Preliminary Reaction to the Commission's proposal for a future EU Maritime and Fisheries Fund COM (2011) 804 final

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Europe's fishing grounds were once amongst the most productive in the world, but thirty years of the Common Fisheries Policy (CFP) have resulted in serious depletion of fish populations, ecosystem degradation, and damage to species, habitats and sites. Today, 63% of the assessed stocks in the Atlantic are overfished, 82% of the assessed stocks in the Mediterranean and 4 out of 6 assessed stocks in the Baltic[1].

The European Commission recognised overcapacity as one of the key drivers of overfishing and estimates that in a number of fisheries, fishing capacity is two to three times the sustainable level.[2] The Commission also acknowledges that subsidies have contributed to this imbalance through artificially maintaining excess fishing capacity.[3] The 2011 European Court of Auditors' report confirms this, stating that fleet overcapacity is driving the depletion of fish stocks, threatening the wellbeing of our seas and the viability of the fishing communities.[4]

The role of subsidies as a driver for overfishing has been widely recognised, including at the international level. At the 2002 World Summit on Sustainable Development in Johannesburg, the international community committed to eliminate subsidies that contribute to illegal, unregulated, and unreported (IUU) fishing and overcapacity.[5] Also, parties to the World Trade Organization agreed to strengthen disciplines on fisheries subsidies, including through a prohibition of certain forms of fisheries subsidies that contribute to overcapacity and overfishing.[6] Commitments to phase out environmentally harmful subsidies were also made at the 2010 meeting of the Parties to the Convention on Biological Diversity in Nagoya[7], and at EU level[8].

The reform of the CFP and its financial instrument offers a critical opportunity to eliminate subsidies which contribute to overfishing and use them to support transition towards truly

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[1] Communication from the commission concerning a Consultation on fishing opportunities COM(2011) 298 final.
[2] EU Commission (2008) Reflections on further reform of the Common Fisheries Policy, non-paper.
[3] EU Commission (2009) Green Paper - Reform of the Common Fisheries Policy COM(2009)163 final.
[4] European Court of Auditors (2011) „Have EU measures contributed to adapting the capacity of the fishing fleets to available fishing opportunities?" Special Report No 12/2011.
[5] Johannesburg Plan of Implementation, paragraph 31(f).
[6] WTO (2005) Hong Kong Ministerial Declaration, Annex D paragraph 9.
[7] For instance in the Strategic Plan for Biodiversity 2011–2020, agreed by the Parties to the Convention on Biological Diversity in Nagoya in October 2010.
[8] See http://www.ocean2012.eu/press_releases/30-president-barroso-end-environmentally-harmful-subsidies.

sustainable fisheries and towards achieving healthy marine ecosystems. The following document is an initial reaction by BirdLife Europe, Greenpeace, Oceana, the Pew Environment Group, Seas At Risk, WWF and the OCEAN2012 coalition to the Commission's proposal. In particular, it indicates which parts of the proposal these groups welcome, and where they have concerns and see room for improvement.

What NGOs support

- The proposal combines financial resources for fisheries and aquaculture measures, as well as for control and enforcement, data collection and the Integrated Maritime Policy. The integration of these formerly individual funding lines into one financial instrument can simplify the administration through unified rules and procedures and contribute to more effective and efficient allocation of available resources.
- The proposal commits to ensure that funding will only be available for Member States compliant with the objectives and rules of the CFP, in particular control obligations, the IUU Regulation and data collection obligations.[9] It also makes funding for operators conditional upon compliance with the CFP.[10]
- The proposal contains a large number of measures which can contribute to placing the EU fisheries sector on a more sustainable footing, including measures to promote human capital and social dialogue[11], to facilitate diversification and job creation[12], and to establish and manage local bottom up initiatives to support fisheries areas and local partnerships[13].
- The proposal includes measures to support biodiversity, including through management, restoration and monitoring of Natura 2000 sites as well as aquaculture compatible with specific environment requirements related to the designation of Natura 2000 sites.[14]
- The proposal excludes financial support for the construction of new ports, new landing sites or new auction halls.[15] It also excludes aid for engine replacement, which is a step forward in disentangling fisheries subsidies from overcapacity.[16]
- The proposal contains provisions which would enhance transparency and public information by requiring Member States to publish more regularly detailed information in user friendly format, and to also transfer relevant data to the EU Commission.[17]

[9] See article 11 and Annex III.
[10] See article 12.
[11] See article 31.
[12] See article 32.
[13] See Chapter III.
[14] See articles 38 and 54.
[15] See article 41.
[16] See article 39.
[17] See articles 108(b), 143 and Annex IV.

Where NGOs have concerns and see room for improvement:

- The proposal fails to make the needed structural shift to ensure that public aid is used exclusively for creating public goods and services. In fact, the vast majority of the available funding will be allocated to measures which often benefit a handful of individual operators rather than the entire fisheries sector or society at large. Conversely financial support for control and enforcement and data collection is too limited.[18] While the earmarking of funds should ensure that a minimum amount of the funding is spent on control and enforcement and data collection, Member States should t have the flexibility to shift more EU aid into these types of activities.
- The proposal states that investments on board vessels or for gear modernisation are not meant to increase the vessel capacity.[19] However, the proposal does not address funding contributing to maintaining existing overcapacity. The proposal should make funding for fleets, vessels and gears conditional upon adequate assessment of fishing capacity in relation to available fishing opportunities. At present many Member States fail to comply with the legal requirement to report on their efforts to balance fleet capacity in relation to fishing opportunities.[20] The assessment is the minimum basis to spend modernisation aid in a more targeted manner and to avoid that aid is maintaining excess capacity.
- The proposal allows for a number of capacity enhancing fishing subsidies like payments for processing, marketing measures, port improvements and modernisation. Member States need to ensure that these subsidy payments are time bound, carefully targeted and subject to environmental limits to avoid the unintended consequence of enhancing fishing capacity.
- The proposal includes aid to establish systems of transferable fishing concessions (TFCs) under Article 27 of the proposed CFP basic regulation (COM (2011) 425 final).[21] NGOs oppose mandatory TFCs as a single-option solution, and ask that Member States have the flexibility to choose from a range of options on how to allocate access to fishing resources. Any aid aimed at establishing systems for the management of fishing allocations should be targeted at stakeholder-led / co-management systems at a fishery by fishery level.
- The proposal should also provide support for stakeholder participation to develop and implement multi-annual plans (MAPs).
- The proposal includes aid for investments on board or in ports to make best use of unwanted catches of commercial stocks[22] or their marketing[23]. This type of funding will, however, undermine desired impacts of a landing obligation, to fish in a more

[18] See article 15.
[19] Article 13.
[20] The most recent report from the EU Commission COM(2011) 354 final identifies Spain, France, Ireland, Cyprus, Poland, and Portugal as not providing an assessment of fleet capacity in relation to fishing opportunities and Sweden, Spain and the United Kingdom as not describing their fleets in relation to fisheries.
[21] See article 34.
[22] See article 40, 41.
[23] See article 71.

targeted and selective way. Funding should be made available to reduce mortality rates of unwanted catch, e.g. through research on more selective and environmentally friendly gear, and not for the marketing of unwanted catches.

- The proposal includes a number of measures which will indiscriminately promote and develop aquaculture without addressing environmental and social considerations, including aid for investments in offshore and non-food aquaculture, setting up aid for aquaculture enterprises and contributions to stock insurances.[24] This may lead to the same problems of over-establishment, negative environmental impacts and poor profitability as are currently found in the catching sector. If aquaculture is to contribute to future food security, the reformed CFP and EMFF must ensure that this industry develops into a net producer of fish protein, based on sustainability and sound environmental processes. Crucially, to achieve this, the CFP must ensure that European aquaculture does not rely on nor lead to the overexploitation of feed fisheries (from lower trophic levels) to feed farmed carnivorous fish.

Conclusions

Faced with concerted pressure from various stakeholders, the Commission has struggled to craft a proposal which responds adequately to the issues outlined in its 2009 Green Paper and to live up to its commitments to reduce overcapacity and provide effective support to promote a healthy and sustainable fisheries sector. We now look to the European Parliament to work with the Council to ensure that public aid will no longer be part of the problem, but will be part of the solution to address the current fisheries crisis.

For questions or further information please contact:

Vera Coelho	Seas at Risk	vcoelho@seas-at-risk.org
Aimee T. Gonzales	WWF	agonzales@wwfint.org
Markus Knigge	OCEAN2012	markus.knigge@ocean2012.eu
Tatiana Nemcová	BirdLife Europe	tatiana.nemcova@birdlife.org
Saskia Richartz	Greenpeace	Saskia.Richartz@greenpeace.org
Anne Schroeer	Oceana	aschroeer@oceana.org

[24] See articles 46, 51 and 57.