



European Economic and Social Committee

NAT/443
Reform of the CFP
(Green Paper)

Brussels, 28 April 2010

OPINION

of the
European Economic and Social Committee
on the
Green Paper - Reform of the Common Fisheries Policy
COM(2009) 163 final

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On 22 April 2009, the European Commission decided to consult the European Economic and Social Committee, under Article 262 of the Treaty establishing the European Community, on the

Green Paper – Reform of the Common Fisheries Policy
COM(2009) 163 final.

The Section for Agriculture, Rural Development and the Environment, which was responsible for the Committee's work on the subject, adopted its opinion on 25 March 2010.

At its 462nd plenary session, held on 28 and 29 April 2010 (meeting of 28 April), the European Economic and Social Committee adopted the following opinion by 141 votes to 1, with 6 abstentions.

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1. **Conclusions and recommendations**

- 1.1 The main conclusion set out in the Commission's Green Paper on the reform of the Common Fisheries Policy (CFP) is that the current CFP has not solved the problems raised in the previous reform in 2002. The changes made have had no tangible effect on problematic issues such as excess fleet capacity, overfishing and reduced catch sizes. The Commission states that the aim of the new reform proposal is to rectify the "piecemeal, incremental" nature of previous reforms.
- 1.2 The EESC recommends that the measures which are adopted protect jobs and safeguard territorial cohesion, and that the strategic objectives maintain a balance between the economic, social and environmental pillars, guaranteeing and promoting responsible and sustainable behaviour throughout the fisheries chain.
- 1.3 The following points would need to be examined in greater depth in the future reform of the CFP:
 - Establishing a differentiated regime for small-scale fleets;
 - Including a section on social issues that harmonises fishermen's working conditions;
 - Improving market conditions and commercial practices;
 - Ensuring the CFP dovetails with marine environment policy, which also requires more and better research that is applicable to fisheries policy;
 - Fully integrating the CFP into the framework of international organisations (the UN, FAO).

2. **The legislative context**

2.1 According to Article 3(1)(d) of the Treaty on the functioning of the European Union "the Union shall have exclusive competence in (...) the conservation of marine biological resources under the common fisheries policy". It would make sense to take the views of national governments and other stakeholders into account when drawing up policies following the Green Paper consultation, to ensure universal compliance with the rules.

2.2 Since Regulation (CE) 2371/2002 came into force, the Commission has been improving the conservation and sustainable exploitation of fisheries resources through the adoption of management and recovery plans and implementation and control regulations. The Commission has also presented a series of important communications, such as COM(2007) 73 that defines rights-based management systems, which aim to review current national systems and examine the possibility of making them more efficient by using best practice.

3. **Analysis of, and response to, the issues raised by the Green Paper**

3.1 **Addressing the structural challenges of the CFP**

3.1.1 **Excess fleet capacity: striking a balance between profitability and sustainable employment**

3.1.1.1 The EESC shares the Commission's assessment of the situation to a certain degree and recognises that the trend in the excess capacity of the European fishing fleet (especially taking account of technical developments) is powerful, so far not showing enough sign of change. However, it is impossible to generalise, and the overly negative picture drawn by the Commission should be qualified somewhat, in so far as several Member States have to varying degrees reduced the capacity of their fleets. In any case, available data on the current state of the fleets of the Member States should be brought up to date.

3.1.1.2 The EESC supports the idea of using legislation to limit capacity, and emphasises the need to give management and control measures greater force through adaption plans co-financed by Member States and the EU. Priority should be given to eliminating capacity in a way that strikes a balance between fishing opportunities and environmental and social criteria. In achieving such a balance, priority should be given to environmental and social adjustments, such as vessels that use non-selective gears or gears which damage the environment, consume large amounts of energy or provide few jobs for the fish caught. The introduction of one-off decommissioning funds must be approached with care. The scrapping of vessels has a social cost which should be taken into consideration. Decommissioning of fishing vessels frequently leads to job losses, with no alternatives being offered to employed fishermen. The EESC is not against the one-off cessation fund proposed by the Commission, which could be a sensible idea, as long as it is not only the vessel owners who benefit, but also their employees who risk losing their jobs. The Community fund should provide for social measures such as support for

training and retraining with a view to preventing the net job loss. Nevertheless, the EESC supports the idea that the sector must ultimately become economically viable and stop being dependent on public subsidies, although the latter must be envisaged in the interim, until the sector's structural difficulties have been resolved.

3.1.1.3 The EESC recognises that the use of market instruments – such as transferable fishing rights – can help to address the problem of excess fleet capacity. Whilst acknowledging that this type of management has sometimes reduced capacity in some countries and for particular fisheries, the Committee considers that the Commission should demonstrate the grounds for such a measure and provide further details regarding the protection and safeguard measures it intends to put in place to avoid any unwanted impact on employment and spatial planning, and thereby mitigate the risk of fishing rights being concentrated in the hands of a small number of large companies - which would put smaller fishing communities at a disadvantage.

3.1.2 **Focusing the policy objectives**

3.1.2.1 The EESC warns against giving the strategic objectives involved in the sustainable development of fisheries different levels of priority. Instead, the Committee would advocate a balanced approach that gives equal importance to the economic, social and environmental pillars. The EESC notes that the Green Paper, like the 2002 reform, does not focus much on the social dimension of the future CFP, which is not clearly set out among the fundamental strategic objectives.

3.1.2.2 Socio-economic impact assessments should be carried out alongside the process of improving fisheries resources and maintaining them at sustainable levels, with financial support measures to boost employment and encourage businesses to invest in innovation and development and provide professional training. Fishermen also need to be guaranteed a decent wage while stocks are recovering.

3.1.3 **Focussing the decision-making framework**

3.1.3.1 The EESC fully supports the idea of reviewing the decision-making process to ensure that policy is easier to understand, more effective and costs less. There is a need to differentiate between the fundamental principles and objectives, which should be decided by the Council jointly with the European Parliament, and the process of implementing these principles which is delegated to the Member States, the Commission and to possibly new, de-centralised decision-making bodies that represent all stakeholders at a local level. The involvement of local and regional authorities – by decentralising decision-making on technical issues (micro-management) – seems to be going in the right direction. The Committee is aware that shared stocks and ecosystems cover vast areas, and therefore welcomes the idea that Member States should manage the main principles and rules of the CFP by working closely together within marine regions.

3.1.3.2 Opinions drawn up by relevant consultative bodies, namely the Advisory Committee on Fisheries and Aquaculture (ACFA) and the Regional Advisory Committees, should be used to inform the decision-making process. The initiatives and opinions of the Sectoral Social Dialogue Committee for Sea fisheries should also be taken into account.

3.1.4 **Encouraging the industry to take more responsibility in implementing the CFP**

3.1.4.1 The EESC welcomes the idea of ensuring stakeholders take on increasing levels of responsibility. In practice this could be achieved by setting up a system for managing resources based on transferable, individual or collective fishing rights, which would be tailored to local circumstances, while still bearing in mind the point made at 3.1.1.3.

3.1.5 **Developing a culture of compliance**

3.1.5.1 The EESC believes that data collection systems used to enforce the rules should be further developed and given financial support. The catching sector could be encouraged to play a leading role in this measure (see point 3.1.4 above). To improve efficiency, responsibility for implementing control mechanisms should be shared between Member States, the Commission and the Community Fisheries Control Agency, with stakeholders involved as much as possible. The Committee also supports the idea of setting up a system that creates a link between effective exercise of control responsibilities and access to Community funding, as set out in its Opinion¹.

3.2 **Further improving the management of EU fisheries**

3.2.1 In response to the discussion points set out in the Green Paper aimed at further improving the management of EU fisheries, the EESC would like to make the following general points:

3.2.1.1 With a view to making best use of resources, the EESC supports the idea of bringing the management of fisheries resources into line with the MSY objective by 2015, but thereafter using a more conservative management objective that would ensure less risk of stock collapse and more profitable fisheries. This also applies to mixed fisheries, with more flexible measures that would avoid any untoward economic or social effects. The Committee also supports the ongoing process of eliminating discards completely.

3.2.1.2 The EESC would caution against any hasty revision of the TAC and quota system for managing resources. Despite its imperfections, this system would not be easy to replace. Neither of the alternatives, i.e. giving priority to management based either on monitoring the fishing effort or on introducing fishing rights, could be brought in without a rigorous prior socio-economic impact study, demonstrating the grounds for any changes to the fundamental structure of resource management.

¹ OJ C 277, 17.11.2009, p.56.

- 3.2.1.3 In addition, the Committee wishes to point out that, were the reduction in fishing effort to lead to the introduction of restrictions on the number of fishing days allowed, this would have unacceptable drawbacks, in so far as it would expose workers to occasional periods of overwork likely to lead to exhaustion and thereby increase the risk of accidents.
- 3.2.1.4 On the other hand, the EESC would be reticent about the allocation of fishing rights, in case commercial use was made of them, since fishing resources belong to society as a whole. The transfer of fishing rights, on a yearly or multiannual basis, could be an option, provided that the principle of quota management by the public authorities was not in question. The system would be tailored to local circumstances, so that access to resources could be decided using environmental and social criteria. The transfer of individual or collective fishing rights could not be permanent or traded speculatively, however.
- 3.2.1.5 Catches that exceed the quotas could be deducted from the following year's quotas, and the proceeds from selling these products should go to fishermen willing to give up a proportion of their quotas to ensure that the excess fish is accounted for.
- 3.2.1.6 The EESC believes that relative stability should remain one of the cornerstones of the CFP. However, the Committee notes that this principle needs to be reviewed to take account of developments since it was first established in 1983. Any changes to the system should be negotiated between Member States. Preferential access could be awarded to regional and local communities, based on social and environmental criteria.
- 3.2.1.7 The process of integrating the CFP into the Integrated Maritime Policy (IMP) should be encouraged. The EESC suggests that the catching and aquaculture sectors should have a legal right to be consulted in the planning process for marine areas, and that the future CFP should establish mechanisms for compensating fishing businesses and their employees in danger of missing out on fishing opportunities. In particular, this would mean taking proactive steps to promote vocational training – even the creation of integrated training pathways – and a holistic approach to learning about the marine environment, with a view to creating sustainable jobs and encouraging retraining for other occupations in maritime clusters.
- 3.2.1.8 More funds should be earmarked for research to improve knowledge of the marine environment; fishermen's knowledge should be valued and recognised more.
- 3.2.1.9 The EESC notes that CFP objectives have not been reached in terms of financial support. Economic sustainability should continue to be an objective, provided that there is a thorough review of the way the market is organised. There is also a need to use public funds to support the transition of the EU fishing and processing industries towards sustainable fisheries, including dealing with the socio-economic consequences of the restructuring processes. Finally, the EESC agrees with the idea of establishing a link between access to Community funding and Member States meeting strategic objectives.

4. **Specific comments**

4.1 **A differentiated regime to protect small-scale coastal fleets?**

4.1.1 Small-scale coastal fleets create many jobs, both directly and indirectly, and play an active role in structuring and invigorating the socio-economic fabric of coastal regions. Under favourable conditions, they could cushion fishery-dependent communities from the economic and social consequences of the structural crisis. The EESC therefore supports the idea of adopting a differentiated approach to the sector, ensuring that competition is not distorted and taking account of the sector's specific characteristics. Access, the 12 nautical mile limit and other rights of small-scale coastal fisheries need to be appropriately allocated and defended, such as by an exclusive proportion of national quotas. The Committee notes however that there is a need to agree on the criteria (e.g. size, time spent at sea, distance from the coast, links to local communities, etc.) that should be used to define this highly diverse type of fishing, which should be done at the most appropriate level - local, regional or national. In the Committee's view, it would be more appropriate to define this concept at national or local level than to impose a uniform definition at Community level.

4.2 **The renewed CFP needs a section on social issues**

4.2.1 The EESC believes that overall the Green Paper does not focus enough on the social aspects of the CFP. The Commission simply sees the decline in jobs, particularly in the catching sector, as inevitable. It is important to bear in mind that employment in the catching sector has decreased by 30% over the last ten years, and given that any loss of jobs in this sector is bound to have a negative impact on land-based employment (both on the processing sector and on all related upstream and downstream activities), the social impact is a serious cause for concern.

4.2.2 The EESC believes that in reforming the CFP we have a duty to develop a coherent, long-term strategy to make the sector socially sustainable. This will ensure that social issues are integrated horizontally into the different sections of the CFP. The Committee would like to raise a number of points for discussion in order to respond to the social challenges facing the sector:

- Currently, professional qualifications are not systematically recognised in different EU countries. The Commission should therefore consider implementing a system of common core qualifications and recognition of diplomas, which could encourage workers to move from one country to another and help prevent the risk of accidents.
- Fishing is one of the most dangerous jobs in the world. In order to foster a real culture of risk prevention, the EESC recommends that harmonised statistics should be compiled on accidents and their causes. This data is currently lacking at EU level. The database would help to develop appropriate rules, especially for vessels of less than 15 metres in length

which are not yet covered by the regulations. The Committee is concerned that Member States have not really been encouraged to ratify the Convention on Standards of Training, Certification and Watchkeeping for Fishing Vessel Personnel (STCW-F), or the protocol to the Torremolinos Convention on the safety of fishing vessels.

- As regards working conditions, the EESC highlights the need to upgrade the sector by guaranteeing decent levels of pay as far as possible. In the Member States that use it, the profit-sharing system has proved its worth, as well as having strong roots in fishing communities. However, this system does not guarantee employees a decent, regular income. And in some Member States, fishermen are considered to be self-employed (as a proportion of their wages is variable), which excludes them from social security schemes. The EESC therefore calls on the Commission to prepare the ground for an EU framework to harmonise fishermen's right to regular, decent pay, and effective social security protection.

4.3 Improving the market and commercial practices

- 4.3.1 As highlighted in the Green Paper, the catching sector only receives a small share of the price the consumer pays for fish in the shops. The market is not well organised, which means that the profitability of the sector is low. The EESC considers that action is needed to address the problem of too many small sellers confronted by a small number of large buyers, who can dictate prices. Nor has there been sufficient political commitment to greater transparency and traceability in the trade in fisheries products. The EESC therefore wishes to highlight the importance of rules being observed and of ensuring that all fisheries and aquaculture products from both within the EU and beyond are correctly identified, preventing confusion for consumers and guaranteeing that they have the information they need to shop responsibly. Finally, the Committee suggests that more resources should be devoted to checking frozen products and products imported by land, sea or air, and ensuring compliance with labelling rules (in line with the relevant regulation).

4.4 The environment and research

- 4.4.1 The CFP depends on other policies which have a considerable impact on the fisheries sector and are not having the expected results either. The marine strategy (Directive 2008/56/CE) is a case in point. Its main aim was to set up a framework of Community action for European marine policy. Action was required not only as a result of the vast oil spills in the Erika and Prestige disasters and also because of urban waste and increasingly intensive construction schemes and other changes in coastal areas.
- 4.4.2 With rising temperatures, pollution, and changes in ocean currents, climate change is also having an impact on the marine environment. All these factors are affecting the recovery of fish stocks and are preventing biological recovery times from having the intended effects.

- 4.4.3 Given that environmental policy is a cross-sectoral EU policy, it needs to be incorporated into the CFP. The EESC has emphasised the need to integrate all European policies on several occasions. It is clear that the CFP has a part to play in taking an integrated approach to protecting the marine environment.
- 4.4.4 It seems that indicators to monitor the effects of protecting the marine environment have been established effectively². But these indicators need to be followed up at international level, with scientists working in partnership at the European Environmental Agency or the International Council for the Exploration of the Sea for example.
- 4.4.5 Information is essential for protecting the marine environment; which is why the studies carried out using data collected at national level are so important. The EESC understands the need to step up research in this field, and advocates introducing the instruments needed to strengthen relations between scientists and the fisheries sector, the responsible authorities and the EU. The Committee also recognises the importance of the Communication on A European Strategy for Marine and Maritime Research³, and believes that funding is required to carry it out, as funds from the Framework Programme alone will be insufficient.
- 4.4.6 The EESC believes however that it is not only funding that is needed for marine and maritime research. Incentives are also required to encourage young researchers to get involved in this field, and a system is needed to centralise best practice that could serve as a useful guide for the competent authorities, particularly Regional Fisheries Management Organisations (RFMOs), so that the most beneficial practices can be adopted in each maritime region. Some Member States are currently working hard both to strengthen sustainable fishing practices and to enhance procedures that will allow the marine environment to recover.

4.5 **Towards a responsible international dimension for the CFP**

- 4.5.1 Responsible, sustainable fishing practices should be promoted beyond EU waters in the reform of the CFP. By participating actively in the decisions taken by international bodies (the UN and FAO) and RFMOs, the EU has an important role to play – especially in ensuring operations on the high seas are monitored more effectively, and stamping out illegal, unreported and unregulated fishing (IUU).
- 4.5.2 As regards RFMOs, the EESC considers that the CFP should promote the sustainable management of fishing activities as a whole, focusing on key aspects such as compliance, managing capacity in line with the available resources, strengthening governance by defining long-term management plans and strategies to protect ecosystems.

² CESE 1369/2002, point 2.7.2.

³ COM(2008) 534.

- 4.5.3 As regards the Fisheries Partnership Agreements (FPAs), the EESC hopes that financial and technical support will help assist partner countries in the design of sustainable fisheries policies, and at the same time enhance surveillance and control in the waters of the regions concerned. In this regard, the authorities in non-EU partner countries must be held responsible for the proper use of European tax payers' money, by effectively monitoring the objectives set by the FPAs. The EESC suggests that, in order to achieve better management of support, its specific nature should be stipulated, thereby ensuring that the funds granted are actually used for their intended purpose. This would serve to improve social and employment conditions in the partner countries.
- 4.5.4 The Committee calls for a distinction to be made between access costs for the EU's long-distance fleet, which are borne by shipowners and represent a fair percentage of the catch value, and the FPAs' financial contribution, which is intended to assist development. This assistance should recognise the fisheries sector's important role in alleviating poverty.
- 4.5.5 The EESC urges that the FPAs be restructured to take due account of the social dimension, with the long-term objective of removing any discrimination between workers from the EU and those from third countries in terms of working conditions, pay and access to training. The Committee also calls for the practices of social dialogue and collective bargaining to be applied in the recruitment of fishermen from non-EU countries, so as to guarantee equitable living and working conditions for crews working on European vessels. The Committee sees this as all the more important, given the absence of specific ILO minimum standards on fishermen's wages.
- 4.5.6 The EESC notes that the social clause negotiated by the European social partners and inserted into the FPAs represents progress on recognising the rights of local workers and the true value of their work. However, since its effectiveness remains doubtful, and there is a need to evaluate its implementation, the Committee believes that its legal force should be better defined and strengthened.

4.6 **Developing sustainable aquaculture**

- 4.6.1 The EESC believes that aquaculture should be integrated as a fundamental pillar of the revised CFP. This would bring an end to the current stagnation of aquaculture production at European level. Measures to boost its competitiveness should be promoted, in order to ensure that the industry again becomes economically viable and generates high-quality jobs while respecting the rules on protecting the marine environment in terms of local water quality, escape of exotic species, sustainability of fishing to produce fish meal and oil, etc. There is also a need to focus particular attention on the quality of aquaculture products, which should be governed by market surveillance rules. In any event, the Committee opinion currently being drafted on this issue (NAT/445) should be taken into account.

4.6.2 The EESC believes that the image of aquaculture and fishing, and of the related processed products, should be improved; it therefore recommends conducting information, education and communication campaigns aimed primarily at European consumers.

Brussels, 28 April 2010.

The President
of the
European Economic and Social Committee

Mario Sepi
