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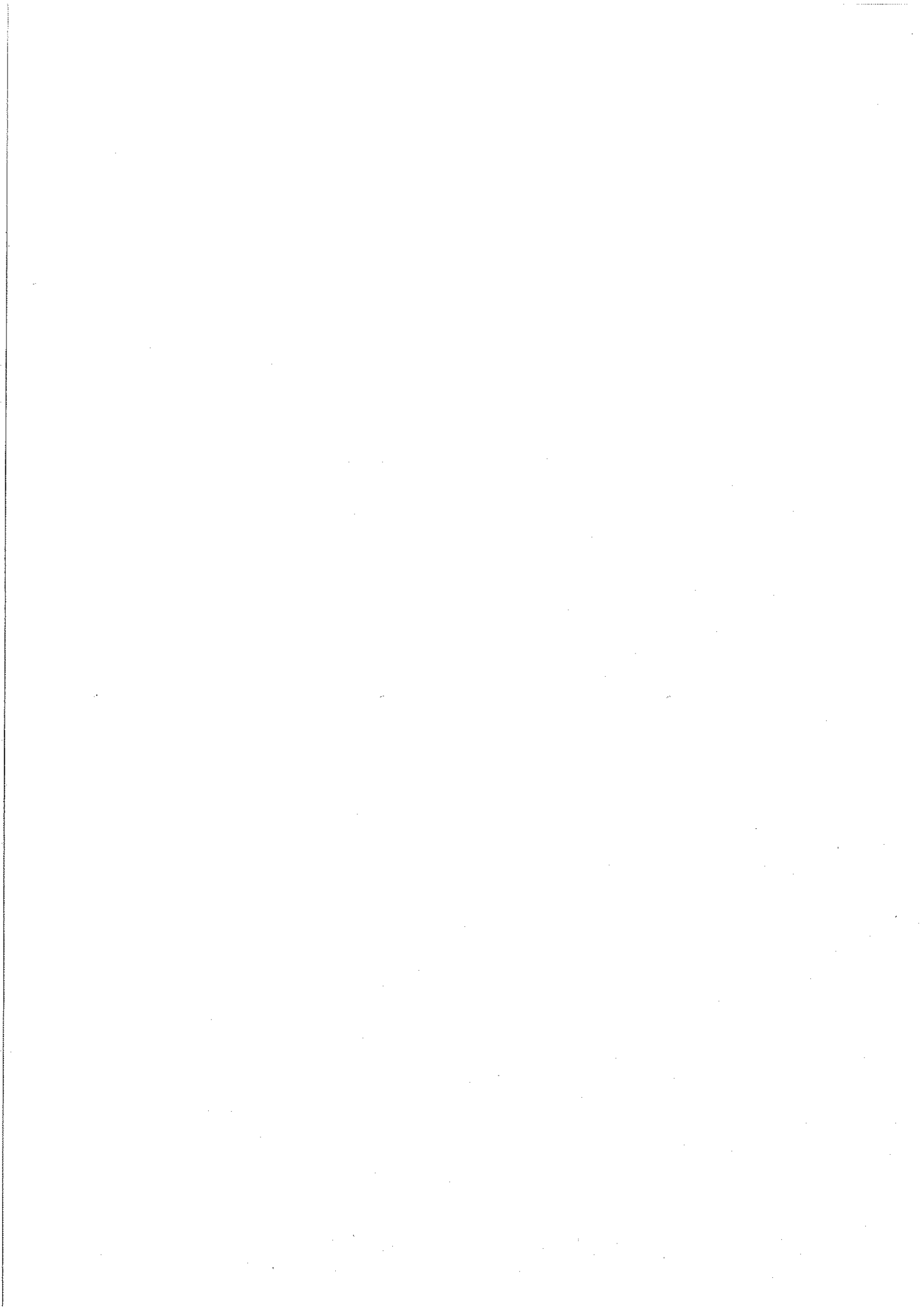
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Vedlagt følger evalueringsrapport om Kap Verde. Rapporten er tidligere oversendt til Folketingets Europaudvalg i en version til fortrolig orientering. Imidlertid har Kommissionen nu besluttet, at rapporten kan gøres offentligt tilgængelig. Den vedhæftede rapport er dermed nu offentligt tilgængelig.

Et resumé af rapporten fremgår af siderne i-vi.





**COUNCIL OF  
THE EUROPEAN UNION**

**Brussels, 24 June 2011  
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Delegations will please find attached a CD-ROM with the declassified version of the above evaluation report.<sup>1</sup>

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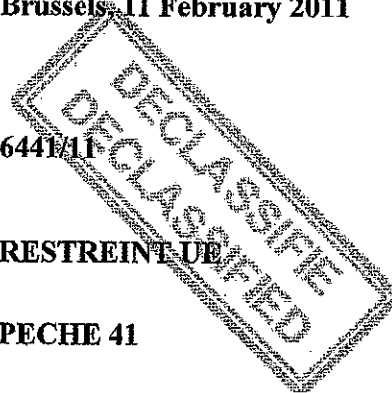
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**Brussels, 11 February 2011**

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## **COVER NOTE**

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**From :** European Commission  
**To :** General Secretariat of the Council

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**Subject :** 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

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**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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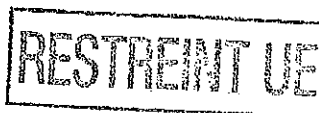


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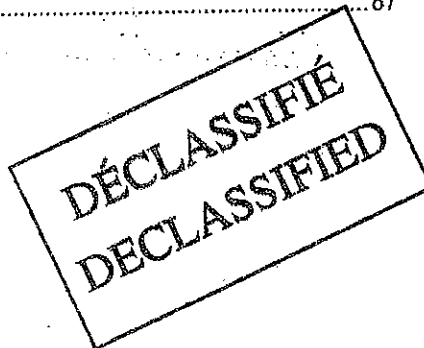
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Average exchange rates used (source: InforEuro)

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

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## 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
GPCI	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 Veterinary Office
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

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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
PNAIL	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

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## EXECUTIVE SUMMARY

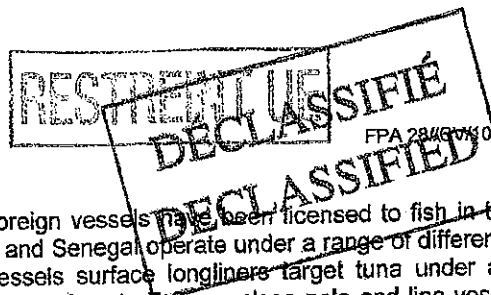
1. This report sets out the findings of an ex-post evaluation of the current Fisheries Partnership Agreement between the European Community and the Republic of Cape Verde, and analysis of the impact of the future Protocol on sustainability. The study was commissioned by the Directorate General for Maritime 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 km<sup>2</sup>, 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



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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 CSRP 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 CSRP 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

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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

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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).

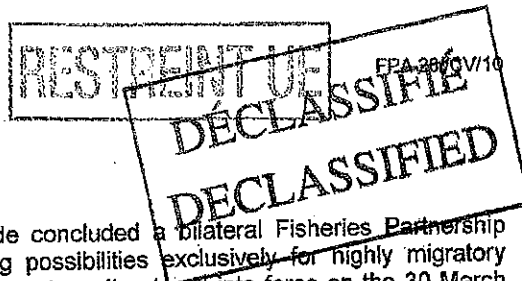
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26. The adoption of this model would reduce the reliance of CSRPs on donor funding, or at least reduce, the problem of arrears in payment of membership fees and contribute, at least partially, to the longer term sustainability of regional fisheries. The prospect of a regional FPA has already been considered by the CSRPs 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 Bissau<sup>1</sup>.

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.

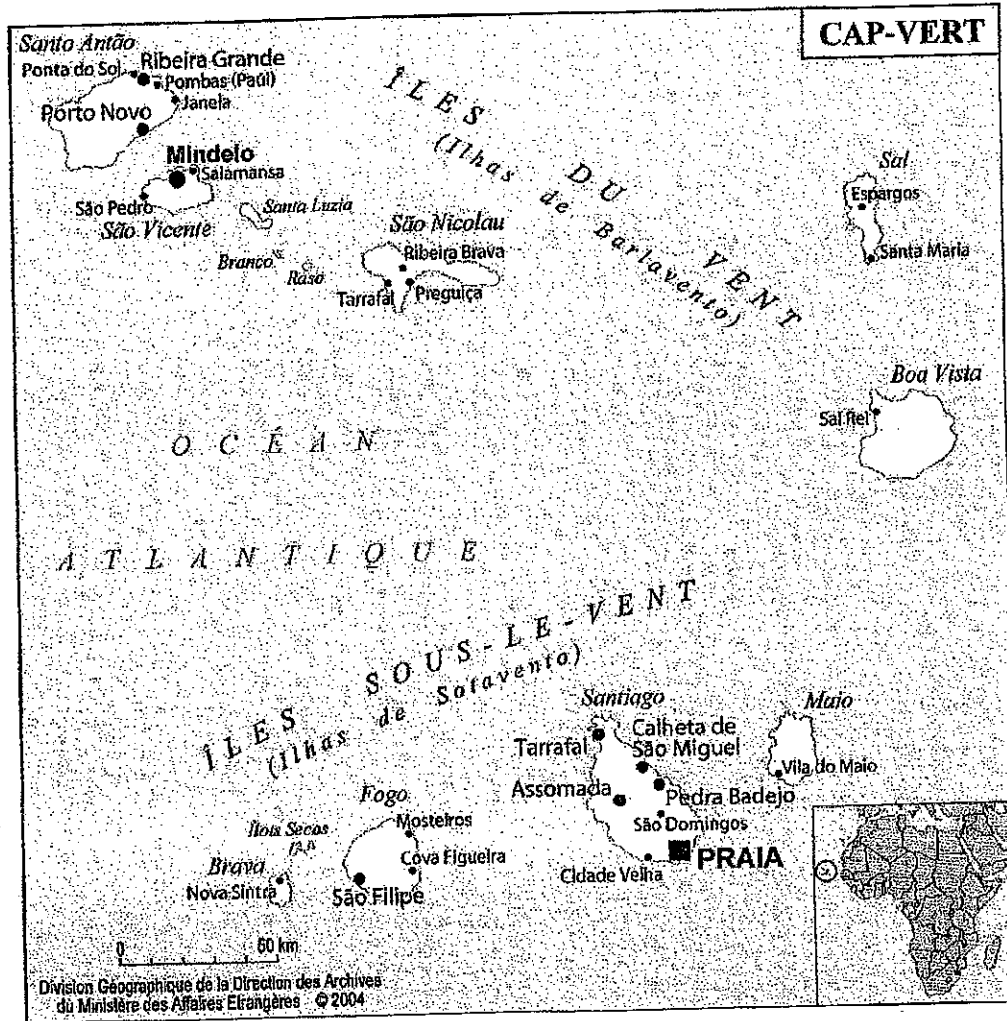
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<sup>1</sup> An Agreement with Guinea Conakry was denounced by the European Council in November 2009

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# 1 GENERAL BACKGROUND

## 1.1 Geography

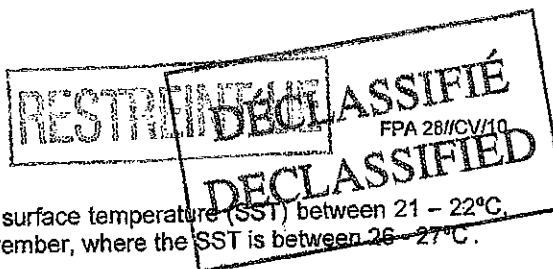


Source: European Commission; DG Development.  
[http://ec.europa.eu/development/index\\_en.cfm](http://ec.europa.eu/development/index_en.cfm)

**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 square<sup>2</sup>, 0.8% of the whole area. The climate is dry and tropical, and there are two well defined seasons: - a cold and dry season,

<sup>2</sup> 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.

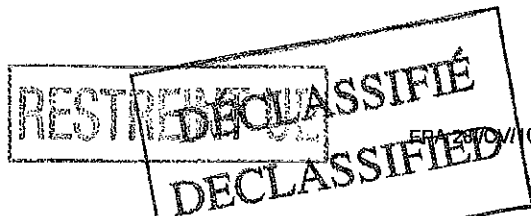


Table 1: Cape Verde's GDP at current prices

	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?

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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.

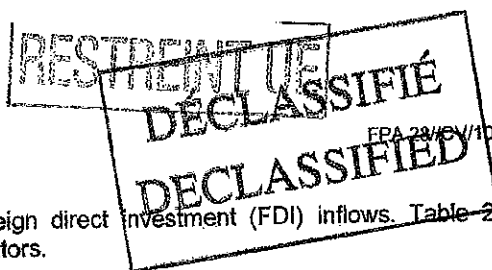
Despite this impressive progress, the country still faces enormous structural challenges: the high, largely structural unemployment rate; the persistence of a relatively high poverty rate; the need to improve delivery of services, both public and private; skill shortages; and inadequate infrastructure. 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).

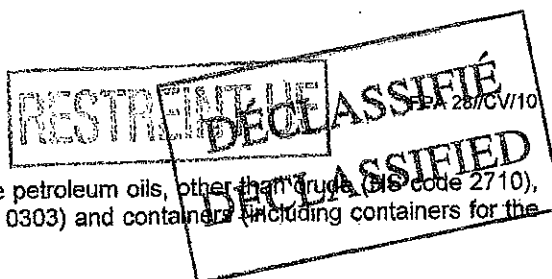
Overall Cape Verde is considered as one of the best performing countries in Africa in terms of political, economic and social development. According to the IMF, Cape Verde's economic and policy performance remains strong. As a consequence of its sustained progress, the country graduated from least developed 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" exports<sup>3</sup>. 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.

<sup>3</sup> 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.

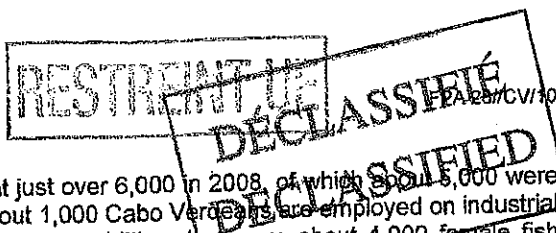
In 2009, total imports were US\$ 824 million. Imports of food, live animals, beverages and tobacco accounted for 27.7% of imported goods. Other major commodity groups for imports included machinery and transport equipment and manufactured goods respectively with 24.3 and 18.2% of imports.

#### 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*
<b>Total Population</b>	336,610	385,957	434,624	498,672
<b>Total Workforce</b>	95,186	137,958	174,664	200,403
<b>Employment in Fisheries Sector</b>				
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
<b>Total employment in fisheries</b>	<b>6,921</b>	<b>8,468</b>	<b>9,075</b>	<b>10,412</b>
<b>Ratios (employment)</b>				
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/SMIs, 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,

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- (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

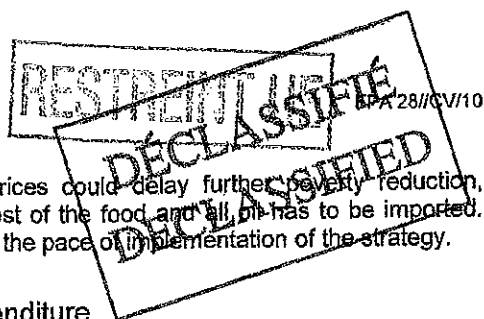
Whilst the Economic Transformation Strategy (ETS) provides a national long-term development vision, the second Growth and Poverty Reduction Strategy Paper (GPRSP-II) for the period 2008-2011 sets out a more detailed programme of measures for implementation under the Government's program for the 7th Legislature.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

- o **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.
- o **Human Capital;** Continued improvements in education sector; strengthened quality and increase access to health care services by the poor.
- o **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.
- o **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.
- o **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 strategy<sup>4</sup>:

- o 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;
- o 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;
- o 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.

<sup>4</sup> 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 capacity 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

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

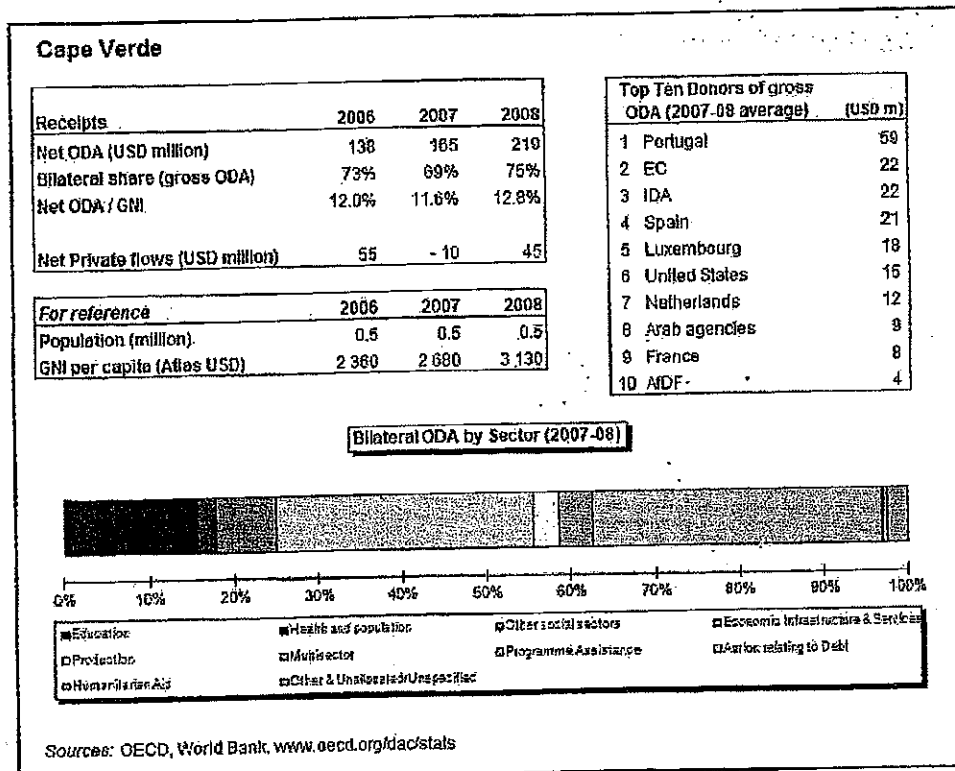
Cape Verde became a member of the Economic Community of West African States (ECOWAS) in 1977. This is financed by an external levy of 0.5% on all goods and vehicles originating from non-ECOWAS countries. Cape Verde is the ECOWAS country most affected by this levy due to its high proportion of non-ECOWAS 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.

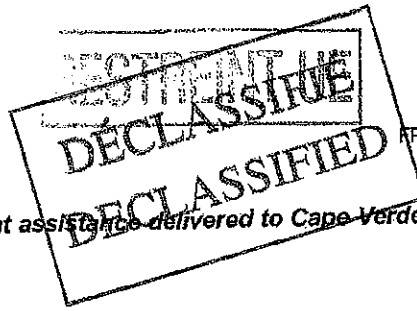
Cape Verde, as a former colony of Portugal, is a member of the Community of Portuguese Speaking Countries (CPLP), created with the objective of establishing political-diplomatic dialogue, cooperation in the cultural, social, economic, juridical and scientific fields and implementation of projects aimed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







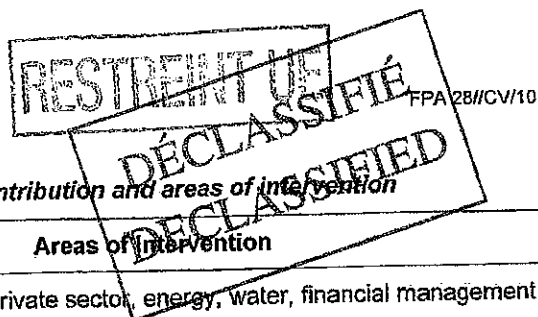
**Figure 2: Matrix of overseas development assistance delivered to Cape Verde, 2006 to 2008.**

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

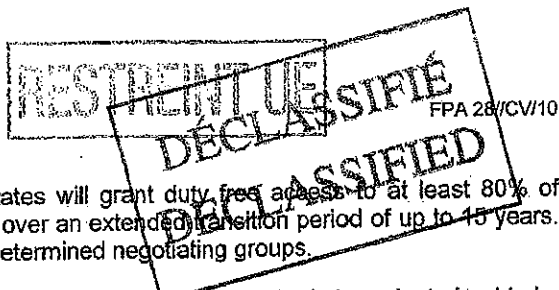
## 1.8 Relations with the European Union

### 1.8.1 The EC-Cape Verde cooperation strategy

Like other ACP states, Capé 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 [...]"*

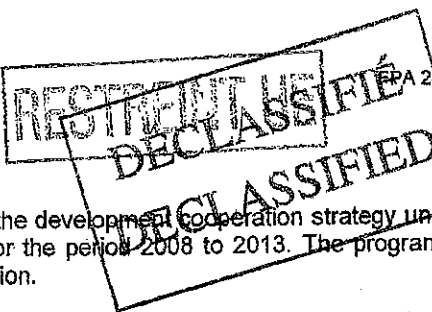
In October 2007, the EU, considering that Cape Verde possesses "all of the structural conditions" necessary for the option, granted Cape Verde a "Special Partnership Status", which is based on co-operation on trade, investment, illegal immigration, the fight against organised crime and upgrading of institutions 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 level<sup>5</sup>).

<sup>5</sup> 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 implemented by means of project aid.

### 1.8.3 Regional Indicative Programme

Cape Verde is also a beneficiary of interventions supported under the 10<sup>th</sup> 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:

- o Peace and security
- o Democratic governance and human rights
- o Trade, regional integration and infrastructure
- o Millennium development goals (MDGs)
- o Energy
- o Climate change
- o Migration, mobility and employment
- o 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:

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

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- o Focal Sector II: Consolidation of good governance and regional stability (30% of total: EUR 119 million)
- o 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

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

- o 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;
- o 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 10<sup>th</sup> 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 Fund<sup>a</sup>. This is able to provide grants for:

- o interest rate subsidies

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

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- o technical assistance including preparatory work for eligible projects such as environmental impact assessments, project supervision and targeted capacity building
- o direct grants for project components that have a substantial demonstrable social or environmental benefit
- o 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

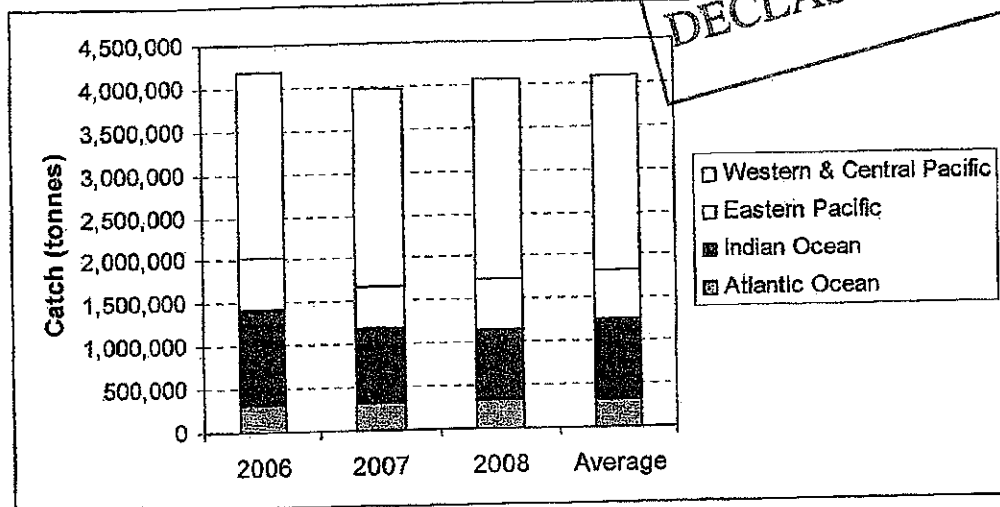
The EU Cape Verde Fisheries Partnership Agreement concerns fishing opportunities for highly migratory species. The target species of the EU vessels operating under the Agreement are two species of tuna caught by purse seiners (yellowfin tuna - *Thunnus albacares* and skipjack tuna - *Katsuwonus pelamis*) 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 %).

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**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 fleets<sup>7</sup> 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.

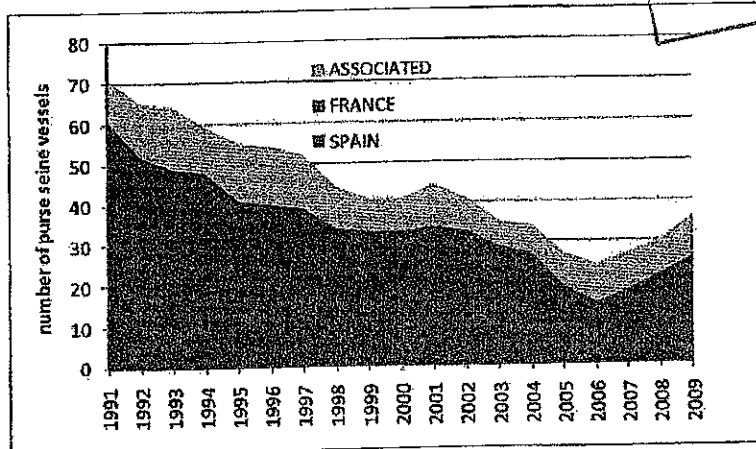
The EU purse seine fleet in the Atlantic is comprised mainly of vessels under Spanish and French flags. An average of 20 vessels have been operating in the period from 2006 to 2008, where Spanish purse seiners have increased from 11 to 16 in the period while French vessel numbers have been constant at 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

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

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presently operating in the Atlantic, and a substantial number of these have been licensed in the Cape Verde zone (an average of 26 vessels in the period 2007-2009).



**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.

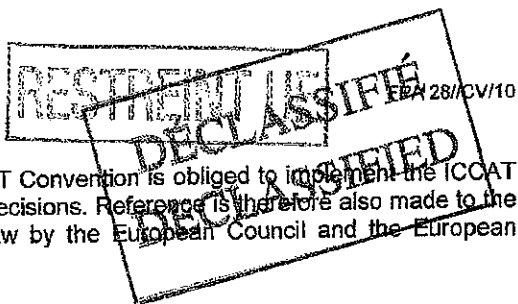
### 2.1.3 Status of stocks and management measures

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 2010<sup>8</sup>. 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.

<sup>8</sup> Available at [www.iccat.int](http://www.iccat.int)



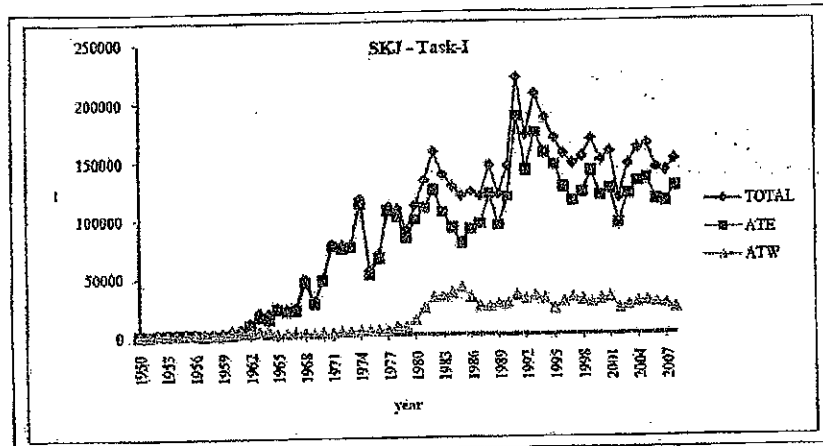


The European Union as a party to the ICCAT Convention is obliged to implement the ICCAT Recommendations, Resolutions and other Decisions. Reference is therefore also made to the implementing decisions adopted into EU law by the European Council and the European Commission.

### 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

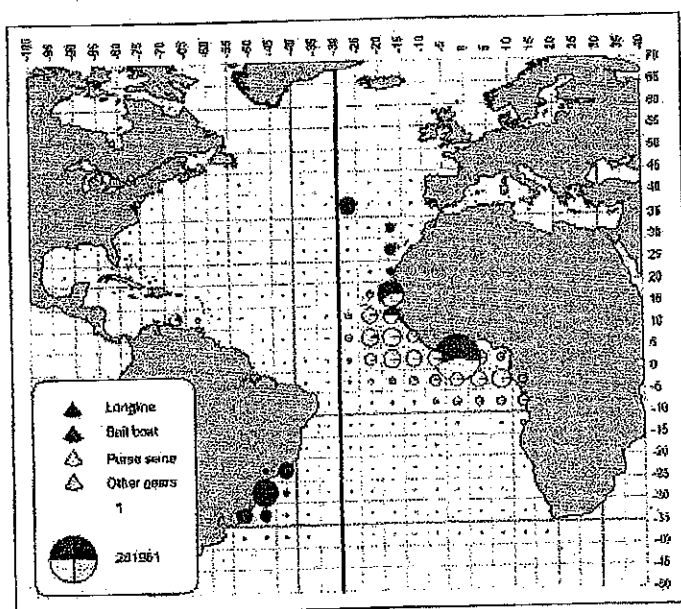
Traditional stock assessment models have been difficult to apply to skipjack because of their particular biological and fishery characteristics (i.e. continuous spawning, variation in growth by area, non-directed effort and weakly identified cohorts). Although the fisheries operating in the east have 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.

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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

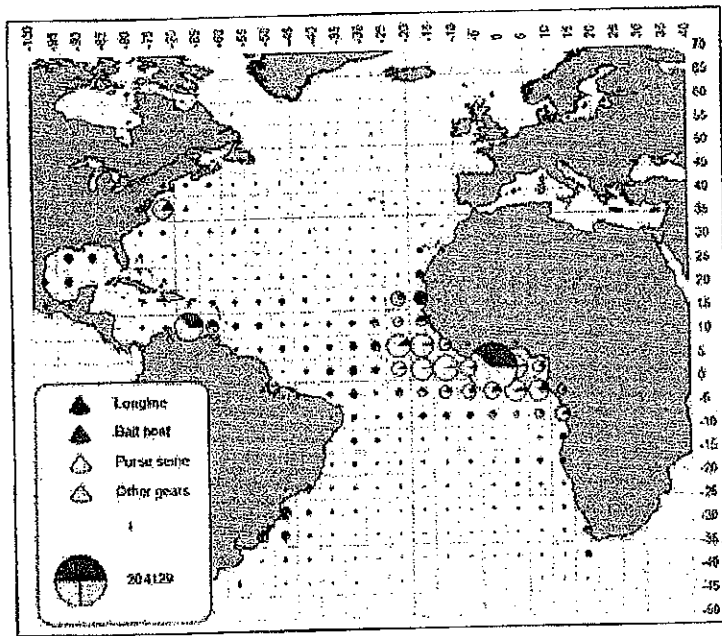
Yellowfin tuna is distributed mainly in tropical and subtropical oceanic waters. The sizes exploited range from 30 cm to 170 cm fork length (FL); maturity occurs at about 100 cm FL. Smaller fish (juveniles) form mixed schools with skipjack and juvenile bigeye, and are mainly limited to surface waters, 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

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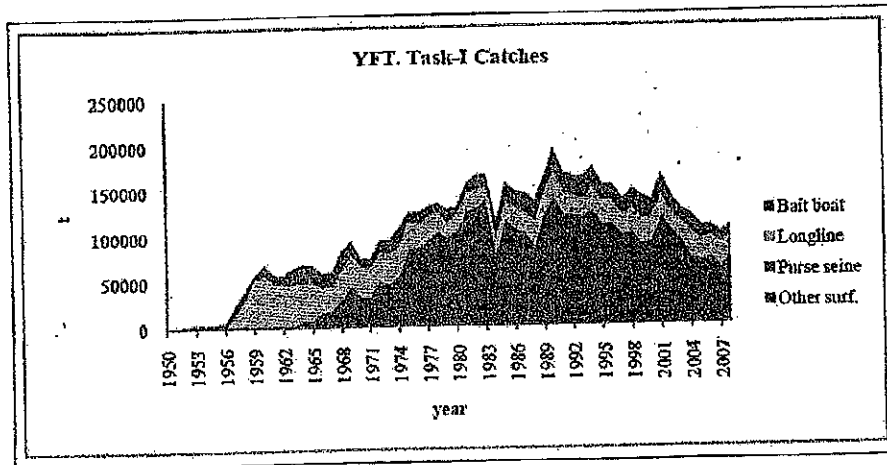
continuing to decline steeply with reductions of 40% in only two years since 2006. In the eastern Atlantic, on the other hand, catches have increased by 13% since 2006 mainly due to substantial increases in purse seine effort. Most of these catches are taken off the coasts of Ghana and Cote d'Ivoire, 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**

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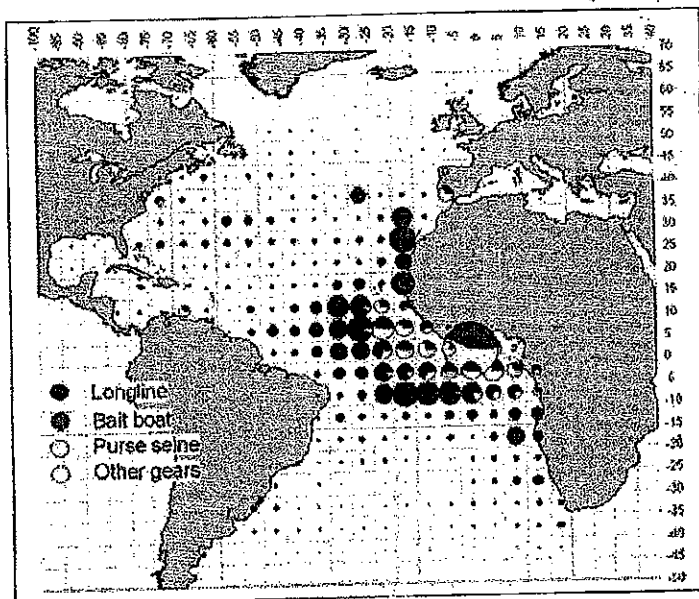
Source: ICCAT

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

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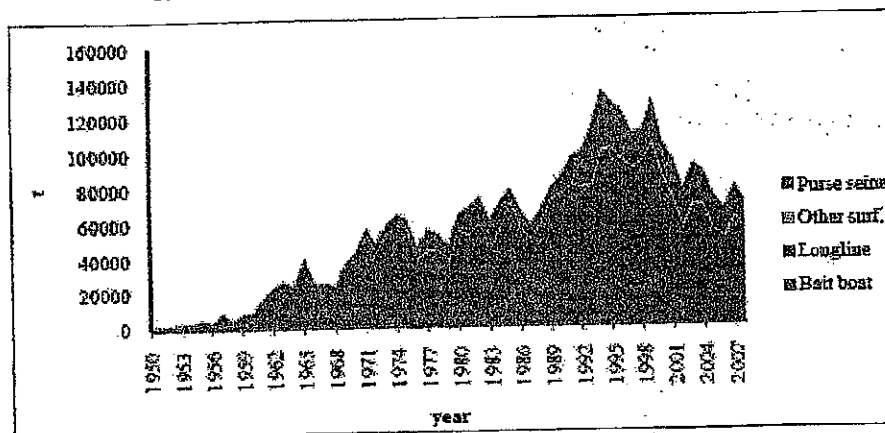
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baitboat fishery and small for other baitboat and for purse seine fisheries. The main purse seine fisheries are off the coasts of Ghana and Cote d'Ivoire. Only relatively small catches are reported for the ICCAT square in which Cape Verde is located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

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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

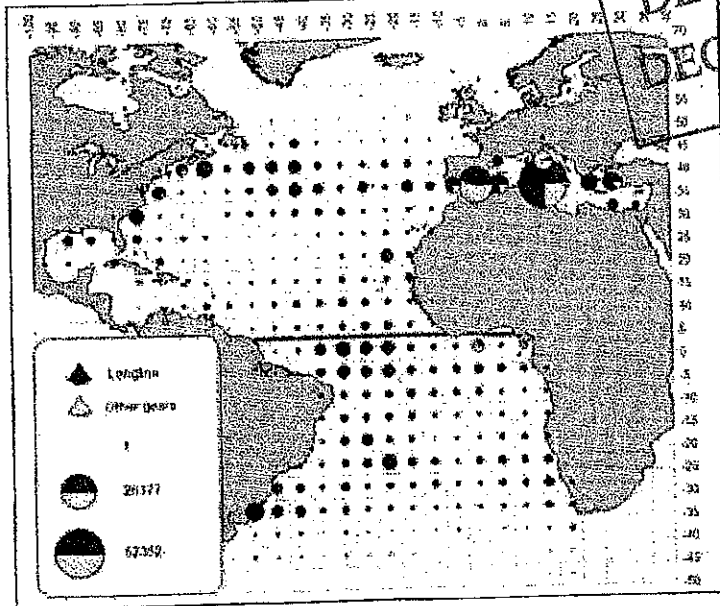
Swordfish (*Xiphias gladius*) is distributed widely in the Atlantic Ocean and Mediterranean Sea (Figure 11). It spawns mostly in the western warm tropical and subtropical waters throughout the year, and is also found in the colder temperate waters during summer and fall months. Young swordfish grow very 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.

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**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).

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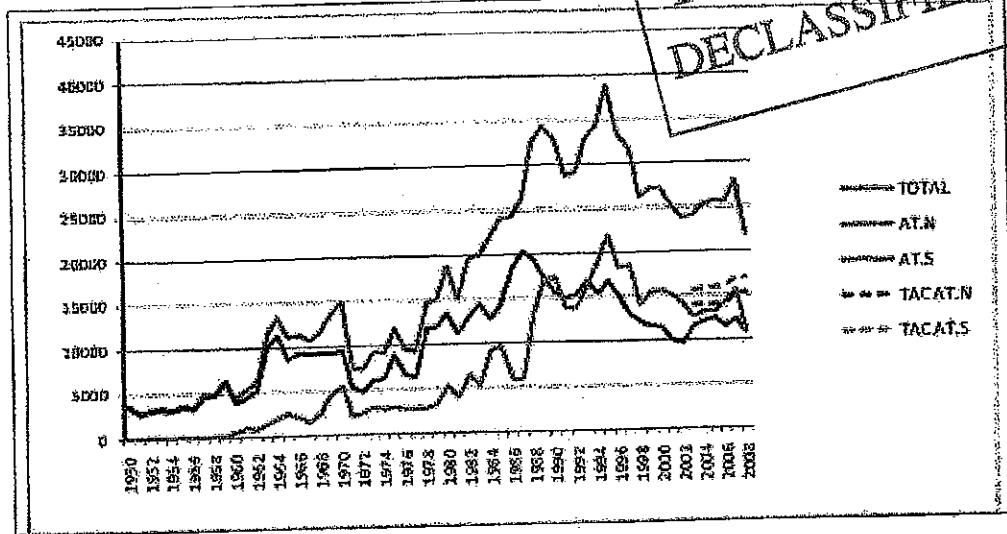


Figure 12: Swordfish reported catches (t) for North and South Atlantic for (1950-2008) and the corresponding TAC.

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 ovoviviparous<sup>9</sup> 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

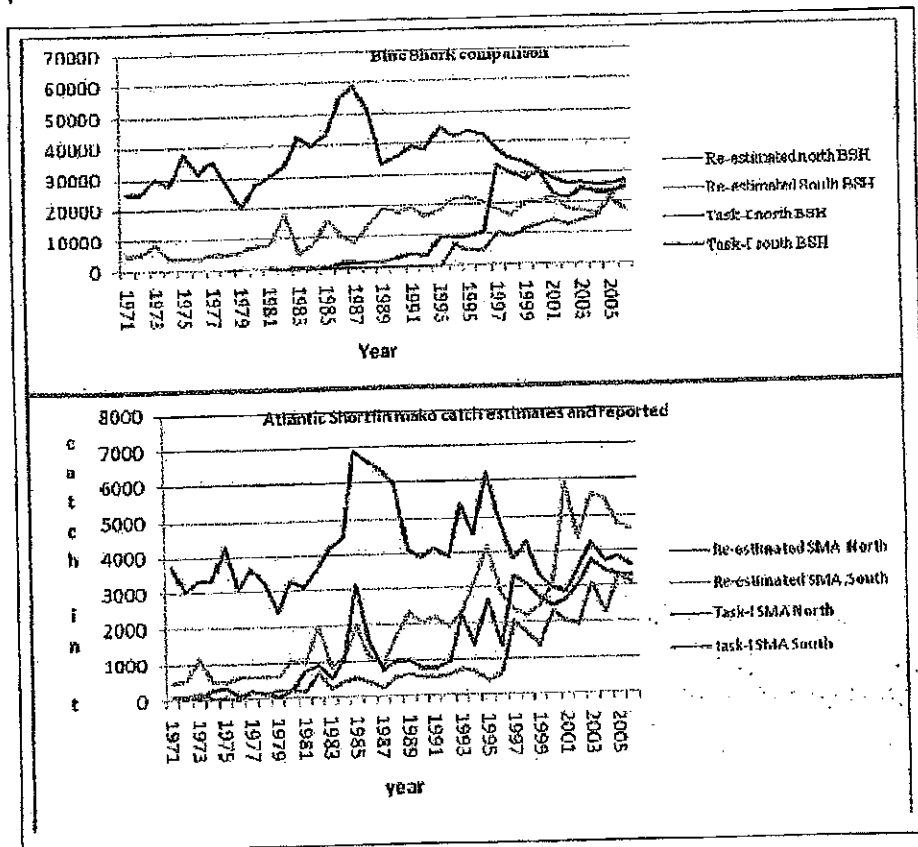
<sup>9</sup> Ovoviviparous refers to giving birth to live young, where the embryos are nourished by an egg yolk inside the body of the mother (i.e. not a placenta as in mammals).



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On 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

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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"> <li>- 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</li> <li>- 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)</li> </ul>
Bigeye tuna	2007 (2010)	68,000 - 99,000	69,821 (fully exploited)	<ul style="list-style-type: none"> <li>- TAC of 85,000 tonnes in 2010 (Rec. 09-01); EU: 31,200t (for ESP, FRA, PRT); Council Reg. EC 23/2010</li> <li>- Limits on numbers of fishing vessels less than the average of 1991 and 1992 (larger than 24m LOA and specific to GRT)</li> <li>- Specific limits on number of longline boats; China (45). Chinese Taipei (98 + 7 in 2010 &amp; 2011). Philippines (8 + 2 in 2010 &amp; 2011); Specific limits on number of purse seine boats for Panama (3)</li> <li>- 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)</li> <li>- 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;</li> </ul>
Skipjack tuna (eastern stock)	2008 (2012)	143,000 - 170,000	127,000 (exploited sustainably)	

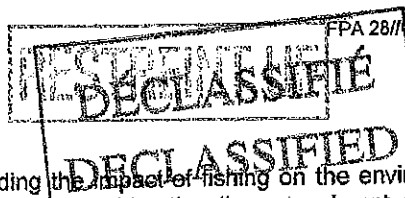
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Stock	Time of latest ICCAT assessment *	Estimated MSY Unit: tonnes	Current Yield / status Unit: tonnes (provisional data for 2008)	Management measures in place / comments
Swordfish (North Atlantic)	2009 (2012)	13,020 - 14,182	10,752 (exploited sustainably)	- 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)	- 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)	- 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

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#### 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 2005<sup>10</sup>. 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.

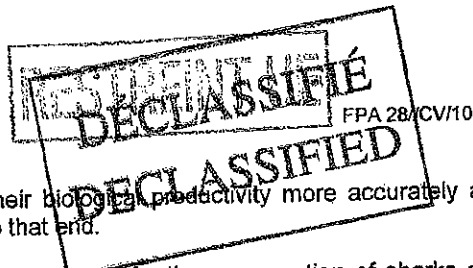
Baitboat (or Pole-and-line): discard rate of 0.1%, can thus be considered a very clean fishery.

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

<sup>10</sup> 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)<sup>11</sup>, 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 Senegal<sup>12</sup>. A project has been supporting its implementation (2004-2011), hosted by the Sub-Regional Fisheries Commission (SRFP) 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 (*Phoebastria 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 behaviour<sup>13</sup>. 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; 2003-2005<sup>14</sup>. However, as a precautionary measure, it has advised that Contracting Parties should use tori lines<sup>15</sup> 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.

<sup>11</sup> 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

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

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

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

<sup>15</sup> 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.

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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 2010<sup>16</sup>. 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 (*Dermochelys 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. 2006<sup>17</sup>). 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 longliners<sup>18</sup>.

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 alive<sup>19</sup>. 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 Atlantic<sup>20</sup>. 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.

<sup>16</sup> [http://ec.europa.eu/fisheries/partners/consultations/seabirds/index\\_en.htm](http://ec.europa.eu/fisheries/partners/consultations/seabirds/index_en.htm)

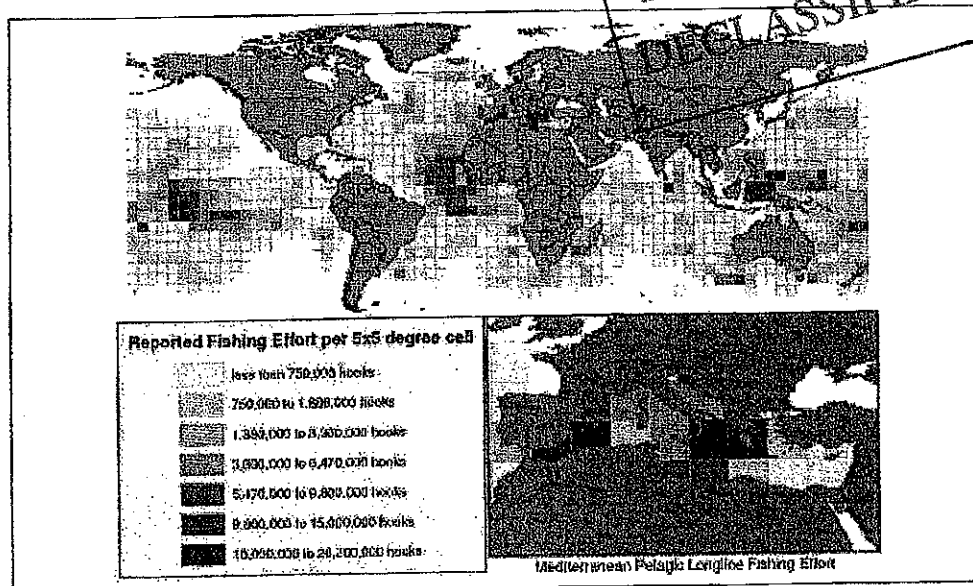
<sup>17</sup> Carranza, A., Domingo, A., Estrades, A. 2006. Pelagic longlines: a threat to sea turtles in the equatorial eastern Atlantic. Biological Conservation vol. 131, n° 1, 52-57

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

<sup>19</sup> Chassot, E., Amande, M.J., Chavance, P., Planet, 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

<sup>20</sup> 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.

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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 all<sup>21 22</sup>.

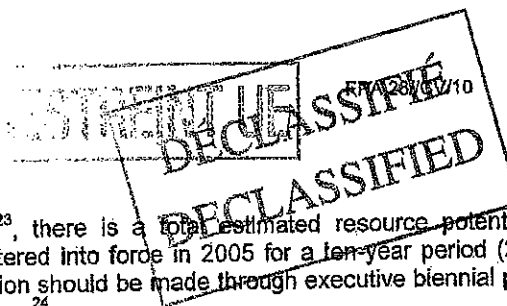
**2.2 Cape Verde fisheries**

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 km<sup>2</sup> (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 km<sup>2</sup>, characterised by oceanic waters and relatively low productivity where it is mostly foreign fishing fleets that have the capacity to operate.

<sup>21</sup> Chassot, E., Amande, M.J., Chavance, P., Planet, 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

<sup>22</sup> 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 Plan<sup>23</sup>, 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 force<sup>24</sup>.

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	26,000	2,719 <sup>25</sup>	22,000
Small pelagics	6,500 – 8,300	4,529 <sup>26</sup>	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 uncertain<sup>27</sup>. 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.

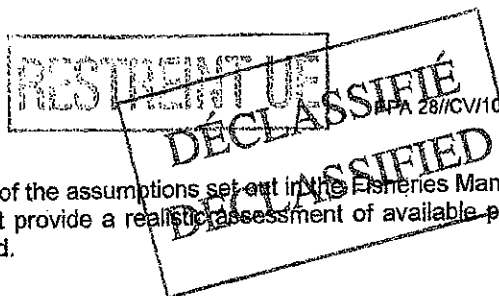
<sup>23</sup> Plano de Gestão dos Recursos da Pesca (PGRP), Segundo Plano de Acção Nacional para o Ambiente – PANA II, Ministério do Ambiente, Agricultura e Pescas – MAAP, Vol. 6, Praia 2004

<sup>24</sup> 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

<sup>25</sup> Does not include the catches of foreign fleets

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

<sup>27</sup> 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
<b>TOTAL Cape Verde</b>	<b>70</b>	<b>100</b>	<b>840</b>

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.

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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
<b>TOTAL</b>	<b>1,036</b>	<b>100</b>	<b>766</b>	<b>74</b>	<b>3,108</b>	<b>893</b>

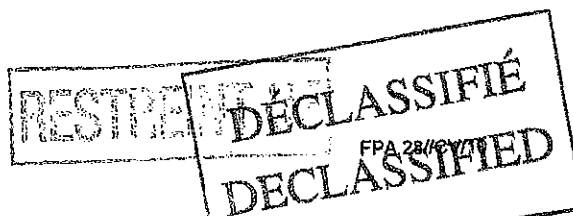
Source: INDP, 2010

### 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
<b>Total</b>	<b>8,385</b>	<b>8,700</b>	<b>8,628</b>	<b>9,924</b>	<b>9,068</b>	<b>8,128</b>
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
<b>Total</b>	<b>8,385</b>	<b>8,700</b>	<b>8,628</b>	<b>9,924</b>	<b>9,068</b>	<b>8,128</b>

\* 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 Prala, 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

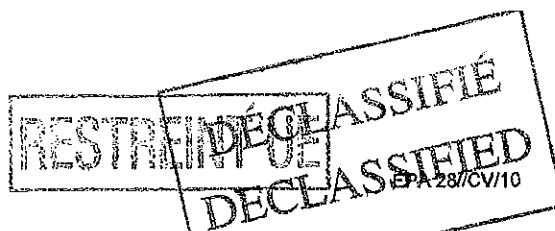
The island of São Vicente also has the small fishing port "Cova d'Inglesa", also located in Mindelo, which became operational in 2004. This port supports the semi-industrial Cape Verdean fleet. It is equipped with a fish selling and marketing area, freezer tunnel with a capacity of 6 tonnes/cycle, and 300m<sup>3</sup> 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 Vizcalno 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/transhipping 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**

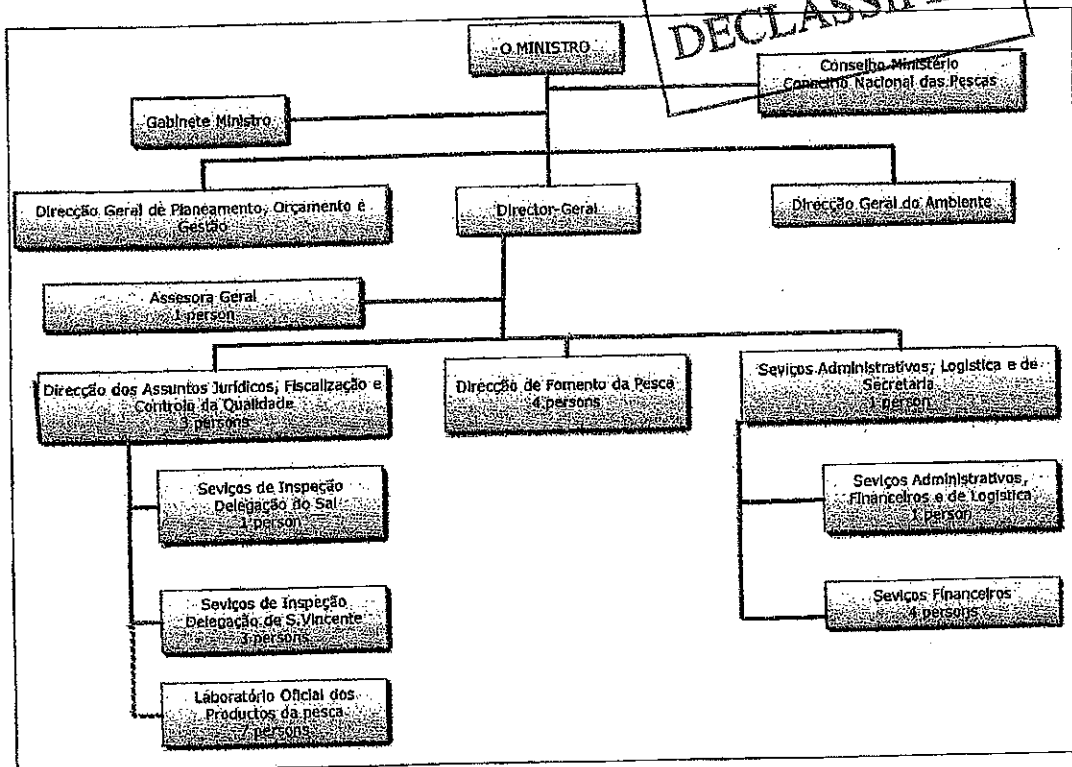
Salsesimbra is a small company on the Isle of Sal, orientated to the production and exports of live and frozen lobster, fresh and frozen fish, filleting of fish and also processing of shark. The location of the company is crucial for these activities since it is close to the main fishing areas for lobster (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 (Laboratorio Oficial de Productos de Pesca), which is operated at present by INIDA (National Institute of Research and Agricultural Development). The DGP also manages the Fisheries Development Fund (Fondo 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.

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**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.

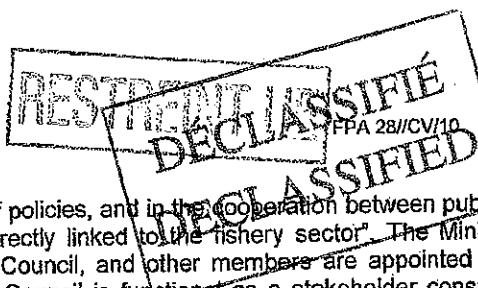
In 2004 INDP had a staff of 94. Under its constitution INDP is allowed to benefit from the provision of goods and services, and also benefits from part of the income of the Fisheries Development Fund. Within the Directorate of Marine and Aquaculture Research, the research strategy is conducted along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

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**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 days, 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

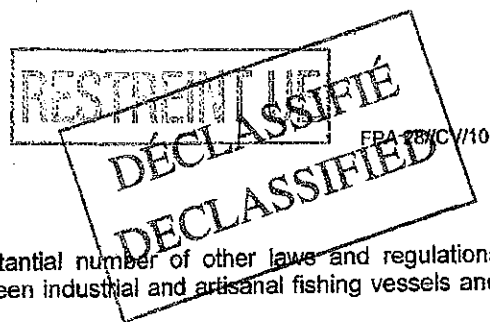
The IMP is responsible for security and controls within the port areas. As such, through the Maritime Police, they supervise transshipment of fishery products from foreign vessels. The majority of this activity takes place in the Porto Grande of Mindelo. The present system comprises issuing permits for 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





- o 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 km<sup>2</sup>. 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
<b>Total non-EU</b>		<b>25</b>	<b>20</b>	<b>20</b>	<b>8</b>
Surface long line	EU	28	27	26	28
Pole and line		11	10	8	8
Purse seine		8	10	12	21
<b>Total EU</b>		<b>47</b>	<b>47</b>	<b>43</b>	<b>57</b>

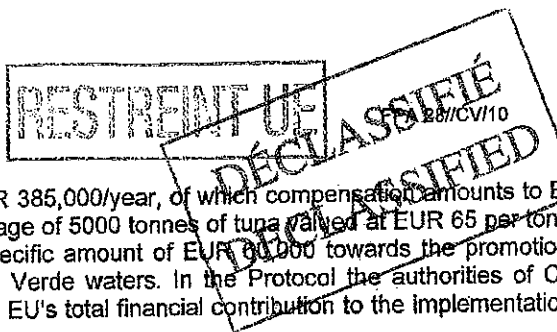
Source: DGP Cape Verde, European Commission

#### 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.

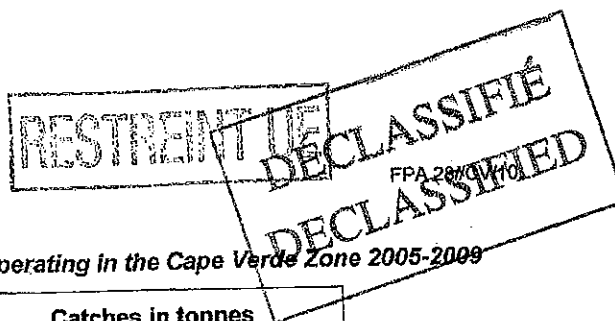
Between 2007 and 2010, an average of 48 EU vessels per year drew licences to fish in the Cape Verde zone under the Fisheries Partnership Agreement. These comprised an average of 12.75 purse seine vessels, 26.25 surface longline vessels and 9.25 pole and line vessels. The reference tonnage set by the 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
<b>TOTAL</b>	<b>668.3</b>	<b>569.2</b>	<b>958.2</b>	<b>303.5</b>	<b>691.0</b>

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

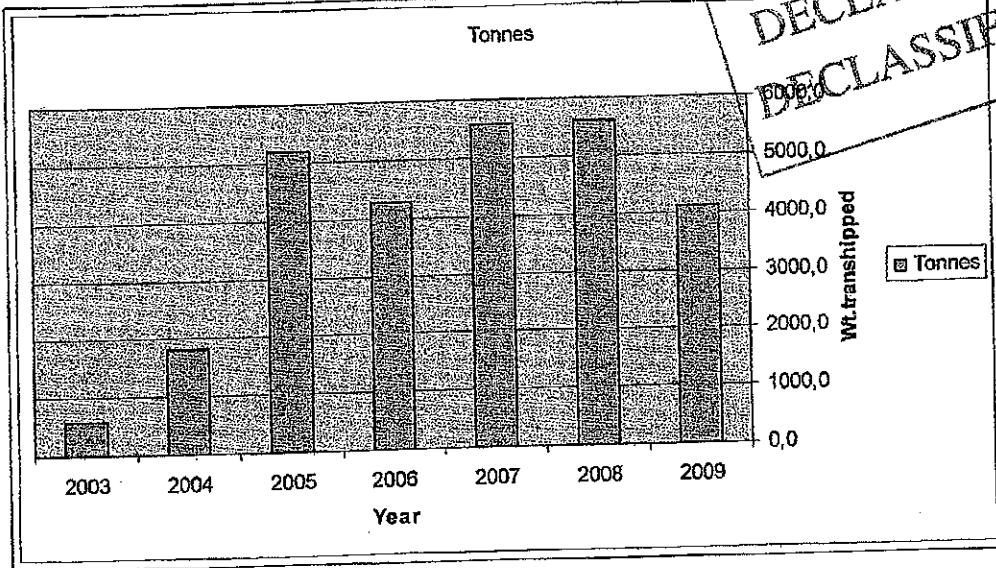
The port of Mindelo, on the island of São Vicente, is an important regional hub for a number of foreign fleets. It is extensively used by the EU and Chinese longline fleets as a base of fishery operations in the region (even if the vessels, as in the case of Chinese flagged ones, are not licensed to 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.

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Source: Instituto Marítimo Portuario, Mindelo

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

Table 15: Transhipment 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

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### 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 re-commenced 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

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### 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.

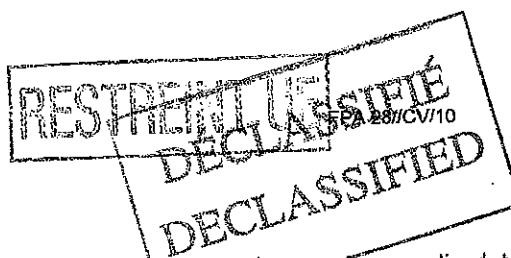
Table 17: Imports of fishery products by origin 2007 to 2009

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

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### 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 2008<sup>28</sup>. 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:

- o prepared or preserved mackerel fillets in commodity codes 1604 1511, and 1604 1998
- o prepared or preserved fillets of frigate tuna and frigate mackerel loins in commodity code 1604 1998
- o 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.

<sup>28</sup> 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

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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 chairs 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.