



European Commission
Directorate General for Maritime Affairs and Fisheries

Green Paper on CFP reform





The structure of the Green Paper

- **The vision of European fisheries in 2020 after a successful reform**
- **The outcomes of the 2002 CFP**
- **The structural failing of that policy**
 - **the overcapacity**
 - **the imprecise objectives**
 - **the short-term decision-making**
 - **the lack of responsibility of the industry**
 - **the lack of compliance**



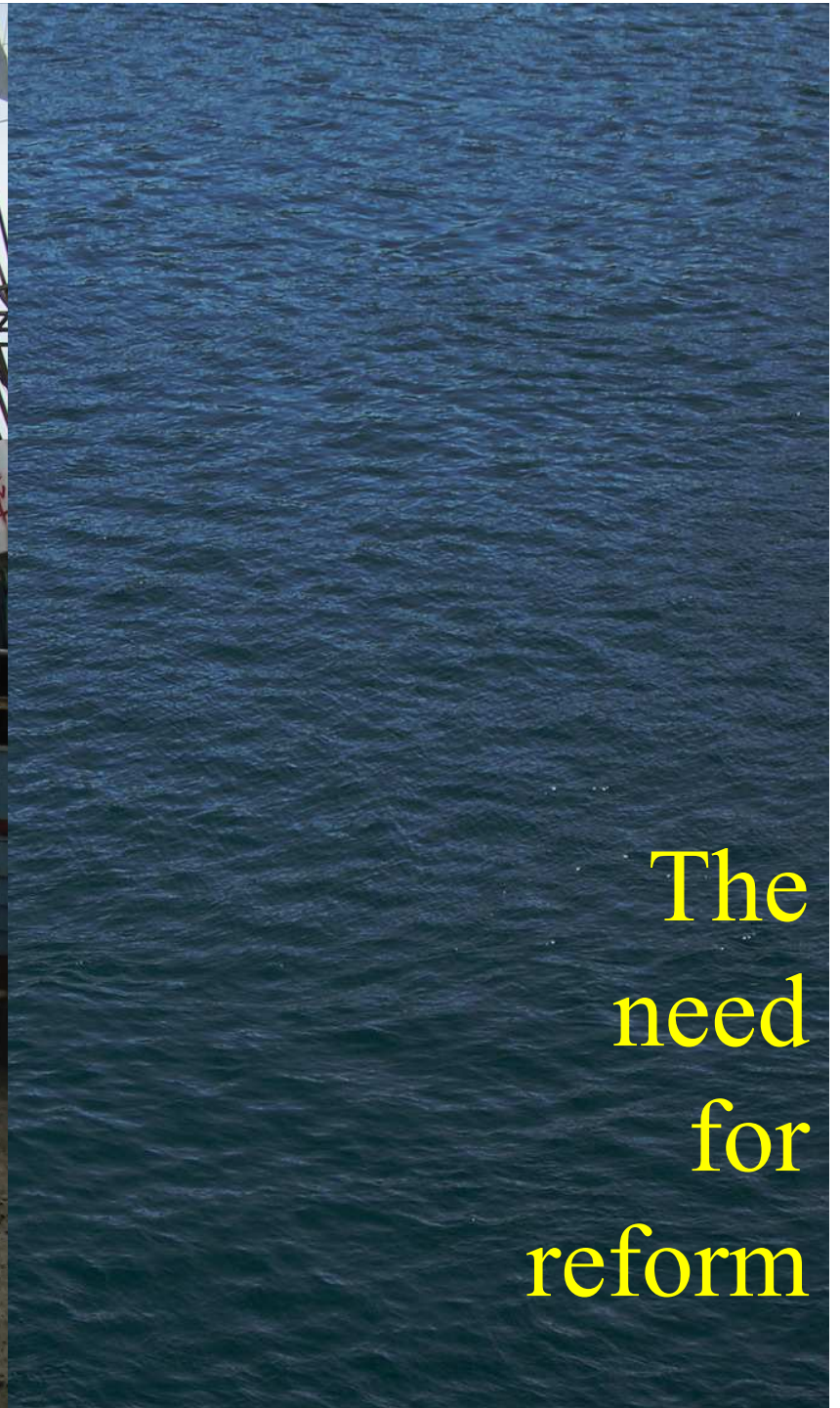
The structure of the Green Paper

- **Further improvement of the policy**
 - **a differentiated regime for small-scale coastal fleets**
 - **the compliance with the MSY concept**
 - **the relative stability**
 - **trade and markets**
 - **the integration into the IMP**
 - **the scientific advice**
 - **the public financial support**
 - **the external dimension**
 - **the aquaculture**



The vision – What the reform should deliver

- **Healthy marine ecosystems**
- **A profitable and economically independent sector**
- **Supply of seafood to European market originating from sustainable fisheries and aquaculture**
- **Contribution to development of coastal regions**
- **External dimension oriented towards the development of third world countries while defending interests of EU industry**
- **More simple and less costly policy with implementation closer to the people**



The
need
for
reform



Outcomes

- **Positive achievements have been made:**
 - **Better involvement of stakeholders through the RACs**
 - **More stocks are now under long term management plans**
 - **Direct subsidies for fishing capacity have been discontinued (except support to engine replacement)**
- **But more needs to be done**



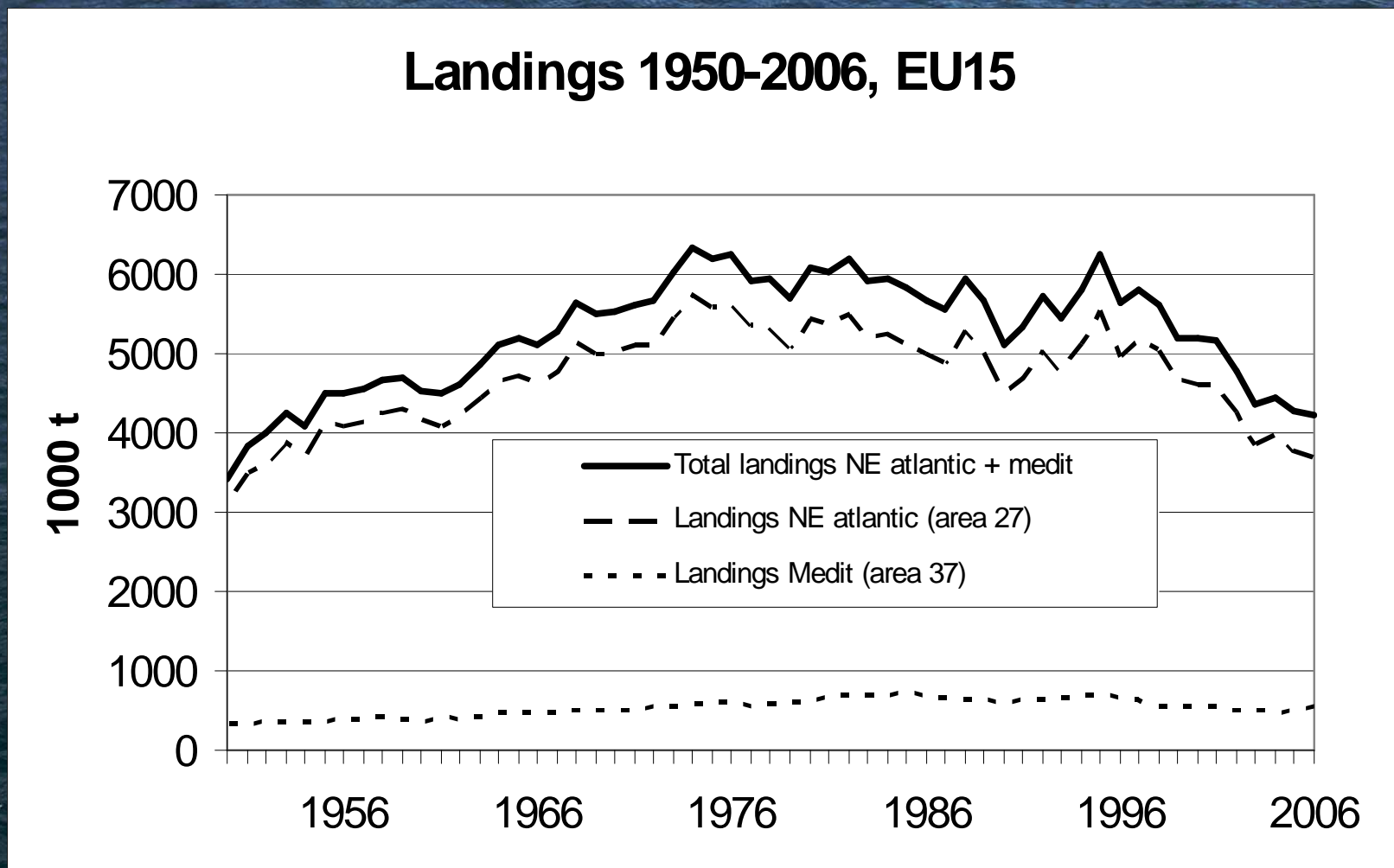
Why a reform?

We are far from the vision

- **Most resources are overexploited – 88% of stocks are overfished and 30% are outside safe biological limits**
- **Insufficient supply to European market due to low stocks**
- **Overcapacity prevails – For many stocks the fleets fishing them have capacity to fish at 2-3 times the sustainable level**
- **Poor profitability as too many boats chase too few fish**
- **The sector has low resilience to external pressures such as financial crisis, volatile fuel prices and climate change**
- **Sector is heavily subsidised – by direct subsidies and by indirect subsidies such as exemption from fuel tax and free access to fish from public resources. The direct public cost of the policy exceeds landings value in some countries.**
- **Complex and costly policy – for public authorities and for the sector (top-down micromanagement).**

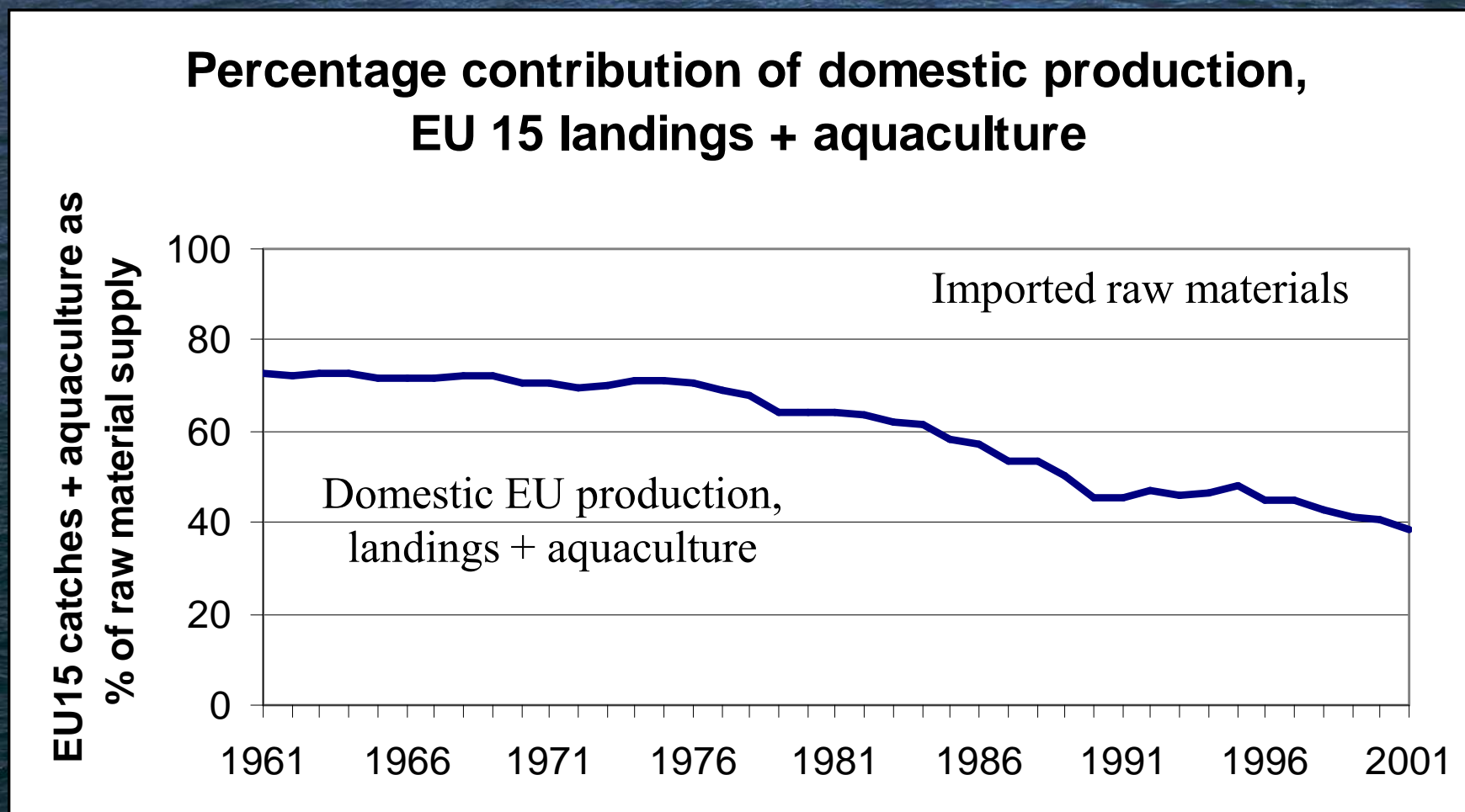


Outcomes – decreasing landings





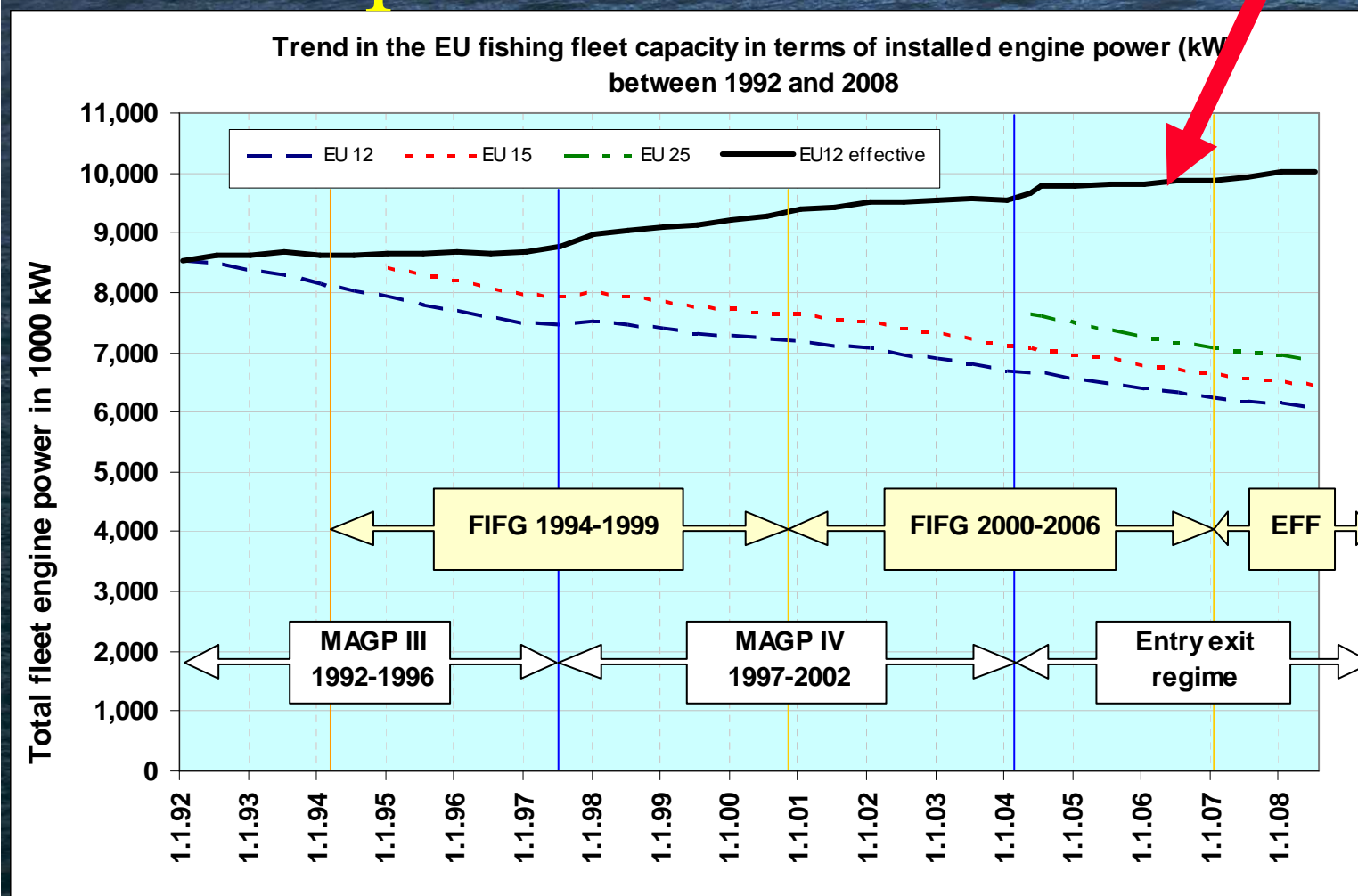
Low contribution from EU fisheries to EU food supply





Overcapacity
prevails

Actual capacity
development assuming 3%
technological creep





Why a reform?

Need to adapt to changed global context

- **Financial crisis**
- **Volatile fuel prices**
- **Climate change**
- **New policy directions - sustainability and integration:**
 - **WSSD/MSY; IMP/Marine Strategy**
 - **Increased public awareness and consumer demands for sustainably sourced products**



Change of framework to support a long term perspective



What prevented us from attaining the objectives? - five structural shortcomings

- **Fleet overcapacity**
- **Imprecise policy objectives resulting in insufficient guidance for decisions and implementation**
- **Decision-making system that encourages a short-term focus**
- **Framework that does not give sufficient responsibility to the industry**
- **Lack of political will to ensure compliance and poor compliance by the industry**



Addressing the problem of overcapacity

Overcapacity is core problem – we have a fishing pressure 2-3 times MSY on many stocks

Capacity targets and entry-exit schemes/ceilings have been tried with little effect

Options - Reduce number of vessels and adapt capacity to the fish resources by:

- **Introduction of market based allocation of access rights (industrial fleet) with safeguards against excessive concentration and to protect coastal fleet from being bought out.**
- **Direct public intervention - Public aid only for scrapping, not for any support of catch capacity**



Overcapacity Qs

- **Should capacity be limited through legislation? If so, how?**
- **Is the solution a one-off scrapping fund?**
- **Could transferable rights (individual or collective) be used more to support capacity reduction for large-scale fleets and, if so, how could this transition be brought about?**
- **Which safeguard clauses should be introduced if such a system is to be implemented?**
- **Should this choice be left entirely to Member States or is there a need for common standards at the level of marine regions or at EU level?**



Focusing the policy objectives

Compromises to cushion immediate economic and social impact must be compatible with long term sustainability

Ecological sustainability is basic premise for the economic and social future of European fisheries



Focusing the policy objectives Qs

- **How can these three objectives be defined in a clear and prioritised manner which gives guidance for decisions?**
- **Should the CFP aim to sustain jobs in the fishing industry or should the aim be to create alternative jobs in coastal communities through the IMP and other EU policies?**
- **How can indicators, targets and timeframes be defined to enable accountability?**



Focusing decision-making on long-term principles

Present setup does not distinguish principles from implementation:

- all decisions taken on same level → focus on short term and micromanagement

Need to get rid of centralised micro-management - which will also be made impossible with the Lisbon Treaty

Put politics in its proper place: a hierarchy of decision making from principles to technical implementation

- **Decisions on principles and strategy on Council/Parliament level**
- **Leave detailed management to:**
 - Commission in cooperation with member states
 - Member States / regional MS bodies?
 - The industry?
- **Delegation within Community principles and standards, subject to Community control and sanctions**
- **Enhancing the role of the RACs and ACFA**



Focusing decision-making on long-term principles

Qs

- **How can we encourage a long-term focus and a more effective achievement of objectives?**
- **What would be the best option to decentralise the adoption of technical or implementing decisions?**
- **Would it be possible to delegate implementing decisions to national or regional authorities within Community legislation on principles?**
- **What should be delegated to the Commission (in consultation with Member States), to Member States and to the industry?**
- **How could the advisory role of stakeholders be enhanced in relation to decision-making?**



Encouraging industry to take more responsibility

Presently the Industry is not given responsibility for its own future in implementing the policy

“Responsibilising” the industry:

Taking *Responsibility* through self-management/comanagement

- Industry operates within limits set by public authorities (results based management)
- Industry demonstrates that it operates responsibly in return for access to fishing (reversal of burden of proof)
- We already have several examples of this - management of the quota uptake by industry through Producers Organisations, voluntary video monitoring

Giving industry responsibility for capacity adaptation through *Rights*



Encouraging industry to take more responsibility Qs

- **How could the catching sector be best structured to take responsibility for self-management?**
- **Should the POs be turned into bodies through which the industry takes on management responsibilities?**
- **What safeguards and supervisory mechanisms are needed?**
- **Are there examples of good practice in particular fisheries that should be promoted more widely? Should incentives be given for the application of good practices? If so, which?**



European Commission
Directorate General for Maritime Affairs and Fisheries

Developing a culture of compliance

**Poor implementation in the past - Report of the
EU Court of Auditors**

Control reform on-going



Developing a culture of compliance

Qs

- **How to improve compliance?**
- **Can self-management and regionalisation contribute?**
- **Data collection system better adapted?**



Improving management of European fisheries

- a differentiated regime for small-scale coastal fleets
- the compliance with the MSY concept
- the relative stability
- trade and markets
- the integration into the IMP
- the scientific advice
- the public financial support
- the external dimension
- the aquaculture





A differentiated regime

- **Capacity reduction will lead to less employment overall**
- **How can that be compatible with protection of coastal communities which depend on fisheries?**
- **Adapt instruments to the specifics of fleets by a differentiated approach:**
 - **Artisanal fleet: regime linked to social objectives such as employment or linkage to local community**
 - **Large scale fleet: regime aiming at capacity adaptation, profitability and economic independence**



A differentiated regime Qs

- **How can overall fleet capacity be adapted while addressing the social concerns faced by coastal communities?**
- **How could a differentiated regime work in practice?**
- **How should small-scale fisheries be defined in terms of their links to coastal communities?**
- **What level of guidance and level-playing field would be required at EU level?**



Integrating the CFP in maritime policy context

- **The CFP cannot operate in isolation – need to integrate and contribute**
- **Close interactions with other maritime sectors:**
 - **Environment - Ecosystem approach to marine management through Marine Strategy Framework Directive**
 - **Climate change is an added stress on marine ecosystems. This makes reduction of fishing pressure even more urgent – future CFP must ensure that fisheries do not undermine resilience of marine ecosystems**
 - **Competition for space - Integration in marine spatial planning**
 - **Coastal community development - IMP' sustainable development in coastal regions as a contribution to alleviate socio-economic impacts of reducing capacity**
- **Strong synergy between various maritime sectors: surveillance, data, knowledge and research**



Integrating the CFP Qs

- **In which areas does the fishing industry interact closely with other sectors?**
- **How can the future CFP contribute to the continued access of fisheries to marine space, within an integrated spatial planning framework?**
- **How can the future CFP best contribute to the implementation of the Marine Strategy?**



Knowledge base for policy

- **Scientific knowledge and data crucial for the policy**
- **Advice: Questions more complex and human and institutional resources for advice increasingly limited**
- **Research base: Policy supporting research must be secured also in the future**
- **Need to further develop communication between stakeholders, researchers and policy makers**



Knowledge base for policy Qs

- **How can we secure future policy-supporting research?**
- **How can we secure good scientific advice?**
- **How do we further improve stakeholder involvement with scientists in research and advice?**



Making the most of our fisheries

- **MSY should now be enshrined as principle for EU fisheries management**
- **Need to move further to long term management plans**
- **Need to identify the best instruments for the various and diverse European fisheries**
 - **TAC is basic instrument but generates discards in mixed fisheries**
 - **Effort used in some fisheries – especially small scale mixed fisheries**



Making the most of our fisheries Qs

- **How can long-term management plans for all European fisheries be developed under the future CFP?**
- **A CFP in two steps, with specific measures to move to MSY prior to 2015 followed by measures to maintain MSY as the upper exploitation level after that date?**
- **How could the MSY commitment be implemented in mixed fisheries while avoiding discards?**
- **What is most adequate in the various EU fisheries - TACs or effort or a mix? Other options?**
- **What measures should be taken to further eliminate discards in EU fisheries?**



Aquaculture

- **Important economic activity in many coastal and continental regions in EU**
- **Big expectations initially but contribution from aquaculture has remained stable in recent years.**
- **Communication on aquaculture addresses the specific, short and medium term problems of aquaculture**



Aquaculture Qs

- **What role should aquaculture have in the future CFP: should it be integrated as a fundamental pillar of the CFP, with specific objectives and instruments, or should it be left for Member States to develop on a national basis?**
- **What instruments are necessary to integrate aquaculture into the CFP?**



Relative stability and access to coastal fisheries

- **Relative stability has developed into complex systems of transfer, which also have made relative stability less relevant**
- **Relative stability has negative consequences:**
 - **Limits industry flexibility**
 - **Encourages inflated TAC setting**
 - **Leads to discards**
- **12 nm regime has worked well – could be stepped up in relation to small scale fleet regime**



Relative stability Qs

- **How could relative stability be shaped to better contribute to the objectives of the CFP?**
- **Should it be dismantled or more flexible?**



Trade and markets

- **Catching sector and aquaculture receives small share of retail price**
- **Prices stagnating – producers cannot pass increasing costs on**
- **Price ‘trap’ encourages overfishing – focus on quantity as compensation**
- **Present CMO has reduced importance**
- **New CMO should encourage ‘fish to sell’ – target production to consumer demands to get higher value**
- **Help processors, retailers and consumers to take responsibility
- Transparency and certification through the production-marketing chain**



Trade and markets Qs

- **How to encourage the development of fisheries that are market efficient as well as sustainably exploited?**
- **How can the future CFP best support initiatives for certification and labelling?**
- **How to ensure a level playing field for domestic and imported products on the EU market?**
- **How can the POs better work to match production with market needs?**



Structural policy and public financial support

- **Substantial – exceeding primary value in some MS**
- **Often in contradiction with CFP objectives and little conditionality**
- **Need for a much closer link between public funding and the objectives of the policy – focus on new challenges and policy objectives**
- **Promotion of a restructured and modern industry while not maintaining overcapacity**



Structural policy and public financial support Qs

- **What changes can the sector not manage to bring about on its own and therefore require public financial support?**
- **Should public financial support be focused on specific transitions such as eliminating discards in the fishing industry?**
- **How can synergy and coherence of possible CFP funds with other EU and national instruments be ensured?**
- **Synergy between the pillars of a future CFP - Should public assistance be conditional on Member States' achieving policy objectives?**
- **Should public financial support apply equally to all sectors (small and large scale)?**
- **Should permanent fisheries subsidies be phased out, maintaining, on a temporary basis, only those aimed at alleviating the social impacts of the restructuring of the sector?**



External dimension

Extend the principles of sustainable and responsible fisheries internationally as an objective within the aims of the IMP on good governance

- **Through international fora**
- **Through strengthened RFMOs commitment to adopt stringent conservation measures, to ensure compliance and control means**
- **Through revisited agreements with Third Countries**



External dimension Qs

- **The core objective of the CFP is to promote responsible and sustainable fisheries. Is there any reason why the external dimension of the CFP should be driven by different objectives?**
- **How to promote responsible fisheries in international fora and RFMOs?**
- **Are the FPAs the best instrument to achieve sustainability beyond EU waters or should they be replaced by other forms of cooperation?**
- **How could we contribute to increasing the fisheries management capabilities of developing countries?**
- **Should EU operators cover all the costs of their fishing activities in third country waters or should the Community budget continue to support part of these costs?**
- **Should we promote integration of European fishing fleets and interests in third countries in order to support the development of the concerned partner countries?**



CFP reform process

- **Adoption of Green Paper 22 April 2008**
- **Presentation in Council April 2008**
- **Council discussion May 2008**
- **Publication (web) of background diagnostic of CFP performance**
- **Public debate until 31 December**
- **Summary of debate first half of 2010**
- **Impact assessment**
- **Proposal beginning 2011**
- **Adoption end 2012**



We should not sit on our hands in the meantime...

- **Promote more effective implementation**
 - Control reform
 - IUU initiative
 - A new discards policy
- **Link the various areas of the policy better and link to other policies**
 - EFF as instrument for capacity reduction
 - Reform of the CMO
 - Integration with integrated maritime policy, marine strategy, habitats directive
- **Building responsibility**
 - Better communication with stakeholders and citizens
 - Better linkage to market drivers and consumer support – support to traceability, ecolabelling



European Commission
Directorate General for Maritime Affairs and Fisheries

<http://ec.europa.eu/fisheries/reform>