearing — Requests revisions/ approves/rejects the MR 	<ul style="list-style-type: none"> — May provide MR services (e.g. research and enforcement) if agreed in the MR 	<ul style="list-style-type: none"> — Revises OTs and requests MR revision, if needed and requested by auditors
Operator	<ul style="list-style-type: none"> — Participates in pre-invitation dialogues and meetings with authority — Receives and accept MR invitation from authorities 	<ul style="list-style-type: none"> — Develops, revises and submits the initial MR proposal, including management strategies for achieving all obligatory OTs set within the MR 	<ul style="list-style-type: none"> — Implements approved MR — Arranges MR services (e.g. control and monitoring, research, enforcement) — Documents and collects data for MR audit 	<ul style="list-style-type: none"> — Adapts MR if requested by authority

	MR Invitation	MR development and approval	MR implementation	MR audit and adaptation
Auditor			<ul style="list-style-type: none"> — Receives and analyses documented data from operators 	<ul style="list-style-type: none"> — Periodically audits MR performance on OTs, based on operator's documentation — Audits the MR process through authority's MR process log

5.7 MR process in international and SFPA waters

5.7.1 General

While the RFMS framework was not designed for fisheries within international waters or fisheries under SFPAs, the framework is applicable for these fisheries with slight adjustments.

5.7.2 SFPA fisheries

In fisheries under SFPAs, there should be two main authorities with shared responsibilities within the MR process: the EU authorities and authorities from the non-EU nation (coastal state) which has signed an SFPA with the EU. Relevant RFMOs can also play an important role in assisting the non-EU coastal states. For participating operators, the ideal scenario would be to have all fleets fishing in the area involved, as this will deliver the most effective and robust MR. It is recognised that under current regime it is unlikely that foreign fleets other than the EU fleet will take part in such an initiative.

5.7.3 High-seas fisheries

For the high-seas fisheries the multiple operating groups need to be accounted for, as a productive fishing grounds in international waters can be targeted by multiple fleets. The responsibility of the authority within the RFMS framework lies with the Regional Fisheries Management Organisation (RFMO), where one is in place. When no RFMO is operating within the area, the situation becomes much more complicated, as it has been debated for more than 50 years who should govern the high-seas. There is also an ongoing debate on international ocean governance at the EU and the process of management of biodiversity in areas beyond national jurisdiction (BBNJ).

The existence of a competent authority is a prerequisite for the MR process to work. Therefore, the MR process cannot be applied in high-seas areas (international waters) without an active RFMO.

The complexity of MR process in high-seas and SFPA fisheries will differ significantly between cases, primarily depending on the number of different operating groups, their willingness to cooperate, participation of different authorities and the data availability.

5.8 Overview of the MR process

5.8.1 Initiation of the MR process – “Pre-invitation dialogues”

The MR process begins with dialogues between the authority and the operator(s). This initial contact occurs prior to the formal MR invitation from the authorities. The initiative to start the MR process can come from either the operator(s) or the authorities, the pre-invitation dialogue should preferably be facilitated by the authority. The purpose of this dialogues is to create mutual understanding of the MR process ahead, define participating entities, create a mutual understanding of potential costs and benefits for both parties, main obstacles, as well as the roles and responsibilities of both parties. If the conclusion from this pre-invitation dialogue is that creating MR under the MR process (RFMS approach) is feasible, the process should be taken forward with a formal MR invitation.

Responsible entity: Authority and operator(s).

5.8.2 The MR invitation

If the parties agree that the MR process based on RFMS should be pursued in the given context, the authority prepares a formal invitation to enter the MR process, which the operator(s) receive. The MR invitation outlines the specific and measurable requirements, outlines participating entities (including contact details) and their roles and responsibilities within the process and the MR process timeframe. The MR invitation further defines the management objectives for the fishery in question as well as the authorities’ outcome targets (OTs), set based on the existing management objectives and MR0 (Management Recommendation Zero), which is a description of the current status of the fishery.

Responsible entity: Authority

5.8.3 The MR proposal

The operator(s) shall respond to the MR invitation from the authority. The MR proposal shall/should contain the management recommendation (MR), with details on how the OTs can be achieved through a suggested set of management measures. The operator may cooperate with relevant scientific bodies or individuals during the development of the MR, such as through modelling of the effect of suggested management strategies and measures. Such input would not only increase the effectiveness of the recommendations/plans, but also help to create a robust and convincing MR, more likely to be approved by the authority.

Responsible entity: Operator(s)

5.8.4 MR evaluation and polishing

After evaluating the operator’s MR proposal, the authority may request revisions or clarifications. A complete MR draft is quality checked by the authority, focusing on the following questions:

- a) Does the MR present a convincing strategy for achieving the OTs?;
- b) Does the MR include an adequate strategy for collecting information and data that allows for auditing of the MR performance?

If needed, the authority may seek expert support from either a relevant science body or the auditor(s) appointed in the MR. This process is likely to include several iterations.

Responsible entity: Authority

5.8.5 MR hearing and approval

Before formally accepting the MR from the operators, the authority should ideally arrange a public hearing on the MR proposal, allowing comments to be raised by all relevant stakeholders and interested parties. The purpose of this hearing is to promote transparency, public awareness and public discussions on the MR. How issues raised during the hearing should be reflected in the MR before it can be approved will be up to the authority. This shall/should be done in consultation with the operators and might even require revisiting previous steps in the MR process.

Responsible entity: Authority

5.8.6 MR implementation, control and documentation

If an MR is approved by the authority, the operator is to proceed with its implementation. The operator may in some cases seek assistance from the authority on certain aspects of the implementation, for instance, asking the authority to supply enforcement services, etc. The operator is responsible for collecting and documenting the relevant information and data required to assess the performance of the MR and whether or not the OTs are being achieved.

Responsible entity: Operator(s)

5.8.7 MR audit

The documentation provided by the operator during the implementation of an approved MR is reviewed by an auditor. The auditor assesses whether or not (or the extent to which) the OTs are being achieved and provides updated information on implemented management actions and their apparent consequences and results. This assessment provided by the auditor shall serve as a basis for drafting a modified MR, if needed.

Responsible entity: Auditor(s)

5.8.8 MR adaptation

If the audit demonstrates that the OTs have been or are being achieved, the operator may proceed with the implementation of the MR. If the OTs are not being met, the authority shall request revisions for the MR, set stricter requirements, or implement other sanctions.

Responsible entity: Authority and operator(s)

5.8.9 The MR process log

To enhance transparency and other aspects of good governance, a log of key events in the MR process should be provided by the authority; and be made available to interested parties. Such key events include main meetings between the operator and the authority, submission of the MR invitation by the authority, submission of the initial MR by the operator(s), MR hearing, and MR approval. The authority should provide dates and minutes from all such milestones within the process. A good MR process log by the authority shall not only provide transparency to all involved parties and other interested stakeholders, but can also be used by the auditor(s) as a basis for evaluating the MR process (e.g. to assess the timeliness of responses from the authority).

Responsible entity: Authority

6 General guidelines for making MRs – Task descriptions for authorities

6.1 Pre-invitation dialogues

6.1.1 General

The initial step of the MR process is when the authority initiates a dialogue with the operator(s). If this pre-invitation dialogue concludes with an agreement between the authorities and the operators to initiate the MR process, the authority shall formally submit an MR invitation to the operator(s). Successful pre-invitation dialogues can reduce the likelihood of unexpected incidents or delays in the MR process.

The authority and the operator(s) shall/should make an initial contact and set up a meeting to discuss potentials and limitations of creating an MR. As this initial meeting should clarify whether pursuing the MR process is feasible, it should be well prepared in terms of what should be discussed and what needs clarification. Main goals, challenges, costs and benefits for all participants shall be clarified and documented at this stage and an initial discussion on the authorities' OTs should take place. Although the official OTs won't be formally established until the formal MR invitation will be submitted, the authorities should present their candidate OTs for the fishery at this stage and open it for discussion. This will help all participants to evaluate whether reaching the desired OTs will be realistic and thus, whether the MR process should be initiated. As OTs can both be recommended and obligatory, the authority should clarify the priority level assigned to each OT while presenting them, to avoid misunderstanding regarding the direction and goals of the MR process. Once this initial discussion on the OTs has taken place, the authorities may revise their OTs and their priority level, before submitting the formal OTs in the MR invitation. OTs can further be adjusted during the MR process and, in some cases, revised after a certain time period post implementation, if significant changes in conditions are observed.

In the context of RFMS and RBM it should be entirely up to the operators to identify how they can achieve the OTs set by the authorities. MR process must however adjust to high-seas and SFPAs fisheries. Therefore, the operators cannot be made solely responsible for achieving all OTs with the MR process, as the OTs may be in the form of policy recommendations, changes in regulations or requirements set by e.g. EU, member State, flag State, coastal State or RFMOs; or can be in the form of identification of necessary research and/or knowledge building needs.

Once the Pre-invitation dialogue has taken place and all participants agree on moving forward with the MR process, the authorities should publicly announce the initiation of the MR process. This will increase transparency and ensure participation of all interested stakeholders.

6.1.2 Gathering all relevant authorities

Fisheries governance in the CFP involves authorities at different levels, which primarily includes a CFP level (the Council of Ministers, the European Parliament and the Commission) and a member state level (e.g. the national ministry of fisheries). The appropriate level of the authority that will be in contact with the operator(s) depends on the fishery in question. For fisheries occurring in non-EU waters under an SFPA, the authority should be on a European level (e.g. DG Mare), while having the authorities of both the EU Member State(s) fishing in the area, as well as the national authorities of the non-EU country in question is beneficial. Different types of OTs can also sometimes be set by different authorities. For example, the responsibility for setting key biological OTs could be on a European level, while the responsibility for setting socio-economic OTs for the main nations conducting fishery within an SFPA can be set by the EU Member State(s), and socio-economic OTs relevant for the non-EU SFPA country can be set by the national authorities. For a fishery taking place in international waters (high-seas fisheries) the authority should ideally be exercised at regional level where an RFMO is in place. In the absence of an RFMO the application MR process is not possible.

6.1.3 Gathering all relevant operators

An effective MR process may require cooperation between several fleets, acting together as operators. For SFPA fisheries, cooperation between several EU fisheries organisations, potentially from different Member States and even using different types of fishing gears may be necessary. Other non-EU fleets operating in the area, as well as the national fleet of the coastal nation, should be included in the process. Whether or not the coastal fleet will be included in the MR process will primarily be based on the capacity of the fleet, their willingness to cooperate, available data and management capacity of the country.

6.2 MR invitation

6.2.1 General

The MR invitation is a formal document, which is submitted by the authority to the operator(s) after the pre-invitation dialogue has taken place. The MR invitation should include three sections:

- a) Introduction;
- b) MR0;
- c) Outcome Targets.

6.2.2 Introduction

The MR invitation should start with an introduction that should include the following information:

- The main focus and purpose of the MR requested;
- The identity and main characteristics of the fishery in question: target species, location, brief notes on the ecosystem and mixed fisheries context;
- Details on the authority that will be leading the process and be in contact with the operators. Provide necessary contact details;
- The identity and main characteristics of operators qualified to respond (share in the fishery, fleet structure, gear type, origin, organisational requirements);
- Time frame for the MR planning period;
- Identification of incentives for operators to participate in the MR process;
- Present role, rights and responsibilities of operators and authorities within the MR process.

6.2.3 Management Recommendation Zero (MR0)

The MR invitation should also include the MR0, which should give a good overview of the current state of affair for the fishery in question. The MR0, which could require input from relevant experts, is divided into two sections

- a) Detailing the current state of affairs and the main challenges;
- b) Potential for improvements using new or existing approaches/tools.

The MR0 should include the following information:

- Geographical and biological boundaries of the fishery in question, details on current data collection, assessment approaches, current fishing activities (including details on the fleets) and landing data;
- Current management structure, management objectives;
- Information on main stakeholders;
- Current Monitoring, Control and Surveillance (MCS), including details of enforcement and compliance to fishery management measures in place.

6.2.4 Outcome targets and indicators

The MR process requires that operators develop MR that explains how obligatory OTs will be met. These OTs, as well as their level of priority (obligatory or recommended), should be clearly laid out in the MR invitation. OTs are specific and measurable requirements that are set by authorities to reflect policy objectives in the given management context and are either obligatory or recommended. In the MR process, the OTs are set by the authority and presented to the operators in the initial MR invitation, to reflect overall policy objectives in terms of biology, environment, economics and society. In European waters, the main biological OTs generally deployed in a CFP context is MSY. MSY related OTs should be set when designing biological OTs in relation to stock sustainability, when appropriate. Aiming for MSY as an OT in SFPAs and high-seas fisheries might/may not always be appropriate. This is mainly due to the fact that the operators involved in the MR process within these fisheries usually represent a limited share of the fishery in question and cannot be made responsible for achieving biological OTs set as objectives for the stock as a whole. Biological OTs that don't necessarily apply to the stock as a whole but can be applied to particular part of the fleet include for example minimum reference sizes, marine protected areas, discard considerations and OTs related to improved selectivity.

As the 2013 CFP reform stated that "...the Union shall conduct its external fisheries relations in accordance with its internal obligations and policy objectives", environmental policies that apply and must be implemented in a CFP area (i.e. the Marine Strategy Framework Directive [3] and the Habitat Directive [4]), should be used for reference when designing environmental OTs in SFPAs fisheries. The authorities in question should define when possible, these OTs in line with CFP environmental policy objectives, and the economic and social OTs that they should strive to ensure that EU fisheries outside Union waters are based on the same principles and standards as EU fisheries within EU waters, when possible.

While being based on CFP policy goals, translating biological, environmental, economic and social policy goals into relevant OTs in SFPAs and high-seas fisheries shall/should also take regional and local policies into account, where relevant. The OTs shall/should be defined in terms of variables that the operators are in a position to control, otherwise the responsibility to achieve the policy objectives in question cannot be meaningfully shifted from the authority to operators. It is recommended that the OTs, to the extent possible, are set in a way that they do not need to be updated annually (e.g. it is better to define OTs in terms of SSB or F as compared to in terms of TACs).

An OT is a textual or mathematical statement that can be evaluated as "true" or "false", where "true" is the target value:

- Textual OT: A natural language statement that can be evaluated as "true" or "false", e.g. "stock assessment exists", "CAP has been developed" or "stakeholders have been consulted".

- Mathematical OT: Normally an inequality, where one of the terms is an indicator and the other one is a reference point or value. E.g. Catch \leq MSY, catch \leq MEY or emissions \leq limit (political reference point).

The actual "true" or "false" value of the OT in question needs to be evaluated at specific times (e.g. once a year), e.g. based on the indicator and reference point value at that specific time.

An indicator is a variable, pointer, or an index related to a criterion. Indicators should be selected in a way that their variations reflect variations in key elements of the fishery resource, the social and economic well-being of the sector and the sustainability of the ecosystem. The position and trend of an indicator in relation to reference points or values indicate the present state and dynamics of the system. Indicators therefore provide a bridge between the objectives and actions [5](FAO 1999). Example of a biological indicator could be F (Fishing mortality), economic indicator could be EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) and a social indicator could be number of jobs. The indicators that relate to OTs should be SMART, i.e. specific, measurable, attainable, relevant and timely. As OTs are an essential element of a successful MR process, effort should be made to identify them in a way that the MR process can deliver the desirable outcome.

In theory the OTs shall be factors that can be controlled by the operators in question through setting and implementing appropriate management measures. OTs that are not within the operators' control should not be included in a MR invitation; as the authority cannot delegate responsibility for achieving management goals that underlie such OTs. The reality in high-seas and SFPFA fisheries is that significant part of "desired" OTs cannot be solely delegated to a part of the fleet fishing in a given area e.g. the EU fleet. The theoretical approach of RFMS does therefore have to be adjusted for such fisheries. OTs that cannot realistically be delegated to operators can still be identified in the MP invitation, but the operators should be given the opportunity (in consultation with the authorities) to delegate responsibility, e.g. to research institutions or identify more appropriate measures to reach/contribute to OTs. These can be in the form of policy recommendations, changes in regulations or requirements set by for example EU, Member state, flag state, coastal state or RFMOs; or can be in the form of identification of necessary research and/or knowledge building needs.

The setting of OTs in the MR invitation should reflect biological, environmental, economic and social perspectives of the fishery. A single OT can touch on more than one of these dimensions. For instance, while an MSY related OT primarily has a biological focus, it will also have implications for the other dimensions. This is also clearly the case if an OT is defined in relation to the concept of Maximum Economic Yield (MEY). While the primary purpose of MEY is to maximize the economic performance of the fishery, it can be associated with lower exploitation rates than MSY, and therefore be more conservative in biological terms.

6.2.5 Outcome targets in the MR invitation

Outcome targets should be:

- as few and concise as possible;
- within the operator's power to achieve through management measures;
- relevant: Focused on the primary goal of the MR process;
- measurable and possible to monitor;
- consistent with and contribute to achieving goals of relevant policies;
- consistent with relevant international conventions;

— clearly defined as either obligatory OTs or recommended OTs.

Table 2 — Examples of OTs. The OTs may address different dimensions of the fishery in question. The authority preparing the MR invitation should assign a clear priority to each OT.

	Dimension	Authority level	Example type	Example OTs
SPPA fisheries	Biological	European	MSY related reference points; by-catch and discard limits; biodiversity protection; habitat protection	Maintain SSB > 100.000 t; discard < 5 % individuals of commercial species; bycatch of red-listed species= 0; no fishing in defined area A; VME avoidance and move-on rules; gear restrictions
	Economic	European/Non-EU coastal state ⁷	Minimum EBIDTA; fleet capacity limits	Maintain average EBIDTA > 0 ; not to exceed certain fleet capacity limits
	Social and cultural	EU member state/Non-EU coastal state	Training/Recruiting young fishermen; equal fishing opportunities for national and foreign fleets;	Ensure on-board training opportunities for > X many newcomers; landing in the area; processing in local factories
High-seas fisheries	Biological	RFMO/coastal states	MSY related reference points; by-catch and discard limits; biodiversity protection; habitat protection	Maintain SSB > 100.000 t; discard < 5% individuals of commercial species; bycatch of red-listed species= 0; no fishing in defined area A; VME avoidance and move on rules
	Economic	National/member state	Minimum EBIDTA; fleet capacity limits	Maintain average EBIDTA > 0 ; not to exceed certain fleet capacity limits

6.3 MR evaluation and polishing

After submitting the MR invitation, the operators should put forward an initial MR, including strategies for achieving the OTs set forth in the MR invitation. Once the initial MR has been submitted by the operators, the authority should review the MR proposal and see if it meets all requirements. The operators proposed management strategies and management measures should be evaluated to conclude whether

- a) they are likely to result in obligatory OTs being met;
- b) they can realistically be implemented within the given context.

The authorities should also make sure that the proposed MR includes strategies for information and data collecting that allows for auditing of the MRs performance.

If the MR evaluation reveals issues that should be addressed, either in terms of effectiveness of proposed strategies and measures, their applicability in the given context, or any other issues that arise which cannot be ignored, the authority should request a revision of the proposed MR from the operator(s). When requesting a revision of the MR proposal from the operator(s), the authorities must include an issue log, containing

- details on the issues that need addressing;
- proposed solutions or alternatives, if relevant.

This should be followed by detailed instructions regarding the timeframe for re-submission, as well as details on any proposed meetings or other dialogues between the operators and authorities, proposed by the authorities, during this timeframe, if needed.

6.4 MR hearing and approval

To promote public awareness, acceptance and public discussions on the operators' proposed MR, the authority should arrange a public hearing. This hearing allows all interested stakeholders and the wider public to review the proposed MR, the OTs and other details of the process. All interested parties or individuals shall/should have an opportunity to comment on both the MR and the OTs, either during the hearing or during a defined public review period after the hearing. The public hearing should be facilitated by the authority after the MR has been submitted by the operators to the authority, but before the approval of the MR. How issues raised during the hearing should be reflected in the MR before it can be approved will be up to the authority.

Following a successful hearing, the MR can be approved and implemented.

6.5 MR adaptation

When a MR has been implemented, the fishery shall/should be subjected to an audit. The timing of the audit, post MR implementation, is case specific and clearly defined in the MR proposal. After having received the audit from the auditor, the authority shall/should evaluate whether adaptation or revision of the MR as a whole, or individual parts of it, is necessary. If the audit show that the OTs are being successfully met, the authorities should inform the operators, who should then proceed with the MR implementation. If the audit concludes that the OTs are not (or only partially) being met, the authority should request a revision of the MR from the operators. The assessment provided by the auditor (the audit) can serve as a basis for drafting a modified, new version of the MR.

If significant changes in conditions have occurred during the implementation phase of the MR, e.g. change in the size of target stock in question or fleet structure, these can significantly influence the progress of achieving the OTs set in the approved MR. This could lead to a negative audit and thus require the authorities to reach out to the operators and revisit both the OTs and the MR, a process ending with a new version of the MR which will then be implemented. However, if significant changes in conditions have occurred, this could lead to the incentives of initially entering the MR process no longer being valid, costs being outweighed by the benefits of the process, or other issues that either result in the MR process no longer being desirable or major disagreement between the two entities on critical aspects of the OTs or MR. Such major changes in conditions can therefore result in termination of the MR by both parties.

6.6 MR process log

The authority should make information on the whole MR process available in the form of a process log. The process log should include:

- a) minutes from all meetings;
- b) details on all key events, such as the public hearing;
- c) all comments received from stakeholders during the hearing and/or the public review period;
- d) all key documents, such as the MR invitation and MR proposals.

7 General guidelines for making MRs - Task descriptions for operators

7.1 Pre-invitation dialogues

The initial step of the MR process is when the authority initiates a dialogue with the operator(s), which, if both parties agree on continuing the process, ends with the authority formally inviting the operators to propose MR for specific fishery over particular time period (the MR invitation). While this step is usually in the hand of the authorities, the operators have a big role and should be well prepared for this initial meeting.

The authority and the operator(s) should make an initial contact and set up a meeting to discuss potentials and limitations of creating an MR. Main goals, challenges, costs and benefits for all participants shall/should be clarified and documented during the pre-invitation dialogues and an initial discussion on the authorities' OTs should take place. The official OTs is not formally established before the formal MR invitation is submitted. The authorities should present their candidate OTs for the fishery to the operators and open it for discussion at this stage. This will help all participants to evaluate whether reaching the desired OTs will be realistic and thus, whether the MR process should be initiated. As OTs can both be recommended and obligatory, the authority should clarify the priority level assigned to each OT while presenting them, to avoid misunderstanding regarding the direction and goals of the MR process. Once this initial discussion on the OTs has taken place, the authorities will get an opportunity to revise their OTs and their priority level, before submitting the formal OTs in the MR invitation. OTs can further be adjusted during the MR process and, in some cases, revised after a certain period post implementation, if significant changes in conditions are observed.

In the context of RFMS and RBM it should be entirely up to the operators to identify how they can achieve the OTs set by the authorities. MR process must however adjust to high-seas and SFPAs fisheries. Therefore, the operators cannot be made solely responsible for achieving all OTs with the MR process, as the OTs might be in the form of policy recommendations, changes in regulations or requirements set by e.g. EU, member State, flag State, coastal State or RFMOs; or can be in the form of identification of necessary research and/or knowledge building needs. For further details on OTs, see Outcome targets and indicators (5.3.3).

Once the Pre-invitation dialogue has taken place and all participants agree on moving forward with the MR process, the authorities should publicly announce the initiation of the MR process. This will increase transparency and ensure participation of all interested stakeholders. The authorities will submit a formal MR invitation to the operators, containing both obligatory and/or recommended OTs.

7.2 MR proposal

7.2.1 General

Once the authorities have submitted the MR invitation (see 5.2 MR invitation) to the operators containing the OTs, the operators should prepare the MR proposal. The MR proposal should define strategies on how to achieve these OTs through a set of management measures and how (and when) these strategies could be implemented in the given setting. The MR proposal should be structured as follows:

7.2.2 Introduction

Presentation and detailed description of the entities involved:

- authority (or authorities) leading the process;
- operator(s) involved;
- auditors.

Main objectives of the MR process should be established as well as the expected time frame for the MR implementation.

7.2.3 Fishery Overview

This section provides a detailed overview of the fishery, including information on recent trends, specific issues and management challenges, such as by-catch and discards. Detailed information on the target species, catch data, stock status, past and current fishing efforts, fleet structure and fishing gear(s) should be provided here. This is largely contextual information and may draw from information provided in the MR invitation.

7.2.4 Outcome Targets and indicators

The key management objectives and OTs, set forward by the authorities, should be listed here, along with indicators addressed by the MR. The MR to be considered ready for evaluation, it should include a strategy for achieving all obligatory OTs. Strategies for achieving recommended OTs will strengthen the MR and hence make it more likely to be approved by the authority.

7.2.5 Management strategies, management measures and adaptive planning

The strategies and key measures by which the operators plan to achieve the OTs should be outlined and described. For instance, an OT related to the state of the resource (e.g. MSY related OTs) may be achieved through some combination of catch quotas, gear measures and temporal/spatial restrictions or area closures. By working together with relevant experts when necessary, the operators will achieve obligatory OTs through implementation of management measures. When possible, it is recommended to identify and describe ways for internal monitoring of performance towards achieving OTs. In cases where sufficient data is available, this could be demonstrated with simulations studies. In data poor situations, this could be demonstrated through simple models and/or be based on adequate expert judgment.

Main risks and uncertainties that may jeopardize the process of achieving obligatory OTs should also be addressed. Where such risks and uncertainties are found to be significant, adaptation and measures to minimize the risks should be identified. In most cases, the main uncertainties to be addressed in the MRs relate to data, implementation of measures and changes in environmental conditions.

7.2.6 Monitoring, compliance and sanctions

The following should be described:

- extent to which the operator can oversee and ensure that its participants act in accordance to the proposed MR
- how the operator(s) should deal with breaches, when such are detected (e.g. penalties or exclusion).
- details on how the responsibility for these functions is to be divided between authority and operator(s) should be outlined, as well as details on how these functions are to be financed and by whom.

7.2.7 Documentation plan

Data collection and progress reports enabling the auditor to review the MR, the progress of implementation and progress towards achieving OTs. The documentation system should enable relevant indicators to be measured. Responsibility for collecting and processing data relating to key indicators for OTs should be established as well as responsibility for communication with the auditor. The documentation system should be described, including data collection sources, methods and timing.

7.2.8 Auditor

The auditor(s) that will audit the MR process should be an auditor with a capacity to audit the performance of the MR with regard to the OTs. The operator and the authority should agree on an auditor. The audit work may be divided between more than one auditor if necessary.

7.2.9 Planning process

This include planning and decision-making processes within the operator's organisation(s) regarding issues addressed above (7.2). In general, these processes should reflect good governance ideals. This implies that members of the operator's organisation should be allowed to participate and influence the result (i.e. through a legitimate representation and decision-making processes). Accordingly, roles of representatives and procedures for decision-making within the operators' organisation should be identified. Rights and duties of members participating in the MR process should be described as well as conditions for entering or leaving MR process.

7.3 MR implementation, control and documentation

Once the MR has been approved by the authorities, following a review process, public hearing, public review period, and revisions (if needed), the next step is the MR implementation. The operators should supply the auditors with detailed documentation of the implementation process, for them to evaluate the progress.

7.4 MR adaptation

After the authorities receive the audit from the auditor, which will be primarily based on the documentation provided by the operator(s) on the implementation of the approved MR, the authority may request adaptation or revision of the MR as a whole, or individual parts of it, from the operator(s). If the audit demonstrates that the OTs have been, or are being, achieved, the operator may proceed with the implementation of the MR. In the event of a negative audit and a request for MR revision, the operators can use the auditor's assessment as a basis for drafting a revised MR. The operator(s) submit the new version to the authorities within a set timeframe, who then provide feedback until all parties agree on appropriate modification.

Annex A
(informative)

MR process - checklist for authorities

- Initiate and facilitate pre-invitation dialogues with operator(s) in order to provide overview of the RFMS processes, to discuss/agree on details and see if pursuing the MR process is feasible in the given context.
- Prepare MR invitation, reflecting outcome of the pre-invitation dialogues.
- The MR invitation includes both MR0 and OTs.
- Make sure that the selected OTs are coherent and consistent with other policies.
- Ensure constructive dialogue with operators and provide feedback on the operator(s) MR drafts.
- Evaluate the operator(s) MR proposal, including whether strategies and measures are satisfactory in terms of reaching obligatory OTs.
- If MR submitted by operator(s) is not satisfactory in terms of meeting OTs, authorities must request a revision of the MR proposal, including issue log and timeframe (MR polishing).
- Arrange a public hearing (if appropriate).
- Address issues raised at the public hearing in cooperation with operator(s).
- Approve the MR.
- Maintain a log of the entire MR process, accessible to all interested parties. The log should list the dates of key events in the MR process and meeting minutes.

Annex B
(informative)

MR process – checklist for operators

- Participate in the pre-invitation dialogues with authorities to provide overview of the MR process, discuss/agree on details and see if pursuing the MR process is feasible in the given context.
- Develop the MR proposal based on the MR invitation from authorities (see Management Recommendations Proposal checklist below).
- If authorities request revision of the MR proposal prior to the public hearing, address issues identified in the issue log (MR polishing) and re-submit the MR.
- Address issues raised at the public hearing and during public review period in cooperation with authorities.
- Once MR has been approved by authorities, initiate the implementation process.
- During implementation: Follow the documentation system established in the MR.
- If authorities request MR modifications after the audit: Draft a modified version of the MR, addressing the main issues identified in the auditor's assessment and highlighted by the authorities.
- Once a modified version of the MR has been approved by authorities, implement modifications.

Annex C
(informative)

Management Recommendation Proposal - checklist for operators

- Does the proposed MR include a strategy, including relevant management measures, that clearly address obligatory OTs?
- Does the proposed MR include a strategy for implementation, including timeframe for a) the overall MR implementation, and for b) implementation of management measures?
- Have risks and uncertainties related to the above-mentioned management strategy been identified and analysed?
- Does the proposed MR include a strategy on how to minimize and manage the above-mentioned risks and uncertainties?
- Does the proposed MR include a strategy for monitoring fisheries activities, including effort and catch data?
- Does the proposed MR include an enforcement and sanctions plan, ensuring that all participants will comply with the measures to be implemented?
- Does the proposed MR include a plan on how information and data will be collected to allow for audit?
- Have the operator(s) and authority reached a consensus on who will serve as an auditor, who will be responsible for communication with the auditor and who will cover the costs of an audit?
- Does the proposed MR include a communication procedure between the three entities (operator(s), authorities and auditors)?
- Does the proposed MR include details on how members of the operator's organisation have been informed and involved in the decision-making process of the MR development?

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