Havs och Vatten myndigheten

Annex 1

Impact Assessment No HaV 2025-000494 on revised Vessel Monitoring System (VMS) requirements

A. Description of the problem, consequences and alternatives

1. Description of the problem and the change that is sought

The Control Regulation[1] states that Member States shall operate a satellite-based vessel monitoring system (VMS) for effective monitoring of fishing activities of the fishing vessels flying their flag wherever those vessels may be and of fishing activities of other countries vessels in the Member States' waters. The requirement currently applies to fishing vessels with an overall length of 12 metres or more. It is up to the Member States how they want to regulate which satellite-tracking devices vessels are to have and whether the State, by means of some form of support, is to reimburse operators for the costs of equipment and data traffic.

Swedish fishing vessels and the Swedish Agency for Marine and Water Management (HaV) currently use Inmarsat C as a communications satellite system and Sailor 6140 mini C as a satellite-tracking device. Today, the basic requirement for Swedish vessels is that they send position information once per hour[2]. In some areas, such as the Skagerrak and some marine protected areas, there are requirements for more frequent position reporting.

The Sailor 6140 mini C has some technical limitations, which makes it unsuitable for use in areas where position reporting is required with a frequency more often than every 15 minutes. Today, due to technical limitations in the current satellite-tracking device, Swedish fishing vessels are not able to send position reports every 10 minutes and at the same time transmit their data in an electronic logbook. The 10 minute reporting requirement is currently in place in some marine protected areas in the North Sea. In addition, Norway now has a requirement for Norwegian vessels to send position reports every 10 minutes, which is why the risk that this will become a requirement for fishing in Norwegian waters, in the future, is quite high. There is therefore a need to ensure that Swedish fishing vessels that are required to be equipped with satellite-tracking

[1] Council Regulation (EC) No 1224/2009 of 20 November 2009 establishing a Union control system for ensuring compliance with the rules of the common fisheries policy, amending Regulations (EC) No 847/96, (EC) No 2371/2002, (EC) No 811/2004, (EC) No 768/2005, (EC) No 2115/2005, (EC) No 2166/2005, (EC) No 388/2006, (EC) No 509/2007, (EC) No 676/2007, (EC) No 1098/2007, (EC) No 1300/2008, (EC) No 1342/2008 and repealing Regulations (EEC) No 2847/93, (EC) No 1627/94 and (EC) No 1966/2006.

[2] Chapter 2, Section 1a of the Regulations (HVMFS 2018:11) of the Swedish Agency for Marine and Water Management on the obligations of masters to report and notify commercial fishing in the sea.

Swedish Agency for Marine and Water Management
Box 11 930
404 39 Gothenburg

Visit and delivery:
Gullbergs Strandgata 15
41104 Gothenburg

Tel.: 010-698 60 00
Telefax: 010-698 61 11
havochvatten@havochvatten.se
www.havochvatten.se

Number for bank transfer 199-6669
Business registration number
202100-6420

devices have equipment capable of transmitting position reports at least every 10 minutes, in parallel with the ability to transmit electronic logbooks by satellite.

There are alternatives to using the communication satellite system Inmarsat C, which is currently used by Sweden. For example, Denmark and Germany use the Iridium satellite network. In comparison with Inmarsat C, the Iridium satellite network is considered to have, among other things, better coverage, especially against the poles, as Iridium uses a network of 66 satellites.

Due to technical developments and new Union rules with more marine protected areas with fishing restrictions for which higher frequency of reports by the satellite-tracking device is requested, we see a need to make it possible, where necessary, to replace the technical equipment, Inmarsat Sailor 6140 M mini-C, on board fishing vessels and the services linked to it. We have found that there are several suppliers of this type of technology and services on the market. We therefore see that, by conducting a concession tender procedure, we can open up for fishing operators to obtain better competitive prices for both equipment, subscriptions and traffic charges.

The objective is to enable all Swedish vessels with an overall length of 12 m and over to be able to comply smoothly with the requirements of existing EU regulations and agreements with third countries. For vessels fishing or transiting in areas where position reporting is required every 10 minutes, the proposal provides for the possibility to select a new satellite-tracking device capable of meeting these requirements. Those who do not fish in such areas are given the opportunity to either continue using the current technical solution with communication via Inmarsat C or, if they prefer, switch to communication via the procured alternative.

As is currently the case, operators engaged in fishing activities with fishing vessels will have to bear their own costs. The change consists of the fact that, instead of the current administration, they shall enter into agreements on subscriptions and data traffic directly with the procured operator. The current approach, whereby the HaV is invoiced for the fishing costs for subscriptions and traffic charges, and then invoices these costs to fishing operators, shall be discontinued.

The biggest change for fisheries operators, as a result of the proposal, is that they will need to sign a subscription with the contracted data service provider. This is regardless of whether they choose to keep their current satellite-tracking device or whether they choose to switch to a procured alternative provided by the data service provider.

2. Description of the consequences expected if no action is taken

We are now opening up to give fishery operators the opportunity to choose between a current technical solution and a procured, more modern solution. If we do not open up an alternative to the current satellite tracking-device Sailor 6140 mini C, this means that masters of vessels wishing to transit through certain areas of the North Sea will not be able to meet the current position reporting requirements imposed by the coastal States. The master, thus, needs to choose either to travel outside the areas, resulting in increased fuel costs and environmental impact, or to travel through the areas, in breach of the regulatory framework with the risk of legal penalties. Furthermore, there is a risk that the masters of the vessels will not be able to comply with the requirements for position reporting every 10 minutes that we consider likely to be introduced for fishing in Norwegian waters in the near future. And then the consequence is that the vessels do not have the opportunity to fish in Norwegian waters, with reduced catches and profitability as a result.

For the HaV, the consequences (if no action is taken) consist of a continued high administrative cost of managing the invoicing vis-à-vis fishing operators and the costs associated with acting as an intermediary for fishing operators' costs for the VMS.

3. Description of the different options available to achieve the change and the advantages and disadvantages associated with each

We have identified two main options for achieving the change.

The first option (1) is to lay down technical and functional requirements for equipment in the regulations and to then allow operators to choose the subscriber provider freely, as long as the equipment complies with the technical requirements. The second option (2) is for the HaV to procure a provider that provides its services using equipment that complies with technical requirements.

1: Set technical and functional requirements in the regulations and on the basis of these let the fishing operators freely choose supplier and equipment

-Advantages:

This option provides a great freedom of choice for the fishery operators to find a supplier of the services and equipment that suits the particular vessel best. They can also choose to switch supplier if someone else offers better conditions.

This option provides greater opportunities for the fishery operators to choose to update equipment as the technology develops.

-Disadvantages:

A greater responsibility is placed on fishing operators to choose a right system which complies with the rules and meets the technical and functional requirements laid down in the regulations. If, after installation, the equipment proves to not be in conformity with the technical requirements, the vessel's ability to fish is affected until functional equipment is installed.

For the HaV, it will be technically challenging and costly to be able to manage different types of satellite tracking devices and communication satellite systems. For this option, the HaV needs to develop some form of IT platform that can manage different types of communication satellite systems, satellite-tracking devices and subscriptions. This platform shall then be managed, and all solutions chosen by the fishery shall be tested and verified before they can be deployed. This requires skills that are only partly available at the HaV today, which is why recruitment will be necessary. Furthermore, there is a risk that there will be many contact areas with different suppliers, which further increases the need for staff at the HaV.

There are only about 130 Swedish fishing vessels that have VMS today. This means that the opportunities for economies of scale are small. The fact that various data service providers need to develop solutions to be able to deliver data to the HaV's IT platform can be costly; costs that will then have to be borne by fisheries. An alternative scenario is that one company is first to develop a solution that works in accordance with the requirements set, which is then to be delivered to the HaV's

IT platform. This company would then probably be selected by the majority of Swedish companies and would come to have a form of monopoly on the market.

2: Conducting a concession tender for a provider

-Advantages:

The HaV is responsible for ensuring that the procured alternative is in accordance with existing rules and regulations and that it works with the HaV's systems and infrastructure.

The regular opening of competition is intended to enable a better price situation for the fishery operators than the current solution offers. Furthermore, the fact that the HaV procures for all the operators concerned should also give rise to opportunities at a lower price than if each operator had purchased their own subscription and equipment separately.

-Disadvantages:

This option reduces the possibility for fishing operators to choose their own equipment to suit their unique circumstances.

This option provides smaller opportunities for the HaV and the fishery operators to choose to update equipment as the technology develops.

4. Description of the option(s) considered most appropriate and the reasons why

Our assessment is that the most appropriate option to achieve the objective of the change is to procure a data service provider through a concession tender.

We consider the first option to not feasible, as it would entail excessive costs for the HaV to be able to receive and handle many different technology solutions. Through the procurement, we assume responsibility for ensuring that the chosen technical solution meets the set requirements.

The procurement involves the opening of competition, which should provide advantageous prices for both fisheries operators and the HaV.

B. Relation of the draft to EU law

1. Assessment of whether the regulation is in line with or exceeds Sweden's obligations as a Member State of the European Union

The regulation is in line with the obligations arising from Sweden's accession to the European Union. Article 9 of the Control Regulation states that vessels of 12 metres' length overall or more shall be equipped with a VMS. There are further supplementary provisions on VMS in Articles 18

to 28 of the Commission Implementing Regulation[3]. Detailed national provisions are laid down in the HaV's Regulations (HVMFS 2018:11).

Regulation (EU) 2023/2842[4] revises the Control Regulation, regarding, inter alia, VMS requirements. These changes mean, on the one hand, that provisions on vessel monitoring systems are extended to apply to all vessels regardless of their overall length, and, on the other hand, that the overall technical requirements have been made technology-neutral. For vessels with an overall length of less than 12 metres, it shall be possible to record and transmit position data through simpler systems that do not need to be permanently installed on the vessel, and which will be developed by the Commission at the request of the Member States. These parts of the new provisions shall start to apply from 10 January 2028. The current proposal is expected to be able to take care of the changes that will be introduced as a result of the revision, as far as fishing vessels with an overall length of 12 metres or more are concerned. Additional new regulatory provisions for vessels with an overall length of less than 12 metres will be introduced in the regulations later, before 2028, after the Commission Implementing Regulation has been updated with implementing provisions for these operators.

C. Analysis of the consequences of the draft

1. Description of the overall impact

The proposal aims to give companies the possibility to choose to install, and use, a more modern satellite-tracking device than the one currently in use. This will make it easier to meet requirements for more frequent position reporting in certain fishing areas, and to report position at a lower cost.

2. Description and estimate of the costs and benefits of the draft regulations for

a. The Central Government

The current management of the cost of VMSs involves considerable administrative work for the HaV. In practice, the arrangement implies that the HaV acts as an intermediary between the supplier and the holders of fishing licences on the vessels concerned. Currently, the supplier charges the HaV for the fishing costs, both the monthly subscription cost and traffic costs. This lump sum then needs to be allocated to the fishing licence holders for the vessels concerned, and then the HaV sends invoices to each fishing licence holder. This means that, during periods, the HaV has a relatively large amount of money outstanding.

The current management of invoicing is estimated to require about 0.3 full-time equivalents, and will disappear with the current proposal.

As is the case today, the HaV will need to have its own subscription in order to be able to poll[5] ships, if necessary, i.e. send a request to receive position reports. In addition, there will be a cost for the HaV to have a server at the procured supplier.

---

[3] Commission Implementing Regulation (EU) No 404/2011 of 8 April 2011 laying down detailed rules for the implementation of Council Regulation (EC) No 1224/2009 establishing a Community control system for ensuring compliance with the rules of the Common Fisheries Policy.

[4] Regulation (EU) 2023/2842 of the European Parliament and of the Council of 22 November 2023 amending Council Regulation (EC) No 1224/2009, and amending Council Regulations (EC) No 1967/2006 and (EC) No 1005/2008 and Regulations (EU) 2016/1139, (EU) 2017/2403 and (EU) 2019/473 of the European Parliament and of the Council as regards fisheries control.

[5] Polling a vessel means sending a signal to the vessel's satellite-tracking device to check that it is working and can send a response in the form of a position.

b. Municipalities

The proposal will have no impact on municipalities.

c. Regions

The proposal will have no impact on regions.

d. Businesses

Since there is an ongoing concession tender of the data service provider for satellite-tracking devices, and related services, it is not currently clear what the costs will be. The cost estimates presented below are based on price data from a potential data service provider.

Current costs

Currently (February 2025), fishing licence holders pay a monthly fee of USD 75 (according to the supplier, this will increase to USD 85 in 2025) and fishing licence holders pay traffic fees, the amount of which depends on how much data they send via satellite. In 2023, the average cost was SEK 11 343 per year per vessel, with SEK 7 497 was for fixed monthly charges and SEK 4 095 for traffic costs.

From 2026 onwards, the frequency of position reporting is likely to increase to every 30 minutes (the Commission's amendment to the Implementing Regulation is still ongoing), compared to today's hourly frequency (national regulation in Regulations HVMFS 2018:11). This will increase the costs for fishing licence holders, compared to current costs.

Costs with the new proposal (approximate)

The purchase and installation of a new satellite-tracking device is estimated to cost approximately SEK 30 000 per vessel. For investments in VMS, it is possible to apply for support[6] from the Swedish Board of Agriculture for up to 80 % of the investment cost.

Subscriptions are estimated to cost approximately SEK 3 500 per year per vessel. A certain amount of data traffic may be included in the subscription. For data traffic beyond the amount that may be included in the subscription, the cost is estimated to be approximately SEK 11.5 per Kbyte.

There may also be some one-off fees, such as an activation fee or deposit, to activate a subscription.

Under the current solution, fishing licence holders have to pay the monthly fee regardless of whether the vessels are active or not. This may be costly for vessels primarily used in seasonal fisheries. At least one of the possible suppliers has the possibility to pause the subscription, for a small fee, during periods when the vessel is inactive and thus does not leave port.

e. Other individuals

The proposal will have no impact on other individuals.

[6] https://jordbruksverket.se/stod/eus-politik-for-jordbruk-och-fiske/havs--fiskeri--och-vattenbruksprogrammet

3. **Description and, where possible, an estimate of relevant impacts other than those referred to in point 1**

By subscribing directly to the VMS data service provider, the fishing licence holder will be billed more regularly than under the current system, where the fishing licence holder is only billed once or twice per year. This enables companies to have a better overview of their costs on an ongoing basis. In addition, companies will have a more direct business relationship with the data service provider, including better access to customer support in case of equipment or service problems.

4. **Outline of the measures taken to ensure that the draft regulations do not entail costs or restrictions that go beyond what is deemed necessary to achieve the objective**

The proposal means that the fishing licence holder will have the opportunity to choose between retaining the current satellite-tracking device or switching to the procured option. By giving the fishing licence holder the opportunity to choose between two different options, one of which involves keeping their current satellite-tracking device, we consider that our proposal achieves its purpose without imposing unnecessary restrictions. The proposal provides for the possibility to choose a different satellite-tracking device, but also provides for the possibility to retain the current satellite-tracking device.

5. **Assessment as to whether special consideration must be given to the date of entry into force and whether special information initiatives are required**

Since the fishing licence holder has the possibility to maintain their current system or to switch to the procured alternative if/when the fishing licence holder chooses, we believe that there is no need to take any particular consideration to the date of entry into force. However, the fishing licence holder will be required to sign a subscription with the procured data service provider. Information will be provided in the usual way, via the HaV's website and Fiskenytt.

6. **Description of how and when the impact of the draft regulations can be evaluated**

We will continuously monitor the proportion of the fishing license holders on the vessels that use the respective satellite-tracking devices. At the regular dialogue meetings held between the HaV and representatives from the fishing industry, there will be an opportunity to discuss how the fishing industry experiences the cooperation with the designated data service provider and the functionality of the new satellite-tracking device.

D. Municipalities and regions

The draft regulations are not considered to entail any restriction of municipal autonomy.

E. Legal bases

1. **Information about the authorisations on which the HaV's decision-making power is based**

Chapter 5, Sections 1 and 7 of Ordinance (1994:1716) on fisheries, aquaculture and the fishing industry

F. Contact person

For any questions, please contact:

Ylva Mattson, Fisheries Monitoring Unit, ylva.mattsson@havochvatten.se or tel. 010-698 62 14