

CFP Reform 2002

ANALYSIS OF EU FISHERIES POLICY REFORM PROPOSALS AND COMMUNICATIONS



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Proposed European Commission Cod Recovery Plan (COM (2003) 237)

Introduction

On 6 May 2003, the Commission finally released its proposal for a long-term recovery plan for cod. The proposal covers a number of stocks in EU waters that are threatened with collapse. Measures include a combination of low catch limits, fishing effort limitations, and specific control and monitoring rules to ensure implementation. The proposed recovery plan would replace the temporary measures previously introduced by the Commission.

In the new Common Fisheries Policy (CFP) basic Regulation (2371/2002), recovery plans are among the main instruments for achieving conservation and sustainability, taking a long-term approach to the management of stocks and applying the precautionary approach. As the first recovery plan to be tabled, therefore, this proposal is being widely promoted as the first real test of the new CFP.

A Brief Historical Overview

The proposed cod recovery plan follows a long series of developments, dating back to at least 1999 when the Commission was first called upon by the Council to establish emergency measures for Irish cod. This and other key developments include the following:

- December 1999 - the Council adopts reduced total allowable catches (TACs) for Irish Sea cod and requests emergency protection measures for this area;
- February 2000 - the Commission puts in place emergency measures for spawning cod in the Irish Sea from mid-February to end of April 2000;
- December 2000 - all TACs for cod are reduced to unprecedented levels. Council requests the Commission to develop a 5 year cod recovery plan by June 2001;
- March - June 2001 - the Commission develops new short-term emergency technical measures for cod during this year, including closures during spawning time and an increase in mesh size in the cod trawl fishery;
- June 2001 - the Commission communicates preliminary ideas for development of long term cod recovery plan;
- December 2001 - the Council fails to adopt the Commission's proposed long-term recovery package for cod;
- December 2002 - the Council adopts interim measures for cod including low

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fishing possibilities and, for the first time, limits on fishing effort to avoid a moratorium on the cod fisheries concerned. The Council requests the Commission to submit a proposal for a definitive recovery plan; and

- May 2003 - the proposal for the recovery of cod stocks is tabled by the Commission.

Objectives of the Recovery Plan

The objective of the plan is to ensure safe recovery of stocks to sustainable levels within a time frame of five to ten years. The stocks covered are those in the Irish Sea, to the West of Scotland and the Eastern Channel, as well as the North Sea (including the Skagerrak) and Kattegat. The Irish Sea and the Eastern Channel stocks are not covered by the current interim measures. According to the Commission, the technical measures applied there today are insufficient to achieve recovery of the depleted stocks.

Target stock sizes are based on precautionary levels, as advised by ICES and in consultation with the Scientific, Technical and Economic Committee for Fisheries (STECF). Target levels of a given stock have to be maintained for two years before the stock is removed from the recovery plan and subjected to a (normal) multi-annual management plan.

In the North Sea, Skagerrak and the Eastern Channel, for example, the minimum stock size below which there is a high risk of collapse of cod is estimated to 70,000 tonnes. In 2002, the assessment of adult fish in this area was around 38,000 tonnes. The target level identified in the recovery plan is 150,000 tonnes.

Setting Total Allowable Catches (TACs)

The Commission is proposing new guidelines for setting TACs and the corresponding fishing effort limits. As a rule, if the estimated stock size is below the level recommended by scientists but above or only slightly below the minimum level, the TAC will be set to aim for a 30 per cent increase in the quantities of adult fish in the following year. There will, however, also be a principle in place to ensure that the largest annual change in TAC – up or down – should not be more than 15 per cent.

Should the scientific advice show that the stock size is below safe biological limits, as is presently the case for all the cod stocks covered by the plan, it is proposed that these rules do not apply and that more severe measures such as very low fishing opportunities are imposed. TACs for other species and stocks caught together with cod are also likely to be affected by the plan.

This system of setting TACs is a welcome application of the precautionary approach. In effect, the plan aims to constrain the Council in the TACs that it can set. Limiting the increase between years attempts to ensure that any gains in stock size are not lost to increased TACs the following year. At the same time, the limit in how much TACs may be reduced between years provides a degree of certainty in the fishing opportunities for the industry. The key question will be whether the

Council agrees to this aspect of the proposal at all, and if so, whether it subsequently applies the rules for calculating TACs.

Limiting Fishing Effort

Fishing effort limitations are a central element of the proposal, bearing in mind the desire to balance effort with available resources. A fishing effort limitation scheme, calculated in kilowatt-days (the engine power of a vessel multiplied by the fishing days), is being proposed. The adjustment of fishing effort is to be based on the overall historical fishing efforts of all vessels involved in the fishery and the estimated effort required to take up the quota. The reduction is to be distributed to the Member States in proportion to their share of the total Community landings of cod during the reference period (2000-2002).

There is an element of flexibility in the proposal: it will be up to each Member State to distribute the allocated kilowatt-days among its vessels. Once distributed, vessel owners would be able to exchange, give away or sell their kilowatt-days to other vessels registered with the same Member State fishing in the same area; days will be fully transferable and usable at any time throughout the year. However, kilowatt-days may not be transferred between areas. It will be the responsibility of the Member State to set the rules governing these transfers and ensure that these are followed.

Effort control is described by the Commission as being central to the recovery plan, and it is indeed a critical element. The degree to which effort will be reduced will depend upon the levels of the TACs set annually. Given the historical reluctance of the Council to reduce TACs and effort, the proposed limits placed on the Council in setting TACs may prove significant in reducing fishing mortality and effort.

Monitoring, Inspection and Control

The proposal provides for a number of specific measures to strengthen monitoring, inspection and control of the vessels concerned, such as special reporting requirements, obligations to land larger catches in designated ports, and new conditions for the weighing and transport of landed fish. Rules concerning the use of Vessel Monitoring System (VMS) are to be addressed in a new regulation due to be proposed later this year.

Aid to the Cod Fleet

If effective, the proposed measures could lead to significant further reductions in the profits of part of the cod fleet. To cushion the blow, the Commission is promoting the new scrapping measure making it possible for vessel owners to leave the fleet, and is encouraging Member States to make better use of funding under the Financial Instrument for Fisheries Guidance (FIFG). Using the new scrapping measure, premiums for the permanent removal of vessels significantly affected by recovery plans will be eligible for an additional 20 per cent aid, compared to what is normally available under the FIFG. This additional aid is for vessels that will suffer a 25 per cent or more loss in fishing opportunities as a result of the recovery

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plan.

EU aid is also available to both vessel owners and crews whose activities have had to be halted temporarily due to 'unforeseen circumstances', as well as for early retirement or retraining (so-called socio-economic measures). So far, Member States have only earmarked 3 per cent of the FIFG funding for 2000-2006 for socio-economic measures. The Commission suggests that they review their current programming and make better use of all EU funding, not just FIFG, to support diversification out of the sector.

The New CFP?

Being one of the first applications of the new CFP, the proposed cod recovery plan is important. As noted, the proposed plan takes a long-term and precautionary approach to the management of the cod stocks. Effort control is at the heart of the plan, while an attempt has been made to incorporate flexibility wherever possible. The plan was also developed following consultations with stakeholders. As a whole, the package reflects significant changes in the way European fish stocks are managed. However, the details of the plan and the process of its development still leave room for improvement, as follows.

Application of the ecosystem-based approach

The new CFP includes a commitment to the application of the ecosystem-based approach. This entails making management decisions while taking account of the impacts on other species and the wider eco-system. Yet, the proposed cod recovery plan is a single species plan. While the bycatch of cod taken in designated areas is addressed, the impacts of the plan on other fisheries or cod outside of these areas are not. Moreover, despite the financial support provided for decommissioning vessels, it is likely that effort will be displaced to other fisheries, including inshore areas and non-quota fisheries. Furthermore, at this stage there is an absence of any technical measures, which could be used to reduce the impact of the fishery on other parts of the ecosystem.

Consultation and participation

Part of the CFP reform agenda was to secure improvements in governance. In particular, the concept of Regional Advisory Councils was introduced, creating an expectation that the CFP would be developed and implemented in a more consultative manner, with greater say for, and hence ownership, from the fishing industry and other stakeholders.

Consultations were made with the fishing industry in the production of the plan. Despite this, industry has heavily criticised the proposed effort controls as being draconian and damaging to the sector. There have also been strong objections over the inclusion of the Irish Sea and Eastern Channel stocks, which the UK industry claims are under recovery according to the scientists own data.

Even the timing of the release of the report has been criticized by industry and



environmental NGOs. The plan was announced the day before a meeting of European national scientific advisers and NGOs, at which the cod stocks were to be discussed, leaving participants feeling marginalised. Because of some of the disagreements arising from the plan, it is still considered by some to be an example of how little has really changed under the new CFP.

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With these strong objections being voiced, it is important to bear in mind that consultation in policy development does not necessarily mean that all affected parties will be pleased with the final product. The intention is to seek input into the process in order to develop a suitable policy with stakeholder ownership, which may include compromises but is effective at the same time. In fisheries management this involves working with stakeholders that often have conflicting interests. The strong objections show that there is a lack of ownership of the plan and conflicts of opinion are still strong. This demonstrates that there is still a long way to go in improving the process of developing and implementing the CFP and developing working partnerships amongst stakeholders.

Conclusions

This multi-annual cod recovery plan is the first in a series of such proposals expected from the Commission. It is an important first test of some of the newly laid commitments under the CFP. It will provide valuable lessons for the development of similar plans for hake, sole, haddock and lobster.

The success of the plan in halting the decline in the cod fisheries is likely to rest on how much the Council accepts the effort controls required in the fisheries. This is dependent upon the effort reduction calculations and measures proposed, and the methodology for setting TACs, upon which this is based. Once agreed upon in the Council, the plan will replace the current interim measures set out in Regulation 2341/2002. This may, however, take some time, considering that several previous proposals have been rejected and both the industry and part of the Council is very critical of an approach involving effort limitations.

Although the proposed effort limitations were unwelcomed by industry, the general mood over the plan was mixed, with uncertainty over what the real impact would be on fishing fleets (*WorldFish Report*, No. 191, May 14, 2003). There was some questioning of the science used to determine how allowable catch is translated into allowable effort. That is, the number of kilowatt-days required to take one tonne of cod. The improved flexibility in the calculation of fishing effort was, however, appreciated by both industry and environmentalists.

In the broader scheme of European fisheries management, the extent to which effort reduction leads to decommissioning of vessels will be vitally important. Without decommissioning of vessels, effort may simply be displaced to other fisheries, most of which are already under excessive pressure. The financial support and incentives proposed will therefore be critical in this regard. How future management plans learn from and complement this cod recovery plan will also be important in attempting to implement an ecosystem based approach to management. If this does not happen, then the plans may simply be another example of the fire fighting seen under the old CFP

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