

EU Policy Update (EU2011.03):

Reform of Common Fisheries Policy (CFP)

Updated: 20 July 2011

Summary of main points in proposals

On 13 July the European Commission published a package of proposals for modernisation of the EUs Common Fisheries Policy (CFP)¹ with the aim of agreeing these to enable them to **come into force from 01 January 2013**. In November 2011 the Commission will publish proposals for a new **European Maritime and Fisheries Fund (EMFF)** – the financial instrument to support the reform of the CFP for the period 2014-2020, with a budget of €6.7 billion. In broad terms the reforms **aim to modernise and simplify the CFP, making fishing environmentally, economically and socially sustainable**. This means seeking to end overfishing; setting fishing opportunities based on scientific advice; ensuring a stable, secure and healthy food supply for the long term; bringing new prosperity to the fishing sector, ending dependence on subsidies and creating new opportunities for jobs and growth in coastal areas.

More specifically the Commission is proposing:

- **Multi-annual ecosystem-based management:** introduction of multi-annual plans to establish this approach.
- **Banning discards** (which account for 23% of total catches) A requirement to land all catches with set deadlines for this to be introduced (depending on

¹ See **DG Fisheries web-site** for full details.

the fish type) from 2014 to end of 2015.

- **Support for small-scale fisheries:** The proposals will extend to 2022 the right of Member States to restrict fishing in a zone within 12 nautical miles of the coastline and will exempt small-scale fisheries from the transferable fishing quota schemes.
- **Better governance through regionalisation:** a move away from a centralised “top down” approach to greater decentralisation in delivery and implementation of reforms. EU level to focus on strategy (objectives, targets, minimum common standards and results, delivery timetables). Implementation (and effective enforcement) would be responsibility of Member States (or appropriate level of governance e.g. regional level). Includes expanding the role of Advisory Councils² at a regional level
- **Making fishing profitable:** creating a system of transferable shares (“concessions”) entitling owners to a share of the national fishing allocation each year, with aim of reducing fleet overcapacity on an industry-led basis.
- **Developing sustainable aquaculture:** Member States to produced national strategic plans for 2014-2020 focusing on economic competitiveness of the sector and diversification; set up a new Advisory Council for Aquaculture
- **New market policy - empowerment of the sector and better informed consumers**
- **A modern and adapted financial instrument (EMFF with €6.7bn budget):** payment to be made conditional on compliance with rules (including potential to punish Member States)
- **Taking international responsibility**

² Advisory Councils were introduced in the 2002 reforms to promote a greater involvement of stakeholders and partnership working at a “regional” level – although regional in this sense meant sea areas such as north western waters which Wales falls into.

Background context to proposal

For a comprehensive overview of the CFP, its history, the various reforms that have been introduced, and the background to the current reforms please refer to the research paper produced by the Assembly's Research Service in September 2010³.

The CFP is the EU's policy for the management of fisheries and aquaculture. It was first introduced in 1970 and has evolved since that time, with various reforms introduced in response to particular concerns/challenges during this period.

The European Commission is responsible for drafting EU legislation relating to fisheries while individual Member States are responsible for the implementation and control of fisheries policy.

The CFP was last reformed in 2002. Most stakeholders agree that the 2002 reform has not achieved its objectives of making the European fisheries sector more sustainable. The European Commission is therefore preparing a reform of the CFP which will come into effect from 2013.

There continues to be widespread criticism of the current CFP. It is widely perceived to have failed in tackling the issues of overfishing and improving the economic viability of the European fishing industry, despite the reforms introduced in the 1990s and 2002 and the creation of a new European Fisheries Fund for 2007-2013.

In 2009, the Commission launched a public debate on the way EU fisheries are managed with the publication of a **Green paper on reform of the Common Fisheries Policy (CFP)** which outlined the challenges facing Europe's fisheries. The UK and Welsh stakeholders contributed to this consultation (see

³ **Reform of the Common Fisheries Policy 2012, September 2010**

sections below), and the Commission produced a report on this in April 2010⁴

Since then the Commission has undertaken further work, through the new EU Fisheries Commissioner to prepare for the launch of the reform proposals. The conclusion from this work is clearly stated by the Commission.

Relevance to Wales

Management, control and support of fisheries within Welsh territorial waters is fully devolved and the Welsh Government is responsible for implementing European fisheries policy within these waters. While Welsh territorial waters only extend out to 12 nautical miles from the coast the *Welsh Zone (Boundaries and Transfer of Functions) Order 2010* created a new Welsh fisheries zone⁵. This means that the Welsh Government is now responsible for the management of fisheries out to its westward boundary with Ireland.⁶ Prior to this anything between the 12 nautical mile limit and the British territorial boundary was managed by Defra.

Following the passage of the *Marine and Coastal Access Act 2009* regulation and management of fisheries was transferred from regional sea fisheries committees to the Welsh Government who now has sole responsibility for regulating and managing the industry in Wales.⁷

The Welsh Fisheries Strategy was published in 2008⁸ and the implementation plan in 2009.⁹ The Strategy aims to develop a sustainable fisheries sector in Wales.

⁴ COM(2009)163: Green Paper on CFP reform and SEC(2010)428: Results of consultation – see **DG Fisheries web-site**

⁵ ***Welsh Zone (Boundaries and Transfer of Functions) Order 2010***

⁶ A map of the Welsh Fisheries Zone can be found on p.47 of the Research Service paper on CFP **here**.

⁷ ***Marine and Coastal Access Act 2009***

⁸ Welsh Government, ***Welsh Fisheries Strategy***, 2008

⁹ Welsh Government, ***Welsh Fisheries Strategy Implementation Plan***, 2009

The strategy and implementation plan predominantly focus on the small-scale fisheries sector as it is this sector which contributes most to the Welsh economy.

There are 410 regular commercial fishermen in Wales and another 585 involved on a part-time basis. Of the approximately 500 boats registered to fish out of Wales 450 of these are less than 10 meters long and are equipped for day fishing only. In 2009 landings in Wales by all UK vessels had an estimated value of £16.6 million.¹⁰

European funding for the fisheries sector in Wales is provided through the European Fisheries Fund. The funding is granted on the basis of operational programmes submitted by Member States. For the period 2007-2013 the UK received £97 million. One third of this funding is directed to 'convergence' regions while the rest is available for all areas. Of the £97 million Wales received £12 million, Scotland received £39 million, England received £34 million and Northern Ireland received £13 million.

The Welsh Government provides support to Welsh fishing firms in a number of ways, including assistance in participation at European and international trade fairs, such as the European Seafood Exposition in Brussels, where five companies – Bangor Mussel Producers, Selwyn's Penclawdd Seafoods, Anglesey Sea Bass Selonda UK, North Wales-based The Lobster Pot and Holyhead's Bay Seafoods – were among 1600 exhibitors attracting buyers and sellers from over 140 countries¹¹.

On 14 July the Environment and Sustainability Committee agreed to establish a "Task and Finish Group" on reform of the Common Fisheries Policy, to act as a conduit through which Welsh stakeholders can engage in the negotiations in Brussels.

¹⁰ MMO, *United Kingdom Sea Fisheries Statistics 2009*, 2010

¹¹ See [Wales online article 8 June 2011](#)

UK Government position

The UK Government will publish an Explanatory Memorandum (EM) in the coming weeks setting out its reaction to the reform proposals. This section will be updated accordingly. However, the new EM is likely to develop the position of the UK Government in response to the consultation on the future of CFP reform, details of which are summarised below.

The UK Government prepared an EM in response to the Commission's Green Paper on CFP reform in 2009, which was followed by correspondence between the Fisheries Minister and the relevant Committees in the House of Lords and House of Commons on their scrutiny work on reform of the CFP¹². The UK Government submitted a response to the consultation whilst separate responses were also submitted by the Welsh Government, the Scottish Government and the House of Lords¹³.

The UK Government "shares the Commission's ambition for radical reform to achieve healthy fish, a prosperous fishing industry and a healthy marine environment". More specifically¹⁴:

- **Simplified and decentralised decision-making:** day to day management devolved to those closest to the fisheries, including fishermen.
- **Replace current rigid quota system with more flexible/responsive mechanism:** give greater responsibility to fishermen, such as a system of user rights/credits to facilitate long-term planning.
- **Recognise social/cultural importance of fishing to small (and remote) communities:** provide safeguards to small fishing businesses to

¹² See [UK Government EM web-site](#)

¹³ See [European Commission web-site](#)

¹⁴ Taken from [letter of 31 August 2010](#) Parliamentary Under-Secretary for Natural Environment and Fisheries to the Chair of the European Scrutiny Committee of the House of Commons

adapt/prosper, and protection from predatory competitors.

- **Reduce discards by imposing binding obligations on Member States for their discards.**
- **Achieve a greater integration of fisheries with other marine policies.**

Following the publication of the most recent proposals the UK Fisheries Minister Richard Benyon indicated that his key priorities for the reform are:

- fundamental reform of the policy with less top-down management from Brussels;
- elimination of the discards;
- decentralised management of fisheries with increased regional flexibility; and
- better marketing and awareness raising about sustainable fisheries products.¹⁵

In past negotiations on the reform of the policy Scotland has tended to lead discussions due to the size of its commercial fishing industry. Scottish landings are worth approximately £351.5 million to the Scottish economy. In England in 2009 they were worth £131 million and in Northern Ireland £19.4 million.¹⁶

The **Scottish Government** reacted publicly to the CFP reform proposals on 14 July¹⁷, welcoming the move towards placing conservation of fishing stocks at the heart of the reform but expressing concerns at a move towards a “blanket ban on discards”, saying other measures could be explored to achieving the goal of stopping this practice. They also point to a “huge threat to Scotland lurking within these proposals”, namely expansion in international trading quotas and the potential impact this could have on Scotland’s

¹⁵ Defra Press Release, *Richard Benyon responds to Common Fisheries Policy reform Proposals*, 13 July 2011

¹⁶ MMO, *United Kingdom Fisheries Statistics 2009*, 2010

¹⁷ See [article in WiredGovweb-site](#)

historic fishing rights. The move towards regionalisation is welcomed but criticised for not going far enough, with the Scottish Government wanting to see greater control given to them over their own fisheries.

Welsh Government position

The Welsh Government submitted a response to the Green Paper consultation in 2009, and this centres around the concerns of small-scale fishers which contrasts with the UK Government’s focus on the large-scale commercial fishing fleet. The main priority for Wales in the next reform is to see a differentiated approach to small-scale coastal fishing, which encompasses the majority of Welsh fishing practices.

The Welsh Government is particularly concerned about the impact of vessels from other Member States and their historic rights on the sustainability of Welsh coastal communities.

The Welsh Government is also among the many stakeholders calling for a regional approach to fisheries management, in particular with regards to the inshore fisheries region. They also advocate an ecosystem-based assessment of fisheries in order to ensure that fisheries management measures are conducive to sustainable fishing practices.

The Deputy Minister for Agriculture, Food, Fisheries and European Programmes has stated that he has yet to come to a settled view on the Commission’s proposals but intends to provide further protection to the Welsh inshore area through new domestic legislation. The Deputy Minister has indicated that his priorities for the sector are to create an economically and ecologically sustainable industry in Wales and to address the current supply chain issues faced by the industry in Wales.

Progress of dossier in EU Institutions

This section will be updated as the negotiations take place in Brussels and the official positions of the EU Institutions become clear.

Monitoring the dossier

Reform of the CFP will be adopted through the “ordinary legislative procedure” (Co-decision), which requires agreement between the Council of Ministers and the European Parliament before the proposals can become EU law. The progress of the dossier through the EU decision-making process can be followed on two web-sites (using the Commission reference to identify progress on each element of the package¹⁸):

- **European Parliament’s Legislative Observatory**
- **European Commission’s Pre-Lex web-site**

Note: these pages will focus on the broad EU level discussion, but will not contain specific information on the UK/Welsh positions/interests on the dossiers. We will pick up on the latter in the sections below.

European Parliament:

The lead committee for this dossier will be the **Fisheries Committee**. There are no Welsh MEPs on this Committee, and the Chair is Spanish MEP Carmen Fraga Estévez (European People’s Party - EPP). The EU Fisheries Commissioner presented her reform proposals to the Fisheries Committee on 13 July. Rapporteurs have not yet been appointed for the various elements of the CFP reform package, but should be appointed in the early autumn. These pages will be updated once this happens, including an indication of the timetable of adoption of reports in the Fisheries Committee.

¹⁸ These are: COM(2011)416, COM(2011)417, COM(2011)418, COM(2011)424 and COM(2011)426

Council of Ministers:

The Agriculture and Fisheries Council takes the lead on this dossier in the Council of Ministers. In the lead up to the reform they have held a number of discussions with the EU Fisheries Commissioner.

Following publication of the proposals a first discussion of the proposed reforms was held in a public session on 19 July¹⁹. Although this debate showed support for the overarching aims of the reform different views emerged on the timing and nature of the proposed banning of discards, and about the proposal for trading fishing rights or “concessions”. The proposal for greater regionalisation of CFP was received positively.

Others:

Europeche²⁰ issued a press release criticising a number of elements in the reform proposals, arguing that the measures proposed will have a negative impact on employment in the sector in the short-term, and are disproportionate and unfair. In particular they reject:

- the proposed reduction of total allowable catches (TACs) and/or fishing effort by 25% or more where scientific advice is lacking
- the strict target of achieving maximum sustainable yield (MSY) for all species by 2015
- and what they describe as the absence of socio-economic measures in the reform proposals

A number of environmental and conservation organisations have already reacted to the proposals:

World Wildlife Fund (WWF)²¹:

“We welcome the talk of ‘ensuring sustainable fish stocks’ and ‘long-term science-based management’, but we need to see much more ambition - and an urgent end to wasteful discards and bycatch.”

¹⁹ See **Council of Ministers press release**

²⁰ Europeche is a European organisation of shipowners, fishermen and employers that today counts 17 member organisations from 11 European countries. For press release see **Europeche web-site**

²¹ See **WWF web-site**

WWF response also calls for “genuine regional co-management of fisheries”.

Birdlife international²²:

“BirdLife Europe is encouraged by the general direction of the reform proposal, notably the objective to rebuild stocks by 2015, especially through long term plans for fisheries, in seeking to end the wasteful practice of discarding fish, and laying down the principle of basing fisheries management decisions on scientific advice.

However, the reform proposal falls short of providing the framework, tools and safeguards needed to reduce overcapacity of the fleet and guarantee a genuine shift towards ecologically sustainable fisheries.”

Further information

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²² See [Birdlife web-site](#)