



MEGAPESCA Lda

CONTRAT CADRE FISH/2006/20

**SPECIFIC CONVENTION N°28: EX-POST EVALUATION OF
THE CURRENT PROTOCOL TO THE FISHERIES
PARTNERSHIP AGREEMENT BETWEEN THE EUROPEAN
UNION AND CAPE VERDE AND ANALYSIS OF THE IMPACT
OF THE FUTURE PROTOCOL ON SUSTAINABILITY**

**Final Report
October 2010**

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Average exchange rates used (source: InforEuro)

Year	Euro	USD	CV Escudo
2006	1	1.25	110.265
2007	1	1.37	110.265
2008	1	1.48	110.265
2009	1	1.39	110.265
2010	1	0.78	110.265

Abbreviations and Acronyms

ACP	African, Caribbean and Pacific States (Lomé Convention IV)
ADB	African Development Bank
AECID	Spanish Development Agency
AFD	French Development Agency
AfDB	African Development Bank
AGPAO	Support for Fisheries Management in West Africa
CCAMLR	Commission for the Conservation of Antarctic Marine Living Resources
CET	Common External Tariffs
CFP	Common Fisheries Policy
CILLS	Comité permanent Inter-Etats de Lutte contre la Sécheresse dans le Sahel / Inter-States Standing Committee in the Fight against Drought in the Sahel
COMHAFAT	Conférence Ministérielle sur la Coopération entre les Etats Africains Riverains de l'Océan Atlantique
COSMAR	Centro de Coordenação de Seguridade Marítima
CPCI	Complexo de Pesca de Cova Inglesa
CPLP	Community of Portuguese Speaking Countries
CPUE	Catch per Unit Effort
CSRP	Sub-Regional Fisheries Commission
DGP	Direcção Geral das Pescas
DIHA	Directorate of Marine and Aquaculture Research
EBA	Everything But Arms
EC	European Commission
ECOWAS	Economic Community Of West African States
ECV	Cape-verdean Escudo
EDF	European Development Fund
EEZ	European Economic Zone
EIB	European Investment Bank
EPA	Economic Partnership Agreement
ETS	Economic Transformation Strategy
EU	European Union
EUR	Euro
FADs	Fish aggregating devices
FAO	Food and Agriculture Organization
FDI	Foreign Direct Investment
FL	Fork Length
FPA	Fisheries Partnership Agreement
FVO	Food and VeterinryOffice
GEF	Global Environment Facility
GRT	Gross Registered Tonnage
GSP	Generalised System of Preferences
GT	Gross Tonnage
HACCP	Hazard Analysis Critical Control Point
HPLC	High-performance liquid chromatography
ICCAT	International Commission for the Conservation of Atlantic Tunas
IDA	International Development Association
IMF	International Monetary Fund
INDP	Instituto Nacional de Desenvolvimento das Pescas
INE	National Statistics Institute
INIDA	National Institute of Research and Agricultural Development
IUCN	International Union for Conservation of Nature
IUU	Illegal, unreported and unregulated
JICA	Japan International Cooperation Agency
LDC	Least Developed Country
LJFL	Lower-jaw Fork Length
LOPP	Laboratório Oficial de Produtos da Pesca

MAAP	Ministry of Environment, Agriculture and Fisheries
MADRRM	Ministry of Environment, Rural development and Marine Resources
MAVA	Luc Hoffmann Foundation
MCS	Monitoring Control and Surveillance
MDGs	Millennium Development goals
MITM	Ministry of Infrastructure, Transport and the Sea
MoU	Memorandum of Understanding
MSY	Maximum Sustainable Yield
MTEF	Medium-Term Expenditure Framework
NAUTA	Spanish Regional Program of Development of the Fishery Sector in Africa
NGO	Non Governmental Organisation
NIP	National indicative Programme
ODA	Official Development Assistance
OECD	Organization for Economic Cooperation and Development
OFCF	Japanese Overseas Fishery Corporation Foundation
OGE	Orçamento Geral Do Estado
PALOPs.	Países De Língua Oficial Portuguesa
PAIS	Inter-sectoral Environmental Plans
PANA	National Environmental Action Plan
PGRP	Plano de Gestão dos Recursos da Pesca / Fishery Resource Management Plan
PIP	Public Investment Program
PIU	Project Implementation Unit
PNAII	National Environmental Plan
PRAO	West Africa Regional Fisheries Program
PRGSP	Poverty Reduction and Growth Strategy Paper
PRSC	Poverty Reduction Support Credit
PRSP	Poverty Reduction Strategy Paper
RASSF	Rapid Alert System for Food and Feed
RFMOs	Regional Fisheries Management Organisations
RIP	Regional Indicative Programme
SCRS	Standing Committee on Research and Statistics (ICCAT)
SGP	Secretariat General for Fisheries
SIGOF	Sistema Integrado de Gestão Orçamental e Financeira
SLL	Swordfish Long Lining
SME	Small and Medium Scale Enterprises
SMI	Small and Medium Scale Industries
SPS	Sanitary and Phytosanitary
SRFC	Sub-Regional Fisheries Committee
STECF	Scientific, Technical and Economic Committee for Fisheries
TAC	Total Allowable Catch
TBT	Technical Barriers to Trade
TDCA	Trade Development and Cooperation Agreement
UEMOA	União Económica e Monetária do Oeste Africano
UN	United Nations
UNDP	United Nations Development Programme
VMS	Vessel Monitoring System
WB	World Bank
WTO	World Trade Organization

EXECUTIVE SUMMARY

1. This report sets out the findings of an ex-post evaluation of the current Fisheries Partnership Agreement between the European Community and the Republic of Cape Verde, and analysis of the impact of the future Protocol on sustainability.. The study was commissioned by the Directorate General for Maritime Affairs and Fisheries of the European Commission under a framework contract “for performing evaluations, impact analyses and monitoring services in the context of fisheries partnership agreements concluded between the Community and non-member coastal states” operated by a consortium comprising Oceanic Développement (France) and Megapesca Lda (Portugal). The mission comprised a review of documentation associated with the protocol and activities conducted under it, and meetings with key stakeholders, including EU fleet operators and representatives of the Government of Cape Verde and its fishery sector during a field mission to Cape Verde conducted in July 2010. This was followed by an economic analysis of the data..
2. Cape Verde is an archipelagic island state situated in the Eastern Atlantic, 375 miles to the west of Senegal and Mauritania. It is made up of 10 islands and 5 islets. It has limited natural resources and fresh water. Cape Verde is a former Portuguese colony. The population has grown rapidly since independence and is now around 465,000 persons. The country ranks 121 out of 182 countries in the UN Human Development Index. Cape Verde was re-classified as a non-Less Developed Country from 1 January 2008. Cape Verde is on track to achieve most of the Millennium Development Goals (MDGs) by 2015. The sharp reduction in poverty since 1990 has been complemented by significantly increased access to education and health care.
3. The Cape Verde economy is service-oriented, with commerce, transport, tourism and public services accounting for more than 74% of GDP in 2006. GDP was EUR 1,131.8 million in 2009, with a growth rate of 4%. Agriculture is susceptible to drought and scarcity of arable land, and accounts for only 8.5% of GDP, even though it remains the leading employer. Fisheries is estimated to account for about 2% of GDP. Net donor assistance was 13% of Gross National Income in 2008. Overall, Portugal is the largest donor, followed by the EU. Bilateral donors play an important role in the portfolio of support, accounting for 75%. Budgetary support is the main mode of support. The annual average inflation increased to 6.8% in 2008 but it is estimated to have dropped below 3% in 2009. Inflation is expected to remain around this level, which is consistent with the currency peg to the Euro. Overall Cape Verde is considered as one of the best performing countries in Africa in terms of political, economic and social development. Economic development strategy is set out in the Growth and Poverty Reduction Strategy Paper. Cape Verde became a member of the World Trade Organization in 2008 and has been member of the Economic Community of West African States (ECOWAS) since 1977.
4. Like other ACP states, Cape Verde is a signatory of the Cotonou Agreement with the EU and therefore obtains associate tariff preferences and is a beneficiary of the European Development Fund (EDF). Although Cape Verde was re-classified as a non-Less Developed Country it is still granted tariff preference under the GSP EBA (Everything But Arms) regime for a transitional period of three years. Whilst other ECOWAS states are negotiating Economic Partnership Agreements with the EU to satisfy WTO requirements, Cape Verde and the EU have established a Special Partnership, taking account for Cape Verde's status as a Peripheral Region Nation with much in common with the EU's outermost regions of the Azores, Madeira and Canary Islands. The geographic proximity and commonality of challenges faced contribute to increasingly close political linkages. The implementation of the Special Partnership Action Plan 2007-2013 is supported by the 10th EDF and included in the National Indicative Programme, which is allocated total resources of EUR51 million, most of which is delivered in the form of budgetary support.
5. The continental shelves around the Cape Verde islands and islets are generally narrow, thus limiting the productivity of fisheries. The EEZ of Cape Verde covers an extensive area of about 785,000 km², characterised by relatively low productivity. By global standards, Cape Verde fishery resources are not considerable, but they do include commercially important species of migratory species such as tunas, along with small pelagic fish, and some demersal fish and

lobsters. A Fisheries Management Plan suggests a total potential production of 35,000 to 43,000 tonnes (cf. an annual catch of about 9,000 tonnes) but as most stocks appear to be exploited to their full potential the plan is not considered by the consultants to be realistic. Cape Verde is a member of ICCAT and the Sub Regional Fisheries Commission. Cape Verde has satisfied EU sanitary conditions for access to that market (although a DG SANCO inspection in 2008 revealed some negative findings). Cape Verde has nominated its Competent Authorities to the European Commission in relation to Regulation 1005/2009 on IUU fishing.

6. The Fishery Sector is managed by the Directorate General of Fisheries which in 2008 was transferred to Ministry of Environment, Rural Development and Marine Resources (MADRRM) from the Ministry of Infrastructure, Transport and the Sea. The DGP is responsible for all aspects of administration and control, including fisheries MCS and is the Competent Authority for the application of sanitary controls. The INDP is an autonomous institute under the Ministry which provides the research in fisheries resources, fisheries statistics and inputs for fisheries management. It also has a development and promotional function. The National Fisheries Council is a consultative body comprised of stakeholder organisations. The DGP possesses no means for fisheries MCS, and the Coast Guard service of the Cape Verde Army is co-opted to provide marine and aerial surveillance and control activities. There have been difficulties maintaining operational status of aircraft and the larger vessels, and only limited coastal patrols have been carried out in recent years, with no significant impacts on IUU fishing. Communication mechanisms with the fisheries administration are not formalised, and the fisheries MCS service is essentially not functional at present (although it was successfully operated during the period 2000 to 2004). A regional EDF intervention with the CSR in Dakar will seek to strengthen MCS activities using the Cape Verdean assets, both inside the Cape Verde EEZ and that of other countries.
7. Japan and Spain are the main bilateral donors engaged in fisheries. Cape Verde also participates in EDF regional fisheries programmes (ACP Fish II, SFP and CSR MCS) and will be a beneficiary of the World Bank Regional PROA fisheries project. Fisheries potential is given a high profile in the Growth and Poverty Reduction Strategy Paper. Elaboration of fisheries conservation and management plans is addressed in the National Action Plan for the Environment. In 2004 FAO supported the Ministry of Environment, Agriculture and Fisheries (MAAP) to develop a combined agriculture and fisheries policy, and a 10 year action plan. INDP has prepared a Fishery Resource Management Plan which sets out a strategy for the sector for the period 2004 to 2014. Although fisheries investment is relatively well funded by the general state budget (EUR 2.7 million from both treasury and donor sources) none of these documents sets out a comprehensive and unitary framework for the development of the fishery sector. As a result policy is developed and implemented on an *ad hoc* and relatively short term basis, and there is no longer term structural plan with costed implementation measures. In particular the optimal management of foreign fishing is not addressed.
8. The Cape Verdean fleet of semi-industrial and industrial vessels comprise some 70 vessels. There is a tuna fleet which operates different fishing gears, including longlines and pole-and-line methods. There is a small lobster fleet (comprising four vessels). Catches from small purse seiners target mackerel scad and other small pelagics. There is a small artisanal sector with about 1000 open decked vessels, employing over 3,000 fishers. Annual catches from the domestic fleet are in the region of 8,000 to 9,000 tonnes/year. In addition, two large Spanish-owned purse seiners are flagged to Cape Verde, which catches of 7-8,000 tonnes per year (but land their catch in Côte d'Ivoire). There are good port facilities in Mindelo (São Vicente Island) and Praia (Santiago Island). There is a shipyard in Mindelo with capacity to dry dock fishing vessels. Port cold storage facilities were damaged in a fire in 2008, but are being refurbished.
9. There are several fish processing establishments. Cape Verde enjoys tariff free entry to the EU for wholly originating fishery products. National production is insufficient to meet raw material demand for processing and export and Cape Verde has obtained a derogation from the Commission for a quota of non-originating canned tuna and mackerel products. The quotas are mostly well utilised. However, origin controls are not effectively applied and there is a risk of supply to the EU market of fishery products from unauthorised sources and IUU fishing.

10. In recent years, between 43 and 57 foreign vessels have been licensed to fish in the Cape Verde EEZ. Fleets from the EU, Japan and Senegal operate under a range of different access arrangements. Up to 18 Japanese vessels surface longliners target tuna under a private agreement with a Japanese Association, and up to 7 Senegalese pole and line vessels also target tunas under a Cape Verde-Senegal Fisheries Agreement. The most significant agreement is with the EU, under which an average of 45 vessels have operated, including 26-28 surface long liners targeting shark and swordfish, about 10-12 purse seine vessels and 8-10 pole and line vessels targeting tunas. The pole and line vessels operate out of Dakar since they are prohibited from fishing for bait fish in the Cape Verde zone. The purse seine vessels follow a migratory resource and are autonomous. These fleet segments do not use Cape Verde ports. However the surface longline fleets use Mindelo in São Vicente as an operational base. Chinese vessels operating in the region also use the repair and transshipment facilities (although they are not licensed to operate in the EEZ).
11. The EU vessels operate under an EU-Cape Verde Fisheries Partnership Agreement and Protocol adopted by Council Regulation (EC) No. 2027/2006. The Agreement provides fishing possibilities for highly migratory species for EU vessels fishing in Cape Verde waters. The Protocol was originally adopted for a 5 year period, but the Agreement and Protocol only entered into force on the 30 March 2007. The current protocol expires on 31 August 2011, when it will have had a duration of 4 years and 5 months. The Agreement provides fishing possibilities for up to 25 purse seiners, 48 surface longliners and 11 pole and line vessels. The opportunities are allocated to Spain, France and Portugal.
12. The Agreement also establishes a framework for partnership between the two parties with a view to defining a fisheries policy in Cape Verde and identifying and supporting a matrix of implementation measures. The EU financial contribution is a total of EUR 385,000/year, of which compensation for access to Cape Verdean waters amounts to EUR 325,000 per year (based on a reference tonnage of 5,000 tonnes of tuna valued at EUR 65 per tonne). The compensation is supplemented by a specific amount of EUR 60,000 towards the promotion of sustainable and responsible fishing in Cape Verde waters. In the Protocol the authorities of Cape Verde have committed to allocate 80% of the EU's total financial contribution to the implementation of a fisheries sector policy. Under the Agreement, operators of EU tuna seiners and surface longliners pay a licence fee of EUR 35/tonne, and pole and line vessels pay EUR 25/tonne, with minimum annual payments specified for each segment.
13. Between 2007 and 2010, an average of 48 EU vessels per year drew licences to fish in the Cape Verde zone under this Agreement. These comprised an average of 12.75 purse seine vessels, 26.25 surface longline vessels and 9.25 pole and line vessels. Overall 58% of the available licences were drawn. During the period 2007 to 2009, the catches averaged 2610.6 tonnes per year (52% of the reference tonnage), of which some 80% was swordfish and sharks caught by longliners. There is a notable trend of increasing demand from the purse seine fleet in 2010 (attributed to transfer of Spanish and French vessels from Indian Ocean to East Atlantic operations).
14. The Agreement has delivered catches valued at EUR 4.30 million in 2007, EUR 3.02 million in 2008 and EUR 5.89 million in 2008. Total catch value over the three years period was EUR 13.21 million, with an annual average of about EUR 4.40 million. On average, 86% of the financial value derived from the Agreement by the EU fleet was in the form of the surface longline opportunities, and 14% due to the purse seine segment. The pole and line segment contributed only 0.6% of the revenue generated by the Agreement. Overall the agreement has contributed about 1% of the value of external fishing undertaken by the EU fleet. Of the three EU fleet segments, the surface long fleet is the most dependent, gaining 3.4% of its revenues from this Agreement. The Agreement generated value added for the EU economy estimated at EUR 1.98 million/year (excluding downstream value added). The EU vessels drawing licences employ about 259 EU nationals (8% of the total EU nationals employed on EU vessels operating under Fisheries Partnership Agreements).
15. Overall, for the EU, the Agreement had a moderately positive cost:benefit ratio of 3.6 (annual cost to the EU and the EU fleet of EUR 0.54 million compared to an annual benefit of EUR 1.98 million). This means that for every EUR spent on the Agreement by the EU, EUR 3.6 are generated. The average catches taken were only marginally more than half of those

expressed in the reference quantity, which suggests that the EU has also paid for unused fishing opportunities, accounting for the limited efficiency of the Agreement.

16. Cape Verde has benefited from the financial contribution of EUR 385,000/year, and licence fees (including payments for additional catches) amounting to an average of EUR 161,000 per year (making a total of EUR 546,700/year). Around 71% of this value is derived from the European Union financial contribution and 29% from the vessel operators. During 2007 to 2009 this accounted for an average of 24% of the budgeted investment (including from donors) in fisheries. Some 113 jobs for nationals of Cape Verde are linked to vessels drawing licences under the Agreement. They generate an estimated additional economic benefit for Cape Verde of EUR 0.94 million/year. Including these wages, the Agreement has contributed about 0.1% of GDP.
17. None of the catches of tuna species by EU vessels in the Cape Verde account for more than 0.2% of the catches from the fish stocks concerned, and the impact of the tuna fishing opportunities on sustainability is therefore minimal. However EU catches of swordfish, blue shark and mako shark, accounting for a small but important proportion of total catches of these stocks (estimated at 4.7%, 4.5% and 3.7%, respectively). With regard to swordfish, the available evidence suggests that the northern stock is fished sustainably. With regard to blue shark and mako shark, there is no indication that fishing has resulted in depletion of stocks. However there is considerable uncertainty in the stock assessments, particularly so in the case of the mako shark. This raises concerns regarding the sustainability of the Agreement and it is not possible to state with certainty that their inclusion is sustainable. Furthermore, there are well documented instances of discards of non-commercial species of sharks and negative interactions of surface longlining in the region with marine turtle populations. With regard to this segment, more efforts are required to improve information on catch and bycatch, with a view to assessing their impacts and making better management recommendations.
18. The fishing operations conducted under the Agreement appear to fully comply with the management recommendations of ICCAT and the fisheries management regulations of Cape Verde. However Cape Verde has lost its capacity to mobilise observers on EU vessels. There are also concerns regarding non-compliance with reporting conditions imposed on EU vessels in terms of entry and exit reporting, and submission of catch reports by vessels. Other than this no specific breaches by EU vessels of Cape Verde regulations have been detected.
19. Within the Agreement, the partnership approach and the associated financial contribution have provided the means for the implementation of an agreed matrix of support measures in support of a sustainable fisheries policy. There have been no problems experienced with disbursement. However the programme of measures was not formally adopted until the first (and only) Joint Committee meeting between the parties in June 2009. Whilst there have been two rounds of technical discussions (in March 2009 in April 2010) the level of engagement during the early part of the Protocol is considered to be insufficient to ensure the relevance of the measures selected and to monitor their implementation.
20. There has been progress in the implementation of some of the policy support (institutional development, sanitary controls, and artisanal fisheries), although it is notable that these coincide with areas where there has been a good degree of donor intervention activity. Progress on the measures relating fisheries MCS has been almost negligible. The DGP has not yet so far been able to establish a corps of fisheries inspectors dedicated to the MCS function. Limited training will start only in 2010. An initial effort to create an observer corps has not been sustained. There have been technical problems with vessels and aircraft, but there has been no use of FPA funds to help accelerate repairs. There has been negligible participation by the DGP in the limited patrols undertaken. Opportunities to build shore based MCS capacity (for example for effective port state controls such as monitoring of imported fishery products and transshipment in Cape Verdean ports) have not been taken with the result that there is an ongoing risk of IUU fishing linked to the Cape Verde fisheries. The policy axes and overall objectives agreed by the parties are relevant, but the specific objectives are not always relevant or structured within a valid logical framework to address the problems identified. The process misses a proper problem analysis, with a programmed and phased plan for development. Furthermore those measures which have been successfully

implemented substantially coincide with activities supported by donor projects, raising questions regarding the additionality of the FPA measures.

21. With regard to policy coherence, for the EU the Fisheries Partnership Agreement has provided access to fishing opportunities for EU fleet segments from fishery dependent areas, created employment, and provided for additional supplies to the EU market. There is a realistic potential to link catches by EU vessels to Cape Verdean processing and export activities. Although there are reservations regarding the sustainability of some of the opportunities exploited, the Agreement has proved to be highly relevant to the Common Fisheries Policy of the EU. Although it has had no impact on IUU fishing until now, the Agreement has potential to achieve this in future. The Agreement provides an additional dimension to the Special Partnership between the EU and an important Peripheral Region Nation, and could complement a future Atlantic dimension to the EU's Integrated Maritime Policy. There are specific synergies with a number of EDF regional development programmes (ACP Fish II, SFP and the forthcoming regional MCS programme implemented by CSRP). The Agreement may therefore be considered coherent with the EU's fisheries, maritime and development policies.
22. For Cape Verde the Agreement has provided about 24% of the financial means for public investment in fisheries, thus contributing towards economic development and sustainability of the sector. It has had a particular impact (along with donor support) on building institutional capacity, providing facilities for small scale fisheries and improving compliance with EU sanitary conditions for trade in fishery products, all important conditions for increasing the economic contribution of the fishery sector.
23. Overall the Agreement has also allowed the EU and the Cape Verde Authorities to maintain a policy dialogue, with a view to promoting responsible fishing, although the success of the partnership approach has so far been limited by the low level of engagement, a sub-optimal intervention design and weak integration with linked donor programmes. Nevertheless, despite the under-performance of some aspects of the Agreement, it appears that it is strongly in the interest of both parties to conclude a new protocol that would prolong this partnership between Cape Verde and the European Union.
24. Any new protocol should address the concerns identified. Improved reporting of shark catches as well as bycatch and discards is required to allow a proper assessment of the risks of unsustainable fishing on some species which may be at risk. Similarly new mechanisms, including satellite VMS in the longer term, should be introduced to address non-compliance by EU vessel operators with reporting requirements as set out in the Protocol. There is a need to revise the matrix of support measures. Key priorities are recommended to be the formulation and adoption of a fisheries policy, establishing a dedicated fisheries MCS function in the DGP, and re-creation of the observer corps. It is recommended that the fisheries MCS functions also include the remit for port state and import controls, since both provide important opportunities for cross checks to identify and control IUU fishing. The European Commission is recommended to provide technical assistance to help the Cape Verde authorities to design these measures. The assistance should also be requested to help to introduce a more effective monitoring regime for the implementation matrix, with a stronger focus on outputs and impacts.
25. Finally, there is a potential for a strengthened regional approach to some elements of the policy support measures. In 2010 the CSRP completed a restructuring to improve governance to international standards. Guinea Bissau, Cote d'Ivoire, Mauritania and Cabo Verde are all CSRP members with current FPAs with the EU. It is in the interest of all parties, that each of these agreements supports participation of the partner country in the CSRP. Furthermore future FPA Protocols negotiated by the EU could include commitments for direct budgetary support of the CSRP. The proposed adoption by the CSRP Council of Ministers of a strategic plan with budgeted policy measures would allow the direct allocation of FPA finance by the EU to a budgetary support programme in favour of the CSRP (within the frame of a Regional Fisheries Partnership Agreement). The amount of payment to CSRP could at first be equivalent to the membership fees (in the case of Cape Verde, this is about EUR 50,000/year).

26. The adoption of this model would reduce the reliance of CSRP on donor funding, solve, or at least reduce, the problem of arrears in payment of membership fees and contribute, at least partially, to the longer term sustainability of regional fisheries. The prospect of a regional FPA has already been considered by the CSRP Council of Ministers which requested the executive to investigate this possibility in 2009. There appear to be considerable synergies across development, fisheries and maritime policy agendas to be gained from such an arrangement, and the European Commission, along with FPA partner Governments in the region, is recommended to investigate this prospect in more detail.

INTRODUCTION

In September 2006 the EU and Cape Verde concluded a bilateral Fisheries Partnership Agreement. This Agreement provides fishing possibilities exclusively for highly migratory species for EU vessels fishing in Cape Verde waters. It entered into force on the 30 March 2007. The current protocol, which sets out the fishing possibilities and payments, expires on 31 August 2011.

This Agreement provides fishing possibilities for EU vessels fishing in the waters of the Cape Verde. It includes fishing possibilities for up to 25 purse seiners, 48 surface longliners and 11 pole and line vessels in the EEZ of Cape Verde. The Member States interested in fisheries activities in the EEZ of Cape Verde are mainly Spain, France and Portugal. Interest for fishing in the area appears to be increasing from vessels that are obliged to abandon fishing in the Indian Ocean due to piracy.

The Agreement also establishes a framework for partnership between the two parties with a view to defining a sustainable fisheries policy in Cape Verde and identifying the appropriate means to implement it, according to the EU policy to move from access agreements to Partnership Agreements aiming to strengthen the conditions to achieve sustainable fisheries.

The EU financial compensation amounts to EUR 325,000 per year, based on a reference tonnage of 5000 tonnes of tuna valued at EUR 65 per tonne as with all other tuna fishing agreements concluded by the EC. The compensation is supplemented by a specific amount of EUR 60,000 towards the promotion of sustainable and responsible fishing in the Cape Verde zone. In the Protocol the authorities of Cape Verde have committed to allocate 80% of the EU's total financial contribution to the development of the fisheries sector.

The Fisheries Partnership Agreement with Cape Verde is part of a network of fisheries agreements with other coastal States in the Eastern Atlantic Ocean, which include Mauritania, Morocco, Gabon, São Tomé and Príncipe, Cote d'Ivoire and Guinea Bissau¹.

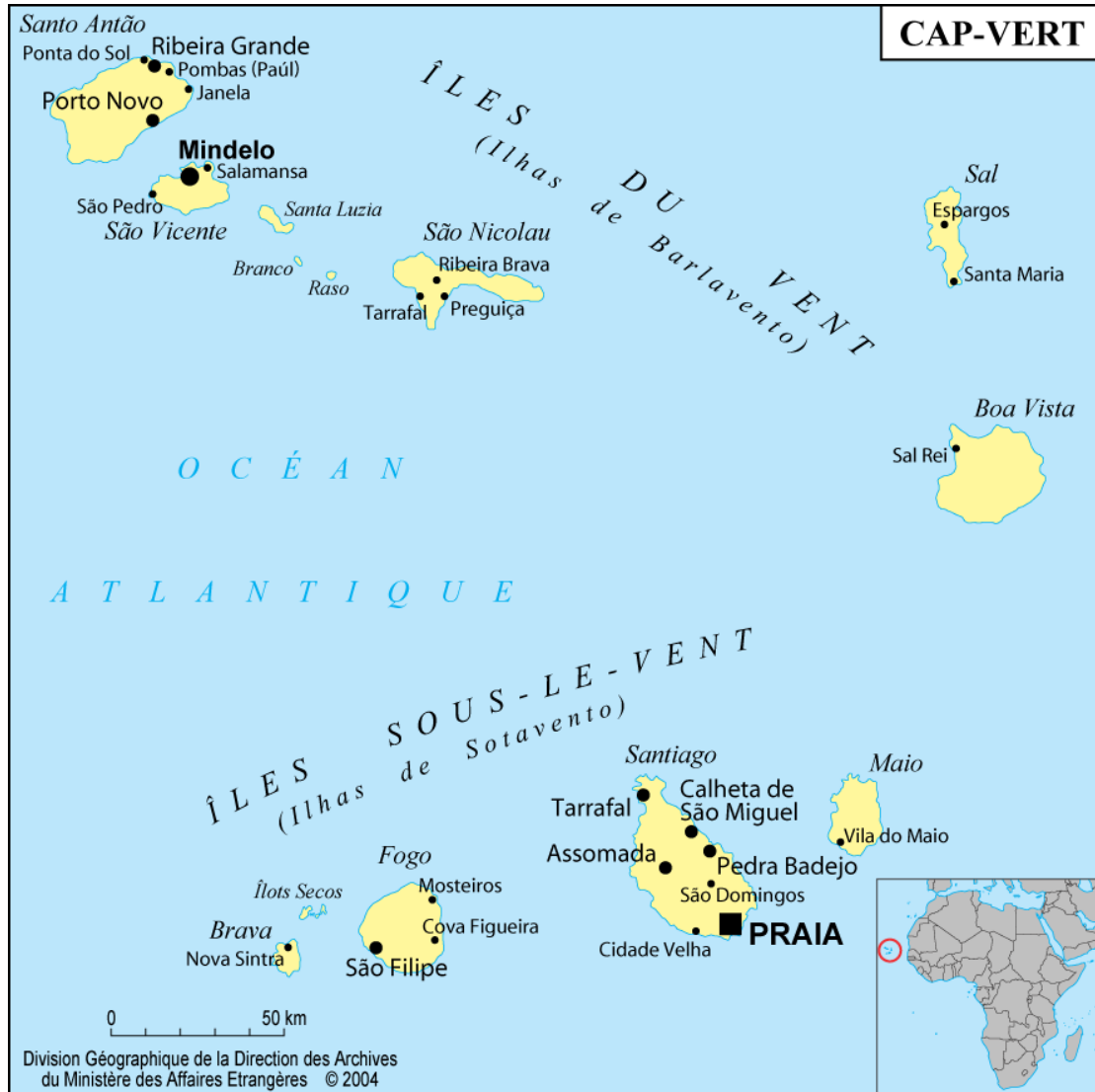
The purpose of this evaluation study is to provide the European Commission with the data and technical analyses needed to prepare the negotiation of a new protocol of the Fisheries Partnership Agreement (FPA) between the EU and Cape Verde.

This final report presents information collected from various sources, including the European Commission, EU member states and the professional associations of EU vessel operators concerned with the availability and utilisation of fishing possibilities. It also includes the findings of a mission to Cape Verde that took place in July 2010, during which discussions were held with Cape Verde stakeholders to the Agreement including public authorities, private sector and NGOs.

¹ An Agreement with Guinea Conakry was denounced by the European Council in November 2009

1 GENERAL BACKGROUND

1.1 Geography



Source: European Commission; DG Development:
http://ec.europa.eu/development/index_en.cfm

Figure 1: Location of Cape Verde

The Cape Verde archipelago is situated in the Eastern Atlantic, between 14° 50'- 17° 20' N latitude and 22° 44'- 25° 30' W longitude, 375 miles to the west of Senegal and Mauritania. As shown in Figure 1 it is made up of 10 islands and 5 islets which were originally formed by volcanic activity. The archipelago covers an area of 4,033 km square. The Exclusive Economic Zone (EEZ) is relatively large, at about 785,000 km square, but the insular shelf which is around 200m in depth is only around 5,394 km square², 0.8% of the whole area. The climate is dry and tropical, and there are two well defined seasons: - a cold and dry season,

² Bravo de Laguna, 1985

from December to June with an average sea surface temperature (SST) between 21 – 22°C, and a warm and wet season, from July to November, where the SST is between 26 - 27°C .

From the surface to 50m in depth, the seawater is at its warmest in the south-east of the archipelago, but the highest temperatures are found at lower depths in the northern part, between 100-200m, especially in the well known fishing grounds around Santo Antão, São Vicente, Santa Luzia and São Nicolau. There are also seasonal variations in the thermocline, which is located between 40-70m of depth throughout the year.

1.2 Population

Cape Verde is a former Portuguese colony peopled with slaves from the African continent, having derived a mixed-race population as a result of 500 years of interaction with different European nationals. The dominant religion is Roman Catholic. During most of Cape Verde's history the population has grown only slowly, held back by devastating famines and severe droughts which have led to high levels of emigration in the past. However, the population has grown rapidly since independence and is now around 465,000 persons although there is an uneven distribution due to a high internal migration, primarily towards the island of Santiago where the capital, Praia, is located, to Mindelo at S. Vicente and to the islands devoted to tourism. About 55% of the population lives on Santiago Island, and nearly 25% on Praia.

Migration overseas has been a long-standing historical phenomenon, although recently the trend has decreased. The emigrant community is estimated at 500,000 or more, living mainly in the US and EU. The majority of Cabo Verdians live outside of their country.

1.3 Developmental status

Cape Verde is on track to achieve most of the Millennium Development Goals (MDGs) by 2015. The country ranks 121 out of 182 countries in the 2009 United Nations Development Programme (UNDP) Human Development Index, which is the fourth highest ranking in Africa. The net primary enrolment rate in elementary education rose from 72% in 1990/1991 to 95% in 2005/2006, while net secondary enrolment reached nearly 60% in 2005/2006. Adult literacy rates are high (approximately 79% in 2006, 97% among the youth), and life expectancy at birth (69 years) is the third highest in Africa. Cape Verde has now achieved parity for girls and boys in school enrolment. Infant mortality has been reduced from 45 to 25 per 1,000 live births since 1990, maternal mortality has also declined as births attended by skilled health personnel have raised rapidly from 54% in 1995, to around 90%, and life expectancy at birth (71 years) is the third highest in Africa.

1.4 Economic situation of Cape Verde

1.4.1 General features of the economy

The Cape Verdean economy is service-oriented, with commerce, transport, tourism and public services accounting for more than 74% of GDP in 2006. Agriculture which has been hard-hit by drought and scarcity of arable land, accounts for only 8.5% of GDP, even though it remains the leading employer in the country's economy. Fisheries is estimated to account for about 2% of GDP. The manufacturing sector is narrow and its share of GDP is in steady decline, see Table 1.

Table 1: Cape Verde's GDP at current prices

	2000	2001	2002	2003	2004	2005	%	2007	2008	2009
	Millions of EUR									
Agriculture, forestry, and livestock	56,582	61,225	59,892	64,164	63,393	71,364	8.0	78,026	84,062	90,752
Fishing	5,559	10,738	8,525	9,114	9,006	9,386	1.1	10,263	11,057	11,936
Industry and energy	52,202	38,924	44,602	50,061	55,575	68,290	7.7	74,665	80,440	86,842
Construction	48,148	46,561	53,399	55,321	57,661	82,637	9.3	90,351	97,340	105,087
Commerce	88,886	106,162	122,922	135,056	140,706	165,057	18.5	180,465	194,424	209,897
Hotels	19,281	15,082	14,356	15,563	14,910	18,936	2.1	20,704	22,305	24,081
Transport and communications	103,922	143,318	135,147	155,299	155,707	168,875	19.0	184,639	198,921	214,753
Banks and insurance	30,164	27,670	29,910	29,547	30,563	33,800	3.8	36,956	39,814	42,983
House renting	35,406	33,791	36,530	37,600	38,299	45,781	5.1	50,054	53,926	58,218
Public service	81,576	79,427	83,218	93,411	90,745	107,133	12.0	117,133	126,194	136,237
Other services	17,340	13,721	13,839	15,254	15,916	18,846	2.1	20,605	22,199	23,965
Intermediary banking services	-18,392	-17,295	-20,034	-22,763	-25,285	-24,994	-2.8			
Sum of value added	520,673	559,325	582,306	637,628	647,195	765,111	86.0			
Taxes on imports	56,437	69,877	77,540	83,608	97,501	124,908	14.0			
Gross domestic product at market prices	577,110	629,211	659,847	721,235	744,715	890,029		973,110	1,048,383	1,131,819

Source?? Why the percentages in the middle of the table?

The services sector, particularly tourism, is by far the leading growth sector and has considerable potential for further diversification. In 1990, the tourism sector contributed less than 2% to GDP. The rise in tourism starting from 1999 is the major feature of the country economic profile. In 2008, tourism in Cape Verde accounted for nearly 16% of GDP (World Travel and Tourism Council) and for 14 000 jobs, representing 14.6% of total employment. Cape Verde is improving its position as a tourist destination – up by 12.7% between 2000 and 2003 and by 15.6% between 2004 and 2007, according to the Millennium Institute – and this growth looks set to continue. Cape Verde officials expect to reach the benchmark of 1 million tourists annually by 2015. This would mean that the sector could account for as much as 30 % of GDP, compared to 18.3 % in 2006, and employ 53,000 people.

The graduation of Cape Verde from a low-income to a middle-income country in 2007 can be attributed in large part to the development of the tourism industry. As in Seychelles and Mauritius, tourism has had important spill-over effects in the entire economy. The explosion of tourism has stimulated the hotel industry, and revitalized the construction sector, real estate services, catering and agro-food industry. Over 80% of FDI inflows are now concentrated in tourism and related activities.

In terms of prospects, the Government estimates that ultimately the sector could attract over one million tourists compared to 330,000 in 2008. The Cape Verdean government has identified tourism as an important instrument of economic development. To support the expansion of tourism, it hopes to construct and/or expand at least four international airports and upgrade all the ports to international level. It has created several incentives to attract investors to this sector and to improve the business climate. These incentives include: a 100% fiscal exemption in the first five years of investment; a 50% discount in taxes in the following 10-year period; an exemption of import taxes on all the materials used in the construction and exploitation of the hotel and tourist facilities; and reduced taxes on profits that are reinvested in the same sector.

The downside risk of strong dependency on tourism is the sensitivity of the sector to economic conditions in tourists' home countries. This underscores the importance of promoting high-value tourism and expanding the customer base, which has so far been dominated by visitors from Europe.

Despite this impressive progress, the country still faces enormous structural challenges: the high, largely structural unemployment rate; the persistence of a relatively high poverty rate; the need to improve delivery of services, both public and private; skill shortages; and inadequate infrastructure. Moreover, the remoteness and difficult internal communications, with Cape Verde's territory spread over ten islands and five islets, and its arid climate pose a constant development challenge.

Remoteness gives rise to specific technical and financial problems in the development of energy, water and sanitation as well as transport. It has also increased the cost of production. Other challenges include declining water resources and gradual salination of groundwater in coastal areas. The business environment and competitiveness is in need of improvement and the country remains vulnerability to external shocks.

With only 10% of arable land and prone to drought, CV is heavily dependent on food imports which impacts its balance of payment. Food security is also a crucial aspect of CV's poverty reduction strategy. The development and promotion of the use of new technologies, particularly with regard to water control and irrigation methods, crop intensification and diversification, are some of the areas that Cape Verde hopes to address.

1.4.2 Macro-economic indicators

Between 2004 and 2007, Cape Verde had an average GDP growth of 7% and it is estimated to have grown by 3.9% in 2009 to EUR 1,132 million. This compares with growth rates of 5.9% in 2008, and a peak of 10.8% in 2006. After a period of rapid economic growth, in the last year the rate has been adversely affected by the global financial crisis through its impact

on tourism, construction and associated foreign direct investment (FDI) inflows. Table 2 shows some of the key macro-economic indicators.

After this recent moderation, growth is expected to pick up in 2010 and beyond, led by tourism and investment-related sectors. In 2010 the GDP is expected to grow again about 5.1% and 6.4% in 2011. This growth reflects a relatively high rate of execution of the public investment program (PIP) and a dynamic private sector, supported by a substantial increase in domestic credit and private investment (including large inflows of FDI). The country's drivers of growth include, apart from tourism, remittances from its substantial diaspora (it is estimated that over half a million Cape Verdeans live abroad), FDI and development assistance.

Table 2: Macroeconomic indicators

	2008	2009(e)	2010(p)	2011(p)
Real GDP growth	5,9	3,9	5,1	6,4
CPI inflation	6,8	2,2	2,5	2,7
Budget balance % GDP	-1,1	-6	-9,5	-9,3
Current account % GDP	-11,7	-12	-10,2	-11

Source: Data including estimates (e) and predictions (p) from OECD

The annual average inflation rate fell to 4.5% in 2007, from 6% in 2006. It increased to 6.8% in 2008 but it is estimated to have dropped below 3% in 2009. Inflation is expected to remain around this level, which is consistent with the currency peg to the Euro (at a rate of 1 EUR = CVE 110.265). The country has managed to control its budget deficit (limited to 1.2% of GDP in 2008) and debt (41.5% of GDP for external debt and 15.8% for domestic debt in 2008).

Overall Cape Verde is considered as one of the best performing countries in Africa in terms of political, economic and social development. According to the IMF, Cape Verde's economic and policy performance remains strong. As a consequence of its sustained progress, the country graduated from least developed country (LDC) status, and earned the status of a middle-income country in December 2007. This entitles it to obtain non-concessional AfDB funds. To support Cape Verde's transition from LDC status, the United Nations has called on donors to continue assistance to the country at least until it has achieved its Millennium Development Goals, for which the target is in 2015.

Following robust growth and sizeable human capital investments, Cape Verde is expected to attain this target. Gender parity has been attained in primary education and virtually in secondary education. Infant and maternal mortality rates have declined significantly. Poverty rate fell from 37% to 28% between 2001 and 2006.

1.4.3 External trade

Trends in Cape Verde's external trade are shown in Table 3 indicating that apparent exports have been increasing during recent years. However, a significant element is re-export of "Petroleum oils, other than crude" exports³. As a result in changes to international transport patterns associated with the financial crisis, exports dropped significantly from more than US\$ 114.7 million in 2007 to just US\$ 35.2 million in 2009.

³ Re-exports are linked to re-fuelling supplies to aircraft and vessels visiting national airports and ports.

In 2009, the main products for export were petroleum oils, other than crude (HS code 2710), fish, frozen, excluding fish fillets (HS code 0303) and containers (including containers for the transport of fluids - HS code 8609).

Table 3: External trade 2004 to 2009

	Trade Value (US\$ millions)	
	Export	Import
2004	15.2	428.8
2005	89.3	437.7
2006	110.2	537.7
2007	114.7	736.4
2008	28.4	782.6
2009	35.2	824.2

Source: UNCOMTRADE; <http://comtrade.un.org/db/default.aspx>

In 2009 export of fishery products represented a share of 66% of total exports (a total amount of US\$ 13.4 million of fresh and frozen fish and of US\$ 10.5 million of prepared fish). Fishery product exports have been increasing every year since 2004 when it represented just 7.5% of total exports. Fishery products form an important part of the visible exports, and are linked to the high levels of employment in fisheries. In recent time some fishery products are imported to provide raw material for processing and re-export. More information on international trade in fishery products is provided in Section 3.3.

In 2009, total imports were US\$ 824 million. Imports of food, live animals, beverages and tobacco accounted for 27.7% of imported goods. Other major commodity groups for imports included machinery and transport equipment and manufactured goods respectively with 24.3 and 18.2% of imports.

1.4.4 Employment

Informal work occupies an important place in the labour market. Of the 149,608 persons employed in 2006, about 70% (105,295) were working without any formal contract. Around 64% of family incomes in Cape Verde derive from wages. The primary sector accounts for about 56% of nationwide employment, followed in importance by commerce and civil construction. There has been a notable increase in employment and average wages in recent years, reflecting not only higher wages, but also the impact of higher skills levels in the workforce. In fact, 35% of the employed population had secondary schooling or more in 2006, versus 29% in 2000.

The unemployment rate was 18.3% in 2006 and 17.8% in 2008, but according to the recent estimation of National Statistics Institute (INE) of Cape Verde and the new international methodology used to calculate unemployment, it would be 13.1% in May 2010; i.e. 15.1% in urban areas and 9.2% in rural areas. The unemployment rate among the poor population is 29% for male and 46% for female. Around 33% of the unemployed are young, and of these 52% are relatively well-educated. There is great gender disparities between young people aged 15 to 24: the unemployment rate among females is 47.6%, while it is 35.5% among males.

Structural unemployment is attributed to the population's low level of qualification; the lack of professional training structures; weak private sector; the low productivity and outdated technological resources in the primary sector; the modest participation of industry and energy in the GDP.

Employment in fisheries was estimated at just over 6,000 in 2008, of which about 5,000 were employed in the small-scale fisheries. About 1,000 Cabo Verdeans are employed on industrial fishing vessels, operating within the region. In addition, there are about 4,000 female fish vendors and about 300-400 others employed in the sector. One shipyard with about 200 employees derives a significant part of its business from the fishery sector. Port services (in particular stevedoring, and cold storage) are thought to provide employment for a similar number. Overall fisheries accounts for 10,400 jobs, about 5% of the total workforce. In some islands (in particular São Vicente and Sal where the fishery sector is concentrated) the level of dependency is much higher. In terms of employment, the Cape Verde may be considered to be a fishery dependent region.

Table 4: Employment in the fisheries sector

	1989	1995	2000	2008*
Total Population	336,610	385,957	434,624	498,672
Total Workforce	95,186	137,958	174,664	200,403
Employment in Fisheries Sector				
Artisanal Fishermen	4,258	5,521	4,283	4,914
Industrial Fishers	710	452	996	1,143
Fishers in Industrial Foreign Fleet	n/a	n/a	n/a	n/a
Women Fish Vendors	1,500	2,100	3,500	4,016
Processing industry	-	-	166	190
Administration (Ministry, DGP, INDP)	453	445	120	138
Total employment in fisheries	6,921	8,468	9,075	10,412
Ratios (employment)				
Ratio of Total employment in Fisheries	7.3	6.1	5.2	5.2
Ratio of Total employment in Fishing	5.2	4.3	3	3
Ratio of Total Fish Vendors activity	1.6	1.5	2	2

Source: INE, GEP, UNDP

* Mission estimates

1.5 Economic policy

1.5.1 Economic Transformation Strategy

To enhance economic diversification and build on the gains from the tourism sector, Cape Verde will need to address the challenge of diversifying its productive base, notably through SMEs/SMLs, and increase its exports. There are two major policy instruments, the Economic Transformation Strategy and the Poverty Reduction and Growth Strategy Paper.

The Economic Transformation Strategy (ETS) is a long-term vision adopted in 2003 to transform Cape Verde from a least developed country (LDC) into an emerging country. It is geared towards widening the country's productive base by developing niches such as high quality tourism, fishery products, international transport and information technologies. The development of these niches are based on the country's natural advantages, namely,

- (i) strategic position that makes it a gateway to Africa;
- (ii) a large coastline conducive for the development of deep-water harbours, fisheries and sea-side tourism; and
- (iii) airports that can be used for cargo flights.

1.5.2 Poverty Reduction and Growth Strategy Paper

Whilst the Economic Transformation Strategy (ETS) provides a national long-term development vision, the second Growth and Poverty Reduction Strategy Paper (GPRSP-II) for the period 2008-2011 sets out a more detailed programme of measures for implementation under the Government's program for the 7th Legislature. The goal is to achieve double-digit economic growth, and bring unemployment down to below 10%. It hinges on the following five pillars:

- **Public Sector Governance;** Continuing the emphasis placed in streamlining the administrative structures, improved governance ethics and transparency, implementation of a new procurement code and continued improvement in public financial management to allow a better linkage to domestic processes for the elaboration of the annual budget.
- **Human Capital;** Continued improvements in education sector; strengthened quality and increase access to health care services by the poor.
- **Infrastructure;** Continued development and improvements of the energy sector for both growth and poverty reduction in Cape Verde; improved regulatory framework for energy pricing and investment in upgraded infrastructure, whilst taking due care of the environment.
- **Competitiveness and Private Sector Development;** emphasis on private sector-led growth to reduce poverty; improved competitiveness and business climate; acknowledging the importance of tourism as the main source of growth.
- **Social Services and Social Cohesion;** further decentralization and rationalization in the delivery of social services and the need for a food security plan.

The IMF has identified a number of risks regarding the implementation of the strategy⁴:

- Given the specialization in tourism, the global slowdown combined with the narrow export base can have knock-on effects on Cape Verde's external demand (including tourism) and FDI flows;
- Given the reliance of the financial sector on non-resident deposits and the unclear degree of the interest-rate sensitivity of these deposits, they may be a potential capital account-based source of vulnerability;
- Although improvements have been made on energy pricing regulation, implementing the broader energy sector reform is likely to be a challenge. There is a need to press on to reduce fiscal risks and contribute to create fiscal space for infrastructure development.

⁴ Cape Verde: Growth and Poverty Reduction Strategy Paper II (2008–11) Joint Staff Advisory Note, IMF Country Report No. 08/244, International Monetary Fund July 2008

- A sharp increase in food and fuel prices could delay further poverty reduction, especially in rural areas, given that most of the food and all oil has to be imported. Capacity constraints could also hamper the pace of implementation of the strategy.

1.5.3 Government Revenues and Expenditure

An integrated budgetary and financial management system (Sistema Integrado de Gestão Orçamental e Financeira – SIGOF) was introduced in 2004. Following the adoption of the PRSP a new budget model was adopted in 2005. The model includes an overall Medium-Term Expenditure Framework (MTEF) and a number of sectoral MTEFs within key line ministries (education and higher education, agriculture and environment, labour, family and solidarity, and health), in order to allocate public expenditures in accordance with PRSP priorities. A recent public expenditure review, conducted by the IMF under the Country Financial Accountability Assessment and the Country Procurement Assessment Review projects, will lead to the adoption of further measures to improve public expenditure management.

Budget policy continued to be geared toward maintaining budgetary discipline so as to ensure the budgetary and financial sustainability of government finance, consistent with sound macroeconomic policy. A large portion of the government's budget continues to be covered by official development assistance (ODA), as Cape Verde enjoys one of the most generous levels of ODA per capita in Africa (see Section 1.7).

Overall expenditures have been rising steadily, in line with increasing tax revenues and sustained ODA. The 2010 budget breakdown is shown in Table 5.

Table 5: Public finances, 2010

	ECV Million	EUR 1,000
Revenue, grants, and net lending	42,344	384,020.3
Domestic revenue (incl. net lending)	33,824	306,751.9
Tax revenue	28,737	260,617.6
Non tax revenue	5,087	46,134.3
External grants	8,52	77,268.4
Total expenditure	57,094	517,789.0
Recurrent expenditure	28,92	262,277.2
Capital expenditure	27,974	253,697.9

Sources: IMF, July 2010 cit. Ministry of Finance, Bank of CV, and IMF estimates and projections

According to the IMF (July 2010) total revenue in 2010 will be EUR 384 million and total expenditure EUR 517.8 million. Forecast deficit will be around EUR 133.8 million. Recurrent expenditure will be EUR 262.3 million and capital expenditure EUR 253.7 million. The fisheries and agriculture budget is about EUR 37 million in 2010, accounting for some 7% of national budget.

1.6 Membership of regional and international organisations

After more than seven years of negotiations, Cape Verde became the 153rd Member of the World Trade Organization (WTO) on July 2008. For the WTO, Cape Verde has undertaken to

implement an action plan by 2012 aimed at harmonizing its customs system with the rules of that Organization.

Cape Verde became a member of the Economic Community of West African States (ECOWAS) in 1977. This is financed by an external levy of 0.5% on all goods and vehicles originating from non-ECOWAS countries. Cape Verde is the ECOWAS country most affected by this levy due to its high proportion of non-ECOWAS imports. Commercial trade with other ECOWAS member countries is insignificant. At the bilateral level, some trade development agreements were signed between Cape Verde and Guinea-Bissau, Guinea Conakry, and Senegal. Cape Verde will host the ECOWAS Centre for Renewable Energy and Energy Efficiency under an action plan to find a sustainable solution to West Africa’s energy crisis. It has also signed up to regional drug control programs, gender promotion, conflict prevention and resolution. Notwithstanding, the ECOWAS regional integration assistance strategy currently prepared by the African Development Bank will help to better target and rationalize AfDB interventions in regional multinational projects.

Cape Verde is a member of the Permanent Inter-State Committee for drought control in the Sahel (CILSS), an international organization consisting of nine countries in the Sahel region of Africa. The mandate of CILSS is to invest in research for food security and the fight against the effects of drought and desertification. The Sahel 21 programme supports initiatives in the field of food security, renewable energies, regional trade, and training in related sectors, population and demographic research.

Cape Verde, as a former colony of Portugal, is a member of the Community of Portuguese Speaking Countries (CPLP), created with the objective of establishing political-diplomatic dialogue, cooperation in the cultural, social, economic, juridical and scientific fields and implementation of projects aimed at promoting and disseminating the Portuguese language.

1.7 Relations with international donors

Net ODA was 12.8% of Gross National Income in 2008. Overall, Portugal is the largest donor, followed by the EU. Bilateral donors play an important role in the portfolio of support, accounting for 75%. Figure 2 shows the overall donor matrix for Cape Verde.

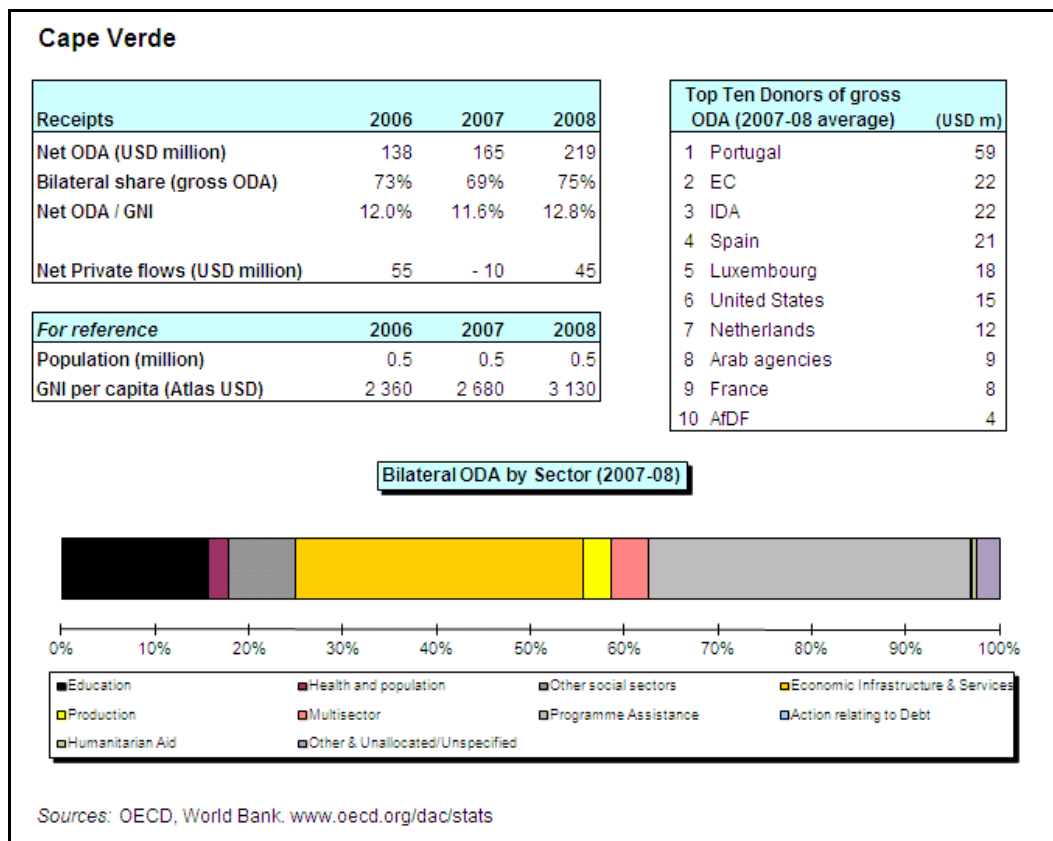


Figure 2: Matrix of overseas development assistance delivered to Cape Verde , 2006 to 2008.

Source: OECD

Although some partners continue to prefer to lend their support in the form of food aid, most donor programmes are now linked to the implementation of the Poverty Reduction Strategy, but major development partners follow different models, namely budgetary support, project aid (which still accounts for considerable weight in the State Budget), concessional loans from for example IDA and AfDB, and debt relief conditioned to the PRSP financing. The main areas of activity by the different donors are shown in Table 6.

Budgetary support is substantial and regulated by a Memorandum of Understanding (MoU) for Budget Support, signed by Austria, AfDB, the World Bank, The Netherlands, Spain, Portugal and the European Union. The MoU is open to the entry of new partners.

In 2009 the World Bank approved Cape Verde's Fifth Poverty Reduction Support Credit (PRSC-V), a US\$ 15 million IDA credit to support the Government in its efforts to develop policies and institutions aimed at developing a dynamic private sector to be the engine of sustainable growth and poverty reduction.

Table 6: Main development partners' contribution and areas of intervention

TFP	Areas of Intervention
World Bank	Basic infrastructure, private sector, energy, water, financial management and public finance
Portugal	Human development capital, capacity building, decentralization, social protection and security
European Union	Infrastructure related to health, water and sanitation
Netherlands	Environment, public finance, vocational training
Luxembourg	Health, education and training, transport, water and sanitation
United Nations Systems	Good governance, water, sanitation, population, decentralization, education, health, rural development and child protection
AfDB	Infrastructure, education, rural development, poverty reduction, energy
Japan	Fishing infrastructure, ground water
USA	MCA 2005-2011, transport infrastructure, rural development, private sector
Germany	Natural resources, education and vocational training
Spain	Decentralization, culture, public finance
ABEDA	Infrastructure, education, rural development, social protection, private sector
France	Good governance, decentralization, water and sanitation
Austria	Decentralization, water and sanitation, rural development, public finance
China	Construction infrastructure

Source: World Bank

1.8 Relations with the European Union

1.8.1 The EC-Cape Verde cooperation strategy

Like other ACP states, Cape Verde is a signatory of the Cotonou Agreement with the EU and therefore obtains associate tariff preferences and is a beneficiary of the European Development Fund (EDF). The development assistance, policy and programme are described below.

Cape Verde was re-classified as a non-Less Developed Country from 1 January 2008, but it will be able to continue to export to the EU under the GSP EBA (Everything But Arms) tariff preference regime for a transition period of three years. Cape Verde is seeking to prolong this period. This qualifies many products, including fishery products wholly originating from Cape Verde, to enter the EU at preferential tariff rates. In addition Cape Verde has quota for import of certain non-originating fishery products into the EU (see section 3.3.3).

The Cotonou Agreement recognised that within the WTO rules regarding tariff preferences, the trade relations between the ACP states and the EU would need to be renegotiated before the end of December 2007, replacing them with Economic Partnership Agreements. To satisfy WTO requirements, EPAs will be based on reciprocal (but asymmetrical) trade relationships. Under the EPAs, the EU offers signatory states immediate tariff and quota free

access to its market, while signatory states will grant duty free access to at least 80% of imports from the EU, to be implemented over an extended transition period of up to 15 years. EPA negotiations take place within self-determined negotiating groups.

However, as a result of its lack of regional trade integration, Cape Verde has elected not to be a party to the Economic Partnership Agreement being negotiated between the European Union and ECOWAS. On the other hand, Cape Verde has clear linkages with Macronesia (being the group of Atlantic archipelagic islands including Azores, Madeira and Canary Islands). The geographic proximity and commonality of challenges faced have contributed to increasingly close political linkages. As a result Cape Verde has opted for a “solo” solution with the aim of transforming the country into “a model circulation economy”.

In 2006, the European Parliament approved a resolution including the following point:

“The Commission is exhorted to (...) welcome the idea of establishing a European Neighbour Accord at the end of the European Neighbourhood Policy process with those countries not requesting entrance [into the European Union] but which are close to the community, to propose and develop specific policies aimed at making the neighbour policy as extensive as possible to the Atlantic island States neighbouring the ultra-peripheral regions adjacent to the European continent when particular issues of geographic proximity, cultural and historical affinity and mutual security are relevant [...]

In October 2007, the EU, considering that Cape Verde possesses "all of the structural conditions" necessary for the option, granted Cape Verde a “Special Partnership Status”, which is based on co-operation on trade, investment, illegal immigration, the fight against organised crime and upgrading of institutions and norms.

Therefore since the end of 2007, Cape Verde has enjoyed a Special Partnership with the European Union as a Peripheral Region Nation. The activities under the SP are funded by the EDF allocation, in line with an Action Plan. This was first drawn up in November 2007 based on the following pillars: good governance, security/stability; regional integration; transformation and modernisation, notably technical and legislative convergence; the knowledge-based society; combating poverty, and development. In 2010 Cape Verde presented a revised Action Plan, which includes a new series of measures in all the pillars of the SP.

This includes in particular reforms in the areas of security and stability, public financial management and the implementation of judicial reforms. Quality control and the creation of an Institute in this area are foreseen within the pillar “normative convergence”. Among the good governance actions it is also foreseen to strengthen “*Management of natural resources, including execution of the National Environmental Action Plan (PANA) and ocean pollution reduction*”. These measures include “*Protection and sustainable measures on marine and fishery resources, through EU fishery agreements among others*”. No additional details are available. The Plan is a working document, to be adjusted by the parties whenever needed.

Under the Special Partnership the parties are also seeking to negotiate an agreement for the more efficient management of migratory flows (so-called “Mobility Agreement”). Furthermore the regional integration pillar of the SP Action Plan for the period 2007-2013 supports the intensification of Cape Verde cooperation with the Outermost Regions of the EU (Azores, Madeira and Canary Islands), seeking the benefits of the EUs “Wider Neighbourhood Strategy”. According to the EU Delegation, joint projects under the SP are currently being prepared to be submitted together with EU Outermost Region partners (including at a municipal level⁵).

⁵ In 2008 São Vicente Island hosted the Municipal Conference of EU Ultra-Peripheral Regions and Cape Verde. Territorial ordering, renewable energies and the environment are some of the themes that have been debated by municipal authorities from Cape Verde, Madeira, the Azores, the Canary Islands and Martinique.

1.8.2 National Indicative Programme

The National Indicative Programme sets out the development cooperation strategy under the 10th EDF and was adopted by the parties for the period 2008 to 2013. The programmable resources of the NIP amount to EUR 51.0 million.

The main focal sectors of the NIP are poverty reduction and good governance. This focal area will absorb the sum of EUR 32.6 million, or 64% of the A envelope. A second focal sector (EUR 11.5 million accounting for 22.5% of the A envelope) will cover measures in support of the development of the CV/EU Special Partnership, which will be covered by a CV/EU action plan (described above). About 9.6 % of the A envelope (EUR 4.9 million) will be earmarked for activities outside the focal sectors, EUR 3.8 million of which will be allocated to cross-cutting activities or those in support of implementation of the NIP; there will also be EUR 1.1 million for support for PALOP governance initiatives. A reserve of EUR 2 million (3.9% of the A envelope) has been set aside.

Support for the first focal sector will take the form of budgetary support, which is particularly well suited to the implementing arrangements of the programs concerned and for which the country, thanks in particular to the structural reforms backed by the EU and other donors, meets the required conditions in terms of reliability and transparent management of public finances. EDF financing for the second focal sector will take the form of budget aid or project aid (whichever is judged more appropriate when programs are being appraised). Programs outside the focal sectors are normally be implemented by means of project aid.

1.8.3 Regional Indicative Programme

Cape Verde is also a beneficiary of interventions supported under the 10th EDF Regional Indicative Programme for Africa. The EU-Africa summit, held in December 2007 in Lisbon cemented new Africa-EU strategic partnership, marking a qualitative leap in relations between the two continents. Within this partnership its first action plan specifies concrete proposals for 2008-2010 structured along 8 Africa-EU strategic partnerships:

- Peace and security
- Democratic governance and human rights
- Trade, regional integration and infrastructure
- Millennium development goals (MDGs)
- Energy
- Climate change
- Migration, mobility and employment
- Science, information society and space.

Together with the political Lisbon Declaration these axes will guide EU-Africa dialogue and cooperation in the coming few years in line with the principles of African ownership, co-management and co-responsibility.

Note that one of the main stated objectives of the EU relations with Africa is to promote the achievement of the UN MDGs in Africa. This objective is strengthened and complemented by the specific objectives pursued within the Cotonou Agreement, the Trade Development and Cooperation Agreement (TDCA), the Euro-Mediterranean partnership and the European neighbourhood policy including the support to political reform and economic modernisation.

At the regional level, with regard to the EC's partnership with West Africa, the main priority for the 10th EDF 2008-2013 are detailed in the Regional Strategy Paper and the Regional Indicative Programme, approved by the EU and the West African States, represented by ECOWAS and UEMOA in December 2008. The total EDF allocation to the RIP is EUR 597 million and the priorities are set in line with the ECOWAS and UEMOA objectives and comprise:

- Focal Sector I: Deepening regional integration, improving competitiveness and EPA (70% of total: EUR 418 million)

- Focal Sector II: Consolidation of good governance and regional stability (20% of total: EUR 119 million)
- Non-Focal Sector (other programmes) (10% of total: EUR 60 million)

Support for deeper regional integration (Focal Sector 1) includes strengthening regional food security, as well as support for EPA programmes for improved competitiveness which includes compliance with TBT and SPS measures. Focal sector 2 will include strengthened governance, especially at a regional level and improved policies and management in relation to human migration. The non-focal areas cover a range of issues considered to be of vital strategic interest. These include

- Environment (including environmental impact assessments and profiles, bio-security, climate)
- Climate change the control of coastal erosion and cross-border areas
- Follow-up and management of the RIP including *ad hoc* technical assistance
- Support for non-state actors
- Continuation of programmes under way

The main elements with regard to trade are the deepening of regional integration, and enhancement of competitiveness linked to the EPA negotiations. This focal area is divided into the following components:

- Support for the implementation of reforms and adjustments related to the establishment of the UEMOA customs union and the common market (including the free movement of people and capital) and the consolidation of macroeconomic stability. Actions related to the customs union include the implementation of the CET, trade facilitation and the modernisation of the customs administration;
- Support for implementation of the EPAs including application of rules on sanitary and phytosanitary measures (SPS), technical barriers to trade (TBT), intellectual property, competition, public procurement, investment, and services. The competitiveness of the productive sector should be strengthened, food security should be increased at the regional level and the institutional capacities of regional organisations should be improved.

For the ECOWAS region funds available within the RIP for trade capacity building and regional integration amount to some 70% of the total regional indicative programme.

1.8.4 The European Investment Bank

The National Indicative Programme and the Country Strategy Document foresee that the EIB may contribute to the implementation of the programme through the financing of an investment facility and/or through its own resources within the rules of the 10th EDF under the ACP-EU partnership accords. The EU Infrastructure Trust Fund for Africa is a new co-financing instrument of the EU-Africa Partnership on Infrastructure. It brings together the resources of the EC, the Member States, the European Investment Bank (EIB) and European Development Financing Institutions in the creation of an Infrastructure Trust Fund⁶. This is able to provide grants for:

- interest rate subsidies

⁶ See <http://www.eu-africa-infrastructure-tf.net/>

- technical assistance including preparatory work for eligible projects such as environmental impact assessments, project supervision and targeted capacity building
- direct grants for project components that have a substantial demonstrable social or environmental benefit
- initial stage funding of insurance premium necessary to ensure the launch of infrastructure projects.

Eligible investments are those in the energy, transport, water, IT and telecommunications sectors. The Trust has established a secretariat as an access point for and liaison with all Partnership stakeholders. EUR 5.6 billion has been allocated from the 10th European Development Fund (2008-2013). The EIB is responsible for the management of the fund. This makes the Trust Fund particularly appropriate for the transport infrastructure needs of Cape Verde. A number of marine infrastructure projects have already been financed, such as the Walvis Bay Container Terminal in Namibia and the Beira Corridor in Mozambique. Until now, no investments in Cape Verde have been made.

2 REGIONAL AND NATIONAL FISHERIES

2.1 Highly migratory species in the Eastern Tropical Atlantic

The EU Cape Verde Fisheries Partnership Agreement concerns fishing opportunities for highly migratory species. The target species of the EU vessels operating under the Agreement are two species of tuna caught by purse seiners (yellowfin tuna - *Thunnus albacares* and skipjack tuna - *Katsuwonus pelamis*) with a bycatch of juvenile bigeye tunas (*Thunnus obesus*), which are the same species caught by the baitboat (or pole-and-line) fishery. The main targets of the surface longliners are swordfish (*Xiphias gladius*) and sharks (principally shortfin mako shark - *Isurus oxyrinchus* and blue shark - *Prionace glauca*). This section describes the characteristics of these fisheries, their management arrangements and sustainability.

2.1.1 Overview

World catches of the three major tuna species (skipjack, yellowfin and bigeye), for all types of gears combined, totalled over 4 million tonnes on average over the 2006-2008 period (Figure 4). The Western and Central Pacific area is the main fishing ground for tunas, with 56% of world catches on average, ahead of the Indian Ocean (23%). the Eastern Pacific (14%) and the Atlantic Ocean (8%).

With regard to the ICCAT Convention Area, in which the Cape Verde fishery falls, the total catch in 2008 was estimated at 499,438 tonnes, which includes tuna species and billfishes. The ICCAT Convention Area spans a large proportion of the Atlantic Ocean where most of these catches are taken, while about 12% on average (2006-2008) are taken in the Mediterranean (also part of the ICCAT area). The major tuna species (skipjack, yellowfin and bigeye) accounted for almost 320,000 tonnes of the global total (61 %).

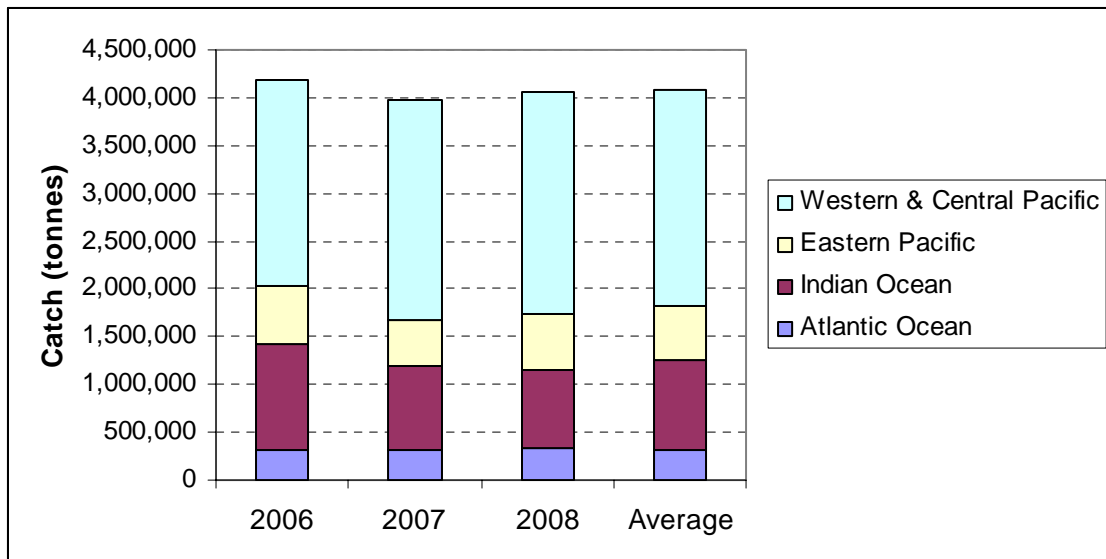


Figure 3 : Distribution of world catches of skipjack, yellowfin and bigeye 2006-2008 all types of gears aggregated.

Source : FAO

2.1.2 EU Fishing fleets involved

The Cape Verde zone is of interest to European purse seine, baitboat and surface longline operators, since they pursue the fishing of these migratory resources in international and national waters in the Eastern Tropical Atlantic Ocean.

The peak of European fishing effort in the purse seine fishery was in the early 1990s with about 70 purse seiners. There was a subsequent movement of vessels from the Atlantic to the Indian Ocean and the number of purse seiners from the European and associated fleets⁷ fell to 44 vessels in 2001 and to 24 vessels in 2006. Since then however the number of purse seiners has increased to 36 as vessels have moved back from the Indian Ocean to the Atlantic. At the same time the efficiencies of these fleets have been increasing, particularly as the vessels which had been operating in the Indian Ocean tend to be newer and with greater fishing power. These trends are shown in Figure 4.

The EU purse seine fleet in the Atlantic is comprised mainly of vessels under Spanish and French flags. An average of 20 vessels have been operating in the period from 2006 to 2008, where Spanish purse seiners have increased from 11 to 16 in the period while French vessel numbers have been constant at 7. These vessels have taken catches of roughly 60,000 tonnes on average during this period (Spain: 39.000 t; France: 21.000 t), accounting for 37% of total catches of the industrial purse seine fishery in the Atlantic. Many of the vessels draw licences to fish in the Cape Verde zone (21 vessels in 2010). A number of EU owned vessels operate under flags of nations in the region, including that of Cape Verde.

The European longline fleet also targets large pelagic species throughout the Atlantic. Retained catches are in the order of 16,000 tonnes per year of swordfish (from both northern and southern stocks) and 43,000 tonnes of sharks, consisting primarily of blue shark and shortfin mako shark. The Atlantic fleet is dominated by Spanish and Portuguese vessels (and a few UK flagged vessels). The vessels operate in the three Oceans and it is more difficult to obtain a reliable estimate of vessel numbers. It appears that about 60-70 EU vessels are

⁷ This concerns vessels under flags of third countries, which are presumed by ICCAT to have EU interests in the ownership or operation

presently operating in the Atlantic, and a substantial number of these have taken licenses in the Cape Verde zone (an average of 26 vessels in the period 2007-2010).

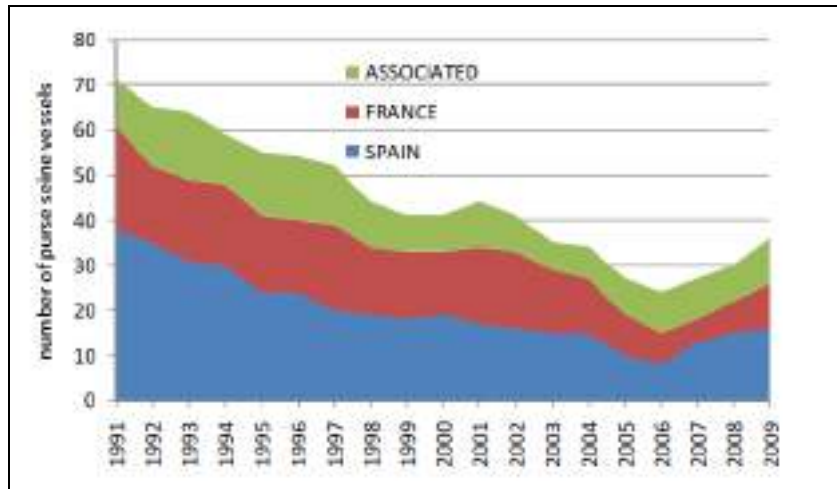


Figure 4: Trend in number of purse seine vessels from European and associated fleets operating in the eastern Atlantic during 1991-2009.

Source: ICCAT

EU baitboat vessels operating in the ICCAT area account for an average annual catch, during 2006 – 2008, of about 38,000 tonnes. The vessels are from Spain, Portugal and France. Some of these fleets operate in European waters for part or all their catches (i.e. Madeira, Canary Islands). Only about 10 European baitboat vessels operate in African waters making use of FPAs with an annual catch in order of 10,000 tonnes of tuna. Other baitboat fleets operate under the Senegal and Ghana flags and some of these vessels are European owned or operated. The Cape Verde zone is an important fishing ground for this fleet, but operations are limited due to the fact that they do not have access to live bait in Cape Verde (they need to be supported by an accessible fishery and infrastructure for live bait). However, the Cape Verde fishery is regarded as one of the most valuable fishing grounds for this fleet, due to the large size of fish caught during the period November to January.

2.1.3 Status of stocks and management measures

Stock assessments of major tunas and associated species such as various billfish and sharks are carried out regularly (i.e. every 3-4 years) under the framework of the International Commission for the Conservation of Atlantic Tunas (ICCAT). This section describes the various stocks that are of particular relevance to the EU Cape Verde FPA, with a focus on the stocks that are exploited in the eastern tropical Atlantic. It considers their exploitation and biological status in terms of the sustainability of the fishery and describes the management advice provided by ICCAT.

The source of this information is the report of the ICCAT Standing Committee of Research and Statistics (SCRS) included in the Report for Biennial period 2008-09, Part II, published in 2010⁸. This publication includes the latest available results of stock assessments (see also Table 7). The Scientific, Technical and Economic Committee for Fisheries (STECF) of the European Commission is also requested to review the available advice for 2010 on stocks of interest to the EC. This has also been taken into consideration in the following, where specific STECF comments or recommendations are given.

⁸ Available at www.iccat.int

The European Union as a party to the ICCAT Convention is obliged to implement the ICCAT Recommendations, Resolutions and other Decisions. Reference is therefore also made to the implementing decisions adopted into EU law by the European Council and the European Commission.

Skipjack

Skipjack tuna is a gregarious species that is found in schools in the tropical and subtropical waters of the three oceans. Skipjack is the predominant species caught under FADs (fish aggregating devices/floating objects, which can be natural or artificial) where it is caught in association with juvenile yellowfin and bigeye tuna as well as with other species of epipelagic fauna. One of the characteristics of skipjack is that from the age of one it spawns opportunistically throughout the year and in vast sectors of the ocean. The increasing use of fish aggregation devices (FADs), since the early 1990s, has changed the species composition of free-swimming schools. It is noted that the free schools of mixed species were considerably more common prior to the introduction of FADs.

The total catches of this species obtained in 2008 in the entire Atlantic Ocean were close to 149,000 tonnes which represents the catch average of the last five years (Figure 5). At present the major fisheries are the purse seine fisheries, particularly those of Spain, Ghana, Panama, France and Netherlands Antilles, followed by the baitboat fisheries of Ghana, Spain, Portugal and France. The preliminary estimates of catches made in 2008 in the East Atlantic amounted to 127,000 tonnes representing an increase of 3% as compared to the average of 2003-2007. Most of the catches are taken off the coasts of Ghana and Cote d'Ivoire with much lower catches in the Cape Verde zone, as this area is in the northern limit of the purse seine fishery (Figure 6). Nominal purse seine effort decreased regularly since the mid 1990s but this has now started to increase again with the movement of EU purse seiners from the Indian to the Atlantic Ocean.

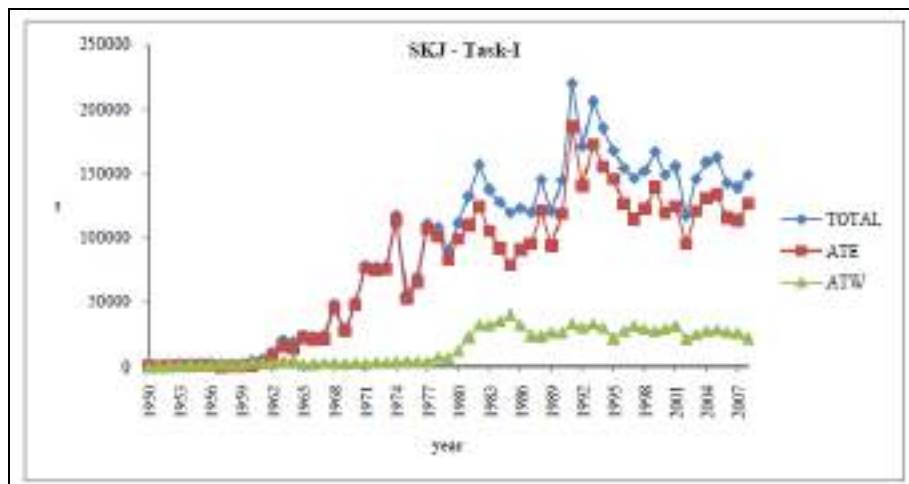


Figure 5: Total catch (t) for skipjack in the Atlantic Ocean and by stocks (East and West) between 1950 and 2008.

Source: ICCAT

Traditional stock assessment models have been difficult to apply to skipjack because of their particular biological and fishery characteristics (i.e. continuous spawning, variation in growth by area, non-directed effort and weakly identified cohorts). Although the fisheries operating in the east have extended towards the west beyond 30°W longitude, assessment is based on the assumption of two distinct stock units, east and west, based on available scientific studies. European fisheries primarily exploit the eastern stock, which is the much larger stock.

Current catches (2008 provisional data) of eastern skipjack are about 127,000 tonnes, which is lower than the Maximum Sustainable Yield (MSY) level; range of 143,000 – 170,000 tonnes (see Figure 5). This indicates a moderate exploitation and the fishery can thus be considered as sustainable. There is currently no specific regulation in effect for skipjack tuna.

Although the ICCAT SCRS Committee makes no management recommendations in relation to skipjack, the advice is that catches should not be allowed to exceed MSY. Increasing harvests and fishing effort for skipjack could lead to involuntary consequences for other species that are harvested in combination with skipjack (particularly bigeye tuna in the purse seine fishery).

The STECF comments on the ICCAT management measure of a season/area closure for surface fisheries (i.e. purse seine, baitboat) (Rec. 04-01), replacing a previous moratorium on the use of FADs over a larger area (see also Table 7). This season/area closure was assessed by ICCAT and the conclusion was that it is less efficient in reducing the overall catches of small bigeye, the primary objective of the management measures, and has only a marginal effect on skipjack catches. STECF comments imply that a more effective measure should be found for protecting juvenile bigeye in the surface fisheries.

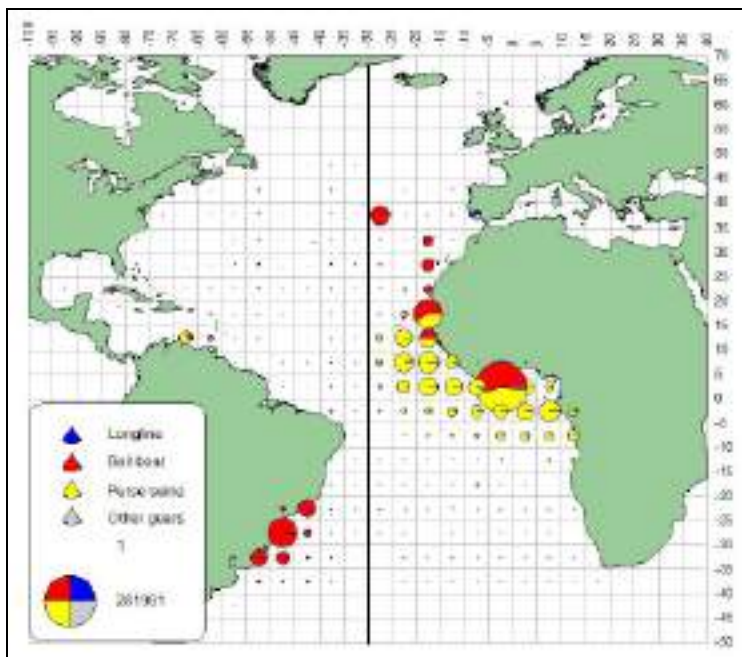


Figure 6: Geographic distribution of skipjack catch by major gears during the period 2000-2007.

Source: ICCAT

Yellowfin tuna

Yellowfin tuna is distributed mainly in tropical and subtropical oceanic waters. The sizes exploited range from 30 cm to 170 cm fork length (FL); maturity occurs at about 100 cm FL. Smaller fish (juveniles) form mixed schools with skipjack and juvenile bigeye, and are mainly limited to surface waters, while larger fish form schools in surface and sub-surface waters. The younger age classes of yellowfin tuna exhibit a strong association with FADs. The main spawning ground is the equatorial zone of the Gulf of Guinea, with spawning primarily occurring from January to April. Juveniles are generally found in coastal waters off Africa. In addition, spawning occurs in the Gulf of Mexico, in the southeastern Caribbean Sea, and off Cape Verde, although the relative importance of these spawning grounds is unknown. Although such separate spawning areas might imply separate stocks or substantial heterogeneity in the distribution of yellowfin tuna, a single stock for the entire Atlantic is assumed as a working hypothesis based on the available information, showing transatlantic migration from west to east and a continuous distribution based on CPUE data (Figure 7).

In contrast to the increasing catches of yellowfin tuna in other oceans worldwide, there has been a steady decline in overall Atlantic catches, with an overall decline of 45% since the peak catches of 193,500 tonnes in 1990 to 107,859 tonnes in 2006 (Figure 8). Recent trends have differed between the western and eastern Atlantic, with the catches in the west

continuing to decline steeply with reductions of 40% in only two years since 2006. In the eastern Atlantic, on the other hand, catches have increased by 13% since 2006 mainly due to substantial increases in purse seine effort. Most of these catches are taken off the coasts of Ghana and Cote d'Ivoire, as shown in Figure 7. Note that the catches in the Cape Verde zone are generally low and are taken by various gears including artisanal handline.

The status of the yellowfin tuna stock has shown some improvement in recent years, which is not surprising in that fishing effort and subsequent catches have generally declined. The recent increase in effort in the Eastern Atlantic is still considered to be relatively moderate. The estimated maximum sustainable yield (MSY) range is 124,000 to 152,000 tonnes per year. As catches in 2008 were 107,859 tonnes (provisional data), well below the MSY, the level of exploitation is considered moderate and yellowfin tuna is considered to be exploited sustainably.

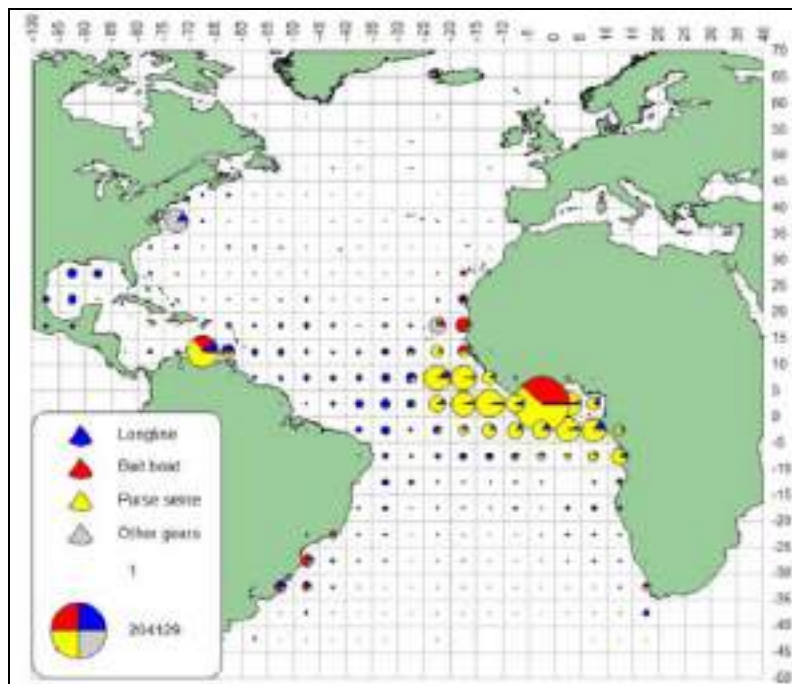


Figure 7: Geographic distribution of yellowfin catch by major gears during the period 2000-2007

Source: ICCAT

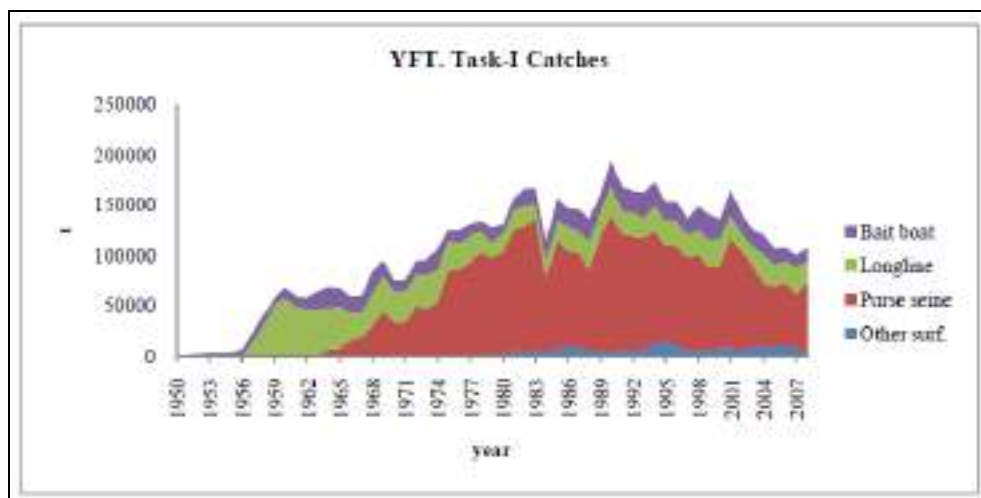


Figure 8: Estimated annual catch (tonnes) of Atlantic yellowfin tuna by fishing gear. 1950-2007

Source: ICCAT

The formal management advice is contained in “Recommendation by ICCAT on Supplemental Regulatory Measures for the Management of Atlantic Yellowfin Tuna” of May 31, 1994. This states that “there be no increase in the level of effective fishing effort exerted on Atlantic yellowfin tuna, over the level observed in 1992. It also requires that all countries whose vessels currently exploit Atlantic yellowfin tuna, or may do so in the future, irrespective of whether or not such vessels fly a flag of the Contracting Parties to the ICCAT Convention, implement the measure ...”

The latest stock assessment in 2008 estimated that current effort level is well below this limit (about 25-30% in terms of fishing mortality up until 2006), but considering recent increases in vessels, this may no longer be the case. The SCRS Committee of ICCAT points out that there is about a 60% chance that stock biomass is not at the optimal target level, when taking into account uncertainty in the modelling exercises. The effect of the recent trend for movement of additional, newer vessels from the Indian Ocean into the Atlantic, with a corresponding increase in fishing mortality should therefore be monitored closely to avoid adverse impacts on stock status, a recommendation that is also endorsed by the STECF.

Bigeye

Bigeye tuna are distributed throughout the Atlantic Ocean between 50°N and 45°S, but not in the Mediterranean Sea. This species swims at deeper depths than other tropical tuna species and exhibits extensive vertical movements. Spawning takes place in tropical waters when the environment is favourable and juvenile fish tend to diffuse from nursery areas in tropical waters into temperate waters as they grow larger. Catch information from surface gears indicate that the Gulf of Guinea is a major nursery ground for this species. Young fish form schools mostly mixed with other tunas such as yellowfin and skipjack. These schools are often associated with drifting objects, whale sharks and sea-mounts. This association appears to weaken as the bigeye grows larger. A single Atlantic-wide stock is assumed for the purpose of stock assessment.

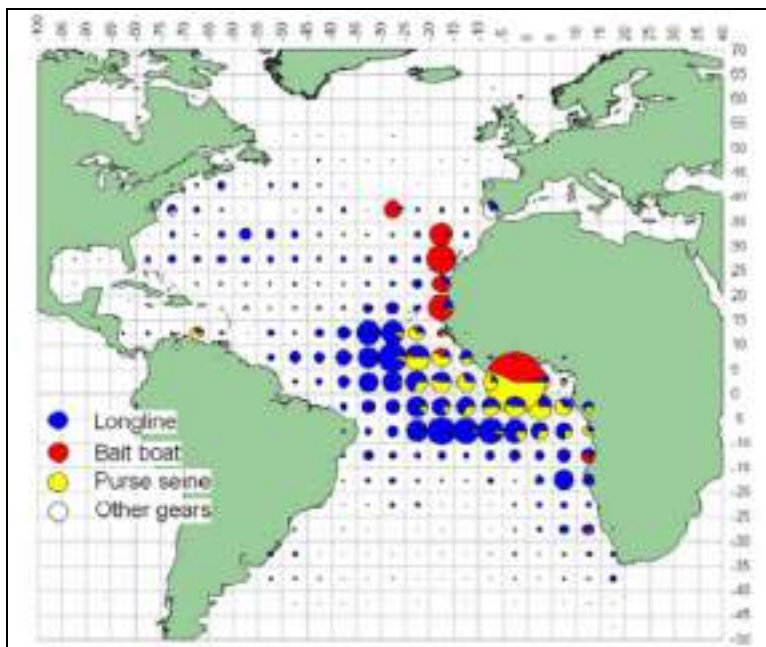


Figure 9: Geographic distribution of bigeye catch by major gears during the period 2000-2006

Source: ICCAT

The stock has been exploited by three major gears (longline, baitboat and purse seine fisheries) and by many countries throughout its range of distribution. The size of fish caught varies among fisheries; medium to large for the longline fishery, small to large for the directed

baitboat fishery and small for other baitboat and for purse seine fisheries. The main purse seine fisheries are off the coasts of Ghana and Cote d'Ivoire. Only relatively small catches are reported for the ICCAT square in which Cape Verde is located (Figure 9).

Figure 10 shows the catch trends for this species. After the historic high catch in 1994 (132,000 tonnes) all major fisheries for this species exhibited a decline of catch. Bigeye catches declined to 65,873 tonnes in 2006 and provisional estimate for 2008 is 69,821 tonnes. These reductions in catch are related to declines in fishing fleet size (purse seine and longline) as well as decline in CPUE (longline and baitboat). However, in 2007 and 2008 an increase in the number of tropical purse seiners has been observed and this trend continued in 2009.

Bigeye tuna is of commercial interest for longliners supplying the Asian sashimi market. Since the early 1980s it has been the target of illegal, unreported and unregulated (IUU) longliners flying flags of convenience. IUU longline catches of this species were estimated at 25,000 tonnes in 1998 but have since declined reflecting improved reporting and reductions in the number of IUU boats flying flags of convenience. Nevertheless, the SCRS Committee of ICCAT continues to remain concerned that IUU bigeye catches may continue to be significantly under-estimated.

The stock assessment of bigeye tuna indicates that the stock declined rapidly during the 1990s due to the large catches taken in that period. Recently stock size appears to have stabilized. Catches in 2008 (provisional data) were about 70,000 tonnes, which is within the estimated sustainable range for MSY of 68,000 to 99,000 tonnes (Figure 10). This implies that the bigeye stock is exploited sustainably. However the SCRS Committee points out that this is conditional on the veracity of the reported and estimated history of catch for bigeye in the Atlantic. There is concern that unreported catches from the Atlantic might have been, and continue to be, poorly estimated. However, available statistical data collection mechanisms are insufficient to fully investigate this possibility (due to for example undeclared landings and fish laundering).

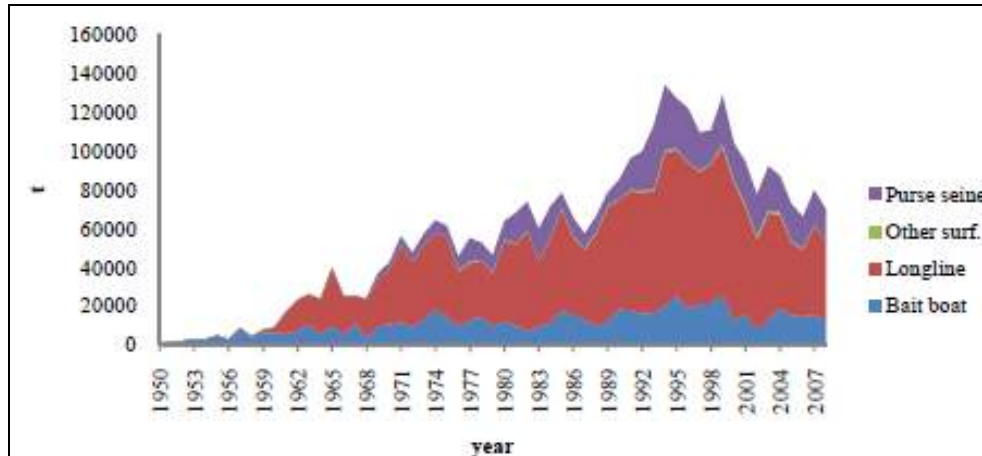


Figure 10: Estimated annual catch (t) of bigeye tuna by fishing gear (1950-2007)

Source: ICCAT

There are several management measures in place in order to limit the fishing mortality of bigeye tuna. There are limits on the number of fishing vessels that may carry out a directed fishery for bigeye, where the upper limit is the average number of vessels in 1991/1992 larger than 24m LOA (Rec. 98-03). In the case of bigeye, this refers to longline fleets primarily but there are also limitations on total allowable catch as well as on the number of purse seiners allowed to operate by some distant-water fishing nations (Rec. 04-01; Rec. 09-01).

Furthermore, there is a specific seasonal/area closure that applies to the surface fishery, including purse seiners and baitboats, which concerns the area encompassed by 0°-5°N and 10°-20°W during November (Rec. 04-01). This seasonal/area closure is much smaller in time and surface compared to a previous moratorium which was in effect during the period 1999 to

2005 (Rec. 99-01). Thus the current regulation is considered to be less effective in reducing the catches of juvenile bigeye (i.e. the main objective of the regulation), but on the other hand, the decreases in the associated catches of skipjack and yellowfin tuna are not as large. As current catches appear to be below the maximum sustainable yield (MSY), such a reduced effectiveness does not appear to be of concern, but the bigeye situation should be monitored carefully, considering recent increases in purse seine effort as well as the extent of IUU fishing. It is important to note that this seasonal/area closure does not affect the Cape Verde area, as it lies to the south.

Swordfish

Swordfish (*Xiphias gladius*) is distributed widely in the Atlantic Ocean and Mediterranean Sea (Figure 11). It spawns mostly in the western warm tropical and subtropical waters throughout the year, and is also found in the colder temperate waters during summer and fall months. Young swordfish grow very rapidly, reaching about 140 cm LJFL (lower-jaw fork length) by age three, but grow slowly thereafter. Females grow faster than males and reach a larger maximum size. Tagging studies have shown that some swordfish can live up to 15 years. Swordfish are difficult to age, but about 50% of females were considered to be mature by age five, at a length of about 180 cm. However, the most recent information indicates a smaller length and lower age at maturity.

In the ICCAT convention area the management units of swordfish for assessment purposes are a separate Mediterranean group and North and South Atlantic groups separated at 5°N, a structure which is supported by recent genetic analyses. Catches in Cape Verde waters are considered to be from the Northern stock. However, the precise boundaries between stocks are uncertain and mixing is expected to be highest at the boundary in the tropical zone.

Catch trends are shown in Figure 12. The total Atlantic estimated catch of swordfish (North and South including reported dead discards) in 2008 (21,859 tonnes) represented a significant decline from that in 2007 (27,941 tonnes).

In the North Atlantic estimated catch has averaged about 11,332 tonnes per year during the past decade. The catch in 2008 (10,752 tonnes) represents a 53% decrease since the 1987 peak in North Atlantic landings (20,236 tonnes). These reduced landings have been attributed to ICCAT regulatory recommendations and shifts in fleet distributions, including the movement of some vessels some years to the South Atlantic or out of the Atlantic. In addition, some fleets, including at least from the United States, Spain, Portugal and Canada, have changed operating procedures to opportunistically target tuna and/or sharks, taking advantage of market conditions and higher relative catch rates of these species previously considered as by-catch in some fleets.

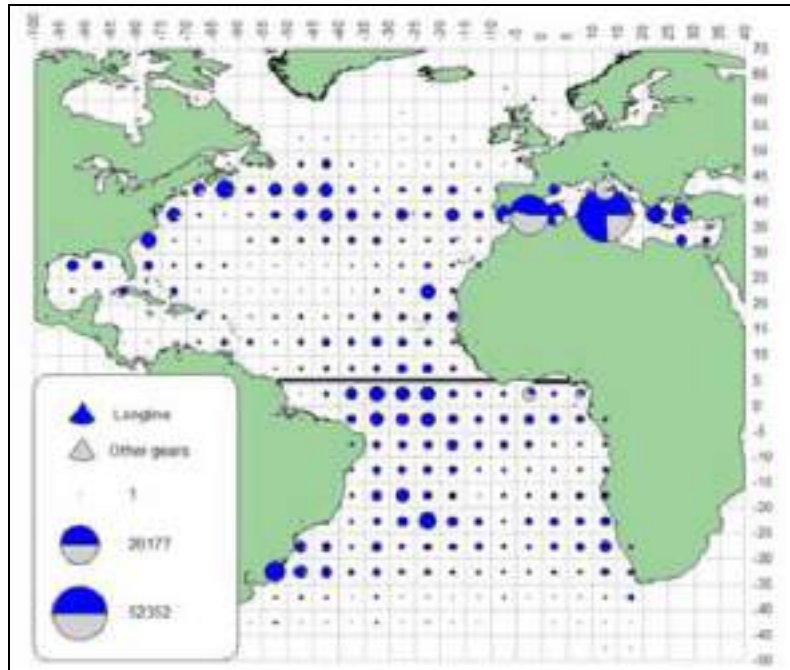


Figure 11: Geographic distribution of swordfish catch by major gears during the period 2000-2006

Source: ICCAT

Stock assessment of the North Atlantic swordfish stock was carried out in 2009, using complementary. Results estimate that stock biomass is at healthy level and that fishing mortality is below maximum sustainable levels, thus indicating the stock is exploited sustainably. There are however concerns about the availability and consistency of data as well as possible unreported discards, which may limit the reliability of assessment results (SCRS, STECF).

Furthermore according to the SCRS of ICCAT, the results suggest that there is greater than 50% probability that the stock is at or above B_{MSY} (minimum sustainable level of biomass). Thus the Commission's stock rebuilding objective (Rec. 06-02) of maintaining the stock at a level that could produce MSY, with greater than 50% probability, has been achieved. A TAC of 13,000 t is recommended in order to maintain the stock at sustainable levels (with a probability of 75%). Rec. 09-02 adopts a TAC of 13,700 t in 2010 which is consistent with the assessment results and recommendations of the SCRS (see also Table 7. The allocation to the European Union is specified as 52.42% (7,181 tonnes; see Rec. 06-02).

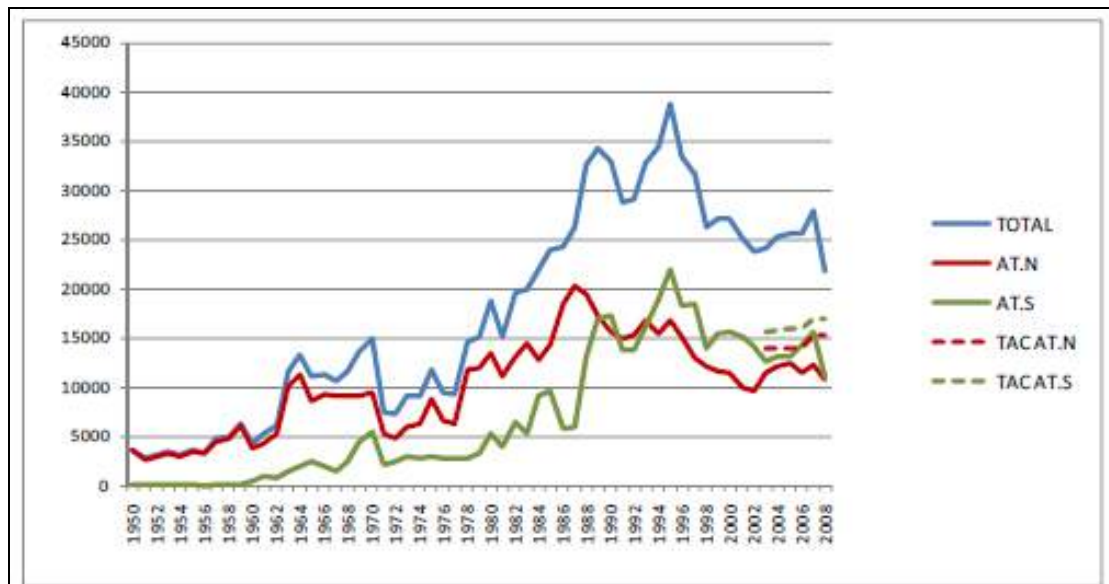


Figure 12: Swordfish reported catches (t) for North and South Atlantic for (1950-2008) and the corresponding TAC.

Source: ICCAT

Sharks

A great variety of shark species are found within the ICCAT Convention area from coastal to oceanic species. Biological strategies of these sharks are very diverse and are adapted to the needs within their respective ecosystems. To date, ICCAT has prioritized the biological study and assessment of the major sharks of the epipelagic system as these species are more susceptible to being caught as by-catch by oceanic fleets targeting tuna and tuna-like species. It should however be noted that some surface longline fleets have increasingly targeted pelagic sharks, with the result that blue shark and shortfin mako dominate the shark catches of these fleets.

Blue shark and shortfin mako show a wide geographical distribution, most often between 50°N and 50°S latitude. These species have an ovoviviparous⁹ reproductive strategy, which increases the probability of survival of their young, with litters from only a few individuals in the case of shortfin mako to about 40 pups in the case of blue shark. Their growth rates differ between sexes and among species. Females often reach first maturity at a large size. A characteristic of these species is usually their tendency to segregate temporally and spatially by size and sex, according to their respective processes of feeding, mating-reproduction, gestation and birth. Numerous aspects of the biology of these species are still poorly understood or completely unknown, particularly for some regions, which contributes to increased uncertainty in quantitative and qualitative assessments.

Given that catch reports to ICCAT are incomplete, the SRCS Committee attempted to develop a more accurate estimate of shark mortality and capture related to the Atlantic large pelagic fleets on the basis of the expected proportions among tunas and sharks and in the landings of these fleets, as well as using shark fin trade data. These information sets were used to reconstruct plausible estimates of historic catches used in blue shark and shortfin mako assessments in 2008 and these are shown in Figure 13. Note that this reconstruction of catch series tends to indicate that actual catches are roughly double of reported catches. On

⁹ Ovoviviparous refers to giving birth to live young, where the embryos are nourished by an egg yolk inside the body of the mother (i.e. not a placenta as in mammals).

this basis the provisional catch data for 2008 of 30,545 tonnes of blue shark (North) and 3,372 tonnes of shortfin mako shark (North) should be considered a minimum.

The SCRS Committee assessed blue and shortfin mako sharks in 2008 assuming the existence of three separate stocks; North, South and Mediterranean. The assessment results presented high levels of uncertainty due to data limitations. Although the quantity and quality of the data available (e.g. historical catches and CPUE information) to conduct stock assessments have improved, these are still considered to be rather uninformative and do not provide a consistent signal to inform the assessment.

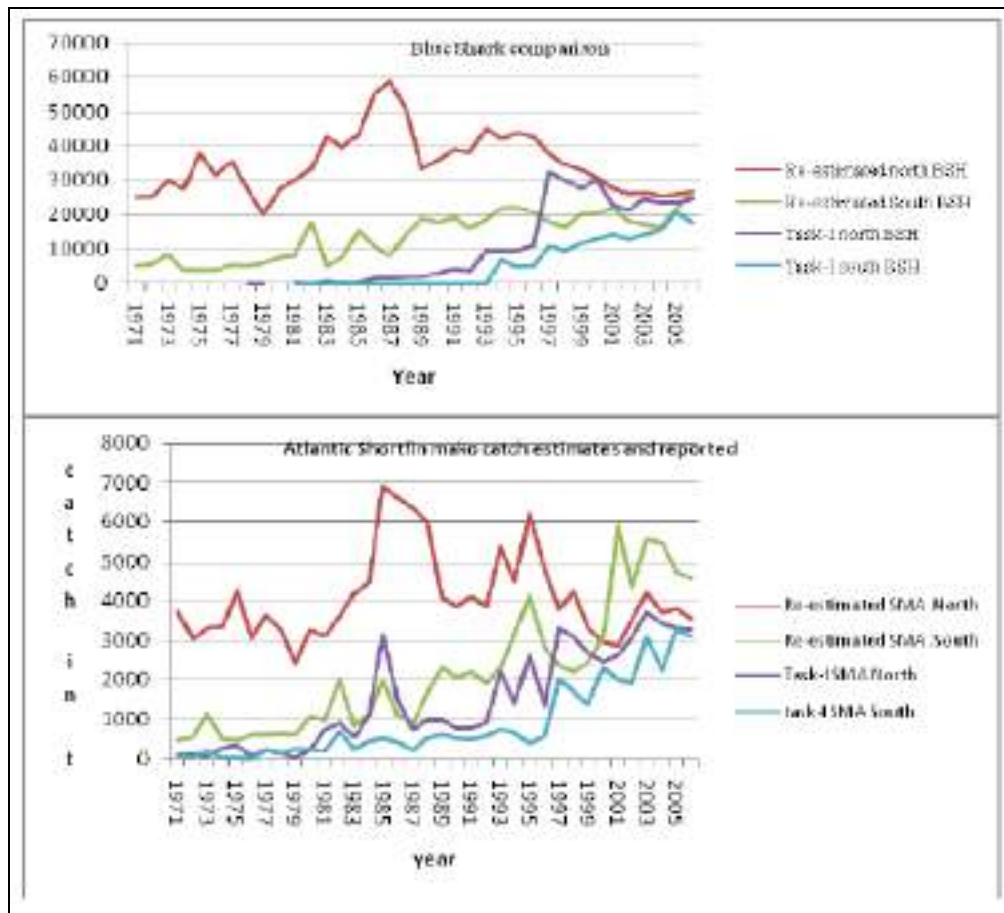


Figure 13: Blue shark and shortfin mako catches reported to ICCAT and estimated by the SCRS Committee.

Source: ICCAT

For both North and South Atlantic blue shark stocks the level of biomass is believed to be at healthy levels and fishing pressure is believed to be moderate (based on estimates of fishing mortality). There is no evidence that fishing has resulted in depletion of stocks, but it is important to state that there is considerable uncertainty in the assessments. STECF points out that blue shark is subject to the UN Agreement on Highly Migratory Stocks and that the IUCN has classified this species as “Near Threatened Globally” in 2007.

In relation to the North Atlantic stock of shortfin mako, the results on stock status were much more variable than for blue shark. There was high uncertainty on whether the current estimate of stock biomass was above or below the biomass that would support MSY. STECF points out that the IUCN has listed shortfin mako as “Vulnerable” in 2007 (for the Atlantic) and that it is listed in the Barcelona Convention (App. III) and in the Bern Convention (App. III)

The SCRS Committee recommends that countries initiate research projects to investigate means to minimize by-catch and discard mortality of sharks in fisheries for tuna and tuna-like species (note that shark-finning is prohibited; Rec. 04-10). It recommends that management

measures and data collection should be harmonized among all relevant RFMOs and ICCAT should facilitate appropriate communication. This would also allow for more reliable results from stock assessment and to determine the possible impacts due to the different fisheries, as indicated by the STECF.

Summary of stock status and management recommendations

Table 7 overleaf gives a summary of the preceding sections, describing the stock status, catch data and management recommendations for each of the migratory species subject to the EC-Cape Verde FPA.

Table 7: Current status of relevant stocks and ICCAT management measures in place

Stock	Time of latest ICCAT assessment *	Estimated MSY Unit: tonnes	Current Yield / status Unit: tonnes (provisional data for 2008)	Management measures in place / comments
Yellowfin tuna	2008 (2012)	124,000 - 152,500	107,859 (exploited sustainably)	<ul style="list-style-type: none"> - Effective fishing effort not to exceed 1992 level (Rec. 93-04); according to stock assessment results this level, measured in fishing mortality, may have now been reached due to movement of vessels into the Atlantic from the Indian Ocean - Season/area closure of surface fishing in 0° - 5°N. 10° - 20°W. effective from 2005 (Rec. 04-01); measure intended to protect bigeye juveniles primarily (see bigeye)
Bigeye tuna	2007(2010)	68,000 – 99,000	69,821 (fully exploited)	<ul style="list-style-type: none"> - TAC of 85,000 tonnes in 2010 (Rec. 09-01); EU: 31,200t (for ESP, FRA, PRT); Council Reg. EC 23/2010 - Limits on numbers of fishing vessels less than the average of 1991 and 1992 (larger than 24m LOA and specific to GRT) - Specific limits on number of longline boats; China (45). Chinese Taipei (98 + 7 in 2010 & 2011). Philippines (8 + 2 in 2010 & 2011); Specific limits on number of purse seine boats for Panama (3) - No purse seine and baitboat fishing during November in the area encompassed by 0° - 5°N. 10° - 20°W - (Rec. 98-03, 04-01, 06-01, 08-01, 09-01) (Council Reg. EC 520/2007)
Skipjack tuna (eastern stock)	2008 (2012)	143,000 - 170,000	127,000 (exploited sustainably)	<ul style="list-style-type: none"> - Season/area closure of surface fishing in 0° - 5°N. 10° - 20°W. effective from 2005 (Rec. 04-01); measure intended to protect bigeye juveniles primarily;

Stock	Time of latest ICCAT assessment *	Estimated MSY Unit: tonnes	Current Yield / status Unit: tonnes (provisional data for 2008)	Management measures in place / comments
Swordfish (North Atlantic)	2009 (2012)	13,020 - 14,182	10,752 (exploited sustainably)	<ul style="list-style-type: none"> - Total TAC: 13,700 tonnes in 2010 (Rec. 09-02); EC: 8,635.7 t (for ESP & PRT); Council Reg. EC 23/2010 - Minimum size limit of 125 cm (15% tolerance) or 119 cm (zero tolerance) LJFL (lower jaw fork length) (Rec. 06-02) (Council Reg. EC 520/2007)
Blue shark (North Atlantic)	2008 (2012)	Not determined	30,545 (deficient reporting) (possibly sustainable but high uncertainty)	<ul style="list-style-type: none"> - Rec. 04-10 prohibiting "shark-finning" (max. 5% fins to total shark catch weight onboard) (Council Reg. EC 1185/2003) - No limits on fishing pressure (fishing mortality estimated to be rather low)
Shortfin mako (North Atlantic)	2008 (2012)	Not determined	3,372 (deficient reporting) (high uncertainty on status)	<ul style="list-style-type: none"> - No limits on fishing pressure (possibly over-exploited but assessment highly uncertain) - Rec. 04-10 prohibiting "shark-finning" (max. 5% fins to total shark catch weight onboard) (Council Reg. EC 1185/2003)

* year in brackets indicates when the next stock assessment is expected to take place. Source: ICCAT

2.1.4 Ecosystem considerations

ICCAT is becoming increasingly concerned regarding the impact of fishing on the environment. The Working Group on the Future of ICCAT is taking into consideration the amendment of the ICCAT Convention by including the ecosystem considerations such as for example by-catch impacts. Discussions are ongoing to identify a range of goals for the Convention area ecosystem components: the need for models which incorporate best knowledge of ecosystem dynamics and account for the identified goals; to identify critical data gaps and ecological processes; and guide research and data collection needed for testing and implementation of ecosystem-based fisheries management.

The following summarises some recent research efforts and findings relevant to Cape Verde fisheries.

Discards

Discards are generally considered a waste of fish resources and inconsistent with responsible fisheries. Various UN resolutions and international instruments on fisheries make reference to monitoring bycatch and discards, and reviewing the impact of bycatch and discards on the sustainable use of living resources.

The most comprehensive review of discards in fisheries for tuna and highly migratory species was undertaken by an FAO study in 2005¹⁰. This presented estimates of discard rates (defined as % of total catch discarded) for several important types of fisheries:

Longline: discard rate 22% consisting mainly of blue shark and other sharks, damaged fish, albatross, petrels and other seabirds, and it is assumed that most small tunas are also discarded. Note that the European SLL fleet is actually targeting blue and mako sharks (apart from swordfish) which would imply lower discarding rates for this fleet.

Baitboat (or Pole-and-line): discard rate of 0.1%, can thus be considered a very clean fishery.

Purse seine: discard rate of 4.85% (4.1 for the Atlantic) consisting of undersized target species, non-commercial tunas, sharks, rainbow runner, dolphinfish, triggerfish, billfish and mantas. A recent study of by-catch and discards presented new estimations of discards as well as characteristics for several species groups for the European purse seine tuna fishery operating in the Atlantic Ocean for the period 2003-2007. This was carried out in the context of the French and Spanish observer programs. Mean annual total tuna discards and by-catch were estimated to be about 6,000 tonnes, corresponding to a mean annual value of 76.3 tonnes per 1,000 tonnes of tuna landed. Tuna discards represents 83 % (63.5 tonnes/1,000 tonnes) of the total amount, followed by finfishes (10 %; 7.8 tonnes/1,000 tonnes), billfishes (4 %; 3.2 tonnes/1,000 tonnes) and sharks (1 %; 0.9 tonnes/1,000 tonnes). The rather high level of tuna discards appears to be due to a significant increase in the proportion of small skipjack (so-called "*faux poisson*") in the catch. In 2009, French observers estimated the proportion of small fish (average size 37 cm FL) to be 235 tonnes/1,000 tonnes of skipjack landed.

Sharks

ICCAT has considered the impacts of by-catches of shark species, since these species generally exhibit low productivity and even low by-catches may have a detrimental effect. The quality and quantity of data has been improving to the point where Ecological Risk Assessments (ERA) have been carried out for eleven priority species of sharks (including blue shark and shortfin mako) caught in ICCAT fisheries. The results demonstrated that most Atlantic pelagic sharks have exceptionally limited biological productivity and, as such, can be overfished even at very low levels of fishing mortality. Specifically, the analyses indicated that bigeye threshers, longfin makos and shortfin makos have the highest vulnerability (and lowest biological productivity) of the shark species examined (with bigeye thresher being substantially less productive than the other species). All species considered in the ERA, particularly smooth hammerhead, longfin mako, bigeye thresher and crocodile sharks are in

¹⁰ Kelleher, K. 2005. Discards in the world's marine fisheries. An update. FAO Fisheries Technical Paper. No. 470. 131p.

need of improved biological data to evaluate their biological productivity more accurately and thus specific research projects should be supported to that end.

Several measures have therefore been adopted by ICCAT for the conservation of sharks caught in association ICCAT managed fisheries. This includes obligations and recommendations related to catch reporting, biological data collection, research efforts, prohibiting shark-finning, and identifying blue shark and shortfin mako shark as priority species for stock assessment (Rec. 04-10, 05-05, 06-10). Rec. 07-05 further identifies porbeagle (*Lamna nasus*) for the purposes of data collection and stock assessment as well as the need to reduce fishing mortality. Rec. 09-07 prohibits the sale of bigeye thresher sharks (*Alopias superciliosus*) thus limiting any directed fishery and the requirement to release unharmed any incidentally caught individuals (when practicable) as well as the specification of thresher sharks (*Alopias spp.*) for data collection purposes.

A related effort is the recent European Union Action Plan for the Conservation and Management of Sharks (2009)¹¹, which has three specific objectives: a) to broaden the knowledge both on shark fisheries and shark species and their role in the ecosystem, b) to ensure that directed fisheries for shark are sustainable and that by-catches of shark resulting from other fisheries are properly regulated, and c) to encourage a coherent approach between the internal and external EU policy for sharks.

It should also be noted that a Sub-regional Plan of Action for sharks formulated in 2001 by a number of African countries including Cape Verde, Gambia, Guinea, Guinea Bissau, Mauritania, São Tomé and Príncipe and Senegal¹². A project has been supporting its implementation (2004-2011), hosted by the Sub-Regional Fisheries Commission (CSRP) for West Africa, with funding from Dutch Cooperation and the Luc Hoffmann Foundation (MAVA). Implementation appears to be weak which is also linked to inadequate funding.

Seabirds

The seabird assessments conducted indicate that ICCAT fisheries have measurable impacts on populations of seabirds in the Convention area, including some species of seabirds that are threatened with extinction. There are various species, primarily albatrosses (*Phoebetria spp.*), shearwaters (*Puffinus spp.*) and petrels (*Pterodroma spp.*), which are threatened according to IUCN criteria and susceptible to by-catch from ICCAT fisheries because of their behaviour¹³. Assessments conducted indicate that minimizing seabird mortality in the ICCAT fisheries would result in improvement in future seabird population status. Lessons from ICCAT areas where seabird by-catch was formerly high but has been reduced show clearly that there is no single measure that can sufficiently reduce seabird by-catch. It is important to employ, simultaneously, a suite of measures. There are concerns particularly in relation to the southern hemisphere (south of 20°S).

ICCAT's Sub-Committee on Ecosystems has not been able to demonstrate evidence that there are significant seabird interactions with Contracting Parties' national pelagic longline fisheries. Preliminary estimates indicate by-catches of below 10,000 seabirds per year over a study period of three years; 2003-2005¹⁴. However, as a precautionary measure, it has advised that Contracting Parties should use tori lines¹⁵ in combination with at least one other effective bycatch mitigation measure throughout the Convention area (adopted in ICCAT Rec. 07-07 for areas south of 20°S). These measures should be applied until such time that more information becomes available on the impacts of by-catch levels on seabird populations.

¹¹ Communication From The Commission To The European Parliament And The Council, On a European Community Action Plan for the Conservation and Management of Sharks, COM(2009) 40 final, Commission Of The European Communities, Brussels, 5.2.2009

¹² IUCN 2002. Report on Implementation of the International Plan of Action for Sharks (IPOA – Sharks): paper submitted for discussion at the 18th. CITES Animals Committee meeting, Costa Rica, 8-12 April, 2002. IUCN Species Survival Commissions Shark Specialist Group (SSG) and TRAFFIC

¹³ Report of the 2007 Inter-sessional meeting of the sub-committee on ecosystem. ICCAT SCRS/2007/010

¹⁴ Klaer, N.L., Black, A., Howgate, E. 2009. Preliminary estimates of total seabird by-catch by ICCAT fisheries in recent years. SCRS/2008/031

¹⁵ A tori line is a bird-scaring device towed behind the vessel, usually attached from a high point at the stern and consisting of a backbone from which streamers hang down at regular intervals.

A recent effort in this context is the consultation paper presented by the European Commission on an "EU Action Plan for Reducing Incidental Catches of Seabirds in Fishing Gears". This is currently under consultation until 9 August 2010¹⁶. Following the good example set by CCAMLR in reducing incidental catches of seabirds in the southern seas, a series of relatively simple techniques are proposed as "best practices" which are expected to measurable positive impacts but not entail significant investments or impacts on catch rates of target species (concerns mainly longlines and gillnets).

Turtles

Another matter of growing concern is about the numbers of turtles being caught in longline fisheries and the impact this might have on their populations worldwide. All species of marine turtles are protected reptiles and are considered to be endangered or threatened. Depending on geographic region, the two species most commonly caught in longlines are loggerhead turtles (*Caretta caretta*) and leatherback turtles (*Derموchelys coriacea*). In the Atlantic most work has been carried out in the western North Atlantic. Efforts in the eastern Atlantic appear to have been limited although studies indicate that high catch rates of turtles are observed (about 1 individual per 1,000 hooks set according to Carranza et al. 2006¹⁷). Considering that the area around Cape Verde is an area of particularly intensive fishing effort by longline, ranging from 2 to 10 million set hooks per 5°x5° degree square (Figure 14), this could potentially be a serious threat. Note however that it is important to distinguish between surface longlines and deep set longlines, where the former are known to have higher incidental catches of turtle species. Also, these estimates of incidental catch (mortality) are contested on the grounds of not being generally applicable (i.e. localised and sporadic studies) and that the release of caught turtles is common procedure among longliners¹⁸.

In contrast, bycatches of turtles in the purse seine fishery are very low (i.e. about 0.1 tonnes estimated from 7 observer trips) but as these species are generally threatened it is a matter for concern. However, it is standard practice to release the turtles back to sea if they are still alive¹⁹. No study could be found on possible turtle bycatches in the baitboat fisheries, including both EU and Cape Verdean operators, but this is expected to be negligible due to the nature of the fishery.

A recent study had the objective of identifying measures to reduce the bycatch of marine turtles, using different hook types and baits, which was carried out in three different areas: eastern and western Mediterranean and in the South Atlantic²⁰. A number of common mitigation measures have been identified such as hook type, bait type, setting depth, day versus night setting, bait type and blue dyed versus untreated bait. The results suggest that the greatest reduction in turtle bycatch rates, with the least effect on swordfish catch rates, was the use of mackerel bait instead of squid bait and to use the J type of hook.

Mitigation efforts in the African region include the Abidjan Turtle Conservation Convention which was established in 1999 through a Memorandum of Understanding under the Convention on the Conservation of Migratory Species of Wild Animals, to which Cape Verde is signatory. A regional conservation plan for sea turtles has been established, which should apply to all the countries ranging from the Straits of Gibraltar to the Cape of Good-Hope. Under the Convention each country should present measures for the conservation and protection of turtles at all stages of their life cycle (including a turtle conservation plan adopted by Cape Verde in 2008). Implementation within the African region is however known to be weak, but it should be noted that efforts to gain better understanding and data on this problem as well as the adoption of mitigation measures would need to involve ICCAT in order to be effective.

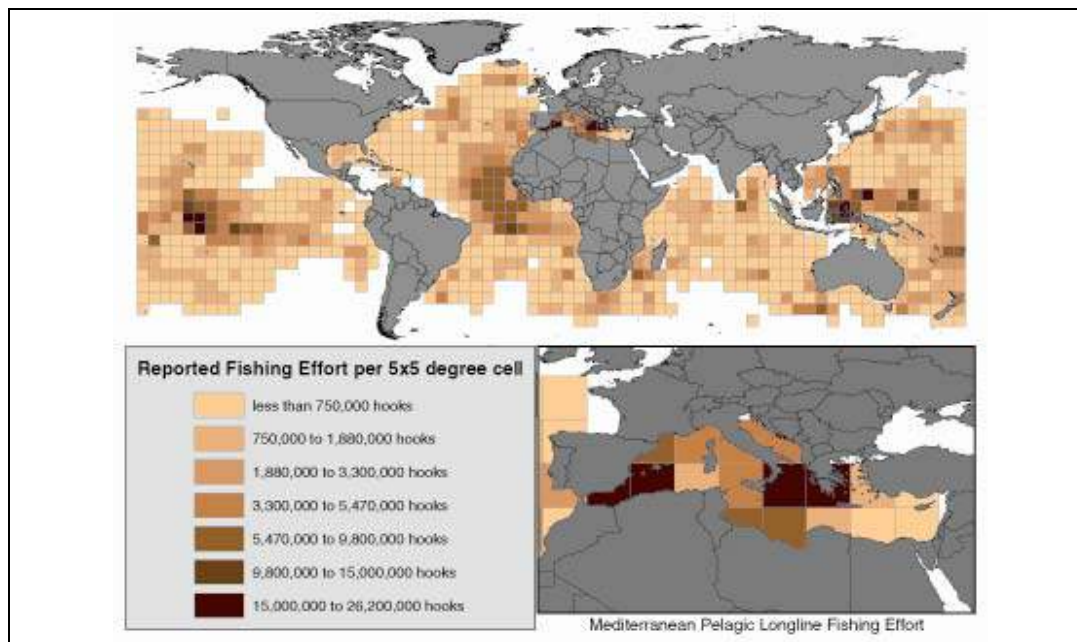
¹⁶ http://ec.europa.eu/fisheries/partners/consultations/seabirds/index_en.htm

¹⁷ Carranza, A., Domingo, A., Estrades, A. 2006. Pelagic longlines : a threat to sea turtles in the equatorial eastern Atlantic. Biological Conservation vol. 131, n° 1, 52-57

¹⁸ Kelleher, K. 2005. Discards in the world's marine fisheries. An update. FAO Fisheries Technical Paper. No. 470. 131p

¹⁹ Chassot, E., Amande, M.J., Chavance, P., Pianet, R., Dedo, R.G. 2009. Some preliminary results on tuna discards and bycatch in the French purse seine fishery of the Eastern Atlantic Ocean. ICCAT SCRS/2008/117

²⁰ Field study to assess some mitigation measures to reduce bycatch of marine turtles in surface longline fisheries. Ref. no. FISH/2005/28A. MRAG Ltd., February 2008.



Source Lewison, RL *et al*, "Quantifying the effects of fisheries on threatened species: the impact of pelagic longlines on loggerhead and leatherback turtles, Ecology Letters 2004 7:221-231

Figure 14: Estimated global distribution of longline fishing effort (2000)

Marine mammals

There is only limited information on marine mammal bycatch, particularly in the eastern tropical Atlantic. However, anecdotal information tends to indicate that this is normally a problem in local artisanal fisheries where various marine mammals are targeted or used opportunistically. This is for example the case for Atlantic Humpback dolphins (*Sousa teuszii*), bottlenose dolphin (*Tursiops truncatus*), harbour porpoise (*Phocoena phocoena*) and long- and shortbeaked common dolphins. Considering recent studies on the bycatch of industrial tuna fisheries (i.e. purse seine and pelagic longline) in the area, catches of marine mammals are not specified at all²¹ ²².

2.2 Cape Verde fisheries

The continental shelves around the Cape Verde islands and islets are generally narrow, thus limiting the productivity of fisheries. Total estimated area of the continental shelf is only 5,394 km² (accumulated; down to depths of 200m), most of which is located around the eastern islands Sal, Boavista, and Maio. Fishing grounds are generally small, scattered and sensitive to exploitation, particularly in the case of demersal and coastal species. The combined effects of strong currents, rough bottom conditions, the small size of the fishing grounds, and limited productivity make fishing in Cape Verde waters difficult. On the other hand, the EEZ of Cape Verde covers an extensive area of about 785,000 km², characterised by oceanic waters and relatively low productivity where it is mostly foreign fishing fleets that have the capacity to operate.

²¹ Chassot, E., Amande, M.J., Chavance, P., Pianet, R., Dedo, R.G. 2009. Some preliminary results on tuna discards and bycatch in the French purse seine fishery of the Eastern Atlantic Ocean. ICCAT SCRS/2008/117

²² Scientific estimations of bycatch landed by the Spanish surface longline fleet targeting swordfish in the Atlantic Ocean. ICCAT SCRS/2008/045

2.2.1 Fishery resources

According to the Fisheries Management Plan²³, there is a total estimated resource potential of between 36,000 and 44,000 tons. This plan entered into force in 2005 for a ten-year period (2004-2014) and it is further specified that implementation should be made through executive biennial plans. Currently, the biennial plan for 2009-2010 is in force²⁴.

The following Table 8 presents estimated resource potential based on the Fisheries Management Plan as well as the recent revision, based on the current biennial plan. The only change concerns the potential for small pelagics resources, which has been reduced by 1,000 tonnes (revised in the table below).

Table 8: Estimated potential and availability of fisheries resources, based on revised estimates given in the FMP

Resource	Estimated Potential (tonnes)	Mean Catch 2006-2008 (tonnes)	Further Potential/ Availability (tonnes)
Tuna	25,000	2,719 ²⁵	22,000
Small pelagics	6,500 – 8,300	4,529 ²⁶	2,000 – 3,800
Demersals	3,700 – 9,300	1,095	2,700 – 8,300
Lobsters	90-120	7	Unknown
Others		691	Unknown
Deep-sea resources	Unknown	Unknown	Unknown
Approx. Totals	35,000-43,000	9,000	26,000 – 34,000

Based on these estimates of potential resources, it would appear that there is considerable room for expanding and developing fisheries in Cape Verde. This has generally been the aim of successive fisheries strategies since independence, but with limited success and catches by domestic fisheries remain around or below 10,000 tonnes annually in spite of investments and efforts. A major component of resource potential concerns tuna, but this is based on outdated estimates and thus uncertain²⁷. There is a need for these estimates to be revised by the INDP, taking into account advances in access to data and information as well as methodologies.

There is also growing recognition that another major resource, the small pelagic mackerel scad, is close to full exploitation. Mackerel scad constitutes roughly 75% of all small pelagic catches (artisanal and industrial) and dominates almost completely the catches of the industrial fishery. The recent introduction of a closed season for this fishery (1 August – 30 September) is a response to this realisation. The estimated resource potential for demersals also appears to be too high and concerns mostly rock-bottom species, suggesting that potential for significant increases in catches is unlikely. Lobster resources appear to be over-exploited, and other resources (i.e. deep-sea resources) are also limited.

²³ Plano de Gestão dos Recursos da Pesca (PGRP), Segundo Plano de Acção Nacional para o Ambiente – PANA II, Ministério do Ambiente, Agricultura e Pescas – MAAP, Vol. 6, Praia 2004

²⁴ Resolução nº 10/2009 do Conselho de Ministros. Publicado no I Série, Nº 18, Boletim Oficial da República de Cabo Verde, 4 de Maio de 2009

²⁵ Does not include the catches of foreign fleets

²⁶ Mackerel scad (*Decapterus macarellus*) constitutes the major part of small pelagic catches (about 75%)

²⁷ van Santen, G., Stobberup, K. 2005. World Bank Fisheries Sector Strategy Assessment in Republic of Cape Verde. Working Document.

The consultants therefore consider that some of the assumptions set out in the Fisheries Management are too optimistic, and that the plan does not provide a realistic assessment of available potentials, which are in fact more likely to be rather limited.

2.2.2 Fishing fleet and employment

The semi-industrial and/or industrial fleets are dedicated to fisheries of tuna and tuna-like species, small pelagics and deepwater lobster. In 2005, as shown in Table 9, these fleets were composed of some 70 vessels of varying sizes (8 - 25 m; 2.5 - 121 GRT) and engine power (40 - 510 HP), employing an estimated 840 people, up from approximately 600 at the turn of the millennium. The tuna fleet operates different fishing gears according to season, including longlines and pole-and-line for tunas fishing for skipjack and yellowfin primarily, but also handlines for demersals, purse seines for small pelagics and traps for deepwater lobster. The lobster fleet is smaller in size – four vessels since the early 2000s – and is composed of larger 15 - 22 m vessels that, during the period October - June target primarily the endemic spiny lobster (*Palinurus charlestoni*, locally known as lagosta-rosa) (Almeida et al., 2003). A third segment of the semi-industrial and industrial fleets comprises about 70 vessels of length greater than 6.5 m operating purse seines to catch small pelagic species such as mackerel scad, round scad and bigeye scad (*Selar crumenophthalmus*). Catches from industrial and semi-industrial fleets are primarily for export and for Capeverdean processing industries. The main ports for the domestically based industrial fleet are Mindelo (São Vicente Island) and Praia (Santiago Island). The distribution of this fleet is shown in Table 9.

Table 9: Cape Verde industrial and semi-industrial fleet, 2005

Island	Number of vessels	%	Number of Fishermen
S. Antão	3	4	36
S. Vicente	17	24	204
S. Nicolau	3	4	36
Sal	9	13	108
Santiago	38	54	456
TOTAL Cape Verde	70	100	840

Source; INDP, 2010

The productive capacity of the industrial fleet of Cape Verde was significantly increased in 2004, with the addition of two modern, Spanish owned tuna purse seiners to the national registry. These vessels, the Montecelo and Montefrisa Nueve (operated by Calvo Pesca Atlantico), use Abidjan as their operational base, and until now have not fished in the Cabo Verde zone, nor have they visited a Cabo Verde port.

Data on the artisanal sub-sector is out of date, since no census has been conducted since 2005. A new census and frame survey is planned for 2011. The data in Table 10 shows that the fleet is composed of an estimated 1,036 open-deck boats of length 3 - 8 m down from 1,257 in 1999. The rate of motorization has been kept relatively constant at around 74%, with most vessels also using oars or sails as additional means of propulsion. In total 3,108 fishers were engaged in 2005, and 893 (mostly female) fish sellers. More than one third of all artisanal fishers and two thirds of fish vendors are registered in the island of Santiago, which itself is home to more than half of the country's resident population. There is a significant reduction in employment in relation to 1999, when close to 4,300 fishers were recorded.

Table 10: Cape Verde artisanal fleet, 2005

Island	Number of vessels	% by No.	Number of Motorised vessels	% with motors	Number of Fishermen	Number of fish sellers
S. Antão	101	10	81	80	303	123
S.Vicente	87	8	85	98	261	43
S.Nicolau	64	6	50	78	192	12
Sal	119	11	106	89	357	25
Boavista	56	5	47	84	168	7
Maio	53	5	49	92	159	36
Santiago	361	35	206	57	1.083	546
Fogo	106	10	65	61	318	76
Brava	89	9	77	87	267	25
TOTAL	1,036	100	766	74	3,108	893

Source: INDP, 2010

2.2.3 Catches

Total fish production from the national fleet operating in the Cabo Verde zone increased gradually to about 10,000 tons in 2000, but has since declined slightly to a level of 8,000- 9,000 tonnes/year (Table 11). At present, about half of the catches are from the industrial, and half from the artisanal fishery. This levelling of catches should be seen in the context of substantial investments in the fleet (vessels, engines, etc.). Catch rates per unit effort have generally declined in the industrial fisheries since the early 1990s, when 20 fibreglass vessels (c. 11m) were introduced to the fleet. Artisanal catch rates appear also to have declined, especially considering increases in efficiency as a result of introducing outboard engines, and the increasing number of hours necessary to obtain reasonable catches.

In terms of species, about half of the catches are of small pelagic fish, such as the mackerel scad (*Decapterus macarellus*). A range of tuna species are also landed, mostly caught by trolling or pole and line, including yellowfin, skipjack, frigate tuna and bonitos, together accounting for about 25-30% of the catch. Demersal fish species (groupers, snappers etc) caught by lines account for about 10-15% of the catch and other species 5-10%, including some spiny lobsters.

Note that the catch data published by Cape Verde does not include the catches by the two purse seine vessels operating in the West Atlantic region. Analysis of export data (section 3.3) suggests that these catch about 7,000-8,000 tonnes/year of tunas between them.

Table 11: Catches by Cabo Verdean industrial and artisanal vessels, by species 2003 to 2008*

Species/Source	Catches (tonnes)					
	2003	2004	2005	2006	2007	2008
Tuneids (*)	3,211	2,942	3,038	3,942	2,191	2,024
Pelagic	3,743	4,191	4,072	4,296	4,843	4,449
Demersals	901	1,126	1,058	1,084	1,176	1,024
Lobsters	17	26	12	10	2	8
Diverse	513	415	449	593	856	623
Total	8,385	8,700	8,628	9,924	9,068	8,128
Artisanal fishery	5,172	5,259	5,350	5,902	4,634	4,018
Industrial fishery	3,213	3,441	3,278	4,022	4,434	4,110
Total	8,385	8,700	8,628	9,924	9,068	8,128

* Excludes two purse seine vessels operating in international waters since 2005 Source: INDP, 2010

2.2.4 Shore based infrastructure and facilities

Fishing ports

The main fishing ports are in Praia, Santiago Island and Mindelo, São Vicente Island. Both ports are in good conditions with safe access for fishing vessels, and adequate facilities for berthing and discharging operations. Fuel services are available at the quayside. The ports are capable of handling container ships using modern technology and therefore are able to provide access for fishery operations to international markets via reefer containers.

Cova d'Inglesa

The island of São Vicente also has the small fishing port "Cova d'Inglesa", also located in Mindelo, which became operational in 2004. This port supports the semi-industrial Cape Verdean fleet. It is equipped with a fish selling and marketing area, freezer tunnel with a capacity of 6 tonnes/cycle, and 300m³ cold storage. Ice production capacity was increased in 2010, from 5 to 20 tonnes/day along with other upgrades (under the project "Extensão das Instalações do Porto de Pesca do Mindelo em São Vicente" funded by the Japanese Government (JICA), reportedly with a value of EUR 2.7 million). The facility has been closed during 2010 undergoing renovations to meet EU sanitary standards (it is on the list of EU approved establishments), and is expected to be reopened before the end of 2010.

CaboNave Mindelo

A complete vessel repair facility is available at Mindelo on the island of São Vicente, built in 1983, and includes a slipway that can handle vessels of a maximum of 110 m, and 2,800 GT displacement. The shipyard is operated by a public owned company Cabonave SA, and has employed up to 250 skilled workers. The facility is used by Chinese vessels, and is also patronised by EU operators when they have need to undertake repairs. In July 2010, there were press reports of a sale of an interest in this facility to Chinese investors.

Interbase, Mindelo

The Interbase complex at Mindelo port was constructed as a state owned storage and post-harvest support company 'INTERBASE S.A.'. It was equipped with a 8 tonnes/cycle freezing capacity and 3x1,500 tonne cold stores and 15 tonne/day ice machine. The facility was undergoing privatisation, but in September 2008 was almost totally destroyed in a fire. It has been inoperative since then. However, before the fire, the facility did not have sanitary approval for supply to the EU market so even then was not formally available to EU vessels transshipment operations.

In March 2010 the Minister of Infrastructure Transportation and Telecommunications signed a contract with a Spanish company Ramon Vizcaíno for the reconstruction of the facility, along modern lines with increased capacity. The reconstruction is being financed by EUR 13 million from a credit line provided by the Development Assistance Fund of the Ministry of the Industry, Commerce and Tourism from the Government of Spain. The management arrangements foreseen are not known. The renovated facility is expected to be central to the strategic development of Mindelo as a fishery sector cluster.

Frescomar Cannery

The Frescomar facility was constructed in 2000 as a cannery of tuna and mackerel, and was operated as public owned enterprise under the Ministry of Economy. In May 2008, the Government signed an agreement with the Cadiz-based Spanish company UBAGO Group Mare SL for the company to take over the operation of the facility. The company has upgraded freezing and cold storage capacity (to 1,150 tonnes frozen and 200 tonnes chill storage) and improved staff facilities. The company meets EU sanitary conditions. UBAGO has specialised in the production of canned fishery products for the specialised segments of the Spanish market, producing “melva” (frigate tuna, *Auxis thazard*) and “cavala” (mackerel scad, *Decapterus macarellus*).

The cannery was designed to operate on a two shift system, with a demand for raw material of 30 tonnes/day. It has provided employment for up to 480 staff. However in June it ceased its night shift and in July 2010 the company laid off all workers, due to lack of raw material. Current capacity utilisation is in the region of 25-40%. UBAGO is planning further investments in the establishment to introduce lines for value added frozen fishery products. It is expected that these will be able to make use of the raw material available from the foreign fishing vessels landing/transshipping in Mindelo.

The Company has been the sole user of the tariff quotas of non-originating raw materials under the derogation granted under Commission Regulation 815/2008 of 14th August 2008. The Government of Cabo Verde has requested the Commission to consider an increase in the amount of quota to ease the raw material constraints. In the meanwhile Frescomar has imported raw material from Spain to ensure compliance with the rules of origin.

Salsesimbra Company

Salsesimbra is a small company on the Isle of Sal, orientated to the production and exports of live and frozen lobster, fresh and frozen fish, filleting of fish and also processing of shark. The location of the company is crucial for these activities since it is close to the main fishing areas for lobster (islands of Sal, Maio and Boavista) and is close to the international airport. The company operates with a small workforce of around 10-15 people and meets EU sanitary conditions.

2.2.5 Fishery sector institutions

Directorate General of Fisheries (DGP)

Fisheries was previously the responsibility of the Ministry of Environment, Agriculture and Fisheries (until 2006), when it transferred to the Ministry of Infrastructure, Transport and the Sea (until 2008). Since 2008, responsibility for fisheries has been within the remit of the Ministry of Environment, Rural development and Marine Resources (MADRRM). The DGP is the primary body responsible for policy and strategy development, resource management, licensing and MCS, and quality control of fisheries products. It has 27 staff and its organisation structure is shown in Figure 15. Note that whilst the headquarters are in Praia, it has regional branches in São Vicente and Sal. At these locations there are inspection functions for MCS and sanitary controls. This includes however four staff in the LOPP (Laboratório Oficial de Produtos de Pesca), which is operated at present by INIDA (National Institute of Research and Agricultural Development). The DGP also manages the Fisheries Development Fund (Fundo Desenvolvimento Pesquero). The Fund is derived from licence fees and fines. It is mandated to promote fisheries development through the concession of subsidies and incentives for both investment and operations in the sector. It relies totally on central funds for financing. It is operated from a unit within the DGP. Operation and effectiveness of the fund is limited by lack of resources and a very limited number of staff.

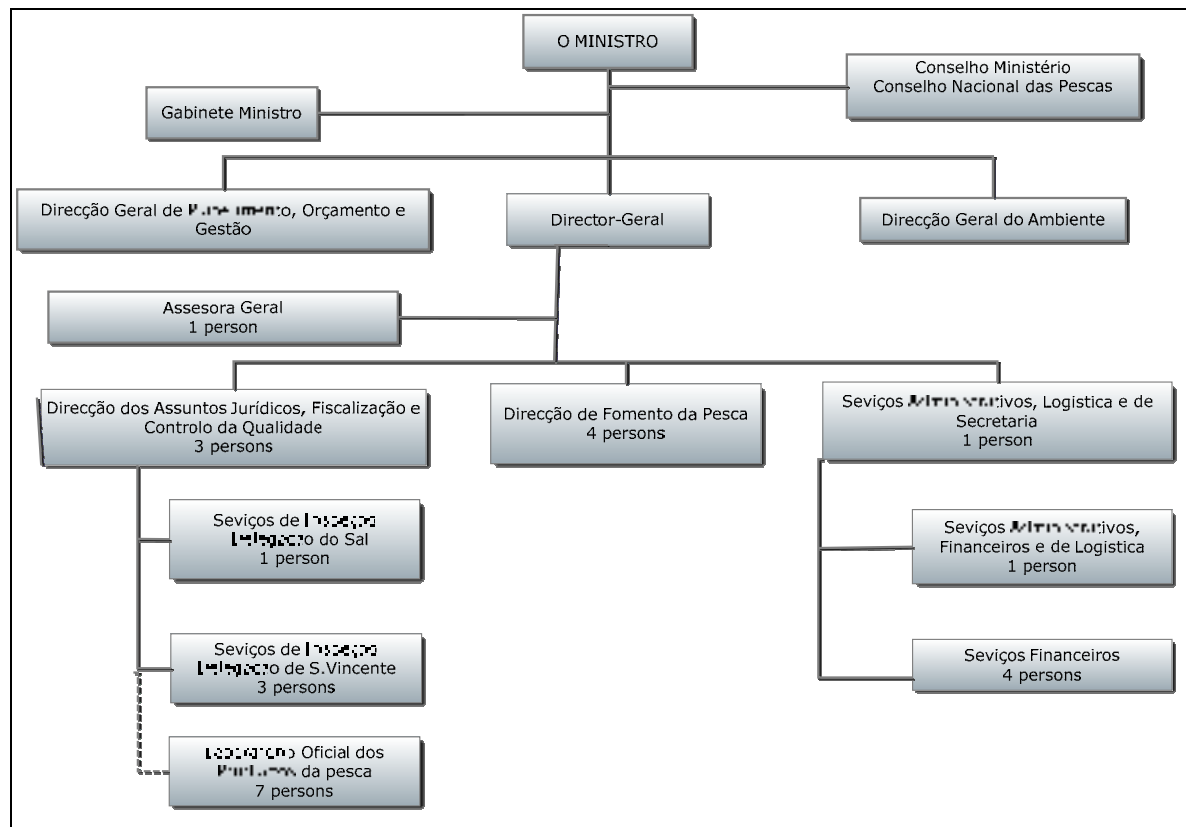


Figure 15: Organisational structure and staffing of the DGP and MADRRM

National Institute of Fisheries Development (INDP)

The INDP is an autonomous institute under the Ministry which provides the research and development inputs for fisheries management. INDP is based in São Vicente, but also has a regional branch in Praia. On the one side it is responsible for the undertaking research in fisheries resources, fisheries statistics and provision of information for management recommendations to Government. It also has a development and promotional function. It has therefore been instrumental in the management of some infrastructure development projects, such as Centro de Pesca de Cova d'Inglesa. The INDP is directly responsible to the Minister and not to the Director General for Fisheries.

In 2004 INDP had a staff of 94. Under its constitution INDP is allowed to benefit from the provision of goods and services, and also benefits from part of the income of the Fisheries Development Fund. Within the Directorate of Marine and Aquaculture Research, the research strategy is conducted along the main axes of:

- Fisheries statistical system
- Population dynamics and sustainable utilisation of fishery resources
- Fisheries biology and Oceanography
- Conservation and sustainable utilisation of marine biodiversity
- Aquaculture

Fisheries promotion and development is also concerned with liaison and support activities for the fisheries sector, with a strong focus on artisanal fisheries development. The Government of Cabo Verde is presently considering the transfer of INDP (or at least its research functions) to the Ministry of Education.

National Fisheries Council

The National Fisheries Council is constituted under the Decreto Lei 53/2005 and regulated by Decreto Regulamentar No.10/2005 as a consultative body with the objective of "advising government in the

evaluation, definition, execution and articulation of policies, and in the cooperation between public and private entities and organisations directly or indirectly linked to the fishery sector". The Minister in charge of the fishery sector is the Chair of the Council, and other members are appointed by the Minister following proposals from the DGP. The Council is functional as a stakeholder consultative body, and considers a wide range of issues, including budgetary allocations and proposals for interventions projects by donors.

Coast Guard

The Coast Guard is one of the two branches of the Cabo Verdean armed forces. The functions of the Coast Guard are various, but all concerned with maritime and coastal security. The principle objectives are search and rescue, fisheries control and surveillance, and marine controls on immigration, smuggling, pollution etc. The Coast Guard has its central command in Praia, and operational bases in Mindelo, São Vicente and Palmeira in Sal. It has a staff complement of 206, comprising 38 officers, 41 non-commissioned officers and 127 mariners, of which only about half of the posts are filled at each level. The means available are shown in Table 12. A new 50m patrol vessel is under construction in Holland.

The Coast Guard maintains an operations room in Praia. Under construction is a new facility Centro de Coordenação de Segurança Marítima (COSMAR) funded by the USA. This will bring all maritime control authorities (security, customs, fisheries, immigration) together, under the management of the Coast Guard. COSMAR will provide the control centre for the new satellite vessel monitoring system.

The capacity of the service is limited by the means available (and keeping them in full operational condition). Several of the patrol vessels and the aircraft have been out of commission for more than one year. This has reduced the level of autonomy and the range of controls. At present the Coast Guard only has the possibility of undertaking coastal patrols (within the islands) of up to 3 days. There is no aerial surveillance, and no capacity at present to patrol up to the limit of the EEZ. Repairs to the Vigilante and the Dornier aircraft are nearing their final stage, and full services are expected to be resumed in 2010. Even so, operational budgets remain limited, and therefore likely to restrict the frequency and range of activities.

Despite the limitations, a number of patrols have been undertaken throughout the period 2007 to 2009. In 2007, there was almost no activity. In 2008 three patrols were undertaken, and just one in 2009 (each patrol lasting 2-3 days, with perhaps 20-30 hours in operation). All patrols were in coastal waters (up to 24 miles) and were multi-purpose (i.e. there was no specific objective) with general checks on all vessels detected (passenger, cargo, fishing). In addition the Coast Guard has undertaken several joint patrols in collaboration with foreign naval forces (including USA, Spain, Portugal and UK). Two foreign (Chinese) fishing vessels were arrested in 2009, due to infractions in crew paperwork.

Although there are good channels of communication with the DGP, there have been no requests to carry personnel from the DGP on any patrols, and there is no DGP participation. Until now no funds have been provided to support either the repairs to vessels and aircraft, nor to provide operational budgets. However, approximately EUR 100,000 is to be provided by the DGP (from FPA funds) to finance a 6 month programme of patrols when the Vigilante is operational later in 2010. This also needs the Dornier to be operational to ensure maximum efficiency and effectiveness of the vessel. The availability of the aircraft remains in doubt. Furthermore, other barriers to strengthened MCS system also remain. These include lack of experience in marine based MCS functions in both DGP and Coast Guard staff, and lack of established judicial procedures following arrest.

During the period 1998 to 2004, it is notable that the Vigilante and the Dornier worked together successfully in fisheries MCS functions across the region funded by the Lux Development MCS Project based in Banjul. They undertook frequent joint patrols (duration about 10 days), combining fisheries staff from relevant administrations in the EEZs of different CSRP Member States, and achieved a significant number of arrests. The EDF intervention in support of CSRP (described in Section 3.4.2 and Annex 2) seeks to reproduce this success, and establish a more sustainable MCS capacity for the future. The World Bank PRAO is also expected to provide investment and operational budgets to support the MCS functions by the Coast Guard. Both programmes include substantial training inputs. DGP has planned an MCS training workshop for late 2010, with the participation of the Coast Guard.

Table 12: Means available to the Coast Guard

Name	Type of vessel	Specification	Operational status
Vigilante	Offshore patrol vessel	Constructed Germany 1971, 360 ton displacements, length 52m, 18 knots, autonomy 15 days, crew of 19 persons.	Not operational since 2005. Major repairs in process at Cabonave. Expected 2010.
Tainha	Offshore patrol vessel	Constructed China, 1998, displacement 57 tons, length 27m, max speed 24 knots, autonomy 3 days, crew 9, persons.	Operational
Espadarte	Fast patrol craft	Constructed USA, 1993, displacement 20 ton, length 15m, max speed 24 knots, autonomy 2 says, crew 6, persons.	Operational
Sea Ray	Fast patrol craft	Constructed USA, length 11,5 m max speed 24 knots, crew 4 persons.	Operational
Dornier 228	Aircraft	Constructed Germany, twin engine turbo prop, length 15.6 m, autonomy 7.5 hours, equipped with aerial photographic and search and rescue capacity.	Not operational for 2+ years. Undergoing major overhaul since April 2010 (cost €0.5 million). Still needs revision of avionics, and upgrades to camera/GPS links to be fully effective for fisheries MCS

Instituto Marítimo Portuario

The IMP is responsible for security and controls within the port areas. As such, through the Maritime Police, they supervise transshipment of fishery products from foreign vessels. The majority of this activity takes place in the Porto Grande of Mindelo. The present system comprises issuing permits for and supervising, the transshipment, from vessel into refrigerated container. There is no effective control (for example verification of quantities and species declared, cross checks with log books and catch declarations). Transshipment may be supervised by an official of the Maritime Police, but not in all cases. DGP does not routinely supervise check on transshipment (neither from a sanitary, nor IUU point of view).

2.2.6 Principal relevant fisheries legislation

The fisheries framework legislation is constituted by Decreto Lei 53/2005, which replaced the previous framework law of Decreto Lei 17/1987. The Law defines the general principles for the management of the sector. The main provisions concern:

- Principles to be applied (responsible fisheries, precautionary approach, intergenerational equality, non-discrimination between fleet segments and flags).
- Definitions of different types of fishing activity (vessels, artisanal, semi-industrial, industrial, national and foreign fishing)
- Requirement for fishing to be subject to management plans (setting content and procedures for their approval), with powers for establishing regulations.
- Establishment of the National Fisheries Council
- Requirements, conditions and procedures for award, and suspension of fishing licences
- Establishment of fishery agreements with foreign operators
- Scientific and technical research
- Resource protection (protected zones, sensitive species)
- Monitoring controls and surveillance, authorisations and powers

- Responsibilities and offences, fines

Decreto Lei 53/2005 is regulated by a substantial number of other laws and regulations, which establish the maritime zones, distinguish between industrial and artisanal fishing vessels and set the rules on licensing, control and surveillance, etc.

3 INTERNATIONAL DIMENSION OF THE CAPE VERDE FISHERIES SECTOR

3.1 Foreign fishing activities

The estimated area of the continental shelf is limited, but as noted in previous sections, Cabo Verde possesses a vast EEZ of about 785,000 km². Few Cabo Verdean vessels have the capacity of operating to the limits of this zone, and fisheries policy is therefore to provide access to foreign fleet operators to exploit the oceanic fishery resources which migrate through the EEZ. Therefore, these resources are exploited by the fleets of the EU, Japan and Senegal operating under a range of different access arrangements. Table 13 shows the evolution of licences granted to foreign fishing vessels by the Cabo Verde authorities.

Table 13: Evolution of foreign fishing in the Cape Verde zone, 2007-2010

Type of vessel	Flag	No. of licences drawn			
		2007	2008	2009	2010
Surface long line	Japan	18	18	16	8
Pole and line	Senegal	7	2	4	0
Total non-EU		25	20	20	8
Surface long line	EU	28	27	26	28
Pole and line		11	10	8	8
Purse seine		8	10	12	21
Total EU		47	47	43	57

Source. DGP Cape Verde, European Commission

3.1.1 European Union – Fisheries Partnership Agreement

Cape Verde and the EU have had bilateral fisheries agreements since 1991. In September 2006 the EU and Cape Verde concluded a new bilateral Fisheries Partnership Agreement. The Agreement and Protocol were adopted by Council Regulation (EC) No. 2027/2006 “on the conclusion of the Fisheries Partnership Agreement between the European Community and the Republic of Cape Verde”. The Agreement provides fishing possibilities exclusively for highly migratory species for EU vessels fishing in Cape Verde waters. The Protocol was originally adopted for a 5 year period, but the Agreement and Protocol only entered into force on the 30 March 2007. The current protocol expires on 31 August 2011, when it will have had a duration of 4 years and 5 months.

This Agreement provides fishing possibilities for EU vessels fishing in the EEZ of Cape Verde, for up to 25 purse seiners, 48 surface longliners and 11 pole and line vessels. The opportunities are allocated to Spain, France and Portugal by the Regulation 2027/2006.

The Agreement also establishes a framework for partnership between the two parties with a view to defining a fisheries policy in Cape Verde and identifying the appropriate means to implement it, according to the EU policy to move from access agreements to Partnership Agreements aiming to strengthen the conditions to achieve sustainable fisheries.

The EU financial contribution is a total of EUR 385,000/year, of which compensation amounts to EUR 325,000 per year (based on a reference tonnage of 5000 tonnes of tuna valued at EUR 65 per tonne). The compensation is supplemented by a specific amount of EUR 60,000 towards the promotion of sustainable and responsible fishing in Cape Verde waters. In the Protocol the authorities of Cape Verde have committed to allocate 80% of the EU's total financial contribution to the implementation of a fisheries sector policy.

Under the Agreement, EU vessel operators of tuna seiners and surface longliners pay a licence fee of EUR 35/tonne, and pole and line vessels pay a licence fee of EUR 25/tonne. There are minimum annual payments of EUR 3,950 for purse seiners, EUR 2,900 for surface longliners and EUR 500 for pole and line vessels.

Between 2007 and 2010, an average of 48 EU vessels per year drew licences to fish in the Cape Verde zone under the Fisheries Partnership Agreement. These comprised an average of 12.75 purse seine vessels, 26.25 surface longline vessels and 9.25 pole and line vessels. The reference tonnage set by the Protocol is 5,000 tonnes per year, and during the period 2007 to 2009, the catches made have averaged 2610.6 tonnes per year (52% of the reference tonnage) of which some 80% was swordfish and sharks caught by longliners. There is a notable trend of increasing demand from the purse seine fleet in 2010 (attributed to transfer of Spanish and French vessels from Indian Ocean to East Atlantic operations). A more detailed description and evaluation of the activities of the EU vessels operating under the EU-Cape Verde FPA is provided in Section 4.

3.1.2 Japanese fleet activities

An access arrangement with a Japanese Producers Association "Japan Tuna" has been in place since 1997, which permits access to the EEZ for Japanese longline fishing vessels, mainly targeting tuna. The agreement is not bilateral between States, and the Japanese vessels pay license fees as per the agreement. The amount is not disclosed but was estimated to be €6,700 (\$8,000) per 6 month season in 2004. No information was made available on conditions such as vessel capacity, catch quotas or species.

In principle there is no compensation or linked aid associated with this access, but Cabo Verde has benefited from Japan in the form of fisheries sector support from the OFCF; the Japanese Overseas Fishery Corporation Foundation. The OFCF objective is to maintain and enhance amicable relationship in the field of fisheries between Japan and Coastal states which have close relationship with Japanese fishing industries (i.e. Access Agreement and/or Contract, J/V and other fishery business) by way of implementing technical and economic cooperation for the fisheries development and resource management. Assistance under this programme has been substantial and has included the construction of infra-structures in the fisheries sector (including the new fishing port in São Vicente and improvement of the harbour at Praia).

The fleet of Japanese longliners operates widely within the region (including São Tomé and Príncipe). The vessels are generally in the size class of about 500-600 GT (much larger than the EU vessels). In 2007, 2008 and 2009 there were 16-18 Japanese longliners operating in Cabo Verdean waters. By mid-2010, eight vessels had drawn licences. Table 14 shows that catches, averaging about 630 tonnes/year are dominated by bigeye tunas and others (presumably sharks, the latter consisting presumably of blue shark and shortfin mako).

Table 14: Catches by Japanese vessels operating in the Cape Verde Zone 2005-2009

Species	Catches in tonnes				
	2005	2006	2007	2008	2009
Big eye tena	215.1	269.7	567.0	179.5	354.8
Yellowfin tuna	315.0	183.3	163.8	42.1	90.8
Longfin tuna	2.1	1.3	5.9	0.6	10.5
Swordfish	8.2	22.8	35.3	13.0	25.8
Other billfish	28.6	14.1	20.1	5.6	31.9
Others	99.3	78.0	166.0	62.7	177.2
TOTAL	668.3	569.2	958.2	303.5	691.0

Source: DGP, 2010

3.1.3 Senegalese fleet activities

Access is granted to Senegalese vessels under a reciprocal access agreement, whereby vessels only pay local license fees. The agreement is used by up to 7 vessels Senegalese pole and line vessels which have operated occasionally in the Cabo Verde EEZ during the period 2007-2010. There are no reports of Cabo Verdean vessels using their rights of access to the Senegalese zone.

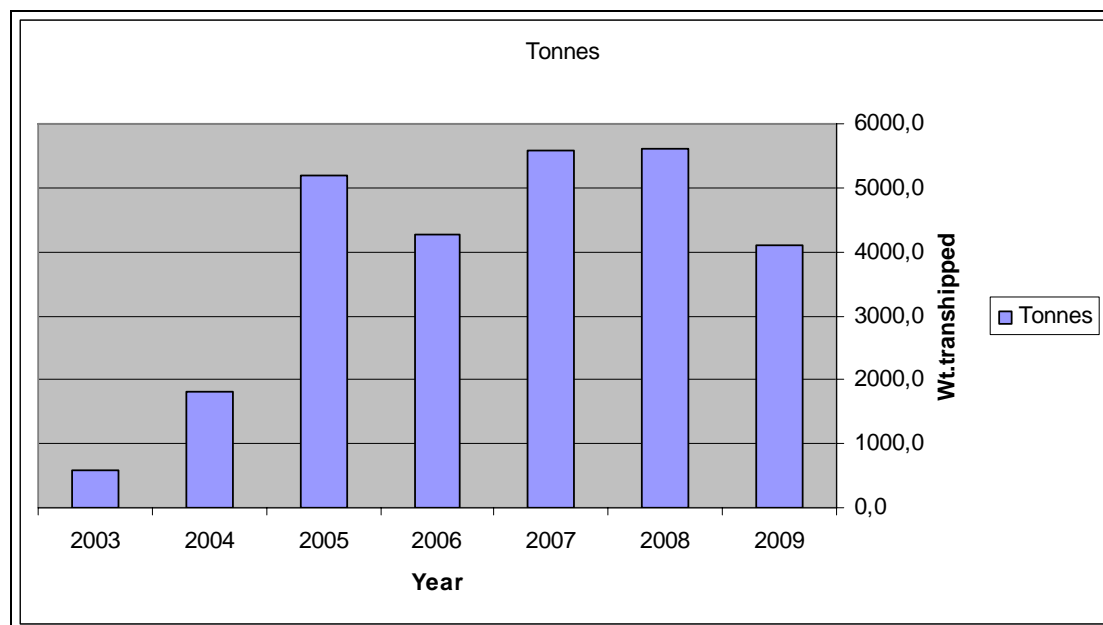
3.1.4 Other fisheries agreements

In addition, the Government of Cabo Verde has in place agreements for cooperation in the area of fisheries with Mauritania and Angola. These agreements are reported to not include any access rights.

3.2 Port services for foreign fishing vessels

The port of Mindelo, on the island of São Vicente, is an important regional hub for a number of foreign fleets. It is extensively used by the EU and Chinese longline fleets as a base of fishery operations in the region (even if the vessels, as in the case of Chinese flagged ones, are not licensed to fish in the Cabo Verde zone). The services used include transshipment of product into refrigerated containers for international distribution, crew exchange and hiring of nationals, shipyard services (at CaboNave), and supply of inputs (fuel and supplies). In the port at the time of the consultant's visit, there were eight EU longliners (with Spanish and Portuguese flags), one Belizean vessel and eight Chinese vessels.

Figure 16 below shows the volume of transshipment. A fire which destroyed the port cold storage facilities in September 2008 (Interbase) has limited activities in 2009 and 2010, but this expected to be repaired by 2011. Table 15 indicates the transshipment activity by flag of fishing vessels, and shows that EU vessels account for some two-thirds of the transshipment of fishery products. EU vessels are therefore substantial users of these port services, including vessels which do not draw licences under the EC-Cabo Verde Fisheries Partnership Agreement.



Source; Instituto Marítimo Portuario, Mindelo

Figure 16: Volume of transshipment by fishing vessel, Mindelo, 2003 to 2009

Table 15: Transshipment events and volumes by flag of fishing vessel, Mindelo, 2008 and 2009

Year	Flag	No. Of vessels	No. of transhipments	Tonnes	%
2008	Spanish	16	39	2,535	45
	Portuguese	5	15	955	17
	Chinese	6	8	207	4
	Japan	4	4	1,905	34
	Total	31	66	5,602	100
2009	Spanish	14	35	2,088	51
	Portuguese	5	13	555	14
	Chinese	4	5	1,332	33
	Japan	1	1	124	3
	Total	24	54	4,099	100

Source; Instituto Marítimo Portuario, Mindelo

3.3 International trade in fishery products

3.3.1 Exports of fishery products from Cape Verde to the EU 2005 to 2009

Between 2000 and 2003 fishery product exports had declined to just a few hundred tonnes, mainly because of a ban imposed by the European Union in 2000, due to non-compliance with EU sanitary conditions. After Cape Verde re-entered the list of countries authorized to export to the European Union in October 2003, exports increased sharply. In 2005 they rose to 6943 tonnes and in 2006 to 9,470 tonnes. The long terms trend in exports of fishery products are shown in Table 16.

There is a notable huge increase in export of fishery products since 2005. This is primarily due to the entry onto the Cape Verde vessel register of two large tuna purse seine vessels belonging to a Spanish firm (Calvo Pesca Atlantico). These vessels fish in the Eastern tropical atlantic, in international waters as well as the EEZ of some other coastal states (including Guinea Bissau).

In addition in 2009, foreign investment from Spain helped to renovate a fish cannery, which also recommenced production (Frescomar), using raw material caught by the national small scale and semi-industrial fishery. Therefore in 2009, exports of prepared or preserved fish (canned fish) increased significantly to about 50% of fishery product exports by value (as shown in the Table). Among industrial goods exported in the first quarter of 2010, canned fish is the main one and represent 38.3% of total exports.

Table 16: Fish and fish products exports to the EU 2005 to 2009

	2005		2006		2007		2008		2009	
	tonnes	EUR	tonnes	EUR	tonnes	EUR	tonnes	EUR	tonnes	EUR
0301 Live Fish	0	0	0	0	0	0	0	0	0	0
0302 Fish, Fresh or Chilled	7	36,495	2	10,626	1	3,017	3	20,707	0	0
0303 Frozen Fish (Excl. Fish Fillets 0304)	6,854	8,250,591	9,418	11,365,745	5,714	6,966,576	8,302	12,238,482	6,398	6,869,126
0304 Fish Fillets	8	38,143	0		0		0		0	
0305 Fish, Dried, Salted or in Brine; Smoked	0	0	0	0	0	0	0	0	0	0
0306 Crustaceans,	47	397,857	26	350,708	9	305,895	8	335,140	8	360,005
0307 Molluscs	0	0	0	0	0	0	0	0	0	0
03 Total Fish Excluding Prepared or Preserved	6,916	8,723,086	9,445	11,727,079	5,724	7,275,488	8,313	12,594,329	6,406	7,229,131
1604 Prepared or Preserved Fish;	26	88,030	25	63,476	32	127,192	74	230,484	1,893	8,302,876
1605 Prepared or Preserved Crustaceans, Molluscs	0	0	0	0	0	0	0	0	0	0
16 Total Prepared or Preserved Fishery Products	26	88,030	25	63,476	32	127,192	74	230,484	1,893	8,302,876
Total All Fishery Products	6,943	8,811,116	9,470	11,790,555	5,756	7,402,680	8,387	12,824,813	8,299	15,532,007

Source: Eurostat

3.3.2 Imports of fishery products into Cape Verde from the EU 2005 to 2009

Imports of fish and fish products have increased marginally during last few years from 463 tonnes in 2007 to 696 tonnes in 2009. Until 2009 the products supplied the local market. However, from 2009, Frescomar has commenced the import of raw material for canning and re-export. Imports of fishery products by Cabo Verde are shown in Table 17. Most of the imports are from Spain, in the form of frozen fish. A significant proportion of this appears to be frozen mackerels, which provide raw material for the FRESCOMAR canning operation. Some mackerel from other sources is also imported (Senegal, Argentina, Peru, as well as some significant quantities where the origin is not declared eg. 84 tonnes in 2009). All of the other imports (of fresh, frozen and canned products) are destined for consumption by the domestic market. All imports are derived from formal imports by containers. There is no record of landings into Cape Verde by foreign flagged fishing vessels.

According to DGP between September and December 2009 the Frescomar, located at S. Vicente island imported 1,122 tonnes of chub mackerel (*Scomber japonicus*) and 260 tonnes of frigate mackerel (*Auxis rochei*) from China and directly from two Russian vessels. These data with regard to import for re- export appear not to be included in the official import data shown in the Table 17. It should be noted that Cape Verde has been granted special conditions regarding access arrangements to the EU market for non-originating fishery products, and the declarations of origins indicate that the tariff quotas have been fully utilised in the last 2 years (see section 3.3.3).

It is notable that the level of imports identified in the data compiled by the DG Customs of Cabo Verde does not correspond with the consumption of the quota tariffs granted by the European Commission in 2009 (see below). This suggests that imports are not always recorded correctly. It is also notable that there are significant quantities of fishery products imported from sources which are recorded as "not specified". Although the DGP claims to check origins to ensure compliance with EU sanitary certification requirements, these anomalies raise concerns regarding the level of controls on imported raw material, with associated risks of IUU product entering the EU supply chain.

Table 17: Imports of fishery products by origin 2007 to 2009

Origin	2007						2008						2009					
	Fresh		Frozen		Canned		Fresh		Frozen		Canned		Fresh		Frozen		Canned	
	Value Euros	tonnes	Value Euros	tonnes	Value Euros	tonnes	Value Euros	tonnes	Value Euros	tonnes	Value Euros	tonnes	Value Euros	tonnes	Value Euros	tonnes	Value Euros	tonnes
Eu	5,767	2	921,193	286	172,488	94	5,158	2	1,437,109	319	321,240	128	42,437	21	1,478,712	358	416,827	218
Maroc	0	0	0	0	13,553	19	0	0	0	0	0	0	0	0	0	0	0	0
Senegal	220	0	84,407	38	0	0	2,393	1	82,609	33	20,104	18	0	0	14,123	7	404	0
Argentina	0	0	0	0	0	0	0	0	27,013	28	0	0	0	0	29,223	7	0	0
Peru	0	0	0	0	0	0	0	0	0	0	22,161	18	0	0	0	0	0	0
Not Specified	363	0	56,180	19	0	0	404	0	98,523	43	0	0	5,024	1	76,440	84	0	0
Other Non Eu	0	0	10,094	3	3,283	3	0	0	4,682	1	465	1	0	0	0	0	285	1
Total	6,349	2	1,071,874	345	189,324	116	7,955	3	1,649,936	423	363,970	166	47,462	22	1,598,498	456	417,516	219

Source; Direcção Geral das Alfândegas, Cabo Verde

3.3.3 EC Quota tariffs

Council Regulation (EC) No 980/2005 of 27 June 2005 applies a scheme of generalised tariff preferences under which the EU has granted generalised tariff preferences (GSP) to Cape Verde, as a least developed country. In the case of fishery products the preferences are granted for products considered to be wholly originating. However Cape Verde lost its less developed country status in 2008, as a result of improvements in the economic conditions. Pending the introduction of the special partnership agreement, the EU has granted a period of transition allowing it to benefit from GSP EBA regime for a further 3 years.

In the meanwhile, following difficulties encountered in obtaining sufficient raw material from the domestic fisheries to ensure continuity of supply for the Frescomar cannery, in November 2007 Cape Verde submitted a request to the EU for extending the derogation from GSP rules of origin, to other species. The derogation request was found to be substantiated and the Commission subsequently passed Commission Regulation (EC) No 815/2008 of 14 August 2008²⁸. This allows for the import by the EU from Cabo Verde of a total annual quantity of 1,561 tonnes of three species of prepared or preserved fish. These include:

- prepared or preserved mackerel fillets in commodity codes 1604 1511, and 1604 1998
- prepared or preserved fillets of frigate tuna and frigate mackerel loins in commodity code 1604 1998
- prepared or preserved fillets of yellowfin tuna and skipjack tuna in commodity codes 1604 1416 and 1604 1418

The breakdown and consumption of the quotas is shown in Table 18:

Table 18: Utilisation of EU import quotas for non-originating fishery products by Cabo Verde

Year	Order No.	Species/tariff code	Quota (tonnes)			% utilisation
			available	balance	consumed	
2008	91647	Mackerel (1604 15 11/1604 1998)	333	333.0	0	0
	91648	Frigate tuna (1604 1998)	116	116.0	0	0
	91649	Yellowfin tuna 1604 1416/16041418)	70	70.0	0	0
2009	91647	Mackerel (1604 15 11/1604 1998)	1000	44,4	955.6	96
	91648	Frigate tuna (1604 1998)	350	3,9	346.1	99
	91649	Yellowfin tuna 1604 1416/16041418)	211	211.0	0	0
2010	91647	Mackerel (1604 15 11/1604 1998)	1000	352.4	647.6	65
	91648	Frigate tuna (1604 1998)	350	142.3	207.7	59
	91649	Yellowfin tuna 1604 1416/16041418)	211	211.0	0	0

Source; European Commission.

²⁸ on a derogation from Regulation (EEC) No 2454/93 in respect of the definition of the concept of originating products used for the purposes of the scheme of generalised preferences to take account of the special situation of Cape Verde regarding exports of certain fisheries products to the Community

As can be seen from the Table, the quotas for yellowfin tunas are not utilised at all. None of the quotas were employed in 2008 (their first year, with only a partial application of 4 months). However the quotas for mackerel and frigate mackerel were well used in 2009. Anecdotal evidence indicates that these will also be fully used in 2010. These products are used respectively in canned *cavala* and *melva* by Frescomar. In 2010 the DGP has requested the Commission to further increase the quotas for these species, to a level of 3000 tonnes of mackerel, and 1000 tonnes of frigate mackerel.

3.4 Participation of Cape Verde in regional fisheries bodies

There are several relevant international agreements, arrangements and schemes applicable to the international tuna fisheries in the tropical eastern Atlantic.

3.4.1 ICCAT

Cape Verde is a contracting party to the International Commission for the Conservation of Atlantic Tunas, having joined in 1979. ICCAT is an inter-governmental fishery organization responsible for the conservation of tunas and tuna-like species in the Atlantic Ocean and its adjacent seas. ICCAT compiles fishery statistics from its members and from all entities fishing for these species in the Atlantic Ocean, coordinates research, including stock assessment on behalf of its members, develops scientific-based management advice, provides a mechanism for Contracting Parties to agree on management measures and produces relevant publications.

The Standing Committee on Research and Statistics (SCRS) on which each member of the Commission may be represented is responsible for developing and recommending to the Commission all policy and procedures for the collection, compilation, analysis and dissemination of fishery statistics. It is the task of SCRS' to ensure that the Commission has available at all times the most complete and current statistics concerning fishing activities in the Convention area as well as biological information on the stocks that are fished. The SCRS also coordinates various national research activities, develops plans for special international cooperative research programs, carries out stock assessments and advises the Commission on the need for specific conservation and management measures. When ICCAT adopts this advice it becomes obligatory for contracting parties.

ICCAT therefore provides the management advice with regard to the fisheries covered by the EC-Cape Verde Fisheries Partnership Agreement. As contracting parties to the ICCAT Conventions, Cape Verde and the EU are obliged to adopt the management advice promulgated by this body.

3.4.2 CSRP

The Sub-Regional Fisheries Commission (referred to here as CSRP, under its French acronym *Commission Sous-Régionale des Pêches*) is an International Organisation, linked to, but independent from, FAO. Created in 1985, the CSRP now has 7 Member States: Cape Verde, Gambia, Guinea, Guinea-Bissau, Mauritania, Senegal and Sierra Leone. The CSRP is an advisory body only. Cape Verde has been a member of the CSRP since its formation in 1985 and presently chairing the organisation until the end of 2010.

The permanent secretariat is in charge of implementing decisions made by the Ministerial Conference. Its director is the Permanent Secretary named for a period of 4 years, renewable one time only. The core budget of the permanent secretariat originates from contribution from the Member States, with additional external funding provided by donors on a project basis. The headquarters of the Permanent Secretariat are in Dakar.

The Coordinating Committee is the technical and consultative body in charge of monitoring the implementation of adopted decisions by the Ministers. The Ministerial Conference is the main decision-making body. It is composed by the Ministers in charge of fisheries of each Member State. The presidency of the conference changes every two years. The Conference meets at least every two years to define the work programme of the organisation and to vote the core budget available to the permanent secretariat. It is customary for CSRP to organise an extraordinary meeting every other year to monitor progresses and budget uptake. The current presidency is exercised by Cape Verde. Gambia will take over end of 2010 after the regular meeting of Ministers scheduled to take place next October 2010.

The general objectives of the CSRP as per its founding act are:

- To harmonise common policies for conservation and exploitation of fisheries resources in the sub-region
- The adoption of common strategies in international fora
- To develop sub-regional cooperation for fisheries monitoring, control and surveillance
- To develop Member State capacity for fisheries research in the sub-region.

A significant restructuring of the CSRP was undertaken during the period 2008-2010, which has strengthened the institutional capacity of the organisation to fulfil its mandate and ensure its ability to be an effective partner to donors.

The CSRP core budget is funded by annual fees paid by Member States. CSRP has suffered from non-payment of fees. Whilst Senegal and Mauritania have usually paid their fees, Sierra Leone has not paid for several years. Guinea Bissau was several years in arrears until 2009. Total current arrears are estimated at still over US\$ 1 million. In addition, CSRP is currently implementing programmes on behalf of a number of multi-lateral and bilateral donors. Its capacity to act as an effective partner is greatly increased by the institutional reforms, and it is currently implementing programmes supported by GTZ, Netherlands and the African Development Bank. The World Bank (PRAO project) and the EU Funded MCS programme are of particular importance.

The European Union is one of the donors supporting the CSRP, with a programme to “Strengthening regional cooperation for the monitoring control and surveillance of fisheries activities within the zone of the Sub Regional Fisheries Commission (CSRP)”. The programme is supported by the 9th Regional EDF for West Africa. The Financing Agreement was signed between the Commission on the 13 December 2006 and the UEMOA on the 21 June 2007. The project duration foreseen was originally four years. Programme value is EUR 7.29 million, of which EUR 5 million is to be contributed by the EU.

The overall objective of the programme is to “*contribute to the economic and social development of the Member States of the CSRP through a rational exploitation of their marine resources*”. The specific objective is the “*reduction of IUU fishing practices within the EEZs of the Member States of CSRP*”.

The expected results are:

- Strengthening the institutional capacities of CSRP for management and coordination in the area of MCS of fisheries activities
- Effective use of the sub-regional structures for the MCS of fisheries activities for the implementation of coordinated aerial and marine operations by UCOS
- The creation of conditions for the perpetuation and assumption of financial responsibility for the activities of fisheries MCS at the level of the CSRP

The project will support the implementation of several MCS campaigns in the EEZs of the Member States, as well as capacity building for the MCS department of the CSRP.

A more detailed treatment of the CSRP is provided in Annex 2 of this report.

3.4.3 COMHAFAT

The Ministerial Conference on Fisheries Cooperation among African States Bordering the Atlantic Ocean²⁹ held its first meeting in Rabat on 30 March to 1 April 1989. It brought together for the first time on the African continent 22 states located on the Atlantic coast from Morocco to Namibia at the level of Ministers responsible for fisheries. Cape Verde has been a member of the conference since the beginning.

²⁹ Also known as the African Atlantic Fisheries Conference

The Member States have adopted and signed a Regional Convention on Fisheries Cooperation among African States Bordering the Atlantic Ocean which entered into force in July 1995. The Conference Objectives are:

- To promote active cooperation and structured planning and development of fisheries in the region;
- Develop national economic sectors on the basis of direct and induced effects resulting from exploitation of fisheries resources;
- Develop, coordinate and harmonize their efforts and their capacity to maintain, operate, develop and market their fishery resources;
- Strengthening solidarity with African States and landlocked and geographically disadvantaged countries in the region.

COMHAFAT has struggled to make an impact since it has not had an established headquarters, or a regular income. However an Agreement was made in October 2009 with the Government of Morocco to set up the secretariat in Rabat. At the same time COMHAFAT signed a MoU with the Japanese Overseas Fisheries Cooperation Foundation (OFCF) which includes an agreement that Japan will provide a fund of US\$ 890,000 to be implemented by OFCF to support development projects for the sustainable use of fisheries resources in African countries bordering the Atlantic. The establishment of a new headquarters and linkage to a funded development programme are expected to give a new impetus to the COMHAFAT as a regional fisheries development body.

3.5 Compliance with conditions for international trade

3.5.1 Sanitary conditions for trade in fishery products

The Competent Authority for sanitary controls in the fishery sector is the DGP. At present, two freezer vessels (being Spanish owned purse seiners operating out of Abidjan under the Cabe verde flag) and three shore based establishments (Salesimbra, Frescomar and Complexo De Pesca De Cova Inglesa) are approved for export to the EU.

A mission by DG SANCO in December 1998 had identified a number of serious deficiencies which resulted in Cape Verde being deleted from the list of countries permitted to export fishery products to the EU market (Commission Decision 2000/17/EC of 14 February 2000). A subsequent mission by FVO in July 2002 found that there had been some improvement in the application of sanitary controls in compliance with EU requirements, but that there were still some deficiencies in place. Following the receipt of guarantees that these had been addressed, in 2003 the Commission placed Cape Verde once again on the list of permitted supplying countries³⁰. The FVO did not make any further inspections until January 2009. This mission once again found a number of significant shortcomings in the implementation of effective hygiene controls, particularly in relation to heavy metals and histamine sampling and testing, and in identification and correction of obvious negative conditions during inspections. The mission concluded that the CV authorities could not guarantee that conditions were at least equivalent to EU requirements. Following these conclusions, a nine-point action plan to address the FVO recommendations was developed by the DGP and accepted by the Commission. This set out a series of actions in relation to upgrading legislation, sampling and analysis of histamine in tuna products, inspection of fishing vessels, application of official controls in relation to sensory, microbiological and chemical checks, accreditation of testing laboratories, revision of the list of establishments and freezer vessels approved for export, use of the correct certification forms, and better controls over the issue of certificates.

Significant work has been undertaken during 2009 and 2010, including, activities funded by the FPA funds, as well as activities under the SFP programme and projects implemented by Spanish Technical

³⁰ Commission Decision 2003/763/EC of 15 October 2003 laying down special conditions governing imports of fishery products from Cape Verde

Cooperation (see Section 3.6.1). In particular there has been a significant upgrade of the Official Laboratory for Fishery Products (LOPP) operated by DGP, with introduction of new equipment for histamine analysis, recruitment and training of staff and implementation of an action plan which will result in accreditation of microbiology and chemical testing. The main issue is that the existing service is provided within INIDA (National Institute of Research and Agricultural Development) and the site is poorly located (on the island of Santiago, and outside the capital). DGP is in the process of constructing a new laboratory within its own control, adjacent to INDP on Mindelo. The design study is completed and construction tenders were published in mid-2010. Construction is expected to be completed by end 2011, and the new laboratory is expected to be operational during 2012. Accreditation of the laboratory will therefore be delayed.

In the meanwhile, a follow up mission by the FVO is scheduled to take place in September 2010, which will assess the extent to which the deficiencies identified by the 2009 mission have been corrected.

During the period of the evaluation there have been two alerts regarding Cabo Verdean fishery products under the EU's RASFF system (which notifies Member State Authorities of the presence of non-compliant consignments of food products placed on the EU market). One was with regard to excessive level of mercury in blue shark (in 2008), and the other in relation to spoilt skipjack tuna in 2010. These events are not considered to be evidence of failures in sanitary controls.

3.5.2 IUU Catch certification

The newly adopted Council Regulation 1005/2008 foresees *inter alia* that as from 1st January 2010 all imports of fisheries products into the EU must be accompanied by a catch certificate (Art. 12). Through this instrument the competent authorities of the flag state country of the vessel catching the fish will certify that the catches concerned have been made in accordance with applicable laws, regulations and international conservation and management measures. The regulation requires that the catch certificate shall be validated by a competent authority of the flag state of the catching vessel. The notification to the Commission from Cape Verde regarding the competent authorities was provided before the end of 2009, and was operational from 1 January 2010. The nominated competent authorities are shown in Table 19.

Table 19: Nominated Competent Authorities in Cape Verde for functions concerning implementation of Council Regulation 1005/2009

Function (as defined in Article 20(1) and (2) and Annex II of the IUU Regulation 1005/2009)	Nominated Competent Authority
1. Registration of fishing vessels under the flag of the Flag State	Instituto Marítimo Portuário
2. Granting, suspending and withdrawing licences to the fishing vessels of the Flag State 4. Control and enforcement of laws, regulations and conservation and management measures 6. Communication of a sample form of the catch certificate in accordance with the specimen in Annex II 7. Updating the notifications to the Commission	Direcção Geral das Pescas
3. Attesting the veracity of the information provided in the catch certificates referred to in Article 12 and for validating such catch certificates 5. Verifications of catch certificates to assist the competent authorities of Member States through the administrative cooperation referred to in Article 20(4)	Direcção Geral das Pescas et Instituto Nacional de Desenvolvimento das Pescas

¹ on measures to prevent, deter and eliminate illegal, unreported and unregulated (IUU) fishing

3.5.3 Rules of origin

The DG Customs within the Ministry of Finance is responsible for recording and notifying origins of imports and exported goods, and for validating the certification of origin in respect of exported goods. A detailed treatment is outside the scope of this report, but from the evidence presented in section 3.3.2 it appears that controls are not effectively applied, which raises concerns regarding the controls of origin required for implementation of the sanitary and IUU measures described above.

3.6 Donor support matrix for the fisheries sector

3.6.1 Spanish Development Agency (AECID)

AECID (Agencia Española de Cooperación Internacional para el Desarrollo) is the Spanish Agency for International Development Cooperation. It works in Cape Verde on both a bilateral and a regional basis.

AECID national programme

The interventions undertaken in recent years are described in the following paragraphs.

In 2005 and 2008, a national project supported improvements to the INDP laboratory in São Vicente, in terms of equipment, training and upgrading of tests to the accreditation standard ISO 17025. The value of this intervention was EUR 172,000 in 2005 and EUR 250,000 in 2008.

In 2006, support was provided to the fishing community of Salamansa (at a value of EUR 105,000). The intervention supported fishermen with donation of some equipment and training for seasonal alternative sources of income.

In 2007, a project was implemented for sustainable development of the artisanal fishing and coastal communities of the Island of Maio (value EUR 184,385). The interventions promoted and strengthened fisheries associations, undertook training and advised on the sustainable management of the fisheries

resources. Conservation and rural tourism programmes were supported, implemented by the city council of Maio and INDP.

In 2010, AECID launched the Project “Operational plan for the development of the artisanal fishery sector of Cape Verde”. This plan sets out a series of activities with the objective of improving the standard of living of the artisanal fisheries communities with a focus on improved productivity, profitability and environmental sustainability and food safety conditions. The expected results are:

- Improved technical capacity of sectoral management institutions
- Increased capacity for self-management by the artisanal fisheries sector
- Improved cooperation between sector institutions
- Improved profitability in the value chain.
- Improved research capacity
- Improved hygiene conditions in production and distribution

There is no infrastructure investment foreseen, and the project focuses substantially on building capacity of institutions and fishery sector organisations, with substantial training and extension inputs. The duration of the project is two years and it has a budget of EUR1 million, although co-finance is also sought from other development partners.

NAUTA regional programme

AECID has also financed a regional programme “NAUTA” to support fisheries development and management in Africa which has included the participation from Cape Verde in several activities (see Table 20). Note that the funds used for the various activities in Table 20 have benefited participants from several countries.

Table 20: Activities financed by AECID in the context of the regional programme NAUTA

Activity	Beneficiaries	Period	Funds allocated to Cape Verde (EUR)
Training and equipment in fisheries control	Guinea Bissau, Cape Verde, STP	2006-2008	144,871
Promoting fisheries associations	Angola, Cape Verde, Guinea Bissau. Mozambique, STP	2006-2009	340,314
Definition of fisheries operational plan	STP	2009	14,990
IUU workshops	Guinea Conakry, Senegal, Morocco, Cape Verde, STP, Guinea Bissau	2008-2009	78,566

3.6.2 Japan International Cooperation Agency

The Complexo de Pesca de Cova Inglesa (CPCI) was constructed with support from JICA in 1998 and 1999. During 2008 and 2009 JICA gave further support to upgrade the CPCI facilities under the project “Extensão das Instalações do Porto de Pesca do Mindelo em São Vicente”. The project was intended to address the problem of limited ice supplies to fishers in the island of São Vicente, especially since Interbase had ceased ice production in 2005, resulting in the CPCI facilities supplying ice in excess of design capacity. The capacity of ice production was therefore upgraded from 5 to 20 tonnes/day along with other upgrades to refrigeration equipment, structures, and associated training and installation of workshops. The result is an increase in ice supplies to meet estimated demands of up to 4,096 tonnes/year (up from the original design capacity of 1,889 tonnes). The value of the intervention was EUR 2.6 million grant funding from JICA, and EUR 10,500 beneficiary finance. In July 2010, the facilities remained closed whilst additional refurbishments were implemented by DGP to further upgrade the facilities to meet the EU sanitary requirements. The CPCI is expected to be reopened in August 2010.

3.6.3 GEF/IDA West Africa Regional Fisheries Program (PRAO)

Known as the PRAO programme (from the acronym for its French name) this regional programme started in October 2009, and will run until 2014, with a total cost of US\$ 56.3 million (including 10 million in GEF grant, and US\$ 1.3 million from beneficiaries, the balance being World Bank IDA loan finance). The project will work in Cape Verde, Liberia, Senegal, and Sierra Leone and aims to increase sustainably the overall wealth generated by the exploitation of the marine fisheries resources of West Africa, and the proportion of that wealth captured by West African countries. The operation will strengthen the capacity of relevant institutions to govern and manage targeted fisheries, reduce illegal fishing and increase local value added to fish products.

There are four components to the project. The first component of the project is good governance and sustainable management of the fisheries. The objective of this component is to build the capacity of governments and stakeholders to implement a shared approach that will ensure that the marine fish resources are used in a manner that is environmentally sustainable, socially fair and economically profitable. The second component has the objective to reduce the illegal fishing activities threatening the sustainable management of the marine fish resources. The third component of the project is increasing the contribution of the marine fish resources to the local economies, by increasing the share of the value-added captured in the region.

The fourth component of the project is coordination, monitoring and evaluation and program management. The objective of this component is to support the countries to implement the program. The project implementation will be coordinated by the Sub-Regional Fisheries Commission (CSRP) and is integrated with the CSRP Strategic Action Plan. A national project implementation unit is to be established in each beneficiary state. A summary of the allocations by Component and source of finance is shown in Table 21:

Table 21: Allocations and sources of finance for the West Africa Regional Fisheries Program Programme

Component	Allocation (US\$)			
	IDA	GEF	Government	Total
Good governance and sustainable fisheries management	10.3	8.6		18.9
Reduction of IUU fishing	17.7			17.7
Increased economic contribution of marine resources	11.4			11.4
Coordination, monitoring and evaluation	5.6	1.4	1.3	8.0
TOTAL	45.0	10.0	1.3	56.3

In **Cape Verde**, the loan agreement with IDA was signed in August 2009, and the national PIU for this project was established in 2010. No implementation activities have yet been established. However the planned interventions and disbursements (totalling US\$ 8 million) are as follows:

Component 1. Good Governance & Sustainable Management of the Fisheries			
1.1 Development of the Capacity, Rules, Procedures & Practices for Good Governance of the Fisheries			
Registration of all fishing vessels	Registration of all fishing vessels, operation and maintenance of vessel registry, database and equipment	\$0.1 M	GEF
Assessment of the status of key fish stocks	Regulator biological and economic assessments of targeted fish stocks, e.g. spiny lobsters and coastal	\$0.4 M	GEF

	demersal fish		
Transparency and accessibility of fisheries management information	Development, installation and operation of a fisheries management information system, linked to regional database, including ongoing data collection	\$0.2 M	GEF
Preparation and implementation of fisheries management plans	Technical assistance and consultations to support review and revision of the 2004 – 2014 management plan, and revisions to the legal framework	\$0.4 M	GEF
1.2 Introduction of Fishing Rights			
Introduction of fishing rights through a system of co-management	Creation and implementation of pilot co-management groups in the coastal fisheries, for the management of coastal demersal species and spiny lobsters	\$0.5 M	GEF
1.3 Adjustment of Fishing Effort and Capacity to more Sustainable Levels, Introduction of Alternative Livelihoods where Needed			
Transition of small-scale fishers and fish processors to alternative livelihoods	Training, technical assistance and small goods and equipment to support youths in fishing communities to develop and implement SMEs outside of the fishing sector	\$1.3 M	IDA
Component 2. Reduction of Illegal Fishing			
2.2 Monitoring, Control and Surveillance (MCS) Systems			
Implementing sustainable surveillance systems	Technical assistance for development of sustainable financing stream of fisheries management and surveillance	\$0.1 M	IDA
	Recruitment and training of fisheries inspectors and observers	\$0.2 M	IDA
	Goods and operating costs for functioning of VMS	\$0.5 M	IDA
	Support for participatory coastal surveillance of small-scale fisheries, including two coastal stations	\$1.0 M \$0.1 M	IDA Gov.
Component 3. Increasing the Contribution of the Marine Fish Resources to the Local Economies			
3.1 Fish Landing Site Clusters			
Basic infrastructure at Santiago		\$1.5 M \$0.2 M	IDA Gov.
Basic infrastructure at Sal		\$0.2 M	IDA
Electricity and water supply at Praia		\$0.1 M	IDA
Fish auction hall at Praia		\$0.2 M	IDA
Component 4. Coordination, Monitoring and Evaluation and Program Management			
4.1 National Implementation			
Technical assistance for a national Project Implementation Unit (PIU) in DGP,		\$0.4 M	GEF

staffed by external and local project management specialists		
Operating costs, goods and equipment for national PIU in DGP	\$0.4 M	IDA

3.6.4 EDF regional programmes

The 9th EDF supports an important regional fisheries project. This is “*Strengthening regional cooperation for the monitoring control and surveillance (MCS) of fisheries activities within the zone of the Sub Regional Fisheries Commission (CSRP)*”. The Project will reinforce and harmonise the Monitoring, Control and Surveillance systems (MCS) in the region, covered by the CSRP. The total amount of the project is 7.2 M € (EC contribution: 5 M €). Activities were suspended pending a full audit of the CSRP and subsequent restructuring, and are now expected to start before the end of 2010. More information is provided in the presentation of the CSRP in Section 3.4.2 and Annex 2.

Another proposed project “*Support for Fisheries Management in West Africa (AGPAO)*” and was to be implemented by the CSRP, with the aims of harmonising fisheries policies of the Member states of the CSRP (with a budget of EUR 5 million). The Commission is currently considering whether to proceed with this project.

Cape Verde is also a beneficiary of the activities of two all-ACP projects. The Strengthening Fisheries Products Health Conditions programme is financed under the 8th EDF and provides support to ACP third countries to meet the requirements of the SPS measures for international trade in fishery products. The project assists ACP countries to establish sanitary controls in line with EU regulations 852/2004, 853/2004 and 854/2004. The SFP programme is due to close in November 2010. Cape Verde is also a potential beneficiary from the “Strengthening Fisheries Management in ACP countries” programme which is funded under the 9th EDF (EUR 30 million over 5 years). This Programme, which became operational in June 2009, is primarily designed to improve fisheries management in ACP countries and to reinforce regional cooperation for the management of shared stocks and the fight against IUU fishing. More details of the activities of these interventions in Cape Verde are provided below.

EU-ACP Strengthening fishery products health condition

In responding to the findings of DG SANCO, Cabo Verde has been a beneficiary of the EDF regional programme “Strengthening Fishery product health Conditions in ACP Countries”. As shown in Table 22, four missions were completed during 2010, with a total value of EUR 107,476. The major focus has been on the strengthening of the laboratory capacity of the Fish Quality Control Laboratory (LOPP), especially in relation to its planned move from INIDA on Santiago island to a new site on São Vicente (next to the INDP). A mission was also undertaken to assess infrastructure and training needs for the small scale fisheries and recommend plans of action.

Table 22: Missions by the SFP Programme in Cape Verde

Module No.	Date	Mission Code	Value (EUR)	Title	Main activities
Module 2: Strengthening existing testing laboratories and supporting technical institutes	Jan/ February 2010	LTI026CPV	25,386	Mission to Cape Verde to assess needs of the laboratory(ies) and testing services used by the Competent Authority, and to assist them following FVO mission of January 09	<ul style="list-style-type: none"> o review of DG SANCO findings from 2009 mission o asses technical capacity of the laboratories o review of official control undertaken by the CS o review of staff capacities o preparation of action plan to address deficiencies o identified future training and intervention requirements
	June/ July 2010	LTI080CPV	26,548	Mission to Cape Verde to improve the competences and management of the microbiological analytical services of the laboratory of the Competent Authority in line with the requirements of the EU requirements for the water and fishery products	<ul style="list-style-type: none"> o advise on documentation for microbiological testing o advise on accreditation to ISO17025 in microbiological tests o training of lab staff on quality management systems. o training in microbiological analyses for fish and water o assistance in planning the development of laboratory service
	June/ July 2010	LTI081CPV	28,902	Mission to Cape Verde to improve the competences and management of the chemical analytical services of the laboratory of the Competent Authority in line with the requirements of the EU requirements for the water and fishery products	<ul style="list-style-type: none"> o updating of procedures manual for chemical analysis o preparation of documents accreditation to ISO 17025 o advise to the CA in upgrading equipment o training of staff in chemical analysis / histamine tests o advise on laboratory quality management system o drafting technical specifications for lab technicians

Module No.	Date	Mission Code	Value (EUR)	Title	Main activities
4: Strengthening national health control capacity	April/ May 2010	ART040CPV	26,640	Adoption of an action plan to take account of the current conditions in the small scale fishery sector of Cape Verde	<ul style="list-style-type: none"> ○ review of handling and hygiene in the small scale fishery ○ assessment of current infrastructure (landing sites, ice plants, water supplies, sanitary facilities) in the sector ○ advise on the strategy for improved hygiene conditions ○ training of artisanal stakeholders hygiene and handling
Total			107,476		

Source : Coordination Unit, SFP- ACP programme, Brussels

ACP Fish II: Strengthening Fisheries Management in ACP Countries

This programme is funded under the 9th EDF (with a value of EUR 30 million). The project was launched in June 2009, and is a 4.5-year programme. The aim of the programme is to improve fisheries management in ACP countries so as to ensure that fisheries resources occurring in the waters under the jurisdiction of these countries are exploited in a sustainable manner. ACP Fish II has been conceived as a decentralized programme, made up of a Coordination Unit in Brussels and 6 Regional Facilitation Units based in the 6 ACP regions, namely Western Africa (in Banjul), Eastern Africa, Central Africa, Southern Africa, the Caribbean and the Pacific.

In 2008 (when it fell under the remit of the MITM) the DGP submitted a request to the European Union that the ACP Fish II regional Programme support the DGP in:

- Elaboration of strengthening fisheries policy
 - Revision of current fisheries legislation in the context of development of the sector
 - Review and updating of the fisheries management plan (PGRP 2004-2014)
 - Elaboration of a plan to fight IUU fishing
 - Elaboration of a plan for adjusting fishing capacity
- Reinforcement of MCS capacity
 - Support of implementation of experimental VMS system
 - Training of onboard observers
 - Training of fisheries inspectors
 - Support for fisheries control equipment
- Support for strengthened fisheries research and statistical systems
- Elaboration of policy regarding private sector investment in fisheries
- Improved exchange of experiences with regional institutions and economic operators

Until now no specific interventions have been launched in relation to Cape Verde.

4 FISHERIES AND MARITIME POLICY FRAMEWORK

4.1 Cape Verde Maritime and Fisheries Policy

4.1.1 Growth and Poverty Reduction Strategy Paper

The importance of fisheries is expressed within the framework of the Growth and Poverty Reduction Strategy Paper³¹. This foresees five strategic pillars for economic growth and poverty reduction. The basic policies are: (i) growth and macroeconomic stability policy; (ii) decentralization policy; (iii) employment policy; (iv) agriculture development policy; (v) policy of maximizing the impact of productive sectors with a multiplier effect on employment; (vi) income distribution and social protection policy, and (vii) environmental policy. Fisheries is seen as one of the supply side sectors which are expected to be most dynamic (along with hotels, industry, energy, and construction), where projected growth will be driven essentially by private and public investment, and exports.

Fisheries is considered to provide a potentially important contribution to the reduction of poverty. The measures proposed are:

- Promotion of the rational and sustainable exploration of fishing resources;
- Modernization of the productive infrastructures by the introduction of new technologies;
- Diversification of the production, reinforcement of the commercialization and upgrading circuits for sea products, with a view to the internal and external markets, especially through promoting transformation industries, for an added contribution of the sector to employment and exports;

³¹ published by the Ministry of Finance and Planning, Government of Cape Verde, September 2004 http://siteresources.worldbank.org/INTPRS1/Resources/CapeVerde_PRSP%28Sept2004%29.pdf

- Reinforcement of the technical and professional capacity of the different actors in the sector for a participative follow-up and control, including sanitary and quality control of the fishing products.
- Creation of a label for the international identification of Cape Verde's products.
- Making the financing modalities, for the development of the fishing sector, adequate to the specific needs and characteristics of the sector (bank credit, Government subsidies, etc.);
- Development of aquaculture, contributing to the growth and productivity of the sector;
- Reinforcement of the regional, sub-regional and international cooperation, aiming at: i) a rational exploration and the oversight of the fishing resources; ii) the expansion of the fishing activities beyond the country's EEZ.

The paper further states that long-term growth and transformation strategy should stand on the advantages offered by the country's geographic location, taking advantage of the sea and the airspace. This calls for adequate air and maritime infrastructure, and the policy is therefore to support upgrading of the country's ports and airports. The strategy also calls for development of various sea-linked industries, including fish processing and commercialisation. The concept of development of fisheries cluster at the key ports of Mindelo (and to a lesser extent Praia) is in line with this policy.

4.1.2 National Action Plan for the Environment

Cape Verde's environmental policy is expressed in the Second National Action Plan for the Environment II (known as PANA II)³², which covers the period 2004-2014. The main elements of the the policy are:

- defines the main environmental policy guidelines in the framework of the national and regional development policies;
- defines the institutional framework and the inter-sectoral coordination mechanisms;
- establishes the instruments for the execution of the environmental policy and ensure their complementarity;
- promotes the integration of the environmental concerns in the planning of the economic and social development.

PANA II takes a multisectoral and decentralised approach, and nine Inter-sectoral Environmental Plans (PAIS) have been developed, along with 17 Municipal Environmental Plans. The PAIS cover areas such as sustainable management of water resources, biodiversity, land use planning, and importantly fisheries. The results of the Plans are set out as:

- from 2004, to have closed seasons declared for coastal lobsters, marine turtles and molluscs
- from 2004 to train at least 250 fishers each year in conservation
- from 2004 to have in place legislation for control of fishing, including sports fishing, and national control plan adopted
- from 2006 to have elaborated a plan for marine protected areas and have in implemented a fisheries management plan

The fishery sector considerations therefore focussed on sustainable exploitation of the EEZ resources.

4.1.3 Agriculture and fisheries policy

In 2004, the FAO supported the Ministry of Environment, Agriculture and Fisheries (MAAP) to develop a combined agriculture and fisheries policy. This was adopted by Government in 2005³³. Following a

³² General Directorate of Environment (2002), National Action Plan for the Environment, 2004-2014

³³ Agriculture Et Peche : Strategie De Developpement A L'horizon 2015 & Plan D'action 2005-2008

detailed study of the agriculture and fisheries sectors, the main strategic vision 2025 adopted for the agriculture and fishery sectors was the *“improvement of sustainable living conditions for rural populations (human, social, and economic) to bring about the reduction of rural poverty by 50%, with a simultaneous reduction in food and nutritional insecurity, both structural and seasonal”*.

A 10 years action plan (2005 to 2015) was proposed and adopted, with the objective of: (i) sustainable management of natural resources ii) increase, diversify and add value to agricultural and fisheries production, and iii) promote diversification of rural activities . At the sectoral level, in fisheries, the plan foresees a priority target of the modernization of artisanal fishing with research, promotion and dissemination of new technologies, and the strengthening of distribution chains and fish handling conditions. The plan also proposes the promotion of industrial fishing to allow Cape Verdean exploitation of the EEZ, with the introduction of new technology and investment to be supported by international institutions, in order to promote exports.

Specific implementation measures within the action plan are:

- inventory of the status of fishing resources
- promotion of the sustainable and participative management of coastal and oceanic stocks
- promotion of responsible fishing
- integration of the activities of fishing, processing and tourism
- modernization of fisheries infrastructures and facilities for conservation, processing and marketing and quality control of fishery products
- adaptation of sanitary standards and establishment of a quality control system
- promotion of marine aquaculture
- protection of the threatened species, such as the turtles and lobsters,
- limitation/control of the taking away of sand in coastal area.

4.1.4 Fisheries Resources Management Plan

In 2003, the DGP, with the assistance of the INDP promulgated a Fishery Resource Management Plan (Plano de Gestão dos Recursos da Pesca - PGRP), which sets of a strategy for this fishery sector for the period 2004 to 2014. The plan refers to the PRSP, the PANA II and the National Development Plan (2002-2005) and defines the specific objective of the plan *“to increase the contribution of fisheries to the value of national production, the reduction of the deficit in the balance in payments, and to improving food security, quality of fishery products consumed, and increasing employment”*.

The plan covers different segments of the fisheries activities, with sections relating to industrial fisheries, artisanal fisheries, foreign fishing, sport and amateur fishing. In each case it sets out the problems to be resolved, the sub-sectoral objectives, the results to be achieved and the proposed activities. Specific measures are recommended with regard to conservation, management, research administrative and control requirements.

With regard to foreign fishing, the document considers that the problems to be resolved are:

- research is not linked to the fishery activity (for example analysis of catch declarations)
- deficient monitoring, controls and surveillance
- inexistent inspection services and means
- competition between foreign and national fishers (in that they target the same stocks, albeit in different zones), with lack of knowledge regarding interactions
- licensed vessels do not respect access conditions (in particular catch, entry and exit reporting requirements)
- lack of attention of the fishery on the part of the fisheries administration; lack of observer corps, sanctions not applied for non-compliance
- lack of clearly defined strategy regarding the foreign fishing

It establishes a number of specific policy measures with regard to foreign fishing operations, including:

- Prohibiting the catch of live bait within 12 miles limits
- Prohibition of fishing for demersal catches
- Compliance with ICCAT decisions (e.g. regarding minimum sizes)
- Banning the practice of catching sharks exclusively for removal of fins
- Fixing a maximum number of licences (or tonnage), in line with ICCAT recommendations
- Rigorous application of requirements for catch reporting (with scientific names)
- Strengthened research and statistical data systems, especially in relation to sharks
- Creation of a corps of to be employed aboard foreign vessels (25% of trips)
- Study on bycatches in the surface longline segment
- Creation of corps of inspectors
- Putting in order a system of port inspections of foreign vessels before and after fishing
- Training of fisheries administration
- Establishing a programme of fisheries surveillance in collaboration with relevant authorities and within the framework of the CSRP

The plan was supposed to be updated in 2006 and 2010, coinciding in principle with election of new legislatures, but this was not specifically undertaken. However, in 2010, the SGP has produced an additional document within the frame of the PGRP, which sets out a shorter term action plan for implementation of a number of measures aimed at strengthening the economic contribution of fisheries to the national economy.

4.1.5 Maritime policy

Being a remote archipelago, maritime communications and security are central to the national strategic interests. For centuries Cape Verde has been a major maritime hub, providing provisioning and fuelling services to trans-oceanic vessels, and more recently, aircraft. These services are still reflected strongly in the balance of payments.

There has been healthy growth recorded in the movement of merchandise and passengers, and the movement of containerized cargo, in particular, has grown at an average annual rate of 19.2% since 1995 (see Table 23 below).

Table 23: Total movement in the ports of Cape Verde: 1995, 1996 and 2006

	1995	1996	2006	Growth* 2006/1997
Total Movement of Vessels (nb)	3.985	4.766	6.202	6.4%
Coastal shipping vessels	3.313	3.861	5.087	4.8%
Long-haul shipping vessels	672	905	1.115	21.4%
Movement of merchandise	655.55	848.3	1,712,405	9.5%
Coastal (tons)	256.059	365.778	596.667	8.1%
Long-haul (tons)	399.491	482.522	1,115,738	10.4%
Movement of Passengers	273.914	450.673	676.646	11.7%
Movement of containers				
Number of containers	6.39	18.512	48.321	17.3%
Movement of containers (tons)	49.242	137.875	403.901	19.2%

Source: ENAPOR cit. by Poverty Reduction and Growth Strategy Paper - II

* Average annual growth rate

There are seven operational airports, three of which are international and four national. Good marine port facilities are available in Santiago (Praia) and Mindelo (São Vicente) but the infrastructure is aging and suffers from lack of capacity. There is a shortage of deepwater wharves and space/equipment for handling for containerized cargo, operational shortcomings and excessive red tape, resulting in increased transport costs. One of the main priorities in the transport sector is to maintain and develop

Cape Verde's role as a shipping support platform and a regional air transportation hub. In addition there is a need to strengthen the inter-island transport of goods and passengers. Some of the planned developments (many underway) are:

- Modernisation of port and airport facilities on the islands of Sal, Santiago e S.Vicent, particularly the harbours of Praia and Palmeiras
- Improved maritime port services shall be supplied in coherent packages including other port products such as ship repair, supply of specialized labour, refrigerated warehousing, international vessel registry and passenger transport and international air cargo
- Restructuring and strengthening of nautical training, in all levels, to be coupled with the training provided in the fishing sector
- Increasing the number of marinas, fostering dynamism in the field of nautical sports activities
- Promoting the construction and operation of the control system of coastal maritime traffic, modernization of a maritime rescue and safety system, maritime communications and a navigation support network, all of which will increase navigation as well as maritime safety.

4.2 Budgetary allocations for fisheries

Table 24 shows the trends in the allocations of the share for fisheries budgets (investment expenditure) during the period 2007 to 2010. Current expenditure (salaries, office rents operating costs) have been relatively constant. In 2007, 2009 and 2010 fisheries investments were about 1% of national budget. In 2008 fisheries budgets were significantly higher (about 2%), corresponding to the investment in sanitary inspection system and the LOPP. Overall, during the period 2007 to 2010 budgeted investments in the fishery sector have ranged between EUR1.5 and 3.1 million annually. It should be noted that responsibility for fisheries (including budget lines) was transferred from MTIM to MADRRM in 2009.

Table 24: Investment expenditures in the Government budget

Organisation /level	OGE investment expenditure (EUR 1,000)			
	2007	2008	2009	2010
OGE	148,193	158,709	190,363	281,283
MADRRM *	36,822	37,702	26,055	36,822
DGP	669	1,410	825	1,732
INDP	833	1,666	1,076	979
FDP	-	-	363	-
Total fisheries	1,502	3,076	2,264	2,710

*In 2007-08 the fisheries administration (DGP) was integrated within the MITM

5 EX-POST EVALUATION OF THE FISHERIES PARTNERSHIP AGREEMENT

5.1 Utility of the fishing possibilities

A description of the EU Cape Verde Fisheries Partnership Agreement was provided in section 3.1.1. The current Protocol provides annual fishing opportunities for 25 purse seiners, 48 long-liners and 11 pole and line vessels. These are allocated to Member States under Council Regulation (EC) No 2027/2006 on the conclusion of a Fisheries Partnership Agreement between the European Community and the Republic of Cape Verde. The dispositions are shown in Table 25.

Table 25: Allocation of the fishing possibilities to EU Member States under the fisheries partnership agreement with Cape Verde

Type of vessel	Member State	No. Licences
Freezer tuna seiners	Spain	12
	France	13
Surface longliners	Spain	41
	Portugal	7
Pole and line vessels	Spain	7
	France	4

Table 26 shows the licences drawn to date by EU vessels operating under the Agreement with an overall rate of utilisation (defined as the drawing of available licences) of 51% for purse seiners, 56% for surface longliners and 84% for pole and line vessels. For the period 2007 to 2010, an average of 49 licences/year were drawn (for the period 2007 to 2009, it was 46.3 licences). Overall up to 2010, 58% of the licence opportunities have been drawn by the EU fleet. At EU Member State level the main interest is held by fleet segments in Spain, Portugal and France. Overall, demand from the Spanish fleet has been remarkably constant over the period.

With regard to purse seine vessels, the utilisation rate was relatively high by Spanish vessels, overall 85% of available licences were drawn, with 100% utilisation in 2009 and 2010. However, in the first three years, the Agreement was used by only 1 French vessel. However this segment showed a significant increase in interest, taking 9 licences in 2010. The increase in interest in the Agreement from this fleet segment in 2010 is attributed to the movement of vessels into the Atlantic due to the elevated risk of piracy in the Indian Ocean, as evidenced by the seizure by Somali pirates of the Spanish tuna vessel *Alakrana* in October 2009. In fact, the purse seine segment stakeholders have recently stated that they would like to increase the number of licences available to them, since they aim to place more focus in the Eastern Atlantic in future³⁴.

For the surface longline segment the overall utilisation rate is slightly higher, averaging 56% over the course of the agreement. Most of the licences (41) are available to Spanish vessels, but only just over half of these are utilised (53%). The remaining opportunities (7) are available to Portuguese vessels and of these 71% were utilised over the course of the Agreement. Demand from this segment increased significantly in 2010, and one licence was transferred from Spain to Portugal.

³⁴ Personal communication, Juan Pablo Rodriguez, ANABAC

The utilisation rate was highest for the pole and line segment, with some 84% of opportunities taken up during the course of the Agreement. For Spanish vessels, there was 100% utilisation throughout, but for French vessels there appears to have been a decline in the uptake as the Agreement progressed, with only one vessel drawing a licence in the 2009 and 2010.

EU operators manage a fleet of pole and line vessels based in Dakar. At the beginning of 2007, this comprised 5 French vessels and 7 Spanish. Typically these vessels aim to fish in the waters of Guinea Bissau and Cape Verde during November, December and January, where they target larger sizes (>30kg) of yellowfin and bigeye tuna. These are held in chilled seawater and discharged in fresh state in Dakar for air freight to the EU market. For the rest of the year, the vessels target the shoals of smaller yellowfin and skipjack tunas in the waters of Mauritania (under the FPA with the EC), Senegal (under private licensing arrangements), as well as sometimes also in Cape Verde and Guinea Bissau. These catches are frozen on board and discharged also in Dakar, to local cannery operations.

The vessels operators report that they experienced repeated payment problems with the Senegalese canneries to which they were obliged to sell under the terms of their licence to operate in Senegalese waters (after the cessation of the last protocol under the EC-Senegal Fisheries Agreement in June 2006), which significantly undermined their profitability. This has impacted particularly on the French vessels, and the French government opened a specific decommissioning scheme for Senegal based pole and line vessels in July 2009, after notification in May 2009 from the Commission that negotiations with Senegal for the renewal of a FPA were terminated (unsuccessfully). In October 2009, 3 French pole and line vessels were officially accepted for scrapping and only one French flagged vessel was operating in mid-2010, although all seven Spanish operators are reported to be functioning. The Cape Verde and Guinea Bissau agreements therefore provide the most valuable part of the annual catch, and without these agreements, the vessels viability would be substantially undermined.

Table 26: Summary of utilisation of the fishing possibilities by EU vessels under the Fisheries Partnership Agreement with Cape Verde

Fleet segment	Opportunities available		01/05/2007 - 31/12/2007		2008		2009		2010		Average 2007-2010	
	Country	No. Of licences	Licences utilised	%	Licences utilised	%	Licences utilised	%	Licences utilised	%	Licences utilised	%
Purse seine	ES	12	7	58	10	83	12	100	12	100	10,25	85
	FR	13	1	8	0	0	0	0	9	69	2,5	19
	TOTAL	25	8	32	10	40	12	48	21	84	12,75	51
Surface longline	ES	41	24	59	22	54	22	54	20	49	22	54
	PT	7	4	57	4	57	4	57	8	114	5	71
	TOTAL	48	28	58	26	54	26	54	28	58	27	56
Pole and line	ES	7	7	100	7	100	7	100	7	100	7	100
	FR	4	4	100	3	75	1	25	1	25	2,25	56
	TOTAL	11	11	100	10	91	8	73	8	73	9,25	84
	TOTAL	84	47		46		46		57		49	58

* Licensing year starts on the 1st January ends 31st December (except for 2007)

Source DG MARE

5.2 Outputs from the Agreement

The following Table 27 shows the declared catches data for the period 2007-2009. The data for 2007 covers the period from 1st April to 31st December. The reference tonnage set by the Protocol is 5,000 tonnes per year and the catches made account for 52%, 38% and 68% of the reference tonnage respectively in each of the first three years of the protocol. It should be noted that in 2007, the Agreement was only operative after 1 April and therefore vessels only operated under the Agreement for 9 months of this year³⁵. Overall, the EU vessels have made catches corresponding to 52% of the reference quantity. Note that the reference tonnage is not a quota per se, but a catch quantity used to estimate the value of the financial contribution paid by the EU to Cape Verde under the Agreement on the basis of a compensation rate of EUR 65 per tonne. Up to 2009, no catches have been reported by the French purse seine sector (in line with only one licence being drawn). This is expected to change in 2010, since as noted above, there is renewed interest in the Agreement from this segment.

Table 27: Catches made under the EC- Cape Verde Fisheries Partnership Agreement

Segment	Country	Catches/ year (tonnes)			
		2007*	2008	2009	Mean
Purse seine	ES	750.90	178.37	577.40	502.22
	FR	0.00	0.00	0.00	0.00
	Sub-Total	750.90	178.37	577.40	502.22
Surface longline	ES	1,726.86	1,698.08	2,153.91	1,859.62
	PT	60.20	0.42	647.20	235.94
	Sub-Total	1,787.06	1,698.50	2,801.11	2,095.56
Pole and line	ES	33.33	0.00	0.00	11.11
	FR	5.07	0.00	n/a	2.54
	Sub-Total	38.40	0.00	0.00	12.80
TOTAL		2,576.36	1,876.87	3,378.51	2,610.58

* note 2007 catches refer to April-December only

5.3 Financial impact of the Agreement

5.3.1 Prices of target species

Purse seine

The following table shows the average annual prices obtained by the EU purse seiners over the last five year (in EUR per kg) for the three main target species. Skipjack prices increased significantly in late 2007 following a relatively flat and stable trend throughout 2006. Over the first half of 2008

³⁵ The parties agreed at the Joint Committee meeting of June 2009 that due to the delayed ratification the Protocol would run on an annual basis from 1st April to 30th March, with an adjustment *pro rata temporis* of the reference tonnage, financial contribution and licence fees during 2011. Ideally the definition of the evaluation periods should match the financial year (April to March), but data is not available on this basis and the calendar year is used instead.

skipjack prices took a further sharp upturn due to poor world supply condition. Prices relaxed during the second half of 2008, and frozen skipjack sold in early 2009 for less than EUR 900 / tonne in Bangkok. Yellowfin and bigeye prices peaked in 2007. Prices then decreased over 2008. The reduction in demand due to the financial crisis at the end of 2008 tended to further ease tuna prices, and in 2009 prices fell to 2006 levels. The average price is estimated assuming that EU vessels (both purse seine and pole and line vessels) in the Eastern Atlantic attain an average catch composition of 49% yellowfin, 41% skipjack and 9% bigeye tunas (based on French and Spanish catch returns to ICCAT in 2007) and that the bigeye prices are the same as yellowfin. There is assumed to be no material difference in the catch composition and prices attained by the pole and line vessels which fish the same stocks at the same time, and supply the same market (tuna canneries).

Table 28: Average annual price of the species specifically targeted by purse seiners and pole and line fleet

Species	Catch composition %	Average price EUR/kg		
		2007	2008	2009
Yellowfin	49	1.70	1.40	1.06
Skipjack	41	1.03	1.02	0.77
Bigeye	9	1.70	1.40	1.06
Average		1.41	1.23	0.93

Source: Professional associations

In 2009, fear of fishing restrictions in major catching areas combined with concerns over piracy in the Indian Ocean fishery, squeezed global supplies for the canning industry. The result was that tuna prices have since continued to be volatile.

Longline

Prices of target species of EU surface longliners are shown below. The average price is estimated assuming 24% of retained catch is swordfish, 65% is blue shark, with a small (6%) proportion of shortfin mako shark and 5% others. This data is based on ICCAT observer data from Spanish longliners. Assuming that "others" attain the average price of the remainder of the catch, the average composite price for the catch of surface longliners is estimated at EUR 1.74/kg in 2007, rising to EUR 1.91/kg in 2009. This is expected to be less than the average prices obtained by Asian longliners operating in the region which target bigeye and yellowfin tunas and freeze onboard for the Japanese sashimi market.

Table 29: Average annual price of the target species of surface longliners

Species	Catch composition %	Average price ex vessel EUR / kg		
		2007	2008	2009
Swordfish	24	3.90	4.00	4.77
Blue shark	65	0.90	0.70	0.73
Others	5	2.33	2.24	2.70
Shortfin mako	6	2.20	2.02	2.60
Average		1.74	1.61	1.91

Sources: ICCAT; Task I data for Spanish LL data in the Atlantic (average 2006-2008) and Puerto de Vigo

Pole and line vessels

When they operate in Cape Verde and Guinea Bissau zones, the EU pole and line vessels operating out of Dakar target larger sizes of yellowfin and bigeye tunas, destined for sale in fresh state on the EU market, which therefore obtain higher prices. These two species respectively account for some 60% and 15% of the catches in these zones. The balance of the catches are of smaller sizes of skipjack, yellowfin and bigeye tunas, destined for cannery supply, and therefore of lower prices. The overall catch composition and prices obtained are shown in Table 30.

Table 30: Average annual price of the target species of pole and line vessels

Species	Catch composition %	Average price ex vessel EUR / kg		
		2007	2008	2009
Yellowfin >30kg	60	2.40	2.40	2.40
Bigeye > 30kg	15	2.55	2.55	2.55
Yellowfin <12kg	12	1.70	1.40	1.06
Skipjack <12kg	10	1.03	1.02	0.77
Bigeye <12kg	3	1.70	1.40	1.06
Average		2.17	2.13	2.06

Sources: ICCAT; interviews with stakeholders

5.3.2 Financial impact on the EU fleet

Based on the above prices the catches and catch values of EU vessels fishing under the Agreement during the period 2007 to 2009 inclusive are shown in Table 31. Note that data for 2007 is given for the 9 month period only, from 1 April to 31 December 2007.

The Agreement has delivered catches valued at EUR 4.30 million in 2007, EUR 3.02 million in 2008 and EUR 5.89 million in 2009. Total catch value over the three years period was EUR 13.21 million, with an annual average of about EUR 4.40 million. On average, 86% of the financial value derived from the Agreement by the EU fleet was in the form of the surface longline opportunities, and 14% due to the purse seine segment. The pole and line segment contributed about 0.6% of the revenue generated by the EU fleet from the Agreement.

Overall some 90% of the financial value of the Agreement was generated by the Spanish fleet (14% from purse seine and 76% from surface longline vessels). About 10% was derived by Portuguese longline vessels. During the period, the benefits to France were negligible (c.0.1%) and only in respect of the pole and line segment.

Table 31: Volume and values of catches made by EU vessels under the EC- Cape Verde FPA, 2006 to 2009

Fleet segment	Country	2007			2008			2009			Total 2007-2009			Mean 2007-2009		
		Av.value €/tonne	tonnes	Value (€)	Av.value €/tonne	tonnes	Value (€)	Av.value €/tonne	tonnes	Value (€)	Av.value €/tonne	tonnes	Value (€)	Av.value €/tonne	tonnes	Value (€)
Purse seine	ES	1,408	751	1,057,492	1,230	178	219,430	934	577	539,268	1,205	1,507	1,816,190	1,205	502	605.397
	FR	1,408	0	-	1,230	0	-	934	0	-	-	0	-	-	0	-
	Sub-total		751	1,057,492		178	219,430		577	539,268	1,205	1,507	1,816,190	1,205	502	605.397
Surface longliners	ES	1,770	1,727	3,055,682	1,648	1,698	2,798,775	1,910	2,154	4,114,614	1,787	5,579	9,969,072	1,787	1,860	3.323.024
	PT	1,770	60	106,524	1,648	0	692	1,910	647	1,236,346	1,898	708	1,343,562	1,898	236	447.854
	Sub-total		1,787	3,162,206		1,699	2,799,468		2,801	5,350,960	1,799	6,287	11,312,634	1,799	2,096	3.770.878
Pole and line	ES	2,175	33	72,479	2,130	0	-	2,056	0	-	2,175	33	72,479	2,175	11	24.160
	FR	2,175	5	11,025	2,130	0	-	2,056		-	2,175	5	11,025	2,175	2	3.675
	Sub-total		38	83,504		0	-		0	-	2,175	38	83,504	2,175	13	27.835
TOTAL		2,576	4.303.202		1,877	3.018.897		3,379	5.890.229	1,687	7,832	13.212.328	1,687	2,611	4.404.109	

A recent overall evaluation of Fisheries Partnership Agreements³⁶ estimated the total turnover of EU fleets using fishing possibilities negotiated under all fishing agreements to be EUR 433 million per year on average over the 2004-2007 period (representing 6% of the turnover of the entire EU fleet). Overall therefore, with annual average revenues (2007-2009) of EUR 4.4 million the EC-Cape Verde Agreement has contributed about 1% of the value of external fishing undertaken by the EU fleet.

In the ICCAT region, EU catches of large pelagic fishes averaged about 120,000 tonnes valued at EUR 186 million/year, 40% from purse seine and 60% from surface longlining. Overall, the Cape Verde Agreement has contributed 2.4% of this value. However, it makes a disproportionate contribution to the EU surface long fleet, which gains some 3.4% of its revenues from this Agreement. This sector is therefore considered to be the EU fleet segment most dependent on the Agreement (as shown in Table 32).

Table 32: Dependency of the EU large pelagic fleet on Cape Verde

Segment	EC Catches in ICCAT (tonnes/year)				Average value MEUR/ year	Av. Value of EU catches in CV 2007/2009 (M EUR)	EC fleet Dependency on CV %
	2006	2007	2008	mean			
Purse seine/ Pole and line	55,275	48,377	76,690	60,114	75.5	0.62	0,8%
Surface long line	56,195	61,742	60,292	59,410	110.2	3.77	3,4%
TOTAL	113,476	112,126	138,990	119,524	185.7	4.39	2,4%

Source: ICCAT, European Commission, Consultants estimates

5.3.3 Financial impact on Cape Verde

The financial income received by Cape Verde under the current protocol to the Fisheries Partnership Agreement has included:

- The financial contribution paid by the EU into the Government Revenue Account with the Central Bank of Cape Verde. This has been EUR 385,000 per year (since the reference tonnage has not been exceeded over the period of the Protocol so far).
- The licence fees paid by the European ship-owners: each purse seiner drawing an annual licence paid an advance payment of EUR 3,950 (equivalent to the fees due for 110 tonnes of catch plus EUR 100/vessel for observer fees). For surface longliners the advance payment was EUR 2,900 (equivalent to the fees due for 80 tonnes of catch plus EUR 100/vessel for observer fees). For pole and line vessels the advance payment was EUR 500 (equivalent to the fees due for 16 tonnes of catch plus EUR 100/vessel for observer fees).
- Additional fees paid by vessel operators in respect of verified catches in excess of the standard amounts, at the rate of EUR 35/tonne for purse seine and surface longliners and EUR 25/tonne for pole and line vessels.

The breakdown of the financial income received by Cape Verde over the course of the Protocol is shown in Table 33. In summary, and on the basis of actual utilisation of fishing possibilities and catches in the Cape Verde EEZ, during the first three years of the agreement, the Government Revenue Account has been credited with a total financial amount varying between EUR 526,963 and EUR 569,179 with an average of EUR 545,700/year. Around 71% of this value is derived from

³⁶ Overall Evaluation of Fisheries Partnership Agreements. Study contract n°17 under Framework Contract FISH/2006/20. Published March 2009, restricted circulation.

the European Union financial contribution and 29% from the vessel operators in the form of annual licence fees and additional payments.

It should be noted that the catches are declared on the basis of calendar year (January to January) whereas, due to the delayed ratification of the Protocol, fishing licences only were issued from 1 April in 2007. The parties have agreed in discussions held in Cape Verde in March 2009, to make the adjustments in the compensation and annual licence fees in the last year of the Agreement (in effect payments were made on the basis of a year from 1 May to 30 April). Because of this anomaly the analysis presented in Table 33 therefore only approximates the actual cash flows.

Table 33: Breakdown of EU financial contribution and licence fees payments to Cape Verde 2007-2009

Item		Protocol	2007	2008	2009	Mean
Licences drawn	Tuna seiners	25	8	10	12	10.0
	Surface longliners	48	28	26	26	26.7
	Pole and line	11	11	10	8	9.7
Fees paid (EUR)						
Purse seine	Annual Licence	3,950	31,600	39,500	47,400	39,500
	Excess catch fees		15,580	0	3,655	6,412
Surface longline	Annual Licence	2,900	81,200	75,400	75,400	77,333
	Excess catch fees		21,646	22,063	53,724	32,478
Pole and line	Annual Licence	500	5,500	5,000	4,000	4,833
	Excess catch fees		433	0	0	144
Total EU fleet	Annual Licence fees total		118,300	119,900	126,800	121,667
	Excess catch fees total		37,659	22,063	57,379	39,034
	Total paid		155,959	141,963	184,179	160,700
EU Financial Contribution (EUR)			385,000	385,000	385,000	385,000
Agreement value to CV (EUR)			540,959	526,963	569,179	545,700

On average the EU operators paid EUR 160,700 per annum in fees for licences and additional catches. Significant numbers of vessels exceeded the standard amount of catch covered by the licence fees. In total during the three years, 37 vessels made payments for excess catches, averaging EUR 39,034/year. Most of these (31) were from the Spanish surface longline segment. A breakdown of the additional payments made is provided in Table 34.

Table 34: Licence fee payments by EU vessels for catches in excess of standard annual amounts

Year	Country	Fleet segment	No. of vessels	Excess (tonnes)	Licence Fee EUR/tonne	Payment
2009	Portugal	SLL	2	487	35	17,049
	Spain	Purse sine	3	104	35	3,655
	Spain	SLL	10	1.048	35	36,675
	Total					57,379
2008	Spain	SLL	9	630	35	22,063
	Total					22,063
2007	Spain	Pole and line	1	17	25	433
	Spain	Purse seine	2	445	35	15,580
	Spain	SLL	10	619	35	21,646
	Total					37,659
TOTAL			37			117,101

The administration of the payments of licence fees, additional payments and the transfer of the financial contribution from the EU has proceeded without major difficulties. All of the licence income from all sources (EU and non-EU vessels) is received into the account of the Fisheries Development Fund (*Fundo de Desenvolvimento das Pescas*) and is used to support fisheries investment projects.

Table 35 shows the FPA income in relation to the national state budget. Budgeted Government investment expenditure during the period 2007-2009 averaged EUR 165.7 million. The FPA has therefore contributed around 0.3% of the Cape Verde Government investment. For the agriculture and fisheries budgets it has contributed 1.6% of the investment and for fisheries, in the region of 24% of all fisheries investment, including treasury sources and donor projects.

Table 35: Contribution of the FPA and associated income to public investment budget

	Amount (EUR 1,000)				FPA
	2007	2008	2009	Average	%
OGE investment	148,193	158,707	190,363	165,754	0.3
MADRRM investment	36,822	37,702	26,055	33,526	1.6
Fisheries investment	1,502	3,076	2,264	2,281	23.9
FPA	541	527	569	546	100.0

In 2010, the share of the FPA in fisheries investment had fallen to about 18%, as shown in Table 36 below. The treasury funds about 50% of all of the public capital expenditure in fisheries, and donors (either directly or indirectly) a further 33%. The FPA is an important source of investment for the fisheries sector, but clearly is not the most critical.

Table 36: Fisheries Investment Budget Sources (2010)

Source	Amount (EUR)	%
National sources	1,111,614	50
Other donors	734,464	33
FPA	395,582	18
TOTAL	2,241,660	100

Finally it should be noted that the fall in the price of tuna described in section 5.3.1 has acted to increase the relative value of the Fisheries Partnership Agreement to Cape Verde. This is because the current lower market prices mean that possible alternative means of selling fisheries access (such as direct sale of licences to vessel operators) would yield correspondingly lower amounts. Under a price scenario of EUR 1,408 EUR/tonne (2007 prices) the total contribution paid by the EU and vessel operators (EUR 100 per ton) represented 7% of the ex-vessel value of fish. In 2009, with a price of 934 EUR/tonne, this represents 11% of the market value of the catch. Note however that the strengthening dollar during 2010 (the currency in which most tuna is traded internationally) against the Euro militates against maintaining the value of the FPA's financial contribution to the partner country, which is denominated in Euro.

5.3.4 Financial impact on the European Union

The EU contribution under the Cape Verde FPA represents only about 0.25% of the EUR 170 million budgeted annually by the EU for payments of all fishing agreements contributions and 0.05% of the total budget of DG MARE (EUR 900 million annually). The agreement has therefore only a small impact on the EU fisheries budget.

5.4 Economic impact of the Agreement

5.4.1 Impact on the European Union

As shown in Table 37 below, and assuming a gross value added of purse seiners of approximately to 45% of turn over³⁷, the average value added generated is estimated to be about EUR 1.98 million/year, 86% to the surface longliners (in line with catch value). This does not account for the downstream value added generated by the processing of purse seine catches in canneries, with benefits mainly to Cote d'Ivoire, Spain and France i.e. where the catch from EU purse seiners are landed or transhipped to (directly, or indirectly in the form of loins produced in ACP countries).

³⁷ Ratio estimated in recent evaluations of fishing agreements adjusted to take into account increase in fuel prices (48% in 2006 adjusted to 45% in 2008).

Table 37: Estimated added value attributed to EU vessels

Segment	Country	Annual average No. vessels	Av. value €/tonne	Av. catch tonnes	Value (€)	Added value* (€)
Purse seine	Spain	9.7	1,205	502	605,397	272,429
	France	0.3	-	-	-	-
	Sub-total	10.0	1,205	502	605,397	272,429
Surface longline	Spain	22.7	1,787	1,860	3,323,024	1,495,361
	Portugal	4.0	1,898	236	447,854	201,534
	Sub-total	26.7	1,799	2,096	3.770,878	1,696,895
Pole & line	Spain	7.0	2.175	11	15,646	7,041
	France	2.7	2.175	2	2,380	1,071
	Sub-total	9.7	2.175	13	18,026	8,112
TOTAL		46.3	1,687	2,611	4,404,109	1,981,849

* Assumes VA=45% of revenues

5.4.2 Economic impact on Cape Verde

The main direct economic impact of the Agreement on Cape Verde was in the form of the financial income generated, comprising the financial contribution from the EU of EUR 385,000 per year and licence fees from vessel operators, of EUR 160,700 per year, totalling EUR 545,700 contribution to the national revenue account. There are no landings of fishery products from EU vessels into Cape Verde. However significant amounts of the catches by EU surface longliners in the Cape Verde zone are transhipped in Mindelo. In addition, the longliners use Mindelo as a base for crew changes, and for input supplies. There are also some limited repairs.

Taking observers onboard seems to have been rare. The observer corps is not functional. However about 113 Cape Verdean crew are employed on the EU vessels, creating value added benefits in the form of earnings. The Agreement is clearly an important factor in the recruitment of these crew. The estimated income is about EUR 94 million/year, (based on a conservative assumption of an average crew wage of EUR 700/month).

Based on the direct income only (excluding the crew wages) and with a GDP of US\$ 1.6 billion (Euro 1.07 billion) in 2008 the Agreement contributes about 0.03% of the GDP. However, including the crew income would increase this contribution to about 0.1% of the GDP.

5.5 Impact on Employment

Crew composition on the EU fleet segments operating under the Agreement is shown in Table 38. The number of crew onboard the EU purse seiners varies between 20 and 28 (average 24). Out of these 24 crew members, it is estimated that 8 are EU nationals and the remaining 16 third country nationals dominated by nationals of West African ACP countries. However, few if any in this segment are reported to be from Cape Verde. On the EU surface longliners, the average crew size is reported to be 16, of which 6 are EU nationals and an average of 3.9 from Cape Verde³⁸. In the pole and line segment, out of an average crew size of 15, 2 are from the EU and 2 from Cape Verde. Remaining crew are from other nations in the region, principally Senegal. The Protocol requires that the fleet of EU vessels operating under the Agreement take on minimum numbers of ACP crew (six in the case of purse seine, four in the case of the surface longline and three in the case of the pole and line segments). Table 38 shows that these numbers are exceeded by a considerable margin.

Table 38: Crew composition and employment in EU fleet segments

Segment	Annual average No. vessels	No. crew per vessel			Employment		
		EC	Cape Verde	Other ACP	EC	Cape Verde	Other ACP
PS	10.0	8	0	16	80	0	160
SLL	26.7	6	3.5	6.5	160	93	173
P&L	9.7	2	2	11	19	19	106
TOTAL	46.3				259	113	440

Source: EU fleet stakeholder interview, 2009

5.5.1 Employment impacts on the EC

Consequently, the annual average of 46 vessels drawing licences under the EC-Cape Verde FPA (during 2007 to 2009) is estimated to support employment for 259 EU nationals. This accounts for about 8% of the total EU nationals employed on EU vessels operating under Fisheries Partnership Agreements³⁹ and a small share of total EU employment in the catching sector (estimated to be about 190,000).

The vessels operate in other areas, including fishery zones of other third countries (under EU FPA agreements and other arrangements) and also in international waters. Therefore not all of these jobs can be linked directly to the FPA. However the EC-Cape Verde FPA is one of five in the West African region, (the remaining being São Tomé, Cote d'Ivoire, Gabon and Guinea Bissau) and the regional deployment strategy of the EU purse seine and surface longline fleets in this region requires the vessels to follow the migratory resource. The existence of several agreements in the region therefore facilitates the implementation of this approach, and sustains employment in the EC.

5.5.2 Employment impacts on Cape Verde

Table 38 indicates that that some 113 jobs for nationals of Cape Verde are linked to vessels drawing licences under the Agreement. Cape Verdean crew are used quite extensively in the EU fishery sector (a significant number of them are resident in Spain). As with the EU crew, these jobs are only partially linked to the EC-Cape Verde Agreement, and if the Agreement were to terminate, many of these jobs would be likely to be sustained, at least in the short term. However, the Agreement is clearly an

³⁸ Vessel departure data from the Instituto Marítimo Portuario in Mindelo was analysed by the consultants; out of 56 departures by EU vessels, average crew size was 3.9. There was no significant difference between Portuguese flagged vessels (3.5) and Spanish (4.0). No Cabo Verdean crew are employed on longliners flagged by Japan and China, which also use Mindelo port.

³⁹ Same source as above

important factor in the recruitment of these crew, and helps to sustain in the longer term a pool of skilled labour which brings significant income to the partner country.

5.6 Impact of the Agreement on fishery resources

To assess the impact of the Agreement on target stocks, Table 40 shows the estimated quantity of the different species caught under the Agreement (based on average catch compositions) in proportion to the overall catches from the stocks of which they form part. Note that all of the species are oceanic. Each tuna species is considered to form a single stock throughout the Atlantic (except for skipjack tuna). The shark species and swordfish concerned are considered to be from northern, and the Cape Verde catches are assumed to impact only on these northern stocks.

Table 39 shows that overall the Agreement contributes some 0.72% of the fishing effort on the target species. Whilst this is low, there are some significant variations between species.

Taking into account the status of the stocks exploited, yellowfin and skipjack tunas are considered to be exploited within sustainable limits and the Agreement has no negative impacts on these fisheries. Catches of bigeye tuna are thought to be within sustainable limits, but this is subject to a degree of uncertainty due to concerns regarding undeclared catches. There is a finite probability that IUU catches are contributing to an unsustainable fishing effort on this species. There is therefore a risk that the FPA may have a small negative impact on sustainability of this species. However, since the FPA only accounts for an estimated 0.07% of catches, and these are within the MSY, this risk may be regarded as minimal, and the FPA should be regarded as sustainable in terms of impacts on bigeye tuna stocks.

Table 39: Impact of estimated catches from the EC-Cape Verde FPA on overall catches from target stocks

Species	Catch in tonnes		% impact
	EC Cape Verde FPA (average)	Total from stock (2008)	
Yellow fin tuna	252	107,859	0.23
Skipjack	214	127,000	0.17
Bigeye	49	69,821	0.07
Swordfish	503	10,752	4.68
Blue shark	1,362	30,545	4.46
Mako shark	126	3,372	3.74
Other species	104	n/a	n/a
Total	2,610	349,349	0.72

Source: European Commission. ICCAT

Cape Verde is an important fishing ground for longline fishing of large pelagics such as swordfish, blue shark and mako shark, accounting for an important proportion of total catches of these stocks (i.e. 4.68%, 4.46% and 3.74%, respectively, of catches from northern stocks in each case). There has been a decrease in fishing effort directed at swordfish since the peak of the fishery in 1987, which is attributed to regulatory measures and a shift in fleet distribution and operation. Currently, exploitation of northern swordfish is considered sustainable with stock biomass at healthy levels, but there is concern about the quality of data for stock assessment purposes (e.g. discard levels). This implies some uncertainty on the level of impacts, but it is reasonable to assume that the impacts of the FPA are sustainable as catch levels are currently half of what they were in 1987.

In the case of the northern stocks of blue shark and mako shark the levels of biomass appear to be at healthy levels and fishing pressure moderate (based on estimates of fishing mortality). There appears to be no indication until now that fishing has resulted in depletion of stocks, but it is important to state that there is considerable uncertainty in the assessment, particularly so in the case of the assessment of mako shark. Although the quantity and quality of the data available (e.g. historical catches and CPUE information) to conduct stock assessments of these sharks have improved, these are still considered to be rather uninformative and do not provide a consistent signal to inform the assessment, and especially so in the case of mako shark. It should be noted that ICCAT scientists base the assessment on the reconstruction of catch series, which indicate that actual catches are roughly double the level of reported catches.

Given these uncertainties, the relatively high contribution of the Agreement to the overall fishing effort applied to this species raises concerns regarding the sustainability. Because of the doubts regarding the stock condition of these shark stocks, mako shark in particular, it is not possible to state with certainty that the inclusion of these species within the Agreement is sustainable in the longer term. More efforts are needed concerning monitoring and research to reliably assess the level of impacts.

5.7 Impact of the Agreement on non-target species and ecosystem

There are no particular concerns regarding the ecosystem impacts of the purse seine and pole and line fisheries. However, there are well documented instances of discards of non-commercial species of sharks and negative interactions of surface longlining with seabird and turtle populations, although the available information is not specific for Cape Verde. More efforts are needed in general in terms of monitoring and research on the level of impacts, as well as the adoption of precautionary approaches with the introduction of bycatch mitigation measures (i.e. adoption of best practices in terms of fishing operations).

Even relatively low by-catches of non-commercial shark species in the surface longline fishery may have important detrimental effects on shark species. Ecological Risk Assessments carried out by ICCAT have demonstrated that most Atlantic pelagic sharks have exceptionally limited biological productivity and can be overfished even at very low levels of fishing mortality. The analyses indicated that bigeye threshers, longfin makos and shortfin makos (i.e. in this case a target species) have the highest vulnerability and lowest biological productivity) of the shark species examined (with bigeye thresher being substantially less productive than the other species).

Bycatch of turtles is also of particular concern. No specific study on this type of impacts could be identified for Cape Verde, but considering the presence and breeding of turtles in Cape Verde and studies of turtle bycatch rates by surface longlining in the eastern central Atlantic, this is potentially serious. Estimates of incidental catch (mortality) of turtles by longline are contested on the grounds of not being generally applicable (i.e. localised and sporadic studies) and the release of live turtles is common procedure among longliners. This appears plausible, but it is also important to bear in mind that even low levels of mortality may have strong impacts, considering the high level of longline effort in the Cape Verde region (i.e. number of set hooks). Given the evidence of a significant level of surface longlining in the Cape Verde EEZ, and the good utilisation by the EU longline fleet of the Agreement, there is a risk that the Agreement may have unsustainable impacts on marine turtle populations.

Incidental catches of seabirds in connection with surface longline fishing are normally associated with operations at more southerly latitudes. Data is sparse for tropical regions but ICCAT is adopting a precautionary approach by considering the introduction of mitigation measures (e.g. use of tori lines, best practices on operations, etc.).

5.8 Impact on food security of Cape Verde

No fishery products caught under the Agreement have been landed in Cape Verde and the Agreement has not contributed to supplies to this market.

The fisheries targeted by EU vessels operating under the Agreement are also targeted by the national fisheries of Cape Verde, with catches of migratory species (including skipjack and yellowfin tunas and some swordfish) estimated to be in the region of 2,000-3,000 tonnes/year. Given that these species are all migratory and may be caught by EU vessels both within and outside the Cape Verde EEZ, the

Agreement is not considered to have had any impact on availability of the resources for the domestic fishery.

Furthermore the domestic fishery is pursued mainly by the artisanal fishery operating close to shore and well within the territorial waters, where the EU vessels operating under the Agreement may not fish (they are excluded by Chapter II of the Protocol to > 12 miles from the baseline). There is therefore no direct interaction between the national and EU fleets.

Overall the Agreement has therefore had no negative impacts on the food security situation in Cape Verde. Conversely, by supporting, through the policy support measures, the development of new landing and distribution infrastructure and improved quality control, there is more likely to a positive impact of the Agreement on food security (albeit indirect and still to be realised).

5.9 Implementation of the Partnership approach

The Fisheries Partnership Agreement signed between Cape Verde and the EU and its associated Protocol integrates the partnership approach promoted by the Commission since the 2004 Council conclusion on COM (2002) 635 and now fully implemented throughout all fisheries partnership agreements currently in force. In short, partnership means that the two parties agree on a multi-annual programme with a view to defining and implementing a fishery policy promoting responsible fishing practices⁴⁰. According to Article 7 of the Protocol, the Cape Verde Authorities undertake to allocate 80% of the financial contribution (i.e. EUR 308,000 annually) with a view to implementing initiatives taken in the context of a sectoral fisheries policy drawn up by the Government of Cape Verde. However, a commitment to allocate 100% of the contribution was recorded in the technical meetings between the parties held in July 2007. Furthermore, the Cape Verde authorities also indicated that the licence fees would be credited to a Fisheries Development Fund managed by the INDP.

Although the Agreement was initialled by the parties in 2006, and was ratified by the EU in Council Regulation (EC) No 2027/2006 of 19 December 2006, it was not ratified by the Government of Cape Verde until March 2007. According to the Article 7 of the Protocol, the Joint Committee should have then met within 3 months to formally approve a multi-annual sectoral programme of support measures. Although the Commission undertook a mission to Cape Verde on 16-18 July 2007 which considered a matrix of policy support measures, the programme of measures was not formally adopted until the first (and only) Joint Committee meeting between the parties of the 18/19 June 2009⁴¹. Two additional rounds of technical discussions have taken place between the parties, in March 2009 in April 2010.

The parties have fulfilled their agreement to engage in a fishery policy dialogue which has resulted in the development and proposal of a set of policy measures for application by the Government of Cape Verde, accompanied by the allocation of funds required for implementation. However, the matrix of support measures was not agreed until 2 years after the commencement of the partnership.

Whilst there has been good progress in the implementation of some of the policy support measures set out in the plan, there are questions raised regarding the relevance of some of the others (see below). The insufficient technical capacity of the Cape Verde authorities for programming and planning the interventions (particularly in the area of MCS) was not clearly identified and addressed. It could therefore be argued, that the parties have paid insufficient attention to a proper analysis and design of the measures within the frame of a coherent fisheries policy. More regular and focused meetings between the parties supported by technical assistance for preparation of a more realistic set of measures would have helped to obtain a more sustainable outcome.

With regard to the integration of the FPA into the Government programme, the national budget "Orçamento Geral Do Estado" (OGE) is published every year after being approved by Parliament. In the OGE consulted for the period 2007 to 2010 the EU contribution under the FPA is not specifically

⁴⁰ Based on experience from other fisheries partnership agreements, this includes measures related to fight against IUU fishing, support to scientific research and reduction of the impacts of fishing on the environment. The partnership includes also strengthening of sanitary control of fisheries products exported and promotion of European investment in the partner country.

⁴¹ Procès Verbal de la 1ere Commission Mixte de l'Accord de Partenariat de Pêche CE/ et la République du Cap-Vert, Bruxelles 18 et 19 juin 2009

mentioned. However, Cape Verde authorities confirmed that this financial contribution is included in capital budget items indicated in the OGE.

Although the Cape Verde authorities have formally committed 80% of the total amount of the financial contribution to the support and implementation of initiatives taken in the context of the sectoral fisheries policy, Cape Verde authorities have indicated that this is in fact 100%. However according to information regarding overall fisheries budget execution given by a DGP note (cf. file "seguimento", April 2010), from a total amount of ECV 127,356,075 only ECV 90,910,692 had been transferred from Treasury to beneficiary institutions, suggesting an execution rate of around 71%. However, the authorities indicated that any under allocation was due to implementation delays and that complete disbursement was expected.

The FPA support, along with associated licence fees paid by vessel operators has accounted for 24% of the fisheries budgeted investment expenditure during the period. Overall, it is clear that the budgetary support received from the FPA has been an important source of investment funding, allowing the Directorate General of Fisheries to lever additional funds from the state budget for a range of policy measures.

5.10 Impact of the multi-annual sectoral programme

5.10.1 Adoption of fisheries policy, strategy and action plans

After the coming into force of the Fisheries Partnership Agreement between Cape Verde and the EU (in April 2007), and in line with Article 7 of the Protocol, a matrix of multi-annual sectoral programme of measures was developed by the DGP of Cape Verde.

The DGP indicated that 100% of the finance would be allocated to the implementation of these measures and the parties agreed that the principal axes and allocations would be as shown in Table 40:

Table 40: Principal axes and allocations for implementation

Axis	Funding %
Axis 1.1 Support for research	27
Axis 1.2 Support for fisheries MCS	23
Axis 2 Institutional support and international cooperation	22
Axis 3 Quality of products	16
Axis 4. Promotion and fisheries development, commercialisation and training	12

The DGP subsequently proposed a matrix of measures under this framework, with specific budgets. After discussion between the parties, this was agreed between them in August 2007. The matrix was also approved and adopted by the National Fisheries Council of Cape Verde. However, it was not formally adopted by the parties until the meeting of the Joint Committee on 18/19 July 2009. The matrix is shown in Annex 3.

5.10.2 Summary of progress with implementation of the policy matrix

The consultants have reviewed the progress of implementation of the fishery sector support measures within the frame of the Fisheries Partnership Agreement. Documentary evidence for the use of specific funds, as specified in the sector policy matrix was reviewed. However, it is notable that only one formal progress report was available (as presented by the Cabo Verdean party in the Joint Committee meeting of June 2009, covering the period up to 2008). Where feasible to do so, implementation of the measures after this date was confirmed during the field mission. A detailed table of results is shown in Table 41. In summary, the following conclusions can be drawn:

Progress has been made in relation to Axes 2, 3 and 4 (respectively institutional support, quality control and artisanal fisheries) where a range of measures have been implemented generally in line with the matrix agreed by the parties. As a result, the DGP has been an active and full participant in regional fisheries bodies, and coordination and management capacity has significantly increased. Although an inspection of the sanitary control system by DG SANCO in 2009 had negative findings there has been a positive and focused response, with a number of significant improvements. In relation to artisanal fisheries, a development plan is adopted, new ice plant capacity has been installed, and fisherfolk have received training. Fishers' incomes are expected to be improved as a result of these measures.

However progress has been less than adequate in relation to Axis 1.1 where in relation to stock assessment work, so far only 3 out of 7 stocks have been assessed. Although statistical systems have been strengthened, a full survey to update the survey frame has not yet been carried out until now. In this respect, work on this axis of the programme is not in line with expected results at this stage.

In relation Axis 1.2 (Fisheries MCS), progress has been almost negligible. The DGP has not yet so far been able to establish a corps of fish inspectors dedicated to the MCS function. Limited training will start only in 2010. An initial effort to create an observer corps has not been sustained. There have been technical problems with vessels and aircrafts, but there has been no use of FPA funds to help accelerate repairs. There has been negligible participation by the DGP in the limited patrols undertaken. Opportunities to build shore based MCS capacity (for example for effective port state controls such as monitoring of imported fishery products and transshipment in Cape Verdean ports) have not been taken.

Table 41: Progress towards indicators of achievement for measures supported by the FPA

Main results/outputs to be achieved 2007-20011	Progress made by July 2010
Axis 1.1 Improved sustainable management of marine resources	
Strategic long term research plan in place	INDP?? Directorate of Marine and Aquaculture Research (DIHA) has published a plan (Research Lines and Axes) which sets out objectives in relation to planning, development of fisheries statistical system; population dynamics and sustainable utilisation of fishery resources, fisheries biology and oceanography, conservation and sustainable utilisation of marine biodiversity, aquaculture. However, the plan does not contain detailed actions.
Regular evaluation of fish stocks (7 stocks)	Stock evaluations published for 3 stocks (grouper, big eye scad and sand bream); Management recommendations made and adopted for all main stock categories, in Boletim Oficial 4 May 2009.
Improvements in methods of collection and analysis of statistics; new software installed and statistical bulletins published	Fishery sector frame survey not updated since 2005; Catch data available to end of 2008. New frame survey in planning. Software design and specification undertaken, but not yet installed; Statistical analysis available but bulletins not formally published. Annual report of DGP prepared (internal document).
Tuneid information centre established	Tuna data submitted on time to ICCAT
Áxis 1.2 Control and surveillance of the EEZ of Cape Verde	
Fisheries surveillance plan elaborated; 15 combined marine/air patrols missions undertaken	No overall MCS plan in place. Offshore vessels and aircraft not operational since 2008. Four coastal patrols missions conducted (in 2008 and 2009). None so far in 2010. Three offshore patrols conducted onboard US/Spanish/UK vessels. No fisheries infractions detected. Negligible participation of fisheries personnel. No funding transferred to coast guard for upgrading means/operational expenses. Funds allocated for offshore patrol planned late 2010 when vessels/aircraft are operational.
Establishment of satellite VMS on 70% of industrial vessels; Promulgation of law, training of staff, installation of VMS beacons	Feasibility study completed. Beacons and receivers on order, with installation on industrial vessels planned. No fisheries control room established. New joint maritime control centre COSMAR under construction. First MCS training course for fisheries staff planned for late 2010. VMS law not in place.
Establish corps of observers on board 50% of industrial vessels, training and statute regarding observers.	Observers trained in Dakar. However all staff have since departed due to lack of budget/salary. No observer capacity available at present.
Creation of cadre of fishery inspectors, with legal basis,	No clearly identifiable cadre of fishery inspectors appointed for MCS function. Training of DGP/Coast

training	Guard staff planned for 2010.
Installation of programme for registration of vessels	Vessel register in place for industrial vessels.
Áxis 2: Institutional support	
Training to improve technical and scientific capacity of administrative staff (30 groups); including training in Europe, Africa.	Some training activities undertaken (not specified)
Promoting dialogue between actors in the management of fisheries (2 meetings of CNP and 1 "Day of the Fisherman" organised)	CNP has met each September/October. Dia do Pescador held in Feb 2009 and Feb 2010.
Participation in CSRP/ICCAT/COMHAFAT/ meetings (7 meetings, organisation of Ministers Conference 2009 in Praia); contribution of fees to CSRP, ICCAT; participation in EU /CV Commission Mixte)	Fees due to CSRP and ICCAT have been paid and are up to date. Cape Verde assumed presidency of CSRP 2009/2010 with attendance at all meetings. Cape Verde hosted the 16th Meeting of the CSRP Conference in December 2008. Staff participated in Joint Committee in June 2009 (Brussels) and regularly attended ICCAT meetings.
Áxis 3: Strengthening capacity for inspection and certification of fishery products	
Inspections of vessels and establishments undertaken (minimum 68/year from 2008)	51 inspections in 2007; Not stated for 2008/2009. In 2010 20 out of 33 authorised vessels were inspected, along with regular inspections of establishments in accordance with the Inspection Programme.
Audits of the inspection bodies (Agencies) undertaken (total 5 audits)	Audits of inspection bodies in Sal, São Vicente in 2008 and 2009.
New equipment for inspections supplied	HPLC installed for histamine analysis in LOPP; staff trained; equipment commissioned
New inspector recruited (2) and trained (2 courses); training for industrial operators (2 courses); training for fishermen (2 courses).	Two inspectors recruited. Training courses for inspectors delivered (by INFOSA) in June 2008. Participation in training course in Mauritius 2007 (DG SANCO), Lisbon 2008 (DGP Portugal), Iceland (2009) and HACCP training in Senegal (2010). Training courses (x2) for fishers/sellers conducted in 2008.
Participation in Codex/international meetings (2 meetings)	No data available
Updating of legislation for sanitary controls for fishery products; update of fish inspection and control manual	Legislation for sanitary conditions upgraded in line with FVO recommendations. Fish inspection manual revised by June 2008

Upgrade laboratory (LOPP) to function at present site (INIDA); move facilities to Mindelo in 2010;	Laboratory staff trained in chemical and microbiological analysis; testing methods reviewed and upgraded to international standards. Staff trained. Equipment calibration revised. Plan for transfer of LOPP in place; construction of new LOPP in Mindelo tendered (2010)
Introduction of inter-laboratory proficiency testing; nomination of accreditation body; accreditation of LOPP to ISO17025 by 2011	New lab quality manual introduced (2010); action plan for accreditation in place; methodologies upgraded and applied
Áxis 4: Promotion of development of artisanal fisheries	
Preparation of integrated development plan for artisanal fisheries	"Plano operacional para o desenvolvimento da pesca artesanal de Cabo Verde" prepared and adopted, January 2010 (AECID/Cetmar)
Training of artisanal fishermen in micro-credit (50% of fishers)	Not undertaken
Purchase and installation of new ice machines; improved availability of ice (80% of embarkations, 30% increase in ice production)	Complex de Pesca Cova Inglesa ice plant capacity upgraded (>100%) with JICA support. Reopens 2010.
Study of fish sales by auction	Study undertaken and validated (2008)
Seminars for awareness of fisheries legislation (2)	No data. AECID project expected to support.
Promotion of formation of fisheries associations; drafting of legislation	No data. AECID project expected to support.

In general, Table 41 suggests that the impact of the multi-annual sectoral programme of support measures has been variable. In some measures, in relation to Axes 2, 3 and 4 (respectively institutional support, quality control and artisanal fisheries) the measures have generally been implemented in line with the matrix agreed by the parties. However, progress has been less than adequate in relation to Axis 1, where progress in fisheries management activities is behind schedule, and in fisheries MCS have been almost negligible. Given the national development policy focus on maritime industries, the high profile of fisheries in the GPRSP, and the potential for added value in this sector, the weak response to this area is disappointing and represents a significant failure for the FPA. Considering that the FPA (although relatively limited in absolute terms) has accounted for 24% of budgeted public investment in fishery sector a greater impact could have been anticipated. That it has not, is attributed by the consultants to a number of reasons, but primarily to a lack of clear unitary policy framework.

At present documented policy is found in different documents (poverty reduction and growth, agriculture and fisheries, environmental). The PGP 2004-2014 is the only document which refers exclusively to fisheries, but is not comprehensive. There is no direct link between the PGP and the matrix of support measures agreed by parties (nor indeed to activities implemented by donors) and it is therefore difficult to ensure coherent links to policy.

The policy axes agreed by the parties are relevant, but the objectives not always relevant or structured in a logical way to address the problems identified. For example, there is a need for the appointment of a corps of fisheries inspectors, and for them to be trained and capacity built on preliminary steps (eg. shore based port-state controls on transshipment and imports) before the launch of combined air/sea MCS missions. The process misses a proper problem analysis, with a programmed and phased plan for MCS capacity development, prior to implementation of complex MCS functions such as satellite VMS/combine air sea patrols. Programming such activities becomes a theoretical exercise when the DGP does not operate even a radio room, or have a body of inspectors uniquely allocated to control tasks. Whilst the MCS measures proposed are relevant to the needs, they do not take into account the capacities of the DGP to implement them.

Furthermore, it is also evident that there is a substantial level of donor activity in the fisheries sector. Where donor activities have not been undertaken (Axis 1), progress has been rather limited. Where donors have intervened, there is evidence of more rapid progress. The AECID and EDF SFP have been active in quality control and sanitary inspection (Axis 3). JICA has been active in infrastructure development (refurbishing ice plants) and AECID in the preparation artisanal fisheries operational plan (both major outputs in Axis 4). Therefore it appears that the Cabo Verde authorities have implemented the matrix most successfully only in those areas where additional donor support has been forthcoming.

It is therefore concluded that the additionality of the partnership approach in this Agreement has so far been questionable, in terms of the specific results achieved. The FPA has been useful in providing counterpart funding for all of these interventions, and has allowed the DGP to respond to the opportunities; eg. by allowing the recruitment of staff, funding of travel and communications. However, it remains difficult to link results specifically to the FPA measures when donor projects are operating in the same area. In terms of outcomes establishing the links is almost impossible. During the course of any future protocol there will be substantial activity undertaken in the area of fisheries management and MCS. The EU MCS Project (implemented through CSR), the EU ACP Fish II and the World Bank PRAO will all support building up of the fisheries management and MCS capacity in Cape Verde. The inclusion of these functions within the measures supported by any future FPA should be carefully considered. The parties will need to define the measures in some detail, seeking synergies rather than overlaps with the donor projects, and will need to find appropriate strengthened planning and coordination mechanisms between development partners.

Overall, to ensure that there is a clear logical framework approach to these activities, there is a need for a new fisheries policy, comprising a sector review, problem analysis, needs analysis, development and validation of measures, and costing, and then finally integration of the FPA and donor measures. This process will generate a revised matrix for implementation under a future protocol. The promulgation of a coherent fisheries policy document should be the first measure, and the European Commission is recommended to support this process with technical assistance. The consultants recommend that such an intervention be considered for support under a relevant programme, for example the ACP Fish II Project.

5.11 Lessons learnt from the ex-post evaluation

5.11.1 Common Fisheries Policy objectives

The investment of the EU in a Fisheries Partnership Agreement with Cape Verde was expected to contribute to the following objectives, which are common with all other fisheries partnership agreements concluded by the EU:

- a) safeguarding employment in the regions of the EU dependent on fishing;
- b) securing the continued existence and competitiveness of the EU's fisheries sector;
- c) developing through partnership the fisheries resource management and control capacities of third countries to ensure sustainable fishing and promoting the economic development of the fisheries sector in those countries
- d) ensuring adequate supply of fishery products for the EU market.

Impact on employment

A summary of the main impact indicators found by the ex-post evaluation of the Agreement is shown in Table 42:

Table 42: Main economic parameters of the EU –Cape Verde Fisheries Partnership Agreement

Variable	Units	Value
No. licences available	No.	84
Rate of licence utilisation	%	58
Catch	tonnes/year	2,611
Reference tonnage	tonnes/year	5,000
Catch as % of reference	%	52
Average catch value	EUR/year	4,404,109
Av. value of catch	EUR/tonne	1,687
Cost advantage	EUR/tonne	209
Cost as % of ex vessel value	%	12,4%
EC benefit (value added)	EUR/year	1,981,849
Cost to EU fleet	EUR/year	160,700
Cost to EU	EUR/year	385,000
Total EU transfers to Cape Verde	EUR/year	545,700
Cost benefit ratio		3,6
Av.No. of vessels drawing licences	No.	46.3
Av.No. of EU fishers employed	No.	259
Av.No. of CV fishers employed	No.	113

Source: European Commission, consultants' estimations

The Agreement has contributed to safeguarding some 258 jobs held by EU nationals on vessels drawing licences under the Agreement. This accounts for about 8% of the total EU nationals employed on EU vessels operating under Fisheries Partnership Agreements but only a small share of total EU employment in the catching sector (estimated to be about 190,000). The cost associated to the EU per job sustained is about EUR 1,386/annum. This cost does not however represent the full cost of the jobs sustained (which will also need to take into account the costs of financing other Agreements used by these fleet segments).

Securing the continued existence and competitiveness of the EU's fisheries

The EC's Fisheries Partnership Agreement with Cape Verde has proved to be a useful instrument for the EU fleet, with a moderate rate of licence uptake (58%). The resources targeted are highly migratory and its movements are largely driven by oceanographic conditions. Fishing vessels must be able to follow the resources wherever it is present i.e. in the high seas as well as in the waters under jurisdiction of Coastal States, and therefore have an access to all key EEZs. Cape Verde is particularly important since it is relatively accessible to EU vessels operating from Canary Islands and the Iberian Peninsula. The Agreement has therefore provided an important contribution to the EU purse seine and surface long line fleet activities in the Eastern Tropical Atlantic, more so since in 2010 several Spanish and French purse seine vessels have relocated and taken up the fishing opportunities presented to reduce their exposure to piracy risk in Indian Ocean fisheries. With the exception of the pole and line operators, whose activities are subject to negative economic pressures, the Agreement has been an effective instrument to secure the regional presence of the EU fleet and contributed towards its competitiveness (Objective b).

The partnership approach

The partnership component of this fisheries agreement has been implemented and an agreed policy matrix is guiding the implementation of measures supported by funds from the Agreement.

Some limited steps have been made towards strengthened MCS, improved sanitary conditions, and participation in regional fora, making a small incremental contribution to improved sustainability and economic development of the Cape Verdean fishery sector as a result of the Agreement (Objective c). The lack of progress in MCS is disappointing, and the Agreement has not contributed to further the EU policy with regard to the elimination of IUU fishing. There is a need for attention to this issue in any future protocol.

However, with only one Joint Committee (in June 2009) and three technical meetings between the parties (in July 2007, March 2009 and April 2010) there have been some long gaps in policy dialogue. A more assiduous attention to the policy dialogue by the parties could have helped to address some of the areas where progress is limited. A lack of staff resources and time on the part of both parties was the main reason for the under-performance of this element of the Agreement and both parties should therefore re-assess their resource commitments in the context of any renewal of the Protocol.

Ensuring adequate supply of fishery products for the EU market

Catch rates under the Agreement have been lower than expected, with overall only 52% of the reference catches taken by the EU fleet. However, this is much better than under some other Agreements (for example 16% in São Tomé e Príncipe). The average cost per tonne to the EU of the catches made was EUR 209/tonne, representing about 12% of the ex vessel price of the fish. According to Eurostat EU fish consumption in 2006 was nominally 10.8 million tonnes (production of 6.9 million and net imports of 3.9 million tonnes). This means that although it does contribute disproportionate supplies of some species such as swordfish and shark, the Cape Verde FPA has contributed a negligible proportion of the total fish supplied to the EU. The Agreement is not therefore a particularly effective measure for ensuring supplies to the EU market (Objective d).

Overall coherence with CFP objectives

Overall the Agreement has made a positive contribution to the furthering of CFP objectives. However it represents only a small percentage of all EU fleet outputs (in terms of production, turnover, value-added, employment and supply to the market) and its contribution, whilst positive and measurable, is generally limited.

5.11.2 EU Integrated Maritime Policy

Cape Verde has clear linkages with Macaronesia (being the group of Atlantic archipelagic islands including the Azores, Madeira and Canary Islands). The geographic proximity, and commonality of challenges faced have contributed to increasingly close political linkages. The European Commission is reflecting on the expression of the application of the Integrated Maritime Policy to the Atlantic Ocean Region⁴² and it is clear that in this respect the EU has common interests with Cape Verde in relation to the development and security of some of its Outermost Regions. It is this common interest which has given rise to the Special Partnership between the parties. Whilst the FPA is only a small agreement (relative to the dimensions of the Special Partnership, it only accounts for about 4% of the annualised NIP expenditure), it is however disproportionately important in that it deals with an important maritime sector, with high employment dependency, and with opportunities to deliver further economic development through value addition and trade. The FPA is therefore fully coherent with the Integrated Maritime Policy of the EU.

6 CONCLUSIONS AND RECOMMENDATIONS

6.1 Conclusion

6.1.1 Relevance

EU objectives

The EU-Cape Verde FPA is one of five in the W. African region (the remaining being Mauritania, Cote d'Ivoire, Gabon, São Tomé and Príncipe and Guinea Bissau) and the regional deployment strategy of the EU tuna fleets in this region requires the vessels to follow a migratory resource. The Agreement has therefore contributed to the regional activity in the Eastern Tropical Atlantic of the EU fleet. The Agreement has allowed EU vessels to have secure and long term access to fishing opportunities in the waters of Cape Verde which may otherwise not be available with such a degree of certainty. ***The Agreement may therefore be considered to be relevant to the policy needs of the European Union.***

Cape Verde Objectives

At the same time the Agreement has allowed Cape Verde to derive greater economic benefit from the resources which it does not have the capacity exploit fully, than alternative means of allocating these resources (for example by private licences). The financial income generated from this resource makes a useful, although not critical contribution, to Cape Verde, since it provides some 0.3% of total government investment funds. The contribution also provides an important source of funding for the fisheries administration, with 100% of the EC's financial contribution allocated to the Directorate General of Fisheries (although at the time of writing not all funds had been disbursed). This amount accounted for about 24% the budgeted investment funds (which include budget allocations in the form of donor funded projects). ***The Agreement is therefore considered to be highly relevant to the needs of the Cape Verde government, and especially so in relation to its fisheries investment programme***

6.1.2 Effectiveness

Up to the end of 2009 the Fisheries Partnership Agreement with Cape Verde has supported the deployment of an annual average of about 47 EU vessels (10 purse seiners, 27 surface longliners and

⁴² There is a public consultation until 15/10/2010 and the Commission has published a "Non-Paper on the EU and the Atlantic Ocean", European Commission, Directorate-General For Maritime Affairs And Fisheries http://ec.europa.eu/fisheries/partners/consultations/atlantic_ocean/non_paper_en.pdf

10 pole and line vessels) in the Cape Verde zone, with an overall rate of available licences drawn of 51% for purse seiners, 56% for surface longliners and 84% for pole and line vessels. The average annual catches under the Agreement were 2610 tonnes valued at EUR 4.4 million with a value added generated estimated at EUR 2.0 million/year, accruing to the EU and ACP countries (in the form of profits to operators and wages of EU and ACP crew including Cape Verdean, plus some benefits to downstream processing of catch in canneries in Cote d'Ivoire, Spain and France). The Agreement is estimated to support the employment onboard of 260 EU nationals (and 113 Cape Verde nationals). This accounts for 13% of the total EU nationals employed on EU vessels operating under Fisheries Partnership Agreements but only 0.1% of the EU employment in fisheries.

About 14% of the value of the Agreement to the EU fleet is in the form of the purse seine fishing opportunities and 86% due to the surface longline opportunities. Less than 1% of the value is derived by the pole and line fleet. Overall some 90% of the Agreement is derived to the Spanish fleet. About 10% is derived by Portugal in terms of longline catches. Before 2010 the benefits to French vessels were limited to a small pole and line catch (0.1% of the value). However it is important to note a significant increase in the effectiveness of the Agreement from 2010, due to renewed interest in the EEZ from French purse seine vessels. The Agreement is therefore expected to show doubling of effectiveness of the purse seine opportunities in this year, which could potentially add 1200 tonnes of fish and EUR 600,000 of annual benefits.

Fishing under the agreement with Cape Verde represents about 1% share of the total turnover of the EU fleets under fishing agreements, but only 0.1% of the turnover of the EU fishing fleet. The EU surface longline segment is rather more dependent on the EC-Cape Verde FPA, which (assuming an average annual catch in the Atlantic of c.50,000 tonnes) accounts for some 9% of the revenues of this fleet segment. Given that the Atlantic fleet also used Cape Verde as an operational base, this segment can be regarded as being highly dependent on the Agreement.

The Agreement may be considered to have been an effective measure, supporting the EU fisheries objectives of deployment of EU vessels, generating employment for EU and third country nationals and generating supplies, albeit limited for the EU market.

6.1.3 Efficiency

Overall, for the EU, the Agreement had a moderately positive cost:benefit ratio of 3.6 (annual cost to the EU and the EU fleet of EUR 0.54 million compared to an annual benefit of EUR 1.98 million). This means that for every EUR spent on the Agreement from the EU side, EUR 3.6 are generated. The ratio indicates that the Agreement has been a moderately efficient means of achieving the economic benefits derived, although not as efficient as it could have been. The average catches taken were only marginally more than half of those expressed in the reference quantity, which suggests that the EU has overpaid for about 2400 tonnes per year of unused fishing opportunities, (at a cost to the EU budget of EUR 156,000 per year). This additional expenditure delivers no economic benefits to the EU fleet. This suggests that if the Protocol is to be renewed, there should be some change of dimensions to account for the under utilisation. However, the adjustment should also take into consideration recent changes in demand from the French purse seine (increase) and pole line fleets (decrease due to withdrawal).

Comparison with access fees paid by other foreign operators in the surface longline segment indicates that the EUR 100 per tonne negotiated by the EU is less than the price paid by Japanese operators (reported to be US\$17,500 / vessel/year). However, target species are generally of lower value (swordfish/shark for EU operators, sashimi grade tuna for Asian operators). No data is available on the terms of access of these vessels and it was not possible to assess whether there are any discriminatory provisions in comparison to the Fisheries Partnership Agreement with the EU.

The main impact of the Agreement on Cape Verde has been that the Government Revenue Account has been credited with a financial amount averaging EUR 545,700/year. Around 71% of this value is contributed by the EU and the balance from the fleet licence fee payments. There are some additional economic benefits from employment on board and transshipments, which are in the region of EUR0.94 million/year. However these are not fully linked to the Agreement, and some such benefits could be expected to be derived in any case even in the absence of the Agreement. The contribution of the Agreement to the economic development of Cape Verde is rather limited (accounting at most for 0.1% of GDP), and the Agreement cannot be considered to be an efficient tool for helping Cape Verde to meet its development policy objectives.

The Agreement can only be regarded as a moderately efficient method of achieving the policy objectives during the period covered by the evaluation.

6.1.4 Sustainability

Because of its limited impact on overall catches of bigeye tuna, there is only a minimal risk of negative impacts on this stock. With regard to other species where there is a degree of uncertainty regarding stock conditions, and in particular mako shark, the Agreement contributes an estimated 4% of the catches, and therefore there is a risk that it contributes to a negative impact on sustainability.

Because of the doubts regarding the stock condition of these shark stocks, mako shark in particular, it is not possible to state with certainty that the inclusion of these species within the Agreement is sustainable in the longer term. More rigorous monitoring and additional research are required to reliably assess the level of impacts on blue shark and mako shark in particular. There are in addition some concerns regarding the wider ecosystem impacts of the fisheries contained within the Agreement, especially negative interactions of surface longlining with seabird and turtle populations. Again, there is a need to strengthen the monitoring of EU vessels in this respect.

As far as can be ascertained all of the fishing operations conducted under the Agreement comply with the management recommendations of ICCAT and the corresponding measures implemented by EU legislation. However there are reservations regarding compliance by EU vessels with reporting requirements specified in the Protocol. There is clear evidence of non-declaration (in particular by the pole and line segment in 2008 and 2009). Subject to these reservations, the Agreement may be considered to be in line with the principles of responsible fisheries.

The Agreement, through its support for the development of policy framework for sustainable fisheries in Cape Verde, was expected to have made a significant contribution in the areas of fisheries management and controls. However, until now progress in these areas has been rather limited, and the Agreement has only made a weak contribution to improved sustainability of the Cape Verdean fisheries.

6.1.5 Partnership elements

The partnership component of this fisheries agreement has been implemented and a draft policy matrix is guiding the implementation of measures supported by funds from the Agreement. However, the parties have only had one joint committee and three technical meetings during the course of the Protocol and there have been some long gaps in policy dialogue which has meant that the parties have not addressed areas of limited progress in implementation of the matrix. Policy development by the DGP has not been helped by two changes of parent Ministry, in 2006 and then again in 2008. The matrix of measures was not adopted until two years after the commencement of the protocol.

Furthermore, this study raised doubts about the relevance of some of the measures adopted within the partnership framework. In the absence of a coherent and validated fisheries policy to guide development and investment, the design of the measures (to ensure that they are based on a proper assessment of needs) becomes important. The parties have not paid sufficient attention to a proper analysis and design of the measures with the result that in some areas they have been over-ambitious (for example implementation of marine patrols when there is no established MCS function in the DGP) and have missed opportunities in other areas (for example to strengthen shore based port state controls). More regular and focused meetings between the parties supported by technical assistance for preparation of a more realistic set of measures would have helped to obtain a more sustainable outcome.

Because of the delay in their promulgation, the infrequent communication and the poor design of some of the measures, the partnership approach has not been implemented as effectively as it could have been. It is however recognised that the dimensions of the Agreement mitigate against the commitment of significant management resources. Any future set of measures should establish as a priority the adoption of a sustainable fisheries policy by the Government of Cape Verde.

Furthermore, the European Union is a development partner of Cape Verde participating in national and regional indicative programmes which allocate European Development Fund resources to the partner country. The Action Plan under the Special Partnership, funded by the NIP, foresees support

for the strengthened “Management of natural resources, including execution of the National Environmental Action Plan (PANA) and ocean pollution reduction”. There is a missed opportunity to use EDF resources, within the frame of the Action Plan to address the outstanding need for institutional strengthening of the fisheries administration (especially in fisheries MCS), to allow Cape Verde to derive greater benefits from the FPA approach (and especially so given the focus of the GPRSP on the marine sector).

6.1.6 Compliance with the Protocol

There is concern regarding the weak or non-existent application of some parts of the Protocol. It appears that reporting conditions imposed on EU vessels set out under the Agreement are not always met. There are inconsistencies in the system of entry and exit reporting, and claimed delays or non-existent submission of catch reports by vessels. The Cape Verde authorities are not always well organised in these respects (for example traceability of record keeping) and although there is no evidence other than anecdotal, some EU vessels do appear to be failing to operate in compliance with the Protocol. This could also be considered in terms of a more rigorous approach by Member States to compliance with the Protocol conditions, as required in Council Regulation (EC) No 1006/2008 of 29 September 2008 concerning authorisations for fishing activities of EU fishing vessels outside EU waters and the access of third country vessels to EU waters. It also will be addressed by the proposed investment in a satellite VMS system to track vessels on entry to the EEZ.

It is also of concern that no observers have been mobilised on EU vessels during the course of the protocol. This is due to the lack of a trained corps of observers, and there is a need for the Cape Verdean authorities to address this by the allocation of adequate resources.

6.1.7 Overall conclusion

Despite concerns regarding its efficiency, the Fisheries Partnership Agreement has proved to be highly relevant to the Common Fisheries Policy (since it provides access to fishing opportunities for EU vessels, supporting their regional presence Eastern Tropical Atlantic) with associated (albeit modest) financial and economic benefits to the EU. It is relevant to the fisheries policy of Cape Verde since it provides financial means for implementation of important measures (although these have not been effectively implemented in the current protocol). In addition, the Agreement has allowed the EU to maintain a policy dialogue with the Cape Verde Authorities, with a view to promoting responsible fishing, although again, this has not delivered meaningful outcomes as yet.

In conclusion, although there are concerns regarding the efficiency of the Agreement and the effectiveness so far of the partnership component, it has proved overall to be a useful tool for furthering the mutual policy objectives of the parties. However, it is also clear that the Agreement has performed below expectation in several important respects.

6.2 Recommendations

6.2.1 Interest in continuation of the current agreement

From the perspective of the European tuna operators, there is a strong interest to keep access to the EEZ of Cape Verde as part of a sub-regional network of fisheries agreements.

- With regard to the EU purse seine fleet, whilst the Agreement does not contribute a large proportion of their catches (c.1%), the availability of access to the EEZ of Cape Verde can prove useful when fish concentrates in this region. This Agreement is complementary to the FPAs which the EU has concluded with Guinea Bissau and Côte d'Ivoire, since together they provide a range of options with regard to fishing opportunities for migratory resources in Eastern Tropical Atlantic. In addition the threat of piracy in the Indian Ocean has led to a decrease in fishing opportunities in this region. There is evidence from fleet stakeholders of a significant increased interest in the Eastern Tropical Atlantic in 2010.
- Concerning the surface long line fleet segment, the Agreement contributes about 9% of their revenues and is therefore forms an important part of their regional operations. The good quality deep sea port facilities, and in future improved port cold storage and transshipment facilities all create important incentives which contribute to the use of Cape Verde as a

regional fisheries base for the EU's surface long line fleet, all of which facilitates utilisation of, and increases interest in, the FPA. The access of Cape Verde to the EU market, and the presence of onshore processing capacity has not so far allowed the creation of any linkages between the EU fleet and processing, but due to recent investment plans for one of the processing establishments there is clear interest from fleet operators in this possibility, which would further interest in maintaining the Agreement.

- Concerning the EU pole and line vessels rely on the Agreement for about 1-2% of the catches, but it is important to note that these are relatively high value compared to catches from other regions. The Cape Verde EEZ therefore has a disproportionate importance which increases interest in the Agreement. These vessels operate from a base in Dakar, and have a limited range of operations; the proximity of Cape Verde, combined with high value catches, are important reasons for a strong interest in the continuation of the Agreement.

Overall, from the EU fleet operators there is therefore a very strong interest to keep access possibilities in the waters of Cape Verde.

From the perspective of the European Union, there is also an interest to maintain a relationship in the fisheries sector with Cape Verde:

- The Agreement has generated employment for EU fishers, helped to secure the presence of the EU fleet in the region, and has delivered supplies of fish to the EU market. It has also implemented a partnership approach, which has potential to support the development of sustainable fisheries in Cape Verde. In particular measures to strengthen fisheries controls will assist the EU policy in relation to IUU fishing (and in particular in the implementation of EU Regulation 1005/2008 on measures to eliminate IUU fishing). Although there are some concerns regarding sustainability of some aspects, these have better chance of being resolved within the frame of an Agreement than without. The Agreement may therefore be considered to be coherent with the common fisheries policy of the European Union.
- European Union has entered into a Special Partnership with Cape Verde, being a Peripheral Region Nation which has much in common with the EU's Macaronesian region. The Fisheries Agreement furthers the aims of the Special Partnership in relation to strengthening economic regional integration, supporting development and improved governance. The Fisheries and Special Partnership Agreements are therefore fully coherent, and support each other.
- The EU launched its integrated maritime policy in 2009, and in 2010 has launched a consultation on its application in the Atlantic region. The consultation document specifically mentions Macaronesia in the context of Maritime Policy. The FPA, which promotes integration and improved governance in an important maritime sector (with high employment dependency, and with opportunities to deliver further economic development through value addition and trade), helps to further the aims of the application of the Maritime Policy in the Atlantic region.
- The Green Paper on the reform of the Common Fishery Policy⁴³ emphasises that regional forms of cooperation should be explored as a means of better achieving sustainability beyond EU waters. The participation of Cape Verde in CSRP with three other members with current FPA's suggests there may be an opportunity in the longer term for the European Union to conclude regional arrangements in line with the ideas promoted in the Green Paper. The EU therefore has an interest to maintain its current relationships with Cape Verde as well as with other countries in the region to prepare for such a possibility. The Agreement also supports Cape Verde's participation in ICCAT, in which it is a partner with the EU.

The Authorities of Cape Verde also have an interest to conclude a new Protocol to the Fisheries Partnership Agreement with the EC:

⁴³ COM(2009) 163 adopted by the Commission on 22.4.2009

- Cape Verde needs foreign exchange reserves to maintain macro-economic stability, as well as to support Government investment expenditure. During 2007 to 2009, the FPA provided a small but finite contribution of 0.3% of total Government investment expenditure, about 1.6% of investment expenditure in agriculture and fisheries and about 24% of the investment expenditure in fisheries (taking account of national and donors sources of investment). In fact the budgetary contribution in fisheries is clearly greater as 33% of the budget lines represent non-fungible donor supported projects, whereas the FPA income is liquid.
- Cape Verde is a member of the regional fisheries body CSRP, which has recently undergone a significant restructuring following an organisational and financial audit applied as a pre-condition to launch of an EDF intervention project. The CSRP is preparing a strategic plan which will focus on the objective of the harmonisation of fisheries legislation, greater coordination on measures for sustainable fisheries, and regional fisheries management of some migratory or straddling stocks. Continuation of the FPA can help to support Cape Verde's participation in this body.
- Cape Verdean processors suffer from a shortage of raw material from national fisheries and in order to maintain operations have had to resort to import of fishery products from both the EU and non-originating sources (under a derogation granted by the EU). Until now there has been no development of exports of fish caught under the Agreement from Cape Verde, but this would greatly enhance the value addition gained by Cape Verde from its fishery sector. It is in Cape Verde's interest to maintain the Agreement and explore ways to link EU vessels to shore based processing activities.
- Following inspection by DG SANCO of the European Commission in 2009 which found "significant shortcomings" in sanitary controls on exports of fishery products to the EU, the Competent Authority has employed FP funds to undertake the necessary investments and upgrades to the control systems and laboratories, to ensure compliance with EU regulations 852/2004, 853/2004 and 854/2004. Although the DGP is receiving assistance from donors in this respect, additional budgetary funds will be necessary in future for the implementation of upgraded controls. The FPA support measures will continue to be useful in this respect.

In conclusion, it appears that there is a strong interest from the parties to prolong the fisheries partnership between Cape Verde and the European Union. The parties are therefore recommended to conclude a new protocol.

6.2.2 Recommendations regarding the partnership approach

To ensure that the support measures are relevant and appropriate to the needs, the matrix of support measures should be revised. They should be programmed within the context of an updated and validated national fisheries policy framework. The parties are recommended to include the development and adoption of such a policy framework as the primary measure within a new matrix of support measures.

Given the limited capacity of the Cape Verde fisheries administration in policy programming and planning, the European Commission is recommended to support this process with a programme of technical assistance, under the provisions of the National Indicative Programme.

In future, both parties are recommended to ensure that there is an adequate commitment of staff time and resources to ensure that partnership elements are implemented effectively (through more frequent meetings, regular monitoring and communications on progress indicators).

6.2.3 What duration?

The current protocol under the Fisheries Partnership Agreement with Cape Verde ends its nominal 5 year term on 31 August 2011. The parties may wish to consider concluding a new protocol for a similar term.

6.2.4 What fishing capacity?

It is recommended that any future protocol should seek to obtain better balance and consistency between the value of fishing rights negotiated and the likely utilisation of fishing opportunities. The adjustment of fishing opportunities in terms of numbers of licences should take into account the most recent (2010) changes in demand, as follows:

- With regard to the tuna purse seine segment, the current provision of 25 licences appears to be satisfactory for the time being, given the increase in the number drawn in 2010 (84%) and the continuation of the piracy issue in the Indian Ocean. Such a level of licences would be within the fishing capacity limits set by ICCAT and comply with the principles of responsible fishing. To accommodate the possibility of additional vessels transferring to the Atlantic fishery it is proposed that the protocol should accommodate a means for additional PS licences to be drawn.
- In relation to the pole and line fleet segments, the permanent withdrawal of 3 French flagged vessels means that the number of licences may be reduced to 8.
- With regard to the surface longline segment, the continued provision of 48 licences appears to be excessive, with a maximum of only 28 being drawn in any one year. The number provided in the agreement could be reduced.

This approach retains the Agreement, which is clearly in the strategic interests of both parties and the EU fleet, ensures the continuation of the policy dialogue in which the parties have engaged, provides for a more efficient use of EU funds without impacting on the opportunities available to EU operators and ensures a continuation of financial support for implementation of fisheries policy measures by the Cape Verdean authorities.

Under the Protocol the fishing opportunities are provided for "*highly migratory species*"⁴⁴ and the reference tonnage is presently expressed in terms of a proxy of tonnes of non-specific tuna, for both purse seine and the surface longline segments. Whilst three species of tunas are indeed the primary target species for the purse seine segment, the main target species for the EU surface longliners are swordfish and several species of shark (including mako shark and blue shark). ICCAT requirements catch reporting specifications with regard to sharks have been significantly modified since the Agreement was established (they were previously aggregated with "miscellaneous fish"). These new reporting requirements should be implemented in any new Protocol to ensure that it remains coherent with the European Union Action Plan for the Conservation and Management of Sharks⁴⁵, which states as a primary objective "*to have reliable and detailed species-specific quantitative and biological data on catches and landings as well as trade data for high and medium priority fisheries*".

6.2.5 What contribution?

In late 2009 and early 2010 the price of tuna has fallen from a 2008 peak. The current standard compensation rate of EUR 100 per tonne of tuna therefore may be regarded as fair compared to rates paid by other fishing interests.

6.2.6 What access conditions should be applied?

The main conditions listed in the Annex to the current protocol should remain the same, in particular the procedural conditions for the issue of licences,

⁴⁴ As defined in Annex 1 of the 1982 United Nations Convention on the Law of the Sea

⁴⁵ Communication From The Commission To The European Parliament And The Council, On a European Community Action Plan for the Conservation and Management of Sharks, COM(2009) 40 final, Commission Of The European Communities, Brussels, 5.2.2009

There is concern that the reporting conditions imposed on EU vessels set out under the Agreement may not always be met, and that these conditions are not enforced by Cape Verde authorities. This has been a source of dissatisfaction to the authorities. The long term solution is the implementation of the satellite VMS by the Cape Verde authorities, but in the meanwhile another mechanism is required, for example, by communicating to the Cape Verde authorities, the satellite VMS alerts regarding entry/exit of an EU vessel into the Cape Verde EEZ to allow a cross-check with radio reports received and appropriate sanctions to be applied for non-compliance. Such an approach would be entirely coherent with the EU's recent measures to counter IUU fishing.

Regarding the lack of implementation of the observer provisions and the development of the fisheries MCS capacity, there is little more that can be done in terms of the Protocol. However, it is recommended that Parties should address the establishment of a dedicated MCS function in the DGP, and the re-creation of the observer corps within the revised matrix of policy support measures. It is recommended that the fisheries MCS functions also include the remit for port state and import controls, since both provide important opportunities for cross checks to identify and control IUU fishing.

The implementation of the partnership element of the Agreement has been limited by the insufficient level of contact and communication between the parties. The Joint Committee is recommended to meet at least once/year. The Commission is recommended to support the effective use of the Agreement by the Cape Verde authorities by providing technical assistance for building capacity in fisheries policy and planning.

Finally a future protocol should include the application to the EU fleet of the recently agreed measures by the Parties to ICCAT. This includes the revised ICCAT catch recording forms which indicates the shark catches by species and the minimum size limit for swordfish of 125 cm (15% tolerance) or 119 cm (zero tolerance). The next protocol should make therefore specific reference to these measures or state that additional conservation and management measures agreed by ICCAT should be followed.

6.2.7 Regional Fisheries Integration

It is in the interests of the EU and Cape Verde for the latter party to deepen the regional integration of its fishery sector by participating in relevant fisheries organisations. This study has indicated that there may be a potential that future Protocols negotiated by the EU with the four CSRP Member States which have FPAs with the EU, could include provision for direct transfer to CSRP of an element of the financial contribution allocated to the policy support measures. The proposed adoption by the CSRP Council of Ministers of a strategic plan with budgeted policy measures would allow the direct allocation of FPA finance by the European Union to a budgetary support programme in favour of the CSRP (within the frame of a Regional FPA).

The amount of payment could at first be equivalent to the membership fees (in the case of Cape Verde, this is about EUR 50,000/year), but it could be increased in line with Members wishes to support CSRP measures. Separate FPA elements could also, if CSRP and Member States agreed, be linked to the CSRP counterpart finance of the MCS missions to be implemented under the EDF MCS programme, thus ensuring a good level of coherence between fisheries and development policies in pursuit of their common interest in reducing IUU fishing.

In addition, the adoption of this model would reduce the reliance of CSRP on donor funding, solve, or at least reduce, the problem of arrears in payment of membership fees and contribute, at least partially, to its longer term sustainability. It would also ensure some external monitoring of progress as a condition of the budgetary support and thus further strengthen governance of the CSRP. The prospect of a Regional FPA has already been considered by the CSRP Council of Ministers, which has requested the executive secretary to investigate the possibility. There seem to be considerable synergies across development, fisheries and maritime policy agendas to be gained from such an arrangement, and the European Union, along with FPA Partner Governments in the region, is recommended to investigate this prospect in more detail.

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ANNEX 2: SUB-REGIONAL FISHERIES COMMISSION (CSRP)

Introduction

The Sub-Regional Fisheries Commission (referred to here as CSRP, under its French acronym *Commission Sous-Régionale des Pêches*) is an International Organisation, linked to, but independent from, FAO. Created in 1985, the CSRP has 7 Member States: Cape Verde, Gambia, Guinea, Guinea-Bissau, Mauritania, Senegal and Sierra Leone. The CSRP is an advisory body only.

Constitution

The permanent secretariat is in charge of implementing decisions made by the Ministerial Conference. Its director is the Permanent Secretary named for a period of 4 years, renewable one time only. The core budget of the permanent secretariat originates from contribution from the Member States, with additional external funding provided by donors on a project basis. The headquarters of the Permanent Secretariat are in Dakar.

The Coordinating Committee is the technical and consultative body in charge of monitoring the implementation of the Ministers. The Ministerial Conference is the main decision-making body. It is composed by the Ministers in charge of fisheries of each Member State. The presidency of the conference changes every two years. The Conference meets at least every two years as well to define the work programme of the organisation and to vote the core budget available to the permanent secretariat. It is customary for CSRP to organise an extraordinary meeting every other year to monitor progresses and budget uptake. The current presidency is exercised by Cap Verde. Gambia will take over end of 2010 after the regular meeting of Ministers scheduled to take place next October 2010.

Objectives and strategy

The general objectives of the CSRP as per its founding act are:

- To harmonise common policies for conservation and exploitation of fisheries resources in the sub-region
- The adoption of common strategies in international fora
- To develop sub-regional cooperation for fisheries monitoring, control and surveillance
- To develop Member State capacity for fisheries research in the sub-region.

In 2001, the Ministerial Conference adopted a 2002-2010 strategic action plan for CSRP. The plan is developed around 5 main axes of intervention, summarised below:

1. Fisheries management: concerted action plans for fisheries management in particular for shared fisheries, improved management of fishing capacities in the region, implementation of a common framework for regulation of access and allocation of fishing rights on shared fisheries, definition of a concerted framework for negotiation of fishing agreements, management of fragile ecosystems and species
2. Research: improved research on shared species including regular assessment of the status of these stocks and definition of a TAC, coordinate research strategies of Member States
3. MCS: strengthen UCOS capacities, create and maintain a register of fishing vessels active in the region, organise joint control operations, generalise observers onboard fishing vessels
4. Information on fisheries: promote the creation and the diffusion of a regional fisheries information system, ensure fisheries data are collected on a regular basis
5. Institutional and legal aspects: adapt legal frameworks of the Member States to take into consideration international hard and soft laws, harmonise Member States legislation on access, technical measures, attribution of flag, chartering, strengthen cooperation with Member States and international management organisations.

Activities and achievements

The main achievements of the CSRP include so far

- The conclusion of a Convention determining the minimal conditions of access in the EEZ of the Member States (1993)
- The Convention of sub-regional cooperation for the right of hot-pursuit (1993)
- A Protocol defining the modalities of coordination of surveillance activities of Member States in application of the convention above (1993) with further negotiations of bilateral application protocols
- Adoption of rules on the marking of fishing vessels and the status of observers onboard the vessels
- The successful coordination of two successive MCS projects funded by Lux Development. This project led to the creation in 1995 of a coordination unit for implementation of regional MCS activities in Gambia (UCOS). After the end of the project in 2003, the UCOS unit was integrated to CSRP as a decentralised unit.

The main recent achievements of CSRP consist in the adoption by all Member States of a national adaptation of a Sub-Regional plan of action to manage shark populations, on the model of the International Plan of Action promoted by FAO.

Restructuring of CSRP in 2007

In 2006, the EU earmarked Regional EDF funding for two large projects of € 5 million each to be coordinated by CSRP. One of these projects concerned strengthening of operational MCS capacities on the model of the projects funded by Lux Development until 2002. The other project (AGPAO) was addressed the strengthening of fisheries management capacities of the Member States.

EDF funding was subject to several conditions. One of the most important was related to the governance of the CSRP. It had been clear to donors that the CSRP had only limited capacity for implementation of donor funded projects, and lacked the capacity to absorb assistance itself. This was widely recognised by several key interested donors as a constraint on the development of regional approaches to fisheries management. The EU supported the realisation of an administrative and financial external audit of CSRP by independent auditors. The audit was realised over 2007 under EU funding. It found several important areas of dysfunction, especially in relation to organisation structure and functions, financial accounting systems, and procurement procedures. Overall it recognised a lack of sufficiently skilled human resources to fulfil its mandate. The audit recommendations were presented during the 2007 extraordinary meeting of the Minister Conference in Dakar, who endorsed most of the recommendations. Following this conference the CSRP implemented in 2008 an important structural reform of the Permanent Secretariat including:

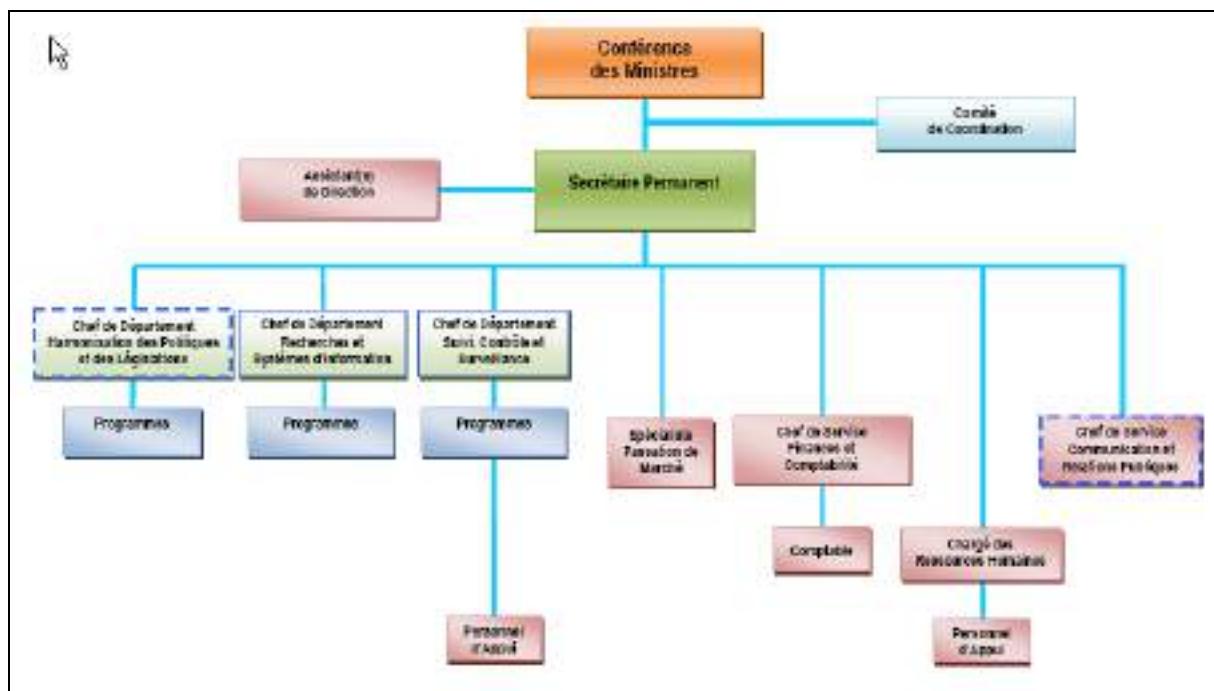
- Restructuring of the financial and administrative services including a separation of accounting services and procurement services
- Creation of three new departments: harmonisation of policies and legislation; research and information systems, monitoring control and surveillance
- Creation of a service in charge of human resources
- Creation of a service in charge of communication and public relations

This restructuring was supported by GTZ (German Technical Cooperation) which had been providing assistance to CSRP for institutional capacity building since 2004, including the services of a fulltime technical adviser⁴⁶. The work involved the definition of specific policies, and the implementation of a new structure. The technical functions were divided into three departments: harmonisation of policies and legislation b) fisheries research and information systems and c) surveillance. Separate support functions were also defined; finance, procurement, human resources and communication. The new

⁴⁶ The GTZ assistance, implemented by GOPA, has recently been extended until mid- 2012

structure and staffing plan was adopted by the Conference of Ministers in their 2009 meeting. The resulting organisation structure is shown in Figure 1.

Figure 1: Organisation structure of the CSRP, 2009



Source; CSRP <http://www.csrsp.org>

A new manual of administrative procedures was adopted (now also approved by the World Bank and partly by the AFD – Assistance de France). Importantly, salaries were aligned to the UN scale and brought up to international levels. Six new senior staff were recruited in 2009 and early 2010 to head the new technical and administrative departments. Two of these positions are provisionally funded by the World Bank and the AFD. The total number of permanent senior staff which was only 5 in 2005, increased to 10 in 2009. All senior posts, with the exception of the MCS Director, are now filled.

The new structure and improved governance and capacity has paved the way for the re-engagement of donors. A number of projects have been launched, and the EDF intervention is also due to start in 2010. See below for a description of the donor projects in which the CSRP is an implementation partner). As a result the senior full time staff are supplemented by, at present, 7 expatriates who are assigned on specific donor funded projects.

Current activities

The current activities of CSRP follow the lines drawn by the 2002-2010 strategic work plan. Since 2007, considerable external International donor assistance has been secured to support the development of the various actions detailed in the strategic plan. The interest of Donors in CSRP is rather new and can be related to the structural reforms started in 2007.

The following table shows the main projects coordinated by CSRP with indications on the correspondence with the CSRP strategic plan. EU Member States aid include German support (GTZ) to institutional strengthening of CSRP, Netherlands support (DGIS) for research and management of shared small pelagic stocks and French support (AFD) to co-management strategies and integration of MPAs in fisheries management. Other major donors includes the World Bank through the PRAO

project with a budget as high as € 42 million between 2010 and 2014⁴⁷. This project focuses on improvement of fisheries management capacities, including MCS operations. The PRCM (*Programme Régional de Conservation de la zone Côtière*) is a joint initiative of international NGOs (IUCN, WWF, FIBA) supported by own funds or funds granted by other international foundations and governments. Current activities of PRCM with CSRP include support to the preparation and the implementation of a sub-regional plan of action to preserve sharks and support to fisheries management (regulation of access, consideration of fisheries in the poverty reduction strategies). The Spanish cooperation (AECID) and the Dutch cooperation (DGIS) are financial contributors to this programme. As shown in the table, there is a degree of overlap in some of these projects.

⁴⁷ The budget supporting PRAO is a loan from the World Bank to the States concerned, contrary to other external support which are grants

Table 1: Summary of current and planned donor interventions implemented by CSRP

	Main Donor	Ongoing projects						Earmarked	
		GTZ	PRCM	PRCM	NL	AFD	WB	EU	GEF
Axis of Strategic Plan	Project title	Institutional support	PSRA Sharks	RECARGAO	Small Pelagic	Co-management & AMP	PRAO.	MCS	CCLME
	Year start	2006	2008	2008	2007	2008	2010	2010	2008
	Duration (months)	60	48	48	42	60	12	48	60
	Year end	2010	2011	2011	2010	2013	2014	2014	2012
	Amount (M€)	3.6	1.2	2.0	0.9	5.0	42.3	5.00	12.00
	Fisheries management	Fisheries management		X	X	X	X	X	
Fishing agreements				X	X		X		
Ecosystem protection			X			X			X
Other			X	X		X			X
Research	Research on common fisheries		X	X	X				
	Research on shared stocks		X	X	X	X			X
	Research on ecosystems		X	X	X	X			X
	Other		X	X		X			
MCS	UCOS capacity	X					X	X	
	Regional fishing vessel register	X			X			X	
	National MCS capacities						X	X	
	Conventions on regional cooperation				X	X		X	
	MCS artisanal fisheries					X			
Information on fisheries	Sub-regional structure capacity		X	X	X	X	X	X	X
	Harmonisation and sharing of data		X	X	X	X	X	X	X
Institutional and legal aspects	CSRP Institutional framework	X				X		X	
	Fisheries legislation			X	X				
	Cooperation with other institutions	X	X	X	X	X	X	X	X
	Other		X	X		X	X	X	

EDF support for the CSR

The European Union is one of the donors supporting the CSR, with a programme to “Strengthening regional cooperation for the monitoring control and surveillance of fisheries activities within the zone of the Sub Regional Fisheries Commission (CSR)”. The programme is supported by the 9th Regional EDF for West Africa. The Financing Agreement was signed between the Commission on the 13 December 2006 and the UEMOA on the 21 June 2007. The project duration foreseen was originally four years. Programme value is EUR 7.29 million, of which EUR 5 million is to be contributed by the EU.

The overall objective of the programme is to “*contribute to the economic and social development of the Member States of the CSR through a rational exploitation of their marine resources*”. The specific objective is the “*reduction of IUU fishing practices within the EEZs of the Member States of CSR*”.

The expected results are:

- Strengthening the institutional capacities of CSR for management and coordination in the area of MCS of fisheries activities
- Effective use of the sub-regional structures for the MCS of fisheries activities for the implementation of coordinated aerial and marine operations by UCOS
- The creation of conditions for the perpetuation and assumption of financial responsibility for the activities of fisheries MCS at the level of the CSR

The project will support the implementation of several MCS campaigns in the EEZs of the Member States, as well as capacity building for the MCS department of the CSR and UCOS. The activities will be coordinated by a technical assistance service contract, with two full time technical assistants to be based in the CSR for three years, along with some short term inputs. Sixteen MCS missions are planned and will be implemented by UCOS in Gambia, which will establish contracts with appropriate providers of the maritime and aerial services, in collaboration with the services of the Member States. These missions will be subject to a protocol between the CSR and the EU Delegation in Dakar, which will release the funds in tranches subject to satisfactory progress and reporting on disbursements. The project will be managed by Steering Committee, co-chaired by the EU delegation in Dakar and the Permanent Secretary of the CSR, and comprising representatives of UCOS, UEMOA and the technical assistance project Team Leader. The budget structure of the programme is shown in the Table below.

Preconditions were established in the Financing Agreement, the key ones being that:

- CSR be subject to an organisation, financial and administrative audit (as described above)
- CSR member states paid arrears of membership fees and adopted a protocol with the EU setting out the commitments to maintain these payments.
- CSR undertake to cooperate fully in the implementation of surveillance activities and prosecution of infractions detected

The project was originally planned to start in 2009. However launch was delayed by the Commission until the above conditions were in place. The original launch of the service contract for the technical assistance programme was cancelled. It was re-launched in 2010, and is currently subject to tender (EuropeAid/127090/C/SER/SN). However, due to the EDF rules, the project must be completed by end of 2013, and the implementation period has therefore been reduced to three years (with a corresponding reduction in the number of surveillance missions). The contract is expected to be signed and activities launched before the end of 2010.

Table 2: Budget structure for the EDF Regional MCS Programme for the CSRP

Budget item	Amount (EUR)
Training, missions, study tours, communications	1,900,00
MCS surveillance operations via UCOS	2,320,000
Technical assistance	980,000
Audits and evaluations	400,000
Contingencies	300,000
Total EDF	5,000,000
CSRP/UCOS budget from Member States	1,138,000
Operational costs for joint surveillance missions	1,155,000
Total CSRP member States	2,292,279
TOTAL	7,292, 279

Financial sustainability of CSRP

The core budget of CSRP is voted by the Ministerial Conference. This budget covers the salaries of permanent staff, running expenses, as well as specific project expenses. In 2006, the core budget of CSRP was USD 594,000. The core budget is paid by the Member States, with the three largest countries (Mauritania, Senegal and Guinea) supporting 20% each, and the four smallest countries (Cape Verde, Gambia, Guinea Bissau and Sierra Leone) supporting 10% each. The breakdown is shown in Table 3:

Table 3: Budgeted income of the CSRP in 2006

Member State	%	Amount USD
Cape Verde	10	59,368
Gambia	10	59,368
Guinea	20	118,736
Guinea Bissau	10	59,368
Mauritania	20	118,736
Senegal	20	118,736
Sierra Leone	10	59,368
TOTAL	100	593,680

However, the income has not always been available, since several Member States have regularly failed to pay their annual fees on time (although CSRP in recent years has always managed to pay staff salaries). The situation in mid-2006, at which time the CSRP budget was in owed US\$ 1.35 million is shown below in Table 4.

Table 4: Member State arrears in annual fees due to CSRP, 2006

Member State	Amount in arrears on 31.12.2005	Amount of Contributions due for 2006	Amount of Contributions to paid in 2006	Arrears in Contributions at 16.06.2006	Surplus in Contributions at 16.06.2006
Cape Verde	154,305	59,368		213,673	
Gambia	167,113	59,368		226,181	
Guinea	229,679	118,736		348,415	
Guinea Bissau	245,162	59,368		304,530	
Mauritania	126,183	118,736	345,869	0	100,950
Senegal	29,787	118,736		148,523	
Sierra Leone	51,358	59,368		110,726	
TOTAL	1,003,587	593,680	345,869	1,352,048	100,950

Total current arrears are estimated at still over US\$ 1 million. Whilst Senegal and Mauritania have usually paid their fees, Sierra Leone has not paid for several years. Guinea Bissau was several years in arrears until 2009. Cabo Verde (current president) is paid up at present.

Where Members have a Fisheries Partnership Agreement with the EU there is potential for the associated agreed matrix of policy support measures to include the payment of membership fees of international fisheries organisations. This provides an improved likelihood that fees will eventually be paid. Both the Cape Verde and Guinea Bissau FPAs foresee the payment of membership fees for CSRP as a policy measure supported by the Agreement. In fact, FPA funds allowed Guinea Bissau to pay arrears of EUR 198,500 to CSRP in 2009, which had a major impact on its operational effectiveness in that year.

In future CSRP income will also be supplemented by an agreement by the World Bank and the Member, which states that 2% of the loan finance disbursed under the PRAO project, (which benefits CSRP Members Cape Verde, Senegal and Sierra Leone) may be remitted to the CSRP. With a total project cost (for four countries including Liberia) of US\$ 46.3 million, this potentially provides an estimated income for CSRP of about US\$ 140,000 per year between 2010 and 2014.

The CSRP budget is supplemented by International Donor Assistance, in respect of specific projects. This income helps to support CSRP in two ways. Firstly as an implementing body there is an element of the project budget which contributes to overheads and management costs. This may be in the region of a financial payment (8-15% depending on the financing agreement) or, where donor rules do not allow the payment of a management fee, the support is provided in kind (for example operation of vehicles, supply of generator and fuel have both been used). Either way, the effect is to support the fixed overhead costs of the CSRP.

Secondly, the aims of the project may be in line with the work of CSRP, in terms of improved regional fisheries management. In such cases (which are not necessarily all cases) the project funds contribute, in effect, the implementation budget for the CSRP. Until now however, no donor has sought to provide direct budgetary support for implementation activities, although with the improved governance in place this could presumably provide an option for the future.

It is not possible to separate donor budgets for projects implemented by CSRP into management and implementation components. The contribution of all donors approximated on an annual basis (total donor budget divided by the duration of the project) indicates that the total external grants to CSRP is about EUR 3.6 million per year (excluding the PRAO project). If the loan financed World Bank PRAO project disbursements are included (since they are programmed via CSRP), the annual budget will be in the region of EUR 13.8 million between 2010 and 2014. Assuming the core budget of CSRP is US\$

500,000 per year (based on the 2007 figure), the grants provided by external donors represent 90% (without PRAO) or 97% (with PRAO) of the total budget of CSRP.

Future strategic direction of CSRP

The restructuring exercise which began with the 2007 audit is now regarded as completed. The CSRP is now about to finalise the preparation of a new strategic action plan for the 2011-2015 period (with support of GTZ). The plan was prepared in 2009 and 2010 and discussed internally in validation workshops. The plan contains statements of objectives results and activities, along with monitoring indicators and an indicative budget. The idea is that donors can elect to support different elements of the plan, so that the CSRP development is driven by the strategic analysis, rather than the different donor agendas, as expressed through their choice of projects. Whilst this does not address the excessive reliance on donor funds, it does provide a means of ensuring that donor projects are more coherent with the objectives of the organisation.

The overall strategic objective is that CSRP should become a “regional institution of reference and innovation in the fisheries sector”. The draft plan, which has not been published, is now ready to be put before the Council of Ministers for approval. Some of the principles which are taken into account in the plan are:

- There is an awareness of the different nature of the economics of fisheries between the groups of Northern and Southern Members, which has suggested the need for a more nuanced and sub-regional approach.
- There is a need for strengthened linkages to stakeholders through the formation of national consultative committees, and of sub-regional consultative working groups for the management of fish stocks.
- There is a wish to evolve from the purely consultative role to one with a stronger management role, this turning CSRP into a RFMO, to include some elements of fisheries policy. Some of the resources which could be considered as candidates for joint management are the northern stocks of small pelagics, found in the zones of Gambia, Mauritania, Senegal (an also in Morocco, which would need to participate).
- There is a need to promote the participation of other key ministries (environment, commerce, finances, defence, transport) in the CSRP process (the organisation of a summit attended by Head of States is proposed).
- There is a need to revise the convention on minimal conditions of access, especially to take into consideration access conditions for artisanal vessels (which has caused some disputes in the region).
- There is a need to strengthen national registers of fishing vessels, and create a sub-regional register, and establish broad principles of information sharing.

Longer term sustainability of CSRP

Whilst it is clear that donor projects have helped to secure CSRP activities for the next five years, there are concerns regarding the volatility of this source of funds beyond the life of the current projects. It is clear that longer term sustainability is not assured by the present model of funding. Furthermore, whilst the income is useful, when CSRP responds to the needs of donors because it needs to generate income, it risks losing its focus on core functions linked to its strategic objective.

The apparent wish in the revision of the CSRP convention to raise its status to that of regional fisheries management organisation is of interest. The Council of Ministers in 2007 passed a resolution⁴⁸ that the CSRP should seek

⁴⁸ Sub-Regional Fisheries Commission (SRFC), Report of the Eleventh Extraordinary Session of the Conference of the Ministers of the SRFC, 26 - 27 October 2007, Hotel Novotel, Dakar, Republic of Senegal.

“to engage in a dialogue between Member States with the aim to initiate a process which eventually would establish mechanisms for the joint negotiating of common aspects of fisheries agreements between member states of the CSRP and the European Union, while taking into account the specificities of each Member State”.

In the event this was not done and there is no sign that the four CSRP Member States which have entered into FPAs would be willing to cede sovereignty over their fishery resources, which would be a pre-condition for negotiation of a common access agreement. However, there may be a potential that future Protocols negotiated by the EU with these four countries, include provision for direct transfer to CSRP of an element of the financial contribution allocated to the policy support measures. The proposed adoption by the Council of Ministers of a strategic plan with budgeted policy measures is a catalytic event which would allow the direct allocation of FPA finance by the European Commission to a budgetary support programme in favour of the CSRP (within the frame of a Regional FPA). The amount of payment could at first be equivalent to the membership fees, but it could be increased in line with Members wishes to support CSRP measures (perhaps with conditions that proportionate contributions are made by CSRP members who do not have FPAs). Separate FPA elements could also, if CSRP and Member States agreed, be linked to the CSRP counterpart finance of the MCS missions to be implemented under the EDF MCS programme, thus ensuring a good level of coherence between fisheries and development policies which have a common interest in reducing IUU fishing.

In addition, the adoption of this model would reduce the reliance of CSRP on donor funding, solve the problem of arrears in payment of membership fees and contribute, at least partially, to its longer term sustainability. It would also ensure some external monitoring of progress as a condition of the budgetary support and thus further strengthen governance of the CSRP.

ANNEX 3: REVISED FISHERIES SECTOR MATRIX OF OBJECTIVES AND RESULTS

ANNEXE V

16/06/2009

MATRICE APP CEICAF VERT 2007/2011

Axes stratégiques / objectif principal	Objectifs spécifiques	Indicateurs de suivi	Situation de référence 2006	Résultats fin 2007	2008/2011	Départ(s) responsable(s)	Sources de vérification	Commentaires
Amélioration de la surveillance de la ZEE du Cap Vert	Disposer d'une stratégie de recherche scientifique à long terme	Plan stratégique de recherche 2008-2017	Plan stratégique en cours d'élaboration	Plan stratégique élaboré	Étude en cours (comptes rendus évalués et revus) (Infralittoral)	INDP (Institut National de Développement)	Plan disponible : rapports de mise au point annuels	
	Évaluation régulière des principaux ressources	Qualité de mesures de gestion par pêche de	Données mesurées de gestion prises en 2005	Adoption plan de gestion de 2007-2008	Mise à jour, approbation et publication de plans de gestion biannuels	ICAP et INDP	Plans biannuels publiés au Bureau Officiel	
Amélioration des méthodes de collecte et d'analyse des données scientifiques	Nombre de campagnes de recherche	Nombre de campagnes de recherche	Aucune campagne	Aucune campagne	1 campagne par an à compter de 2009	INDP	Rapports des campagnes	
	Effort de pêche et captures totales au/les	Effort de pêche et captures totales au/les	Transmission annuelle à l'ICCAT des données sur l'effort de pêche + capture (2005-2006)	Transmission annuelle à l'ICCAT des données sur l'effort de pêche + capture (2007-2008)	Transmission annuelle à l'ICCAT des données sur l'effort de pêche + capture (2009-2010)	INDP	Rapport annuel transmis à l'ICCAT	
Plan d'échantillonnage pour les statistiques des pêches devisé	Publication de bulletins statistiques annuels	Publication de bulletins statistiques annuels	Dernier bulletin publié en 2002	Publication du bulletin 2005	Fin 2011 : publication des bulletins annuels mensuels jusqu'à 2012	INDP	Bulletins annuels	
	Plan d'échantillonnage pour les statistiques des pêches devisé	Plan d'échantillonnage pour les statistiques des pêches devisé	Étude "diagnostique" du système statistique des pêches réalisée	TDR pour études de révisions de plan d'échantillonnage disponible	Finalisation étude de révision du plan d'échantillonnage + adoption et utilisation du nouveau plan d'échantillonnage	INDP	Rapport de l'étude + plan d'échantillonnage révisé	
Renforcement de la surveillance de la ZEE du Cap Vert	Plan de surveillance des activités de pêche	Plan de surveillance des activités de pêche	Pas de Plan	Élaboration Plan de Surveillance	Adoption Plan par le Cap Vert (Ministère de la Pêche)	ICAP et Cap Vert (Ministère de la Pêche)	Documents du Plan	
	Nombre de patrouilles aériennes et terrestres réalisées dans la ZEE	Nombre de patrouilles aériennes et terrestres réalisées dans la ZEE	Pas de missions	3 missions	15 missions de patrouilles combinés aériens et terrestres	Cap Vert (Ministère de la Pêche)	Rapports de missions	
Système VMS mis en place en 70% des navires	Système VMS mis en place en 70% des navires	Système VMS mis en place en 70% des navires	Pas de VMS	Pas de VMS	Contracté fournisseur	ICAP et Cap Vert (Ministère de la Pêche)	VMS installés et fonctionnels	
	Zone de service progressive pour atteindre 70% de la flotte industrielle	Zone de service progressive pour atteindre 70% de la flotte industrielle				Cap Vert (Ministère de la Pêche)		

Modèle Matrice APP CE-Cap Vert 20 (Mali 08)

[Signature]

19/08/2009

MATRICE APP CEICAP VERT 2007/2011

Axes stratégiques / objectif principal	Objectifs spécifiques	Indicateurs de suivi	Situation de référence 2006	Résultats fin 2007	2008/2011	Départ(s) respons(s)	Sources de vérification	Commentaires						
Participer aux réunions de HECAT	Participer aux réunions de la COM-HAFAT	Nombre de participations aux événements régionaux et internationaux	Pas de participation HECAT	Pas de participation HECAT	Pas de participation en 2008 Prise de participation aux réunions 2008 et 2010	DGP / INDOP	rapports de réunions							
Contribuer au fonctionnement de la COM-HAFAT	Participer aux réunions de la COM-HAFAT	Nombre de participations aux réunions de la COM-HAFAT	Pas de participations COM-HAFAT	Pas de participations COM-HAFAT	Prise de participation aux réunions 2010	DGP / INDOP	Rapports de réunions							
Contribuer au fonctionnement de HECAT	Contribuer au fonctionnement de la COM-HAFAT	Question de Cap Vert à jour	Aucun paiement	Aucun paiement	Paiement en 2008 et 2009 prélèvement paiement en 2010	DGP								
Contribuer au fonctionnement de HECAT	Contribuer au fonctionnement de la COM-HAFAT	Niveau de dette du Cap Vert diminué de 80%	Aucun paiement	Aucun paiement	Prise de paiement en 2010	DGP								
Participer aux réunions de la commission mixte COMEU	Participer aux réunions de la commission mixte COMEU	Nombre de réunions de la commission mixte	Réunion de la DG MAPSE	Réunion de la DG MAPSE	Mission technique en 2009 Commission mixte en 2008	DGP	Rapports de réunions							
Appuyer le développement de la coopération verte de la Commission mixte COMEU	Appuyer le développement de la coopération verte de la Commission mixte COMEU	Aucun résultat	Aucun résultat	Aucun résultat	Aucun résultat	Aucun résultat	Aucun résultat							
Appuyer le développement de la coopération verte de la Commission mixte COMEU	Appuyer le développement de la coopération verte de la Commission mixte COMEU	Nombre d'inspections réalisées aux établissements et services de soins infirmiers	50 inspections réalisées aux établissements et services infirmiers	50 inspections réalisées aux établissements et services infirmiers	65 inspections réalisées aux établissements et services infirmiers en 2008 2008-2011 mise en place de PPA (Programme Régulier PPA)	DGP-AC	Rapports d'inspection							
Appuyer le développement de la coopération verte de la Commission mixte COMEU	Appuyer le développement de la coopération verte de la Commission mixte COMEU	Nombre d'inspections réalisées aux établissements et services infirmiers	1 audit	1 audit	1 audit en 2008 2 audits en 2009 2 audits programmés pour 2010-2011	DGP-AC	rapports d'audit							
Appuyer le développement de la coopération verte de la Commission mixte COMEU	Appuyer le développement de la coopération verte de la Commission mixte COMEU	Nombre d'inspections réalisées aux établissements et services infirmiers	1 audit	1 audit	Matériel d'inspection acquis en 2008 Programmation acquisition en 2009-2010	DGP-AC	matériel disponible							

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MATRICE APP CE/CAP VERT 2007/2011

Axes stratégiques / objectif principal	Objectifs spécifiques	Indicateurs de suivi	Situation de référence 2006	Résultats fin 2007	2008/2011	Départ(s) respons(s)	Sources de vérification	Commentaires
	Améliorer la performance économique des entreprises de pêche	50% pêcheurs formés dans le domaine de formation réalisés	Quelques sessions de formation réalisées	-	Actions de formation programmées pour 2010	DGP/INDP/Communités de pêche	Rapports d'évaluation Enquêtes	
	Améliorer la durabilité de la pêche artisanale utilisant le glace pour la conservation du poisson et la qualité des produits	60% d'orientations de pêche artisanale utilisant le glace pour la conservation du poisson	Utilité de production de glace fonctionnelle dans les communautés ciblées	Utilité de production de glace fonctionnelle dans les communautés ciblées	Unités de production de glace fonctionnelles dans les communautés ciblées	Augmentation disponibilité de glace dans les communautés	DGP/INDP/NDP	Rapports d'évaluation Enquêtes
	Elaboration d'un système vert pour la pêche artisanale	Production de glace augmentée en 30% et une meilleure qualité des produits de la pêche	Production augmentée de 10% au niveau du GPP	Production augmentée de 30% au niveau du GPP	Production augmentée au niveau de Mindele (GPP)	DGP/INDP/NDP		
	Diffusion de la législation applicable au secteur de la pêche	Élaboration d'un système vert pour la pêche artisanale	Fin d'étude	Contrats consultant	États élaborés et approuvés au CNP	DGP	Rapport	
	Diffusion des mesures d'aménagement des pêcheries	Législation des pêcheurs sensibilisés pour la création des associations	2 administrations réalisées	Pas d'activités	Prévisions réalisées septembre 2010	DGP	Rapport	
			Actions de sensibilisation réalisées	de l'origine sensibilisation réalisée	de l'origine de sensibilisation réalisée	DGP / INDP	Rapport	

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