TAC ADJUSTMENT METHODS

1. Background

The obligation to land catches is a key element of the reformed CFP. It represents an important shift from unethical and wasteful practices to more selective and sustainable fishing where harvested resources are channelled to different uses providing for economic benefits. Since 2015 pelagic fisheries are subject to the landing obligation. From 2016 onwards a number of demersal fisheries will also fall under the landing obligation. To allow a smooth transition to the landing obligation, discard plans, identifying fisheries subject to the landing obligation as well as specific conditions under which a limited amount of discards may continue (i.e. *de minimis*), have been adopted by the Commission. The CFP allows for TAC adjustments to be made for those stocks under the landing obligation recognising that fish that otherwise would have been discarded is now to be landed. These adjustments are to be made on the basis of the contribution by the fleets under the landing obligation to total catches and discards of the concerned stocks.

2. TAC adjustment concept

Every year and according to different predefined policy objectives (e.g. MSY objective) $ICES^1$ advises on amounts of fish that can be landed the following year – the <u>landings-TAC</u>. This year, by adding expected discards by all fleets to the landings-TAC ICES is also advising on amounts of fish that can be caught in 2016 – the <u>catch-TAC</u>.

CatchTAC = LandingsTAC + discards by all fleets

The TAC adjustment corresponds to:

- A. The catch-TAC if all fleets fishing a given stock are obliged to land all catches.
- B. The landings-TAC if all fleets fishing a given stock can continue discarding this is the case of certain Norway lobster stocks where a survivability exemption has been granted under a discard plan.
- C. A figure between catch-TAC and landings-TAC to be calculated. This is because in some cases discards are allowed (*de minimis*)² and/or not all fleets fall under the landing obligation.

Under case C the objective is to know how much fish should be added to the landings-TAC, the so-called TAC top up or TAC uplift. Another way of expressing this TAC adjustment is to know how much should be deducted from the catch-TAC. This later calculation makes more sense because the landing obligation concept is based on catches and not landings. In terms of communication it is better to talk about TAC top up, to say the TAC is "higher" than the landings-TAC figure rather than "lower" than the catch-TAC figure.

3. Methods to calculate TAC adjustments

4 methods to calculate TAC adjustments have been identified and discussed with the concerned Member States. A comparison between these methods is given in <u>Annex</u>. Commission method 2 (COM 2) appears to be the most accurate and appropriate.

¹ The International Council for the Exploration of the Sea.

² Corresponding to a percentage of catches of the concerned stock by the concerned fleet that can be discarded.

Annex

ICES advice for 2016		MS data	
Catch-TAC	1000 tonnes	Contribution to total catches by fleets under LO	50%
Landings-TAC	900 tonnes	Contribution to total catches by fleets not under LO	50%
Discards	100 tonnes	Contribution to total discards by fleets under LO	50%
Discard rate	10%	Contribution to total discards by fleets not under LO	50%
		Average catches (2010-2012) by fleets under LO	500 tonnes
		Average catches (2010-2012) by all fleets	1000 tonnes
		Average discards (2010-2012) by fleets under LO	50 tonnes
		Discard rate only for fleets under LO	10%

Method	Description	Example	Observations	
COM 1	Step 1: to reduce discards by fleets under the LO in relation to <i>de minimis</i>	<i>De minimis</i> = 5% of catches Discard rate only for fleets under LO = 10% New discard rate = $10\% - 5\% = 5\%$ of 500t corresponding to 25t	This method is based only on historical catches and discard rates by the fleets under the LO. There is a risk that these data (i) don't correspond to the present situation and/or (ii) give a discard rate not compatible with ICES discard rate. The new catch-TAC calculated is lower compared to other methods.	
		Average discards (2010-2012) by fleets under LO = 50t Discards that have to be landed = $50 - 25 = 25t$		
	Top up %: corresponds to discards that have to be landed relative to total catches	Average catches (2010-2012) by all fleets = 1000t 25 (see step 1) / 1000 = 2.5% (top up) New catchTAC = 923 tonnes		
COM 2	Step 1: To deduct the <i>de minimis</i> from the catch-TAC figure	De minimis = 5% of catches Contribution to total catches by fleets under LO = 50% De minimis = 1000 x 5% x 50% = 25t New catchTAC = 1000 - 25 = 975t	This method is based on the most recent (2013-2014) contribution to total catches and discards by fleet segment. The rationale is to deduct from the catchTAC what can still be	
	Step 2: To deduct from catch- TAC under step 1 discards by the fleets <u>not</u> under the LO	Discards = 100 tonnes Contribution to total discards by fleets <u>not</u> under LO = 50% Discards by fleets not under LO = 50% x $100 = 50t$	discarded. It gives precise figures fully compatible with ICES discard rate.	
	Top up: expressed in absolute value or as % corresponds to what has to be landed on the top of the landings-TAC	New catchTAC = 975 – 50 = 925 tonnes New catchTAC = 925 tonnes LandingsTAC = 900t Top up = 25t or 2.7% more than landingsTAC		
ES	Top up: is the contribution to catches by the fleets under the LO multiplied by the discard rate for the whole stock given by ICES	Contribution to total catches by fleets under LO = 50% Top up = 50% x 10% = 5% LandingsTAC = 900t New catchTAC = 900 + 45 (5% of 900) = 945 tonnes New catchTAC if <i>de minimis</i> considered = 920t	As described by ES this method is not fully correct because if 100% of catches have to be landed the catch-TAC is only 990 tonnes. On the other hand this simplified method considers that all fleets have the same discard rate and it does not consider the <i>de minimis</i> .	
UK	Top up: is equal to the % of catches by the fleets under the LO multiplied by discards given by ICES	Contribution to total catches by fleets under LO = 50% ICES discards = 100t Top up = 50% x 100 = 50t New catchTAC = 900 + 50 = 950 tonnes New catchTAC if <i>de minimis</i> considered = 925t	This simplified method is based on the assumption that the contribution to catches by the fleets under the LO is the same as the contribution to discards which is not true. And it does not consider the <i>de minimis</i> .	

LO = Landing obligation.