

(C) Main recommendations for improvements

(1) Better describe the main policy options, including the selection of individual measures ('reform tools'), and improve the presentation of their impacts. The IA report should provide greater transparency on the design of the four main options (point 5.2). This could be achieved by stressing the increasing levels of ambition in the options while also highlighting key differences in the scope and intensity of the measures within each one (more detailed information should remain in Annex 4). The report should explain clearly up front that 'anti-discard measures' and 'Relative Stability' feature in each of the reform options although with different levels of intensity. It should also be clearer on which policy options and measures have been discarded at an early stage, including more radical approaches like ceasing 'Relative Stability'. The differences between the impacts of the options should also be better explained, both as regards the modelled outcomes and those which are qualitatively assessed. In order to provide policy makers with a full picture of the choices involved, the changes envisaged by each reform option should be more clearly presented so they are comparable to both the baseline and each other. The different stakeholder views on the design and assessment of options should also be presented more transparently.

(2) Improve the analysis of Individual Transferable Rights (ITR) and their effects on fleet overcapacity. The problem definition section should better describe the current rigidity of 'Relative Stability', how it limits the use of market mechanisms and the resulting inefficiencies for the catching sector. The potential of ITR to limit overfishing by contributing to fleet reduction (while maintaining 'Relative Stability') should be better presented. The IA report should describe in greater detail the positive and negative effects of limiting ITR to individual Member States and explain why it may be justified despite being an economically sub-optimal solution. This assessment should benefit from an illustration of experiences from countries which already use ITR (such as Denmark, Iceland or the US). Finally, the IA report should outline the safeguard mechanisms for small scale coastal fisheries under ITR and explain how it would prevent fishing rights concentration.

(3) Clarify the limits of measures aiming to reduce the fishing capacity of the fleet. The IA report should better explain determinants of fishing capacity, such as vessel size or fishing gear efficiency, and clarify their relative importance. In this context, it should also discuss the effectiveness of current fishing capacity reduction measures, such as subsidies for fleet scrapping. Methodological difficulties related to assessing the actual fishing capacity of the fleet should be more clearly presented in the IA report.

(4) Show how the gap in scientific advice will be closed. Given the importance of establishing scientific data and advice, the IA report should be clearer about how existing shortcomings and risks will be addressed and should explain the responsibility of the Member States in this process.

(5) Improve the analysis with regard to the external aspect of the Common Fisheries Policy. The report should more thoroughly assess the problems in implementing Fishery Partnership Agreements (FPAs), in particular those related to surplus stocks, EU funding and payments for fishing rights that are eventually not used. It should also clarify the relative importance of the FPAs for the EU fisheries sector.

Some more technical comments have been transmitted directly to the author DG and are expected to be incorporated in the final version of the impact assessment report.

(D) Procedure and presentation

It seems that all procedural aspects have been followed. Clearer references from the main text to the annexes should be provided throughout the report.

(E) IAB scrutiny process

Reference number	2011/MARE/004
External expertise used	No
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EUROPEAN COMMISSION
IMPACT ASSESSMENT BOARD

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Opinion

Title **DG MARE - Impact Assessment on the 2012 reform of the
Common Fisheries Policy Basic Regulation**

(resubmitted draft version of 1 February 2011)

(A) Context

The Common Fisheries Policy (CFP) was last reformed in 2002. The Basic Regulation 2371/2002 indicates that the Commission has to report on the operation of certain fundamental pillars of the CFP, such as conservation and sustainability of fisheries and adjustment of fishing capacity, before the end of 2012 – with a view to a possible revision of the policy. The Commission has decided on a complete overhaul of the CFP and has already adopted a reformed control regime that entered into force in January 2010. The CFP Reform Package consists of a Communication on the reform of the CFP, a proposal revising the CFP Basic Regulation 2371/2002, a Communication on the future of the international dimension of the CFP, a proposal revising the CMO of the CFP and a proposal for a new financial instrument for fisheries and the IMP.

(B) Overall assessment

While the report has been improved on a number of points in line with the recommendations of the Board's earlier opinion, it still requires further work on certain aspects. Firstly, it should clarify further the differences in the design and impact of the main policy options to allow a better analysis of the policy choices available. Secondly, it should further improve the assessment of the external CFP aspects by providing more analysis on how the identified policy options would address the current implementation problems (e.g. surplus stocks, poor enforcement) and what their major impacts would be on fish sustainability, third countries and the EU fleet. Thirdly, the IA report should better explain how the gap in scientific advice will be closed by indicating more precisely follow-up measures and data collection needs.

(C) Main recommendations for improvements

(1) Ensure greater clarity on the differences in the design and impact of the main policy options. While the IA report clarified the role of 'Relative Stability', 'Individual Transferable Rights' (ITR) and 'anti-discard' measures in the design of the individual

options, it should still provide greater clarity on the overall design of the options, the assumptions made and the key differences of the main change options. For instance, 'the most radical' option 2 assumes gradual phasing out of the Framework Partnership Agreements (FPA), while option 3, although focusing on minimising negative social impacts, assumes that costs of FPAs would be immediately borne by ship-owners, which is counterintuitive. The IA report should also better present the main differences between the policy options in terms of their impacts by providing greater clarity (in section 11) on the critical parameters that make the real difference, and comparing their impact more transparently to the status quo (baseline). While the IA report now includes information about stakeholders' views on policy objectives and on 'Relative Stability', the options section would benefit from more precise information on the different views expressed by stakeholders.

(2) Further improve the analysis of the external aspect of the Common Fisheries Policy. The main text of the IA report should make a greater use of the analysis of the current implementation problems presented in annex 12 to provide greater clarity on how the policy options would address the main problems identified (such as access to surplus stocks in third countries through FPA, poor enforcement, etc). The report should also better assess the expected impacts of the proposed changes, such as switching from public to private payments for access rights, on the sustainability of fish stocks, the macroeconomic stability of the third countries and the EU fleet and should present its findings in a more structured manner.

(3) Provide further clarity on how the gap in scientific advice will be closed. While the IA report now describes in greater detail problems related to insufficient scientific and economic data, it should still provide greater clarity on what practical solutions are proposed to solve these problems. In particular the IA report should clarify the envisaged timetable for new actions, their relevance for the other key elements of the CFP and their costs (as compared to the current expenditure of about €50m/year). The IA report should also discuss the potential impact of the introduction ITR on the needs for additional data collection.

(D) Procedure and presentation

While table 11 provides a lot of detailed information on the content of the options and could usefully be presented as an annex, the report should provide a one-page overview table presenting the key differences between the change options in a more accessible manner. Table 16 would similarly benefit from an improved presentation. The report should also include clear references to follow-up impact assessment work, such as on the new financial instrument and the market organisation for the fisheries sector, whenever appropriate.

(E) IAB scrutiny process	
Reference number	2011/MARE/004
External expertise used	No
Date of Board Meeting	Written procedure The present opinion concerns a resubmitted draft IA report. The first opinion was issued on 17 January 2011.