

# CFP Reform 2002



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## INTEGRATED FRAMEWORK FOR FISHERIES PARTNERSHIP AGREEMENTS WITH THIRD COUNTRIES (COM(2002)637)

### Introduction

Within the context of CFP reform, the European Commission published a Communication on ways to modernize EU third country fisheries agreements. Third country agreements were introduced following the establishment of Exclusive Economic Zones (EEZs) out to 200 nautical miles in the 1970s, resulting in almost 90 per cent of exploitable fish resources coming under the control of coastal States. The agreements effectively give the EU access to resources in the waters of developing countries, in exchange for financial payment. Over the years, agreements have increasingly included development and environment measures. Commonly between 20 and 70 percent of the EU's payment is targeted at scientific activities, surveillance, and training and development of the local fisheries sector.

In 2002, the EU had 16 such agreements with ACP (African, Caribbean and Pacific) countries, predominantly involving African coastal States, and costing the EU EUR 200 million. However, scientists such as Daniel Pauly, have pointed to the enormous decline in resources in the last 50 years: off the coast of North Africa, the bottom fish biomass has decreased with around 75 per cent since the 1950s.

Environment and development NGOs have long voiced concerns over EU policy in this area, pointing to the 'footprint' that agreements leave on local communities as well as environments. There has also been considerable pressure from environment and development interests within the Commission and some Member State administrations to at least make agreements coherent with other EU policies. The external dimension of EU fisheries policy has also been identified as critical in the EU's pursuit of sustainable development, including the WSSD goal of restoring depleted fish stocks where possible not later than 2015. The Communication seeks to address these concerns, setting out a new 'partnership' approach for negotiating and implementing future fishing agreements.

### Moving towards Partnership Agreements

The Communication essentially outlines plans to improve the sustainability of fisheries in third countries, such as Senegal and Angola, where the EU has bought access to fishing resources for its boats. Before doing so, however, the important role of existing agreements for local communities is stressed. Existing EU commitments to increase its contribution to sustainable development globally, to improve governance and to contribute to the eradication of poverty, are also

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reiterated. The Communication then goes on to outline the specific objectives for future fisheries agreements, which is to:

- maintain the European presence in distant water fisheries and to protect European fisheries sector interests; and
- help Developing Countries capacities to exploit their marine resources, to increase the local value added and to obtain the fairest price for access rights to their EEZ by foreign fleets.

Having made explicit the EU's long term interests, the Communication suggests that withdrawal from the access agreement policy is in any case not a preferable option. 'The experience of the past years has shown that with the departure of the Community fleet from third country fishing grounds the amount of fishing does not decrease'. Furthermore, where private agreements are secured, the Communication warns, there is no guarantee that the financial payments do not benefit the third country in the way that EU actions do. For this reason, the Commission believes the Community must continue its activities 'in order to promote the implementation of the Code of Conduct for Responsible Fisheries'.

On these grounds, and with a stated ambition to secure even greater benefits for all concerned, the Commission proposes that current access agreements are replaced by 'binding frameworks' between the Community and third countries. These so-called 'Fisheries Partnership Agreements' or FPAs would aim to contribute to responsible fishing in the interest of both parties, by ensuring that the possibilities to achieve sustainable fisheries in the waters of the partner are strengthened, while the interests of the EU distant-water fleet are protected. The Commission stresses the importance of agreements being coherent with other EU external policies (eg development policy). Several critical issues to ensure that fisheries development is sustainable are also highlighted, including respecting the principle of coastal State ownership of the resources, basing management on sound scientific and technical advice, and ensuring coherence with the CFP objective of avoiding overexploitation of stocks by following best available scientific advice. The importance of monitoring, control and surveillance activities is stressed. Finally, it is noted that EU vessels may even be absorbed into the fleet of the partner country, notably through the promotion of joint ventures.

According to Fisheries Commissioner Franz Fischler, 'the best way to preserve these fisheries is by helping our partners, especially in developing countries.' Partnership agreements 'will also ensure coherence among EU policies on sustainable development both in and beyond the Union'.

### **Developing FPAs**

In developing each partnership agreement, the conditions for securing sustainable fisheries in the waters concerned should be identified. The Communication lists, amongst others, the following areas to be examined in this context:

- national fisheries policy, as defined by the coastal State, and the needs

- expressed by that State in order to move towards sustainability;
- financial resources required at EU level to support development generally, or the partnership agreement specifically;
- the state of resources that could potentially be exploited, existing conditions of access and potential surpluses for the EU; and
- environmental threats and concerns of civil society.

Whenever possible, the FPAs would support measures promoting the creation of joint enterprises, transfers of know-how and technologies, and investment in management capacity for the benefit of the fishing industry. Partnership agreements will also have to be incorporated within the 'logic of development strategies' and development aid is to be mobilised to ensure that sustainable national fisheries policies are formulated and associated follow-up actions undertaken.

An important new commitment in the Communication is that Sustainability Impact Assessments (SIAs) will be undertaken on Partnership Agreements, on the basis of the best available data and in consultation with relevant stakeholders. Providing that political agreement is reached on the Communication as a whole, the promises to begin the use of SIAs in 2003 when negotiating new fisheries partnership agreements.

### **Paying for resources or management?**

In the past, the financial payments made by the EU for access to third country waters has been justified with the argument that the EU was being allowed to take valuable natural resources. Compensation was therefore based on the fishing opportunities made available. Given the poor and generally declining state of resources and the challenge of curbing illegal, unregulated and unreported (IUU) fishing, however, future EU financing is to be justified more on the basis of local management and enforcement needs rather than available stocks alone. The idea is that FPAs will generate healthier fish stocks, some of which the EU will be given access to. As a result, the Commission states that payments under partnership agreements should not be seen as subsidies to EU operators. Indeed, fisheries operators are gradually to assume greater responsibility for the part of the payments relating to access to resources.

The EU's financial contribution should therefore, according to the Commission, take account of the EU's relative share of the 'surplus', but also the targeted measures agreed between the partners, and commitments of the coastal State to achieving sustainable fisheries. Fees to be paid by ship owners would be specified in the agreement, as they are in most current agreements.

### **Conclusions**

Many of the ambitions set out in the Communication should lead to a substantial improvement of the current situation. Potentially of most significance are the commitments to properly examine existing resources and management issues as part of the FPA development, as well as to undertake SIAs. Ideally, the approach to SIAs will be comparable to those undertaken in the context of EU trade relations.

DG Trade has invested significantly in the development and use SIAs and a similar level of investment from DG Fisheries would be welcomed. Effective consultation of stakeholders as part of the SIA will also be critical.

However, it is rather difficult to gauge how and when concrete improvements can be expected. Indeed, in some respects the Communication could pave the way for a more aggressive EU policy. The emphasis on joint ventures will raise concerns amongst many, particularly if funded within the FPA, as the use of EU Structural Funds for joint ventures is to be phased out by 2004. In addition, there is nothing in the Communication to suggest that the Commission will not be seeking to conclude more agreements with developing countries, expanding the EU's presence further. Discussions over a new Tanzanian agreement suggest this is already happening, and in the absence of an agreed SIA methodology.

The Commission's rather candid statement about wanting to maintain a European presence in distant waters should perhaps be a warning to those expecting fundamental change to follow from any agreement on the Communication.



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