Common fisheries policy (CFP)

2011/0195(COD) - 13/07/2011 - Legislative proposal

PURPOSE: reforme of the Common Fisheries Policy (CFP).

PROPOSED ACT: Regulation of the European Parliament and of the Council.

BACKGROUND: the <u>Green Paper on the Reform of the Common Fisheries Policy</u> concluded that despite progress since the 2002 reform, the objectives to achieve sustainable fisheries in all its dimensions (environmental, economic and social) **have not been met**. The European Parliament and the Council of Ministers supported this conclusion.

The main problems of the CFP are:

- lack of focus in the objectives on environmental, economic and social sustainability;
- unacceptably high levels of discards;
- fleet overcapacity, overfishing, total allowable catches (TACs) that are set too high, and low compliance have resulted in a large majority of Union stocks being overexploited;
- low profitability and low economic resilience for a significant number of fleets;
- insufficient integration of environmental concerns into the policy;
- lack of reliable data to assess all stocks and fleets;
- substantial public financial support to fisheries that does not contribute to achieving the objectives of the CFP;
- low attractiveness of the fishing activities and decline of some coastal communities dependent on fishing;
- top-down micro-management at Union level, lacking flexibility and adaptation to local and regional conditions;
- insufficient development of aquaculture in the Union;
- legislation and management are costly and extremely complex, which fosters lack of compliance;
- trade policy facing the challenge of globalisation and increased interdependence.

The Common Fisheries Policy needs a **fundamental reform** by repealing the current Council Regulation (EC) No 2371/2002 on the conservation and sustainable exploitation of fisheries resources under the Common Fisheries Policy, and replacing it on 1 January 2013 by a new CFP adopted by the European Parliament and the Council on the basis of this proposal.

IMPACT ASSESSMENT: for the Impact Assessment exercise different options for the CFP reform package were identified. **Two preferred options** are similar in focusing on the environmental sustainability while creating sufficient flexibility to give the fishing sector time to adapt to ambitious environmental objectives.

The impact assessment demonstrates that ambitious targets for the resources meeting the Union's international obligation of **achieving maximum sustainable yield by 2015** can deliver important overall stock improvement leading to significant economic and social improvements.

LEGAL BASIS: Article 43(2) of the Treaty on the Functioning of the European Union (TFEU).

CONTENT: The Commission introduces in the proposal significant changes to the CFP. The main elements of the proposal are as follows:

General Provisions: the overall objective of the CFP is to ensure that fishing and aquaculture activities provide **long-term sustainable environmental conditions**, which are a prerequisite to reach an economically and socially sustainable fishing industry that contributes to the availability of food. The policy shall be aimed at exploitation of living marine biological resources that restores and maintains fish resources at levels which can produce the maximum sustainable yield, not later than 2015. The CFP shall implement the precautionary and ecosystem approaches to fisheries management.

Access to waters:theproposal confirms the principle of equal access to waters, while treating third-country vessels with access to Union waters equally. The Commission proposes to extend the current restrictions on the right to fish within the 12- nautical miles until 2022. These restrictions have reduced fishing pressure in the most biologically sensitive areas and have contributed to economic stability for small-scale, coastal fishing activities. The Commission proposes to introduce into this regulation the specific restrictions for the 100 nautical miles around the Azores, Madeira and the Canary Islands.

Conservation of marine biological resources: conservation of marine biological resources is the fundamental pillar to achieve the objectives of the CFP. The proposal covers the main principles for technical conservation measures applicable to fisheries. For the multi-annual plans and the technical conservation measures the Commission envisages a move away from micro-management by the colegislators. The Union legislation on these plans and measures needs to define the essentials, such as the scope, targets, evaluation indicators and time frames. The Commission proposes decentralization that may authorize Member States to adopt the conservation and technical measures necessary to achieve the objectives and targets using a toolbox of measures under the conservation policy. This will create regional flexibility and simplification of the policy.

Access to resources: the proposal introduces a mandatory system of transferable fishing concessions (on fishing opportunities for regulated stocks) as from 2014 for all vessels with the exception of vessels under 12 meters with passive gear.

Management of fishing capacity: the general obligation for Member States to adjust the fleet capacity to the fishing opportunities is maintained. For the period when decommissioning of vessels with public aid remains possible under the European Fisheries Fund, the provisions on fleet capacity reductions have to remain in place. The Member State and Commission fleet registers will ensure informed monitoring and management of the fleets.

Science base for fisheries management: the proposal introduces provisions for Member States to adopt national fisheries data collection and scientific and innovation programs and to coordinate between themselves, in particular with a view to the Union research and innovation framework.

External policy: the external policy is integrated into the CFP to ensure alignment of its objectives with the overall principles and objectives of the CFP. The Union shall actively participate in the works of Regional Fisheries Management Organizations (RFMOs), as well as international multilateral bodies (UN, FAO) in order to strengthen them and enhance their performance in the management and conservation of international fish stocks. Relations with third countries through Sustainable Fisheries Agreements (SFAs) are another means to promote internationally the CFP principles and objectives.

Aquaculture: the CFP should support the environmentally, economically and socially sustainable development of the aquaculture industry. The Commission considers that the specific nature of aquaculture requires a focalized stakeholder consultation body, and proposes to this effect the creation of an Advisory Council for Aquaculture.

Common Market Organisation: the organisation of the common markets needs to contribute to the achievement of the objectives of the CFP, to enable the industry to apply the CFP at the appropriate level, and to strengthen competitiveness, particularly of producers.

Control and Enforcement: consistent with the new control regime as adopted with Council Regulations No 1005/2008 and No 1224/2009, the proposal integrates the basic elements for the Union control and enforcement regime for compliance with the rules of the CFP. The Commission proposes monitoring and control obligations in particular in relation to fully documented fishery, as well as pilot projects on new fisheries control technologies that contribute to sustainable fishing.

Financial Instruments: to increase compliance the proposal introduces conditions for Union financial assistance that may be granted to contribute to the achievement of the CFP objectives. Financial assistance will become conditional upon compliance with the rules, and this principle will apply to both Member States and operators. For Member States non-compliance may result in interruption, suspension or financial correction to the Union financial assistance. For operators serious, infringements may lead to banning of access to financial assistance or financial reductions.

Advisory Councils: the Commission proposes to consolidate and where possible to extend the experience with the Regional Advisory Councils under the CFP. The proposal should provide for regionalisation of measures on a sea-basin approach under the conservation pillar.

In conjunction with this proposal the Commission will adopt a <u>proposal for a Regulation</u> on the common organisation of the markets in fisheries and aquaculture products.

BUDGETARY IMPLICATION: the impact is estimated at € **69.754 million** for operational expenditure in commitment appropriations for the year 2013.

DELEGATED ACTS: the proposal contains provisions empowering the Commission to adopt delegated acts in accordance with Article 290 of the Treaty on the Functioning of the European Union.