

# CFFA

Coalition for  
Fair Fisheries Arrangements

# CAPE

Coalition pour des  
Accords de Pêche Équitables  
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## Commentary

*On the European Commission's proposal for a new European Fisheries Fund (EFF)<sup>1</sup> and other fisheries-related instruments<sup>2</sup>*

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### Introduction

The European Commission acknowledges that many of the measures adopted under the Common Fisheries Policy (CFP) in recent years have appeared harsh and have undeniably resulted in hardship for some sectors of the industry and many coastal communities. At the same time, the state of fish stocks in European waters and other regions where European vessels are active is such that strict controls or even reductions in fishing are necessary.

The EU is in the process of adopting a series of financial measures meant to provide the fisheries and aquaculture industry with the financial support needed through this difficult transition period and to keep harmful socio-economic effects to a minimum.

As outlined in the Communication from the Commission on Financial Perspectives 2007 – 2013 fisheries policy will be delivered through two instruments: the EFF and a second instrument which “*would gather together all the areas where the Common Fisheries Policy needs finance to support CFP reform*”<sup>3</sup>.

Most of our comments concern potential consequences for developing states, like ACP states (African, Caribbean and Pacific) and particularly for coastal communities in those countries which depend on fisheries for their livelihoods.

In preparing this commentary, CFFA has considered measures outlined in the proposal for a European Fisheries Fund (EFF). Concerning the 2<sup>nd</sup> financial instrument for the implementation of the CFP and the 7<sup>th</sup> research framework programme (FP7), which are also relevant to the future of ACP-EU fisheries relations, we can only make recommendations pending the publication of the proposals.

Whether the proposed instruments will indeed contribute to achieving the objectives of the reformed CFP can only be evaluated by considering them together as their objectives and the measures they cover are closely interlinked.

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<sup>1</sup> COM(2004) 497 final

[http://europa.eu.int/comm/fisheries/doc\\_et\\_publ/factsheets/legal\\_texts/docscom/en/com\\_04\\_497\\_en.pdf](http://europa.eu.int/comm/fisheries/doc_et_publ/factsheets/legal_texts/docscom/en/com_04_497_en.pdf)

<sup>2</sup> namely the 2<sup>nd</sup> financial instrument for fisheries and the 7<sup>th</sup> research framework programme (FP7)

<sup>3</sup> COM(2004) 487 final

## 1. Commentary on the Commission's proposal for a European Fisheries Fund

The European Commission's proposal must be placed in a context where the international community has been forced to focus increasing attention on the negative impact of commercial fisheries on the ecosystems of the world's oceans. This has led to the adoption of more stringent management and conservation measures by the international community that are legally binding on the European Union, such as the United Nations Fish Stocks Agreement.

Additionally, the World Trade Organisation will develop rules that "clarify and improve WTO disciplines on fisheries subsidies". It is very important to remember that the EU has formally committed both at the WTO and within its own CFP to eliminate certain harmful subsidies such as those for construction and for modernisation (except for certain types that do not increase capacity) as well as for vessel export and the establishment of joint enterprises.

CFFA broadly supports the European Commission's proposal. However, CFFA strongly advocates that efforts to set the fishing sector in European waters on a sustainable basis in environmental, economic and social terms shouldn't be achieved at the expense of the environment and the fishing communities in third countries – particularly ACP States and other developing countries.

In that sense, Article 15.4 (d) which recommends that "*particular regard*" be paid to "*the fisheries product supply strategy and the development of fishing activities outside the Community waters*" as part of the national strategic plans should not be interpreted as an encouragement to continue to displace EU fleets to regions outside EU waters where they could contribute to over-fishing.

### Will vessels transfers continue to be subsidised?

Although the European Union has phased out (by December 31 2004) the subsidised vessel transfers<sup>4</sup>, the article 15.4 (d) of the EFF proposal could be interpreted as a backdoor to re-start subsidising vessel transfers. Other decisions, like the Council Conclusions on Fisheries Partnership Agreements (FPAs) voted in July 2004, seem to offer similar loopholes, when stating that FPAs should promote '*European investments and the transfer of technology and vessels*'.

Whilst technology transfer and EU investment figured in the Commission's Communication on FPAs, the Council added a crucial detail– that of *vessel transfers*. In theory, this could mean the transfer of boats which de facto have been fishing for a long time in ACP waters, which are integrated locally and do not create or add to local over-capacity. But, as has been the case in the past, vessel transfers could also cause local over-capacity, and direct and unfair competition with local fleets, leading ultimately to the over-exploitation of resources. It is for this very reason that the subsidised transfers of EU boats to third countries was stopped at the end of 2004.

The inclusion of vessel transfers by the Council could be seen as a way to 'integrate' vessels that may otherwise have been transferred through private deals into the bilateral fisheries partnership, and thus push them to abide by the rules established by the partnership. But experience, as highlighted by the 'compliance scoreboard', shows that EU vessels do not pay much attention to the rules established in the framework of fisheries agreements, and often take advantage of the lack of control capacity in ACP states capacity in order to break the rules with impunity.

### CFFA supports a number of principles in the proposed EFF:

<sup>4</sup> See the amended regulation on Community structural assistance in the fisheries sector [http://europa.eu.int/eur-lex/pri/en/oj/dat/2002/l\\_358/l\\_35820021231en00490056.pdf](http://europa.eu.int/eur-lex/pri/en/oj/dat/2002/l_358/l_35820021231en00490056.pdf), in particular amendments to article 7, establishing that public aid for fleet renewal is to be permitted only until the end of 2004.

### **Increased accountability and transparency: sound financial management**

The use of public funds - EU taxpayers' money - requires accountability and transparency. The EFF proposes to establish follow-up and control mechanisms to ensure that measures supported by public funding effectively implement the stated objectives. CFFA fully supports such approach where *“priorities and actions proposed for funding should demonstrably lead to results in line with the Common Fisheries Policy and other international policies”*.

### **Partnership**

The Commission emphasises the need for Member States to engage in consultation and close co-operation with a wide range of participants in the fisheries sector. These include, in addition to industry and administrations at national, regional and local levels, various social and environmental partners and representatives of civil society. CFFA supports this approach, in as much as this can allow genuine representatives from EU coastal communities to be involved in such consultations, particularly women in fisheries's groups.

### **Priority support for micro and small businesses and coastal fishing areas**

Several measures are reserved for those categories in the fisheries and aquaculture sectors which are essential to the social fabric but are also particularly vulnerable. This prioritisation is all the more welcome that, in the past, these parts of the sector have not derived many benefits from EU funding. A reason for that was the lack of representation of small scale fishing communities<sup>5</sup> in European professional organisations. If European small scale fishing communities stakeholders do not mobilise and get better represented within their professional organisations, there is however little scope for improvement, despite this favourable bias in the commission's proposal. Some concrete opportunities for small scale communities to get their views better recognised are provided in the EFF proposal, like the constitution of Coastal Action Groups (Article 44).

At the same time, it is important to consider the longer term implications of those measures which encourage the re-conversion to alternative employment, especially outside the fisheries sector.

CFFA feels that financial support as well as support for re-training should be extended to ensure that people benefiting from these measures are not just encouraged to leave the sector, without a proper evaluation of viable opportunities. Ensuring follow-up of such “re-training” is a key issue in as much as finding alternative employment and retraining fishermen is not an easy task (as fishing skills are applicable to few other professional sectors).

On the other hand, CFFA notes that, when jobs are available on fishing boats, it is increasingly difficult to find young people who want to go fishing. The main issue seems to us to be that jobs in the fishing sector must be made more attractive, ensuring a better quality of life, and a better image. Therefore, we feel support could be provided to coastal fishing operations with shorter trips to sea, as could support for the commercialisation of better added value products derived from coastal fishing.

### **Proportionality**

The principle of proportionality is applied to the mechanisms of evaluation, inspection and reporting. That means that the complexity and amount of data required will be proportionate to the size of the project. CFFA fully supports that measure as it will help the development of smaller projects which until now could not afford to fulfil the all administrative requirements. The poor level of use made of the *Pesca* funds should be a lesson.

**CFFA strongly supports the following aspects of EFF.  
If these were to be altered in the final decision on EFF, it would undermine the achievement of its sustainable development objectives.**

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<sup>5</sup> In particular small scale fishermen, women in fisheries's groups

- Adjustment of fishing capacity and effort - Public aid redirected to reduction of fishing capacity and effort through permanent or temporary cessation of fishing activities.
- Support for small-scale coastal fishing<sup>6</sup>
- Promotion of gender equity
- Support for fishing gear selectivity and environmentally-friendly practices
- Improvement of safety, working conditions and product hygiene on board fishing vessels, as long as it does not lead to any increase in fishing capacity or effort.

On the other hand, CFFA has questions concerning the measures proposed for the development of aquaculture

In the light of the increasing importance of aquaculture in both employment and market supply, funds will be made available to micro and small businesses for the development of new species and breeding methods, improvement of public and animal health, organic aquaculture, etc. Priority will be given to reducing the impact of aquaculture on the environment. But it is also important to note that the proposal states that “The Fund shall not assist investments aimed at increasing the production of products which do not find normal market outlets or which could have adverse effects on the policy for conservation of fishing resources.”

We feel that this addresses only in part the problems posed by the rapid and largely uncontrolled expansion of aquaculture, and that further caveats should be applied – particularly on working conditions, use of substances dangerous to human health, and environmentally destructive practices.

## 2. Commentary on the 2<sup>nd</sup> financial instrument for fisheries

As described in the Communication from the Commission on Financial Perspectives 2007 – 2013, the second financial instrument “*would gather together all the areas where the Common Fisheries Policy needs finance to support CFP reform*” such as:

- Investment in control measures to allow modern control techniques to be put in place in all controlled waters, and back up the work of the Fisheries Control Agency;
- Measures to promote high quality and easily available scientific advice and technical data;
- Provision for the conclusion and the financing of international fisheries agreements and participation in Regional Fisheries Organisations.

CFFA feels that, from the point of view of establishing relations between the EU and developing countries that promote sustainable fisheries, there is a need for coherence between the above objectives and other EU proposals currently under debate. In particular, there is a need to achieve coherence with the setting up of an EU control agency and the adoption of the framework research program 7.

In order to achieve coherence, the second financial instrument should also integrate the Council’s conclusions on Fisheries Partnership Agreements, adopted in 2004.

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<sup>6</sup> *Small-scale coastal fishing is defined as fishing carried out by vessels of a maximum overall length of 12 metres and not using towed gears.*

## 2.1. Coherence with EU's proposal for a Control Agency

The proposed tasks of the control agency will be to provide support to EU member states in fulfilling their monitoring and control obligations, not only in EU waters but also:

- within the framework of EU bilateral fisheries agreements
- within regional fisheries organisations.

Of particular relevance for ACP countries is the fact that «*The Agency may, at the request of the Commission, cooperate with the competent authorities of third countries in matters relating to control and inspection in the framework of agreements concluded between the Community and such countries*» (Article 5, page 21)

This would be achieved by organising the joint deployment of the means of control and inspection in the member states on the basis of an agreed EU strategy.

Control of fishing activities in ACP waters is a critical issue for ACP countries. It is important both for resource management and to monitor levels of fish catches made by EU vessels in their waters. The latter has important implications for establishing the levels of financial compensation due from fisheries agreements.

The setting up of VMS systems through bilateral fisheries agreements was a first positive step, but a major stumbling block has always been the lack of access given to the ACP authorities on real time positions of EU fishing vessels or lack of support to develop the technical capacity to have access to this information. CFFA is in the process of examining specific cases which will illustrate the need to develop such capacity and how the EU should contribute to improve Monitoring, Control and Surveillance in ACP countries.

## 2.2. Coherence with the 7<sup>th</sup> Framework Research programme

As noted above, some of the measures concerning improved scientific advice should also be covered by the FP7.

Improvements in scientific knowledge about ACP fisheries, particularly in countries having signed/in the process of signing a fisheries partnership agreement with the EU should be included as a thematic domain for the 7<sup>th</sup> Framework Research Programme and be supported through the second fisheries financial instrument.

An initiative to improve the scientific knowledge of fisheries resources in West Africa was implemented under the previous EU framework research programme. CFFA feels that support not only needs to be increased for this initiative, but that similar initiatives should be financed in other developing countries and regions where the EU has or will have fisheries partnership agreements. In cases where local scientific capacity is poor or absent, the programme should also support appropriate scientific training and institutional capacity-building.

Some particular aspects that need to be addressed in that context include:

- Improved scientific knowledge of the third country's small scale fishing activities. This requires documenting and producing quantitative and qualitative data about the various biological, and ecological aspects as well as social, technical and economic aspects. This should also include documenting local (traditional/community based and other) management systems, including taboos, belief systems, closed seasons/areas, access rights etc
- Improvement of the understanding of the selectivity of fishing techniques used by EU fleets in third country waters, especially tropical waters (documentation of the by-catch by fisheries areas, impact of gears on various habitats, etc)

As a general rule, particularly in resource scarce ACP countries, EU support for fisheries science should be designed first and foremost as a tool for the «managers of the resources», including the administration and the professionals. It's therefore important that such research is made in co-operation with the national/regional ACP research centres and builds on existing work.

Concerted efforts and support should be given to improving the quality of the primary data supplied by the operators for research purpose. The importance of sharing these data with third countries in whose waters EU fleets are fishing, as the basis for efficient collaboration between the third countries and EU scientists should also be given due importance.

### **2.3. Coherence with the Council conclusions on FPAs**

The debate on FPAs at the Council of Ministers level lasted 18 months, reflecting the complexity of the issues at stake for the EU. Whilst the result may be a compromise acceptable to all EU member states, some key problems remain unsolved.

The text therefore suffers from a certain lack of clarity, and contains some potential contradictions, leaving it open to a variety of interpretations during the negotiations with ACP countries. The European Parliament resolution on FPAs adopted at the end of 2003, can help give some clarity on how these conclusions could be interpreted and applied.

In its conclusions, the Council highlights some issues of key concern for ACP countries, such as the prevention of over-fishing, 'in particular for stocks of importance to local people'. This echoes the resolution from the European Parliament which insisted that FPAs should contain measures 'to protect small-scale indigenous fisheries, to promote the landing of fish locally and require access to be dependent on the use of selective fishing methods'. The European Parliament also stressed that 'no agreement should be sought in relation to access to stocks that are already fully exploited or in danger of overexploitation'.

This gives a new practical - and logical - interpretation to the issue of the 'surplus' stocks (which are the only ones to which EU fleets should in theory have access) and should be established as a general criterion to define the existence of a surplus in future FPAs negotiations. In the past, notably in West Africa, the EU pushed to get access to some fully exploited resources (in Senegal) or even overexploited resources (in Mauritania).

Many stocks targeted by EU vessels are the same as those targeted by national ACP fleets (artisanal and industrial), and they are often export species of high value. These are therefore important principles for the national fisheries sectors of ACP countries. However to guarantee maximum benefits for their populations, ACP countries not only need to design appropriate management plans for their local fleets but also to ensure that sufficient resources will be available to sustain these activities in the future. If the simple rule is followed, that where resources are fully exploited, or over-exploited, the EU should not seek access, then a big step towards greater sustainability will have been taken.

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