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## **EBCD'S COMMENTS ON THE COMMISSION'S GREEN PAPER CONCERNING THE REFORM OF THE CFP**

### **1. General comments**

EBCD recognizes the need to reform the current Common Fishery Policy (CFP) as it has not managed to fully fulfill its objectives. Although some progress was made with the reform of 2002 that promoted, among other things, a stronger involvement of stakeholders, the introduction of long term management plans, and a reduction in the size of members states' fleets, this has not been enough to prevent overfishing, fleet overcapacity, IUU fishing, low economic resilience and a decline in volumes caught by European fishermen. EBCD agrees with the statement made in the Commission's Green Paper, which stresses that this reform should not be another piecemeal and incremental, but instead represent a serious and deep change "cutting to the core reasons behind the vicious circle in which Europe's fisheries has been trapped in recent decades". To this end, the Green Paper represents a solid and reliable basis for kick-starting the reform.

EBCD recognizes that the existence of mankind is inseparably linked to the use of natural renewable resources and it therefore supports science based solutions to conservation, promotes full stakeholder participation, and gives due consideration for socio-economic aspects as well as due respect for cultural diversity.

Consequently, EBCD defends the principle of sustainable development, considers the three pillars of the CFP (environmental, social and economic) of equal importance, and upholds that these should be applied in the CFP in a systematic manner. Indisputably, the conservation of the environment is essential and indispensable to ensure social and economic benefits. EBCD believes that a balance could be found between the need to conserve nature and the need for economic growth, as well as among the three essential components of the CFP. Sustainability of fisheries should be promoted by the reform in order to ensure the conservation of the stocks but also to guarantee a better livelihood for the fishermen. The reform should not forget to address the social dimension of fisheries and should reinforce the social aspects within the CFP, working in close cooperation with DG Employment (working conditions, safety and security on board, sickness insurance). Furthermore, impact assessments of the social and economic consequences of the decisions taken in Brussels on the sector should be carried out. EBCD supports science based decisions and considers conservation/management decisions should be based on the best available scientific advice.

Another aspect regarded as being of major importance for EBCD within the framework of the reform of the CFP is the issue of governance. EBCD is strongly in favour of increasing the involvement of the stakeholders in the sector. Currently, the priority is given to short term considerations as all decisions are taken at the highest political level. The entry into force of the Lisbon Treaty should constitute an excellent opportunity to renew the method of governance with regard to the CFP. The micro-management concentrated in Brussels should come to an end and some responsibilities and competences should be transferred to the member States. To this end, a less rigorous regulation with clear objectives at Community level is recommended and the choice of means for implementing this regulation should be left to the member states. More responsibility should also be given to the sector involving the stakeholders both in the decision-making and implementation processes.

Regional specificities, different situations within the fisheries of the 27 members of the Union, and the prospects of a further enlargement to a Europe at 30, complicate the prospects of an overarching centralized regulation of the sector. As specified in the Green Paper, the reform should promote a regionalization that takes into account those specificities and ensures that fisheries are managed according to long-term principles. The rules should be simplified to permit their full implementation.

EBCD also agrees that “the fisheries sector can no longer be seen in isolation from its broader maritime environment and from other policies dealing with marine environment and from other policies dealing with marine ecosystems”. It becomes clear that the fisheries sector will have to deal with new challenges and provisions should be made available to enable the sector to face these challenges

The new CFP should make the fishing sector more attractive, ensure better livelihoods in European coastal areas and guarantee food supply to European citizens. The European fisheries have to become competitive and profitable for the sector. For that purpose, the CFP would have to promote the quality of European fishing products by establishing special labeling both for fisheries and aquaculture products. .

## **2. Specific comments**

### **Addressing the deep-rooted problem of fleet overcapacity:**

EBCD agrees that the future CFP must ensure that the size of European fishing fleets is adapted and remains proportionate to available fish stocks; however, it disagrees with the approach adopted in the Green Paper which generalizes the problem of overcapacity. In fact, it is necessary to take into account the specificities of each fleet / fisheries but also of each region / country. EBCD holds that it is necessary to look first at the fleet segments and to redefine them taking into account the regional specificities as well as the sustainability criteria. In fact, EBCD believes that capacity reduction should

focus, for instance on obsolete community vessels using non selective gears, consuming lots of fuel and that are not considered as “environmentally friendly”. To this end, the European Commission should offer a clear definition of the concept of “overcapacity” and accordingly identify situations where there could be overcapacity. An idea could be to use the term “sustainable capacity” in order to obtain a balance between the capacity and the available resource. The capacity would be defined by qualitative as well as quantitative criteria. The market forces should also be taken into account as it could influence overcapacity.

As past experiences have shown, these structural measures - including funding for vessel scrapping schemes - do effectively reduce capacity. EBCD agrees on the use of market instruments to reduce capacity: “The use of transferable rights to fishing may be more efficient and less expensive to reduce overcapacity”. EBCD believes that ITQs could help reduce fishing capacity but that this solution should not be generalized to the entire fishing sector. For instance, it would be difficult to apply the ITQs system to multispecies fisheries. Consequently, the member States should have the opportunity to decide which system is most appropriate to local specificities. The Community should set the objectives but should leave the choice of the means to the member States. It is not necessary to adopt a common system at all costs that would negate the regional and fisheries specificities. It should be noticed that ITQs systems already exist in some member States. A comprehensive and comparative study on such systems should be considered at the EU level.

If the ITQs are applied, individual rights should be allocated for a limited time, yet long enough to allow fishermen to make profit. In any case, a limit to self-regulation is needed, such as an enforcement system of effective control in order to monitor the fishing effort system. Member States may devolve the competence for managing fishing rights to fishermen communities. However, this system should be controlled at the Commission’s level to ensure that member States avoid excessive concentration of ownerships or negative side-effects on smaller-scale fisheries and coastal communities. Furthermore, EBCD considers that allocation of fishing opportunities should be based on social and environmental criteria (selectivity, environmental impact, energy consumption, employment, quality of the products, etc).

The same comments could apply to the system of fishing effort which could be appropriate for one fishery but inappropriate for another.

Finally, EBCD insisted on the need to include a socio-economic and environmental impact assessment within the capacity reduction programmes. Moreover, the European Commission should foresee the appropriate financial possibilities to compensate the fishermen who decide to participate on a voluntary basis to a Community decommissioning fund/programme.

### **A differentiated fishing regime to protect small-scale coastal fleets?**

EBCD recognizes that it is necessary to fully take into account the particular situation of

the small and medium sized enterprises (SMEs) and to secure a future for coastal and small scale fishermen. Because it plays an important role in the cultural identity and in the social dimension of many coastal regions, small scale fisheries need to be preserved.

As stipulated in the Green paper, capacity reduction of EU fishing fleet will inevitably lead to a reduction in employment levels in the catching sector. EBCD agrees with the fact that “there is a legitimate objective in trying to protect the most fragile coastal communities from trend”. EBCD has no objection regarding the principle of setting a differentiated regime for small scale fleets that focuses on social objectives and that is managed through the direct allocation of quotas, effort or through collective schemes. However, the differentiated mechanisms should not discriminate against others. Both industrial and artisanal fleets have to respect the same basic rules and core principles of the CFP. Small scale fisheries can have, in some cases, an important impact on the state of the stocks and on sensitive coastal habitats. Moreover, as stipulated in the Green Paper, small scale fisheries and industrial fisheries could target the same fish stocks. Consequently, the differentiated regime should be adapted to the local situation in order to take into account these elements and should be adopted at the member States’ level and not at the European level.

EBCD considers that it would be a mistake to adopt a common regime and a common definition of small scale fisheries at the European level. Such an option would negate the existence of the local specificities of small scale fisheries. Moreover, EBCD wonders what would be the right criteria to distinguish small scale fisheries from industrial fisheries: the length, the tonnage, the gears used, the time of the trip (less than 24 hrs), the distance between the fishing zone and the port (6/12 miles)?

EBCD insists that the variation of characteristic features among the regions should be taken into account. However, it is up to the EU to ensure equally competitive conditions for the various fleet segments, such as the non-implementation of discriminatory rules.

Other initiatives should also be explored to help maintain the coastal communities both at the European and national levels. If the EFF is maintained with the reform after 2013, it should be the right instrument to finance such projects. However, the member States should decide whether or not to include such projects within their national programmes.

### **Focusing the decision-making framework on core long-term principles: the regionalization**

EBCD insists on the need to adopt a new approach based on long-term principles as specified in the Green Paper. The CFP can no longer be regulated solely at the highest political level through extremely detailed Council regulations. Some flexibility should be granted to those rules in order to give the opportunity to the sector to adapt them to the local situation and for their full implementation. Moreover, with the entry into force of the

Lisbon Treaty, the co-decision would imply a heavier procedure, which would require to stick to the essential and not to go too much in the detail of the rules. The European Council and the European Parliament should remain confined to a role of adopting general policy and framework regulation principles, objectives and targets. The day-by-day management aspects of the CFP should be decentralized and a bottom-up approach should be implemented at the local and regional levels. The bulk of the management competences should be delegated to decentralized executive bodies established by marine regions, such as for the RACs. All the stakeholders, including the industry, NGOs and scientists, should be appropriately represented within those executive bodies.

EBCD believes that the RACs could be the adequate structure used in order to adopt technical measures, following a deep modification of their mandate. However, the EU should monitor the different management measures adopted at the regional level to avoid disparities within the Union. The control system should also remain in the hands of the European Commission so that it can monitor the overall situation at the European level. The fishery policy remains a common policy according to the Treaty, which means that the basic regulations and the inputs would still come from Brussels.

EBCD considers that as long as the management objectives are clearly defined at Community level and that an efficient control system is in place (the Community Fisheries Control Agency plays a positive key role here), the regulation of the CFP could be consequently simplified.

At the European level, EBCD considers that ACFA should remain the formal body in place for the consultation of stakeholders in the fisheries and aquaculture sector for all the horizontal questions. It is important that ACFA and RACs see their advisory role in the future decision-making framework reinforced. Their opinions and recommendations should be treated on a regular basis and the Commission should give systematic detailed replies to their opinions.

### **Relative stability and access to coastal fisheries**

EBCD considers that the principle of relative stability is a core principle of the CFP and should therefore be kept. However, more flexible arrangements could be introduced in order to address the current problems and to align national quotas with the real needs of national fleets. The system of exchange of quotas should be drastically simplified so as to permit the optimization of the use of fishing opportunities for member States. The possibility of exchanging quotas should not only be granted to the member States but also to the fishing operators, according to transparent and monitorable procedures. EBCD would like to see the exchange of quotas, or other fishing opportunities, facilitated so that fishermen can achieve a better match between the catches they obtain and the quotas they hold.

Regarding the limited access to the 12 nautical miles, EBCD considers that this principle should be kept as it generally works well, as mentioned within the Green Paper.

## **The knowledge base for the policy**

EBCD supports political decisions based on scientific and solid facts. Knowledge and data are of great importance under the CFP, especially so for fisheries management. EBCD believes that research should go beyond questions related to fish stocks and investigate the state of the marine ecosystem and the effects of climate change on fisheries. The development of research on socio-economic aspects linked to fisheries would also be desirable (i.e.. survey on small scale fisheries in Europe).

Regarding research on fish stocks, EBCD considers that it should not only focus on commercially exploited fish stocks but also on other species, such as by-catches and non targeted species. The precautionary approach should be applied reasonably and should not be an excuse to compensate for the general lack of data, given that a maximum level of certainty is needed in order to adopt strong and justifiable decisions that will be accepted by the sector.

Communication between scientists, policymakers and stakeholders - particularly ACFA and the RACs - should be strengthened. The existing gap between scientists and the sector should be minimized and a closer cooperation should be encouraged and developed between these two different actors. The sector needs to feel that it is consulted and listened to by the scientific community and to understand the basis on which scientific assessments are made. Fishermen need to be convinced that the adopted measures are necessary for successful implementation of the rules and to avoid their infringement.

EBCD considers that the sector should have the opportunity to discuss the scientific data and encouraged to provide better data for stock assessments and other research activities by means of incentives (ex: financial support). Scientific advice provided by ICES should be transparent as much as possible and the attendance of sector representatives and other relevant stakeholders to key meetings should be facilitated.

Since future research programs will be oriented towards long term objectives, the methodology of research should change in the context of the reform. The adequate human and financial resources should be made available to realize this new holistic approach of developing long term management plans for fisheries. The fisheries sector should benefit from financial support in the context of the integrated maritime policy.

## **Structural policy and public financial support**

According to EBCD, the appropriate measures should be taken in order to avoid financial support contributing to overcapacity, overfishing and overinvestment. The fishing industry should become self sufficient and non-profitable activities should not be allowed to continue. The distribution of the EFF should be based on the composition of the European fleet and its structural deficiencies. Financial support should aim for the

modernization of the fleet, its sustainability, making it environmentally friendly and ensuring safety and security on board. Subsidies should be studied on a case-by-case basis and with flexibility; they should be granted, for instance, to vessels with low fuel consumption, low polluting levels and vessels that use highly selective gears. The same approach should be adopted for the CFP, as in the context of the common agricultural policy.

EBCD also believes that the EFF is a complex and bureaucratic instrument, the rules of which need to be simplified at all costs in order to make them more accessible and facilitating its utilization.

### **The external dimension**

EBCD considers that the CFP has to extend the principles of sustainable and responsible fisheries to the international level through its presence in the RFMOs but also through the conclusion of the FPAs. In opposition to what is stated in the Green Paper, EBCD considers that the presence of EU vessels worldwide supports EU legitimacy and influences decisions made within the RFMOs. In fact, where the EU has important economic interests, it has the tendency to defend strong political positions. In any case, the EU should reinforce its role and its credibility at international level by ensuring an active presence and participation within the UN system and through the promotion of good governance in international fisheries.

The EU should pursue and reinforce its efforts regarding the fight against IUU fishing by extending its influence outside EU boundaries. The adoption of the IUU regulation represents an important step but the EU should support the adoption of adequate and binding international instruments at the international level.

EBCD does not support the idea that fishermen should pay for the right to fish in the high-seas under RFMOs' governance, according to the principle of public access to a common resource.

Regarding the FPAs, EBCD considers that the second generation of agreements born with the reform of 2002 has brought important changes. However, the agreements should be improved and some of their components should be modified. Considering the current evolutions, the FPAs constitute a transition phase until coastal states have the capacity to manage and exploit their fisheries' resources themselves. The next step could be the establishment of a new kind of agreement ensuring that European investments in the concerned countries are treated equitably and responsibly; coastal states would therefore have to demonstrate an acceptable level of development in terms of capacity building in order to be able to do without the Community's financial contribution. The contribution of vessels' owners would have to be negotiated directly by the latter with the relevant authorities.

The regionalization of the FPAs could be appropriate/desirable in some cases (i.e. West Africa) but not in others. It would highly depend on the concerned coastal states and it

would raise the question of the sharing of the financial compensation among states. A regional approach seems to be easier to envisage, *a priori*, for tuna agreements rather than for demersal and pelagic species agreements.

EBCD considers that compliance to these agreements is a duty of the authorities in developing countries. EU interference in the domestic affairs of these countries would constitute a breach to their sovereignty. Better cooperation and compliance could be promoted in those countries by reinforcing capacity building of the local administration to manage their fisheries. The EU could, in cooperation with these countries, provide technical assistance and contribute to the organization of training programs and activities (i.e. workshops). Better coordination should be ensured among the different donors among DGs, between public and private funds, FAO, UN, NGOs and so on in order to optimize results and reduce overlaps.

Regarding the costs of the FPAs, EBCD believes that the operators should not bear all the costs but should pay the costs for access to the resources. The financial compensation paid by the Community should have a different finality: that is to finance capacity building for development goals. In order to make the distinction clear, an option could be to have two types of agreements with two different goals and two different sources of financing: catch agreements and partnership agreements.

The FPAs should imply long term commitment. The agreements should last for at least one or two years in order to ensure some guaranties to the concerned country. Development will be more hardly achieved if long term fisheries cooperation is not in place.

EBCD also considers that better coordination should be ensured between the CFP, the Development Policy (DG DEV) regarding the development of local fisheries and DG TRADE on investment. If the Community fishing activities are not integrated within the economy of developing countries, they will not last.

## **Aquaculture**

In regards to the increasing demand for fisheries products and the collapse of fishing stocks, aquaculture appears to be a crucial activity representing a non-negligible source of food supply with an important economic potential. Aquaculture's development in Europe has stagnated in the last decade while growth in third countries has been impressive. The brief comments made on aquaculture in the Green Paper demonstrate the little consideration that the European Commission and the EU in general give to this sector.

EBCD considers that aquaculture should be integrated as a fundamental pillar of the CFP with specific common objectives and instruments. First of all, a new comprehensive legal framework should be established at the European level simplifying administrative formalities and introducing transparent, standardized practices and procedures for



granting concessions. Furthermore, minimum standards for certification should be adopted. To this effect, it is necessary that one organization takes the lead at the international level and adopts guidelines on certification. FAO seems to be the most appropriate organization to establish such standards.

EBCD recognizes that aquaculture has an environmental impact and therefore a systematic environmental impact assessment is needed. Such impact could be avoided if a comprehensive EIA is undertaken, according to EU Directives.

EBCD considers that site selection and feeds are the main challenges that the aquaculture sector will have to face in the future. Competition for space with other sectors is a real problem but conflicts could be minimized if an impact assessment is carried out and if aquaculture is integrated in the broader context of the maritime policy.

EU should address carefully the problem of feeds and consider alternative solutions to fish meal and fish oil. Fish feed should come from sustainable fisheries. The use of discards in the EU should also be explored as an option for the production of fish meal.

The EU should promote the development of a competitive high-quality European aquaculture. Pro-active public information programs should be established to increase public awareness on the quality of aquaculture products. To this end, the EU should establish quality labeling for European products (i.e. eco-labeling, organic aquaculture).

Furthermore, traceability of products coming from third countries should be reinforced. The application and enforcement of environmental regulations in third countries should be ensured by the EU. To this end, the Commission should guarantee a level playing field between EU and third country production and create the necessary legislative conditions to ensure that aquaculture imports are subject to the same regulations as EU products.

Finally, the EU should make available the necessary financial and human resources in order to create an enabling environment for the European aquaculture to be developed. European aquaculture already benefits from numerous advantages, such as advanced research and innovation and qualified managers. This potential should be optimized.

## **Conclusion**

EBCD insists on the importance of the content of the reform but equally on the possibility of implementing and controlling the adopted measures. The success of this new reform relies mainly on the efficiency of the community control system. If progress is not achieved with the new control regulation both at the member States level and at Community level, this reform will lead to another failure. Consequently, it is essential to verify meticulously if proposed measures can be controlled before they are adopted.