



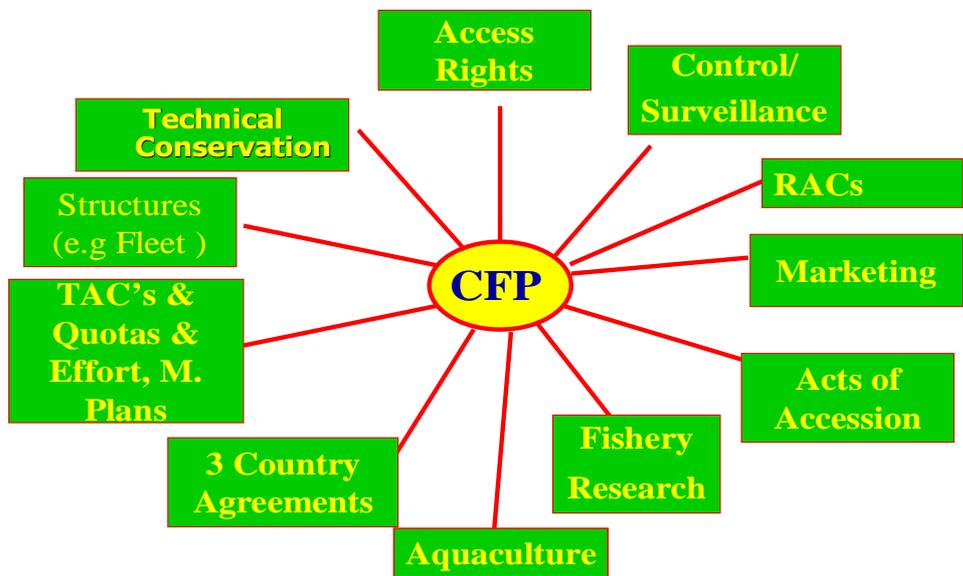
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EAPO RESPONSE ON THE GREEN PAPER ON THE REFORM OF THE COMMON FISHERIES POLICY

1. Introduction

It is EAPO's view that the CFP should contain the following main elements:

Main Elements of The CFP



2. Overcoming the Five Structural Failings of the Policy identified in the Green Paper

2.1. Addressing the deep-rooted problem of fleet overcapacity

The Green Paper contains opinions and perceptions without having clear data at hand to proof these allegations. It can be questioned how it is possible that there is overcapacity when own production is not sufficient to supply the internal demand. Further analyses of fishing capacity (1) on a member state level, (2) on a fishing ground by fishing ground basis and (3) per metier are essential. The available resources (TACs & Quota) assigned to the different fleets need to be taken into account. The subsequent step should be to investigate the socio-economic consequences of the eventual adaptations resulting from those analyses.

Although with these analyses it will still not be possible to do this on an exact science basis, it is essential to agree on a definition of capacity. EAPO finds that the socio-economic data should be the core of this definition, not nature conservation. We agree that it is necessary to also have a direct link between capacity and fishing effort.

It is essential to properly define over capacity in socio-economic terms rather than just in capacity (GTs and kW) terms. Provided a vessel is financially viable within the available resources its capacity or amount of time it spends at sea is irrelevant. The Pelagic fleet which is financially viable is a good example of this principle.

EAPO thinks that based on the above mentioned analyses it will be clear that a one-off scrapping fund is not a solution for the socio-economic issues of the sector. The use of transferable rights may play a role to resolve the issues coming out of the analyses, but specifically for mixed fisheries this can be very complex.

2.2. Focusing the policy objectives

EAPO finds that sustainable development cannot be disconnected from socio-economic objectives. The ecological, the social and the economic must each have a balanced and stable level of importance. Strategy-wise it is essential that the details of the three types of objectives are determined using a bottom-up approach. This will show that the existing market areas and the importance of local supply are solid bases for focusing the policy objectives.

Accordingly EAPO does not support the putting forward of the ecological sustainability as the only objective. It is our view that, if it is shown that the current CFP has failed, this is due to the one-sided approach. It would be useful to actually use the art. 2.1 of the current CFP (regulation 2371/02) to thoroughly define the objectives of a new CFP.

The MSY-principle is already being put forward as one of the tools to reach the objectives. When based on an approach taking into account the three pillars

of sustainability, no-one will deny that MSY is an acceptable approach. However, it would be useful to have clear information on how B_{msy} and F_{msy} are determined for the different stocks. These calculated targets should not become objectives themselves without taking into account the socio-economic consequences.

If MSY is featured in the new CFP it must be accompanied by realistic alternatives in case the targets are not reached by the intended date (2015). There is already a widely spread sentiment that an extreme effort will be required to reach MSY for specific species, let alone on a general basis. The MSY objective is to have a profitable fleet by 2015, the ultimate principle must also guarantee a profitability after the adjustments of the fishing capacity. For the professional fishermen, the fishing itself is not the target. So, taking into account all the above, a market objective must be part of the exercise.

Product quality and food security should subsequently also play an important role. Ensuring that the sea fisheries production stays marketable should accordingly also be one of the cornerstones of the objectives in a new CFP. In addition, fishery should play its part in the food supply and this mainly aimed at local needs and providing consumers an optimum choice possibility.

It is important that specific measures are determined to individually reach each of the three pillars of the sustainability objective. Also the relation between those three needs to be clearly defined. In order to do this, a lot of scientific research still is required. The current availability of data is not sufficient to start such a project. There have been numerous actions successfully targeting the reduction of fishing effort in the European waters. However this success is not visible in the determination of policies. It should become an objective in itself to actually see the results of these actions and take them into account.

Objectives exist to work on a positive future and obviously sustainability (socio-economic and ecological) is a part of that. Future also means thinking about the youth - about young starters - and ensuring that the means to support them are being foreseen.

2.3. Focusing the decision-making framework on core long-term principles

EAPO finds that decentralisation of authority is a solid base for decision-making. In general terms an active contribution of stakeholders must be confirmed. Effectively this can be achieved through an overarching framework of principles to be agreed on a wide European platform. Regional management units, consisting out of representatives from the industry and from the administration of the relevant member states, should take up the responsibility to work out long-term management plans and to take management decisions. For pelagic species however, such a regional approach is not valid. Generally, there is no need for a one size fits all approach.

Long-term management plans could be consolidated from specific PO management plans over a 3 to 5 year period. In the specific PO management plans, not only must the European principles be taken into account, but also it must be demonstrated how the members will operate in a sustainable and profitable manner. In order to achieve this, there will obviously be a need for scientific support. An independent audit authority should from time to time review the compliance with the self-created specific management plans.

It will be important to ensure that no gap is created between the fishermen and the management bodies, so that it remains visible that it is the fisherman's experience that weighs on the policy-making. It is EAPO's view that currently there is such a gap in respect of ACFA and the RACs.

2.4. Encouraging the industry to take more responsibility in implementing the CFP

Based on the preceding chapter it should be up to the industry to demonstrate that its own plans for a sustainable and profitable policy are being adhered to. A Producer Organisation is the ideal structure to take up this responsibility. In this scenario non-P.O.-members should adhere to the P.O. rules at all times. There is a requirement to improve the management of the non-P.O.-sector to support the P.O. policy.

The P.O. as well as its members should receive one or other form of incentive as an encouragement to determine a policy and adhere to it. Costs for the management and the fishing rights should be covered by the P.O.s, but market-wise it must be guaranteed that working profitably remains possible. In other words everyone in the chain should contribute to this costs, up till the consumer.

This reflects the type of decentralisation EAPO is putting forward. Such a management and such a market situation, based on local supply and guaranteeing at least a cost recovery, lead to an honest competition.

2.5. Developing a culture of compliance

The reasons for the impression that currently fishermen have no culture of compliance, are the complexity of the regulations, the enormous pressure put on the fishermen's shoulders and the compliance uncertainty when executing their profession. Although in most cases fishermen have done everything possible to comply with the complex regulations, there is always the doubt if they have not overlooked a tiny paragraph in the numerous rules they have to be prepared for.

EAPO considers that the following basic principle is a possibility to achieve a culture of compliance. The fishermen should no longer be submitted to strict rules and regulations, but should be imposed to reach the clear and specific objectives which were the reasons for creating those rules. Each fisherman would then have an open choice on how to reach those objectives. Also a clear description of the responsibilities of the parties involved is required in this

principle. This is one possible form of self-regulation, which specifically for mixed fisheries will contribute to an improved level of culture of compliance.

Another factor in the development of a culture of compliance is the achievement of a level playing field both within and between the different Member States and with third countries. The creation of a European Control Agency is clearly a step forward in this respect. Obviously a lot of authority will have to stay on a national level, but a control on the Member States control functions by the European Agency can contribute to the principle of equality. If Community financing would become dependant of the proper execution of the control responsibility at Member State level, it will be important to ensure that the producers and the fishermen are not victimised.

3. Further improving the management of EU fisheries.

3.1. A differentiated fishing regime to protect small-scale coastal fleets

First of all it will be of utmost importance to agree on a definition of 'small-scale'. EAPO recommends to use different definitions for different geographic areas, taking into account the fisheries specifics at the different coasts. Whether or not the vessels themselves are small-scale should not be the only criteria and in some cases should not even be retained as criteria. In many places the fleet has already been downgraded to such an extent that further reduction could lead to the disappearing of the entire fisheries sector.

If small-scale would become a factor in the new CFP, there should also be a possibility to reconvert from larger-scale to small-scale, but this should not become an obligation. It should be analysed on a regional basis whether reconverting is possible or not. Items like financing, available and reachable fishing grounds, existing local supply and demand, etcetera, will have their impact on this.

According to EAPO a differentiated management according to size can in practice not be generalized although certain details can be made specific per fleet segment. A European centralisation of this principle does not correspond with the general decentralisation tendency that can be found in the responses to the Green Paper. In other words a differentiated management system should not specifically be part of the CFP.

For large scale enterprises, not SMEs, it could possible to be subject to a differentiated arrangement. As such it would be better to not describe the small-scale, but rather the large scale, or an industrial level, in the CFP.

In order to determine the necessary fishing capacity and the size of a fleet, the local socio-economic weight of the fisheries sector, and eventually the food supply, are much more important than the factor 'small-scale' or not. In order to be able to reach a level playing field, it is better to restrict the reference in the CFP to mentioning the general objectives. Details can then be defined per coastal community.

3.2. Making the most of our fisheries

For the development of long-term management plans for all European fisheries it will be crucial to rely on the knowledge and experience of the fishermen. This means a major reform of the way scientific advice is used to determine a policy. An important factor of this reform is the identification of possibilities to reduce the enormous amount of uncertainties in fisheries science.

Before basing the reform of the CFP on the 2015 MSY-target, it must be determined whether this is achievable for all fisheries at the same time. Using the different stages of the reform can serve to organize a gradual introduction of MSY, which gives a higher chance on success. Keeping MSY for the different fisheries should accordingly be part of the relevant specific steps towards the CFP objectives per metier.

The EAPO members are leaning towards a principle in which the pelagic fisheries are working with a quota management system. For other fisheries, and specifically the mixed ones, the following could apply: to optimize a management perhaps the best principle is to determine a system by metier, target species and fishing grounds.

It would be better to at the same time regionalize the management, preferably based on market and food supply data. Taking into account the socio-economic aspect it is important that some flexibility remains for fishing opportunities, like the possibility to exchange, as well between vessels as inter-regional. This will always be necessary to help achieving a general economic viability for the remaining fishermen.

EAPO supports the principle to progressively reduce discards to a minimum level and to achieve this by metier and by maritime region. Such an approach, involving the sector, is much more realistic than immediately aiming for a total ban. EAPO is not unfavourable to the idea to set TACs and quota on catches in stead of landings, if the current estimates of discarded quantities are added to the current landing quota.

A technical conservation measures regulation must be effective and simple. To determine the measures a regional approach is required and the measures for pelagic fisheries should be considered separately. It is EAPO's view that the industry self-management principle is absolutely necessary to build up a workable TCM regulation.

3.3. Access to coastal fisheries

EAPO finds that the 6 and 12 mile limits as currently existing should be retained.

3.4. Trade and markets – From catch to customer.

According to EAPO this is one of the components of the current CFP which indeed did not work. There are, amongst other issues, too much differences between the Member States for a market organisation to work on a common basis. On the other hand EAPO wonders what would have happened without any form of market organisation.

Generally there is a shortage of fish and fishery products on the European market and yet in many cases, landed products are removed from the markets. In addition the import flow is not sufficiently charted and there are no clear EU criteria in existence.

P.O.s must play an important role in the market organisation, so it would be useful to clearly define this role in a new CFP. A P.O. should be able to have an impact on the price setting of the products. This is not easily achieved in a free market situation. EAPO questions why so many policy makers and stakeholders are against a support for the first sale of products. This should be perfectly possible taking into account the social pillar of the CFP objectives.

In several market areas, problems occurred because the rules were not being adhered to and the impact of this, sometimes spread to adjacent areas. When in addition also the imported products reach astronomical volumes, it becomes impossible for the production in those areas to remain competitive. It is being said that some member states of the EU do not have sufficient means to adequately perform the phyto-sanitary inspections of imported products. So it would be useful to include an item in the new CFP which enables the provision of such means.

Generally - also in the Green Paper - fish is being described as the main source for good quality animal protein and fat, and as an important resource for food supply. Yet prices paid for this product remain at an unacceptable level. At least a price should be paid, always covering the cost of the production. The difference between the pricing for the consumers and the one at first sale is too large. Therefore it is necessary to analyse the full process from first production to consumer. There is a need for a change in the mind-setting of the administration and the public opinion. There could be a potential in the linking of fishing activities with environmental protection.

On all fronts catching fish is more natural than cultivating fish and this is specifically valid in many third countries importing fish products into the EU. Strict environmental conditions and an adequate anti-dumping regulation are the least that can be done to provide the necessary competitive status to the own production. This European production also deserves some support for promotion. To the consumers it must be clear what the quality, the nutritional value and the environmental impact is of, for instance, a freshly caught plaice in comparison with an imported aquaculture pangasius. Currently the fishing sector does not have sufficient means to organize – for instance - a major television campaign around this.

As mentioned earlier, a reinforcement of the Producer Organisations should be part of the reform of the CFP. Their efficiency is certainly subject to improvement and, as the P.O. system has been set up by the Member States and accepted by the European Commission, also on those fronts co-operation is required to work on the improvement of that efficiency. A possible action in this respect is doing something about the fact that currently the CMO at a European level is organised in a too vertical manner. 'Minimum prices', on the other hand, should not be abolished, but it should be attempted to consolidate the offer at a regional or at a port level. Regrettably the budget assigned to the CMO is ridiculously low.

To have a good CMO, it is also essential to have a good common organisation for the resources of that market. In this, the traceability of those resources is of utmost importance. This could be part of the objectives of the aids required by the P.O.s to manage the markets and to link the supply with the demand.

In all this, the basic objectives of the CMO must be retained, i.e. (1) finding a balance between supply and demand, (2) stabilising prices in order to guarantee a minimum income for fishermen and (3) improving the general competitiveness of the Community fleets on the world markets. The cooperation of the P.O.s is essential to achieve these objectives and therefore it would be a good thing to foresee in the CFP incentives and rewards for members of P.O.s.

The fixing of guide and reference prices, and the intervention mechanisms need to remain the key elements of a CMO. The big challenge is the determination of these elements. Also a strategy is required to determine emergency measures. A European label demonstrating the compliance with the conditions for the three pillars of the CFP (economic, social and environmental) is fitting perfectly in this concept.

Specifically considering the withdrawal principle, those products could have their proper market organisation. In stead of the current interventions a market value could be set for the products concerned. The P.O.'s should be allowed to put these products on the market on the condition that they have a program in place describing in detail the relevant actions they will take. Considering this potential, it is regrettable that in the Green Paper the cost for a CMO appears to be a barrier for the its execution.

Recapping the above, the answers to the questions in this chapter of the Green Paper are the following. The market mechanisms must follow the principles of 'a full compensation for the costs made' and 'an honest pay for the work done'. Certification and labelling supporting this, is best organised based on regional objectives and through registered P.O.s. Those P.O.s should also take up this responsibility for the products not being put on the market by the catching sector, including imports. The certification of a P.O. could be made dependant of the fulfilment of the condition that it operates according to the principle of a sustainably managed fishery and that in its policy the needs of the market are taken into account. Accordingly it will not

be possible to sell fish without the consent of a P.O. This is the way to obtain a balanced trade policy based on honest prices within an honest competition.

3.5. Integrating the Common Fisheries Policies in the broader maritime policy context

For the fisheries sector it is adamant that spatial planning and the protection of the right to fish are included in the Integrated Maritime Policy (IMP). This right must certainly be mentioned in the CFP and it can be stipulated that with such rights there are also quite a few duties. Food supply taking into account the environment and the socio-economic situation, must obtain priority within the maritime strategy. Within the IMP there is the possibility to include an extra dimension for fisheries in respect of monitoring pollution risks and providing data to enhance the analysis on the impact of climate change.

3.6. The knowledge base for the policy

A significant reform is required of the way in which scientific advice is provided. ICES input should be restricted to biological advice only. The input of the knowledge and the experience of fishermen must be organised. Also the principles for data collection must be reviewed and the many uncertainties, currently existing in the analyses, must be drastically reduced. Furthermore it can be established that the safety margins used for stock analyses are rarely found in other scientific analyses.

To EAPO it appears that the STECF is not delivering. There are very little to no signs of any socio-economic input into the policies. A new structure incorporating an regional approach is therefore needed. The entire scientific happening should be organized together with the fishermen. A uniform and agreed interpretation of a number of data has a much bigger scientific value and is a much better basis for building up a policy. The combination of tacit knowledge, experience and a specific training for the crews of commercial fishing vessels, would lead to an improved understanding of the actual situation in the European Waters.

3.7. Structural policy and public financial support

To EAPO it is obviously of utmost importance that a European economic fisheries sector can survive. Own vessels catching fish is a vital component of such a sector. Because of the volatility of the markets, both on the income as on the expense side, it can not be guaranteed that the catch component is economically viable at all times. This should be taken into account when support is assigned.

Catching fish is also an important component of food supply. Important initiatives have been taken to optimize hygiene and quality of the catches and also concerning nutritional value certain advantages are coming to light. . The employment in the sector in Europe is already based on the current hygiene and quality standards. Accordingly also the social factor can be used as a competitive tool on a completely open market. As such the European

catching sector needs support to compete with less hygienic, less qualitative and less social alternatives.

It is not defensible to only foresee support for specific transitions, particularly the ones exclusively based on the ecological pillar of sustainability. On the other hand it can be necessary for all three pillars of sustainability to receive support. Accordingly each suggestion needs to be assessed. Such an assessment can be on a different basis for the different components of the sector and/or for different geographic regions.

In order to maintain the chances of a sustainable (3 pillars) fishery, to EAPO an internal supply of hygienic and qualitative products at a responsible cost, remains the most important objective for public financial support. It is also vital to create an attraction to safeguard the future and to guarantee the sustainable development of the sector. It must be clear that with such objectives fisheries management services are to remain free of charge and permanent financial support must remain possible.

In respect of funding, all relevant areas of the reformed CFP require specific budgetary commitments. New provisions are required to cover socio-economic requirements and new innovative price support mechanisms need to be foreseen. Some of the EFF measures can be utilized to achieve this.

3.8. The external dimension

In the opinion of the EAPO, fisheries agreements should have a trade component and a component around cooperation for development, if the relevant countries so require. The overall objective should be the fight against poverty of the local populations in coastal areas. The agreements should include financial support for infrastructures and for fishing companies in developing countries in order to create jobs at companies generating well-being. In this area, Community companies could establish joint ventures under the umbrella of fisheries agreements since experience has shown that wherever joint ventures are set up, thousands of jobs and numerous companies have been created.

Agreements for European fleets must continue so that they can operate and thus maintain an entrepreneurial and social network in the European zones that are dependent on fishing. As for the classic reciprocity and partnership agreements it should also be possible to enter into fisheries agreements without there being a balanced exchange of fishing possibilities. There are countries where fishing possibilities are already shared out among its fishing companies, some having been established as joint ventures. But these countries need agreements as a legal guarantee for the joint ventures set up there and as a way of helping the development of the local fishing sector to enable them to continue to generate well-being and jobs.

Besides the above, EAPO underlines the importance of maintaining in the future the bilateral fisheries agreements on shared stocks between the EU and third countries (under the Northern agreements).

In the Regional Fisheries Management Organizations (RFMOs), the EU, as a fisheries power and as one of the leading fish markets in the world, must set itself the main objective of leading said organizations. To do so, it is essential for the Commission to channel more human means in order to reach this objective.

The decision-making process in the external dimension should be similar to the internal dimension: it must involve setting up mixed committees for each RFMO or fishing area, comprising scientists, administrations, the Commission and the sector.

3.9. Aquaculture

EAP0 recognises the need for aquaculture considerations to be included in the reform of the CFP and that aquaculture has become a centrally important factor in the functioning of EU food supply and market operation. However the pace at which imported aquaculture products are undermining and displacing capture fishery product remains a clear and present danger to the fisheries sector. It is essential that a reformed Common Fisheries Policy has proper control mechanisms in place to cover all imported fish and fishery products including imported aquaculture products.

(28 December 2009)