

# PUBLIC AID FOR SUSTAINABLE FISHERIES

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## SUMMARY:

Public aid has been identified as a driver for overfishing. The proposed European Maritime and Fisheries Fund (EMFF) must ensure that future aid does not undermine the objectives of the CFP, but contributes to the transition to sustainable fisheries and towards achieving healthy marine ecosystems. We therefore call on MEPs to amend the Commission proposal to ensure that:

- Fleet-related subsidies are made conditional upon adequate assessment and reporting of overcapacity and the progress of Member States to achieve an effective balance between fishing capacity and available fishing opportunities (to be added to Article 11 and Annex III);
- Member States have the flexibility to allocate more (but not less) resources to control and enforcement measures and data collection (Article 15);
- Existing provisions to make EMFF funding conditional upon compliance with the rules of the CFP are maintained and strengthened (Article 11 and 12, Annex III);
- Aquaculture industry develops into a net producer of fish protein, based on sustainable and environmentally sound processes (Chapter II);
- Funding is available for stakeholder participation to develop and implement multi-annual plans (MAPs) (new Article or expand Article 35).

## What is the issue?

Europe's fishing grounds were once amongst the most productive in the world, but thirty years of fisheries management under the Common Fisheries Policy (CFP) framework 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<sup>1</sup>. The European Commission recognised overcapacity as one of the key drivers of overfishing and estimates that in a number of fisheries, fishing capacity is estimated to be two to three times the sustainable level.<sup>2</sup> The Commission also acknowledges that subsidies have contributed to this imbalance through artificially maintaining excess fishing capacity and stresses that only a few EU fleets are profitable without public support, and most of Europe's fishing fleets are either running losses or returning low profits.<sup>3</sup> The role of subsidies as a driver for overfishing has been widely recognised, including at the 2002 World Summit on Sustainable Development in Johannesburg and the World Trade Organization and will be a key topic at the upcoming Rio+20 Summit.

<sup>1</sup> Communication from the commission concerning a Consultation on fishing opportunities COM(2011) 298 final.

<sup>2</sup> EU Commission (2008) Reflections on further reform of the Common Fisheries Policy, non-paper.

<sup>3</sup> EU Commission (2009) Green Paper - Reform of the Common Fisheries Policy COM(2009)163 final.



The reform of the CFP and its financial instrument offers a critical opportunity to eliminate subsidies which contribute to overfishing and redirect aid to support transition towards truly sustainable fisheries and towards achieving healthy marine ecosystems.

## What is in the Commission's proposal?

The proposal for the European Maritime and Fisheries Fund (EMFF) (COM(2011) 804 final), which will replace the current EU Fisheries Fund (EFF), is a key element of the CFP reform package. The proposed regulation will make 6,567 Million EUR available to support the: 1) development of fisheries, aquaculture and fisheries areas, 2) control and enforcement, 3) data collection, 4) Integrated Maritime Policy and 5) the development of technical and administrative means to support the implementation of the CFP.

The proposal contains a wide range of measures which can, if used and properly implemented, contribute to placing the EU fisheries sector on a more sustainable footing: Support for the protection of marine ecosystems, biodiversity and the marine Natura 2000 network of protected areas is a vital investment for ensuring productive and healthy seas (e.g. Art. 6 & 38). Likewise, support for data collection (e.g. Art. 15, 23, 30, 79 & 84) and control and enforcement (e.g. Art. 15, 78, 84 & 86) is a precondition for an effective management of our common biological resources and the establishment of an adequate science base. Sound control and enforcement is also crucial to create fair conditions and a level playing field for both the sector and the wider public. Measures to promote social dialogue, to facilitate diversification and job creation (e.g. Art. 30, 31 & 32) and local bottom up initiatives (Chapter III) can significantly help to support fisheries areas that might be affected by capacity reduction measures. Also, making aid conditional upon compliance with the rules of the CFP is a step in the right direction (Art. 11, Annex III and Art. 50 Basic Regulation).

However, the proposal falls short of making the much needed structural shift to ensure that public aid is used exclusively for supporting public goods and services. Moreover, if left unchanged, a number of the proposed measures are likely to undermine the objectives of the CFP:

- The proposed fleet measures (e.g. Art 28, 33, 39) are likely to maintain existing overcapacity, thus continuing to drive overfishing and prolonging the dire situation of the European fishing sector;
- Aid for investments on board or in ports (Art. 40 & 41) to make best use of unwanted catches of commercial stocks or their marketing will undermine the desired intent of a landing obligation to fish in a more targeted and selective way; and
- Indiscriminate promotion and development of aquaculture (Chapter II) may lead to the same problems of overcapacity, negative environmental impacts and poor profitability as currently exist in the catching sector.



## Our recommendations in response to the Commission's proposal:

Public aid must not contribute to overfishing, but should instead support the transition towards sustainable fisheries. Therefore, we call on MEPs to amend the Commission's EMFF proposal to ensure that:

- Fleet-related subsidies are made conditional upon adequate assessment of overcapacity and the progress of Member States towards achieving an effective balance between fishing capacity and available fishing opportunities (to be added to Article 11 and Annex III);
- Member States have the flexibility to allocate more (but not less) resources on control and enforcement measures and data collection (Article 15);
- Existing provisions to make EMFF funding conditional upon compliance with the rules of the CFP are maintained and strengthened (Article 11 and 12, Annex III);
- The proposal continues to exclude financial support for the construction of new ports, new landing sites or new auction halls as well as aid for engine replacement (Article 39 and 41);
- Efforts to mitigate climate change (Article 39) focus on measures that most effectively reduce energy consumption, rather than support capacity-enhancing, on-board fuel efficiency measures.<sup>4</sup> The desired focus would include measures to reduce the use of heavy trawl and dredge gears, the overall fishing effort and time spent at sea, and the time and distance that products have to travel and be kept chilled and frozen;
- Funding is available for stakeholder participation to develop and implement multi-annual plans (MAPs) (new article or expand Article 35);
- Aid will not provide incentives for unselective fishing (Articles 40, 41, 71);
- Aquaculture as a net producer of fish protein which addresses environmental and social considerations is promoted and developed (Chapter II);
- Aid supports the coordination, preparation and participation of stakeholders in Advisory Councils (Article 88);
- Aid is spend in a transparent way (Article 108(b), 143, and Annex IV)).

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<sup>4</sup> For more information, see <http://www.ocean2012.eu/no-aid-for-engine-modernisation>

