

Stockholm & Brussels, 4 April, 2012

To: The Fisheries Ministers of EU Member States

**Re: [Input to the EU Fisheries Council Meeting, 26–27 April 2012](#)**

Dear Minister,

On behalf of the Fisheries Secretariat (FISH) and Seas At Risk (SAR) we enclose comments on two important aspects of the ongoing reform of the Common Fisheries Policy: Transferable Fishing Concessions (TFCs) and regionalisation. We understand these topics will be discussed at your upcoming meeting and ask you to consider our recommendations in your deliberations.

### 1. Transferable Fishing Concessions (TFCs)

The marine environment is a common resource, and it is in the public interest that activities having an impact on the state of fish stocks and the wider marine ecosystem are sustainably managed. The Commission proposals on Transferable Fishing Concessions (TFCs) are close to a compulsory near-privatisation of marine resources and will result, without appropriate safeguards, in a concentration of fishing rights in the hands of the economically most powerful actors rather than those who fish more sustainably.

Given the diversity of fisheries in Europe, access management rules need to offer a range of solutions, suited to all kinds of management systems. We urge that instead of being obliged to use only one tool, Member States should be able to choose from a range of schemes to meet the specific challenges of individual fisheries on regional levels. This would also be more in line with the principle of subsidiarity on access arrangements.

We propose that access to fish resources be based on a set of transparent criteria for environmentally and socially sustainable practices, rewarding those who perform well against these benchmarks. We therefore recommend that:

- The current proposal for a Transferable Fishing Concession (TFC) scheme be rejected as a mandatory, single-option solution (Article 27ff);
- Member States have the flexibility to choose from a range of options on how to allocate access to fishing resources; and
- That a criteria-based approach providing preferential access to the most sustainable operators be incorporated in relevant articles.

*See Annex 1 for an OCEAN2012 briefing paper on TFCs and EU access arrangements.*

### 2. Regionalisation

We fully support a more regional approach to management of European fisheries; one better tailored to finding appropriate regional and local solutions to management issues. However, the

elements in the European Commission's proposals leave a lot of unanswered questions regarding regionalisation. Even with the more recent non-paper from the Commission, it is still not sufficiently clear how regionalisation will work in practice and which institution would be responsible for what.

Regionalisation will not and cannot mean a complete relinquishing of responsibility from Brussels but it should mean greater flexibility and sharing the responsibility of implementation. We believe that effective regionalisation could be delivered through the adoption of fishery-based multiannual plans developed by stakeholder groups representative of the fishery which is the subject of the plan. There should be a balance of powers shared among resource users, government, scientists, control agencies, environmental organisations and other interest groups. For fisheries involving more than one Member State, Member States will need to co-operate at fisheries level to develop plans. We recognise that regionalisation may be easier to implement in some areas than others, and that therefore a gradual sea basin-based approach may be needed.

The regionally developed multiannual plans would be submitted to the European Commission, which would assess whether, in the case of each plan, it meets the overall objectives and requirements agreed through co-decision procedure at EU level. If deemed to be the case, the plan would be adopted by the Commission as a delegated act.

We would like to see the following clarifications and changes in the current proposals:

- Who will be responsible for drafting the national and fishery-level plans?
- All efforts at regionalisation are tied to EU-level frameworks for multiannual plans or technical measures regulations, which are currently stalled because of disagreement between Council and European Parliament over co-decision procedures. If this is not resolved, much needed management measures as well as regionalisation processes will continue to be delayed. It would be helpful if the Commission could set out a way forward for a regional level process, bypassing this stalemate.
- Member States sharing a fishery should be obliged to cooperate and ensure consistency of approach at fisheries level.
- Increased regionalisation is clearly going to create a greater workload and increasing costs for Member States in implementation. Yet, no funding is foreseen for this under the proposed EMFF. Funding for cross-boundary processes could be provided under Art. 30.
- EMFF support should also be available to support stakeholder participation in regional processes and for the establishment of co-management groups at fishery level.

*See Annex 2 for our more detailed briefing paper on regionalisation.*

Yours sincerely,



Niki Sporrang  
Director  
Fisheries Secretariat (FISH)



Monica Verbeek  
Executive Director  
Seas At Risk (SAR)



## **TFCs – FUTURE ACCESS ARRANGEMENTS SHOULD REWARD RESPONSIBLE FISHING**

April 2012

The marine environment is a common resource, and it is in the public interest that activities having an impact on the state of fish stocks and the wider marine ecosystem are sustainably managed. Those who fish in the most sustainable way should therefore be given preferential access to fish resources. OCEAN2012 proposes that access to fish resources be based on a set of transparent criteria for environmentally and socially sustainable practices, rewarding those who perform well against these benchmarks. We therefore recommend that:

- The current proposal for a Transferable Fishing Concession (TFC) scheme be rejected as a mandatory, single-option solution (Article 27ff);
- Member States have the flexibility to choose from a range of options on how to allocate access to fishing resources; and
- That a criteria-based approach providing preferential access to the most sustainable operators be incorporated in relevant articles.

### **What is the issue?**

Overcapacity of the EU fishing fleet is one of the key problems of the current CFP. The Commission estimates that in a number of fisheries the EU fleet's capacity is two to three times the sustainable level<sup>1</sup>. At the same time, there are less and less fish. Of the assessed stocks in 2011, 63% in the Atlantic are overfished, 82% in the Mediterranean and 4 out of 6 in the Baltic<sup>2</sup>. The question arises: who should have access to the public resource of fish?

### **What is in the Commission's proposal?**

As a key tool to regulate access and address chronic overcapacity, the Commission is proposing a mandatory allocation of the privilege to exploit fish resources in the form of transferable fishing concessions (TFCs) (Art. 27), for a period of at least 15 years (Art. 28). A TFC is an individual user entitlement to a specific part of a Member State's fishing opportunities which can be transferred to other holders of such entitlements. All vessels over 12 metres in length and all vessels under 12 metres using active gears (e.g. trawls) are to be included in the new TFC system. It is left up to Member States whether to also include vessels under 12 metres using passive gears (e.g. set nets) (Art. 27.2). According to Commissioner Damanaki<sup>3</sup>, the TFCs would also serve as a potential provision of funds for retiring fishermen – a "pension fund".

In discussions following the publication of the reform proposals, individualised quotas (IQs) have been put forward as an alternative method of managing access to fisheries. This system is different from TFCs, as it is a tool used on an annual basis to simply divide up the national total allowable catch (TAC). Several Member States already have a version of such a system in operation, for example Germany, where the annual fishing licence is accompanied by species-specific, non-transferable quotas. These are either assigned to an individual fishing vessel or to a Producer Organisation, which in turn distributes individual licences to its members.

<sup>1</sup>European Commission (2009) Reform of the Common Fisheries Policy, COM(2009)163 final.

<sup>2</sup>Communication from the commission concerning a Consultation on fishing opportunities COM(2011) 298 final.

<sup>3</sup>Commissioner M. Damanaki (2011) to the UK Environment, Food and Rural Affairs Committee - Minutes of Evidence HC 1563-ii (2011, October 27). Retrieved from <http://www.publications.parliament.uk/pa/cm201012/cmselect/cmenvfru/1563/111027.htm>.

## Comments on the proposals

The Commission proposals on TFCs are close to a compulsory near-privatisation of marine resources and will result, without the appropriate safeguards, in a concentration of fishing rights in the hands of the economically most powerful actors, rather than those who fish more sustainably.

TFCs are neither a conservation tool nor an effective tool for fleet management. They are only one, very specific, market-based type of allocation scheme. While they can lead to a decrease in the number of active fishing vessels, they are a blunt instrument which does not, on its own, ensure that the remaining fleet operates in an environmentally and socially sustainable manner. Instead of being obliged to use only one tool, Member States should be able to choose from a range of schemes to meet the specific challenges of individual fisheries on regional levels.

The TFC system proposed by the Commission does not include mandatory fees to compensate the public for handing a public asset over to individual operators, and if new fishers want to enter the fishery, they would have to pay the owners of the concessions and not the government. Thus, the possibility of funds going back to society through the auctioning or licensing of resource extraction rights is wasted. Moreover, there are no provisions to safeguard the Member States from financial claims, should they decide to withdraw the TFCs, or to reward those fishing in a more environmentally and socially responsible way by awarding them greater access.

Provisions must be introduced in the legal text to ensure that, should TFCs be adopted, sufficient safeguards are in place to prevent overfishing and other undesirable side effects. Such safeguards include:

- limitation of tradability and restriction of concentration of concessions;
- a clear possibility of revoking concessions without any cost to society; and
- setting aside certain fishing zones, or giving preferential access when allocating concessions, for the most socially and environmentally sustainable operators.

Another risk with the proposed TFC system that has not been much discussed is that in order for operators to increase their quota holdings, they will invariably need to take out loans or mortgages to finance such acquisitions. The transitions to such management schemes over the past decade have taken place at times of historically low interest rates, which have made repayments more feasible. However, at a time of financial crisis, with clear inflationary pressure, there is a significant risk of escalating interest rates in the coming years. This could force both fishermen and managers into a financially risky situation, where a prioritisation of environmental sustainability would become untenable.

Other options include individualised quotas (IQ) which stop the annual “race for fish” that often occur under so called “open access” under a quota, and may also regulate capacity by granting licences and quota only to existing fishers/vessels. New vessels may only enter if there is a surplus of resources capacity in the appropriate fleet segment. As quotas are allocated on an annual basis, public ownership of fish resources and control of fishing access is maintained. Moreover, the lack of transferability avoids concentration of ownership and prevents the establishment of “slipper skippers”, that is inactive skippers who profit from the leasing of their fishing rights to other companies/fishermen. However, there is a concern that IQs may act as a gateway to TFCs, if the non-transferability of the quotas is revoked.

## A new way forward: a criteria-based approach

To prevent overfishing, it is necessary that fishing limits do not exceed scientific advice, so as to restore and maintain populations of harvested species above levels which can produce the Maximum Sustainable Yield (MSY) no later than 2015 where biologically possible. For those stocks where this is not possible for biological reasons, fishing pressure (F) has to be reduced immediately to below levels that will restore stocks to levels which can produce MSY.

To promote sustainable fishing, environmental and social criteria, awarding those fishing in a way that delivers the best value to society, should be introduced as the basis for allocation of access to resources<sup>4</sup>. The Commission’s proposal provides a possibility for such criteria to be introduced by Member States when allocating TFCs, and five percent of their quotas may be set aside for this purpose (Art. 29.4). Over time, we would like to see this percentage increased to cover all access allocation. A gradual application over a reasonable timeframe will provide fishing operators with the opportunity to adapt.

Operators from fishing communities in a given area, complying with the criteria, should have primary access. Fishing interests from outside the area complying with the criteria can apply for access if they

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<sup>4</sup>new economics foundation (2011) Value Slipping Through the Net, pp. 8–12.  
<http://www.neweconomics.org/publications/value-slipping-through-the-net>.

can demonstrate that their fishing activities will benefit the area. Such a decentralised access-allocation process will provide job security and strengthen local fishing communities.

Access criteria would provide for a principle-based approach; such principles could be applied at all levels of management, from the basic Regulation (where the headline criteria should be inscribed) to the national level (where Member States could prioritise the headline criteria, add to them, and/or further define them). Finally, it would be operationalised at the fishery level (regional or local), where, for example, a certain percentage of bycatch would be deemed acceptable; that percentage would naturally vary from fishery to fishery.

The set of environmentally and socially sustainable headline criteria proposed by OCEAN2012 would provide priority access for fishing operators who, for example:

- use more selective fishing methods, gears and practices with low bycatch and low impact on the marine environment;
- use vessels and fishing methods consuming less energy per tonne of fish caught;
- are able to demonstrate associated benefits to coastal communities;
- ensure more, good quality employment in line with relevant international standards, notably the 2007 Work in Fishing Convention of the International Labour Organisation<sup>5</sup>; and
- have a good record of compliance with the rules of the Common Fisheries Policy.

#### **Tradeable fishing rights – lessons learnt<sup>6</sup>**

Several countries around the world, such as Canada, New Zealand, the USA and Denmark, have introduced rights-based management tools similar to TFCs, most often called Individual Transferable Quotas (ITQs), in fisheries management to improve the performance of the sector. Despite some sought after effects that include a decrease in the number of vessels, better possibilities for fishers to plan their fishing in a financially optimal way and preventing a “race for fish”, experience shows there are many downsides to these tools.

In many cases where ITQs or similar tools have been used, they have had detrimental impacts before they even became operational. As ITQs are often based on “historical” catch records (the catches of vessels/licence holders during the last few years), the changes to the quota allocation system are often anticipated by the industry, which then adjust or even increase landings in the preceding years to secure a greater allocation of rights. By basing quota allocations only on quantity, large scale operators rather than socially and environmentally sustainable fishers are treated preferentially.

There are indications that discarding of small and immature fish as well as highgrading continues to be a serious problem under ITQ systems, maybe even escalates<sup>7</sup>. Under a more market-based system, the incentives to maximise the value of the catch will be stronger. Therefore, fish of low economic value may be discarded to allow for subsequent catches of higher value fish. Discarding also occurs when fishers receive information about low market prices on the way to port and decided to dump parts of the catch to allow for more profitable fishing operations later in the year.

Underreporting (also called ‘data fouling’ or ‘quota busting’) also seems to increase under ITQ systems, which undermines the quality of the scientific assessments required to set quotas for future years. Both underreporting and discarding appeared increasingly towards the end of a fishing year, when purchase prices for additional quota were high. These actions can partially be dealt with by increasing control efforts, but that will come at a cost.

The Commission non-paper on TFCs states that “international reports indicate that different forms of TFCs halts, and even reverses... widespread [fishery] collapse”<sup>8</sup>. However, there are several international examples of fisheries that collapsed even though they were managed through Individual Fisheries Quotas (IFQs), such as the New Zealand snapper fishery and the Canadian east coast cod and groundfish fishery<sup>4</sup>.

Some of the most serious lessons learnt from international examples relate to socio-economic issues. The consolidation of the sector that takes place when fisheries managers implement an ITQ system – concentrating fishing rights in the hands of fewer owners and vessels – has had significant

<sup>5</sup><http://www.ilo.org/ilolex/cgi-lex/convde.pl?C188>.

<sup>6</sup>These references are taken from case studies in the Ecotrust report “Community Dimensions of Fisheries Catch Share Programs”, the Pew report “Design Matters: Making Catch Shares Work” and The Marine Fish Conservation Network report “Individual Fishing Quotas: Environmental, Public Policy and Socioeconomic Impacts”.

<sup>7</sup>Individual Fishing Quotas: Environmental, Public Policy and Socioeconomic Impacts. The Marine Fish Conservation Network, 2005.

<sup>8</sup>Costello, C., Gaines, S.D. & Lynham, J., 2008. Can Catch Shares Prevent Fisheries Collapse? Science, 321(5896): pp.1678–1681.

ramifications for local communities. Fishing effort tends to be concentrated in larger harbours, reducing income in local communities and also leading to a loss of professional expertise and knowledge. Beyond that, it has caused disruption of fishing communities, elimination of fishing traditions, and a loss of social stability.

In Denmark, 36 of 246 harbours have seen a complete cessation of fishing activities between 2005 and 2011, and another 35 now service less than half the original number of vessels<sup>9</sup>. Due to a lack of geographical restrictions in the Danish TFC system, the majority of quota for Baltic cod is now held on the west coast of the country. Local harbours have been amongst the most affected by quota transfers within the country. Moreover, the quantity of cod quota for the Eastern Baltic stock that is held by trawlers has more than doubled during this timeframe, exemplifying the manner in which fishing rights have concentrated on economically more efficient but environmentally more damaging vessels

It has been observed that the initial TFC allocation process is flawed and causes societal damage. Where traditionally fishing access benefited the whole crew, ITQ systems usually make the vessel owner the sole holder of the quota right. When the owners sell the quota, all of the profit cedes to them. Thus, the “pension fund for retiring fishermen” only applies to the quota holder, covered by losses from crew members, as well as from the transfer of ownership from the public to private operators. Other economic effects are the likely increase in control and enforcement costs and the financial difficulties for future generations to gain access to fishing rights.

Finally, as a market-based system does not generally include the costs of so called externalities, and as fishermen are rarely forced to care or pay for destruction of the marine environment caused by fishing operations, TFCs may lead to a general neglect of environmental issues.

*OCEAN2012 is an alliance of organisations dedicated to transforming European Fisheries Policy to stop overfishing, end destructive fishing practices and deliver fair and equitable use of healthy fish stocks.*

*OCEAN2012 was initiated, and is co-ordinated, by the Pew Environment Group, the conservation arm of The Pew Charitable Trusts, a non-governmental organisation working to end overfishing in the world's oceans.*

*The founding members of OCEAN2012 are the Coalition for Fair Fisheries Arrangements (CFFA), the Fisheries Secretariat (FISH), nef (new economics foundation), the Pew Environment Group and Seas At Risk (SAR).*

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<sup>9</sup>Høst J., 2011. Codfish, catch and quota concentration in Denmark – Changes in distribution of fishing rights and actual catch in the Vessel Quota Share system between introduction in 2006 and 2011. University of Copenhagen.

## ANNEX 2: REGIONALISATION NECESSARY TO IMPROVE GOVERNANCE

As active member in several of the Regional Advisory Councils (RACs), the Fisheries Secretariat and Seas At Risk would like to provide some input into the current debate and thinking about regionalisation and the RACs in the context of CFP reform. This paper highlights some of our experiences and concerns as members of the RACs, and we hope that they will be taken into account when the regional aspects of the future Common Fisheries Policy are outlined and discussed over the coming months.

### **The case for increased regionalisation**

The top-down, centralised micro-management approach that has been used in EU fisheries management to date has failed. It has not been adaptive or participative enough to deliver tailored measures or to ensure the right level of stakeholder buy-in. As a result, this valuable common resource is in many cases being overexploited and compliance with rules and regulations has frequently been low.

Therefore, a new regionalised approach is needed, where Member States, together with the fishing sector and other stakeholders, tailor the implementation of overarching objectives and targets set at the EU level, meeting requirements of the Common Fisheries Policy as well as wider environmental legislation under, for example, the Habitats and Birds directives and the Marine Strategy Framework Directive.

According to the Commission's Green Paper<sup>1</sup>, the current management framework results in short-term decisions because it does not distinguish between overarching principles and implementation – all decisions are taken at the highest political level. This also makes the policy inflexible, and with the co-decision procedure established under the Lisbon Treaty, this is truer than ever. The time period from proposal to decision may now stretch to over two years, making continued micro-management at the highest political level impossible.

As fisheries policy is an area of exclusive EU competence, the options for changing the decision-making framework are limited. One way to go would be a more extensive use of the so-called comitology procedure (the Commission drafts proposals in close consultation with Member States) when agreeing on more detailed management measures and implementing overarching targets. Another would be to implement regional management solutions through Member States, subject to Community standards and control.

### **The Commission's proposal**

To date, aspects of regionalisation are contained primarily in the proposed basic regulation, but are also covered in the proposal for a new EU funding mechanism – the European Fisheries and

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<sup>1</sup>COM(2009)163. Green Paper: Reform of the Common Fisheries Policy.

Maritime Fund<sup>2</sup>. The proposed basic regulation<sup>3</sup> essentially provides Member States with the opportunity to establish conservation measures under the framework of adopted multiannual plans (MAPs), as long as they are compatible with the overarching objectives of the CFP, as well as the scope and objectives of the MAP (Art. 17–20). Similar possibilities are set out under Chapter II on Technical Measures (Art. 21–24), where again under a technical measures framework, Member States would be able to adopt further measures applicable to vessels flying their flag.

Earlier this year, the Commission published a non-paper on regionalisation<sup>4</sup>, which provides two main reasons for increased regionalisation of the fisheries policy:

1. the need to move away from micromanagement at EU level; and
2. the need to ensure that rules are adapted to the specificity of each fishery and sea area (region).

The non-paper sets out Commission thoughts in more detail on how regionalisation can be implemented, focusing on the two paths established in the proposed basic regulation: MAPs and technical measures. While a framework MAP would still be agreed on the EU level through co-decision procedure, the Member States would operationalise the plan through national legislation, setting out the more detailed rules of implementation. The same route is envisaged for regional technical measures, under an EU framework.

According to the Commission, regionalisation would build on existing cooperation between Member States, where it exists, and countries could set up a coordinating system, enabling regional meetings to discuss and agree on measures. The importance of Member States working together is stressed in the non-paper, which also states that if Member States are unable to agree on appropriate and necessary measures, the Commission will step in through delegated acts or normal co-decision procedure. Finally, the Commission states that a vital element of regionalisation is increased sector responsibility to manage fisheries. Self-management of quota-take and marketing is to foster a culture of involvement, responsibility and compliance.

The current Regional Advisory Councils (RACs) are mentioned in a number of places in the proposed basic regulation, but also have their own section under Part XII Advisory Councils (Art. 52–54). Essentially, they will be renamed Advisory Councils (ACs), as some of the future organisations will not be dealing with specific sea areas but broader issues, such as aquaculture. They would continue to represent a mix of stakeholder interests, and would remain advisory in their nature. They would also continue to receive some EU funding under the new European Maritime and Fisheries Fund (EMFF). It seems, however, as if the Commission is planning to adopt delegated acts concerning the composition and the functioning of the ACs, such as the proportional representation of different stakeholders.

In terms of funding for regional management, several funding streams outlined in the new EMFF could be of relevance. The direct funding for the future ACs is provided under Chapter II<sup>5</sup> (Art. 84 and 88). The specific objectives under this chapter are to facilitate the implementation of the CFP as well as the Integrated Maritime Policy (IMP), in particular as regard to – among other things – the Advisory Councils. Article 88 specifies that the EMFF may support the operating

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<sup>2</sup>COM(2011) 804. Proposal for a Regulation of the European Parliament and of the Council on the European Maritime and Fisheries Fund.

<sup>3</sup>COM(2011) 425. Proposal for a Regulation of the European Parliament and of the Council on the Common Fisheries Policy, Title III Regionalisation.

<sup>4</sup>European Commission non-paper on four subjects (2012). *CFP reform – regionalisation*

<sup>5</sup>COM(2011)804. Proposal for a Regulation of the European Parliament and of the Council on the European Maritime and Fisheries Fund, Chapter II: Accompanying measures for the Common Fisheries Policy and the Integrated Maritime Policy under direct management.

costs of the ACs, and that the ACs may also apply for EU support as bodies "pursuing an aim of general European interest".

Article 35, specifically sets out to ensure efficient implementation of conservation measures under regionalisation in the basic regulation, according to the process outlined above under MAPs (Art. 17) and technical measures (Art. 21). Other sections that could provide funding to support and strengthen both regional management efforts and stakeholder participation are also found under Title V<sup>6</sup>, covering advisory services (Art. 29), partnerships between scientists and fishermen (Art. 30) and promotion of human capital (Art. 31) through networking, exchange of experience and social dialogue.

There is little mention of regionalisation, except a referral to Member State's laws to limit the impact of fishing on the marine environment adopted in the context of regionalisation (Art. 36), dealing with funding for gear changes and modifications.

### **Comments and adjustments needed in the Commission's proposal**

We fully support a more regional approach to management of European fisheries; one better tailored to finding appropriate regional and local solutions to management issues. However, the elements in the European Commission's proposals leave a lot of unanswered questions regarding regionalisation. Even with the more recent non-paper from the Commission, it is still not sufficiently clear how regionalisation will work in practice and which institution would be responsible for what. Specifically, no clear regional structure is mentioned or modelled, nor an obligation to consult regionally (e.g. as under the Water Framework Directive, (WFD)).

The Commission has recently started talking about a 'seabasin' approach, which requires that the measures adopted for each fishery under the multiannual plans are co-ordinated effectively. This assumes building on existing co-operation among Member States, which today is rarely formalised. The Commission regards examples of this type of co-operation between Member States to be effective mechanisms, which can be further developed and expanded upon. This aspiration is, however, not adequately reflected in the legal language of the proposal and will require greater consideration.

Our conclusion is that the proposed basic regulation does not provide sufficient detail. Measures to achieve the overarching objectives within multiannual plans and technical measures also need to be supported by other legal instruments central to the CFP, such as the EMFF and the Common Market Organisation<sup>7</sup> (CMO), which is why it is important in terms of policy coherence that all three of these legislative instruments are looked at in unison.

Overall, there are a number of areas of concern. The current wording in the non-paper, poses two major risks, as much is left up to Member States and implementation through national law:

- 1) that implementation is unequal, resulting in a national rather than regional approach and going against the "level playing field" advocated in EU law, and
- 2) that some Member States may choose not to take any measures, simply awaiting a Commission response and not take real responsibility for finding regional solutions.

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<sup>6</sup>COM(2011)804. Proposal for a Regulation of the European Parliament and of the Council on the European Maritime and Fisheries Fund, Title V Measures financed under shared management, Chapter I Sustainable development of fisheries.

<sup>7</sup>COM(2011)416. Proposal for a Regulation of the European Parliament and of the Council on the common organisation of the markets in fishery and aquaculture products

Clarifications and changes needed in current proposal:

- Who will draft the national and fishery-level plans? This process needs to maximise the engagement of the stakeholders in an individual fishery, ideally through co-management procedures. Consultation and participation of stakeholders should be assured both in the drafting and implementation of these plans.
- All efforts at regionalisation are currently tied to EU-level frameworks for multiannual plans or technical measures regulations. All such efforts are currently stalled because of disagreement between Council and European Parliament over co-decision procedures. If this is not resolved, much needed management measures as well as regionalisation processes will continue to be delayed. It would be helpful if the Commission could set out a way forward for a regional level process, bypassing this stalemate.
- Member States sharing a fishery should be obliged to cooperate and ensure consistency of approach at fisheries level.
- Increased regionalisation is clearly going to create a greater workload and increasing costs for Member States in implementation. Yet, no funding is foreseen for this under the proposed EMFF. Funding for cross-boundary processes could be provided under Art. 30.
- EMFF support should also be available to support stakeholder participation in regional processes and for the establishment of co-management groups at fishery level.
- Consideration should be given to the role of different recipient groups, such as Producer Organisations, Fisheries Local Action Groups (FLAGs) and Advisory Councils, and how interlinkages between these groups and other stakeholders can be ensured to strengthen regional processes.

### **What we would like to see instead**

Regionalisation will not and cannot mean a complete relinquishing of responsibility from Brussels but it should mean greater flexibility and sharing the responsibility of implementation. We believe that effective regionalisation could be delivered by the adoption of fishery-based multiannual plans developed by co-management groups. These plans should deliver on the overarching objectives and targets of the Common Fisheries Policy (CFP), as well as relevant EU environmental legislation such as the EC Marine Strategy Framework Directive.

Based on successful management models elsewhere in the world, plans should be developed by stakeholder groups representative of the fishery which is the subject of the plan. There should be a balance of powers shared among resource users (including industry representatives from outside the catching sector, such as processors or retailers who can provide a market perspective), government, scientists, control agencies, environmental organisations and other interest groups. For fisheries involving more than one Member State, Member States will need to co-operate at fisheries level to develop plans.

These fishery-level stakeholder groups will facilitate effective engagement of all concerned because all members will have a long-term interest in the same fishery as their central concern. Some key elements will be essential to enhance the role of stakeholders in any fora and these include:

- Fair representation
- Transparency
- Good access to science
- Training in fisheries management

- Provision of incentives to stakeholders
- Holding stakeholders accountable for meeting their management responsibilities.
- Access to environmental justice

The regionally developed multiannual plan would then be submitted to the European Commission, which would assess whether, in the case of each plan, it meets the overall objectives and requirements agreed through co-decision procedure at EU level. If deemed to be the case, the plan would be adopted by the Commission as a delegated act.

We recognise that regionalisation may be easier to implement in some areas than others, and that therefore a gradual sea basin-based approach may be needed.

### **RACs in the context of CFP reform**

We acknowledge that the RACs represent a step forward in terms of sharing information and seeking stakeholder advice in fisheries management. They also provide a clear platform for enhancing dialogue and understanding between different stakeholders.

However, RACs suffer a number of weaknesses and in their current form and function we do not see them as an appropriate structure for the delivery of regional decision-making under the future Common Fisheries Policy. These weaknesses would need to be remedied for them to be playing a fully balanced and effective role in the reformed CFP. This is why the future tasks and composition of the RACs will have to be considered and developed along with the other structures and tools envisaged within the new framework of regionalisation.

We believe that RACs should retain an advisory function only. In an attempt to summarise our experiences of working in the RACs, we would like to make the following points:

- Effective stakeholder engagement is likely to work best when no single interest group is overly dominant. It is likely that management will be best developed and implemented by stakeholder groups that are more mixed and balanced than the current RACs. The stakeholder mix in the RACs needs to be reviewed – both in terms of overall structure (currently 2/3 industry and 1/3 “other interests”) and in terms of in which members belong to which group.
- RACs need to focus on long-term issues, such as MAPs and spatial planning, and spend less time on annual TACs and quota negotiations.
- There is a need for improved “house-keeping rules”: Many RACs do not have any provision concerning notification prior to meetings in their statutes. In other cases, it remains unclear at the end of meetings what has actually been decided.
- We also believe it would be helpful if Commission responses to RAC advice or position papers were more substantial and dealt with the points at hand in greater detail.