



REPUBLIC OF SLOVENIA
THE MINISTRY OF AGRICULTURE, FORESTRY AND FOOD
FORESTRY, HUNTING AND FISHERIES DIRECTORATE

Annual report on efforts to achieve a sustainable balance between fishing capacity and fishing opportunities for the year 2016

SLOVENIA

pursuant to the Article 22. of the *Regulation (EU) no 1380/2013 of the European Parliament and of the Council of 11 December 2013 on the Common Fisheries Policy, amending Council Regulations (EC) No 1954/2003 and (EC) No 1224/2009 and repealing Council Regulations (EC) No 2371/2002 and (EC) No 639/2004 and Council Decision 2004/585/EC*

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and

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1. Section A: Description of the fishing fleet segments in relation to fisheries: developments during the previous year, including fisheries covered by multiannual management or recovery plans

i. Description of fleets

As it can be observed from the table below, the majority of the fleet, 92,4%, is composed from vessels shorter than 12 meters. Only 12 vessels are LOA 12-17,9 m or 7,0% of the fleet, and only 1 vessel above 18 m (0,6%). After the implementation of the scrapping measure in the period 2012 – 2013 there are no vessels longer than 24 m in the Slovenian fishing fleet.

At the end of 2016, there were 171 vessels in the fishing fleet, with the total capacity of 589,66 GT and 8.534,84kW.

Table 1: Fishing fleet in period 2010 – 2016*

*For 2016 the state in the fleet is presented as recorded on 31 December 2016

Length overall		2010	2011	2012	2013	2014	2015	2016
over 18 m	Number of vessels	3	3	1	1	1	1	1
	GT	343,16	343,16	30,76	30,76	30,76	30,76	30,76
	kW	1.399	1.399	199,00	199,00	199,00	199	199
12-17,9 m	Number of vessels	19	19	15	13	13	13	12
	GT	293,84	293,84	234,65	208,88	208,88	208,88	197
	kW	3.256,18	3.256	2.565,91	2.306,13	2.306,13	2.306,13	2.196,13
up to 11,9m	Number of vessels	163	164	159	156	155	155	158
	GT	367,28	367,49	359,30	358,37	357,25	357,31	361,90
	kW	6.298,25	6.202	6.055,15	5.920,17	5.986,60	6.034,52	6.139,71
TOTAL	Number of vessels	185	186	175	170	169	169	171
	GT	1.004,28	1.004,49	624,71	598,01	596,89	596,95	589,66
	kW	10.953,43	10.857	8.820,06	8.425,3	8.491,73	8.539,65	8.534,84

As it can be observed from the table below there were 83 vessels active in Slovenian fishing fleet in 2016. The majority of the active part of the Slovenian fishing fleet used drift and fixed nets (DFN): 60 vessels (72,3%); demersal trawls (DTS): 9 vessels (10,8%); purse seines

(PS) 2 vessels (2,4%); while 12 vessels (14,5%) used other types of fishing gears (combined mobile and passive gears (PMP), Polyvalent “passive” gears only (PGP), pots and/or traps (FPO) and gears using hooks (HOK).

Table 2: Types of fishing gears used by the active fleet in 2016 and landings per fleet segment

Fishing gear	Number of active vessels	Share of the active vessels (%)	Landed quantity (tons)	Share of the total landings (%)
DFN -drift and fixed nets	60	72,29	51,22	33,61
DTS - demersal trawls	9	10,84	64,15	42,10
PS - purse seines	2	2,41	23,33	15,31
Vessels using other passive fishing gears	12	14,46	13,69	8,99
TOTAL	83	100	152,39	100

ii. Link with fisheries

List of the top target species landed in 2016 is presented below.

Sardine, whiting, gilthead seabream, musky octopus, common sole and European squid were the most important target species of Slovenian fishermen in 2016.

Table 3: List of the species with a highest share in landings in 2016 (in tons).

Name	Code	Tons
European pilchard(=Sardine)	PIL	28,97
Whiting	WHG	16,33
Gilthead seabream	SBG	15,06
Musky octopus	EDT	12,13
Common sole	SOL	11,3
European squid	SQR	9,4
European anchovy	ANE	5,63
Common cuttlefish	CTC	5,6
Caramote prawn	TGS	5,38
Mullets nei	MUL	4,8
European seabass	BSS	3,14
European flounder	FLE	2,88
Common pandora	PAC	2,69
Red mullet	MUT	2,4
Spottail mantis squillid	MTS	2,05
Other	-	24,63
Total		152,39

Largest fleet segments, with key species fished and total volumes landed:

In the table below all important fishing segments that were active in 2016 are listed, together with the number of active vessels and landings corresponding to each segment.

Table 4: Landings per fleet segments in 2016

Fishing gear	Vessels' length	Number of active vessels	Landed quantity (tons)	Share of the total landings (%)
DFN -drift and fixed nets	VL0006	26	15,49	10,16
	VL0612	33	35,72	23,44
	VL1218	1	0,01	0,01
DTS - demersal trawls	VL0612	3	17,23	11,31
	VL1218	6	46,92	30,79
PS - purse seines	VL0612	1	7,43	4,88
	VL1218	1	15,9	10,43
Vessels using other passive fishing gears	VL0006	5	0,55	0,36
	VL0612	6	0,72	0,47
	VL1218	1	12,42	8,15
TOTAL		83	152,39	100,00

Table 5: List of top fleet segments by their share in total landings in 2016

Fishing gear	Vessels' length	Number of active vessels	Landed quantity (tons)	Share of the total landings (%)
DTS - demersal trawls	VL1218	6	46,92	30,79
	Vsota			
DFN -drift and fixed nets	VL0612	33	35,72	23,44
	Vsota			
DTS - demersal trawls	VL0612	3	17,23	11,31
	Vsota			
PS - purse seines	VL1218	1	15,90	10,43
	Vsota			
DFN -drift and fixed nets	VL0006	26	15,49	10,16
	Vsota			
TOTAL		69	131,26	86,13

69 vessels were active in the 5 segments presented in the table above (83,1% of all active vessels - 83) and they generated 86,1%% of the all landings in 2016.

The most important segment in terms of landed quantity in 2016 was the one that covers **demersal trawls (DTS) LOA 12-18** m with 6 vessels. This segment landed 30,8%% of the

total landings (46,9 tons). The most important target species of this segment were: whiting (12,6 tons), European squid (6,3 tons) and musky octopus (5,7 tons).

The second most important segment in terms of landed quantity in 2016 was the segment using **drift and fixed nets (DFN) LOA 06-12 m** as it generated 23,4 % of the total landings (35,7 tons). 33 vessels were active in this segment. The most important target species of this segment were: gilthead seabream (9,2 tons), common sole (8,9 tons), common pandora (1,7 tons) and common cuttlefish (1,4 tons).

The third most important segment of the fishing fleet in terms of the landed quantity was the segment using **demersal trawls nets (DTS) LOA 06-12 m** as it generated 11,3 % of the total landings (17,2 tons). Only 3 vessels were in this segment. The most important target species of this segment were: musky octopus (6,4 tons), whiting (3,2 tons) and European squid (2,7 kg).

The fourth most important segment was the segment using **purse seines (PS) with LOA 12-18 m**, with only 1 active vessel, which generated 10,4 % of the total landings (15,9 tons). There was only 1 more active vessel using purse seines (PS) in Slovenian fishing fleet with LOA 6-12 m which generated 4,9 % of the total landings (7,4 tons). The most important target species of this segment (both vessels) were: European pilchard (Sardine) (18,5 tons) and European anchovy (3,8 tons).

The majority of vessels (in total) were using **drift and fixed nets (DFN)**: 60 vessels were using these gears which is 72,3% of all active fishing vessels (83). 26 of these vessels had LOA up to 6 m, 33 vessels had LOA 6-12 m (listed already above as the second most important segment) and only 1 had LOA 12-18m. However, despite the high number of vessels involved in all these 3 segments, their landings were relatively low: 33,6 % of the total landings (51,2 tons).

The most important target species of the **vessels using DFN with LOA up to 6 m** (entire landings of 15,5 tons), were: gilthead seabream (4,3t tons), mullets nei (2,3 tons) common sole (1,8 tons), and European seabass (1,3 tons).

The most important target species of the only 1 **vessel using DFN with LOA 12-18 m** (entire landings only 0,014 tons), were: common sole (0,005 tons), tub gurnard (0,005 tons), common pandora (0,002 tons).

iii. Development in fleets

In 2016, 2 vessels left the fleet (12,68 GT and 123,23 kW). Both vessels are reported as retired (RET) in the national fleet register. On the other hand also 3 vessels entered the fleet (2,81 GT and 45,57 kW).

At the end of 2016, there were 171 vessels in the fishing fleet, with the total capacity of 589,66 GT and 8.534,84 kW.

iv. Multiannual management plan for sardine and anchovy in the Northern Adriatic

Since 2013, Slovenia is subject of the first multiannual management plan for small pelagic stocks in the Northern Adriatic. This multiannual plan was adopted at the 37th Session of the GFCM in Split (13-17 May 2013) as a *“Recommendation GFCM/37/2013/1 on a multiannual management plan for fisheries on small pelagic stocks in the GFCM-GSA 17 (Northern Adriatic Sea) and on transitional conservation measures for fisheries on small pelagic stocks in GSA 18 (Southern Adriatic Sea)”* and came into force in October 2013.

Section B: The impact on fishing capacity of fishing effort reduction schemes adopted under multiannual management or recovery plans or, if appropriate, under national schemes

i. The impact of the “Permanent cessation of fishing activities measure”

Pelagic species (sardine and anchovy) which are highly migratory and whose stocks Slovenia shares with Italy and Croatia in the Northern Adriatic, have been for decades the most important target species of the Slovenian fishermen.

However the landings of these two species and their share in the composition of the whole landings have changed substantially after Slovenia started the implementation of the “Permanent cessation of fishing activities measure” (scrapping measure financed with funds from the EFF), that started in the second half of 2012 and ended in the first half of 2013.

The impact of this measure on the Slovenian fishing fleet was significant as the targets to be achieved with its implementation in the programming period, which were set out in the Fishing effort adjustment plan (FEAP), were exceeded already by the end of the year 2012. In the FEAP, the following targets to be achieved in the period 2011-2013 with the implementation of this measure were defined: decrease of the fishing fleet for 236 GT and 1.637 kW. The situation of the fishing fleet in the national fishing fleet register on 31 December 2010 was taken as a baseline for the definition of the targets: 185 vessels in the fishing fleet register and national fleet ceiling of 1.057 GT and 10.974 kW. If the targets defined in the FEAP would had been achieved than that would have resulted in the decrease of the national fleet by 22,3% expressed in GT, and by 14,9% expressed in kW.

However the FEAP targets were greatly exceeded. Implementation of the scrapping measure ended in the first half of 2013, and as a result 8 vessels were permanently withdrawn from the fishing fleet, among them also 2 of the largest vessels in the Slovenian fishing fleet. The impact of the implementation of this measure was radical as the capacity of the fleet decreased for 37,6 % expressed in GT and for 19,2 % expressed in kW.

As stated above, 8 vessels were permanently withdrawn from the Slovenian fishing fleet, among them also the only pair of vessels that had been using pelagic pair trawl. Slovenian fishing fleet has always been rather small, while these two vessels had been for years the most important vessels in the Slovenian fishing fleet in terms of their size (each had LOA 29 m, 156 GT and 600 kW) and in terms of their landings as they had been generating in the years before scrapping more than half of the total Slovenian landings – almost entirely composed of sardine and anchovy. Now the only segment of the Slovenian fishing fleet that targets these two pelagic species is the segment that uses purse seines, with only 4 vessels active on average in the segment, while in 2016 there were only 2 vessels active in this segment!

Such radical reduction of fishing capacity fundamentally changed the situation of the Slovenian fisheries sector, above all in terms of landings and the composition of target species. The results achieved are striking when observing the impact of the withdrawn vessels on the total landings. Landings of anchovy and sardine, that have been the most important target species of the Slovenian fishermen for decades, have decreased radically.

While in 2011, landings of sardine and anchovy were still very high and they represented 65,2 % of the total landings with **469,3 tons** landed (sardine 305,9 tons and anchovy 163,4 tons).

However landings of these two species in 2012 decreased abruptly: they were 87 % less than the year before, with total landings of only **62 tons** (sardine 18,3 tons and anchovy 43,6 tons). Consequently also the share of these two species in total landings in 2012 changed substantially as they represented only 18,8% of the total landings.

Their landings were even lower in 2013, only **49,2 tons** of small pelagics (sardine 27,7 tons and anchovy 21,5 tons) and thus representing only 20,7% of the total landings. When 2013 landings figures are compared to those from 2011, comparison is striking as it shows that the 2013 landings of sardine and anchovy are lower for almost 90%.

In 2014 increase was recorded in the landings of these two species with total of **111,6 tons**: 78,4 tons of sardine and 33,2 tons of anchovy (44% of the total landings) however exploitation of our fleet continued to remain very low when compared with the exploitation of other countries involved in this fishery in the Northern Adriatic.

In 2015 landings of these two species dropped again substantially with total of **58,5 tons**: 43,8 tons of sardine and 14,7 tons of anchovy.

Concurrently, the implementation of the scrapping measure had strong impact on the overall landings. Already in 2012 total landings decreased by 54,3 %: from 719,4 tons in 2011 down to 329,1 tons in 2012.

But in 2013 they decreased even more: down to 237,9 tons, which is 66,9 % less than in 2011.

In 2014 total landings were again low: 254,1 tons, 64,6% less than landings in 2011.

But in 2015 total landings dropped down to the record low at only 196,2 tons, which is 72,7% less than in 2011.

However, further decrease in the landings and new record lows were recorded in 2016. Total landings were only 152,4 tons. Which means that the total landings decreased for 22,3% when compared with the year before (2015). But when compared with the landings in 2011, which is the year before the implementation of the scrapping measure, total landings decreased for 78,8 %!

All-time record low is registered also in the landings of the two small pelagics species. Only 34,6 tons were landed in 2016: 29,0 tons of sardine and 5,6 tons of anchovy. Share of these two species in the total landings in 2016 was 22,7%. When these landings are compared with the landings from 2015, decrease of 40,9 % is demonstrated.

But when these landings are compared with the landings of small pelagics from 2011 decrease of 92,6% is registered!

Much decreased landings figures in the last 5 years represent a huge contribution from the perspective of the Slovenian fishing fleet to the reduction of the exploitation of fish resources. It needs to be stressed that the landings have been decreasing since Slovenia's entry into the EU.

However it needs to be emphasized that this significant contribution of the Slovenian fishing fleet cannot be expected to have a noticeable impact on the status of the fish stocks exploited by the Slovenian fishing fleet since Slovenia exploits a very small fraction of these stocks in comparison to other Member States in the North Adriatic whose fishing vessels are targeting the same stocks.

With regard to this, it is important to note that Slovenian catches of sardine and anchovy stocks have always been low and in the last few years they are less than 0,1% of their exploitation in the Northern Adriatic, while the overwhelming share of these two species is caught by Italy and Croatia with whom Slovenia shares these highly migratory stocks in GSA 17.

As it may be summarized from the explanation above, since the implementation of the scrapping measure, sardine and anchovy remain among the most important target species of Slovenian fishermen, while the overall landings of these two species reduced drastically, mainly as a result of the scrapping measure.

But the constant decrease in landings in the past 5 years, both of small pelagics and total landings is becoming alarming and it is more than evident that the livelihood of the Slovenian fishermen is seriously jeopardized.

ii. The multiannual management plan for small pelagic stocks in the Northern Adriatic ”

Since October 2013 exploitation of sardine and anchovy is regulated by the first multiannual management plan for small pelagic stocks in the Northern Adriatic. This plan was adopted at the 37th Session of the GFCM in Split as *“Recommendation GFCM/37/2013/1 on a multiannual management plan for fisheries on small pelagic stocks in the GFCM-GSA 17 (Northern Adriatic Sea) and on transitional conservation measures for fisheries on small pelagic stocks in GSA 18 (Southern Adriatic Sea)”*

Vessels actively fishing for anchovy and sardine stocks are subject of the management measures of this plan. In line with the multiannual plan, vessels actively fishing for small pelagics are not allowed to operate more than 20 days per month and maximum 180 days per year.

In Slovenia, the only segment of fishing fleet that is subject of this multiannual management plan is the segment of vessels using purse seines. There are on average only 4 vessels active in this segment.

In accordance with the adopted multiannual management plan, Slovenia communicated to the Secretariat of the GFCM the list of all trawlers, purse seiners and surrounding nets

without the purse authorized to fish for small pelagic stocks – these vessels represent national reference fishing capacity for small pelagic stocks. In addition, Slovenia had to prepare and submit to the GFCM National programme for control, monitoring and surveillance.

Due to the unfavourable state of the anchovy stock, precautionary and emergency measures for 2015 were adopted at the 38th Session of the GFCM for the fishing vessels that are regulated by the multiannual management plan and which target anchovy. In line with the adopted measures, fishing vessels subject of this plan must not exceed more than 144 fishing days and in addition a spatio-temporal closure of fishery of at least 15 days had to be introduced in 2015 in the period April-August. Slovenia applied closure of this fishery in the period 1-15 April 2015 over the whole territory of its territorial waters. As the stock assessment data in 2015 showed that anchovy stock is still in unfavourable state, it was decided by the GFCM on its 39 Session to extend the emergency and precautionary measures for 2015 also to 2016.

iii. Other management measures

Slovenia is implementing also other measures for the management of the marine fisheries. Since 2008, it is no longer possible to obtain new fishing licenses for the trawl nets. The Ministry of Agriculture, Forestry and Food, which is competent for issuing of fishing licenses, started regulating the issuing of licenses for trawls in May 2008, on the basis of the opinion of the Fisheries Research Institute of Slovenia.

Moreover, in line with the adopted Fishing effort adjustment plan (FEAP) that was adopted for the purpose of the implementation of the scrapping measure with the funds from the EFF for the period 2012-2013, complementary management measures were introduced, among them a moratorium on the issuing of new fishing licenses that would contain the following fishing gears: purse seines (PS), midwater pair trawls (PTM), set gillnets (GNS) and trammel nets (GTR) and therefore it was not possible to obtain new fishing licenses to fish with these types of fishing gear. It is important to highlight that with these types of fishing gears almost entire landings of the Slovenian fishermen are generated. Slovenia continues to implement this measure even after the termination of the scrapping measure.

Section C: Information on the compliance with entry/exit scheme

In 2015, Slovenia complied with the entry/exit regime and capacity ceilings in terms of GT and kW were not exceeded in accordance with the Articles 22. and 23. of the *Regulation (EU) no 1380/2013 of the European Parliament and of the Council of 11 December 2013 on the Common Fisheries Policy, amending Council Regulations (EC) No 1954/2003 and (EC) No 1224/2009 and repealing Council Regulations (EC) No 2371/2002 and (EC) No 639/2004 and Council Decision 2004/585/EC.*

On 31 December 2015, 171 fishing vessels were in the Slovenian fishing fleet register, with total of 589,66 GT and 8.534,84 kW, while the fishing capacity ceilings were 675 GT and 8.867 kW.

Section D: Summary report on the weaknesses and strengths of the fleet management system together with a plan for improvements and information on the general level of compliance with fleet policy instruments

i. Summary of weakness and strengths of fleet management system

Strengths:

Although Slovenian fishermen fish only a small fraction of the shared fisheries resources in the North Adriatic Sea, management of the marine resources has strengthened greatly in the recent years in accordance with provisions that have been adopted within the Common Fisheries Policy and the General Fisheries Commission for the Mediterranean.

An important operative management document for the Slovenian fisheries was the “*Fishing Effort Adjustment Plan*” (FEAP) that was adopted in 2011 primarily for the implementation of the scrapping measure in the period 2012-2013, but it contained also other measures for the management of the fisheries and for the limitation of fishing effort. Introduction of these measures had significantly improved Slovenian fleet management system whose core objective was to establish a better balance between fishing capacity and fishing opportunities and thus secure more sustainable exploitation of available fishing resources.

Significant contribution of the “*Permanent cessation of fishing activities*” measure (scrapping measure), financed from the EFF (European Fisheries Fund), to the reduction of fishing effort, above all the one targeting pelagic stocks, has been described already in this report. Of great importance are also the results of the implementation of the complementary measure called “*Temporary non-issuing of licenses for commercial fishing for certain fishing gears*”, because this measure introduced temporary moratorium on the issuing of new fishing licences that would allow use of the following fishing gears: purse seine (PS), pelagic (midwater) pair trawls (PTM), drift and fixed nets (GNS and GTR) and demersal trawls (OTB). Established time frame for the implementation of this measure was period 2012-2013, but even after the expiry of that period Slovenia continues to implement it and thus keep contributing to a better management of the fleet and to more sustainable exploitation of marine resources. It is important to stress that almost whole landings (91,02%) in 2016 were generated with these 4 types of fishing gears whose use is restricted (fishing gear PTM is not included as there are currently no active vessels using this type of fishing gear).

Another important document for the management of the Slovenian marine fisheries is “*The management plan for fisheries in waters within the jurisdiction of the Republic of Slovenia*” (MP – Management Plan) that was prepared in accordance with the »Mediterranean regulation« (Council Regulation (EC) No 1967/2006 of 21 December 2006 concerning management measures for the sustainable exploitation of fishery resources in the Mediterranean Sea, amending Regulation (EEC) No 2847/93 and repealing Regulation (EC) No 1626/94).

The MP contains an analysis of the whole commercial marine fishing in Slovenian territorial waters and includes separate management plans for vessels using following types of fishing gear: purse seines (PS), midwater pair trawl (PTM) (in the meantime, as already mentioned,

the only pair of vessels in this segment was scrapped, so this segment no longer exists), bottom trawls (OTB), set gillnets (GNS) and trammel nets (GTR). In November 2013, management plans for purse seines (PS) and bottom trawls (OTB) were adopted by the EU Commission. Management measures in the MP are harmonised with the management measures contained in the FEAP which are described above.

A new chapter of the utmost importance for the management of the Slovenian fleet and fish stocks in the Northern Adriatic is the adoption of the first multiannual management plan for small pelagic (sardine anchovy) stocks in the Northern Adriatic (*Recommendation GFCM/37/2013/1 on a multiannual management plan for fisheries on small pelagic stocks in the GFCM-GSA 17 (Northern Adriatic Sea) and on transitional conservation measures for fisheries on small pelagic stocks in GSA 18 (Southern Adriatic Sea)*). Vessels actively fishing for anchovy and sardine stocks are subject of the management measures of this plan. In line with the multiannual plan, vessels actively fishing for small pelagics are not allowed to operate more than 20 days per month and maximum 180 days per year. However, it is important to note that Slovenia exploits around 0,1% of these shared stocks.

Important and a favourable circumstance for the management of the Slovenian fisheries sector is also its small size that allows good collaboration of fishermen, consulting services and administration and consequently there is a good awareness of the mandatory acts adopted within the Common Fisheries Policy. Small size of the fisheries sector also allows for the entire population to be included in data collection.

Since almost whole Slovenian fishing fleet can be characterized as a small-scale coastal fisheries as 92,4% of the fishing fleet is comprised of vessels under 12 meters, these characteristics by themselves allow for a better management of the fleet and permit more sustainable fishing in comparison to industrial fishing.

A very important step for a better and more effective management of the Slovenian fishing fleet was achieved in 2015 with the adoption of the Act Amending the Marine Fisheries Act (Official Gazette of the Republic of Slovenia, No. 76/15), which provided a legal base for the preparation of national rules for the management of entry/exit regime. These rules: "Rules on the register of fishing vessels and the vessels used in aquaculture" (Official Gazette of the Republic of Slovenia, No.60/16) were adopted in the mid-September 2016 and entered into the force at the end of September 2016. On the basis of these rules, experts of the Ministry of Agriculture, Forestry and Food are already scrutinising National fleet register and those vessels that are not fulfilling all required criteria as they are stipulated in these rules will be deleted from the National fleet register. By doing so, it will allow for a much better management of the national fishing fleet and consequently should contribute to a better balance between fishing capacities and fishing opportunities.

Weaknesses:

Given the size of the Slovenian fishing sector ranks as the smallest in the whole EU in many terms, where its small fleet generates very low landings that have been rapidly declining in the past years and resulting in poor revenues, it takes disproportionate amount of resources for the management of the sector. All these translate in high costs for data collection and control, furthermore complexity and enormous volume of the CFP impose excessive costs and administrative burdens for the administration as well for the sector. Furthermore EU

measures request irrationally expensive monitoring systems to be put in place that can cover in some cases only 4 vessels (such as ERS). In addition, control and reporting obligations are excessive and burdensome given the size of the sector and the fisheries administration which means that the whole process is not cost-effective and should therefore take into account the principle of proportionality.

Taking into account the fact that the landings of the Slovenian fishing fleet have been rapidly decreasing, and that Slovenian fleet targets species from shared and migratory stocks in the Northern Adriatic, where the impact of the fishing industries of other countries of the Adriatic have a much greater impact, collaboration is essential for joint collection of data about fishing stocks in the northern Adriatic at the (sub)regional level, which would also contribute to the formulation of coordinated management measures in accordance with proportions of the impact on fishing of the fleets of other countries which exploit the same stocks.

Therefore it is necessary to strengthen sub-regional collaboration with the purpose of formulating sustainable methods for the management of the fishing fleet in order to ensure sustainable fishing in the Northern Adriatic (with Italy and Croatia). After the reformed CFP enforced concept of regional cooperation, cooperation in this field is improving, and as a part of this approach Slovenia has recently successfully cooperated with Italy and Croatia in the preparation of the discard plans required under the CFP.

It is necessary to establish collaboration with other Member states also for the purpose of exchanging information for the requirements of monitoring and for the needs of ensuring that fishermen are informed, as well as the professional and general public, regarding the regulations of CFP.

ii. Plan for improvements in fleet management system

Under this heading it can be reported that the national rules for the management of entries/exits from the fishing fleet were adopted in the mid-September 2016 in accordance with the Act Amending the Marine Fisheries Act (Official Gazette of the Republic of Slovenia, No. 76/15). These rules: "Rules on the register of fishing vessels and the vessels used in aquaculture" (Official Gazette of the Republic of Slovenia, No. 60/16) entered into the force at the end of September 2016.

iii. Information on general level of compliance with fleet policy instruments

Slovenia complied with the applicable fleet policy instruments.

2. Section E: Information on changes of the administrative procedures relevant to the management of the fleet

No specific administrative changes with respect to the management of the Slovenian fishing fleet took place in Slovenia in 2015.

3. Section F: Action plan under Article 22(4) of Regulation (EO) No 1380/2013 of the European Parliament and of the Council on the Common Fisheries Policy

INTRODUCTION:

The Annual report on efforts to achieve a sustainable balance between fishing capacity and fishing opportunities has been prepared following the Guidelines for the analysis of the balance between fishing capacity and fishing opportunities according to Article 22 of Regulation (EU) No 1380/2013 of the European Parliament and the Council on the Common Fisheries Policy, COM(2014) 545 final ("Guidelines").

Slovenia deems that the indicators proposed by the "Guidelines" are of limited use for the assessment of the Slovenian fisheries sector due to its specificities. These reservations are presented in the section *"7.1 General remarks of Slovenia regarding the limitations of the indicators proposed by the "Guidelines for analysis of the balance between fishing capacity and fishing opportunities" of this report.*

Nevertheless Slovenia submits action plans for 3 segments analysed in this report.

One part of the action plan refers to:

- Purse seines (PS) segment LOA 06-12 with 1 vessel and segment LOA 12-18 m with 1 vessel active in 2016. These vessels are already the subject of a Multiannual management plan in the Adriatic Sea.

The other two parts of the action plan refer to the following segments:

- Drift and fixed nets (DFN) up to 6 m LOA with 26 active vessels in 2015;
- Drift and fixed nets (DFN) with LOA 6-12 m with 33 active vessels in 2015.

These last two segments are subject of the action plan as the indicators calculated in line with the "Guidelines" do not show favourable results. All three fleet segments identified exhibit characteristics of Mediterranean fisheries, which means that for a certain period of time, the vessels are used for other purposes such as tourism, not fishing. This affects the value of the Vessel Use Indicators as well the values of the Economic Indicators.

It was possible to calculate technical, economic and biological indicators only for the purse seines (PS) segment, while for the remaining segments it was only possible to calculate technical and economic indicators.

Bearing in mind the reservations described above and those presented in other parts of this document Slovenia herewith submits its Action Plan for the fleet segments identified in the Slovenian "Annual report on efforts to achieve a sustainable balance between fishing capacity and fishing opportunities for the year 2016" ("Fleet report for 2016"), pursuant to the Guidelines for the analysis of the balance between fishing capacity and fishing opportunities according to Article 22 of Regulation (EU) No 1380/2013, with the objective of achieving the balance between fishing capacity and fishing opportunity for the fleet segments concerned.

Action plan for the purse seines (PS) segment

Slovenia participates in the implementation of the Recommendation GFCM/37/2013/1 on a multiannual management plan for fisheries on small pelagic stocks in the GFCM-GSA 17 (Northern Adriatic Sea) and on transitional conservation measures for fisheries on small pelagic stocks in GSA 18 (Southern Adriatic Sea). In 2014 this Recommendation was amended with the emergency measures for 2015 (Recommendation GFCM/38/2014/1 amending Recommendation GFCM/37/2013/1 and on precautionary and emergency measures for 2015 on small pelagic stocks in the GFCM GSA 17) and in 2015 it was amended again with the precautionary measures for 2016 (Recommendation GFCM/39/2015/1 establishing further precautionary and emergency measures in 2016 for small pelagic stocks in the Adriatic Sea (GSA 17 and GSA 18)). In 2016 it was amended again with the emergency measures for 2017 and 2018 (Recommendation GFCM/40/2016/3 establishing further emergency measures in 2017 and 2018 for small pelagic stocks in the Adriatic Sea (GSA 17 and GSA 18)).

Since sardine and anchovy stocks, which are the subject of these GFCM Recommendations, represent shared stocks of the North Adriatic Sea, that are targeted by Croatia, Italy and Slovenia, the GFCM management plan establishes measures with the objective to keep fishing mortality below safe thresholds to ensure long-term high yields while limiting the risk of stock collapse and guaranteeing stable and more viable fisheries. However it is important to stress that Slovenian fishery for sardine and anchovy, which are the subject of the GFCM management plan, currently comprises only 2 active vessels and represents around 0,1 % of the total landings of sardine and anchovy in the North Adriatic Sea. Therefore, it wouldn't be possible to impact the exploitation of these shared stocks through structural measures that would concern the Slovenian fishing fleet alone. This is why cooperation in the framework of regionalisation that has been envisaged in the new Common Fisheries Policy (Article 18 of Regulation (EU) No 1380/2013) is crucial for ensuring sustainable exploitation of these two stocks.

- Management measures in accordance with the proposed multiannual management plan: Maximum number of fishing days must not exceed 180 fishing days per year and not more than 20 fishing days per month.

For 2015 and 2016 emergency and precautionary measures were adopted that limit fishing activity of the vessels concerned to a maximum of 144 days. In addition, a spatio-temporal closure of fishery had to be introduced in both years, in the period April – August of duration of at least 15 days and maximum 30 days. In both years, Slovenia implemented the closure of fishery, covering its whole territorial waters, in period from 1 – 15 April.

In 2016, GFCM adopted further emergency measures for 2017 - 2018 (*“Recommendation GFCM/40/2016/3 establishing further emergency measures in 2017 and 2018 for small pelagic stocks in the Adriatic Sea (GSA 17 and GSA 18)”*).

In line with the “Recommendation GFCM/40/2016/3”, following emergency measures need to be applied in the period 2017-2018:

- a) Fishing vessels targeting small pelagics shall not exceed 180 fishing days per year, with maximum of 144 fishing days targeting sardine and with maximum of 144 fishing days targeting anchovy.
- b) Concerned countries had to implement spatio-temporal closures in view of protecting nursery and spawning areas in 2017 (minimum of 15 days for each species and maximum 30 days). What regards spatio-temporal closures for sardine, Slovenia declared closure of

fishery for the sardine in the period 17 – 31 March 2017 (15 days), while the spatio-temporal closures for anchovy was carried out in the period 1 – 15 April 2017 (15 days). Same needs to be applied also in 2018.

c) In 2017 and 2018, the GFCM Contracting Parties and Cooperating non-Contracting Parties (CPCs) shall not exceed the level of catches for small pelagics exerted in 2014 as reported in accordance with Recommendation GFCM/33/2009/3 on the implementation of the GFCM Task 1.

d) The CPCs shall ensure that the overall fleet capacity of trawlers and purse seiners actively fishing for small pelagic stocks in terms of gross tonnage (GT) and/or gross registered tonnage (GRT), engine power (kW) and number of vessels, as recorded both in national and GFCM registers, does not exceed in 2017 and 2018 the fleet capacity for small pelagics in 2014.

Slovenia monitors the implementation of these measures by regularly checking “InfoRib”, which is information system with data on fishing licenses, all the data from logbooks and landing declarations and data on first sales. Data from logbooks which allow for the control of executed fishing days and caught and landed quantities need to be entered into the “InfoRib” within 24 hours after the end of each fishing trip.

Timeframe for the implementation of the above mentioned measures: as long as requested by the pertinent GFCM Recommendations in force.

Number of vessels affected by these measures: 4 active vessels on average per year.

- Management measures in accordance with the Regulation (EU) No 508/2014 on the European Maritime and Fisheries Fund:

In line with the approved “Operational programme for the implementation of the European Maritime and Fisheries Fund in the Republic of Slovenia 2014-2020”, Slovenia will implement the Temporary cessation of fishing activities measure from Article 33.

Timeframe for the implementation of this measure: duration of the current programming period: 2014-2020.

Number of vessels affected by this measure: 4 active vessels on average per year. Support may be granted for a maximum duration of six months per vessel during the programming period.

- Additional national management measures for the limitation of the fishing effort:

Slovenia plans to extend the implementation of the “Temporary non-issuing of licenses for commercial fishing for certain fishing gears” measure. We have been implementing this measure in the period 2012-2013 as a part of the management measures within the “Fishing Effort Adjustment Plan” (FEAP) that was adopted in 2011 primarily for the implementation of the scrapping measure. This measure introduced temporary moratorium on the issuing of new fishing licences that would allow use of the following fishing gears: purse seine (PS), pelagic (midwater) pair trawls (PTM), drift and fixed nets (GNS and GTR) and demersal trawls (OTB). Thereby possibility of increasing the fishing effort of vessels using these types of fishing gear was prevented. No new fishing licences were issued in this period that would allow use of these types of fishing gears.

Slovenia has been implementing this measure also after the expiry of the period 2012-2013 and will continue with its implementation also in the future, including regarding purse seines fishing gears.

Timeframe for the implementation of this measure: until the concerned fish stocks reach the level of improvement that would allow for the increase of fishing effort.

Action plan for the drift and fixed nets segment (DFN) up to 6 m LOA

The technical indicators calculated in accordance with the Commission Guidelines for this segment do not show favourable results, and also economic indicators are not favourable in the past years. Nevertheless, the explanations regarding their application and appropriateness provided in other parts of this report must be taken into account when interpreting these indicators. In addition, it is important to note that 26 vessels were active in this segment in 2016 that landed **only 15,49 tons** of mixed species.

It needs to be taken into account that it has been only possible to include this particular segment in the present report because Slovenian national legislation requires that all fishing vessels, including vessels below 10 meters of length, submit fishing logbook for all the species and quantities of the fisheries products caught. Therefore, due care should be taken when generalising the results presented in this report that refer to this particular segment of the Slovenian fishing fleet.

- Management measures in accordance with the Regulation (EU) No 508/2014 on the European Maritime and Fisheries Fund:

Implementation of the measure “Support for the design and implementation of conservation measures and regional cooperation” from Article 37 of the EMFF Regulation to ensure effective regional cooperation on the level of the North Adriatic Sea for implementation of the relevant measures of the CFP to contribute to the achievement of MSY for the stocks concerned.

Timeframe for the implementation of this measure: duration of the current programming period: 2014-2020.

- National management measures for the limitation of the fishing effort:

Slovenia plans to extend the implementation of the “Temporary non-issuing of licenses for commercial fishing for certain fishing gears” measure which is described in more detail above in the action plan for purse seines segment. Slovenia has been implementing this measure since 2012 and will continue with its implementation also in the future. There will be no new fishing licences issued that would allow use of this type of fishing gears. Thereby possibility of increasing the fishing effort of vessels using this type of fishing gear will be prevented.

This measure is a part of *The management plan for fisheries in waters within the jurisdiction of the Republic of Slovenia* (MP – Management Plan) that is currently in force and was prepared in accordance with the *»Mediterranean regulation«* (Council Regulation (EC) No 1967/2006 of 21 December 2006 concerning management measures for the sustainable exploitation of fishery resources in the Mediterranean Sea, amending Regulation (EEC) No 2847/93 and repealing Regulation (EC) No 1626/94).

Slovenia is currently preparing a new Management Plan that will reflect the current situation of the Slovenian fisheries sector and the requests of the reformed CFP.

Action plan for the drift and fixed nets (DFN) with LOA 6-12 m

The technical indicators calculated in accordance with the Commission Guidelines for this segment do not show favourable results and also economic indicators were not favourable in the past years, however they are greatly improving in the period 2015 - 2016. Nevertheless, explanations regarding their application and appropriateness provided in other parts of this report must be taken into account when interpreting these indicators. In addition, it is important to note that 33 vessels were in this segment in 2016 that landed **only 35,72 tons** of mixed species.

- Management measures in accordance with the Regulation (EU) No 508/2014 on the European Maritime and Fisheries Fund:

Implementation of the measure "Support for the design and implementation of conservation measures and regional cooperation" from Article 37 of the EMFF Regulation to ensure effective regional cooperation on the level of the North Adriatic Sea for implementation of the relevant measures of the CFP to contribute to the achievement of MSY for the stocks concerned.

Timeframe for the implementation of this measure: duration of the current programming period: 2014-2020.

- National management measures for the limitation of the fishing effort:

Slovenia plans to extend the implementation of the "Temporary non-issuing of licenses for commercial fishing for certain fishing gears" measure which is described in more detail above in the action plan for purse seines segment. Slovenia has been implementing this measure since 2012 and will continue with its implementation also in the future. There will be no new fishing licences issued that would allow use of this type of fishing gears. Thereby possibility of increasing the fishing effort of vessels using this type of fishing gear is prevented.

This measure is a part of The management plan for fisheries in waters within the jurisdiction of the Republic of Slovenia" (MP – Management Plan) that is currently in force and was prepared in accordance with the »Mediterranean regulation« (Council Regulation (EC) No 1967/2006 of 21 December 2006 concerning management measures for the sustainable exploitation of fishery resources in the Mediterranean Sea, amending Regulation (EEC) No 2847/93 and repealing Regulation (EC) No 1626/94).

Slovenia is currently preparing a new Management Plan that will reflect the current situation of the Slovenian fisheries sector and the requests of the reformed CFP.

Legislative amendments regarding fleet policy

A very important step for a better and more effective management of the Slovenian fishing fleet was achieved in 2015 with the adoption of the Act Amending the Marine Fisheries Act (Official Gazette of the Republic of Slovenia, No 76/15), which provides a legal base for the

preparation of national rules for the management of entry/exit regime. These rules: "Rules on the register of fishing vessels and the vessels used in aquaculture" (Official Gazette of the Republic of Slovenia, No 60/16) were adopted in the mid-September 2016 and entered into the force at the end of September 2016. On the basis of these rules, experts of the Ministry of Agriculture, Forestry and Food are already scrutinising National fleet register and those vessels that are not fulfilling all required criteria as they are stipulated in these rules will be deleted from the National fleet register. By doing so, it will allow for a much better management of the national fishing fleet and consequently should contribute to a better balance between fishing capacities and fishing opportunities.

CONCLUSIONS:

Slovenia will contribute to achieving the objectives of the Common Fisheries Policy as defined in Article 2 of Regulation (EU) No 1380/2013 on the Common Fisheries Policy through its efforts to achieve a sustainable balance between fishing capacity and fishing opportunities for its fishing fleet, as identified above; however, at the same time, it needs to be borne in mind that Slovenian fisheries and its landings are very low (**they reached record low with only 152,39 tons in 2016**), and thus making the Slovenian fisheries sector one of the smallest in the EU. This means that the contribution of the Slovenian fisheries sector to achieving MSY can only be proportional to the actual size and impact of the Slovenian fishing fleets.

Slovenian landings have been decreasing rapidly in recent years, due to a number of factors such as high fuel prices, declining stocks and seasonal nature of fishing and due to many other factors described in various parts of this report. However, an important factor has also been represented by the constraints of the requirements of the Common Fisheries Policy. Although Slovenia will continue to do everything in its power to achieve a sustainable balance between fishing capacity and fishing opportunities, these efforts should not lead to an eventual disappearance of the Slovenian fisheries sector; the measures identified in this Action Plan are therefore aimed towards allowing for a continued existence and sustainable development of the Slovenian fisheries sector.

4. Annex: Balance indicators

Application of the balance indicators (technical, biological, economic):

7.1 General remarks of Slovenia regarding the limitations of the proposed indicators for the Slovenian fisheries sector

From the “*Guidelines for analysis of the balance between fishing capacity and fishing opportunities*” the following indicators are included in this report:

7.2 Technical indicator:

The Inactive Fleet Indicator

The Vessel Utilization Indicator

7.3 Biological indicators

Sustainable Harvest Indicator

Stocks-at-risk Indicator

7.4 Economic indicators

Return on Investment (ROI)

Current Revenue Against Break-Even Revenue (CR / BER)

7.5 Conclusion on balance by fleet segments assessed in accordance with the proposed indicators

7.1 General remarks of Slovenia regarding the limitations of the indicators proposed by the “Guidelines for analysis of the balance between fishing capacity and fishing opportunities” for the Slovenian fisheries sector

Slovenia has serious reservations regarding the application and appropriateness of the indicators proposed by the “Guidelines” and regarding their combine use due to a number of limitations that characterize the Slovenian fishing sector, and probably also other fisheries sectors with similar characteristics, which haven’t been addressed and foreseen when preparing these indicators.

These indicators do not take account of the past efforts carried out for the reduction of fishing effort, not even those that have been carried out very recently (and resulted in radical decrease in fishing in Slovenia’s case). The size (number of vessels and active fishermen) of the whole fisheries sector and the size of individual fleet segments, which are very small (sometimes only 3-4 vessels), have not been regarded when deciding on these indicators.

The fact that Slovenian fishery sector is characterized as mixed fishery and that it depends on the stocks that are shared and migratory is not taken into account (only PS fishery can be considered as target fishery as it mostly fishes for small pelagics). The fact that the total amount of landings is very small and has been declining for decades is also not taken into account.

But above all these indicators do not consider the fact that Slovenian fishermen exploit these shared and migratory stocks in very low quantities which can be considered almost as negligible, while these stocks are exploited to an incomparably larger extent by the neighbouring countries (the difference between Slovenian fisheries and the fisheries of the neighbouring countries can be distinguished by a factor of few 100).

The short fishing season (which in practice lasts more or less only from April to September / October) is also not considered as Slovenian fishermen are almost exclusively active only in the territorial waters of Slovenia, which are located in the northernmost part of Adriatic which is also the coldest part of the Mediterranean which affects the occurrence of fish stocks and consequently fishing activity.

For all above listed reasons and in addition to all other reasons that limit our fishermen, which are mentioned in other parts of this report, this report finds that the proposed indicators are not suitable for describing Slovenian fisheries sector and above all it is not suitable to take on their basis decisions on management measures.

However, this report finds that the use of the proposed indicators would be appropriate at the level of the region (Northern Adriatic / GSA 17), where the degree and intensity of the fishery sectors of all concerned countries could be taken into account. And then in instances where imbalances of certain segments would be demonstrated, to propose action plans in order to restore the balance between fishing capacities involved and the stocks affected, which would contain measures and targets that would take due account of the level of the exploitation of all the countries involved in the exploitation of these stocks at the level of the region.

With this purpose, Slovenia already has and will continue to participate at the level of the North Adriatic Sea with other two EU member states concerned (Croatia and Italy) in the

context of regionalisation envisaged in Article 18 of the new Regulation (EU) No 1380/2013 on the Common Fisheries Policy.

7.2 Technical indicator:

The Inactive Fleet Indicator

Number of vessels												
MS	Fleet segment			2008	2009	2010	2011	2012	2013	2014	2015	2016
SVN	AREA37	INACTIVE	VL0006	56	57	55	57	49	49	47	46	51
SVN	AREA37	INACTIVE	VL0612	35	38	37	42	41	37	31	31	33
SVN	AREA37	INACTIVE	VL1218	1	2	1	2	1	1	1	3	3
SVN	AREA37	INACTIVE	VL1824	1	1	1	1	1	1	1	1	1
SVN	No. Of inactive vessels			93	98	94	102	92	88	80	81	88
SVN	No. of vessels in the national fleet			181	185	185	186	181	171	171	169	171

no. inactive vessels as % of total vessels												
MS	Fleet segment			2008	2009	2010	2011	2012	2013	2014	2015	2016
SVN	AREA37	INACTIVE	VL0006	30,9%	30,8%	29,7%	30,6%	27,1%	28,7%	27,5%	27,2%	29,8%
SVN	AREA37	INACTIVE	VL0612	19,3%	20,5%	20,0%	22,6%	22,7%	21,6%	18,1%	18,3%	19,3%
SVN	AREA37	INACTIVE	VL1218	0,6%	1,1%	0,5%	1,1%	0,6%	0,6%	0,6%	1,8%	1,8%
SVN	AREA37	INACTIVE	VL1824	0,6%	0,5%	0,5%	0,5%	0,6%	0,6%	0,6%	0,6%	0,6%
SVN	National fleet			51,4%	53,0%	50,8%	54,8%	50,8%	51,5%	46,8%	47,9%	51,5%

Inactive kW as % of fleet kW												
MS	Fleet segment			2008	2009	2010	2011	2012	2013	2014	2015	2016
SVN	AREA37	INACTIVE	VL0006	5,5%	5,3%	4,8%	4,8%	4,7%	5,3%	4,8%	4,9%	6,3%
SVN	AREA37	INACTIVE	VL0612	21,0%	23,8%	21,5%	25,2%	25,4%	21,0%	17,7%	18,9%	28,1%
SVN	AREA37	INACTIVE	VL1218	5,1%	6,4%	5,0%	6,5%	5,4%	1,3%	1,3%	8,8%	9,7%
SVN	AREA37	INACTIVE	VL1824	1,9%	1,8%	1,8%	1,8%	2,0%	2,4%	2,4%	2,3%	2,3%
SVN	National fleet			33,5%	37,4%	33,1%	38,4%	37,4%	30,0%	26,2%	34,9%	46,5%

Inactive GT as % of fleet GT												
MS	Fleet segment			2008	2009	2010	2011	2012	2013	2014	2015	2016
SVN	AREA37	INACTIVE	VL0006	5,2%	5,1%	4,9%	5,2%	5,4%	7,8%	7,3%	7,4%	8,1%
SVN	AREA37	INACTIVE	VL0612	11,4%	13,5%	12,1%	12,8%	16,0%	19,3%	16,0%	17,8%	19,8%
SVN	AREA37	INACTIVE	VL1218	0,9%	2,3%	0,9%	2,3%	1,1%	2,0%	2,0%	5,1%	5,7%
SVN	AREA37	INACTIVE	VL1824	3,1%	3,1%	3,1%	3,1%	3,7%	5,1%	5,1%	5,2%	5,2%
SVN	National fleet			20,7%	24,0%	21,0%	23,3%	26,2%	34,1%	30,4%	35,4%	38,9%

The results of the **inactive fleet indicator** show that around half of the vessels of the Slovenian fishing fleet were not active in the recent years. Almost all of these vessels are shorter than 12 m (95 %), and more than half of them (57 %) are shorter than 6 meters. Furthermore, capacity of these vessels represent 46,5% of the total fleet when expressed in kW, and 38,9 % of the total fleet when expressed in GT.

In 2016, there were 7 inactive vessels more in the fishing fleet than the year before, however there were still 4 inactive vessels less than in 2012.

It is important to point out that a larger share of inactive fleet is partially due to the national legislation in force. In Slovenia a vessel can be characterized as a fishing vessel after the vessel and its owner fulfil a number of legal conditions. When these are fulfilled, a vessel can get a fishing license /authorization and enters the national fishing fleet register (under the condition that the capacity ceiling established under the CFP allows entry of a vessel in the register). But under national legislation fishing license / authorization which gives a vessel owner a right to fish, is assigned to a vessel for unlimited period of time and the vessel owners are not obliged to be active with their vessels in order to keep fishing authorizations.

Furthermore, even in instances where vessel owner would lose his fishing authorization due to infringements or because other instances specified in national legislation would occur that could allow abolishment of the fishing authorization, until recently there hadn't been adequate provisions in the national legislation that would permit authorities to delete those fishing vessels from the national fishing fleet register. However, the Act Amending the Marine Fisheries Act (Official Gazette of the Republic of Slovenia, No. 76/15) that was adopted in 2015 provided a legal base for the preparation of national rules for the management of entry/exit regime. These rules: "Rules on the register of fishing vessels and the vessels used in aquaculture" (Official Gazette of the Republic of Slovenia, No. 60/16) were adopted in the mid-September 2016 and entered into force at the end of September 2016. On the basis of these rules, experts of the Ministry of Agriculture, Forestry and Food are already scrutinising National fleet register and those vessels that are not fulfilling all required criteria as they are stipulated in these rules, will be deleted from the National fleet register. By doing so, it will allow for a much better management of the national fishing fleet and consequently should contribute to a better balance between fishing capacities and fishing opportunities.

The Vessel Utilization Indicator

<i>MS</i>	<i>Fleet segment</i>			2008	2009	2010	2011	2012	2013	2014	2015	2016
<i>SVN</i>	<i>AREA37</i>	<i>DFN</i>	<i>VL0006</i>	0,30	0,24	0,23	0,25	0,33	0,32	0,28	0,26	0,27
<i>SVN</i>	<i>AREA37</i>	<i>DFN</i>	<i>VL0612</i>	0,32	0,44	0,33	0,36	0,33	0,32	0,28	0,25	0,31
<i>SVN</i>	<i>AREA37</i>	<i>DTS</i>	<i>VL1218</i>	0,41	0,43	0,61	0,55	0,34	0,48	0,28	0,27	0,40
<i>SVN</i>	<i>AREA37</i>	<i>PS</i>	<i>VL1218</i>	0,63	0,62	0,75	0,80	0,72	0,60	0,88	0,68	0,93
<i>SVN</i>	<i>AREA37</i>	<i>TM</i>	<i>VL2440</i>	0,65	0,85	0,99	0,98	1,00	/	/	/	/

Table as it was prepared by STEFC in 2013 is updated with the data for 2016. The presented segments generated 79,74 % of the total landings in 2016. 1 PS vessel that belongs to the segment VL0612 is listed among the PS vessels in VL1218 segment. Following active vessels are not presented in the table: 12 vessels using other types of fishing gears, 1 DFN vessel from the VL1218 segment and 3 vessels from the DTS VL0612.

Vessel utilisation indicator is based on observed maximum activity.

The only remaining segment exploiting small pelagics is the segment using purse seines (1 vessels LOA 06-12 m and 1 vessel LOA 12-18 m)*, with only 2 active vessels in 2016. The activity of these vessels was relatively uniform in previous years, and on average there used to be 4 vessels in this segment, while their utilisation was most of the time above 0,7 in the last 7 years.

The activity of the vessels in other segments: DTS (LOA 12-18 m), DFN (LOA 0-6 m) and DFN (LOA 6-12 m) is lower, and the results of Vessel utilisation indicator show values under 0,7 for all 3 segments and as such indicate technical overcapacity of the fleet. However, these results must be explained in the light of the local conditions to be able to conclude that they are not really a sign of imbalance between the fishing capacity and fishing opportunities.

We deem that the proposed indicators of vessels' activity are not really suitable indicators for the fisheries sector as is Slovenian, since they do not take into account its unique characteristics, above all its many constraints. Some of the reasons why we deem that these indicators are of limited use when applied to Slovenian fisheries sector are explained below, while a more detail explanation regarding the limitations of the proposed indicators is given in the section "7.1 General remarks of Slovenia regarding the limitations of the indicators proposed by the "Guidelines for analysis of the balance between fishing capacity and fishing opportunities" of this report.

Results of low vessel activity in many segments are predominantly a consequence of the following characteristics of the Slovenian fisheries sector:

Figures below 0,7 can be seen especially in fleet segments with large proportion of small vessels. The majority of fishing vessels of the Slovenian fisheries sector are vessels engaged in small scale coastal fishing (92 % of all Slovenian fishing vessels - 158 vessels out of 171 are vessels below 12 meters). For most of the Slovenian fishermen, fishing does not represent their main economic activity, it is not the main source of their income, but it is an additional, complimentary activity to other activities (such as tourism etc.), therefore fishing activity of many fishermen is rather low.

Most of the fish caught by Slovenian fishermen are migratory species which means that they occur occasionally or seasonally in the northernmost part of the North Adriatic Sea, which is

the fishing area of Slovenian fishermen. As a consequence, the fishermen must adjust their fishing trips to the occurrence of these migratory species. Therefore there can be many periods during a year when they do not fish at all and many fishers try to engage in other gainful activities. For example, vessels using purse seines are mainly active only in period April-September and also duration of seasons of other segments is similar.

Therefore, when interpreting the results of Vessel utilisation indicator, the above mentioned specifics that characterise the Slovenian fishing sector and explanations regarding the limitations of the proposed indicators should be taken into account and thus the obtained results should be interpreted in the light of these observations.

7.3 Biological indicators:

Sustainable Harvest Indicator

Sustainable harvest indicator – “SHI” (F_c/F_{msy}) is a mean to define whether the stock is sustainably exploited. If the ratio F_c/F_{msy} is larger than 1 than the stock is overfished, and there is a loss in long term stocks productivity and landings. If F/F_{msy} is less than 1 than scientific advice usually considers that the stock is sustainably exploited.

Calculation of the indicator depends on the availability of quantified scientific advice for the stocks in question. In cases where more than 60% of the value of the catch is made up of stocks for which values of F_c and F_{msy} are unavailable than this indicator is also deemed to be unavailable.

In accordance with the proposed Guidelines “SHI – Sustainable Harvest Indicator reflects the extent to which a fleet segment is dependent on overfished stocks.” In line with the Guidelines, following formula was used for the calculation of this indicator.

$$\frac{\sum_{i=1}^{i=n} V_i \frac{F_i}{F_{msy_i}}}{\sum_{i=1}^{i=n} \sum V_i}$$

It was possible to calculate the “Sustainable harvest indicator” (F_c/F_{msy}) only for the segment using purse seines, which consisted of only 2 active vessels (1 vessel with LOA 06-12 m and 1 vessel with LOA 12-18 m. For **F_i** and, **F_{msy}** data for sardine and anchovy was used as it was presented by the GFCM Working Group on Stock Assessment (Report of the Working Group on Stock Assessment of Small Pelagic species (WGSASP), Rome, Italy, 7 November – 12 November 2016). **V_i** values represent landings that were obtained from the fishing logbooks of the vessels using PS fishing gears in 2016.

SHI for this segment in 2016 is **2,03**.

As stated above, PS segment is the only segment of the Slovenian fishing fleet for which it was possible calculate this indicator and it includes only 2 vessels that were active in this segment in 2016. The share of landings of this segment in 2016 was 22,7 % of the total landings, and that **equals only to a quantity of 34,6 tons of total landings**.

Moreover, it needs to be stressed that Slovenia exploits very small fraction of the sardine and anchovy stocks in GSA 17, landing figures show that only around **0,1%**, while neighbouring countries in the Northern Adriatic (Italy and Croatia) exploit most of these two stocks (the difference between Slovenian fisheries and the fisheries of the neighbouring countries can be distinguished at least by a factor of few 100).

Purse seine segment is subject of the first multiannual plan adopted in the Mediterranean so it is regulated and managed in accordance with the provisions of the so-called “*Multi annual plan for small pelagics in the Northern Adriatic*” (*Recommendation GFCM/37/2013/1 on a multiannual management plan for fisheries on small pelagic stocks in the GFCM-GSA 17 (Northern Adriatic Sea) and on transitional conservation measures for fisheries on small pelagic stocks in GSA 18 (Southern Adriatic Sea)*) which is in force since October 2013.

The provisions of this plan relate to small pelagic stocks in GSA 17 and GSA 18. Slovenia fully respects the provisions of the adopted multiannual plan. In 2014 precautionary and emergency measures were adopted for the implementation of this plan in 2015, since the stock of anchovy was assessed as overexploited (number of maximum fishing days was reduced from 180 down to 144 and a spatio-temporal closure of at least 15 and maximum 30 days has to be introduced). As the stock assessment data in 2015 showed that anchovy stock is still in unfavourable state, it was decided by the GFCM on its 39 Session to extend the emergency and precautionary measures also to 2016. Slovenia applied closure of this fishery in 2015 in period 1-15 April which covered whole Slovenian territorial waters.

As the concerned stocks demonstrated poor state again in 2016, GFCM at the session of the Commission in 2016 adopted emergency measures for the implementation of this plan in 2017 and 2018 ("Recommendation GFCM/40/2016/3"). In accordance with the adopted Recommendation, Slovenia implemented spatio-temporal closures for sardine, in the period 17 – 31 March 2017 (15 days), and spatio-temporal closures for anchovy in period 1 – 15 April 2017 (15 days). In addition, in 2017 and 2018, the concerned countries shall not exceed the level of catches for small pelagics exerted in 2014.

Furthermore, fishing vessels of the concerned countries targeting small pelagics, in the period 2017 and 2018, must not exceed 180 fishing days per year, with maximum of 144 fishing days targeting sardine and with maximum of 144 fishing days targeting anchovy.

Moreover, countries in question must ensure that the overall fleet capacity of trawlers and purse seiners actively fishing for small pelagic stocks in terms of gross tonnage (GT) and/or gross registered tonnage (GRT), engine power (kW) and number of vessels, as recorded both in national and GFCM registers, does not exceed in 2017 and 2018 the fleet capacity for small pelagics in 2014.

Stock at Risk Indicator

For each fleet segment, the **Stocks at risk indicator** is the number of stocks for which, according to the advice of international scientific bodies, are:

- **either** below SSB Blim
- **or** there is biological advice to stop fishing
- **or** there is considered to be a biological (stock status) emergency if no Blim is defined

and for which either:

- the stock makes up 10% or more of the catches by the fleet segment, or
- the fleet segment takes 10% or more of the total catches from that stock.

As in the case of the **SHI indicator**, it was possible to calculate **Stock at Risk Indicator (SRI)** only for the segment using purse seines which included only 2 vessels in 2016.

As proposed in the "Guidelines for analysis of the balance between fishing capacity and fishing opportunities" the following formula was taken for the calculation of this indicator:

$$\sum_{i=1}^{i=n} (1 \text{ if } (C_i > 0.1C_t) \text{ or } (C_i > 0.1T_i); \text{ otherwise } 0)$$

For **Ci (catches)**, landings and discards of anchovy and sardine of vessels using purse seines in 2016 were taken into account. For **Ct**, total catches of all species of the concerned segment in 2016 were considered.

In the case of anchovy and sardine **Ci** was higher than **0,1 Ct** – which indicates value “1” for each species.

All other species that were caught by purse seines had **Ci** lower than **0,1 Ct** and consequently values “0” were obtained and in line with the criteria for the calculation of this indicator, these species were not considered.

In the case of the considered segment (PS with 2 vessels), factor 1 was calculated for sardine and factor 1 for anchovy, therefore **its SRI in 2016 is 2**.

Slovenia has reservations regarding the application and appropriateness of this indicator and general reservations regarding the indicators proposed by the Guidelines, which are explained in more detail in the section *“7.1 General remarks of Slovenia regarding the limitations of the indicators proposed by the “Guidelines for analysis of the balance between fishing capacity and fishing opportunities” of this report*. Above all, Slovenia considers this indicator inappropriate as the share of Slovenia in the exploitation of these two species at the regional level is less than 0,1% - and there were only 2 vessels targeting these two stocks in 2016.

7.4 Economic indicators:

ROI - Return on Investment:

The indicator shows the return on the invested capital in the fisheries sector. For the good status of a particular segment in the Slovenian fishing fleet the value of the indicator should be higher or equal to the low-risk long term interest rates. In this case the invested capital is at least as remunerative as risk-free long-term investments (e.g. state bonds). If the value is negative it means that it would be more profitable to invest money elsewhere than in fisheries.

The average long-term interest rates for Slovenia in period 2011-2015 were 4,29 % (source: <http://www.ecb.int/stats/money/long/html/index.en.html>).

"Traffic light system":

- - poor; ROI<0
- - satisfactory; 0<ROI<rate of return on investment of risk-free investment
- - good; ROI> rate of return on investment of risk-free investment

Fleet segment	ROI (%)					
	2010	2011	2012	2013	2014	2015
DFN VL0006	-143,5	-220,1	-61,2	-116	19,4	-28
DFN VL0612	-0,9	39,4	-12	-58	37	6,6
DTS VL1218	-7,8	-8,4	23,4	58	35	8,9
PS VL1218	43,4	43,5	19,3	113	61	80
TMVL2440	-67,1	-31,5	/	/	/	

Calculations show that the segment using **purse seines PS** (only 2 vessels) is highly profitable in the long term as the **ROI** is high above than the reference risk-free long term interest rates.

Also segment using **demersal trawls DTS (LOA 12-18)** greatly improved its trend in the last 4 years as the **ROI** demonstrates high profitability with the profits that significantly exceed reference risk-free long term interest rates.

It can be observed that also the **ROI** of the segment of fishing vessels using **drift and fixed nets DFN (LOA 6-12 m)** shows positive results in the last two years (2014-2015). However segment of fishing vessels using drift and fixed nets **DFN (LOA 0-6 m)** shows negative results in 2015, while they were positive the year before.

ROI for the segment using **pelagic (midwater) pair trawl (LOA 24-40)** is not presented for the period 2012-2015 as this segment no longer exists since these vessels were scrapped.

Current Revenue Against Break-Even Revenue - CR / BER

The ratio between a fleets current revenue (CR) and break-even revenue (BER) shows how close the current revenue of a fleet is to the revenue required for the fleet to break even in the short term. If the ratio is greater than 1, then enough income is generated to cover variable, fixed and capital costs, indicating that the segment is profitable, with potential under-capitalisation.

Conversely, if the ratio is less than 1, insufficient income is generated to cover variable, fixed and capital costs, indicating that the segment is unprofitable, with potential over-capitalisation. If the CR/BER result is negative, this means that variable costs alone exceed current revenue, indicating that the more revenue is generated, the greater the losses will be. The CR/BER ratio shows the short-term profitability of the fisheries sector. The BER shows the break-point which is the point where total revenue is equal to total expenditure (TR = TC).

"Traffic light system":

- - poor; CR/BER < 1
- - satisfactory; CR/BER = 1
- - good; CR/BER > 1

Fleet segment	CR/BER					
	2010	2011	2012	2013	2014	2015
DFN VL0006	-8,62	-2,63	-3,78	-7,2	2,59	-0,12
DFN VL0612	0,87	4,78	-0,62	0,51	3,85	1,5
DTS VL1218	-0,7	-0,94	4,54	8,92	9,07	5,3
PS VL0612 & VL1218	3,45	4,56	3,65	15,53	12,2	56,21
TMVL2440	-19,26	-38,93	/	/	/	

Current Revenue Against Break-Even Revenue (CR / BER) indicator shows very similar situation as the **Return on Investment Indicator (ROI)**, as they are both influenced by the same conditions.

Calculations show that the segment using **purse seines PS** (only 2 vessels) covers all variable, fixed and capital costs and that the segment is highly profitable.

Similar is situation in the segment using **demersal trawls DTS (LOA 12-18)** which wasn't economically viable in period 2010 - 2011, but it has been greatly improving its trend, as it shows great profitability in the last 4 years. Reasons for it may be closely linked to the implementation of the scrapping measure in the period 2012-2013 that significantly reduced a number of vessels in the segment and very likely contributed to the increase of profitability of the remaining vessels in the segment .

It can be observed that also the **RoI** of the segment of fishing vessels using **drift and fixed nets DFN (LOA 6-12 m)** shows positive results in the last two years (2014-2015). However segment of fishing vessels using drift and fixed nets **DFN (LOA 0-6 m)** shows negative results in 2015, while they were positive the year before.

In the case of the **ROI** indicator for these two segments, results of the indicator must be explained in the light of the local conditions (fisheries are very often only part time activity of the Slovenian fishermen, most of the exploited stocks are highly migratory therefore fishermen engage in fishing activates only occasionally or seasonally, their fishing season is very short,..). **But most importantly, these segments exploit available fish stocks in very low quantities which hinders their profitability by itself.** In 2016, 26 vessels in the segment LOA 0-6 m landed only 15,49 tons and 33 vessels in segment LOA 6-12 m landed only 35,72 tons.

Specific conditions that apply also to these two segments are explained in more detail in the section *“7.1 General remarks of Slovenia regarding the limitations of the indicators proposed by the “Guidelines for analysis of the balance between fishing capacity and fishing opportunities” of this report.*

CR / BER for the segment using pelagic (midwater) pair trawl (LOA 24-40) is not presented for the period 2012-2015 as this segment no longer exists since these vessel were scrapped.

7.5 Conclusion on balance by fleet segments assessed in accordance with the proposed indicators

Slovenia has reservations regarding the proposed indicators that are presented in the section *“7.1 General remarks of Slovenia regarding the limitations of the indicators proposed by the ‘Guidelines for analysis of the balance between fishing capacity and fishing opportunities’ for the Slovenian fisheries sector.”*

Nevertheless, based on the indicators proposed in the *“Guidelines for analysis of the balance between fishing capacity and fishing opportunities”*, it was possible to assess the following 4 segments of the Slovenian fishing fleet: DFN VL0006, DFN VL0612, DTS VL1218 and purse seines - PS (1 vessel VL0612 and 1 vessel VL1218).

These 4 segments generated 79,74 % of the total landings in 2016.

Purse seines segment (PS) (vessel LOA 06-12 m 1 vessel LOA 12-18 m)

This is the only segment for which it was possible to calculate technical, economic and biological indicators.

- Economic indicator “ROI - Return on Investment” demonstrates that this segment is highly profitable.
- Economic indicator “CR / BER - Current Revenue Against Break-Even Revenue” indicates that all variable, fixed and capital costs are covered and that the segment is highly profitable.
- Technical indicator – “Vessel utilisation indicator” shows that the activity of these vessels is satisfactory as it is relatively uniform and most of the time above or around 0,7, while in 2016 it was 0,93.
- Biological indicator “SHI - Sustainable harvest indicator” for this segment in 2016 is 2,03.
- Biological indicator – “SRI - Stocks at risk indicator” is 2.

As the stock statues’ for sardine and anchovy which are main target species of this segment and which are both already subject of a multiannual management plan for fisheries on small pelagic stocks Northern Adriatic Sea that was adopted by the GFCM, have been assessed by the GFCM as overfished in the sequence of the last few years, and since both biological indicators presented above indicate that these stock have been fished unsustainably, it could be concluded on the basis of these facts that this segment is not in balance with the available fishing opportunities.

Other indicators presented above show favourable results for this segment.

For this segment, it must be stressed that **only 2 vessels** were active in this segment in 2016, while in previous years there were on average 4 vessels, all below 15 m, on average active in this segment. Sardine and anchovy are target species of this segment, but once again it must be repeated that Slovenia exploits a very small fraction of the sardine and anchovy stocks in GSA 17, less than 0,1%, while the neighbouring countries in the Northern

Adriatic exploit most of these two stocks (the difference between Slovenian fisheries and the fisheries of the neighbouring countries can be distinguished by a factor of few 100).

This segment is already managed and regulated under a management plan as it is subject of the “Recommendation GFCM/37/2013/1 on a multiannual management plan for fisheries on small pelagic stocks in the GFCM-GSA 17 (Northern Adriatic Sea) and on transitional conservation measures for fisheries on small pelagic stocks in GSA 18 (Southern Adriatic Sea)”. This plan imposes limitations of the fishing days (per year and per month) and, in addition, further emergency and precautionary measures were adopted each year since its adoption due to the unfavourable state of the concerned two stocks, which further decreased available fishing days (from 180 down to 144) and introduced spatio-temporal closures (closure of fishery), which was already explained in this report.

Demersal trawls segment (DTS) (LOA 12-18)

- Economic indicator “ROI - Return on Investment” demonstrates high profitability of this segment in the 2012- 2015 period with the profits that significantly exceed reference risk-free long term interest rates.
- Economic indicator “CR / BER - Current Revenue Against Break-Even Revenue” shows great profitability in 2012 - 2015 period that may be closely linked to the implementation of the scrapping measure in the period 2012-2013.
- Technical indicator – “Vessel utilisation indicator” shows value under 0,7, but it must be taken in the account that there are only 6 vessels in this segment and their landings of mixed species in 2016 were 46,92 tons.

It may be concluded that this segment is balanced.

Drift and fixed nets segment (DFN) (LOA 0-6 m)

- Economic indicator “ROI - Return on Investment” for this segment was negative in the past, it showed improvement in 2014, while figure for 2015 is again negative.
- Economic indicator “CR / BER - Current Revenue Against Break-Even Revenue” for this segment was negative in the past, it showed improvement in 2014, while figure for 2015 is again negative.
- Technical indicator – “Vessel utilisation indicator” shows values under 0,7.

On the basis of the calculated indicators it may be concluded that the segment is not in balance with the available fishing opportunities. The calculated results of proposed indicators do not show favourable results, but the explanations regarding their application and appropriateness provided in other parts of this report need be taken into account when interpreting them. In addition, it is important to note that 26 vessels were in this segment in 2016 that **landed only 15,49 tons** of mixed species.

Drift and fixed nets segment (DFN) (LOA 6-12 m)

- Economic indicator “ROI - Return on Investment” for this segment fluctuated in the past, yet negative figures were more frequent. However it shows great improvement in period 2014 - 2015 and indicates high profitability.

- Economic indicator “CR / BER - Current Revenue Against Break-Even Revenue” for this segment fluctuated in the past, yet figures under 1 were more frequent. However it shows great improvement in period 2014 - 2015 and indicates high profitability.
- Technical indicator – “Vessel utilisation indicator” shows values under 0,7.

On the basis of the calculated indicators it may be concluded that the segment is not in balance with the available fishing opportunities. Calculated results of proposed indicators do not show favourable results, but the explanations regarding their application and appropriateness provided in other parts of this report must be taken into account when interpreting them. In addition, it is important to note that 33 vessels were in this segment in 2016 that **landed only 35,72 tons** of mixed species.