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PLENTY OF FISH IN THE SEA? WHY EUROPEAN FISHERIES NEED FIXING - AND WHY THIS TIME WE NEED TO GET IT RIGHT



European Community, 2006

Joe Borg
Commissioner for Maritime Affairs and Fisheries

Imagine a situation where we are able to eat healthy and safe fish that is not imported from outside the Union; where the fishing industry is viable and its workers feel secure and adequately rewarded; where younger generations once again start to consider fishing as a reliable way of making a living; and where we can draw from our marine resources without fear of destroying them for good.

This is my dream scenario for European fisheries in, say, 2020. But while steady progress has been made towards this situation since the 2002 reform of the CFP, frankly speaking we are not yet there. And yet if we want to keep fishing, we'd better make some changes to the way we fish, and we'd better make them fast.

In contrast with my dream scenario, the harsh reality is that 9 of EU fish stocks out of 10 are overfished and a third of them are in worrying state. Europe has to rely on imports for two-thirds of its fish. The sector lives on low profits and depends on subsidies for survival. How did we get here? There is a fairly simple explanation.

We have enough fishing fleets in Europe to fish much more than fish stocks can sustain. In fact year after year fishing technology makes us even more powerful - or more lethal, depending on your point of view. Clearly, once the fish is taken out of the water it cannot reproduce. The remaining fish can only produce fewer offspring than the previous levels and so the fish population starts going down. Meanwhile, fishermen notice there is less fish available to catch and see their profits decline; so understandably they resort to those potent technological means to try and catch more fish. Under increasing pressure from the industry, politicians find cushioning solutions that increase short-term fishing opportunities but that do little for the future sustainability of the sector.

Add to this the current global economic downturn and a few intermittent hikes in fuel prices, and you have a very fragile situation which makes fishermen and coastal communities vulnerable in the first place, but which ultimately impacts each and every one of us.

I have therefore come to the conclusion that we need to undertake a thorough review of the CFP. But we cannot afford to come up with just another reform which might prove obsolete in half a decade or so. This time we need to get it right. For it to be truly innovative, the reform process will have to question some of our basic assumptions and overhaul some of the mechanisms and principles that we have counted upon so far.

There are at least three building blocks that will ensure that our future policy lasts well into the 21st century. Firstly, it should uphold ecological sustainability as the source and economic and social sustainability as the results - and not the other way round. Secondly, rules should become simpler, less costly and easier to implement; decision-making should happen as close as possible to the people it affects. Thirdly, as fish move across oceans and share one single ecosystem, we need to look outside the EU as well and promote responsible fishing throughout the planet.

Other than these broad aims, the debate on the future face of European fisheries remains open. It is in fact open right now: between now and December 31st anyone can take part in the Commission's internet-based public consultation on the reform of the CFP. To get people involved we have posed open questions, but everybody is free to explore new ideas - I promise a broad-based, no-holds-barred debate which should leave no stone unturned. And I'm hoping for a massive response from civil society too - not just the usual stakeholders but people from all walks of life - because such an ambitious reform cannot be done without them.

We can keep pushing sustainability aside and end up one day with an impoverished marine environment, a struggling fishing industry and a volatile fish market. Or we can preserve our fish stocks and restructure our fisheries today, and a few years from now the sector will thrive, coastal regions will reap the benefits of a diversified local economy and consumers will have more fish on their plates - and everybody will win.

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The paper for this document is chlorine free and has been made from wood fibre from a sustainable forest

TOWARDS THE REFORM OF THE CFP 2012

Indrani Lutchman
Editor, IEEP

The CFP is about to undergo its third major review. As all stakeholders prepare to respond to the CFP Green Paper, it is also a good time to look back at how the CFP has changed and think about building on these achievements.

The CFP is about to undergo its third major review. As all stakeholders prepare to respond to the CFP Green Paper, it is also a good time to look back at how the CFP has changed and think about building on these achievements.

The Common Fisheries Policy (CFP) is set for review in 2012. The Commission launched the Green Paper on the CFP reform in April 2009 which should form the basis of a year long public consultation on the CFP. The coming year is expected to be a very busy one as stakeholders, interests groups and national administrations consider the Green Paper and respond to this opportunity for influencing the CFP post 2012. The review of the CFP planned in 2012 was expected to a 'run of the mill' review with a focus on the future of access arrangements but as the Commissioner points out in his article, the current state of EU fisheries and the sector is such great concern that a comprehensive review of the CFP is the critical.

1 A HEALTH CHECK OF THE CFP – WHAT HAS BEEN ACCOMPLISHED SINCE 2002?

In order to look forward to what the 2012 reform can deliver, it is as important to briefly look back at how the CFP has changed over the two decades. In 2002 the review of the CFP was more comprehensive than legally required. A number of substantive changes were made to Regulation 3760/92 to address concerns in 2002 resulting in the adoption of Regulation 2371/2002 which was heralded as the 'greening' of the CFP. Some of the key differences between the 1992 and the 2002 regulations are presented in Table 1.

From the outset, the preamble of the 2002 Regulation requires that, while pursuing an objective of sustainable development, decision-makers shall take into account economic, social and environmental aspects in a balanced manner. Article 2(1) goes on to add further context to the objective by stating that

"... the Community shall apply the precautionary approach in taking measures designed to protect and conserve living aquatic resources, to provide for their sustainable exploitation and to minimise the impact of fishing activities on marine ecosystems. It shall aim at a progressive implementation of the ecosystem-based approach to fisheries management. It shall also contribute to efficient fishing activities within an economically viable and competitive fisheries and aquaculture industry, providing a fair standard of living for those who depend on fishing activities and taking into account the interests of consumers."

In pointing to the need to take account these aspects of decisions in a balanced manner, the 2002 Regulation however did not specify how this balance is to be achieved, now how the objective will be implemented in the day to day management of fisheries, for example when facing the trade-offs between the three aspects of sustainable development. To put it simply no single aspect of sustainable development is prioritised over another. This has often led to problems in meeting the environmental objectives.

Another key inclusion was a whole chapter to 'Adjustment of fishing capacity' which includes articles on 'entry/exit scheme and overall capacity reduction' and another explaining 'Conditionality of Community financial assistance and reduction of fishing effort.' Five articles are devoted to the adjustment of fishing capacity in Regulation 2371/2002. The 2002 reform emphasised for measures concerning the management of the fleet capacity should provide coherence between those concerning sustainability and conservation. The latest Communication on fishing opportunities, for 2009, highlights the lack of concrete progress since the 2002 CFP reform: 'Five years after the last Reform of the Common Fisheries Policy, major obstacles continue to prevent the positive measures introduced, such as long-term planning, precautionary management and fuller consultation with stakeholders, from producing tangible results'

A third important new addition to 2002 Regulation was the establishment of 'Regional Advisory Councils' in Article 31 of the 'Decision-Making and Consultation' chapter. Stakeholder

input into the decisions taken on the CFP has increased with the establishment of the RACs, although there is much that still needs to be done to ensure engagement of the range of stakeholders leading to greater transparency and buy-in on CFP decisions and implementation of the regulations adopted. Finally, Regulation 2371/2002 paid greater attention to enforcement with a whole chapter dedicated to 'Community Control and Enforcement System'. This chapter includes seven articles and makes mention, inter alia, of fishing licenses, inspectors, observer schemes and remote vessel monitoring systems (VMS). There have been more recent developments on the control regulation with the establishment of the Community Fisheries Control Agency (CFCA) and there is a new proposal set to further tighten control and ensure compliance with fisheries management rules.

Since the adoption of the 2002 Regulation, over seven hundred implementing regulations have been adopted - most of them in response to the need for better conservation and management and better enforcement and compliance. There have also even bigger strides towards integration of environmental aspects into the CFP and the adoption of the Integrated Maritime Policy (IMP) and the Marine Strategy Framework Directive (MSFD) and even the reorganisation and rebranding of DG Fish to DG Mare support that goal.

2 LOOKING TOWARDS 2012

The Green Paper sets the tone with a very ambitious vision and proposes that the only way to achieve this is to address these issues 'head-on', a view that is supported by a range of stakeholders including national administrations, fishing industry and NGOs. The Green papers in its review of the reasons for the state of EU fisheries today list the shortcomings of the CFP as follows:

- the lack of precise policy objectives, with respect to ecological responsibility and integration with general maritime issues;
- a decision-making system that is too centralised, providing short-term solutions and undermining sustainability in the long-term;
- the insufficient responsibility of industry; and
- lack of political will to ensure compliance with fishing limitations.

The frankness of the Green Paper has been commended by stakeholders, who believe that there is a real commitment and willingness to address the problems associated with the CFP. But for those of

us who have weathered the 1992 mid-term review of the CFP and the 2002 review, there is a feeling of déjà-vu.

The key driver for a comprehensive review of the CFP was in 2002 and still is, the depleted state of European fish stocks due to over-exploitation and the main cause thereto - fleet overcapacity. This imbalance between the size of European fleets and available resources is still seen to lie at the root of all problems related to low economic performance, weak enforcement and over-exploited stocks..

The 2002 reforms put some of the building blocks in place, but the 2012 process could radically alter the landscape. The 2012 reform presents an opportunity to move EU fisheries management into the 21st century; to create a systemic framework that is 'fit-for-purpose' A significant move towards better ecological outcomes would be to frame the CFP objectives so that the ecological sustainability dimension is the first and highest priority which would

lead inevitably to the achievement of the ecological and social objectives.

It is also evident that the management of fleet capacity will need to reform in order to manage separately both permanent capacity reduction and temporary fishing effort control. As we approach 2012 and beyond, several issues need to be emphasised in discussions on attaining the environmental objectives enshrined in European legislation for the new CFP including the potential role of the Marine Strategy Framework Directive (MSFD) and the Integrated Maritime Policy (IMP) in support of its objectives. Finally as the Commissioner says, 'no options should be ruled out in this reform' on the road to the 2012 reform.

Later in June IEEP will be publishing its Health Check of the CFP as our contribution to the CFP consultation process.

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● **TABLE 1: KEY DIFFERENCES BETWEEN THE CFP REGULATIONS 3760/92 AND 2371/2002**

Preamble - 22 Paragraphs	Preamble - 30 Paragraphs
No Title	<i>Chapter I Scope and Objectives</i>
Article 1-3	Articles 1-3 (Scope, Objectives and Definitions)
<i>Title I Rules of Access to Water and Resources</i>	<i>Chapter II Conservation and Sustainability</i>
Articles 4-10	Articles 4-10 (Types of measures, Recovery plans, management plans, emergency measures, EU & Member State emergency measure setc.)
<i>Title II Management and Monitoring Of Fishing Activity</i>	<i>Chapter III Adjustment of Fishing Capacity</i>
Article 11	Articles 11-16 (Adjustment of fishing capacity, entry/exit scheme and overall capacity reduction, fishing fleet registers, EFF)
<i>Title III General Provisions</i>	<i>Chapter IV Rules on Access to Waters and Resources</i>
Articles 12-21	Articles 17- 20 (General rules, Shetland box, review of access rules, allocation of fishing opportunities)
	Chapter V Community Control and Enforcement System
	Articles 21- 28 (Conditions for access to waters, responsibilities of MSs, inspection and enforcement , sanctions, evaluation and control by the Commission, cooperation and coordination)
	<i>Chapter VI Decision Making and Consultation</i>
	Articles 29-33 (Decision making procedure, ACFA, RACs, STECF)
	<i>Chapter VII Final Provisions</i>
	Articles 34-36 (Repeal, Review, Entry into force)

The control regime: a new approach!

Dr. Koen Van den Bossche of IEEP reviews the suggested reform of the control mechanisms to be integrated into the CFP in both the Commission's Green Paper and in the European Parliament's own report on proposed control regulation.



A successful CFP reform requires new control mechanisms

The controls applied to the Common Fisheries Policy (CFP) are pivotal to its success and credibility. The current control system, however, has proven to be inefficient, expensive, complex and, moreover, did not produce the desired results. Beginning 2008, a report by the European Court of Auditors (ECA) was highly critical of the control regime in place. Subsequently, the Commission proposed a substantial reform of the control system by addressing in its proposal of 14 November 2008 the issues highlighted by the ECA. All control provisions of Council Regulation 2847/93, as well as those contained in numerous amending and other pieces of Community legislation will be replaced. The new regulation, after being approved by the Council, is to be the last of three regulations that will constitute the control system, after the adoption of the IUU regulation and the regulation on fishing authorisations.

The proposal seeks to establish a level playing

field by covering all aspects, from capture through to the market. Therefore, it will affect a wide range of sectors and groups, including fishermen, registered buyers and sellers of first sale fish, transporters of fish and those industries involved in the onward fisheries chain. Recreational fisheries and the enforcement bodies carrying out the controls will also be impacted. Harmonised administrative sanctions, incorporating minimum and maximum fines, intend to create a deterrent effect. The penalty points system - allowing for the suspension or even withdrawal of fishing permits - would apply both for the fishing vessel, for the master and the officer of the crew. Points attributed to the offender would be overseen in the national registry of the flag Member State. Unfortunately, infringements committed in other Member States would only have to be communicated to the flag Member State. The CFCA would henceforth be in a position to carry out on-the-

spot checks on the territory of the Member States. It would also be responsible for the coordination and exchange of data with other EC institutions and agencies. Commission inspectors would be able to carry out inspections on their own initiative and without prior notification. The Member State would then be given the opportunity to remedy the situation through an action plan drawn up in collaboration with the Commission. In case of quotas being exhausted, the Commission's powers would be enhanced. The Commission would also be able to impose financial sanctions on Member States, including withholding funding granted under the European Fisheries Fund. The proposal also envisages that Member States take up a stronger role in the area of control and sanctions. Therefore, the national control strategies would be based on systematic risk analyses, identifying those areas where the risk of infringements is the highest.

The European Parliament (EP), in its report on the proposed control regulation - which coincided with the publication of a European Commission's green paper on the broader reform of the CFP -, welcomed the proposed overhaul. However, the EP did delete the articles referring to the closure of fisheries, the possibility of reducing a Member State's quota, and to refuse quota exchanges, arguing that these measures would give the Commission the

power to unilaterally alter the relative stability among the Member States. MEPs also adopted amendments rewriting the recreational fishing article by narrowing down its scope to only stocks subject to a multiannual recovery plan and by replacing the obligatory fishing authorisation by a facultative monitoring and evaluation system. Only if such voluntary monitoring revealed that the recreational fishery has a significant impact, catches would then be counted against the relevant quota of the flag Member State. Furthermore, recreational fishing conducted from shore is excluded and fish released in recreational fisheries would not be considered as discards or mortality. These EP amendments, proposed under the consultative procedure, risk of seriously watering down the effectiveness of the new control regime. The need for more stringent Community measures has been evidenced by the nature of infringements and the lack of implementation of the quota management and wider control obligations by the Member States. In addition, a considerable part of overfishing takes place in inshore waters.

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A new impetus for European aquaculture development

Alistair Lane, executive director of European Aquaculture Society (EAS) gives an overview of both past and existing policy developments in European aquaculture. The article also looks into the fundamental questions asked in the Green paper about the European aquaculture

Aquaculture of fish and molluscs in the European Union expanded from nearly 690,000 tonnes in 1981 to over 1,293,000 tonnes in 2001. By 2001, aquaculture was contributing over 17% of the volume and 27% of the value of fishery production in the European Union. This growth confirmed European aquaculture as a complement to fisheries in providing seafood to the consumer. Further growth, accompanied by diminished fisheries landings, has since pushed this figure to an estimated 23%.

The majority of European production comes from freshwater fish farming (trout in particular) and marine mollusc farming (mussels, oysters and clams). Both sectors can be described as 'traditional' and are mostly comprised of SMEs of less than 10 persons or family businesses. In 2001, the Newly Associated States (NAS) brought an additional contribution of close to 100,000 tonnes to freshwater aquaculture production (with carp species and trout) thus providing both opportunities and challenges. The rapid growth of European aquaculture during the 90s was largely represented by marine fish farming – primarily of salmon, sea bass and sea bream. This sector attracted considerable investment and currently faces specific challenges, many of which affect consumer perception and, hence, the markets. The production of 'new' aquaculture species – notably cod, but also species such as sole and halibut – and research into the suitability of fast-growing species, such as tuna, also saw further development.

This was then the basis for the 2002 Communication from the Commission – the first strategy specifically for European aquaculture – and it was widely welcomed by the sector. It provided the first specific objectives for the European aquaculture sector, principally focussing on the ambitions of

- Creating long-term secure employment, in particular in fishing-dependent areas;
- Assuring the availability to consumers of products that are healthy, safe and of good quality, as well as promoting high animal health and welfare standards; and
- Ensuring an environmentally sound industry.

Following an extensive stakeholder consultation in 2007 that effectively concluded that the first of the 2002 objectives had been only marginally successful and that aquaculture development was being kept back by not being an equal partner in marine and maritime development, the Commission set to work on a new strategy, focussing on the role of public authorities in future development.

The vision of the new strategy is that "The EU aquaculture industry of the future should be at the forefront of sustainable development. The appropriate measures must be put into place to ensure that our industry can take a lead role in the "blue revolution", whether this concerns the production of aquatic food itself,



Torridon Fish farm in Scotland

technology and innovation, or the setting of standards and certification processes at EU and international level".

The Federation of European Aquaculture Producers (FEAP) quickly endorsed the new strategy, agreeing that the European aquaculture industry should be at the forefront of sustainable development, providing healthy and safe food of the highest quality to the consumer. The FEAP added that:

- Its efforts to achieve this should be through the establishment of appropriate certification systems that reflect these aspects and that support the concept of a level playing field in respect of competitive food products. It is clearly unacceptable that the application, and respect by the sector, of European policies and legislation render it less competitive with imports that are not subject to the

same conditions.

- Future aquaculture growth within the European Union has to resolve issues such as competition for space, licensing and stringent legislation and support of this Communication requires that proactive actions are taken by the Member States, at National, Regional and local community levels. As an example, the simplification of licensing procedures would certainly facilitate the development of new fish farming businesses that provide valuable economic contributions and employment in rural and coastal areas.

- Promoting and increasing the sector's competitiveness is an essential concept within the new Communication and a recognised and strengthened position of European aquaculture within the future reforms of the CFP and the Market Organisation Regulation are requisite to achieve this.

EAS, through its general activities bringing together the scientific community with the production sector and through its coordination of the CONSENSUS project – to develop indicators for sustainable aquaculture development – strongly supports the Commission's proposed action to pursue efforts in aquaculture R&D, and allocate a sufficient EU budget to aquaculture projects to further develop the knowledge-base for sustainable and competitive aquaculture practices.

With the green paper on the CFP, that "lays it back to its bare bones" and asks many fundamental questions. The ones addressing aquaculture "What role should aquaculture have in the future CFP: should it be integrated as a fundamental pillar of the CFP, with specific objectives and instruments, or should it be left for Member States to develop on a national basis? What instruments are necessary to integrate aquaculture into the CFP?" are important ones – with the two sectors being complimentary in providing European consumers with high quality, safe and responsibly-produced/fished seafood.

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Tackling overcapacity and future Structural funding

Erik Lindebo of DG MARE frames the debate on a key challenge facing the new CFP reform; overcapacity. In his Contribution he also highlights the need to re-align public funding onto CFP objectives.

Despite continued efforts, fleet overcapacity remains the fundamental problem of the CFP. Overall, the European fleets remain far too large for the resources available and this imbalance is at the root of all problems related to low economic performance, weak enforcement and overexploited resources. The future CFP must have in-built mechanisms to ensure that the size of European fishing fleets is adapted and remains proportionate to available fish stocks. This is a pre-requisite for all other pillars of the policy to work.

The overcapacity of European fishing fleets has been addressed by various means.

The EU has repeatedly tried to implement structural measures aimed at reducing its fishing fleet, including funding for vessel scrapping schemes. However, experience shows that permanent support for scrapping does not effectively reduce capacity, as operators simply factor the scrapping premium into future investment decisions. Any future vessel scrapping scheme would have to be carefully designed to avoid failure or unwanted effects in the future, with one-off scrapping schemes more likely to be efficient.

The use of market instruments such as transferable rights to fishing may be a more efficient and less expensive way to reduce overcapacity, and one for which the industry has to take more responsibility. Several Member States (MS) have taken steps in recent years towards using such instruments. This has generally led to more rational investment decisions and to reductions in capacity, as the operators adapt their fleet to their fishing rights in order to achieve economic efficiency. Such systems can be complemented with proper safeguard clauses to avoid excessive concentration of ownership or negative effects on smaller-scale fisheries and coastal communities.

Key questions for the reform are:

- Should capacity be limited through legislation? If so, how?
- Is the solution a one-off scrapping fund?
- Could transferable rights (individual or collective) be used more to support capacity reduction for large-scale fleets and, if so, how could this transition be brought about? Which safeguard clauses should be introduced if such a system is to be implemented? Could other measures be put in place to the same effect?
- Should this choice be left entirely to MS or is there a need for common standards at the level of marine regions or at EU level?



European fishing fleets have to adapt to fishing capacity

Public financial support to fisheries is substantial, whether through EU fisheries funds or various MS aid and support measures, including tax exemptions. It also often contradicts with CFP objectives, in particular the need to reduce overcapacity, and has sometimes appeared as compounding structural problems rather than helping to solve them.

The 2002 reform of the CFP made

important progress in the right direction by removing some of the financial support that directly contributed to overcapacity and overinvestment. However, synergy is not sufficiently developed and there is very little conditionality in the way MS can spend their fisheries funds. In addition, the current system is not designed to address new challenges or rapidly changing circumstances. It needs to be able to adapt for example to the development of an Integrated Maritime Policy, the implementation of the Marine Strategy Directive and the adaptation of coastal areas to climate change. The current distribution of European Fisheries Fund (EFF) support is based on regional convergence criteria rather than on the composition of the European fleet and its structural deficiencies.

This demonstrates the need for a much closer link between public funding (notably the EFF) and the objectives of the policy and the new challenges affecting marine activities. The next reform will have to ensure structural deficiencies of the industry are addressed while ensuring safeguards against any unwanted side effects of the reform. It should promote and facilitate the restructuring and modernisation of the European industry, help it improve its long-term economic viability, and avoid artificially maintaining overcapacity.

A list of questions relating to the future of the structural policy is outlined in the Commission Green Paper available on <http://ec.europa.eu/fisheries/reform>.

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Managing EU fisheries – The role of rights

A key report by the Marine Resource Assessment Group (MRAG) studies lessons learned with developing rights based management approaches to EU fisheries management and discusses options for the future use of rights

To inform the debate on the role of rights-based management (RBM) in the implementation of a reformed Common Fisheries Policy (CFP), the European Commission has recently published a new study that explores rights-based management (RBM) and its contribution to achieving CFP objectives. The study, carried out by an international consortium led by MRAG Ltd, presents a detailed catalogue of European fisheries management and a cross-cutting analysis of the drivers for RBM, its implementation in a variety of national contexts, the development of national and international markets for rights and the impacts on participation in EU fisheries. Key issues discussed include the concentration of fishing rights, protection of small-scale fisheries, access of newcomers, access of nationals of other Member States, and potential effects on discarding practices.

The study used a deliberately broad definition of RBM, including 'any system of allocating fishing rights to fishermen, fishing vessels, enterprises, cooperatives or fishing communities'. Within this, the study categorised existing management approaches into catch-based quota systems (ITQs, IQs), effort-based quota systems, licensing systems and territorial use rights in fisheries (TURFs).

The study involved extensive consultation with government officials, industry and academics to gather information on the RBM systems and to score them for four quality attributes: Exclusivity, Validity, Security and Transferability. This enabled calculation of an overall measure of the 'quality' of the fishing right.

A key output of the study was the identification of lessons learned that could be useful for the development of future RBM approaches and particularly their alignment with achievement of CFP objectives: sustainable exploitation of stocks, balancing fishing capacity with fishing opportunities, and economic viability. However, there were also difficulties in analysing key indicators

such as profitability and sustainability. For example, participants in the same fishery often operate under different RBM systems, making it hard to tease out cause and effect.

The principal driver for many RBM systems in the EU has been the requirement to implement EU regulations that establish TACs for a number of species, and that limit fishing capacity. The study showed that RBM approaches are often not sufficient in themselves to meet the objectives of the CFP – this requires a range of fisheries management measures at different levels, from Commission level down to hands-on monitoring and control – but they play an important role in a successful management system.

In addition, the following general conclusions emerged:

- RBM systems need to be tailored to local circumstances and objectives.
- Enhanced transferability of rights can result in a reduction of capacity and increase in efficiency and profitability, without the need for expensive decommissioning schemes. Particular examples include Denmark's pelagic and demersal fisheries.
- RBM systems that do not lead to a natural reduction in excess fishing capacity should be augmented by active decommissioning schemes to promote an improved balance between fishing capacity and opportunities.
- Once rights are established, it can become difficult and expensive for new parties to enter the fishery, but various measures can be put in place to facilitate new entrants, such as quota leases or a small-scale quota pool.
- Small-scale fisheries can be protected through RBM systems by: limiting transferability; by the establishment of TURFs; by reserving an allocation of national quota for the small-scale segment; and by preferentially providing extra allocations to small-scale vessels.
- Sophisticated RBM systems can



Rights Based Management is to play a key role in the effective implementation of the CFP

be costly to implement and maintain. Such systems may be economically warranted only for large, valuable resource stocks.

The report concludes that although there are clear examples of success in rights-based fisheries management, the transfer of this success to other fisheries is not straightforward; RBM systems should be designed with stakeholder input for specific fisheries and implemented in an incremental manner. Best practice is difficult to define, especially given the enormous diversity of fleets and fisheries in the EU and the need to address national as well as EU-level objectives. Nonetheless, this study compiles detailed information on current RBM practices, highlights lessons learned from specific case studies and provides a solid basis for further discussion on the reform of fisheries management in the EU.

Article by Dr. Graeme Parkes, Sean Savage and Suzannah Walmsley
Source: MRAG, IFM, CEFAS, AZTI Tecnalia & PoEM (2009) An analysis of existing Rights Based Management (RBM) instruments in Member States and on setting up best practices in the EU. Final Report for the European Commission. London: MRAG Ltd.
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No time to fish for answers



NOAA Fisheries Collection

Putting the CFP into perspective.

Saskia Richartz argues that now is the time to radically overhaul the CFP, a policy that, as it stands, stinks from top to tail.

In Europe, fisheries management stinks from top to tail, and the EU knows it: the Commission's Green Paper on the reform of the CFP recognises that, in prioritising short-term economic interests, EU ministers have failed to protect the same resources that are vital to the survival of Europe's fisheries and the marine environment. It also rightly identifies fleet overcapacity, excessive catch quotas and a lack of compliance as the main drivers for the severe depletion of most fish stocks. Disappointing is that the Commission still appears to be fishing for answers.

Having failed to reverse the very same detrimental trends in 2002, at the last reform of the CFP, the EU is now faced with a reality that bears all the hallmarks of the financial crisis - collapsing stocks, asset stripping,

government guarantees, bail-outs, public debt and all. The boat's gone out the harbour, now deeds not words count! Changes in five important areas of policy need no further debate.

1. Catch limits must be legally capped at or below scientifically recommended levels and wasteful fisheries must be eliminated.

2. The size of the EU fishing fleet and time spent fishing must be reduced in line with the best available information on fishing resources and fish populations (aiming at about a 50% cut overall), setting binding European and national fleet reduction targets.

3. Fishing activities must be restricted or banned in areas of conservation interest, such as spawning and nursery grounds, feeding areas and other sensitive marine habitats.

4. Fishing activities should only be licensed subject to a prior assessment of their environmental impact and enforcement must be further tightened.

5. All fisheries activities, seafood products and fisheries decision-making must obey strict data transparency and traceability rules.

While total allowable catches must be reduced and wasteful fisheries eliminated, the yield per effort of fishing will increase as stocks recover and wasteful fisheries are abandoned. The new CFP should ensure that all fish taken is high-quality, low environmental impact, and ideally locally produced and healthy seafood. Instead of promoting an increase in overall consumption, European citizens should be encouraged to eat only sustainably, locally caught fish. The EU's vision for fisheries management should not be focused on fish production and fish/protein consumption, as proposed in the Green Paper, but should pursue stable and resilient marine ecosystems and healthy fish stocks. It should foresee a world in which Europe has reduced its global fisheries footprint to ensure a sustainable and equitable use and distribution of marine resources worldwide.

A reformed Basic Regulation must therefore be aimed at achieving (ecologically) sustainable fisheries and provide the tools to achieve a Good Environmental Status under the Marine Strategy Framework Directive, in so far as it relates to the impact of fisheries and related management measures. The Commission

should have set this as a premise for the debate on future EU fisheries.

The notion that market-based instruments, such as individually tradable quotas (ITQs), could be the central hook on which to fasten EU fishing fleet reduction targets is absurd given the recent lessons regarding market breakdown in the absence of government oversight and intervention. Europe will only achieve a viable fishing sector, if it is prepared to make some hard choices about the size and type of fishing operations it wants to maintain. While market-forces may be used to provide specific incentives to facilitate change, the EU must not abdicate its role in deciding which fisheries cause the least environmental damage while providing the greatest service to society.

The global oceans management crisis is fuelling public consternation worldwide and will come to a head in Europe during the coming years of reform. All eyes are on the EU governments, institutions and fishing sector, which are tasked with halting the sharp downturn in fish stocks. All of us will have to walk the talk to protect marine biodiversity, reduce our collective impact on fish stocks, and break with the convenience of empty rhetoric. Without fish there will be no fishing.

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Delegating responsibility – but to whom?

David Symes of the University of Hull takes a closer look at the way in which the Green Paper looks to shape the regionalisation of fisheries management rights through increased delegation and in process warns against the threat of conflicting interests between those who favour an orthodox centralist approach and the modernisers calling for increased delegation of powers to the regional level

Despite early indications that regionalising fisheries management would be at the heart of CFP reform in 2012, the Green Paper is somewhat more circumspect. It offers little by way of perspective on either the significance, role or institutional arrangements for regionalisation.

Delegating responsibility to the regions is a courageous move and a necessary one. Not only would it bring decision making closer to those most closely affected, tapping directly into the reserves of local ecological knowledge and experience held by the fishing industry, and provide much needed relief from the burden of micromanagement presently borne by the Commission. It would also create a more appropriate framework for developing the ecosystem based approach to fisheries management and for engaging with the EU's Integrated Maritime Policy. Other reforms identified in the Green Paper could be better implemented through a system of regional management. It is hard, for example, to see the ideas of objectives-led management and granting industry greater responsibility for initiating conservation measures and developing tactical fishing plans making much headway without a regional framework in place. To this extent, regionalisation is clearly central to the reform agenda.

Where the regional project risks losing its way is over the question of organisation. Here the Green Paper is especially cautious. It refers only to delegating responsibilities to member states, either through closer collaboration between the Commission, European Parliament and member states using the comitology procedure which offers little improvement on the current situation, or at the level of the regional sea where member states would work together to achieve an agreed approach. Developing an appropriate form of regional management organisation, identifying which member states should be included and how membership might be structured, as well as deciding the range of its delegated responsibilities, will require a good deal of careful thought.

The detailed architecture may vary from one region to another. Some might argue for an upgrading of Regional Advisory Councils. But the more likely form is one that brings together administrators, scientists, industry representatives and other stakeholders in a co-management approach. However the details are worked out, a crucial issue will be deciding where legal competence for framing regional regulations should lie – with Brussels, member states or the regional authorities – and therefore how much political intervention in matters of regional management can be expected and from what quarters.

There are dangers in moving from a two-tier to a three-

tier mode of governance. Serious weaknesses occur in the current system due to 'implementation drift' where decisions made in Brussels are redefined and modified at member state level to suit local agendas. Such problems could be exacerbated by the inclusion of a third, regional level of decision making.

In the debate over reforming the CFP, delegating responsibility to the regions is bound to court controversy. Opposition could come from the higher echelons in Brussels – the College of Commissioners, for example – construing regionalisation as a dangerous precedent that threatens the authority of EU institutions. It is more likely to emerge at grass roots or member state level over the risk to relative stability, the mechanism that allegedly holds together the fragile compromise that is the CFP.

Ultimately there is the potential for an unbridgeable cleavage to emerge between those who favour the orthodox, centralist approach to the CFP and the modernisers – perhaps along similar lines to the Friends of Fishing v Friends of Fish that threatened to disable the reform process in 2002. For all its inherent risks, defeat over regionalisation could have severe consequences. It could seriously weaken the chances of implementing the package of reforms in the Green Paper. At best this could delay and at worst undermine the goal of sustainable fisheries in European waters by 2020. This cannot be allowed to happen.

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Delegating more power over fisheries management to the regional level is a key component of the Green Paper

European Communities, 2009



Nils-Roar Hareide

An effective reform of the CFP must successfully engage with the fishing industry

First thoughts on the CFP review from Seafish (UK)

Sarah Horsfall and Philip MacMullen provide us with insight on possible reactions from the fishing industry to the proposed CFP reforms

The next review of the Common Fisheries Policy (CFP) is just beginning with the Commission having published its Green Paper. This acts both as an admission of the failures of the policy to date and a means of flying a wide range of policy options aimed at righting those failures. Here we set some of them against the broad aims of the policy in the context of the UK industry.

The CFP has its roots in Article 38 of the Treaty of Rome (1958) and the most important principles were equal access to fishing grounds and markets. Prior to joining in 1971 the UK enjoyed control of 70% of what then became European stocks. Much of the anti-CFP opinion in the UK derives from this perceived loss of control over what was then a substantial national asset.

The principle of equal access has never been fully enforced. The need to the social and economic interests of coastal communities resulted in a coastal access derogation. Sensitivity over the interests of fleets that had evolved through a pattern of historical access to certain stocks also led to the principle of 'relative stability' being established.

The CFP refers to sustainable exploitation of resources, the precautionary principle, efficiency and the viability of the sector. But these are ill-defined aims. The very different circumstances and aspirations of member states, have historically led to tensions. Decision-making is complex and the Lisbon Treaty will give Council and Parliament an equal say in fishing matters. Nothing distinguishes policy and principle from detail and implementation so both may soon be debating technical minutiae. Adaptation and change are both highly political and very time consuming.

In recognition of the inevitable problems raised by trying to micromanage fisheries from the centre, the 2002 reform enabled a degree of decentralisation through the establishment of the Regional Advisory Councils (RACs). Ten years on these offer a series of lessons in how the process of decentralisation can work effectively as well as the problems that can arise.

Given the current politicisation of fisheries management, however, we must work harder at trying to set up effective regional structures that can deal with increasingly complex management demands. As well as fisheries these will include spatial management and the requirement for 'good environmental status' for all our regional seas. More involvement of the fishing industry in all the issues that arise from these demands is imperative. Properly organised, the industry can contribute enormously to data collection, good stewardship and a better understanding of the changing dynamics of the marine environment.

One criticism of the Green Paper as it's presented is that it fails almost completely to recognise where good practices have been demonstrated. In this respect the UK industry now boasts many examples such as voluntary stock conservation initiatives, the adoption of more selective fishing practices and the highest audited supply chain standards. Our regulators are also focused on high levels of compliance with exemplary penalties being handed out for infringements of fisheries regulations.

Strengthening member states' management powers in their coastal (12 mile) zones should be a priority of the CFP reform. A formal devolution of powers would enable each state to find its own answer to the sometimes conflicting needs of its various user

groups. Such decentralisation should also confer management controls over non-nationals who have historical interests in another state's waters – essential to ensure equitable treatment for all.

Interestingly, the Commission seems to be hinting at such an arrangement with its plans for a 'two sector fleet' model. This would clearly differentiate between an inshore sector which could adopt a more artisanal approach to management, and the offshore sector that would be guided more by economic forces of efficiency and property rights.

This will almost certainly open up a complex debate on the ownership structure of our fishing fleets and how we can best meet the twin challenges of conservation and food security that are rapidly rising up the political agenda; but that's a debate for another time.

Mechanisms that strengthen the role of the industry within an appropriate, decentralised decision-making framework would lead to a more effective system which would not only be more sensitive and flexible, but far more cost effective. The industry needs a clear, effective, efficient and proportionate piece of legislation which protects both its own interests and the wider environment.

Titles
Seafish, the authority on seafood, does not represent the fishing industry but is developing a position on the CFP reforms.

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THE BALTIC SEA – AN OPPORTUNITY TO FACILITATE THE NECESSARY TRANSITION

Katarina Veem of the Baltic Sea 2020 foundation argues that the Baltic Sea could serve as an ideal pilot project in the regionalisation of fisheries management

One way to hasten and smooth the transition of the CFP is to begin in advance of the 2012 in a place which is arguably the most suitable for regionalization and co-management. The Baltic Sea is that place. What is needed is the leadership to create a courageous new vision. In addition to the CFP reform, the development of a Baltic Sea Strategy under the Swedish presidency could prove instrumental in achieving the necessary transition.

The Baltic Sea has been stressed by overfishing, eutrophication and other habitat alterations as well as facing the threat of severe impacts of climate change. The problems (e.g., lack of compliance, misreporting of catches, and excess fishing capacity) that plague the CFP are also found in the Baltic Sea. However, the Baltic Sea has numerous advantages over other regions:

- Long tradition of multinational dialogue in the area of marine environmental protection
- A growing culture of dialogue with other stakeholders interested in the area of fisheries is developing through the Baltic Sea RAC (BSRAC),
- Numerous EU environmental directives are strengthened by demands of integration of policy areas,
- Eastern cod stock is showing signs of improvement which, with proper management, can generate a viable sustainably yielding stock in a few years,
- Strong scientific capability upon which to base policy and management.
- 90% of the marine territory is within the Community. The only external partner is Russian Federation.

The process of transition toward regionalization and co-management of the Baltic Sea could be initiated already, under the current regulation, by informally organizing a Baltic Sea Co-management Council to discuss how to apply an ecosystem approach to management of Baltic Sea fisheries. Successfully applying "Best practices" can however only be achieved if it is

done in close collaboration with those primarily affected. The suggestions below should thus only be regarded as ideas for further development and a starting point for a dialogue among Member States and stakeholders.

An informal council could comprise Member State representatives, BSRAC representatives, other stakeholders and a representative of the European Commission. The preparation of a plan should pursue a stepwise approach such as follows:

1. Scoping to share knowledge about the Baltic Sea, identify problems, and develop a shared vision;
2. Translation of the vision into more specific descriptors of the desirable state of the system with measurable indicators and reference levels to track progress;
3. Identification of management options to address problems and fulfil operational objectives, specified by indicators and reference levels;
4. Incentive analysis of each of the options relative to evidence, decision making, and compliance
5. Analysis of options in terms of the biological, economic and social impacts;
6. Design of enforcement plans for each of the options to assure that there will be acceptable compliance;
7. Consultation process to assure that there is a broad opportunity for comment on the options;
8. Selection of the preferred option;
9. Implementation and monitoring.
10. Exchange of information, experiences and best practices

The process could identify, and hopefully achieve consensus on specific objectives and tangible actions. An example in this context is provided by the Baltic Sea cod, for which restoration is already an objective of the management plan developed by the BSRAC, adopted by the EC and in force since 2008. The stock is clearly showing signs of recovery, and if management

action is sustainable a high yielding stock is not far in the future. What is needed is a more comprehensive approach that assures the long-term sustainability of cod. This means undoing the systemic problems and negative incentives that lead to overfishing, excess capacity and extensive misreporting and severe lack of compliance. In addition, the approach might involve technical measures that restrict how and where cod are fished, protection of cod habitat, and a rights-based system leading to a reduction in fishing capacity to a level that matches fishing opportunities. It may include measures aimed at preserving the cultural values of cod and the coastal communities that depend on cod, favouring small scale fisheries. Additionally, a regional approach opens up for tailored gear regulations and a flexible application of input (i.e. effort) and output (i.e. catch limits) control. Whatever the vision and the approach, they need to be based on broad consensus, dialogue and science in order to succeed.

The legal authority to complete the process described above might have to wait for revision of the CFP in 2012, but if support for the plan by Baltic Sea Member States and stakeholders is strong enough, creative ways to implement important elements probably can, and should, be found prior to 2012.

Note: This excerpt is taken from the report, Best practice of fisheries management: learning from other marine areas and applying it to the Baltic Sea context, by Baltic Sea 2020. The full report can be loaded down or ordered on www.balticsea2020.org
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Apart from acting as a source of independent information on fisheries, and the environment, El Anzuelo aims to present different perspectives on the issues, and thereby encourage discussion and debate among the various player. If you wish to respond to material included in this or the previous issue, we would be happy to hear from you.

A CFP for fishers and environment

Almost thirty years after the establishment of the CFP the Commission has finally stated the obvious: there can be no fishing without fish. The appalling state of European fisheries shows that previous CFP reforms have done little for fish abundance, the health of our oceans and seas, or the industry which depends on them. The problems of over fishing, over capacity, heavy subsidies and low economic resilience persist. A radical reform or “sea change” as the Green Paper puts it is therefore badly needed.

As the Green Paper suggests, there must be a clear prioritisation of the objectives of the CFP, with the overriding objective being ecological sustainability. This means that the reformed CFP must deliver the fisheries related aspects of Good Environmental Status under the Marine Strategy Framework Directive. It also means that the new basic regulation must define the ecosystem-based approach to fisheries management in an operational way, and require the Community to apply an ecosystem-based approach to fisheries as a matter of routine. The US Fisheries Ecosystem Plans could serve as an example.

Addressing the problem of over fishing starts with overhauling the system that has allowed political haggling and national interests to

override scientific advice. A Common Fisheries Policy that puts ecological sustainability at its heart will have to contain mechanisms that ensure fishing limits follow scientific advice.

In addition deep cuts in capacity are needed. This requires a political will that has been absent to-date. The Commission presents rights

of the fleet, ensuring that the remaining fleet is fit for both fishers and the environment. Sustainability criteria for a qualitative differentiation in reduction includes selectivity, extent of environmental impact, fuel consumption, quality of product, employment and working conditions, and history of compliance.



The sustainability of the European fishing fleet can only be reached through qualitative improvements

based management as the “silver bullet” to deal with that problem: if there is no political will, let the market deal with it. A daring proposal in a time of a financial crisis and crumbling markets.

However, the Commission misses an important point. Capacity reduction must not only result in a smaller fleet, but also in a qualitative improvement

The market alone is unlikely to deliver such a fleet. Therefore, tools like rights based management must be framed by legal obligations, timelines and target setting per fleet segment which ensure that the remaining fleet is sustainable. A mechanism must be found to ensure national interests do not interfere with the target setting. Seas At Risk will

organise a conference on the issue of capacity reduction and fleet restructuring at the end of October.

The characteristics of the fleet are, however, not the only issue to take into account. In order to stimulate a shift towards a more low-impact, socially responsible fleet, the fleet segments which operate sustainably should be given priority access to resources. In addition, access to resources and public aid should be made conditional on compliance with the CFP. It is unacceptable that Member States and operators get EU funds while disobeying EU law.

The review of the Common Fisheries Policy poses a once-in-a-decade opportunity to overhaul a policy which has put to shame EU’s aspirations to be a world leader in environmental issues. Seas At Risk is joining forces with other NGOs in the new coalition “OCEAN2012” in order to play its part in seizing this opportunity. The EU must get it right this time, since at the current pace of deterioration there might not be a next chance.

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The Institute for European Environmental Policy (IEEP) is an independent body for the analysis and advancement of environmental policies in Europe. While a major focus of work is on the development, implementation and evaluation of the EU’s environmental policy, IEEP has also been at the forefront of research and policy development in relation to the integration of environmental considerations into other policy sectors.

This newsletter is part of IEEP’s sustainable fisheries programme, which aims to identify, develop and build a consensus around alternative approaches to fisheries management. It is sent free of charge to key practitioners in the Member States of the EU and in acceding countries. If you would like to subscribe to El Anzuelo please send your details by mail, fax or email to: Annie Glynn, IEEP, 15 Queen Anne’s Gate, London SW1 H 9BU, UK. Fax: +44 (0)207 799 2600; email: fisheriesupdates@ieep.eu. El Anzuelo is also available online at www.ieep.eu