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The Reform of the Common Fisheries Policy (CFP)



Members' Research Service
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The Reform of the Common Fisheries Policy

1 Introduction

This paper provides an introduction to the Common Fisheries Policy (CFP), why the reform is taking place and some of the main changes that have taken place that will affect Welsh and other UK fishing vessels. It is not intended to provide a comprehensive background to all aspects of the CFP and its reform.

2 Background

The Common Fisheries Policy (CFP) was established in 1983 as the basis for the conservation and management of the European Union's (EU) fisheries resources.

Under the CFP, the EU is responsible for the management of stocks, including implementing various management measures, such as controlling fleet size, allowed fishing gear characteristics (known as technical measures) and setting annual Total Allowable Catches (TACs). The EU also negotiates fishing agreements with Third Countries (countries outside the EU) on behalf of Member States.

The EU is founded on a principle of free access and movement of goods and people between Member States. This principle also applies to the CFP, although a number of derogations were established, primarily to safeguard the livelihoods of coastal fishing communities in those areas highly dependent on fishing. These broadly include:

- ◆ No fishing in the coastal waters (within six nautical miles (nm)) of another Member State. Fishing within the 6 – 12 nm zone is restricted to those vessels from adjacent ports or with a history of fishing access to the area.
- ◆ Various protected “boxes” within which only limited fishing can take place (e.g the Shetland Box, the Irish Box). These were set up either to protect local fishing interests or for conservation reasons.
- ◆ The principle of “relative stability”, whereby each Member State gets the same proportional share of TACs each year.
- ◆ Restricted access to the North Sea for certain Member States (Spain, Portugal and Finland)

Individual Member States remain responsible for ensuring that the fishing vessels registered in their country abide by the CFP and for punishing those fishermen that break the rules. They cannot prosecute fishermen from another Member State.

Member States are responsible for the management of coastal waters (out to 6 nm) and may put in place additional management measures, which apply only to their own fishermen. In England and Wales, the management and enforcement of coastal fishing regulations is the responsibility of Sea Fisheries Committees (SFCs). The two SFCs responsible for Welsh coastal seas are the South Wales SFC (SWSFC) and the North Western and North Wales SFC (NW&NWSFC).

The CFP also covers other issues such as aquaculture, the common marketing of fish and fisheries products, provides financial support for fishing and fish processing

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industries and fisheries dependent communities and makes provision for the formation and operation of Producer Organisations (POs) – a type of industry representative body.

The CFP does not explicitly apply to recreational fishing. In England and Wales, SFCs were given additional powers under a range of UK Habitats Regulations, giving them certain responsibilities in the implementation of wildlife protection areas under the *EU Habitats Directive* and *EU Birds Directive*. Part of these duties will involve some monitoring of recreational angling.

The Habitats and Birds Directives are available on the European Commission Eur-Lex website:

http://europa.eu.int/smartapi/cgi/sga_doc?smartapi!celexapi!prod!CELEXnumdoc&lg=EN&numdoc=31992L0043&model=guichett

http://europa.eu.int/smartapi/cgi/sga_doc?smartapi!celexapi!prod!CELEXnumdoc&lg=EN&numdoc=31979L0409&model=guichett

The majority of the Welsh fishing fleet is composed of inshore vessels. Most of the larger offshore fishing vessels, registered in Welsh ports are owned and operated by Spanish interests. These are commonly known as “flag ships”. For the purposes of the CFP and it’s remit, they are considered to be UK vessels and must be treated as such.

Information and statistics relating to England and Wales fishing vessels and fish landings can be viewed on the Department for Environment, Food and Rural Affairs (Defra) website:

<http://www.defra.gov.uk/fish/industry.htm#stats>

3 Why is the CFP being reformed?

The current review of the CFP is a scheduled review, similar to the periodic reviews of other EU Policies, such as the Common Agricultural Policy (CAP).

The CFP was last reviewed in 1992, and resulted in little change. The 2002 review has been carried out over many months, involving consultation with fishermen, their representatives and other interested parties (such as conservation groups) in all Member States.

It is widely accepted by fishermen, environmental groups and the European Commission itself that the CFP has failed to conserve fish stocks and that the current review is necessary. There are several accepted reasons why the CFP has not succeeded in protecting fish stocks, which are given in the European Commission’s Green Paper, *The Future of the Common Fisheries Policy*:

- ◆ Annual TACs have consistently been set higher than scientific advice recommended. This is due to political pressure from fishermen on politicians to “talk up” the TACs.
- ◆ The ability of the EU fleet to catch fish (the fishing capacity) is much greater than the number of fish that can be sustainably caught. This is primarily due to the availability of subsidies to replace old vessels with newer, more efficient ones.

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- ◆ Poor and uneven enforcement of fishing regulations. As each Member State is responsible for policing and punishing its own fleet, fishermen from other Member States often feel they are more harshly punished by their own enforcement services than fishermen from other Member States.

4 What are the main areas for reform?

The Commission published its Green Paper, *The Future of the Common Fisheries Policy*, in May 2002, setting out the main areas for reform. Following this, fishermen, Member States and environmental groups were able to respond to the proposals.

The December 2002 meeting of the EU Fisheries and Agriculture Council agreed several reforms for the CFP. Key areas of reform are set out below.

4.1 Conservation

- ◆ A longer-term approach to management will be taken. Multi-annual recovery plans for at risk stocks, multi-annual management plans and multi-annual TACs will be implemented. This replaces the annual approach previously taken and is intended to allow fishermen to plan their activities over a longer term and reduce sudden changes in TACs from one year to the next.
- ◆ The Commission will be able to implement emergency measures for conservation reasons for a period of six months. Member States will be also be able to implement their own three-month emergency measures. This effectively “fast tracks” the previous system, allowing a speedier response to unforeseen circumstances.
- ◆ Member States will be able to apply conservation measures to all vessels in their coastal waters, not just those from their own fleet. These measures must be non-discriminatory.
- ◆ Member States will be able to grant more financial aid to fishermen that have been forced to temporarily stop fishing due to the implementation of conservation measures.

4.2 Enforcement

- ◆ Member States enforcement powers will be extended so that they can control their own fleet in waters throughout the EU (except in another Member State's coastal zone).
- ◆ Member States will be able to control vessels from other Member States, throughout EU waters as long as the Member State concerned has given permission for such monitoring to take place.
- ◆ A list of sanctions for infringements of rules will be drawn up. This will aid the move towards a more “level playing field” and contribute to more equal policing and enforcement of rules.
- ◆ The use of satellite Vessel Monitoring Systems (VMS) on fishing vessels will be extended to cover a greater proportion of the fleet – all vessels over 15m length as of 1 January 2005 will be required to have VMS systems. This represents an

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additional cost which vessel owners will need to meet, although EU grants under the Financial Instrument for Fisheries Guidance (FIFG) are available to help meet these costs. FIFG funding is available in Wales through the Welsh European Funding Office (WEFO).

- ◆ The European Commission will be able to penalise Member States that exceed their TAC allowance by deducting quota from the Member State's allowance.
- ◆ The powers of the EU fisheries monitoring inspectors will be increased and proposals for a Joint Inspection Service for the whole EU will be considered during 2003. It is as yet unclear what these proposals are likely to be as Member States have resisted similar moves in the past, viewing it as a decrease in sovereignty.

4.3 Access to waters

- ◆ Restricted access to the North Sea has been removed, as this was only a temporary derogation. Fishing activity will be closely monitored in the North Sea to ensure that additional fishing activity in the area does not adversely affect fish stocks.
- ◆ Restricted access in other EU waters will be altered so that it is no longer discriminatory against particular Member States – access to some waters by Spain was previously restricted.

4.4 Fleet policy

- ◆ The system of Multi Annual Guidance Programmes (MAGPs), which aimed to regulate and reduce fishing effort, has proved ineffective and will be replaced by a system that gradually and continually reduces fishing effort.
- ◆ Subsidies for building new vessels will be phased out by the end of 2004. Southern EU states and Ireland were particularly opposed to the removal of fleet renewal subsidies and this two-year phase out represents something of a compromise.
- ◆ Subsidies for vessel modernisation will only be allowed if they are to improve safety, catch quality, working conditions or to switch to more environmentally friendly fishing methods. Subsidies that will lead to an increase in fishing capacity (e.g. new engines) will not be permitted.
- ◆ A €32 million "scrapping fund" will be made available to help Member States reduce fishing capacity, primarily through permanently removing fishing vessels from the fleet.

4.5 Regional Advisory Councils (RACs)

- ◆ Regional Advisory Councils (RACs) will be established to provide recognised fora for fishermen and other stakeholders (e.g. other water users, conservation groups, etc.) to contribute to the management of sea areas. The operational details of these groups (e.g. sea area, membership) and their remit have not yet been determined. More active participation in making management decisions has been advocated by the fishing industry and conservation groups for some time now. The formation of RACs by the European Commission recognises the value of the fishing industry's contribution to management but does not go far enough in the eyes of

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many in the industry. RACs will only be advisory and the European Commission is not obliged to act on the advice of the RACs.

5 Areas that remain unchanged

- ◆ The principle of “relative stability” remains. It was feared by many in the fishing industry that this would be removed, allowing Member States with large fishing fleets to accumulate a larger share of annual catch allowances.
- ◆ Restricted access to the 6 – 12 nm coastal zone will remain and be subject to review again in 2012. Again, the industry feared that this could be removed but the Commission has recognised that this restriction has helped preserve and maintain traditional fishing communities.
- ◆ Protected “boxes”. The Shetland Box remains in place but will be reviewed in 2003 and a decision made in 2004. A decision has not been made concerning the Irish Box.

6 How is Wales affected?

Fishermen in Wales will not be as greatly affected as those in other areas of the UK. Fishermen that operate in the North Sea are concerned about the removal of access restrictions and by restrictive conservation measures, whilst fishermen in Wales remain relatively unaffected.

The granting of financial aid will be of benefit to Welsh and UK fishermen, if they are adversely affected by conservation measures. This EU financial assistance does, however, require a co-funding component from the Member State. In the past, the UK government has been unwilling to make funds available for some emergency schemes, meaning that UK fishermen have not benefited from this EU assistance. The requirement for co-funding remains under the revised CFP.

The continuation of the 6 - 12nm rules and the ability of Member States to impose conservation measures applicable to all EU vessels in the 12nm zone will enable Wales and the UK as a whole to offer inshore stocks greater protection. Any additional measures imposed in this zone will, however, need to be enforced. This role is likely to fall to the SFCs, which are considered by some in the industry to be over-stretched already. The decision of who should enforce the CFP or additional Member State management measures is up to individual Member States.

In addition to the changes mentioned above, decisions relating to the management of Mediterranean waters, the EU's participation in Third Country fisheries and emergency measures to assist Spanish fishermen affected by the Prestige oil spill were also made. These changes have very little impact on Welsh or other UK fishermen.

7 Potential areas of controversy

Many in the fishing industry and conservation organisations feel that the changes do not go far enough. A number of EU Communications have been issued that set out action plans for measures to improve other areas of the CFP, such as reducing the discarding of unwanted fish, but only a few EU Regulations have been passed. EU Communications are not legally binding and conservation groups feel that these do not offer a real change in the level of protection that the CFP gives to the environment.

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The text of the outcome of the Fisheries Council remains vague in some areas and requires "fleshing out" in relation to the actual operation of some of the changes.

Many decisions remain to be taken, such as those concerning the establishment of a catalogue of sanctions and the possible formation of an EU Joint Inspection Service for fisheries.

A number of questions concerning the operation of the RACs remain, such as who will sit on them and what real powers will they have. The UK fishing industry welcomes the formation of RACs but remains somewhat sceptical as to how effective they will be. Fishermen would like to see only fisheries scientist and fishermen sitting on RACs, but the rules covering the formation of RACs remain vague and allow for other stakeholders to participate. This could include conservation organisations, recreational fishing groups and other groups that could show they have a stake in the management of local fish stocks e.g. fish processing interests.

The main area of controversy is not directly associated with the reform of the CFP but with the emergency measures that have been put into place to protect fish stocks in the North Sea, West of Scotland and the Irish Sea. These include large cuts in TACs and restrictions on the number of days that fishing vessels can spend at sea. These restrictions do not directly affect Welsh fishermen, although there could be some displacement of fishing activity from areas with restrictions.

8 When do the reforms come into force?

Four new Regulations were passed at the Fisheries Council meeting in December 2002 and came into force on 1 January 2003.

Council Regulation (EC) No 2371/2002 of 20 December 2002 on the conservation and sustainable exploitation of fisheries resources under the Common Fisheries Policy

This Regulation sets out many of the decisions relating to the conservation and management of fish stocks, including the new multi-annual approach to management, the retention of the 6 – 12nm zones, the provision to take emergency conservation measures and the formation of Regional Advisory Councils.

http://europa.eu.int/smartapi/cgi/sga_doc?smartapi!celexapi!prod!CELEXnumdoc&lg=EN&numdoc=32002R2371&model=quicheti

Council Regulation (EC) No 2369/2002 of 20 December 2002 amending Regulation (EC) No 2792/1999 laying down the detailed rules and arrangements regarding Community structural assistance in the fisheries sector

This Regulation sets out the rules for the financial assistance allowed for fishing fleet modernisation. Allowed expenditure relates mainly to safety and fish quality improvement projects, but there is also an element allowed for scrapping fishing vessels. The main mechanism for the delivery of these funds is the existing Financial Instrument for Fisheries Guidance (FIFG). Projects that would lead to an increase in the fishing power of the fleet are not eligible for funding.

http://europa.eu.int/smartapi/cgi/sga_doc?smartapi!celexapi!prod!CELEXnumdoc&lg=EN&numdoc=32002R2369&model=quicheti

Council Regulation (EC) No 2370/2002 of 20 December 2002 establishing an emergency Community measure for scrapping fishing vessels.

This Regulation sets up the fund to pay for the scrapping or decommissioning of fishing vessels. It aims to permanently reduce the size of the EU fishing fleet.

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http://europa.eu.int/smartapi/cgi/sga_doc?smartapi!celexapi!prod!CELEXnumdoc&lg=EN&numdoc=32002R2370&model=quicheti

Council Regulation (EC) No 2372/2002 of 20 December 2002 instituting specific measures to compensate the Spanish fisheries, shellfish industry and aquaculture, affected by the oil spills from the Prestige

This Regulation sets out the arrangements for the compensation fund for fishermen in Spain that have suffered financial hardship as a result of the Prestige oil spill.

9 Powers of the Assembly in relation to the reforms

The Assembly and the UK as a whole must implement the new EC Regulations passed as part of the reform of the CFP and any new Regulations that are passed in future.

In relation to the management of inshore measures, the Assembly has powers under the *Sea Fisheries Regulation Act 1966* in relation to SFCs and to setting additional conservation measures for Welsh waters. The Assembly also has powers in relation to the granting of financial aid to the fishing industry. EU financial aid to the fishing industry, delivered mainly via FIGF, is administered by the Welsh European Funding Office (WEFO), which is an Assembly Sponsored Public Body (ASPB).

10 Conclusion

The reform has been cautiously welcomed by the fishing industry, conservation groups and recreational fishing interests, although all groupings feel that it could have gone further. Recreational angling groups in particular feel that the reformed CFP does not recognise the importance of recreational angling and that it is unclear if measures applying to commercial fishermen also apply to recreational fishermen.

The reform also present some areas of opportunity for Welsh fishing interests in the provision to take additional conservation measures in inshore waters and to access funding for the improvement of the fleet.

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11 Further information

The European Commission Fisheries website:

http://www.europa.eu.int/comm/fisheries/policy_en.htm

The European Commission Green Paper *The Future of the Common Fisheries Policy*

http://www.europa.eu.int/comm/fisheries/greenpaper/green1_en.htm#volume1

The European Commission "Reforming the Common Fisheries Policy" website:

http://www.europa.eu.int/comm/fisheries/reform/index_en.htm

The National Federation of Fishermen's Organisations (NFFO) website:

<http://www.nffo.org.uk>

Welsh European Funding Office (WEFO) website:

<http://www.wefo.wales.gov.uk>

South Wales SFC website:

<http://www.swsfc.org.uk>

North Western and North Wales SFC website:

<http://www.nwnwsfc.org>

National Federation of Sea Anglers (NFSA) website:

<http://www.nfsa.org.uk>

Sources: NFFO website
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South Wales SFC website
North Western and North Wales SFC website
WEFO website
European Commission Green Paper - *The Future of the Common Fisheries Policy*