

A genuine reform?



Tony Long, Director, WWF European Policy Office

The once-in-a-decade reform of the Common Fisheries Policy (CFP) in 2013 was never going to be easy. But with the European Parliament fully involved in fisheries decisions for the first time, we had great expectations. The high point was the Parliament's plenary vote in February when, voting with a massive majority, a genuine reform seemed within reach. But a new threat loomed when the vote in the Parliament's Fisheries Committee (PECH) in June on the European Maritime and Fisheries Fund (EMFF) threatened to sink these previously hard fought gains. This € 6.5 billion funding package spells out how subsidies will be spent to implement the new policy. Following the money was always going to be the true test of how ambitious this reform really would be. (cont'd page 2)

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DO SOMETHING HISTORIC. AGAIN.

The European Parliament facilitated the shift towards sustainable fisheries management. Now this has to be substantiated with the right subsidies regime.

MEPs are being urged to show once again their support for sustainable fishing policies. Earlier this year, they voted to implement a robust reform of the Common Fisheries Policy. Now attention has turned to the subsidy system – the European Maritime and Fisheries Fund (EMFF).

Historically, subsidies have contributed to boosting the EU's fleet capacity by funding the construction of new vessels. As a consequence, the EU's fishing fleet is estimated to be two to three times larger than sustainable fisheries would allow. Many European waters are currently overfished and yet the Fisheries Committee (PECH) wants to continue to provide significant subsidies that enhance overcapacity in their fishing sector. This proposal, which only won by a slim majority in PECH, would risk undermining the CFP, said WWF when reacting to the PECH vote on the future of the EMFF (see left) last June.

Almost 150 scientists have also called on MEPs to fight for a subsidy system that supports the new CFP and therefore sustainable fishing.

"We urge you to use your skill and leadership to achieve a successful outcome in the EMFF negotiations and demonstrate to the world that the European Parliament can play a constructive role in solving problems of global consequence," they wrote in a letter sent to all MEPs.

Also in this issue: Detrimental vs. Beneficial Subsidies – Break the Vicious Circle | Subsidies for Sustainability – by Gwennaël Pennarun | What's new? Into the Deep

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(cont'd from page 1) PECH members were asked to produce a plan that could promote long-term sustainable fisheries. But instead the PECH Committee voted in favour of reintroducing subsidies for the construction of new fishing vessels and fleet modernisation. If in the autumn the EP votes in the same way as the PECH committee, stock recovery could be set back decades. This is especially true for the Mediterranean, where the bulk of funds on fleet renewal will be spent, and where 88 percent of the stocks are overfished. If we want to reduce overfishing, this was the wrong decision. Investment in new boats and equipment will create further overcapacity. Fishermen will be able to travel further from port to reach more distant fish stocks, the opposite of what was expected and needed – from this reform.

We are in danger of going backwards in the current reform unless this PECH Committee vote is overturned in plenary. The EU committed to phase out subsidies

"We are in danger of going backwards ..."

for vessel construction during the last CFP reform in 2002. And, at the Rio+20 Summit in June 2012, all participating governments, including the EU, pledged to phase out fisheries subsidies that contribute to overfishing.

The combination of current reforms of the CFP and EMFF has provided the EU with a huge opportunity to stop overfishing, not only by reforming the Basic Regulation, but also through a significant reduction of harmful subsidies to the fishing sector. There are plenty of positive ways to spend fisheries funds, including allocating money to promote schemes that will promote fish stock recovery and improve fisheries governance, particularly as we move towards regionalisation. Reversing years of overfishing is exactly the direction that the public expects from European decision-makers when allocating its scarce public resources.

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DETRIMENTAL SUBSIDIES

Through years of mismanagement of fish stocks and inappropriate subsidy payments, European consumers now pay three times for their fish. First, for the price of fish (the value of the landings). Second, for the societal costs of overfishing (reduced stocks yield lower revenues and fewer jobs). And finally, through taxes to support a fishing industry struggling to cope with the consequences of overfishing.

Ironically, this vicious cycle (see figure, right) is being created by the subsidy system in place: more capacity means fewer fish, which results in less revenue and jobs and therefore the need for greater subsidies.

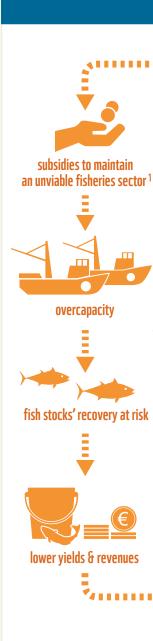
Overcapacity and overfishing

A handful of European fleets are turning a solid profit without public support; a large portion is running losses. Oceana¹ estimates that just one percent of fishing subsidies are beneficial to the marine environment. The current system is based largely around "detrimental subsidies" like **fleet renewal and vessel construction**, which serve only to drive overcapacity and overfishing. With too many boats fishing for too few fish, the Fisheries Committee's vote to bring back such subsidies is likely to have disastrous consequences.

Exacerbating the imbalance

Financing construction of new vessels will not help bring fishing capacity in line with available stocks. There is a proposal to limit such funds for fleet renewal to small-scale and coastal fishing vessels that are older than 35 years and on the condition that engine capacity must be reduced and the vessels use selective gear – but even this will exacerbate the imbalance and accelerate the depletion of fish stocks. It will also undermine the EU's international commitments and will be to the detriment of the marine environment, the long-term livelihoods of fishermen and, ultimately, the fish-eating European public.

 $^{1)}\,http://oceana.org/sites/default/files/euo/OCEANA_State_aid_factsheet_072013.pdf$

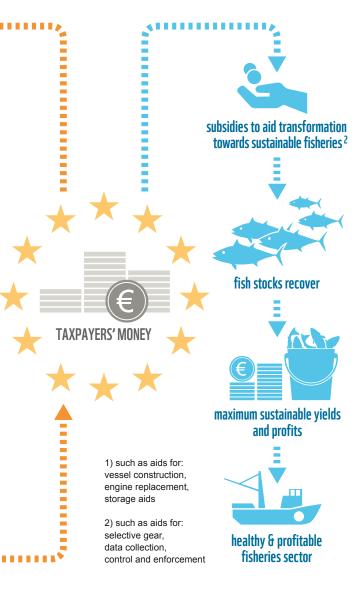


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Break the vicious cycle



BENEFICIAL SUBSIDIES

The reform of the EMFF provides an opportunity to invest in the long-term economic viability of the fishing industry. It is more fish, not vessel subsidies, which will support EU fisheries.

Foster sustainable fishing

Priority should be given to measures that ensure productive and healthy oceans – or "beneficial subsidies". This would see taxpayers' money used for improving data collection, control and enforcement, as well as research and financial aids to foster sustainable fishing practices such as improved gear selectivity. This would also extend to aids for the implementation of Marine Protected Areas and stakeholder involvement when setting up management plans for all European fisheries. Any funding for Member States should also be made conditional on fleet capacity reporting.

Control and data collection

Such a system will allow fish stocks to grow through sustainable fisheries management, monitoring and control or data collection. Studies clearly indicate that eliminating harmful government subsidies worldwide and putting in place effective management systems would mean that, in just 12 years, the returns of the fisheries sector would begin to outweigh the costs.

Aid the transition

These additional funds could significantly aid a transition towards sustainable fisheries. Only by tackling overfishing can we end this vicious cycle. The result will be more fish (sustainable fisheries), better profits for fishermen (less reliance on subsidies) and long-term sustainability for fishing communities. The EMFF offers a real chance to achieve this.

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SUBSIDIES FOR SUSTAINABILITY

Gwennaël Pennarun, fisherman, chair of the French association of long liners in Brittany (Association des ligneurs de la pointe de Bretagne) and co-chair of the French platform of small-scale and artisanal fishermen, explains why public funds must be used sustainably.



"Subsidies should be directed to improve our knowledge of marine ecosystems."

"Public funds, if well managed, can be beneficial for the marine environment and provide fishermen with the confidence to fish sustainably. But experience has taught us that this hasn't always been the case, with fishing subsidies used to fuel overcapacity and thus overfishing.

I truly believe that public funds should serve the best management of the marine environment. The EMFF must therefore focus on two main areas if it is to support smart fishing.

Firstly, subsidies should be directed to improve our knowledge of marine ecosystems. This means better collaboration between scientists and fishermen, taking precautions to include every stakeholders' point of view and, in particular, that of the small-scale fishing sector. The only way to have a more complete and 'real' picture of the sea is to combine the views of fishermen and scientists. Fishermen, including

small-scale fishermen, working in tandem with scientists, are critical for smart and sustainable fishing in the future.

Secondly, public funds should require fishermen to respect and follow the regulations in place. If all fishermen (both professional and recreational) respected the current regulations the marine environment would be much improved.

Nobody questions the need to improve selectivity, security on board or better working conditions. However, we need strong safeguards to avoid subsidies being diverted away from sustainable and selective fishing and towards the building of bigger vessels that will only result in further overcapacity. For too long vessels have been converted into new boats with more power and larger fishing capacity under the guise of 'improvement of selectivity or security'. In France, for instance, some trawlers have been modified and transformed into Danish seiners using public aid intended for the 'improvement of selectivity and fuel consumption'. These new boats have increased catch capacity and are having a big impact on resources; they are also resulting in new 'space conflicts' with small-scale fishermen. For this reason, the allocation of public money must be supervised closely.

Finally, there is a need for public funds to become accessible to all fishermen, in particular the small-scale fishing sector which has, to date, benefited little from the subsidy system. The EMFF must integrate a new line of subsidies to help small-scale fisheries to structure and organise themselves."



Why we are here

To stop the degradation of the planet's natural environment and to build a future in which humans live in harmony with nature.

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WHAT'S NEW

Into the Deep

In July 2012 the European Commission released a proposal to reform the deep-sea fisheries in the North-East Atlantic. The proposal also includes measures to improve the management of deep-sea stocks and vulnerable marine ecosystems (VMEs) in EU waters and adjacent NEAFC (High Seas) waters where EU vessels operate (2012/0179(COD)). A revision of the deep-sea access regime (Regulation (EC) 2371/2002), including a regulation of deep-water trawls and gillnets, is urgently needed to ensure sustainable exploitation. The current regime is ineffective; most deep-sea stocks in the North-East Atlantic are overfished or in an unknown state. VMEs such as deep-sea coral, sponge and seamount communities are unprotected in most of the region. Where they are known to exist, certain areas of the North-East Atlantic have been closed on a case-by-case basis (Regulation (EU) 227/2013). However, the



UNGA Resolutions on sustainable fishing and respective FAO Guidelines require further action in areas where VMEs are likely to occur. Environmental NGOs and scientific experts therefore welcome the Commission proposal but call for certain improvements, including a straightforward depth-based definition of deep-sea fisheries in addition to criteria merely related to a specific fishery. A transposition of current NEAFC rules into EU law would not be sufficient to conserve living marine resources.

More info: http://bit.ly/16HIPF3 and http://bit.ly/17Rbc4j