House of Commons

Environment, Food and Rural Affairs Committee

REFORM OF THE COMMON FISHERIES POLICY

First Report of Session 2002–03

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Report, together with the Proceedings of the Committee, and the Minutes of Evidence and Appendices

Ordered by The House of Commons to be printed 21 November 2002

HC 110

Published on 28 November 2002 by authority of the House of Commons

London: The Stationery Office Limited £16.50

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Footnotes

In the footnotes of this Report, references to oral evidence are indicated by 'Q' and the question number. References to written evidence are indicated by 'Ev' and the page number, usually followed by the paragraph number.

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FIRST REPORT

The Environment, Food and Rural Affairs Committee has agreed to the following Report:

REFORM OF THE COMMON FISHERIES POLICY

Summary

The European Commission has brought forward welcome proposals for the reform of the Common Fisheries Policy (CFP). We believe that they have some potential to make the CFP an instrument which conserves the marine environment and promotes a healthy fishing industry. But we argue for a more flexible approach to the limitation of fishing effort, and recommend that closer attention be paid to the problems of industrial fishing, discarding and enforcement. Reform of the CFP will come at some short- and medium-term cost to the fishing industry, and we support efforts to mitigate the blow through careful choices of the methods and timing of new measures, and the appropriate use of public aid. Our overall message is that fishing stocks and the fishing industry are in crisis, and significant reform of the CFP is long overdue.

Introduction

Our inquiry

1. The European Common Fisheries Policy (CFP) has been subject to review and reform during 2002. We decided in July 2002 to examine progress made, and appointed a Subcommittee to undertake an inquiry into the matter. The terms of reference for our inquiry were:

"To examine the reforms proposed by the European Commission in May 2002 for the Common Fisheries Policy (CFP). Amongst other matters to address:

- the effects of the proposals on the fundamental principles of the CFP;
- to what extent the proposals will improve quota management and conservation and what alternatives might be considered;
- what will be the impact of the proposals on the structure of the British fishing industry;
- whether the plans for social help for fishing communities are adequate;
- to what extent the reforms will allow a more flexible system to develop, permitting short term adjustments to quotas to be made to react to changes in fish biology and fishing technology; and
- whether enough emphasis has been placed on proper enforcement of the CFP."
- 2. In response to our invitation to submit written evidence we received eighteen memoranda. We held three evidence sessions in October 2002, hearing from the Joint Nature Conservation Committee on behalf of English Nature, Scottish Natural Heritage and the Countryside Council for Wales, the Royal Society for the Protection of Birds, the WWF, the National Federation of Fishermen's Organisations, the Scottish Fishermen's Federation, the Fishermen's Association Ltd and Mr Elliot Morley MP, Parliamentary

¹ The press notice can be viewed on our website, at http://www.parliament.uk/commons/selcom/efrapnt28.htm.

Under-Secretary of State (Fisheries, Water and Nature Protection), Department for Environment, Food and Rural Affairs. During a visit to the European Commission in Brussels in November 2002 we also met Mr John Farnell, Director of Conservation in DG Fisheries. We are grateful to all those who gave evidence, either orally or in writing.

Background to the Common Fisheries Policy

- 3. The treaties that established the European Community stated that there should be a common policy for fisheries. But the first common measures were only introduced in 1970, immediately before the accession negotiations of the United Kingdom and Norway, the two nations with the richest fisheries in Europe, when it was agreed that there should be common access to a common resource. The Common Fisheries Policy (CFP) itself dates from 1983. It was intended to ensure a common approach across the European Union in four main areas: conservation to protect fish resources, structures to help the fishing industry to adapt to the constraints imposed by scarce resources and the market, common organisation of the market within Europe for fish and shellfish, and fishing relations with the outside world.²
- 4. The CFP has been subject to severe criticism, principally for failing to conserve fish stocks and because of increasing difficulties faced by the fishing industry. Previous Select Committee reports have addressed the CFP's limitations in depth. It is not our intention to reiterate those arguments here: those wishing to read in more detail about the Policy are referred to the most recent reports: the former Agriculture Committee's report on *Sea Fishing*,³ and the Government's reply,⁴ and the House of Lords Select Committee on the European Union's report on *Unsustainable Fishing*.⁵
- 5. The first review of the CFP was carried out in 1992. The current review is the second, which was originally scheduled for 2002, although in practice it is likely that negotiations will continue into 2003. On 28 May 2002, the Commission published the first of its proposals for reform of the CFP. These consist of a 'Roadmap' which describes the shortcomings of the existing CFP and sets out the Commission's overall approach to reform,⁶ three proposals for new or amended Council regulations (on conservation and sustainable exploitation of fisheries resources,⁷ amendments to the Financial Instrument for Fisheries Guidance Regulation,⁸ and emergency measures for scrapping vessels⁹) and two non-binding action plans (on integrating environmental protection requirements into the CFP,¹⁰ and on illegal, unreported and unregulated fishing¹¹). This Report considers only these proposals, although a further strategy, for aquaculture, was published in October 2002. It is also anticipated that the Commission will produce several more action plans as part of the overall reform package, including plans relating to discards, to countering the social, economic and regional consequences of restructuring and to cooperation in

⁴ Agriculture Committee, Seventh Special Report of Session 1998-99, Reply by the Government to the Eighth Report from the Agriculture Committee, Session 1998-99, "Sea Fishing" (HC 141-I), HC 853.

⁸ Proposal for Council Regulation amending Regulation (EC) No 2792/1999 laying down the detailed rules and arrangements regarding Community structural assistance in the fisheries sector (COM(2002)187).

⁹ Proposal for a Council Regulation establishing an emergency Community measure for scrapping fishing vessels (COM(2002) 190).

11 Community action plan for the eradication of illegal, unreported and unregulated fishing (COM(2002) 180).

¹² A strategy for the sustainable development of European aquaculture (COM(2002) 511).

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² For more information see the European Commission's website at http://www.europa.eu.int/comm/fisheries.

³ Agriculture Committee, Eighth Report of Session 1998-99, Sea Fishing, HC 141-I.

House of Lords Select Committee on the European Union, Third Report of Session 2000-01, *Unsustainable Fishing*, HL Paper 12.

 ⁶ Communication from the Commission on the reform of the common fisheries policy ("Roadmap") (COM(2002)181).
 ⁷ Proposal for a Council Regulation on the Conservation and Sustainable Exploitation of Fisheries Resources (COM(2002)185).

Community action plan to integrate environmental protection requirements into the Common Fisheries Policy (COM(2002) 186).

enforcement. These three issues are crucial to effective reform of the CFP and we await the Commission's communications on these subjects with interest.

6. It is beyond the scope of this Report to conduct a complete analysis of all the different measures outlined in the reform proposals. Instead, we have taken evidence from a wide range of fisheries stakeholders and experts, including fishermen's representatives, fisheries scientists, environmental groups and the Government and, drawing on this breadth of opinion, present a balanced and considered view of some of the more urgent or contentious aspects of the Commission's proposals.

The State of European Fish Stocks

7. On 25 October 2002 the International Council for the Exploration of the Seas (ICES) published its latest advice on commercial fish stocks in the north-east Atlantic. 13 In their summary of the ICES advice, the United Kingdom statutory nature conservation agencies wrote "the state of many fish stocks, particularly those of importance to the UK fishing industry, has deteriorated in the past year. The situation is so grave that ICES is now recommending closure of fisheries taking cod, whether as a targeted species or in bycatch ... in general, fish stocks are not able to support the fishing pressure being presently applied to them."14 ICES has advised that North Sea stocks of cod are at an all time low and that whiting, hake, plaice and sole stocks are outside safe biological limits.

8. Fishermen's representatives, although also concerned about cod stocks, took a slightly more optimistic view. The chief executive of the Scottish Fishermen's Federation (SFF), Mr Morrison, told us that his organisation had recently published a North Sea stock survey that showed "there is definitely a regime shift at work in the North Sea ... the habitats of certain fish have lost their vitality, cod in particular, in the southern part of the North Sea it is hardly there at all but it is still quite strong in the northern North Sea." 15 Mr Deas, chief executive of the National Federation of Fishermen's Organisations (NFFO), agreed that cod was outside safe biological limits, but pointed out that the ICES assessments used 2001 data and had therefore not taken into account measures adopted in 2002, including a 20% reduction in the Scottish white fish fleet and increases in mesh size. 16 Referring to cod stock in the south west, Mr Lambourn, president of the NFFO, said "three years ago, things were on a downward trend. The last 18 months have seen considerable improvement across the board". 17 Both the SFF and NFFO felt that the situation was better for other stocks. Mr Morrison told us that the SFF's survey showed "the relative strength of species like whiting, haddock, saithe and plaice", 18 and Mr Deas said that pelagic stocks, some shellfish and nephrops were all reasonably healthy, although he went on to say that "what we are not arguing is that things are anything like as good as they could be ... I think it is very important not to over-react and that is precisely what our fear is about the way the advice has been expressed this year."19

9. Even before the ICES report, the Commission recognised that many fish stocks were in a poor condition, admitting in its Roadmap that "the first shortcoming of the CFP is the alarming state of many fish stocks that are outside safe biological limits. Stock sizes and landings have declined dramatically over the last 25 years. For many commercially important demersal stocks the numbers of mature fish were about twice as high in the early 1970s than in the late 1990s. If current trends continue many Community fish stocks will collapse."20

 $^{^{13}}$ See <u>http://www.ices.dk.</u> The key points of the advice are also summarised in K8a. 15 Ev 13. 15 Q.71.

¹⁶ Q.84. 17 Q.77.

¹⁸ Q.71.

²⁰ Communication from the Commission on the reform of the common fisheries policy ("Roadmap") (COM(2002)181).

- 10. The Minister, too, told us that the severity of the ICES advice came as no surprise to him. It had been clear for some time that cod stocks were in trouble and he expressed concern that there was now a severe danger that North Sea cod stocks could collapse. He told us that a number of other key stocks were in "severe difficulty" and although the impact of recent conservation measures might not yet be reflected in the ICES data, he did not think that the current state of stocks could be ignored.²¹
- 11. We accept the scientific assessment that many European stocks have been depleted to dangerously low levels. We recognise that this overall picture can mask regional and species specific complexities, as evinced both by the ICES data from different regions and by fishermen's very different experiences of recent landings in the south west and North Sea. Nevertheless, the state of some stocks, particularly that of North Sea cod, is so poor that there can be no excuse for failing to act rapidly to reverse the declines.

The Science of Fisheries Management

12. Our predecessor committee's report on Sea Fishing discussed the strengths and weaknesses of fisheries research in detail and many of its conclusions apply now with as much force as they did then.²² It remains true that

"without accurate knowledge of the population of any particular species in any fishing ground at a particular time, it would be impossible to ... ensure that areas or stocks are not fished out. Equally, it is vital that the assessments made by scientists are seen to be well-founded by responsible fishermen in the light of their own experience or the latter will lose faith in conservation measures which require them to exercise an apparently arbitrary restraint".23

13. Although for the most part both scientists and fishermen feel that their mutual understanding and respect has improved in the three years since that report, fishermen still do not trust some of the scientific data. The president of the NFFO said "the science for many of the stocks is very thin and would not stand much scrutiny at all ... there is a fundamental problem with the credibility of the fisherman who is right at the sharp end in that he simply does not believe what he is being told". 24 Scientists have agreed that there is a need for more, and better, data. We were told of particular difficulties in assessing the impact of fishing on non-target species, including marine mammals and seabirds, and on the wider marine environment. We took evidence which argued that an important way of improving data gathering would be to have more independent scientific observers aboard fishing vessels.²⁵ Nevertheless the Joint Nature Conservation Committee (JNCC) said that current understanding of fish stocks was good enough to develop sound fishery management systems. It pointed out that although fishermen may challenge the results of mathematical models of fish stocks, they have not challenged the models themselves.²⁶ The Minister said it was not reasonable to dispute the overall trends reflected in the scientific advice, even if fisheries science could never be exact.²⁷ While accepting that the broad downward trends in many stocks revealed by current scientific assessments are undeniable, we support the call for better data for fisheries management models. In particular, we recommend that the Government take steps to increase the number of scientific observers aboard fishing vessels, and we urge in the strongest terms that

²¹ Qq 162–163. 22 HC (1998–99) 141–I, chapter III.

For example, see Ev 82, para 12 and Ev 3.

²³ *Ibid* para 16. 24 Qq 80–81.

²⁶ Q.25.

²⁷ Q.165.

these observers should have an independent status entirely unconnected with enforcement.

- 14. An area where assessments by scientists, such as those provided by ICES, and those of fishermen and fishermen's organisations diverge most widely is in the determination of the causes of fish stock declines. ICES, the UK statuary nature conservation agencies and the Royal Society for the Protection of Birds consider excessive fishing effort as the principle cause, and that other factors such as climate change have only a contributory role.²⁸ By contrast fishermen do not accept that fishing pressure is great enough to cause severe decline by itself. The SFF expressed the view that cod is in a particularly bad state because it is a cold water fish which has been affected by seas warming under the influence of climate change.²⁹ The Fishermen's Association pointed to the influence of industrial fishing for species on which cod feeds, and the South Western Fish Producer Organisation told us that "fishing for human consumption is responsible for only 10 per cent of the mortality experienced by fish stocks. The other 90 per cent results from industrial fishing, pollution, predation by seals, other fish, marine mammals and birds, mechanical devices such as power station intakes and aggregate dredging". 30
- 15. In order to overcome these grave differences and mistrust, fisheries scientists and fishermen should work much more closely together and scientists should take more account of the considerable knowledge and experience of fishermen. Evidence submitted to this inquiry shows some encouraging steps in this direction, 31 but it is clear that still more effort is needed.
- 16. We accept that there is much about marine ecosystems that is still not well understood and that even our knowledge of the true state of fish stocks cannot be absolutely precise. We also accept that the time needed to produce models of fish stocks and the resulting advice means that information is a year or more out of date by the time it is published. Nonetheless, the long-term declines in stocks since the 1970s are dramatic and irrefutable and we concur with the view that we have reached a crisis point in the management of Europe's fisheries. Courageous and decisive action is needed to safeguard both stocks and the fishing livelihoods that depend upon them.
- 17. In the past, there has been a lack of political will to take such action. While the Minister appears to accept that this can no longer be allowed to be the case, he faces intimidating challenges.³² The Treasury is reluctant to provide money for an industry which is small, and which is to it less important than other priorities, and the Government generally is loath to sour relations with the European Union through intransigence on fishing. The industry does not trust either the Government or the European Union, and the processes of the CFP have become so politicised that a common will to rebuild the stocks to sustainable levels and share out the catches fairly is difficult to foresee. We nevertheless urge all parties to recognise that Europe, having brought fish stocks to this dangerous level, has a collective responsibility to rebuild them to sustainable levels and shape a healthy marine environment.

Effort Limitation

18. Despite the differences of opinion outlined above, most fishermen, scientists, environmentalists, the Government and the Commission agree that fishing mortality (that is, the number of fish killed due to fishing activities) must be reduced if depleted stocks are

²⁸ Q.5, Ev 16. ²⁹ Q.71.

³¹ For example, see Q.26. ³² Q.174.

to recover.³³ Where opinions of these groups diverge again is on the matter of how to achieve such a reduction. The Commission favours limits to fishing effort, which it defines as the time spent at sea by a vessel of a given engine power. It argues that limiting effort, whether by reducing the number of days vessels spend at sea or decommissioning some vessels, is vital, although catch limitations (quotas) and technical measures to limit catches of non-target species and young fish should also be considered.³⁴

- 19. Fishermen's representatives have reacted angrily to the Commission's proposals to limit fishing effort. The NFFO told us that it believed that the Commission had already decided on the approach of setting mandatory limits on days spent at sea, and that its mind was closed to alternatives. It expressed its intention to resist any such scheme vigorously.³⁵ The South Devon and Channel Shellfishermen argued that a combination of limited days at sea and quotas would drive boats out of business and that if that was the intention it would be better to pay fishermen to decommission boats than to let them go bankrupt.³⁶ The Fishermen's Association told us that although it accepted that there might be a need for conservation measures, it did not think that the solution was necessarily a reduction in fishing effort. The Association advocated technical measures such as separator trawls until there was "genuine evidence that over-fishing is responsible [for difficulties]".³⁷
- 20. Others take a different view. The JNCC and the RSPB told us that a sustainable and vibrant fishing sector is an objective desired by everyone concerned. But they argued that the current fleet is too large for the stocks to bear, and it is too large to provide a good living for the whole fleet. They tended to favour decommissioning as the mechanism to achieve a reduction in the size of the fleet.
- 21. All of our witnesses accepted that there were a range of measures (a 'tool-box'38) that could be used to reduce fishing mortality. The Minister viewed them all as forms of effort limitation because all aim to reduce the number of fish caught.³⁹ We outline the main options that have been presented to us below, along with what we see as their advantages and disadvantages.
- decommissioning is a process through which vessel owners are paid to scrap their vessels or otherwise remove them from the fishing fleet. It can help to reduce the size of the fleet, particularly when subsidies for new or modernised vessels are removed. Decommissioning can avoid some of the pitfalls of tie-up schemes but decommissioning will only be taken up if the financial incentive is great enough. This is more likely to be the case for owners of old and inefficient vessels than for those with modern high capacity ones. This can mean that a certain percentage reduction in fleet size does not correspond to an equal reduction in fleet fishing capacity. Moreover, reducing the overall size of the fleet, of course, has consequences for on-shore jobs.
- tie-up schemes, or mandatory limits on days spent at sea. Uncompensated tie-up schemes are deeply unpopular with fishermen, who say that many of them are already operating at the limits of economic viability and any reduction in income will drive them out of business. Given adequate compensation, fishermen will accept tie-up as it means they can return to fishing once stocks have recovered. Given the level of effort reduction needed and the fact that it is not clear when, or even whether, stocks will recover, compensated tie-up schemes are potentially extremely expensive and are not favoured by Government. Tie-up schemes also have two more subtle drawbacks. First, fishermen

³³ Qq 5, 9, 40, 88–92, 173. ³⁴ COM (2002) 185, p.3.

³⁵ Ev 29.

³⁶ Ev 97, para 3.1.

³⁷ Qq 146, 148.

 $[\]frac{38}{2}$ Q.190.

³⁹ Q.191.

will initially stay in port during the least profitable and productive periods, so again for any given limitation of effort, a greater degree of tie-up is required. Second, experience in Canada and the United States shows that the presence of fishermen who are not allowed to go to sea puts great pressure on governments to re-open recovering fisheries as soon as possible, which threatens the full recovery of the stocks.

- the CFP has so far largely relied on setting limits on catches, or quotas, to conserve fish stocks. This has not worked, partly because political negotiations have often meant that total allowable catches have eventually been set higher than the scientific advice suggested, partly because of illegal, unreported and unregulated fishing and partly because it is inevitable that in mixed-species fisheries a particular species will continue to be caught as by-catch even after the quota has been exhausted.
- closed areas and closed periods can be very beneficial to fish stocks, although more research is needed into their application in mixed-species temperate fisheries. Closed areas often need to be large in order to be effective, which we were told can prove unpopular with fishermen. 40 Closed periods may need to be declared very quickly, for example to protect an aggregate of juveniles or spawning stock: the current system is not sufficiently responsive. Closed areas and closed periods both depend on adequate enforcement, which can be very costly, but must be provided if either is to be effective.
- technological conservation measures, such as increased mesh sizes, square mesh panels and separator trawls, might be able to make a valuable contribution to more benign fishing, as might a one net rule. However, the effect of such measures is questioned by some, and it may well be that more stringent limitations on effort are needed in many areas and for many stocks.
- 22. We agree with the Commission that fleet capacity must be brought in line with the stocks. But we also recognise the complex regional nature of European fisheries, and so we reject the Commission's apparent 'one-size-fits-all' approach to effort limitation. We applaud the more open-minded 'tool-box' approach, advocated by the Minister and by the NFFO. We recommend that the Government advocate effort reduction policies tailored to the specific problems of different areas and different sectors of the industry. However, given the extent of the stock crisis we urge all parties to recognise that a reduction in overall fleet capacity will be necessary in some, if not all, sectors. Given that there are regional differences in the health of fish stocks and that Member States have already made differing contributions to fleet reduction, we recommend that fleet capacity reduction be shared equitably between Member States and between fishing sectors, and that decommissioning be concentrated on the most damaging forms of fishing, particularly industrial fishing and beam trawling, or on larger and more efficient vessels which take the bigger catches. We also urge a moratorium on new entrants to areas such as the North Sea while pressures are at their most acute.

New Approaches to Quota Management

23. Until now, quotas, or total allowable catches, have been set on a yearly basis. The process begins when the European Commission receives advice from ICES and its own Scientific and Technical and Economic Committee on Fisheries. It then analyses the options and puts its proposals to the Council of Ministers, which is responsible for setting the TACs for each species. The process has been open to accusations of 'horse-trading' between Member States, with the result that TACs have too often been determined by political factors rather than science. The fact that it happens annually has also led to large, unpredictable, fluctuations in the TACs, which has made planning difficult for fishermen.

⁴⁰ Q.191.

- 24. In the light of these difficulties the Commission has proposed that management plans for commercial stocks or groups of stocks are in future determined on a 'multi-annual' basis, with a view to ensuring the recovery of depleted stocks, adopting a precautionary approach and making the best use of available science. It is intended that the plans will set out targets for fishing mortality and stock population sizes. They will also determine harvesting rules (that is, limits on effort and catches) to meet those targets. It is proposed that once a multi-annual management plan has been agreed, the Council of Ministers will set the catch and fishing effort limits for the first year of the plan and that thereafter the operation of the plan will be managed by the Commission, assisted by a Management Committee.41
- 25. Broadly speaking, our witnesses welcomed the move towards a multi-annual approach as a move away from "a perpetual cycle of crisis management", 42 and from "short term, politically-motivated adjustments to TACs", 43 towards the longer-term goal of sustainable fisheries. However, there was disquiet over how the plans would be agreed and managed. Fishermen felt that the plans may transfer too much power away from the Council in favour of the Commission, which, the NFFO believes. 44 takes too narrow a view of effort limitation. The Natural Environment Research Council was concerned about the lack of detail provided about the proposed Management Committee. They said that

"the proposed Management Committee needs further explanation. For example, how will this Committee be made up and what resources will it have, especially to balance stock management and economic considerations with environmental concerns? ... There needs to be some explicit link between this proposed committee and at least the Scientific, Technical and Economic Committee for Fisheries (STECF) and the proposed Regional Advisory Councils (RAC). It is important that it has access to expertise in all appropriate disciplines. The Commission and its Committees may not be set up to access all significant information at present". 45

26. We welcome the move towards multi-annual management of fisheries. If it is managed well it could be an invaluable tool for promoting stock recovery, reducing fishing's impact on the wider marine environment and fostering a more predictable and stable framework for fishermen to work within. However, it is imperative that multi-annual plans should not be seen as another distant bureaucratic measure. decided without taking account of the needs and experiences of fishermen themselves, otherwise the plans will not be accepted and will not work. Therefore the procedures for arriving at the plans must be transparent and inclusive. In our view, this is an area where stakeholder bodies such as the proposed Regional Advisory Councils, will play a vital role, though they can only be effective if they have power to take and enforce decisions for those areas for which they are responsible: they must have the authority and ability to manage such areas.

Enforcement

27. Adequate enforcement is central to proper functioning of the CFP. At present there are grave problems with, amongst other things, discarding unwanted or over-quota fish, illegal landings and mis-reported catches. We took evidence that last year 40,000 tonnes of haddock was landed in the United Kingdom, but that at the same time 120,000 tonnes was discarded. 46 Changes must be made to the economic pressures which lead to a

⁴³ Ev 5.

⁴⁴ Ev 30.

⁴⁶ Q.12.

⁴¹ COM (2002) 181, pp 6–7. ⁴² Ev 31.

⁴⁵ Ev 81, para 7.

greater number of fish being discarded than landed. Moreover, urgent scientific study is needed to gain a proper understanding of the reasons for discards.

- 28. There is also a view among United Kingdom fishermen that rules are enforced more rigorously for them than for their counterparts in other Member States. Attitudes towards enforcement are shaped by attitudes towards the fisheries management regime as a whole. The Joint Nature Conservation Committee pointed out that greater involvement of fishermen in drawing up management plans would increase their sense of ownership, understanding and confidence in the rules they are expected to abide by. In turn this would mean most fishermen would be more willing to comply with the rules, which would in turn reduce demand on enforcement bodies.
- 29. One of the most potent factors acting against willing compliance is the belief that other fishermen are getting away with breaking the rules. In order to address such concerns the European Commission intends to put forward a proposal for a cross-Community Joint Inspection Structure. Although we have not yet seen the proposals in detail, we welcome the principle of a Joint Inspection Structure as a step towards ensuring that not only is enforcement applied evenly across the European Union, but that it can be demonstrated to be so.
- 30. We welcome the proposal that technological monitoring measures such as satellite monitoring and electronic log-books should be more widely adopted. That said, we recommend that the Government accept that installation of them should be funded either by the United Kingdom or the European Union, so that British fishermen can install them on the same basis as their European competitors. We also support the use of more fisheries protection vessels as well as greater use of inspection and monitoring both on board vessels and onshore at landing ports.
- 31. We have already argued that the number of scientific observers on board fishing vessels should be increased. We strongly recommend that these individuals not be charged with enforcement duties as to do so might very well compromise the quality of data they collect, and their relationship with fishermen.

Improving decision-making

- 32. A key failure of the CFP has been the extent to which fishermen have felt alienated from the management of fisheries. Many fishermen have felt that important decisions affecting their livelihood have been made by remote figures who do not take account of the fishermen's own knowledge and experience. In general, the different players in fisheries management have distrusted one another and blamed each other for the failure of fish stocks.
- 33. Another drawback of the CFP has been its failure to take fully into account the degree of regional variability in the Community's waters. The Commission wants to address both of these problems by creating Regional Advisory Councils (RACs) "to ensure greater stakeholder involvement in the development of fisheries management at regional and local level". The Commission envisages that "RACs should be composed of representatives of all parties with an interest in fisheries management in a given sea area or fishing zone and shall be transnational in nature. They should advise the Commission and, where appropriate, Member States, on fisheries management in the area".⁴⁷
- 34. Our witnesses all welcomed the proposed introduction of Regional Advisory Councils, and supported the principles of a greater regional aspect to fisheries management and increased stakeholder involvement. However, many feared that unless matters such

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⁴⁷ COM (2002) 185, p. 7.

as the membership, funding, organisation and role of the RACs were clarified, the Councils risked degenerating into "talking shops". 48 There was also a concern that they should not cover too great a geographical area, since if they did only high level representation would be feasible, and 'grass-root' stakeholders would lose out. Witnesses were also sceptical about the Commission's willingness to devolve any real power to the Councils: again, it was argued that if they lacked credible influence the Councils would "evolve into discussion groups"49 which would fail to attract "key players and responsible participation".50

- 35. English Nature told us that both nature conservation groups and the fishing industry "preferred that Regional Advisory Councils remain advisory, as opposed to executive ... we have to be careful not to impose more complications on top of the system that already exists". 51 However, the SFF and NFFO told us that although RACs should be advisory at first, it was their "joint determination that they will in the end have executive power".⁵² The Minister agreed that "they must have real influence in relation to fisheries management decisions". 53 Regionalisation of fisheries management is a key step to improving the CFP. We strongly welcome the proposed Regional Advisory Councils but consider that rather than being mainly advisory they should have real authority for the management of the stocks and fishing effort in their areas. With overall policy set in Brussels it is important that stakeholders in each region be given the power and authority to manage fishing, apply conservation measures and enforce all necessary means so as to ensure that fishermen in that region are effectively running fishing policy within it.
- 36. RACs will be meaningless unless their recommendations are given full weight. We recommend that, after a very short initial period during which their membership, remit and relationship with other bodies are clarified, the RACs should be given real decision-making powers over fisheries management within their areas. The Council should set only the overall parameters and targets for each region, and it should be up to the RACs to decide in detail how to achieve those aims. Powers could be returned to the Council and Commission if the RACs fail to live up to expectations.

Six and twelve mile limits

37. All witnesses to this inquiry welcomed the proposed retention of national limits, as do we, though we consider that it would be more rational to have a consistent twelve-mile limit all round the British coast.

Public Aid

- 38. Our inquiry addressed three types of public aid for fisheries and fishing communities: aid for modernisation and building new vessels; transitional aid to help fishermen stay in business until stocks have recovered; and aid to fishing dependent communities to help them to diversify into new industries.
- 39. We agree with the Minister that European Union funds should not be used for increasing vessels' catching capacity or for obtaining new vessels and that this rule should apply across the Union.⁵⁴ But it has been put to us that modernisation is necessary

⁴⁸ See Ev 31, Ev 18 para 15, Ev 83 para 21.
49 Ev 62, para 8.
50 Ev 96.
51 Q.20.
52 Q.121.
53 Q.166

⁵³ Q.166.

⁵⁴ Q.178.

if United Kingdom vessels are to be competitive once stocks have recovered.⁵⁵ The problem of older vessels should be addressed if and when stocks recover, and we recommend that the matter be addressed in a later review of the CFP. However, we do support the provision of public aid to smaller vessels (those less than 12 metres in length) to improve safety measures on board.

- 40. Given that the capacity of the European fleet as a whole will have to be reduced in order to bring it into line with stocks and that it may take several years for stocks to recover, we do not think that a compensated tie-up scheme covering all fishermen uniformly is feasible. However we do anticipate that some transitional aid should be made available to fishermen to ensure that the United Kingdom has a vibrant and competitive industry that will be able to profit from recovered stocks. We urge the Government to adopt a flexible approach drawing on a spectrum of measures to address the diverse needs of different parts of the fishing industry in this country.
- 41. The WWF told us that it is currently undertaking a joint project with the fishing industry, called *Invest in Fish*, "which is about what sort of management measures we need to put in place and what the cost of that would be". 56 Whilst we have some sympathy with the Minister's view that "one person's subsidy is another person's investment", ⁵⁷ it would be invidious if competitor fishing industries were in better shape than an unsupported British industry once catches improve. We therefore endorse the view of the WWF that support for fishing which helps it through from the present situation to the brighter future of sustainable catches once the new measures bear fruit should be regarded as an investment. A healthy fishing industry could make a return both to the Treasury and to the national economy rather than being a drain. We therefore applaud the fishing industry and WWF for collaborating on this issue to develop a cost-benefit analysis of the case for support. Their conclusions should be considered seriously by both DEFRA and the Treasury.
- 42. Broadly, we support the shift of fishing subsidies away from production and towards measures that make fishing more environmentally benign and towards support for fishing dependent communities.

The Marine Ecosystem

- 43. Fishing for human consumption is one of a number of activities that have the potential to damage the marine environment. Industrial fishing, aquaculture, dredging and drilling for oil are other examples. Fishing itself does not just affect commercial fish species: by-catch kills other fish species, marine mammals, seabirds and turtles, and some fishing activities can damage habitats. Decreases in the biomass of commercial species will affect other parts of the ecosystem, although we do not yet know to what extent. 58 We support the Commission's move towards an 'ecosystem-based approach'59 to fisheries management that looks at human activities and the marine environment in the round. As the RSPB told us, "we cannot continue to think of the North Sea and the rest of our community waters as just a production unit for fish".60
- 44. We welcome the Commission's Action Plan to Integrate Environmental Protection Requirements into the CFP. 61 We recommend that more work is undertaken to assess the impacts of industrial fishing on commercial and non-commercial species.

⁵⁵ Q.161. 56 Q.49. 57 Q.207. 58 Q.25.

⁵⁹ For a brief discussion of the ecosystem approach see Qq 25, 27, 44.

⁶⁰ Q.41.

⁶¹ COM (2002) 186.

Political Negotiations

45. We welcome the Commission's proposals for reform of the Common Fisheries Policy which, on the whole, we believe have the potential to make the CFP, at last, an instrument that conserves the marine environment and promotes a healthy fishing industry. That said, we would argue for a more flexible approach to effort limitation than the Commission seems to have adopted, and we note that many of the proposals need to be clarified or worked up in more detail. However, the continuation of any industrial fishing at all in the North Sea is unacceptable at this moment of crisis. Nor is it sensible to admit new fishing effort, particularly from Spain, which from 2002 has the right to fish for non-quota species, or other new entrants, when stocks are endangered. Such moves should be suspended and only phased in once stocks recover. Allowing others to build up a track record and increase discards until that improvement occurs is unacceptable to fishermen and makes little sense. We also recognise that reform of the CFP and safeguarding stocks will come at some short-term cost to the fishing industry, although we share the Government's optimism that the scale of the impact can be mitigated by careful choice of the methods and timing of new measures to reduce effort. 62 The blow can also be softened by appropriate use of public and European Union aid. The British fishing industry has received less fiscal support from both its own Government and the European Union than most other countries - and far less than Spain. It is also clear that the devolved Scottish Executive and Parliament is prepared to be more generous to its fishing industry than DEFRA has been. It is important that the finance for fishing should be seen to be fair and equitable.

46. Previous attempts to reform the CFP have foundered on a lack of political will on the part of Member States to sacrifice the interests of national fishing industries, viewed as more important to their countries than our industry is to ours, to the general good of effective conservation. The argument has always been a political one about shares rather than about stocks and their health. The result is a legacy of mistrust which remains strong. We believe that the Department for Environment, Food and Rural Affairs, and in particular Mr Morley, has accepted that European fisheries management has reached a pivotal point and that profound and far-reaching reform can no longer be delayed. The Minister has adopted a sensible and realistic approach to the key issues of the proposed reform but these reform proposals coincide with a major conservation crisis, arising, in large part, from the failure of the CFP to do its basic job of conserving fish stocks at a sustainable level. In negotiating the British Fisheries Minister has one vote and voice among several, so what he can achieve depends on building coalitions and making concessions with the powerful alliance of the Friends of Fishing often against him.

47. It will be a difficult negotiation. Yet it would be invidious and deeply damaging to any faith in the European Union if the nation which contributes the great bulk, possibly over two-thirds, of European fish stocks ended up facing the deepest cuts in its fishing industry, and with a shrunken fleet which is unable to seize the opportunities which should arise when, and if, new conservation measures work and viable European and British fishing fleets are able to thrive on sustainable catches. The United Kingdom needs to be a major part of that renaissance. So as the Fisheries Minister sets out to achieve that end we give him our support in the difficult negotiations ahead.

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⁶² Ev 66 para 21, Q.204.

List of conclusions and recommendations

- 1. We accept the scientific assessment that many European stocks have been depleted to dangerously low levels. We recognise that this overall picture can mask regional and species specific complexities, as evinced both by the ICES data from different regions and by fishermen's very different experiences of recent landings in the south west and North Sea. Nevertheless, the state of some stocks, particularly that of North Sea cod, is so poor that there can be no excuse for failing to act rapidly to reverse the declines (paragraph 11).
- 2. While accepting that the broad downward trends in many stocks revealed by current scientific assessments are undeniable, we support the call for better data for fisheries management models. In particular, we recommend that the Government take steps to increase the number of scientific observers aboard fishing vessels, and we urge in the strongest terms that these observers should have an independent status entirely unconnected with enforcement (paragraph 13).
- 3. We have reached a crisis point in the management of Europe's fisheries. Courageous and decisive action is needed to safeguard both stocks and the fishing livelihoods that depend upon them (paragraph 16).
- 4. We nevertheless urge all parties to recognise that Europe, having brought fish stocks to this dangerous level, has a collective responsibility to rebuild them to sustainable levels and shape a healthy marine environment (paragraph 17).
- 5. We recommend that the Government advocate effort reduction policies tailored to the specific problems of different areas and different sectors of the industry. However, given the extent of the stock crisis we urge all parties to recognise that a reduction in overall fleet capacity will be necessary in some, if not all, sectors (paragraph 22).
- 6. We recommend that fleet capacity reduction be shared equitably between Member States and between fishing sectors, and that decommissioning be concentrated on the most damaging forms of fishing, particularly industrial fishing and beam trawling, or on larger and more efficient vessels which take the bigger catches. We also urge a moratorium on new entrants to areas such as the North Sea while pressures are at their most acute (paragraph 22).
- 7. We welcome the move towards multi-annual management of fisheries. If it is managed well it could be an invaluable tool for promoting stock recovery, reducing fishing's impact on the wider marine environment and fostering a more predictable and stable framework for fishermen to work within. However, it is imperative that multi-annual plans should not be seen as another distant bureaucratic measure, decided without taking account of the needs and experiences of fishermen themselves, otherwise the plans will not be accepted and will not work. Therefore the procedures for arriving at the plans must be transparent and inclusive. In our view, this is an area where stakeholder bodies such as the proposed Regional Advisory Councils, will play a vital role, though they can only be effective if they have power to take and enforce decisions for those areas for which they are responsible: they must have the authority and ability to manage such areas (paragraph 26).
- 8. Changes must be made to the economic pressures which lead to a greater number of fish being discarded than landed. Moreover, urgent scientific study is needed to gain a proper understanding of the reasons for discards (paragraph 27).

- 9. Although we have not yet seen the proposals in detail, we welcome the principle of a Joint Inspection Structure as a step towards ensuring that not only is enforcement applied evenly across the European Union, but that it can be demonstrated to be so (paragraph 29).
- 10. We welcome the proposal that technological monitoring measures such as satellite monitoring and electronic log-books should be more widely adopted. That said, we recommend that the Government accept that installation of them should be funded either by the United Kingdom or the European Union, so that British fishermen can install them on the same basis as their European competitors (paragraph 30).
- 11. We also support the use of more fisheries protection vessels as well as greater use of inspection and monitoring both on board vessels and onshore at landing ports (paragraph 30).
- 12. We have already argued that the number of scientific observers on board fishing vessels should be increased. We strongly recommend that these individuals not be charged with enforcement duties as to do so might very well compromise the quality of data they collect, and their relationship with fishermen (paragraph 31).
- 13. Regionalisation of fisheries management is a key step to improving the CFP. We strongly welcome the proposed Regional Advisory Councils but consider that rather than being mainly advisory they should have real authority for the management of the stocks and fishing effort in their areas. With overall policy set in Brussels it is important that stakeholders in each region be given the power and authority to manage fishing, apply conservation measures and enforce all necessary means so as to ensure that fishermen in that region are effectively running fishing policy within it (paragraph 35).
- 14. We recommend that, after a very short initial period during which their membership, remit and relationship with other bodies are clarified, the RACs should be given real decision-making powers over fisheries management within their areas. The Council should set only the overall parameters and targets for each region, and it should be up to the RACs to decide in detail how to achieve those aims. Powers could be returned to the Council and Commission if the RACs fail to live up to expectations (paragraph 36).
- 15. All witnesses to this inquiry welcomed the proposed retention of national limits, as do we, though we consider that it would be more rational to have a consistent twelve-mile limit all round the British coast (paragraph 37).
- 16. We agree with the Minister that European Union funds should not be used for increasing vessels' catching capacity or for obtaining new vessels and that this rule should apply across the Union (paragraph 39).
- 17. The problem of older vessels should be addressed if and when stocks recover, and we recommend that the matter be addressed in a later review of the CFP. However, we do support the provision of public aid to smaller vessels (those less than 12 metres in length) to improve safety measures on board (paragraph 39).
- 18. We do not think that a compensated tie-up scheme covering all fishermen uniformly is feasible. However we do anticipate that some transitional aid should be made available to fishermen to ensure that the United Kingdom has a vibrant and competitive industry that will be able to profit from recovered

- stocks. We urge the Government to adopt a flexible approach drawing on a spectrum of measures to address the diverse needs of different parts of the fishing industry in this country (paragraph 40).
- 19. It would be invidious if competitor fishing industries were in better shape than an unsupported British industry once catches improve. We therefore endorse the view of the WWF that support for fishing which helps it through from the present situation to the brighter future of sustainable catches once the new measures bear fruit should be regarded as an investment. A healthy fishing industry could make a return both to the Treasury and to the national economy rather than being a drain. We therefore applaud the fishing industry and WWF for collaborating on this issue to develop a cost-benefit analysis of the case for support. Their conclusions should be considered seriously by both DEFRA and the Treasury (paragraph 41).
- 20. We support the shift of fishing subsidies away from production and towards measures that make fishing more environmentally benign and towards support for fishing dependent communities (paragraph 42).
- 21. We support the Commission's move towards an 'ecosystem-based approach' to fisheries management that looks at human activities and the marine environment in the round (paragraph 43).
- 22. We recommend that more work is undertaken to assess the impacts of industrial fishing on commercial and non-commercial species (paragraph 44).
- 23. However, the continuation of any industrial fishing at all in the North Sea is unacceptable at this moment of crisis. Nor is it sensible to admit new fishing effort, particularly from Spain, which from 2002 has the right to fish for non-quota species, or other new entrants, when stocks are endangered. Such moves should be suspended and only phased in once stocks recover. Allowing others to build up a track record and increase discards until that improvement occurs is unacceptable to fishermen and makes little sense (paragraph 45).
- 24. The British fishing industry has received less fiscal support from both its own Government and the European Union than most other countries and far less than Spain. It is also clear that the devolved Scottish Executive and Parliament is prepared to be more generous to its fishing industry than DEFRA has been. It is important that the finance for fishing should be seen to be fair and equitable (paragraph 45).
- 25. Yet it would be invidious and deeply damaging to any faith in the European Union if the nation which contributes the great bulk, possibly over two-thirds, of European fish stocks ended up facing the deepest cuts in its fishing industry, and with a shrunken fleet which is unable to seize the opportunities which should arise when, and if, new conservation measures work and viable European and British fishing fleets are able to thrive on sustainable catches. The United Kingdom needs to be a major part of that renaissance. So as the Fisheries Minister sets out to achieve that end we give him our support in the difficult negotiations ahead (paragraph 47).

MINUTES OF PROCEEDINGS RELATING TO THE REPORT

THURSDAY 21 NOVEMBER 2002

Members present:

Mr David Curry, in the Chair

Mr David Borrow

Phil Sawford

Mr David Drew

Mrs Gillian Shephard

Mr Michael Jack Mr David Lepper

Mr David Taylor

Paddy Tipping

The Committee deliberated.

Draft Report [Reform of the Common Fisheries Policy], proposed by Mr Breed, brought up and read.

Ordered, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 47 read and agreed to.

Summary read and agreed to.

Resolved, That the Report be the First Report of the Committee to the House.

Ordered, That the Chairman do make the Report to the House.

Several Papers were ordered to be appended to the Minutes of Evidence.

Ordered, That the Appendices to the Minutes of Evidence taken before taken before the Reform of the Common Fisheries Policy Sub-Committee be reported to the House.—(The Chairman).

The Committee further deliberated.

[Adjourned till Wednesday 27 November at Ten o'clock.

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9. Memorandum by the Association of Sea Fisheries Committees of England
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MINUTES OF EVIDENCE

TAKEN BEFORE THE REFORM OF THE COMMON FISHERIES POLICY SUB-COMMITTEE OF THE ENVIRONMENT, FOOD AND RURAL AFFAIRS COMMITTEE

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Members present:

Mr Colin Breed, in the Chair

Mr David Borrow Diana Organ Mr Austin Mitchell Mr David Drew

Memorandum submitted by the Joint Nature Conservation Committee (K8)

The attached response is from the Joint Nature Conservation Committee on behalf of English Nature, Scottish Natural Heritage and the Countryside Council for Wales. We would be happy to elaborate on any point should you or your Committee wish.

We feel that the broad content of the first package of CFP reform proposals is encouraging. Significantly, the environmental dimension of the CFP has been given a much higher profile than in the past. This is a necessary and welcome move toward a policy capable of delivering conservation and sustainable exploitation of fishery resources within EU waters. We are keen to ensure that the UK Government supports these positive aspects of the reforms against the opposition that is likely to arise from some other Member States. The state of Europe's fish stocks and fisheries has declined dramatically since the last review of the CFP in 1992. At that time, the Commission also brought forward reasonably progressive proposals, but these foundered on the unwillingness of Member States to take tough economic decisions that would have moved fisheries onto a more sustainable basis. Consequently, the situation has deteriorated. We do not believe that such "compromises" can be allowed to occur again without running a strong risk of the complete collapse of both fish stocks and fisheries.

For the past four years we have worked closely with a network of environmental advisory organisations across Europe in order to promote the integration of environmental considerations into the CFP. We consider the following to be essential requirements of a reformed CFP:

- measures to reduce fleet capacity and effort to bring them in line with available resources;
- effective and full implementation of the precautionary principle;
- decentralised management in order to provide greater stakeholder involvement and better integration of wildlife policies into the decision making process;
- progressive development of an ecosystem-based approach to management, including the use of indicators to monitor environmental performance of the CFP.

The contents of the current reform proposals as outlined in the various Commission Communications and proposed Council Regulations are broad in scope and diverse. Therefore, in our response to the terms of reference listed in your letter, we have attempted to highlight issues of particular relevance to fisheries conservation and biodiversity protection within EU waters.

RESPONSE OF THE UK NATURE CONSERVATION AGENCIES

This response is from the Joint Nature Conservation Committee on behalf of UK's statutory nature conservation agencies: English Nature, Scottish Natural Heritage and the Countryside Council for Wales.

To help guide and formulate our response to this consultation, we have broadly interpreted the Committee's terms of reference in the form of a question regarding CFP reform. That is, if the European Commission's current reform proposals were accepted, resulting in a "new" CFP, then what would the effects of these be?

While this is a useful exercise, we are well aware that negotiation will likely alter any proposals that may actually be implemented. It is therefore problematic to predict what the effects of any final changes will be. Further, we note that at the time of writing this response, the Commission has only published a part of the full set of proposals relating to the CFP reform. Although these proposals include the core draft Regulation and a Roadmap outlining the nature of proposals yet to come, our response with respect to the reform can only be partial at this time.

1. The effects of the proposals on the fundamental principles of the CFP

One of the difficulties of the existing CFP is that it has had no separate fundamental principles aside from those governing the European Union as a whole. Several aspects of the CFP have in fact been derogations from those fundamental principles. Furthermore the objectives, where stated in the current CFP, are derivations from Common Agricultural Policy objectives rather than specifically taking account of the needs of fisheries management. It is this lack of specificity, in combination with a lack of clarity surrounding the objectives of the CFP that has contributed to its failure to manage fisheries in EU waters in a sustainable manner

We are therefore pleased to see that a more coherent set of objectives has been proposed for the CFP that, if adhered to, is much more likely to deliver a CFP that is sustainable biologically, environmentally, socially and economically. In particular we support:

- the intention to give the management process a more long-term, strategic outlook;
- the intention to limit fishing capacity to a sustainable level consistent with availability of resources;
- the removal of funding for new capacity and a mechanism for progressively reducing the size of the fleet, thereby tackling the issue of over-capacity;
- the intention to integrate environmental considerations by moving towards an ecosystem-based approach to fisheries management;
- the intention to act to eliminate IUU fishing (see Section 6);
- the continuation of the inshore limits; and
- the improvements in governance and thereby encouragement of more responsible fishing that may arise from the establishment of Regional Advisory Councils.

We note that the "principle" of relative stability has been maintained, along the derived implications of access to waters by the various fleets. These principles are derogations from the free market fundamentals of the EU, but we believe that they are necessary, at least at present.

We are less sure that some of the inherent conflicts among the objectives of the reformed CFP have been fully explored and resolved. Some of these are carry-overs from the existing CFP. For example, we note that there remain tensions within the aspiration to deliver both sustainable fisheries and high yields. Since the aim of sustainability and an aim of achieving high yield are likely to pull the policy in opposite directions it would be better if sustainability was understood to imply a limit to the quest for high yields. A fundamental principle of the CFP should be to seek sustainable fisheries in the environmental (biological), social and economic senses, and to explicitly resolve any conflicting tensions between these aims.

2. Improvements in quota management, conservation and possible alternatives

The Commission clearly recognises that the EU fisheries management system has failed in the past. This failure may have been for a variety of reasons such as inadequacy of scientific advice, inability of politicians to take the advice and act on it, cheating by fishers and inadequate enforcement. Whatever the real reason (and it is likely to be due to a mixture of factors), it is plain that EU fisheries management has failed systematically B and it is therefore hardly likely that reinforcing the present system will work. The Commission has thus proposed a bold new approach that we broadly support. A key issue from the environmental point of view is the currently unsustainable amount of fishing effort being applied to the marine ecosystem. B Therefore, we are particularly pleased to see the proposals for significant effort reduction. We would prefer that environmental (as well as fish stock) considerations were taken into account in setting substantially lower effort levels, but whatever reduction levels are achieved, it should reduce some of the unwanted environmental effects. From an economic point of view it would make much more sense to decommission vessels in order to reduce overall effort, rather than tie vessels up in harbour. This latter option will only act to impose tremendous pressure on managers to again allow increases in fishing effort, if and when stocks begin to show signs of recovery. Such a phenomena is in part to blame for the failure of groundfish stocks to recover a decade after a moratorium was imposed on the inshore and Grand Banks fishery of eastern Canada. Fisheries managers can, and should avoid re-enacting the same scenario here in EU waters.

We note that the proposals hardly touch on issues relating to the exploitation of species in deep-sea environments. Stocks of most deep-sea fish are particularly vulnerable to over-fishing, as these fish are long-lived, slow to reach maturity, and exhibit low fecundity. In addition, the habitats fisheries are occurring within are particularly sensitive to fishing activity, as many have not been previously disturbed by towed gear. Management of deep-sea fisheries is thus a particular challenge in terms of sustainability of both fish stocks and of their environment. Successful management will mean striking the balance between the need to maintain sustainable stocks and a sensitive environment, and the aspirations of the fishing industry. While this is a formidable challenge, it should not be outside the realm of possibility for fisheries management providing that the current reform process results in a CFP with clear objectives and a long-term strategy for all exploited stocks, including deep-sea species.

We were thus very disappointed with the recent decisions by the Fisheries Council, and their acceptance by the Commission, in relation to these fisheries. It has long been widely recognised in the scientific and policy community that deep-sea stocks are particularly vulnerable to over-exploitation, and that there is strong evidence that over fishing has already occurred on many species in EU waters. It is also well recognised that TACs (whether precautionary or analytical) are entirely inappropriate in these fisheries. We are certain that the current proposals will do little but help better monitor the further decline of these stocks. We note that the Commission have indicated that these proposals were only the first step in better management of deep-sea fisheries. However, the recent setting of TACs, while deemed an interim measure by the Council and the Commission in order to offer a degree of protection for deep-sea species, is a myopic vision and hence exemplary of much that is wrong with current fisheries management in the EU. Explicit commitments by the Commission to continue to press for full and proper regulation of these fisheries, including capacity and effort regulation, and the consideration of large closed areas, are missing from the proposals seen so far.

Further, there appears to be scope for improvement in the TAC and quota management/allocations process for EU fisheries in general, which is not just limited to deep-sea fisheries. There is a need across the board for EU fishermen to be instilled with a sense of ownership and responsibility for the resources upon which they depend. This is not the case at present, where TACs have been historically determined behind closed doors, with no opportunity for local/regional stakeholders to have a legitimate voice in fisheries management. A move towards a regional approach to fisheries management and the progressive development of a transparent process that will allow regional needs to be taken into account by the Commission and Fisheries Council (ie, via RACs) will be a step in the right direction.

Finally, in terms of improvements that more specifically relate to the ability of managers to conserve resources, there are several options to consider. Firstly, it is important that scientists and managers make best use of the fisheries and environmental data that is currently available. There is also scope for improvement in the amount and reliability of data to inform fisheries management decisions. In particular, consistent information to reflect spatial and temporal fishing effort in EU waters is severely lacking. There is also a paucity of data to accurately reflect important biodiversity considerations such as catch composition, bycatch rates, physical damage to habitats and species, seasonal fluctuations, and other fisheries interactions with the wider marine environment. Such information will be essential in order to gauge the performance of a reformed CFP as it attempts to take account of these wider environmental considerations, and move toward an ecosystem-based approach to fisheries management. Collecting this information may seem a formidable and expensive task to impose on a fisheries management system in crisis. However, we feel that there are reasonable and cost-effective ways of meeting these challenges.

We consider that observer programs need to be further developed and expanded in order to address these information gaps. Extensive observer programmes are already in operation in the other parts of the world, for instance USA and Canada, and guidance may be drawn from these existing schemes. Broadly speaking however, there are several key pieces of information that can be derived from comprehensive observer schemes, which fisheries managers should consider as the basis for an expanded programme across EU waters, including:

- discarding and high grading information;
- foreign and domestic vessel activity information;
- data to feed into quota monitoring/management;
- information for production and conservation rate adjustment;
- data for fisheries environmental impact assessment (EIA);
- data/information to provide input into the stock assessment process and to examine a variety of biological and technical problems;
- real-time information on the impacts of management decisions.

There are potential benefits to the industry as well, which will help to achieve industry agreement to expanded observer coverage for the EU fleet, including:

- potential fisheries development opportunities;
- reduced industry reporting requirements;
- potential fisheries expansion resulting from availability of timely data;
- using data to determine fisheries openings as well as closures;
- access to independent data on gear and effort effectiveness;
- prolonged economic opportunity due to enhanced resource sustainability in the long-term.

The last point is perhaps the most important. If the new objectives of a reformed CFP are to truly embrace a long-term strategic vision for fisheries and their future sustainability, expanded and comprehensive observer programmes will be essential in helping to ensure these objectives are met. Of course, short-term cost to the industry and government managers will be required to get such a program off the ground. As well, there are significant political challenges between Member States that will need to be overcome. However, such costs

must be borne if the CFP and the EU as a whole are to see the objectives for sustainable fisheries come to fruition. We are pleased that statutory observers have been included in the new proposals for deep-water fisheries.

While observer programmes must be made distinct from enforcement activities (see below) in order for the industry to embrace them as a fisheries management tool, there are some obvious benefits in terms of industry compliance with fisheries regulation. The presence of fisheries observers can act as a deterrent to committing fisheries violations. This is particularly important in remote fishing areas where more formal enforcement mechanisms may be less reliable. They cannot however, be underpinned by, or replace formal enforcement mechanisms, but may be able to compliment them.

The proposal to ban shark finning is very welcome, and is hopefully a first step towards full and proper management of shark and other elasmobranch fisheries. Some of these species are becoming rare and endangered in European waters.

3. The impact of the proposals on the structure of the British fishing industry

We consider that the proposed overall reduction in effort of 8.5 per cent is not sufficiently large to meet the target of sustainable catching opportunities. The Commission, in some cases, has recognised the advice of the scientific community, who have estimated that reductions in effort of up to 60 per cent will be required on the most depleted stocks. It is difficult to see how these two figures can meet, especially when there is a background of continuing annual "improvements" in fishing efficiency. One recent estimate of the annual "improvement" in catching efficiency placed this at 8 per cent. Thus, the Commission's proposed 8.5 per cent reduction in effort could be negated within two years. In many other areas, the proposed reforms should meet the Commission's aims, but the chances of success overall will be severely reduced without a substantially greater reduction in fishing capacity and effort. If catching efficiency continues to improve, then reductions will need to continue annually into the future. This is not in the best interest of an industry, which is in dire need of increased stability. Further, we do not agree with statements that UK has decommissioned enough of its fleet. UK may, pro-rata with other Member States, have met its obligations so far, but we do not believe that fishing by the remaining fleet can be sustainable without further reductions in capacity right across the EU, including the UK fleet.

The Commission proposes that no public funds be made available for improvements in capacity or fishing efficiency. We support this proposal, but note the importance of safety considerations within the EU fleet. It will be important to ensure that improvements in the safety of vessels do not lead to fishermen taking greater risks (eg with weather). In addition, there appear to be no mechanisms built into the reforms to minimise the effects of privately funded improvements in efficiency.

We note, of course, that any decommissioning is of little use unless there is also a reduction in licences, track record and other indicators of effort. We would expect these reductions to also occur.

We are broadly in favour of the proposals for structural aid and scrapping of vessels. However, we are concerned that in a few instances, the measures do not provide sufficient incentive for permanent withdrawal from the fisheries sector. We expand on this in Section 4.

We note that economic support is proposed for measures that improve selectivity. In fishery terms this is welcome, but it is not made explicit that such support should also be available for measures (beyond catch selection) that reduce impact on the marine environment. Support could also usefully be provided for the development of mechanisms to integrate environmental considerations into management.

4. Adequacy of plans for social help for fishing communities

It is difficult to comment at present on this aspect of the reform for two main reasons. First, the manner by which the Member States meet their proposed obligations under the reformed CFP are a responsibility of the Member States and not laid down by the Commission. Thus a Member State can chose from a variety of approaches that would have differing social implications. Secondly, the Commission has yet to publish their Action Plan to counter the socio-economic consequences of fisheries restructuring.

However, a few social implications are obvious, and require immediate attention from both the Commission and individual Member States. The CFP has repeatedly failed to account for the fact that many of the conservation measures that we, and others, maintain as being necessary to ensure resource sustainability in the long-term, will undoubtedly result in reduced industry earnings in the short term. The inevitable pressure that government will feel to take measures to counter this could undermine all attempts at resource sustainability and the entire CFP reform process.

In part, the management response (by both the EU and the Member States) in the past has been to introduce or allow perverse subsidies, which have artificially inflated resource availability, and available employment opportunities in the sector. Hence, too many people have remained tied to an industry that has been altogether unable to support the demands placed on the resource upon which they depend. This has only acted to force the industry to respond to the resulting financial pressures arising from stock declines by finding

ways around legislation, regulation, etc., which are designed to conserve these resources. Unless the Commission's plans for social help accounts for this, current plans for effort control, and sustainability through environmental integration will be doomed to failure.

To a very large extent, Government mismanagement through an ineffective CFP has contributed to this current set of circumstances (too many fishermen and not enough fish). Hence we contend that government, both national and EU, should commit to helping the industry participants out of this situation in the short term with the longer-term objective of an industry that is self-sustaining and not reliant upon government hand-outs.

Hence, we fully support the Commissions proposal for socio-economic measures to be used to reduce fishing effort by funding fishermen (and other allied trades) to retrain or diversify their activities away from the sector. However, the proposal to allow beneficiaries of diversification measures to continue fishing on a part-time basis, but with reduced fishing effort, is again, a potential perversity. There is a risk that funding under such circumstances acts merely as income support, rather than permanent withdrawal. This approach failed in Canada following stock collapse in the northwest Atlantic. We would prefer firmer measures to ensure that fishers leave the sector entirely here, rather than measures that could provide incentives for them to remain tied to the fisheries sector. Permanent removal from the industry and the support to do so, should form part of the Commission's social aid proposals.

5. Flexibility of reformed system, including short-term adjustments to quota

The core of the CFP reform is a new multi-annual framework for the conservation of resources and management of fisheries. The multi-annual plans envisaged under this framework are designed to ensure sustainable exploitation. These plans are specifically designed to reduce the short-term, often politically-driven, adjustments to TACs and quotas that have occurred in the past. Instead they will be designed on a more precautionary basis using the best available science. Processes for enhancing this science with evidence from fishermen are already being implemented. We thus would not want to see a system that allows easier short-term changes to quota. An exception to this would be in cases of emergency when there is serious unforeseen risk to stocks (or non-target species or habitats). Emergency measures to conserve fish stocks are already permitted under the current CFP and there appears to be no proposal to change this. We consider that the power to close fisheries for reasons of significant unforeseen damage to biodiversity could also be included in the reformed CFP.

We regard the strengthening of the CFP's regional dimension as a particular priority in allowing a more geographically-flexible CFP. Regional Advisory Councils (RAC) could, within limits, tailor local implementation of the CFP to regional peculiarities. Stakeholder integration will be a crucial component of a reformed CFP and of the RACs. We feel however that dialogue must improve between all stakeholders, not just between fishermen and scientists. While it is important that industry be given more ownership of fisheries policy in order to instil a sense of stewardship of the marine environment, we would advocate a broad approach to stakeholder integration into fisheries management and RACs. This will allow a more balanced debate and balanced integration of the many sectors that claim a legitimate stake in fisheries management and the future of our seas.

There are immediate challenges to face with respect to regionalisation of fisheries policy. Striking a balance between the broad, and potentially conflicting interests in fisheries management within regions (eg the North Sea) will pose serious challenge with respect to the composition and function of the RACs. Conflicting interests between Member States will inevitably result in robust negotiation over what an RAC should be for any given region. Domestically, this will also be a formidable challenge. As a Member State, the UK would be wise to begin negotiation on RAC development from within, and in a timely manner. This will be necessary to ensure the UK is ready to engage with other Member States on the issue of RAC establishment with a clear consensus and agreed focus from within. We recommend that, as a priority, the fisheries departments should co-ordinate a debate within the UK on the establishment of RACs. We believe that there is a strong argument for the explicit inclusion of the nature conservation agencies in RACs owing to our statutory responsibilities in the marine environment. These responsibilities have already led to increased and constructive interaction with the fishing industry.

We believe that regional fisheries management, which integrates wildlife conservation objectives and the views of all stakeholders, would lead to more responsible management of living resources. Indeed, RACs, if properly established within the regions, could provide the rational and practical basis required to develop and implement progressively an ecosystem-based approach. The UK statutory nature conservation agencies have examined the feasibility of applying this approach, and have specifically considered its application in an Irish Sea case study. We have held meetings with stakeholders to explore future options in the Irish Sea, and will produce further reports.

6. Enforcement

We support the concept of a joint fisheries inspection structure as this should help in the move toward a "level playing field" for Community fishermen. However, we note that the Commission proposes further deployment of observers with the twin aim of scientific data collection and compliance reporting. We cannot emphasise enough that observer schemes must be for scientific data and general "at sea" fisheries information collection, while enforcement must be strictly for imposing compliance with fisheries regulation. We advise strongly against any "hybrid" observers as we feel it is likely that any scientific data gathering is likely to be hindered or biased if a dispassionate position for the observer on board EU vessels is not guaranteed.. We note that the Commission indicate that observer schemes will be proposed on a case by case basis, however, we would like the principle of separation between scientific observation and enforcement of fishery regulation to underpin any proposals. As stated above (section 2), observer scheme data can help inform enforcement needs, and can hence be complimentary. However, observer schemes will only succeed as long as their distinction from enforcement is maintained.

On its own, enforcement is necessary for several important reasons and distinct needs:

- to report and prevent illegal fishing activity;
- to initiate legal action where fisheries violations occur;
- to enforce compliance with catch rates and landing requirements;
- to enforce compliance with gear restrictions;
- to enforce compliance with closed seasons and other license restrictions/conditions;
- to enforce reporting requirements;
- to enforce fishing activity with regard to Member State's territorial waters derogation;
- to ensure uniform compliance with EU fisheries regulation in all Member States.

We support all of the proposed Community level measures to eradicate illegal, unreported, and unregulated fishing. We would like to see measures that prevent, rather than "discourage" such fishing. In particular, the Commission should implement the International Plan of Action on IUU fishing (IPOA-IUU), developed by FAO within the framework of its Code of Conduct for Responsible Fisheries.

30 September 2002

Examination of Witnesses

MR MARK TASKER, Head of Marine Advice, and Ms Andrea Carew, Acting Senior Fisheries Advisor for English Nature, Joint Nature Conservation Committee, examined.

Chairman

1. Good morning. This is the first meeting of the Select Committee's investigation into the Reform of the Common Fisheries Policy, so thank you very much for coming along to give us your evidence. We have, for the record, Mr Mark Tasker, Head of Marine Advice from the Joint Nature Conservation Committee—welcome—and Andrea Carew from English Nature, where you are the acting Senior Fisheries Advisor. It is going to be a relatively short investigation, so that we can get our report out for obvious time constraints, because I think most people recognise that possibly this year and the beginning of next year is the most important time for the fisheries industry, possibly for the last 30 years, and it is an extremely tight timetable. We are very grateful to you for coming along at relatively short notice. If I could perhaps kick off with the first rather general question in terms of what may be the overall assessment. JNCC has said that the "state of Europe's fish stocks and fisheries has declined dramatically since the last review of the CFP in 1992," 10 years ago, and that there is a very strong risk that we might get a complete collapse. Perhaps you could set the scene for us. What is your assessment of the current state of fish stocks and fisheries in Europe? How close are we to a possible collapse?

(Mr Tasker) First of all, thank you very much for inviting us to come along and for inviting us to give evidence in the first place. To answer your question directly, we are not actually the experts on this but we believe our colleagues working in ICES (the International Council for the Exploration of the Sea) are. They are due to publish their latest assessment this coming Friday and I believe that the fishing industry will get a preview of this on Thursday. I do quite a lot of work within ICES, thus I am fairly well aware of what is there, although I cannot be precise about it. My understanding is that the cod stock since last year has halved again and the advice they are putting in is that there should be no fishing on cod in the coming year and no fishing on any other fish that would catch cod in that fishery in the next year. That is by far and away the most dramatic advice I think we will get from ICES. I couch this with "I think" because I have not actually seen the advice yet but that is what I believe it is going to say. I cannot say anything more than that. There are very, very few stocks that are in a state which is called "within safe biological limits"—there are one or two, but very few—and with many of those in fact you will catch some of the species which are outside safe biological limits in trying to fish for them.

2. So this Friday is likely to be a bit of a bombshell in the fishing industry as a whole.

MR MARK TASKER AND MS ANDREA CAREW

[Continued

[Chairman Cont]

(Mr Tasker) I would imagine so—though if the industry do not know it yet, they are in denial.

3. Have you any comment?

(Ms Carew) Just to solidify, I suppose, what my colleague has just said. I think the only real thing of substance which I can contribute here which I think everyone should take account of is that I hail from Newfoundland, Canada, from Grand Bank, and I can tell you-I have had about eight years' experience in fisheries at home and about a year's experience in fisheries in the UK and more generally across Europe—that to me it looks like we are really on the brink here. This is now an opportunity to take stock (pardon the pun) and to figure out what it is we need to do to move ahead. We think some of our comments in the consultation we have submitted to you outline some of that quite clearly, but this is the opportunity to grasp on to this. That might delve into an answer to a question you might be asking us in a moment, but just to back-up what Mr Tasker was saying.

4. Did English Nature contribute to this study that is coming out?

(Ms Carew) Yes. We should clarify. The Joint Nature Conservation Committee is really the bringing together of the countryside agencies: English Nature, which I represent; Countryside Council for Wales; and Scottish Natural Heritage. We come together, form a consensus and formally respond to items such as national consultations through JNCC.

Mr Mitchell

5. Why is this happening? You have mentioned Canada. There seems to be an argument which I cannot quite get to the bottom of, as it were, in fisheries, as to whether it is due to climatic changes in the temperature of the water and the support systems, which cod feed on and are sustained by—in other words, the waters are getting warmer and the cod are therefore migrating north—or due to over-fishing?

(Ms Carew) I think it is a combination of several of those factors and we clearly need to get a handle on the impact that climatic change and ecosystem functioning, the process, is having on cod stocks, but I think it would be severely remiss of us not to account for it and begin to account for the impacts of fishing. The fishing mortality that we have imposed on the stocks I think is the number one contributing factor and that is something that we can control. The other factors are a little bit more out of our grasp but that does not preclude a judgement to strive to understand what they are. But the fishing mortality that we impose upon stocks is the one thing that we can take account of.

- 6. The measures that deal with one are different from the measures for dealing with the other, are they not?
- (Ms Carew) I am not sure what you are getting at here.
- 7. If it is due to over-fishing, it is a matter of control.

(Ms Carew) Yes.

8. If it is due to climatic changes, then other considerations apply and different systems are going to have to be implemented for different waters to which the cod might be migrating.

(Ms Carew) Yes.

(Mr Tasker) If I could just enlarge a little bit on that. Essentially climate will act at the stage of breeding, but if there are not enough fish there to breed they will not breed. Most fish breeding strategies are such that you have a long adult period. Most cod do not start breeding until about seven and can live until they are 20 or more, if they are left alone, but if you take away that spare capacity then you do get these changes in ability to breed. It may be a long-term cause, such as climatic change, it may be short term, more annual type, shift, but if you take away the buffer that is provided by having a longlived adult stock then they will not breed, they cannot breed. You are into a spiral downwards. Cod differ a bit from some of the other white fish, such as the whiting and the haddock, in that, certainly in Europe waters, they have been beyond this area which is called "safe biological limits" and below that they effectively have impaired breeding. That is almost the definition of it: your spawning stock size or spawning stock bio-mass (to use the technical term) is below a level that will allow proper breeding or full breeding potential. Undoubtedly over-fishing has caused that loss of adults—they do not go because of weather but, once you get to that stage because of overfishing, weather might come into the game.

9. I get that point. I think it is very valid. Let us move on to effort limitation because you are saying that the proposed overall reduction in effort of 8.5 per cent is not enough because productivity of the industry is increasing by about 8 per cent a year, so it gets quickly negated. What level of reduction would be adequate in your view to get sustainable catches?

(Mr Tasker) Again I refer back to the people who know better, who are ICES. Just to explain, for those who do not know, ICES is effectively, a bringing together of all the best fisheries scientists from each of the European and North American nations to pool their expertise and to come up with the best available advice. So this is not any one person's view and it is not any one organisation's view; it is the general agreed view of everyone in fisheries science. For cod, they are talking about a 100 per cent reduction in effort, and almost every other stock is 40 per cent or more. If you translate effort into capacity (in other words, the number of vessels there are there) taking away 40 per cent of capacity will not necessarily reduce effort by 40 per cent because some vessels are much more efficient than others. So capacity reductions probably in the order of 60 per cent or more are necessary if you want to get to a sustainable state, but, as I said, for cod they are saying no fishing, a 100 percent reduction in effort. And of course, as I said earlier, if you catch other species and you get cod as well, you are going to impact the cod as well.

10. So you would favour bans in some areas as well

(Mr Tasker) You are talking there about closed and no-take zones. Potentially. We do not know enough about that. Quite likely, that would be a very

[Continued

[Mr Mitchell Cont]

helpful tool, but just having a no-take zone and not reducing the effort would have very little overall effect.

11. We had a total ban on herring in the North Sea in the 1970s and that seemed to work very well.

(Mr Tasker) Effectively ICES are saying that, as I understand it, now, in this year's advice. A complete ban on cod catching. If I understand what has happened in Sweden, they have already brought that in for the Swedish fisheries, because Baltic cod are in the same dire state that North Sea cod are in. Which reminds me, we also have the migration bit. Where have they migrated to, if they have migrated? There is nowhere that has good cod at the moment.

12. What about industrial fishing. There is a substantial by-catch of edible fish in any industrial fishing programme. Does that have to be stopped, in your view? Not to put words into your mouth.

(Mr Tasker) We should certainly take account of that by-catch. There are some quite good observer schemes now being carried out. The way you can assess how much by-catch there—the only way to do-it, really-is to put someone out there to record it. Fishermen are fishing too much, they have got their own job to do, so putting someone, an independent observer, on vessels is the only way to do it. There are three main industrial fisheries. One is on sandeels, another one is on young sprat, that also catches herring, and another one is on Norway pout. This is in the Northern European seas, but there are obviously industrial catches elsewhere. The sandeel fishery is remarkably clean; it does catch a few other things but it is low. The sprat fishery catches quite a lot of herring, but one of the few stocks that is in quite good shape at the moment is the herring—and maybe we will come back to that later. The Norway pout fishery has fairly strict rules about the amount they catch—Norway pout, sorry, is like a small cod. They have fairly strict rules on the amount of by-catch in that. So, again, yes, to answer your question, if there is too much cod being caught in there, or haddock or anything else, then it would be closed and is closed quite frequently—or at least they would have to get rid of the fish. While we are on by-catch, my understanding is that last year the total catch of haddock, allowed and landed catch, was 40,000 tonnes; the amount of haddock discarded in all the other fisheries was 120,000 tonnes. Sorry, I think that is outrageous.

13. It is.

(Mr Tasker) I am going to be quite brutal about it. I would love someone in the fishing industry to explain why that was the case.

14. Speaking as a discarded haddock, "Absolutely"! The CFP reform is a kind of multiannual framework, which is intrinsically a good idea. The problem is how effectively it is going to work. What do you see as being the advantage of multiannual plans?

(Mr Tasker) I think in brief summary it is getting the politics out of fisheries management.

15. Can the CFP ever do that? Politics are at its heart.

(Mr Tasker) I do not think you should ever do it completely. Of course not. It is a societal choice as to what you should catch and what state your seas should be in and how much environmental damage is done and so on and so on, and the proper representative way of doing that is through the political process. The problem at the moment is that there is so much horse trading going on that we tend to disregard the environmental side or even the effect on the fish stocks' side in that process. The point, as I understand it, is not to give, as some people would say, the Commission more power; the point is to try to move the political process at least one step back. I think that is very important because I think a lot of the problem with the decision taking around the fisheries has been basically political horse trading. Of course that happens, but less of it would be a good idea.

16. That is the principal advantage of the multi-annual plans.

(Mr Tasker) I think so.

17. Do you think the multi-annual plans could be adjusted to sustain mixed species fisheries, which is the essence of the problem in the North Sea and around the British coast.

(Mr Tasker) Yes. Essentially, as I understand the way the Commission would like to set these up, is that the politicians decide on a set of rules by which fisheries should be managed, and in establishing those rules one would have to take account of those inter-species, multi-species interactions that you are hinting at. So, if you have got a mixed demersal fishery, you would need a rule saying that, for instance, if stock X gets below a certain level then you have to close that mixed fishery—which is effectively what ICES is saying this year. So it is a set of rules and then you basically hand it over to technicians of the Commission to implement those rules. So the debate is around the rules, not around boxes of fish, and that is actually a better place for the political debate to occur.

18. That is the process which you want to introduce the fishermen to.

(Mr Tasker) Absolutely. Quite. But they should understand what the rules are and why they are there and the rest of it.

19. Can that be done? Because there is a long history of the fishermen distrusting the scientists in the first place and constant argument, and an even longer history of the fishermen distrusting each other—international fishermen and even sections within the British industry. How can fishermen be integrated in the policy?

(Ms Carew) Perhaps we can touch on a concept that we responded to in our consultation submission to you, and that is the idea of regionalisation or a regional approach to fisheries management through the establishment of Regional Advisory Councils. We can refer you to a study that our sister countryside agency did, Countryside Council for Wales, which looked at the Irish Sea as a case study. I think one way of addressing the question that you pose to us is regionalisation, and the establishment of Regional Advisory Councils as a way for stakeholders, most importantly the fishermen, to have their voice heard by fisheries managers, by

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[Continued

[Mr Mitchell Cont]

people on the Commission, and surely that could be a way. Primarily it would be a more pragmatic and more practical way of accounting for fisheries impacts at a regional level, and local level, if you will, but it is also a way of ensuring that fisherman and scientists are working much more closely together and are coming, as much as possible, to a consensus view on what information needs to be fed up to the Commission. Maybe that is a way forward. We certainly believe it is, and it is a very strong and appealing alternative versus the status quo. That might be a way to begin to abolish the mistrust between the fishermen themselves, and certainly between the fishermen and scientists, and between fisheries managers and politicians even. Everyone is part of the equation.

(Mr Tasker) If I may chip in, even without the Regional Advisory Councils, the fishermen have been invited by ICES this year, across to ICES, to be briefed on their process and their early results, and, as I said right at the beginning, I believe that north of the border the Fisheries Research Service, the Marine Laboratory in Aberdeen, will be meeting fishermen on Thursday and south of the border CEFAS (the Centre for Environment, Fisheries and Aquaculture Science) will be talking to the fishermen south of the border. So, again, the process of getting that trust, which I think is absolutely essential, has started. It perhaps should have started several years ago but better late than never.

(Ms Carew) The meetings to which my colleague refers are good, and that needs to happen, but this is the scientist telling the fishermen what they have found, whereas I think we would favour an approach where fishermen can be assured that scientists have taken on what they are saying—their, if you want to call it, traditional ecological knowledge, let us say—into account. That is where we think things should be moving and that Regional Advisory Councils may be the way to do that.

Diana Organ

20. You have made it quite clear that you think the way forward is with the Regional Advisory Committees because you think it is a practical, pragmatic approach and you can have a build up of trust between the fishermen. I am a little bit concerned about that because are we just going to end up with it being no more than what they call a dysfunctional talking shop where everybody is there arguing the toss. We know, as my colleague Austin has said, that fishermen resent very much being told by scientists, because they will say that their evidence is that the scientists do not have it right, they know from their practical experience what is happening to fish stocks, etc, etc, and I am just concerned that we might end up with having another layer, another talking shop that does not actually take the whole process forward.

(Ms Carew) Coming away from a conference or a workshop that we had sometime ago in Dun Laoghaire where a number of fishery stakeholders were present, primarily from the industry and nature conservation interests as well, as some political figureheads too, it was agreed broadly, which is quite surprising, that everyone, including the industry,

were quite comfortable with the fact and preferred that Regional Advisory Councils remain advisory, as opposed to executive. Every one agreed as well that with the consultative process, which could be facilitated through Regional Advisory Councils, we have to be careful to not impose more complications on top of the system that already exists. But I think what we need to grasp on to is that it is an alternative that is appealing to people, and, yes, we need to be very careful about how they are constructed membership, structure, function and so on—but to not look at a concept like the Regional Advisory Council and to make steps towards it I fear is to deny the need for stakeholders, particularly the fishermen, to have a voice in fisheries management. Yes, there are concerns and real fears out there about that, but I think that if we are careful and do not stampede towards the ideal without really thinking about what the consequences might be, like a difficult and complex consultative process—and we clearly want to avoid that—if we can achieve some clarity at an early stage with respect to structure, function and membership, then we can avoid those complexities that I think you are referring to.

21. I am a little concerned that because, as you say, it is going to be just advisory, after a little while—this idea that we give the fishermen a voice—they are going to latch onto the fact that: Yes, okay, you can come round to this meeting but we are going to take no notice of what you say because scientists have decided that, they have done this model and this has to be the policy that is taken forward in the Common Fisheries Policy, so you can come here and scream and shout as long as you like but it does not get you anywhere. I just wondered how we are going to take that forward so that people do feel that they have a voice that actually is being listened to and is being acted on rather than just an opportunity for them to be round the table.

(Ms Carew) If we ensure that the consultative process is transparent and that that advice is fed up through the Commission and we ensure that the Commission demonstrate that the advice has been taken into account. Whether or not they agree to adhere to it, I guess, at the end of the day will be their decision, but as long as they can show that the advice has been taken into account, and, where they have chosen not to adhere to it if their reasons are clear and sound, then that is the best we can ask for at this stage.

22. Taking it on from the Irish Sea case study and what you have done there, what would you say is the pathway to do that?

(Ms Carew) To begin at a very early stage and to begin to draw the different stakeholders in and talk about what their vision of a Regional Advisory Council is, what their ideas are of the structure or the function and so on. I am concerned that at a UK level that has only happened, as far as I can tell, through the CCW workshop that was initiated in Dun Laoghaire. That is a step in the right direction but it is not enough, more needs to be done, and I would like to see the UK Government take a role in moving this along a little bit further.

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[Continued

[Diana Organ Cont]

23. So you see the Irish Sea case study as a building block for it but not the final look at what it is going to be.

(Ms Carew) That is right. Certainly.

(Mr Tasker) If I may just chip in with a couple of things that I think RACs add as well. One at the moment is that we have got the Common Fisheries Policy that is 'one size fits all' policy. Now, try telling me that the Mediterranean is the same as the Baltic. It is not. The North Sea is not the same as west of Portugal, it is not the same as the Azores. And it is not just ecologically, which, I understand, better, but also socially. You know, 90 per cent of the Portuguese fleet is under 12 metres in length. That is really a very different fleet to, say, the one where I come from in Aberdeen in north-east Scotland. So part of the point of an RAC is to get some of that regional devolution (to use the right word) and blend it with the CFP. The other thing is to take account of the variation in ecosystems responses. Ecosystem responses, as we have talked about already, are very different from what will happen if you fish round the Azores, from what you have if you fish in the North Sea. The other thing that I think the fishermen do need a better voice on . . . One of the reasons why I think the fishermen may have gone wrong is because I suspect they do not fully understand where the basis of the advice is coming from, and the nonunderstanding of the basis of that advice means that they tend to take less notice of it. They tend to believe what they are doing and seeing. And—the other way round—maybe scientists do not fully understand what the fishermen are up to. So, actually, that talk shop, although it may be just a talk shop, will have some benefits I think in gaining understanding and, in gaining understanding, you may get better adhesion to any rules. One of the real things that has gone wrong with the Common Fisheries Policy is there has been cheating left, right and centre.

24. I agree with you on that.

(Mr Tasker) I can quote all sorts of figures that have come from various studies on that. If you are a fishermen and you are at sea on a boat, you can more or less do what you want unless there is the grey lady from the Royal Navy coming over the horizon. And you can hide a hell of a lot, and you can cheat a hell of a lot. But if you do not want to do that and peer pressure stops you doing that, then it will not happen so much, and certainly giving a voice to the fishermen I think will help a great deal in that area.

Mr Borrow

25. That brings us on to the science of fisheries management and the fact that there is uncertainty as to how you count the number of fish and disagreement as to the state of the fisheries stocks in various seas. Is our understanding of the state of fish stocks and the way in which the ecosystem works sufficiently good for us to develop a sound fishery management system?

(Mr Tasker) There are two questions you have asked there: Is our understanding of the fish stocks sufficiently good? and: Is that for the ecosystem sufficiently good? I would say yes to the former and no to the latter. That has implications for the advice. In terms of fish stock, I guess you understand roughly

how they assess the fish stock size. You look both at independent research survey work and you look at what has been landed, and from that you can use fairly robust mathematical models to derive the size of the fish stock. I have never seen a challenge from a fishermen to those models. I have heard them say, "The result is wrong" but no challenge to the models. That to me tending to say, "Yes, we do know roughly what is going on with the fish stocks." If one looks back in time, it is fairly obvious there have been some biases in the model and, indeed, I understand the ICES scientists are working on removing those biases. But the biases unfortunately have been the wrong way—in other words, have tended to be overoptimistic about the state of stocks rather than pessimistic about it—and that is of course part of the problem that has happened. I think we have mentioned that in our evidence as one of the reasons. In terms of understanding the ecosystem, it is a very, very complex thing out there and we are running what effectively is one giant uncontrolled experiment. No one has ever taken away this amount of predatory fish from any system anywhere and we do not know what the end result will be. Off Newfoundland, as Andrea has already referred to, basically the fishery has switched over to being dominated by crustaceans, by prawns and by shrimps, and there does not seem to be much recovery of cod. It may well be that actually by switching to crustaceans and prawns that is stopping the cod recovery. We do not know. In terms of what that implies for management is that it means we have to be extra careful, we should be yet more precautionary than we have been, because we know that there is a good state somewhere there that has the reasonable number of fish that we can harvest, but we do not know what happens if we take all those away and switch to another state. It is basically that our lack of understanding or our lack of full understanding should point much more heavily at being yet safer in the decisions we take than we are being at the moment.

26. On the question of the information that is available, in your own submission you say that it is "important that scientists and managers make best use of the fisheries and environmental data that is currently available" and that "there are reasonable and cost-effective ways of meeting the challenges" caused by the paucity of information available. What do you regard as the "reasonable and cost-effective ways" of actually doing that?

(Mr Tasker) There is a study which has been done in north-east Scotland recently where they have gone around with an independent interviewer to ask the fishermen just how much they are discarding or just how much they are landing. This gives you a very good handle on "the amount of cheating" that is going on. That information is there. That information has been there all the time and if you ask the fishermen the right way and you do not incriminate them in anything, you will get it and that makes your models that much better. If I understand it correctly, in terms of cost-effectiveness, that was two people for a year doing that work, which is very good value.

MR MARK TASKER AND MS ANDREA CAREW

[Continued

[Mr Borrow Cont]

27. With the ecosystem approach to managing fish stocks and the environmental modelling indicators and all that side of things, how do you think that could be improved? How do you think we can set indicators that monitor the environmental components of managing fish stocks in a meaningful way. With any system it is easy to come up with indicators, but at the end of the day do they actually mean anything? Are they indicators we can do something with?

(Ms Carew) If I can back up a little bit and just look at an ecosystem-based approach. To our minds there are a couple of things we are talking about. There is an ecosystem-based approach which is something that is making people very, very nervous—and perhaps with some justification. In broad terms, an ecosystem-based approach is meant to be cross-sectoral: it is fisheries, it is oil and gas, it is aggregate extraction, and the different sectors that impose and impact upon the marine environment coming together and taking account of these impacts that they have on the broader environment and also striving towards a comprehensive understanding of ecosystem functioning and process. And, quite frankly, we probably will never achieve that, and for that reason people at a very high level, even at the Commission, are getting very nervous, with: What is an ecosystem-based approach? What are we saying? Are we not setting unrealistic goals? I think we need to step back from that and look at it from more of a sectoral point of view, without being too reductionist about a broad definition of an ecosystem-based approach and look at what the fisheries sector can do to begin progressively moving towards an ecosystembased approach. It is our opinion really that if we embrace the CFP reform proposals as they standand we do take issue with some things that have come through in the proposals—we will be moving towards an ecosystem-based approach. The fisheries sector will be moving towards an ecosystem-based approach if it agrees things such as enhanced technical measures, trying to get a handle on reducing by-catch. These are a practical, pragmatic ways of moving towards an ecosystem-based approach. Going back more specifically to indicators that might help gauge our progress in progressively moving towards an ecosystem-based approach, well, by-catch is one of them. It does not have to be this difficult, inaccessible concept. Now, indicators. There are some problems with them—and I will allow my colleague to expand in a little more detail on them—but I think the Commission has recently come out with a communication with respect to bycatch and it seems that the scope for considering bycatch outside merely commercial species is a bit myopic really. We are not fully taking account of wider ecosystem effects, we are just looking at bycaught commercial species. What about sea birds? What about Cetaceans? If we can begin to get a handle on that—yes, it will be difficult, but if we can begin to develop those common indicators—it would give us some indication of whether we are moving towards that goal of an ecosystem-based approach.

Chairman

28. I think many people feel the failure of CFP in the last couple of decades to be more to do with, not a lack of scientific evidence or the lack of political will, but member States have just been unable to take the rather tough economic decisions and have come to the sort of crunch now. Do you believe that there is now, with all the evidence before you and all the doomsday scenario you have painted, that political will to take those tough economic decisions this time around to move fishing to that more sustainable basis?

(Ms Carew) I would like to think that the political will would be there simply because of the evidence that is placed before them. I would like to think that we in Europe could look across the Atlantic and see the results of that lack of political will, and then that political will kicking in—too little too late. Am I convinced that the political will is here now? Personally, no, and I think we have a lot to lose without having that political will in place and I will let my colleague expand.

(Mr Tasker) I think, as a rider to that, there is some political will there and I think your current minister for fisheries, Elliot Morley, to whom you will be talking later, does have political will. He has demonstrated that in relation to deep sea fish stock decisions, in that he was on his own against virtually everyone else in that case. I think the problem is actually further south and west in Europe. Northern Europe I think now understands that we have a real crisis here. I am not sure that southern Europe understands that yet. I am not quite sure why—it is presumably something to do with the social and economic impacts of closing some of those fisheries—but I think we need to address those as something separate. There is no point in carrying on fishing if there is no fish there.

Diana Organ

29. You have sort of touched on my question because you have made it clear that, shall we say, the northern European states are aware of the crisis and possibly those that are more Mediterranean coast or southern may be aware of it but are ignoring the crisis. But that does not necessarily correspond, I would say to you, with the political will to do something about it, that some member states are more committed to having a fisheries policy that will lead to a sustainable fishery for the future, and I wondered if you would care to identify those which you think are really committed to that and have the political will to make these very hard economic decisions and those Member States that will not go along with it and consequently may not be able to deliver it.

(Mr Tasker) I hope the UK does have that political will. Certainly Sweden has. It has closed its cod fisheries, as I mentioned earlier. Germany, whose fisheries are rather small, I think has the will. Denmark has certainly faced up to the facts in other fisheries and has understood the problems and therefore it has some will to say, "No you cannot do that," to the fishing industry. But going south and west, we know that 80 per cent of Europe's funding for fisheries goes to Spain and I think the will just does not exist there. Personally, I do not know it well enough and I am not an expert in international politics, I am more an environmentalist.

[Continued

[Diana Organ Cont]

30. But there is a problem with that, is there not, in that the fishery take is coming so predominantly from Spain and Portugal and other Mediterranean countries and those that might have, as you have said, small fisheries in Germany, Sweden—

(Mr Tasker) The state of stocks, which is another indicator, is just as bad everywhere. We have not done very well in the past in the north either.

31. What is your estimate of the likelihood that we could have in one/two decades time a sustainable fisheries within the EU? Is your prognosis poor, good, fair?

(Mr Tasker) My personal prognosis is very poor. But that is . . .

32. It is your judgment.

(Mr Tasker) It is not what I would like to see at all. I would like the exact opposite. I think there is a possibility, if the will is there, that you can get a win, win, win here, that we can get better fish stocks, we can get better food, and we can get a reasonable industry sector. But it needs proper political leadership, it needs proper political guidance, and there is not much evidence of it out there at the moment.

Mr Mitchell

33. You said that 80 per cent of the subsidies have gone to Spain. It is therefore a bit one-sided for us to argue, since we do not receive any effectively European subsidies, that subsidies should be stopped. Would you argue that subsidies should be stopped altogether? Would you say that subsidies should be stopped for the catch side?

(Mr Tasker) Yes, I should, and we do certainly agree, and we have said in our evidence, that the proposals to stop subsidising new builds and modernisation from Europe should occur and we agree with that. I think what would be very useful to tease out is the difference between supporting fishermen and supporting the fishing communities that are dependent on fish landings. In north-west Spain, the Vigo area is highly dependent, as is Grimsby and various other places. Just drawing a parallel from last week's news, I think one of your colleagues was emphasising the problem that occurred in Worksop after the closure of the collieries. There it seems to me that effort should have gone in to support the community there—not to support the mining industry necessarily but to support the community. Where I think, if there are going to be subsidies put in to compensate for this loss of fish landings, is to the communities; it is not into the fishing industry itself, because all that putting more money into the fishing industry does is to catch yet more fish that are not there.

34. That is what happened with the loss of Iceland, to a degree, not an adequate degree, because the new money was actually precluded from going into fishing and put into other areas. But Spain was able to negotiate itself and to insist on a generous situation for its industry as part of the accession. We now have a series of other new states coming in, several of them with quite sizeable fishing fleets.

What consideration has been given to the effect of that on a Common Fisheries Policy which is already overstretched

(Mr Tasker) There you are getting into areas which I do not know very much about. I will be honest about that. I think we have commented in the past that there does not appear to be very much analysis in the CFP revision of expansion. My understanding is that the only really big fishing nation there is Poland and the other Baltic states are also already dealt with in terms of quota share and so on within the Baltic. That is not to say that fishing in the Baltic is any better than it is anywhere else, but, so far as I understand it, there is not going to be a great deal of expansion or any extra money going into that area. I do not know if Andrea would like to add anything to that.

(Ms Carew) No.

(Mr Tasker) No, I think we may pass on the general question there.

35. You have commented on the fact that there was a threat to conservation of the stocks in 1992. The fisheries policy was reformed in 1992. Since then it has all got worse. Is the real problem not so much that it is political policy, a series of negotiations, which people have demands to put, but the fundamental nature of the CFP itself. It might be in a perfect world, but we would be better, would we not, achieving the same kind of thing that Norway and Iceland have achieved by controlling our own waters?

(Mr Tasker) First of all, we ought to look at the state of Norway and Iceland stocks. They are not actually as good as everyone makes out. They are better than the further south areas.

36. You might say are better.

(Mr Tasker) No. Norway's cod stocks are in pretty bad shape. I would not say much better. Iceland also is an island on its own. Their waters do not abut, they do not interact very much with anyone else's. If we control our own, we would certainly have to come to a whole series of bilateral agreements with our neighbours—and I mean a whole series. That was more or less what was there before—and still is there to a certain extent—in terms of the six to 12 mile limit, so would it make a difference? I doubt it—not now—because people would want to keep the rough status quo, and negotiations would head towards that status quo, and unless we pull right out of the common European Community and European Union I do not think we could do anything else.

37. The proviso is on not now because the vested interests have been established, you say.

(Mr Tasker) Yes. While we are on about 1992, I would point out that the Commission came forward in that year, when I was also interested in fisheries policy, with some very, very good proposals. They were also heavily watered down in the political negotiations and basically we have gone exactly where we predicted it would happen then.

38. Do you think, on the basis of what you are proposing and what you would like to see come out of the negotiations, with proper management and a proper settlement, that the fish stocks can be revived to a sustainable catching level?

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[Continued

[Mr Mitchell Cont]

(Mr Tasker) I do not know. What I said earlier is we have gone into a catastrophic experimental situation basically. We do not know what will happen, but unless something is done there is not a hope of coming back. If there is any hope of coming back, we really do have to do something. And even if we do not reform the CFP, the evidence that I was talking about earlier that is coming from ICES is such that huge changes are needed regardless of what happens with the reform. Forget ecosystem-based approach, forget all the rest of it, we have to cut fishing effort and very, very rapidly and very, very deeply.

39. So, given the fact that you say the sensible proposals of last time, 1992, were considerably watered down and given the fact that there is still political negotiation going on and given the state of the stocks, your prognostication is essentially gloom.

(Mr Tasker) Yes, and I am hoping that the evidence I have given you will help put some more political spine into the system.

Chairman

40. Thank you very much indeed for that. This is the first meeting of three. We thank you for your evidence and for the evidence you have submitted. There still will be time, if you want to comment officially on ICES, when they have published their report at the end of next week, please do let us have your comments on that because that could be included. In the meantime, thank you very much indeed for coming along and helping our inquiry.

(Mr Tasker) Thank you very much for inviting us.

Supplementary memorandum submitted by the Joint Nature Conservation Committee (K8(a))

This further evidence is from the Joint Nature Conservation Committee on behalf of UK's statutory nature conservation agencies: English Nature, Scottish Natural Heritage and the Countryside Council for Wales. We thank the Committee for inviting us to give oral evidence and to enlarge on some points in this supplementary submission.

THE PRESENT STATE OF FISH STOCKS

As we noted in our evidence, the state of many fish stocks, particularly those of importance to the UK fishing industry, has deteriorated in the past year. The situation is so grave that ICES is now recommending closure of fisheries taking cod, whether as a targeted species or in bycatch. The autumn 2002 ICES advice may be read in full on their website (www.ices.dk) but we summarise the key points of it Annex 1 to this submission.

In general, fish stocks are not able to support the fishing pressure being presently applied to them. As stated in our oral evidence, this implies that a large scale reduction in effective effort, either through limiting time at sea and/or limiting capacity is required now, regardless of whether the Common Fisheries Policy is reformed or not. As can be seen, there are some variations in recommended scale of reduction, from 100 per cent in the case of the mixed demersal fisheries around the UK, in order to give cod stocks any hope of recovery through to 25–40 per cent reductions in fishing mortality on other stocks.

As outlined in our oral evidence, reductions in fishing mortality do not usually equate to similar reductions in effort. This is because when effort is reduced then fishing is usually stopped during the most inefficient times/periods first. The same applies to any capacity reductions—usually the most inefficient boats are decommissioned first. Thus a 40 per cent reduction in overall effort may lead to a larger reduction in total capacity or effort.

The ICES advice also reveals areas where cheating is occurring, as we mentioned in our oral evidence. Two instances are noted in the attached Annex as examples. As we also noted in our oral evidence, the current CFP is not sufficient to prevent or deter such cheating. Some argue that this implies that more enforcement is required. While not necessarily disagreeing with this, we advocate greater involvement of fishermen in the fisheries management process so that the rules are better understood and peer pressure is likely to work further in encouraging adherence to the rules in the first place. This is one of the principal arguments in favour of the proposed Regional Advisory Councils.

Annex 1

SUMMARY OF AUTUMN 2002 ADVICE ON THE STATE OF FISH STOCKS

1.1 *Cod*

The fish stock assessments for waters around the UK are split to the North Sea, west of Scotland, Irish Sea, SW approaches and Rockall. The North Sea stock (2001) is now at an all time low, some 50 per cent lower than 2000. The ICES advice states: "Given the very low stock size, the recent poor recruitments, and continued high fishing mortality despite management efforts to promote stock recovery, ICES recommends a closure of all fisheries for cod as a targeted species or by-catch. In fisheries where cod comprises solely an incidental catch there should be stringent restrictions on the catch and discard rates of cod, with effective monitoring of compliance with those restrictions. These and other measures that may be implemented to promote stock recovery should be kept in place until there is clear evidence of the recovery of the stock to a size associated with a reasonable probability of good recruitment and there is evidence that productivity has improved. The current SSB is so far below historic stock sizes that both the biological dynamics of the stock and the behaviour of the fleets are unknown, and therefore historic experience and data are not considered a reliable basis for medium term forecasts of stock dynamics under various rebuilding scenarios." If taken, this advice would result in greatly reduced harvesting of other stocks where the fisheries take cod as part of a mixed species fisheries, particularly haddock, whiting, plaice, and Nephrops.

The report also states that "There is reason to suspect that the landings for 2001 were under reported. The TAC implied a reduction in fishing mortality of the order of 50 per cent, and the reported landings were less than the TAC. The results of a time series analysis indicated predicted removals in 2001 almost double the reported landings." This is cheating stated in diplomatic terms.

The advice on West of Scotland and the Irish Sea is the same as for the North Sea, while stock status on Rockall is insufficiently known. Fishing on Rockall must be carried out such as to ensure other stocks are not affected. The advice on the SW stocks is that "fishing mortality should be reduced . . . corresponding to landings of less than 3 800 t in 2003." This represents a reduction in fishing mortality of 60 per cent.

1.2 Haddock

Haddock stocks are in better shape than cod, but the large North Sea stock is very reliant on one year's (1999) worth of fish reproduction. These fish are just growing to be of a size catchable in fishing nets, but not landable. Haddock landings in 2001 were 40,000 tonnes, but an incredible 118,000 tonnes were discarded. This figure can be regarded as reasonably reliable as independent on-board observers were used to estimate it. Haddock fishing rates are too high. The advice on North Sea haddock is linked to that on cod "Since haddock is mostly taken in demersal fisheries with cod and whiting, the advice for cod determines the advice for haddock. Unless ways to harvest haddock without incidental catch or discards of cod can be demonstrated fishing for haddock should not be permitted". If, despite this advice, haddock fishing is permitted, then fishing mortality would need to be reduced by at least 40 per cent in order not to overfish the haddock stock.

The stocks to the west of Scotland are in a similar state to those in the North Sea, that is reliant on the productivity of the 1999 year class, but at present are in a proportionately stronger state. The excessive discarding that characterised the North Sea fishery in 2001 does not appear to have occurred west of Scotland. However, the advice on haddock is the same as the North Sea in that it is linked to the poor state of the cod stock, and that if fishing is permitted, fishing mortality need to be reduced by 40 per cent. The haddock stock in the Irish Sea is relatively small and not as well known as others. Fishing advice here is the same as for the North Sea and west of Scotland stocks. Stocks to the south-west of the UK and in the English Channel are also relatively small and poorly known, but appear to be in a comparatively good state at present. A TAC has been suggested for this stock.

The final haddock stock considered by ICES is that on the Rockall Bank. This Bank is now split between the EU Fishery Zone and areas outside this. The haddock stock straddles both areas, and while there has been some control on fishing within the EU zone, the fishery outside has been fairly unregulated. Both fishing mortality is too high and the stock biomass too low, and an area of the Rockall Bank has now been closed to fishing. ICES advice is "ICES recommends that fishing mortality in 2003 should be reduced to the lowest possible level".

1.3 Whiting

The North Sea stock is outside safe biological limits, but fishing mortality is dropping and the stock has increased from an historic low in 1998. As with haddock, the ICES advice on whiting is driven by the bycatch of cod that occurs in the whiting fishery "Since whiting is mostly taken in demersal fisheries with cod and haddock, the advice for cod determines the advice for whiting. Except where it can be demonstrated that whiting can be harvested without by-catch or discards of cod, fishing for whiting should not be permitted.

As with haddock, if whiting fishing is allowed, then fishing mortality rates would still need to decline by at least 40 per cent. However, even then there are problems, since a great deal of the whiting mortality in the North Sea comes from discards from the Nephrops, shrimp and flatfish fishery. Commonly 60 per cent by weight of the catch of these fisheries is whiting, that is then discarded. Essentially this means that a reduction in TAC for whiting without a reduction in effort will just result in increased discarding.

The whiting stock to the west of Scotland is in a very poor shape and fishing mortality is too high. The overall ICES advice for whiting is the same as for Scotland. If there is to be any fishing on the stock, ICES advises a cap of a mere 900 tonnes TAC. High levels of discarding also affect this fishery. Approximately half of the annual catch weight is discarded and no doubt reduction in this discard rate would help the stock. Some measures (such as larger mesh size on nets) were brought in during 2002 that may have helped this situation.

The situation in the Irish Sea is even worse. Spawning stock biomass (SSB) is at an all time low, fishing mortality is at an all time high and between 60–70 per cent of the catch is discarded. ICES advice here is blunt "ICES recommends that fishing mortality on whiting should be reduced to as close to zero as possible in 2003. A rebuilding plan, including provisions to effectively reduce directed harvest, discards and by-catch in other fisheries should be developed and implemented in order to rebuild SSB". Since the Nephops fishery in the Irish Sea kills substantial quantities of whiting, measures are needed in managing that fishery in order to allow the possibility for the whiting to rebuild.

Stocks south and west of Ireland are in better shape.

1.4 Saithe

Saithe live in deeper, cooler water to the north and west of Scotland than their relatives, cod, haddock and whiting. Their stocks are in a better condition than those of their relatives, and a reasonable TAC has been recommended for 2003. Sadly for UK fishermen, the majority of saithe quota is held by the French and Norwegians and to a lesser extent, the Germans.

1.5 Hake

The "northern" stock of hake inhabits waters all around the UK. The stock is outside safe biological limits and fishing mortality is excessive. The precautionary approach formula used by ICES would indicate that there ought to be no fishing for this stock in 2003. However, ICES advice is "In light of the general reduction in SSB and the generally poor recruitment since 1997, ICES recommends that a recovery plan be implemented". Their recommended recovery plan implies an effort reduction of around 50 per cent in 2003. ICES add that if such a recovery plan is not implemented (then) . . . fishing mortality on hake should be as close to zero as possible. ICES adds that "Setting the TAC at a low level has been shown to be ineffective due to TAC overshoot and/or misreporting. ICES therefore recommends that in addition to TAC constraints, restrictions in effort of fleets exploiting/targeting hake should be implemented. Closed areas and seasons may contribute to stock recovery, but only if accompanied by major reductions in effort". This again is a discreet way of saying that cheating has occurred and the only way to stop this is to stop vessels fishing.

The "southern" stock of hake is in a similarly poor state to that of its northern counterpart and has been in a poor state for some time. This stock is fished mostly by Spanish and Portuguese vessels in a mixed species fishery. ICES advice is "In order to rebuild the stock, ICES recommends that fishing mortality should be as close to zero as practicable. Stocks managed in conjunction with the major fisheries for this species should be managed accordingly to limit the catch of hake to the greatest possible extent."

1.6 Plaice

The North Sea stock is outside safe biological limits. ICES advice "implies a reduction in fishing mortality of at least 40 per cent. Management of fisheries taking plaice must respect the stringent restrictions on the catch and discard rates advised for cod". As with other fish stocks, strong year classes appear once in a while. Such a year class occurred in 1996, but unfortunately, as with haddock from 1999, much of the year class was caught under-size, discarded and therefore wasted. A large year class appears to have hatched in 2001 and ICES recommends "extra measures to reduce captures prior to attaining marketable size would be appropriate and beneficial".

Irish Sea plaice are within safe biological limits. ICES recommends "that fishing mortality should not be allowed to increase above the present level, corresponding to landings of less than 1,900 tonnes. This is consistent with the advice for sole, which is taken in the same fisheries". It seems anomalous that the by-catch of cod in this fishery is not mentioned.

Plaice in the Celtic Sea is outside safe biological limits and ICES recommends a reduction in fishing mortality of at least 40 per cent bringing landings to below 660 tonnes in 2003 (compared with 720 tonnes landed in 2001 and 680 tonnes TAC in 2002). Plaice in the eastern and western English Channel are outside safe biological limits and reductions in fishing mortality are recommended (by 50 per cent in the western Channel).

1.7 Sole

Sole fish stocks in the North Sea are in a similar state to those of plaice in the North Sea, ie outside safe biological limits. ICES advice "implies a reduction in fishing mortality of at least 23 per cent. Management of fisheries taking plaice must respect the stringent restrictions on the catch and discard rates advised for cod". As with plaice, there were strong year classes in 1996 and 2001.

As with plaice, sole in the Irish Sea is within safe biological limits and ICES advice is to limit landings to less than 1,010 tonnes in 2003. It seems anomalous that the by-catch of cod in this fishery is not mentioned. Sole in the Celtic Sea are harvested outside safe biological limits and ICES recommends a reduction in 40 per cent from current levels of fishing mortality.

Sole in the Bay of Biscay and the western Channel is outside safe biological limits and ICES recommends a recovery plan for this area; in the absence of such a recovery plan "ICES recommends that the fishing mortality should be reduced to the lowest possible level in 2003".

In the eastern channel is in better shape and a TAC has been set.

1.8 Mackerel

Mackerel spawn widely in waters from the Iberian peninsula to north of Scotland. Stock differentiation is poorly understood, but it is known that the North Sea spawning stock is severely depleted. The combined stock is currently harvested outside safe biological limits. ICES advises fishing mortality corresponding to landings of less than 542,000 tonnes (a reduction from landings of over 670,000 tonnes in 2001 and the TAC of 683,000 tonnes in 2002). The North Sea component requires special protection and ICES advises complete closure of the central and south North Sea, and the northern North Sea except when the western stock appears in the area.

1.9 Anglerfish

The stocks have only recently come under the attention of fisheries scientists and for the first time ICES is advising on stocks occurring in the North Sea and to the west of Scotland. It appears that harvesting is outside safe biological limits. ICES advice is that fishing mortality needs to be reduced to less than 6,700 tonnes in 2003, compared with a catch in 2001 of 15,700 tonnes. Stocks to the south and west of the UK are in a poor state, with fishing mortality being much too high. ICES recommends that fishing mortality should be reduced by 30 per cent, which would correspond to landings of less than 16,400 tonnes in 2003 compared with landings of 22,200 tonnes in 2001 and a TAC of 23,700 in 2002.

Memorandum submitted by the Royal Society for the Protection of Birds (K6)

EXECUTIVE SUMMARY

- 1. Fishing is the single most influential activity on marine ecosystems, and fishing activity has caused considerable changes in the structure and function of these ecosystems, including fundamental shifts in the balance of seabird populations.
- 2. This year's reform of the Common Fisheries Policy may be the last chance to restore the balance in European Community waters between fish stocks, fishing effort and the marine environment.
- 3. Significant and permanent reduction of fishing effort is the single greatest improvement in the Common Fisheries Policy that would help lessen a wide range of direct and indirect environmental impacts, as well as taking the heat off Europe's over-exploited fish stocks.
- 4. The RSPB welcomes the broad thrust of the European Commission's proposals for Common Fisheries Policy reform. In particular we support proposals to reduce fleet capacity and effort, abolish public subsidies for building and modernising vessels, re-direct funds towards scrapping vessels and social support, and develop an ecosystem approach to fisheries management.
- 5. The weak status afforded to environmental integration within the Common Fisheries Policy reform proposals is disappointing. The measures are proposed in a non-binding Communication which confers weaker status than a legally-binding Regulation.

- 6. We have actively advocated extension of Member State control of fishing activities of all vessels out to 12 nautical miles (ie extending the current regime from six to 12 nautical miles).
- 7. The RSPB is concerned that the complex linkage between industrial fisheries, wild capture fisheries and aquaculture/mariculture is not fully appreciated in the reform proposals.
- 8. The RSPB regrets that the first objective of the Commission's Action Plan on illegal, unreported and unregulated (IUU) fishing is merely "to discourage" (rather than prevent) Member States from flagging their vessels to States with proven weak control of such fishing.

INTRODUCTION

- 1. The RSPB works for the conservation of wild birds and their environment. We are Europe's largest wildlife conservation charity with over one million members. We manage one of the largest conservation estates in the UK, totalling more than 100,000 hectares.
- 2. Fishing is widely regarded as the single most influential human activity on marine ecosystems. This year's reform of the Common Fisheries Policy (CFP) may be the last chance to restore the balance in European Community waters between fish stocks, fishing effort and the marine environment. Failure to act decisively now will accelerate collapse of fish stocks, degradation of marine ecosystems, and decline of the sector, with no guarantee of recovery.
- 3. The UK is internationally important for its populations of breeding seabirds, and a number of the RSPB's reserves are of major importance for their seabird colonies. Seabirds are affected by fishing both directly (ie mortality, for example as a result of longline fishing) and indirectly (through alterations in the food chain, for example by discarding and industrial fishing). Some impacts on seabirds, such as longline by-catch, call for specific remedial measures. But common to all impacts is the prime burden imposed by overfishing: significant and permanent reduction of fishing effort is the single greatest improvement in the CFP that would help lessen a wide range of direct and indirect environmental impacts.

THE PROCESS OF REFORM

- 4. Following the European Commission's first package of CFP reform proposals, the Danish Presidency has set itself an ambitious agenda. However, from the reactions of Member States so far, it will clearly be difficult to reach agreement this year without significant compromise. The "Friends of Fishing" coalition (Spain, Portugal, France, Ireland, Italy and Greece) is opposed to multi-annual plans, fleet capacity reduction and removal of subsidies. Belgium and the Netherlands also appear to be shifting towards that coalition but most of the northern Member States (UK, Denmark, Germany, Sweden, Finland) generally support the Commission's proposals.
- 5. Negotiations in the Fisheries Council are due to commence on October 14. Meanwhile, the Commission is preparing the next round of proposals, including a Mediterranean action plan and a Communication on improving scientific and technical advice.

THE COMMISSION'S REFORM PROPOSALS

- 6. In general, while the RSPB has specific concerns about the detail of the Commission's proposals, we welcome the broad thrust of the following:
 - multi-annual plans as a measure for balancing effort and resources;
 - reducing fleet capacity and effort;
 - abolition of public subsidies for building and modernising vessels;
 - re-directing funds for scrapping vessels and for social support;
 - commitment to develop an ecosystem approach to fisheries management;
 - greater stakeholder participation through Regional Advisory Councils;
 - maintenance of access restrictions;
 - Member State control of all vessels in its waters up to 12 nautical miles.

THE ROAD MAP AND THE FRAMEWORK REGULATION

7. Compared with the current CFP, the proposed new Regulation is much more explicit about environmental protection. Critically, it requires exploitation to be compatible with "sustainable development", a linkage lacking in Regulation 3760/92. It commits to measures for limiting the environmental impact of fishing, including incentives for more selective fishing.

8. The Green Paper recognised that a "lack of precision" in the CFP's objectives had been one of its major problems. The RSPB welcomes the prioritisation of the precautionary principle and an ecosystem-based approach in Article 2(1) of the proposed framework Regulation and urges retention of this text.

- 9. Multi-annual management plans, effort reduction and removal of subsidies: The Commission proposes that multi-annual management plans will in future drive fleet capacity reductions. Based on stock assessments, these plans will specify how many vessels may fish for how many days, where and with what kind of gear. In other words, fixing fishing effort will be at the heart of future policy. This is a welcome broadening of the CFP's management tools from the purely output controls of the existing total allowable catches regime. In addition, such long-term planning shifts greater influence to the Commission while moving away from annual and politically-charged quota-setting by the Fisheries Council. The Commission anticipates reductions of effort by up to 60 per cent on the most depleted stocks, such as cod. Fishermen will be allowed fewer days at sea to fish such stocks, and the more fishermen have to share days at sea, the less profitable the fishery becomes. By this pressure, the Commission anticipates that market forces will ultimately adjust fishing effort to fish stocks.
- 10. Given the proposed flexibility to achieve effort reduction through decommissioning or tie-up schemes, the RSPB favours the decommissioning option. Not only will it generally be more viable to scrap vessels than to keep them tied up at port and face demands for compensation, but experience shows that fleets generally respond to loss of fishing opportunities by increasing efficiency when they are allowed to operate at sea, thus undermining the intention of effort control. In addition, discretion between Member States on how effort control is exerted is bound to lead to tie-up schemes being applied unevenly across the EU, inviting the usual claims of discrimination.
- 11. The RSPB supports the logic that significant and permanent reduction of fleet capacity will improve the viability of those vessels remaining in the fishery. The removal of subsidies can only assist this. Each subsidised fishing vessel reduces the productivity and profitability of every other vessel in the fishery concerned. Subsidised and unsubsidised vessels share the same fishing grounds and markets, so competition is distorted.
- 12. While it is argued by the southern Member States in particular that loss of public aid will disadvantage their large fleet of small coastal vessels, it is important to note that this fleet segment has benefited little in the past from structural funds. Around 90 per cent of Portuguese fishing vessels, for example, are small (less than 12 metres) and their fishermen generally have not benefited from public aid for new build or vessel modernisation. Potentially, the Commission's plan to redirect these funds as socio-economic aid could be more beneficial than it seems.
- 13. Access restrictions. Given that the access restriction proposed in the framework Regulation is a derogation from open access, it is important that Council gives high priority to reinstating the restriction by the end of 2002. The RSPB also sees a strong case for placing the access restriction on a permanent footing. As argued in the BirdLife International report (2000) *Managing EC Inshore Fisheries: Time for Change*, this would provide the basis for a more strategic approach to inshore management, benefiting the sector and the environment.
- 14. Extending Member State control. From the start of the CFP reform process, the RSPB has actively advocated extension of Member State control of fishing activities of all vessels out to 12 nautical miles (ie extending the current regime from six to 12 nautical miles). The Commission's proposal for this change would set the scene for more coherent, environmentally-sensitive management of inshore waters (see *Managing EC Inshore Fisheries: Time for Change*). An obvious example of this is the potential to create a level playing field for fisheries measures out to 12 nautical miles and thus facilitate management schemes for Natura 2000 sites.
- 15. Regional Advisory Councils (RACs). The proposal to set up RACs to give a much-needed voice to fisheries stakeholders is welcome. The RSPB supports the view that, initially at least, RACs should be advisory and not have executive decision-making powers. Nevertheless, these Councils must carry due weight in decision-making over fisheries management. We consider that the remit of RACs needs clarifying if they are not to be just another talking shop.
- 16. International fisheries. The Roadmap (p 17) argues that "access to the waters of third countries will be limited to surplus stocks as defined by UNCLOS (Article 62)." The Commission is aware that a "surplus" is not always clearly demonstrated and lack of a surplus clearly acts against the EU's economic interests. However, as in the case of the Mauritanian cephalopod fishery, it can be even more damaging to the livelihoods of the coastal community and markets in third country waters if an EU fisheries agreement is struck on the basis of a surplus which is small or non-existent. This demands a precautionary approach to stock assessment and the need to give priority to the sustainability of the third country fisheries and their dependent local communities.

THE ENVIRONMENTAL ACTION PLAN

- 17. The RSPB greatly welcomes the intention behind the 'Action Plan to integrate environmental protection requirements into the Common Fisheries Policy' and the deadlines it sets in the Annex, including the proposal to "Implement Community Action Plans to . . . protect seabirds in the context of the FAO International Plans of Action—Propose legislation before end of 2003".
- 18. However, we are concerned that the Action Plan will not deliver the wider commitment to an ecosystem approach for the following reasons:
 - (i) the measures are proposed in a non-binding Communication which confers weaker status;
 - (ii) it does not present a clear strategy for progressive implementation of an ecosystem-based approach, eg there is no focus on the supporting research and development required. An objective needs to be included in the Action Plan to define, understand, research and implement an ecosystem-based approach to fisheries management;
 - (iii) the Annex, unlike the Illegal, Unreported and Unregulated Action Plan, lacks specific objectives. Nor is the Annex sufficiently coherent with other EU targets, eg with the EU Sustainable Development Strategy "to protect and restore habitats and natural systems and halt the loss of biodiversity by 2010";
 - (iv) lack of any requirement for Environmental Impact Assessment (EIA) or Strategic Environmental Assessment (SEA) of existing or new fisheries. This serious omission explains why the CFP response to environmental damage is always reactive (eg to cetacean by-catch in pair-trawls or to seabird by-catch on longlines) rather than proactive. Such firefighting is at odds with a systematic "ecosystem approach".
- 19. The lack of requirement for environmental assessments raises other issues. For example, the proposal (COM (2002) 187) for amending the Regulation on structural assistance to the sector specifies that "support for measures to assist small-scale coastal fishing should be granted on condition that such measures do not increase fishing effort in fragile coastal marine ecosystems, or that they help to reduce the impact of towed gear on the flora and fauna of the seabed". This raises questions about how Member States, without a mandate on Environmental Impact Assessment from the CFP, are to monitor the environmental impacts of small-scale fishing, and deploy structural funds accordingly.
- 20. Such assessment is a logical locus for the forthcoming proposal of an Action Plan for the improvement of scientific advice for fisheries management which, as the Roadmap points out, will call for the collection of data on environmental impacts.

INDUSTRIAL FISHERIES

- 21. The RSPB welcomes the proposal (Roadmap) to invite the International Council for Exploration of the Sea (ICES) to conduct a study into the impact of industrial fishing on marine ecosystems. However, we are concerned that the complex linkage between industrial fisheries, wild capture fisheries and aquaculture/mariculture is not fully appreciated and will be omitted from the equation.
- 22. Industrial fisheries—especially for sandeels, the single biggest fishery in the North Sea—provide one of the main sources of food for farmed fish in aquaculture, but commercial species for human consumption, such as cod and mackerel, also eat significant quantities of these industrial species, as do many seabirds. A recent paper in an ICES journal concludes that "a future recovery of mackerel or gadoid stocks would be likely to severely compete with sandeel-dependent wildlife, as well as threatening the sustainability of the present industrial fishery". The RSPB considers it important to prioritise the sandeel dependency of human consumption fisheries and wildlife.
- 23. To add to this complexity, it takes about three tonnes of sandeels to make one tonne of pellets for feeding farmed fish so the anticipated growth in aquaculture may threaten the sustainability of sandeel stocks and the food chain they support. The RSPB believes the ICES remit needs to be comprehensive enough to capture all these aspects.

ILLEGAL, UNREPORTED AND UNREGULATED (IUU) FISHING

- 24. The RSPB regrets that the first objective of the Commission's Action Plan is merely "to discourage" (rather than prevent) Member States from flagging their vessels to States with proven weak control of IUU fishing.
- 25. We particularly welcome the proposal to ban Member States chartering vessels involved in IUU fishing, and to ban trade in IUU products. However, we believe that "involved in fishing" should be clarified to include any support activity for IUU fishing, such as trans-shipping, fuel supply etc. In doing this, the EU would significantly strengthen its existing commitment to the FAO International Plan of Action on IUU which failed consistently to extend its scope to combat the involvement of such support vessels.

26. We support the proposal to make any IUU-related business an infringement. It is not clear, however, what sanctions should follow. This is significant, as those negotiating the FAO Action Plan in Rome 2001 rejected text requiring severe sanctions against trade in IUU fish, leaving measures amounting to no more than a slap on the wrist. The reformed CFP should remedy this failure as far as Community waters are concerned.

STRATEGY FOR AQUACULTURE

- 27. As wild capture fisheries decline globally, aquaculture is seen as the breadbasket of the future. According to the FAO's *The State of World Fisheries and Aquaculture 2000*, aquaculture will dominate fish supplies by 2030 such that less than half the fish consumed is likely to originate in capture fisheries. In keeping with this, the Commission's broad strategy objective is clearly to promote further development of aquaculture across Europe, envisaging a 15 per cent increase of 10,000 new jobs in the sector by 2008.
- 28. A major element not specifically flagged up in the strategy is the Accession countries in which freshwater aquaculture is already highly developed. Here there are serious environmental problems, particularly from intensification. In this regard, the proposals on Extensive fish culture (p 20) are especially relevant. Critical to extensification will be direct support, whether through rural development or the Financial Instrument for Fisheries Guidance, marketing initiatives and eco-labelling. Incentives such as agrienvironment-type schemes should also be explored.
- 29. In addition to the one described on linkage with industrial fisheries, the RSPB has the following specific concerns about the strategy:
 - (i) there is no real assessment of whether our coastal waters have the "carrying capacity" for the anticipated increase in production and whether the environment can accommodate it;
 - (ii) there is lack of precaution towards the development and farming of so-called "new" fish species which could have environmental costs; introduction of new species is addressed only in the context of operational management implications;
 - (iii) there is insufficient strategic linkage with wild capture fisheries, eg potential for competition between wild-caught and farmed products is not addressed.

27 September 2002

Examination of Witnesses

DR EUAN DUNN, Senior Marine Policy Officer, Royal Society for the Protection of Birds, and Ms Louise Heaps, World Wildlife Fund—UK, and Ms Julie Cator, European Policy Office, World Wildlife Fund, examined.

Chairman

41. May I welcome you to the second part of this morning's meeting. We have from the Royal Society for the Protection of Birds (RSPB) Dr Euan Dunn, thank you very much, and from the World Wildlife Fund (WWF) Louise Heaps and Julie Cator, thank you very much indeed. You have been listening to, I think, to the evidence which has just been given for you and I suspect nodding quietly on some of the issues that have been mentioned. Perhaps we could look first of all for at what we might call the scope of the reform proposals which are being considered at the moment. Do the Commission's proposals for reform in your view go far enough in order to get this through to the sustainable fisheries we are all looking for? In other words, are the proposals, even as they are now, going to be enough in your view?

(Ms Cator) Thank you for the invitation to give evidence this morning. I speak for the WWF. Yes, we are broadly supportive of the Commission's proposals, many of which the WWF has advocated in the past during the reform process which has been going on now for four or five years but we do see them as the minimum necessary to achieve any significant reform of how fisheries is managed in Europe and as a way of moving away from the

current dire situation. In particular we welcome the proposals on multi-annual management plans, as you discussed earlier, to move away from this yearon-year crisis management towards a more longterm management of fisheries tailored to specific needs of the regions and to the stocks. We welcome the reform of the subsidies regime, in particular the abolition of subsidies for modernisation, apart from for health and safety reasons, for building of new of vessels, and for the export of capacity to third countries or to the high seas. Particularly we welcome, inside the draft general framework regulation, the move towards an ecosystem-based management of fisheries. A lot of work still needs to be done on that but that it is actually in the framework regulation is important. Finally, we welcome the move to introduce regional Advisory Councils in the Common Fisheries Policy. However, if you saw the Roadmap the Commission published in June there are 13 or so proposals that are going to be published—I think we have received five so far, a number remain to be published. Only three of them are going to be legislative proposals. The rest are going to be in non-binding action plans or strategies, which in themselves are reasonably important but they need the political will to make sure they are carried through. Also—it has not been discussed

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[Chairman Cont]

yet—there are a couple of issues, one in particular absent so far from the reform process,—and that is the issue of the EU's external strategy, how EU vessels operate outside European waters. 50 per cent or so of the fish we consume in Europe comes from outside our waters, so it is a significant part of the CFP process, and if we are going to see a successful reform of the Common Fisheries Policy, we have to take that into account.

(Dr Dunn) Thank you for inviting the RSPB to give evidence today. I would broadly concur with my colleague from WWF. I mean, a lot of the objectives for the Common Fisheries policy are shared between our two NGOs, so I want to repeat what Julie said and simply add this: in terms of environmental impact, quite often we think of the direct mortality impact, the effects of gears and nets and things, but I think we should not escape the point that the single greatest relief that you can give to the environmental pressure at large is the reduction of deployed fishing effort. That will, across the board, relieve a whole raft of adverse environmental impacts. I think that is by far the most important goal of the Common Fisheries Policy reform. I think it is important, as Julie said, to appreciate that the legislative framework, just in terms of process, these three legislative documents are the ones that are going to be concentrated on in the run-up to Christmas and we expect to see the Common Fisheries Policy reform process going on well into 2003. The Danish presidency will not succeed in fulfilling its optimistic task at the beginning of its presidency of maybe seeing through the whole process. The legislative framework is going to be the main focus between now and 31 December. I think the final point I would make in addition to what Julie said is on environmental action plan. We very much welcome the commitment to develop an ecosystem approach, but the environmental action plan does not really at the moment present a clear strategy for doing that and I think that is something that is going to take more work.

Diana Organ

42. Obviously you want to see—and it makes clear sense because of the nature of your organisationsvery much a reduced fishing effort. Because of where you are coming from, in an ideal world for your organisations, you would want to see only very small scale low level, low intervention fishing effort. I mean, fishing effort in the European Union is not like that at all, it is highly industrialised, highly mechanised, highly efficient in some respects or inefficient if you consider the amount of fraud and stuff that is thrown away. But the response you have made to the Chairman's question is, I would say, an obvious one. What would you say to my comment that you actually have not been honest enough, because really what you want to see is a real radical change to the amount of fishing effort that is carried out in the EU—because your whole stance is about environment and fish protection—and you are not too fussed about fishermen's incomes and fishermen's livelihoods and fishing community. Would you like to respond to that?

(Dr Dunn) I would sort of backwind a little bit and say—and we will come on to this later—that we find that the environment NGOs, and the fishermen, tend to share the same goals, increasingly so now—much more so than we did when I started this job many years ago. There has been quite a revolution, really, a quiet revolution. Part of the problem has been with the Common Fisheries Policy that it has divorced fish stocks from the environmental dimensions of fisheries. You used the word earlier "dysfunctional". That has been the most dysfunctional perception of the Common Fisheries Policy, because it separated off the fish stock issues as if they were not part of the ecosystem. I think that has been totally to the discredit of the CFP that it has taken that perspective and now we are beginning to see a conjoining of those two ideas. As Mark Tasker said, fish stocks are keystone predators. We have never, ever removed wholesale a whole cohort of the ecosystem before. You cannot think of fish stocks in one box and the rest of bio-diversity in another; in other words, we cannot continue to think of the North Sea and the rest of our community waters as just a production unit for fish.

43. Would you want to see a moratorium on fishing certain stocks?

(Dr Dunn) I think we have to wait and see what the ICES advice is on particular fisheries. I think one of the things that we have to get away from—and I am not suggesting for a moment it is being alleged here—is the NGOs have never sought a ban on fishing. We are not out to see fishing put out of business. Sustainable fisheries and a sustainable marine ecosystem has always been the goal of ourselves, as it is now mostly with fishermen too. So I think there is common ground there.

Mr Mitchell

44. That is the fundamental core problem, is it not? Can really the CFP deliver both those two objectives, a sustainable marine environment and a fishing industry? Is it actually possible for any set of proposals to be able to deliver that?

(*Dr Dunn*) I do not want to hog this, but I will just make one remark.

45. We will ask both of you.

(Dr Dunn) This obviously refers very much to our take on the ecosystem approach and there is a feeling that the ecosystem approach has rather come out of the woodwork as a quick fix to a problem, but it has been around for a long time. As Andrea Carew would tell you, in America the ecosystem approach has been around for years and is now very, very well implemented, highly operational and CCAMLR (the Convention on the Conservation of Antarctic Marine Living Resources) covers a huge area of ocean, 24 million square kilometres. CCAMLR has had an ecosystem approach since 1980 and it is very well developed. It has harvesting rules for all the target and non-target species. So, yes, to answer your question, I think other fisheries management systems have already addressed the entirety of the problem and are doing so with some considerable success.

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[Mr Mitchell Cont]

(Ms Heaps) Just to reiterate a lot of what Euan said, WWF is also a sustainable development organisation and our primary aim is to try to find a balance between the environment, social and economic issues surrounding the use of our resources. So we certainly do not have a view on a moratorium on fishing. In terms of whether the CFP can deliver environment and sustainable fisheries in the future, the answer to that would be that it absolutely has to. Fishing and fishermen, we want to see them here in the future. We think that the social aspects of fishing communities around the UK and in the EU are absolutely imperative, are vital. We think they are very important and we absolutely have to see a Common Fisheries Policy that takes into consideration both, but, in order to deliver that and to sustain viable fishing communities in the future, you have to have a healthy environment and maintain the integrity of that environment. So you have to consider all the components of the ecosystem, including the fishing industry. You cannot just separate the two. That is the whole point of this ecosystem-based approach. Within that, we have to think about new ways forward. The CFP, as it stands at the moment, will not deliver that, no, and that is why we need this radical reform and we have to think about new ways of managing our fisheries. This would include more adaptive management mechanisms. So actually taking the information, anecdotal information and scientific information, and using it on a timely basis to respond to what is happening in the environment at that time, thereby putting management mechanisms in place on a timely basis.

Mr Mitchell

46. The ecosystem approach which has been enunciated by yourselves and other organisations sounds quite promising. Why is the reaction so cautious? Is it because it is new, or because it is not quite clear what it involves, or what?

(Ms Heaps) I would say that there is a general lack of understanding, not only from industry's perspective but possibly also from scientists in some ways of what an ecosystem-based approach actually is. I think you have to unravel it and simplify it and start with some very basic, fundamental criteria of what we want to achieve in the long term and how we can go about achieving that. One of the ways in which we can do that is to start to consider some of the by-catch species that we already know we catch and that we know something about and we can start managing those with a longer term view. We need also, as I say, to take a more adaptive approach to the way we manage our ecosystems, getting the industry involved in that management, making the log books better, getting scientists actually to take information, more targeted information, that we need. It is really looking at the whole system and the information we already have, the information we are going to need in the future, and putting some money behind that and making sure that we have good management mechanisms that are appropriate to the region that we are managing. We really do endorse a regionalised management system.

47. We are getting into complex areas, are we not? Dr Dunn mentioned the Americans were better, but, on the other hand, there is a huge oil industry interest involved in the ecosystem. There are big dredging operations and all that. We are moving into a very complex area, are we not, where there are strong vested interests.

(Dr Dunn) Yes. The European Union has a strong parallel process to try and make a stab at integrating all human impacts on Community waters through its developing marine strategy.

48. What you said about the CFP also applies to the CAP and policies for the production, which depends upon the relationship to the environment or did not, until now.

(Dr Dunn) Yes. I agree with you, obviously there is a whole raft of potential factors that could be affecting fish stocks and environment change, all of the things which have been alluded to earlier, but over-fishing emerges as the single most potent threat to fish stocks, so what we have to do is to address that. In answer to your original question, why has there been resistance to an ecosystem approach, I think there are a couple of points worth bearing in mind. One of them is that there is a misconception amongst some that it implies managing the ecosystem and that is clearly well beyond our capacity, just as it is going to be a difficult thing to integrate all these different activities you mention. We cannot play God, and if we do try to play God with the ecosystem I am sure our failure will cascade through it without a shadow of a doubt. All we can hope to do is to manage the human impact and to manage the human impact of fishing on the ecosystem is the primary goal. I think the second way of answer your question as to why there is resistance to it, I think the fishermen, quite understandably, are scared of further regulation. They feel themselves, as you have said so many times yourself, absolutely laden down with regulation and they do not want to see any more. I can only then go back to the point that my colleague made, that this in the end is an issue of sustainable development. It is an issue where the fish stocks are part of the ecosystem and the fishermen have to grasp the idea that the conserving of fish stocks is part of conserving an ecosystem.

49. They are going to say that the whole weight presses on them and there is the oil industry and the extraction industry to be taken into account as well and the sanctions need to be uniform, across the board, for other people who are damaging the sustainable environment.

(Dr Dunn) Yes, the EU is recognising this. It has a thematic marine strategy which is going to start looking at these cross-cutting issues. It is, as you say, a multi-faceted problem. But I would return to the point that if we can relieve the fish stocks and the wider marine environment of over-fishing, then we will have struck a huge blow for the restoration of the ecosystem and that is the primary goal of CFP reform, I believe.

50. You say it is beyond the ability of anyone to play God. It is certainly beyond the capacity of parliamentary committees, but I want to play devil's advocate for a minute and ask a question of the World Wildlife Fund. I think the effort you have put

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[Mr Mitchell Cont]

into consultation with fishermen is commendable, and their cooperation has been very successful, and I welcome it, but, just to play devil's advocate, what representation did they make to you on, for instance, seal culls as a threat to the fish stocks, which are perhaps not as great as the fishing industry but still considerable?

(Ms Heaps) Not surprisingly that is one particular issue we try not to get too involved in because at the moment the most important thing is setting the framework in place for the Common Fisheries Policy. The industry approached us because they wanted to talk about the common goals that we have. We work very, very well together in trying to develop a joint approach to how we want to see fishing in the future and how the industry should be managed in the future. That has been done through a series of participatory meetings. We are now setting up a project called Invest in Fish, which is about what sort of management measures we need to put in place and what the cost of that would be on a regional basis in the future. In terms of seal culling we are going to have discussions about that with the industry, I am not prepared to discuss it now.

51. I ask out of interest. Let us move on to effort reduction which you seem to agree is the key to reducing the impact of fishing on the stocks. What scale of effort limitations are you thinking of and how is that going to be achieved?

(Dr Dunn) I think it is useful to go back a few years to the mid 90s when a very erudite committee, the Lassen Committee, was asked to make a report for the Multi Annual Guidance Programme number 4, which is the one now just coming to an end. The Lassen Committee recommended a deployed fleet capacity with cuts off 40 per cent. It is worth remembering that this figure was so diluted by the Council of Fisheries ministers that in the end we ended up with an operational cut of 2 per cent to 3 per cent. The most shaming thing for the whole process was that the Multi Annual Guidance Programme number 4 targets, which were meant to run for five years, were reached by the end of the first year of the plan. In other words, it was a completely useless exercise and, of course, it reflects back to your final question in the last session, the political will was simply not there. I can only endorse what my colleague from JNCC said, that across the board it is well recognised that a 40 per cent cut in the European fleet are the kind of cuts that will be required to restore the balance between fishing pressures and the available resources. It is very, very difficult to get away from that. Certain fisheries are obviously much more seriously affected than others, beam trawling is very heavy still in the central and southern North Sea, pelagic fisheries to the north of the North Sea are in much better shape, so it is difficult to be too prescriptive and it would a take a long time to divvy them out. As a ballpark figure we are looking at something like 40 per cent. It is a figure that has never been countermanded by any of the assessments that the Lassen Committee did. One last point, the Lassen Committee appealed to the Member States to give them data on this wonderful phrase the "technological creep of the fleet" which is the way the fleet is increasing technical efficiency to catch fish and undermines the rate at which you remove capacity

from the system, so you are running at a standstill. None of the Member States came forward with data on technological creep. The Lassen Committee's Report, to some extent, was made more difficult by that. The technological progress has been continued to be the bane of attempts to work out what at any particular point in time should be the effort cut.

52. That technological process is used to increase productivity, you also see technological changes used to minimise environmental impact, benign technological changes as well as malign technological changes.

(Dr Dunn) Even there it is interesting that in the CFP reforms the Commission will accede to modernisation for vessel safety. If you put a shelter deck on a boat it keeps the fishermen from getting stung by the salt sea—as my grandfather used to tell me, he was a fisherman—but as soon as you put in those measures you can go into rougher weather and the fishermen will always take the same risk. You have to be very careful about what modernisation means, even under the guise of health and safety it can often turn a vessel into a more efficient fishing machine.

53. You cannot stand against health and safety. The question really was, are there benign technological improvements which will minimise the impact on the environment by increasing different methods of fishing?

(*Dr Dunn*) Absolutely. It is one of the more welcome proposals in the Common Fisheries Policy reforms that there will be proposed incentives to make small-scale coastal inshore fishing environmentally friendly, it will lessen the impact on sensitive sea bed habitats. There are all kinds of upsides to that as well.

Chairman

54. Do you want to comment on the technological side?

(Ms Heaps) I would absolutely agree with that. I actually sit on the FIFG Structural Fund Committee and there is definitely a move within the United Kingdom government to start supporting more of these—environmental incentives to move the industry towards more sustainable fishing practices, which we would fully support. We want to support it at a broader EU level as well. In terms of effort limitation I agree with everything that Euan has said. I also think that it is important to say that WWF feel it is not for the NGOs to make a decision about whether the fleet should consist of lots of small vessels or two or three large vessels, that is something that has to be done at an industry level. We feel the effort limitation should be looked at on a regional basis so that you are making those decisions based on the resources in that region, and the habitat and the environmental characteristics of that region and the types of gear that you use. All of those technical measures should be specific to that region.

(Dr Dunn) I would just add to that that I agree with Louise that it is not for the NGOs to say what sort of fleet we have. It is an interesting debate, whether you get the same amount of fishing effort out of a lot of small vessels or a super fleet of a few big vessels. I

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think it is very important to bear in mind that the dependency, the livelihoods of remote fishing communities do depend on those small vessels, so we cannot promote a North Sea run by six 'Atlantic dawns', which might succeed in the grand scheme of things, but would, of course, hugely disadvantage the remote fishing communities of Ullapool, Whitby, if they have any boats, and so on and so forth.

Diana Organ

55. You both broadly agree to the idea of a 40 per cent cut in fishing, I just wondered is that at all deliverable? How do you go to the fishermen of Galicia and say, four out of ten of you or we are only going to have four big ships coming out of Grimsby or Shetland, and you talked about Ullapool, is that really deliverable? We talked earlier about the political will of ministers with the Common Fisheries Policy to do some real progress on having sustainable fisheries for the future, that is one thing, given the technological advances we now have is the 40 per cent reduction of fishing effort really deliverable?

(Dr Dunn) I have a couple of things to say there. The first thing is that you mentioned going to Galicia.

56. I just took that as an example because I spent my summer holiday there and every second person seemed to be fishing.

(Dr Dunn) A lot of Mediterranean countries, Greece, Italy and Portugal have fleets of which 90 per cent of the fleet vessels and under 12 metres. And as we heard these southern Member States get most of the structural funds, so they will say, "what is going to happen to our small fishermen if you take away these subsidies?" The fact is, and it is not so widely known, these fishermen do not benefit from structural funds to the extent that we think, the government do not pass it on to them. It is a false argument that these countries are pleading for their small fishermen because they are not as helpful to them as one would like. The bulk of the structural funding of the southern Member States goes to the big offshore trawlers, and that is a fact. I think the second point to make is that we are not going to see in the delivery of the CFP a wholesale 40 per cent cut. The whole thing is going to be driven, as we heard, by multi annual management plans. The nice thing about multi annual management plans is they start with an assessment of each stock and based on that there will be some deliberation on how many boats can fish, for how long, where and with what gear. That is how you will mediate the reductions. It may average out at 40 per cent but to me it seems an easier argument to deliver to the fishing industry to do it that way than to say bluntly 40 per cent of you can pack your bags and take up football, or whatever.

Mr Borrow

57. Can I move to regional advisory committees. I am interested in your organisation's perception of the advantages and disadvantages and how we could ensure you were not simply a talking shop or if you were a talking shop is that an advantage?

(Ms Heaps) We advocate regional advisory committees. One of the outcomes is to start this stage of the consultation process on a regional level and to really see whether that actually works. I think when these regional advisory committees come into play it will be useful to pilot them initially to identify what process is needed, who should be involved with the council and of work it up slowly initially in a pilot way. WWF are doing that. The government are also doing so the through the Irish Sea pilot study. I see this as the only way forward for the future management of the European fisheries. True real stakeholder participation involvement, getting scientists and fishermen and NGOs and all of the relevant bodies together and talking together about how they should manage their own resources so that you have a real engagement with what is involved with managing that fishery and understanding why fishing-free zones, for example, might be a useful method for managing the fishery or why other technical measures should be taken on board.

(Dr Dunn) I agree with all of that. Perhaps I can just add a couple of things. I think that in terms of developing an ecosystem approach I feel that regional advisory committees are a prerequisite for the successful delivery of an ecosystem approach. We have to begin to disaggregate the community waters into areas which have ecosystem relevance. We have heard from JNCC there is a very valuable pilot study going on in the Irish Sea, that would be seen as a regional sea. I think the second thing to say, and it reflects back to a question from Diana Organ to the JNCC, is there a danger they will become a bureaucracy, this is why RSPB feels at least in the first instance regional advisory committees should be advisory rather than have executive decision-making powers. It may be that there is an incremental move towards a greater involvement in the decisionmaking process but as with all of these committees see how they work, iron out the problems, make sure they do not become talking shops and when they prove themselves they earn the right to have a greater say in the executive process. I feel that that is the prototype we would like to see, it is the one, incidentally, which again has been replicated in other parts of the world. We have very valuable precedents here, in Canada there are regional fishery management committees and similarly in other parts of the world, in Australia. We are not starting to go where no one has gone before, we have help here.

Diana Organ

58. In your comment about setting it up, see if it works, if it does prove itself you then sort of left it hanging in the air, are you then saying ideally your organisation would wish it to move on from being advisory, that it moves more like the ones in Canada, where it has a little bit more executive power. Is that what you want to see developing forward?

(Dr Dunn) In Canada I understand they do have an advisory function rather than an executive function. I think it is an interrelated process. I think the Fishermens' Organisations themselves, as you will probably hear, also feel it is an evolutionary process. I think people are happy to walk before they can run with this.

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[Continued

Mr Borrow

59. I am interested in how we can ensure that the fishing community itself has some ownership or feels that it is a genuine partner in the process. If the regional advisory committees remain advisory rather than have executive powers the key thing is whether or not participants in that advisory council feel that the recommendations that they make and the views they come to collectively actually make a difference, otherwise people who do not participate in organisations do not have an influence on the executive decision. I would be interested in your argument as to how we ensure that that happens and that the fishing organisations themselves feel it is a genuine process rather than a charade that is gone through simply to make them feel nice? Again, is it going to be people behind closed doors making decisions?

(Ms Heaps) When setting up any new structure there is going to be some concern about it. Over the last 10 years or so WWF and scientists and fishermen have started to talk to each other more and more. We are starting to work more together and to develop ideas together and to come to common agendas together. This has been very clear to me, particularly over the last two or three years in the United Kingdom where we really do want to see this reform process happening. In terms of the regional advisory committees I think that most of the industry that I have talked to have also said that they see them as being initially a sort of piloting or advisory role. I think just sitting down and talking with the industry, with the other important people on these committees and making decisions about what level of advice they want to be involved in and this process of becoming more of a decision-making body is a good idea. Those regional advisory committees and lobbying organisations should move that agenda forward, as they appear to be, in the most appropriate way. That decision would have to be made. It will be a process rather than making that decision now. We just do not know. We think it is the better way to go, it appears to be the better way to go. The stakeholder participation that we have been going through within WWF is really working and that feels that like the best way we can manage our fisheries in the future. As I say, it is the process but as long as everyone is involved in regional advisory committees and understands that it is a process then we can move to make that an actual decision making body over time. Whether you want to target the time and say in five years' time I do not know, I do not have a view on that. I really do think that over time we should be moving towards becoming more decision making bodies from a WWF perspective.

Chairman

60. You and other lobbying groups obviously make presentations to government and other bodies and you have been very active in promoting environmental aspects. Can I ask, what efforts do you make in respect of going to those countries that we have called to the south and west, those that are going to be extremely influential in this whole process? Are they at all aware of the sort of

environmental impact? Do you have other organisations you work for or do you make direct representations to those countries as well?

(Dr Dunn) For our part RSPB is the United Kingdom partner for a much wider confederation of organisations, some are much smaller—we have over 1 million members in the United Kingdom—and that umbrella organisation is called Bird Life International and we have members in all of the European Member States, including all of the southern Member States blocking CFP reform, which are called 'Friends of Fishing'. It is worth remembering that Friends of Fishing goes as far north as Ireland. I think inall of those Member States in all of those countries our partners have been lobbying their institutions and their governments and their fishery ministers in the same way as we have been doing here. It is a much more difficult task because they do not always have the capacity and the resources that we have, and we have been assisting them insofar as we can. To me it is the crunch question, actually. It is critically important now, now that the negotiating process has moved into the arena of the Fishery Council the most critical thing is to split up this group of six. I think Franz Fischler has been very clever at doing that and he has already found possible ways of compromising that that might, for example, split off Greece and Italy. I think it is very important that Ireland looks to its laurels in this. Not to labour this point, Friends of Fishing collectively have a voting block of 41 votes and it only take 26 on the Council to block unanimity, so you have a hell of a chunk of anti-reform voting there. What you have to do is peel off enough of those countries to finish up with turning a majority into a minority, and that is what we are trying to do through Bird Life International.

(Ms Cator) I am based in the European Policy Office in Brussels and I am head of the Fisheries Programme. This year we launched a campaign to reform the Common Fisheries Policy, pulling on resources in the community and advocacy resources in the WWF national organisations throughout Europe, so we have a very heavy presence in Spain, in Italy, in Greece, and we work with our partner organisation in Portugal, so we are treading a fine line this year between doing advocacy and talking to the governments and parliamentarians in these countries. We are also doing direct activity through e-mail actions or communications in each of those countries. We tackled the five major issues we targeted as our campaign priorities and we are working on those this year. In some countries it is more difficult than others. In Spain our colleagues have a good relationship with the fisheries ministry, there are negotiations going on in certain issues. We have a good relationship with Greece. France is slightly more difficult. Things are moving forward, Italy and Greece seem to be moving a little bit away from the Friends of Over-Fishing Coalition, but they are having a meeting today or tomorrow, I believe, with the Friends of Over-Fishing to regroup. One thing I would like to add is at the last Fisheries Council meeting on their joint decision to block reform they all seem to agree on what they do not want out of reform but there is nothing very positive on the table of what they do want. That is why I do tend to remain a little bit more optimistic about the

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[Continued

[Chairman Cont]

chances of having some measure of reform by the end of this year because there are concrete alternatives presented by the opponents of reform so far. I remain optimistic and I will do until the final Council vote in December.

Mr Mitchell

61. The crisis for them is different than the crisis or us. That is going to make it very difficult to drive a wedge. Dr Dunn mentioned Mr Fischler's strategy of splitting the six, as it were, but he has done that partly by giving extra concessions to Spain.

(*Dr Dunn*) There is the sweetener of the deep water fisheries resolution which infuriated, rightly so, United Kingdom fishermen.

62. It particularly infuriated them because he came here one day, talked to us all and said this was the agenda, and it was one which we would support realistically, and the next day he went away and made a massive concession to Spain.

(Dr Dunn) I agree. We are talking about Member States and numbers and figures of votes so the critical question is, what level of compromise will be acceptable to ensure we get a reformed Common Fisheries Policy which sustains stocks in the wider environment? That is the crunch question. If we have to compromise too far to buy off these people then we have done the same as we did in 1992 where the quotas were high-admittedly stocks were not merely as parlous as they are now—and we did not deliver a Common Fisheries Policy that did anybody any favours. The critical question is, what compromise can we tolerate in trying to find some consensus? The one that is attracting most interest and attention at the moment is the possibility that although as an NGO-and I know WWF have the same view—in principle we are highly opposed to subsidies for the fishing industry because it has undermined the whole process and distorted markets.

63. No concessional subsidies.

(Dr Dunn) Although we are very, very adherent to that principle there is this proposal on the table from the Presidency that there may be subsidies for vessels under 12 metres. That, of course, would be an olive branch to the Mediterranean countries who have a very domination of that size of vessel in their fleet. Firstly, I would be prepared to entertain that compromise. In negotiations you would have to look very, very closely at the conditions that attended such a compromise. The conditions would have to be extremely stringent that subsidies to that segment of that fleet did not result in an overall increased capacity and it did not result in damage to sensitive inshore fishing. If you compromise with sufficient conditions it might be an acceptable compromise. I think this is going to be one of the crunch compromises that is going to be negotiated in the next several weeks.

64. Do you think that is possible?

(*Dr Dunn*) I do. I think we are going to have to compromise somewhere, we are not going to get the Common Fisheries Policy reform, as proposed by the Commission, through the Council, so some thing is going to have to give somewhere, it is a question of

where you give some ground. I think that some concession to that segment of the fleet might be acceptable. The only danger is that under twelve metre vessels can be powerful and collectively very damaging.

Mr Drew

65. I apologise for missing most of this. One of the things I am interested in is the impact of the new entrants. Clearly they are not part of these negotiations. I wonder of the new entrants how many of those would be likely to have an impact on the CFP and is that part of negotiations that have taken place? We hear about all of the aquacultural negotiations, obviously the Poles are still not very happy with the 25 per cent they are going to get initially in terms of subsidy. What is the case for fishing?

(Ms Cator) At the moment the accession states are busy translating and adopting all of our acquis communautaire for the current Common Fisheries Policy. They are not involved with the current negotiations or keeping up to date with what is going to happen with the new Common Fisheries Policy. They are going to have a big shock when the reform comes through. There are significant parts of the Polish fleet, who fish outside EU waters as well, and the EU is looking at increasing its global capacity as well, which we must not forget. Little has been thought about this so far. I know the WWF last year on other environmental issues were doing a project on accession and finding information and finding people within the European Commission and local governments in accession states that knew about EU fisheries, and they were few and far between. There was a lot of difficulty finding information. I think there is going to be a shock in 2004 when some of these countries start coming in. The other crucial issue, and I would like to pass over to Euan, is aquaculture, which is part of the Common Fisheries Policy.

(Dr Dunn) Yes. When we start talking about the accession countries there is a new clutch of issues. It is not often realised that the Common Fisheries Policy also covers land locked aquaculture. In the accession countries like Slovakia, the Czech Republic and Hungary fresh water aquaculture inland is a huge sector and it incurs significant environmental problems, just as a badly run salmon fish farms could incur environmental problems. In terms of the Common Fisheries Policy reforms the Commission's action plan and the strategy for aquaculture there is a very, very significant issue to be addressed for the accession countries, and that is something that we have to keep in mind. Aquaculture is undoubtedly going to be a growing sector. The FAO, we are now talking globally, their best estimate is that by 2030 over half of the fish that is consumed locally will come from aquaculture. The European Commission are somewhat in step with this and anticipate a massive increase in aquaculture in European waters, some fresh water and some coastal. It raises quite big issues about how the environment can stand up to this and where is this

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[Continued

[Mr Drew Cont]

development going to happen and is it going to happen in a sustainable fashion. I think that particular action plan deserves quite close scrutiny.

66. Why was this not taken off as an issue to the same extent because we are bargaining over the CFP. It is going to be one of the key issues from the point of view of the accession states and ourselves. In terms of the CFP whatever is agreed hopefully before the end of this year is really going to be completely unpicked by the new entrants.

(Dr Dunn) I would not agree with the idea that everything would be unpicked by the entry of the accession countries, I do not think I would be as pessimistic as that. I think the impact of the accession countries on community water fisheries will be relatively small, most of the accession countries are fishing in Baltic waters and I do not think there is a huge expansionist regime and an expansionist ambition there. I do not think the CFP reforms, if they are negotiated properly, will allow that to happen. I am not so concerned as one might expect about that.

Mr Mitchell

67. Can I ask question to follow up on what David said, when you say subsidies have to end—that is a statement I agree with—does it include the money paid to Spain to buy fishing rights in the waters of poor African countries and smash their boats in the process?

(Ms Cator) The subsidies that are paid as part of access agreements are paid on behalf of Member States of the European Union to a third country are not part of structural funding, they are a separate budget line. No, we are not advocating those should stop. We may be advocating the vessel owner should pay a larger share of that amount, rather than the European taxpayer. At the moment these access agreements for the third country—which are a payto-fish agreement, if we give you money we take your fish and we leave—are financially benefiting the third country, which are often developing countries in Africa and they are benefiting European Union because they provide employment for over capacity to go and supplying the European Union with fish products, raw material, which we need. There is a way that the third country can benefit more from these access agreements, rather than just benefiting from the money they can benefit from the development of real partnership. The European Union can assist these third countries to build up their own fishing capacity and help them with their own management plans. As we know a lot of these countries are dependent on fisheries for protein. There is a way that access can be improved for a win for Europe and a win for the third countries, and not just in financial terms

68. There is a way, and this may not be it, do not get too hooked on our argument because it was not the feeling put to us in Morocco and which prevailed in Morocco. The Agriculture Committee was much impressed with individual transferable quotas in Iceland and we had a session with the New Zealand minister of fishing and we were impressed with the way they work there because they give fishermen a

stake in their own catch, in other words they make them part of the police force. Such a system would be difficult to implement on a national basis, is there a case for such a system on a European-wide basis? Has it been urged?

(*Dr Dunn*) The Commission has proposed that ITQs be looked at.

69. Administered by the Commission?

(Dr Dunn) I think it would be a matter of subsidiarity how they were divvied out. I would just say there are significant the problems with ITQs, and I will just mention two, in Iceland—and I have spoken to some Icelandic colleagues about this recently—when fishermen get into dire straits they may be tempted to sell their ITQ and there has been a concentration into a few big corporations and that has been to the detriment of remote fishermen and their communities. The second point is that ITQs do generate a lot of discarding, because to protect your quotas you high grade and get rid of the fish you do not want. In the earlier session you spoke about the cod stock. The Icelandic cod stock is beginning to struggle now, it is not the panacea that fisheries management and everyone thought it would be. Part of the problem is high levels of discarding in the Icelandic cod fishing. ITQs are not necessarily the best answer to how to allocate quotas.

70. I must say, as a fishing MP representing what has been for a long time a paranoid industry it is quite right to be persecuted and misunderstood and unloved, particularly by government, it is good to see NGOs and the kind of organisations giving evidence to us today coming in to take an interest and working with the fishermen because the agenda you have been putting forward is one along whose lines fishing has to develop. I am wildly enthusiastic about that but I want to ask, if you get the kind of reform you are urging and weaken the political aspects, the political dilution of those reforms, can we get back to a situation, in your view, of improving stocks which are going to support a sustainable industry? Will that allow us to get to a situation where the industry can finance itself rather than be financed by subsidies and support? It is a big question but yes or no is a nice answer.

(Ms Heaps) I do not think there is any choice really. We have to make sure that that happens. I think the main thing the WWF is currently advocating is there needs to be the initial investment to support the new initiatives, this new way forward, this new management. That is going to cost money, implementing all technical measures is going to cost money, getting scientists in and economists in to identify what we need to do, that is all going to cost money. What we would say is that the government has to underwrite the risk involved.

(Mr Mitchell) The investment is a kind of bridging loan from A to B.

(Ms Heaps) We hope in the future, we do not know when that will be, we hope within the next 10 or 20 years, that that recovery process happens and that in the long term the industry does not have to rely on any subsidies at all. It will be a self-sustaining industry which manages its own fisheries in a sustainable way under the regional advisory committees. That is the hope and the vision. You have to have that vision in order to make sure the

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[Continued

[Mr Mitchell Cont]

reform process happens and the appropriate management is used in a way that is going to be useful for the future.

(Dr Dunn) I would agree wholeheartedly with that. The danger is, in socioeconomic terms the fishing industry is quite small—as David Curry would say it is about the size of the potato industry in this country, in France they say the size of hairdressing industry, which seems very French to me. I feel it is an industry in a sense that I would like to think punches above its weight. It is a small industry but it has huge cultural significance and I hope the investment will come. I think the other answer to the question is reflecting a little back to what Mark said, it was Joe Horwood at CEFAS who said a few years ago, "we have never got stocks down to this level before and we do not know what happens to stocks when they get this low". When stocks get very small they begin to behave completely differently and I think the ICES are now struggling to apply the systematic models to stocks that are becoming so depleted, as we have them now. The best estimate for cod is if the measures that are being talked about now—this was in the papers last week from the Commission—are implemented we are looking, perhaps, at a recovery time of 7 years. That may be optimistic. What worries me, going back to the Canadian situation, where the cod stock has simply not recovered and there seems to be an ecosystem shift in the

equilibrium. What is suggested in a recent paper is that the crustaceans which have been released in abundance by the loss of the cod, just as sand eels and nephrops have been released in abundance into the North Sea by the loss of cod and mackerel, these little critters eat cod larvae, so you could have a negative feedback there. There is a lot of uncertainty and that is why it is very difficult to give a yes or no answer to your question. We are living in an area of huge uncertainty now and that is why at the very least we have to act on a precautionary principle very firmly because we are no longer certain that the predictions that we make will be fulfilled by the way of the science on how these stocks develop.

Chairman: Thank you very much indeed, all three of you for coming and giving us very interesting evidence this morning. I offer the same invitation to you, if you want to submit any further evidence, particularly in the light of the report at the end of this week, feel free to do so so we can include in any of our report findings. You will have to do so very quickly—inevitably it rather seems as if there is some sort of understanding of what might well have been within that report—if you can do that because it is going to be very important document not only for us but for the European Union to consider when they finally, hopefully, get round to performance. Thank you very much.

TUESDAY 29 OCTOBER 2002

Members present:

Mr Colin Breed, in the Chair

Mr David Borrow Mr David Drew Mr Austin Mitchell Diana Organ

Memorandum submitted by the National Federation of Fishermen's Organisations (K3)

PRELIMINARY RESPONSE TO THE COMMISSION'S ROADMAP FOR THE REFORM OF THE COMMON FISHERIES POLICY

Introduction

For some years now this Federation, along with its allies, has been at the forefront of those who have argued that the CFP has failed to achieve its central objectives and must be subject to radical change if it is to do so in the future

In its CFP Green Paper, the Commission echoed this perspective and broadly, struck a reasonable balance between advocacy for necessary changes and retention of that which is worthwhile and valuable in the present arrangements. Doubtless the former Director General of Fisheries would agree that a year is a short time in fisheries politics and although the outline of the Green Paper can still be seen, the Commission's controversial and much delayed proposals also bear the marks of more recent and not always wholly impartial pressures. The largely unfortunate experience of the cod and hake recovery programmes, and signs of appeasement in response direct influence from Spain, are amongst the most obvious of these new and less than welcome features.

As a result, the Commission's proposals have lost some of the coherence and sharpness of edge that was a feature of the Green Paper. The concern now has to be that, as the proposals enter the political arena for decision, dilution and compromise will further undermine the central thrust of the reform whilst failing to address the areas of lacuna in the Commission's thinking. The turbulent passage of the proposals, even through the college of Commissioners, certainly suggests that few weapons will be left at home by those who wish to see the reform derailed.

There is then, much that is worthwhile in the proposals and worthy of strong support in this preliminary response. At the same time there are elements, such as effort control, which if implemented in the way proposed would bankrupt many fishing vessels, and simultaneously undermine moves to involve fishermen in the management system.

Below we highlight those areas in which we hope and expect vigorous intervention by the UK Government.

EFFORT CONTROL

Effort control, by which is meant mandatory limits on the number of days on a fishing vessel may spend at sea, holds a central place in the Commission's proposals. Doubtless in part this reflects the failure of MAGPIV and the various compromises evident in the cod and hake recovery programmes, which have reduced their effect. The Commission has consequently determined that the solution to the problem of stock depletion lies with obligatory limits on time fishing vessels may spend at sea. These would be rules which would oblige fishermen and vessel operators to tie their principal capital asset to the quayside for substantial periods when they would normally be operational. Reductions in effort would be "immediate and significant" and reduction ratios, although calculated in a fairly byzantine fashion, would focus primarily on stocks determined to be in need of a recovery programme. Responsibility for allocating effort to vessels would lie with the Member States.

In 1993–95, this Federation, along with its allies, fought off the then Government's plans to meet its MAGPIII obligations through a broadly similar scheme. The details may vary but the effect of reducing the fleet's time at sea and therefore its economic viability, would be the same. The present Minister (at the time Shadow Minister) was amongst our principal supporters against days at sea restrictions. There should be no misunderstanding that if pursued by the Council and HMG, this Federation will resist days at sea controls as vigorously as it did in the early 1990s when it mobilised thousands of fishermen and took the matter all the way to the European Court of Justice.

However, we see no reason why the UK Government should not hold an identical viewpoint to that of the industry. The Commission has been quite explicit in spelling out that the role of effort limits/reductions in its proposal is to force a considerable part of the fleet into insolvency when unviable vessels would be obliged to take decommissioning.

"The reduction of fishing capacity in response to fishing effort limits should be the responsibility of the Member States. The role of Community fleet policy will therefore be to create an environment which will encourage the reduction in capacity." (pp10)

This is a recipe for a highly authoritarian, draconian, strait-jacket, the explicit aim of which is to force many of the small to medium sized businesses which comprise the fishing industry, into bankruptcy. As such it is monstrous in its conception and certainly in its consequences were it ever to be implemented. We seek the UK Government's assurance that it will do everything in its power to ensure that such a plan never becomes a reality. As there is already a blocking minority of Member States who have voiced their opposition to effort control, this task if far from impossible.

The Commission's proposals for effort control should be opposed because:

- (i) they would force many fishing vessels into insolvency;
- (ii) they would cede an unacceptable degree of authority over the content of multi-annual management plans (that would determine the level of effort reduction) to the Commission;
- (iii) the list of stocks for which recovery programmes are deemed necessary is half-baked;
- (iv) the Commission's retreat to a "one club approach" is a result of a systematic failure of the CFP. Replacing the failed MAGPIV by an equally grandiose but probably equally fallible effort regime is no guarantee that fishing mortality will be reduced or that stocks will recover. In the meantime much economic damage will have been done;
- (v) we have no confidence whatsoever that effort reductions would be applied equitably across the Member States;
- (vi) effort control, in the form proposed, runs entirely contrary to other parts of the reform process which stress "participation and involvement"; this would be the participation and involvement of a man in front of a firing squad. If one of the Commission's central aims is to build and encourage a legitimacy of the CFP that is currently absent, putting fishermen in a strait-jacket days at sea regime is not the way to do it.

There is an alternative. This is to provide fishermen with the central role in developing the multi-annual management plans for their region. These should be multi-faceted—placing at their disposal *all* the instruments available for managing fisheries and, above all, should be supported during its transitional phase by parallel financial support measures. This type of bridging support (as spelt out in the FAO Code of Conduct for Fisheries) is an essential, and to date missing, component of any successful recovery programme. The bottom line is that the Commission's "one club" approach is unlikely to succeed for the same reasons that preceding initiatives have failed: the economic consequences of the measures and how this influences fishermen's behaviour. We would be very pleased to work collaboratively on alternatives to the Commission's proposals on effort control.

FINANCIAL SUPPORT

The reform of the CFP should be used as an opportunity to re-examine expenditure on fisheries and specifically, to re-direct a substantial proportion of it into short-term support measures that would allow the fishing industry to become self-reliant and internationally competitive in the medium term. A fishing industry operating on rebuilt stocks would generate sufficient revenue to modernise itself without public subsidy. Moreover, the financial support should be flexible enough to support whatever recovery measures are deemed appropriate for each specific regional fishery, whether this is associated with improved selectivity, decommissioning, tie-up aid, closed areas etc. The various options in the tool box are well known.

The Commission's proposals on reforming the system of financial assistance stutter in this direction but are halted by its unidimensional and myopic commitment to effort control and the existing funding regional structure under FIFG. We would hope that during the passage of the proposals through the Council of Ministers a more coherent and directed focus on financial support measures will emerge.

ACCESS TO WATERS AND RESOURCES

6/12 Mile Limits

The proposal for a new conservation regulation spells out the intention to retain the six and 12 mile limits on a permanent basis. We welcome this approach.

Beyond the 12 Mile Limit:

North Sea: From 1 January 2003, the transitional arrangements associated with the Acts of Accession of 1985 and 1994 fall. The Commission proposes that henceforth access to Community Waters will be based on Council decisions in conformity with the objectives of the CFP.

For as long as access to resources is based on the principle of relative stability (and this principle is applied in the same way as at present) fleets that currently do not have access to the North Sea would only be able to fish for non-quota species. Whether or not these would provide enough of an economic incentive to fish the North Sea is a moot point; should, however, these fleets fish the North Sea the issue of bycatch of quota species would become relevant. It is clearly unacceptable for the UK and other North Sea fleets to face decommissioning and a range of other recovery measures, only for those sacrifices to be nullified by the ingress of Spanish or Portuguese vessels into the North Sea and fishing on recovery stocks at any level. The only palatable solution appears to be the early introduction of an "others" TAC to cover all unallocated stocks, with of course a zero allocation for all those fleets without an historical record of catches during a recent reference period.

RELATIVE STABILITY

The difference between the draft (leaked) and the present (adopted) proposals on the subject of relative stability is quite marked; the former essentially advocated the status quo with scope for a subsequent debate on eventually "normalising" fishing with single market principles, at sometime in the future.

The present proposals accept the retention of relative stability and underline the Council's responsibility for deciding allocations for each stock but then go on to propose integration of the Hague Preference into the allocation keys and also suggest that the allocation keys should be adapted to reflect uptake over a rolling reference period.

The prospect of Member States agreeing any change to the allocation keys within a reasonable time frame is remote; and to open this divisive question simultaneously with a new fleet policy, a revised technical conservation regulation etc. etc. seems seriously misguided. Clearly the UK's interest is to secure the maximum share of every fishery in which it has an interest, but we cannot think that opening relative stability keys *in any way whatsoever* is likely to be the UK's advantage. It is worth noting that the UK has recently moved away from the "use it or lose it" approach to quota allocation because of the rough justice it can involve and also the incentive it gives for "ghost fishing"—artificial recording of unmade catches.

EFFECTIVE AND PARTICIPATORY DECISION MAKING

We, of course, welcome the Commission's proposals for the establishment of Regional Advisory Councils. However, if these are to avoid the fate of being dysfunctional talking shops, it is important that fishermen are the dominant group, by some considerable margin, in any particular regional council. We would be content to restrict membership to the fishing industry, scientists and fisheries managers. Any additional groups, such as processors or environmentalists should at best have a notional presence, this only reflecting their lower stakeholding and commitment to the fishery. Without such a hierarchy the danger of that is the RACs will either be unmanageable or devoid of serious content.

MULTI-ANNUAL MANAGEMENT PLANS

Adopting an approach to the Community's fisheries which moves away from a perpetual cycle of crisis management towards setting and reaching longer-term goals is of itself a desirable change. Equally, setting targets for spawning stock biomass and fishing mortality rates, and adopting management measures consistent with the attainment of these, makes much sense.

There are however, three reasons why the Commission proposals cause unease. The first is that the Commission has relegated all means of achieving the stated targets, other than effort control, to bit parts. This is unnecessarily restrictive and as is argued elsewhere, reflects a bankrupt and intellectually exhausted policy. A range of instruments is available that, in the hands of an effectively functioning RAC, could be put at the service of stock re-building to secure longer-term targets.

Secondly, caution must be taken when setting long-term targets because although it may be true to say that fishing mortality is the variable most open to human intervention it is not the only factor, or necessarily the most dominant factor, influencing stock abundance. Targets need to be set against the background of long-term environmental change, natural cycles and predation patterns, amongst many other factors that can affect stock levels. Also, given the complex interactions between species including predation patterns and cannibalistic behaviour, it may not be advisable to attempt to hold *all* commercial species at maximum levels all the time.

It is vitally important to understand fishing in its proper context and that context is usefully illustrated by the Fifth North Sea Conference advocacy of an ecosystem approach.

Thirdly, it is for these reasons that we are totally opposed about derogating authority for the application of the plans to the Commission, albeit "with the assistance of the Management Committee". The Council of Ministers has customarily introduced an element of not only democratic influence but also socio-economic concern. The days are long past when this was abused to set artificially high TACs, but we should think long and hard about whether the Council should surrender its authority in this regard unless alternative ways of dealing with democratic input and socio-economic concerns (such as fully functioning RACs) fill the gap.

AQUACULTURE AND INDUSTRIAL FISHING

The Commission's roadmap is also noticeably deficient in two linked areas: Its largely uncritical view of the expansion of European aquaculture and the damaging consequences of industrial fishing with small mesh nets for the ecosystem as a whole, and because of the bycatch of human consumption species.

Industrial vessels are allowed to fish under conditions not available to human consumption fisheries. The use of 16mm mesh nets when human consumption fleets are obliged to use 120mm (albeit derogated to 110) is a travesty that undermines the recovery programmes. The uncritical expansion of aquaculture is one of the main drivers for this clear evidence of environmental derogation association with this expansion.

CONCLUSION

This is a preliminary and initial response to the Commission's roadmap in order to begin orientation on this singularly important set of documents. Doubtless as the proposals are studied in depth our existing positions will be nuanced and positions on new aspects of the policy developed.

24 September 2002

Memorandum submitted by the Scottish Fishermen's Federation (K13)

1. Introduction

The Scottish Fishermen's Federation (SFF) represents the eight principal Fishermen's Associations in Scotland. Vessels affiliated to those associations make up around 90 per cent of Scottish catching capacity and rather more than 65 per cent of UK landings by value. The Federation has taken a close interest in the evolution of the Common Fisheries Policy (CFP) throughout its existence. In the past five years the Federation has been particularly active in proposing innovations and refinements to the CFP most notably the concept of "zonal management".

2. Fundamental Principles

A substantial failing of the reform package is its silence on the matter of fundamentals. Whilst the "Roadmap" sets out a number of worthy objectives it does not say why these matters need to be handled on a pan-European basis rather than by national governments or, better yet, Management Councils made up of stakeholders (the zonal management concept). The impression is given that the European Institutions believe that because the CFP exists it must continue. There is not even a serious attempt to justify or promote this unpopular policy to those whose lives are disrupted by its provisions on a daily basis.

3. Multi Annual Management Plans

The centrepiece of Commission's reform proposal is the concept of medium term management plans. The industry is supportive of the concept and its objectives but remains puzzled as to how these plans can be given effect. In order to accommodate the significant fluctuations in annual breeding success rates of particular species it may be necessary to set a very low base point which will threaten viability or it may be necessary to make very large alterations from year to year and this would defeat the primary object of stability and predictability. Most of the UK fisheries are "mixed" with as many as 30 species being taken in a single haul

and this further confounds the multi annual with a multispecies dimension objective. Even so it should be possible to deploy combinations of conservation measures tailored to the ecology and fishing patterns of particular areas to introduce a measure of management flexibility continuity that is currently absent. Multiannual plans will only work if the policy is the CFP is decentralised to the level of Regional Seas and policy is developed through the combined efforts of fishermen, scientist and fisheries managers (zonal management).

4. Future Fleet Structures

Fleet policy is the "black hole" in the reform package. The Fisheries Commissioner has made some very outspoken criticism of the current policy (also multi-annual) and has stated that MAGP IV has ended. However no coherent policy has been proposed to fill its place. Apparently it will be up to national governments to license capacity appropriate to the nation's fishing opportunities. This would only work if all countries observed the same or even similar rules. The Commission is nevertheless committed, apparently, to reducing the aggregate tonnage and engine power being applied to species, which are under particular pressure. This objective is tenable in the Northern Countries where decommissioning schemes are common and frequent and there are few if any subsidies. The Southern Fleets enjoy generous capital subsidies (270 million Euro earmarked for expenditure up to 2006) and they will be most reluctant to desist from their long running policy of subsidised fleet expansion. This is the most difficult political issue confronting CFP reform since the Commission is committed to eliminating or phasing out the subsidies. It is important that any new arrangement should eliminate the market distortion created by this North—South divide on subsidies.

5. Socio Economic Effects

The UK government makes no special provision for economic dislocation in fishing communities beyond the measures available if the area happens to be an assisted area for the purposes of regional policy. In fact a case can be made out for special assistance for displaced fishermen. Since most British fishermen are self-employed the loss of employment opportunity can be particularly harsh especially in those remoter areas where employment options are limited in any case. The assistance available under FIFG is more applicable to employees of fishing companies of which there are very few in Scotland. Local economic development agencies serving coastal communities should be encouraged and funded to develop programmes to assist redundant fishermen to establish small businesses or other forms of self-employment.

6. THE SCIENCE BASE

The scientific capacity necessary to underpin the kind of detailed and sensitive fisheries management frequently proposed by political and environmental interests is not available in existing fisheries science institutes. Indeed the reform package already lays significant new responsibilities on marine scientists through the multi annual system described above and the so-called "eco-system approach to fisheries management." It seems almost inevitable that the existing level of fisheries science will be degraded in order to accommodate these and other environmental commitments. It is most unlikely that government will be willing to find more money for fisheries science since the cost to the taxpayer of "administering" fisheries approaches 25 per cent of the landed value of the catch.

7. Enforcing the CFP

The United Kingdom has one of the most rigorously enforced Fishing codes in Europe and the Scottish Fishering Protection Service is the most professionals in the UK. Against this background EU proposals to unify Monitoring, Control and Enforcement will most likely lead to a kind of lowest common denominator. Such a development will not give some pleasure that small number of fishermen who operate at the edge of legality but it will do nothing for stock conservation. It is not likely that the proposals to increase electronic eavesdropping will have much effect since there will be a need to depend on national agencies to operate the systmes and prosecute wrongdoers. Variations between member states can be very significant. The area that shows most promise for regulatory compliance is largely ignore in these proposals. Many of the measures promoted by fisheries managers to impose conservation practices are actually in the economic self-interest of fishermen. A little more emphasis on this aspect and less recourse to criminal prosecution could yield much better results at a fraction of the cost.

26 September 2002

Examination of Witnesses

MR SAM LAMBOURN, President, and MR BARRIE DEAS, Chief Executive, National Federation of Fishermen's Organisations; and MR HAMISH MORRISON, Chief Executive, Scottish Fishermen's Federation, examined.

Chairman

71. Good morning, everyone. Thank you very much for coming along this morning. For the sake of the record, we have Mr Sam Lambourn, President of National Federation of Fishermen's Organisations and Mr Barrie Deas, the Chief Executive, and, from the Scottish Fishermen's Federation, Mr Hamish Morrison who is the Chief Executive. This is the second and penultimate evidence session because we are obviously keen to ensure that our report is made timely in respect of the timetable for the whole issue of CPF reform. Therefore, we are going to meet again on Thursday. So, we are pushing these meetings very close in order that we can get our report out. Thank you for being able to come at rather short notice, I suspect. May I begin by going to the crux of the whole matter. We have heard from JNCC that there is a strong risk of the complete collapse of both fish stocks and fisheries. What is your assessment of the current state of fish stocks and fisheries in Europe and is there a very real risk of collapse in your view? Perhaps each of you could give your view. There is clearly a combination of views that we need to take into account.

(Mr Morrison) I would like to inform the Committee that we published yesterday a North Sea stock survey which was carried out by the SFF but under the aegis of Europeche which is the umbrella for all fishermen's organisations in Europe. I think this survey is important in a number of respects. First of all, the information in it is very fresh: the field work for this survey was done this summer unlike the ACFM work, part of that material being two years old. More importantly, what we did with the North Sea was to break it down into nine areas and we had returns from seven different fishing fleets making goodness knows how many trips during the relevant period. So, the evidence we have is, we believe important. It was submitted to the ACFM who acknowledged that they received it in their report without much comment. What it seems to show, amongst other things, is that there is definitely a regime shift at work in the North Sea. That is to say, the habitats of certain fish species have lost their vitality, cod in particular—in the southern part of the North Sea, it is hardly there at all but it is still quite strong in the northern North Sea. This is the kind of detail that does not come out in the ACFM report. The other matter that does come across is the relative strength of species like whiting, haddock, saithe and plaice. You would think that, if fishing effort was the whole story, those stocks that are caught along with cod would be in the same condition. They are not. So, there is something more than fishing pressure at work here. The reason why cod may be weaker than others is because it is a very cold water fish. The main cod fisheries in the north east Atlantic are way north of here and the North Sea population is right at the southern limits of the range. So, just as we are seeing red mullet, bass, black bream and all kinds of exotics now in the southern North Sea, I think we should work on the basis that there is a regime shift going on. None of this means that we should not look after the cod as best we can, but what it also means is that we should redouble our efforts to look after our other stocks.

72. Is there a risk of collapse?

(Mr Morrison) Of cod? What does that mean? I do not know what the definition of it is. Is there a risk that it will go the same way as the Grand Banks? Maybe, but they are different stocks. Our cod mature aged four, perhaps a little younger, and, at Grand Banks, it is five or six. So, there are really quite large differences. One of the other points about whether the stock will crash is, if the Commission and others are right that the whole thing is due to fishing pressure, then obviously fishing vessels will fail commercially before the stock will. I am not trying to be smart, I am saying that it is difficult to pin down the meaning of that expression, "stock collapse".

Diana Organ

73. Obviously there is climatic change going on and from what you have just said to us, Mr Morrison, you have made it clear that these differences will affect the variable different stock, so that, as you said, in the south of the North Sea, there is more bream and bass and this will be reflected from the changes in water temperature. The other thing is the consumer. You fish in order to feed the consumer. Is there not also a shift in consumer taste moving away from what we might call the old-fashioned fish, haddock and cod, and a move onto, shall we say, more cosmopolitan tastes where people are eating more green/red mullet and bass?

(Mr Morrison) I think that is true and is a reflection of the expansion of the interest in eating fish largely driven by health considerations, but it is not the fact that the others are going down because the price remains very strong and the demand remains very strong for most of these fish and, may I say, so is the state of the fishing. I left before the market opened this morning but yesterday on the market in Aberdeen, there were 3,000 boxes there and 4,000 boxes in Peterhead, which is about 50 per cent more than a year ago. So, the abundance is not in question.

Mr Mitchell

74. What conclusions do you draw from what you have just said? How is the matter now? What happens to cod? The ICES report is going to be pretty important in the near future. I took it from what you

Mr Sam Lambourn, Mr Barrie Deas and Mr Hamish Morrison

[Continued

[Mr Mitchell Cont]

said about the problems in the southern part of the North Sea that the picture you are painting is one of, "effete weakling English stocks", whereas, up north, the Scottish cod, like the Scots themselves, are more virile, genetically superior, long-lived and adaptable. Are you pointing to a conclusion where you should have a ban in the South and carry on in the North? What is the conclusion?

(Mr Morrison) The conclusion that I reach is that we may be facing the same sort of scenario as in Canada where the environmental thing has actually overwhelmed the stock. It does not really matter how many fishermen you bankrupt, there is not really a lot you can do about that. You are then left with two choices. You can either go the Canadian way, which is to ban trawling altogether which is what the Commission seemed to be in favour of, or you can go the New England and Massachusetts way, which was to continue to allow fishing of separator trawls for haddock, flat fish and so on. The interesting point is that the Canadians diversified into trapping snowcrabs, so that was fine, they had something to go to, but their cod stocks have not improved. They still have a sentinel fishery but it is a nil return every year practically. In George's Bank in New England, as I say, they continue to have a fishery which excluded something like 90 per cent of cod with a separator trawl. They have had a reasonable living, in fact a very good living out of the haddock and yellow tail flounder, but again the cod has not recovered. So, you have the choice. Naturally, I would prefer the second choice which is to carry on with the measures we have taken and build on them because we have a number of measures: decommissioned a number of boats, we have increased the mesh size, we have put in square mesh panels, we have done all these kinds of things and are prepared to do more, but this idea of "just let's shut up shop" is completely unacceptable.

75. It was put to us last week that whilst it probably is a regime change—and we have talked about that—that is compounded by overfishing. I forget who said that but it sounded a very strong argument that if there is a regime change, that is compounded by the weight of fishing, and surely all the evidence surely bears that out because the catch is down, despite the measures that have been taken.

(Mr Morrison) There is a public interest in this as well. What the one strategy implies, that is to say total ban, is for sure. The only startling thing about that is that you wipe out the fleet and I would think that, in about six months, the situation would be irrecoverable. That is for sure. All the dependent communities then become a weight on the public purse, never mind the human tragedy.

76. You cannot keep going on if there are no fish there.

(Mr Morrison) Hang on. The other side of it is that if you continue to allow, as the Americans did, a selective fishery, that same Armageddon does not happen. These are two very similar situations

operating side by side: the one was able to pay its way and the other was not, and the result on the stocks in both cases was precisely the same.

Chairman

77. Mr Lambourn, could we have your comments now and perhaps also you could deal with your reaction to the ICES report on the state of cod as well.

(Mr Lambourn) I would illustrate a rather different picture coming from the South West. It perhaps illustrates the regional nature of fisheries altogether because, over the past 12 months, I would say that we have had a far better fishing year than perhaps the last three years. If you had asked me three years ago what the state of things were, I would have said, "Yes, we do seem to have a regime change. Things are looking gloomy." I cannot say that now. I am not contradicting Hamish when saying that the southern limit of cod is the southern North Sea, but the fact is that cod has been relatively easy to catch in the English Channel and the Bristol Channel. All fishermen have caught it. We are quota limited. The quota is far too small for what is being caught, so there is all sorts of dumping and so on. We do not know where it is coming from. It is all age classes. If I were to wear blinkers and look at the South West, I would have to say, "Cod is in a reasonably good state", yet I know that it cannot be from what is happening in the Irish Sea and the North Sea. I do not know why things like monk fish and angler fish ... Three years ago, things were on a downward trend. The last 18 months have seen considerable improvement right across the board from inshore to deep off. I do not know where they have come from. They are all sizes. Once again, I do not have the answers. There are several other species. I believe fishermen would say without any doubt that they had a better year this year than they did last and that last year was better than the previous. I find myself in a rather curious position of painting a picture that is rather more optimistic and there is certainly a more optimistic feel in the industry in the South West. They do not see the end of the world ending. They are obviously extremely worried about what the reaction of the Commission has been and how the state of cod in the North Sea is going to have a knock-on effect. It is bound to and one worries as to what is going to happen.

Mr Drew

78. Is this because science or the data collectors are playing catch up all the time inasmuch as knowing the level of stocks and where the stocks are situated is a fairly imprecise science? Does this cause you some problems inasmuch that what happens on the ground is sometimes at odds with the predictions?

(Mr Lambourn) Absolutely.

79. But what seems to be driving the policy more and more is the precautionary principle.

(Mr Lambourn) Yes.

Mr Sam Lambourn, Mr Barrie Deas and Mr Hamish Morrison

[Continued

[Mr Drew Cont]

80. If there is any doubt, reduce, ban, try and find a way of saying, "It has to be done now because it is going to be worse in the future." How do you respond to that logic?

(Mr Lambourn) I think that the science for many of the stocks is very thin and would not stand much scrutiny at all. I do not think there is any doubt about that. To send a survey ship once a year down the English Channel to tell you the state of the dover sole stock and to apply much credibility to that I think is crazy. That is one area. Since we have to base sound management on good science, it is the science that we should be tackling above all else in my view if we are really going to get out of this loop. Until we understand a little more or a great deal more about the state of the stocks, why they vary and what is the true state, I do not think we are going to get sensible management and we are constantly going to be in this dilemma where the fishermen whom I represent tell me that things are OK, "We are catching more sole in Area E" that is the South West, "than we have done in years, and cod is the same and monk is the same. What is the matter with you?" and yet the scientists are saying these things are in trouble.

Mr Mitchell

81. That is asking for decisions based on faith, either your faith or the scientists' faith.

(Mr Lambourn) Yes. I am not naive enough to think that anyone is going to take at face value what I say, but this is a problem that we have. I do not think that the science is good enough. I do not think in truth that we really do know what the state of the stocks are and whether they are going up or whether they are not and we do not know where all these fish have suddenly come from and where they all go. We do not know enough about it. I think that to run a fishery and pretend that you do does not stack up. There is a fundamental problem with the credibility of the fisherman who is right at the sharp end in that he simply does not believe what he is being told.

Chairman

82. If you accept that we do not know enough about that, is the precautionary principle the more appropriate way rather than to carry on as we are? You would not deny that the precautionary principle is probably the best approach, would you?

(Mr Lambourn) When all else fails, I would always adopt the precautionary principle, but I think we can do a great deal better with the science than we are doing at present. I would like to see the industry involved in the calling of data because you have an untapped resource in terms of the time people are spending out there catching fish and we ought to be applying much more effort into how to put that into practice and what the practical way in which we can help is because, without good information, management is impossible.

Diana Organ

83. You have just explained that the last three years have been rather different from the period before that and that there are quite considerable fluctuations year on year, which makes it then very difficult because the Commission is looking for a long-term plan, a sustainability programme, which gives them greater influence over the long term, but you are saying, "How can we marry this up because the regime change seems to be year on year?" How do you marry the two because you then lose all sorts of influence with the Commission wanting to set a longer term approach and you are saying, "Actually, it is changing year by year"?

(Mr Lambourn) I think there are several answers to that. Certainly the most fundamental would be the support of these Regional Advisory Councils that are proposed in the CFP. We must regionalise the thing more and we must get the industry in at the sharp end. Just how we are going to do that and how effective it is going to be I do not know. That explains our support for that. Certainly we have to manage the thing with much more of an eye to the long term. I could not deny that. I think the whole industry has been bedevilled by crisis management: see a problem, fix that and create another one. It is just that I do not think we are using the right tools, particularly in the South West where we are dealing with a very mixed fishery. If you go across most of the markets in the South West, you may see up to 50 different species. I think that is the strength of the fishery in the South West as well because not all our eggs are in the cod basket or the haddock basket or the white basket. Indeed, cod does not really amount to very much in terms of the gross take in the South West at all, but there are knock-on effects. I think we need to adopt much longer term approaches and, because of the nature of the fishery in the South West, it would seem to me to be a better way of managing things if we do not fish all the sea all the time.

Mr Mitchell

84. We have heard the voice of Scotland and the South West. We have been talking about the North Sea where Grimsby vessels operate. What is the position there on cod stocks?

(Mr Deas) I do not think anybody is arguing that cod is in a very happy position at the moment. It is outside safe biological limits. I think the question we have to ask ourselves is, is the situation substantially worse from last year that would justify the very extreme way the advice has been put forward by ICES this year? We were handed these sheets on Thursday by the scientists. Just talking about the Irish Sea cod and the North Sea cod, the Irish Sea cod fishing mortality is falling, which is one of the key indices, spawning stock biomass is increasing. In relation to the North Sea, again there is a fall in fishing mortality in the fishing effort and a small increase possibly in the spawning stock biomass. We could argue about that because the assessments tend to be less reliable than more recently. I think the

Mr Sam Lambourn, Mr Barrie Deas and Mr Hamish Morrison

[Continued

[Mr Mitchell Cont]

important thing to recognise here is that these assessments do not suggest that there has been a substantial worsening of the situation from last year. The critical point is that these assessments have taken place up to the end of 2001. They have not taken into account the measures that were adopted from the start of 2002 including a 20 per cent reduction in the Scottish white fish fleeting. Something like 70 cod vessels have been taken out of the Danish fleet. A whole raft of technical measures have been put in place including the mesh size. The mesh size incidentally, an increase from 100mm to 120mm with a derogation in some cases to 110mm. That has meant that we have not been able to catch our haddock and whiting quotas this year. We have been able to take around half of our haddock quota—

85. That is directly due to the mesh size?

(Mr Deas) Yes, directly due to the mesh size and no doubt the fact that vessels have been taken out of the fleet as well. So, on the one hand there is an increased risk of collapse with cod because it is outside safe biological limits, but all the signals that are coming through from the stock assessments is that this is not the time to be bringing in draconian new measures especially of the type that is suggested by the scientists and apparently endorsed by the Commission that the North Sea should be closed down, but rather we should make an assessment of the impact of the measures that have been taken to date during the course of this year.

Chairman

86. Could we just pick that up because you were comparing from last year to this year and saying that there is not perhaps a huge difference. What about the difference between the last CFP review in 1992 and this year? Has there been that dramatic decline in those ten years?

(Mr Deas) Things have certainly not improved especially for cod, things have become worse for cod. The picture with other stocks—and I noticed that your opening remarks referred to fish stocks in general—looking across the piece, the pelagic stocks are reasonably healthy; shellfish, particularly crab and lobster, are doing reasonably well; nephrops fishery, fishery which is the backbone for many vessels' financial viability, is doing reasonably well, and also, for example, with regard to saithe this year, the advice is for a substantial increase in the quota. So, what we are not arguing is that things are anything like as good as they could be and there certainly is a problem with cod. I think it is very important not to over-react and that is precisely what our fear is about the way that the advice has been expressed this year, that it is not justified by the change from last year to this year and I would endorse Hamish Morrison's view that, if implemented, these closures would have a catastrophic effect on fishing ports. There is no possibility of surviving if we are simply told to tie up for a year. The final decision will be taken by ministers and not by the Commission. Norway of course in the North Sea has a substantial saving because these stocks are jointly managed, so there is some way to go before that scenario unfolds, but we would want to lay down a marker here that the fear of the collapse of cod is nothing in the fishing communities compared to the fear of what the Commission's proposals, if visited upon us, would have.

Mr Mitchell

87. We are talking about a mess here, in a sense. Given the fact that we have had a common fisheries policy for 30 years and in full rigour for 20 years, what we are really talking about is failure of the Common Fisheries Policy without trying to grapple with the consequences of that failure; is that correct?

(Mr Deas) I agree with that. I think there has been a catastrophic failure of the management regime and that is why we are in the situation that we are in today. Interestingly enough, we met Mr Fischler in Strasbourg last weekend. He talked about tailored solutions; he talked about a toolbox approach meaning that you select the appropriate instruments for particular fisheries; he talked about the involvement of fishermen through the Regional Advisory Councils; and all of that adds up to a kind of CFP that we think would deliver sustainable fisheries if it were put in place. Of course, that is contrary to the way things have been done to date, the sort of blanket approach that has been applied from above, very much a top-down approach. If I can say so, I think this also extends to science. It is perhaps a bit of a caricature but you can see old science and the new science. The old science is elitist, it is exclusive, it is secretive; the new science is open, transparent and inclusive; it involves the industry. It seems to me that if these two models are held up, then the United States and Australian fisheries, where they have had some reasonable success in fisheries management, have been much more based on the open model, the new model, rather than the closed model. So, our hope and aspiration is that fishery science moves much further towards the new model and involves the industry in the fish stock assessments, in the design of the assessments, in the execution of the assessments, in the interpretation of the data and in the promulgation of the advice. It is fine involving the industry in assessments that you will come to a consensus view on what it actually is in the sea, but of course fishermen have perhaps a different source of information that is equally as relevant and is as important as direct knowledge of the fisheries and that is why I think the survey that Hamish spoke of earlier is such an important departure, that start of a movement in that direction.

88. What you say in your evidence is that the Commission's proposals for a reduction of effort will lead to or could lead to a draconian tied system of controls. Do you concede the point that some reduction of effort is necessary?

Mr Sam Lambourn, Mr Barrie Deas and Mr Hamish Morrison

[Continued

[Mr Mitchell Cont]

(Mr Deas) I think part of the reason why we have problems with some stocks at the moment is due to excess fishing effort. I think it is very important to see that in its context, which is one of regime shift, but fishing kills fish, so it is facile to deny that there is no effect. I do not think that is the real question. The question is, what are the appropriate measures to put in place? What effect have the measures that have already been taken had? Where do we go from here on that basis?

89. Do you think that a reduction in effort is necessary?

(Mr Deas) A better way of putting it is a reduction in fishing mortalities as part of the picture, yes. A reduction of fishing effort through the Commission's proposals, by which they mean a rigid days at sea regime, is—

90. That is just a way of achieving it. We are talking about the principle of reduction of effort.

(Mr Deas) Fishing effort is used in a variety of ways and, in the Commission's proposal, it quite clearly meant fishing capacity times days at sea and what they were talking about was reducing the number of days at sea. The term 'fishing effort' can be used in a different way, which really is a synonym for fishing mortality. So, if we are talking about the reduction of fishing mortality, that is a little more precise.

91. Your remark about fishing kills fish reminds me of Edwina Currie who was asked to join in saving Britain's fish and a letter came back saying, "You don't want to save them, you just want to eat them"! Does the Scottish Federation concede that a reduction in effort is necessary?

(Mr Morrison) Here we are getting into words again. Barrie likes "mortality", I like "fishing input" because effort can be made up of fishing time, it can be made up of the kind of gear you use, it can be a function of the power of the vessel. It really is so imprecise, and I agree completely with Barrie that some kind of formulae of days at sea would just create more trouble than it would solve, but the more important thing—and Barrie has done a lot of work on this and we continue to co-operate together on it—is that there really is no point in introducing effort limitation. If you have an industry like we have that is really living on the edge in terms of profitability and you say, "Oh, well, we will cut the effort by x amount", what you are really saying is that you will cut the revenue by x amount. You are therefore saying bankruptcy using a nice fancy phrase, days at sea, effort, control of whatever. That may be OK but, if that is what you want to do, say it up front and then we can say, "We will organise the fleet to cover that eventuality" or, as we would prefer and as happens in other countries, where there are transitional costs associated with effort reduction, these are covered during the time it takes, for example, to bring in a bigger mesh size until the fish grow into the size of the mesh. In every other country, a fishing plan is worked out and money is made available to manage that

transition. We say that we will just do it by fear and somehow the fishermen will manage. You bet they will manage!

Chairman

92. It is difficult with the terms in those sorts of answers because you are dealing with politicians here. At the end of the day, we will call it as it is. Do you concede that, by whatever means, we have to take less fish out of the sea? Can you concede that principle?

(Mr Morrison) Yes.

(Mr Lambourn) Yes.

(Mr Deas) Yes.

93. At least you concede that.

(*Mr Morrison*) It is just that you do expect the validity of the ability of the Common Fisheries Policy to do it in a manner which serves the interests of this country or the fishing industry generally.

(Mr Deas) Again, it is very important to get this right. The ideal that we aim for and that we work for is a situation in which the fishing mortality rate is lower than it currently is. That, in a situation where stocks are at optimum levels, can actually mean landing more fish because the global amount of fish is larger and the proportion we are taking is smaller but, in absolute terms, that can be larger. That is the situation that we would want to get to. So, we can understand that, in order to get to where we want to go, there needs to be a reduction in fishing mortality and indeed, on a permanent basis, we would want it permanently reduced. That does not mean a reduction overall in landings, in fact the contrary is true

(Mr Lambourn) I would underline that point. We agree that we need to kill less fish but that is not necessarily the same as landing less fish. We need to catch bigger fish. We should not be catching as small as we are, there is no question about that.

Mr Mitchell

94. That is true but there is a problem of technological creep, is there not? Whatever way you seem to limit effort either by decommissioning vessels, by days at sea or whatever, the improving technology is going to make whatever fleet remains capable of catching more fish.

(Mr Lambourn) Except that we can use that technology to be more selective.

95. Even in a mixed fishery regime like the one—?

(Mr Lambourn) It is much more difficult in a mixed fishery and maybe we would have to adopt other measures there but, just taking it at its simplest, technology does not mean that you necessarily kill more fish. Indeed, I think we really have to turn it

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around and make sure that we kill less fish—that is the critical part of it—by whatever means is necessary.

96. Yes, but does it not also point, if we are going to limit effort, to an end to investment in new fishing vessels particularly in Spain?

(Mr Lambourn) Yes, except that you do have to renew fishing vessels. They eventually rot underneath you and that is not safe. One has to have a viable fishing industry and that will require boats that are modern, but that does not necessarily mean that they are going to be more damaging to the stock.

97. It does point to resolving the dilemma which is that, in this country, the Government have been loath, largely because of the Luxembourg formula and the rebates, to provide financing for reduction of effort or to see the industry through to a period of sustainable catches whereas European investment in particular has been lavish on Spain. If you are going to have new investment, it has to be on an equal handed basis across the country. Would you accept that?

(Mr Lambourn) Absolutely, yes.

98. So would you want to see an end to European subsidy of new building and those decisions taken nationally?

(Mr Lambourn) In the recovery period, I would agree with that.

Mr Drew

99. If we can look at this mechanism for effort and control. You have the alternatives here and I know you are saying that you would prefer not to be asked this question in a sense because you would manage it in other ways, but if you were given the blunt alternative of tying up vessels for longer or decommissioning more of those vessels, ie it is either the hemlock or shoot yourself in the head, which of these alternatives would you prefer to have?

(Mr Deas) I suppose the first remark to make is that effort control appears to be off the European agenda anyway for the time being. The most recent Council of Ministers meeting in Luxembourg was quite clear that there is insufficient political support to secure a qualified majority. So, from that point of view, Member States are not minded to go down the road that would spell insolvency for so many vessels. The point that we would make is that there are alternatives, there is a range of alternatives, some of which have already been put in place, the increase in mesh size for example. There are other options that might be available, for example reducing discards and perhaps realtime closures. The separator trawl has attractions because it effectively has different mesh size within the same fishery particularly adapted for use in mixed fisheries. So, I think the point we would make is that effort control, meaning days at sea restrictions, is absolutely rejected simply because it would mean an end to the white fish

industry and because there are viable alternatives available to rebuild those stocks that are currently outside safe biological needs.

Mr Mitchell

100. Are those viable alternatives going to be acceptable under the European basis? The problem here is to get to an agreed policy whereas a lot of the selective measures, closing areas and spawning season and increase in mesh size and square mesh panels, have to be necessarily selective and therefore give more power to British regulation or regional regulation down to the Commission.

(Mr Deas) Any measure that applies throughout the North Sea has to be adopted on a European basis and so that question has yet to be tested. Not only that but just to remind you that Norway is part of the frame as well and the recovery measures that have been put in place today have had if not exactly the same measures applied to the Norwegian fleet at least broadly equivalent measures, so, yes, the political agreement is part of the picture.

Mr Mitchell: Would you prefer to see permanent decommissioning of more vessels?

Mr Drew

101. Can I add a rider to that. Who should be asked to decommission and who should control decommissioning?

(Mr Deas) I think that decommissioning has to remain part of a mix of measures. It has to be targeted at those vessels that are causing most damage, if you like, although that is a rather extreme way of putting it, that are involved in those particular fisheries that are—

Mr Mitchell

102. Which are they?

(Mr Deas) Vessels with high catches of cod.

103. Industrial fishing?

(Mr Deas) I think that industrial fishing is a different question. We are talking about decommissioning here and I will come back to industrial fishing, if I may. The difficulty with decommissioning, certainly amongst the vessels that I represent, is that we have had five or six rounds now of decommissioning and there is not an awful lot left. If you look at the North Sea and English ports, Lowestoft has recently ceased fishing operations, there are only small boats left there; at Grimsby there is a handful of vessels; Bridlington has turned over to shellfish; at Scarborough there are three, four or five fishing vessels and half-a-dozen would be vessels. Sea houses, when I began working for this Federation in 1983, there were about 50 white fish vessels and there are not any now. So, against that kind of background, it is difficult for us to see decommissioning as an option. From the point of view of European fisheries, it has to be part of the Mr Sam Lambourn, Mr Barrie Deas and Mr Hamish Morrison

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picture. The issue with industrial fishing is an important one because whilst we are talking about rebuilding cod stocks and increasing our mesh size to 120mm, at the same time there are vessels, primarily Danish vessels, fishing in those same areas using a mesh size of 16mm with an inevitable and legitimate by-catch of white fish species including cod. So there is the by-catch issue and then there is what effect taking one million tonnes of biomass out of the North Sea ecosystem has and that is certainly one that our members are deeply concerned about.

104. Should industrial fishing be banned? (*Mr Deas*) Yes.

Chairman

105. Do either of you want to comment on the same thing?

(Mr Lambourn) Yes, absolutely.

(Mr Morrison) We have already had a ban on industrial fishing inside the 40 miles or something like that. Anyway, there are a couple of areas in the Scottish shore that have not had any sensible yield of white fish for 15 years and, even after three years of the industrial fishing ban, there are some quite good catches being seen in areas such as Wee Bankie for the first time in umpteen years.

Mr Drew

106. I just want to check because you have been very polite and very positive, but you have not mentioned other nationalities. At a time when the British fleet has been cut, cut and cut, other nations have either increased or at least stayed the same. The fact is that you cannot go on logically the way we are going, so what other nations are going to take some pain?

(Mr Morrison) Denmark has had the same degree of pain as we have had. It is a little more difficult to work out what has happened in the Netherlands but, to be fair to the Dutch, there is a much more free market approach to fishing in the Netherlands, but really when you get to Spain and France, you are amongst the funny money there.

Diana Organ

107. May we go back to some of the areas upon which we have been touching before. Mr Lambourn made it clear that there was a problem with the science that was being used behind the Commission's current proposals. Is that shared by all of you, that you have doubts that there is not a sound scientific basis?

(Mr Morrison) I think it is also shared by the scientists! Every time you go and have briefings with them, they say, "We cannot be absolutely certain about this."

108. It is an imprecise science before we even start?

(Mr Morrison) Hugely imprecise. For instance, on population assessment, they work routinely plus or minus 40 per cent. It is hardly worthy of the name "science". That is the acceptable parameter that they work to. I think they tend to have the difficulties that they do because the marine ecosystem is a big place, it is deep and it is dark, it is not like counting birds. You have to make the most amazing assumptions about what is going on down there. I have a lot of sympathy for them and I have talked to them. The difficulty comes really and we had an example of this at our annual dinner where the Minister came along and started talking, appropriately enough, about scientific advice and, five minutes into his speech, he was calling it scientific evidence. That is where the problem is. It is actually the interpretation that Government put on scientific advice-

109. Is it given greater credibility than it really should have?

(Mr Morrison) Yes and again one can understand why because they are making regulations, the enforcement of which can remove a man's liberty, so they have to say it is real.

110. One of the other problems is that the things that are imposed from the Commission seem to be not taking into account the knowledge that fishermen have and the experience they have. As Mr Lambourn said, the last three years have been radically different from the ones before that and to be told then, "You have to cut down on fishing effort, you have to decommission vessels and you have to change fishing practices"... They then say, "But we do not see this as a problem." So, how are we going to actually draw the partnership together so that we are using that? We have touched upon the support of the Regional Advisory Councils, I believe, but are there other ways that we can do that in addition and are you supportive that they should be brought in?

(Mr Deas) I think that no one has a monopoly on useful information and knowledge about fish stocks and that includes the scientists, so it is very important to complement the more formal methods of fish stock assessments with fishermen's direct experience, not least of all because it is up to date. It is the nature of assessments that they are always a year out of date. That is why I think it is extremely important that we move as quickly as possible to an entirely new type of fishery science where fishermen are involved in the assessments themselves and commercial fishing vessels are involved. That is not necessarily to say that everything that is done now should be binned, that is not what we are saying. It needs to be complemented by the incorporation and use of fishermen's direct experience and I have given examples previously from the United States and Australia where this is exactly what is done. So, one can arrive at a consensus of what the state of an individual stock is and I think that that removes a great deal of the tension and difficulties that we have as has been experienced this year with the very extreme way that ICES has chosen to express its advice. That should not be happening. There should be a consensus at a stage before this stage is reached

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on the state of the stock. Not only that but on the long-term objectives for that fishery and the instruments to be used in getting to those objectives and that is, I think, where the Regional Advisory Councils will come in because there would be a place for the scientists and the fishermen on those Councils.

111. Is that view shared by all of you?

(Mr Lambourn) Yes. I think there is a glimmer of a way out of the mess we are in if we were to capitalise on this and use the industry for the science instead of spending £10 million or whatever on a new survey ship, to use that money to fund the industry and, if necessary, train them to sort out the information that is required. It seems to me that one can draw the different strands and difficulties that we are all in together, solve the immediate problem and, more importantly in the longer term, get better science into it. They cut the stock assessments and the one thing that I always find most unsatisfactory with every scientific background is that you never see a degree of confidence on their final conclusions and I think that is because it would be embarrassingly high, plus or minus 100 per cent. In the real world of science proper, no one would take any notice of that conclusion or the answer at all. It is meaningless. "Go away and get better data" would be the answer. "Do some more." That is the way out of this, but they will argue that we cannot because of financial constraints. We have to get out of this loop and it seems to me that that is one way, that we really ought to take a different look and be prepared to do something a bit visionary.

112. Moving on, we have touched on the desire to have sustainability, long-term stability means good sustainability in fishing, but we have fluctuations that you know about. Do you think it is possible to ever actually reconcile the two of stability and sustainability because they do seem to be at odds, do they not?

(Mr Morrison) I think that is a very perceptive question, if I may say so. I did ask at a recent seminar of the assembled might of Europe's fishery scientists whether it was possible for all species to be inside safe biological limits simultaneously. There was a great deal of shuffling about and passing of notes. The truth is that they did not know. Take, for example, a big event which some of you will know about in the late 1960s/early 1970s called the Gadoid outburst when all the commercial fish populations exploded, cod, haddock, whiting, huge year classes. People look back to those halcyon times forgetting completely that the herring collapsed during that period and we have at the moment the concerns that we do about cod in the North Sea overlooking completely the fact that we are about to double the herring quota, to double it, and there is certainly evidence from our surveys and elsewhere that the nephrops population is at least 100 per cent more than the allowable catch, probably more. It is not that strange because cod eats those species and, if there are not many cod, then those other species will do rather well! I think it is this sort of formulaic

fiction that says, "We can rebuild this or that stock," but we really cannot because if one thing goes down, something else comes up. All ecosystems are like that. Given those limitations, it ought to be possible that we all get involved in the management of the stock to do an awful lot better than we have done up to now because it is possible: Canada does it, they do it in the States and they have done it in Iceland. There is no reason why we should not be as good as them.

113. You just mentioned the doubling of the quota of one fish and whatever. How might the quota system have been reformed then to actually try and get this desired stability, sustainability model that we would like to have? What would you like to see so that it could be workable?

(Mr Deas) Accepting the points that Hamish has made of increasing the portion of adult fish within the stock is the way to a greater degree of stability, accepting that these ecosystem changes will also have an impact. I think it is a big mistake to think that the quota system has anything to do with conservation. The quota system and TAC system is a convenient way to distribute—

Mr Mitchell

114. It is a political thing.

(Mr Lambourn) It is a share system.

(Mr Deas) It is a shared resource between different Member States and different groups of fishermen within those Member States and, for that reason alone, I do not see it disappearing very quickly. What has to be put in place is effective conservation measures, an effective conservation regime, that underpins that distributional system. So, I think that the two things are conceptually different and have to be treated in different ways.

Diana Organ

115. How would you implement that? When you say a "regime", what would it be?

(Mr Deas) It would be something based on multiannual management plans that are developed by the industry in conjunction with the scientists.

Mr Mitchell

116. Through regional councils?

(Mr Deas) Through regional advisory councils, that would set objectives, would agree the instruments that would take us to those objectives. The mix of measures would depend very much on the fishery, the specific fisheries that we are talking about; what is appropriate for the Irish Sea would not necessarily be appropriate for the North Sea.

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Diana Organ

117. So it would take into account, possibly for the first time, very localised differences of the fisheries?

(Mr Deas) Certainly more localised differences than is the current case, where blanket measures are imposed.

118. It is a bit of a sledgehammer, is it not?

(Mr Deas) Very much so, and the involvement of the industry, I think, is a very important element in securing compliance with the rules. It is one thing to have a rule, but a greater degree of compliance with the rule is assisted greatly if the industry is involved in shaping those rules.

Mr Mitchell

119. There is a difficulty for us, in the sense that so much of fishing is mixed fishing, therefore it is difficult to set general rules. You have given the example of Australia and the west, which have two advantages of their own: one, they control their own waters, and what they say goes in those waters, and two—and for conservation purposes equally important—they are not mixed fisheries in the same way as our mixed fisheries are. It is difficult to propose a mesh size that is going to be effective. There will always be the problems of discards and all that, which complicates management in the areas most important to the British fisherman. Can we get round that?

(Mr Deas) If one were to use a slogan, one would say there is not a solution but there are solutions. That is the approach, and that is why the regional advisory councils potentially have a very important role, if the composition is correct and the industry have the main say on them. The question of national jurisdiction should be taken into account by the fact that every Member State with a stake in the fishery would be involved, but I think it is not possible to say "This is the solution" because I do not think there is a solution.

Mr Borrow

120. I was going to touch on the question of multi-annual management plans, which you have started to touch on already. It is quite clear from what you have just said that you see that as an improvement on the existing system of annual as against multi-annual total catch allowances. What I am not clear about is this: if there is going to be more scientific involvement in those plans, which I think you seem to be indicating is an improvement, do you see a political role? It seems to me that one of the difficulties we have had so far in terms of fixing quotas is that the scientists come along and say, "This is what it should be," and then there is argybargy amongst politicians, and it is watered down, and everybody blames everybody else, whereas perhaps if we moved to a situation of multi-annual plans, where total catches are still set up by forums of

the industry and scientists on a regional basis, in the end politicians can say, "It is your problem. You argue between yourselves, and do not come to us if you get it wrong." Would you prefer that to the system we have now?

(Mr Lambourn) Absolutely, yes.

(Mr Morrison) The system you are describing works in the Baltic, where the in the end the TACs still come back to the Council, but they are always approved. Because there is a consensus amongst the stakeholders in the Baltic about what should happen it would clearly be wrong for the Council of Ministers to decide that something else should prevail. A similar sort of set-up occurs in the EU-Norway situation. The EU-Norway settlement is never overruled because it has been worked through that consultative machinery there, and in fact, on the Norwegian side of the EU-Norway negotiation fishermen are involved, but on our side they are not, so we have the slightly ridiculous situation we will have in Oslo the week after next of asking our Norwegian friends what is going on. That is unfortunate, but there you are.

(Mr Deas) There are constitutional constraints to how far regional advisory councils can go without impinging on the Commission's sole right of initiative, and the European institutions, but within that, as Hamish says, there are already examples that the regional advisory councils can have de facto power to set the fisheries agenda, to determine the management regime in that particular area, and for that reason alone I think it is very much worth pursuing.

Diana Organ

121. We were talking about what a blunt instrument quota management is, and one of the results of quota management is discards and the amount of discard that has gone on. I understand from the South West Fishery Products Organisation that you made the comment, and you repeated it today, that 40,000 tonnes of haddock were landed but 118,000 tonnes were discarded. The Norwegians, so my colleague here tells me, have a rule that all fish that are caught are landed. Would that solve the problem?

(Mr Morrison) Aye right! is the answer to that. I am afraid it does not quite work like that, because there are all kinds of reasons why you discard fish: they are too small, they are not worth enough, or you do not have quota to land them. Those are the three main reasons. As Mr Mitchell was pointing out earlier, as long as you are catching a variety of species with a variety of values with a variety of minimum landing sizes, it is difficult to know how you get away from the problem absolutely. However, like everything else, we could do an awful lot better than we currently do. Some of the answer lies in gear, and some of the answer lies in the whole debate about minimum landing sizes. For example, there is one point of view that says set the minimum landing size too high and all you will get is a whole group of

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discards. This is the haddock problem that you were talking about. There are others who say if you set it too low, people will push it lower and lower until they are catching things the size of your thumb. It is balance in the end. The fact of the matter is we have a mixed fishery, it is always going to be mixed, and there is no way you can legislate it to be any other way. This is why that kind of management system that you have been talking about, an inclusive one that is much more focussed regionally, is the way to go. I would only add to what Barry said about these constitutional barriers to the management committees, how far they can go. It still remains our joint determination that they will in the end have executive power, as they do in north America, and as they do in Australia. We understand why administrators and others who have careers to defend do not want to see these bodies becoming as influential as we would like them to become, but it remains our settled ambition that that is how the fishery will be managed in the end, and indeed, there will be very much less input from administrators and others to the great benefit of the UK taxpayer.

122. Are we saying then that we can never really eradicate discarding? We can minimise it with a localised approach, but can we reduce the scale of it considerably? Talk about what you consider the scale of it to be now, and what you think would be something that could be managed, and how much we could minimise discarding.

(Mr Deas) The important thing to recognise about scale is that it varies from fishery to fishery, but it also varies from year to year. There is one particular example where the North Sea plaice, a particular cohort of recruits moving through the fishery, stalled in terms of growth just under the minimum size this, I think, was in the Nineties—and for that reason there were very, very high discards that year. A flexible management approach would be able to take that into account, and you could say, "This year we have a particular problem with plaice, and we need to put in place a range of measures that address this." But within the CFP as we have to date, we have been two years talking about it, a year going through Council, and the fish are long gone by then. The flexibility that we are seeking in the management system would begin to address just that. The general point that I made earlier about the need for solutions rather than a solution is just as appropriate when we are talking about discards. A discard ban has its attractions, but they tend to be rather superficial when you look at what the practical implications would be. For example, you would have to abandon minimum landing sizes. Minimum landing sizes, I think it is generally agreed, is one of the instruments that is more easy to enforce, and is adhered to in general by the industry. You also have the danger of creating a market for small fish. If those fish are landed, what are you going to do with them? There are a range of problems associated with simplistic solutions. The answer is going to be a range of measures, embedded within a flexible management

system, to do with gear, to do perhaps with closed areas, but focussed on the specifics of specific fisheries.

(Mr Lambourn) I think ultimately we should move away from discards. We are talking about fish mortality. This fish is wasted, completely wasted, and a minute ago we were saying we did not like industrial fishing, nor do we. It strikes me as odd. There is no way of using whatever we discard to satisfy another market. We have to cut down the fishing mortality, and to catch 118,000 tonnes to land 20,000 tonnes or whatever it was is not acceptable. It is not acceptable to anybody else. It is just crazy.

Mr Mitchell: There are ways of dealing with that. Barrie has been a bit Panglossian in his dismissal of doing anything about discards. You could take care of the smaller fish by mesh sizes and by banning industrial fishing. The problem of landing small fish and developing a market in it is not realistic if you do those things. The real problem is the kind of photographs people keep sending me—particularly from Scarborough, for some reason—of edible fish, large quantities, just floating, dead, on the surface of the water because they have been discarded. Some of these are published in the fishing news sometimes. It is a scandal. Why not a requirement to land all edible fish?

Diana Organ

123. Can I add to that? How much of the discarding is not to do with meeting the quota, but actually to do with the market test? We all know about plaice and whiting and haddock and things, but there are other species that people would look at and say, "This looks a rare breed!" Is it that some of the fish is discarded because we do not actually have a market for it, because the public is not used to eating something that is green with gills?

(Mr Lambourn) That is right.

(Mr Morrison) Saithe is very much in that category. Saithe was dumped long before there were quotas, because it does not get a market, whereas, oddly enough, it has a very strong market in France, and also in Norway, but we are not keen on coley.

There is a thing about this, is there not, recently? If you go to any wet fish slab or supermarket selling fish, there are all sorts of fish there that when I was a child and went to Macfisheries to buy fish with my Mum I never saw parrot fish and all these other fish, which we buy, particularly if Delia tells us we can do something delicious with lime or coriander. But actually there is a role here to say, "This is a perfectly good, nutritious, edible fish. Why don't you try it?" It might look a bit peculiar. It is a bit like monkfish, which took a fashion a while ago. If you actually saw what the monkfish head looked like, some people would never touch it. There need to be two approaches, one which is, as Austin was touching on, that just chucking away fish that are perfectly good can be

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dealt with through mesh sizing and just landing what you have caught, and the other is giving wider marketing to the public about other species that are acceptable.

(Mr Deas) I am smarting a bit at Mr Mitchell's suggestion that I was saying nothing could be done about discards. He has a one-club approach, which is to ban discards. My argument is that it should not be a one-club approach; it should be a multi-club approach. I think the market damage that has been talked about here is very important, bearing in mind that what is now the most important and valuable part of the catch, the monkfish and the nephrops, 20 years ago we were throwing over the side. It is our hope that the Sea Fish Industry Authority, for example, can do more to promote within the UK those species that are landed but do not as yet have the value that they in our view ought to have. The general point is that the marketing damage and the gear dimension, perhaps a more selective fishing gear, closed areas, are all part of a range of measures that can be taken to reduce discards. I would not like it thought that I was complacent about the discard issue. I think it is bad from a number of points of view. It is a waste of a resource, but it also brings the industry into disrepute. It is just plain daft. I think that is what people object to.

(Mr Lambourn) If you are going to have sound science, you need to take the discards into account. You need to know what you are doing, and the scientists do not.

Mr Mitchell

as a taunt in any case. It is possible to work it out on a port by port basis, if ports' total landings of edible fish were taken into consideration rather than on a vessel by vessel basis, which is what produces discards. If a vessel catches fish that it cannot land, it dumps it, or brings it in as black fish, which is more common in Scotland than in England, I would think. Could something not be worked out on a port by port basis for edible fish? What about a total allowable catch on a port basis?

(Mr Deas) To some degree, that is already done through producer organisations that have the authority to manage quotas. Each individual producer organisation will adopt a quota management regime that is appropriate for its particular fisheries. There is within the producer organisations that flexibility to do something pretty similar to what you are suggesting there to reduce the fish that has to be discarded for quota reasons. There is still a range of other reasons why fish are discarded, but just addressing the quota one, more flexibility has been provided within the quota management system.

126. Let us move on to the political will to do anything about it. Essentially, what you seem to me to have been saying is that you do not really trust the Commission enough to put a solution in their hands. You want a delegation of authority to fishermen.

(Mr Deas) The Commission has produced a paper recently following a conference in Brussels on discards, and of the conclusions that it has come up with, some are quite terrifying in terms of their implications for the quota management system, some are quite sensible, but again, the overall conclusion that appears to have been arrived at is that there are a range of things that can be done to reduce discards, and that is what should be worked on. Some of them are acceptable and some of them are unacceptable, but it is the multi-faceted approach that seems to be the way forward.

127. That is in terms of discards. More generally, do you trust the Commission, or are the decisions going to inevitably be political?

(Mr Deas) Our experience with the Commission in recent years has not been a good one. On the one hand, the ideas about decentralising the Common Fisheries Policy have been picked up, and the idea of participatory decision-making, which I think is a very important one, has appeared, and all of that is very welcome. On the other hand, the Commission has remained wedded to something that sits very uneasily with participatory decision-making, namely the effort control measures that would bankrupt us, or a large number of us. You ask about trust; it is a sensitive point. On the one hand, there are welcome elements within the reform package. On the other hand, there are things that would immediately bankrupt us and that we will be obliged to fight vigorously.

128. That is a reference specifically to days at sea limitation. Having been first lieutenant of the commanding general who fought battle against days at sea limitation, who shall be nameless but is now Minister of Fishing, I am not sure we are going to move to that in this country. Do you believe that there is now the political will to move fisheries on to a more sustainable basis?

(Mr Deas) I have to say that there is not, and it is largely about money. The answer to moving fisheries to a sustainable basis would be to invest government money in the recovery programmes, and there is already a huge amount of money spent on fisheries, a very high proportion of its gross product. It seems strange that money is spent on science, money is spent on enforcement, there are large amounts of European money through the FIFG programme that is available, and yet the stocks at the very best are bumping along the bottom, if not in more serious trouble. If fisheries were maintained at their optimum level, the industry would be in a healthier position financially, the taxpayer would be happy because the revenue generated by the fishery would be higher, and the environment would be in a better position. It is a win-win-win situation. The difficulty we face is how you get from here to there, and we have made the case previously, and Hamish has mentioned it today. The argument is for financial support, transitional aid or, as the Dutch call it, bridging support that would allow us to get from here to there, that would allow us to take meaningful

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[Mr Mitchell Cont]

conservation measures that would move stocks to the situation where they would be stable and the revenues would be somewhere close to the maximum.

129. Is that a national problem or a European problem? The NFFO and the SFF are collaborating with the World Wildlife Fund in the development of their proposal, which was basically that for conservation reasons there needs to be a level of government support or investment in the industry to help it face the transition from the present moment to a situation where we are getting sustainable catches from sustainable stocks, where we are going to need a healthy, viable industry. The argument therefore is that this is investment in the industry, which will produce a return later on. First of all, what kind of investment would that be, and secondly, given our problems with the Luxembourg formula and the fact that the British industry has been under-funded by the British government consistently because the Treasury will not spend the money, to which it has to contribute more than if it just came from Europe, is that likely, in a British context?

(Mr Deas) It is both a national issue and a European issue, because so many of our fisheries are based on shared stocks. The question as to how much is something that we are working with the WWF on doing a cost benefit analysis that will provide a range of recovery measures costed for both the benefits and the costs.

130. What sort of things?

(Mr Deas) The measures would be appropriate for the particular area. The one in the South West is quite well advanced, and it is looking at issues like permanent closed areas, for example. That is one of a range of recovery options. On a European basis, there is a great deal of money already spent on fisheries, but it appears to us that if you want to build a fish market, the money is available; if you want support to increase the mesh size, for example, it is not, which seems imbecilic. There is obviously a rigidity there, because our representations have not been successful.

131. The arguments over the rebate are still very raw, obviously. Are we going to get any of that money?

(Mr Deas) There is no sign of a change in the Treasury outlook that we can see, no. We have difficulty obtaining financial support to install satellite monitoring equipment, for example, whereas every other fishing industry in Europe receives government assistance, which is ultimately reclaimed from the Community. The UK simply puts down an edict which requires us to put satellite monitoring equipment on board, and we have to pick up the tab, and that example is multiplied across the piece, and certainly is one of the obstacles we face in securing the kind of investment in the recovery programmes that would deliver sustainability.

132. That is a double whammy for the British industry. What you are saying is that the Treasury are going to want to do any investment in this country on the cheap, whereas if Europe moves to the

World Wildlife Fund view, which is investment to sustainability, they are going to benefit from that funding on a European basis, which we cannot have.

(Mr Deas) Yes.

(Mr Morrison) We have the same problem. Although we have the financial idiosyncracies in the devolved administration to deal with, the bottom line is exactly the same.

Mr Borrow

133. I wanted to touch on another aspect of the political will. It strikes me that the scientists come up every year with views as to what quotas should be, and I am not quite sure; as an outsider the perception is always that the political will goes with the fishing lobby in most of the EU countries to water down the original recommendations of the Commission, or to the Commission from the scientific lobby. You have already mentioned your scepticism about some of the scientific evidence. There is scepticism amongst the general public about giving financial support to the industry, when the perception is that the industry in much of Europe is resisting the conservation measures and the quotas that are recommended by the scientists, and as a result of the watering down of those quotas, every year the stocks get worse and the situation gets worse. I understand some of the arguments we have had about moving towards more of a regional perspective on things, but am I right in my perception that perhaps the political will needs to be that politicians should get out of the argument?

(Mr Morrison) There are important qualifications. We had this upheaval with the ACFM advice, and we had Mr Fischler yesterday saying, "Don't blame me, chaps. I'm always on the side of the science. It is the Council of Ministers that put me off my game." This was fascinating, because he was talking about three stocks in the North Sea: cod, haddock and whiting, whose future is determined every year in the EU-Norway talks. These discussions are led by Commission officials, and the Council of Ministers has never once overturned the decision. So he is being economical with something. This is one of the problems we have. There is a great deal of spinning going on. It has been agreed at the outset of this exchange that the CFP itself is in a bad way; it is not delivering the goods. So you now have the main players in this all blaming each other for what went wrong, and in the time-honoured fashion, if you cannot get a decent shot at the guy next to you, there is always the cat, and the fishing industry is the cat in this case. It really is getting quite difficult, the amount of spinning against the fishing industry that goes on, much in the manner of bad generals blaming their troops. The management failure is in the hands of the Commission, the scientists and the national governments, and it really will not do for them to be turning round the whole time and saying it is all the fault of the fishermen. The Commission is making the policy, has all the scientific advice it could possibly want, the full majesty of the law in the national governments—they can lock people up if they

Mr Sam Lambourn, Mr Barrie Deas and Mr Hamish Morrison

[Continued

[Mr Borrow Cont]

want—and then they turn round and say, "We can't manage it because the fishermen won't let us." It is pathetic¹.

(Mr Deas) I think that the scenario you describe where the scientists made recommendations and the Ministers undermined of recommendations under pressure from the fishing industry might have had some force maybe five or ten years ago, but in recent years the Council of Ministers has tended to stick quite closely to the TAC recommendations. In fact, we had come to rely on the Commission as the first filter of the raw advice in its proposals for TACs by introducing a socioeconomic element. So, for example, they might say, "We need to rebuild this stock but the scientists are recommending we do it in two years. If we had a fouryear staged approach we could have the TAC at a slightly higher stage," which is all very proper. I think the media spotlight on the Council of Ministers and the problems with North Sea cod have changed things rather, and it makes it very difficult, but the core issue that is raised by your question is where does this resistance to TAC reductions or, more broadly, to effective conservation measures come from and why is it there? It comes from the fishing industry, who are on borderline viability. Fishing vessels are desperate to stay in business and as a result, measures are compromised and diluted right from the start through political pressure from people like myself and Hamish. Then we have the situation where the measure is imposed and you find it circumvented in various ways, some legal, some not legal, but the force of the measure is undermined, because the focus is exclusively biological; it is not biological and economic. Really, we need to move away from an exclusively biological approach and say if you look at this in economic terms, it will mean bankruptcy for these vessels, quite plainly, because we have done our homework. We have taken account of the economics of the industry, and that is why we are so keen to move towards the situation where both the economics and the biology are taken in parallel. This is really the basis of our work with the WWF, where it really goes to the heart of the issue: why are these measures undermined? Why are they compromised and diluted from the start? If you have both an economic and a biological perspective, you arrive at a different conclusion, and the conclusion is that what we need to do is put direct investment in to allow these vessels to be viable while these measures work their way through, because any effective conservative measure will mean a reduction in catch and a reduction in earnings, and that is precisely what has to be addressed if we want to have effective conservation measures in place.

134. I have always been struck by the language being used by the fishing industry over the years, and it is very much as if it is "them and us". This is something imposed by "them", whether "them" is the politicians or the Commission or the EU. I wonder the extent to which the fact that there is not joint ownership of the process by which fishing stocks are managed has actually encouraged, if not the three of you, as respectable leaders of the industry, certainly some of your members to perhaps not respect and follow to the letter of the law the rules that are then laid down in a way which would not be the case were there ownership by the industry of the process itself, which would actually improve the regulation and the discipline within the industry to ensure that the regulations were properly adhered to, having been part of the process.

(Mr Lambourn) I think that is absolutely right. The NFFO some years ago did a trip to Norway and talked to the industry there, and the difference in the attitude between the Norwegian industry and the Norwegian fisheries management and the Norwegian Government was tangibly different to that which exists in this country, and we all commented upon it, how much more healthy it was. They were part of the decision-making process. Decisions were not reached unless the industry was consulted, and a solution was found for a particular problem. But it struck us all—and they saw our situation as being tangibly different to their own as well. It is exactly the point you make. It was starkly obvious.

Chairman

135. Can I move on to two or three wrap-up questions now. We mentioned earlier on and briefly touched on on a number of occasions the regional advisory councils. What would your view be about taking into account the environmental views in those particular councils? We have talked about scientists, we have talked about fishermen. Do you believe the views of the environmental groups should be taken into account as well?

(Mr Deas) I think the most important point here is the one that has just been made, that if fishermen do not have a sense of ownership of the management regime, it is not going to work. So whether there are groups other than scientists, fisheries managers and fishermen involved I think is a secondary question. I think the most important thing is that the balance in the committees and the councils lies with the fishing industry, because without that sense of ownership, we are going to drift again into confrontational management. I think that is crucial.

136. Can we just look at support for the fishing communities. We talked just now about the socioeconomic aspects which are now coming into the Commission's proposals. What do you think the provisions should be to try and achieve some of those objectives that the Commission is putting forward? What sort of short-term support is going to be needed to get the industry from where it is now to a

Note by Witness: "This response refers directly to considerations raised in the context of CFP reform. Clearly substantial financial assistance would be necessary to convert the economies of fishing communities and stabilise their populations if the wholesale closure of fisheries, as recommended in the current report by Advisory Committee on Fisheries Management, was to be given effect."

Mr Sam Lambourn, Mr Barrie Deas and Mr Hamish Morrison

[Continued

[Chairman Cont]

rather more self-reliant basis in the medium term? What specific support proposals do you think we ought to be considering?

(Mr Deas) If the specific measures are tied to financial support that would offset the short-term losses, then there is very little that is not on the table. We can talk about anything, because the pain is taken out. The reason why these measures are resisted by the industry is because of the impact on their viability. So there is a whole range of measures that might be considered: gear changes, closed areas, funded tie-ups if necessary, decommissioning. Again, the mix will depend on the particular fishery and the particular area, but if the financial support is there, then there is no reason why we could not discuss any option that would be effective in reducing fishing mortality and increasing the spawning stock.

137. It has been suggested to us that some support should be more targeted at the communities rather than the fishermen. Looking at those places that are going to be economically affected by this, what is your view in terms of supporting the communities rather than necessarily the fishermen?

(Mr Lambourn) I certainly think they will need supporting. If one supports the vessels and not the infrastructure, the infrastructure will not be there and the vessels will. I do not think that would stack up either. I would have thought that was a necessary part.

138. We have seen parts of the South West where money is put in to try and create alternative economic activity. Is that something you would support?

(Mr Lambourn) Yes, I would. The whole business of knowing what to do and the cost and the benefit of it is what the industry in the South West is currently working together with the WWF on at the present time, on a study that is going to take two years. It has come up with these answers that we are crying out for: what it is going to cost, what the benefits are going to be, and a whole series of different measures that we can take as a catching sector to put this right, but I suspect that will also spill over into the socioeconomic side on the onshore, because that cannot be ignored, but we need these answers desperately, right now. I think that is probably the most important thing the industry is doing at the moment. We are pushing this study as hard as we can.

(Mr Morrison) Our situation is slightly different in Scotland, because many of the most fragile fishing communities are already in the Highlands and Islands Special Area, and the biggest problem we have there is trying to get bona fide fishing and marine-related projects far enough up the scale ahead of call centres and things like that for these areas to make their living in the way they best can and most sustainably can. There is an issue there, but there is not overall a problem of lack of support of the kind you described. In fact, there is rather a lot of support goes into these areas. In those parts of Scotland where the volume fishing industry is, the North East of Scotland, the problem is slightly

different, in that there is no problem of the kind you describe. Rather, there is a shortage of labour occasioned by competing activities like offshore oil and gas. Anyone who has marine experience can leave fishing and be well rewarded the day after on an oil rig supply ship. That, of course, will not last for ever, but it is the position at the moment. But the one other point I did want to raise was a general one, that whilst I understand that we have to take a UK view of these things, we should not forget for a moment that we are talking about CFP reform, and really the active players in that seem to me to be the southern countries. They are certainly the ones that the Commission falls over backwards to accommodate. We talked a second ago about the sense of ownership of the process. The French believe they own the process now. The system is simple: you bully the minister, and he goes along and bullies everybody else. I am not making too much of a joke about this, but when we were talking about technical measures in the cod recovery plan, for a reason none of us can still quite understand, suddenly the French came along with a whole heap of exclusions, which were accepted without demur. You are left wondering "How did they do that?" The politics of this is really not what it appears on the surface, and of course, we all know about what happened when the Spanish subsidy was threatened. There was a great deal of very public lobbying, which resulted in the Director General of Fisheries losing his job. You compare that with good Mr Morley and the estimable Mr Finnie going about their business like they do. They are not really in the same league as these people.

Mr Mitchell

139. When will you be in a position to put forward the kind of action plan you talked of, where you have a cost benefit analysis of specific proposals to put to the British Government for how the industry should be helped from its present position to a position of sustainability and a sustainable industry? Is that in gestation or is it ready?

(Mr Deas) There are two answers to that. There is the work that is being done with the WWF. That is in gestation, and we are talking about two years or something of that order. Then there is the more immediate pressure arising from the most recent advice, and the vacuum that has been caused by the failure of the Commission's cod and hake recovery plans. There is a big overlap with the reform package and the political resistance to effort control. We are currently in discussion with the Government within the Fisheries Conservation Group, which involves scientists, government officials and the industry, on a range of alternative measures, and an assessment on where we are. So I think you have the longer term, deeper studies going on, and the more quick-fix approach being put together with the Government at the moment.

140. Do you see a way around this Luxembourg formula problem?

Mr Sam Lambourn, Mr Barrie Deas and Mr Hamish Morrison

[Continued

[Mr Mitchell Cont]

(Mr Deas) The Fontainebleau? Yes, when the Treasury considers that the British fishing industry is worth saving and worth investing in, and I would consider that it would be in the Treasury's own interests to do that. I mentioned earlier that this is a win-win-win situation, where if you get the stocks up to the right sort of levels, the industry wins, there is increased revenue for the taxpayer and there are environmental benefits as well.

Chairman: Thank you very much indeed for coming along. It has been an interesting and very informative session. We are, as I said at the beginning, going to be concluding our report fairly

quickly to ensure that we get it into the process of discussion. We shall hopefully be seeing the Minister in a couple of days. If there is anything that you want to further submit to us which comes into your hands, please do so, but very quickly. All I can say is that I hope that at the end of this process—and we have seen quite a few people now—we can get at least a sensible contribution to the debate, which seems to be ever more difficult in terms of getting that balance that you talked about. The whole question seems to be about balance and where we believe the balance needs to be, and that is certainly what I think we are going to try and achieve in the report.

THURSDAY 31 OCTOBER 2002

Members present:

Mr Colin Breed, in the Chair

Mr David Borrow Mr Austin Mitchell Diana Organ

Memorandum submitted by Mrs Sheryll Murray, Member of Cornwall County Council (K2)

Evidence re—Reform of the CFP: New enquiry. I welcome the Committee conducting this enquiry in what must be described as the most important year facing the British Fishing Industry for 30 years.

SUMMARY

I am qualified to respond to the request for evidence due to my lengthy and varied past experience connected with the British Fishing Industry.

I am a fishermen's wife—I have first hand experience of witnessing the stress that a person at the sharp end of the Industry has felt whilst operating under the CFP for the past 30 years.

I am a past Secretary of the Looe fishermen's protection Association—I am familiar with the problems faced by the Looe Fleet who in themselves are unique. They are young skippers with relatively modern vessels, all of which are less than 12m in length.

I am a former Chairman of the South Western Fish Producers' Organisation—I can empathise with large vessel owners who are trying to continue the economic viability of their business and also understand the operations governed by legislation relating to the Common Organisation of the Market and am very familiar with the UK quota management system.

I am a director of the Fishermen's Association Ltd—An Association with membership which spans the whole of the United Kingdom comprises of large vessels pursuing Deep Water Species and small vessels operating within the inshore waters around the UK—using all methods of capture.

I am an elected member of Cornwall County Council—I can understand the situation regarding the Taxpayer or Consumer in addition to the situation regarding the Fishermen.

I am a County Member of Cornwall Sea Fisheries Committee—I understand the specific requirements of the inshore industry, the importance of conservation measure together with the situation of the often forgotten Leisure and Angling sector of the Industry.

Other Organisations whom I am or have been associated with are: The Save Britain's Fish Campaign. The Sea Safety Group. A UK representative at a Health and Safety Forum in Luxembourg. The Western Sea Fish Training Association.

This evidence is formulated in direct response to the topics referred to in the press document. This must not be taken as being a fully comprehensive response to the Commission Proposal.

The effects of the proposals on the fundamental principles of the CFP

- 1. Article 33 of the Treaty establishing the European Community states the objectives of the common fisheries policy shall be:
 - (a) to increase agricultural productivity by promoting technical progress and by ensuring the rational development of agricultural production and the optimum utilisation of the factors of production, in particular labour;
 - (b) thus to ensure a fair standard of living for the agricultural community, in particular by increasing the individual earnings of persons engaged in agriculture;
 - (c) to stabilise markets;
 - (d) to assure the availability of supplies;
 - (e) to ensure that supplies reach consumers at reasonable prices.
- 2. To date this has NOT worked for the British Fishing Industry. Since our entry into the European Economic Community in from 1 January 1972, the British Fishing Industry has become a ghost of its former self, with the actors in the Industry suffering an ever declining standard of living to such a degree that many are now struggling to maintain economic viability.

3. It cannot be seen from the new proposals tabled by the Commission that there will be any change in the situation after the 31 December 2002, indeed from the proposals made by the Commission the very opposite will apply and the British Fishing Industry will founder completely under the financial constraints these proposals will subject them to. This appears to be the intention of the Commission who make numerous referrals to basic economics controlling the fleet structure in the future in order to balance catching capacity to the available resources. Sadly, given the economical situation in which the UK fleet now find itself, a very small proportion of the remaining catching capacity will be British operated vessels. One example of the future is the folding of the Lowestoft based Colne Shipping which has resulted in one of Britain's past budding fishing Ports to struggle to continue operations. It must be remembered that this does not affect the crew of the vessels in isolation. The Harbour authorities, fish merchants, gear and maintenance engineers and many other ancillary staff are also affected. Mr John Farnell confirmed recently in his evidence to a Scottish parliament committee that this is precisely the case. It is the intention of the Commission to force fishermen out of business by economic constraints as an alternative to past failed Multi Annual Guidance Programmes.

To what extent the proposals will improve quota management and what alternatives might be considered?

- 4. It is agreed unanimously that the present quota system has failed. However, one must look at the reasons for this failure. In order to fully understand the cause of the failure, one must firstly understand the operational terms of the present system. Many fishermen together with Politicians and indeed Industry representatives do not fully understand the system or indeed the meaning of relative stability. I shall try to put in simple terms, the situation regarding the original share out of quota between the 10 member states in 1983 and the allocations keys applicable to that agreement. I shall not relate to areas such as The Hague Preference or indeed the Quota Hopping as these areas could be explained in greater detail at some other time and will only serve to confuse the issue at this time.
- 5. The system of sharing out the quotas from 1983 was agreed on 26 January 1983 was supposed to allow the fishing fleets from each Member State economic stability based on their past record. In other words, each fleet should have been able to carry on operating in the same manner as they did during the reference period used. This was supposed to ensure the economic situation with the fleets was relatively stable; hence this method is described as the "Principle of relative stability". After very lengthy negotiations, during which Britain claimed it necessary to secure extra available quota within the European Union 200 mile limit to compensate the Fishermen and Vessel who had lost opportunities from Icelandic waters, an agreement was reached. The total amount of certain species of fish that could be taken from EU waters and the waters outside (third country waters) was agreed taking into account evidence provided by scientists. This total was then divided up amongst each of the Member States by permitting them a fixed percentage share for each species for a period of 20 years, in each sea area. These percentage shares are called the "allocation keys" although they are often confused with the Principle described above. People find it very difficult to differentiate between the Principle of Relative Stability and the Allocation Keys decided under that Principle.
- 6. John Farnell is now talking about a change in these allocation keys every five years, a change that Industry Leaders, our Minister and his Civil Servants have continually denied could ever happen. This is an illustration as to how little our British Industry Representatives from all affiliations have completely misunderstood or deliberately sought to hide from the fishermen at the sharp end.
- 7. All ran fairly smoothly until Spain and Portugal joined the EU. Allocation keys remained unchanged as they had previously been agreed for 20 years; however, the situation regarding fleet size was seen to be a major problem for the Commission. Upon accession of these two new members, the EU fleet had increased by 75 per cent whilst the resource they brought with them to add to the EU pond was very small. Most of the resource they contributed relied on a series of "third country agreements" (resource outside of EU waters) access to which was negotiated on a time limited basis.
- 8. At the time Spain felt she should have access to other resources within the EU pond and took her argument to the European Court of Justice. The Court ruled against Spain. Quite correctly in view of the Original Agreement which was a time limited derogation (exception) to last for a period of 20 years. Spain had to wait.
- 9. One issue that was completely ignored during the 1983 agreement was the future decline in fish stocks. There are many views on the responsibility for this. Global Warming, the lack of technical conservation measures due to the lack of agreement within the Council of Ministers, the encouragement of some methods of fishing that caused a decline in the food source, hence destroying the basic layer of the pyramid of life.
- 10. Whatever the reason fish stocks have declined and we are seeing calls from the Commission within the current proposals for a drastic reduction of Catching capacity in order to balance the available resource to the operational fleet size and restore "relative stability" in the EU fleet. We do not now hear the words of 1983 whereby Each Member State's fleet will be assured relative stability. I wonder why?
- 11. The commission are proposing an expansion of the management system they first muted when Spain was granted further access to the area known as the Irish Box. Originally restricted to 40 named vessels, Spain was granted access to this area and the management system in the Western Waters evolved. Member States

Vessels were restricted to a number of Kw days (based on time at sea multiplied by engine power). The system was introduced under Specific regulations, one of which was the Council Regulation introducing a Special Fishing Permit which, unlike a Fishing License, could specify where to fish, what to catch, how to catch it and when to catch it. It is important to note that the Regulations clearly stated that the ability of the Member State to take its full allocation of quotas would not be hindered.

- 12. This type of management has since been extended to the Baltic Sea and the method of management craftily made a Treaty obligation on Accession of Finland, Sweden and Norway in the Treaty of Corfu.
- 13. One must now examine the Commission Proposal introducing a system of management for stocks considered under threat. Specifically relating in the first instance to Cod and Hake, with the relevant areas encompassing almost the whole of the British 200 mile/median line limit, whilst the Member States will be restricted to Kw days, there is no mention of ensuring a Member State can take its full allocation of quota for each species. The Commission have also confirmed to the Scottish office that once a Member State had used its allocation of days for Cod or Hake, no vessels would be permitted to target other species, even if they had quota remaining.
- 14. The proposals will make the management system ever more complicated with an escalating amount of bureaucracy. British fishermen will be subjected to even greater Regulation. A situation which is untenable.

What might be considered?

- 15. The UK Representatives MUST take note of the suggestion for Cornwall Sea Fisheries Committee in its response to the CFP.
- 16. Comprising of County Councillors from ALL political affiliations, the suggestion is that each Member State be given control over its own 200 mile/median line limit.
 - 17. Arguments from the Ministry that the negotiations would be far too complicated do not add up.
- 18. Approximately 10 or 14 separate agreements would need to be reached. As the Council of Ministers has or is due to meet on over 20 days this year, and there are numerous meetings being attended by the UK Rep, together with the MEPs, Committee of the Regions etc, it would be far easier to negotiate with these Countries on an individual basis.
- 19. Sensible conservation measures could be put in place after consultation with other nations, although our Minister would hold the autonomy.

What will be the impact of the proposals on the structure of the British fishing industry?

- 20. The British fishing industry has for some years now been permitted to sell or lease quota. A system that was first introduced under the Conservative Administration in 1992, when it was permitted for POs to purchase quota from vessels leaving the Industry that would be held in a central pool to benefit all of the members from that PO. The UK quota allocation amongst individual vessels was based on a "rolling track record" system. The amount of quota each vessel received was based on its average catching record for the previous three years The quota was held on a "dummy vessel" (pretend vessel) for the sake of management purposes. Thus after three years, the quota held on the dummy vessel would be taken into the remaining track records of the remaining vessels. Fishermen soon saw a way to utilise these "dummy vessels" and started to buy and sell quota amongst themselves.
- 21. Their respective POs transferred the quota between themselves and MAFF (now DEFRA) played along with this by sanctioning the swaps. The Ministry could have stopped this.
- 22. It must be remembered that the vessels who were NOT members of POs were subject to discrimination at this stage, because they had their quota allocation managed by MAFF and could neither buy nor sell quota. The Ministry's answer when questioned on this issue "join a PO".
- 23. POs soon realised that with the fluctuation of EU Total Allowable Catches (TACs) management of these swaps was complicated. Some POs then lobbied the Government to "fix" quota allocations for vessels to a specific reference period, thus ensuring that the percentage of the TAC remained the same. The Conservative administration refused this request.
- 24. Labour, having realised that the decommissioning of fishing vessels was going to cost the Treasury vast amounts of money, saw a way of getting the Industry to subsidise the decommissioning themselves.
- 25. They introduced a system of Fixed Quota Allocations in order that they could separate the vessels track record from its license.
- 26. Decommissioning of a fishing vessel meant that the government would pay a lesser amount of compensation for the surrender of the vessel and the catching history or "track record" could be retained by the owner and either sold on or transferred to another vessel he purchased or already had.

27. The legality of Fixed Track Records is questionable wholly on the basis of whether it is permissible to restrict the output of a business.

- 28. However, under the Labour administration, we have seen a system evolve whereby the large wealthy vessels have been able to buy up the production ability of the smaller less economic vessels and many "slipper skippers" have taken the opportunity to dominate the National Federations. A small vessel owner is working his vessel himself and cannot afford to take the time off to attend meetings. Slipper Skippers, send others to sea in their place and utilise their time to ensure only their voice is heard.
- 29. The Commission proposals do nothing to stop this from happening. It would seem that the Commission, as John Farnell recently stated, is determined to drive Fishermen out of the Industry by economic means. Having been denied of funds to modernise, and financial subsidies available or in the case of the Deep Sea Fleet, having been abandoned by British Ministers who obtained a miniscule share of the new Deep Sea quota species, (although it must be remembered that the same ministers encouraged them to invest in diversification into the fishery in the first place), the British Fishing fleet is forced onto a road to what can only be described as extinction.

Whether plans for social help for fishing communities is adequate

- 30. Assistance, even under Objective One in places like Cornwall is inadequate. The Criteria is so restrictive, it does not help fishermen at all. Funds for Crew Comfort and harbour authorities is welcome, however, it is inconceivable that fishermen can be forced into economic ruin with such measures as the emergency measure for the recovery of Hake with no government financing to assist them.
 - 31. It is deplorable that this Government has failed to help fishermen with the ever increasing fuel prices.
- 32. It is a sign that the present Labour Administration has no thought for the fishing Industry of this country. Hon Members such as Austin Mitchell, who has campaigned on behalf of the Industry for so long, must feel deeply ashamed.
 - 33. The Commission Proposal will provide NO help for the fishing Communities.
- 34. It should be noted that regions such as Galicia in Spain are already gearing themselves for the future. They are declaring themselves a fishing dependent region in order that when negotiations on the new allocations keys under the principle of Relative Stability is debated in just over a year's time, they will be first to receive their share.
- 35. It is no good the UK Industry relying on evidence supplied over 30 years ago. The fleet situation has changed so drastically since those times they will be in no position to compete with the Iberian fleets that have been permitted access to EU funds to modernise. Something the new proposals deny the UK even if they were now to wake up.
 - 36. The Government has a duty to ensure that the voice of the UK fishing Industry is listened to.
- 37. All politicians have a duty to rectify the wrong of 30 years ago and take whatever action is necessary to restore National Control over our 200 mile/median line limit to the UK. If this means using the tool of domestic legislation then so be it. Our fishermen have served this nation selflessly for centuries. The brave honourable hardworking men who participate in one of the most dangerous vocations known deserve the respect and representation they justly deserve.

To what extent the reforms will allow a more flexible system to develop, permitting short term adjustments to quotas to be made to react to changes to fish biology and fishing technology?

- 38. One presumes this means the proposed emergency measure proposed by Nation States.
- 39. One would also assume that this is a one way street and no emergency increase in quota can be envisaged. One must also remember that the permission of the Commission needs to be sought in order to enact emergency measure.
 - 40. Any measures can be overturned by the Council of Ministers.
- 41. These are mere pacifying, meaningless words. The British Government is so determined to continue with a system that has clearly been designed to force their own fishermen from the seas, despite the disastrous effects the system has had on the conservations of fish stocks, how can they be trusted?
- 42. Unless and until a British Administration strands up and says the problem with the declining fish stocks is a direct result of this disastrous policy, I cannot envisage and form of emergency action working.
- 43. The Emergency measures that the Minister and his Department for the Extermination of fishermen and Rural Affairs need to introduce is to restore National Control and some sense back into fisheries. This does not mean that other Nation's fishermen must be excluded and is in no way to be described as Xenophobic. It will merely show a clear concern for the conservation of nature and our marine ecology.

Whether enough emphasis has been placed on proper enforcement of the CFP

- 44. The only area of the CFP that the UK has complete responsibility is the area of Control.
- 45. The UK taxpayer also has the privilege for financing the whole area. This means that as the UK government claims that our waters are enforced to a far greater standard than those of other Member States and the UK 200 mile limit comprises of up to 80 per cent of the total European Pond, British taxpayers are paying for the funding of most of the enforcement of the CFP.
- 46. Is it any wonder, with financial responsibilities such as these, we are seeing areas such as Education, Health and Public Services left wanting of finances.
- 47. Furthermore under the requirements of the Common Organisation of the Market in fisheries products, we find that the regulations have left it to Producers' Organisations with management boards made up of fishermen, left with the responsibility to enforce regulations on their fellow fishermen. This situation is grossly unfair.
- 48. Many of the fishermen making up the Boards of these Organisations are unaware of their responsibility, or that they have rules to adhere to. One of which is that they are not allowed to discriminate amongst members in any way. Something that is happening within some Organisations who make a mandatory requirement for some applicants for Membership to purchase or lease additional quota prior to them being accepted into entry.

CONCLUSION

The CFP has failed for 30 years. British fishermen were abandoned by the Heath Administration all those years ago. Successive administrations since then have continued to deceive, aided and abetted by Civil Servants all in the name of the wider game of European Integration.

A simple solution rests with every Member of Parliament. It is lawful to take back national control over the 200 mile/median line limit that is acknowledged as being under British and not EU control by the United Nations Convention on the Law of the Sea.

The Committee would be well advised to take note of this.

15 September 2002

Memorandum submitted by the Fishermen's Association Ltd (K4)

CFP REVIEW INQUIRY

Further to your July Press Notice relative to the above I am now in a position to provide you with the Association's evidence addressing the Committees Terms of Reference. In addition it deals with other issues not covered by Terms but which I believe are relevant to the Inquiry.

However I wish to make it abundantly clear that are we dealing with the symptoms of the problem rather than the problem itself namely the real CFP of equal access to the common resource. Moreover in providing this evidence the Association does not support the EU Fisheries Policy.

It believes that real security for British fishermen can only be obtained by withdrawing from the CFP and regaining control (not management through some zonal committee under the discredited and fictitious principle of subsidiarity) of the UKs Exclusive Fishing Zone to enable appropriate reciprocal fisheries management arrangements to be negotiated with other countries.

The principle of equal access to a common resource is the real CFP. That and the existence of majority voting at Council meetings make it virtually impossible for any UK government of any party to safeguard the future of the British Fishing Industry. Just look at what happened with the Deep Water species.

The Association wants the Nation State not the State of Europe to control our living marine resources. Until such time as that is realised, and the Association will be unrelentingly striving for that, we realise that until final victory it may be necessary to support such concessions as may be wrung out of Brussels, but we will never surrender our ultimate objective.

I believe that the following will help to achieve a better deal than if they were not implemented.

ROAD MAP AND FRAMEWORK REGULATION OBJECTIVES

(a) On the face of it the Commissions objectives appear sensible. However the caveat is that the Commission as the guardian of the Treaties must ensure that it upholds and promotes the political imperative of European Union integration. The real objective underlying the "Road map" is to create an EU fleet catching EU fish in EU and Third country waters under an EU permit system controlled from Brussels. That should always be uppermost in the minds of UK fisheries managers and Ministers if they are endeavouring to safeguard the interests of the UK fishing industry.

(b) "The new CFP must aim at ensuring inter alia openness and transparency"

Although openness and transparency are to be commended, there is no new CFP. The real CFP of equal access to a common resource must be introduced in accordance with the basic principles of EU law, that there must be no discrimination between producers in the Community. But this is somewhat hollow following the disgraceful actions of the Commission relative to the agreement on the Deepwater species management regime. Moreover I would point out that this is not the only instance of secrecy and deceit of which we are aware

The moral standards involved can be illustrated by the views of the EU representatives at the Inter-American Tropical Tuna Commission (IATTC) on this much heralded EU principle of transparency. They made several very clear statements on the subject—specifically referring to NGO participation in fishery management agreements:

- "transparency standards in fishery management agreements are not needed";
- "environmental NGOs are not needed in those types of agreements";
- "transparency should not be taken into consideration when dealing with fishery management organisations";
- "transparency must be balanced against efficiency and speed".

Japan was the only country to support the EU stance against transparency; even Mexico argued against the EU position.

This official policy of secrecy, which is amply confirmed by our own experience, is not simply attributable to political manoeuvring for national advantage, or to conceal undemocratic and unprofessional actions. It is also a product of the attitude that assumes the possession of a God-given insight into truths that are a closed book to unenlightened mortals, who must be directed like children for their own good. That will continue as the Commission seeks to acquire more powers to the detriment of real accountability. Competence for fisheries has been transferred to Brussels and the notion that subsidiarity will redress the balance is grossly misleading and non existent.

(c) The principle of subsidiarity that should constitute primary and overriding EU law.

However subsidiarity cannot operate in the EUs fishing policy.

Subsidiarity was Introduced in the Maastricht Treaty

Article 3b

"In areas which do not fall within its exclusive competence, the Community shall take action in accordance with the principle of subsidiarity only if and in so far as the objectives of the proposed action cannot be achieved by the Member States and can therefore by reason of the scale or effects of the proposed action be better achieved by the Community."

However there was disagreement as to what this really meant:

 the opportunity to withdraw EU authority from areas where the Member Sates were able to act alone;

or

— subsidiarity requiring to be read in the context of preserving the *acquis communautaire*.

The Amsterdam Treaty settled the disagreement by explicitly ruling out any decentralisation of power back to the Member States.

Protocol on Subsidiarity Paragraph 2

The application of the principles of subsidiarity and proportionality shall respect the general provisions and objectives of the Treaty, particularly as regards the maintaining in full of the *acquis communautaire* and the institutional balance; it shall not affect the principles developed by the Court of Justice regarding the relationship between national and Community law, and it should take into account Article F(3) of the Treaty on European Union, according to which "the Union shall provide itself with the means necessary to attain its objectives and carry through its policies."

This paragraph confirms that subsidiarity can do nothing to withstand the other provisions of the Treaty. It is powerless to diminish the *acquis communautaire* which decrees that once the Community has acquired a power it never gives it up.

The subsidiarity principle will not be allowed to bring about any devolution of real powers from Brussels even in those areas where national or local authorities could act on their own.

The competence for the fisheries policy of the EU has been transferred to Brussels. Subsidiarity should have been able to, but cannot, decentralise that position.

Accordingly to believe that Regional Advisory Committees can expect to have any real powers in the face of this is disingenuous.

(d) Multi Annual Management Plan

At face value this appears to be more flexible than the current annual TAC negotiations. However if that system still results in insufficient quota and is coupled with an effort limitation scheme then the UK fleet will be faced with significant economic problems. However given that the "role of the Community fleet policy is to create an environment which will encourage reduction in fishing capacity" and the Commission is seeking to acquire more powers in the multi annual system this has to be viewed with considerable suspicion. It cannot be morally correct or good business sense to drive the fleet to unviability. However that is what is underscored time and again throughout the proposals.

Indeed, on 10 September 2002, at the Scottish Parliament's Rural Development Inquiry into the Commission's CFP proposals, John Farnell the Commission's Director of Fisheries Conservation Policy, not only stated that Relative Stability is not forever but that fishing effort limits that make it difficult for vessels to remain profitable will replace decommissioning as the main driver for reducing the EU fleet size.

"We believe that much of the fleet will decide to move out of fishing because it will be difficult for vessels to remain profitable with some of the fishing effort limits that might be necessary for conservation."

The Commission quite clearly intends that the Multi Annual management plans will lead to, as they state "balancing the widening gap between fleet size and available resources as quickly as possible."

They further state that sufficient financial aid will be mobilised to met the needs of more rapid decommissioning of fishing vessels.

This is all in keeping with FALs analysis of the real and much more deadly common fisheries policy from the FALs incorporation in September 1995.

The multi annual plan will be consistent with the precautionary approach to fisheries management which gives considerable scope for Commission action which it is feared will be to the detriment of UK fishermen.

Incidentally although the precautionary approach is defined "bio diversity" is not. What does this really mean? Indeed what is an eco system based approach. These terms are bandied about without any clear understanding of their meaning and impact on strategy.

(e) Fleet Policy

In all reference to fleet structure sustainable fisheries is the key issue. Fleet viability is of paramount importance. However our fisheries managers and Ministers must ensure UK fleet viability not that of the EU fleet. The UK must not finance the viability of foreign vessels.

The UK Government vigorously backs EU principles and encourages us to embrace them.

Why therefore is our Government not backing the full CFP reform package.?

It is keen on fleet reduction, fleet policing, quota reduction, effort limitation through days at sea etc so what is the reason it will not endorse the subsidies decommissioning and other financial "benefits" available to support communities, businesses and individuals who are at the mercy of the drastic changes with which the UK fleet is faced.

The proposals for the reformed CFP recognises the likely effects and provides compensation funding but our Government is giving no assurances that the UK industry will realise these "benefits".

(f) Relative Stability

The Government's priorities include the continuation of Relative Stability. This is to be supported but it must never be forgotten that the European Court of Justice (ECJ) has made it clear that Relative Stability, as contained in the Community system of national quotas as first set out in Council Regulation (EEC 170/83), and the TAC and Quota Regulations adopted at the end of each year, is a derogation from the general rule of equal conditions of access to fishery resources and the principle of non-discrimination laid down in Article 40(3) of the Treaty.

In Community law, every derogation (unless it is an abrogated derogation ie written into the Treaty as a protocol) whether on the Common Fisheries Policy, The Common Agriculture Policy or anything else, terminates at the end of its transitional period, when, if a new derogation is not established through qualified majority voting (by unanimity, if a clash with the ECJ is to be avoided), we immediately move into the full acceptance of the terms of the Treaty, which in this case is "Equal Access" to a "Common Resource".

Moreover in the "Road Map" at Page 28 Clause 3.8 it must be noted that:

"The Commission considers that the fisheries sector is still characterised by specific features which make the application of normal economic conditions, such as free competition between producers and freedom of investment, difficult to apply in the short term. These include the structural imbalance between scarce fisheries resources and the size and power of fishing fleets, the continuing dependence of certain coastal communities on fisheries and the absence of similar conditions of competition for operators in different Member States, due to different national attitudes towards public aid to this sector.

If the Community takes action to address these issues, on the basis of the proposals now put forward, it will gradually create a climate that will be more favourable to the introduction of more normal economic conditions and the elimination of such barriers to normal economic activity as national allocations of fishing possibilities and the principle of relative stability."

Relative Stability which is a fundamental principle of the derogation but not of the CFP is not guaranteed and does not mean that UK fishermen have historic rights as some have argued. Indeed it is likely to be removed at a stroke. Both vigilance and determination are necessary to protect the UK industry from the resultant tradable fishing rights which will undermine this principle.

Indeed, and as already noted, John Farnell at the Scottish Parliament's Rural Development Committee Inquiry stated that Relative Stability is not forever.

(g) Control and Enforcement

The UK priorities lists "greater effectiveness and consistency being ensured in control and enforcement of EU requirements while attempting to simplify the burden of control on fishermen".

It is difficult to appreciate how that burden is being simplified with the raft of additional controls that are being proposed by the Commission. The latest in a long line is the Registration of Sellers and Buyers and designated auction markets. But what is even more disturbing is the move towards administrative sanctions under the guise that this will decriminalise fishermen who breach the myriad of rules and regulations they face on a daily basis.

In or about November 2001 the Commission issued two reports on fisheries monitoring, control and surveillance. One related to the CFP 1996–99 and evaluated the effectiveness of the monitoring and control activities in Member States in ensuring compliance with the EU fisheries policy.

The other Report was a draft containing a detailed description and assessment of the arrangements operating in the UK. Reports have also been produced for other coastal member states.

The Commission has identified areas of continuing weaknesses eg the differences between the practical application of control measures in Member states, has remained substantial and has probably resulted in unequal treatment of fishermen in different parts of the Community.

However the Commission is confident that the problems highlighted can be resolved by measures to be adopted at the national level of member states—in other words by a further tightening of the screw by those member states willing to co-operate with this continuing persecution of their fishermen in the so called name of conservation. However the Commission has admitted that it cannot compel those member states failing to meet the standards to achieve a satisfactory level of control such as effective and deterrent sanctioning procedures.

What is of more concern than the continuing lack of a level playing field is the suggestion in the second Report that "although severe sanctions may be imposed by the UK Courts on those found guilty of breaching fisheries regulations, the Commission maintains that the majority of penalties levied would nor appear to be sufficiently deterrent.!

So, what does the Commission suggest:

"In regulating the activities of the fishing industry, the UK should consider whether greater use might be made of administrative sanctions."

In other words the fisheries enforcement agencies whether they be the Royal Navy, or the Scottish Fisheries Protection Agency will become Judge, Jury and Executioner.

What might happen if the current criminal law system which is used to deal with infringements of fisheries regulations is replaced by administrative sanctions?

The Commission has stated that "standards of proof are exacting and only a limited number of infringements result in prosecution before the courts".

Has the Commission never heard of the European Convention of Human Rights?

Article 6 of the Convention which is incorporated in to UK law deals with the right to a fair and public hearing within a reasonable time by an independent and impartial tribunal established by law.

Just imagine what might happen if marking and identification of fishing gear is imposed and the UK is implementing administrative sanctions. The enforcement authority would have the right not only to fine the skipper/owner but also to withdraw his license for a specified period. The right to earn a livelihood is then removed which will have implications for crew retention (difficult enough as that is at present) and the continuing viability of the vessel which still has to meet its financial commitments but without the ability of doing so.

The current level of policing with the resultant penalties will seem tame compared to what might be in store as we head for a single EU fleet operating in the single market within EU waters.

CONCLUSION

- 1. The proposed retention of the 12 mile limit will be controlled by consultation with at least one other Member State and the Regional Advisory Councils. This is regional governance and undermines the current six and 12 mile national limits.
- 2. Regional Advisory Committees will be set up but these will include representatives of fisheries and aquaculture, environmental protection and consumer interests, national or regional administrations and scientific experts from all member States whose fishing vessels operate in the sea area or fishing zone concerned. These bodies are no more than a further tool of integration to undermine national administrations.
- 3. The enforcement rules will aggravate the already draconian system with which fishermen are faced. EU officers able to make spot checks, even into public offices.
- 4. The proposals could lead to International trading of quotas and days at sea with the inevitable financial muscle of the big players in Holland and Spain completing the integration of the EU fleet.
- 5. A further planned major reduction in the fleets capacity/effort (remember from 1990 to 1998, 66,000 fishermen lost their jobs, about 22 per cent of the total in the EU, according to the Commission). A further 8,600 vessels are planned for scrapping with a loss of 28,000 jobs in the sector between 2003 and 2006. That number is equivalent to 11 per cent of the total people employed in the fishing sector of the European Union.
- 6. A conservation programme for sea birds! What about conserving fishermen and the communities they support.
- 7. Strengthening the role of fish farming. In other words continuing to support industrial fishing which provided the raw produce for the feed used by these farms. This is what is known as sustainable fishing practices!

It might be regarded by some that Spanish aspirations have been defeated and that the northern EU countries will now be able to fish without unfair competition (no discrimination) particularly as the Commission has maintained its position on no financing for new builds.

But it is equally true that other Member States, the southern countries including Spain, will be attempting to ensure that their fleets are able to operate in terms of the Treaty principles—that there must be no discrimination in their treatment which they contend they have endured since they joined the EU.

The Spanish Minister for Agriculture, Fisheries and Food in a speech to the European Parliament Committee on Fisheries on 22 January 2002 stated:

"The Draft Resolution of the Council, a vitally important draft resolution, concerning the principles and objectives of the CFP is a link between the Treaties and the future Regulations, a link which as you know needs to be established as the CFP is still not yet fully adapted to the basic principles of operation in the European Union, which undoubtedly constitutes a dysfunction of a basic legal nature which will have to be addressed."

So, shouting for a level playing field is actually playing in to the hands of the Southern States of the EU and the Commission. Unfair competition must be eliminated by demand of the Treaties. Relative Stability is unfair to some Member States. It must go as well.

British fishing policy is determined by the political imperative of European integration. The objective as we have already stated is to create an EU fleet catching EU fish in EU and Third country waters under an EU Permit system controlled from Brussels.

When faced with Community law, UK fisheries managers and Ministers, well intentioned though they may be in endeavouring to protect and promote the interests of the UK industry, are on a hiding to nothing.

25 September 2002

Examination of Witness

MRS SHERYLL MURRAY, Board Member, The Fishermen's Association Ltd, examined.

Chairman

141. Thank you very much, Mrs Murray, for coming and giving evidence to us. This is our third and last session so that we can ensure that our report ultimately will hopefully be able to be a contribution to the very important discussions which are going on in respect of the reform of the Common Fisheries Policy. I know you have come a long way and we are very grateful. Perhaps I could start with what is probably the core of the whole situation. What is your assessment of the current state of the fish stocks of the fisheries in Europe and is there really in your view a risk of collapse?

(Mrs Murray) As far as I am concerned the scientific evidence would appear to be contradicted by the reports from some of the fishermen on the ground but I do believe that the whole thing has been mismanaged by the European Commission for the last 30 years and unless something is done to dramatically change the management situation of the fish stocks we could be facing disaster. When I say "dramatic change" I think perhaps, because they have failed with this collective system, it is time to hand back the management and the control to the nation states. That does not mean excluding other Member States' fishermen from coming into the 200mile limit of the UK or Spain or anybody else, but if you had one person with ultimate responsibility for making the regulations and imposing them on everybody rather than a collective of 15 horsetrading around a table where you come to a consensus which does not please anybody at the end of the day, then that would be the most sensible way forward and that is not addressed in the Commission's proposals.

142. You remember what it was like in 1992 when the last reform was undertaken. How much worse do you think it has got since 1992?

(Mrs Murray) If I could correct you there, Chairman, it was not a reform of the Common Fisheries Policy in 1992. It was a mid-term review of the 20-year agreement that was decided in 1983. They agreed at that time to have a mid-term review of the situation to see how the situation would be in order to accommodate equal access for all Member States from 31 December 2002.

143. That was about 10 years ago, so what is your assessment of what has happened in the last 10 years?

(Mrs Murray) I think what has happened in the last 10 years is that we have just seen the total demise of the British fishing industry and we have seen other Member States' fleets, like Spain, with European aid, building very modern vessels while British fishermen who, let us face it, have contributed most of the resource to the European pond, have been disadvantaged because they have had to operate with ageing vessels, they have had no money for rebuilding, for modernisation. That is not just down to the present administration, that is down to past administrations as well, and I think that is probably one of the worst things that the UK has seen.

144. The Fishermen's Association said on the face of it that the Commission's objectives appeared sensible. As they stand at the moment would the Commission's proposals achieve a recovery of fish stocks in the European fisheries in your view?

(Mrs Murray) Absolutely not, because with enlargement you are going to get more Member States coming in. You could end up with about 26 Member States sitting round a table horse-trading and on the technical measures themselves you would come to no agreement on any sensible technical conservation measures and the whole thing would get worse. The only thing that the Commission's proposals will do is force British fishermen off the waters and we will end up with having no fleet left whatsoever.

Mr Mitchell

145. The problems are due to the over-fishing produced by equal access to a common resource, which is the basic principle of CFP, but do you think the CFP can be reformed in a way to make it acceptable to this country and to conserve the stocks? Is it a question of mend it or end it?

(Mrs Murray) I think it is a question of end it. The reason I say that is that when you have a policy where they allow the total allowable catch for the food source of species such as cod to be taken—they have allowed a million tonnes quota, and the quota is never ever exceeded and it has not been for years—that food source is being destroyed and that is why the cod is not growing as much as it used to; that is why the haddock are not growing. Let us face it: if there were no food in this country what would we do? We would not stay here and starve. We would go somewhere else where there was food. I believe that that is probably a contributory factor to why there is

31 October 2002] Mrs Sheryll Murray [Continued

[Mr Mitchell Cont]

a decline in the European Union sector of the North Sea. The food source is being destroyed with their permitting this industrial fishery and the fish are just going elsewhere for food.

146. Given the fact that we are in this situation, do you accept that there is a need for a significant reduction in fishing effort?

(Mrs Murray) I accept that there may be a need for some sort of conservation measures but I do not think it necessarily has to be a reduction in fishing effort and until you look at the effects of the environmental situation, until you look at other effects and you introduce very sensible technical conservation measures and then find that there is genuine evidence that over-fishing is responsible, then I think even fishermen would accept that they have to cut back.

147. You do not believe the scientists?

(Mrs Murray) I do not mean the scientists, no, because I believe that there is a definite contradiction between the fishermen who are reporting on the ground and what the scientists are reporting from their investigations. If you remember, since 1992 the fishermen have been calling for sensible conservation measures to be put in place. The NFFO did a tremendous exercise in 1992 and presented a very comprehensive document on conservation measures along with the SFF, and that was completely ignored by the Council of Ministers because our Minister is one person arguing amongst 15 and until you remove that situation you are never ever going to get an agreement.

148. What sort of measures would you want to see? (Mrs Murray) I would certainly like to see far more work done on separator trawls. Even in a mixed fishery I am certain that this can work. If you look at Canada with the situation of the pollock and the silver hake, the silver hake are a very small species of fish and the pollock are huge, but the Canadians have introduced a separator trawl that separates the two. Furthermore, Cuba has a good market for silver hake and the Canadian Government, because it has control over its own waters, allowed the Cubans to come in and pursue that fishery for silver hake but on condition that they used these trawls so they do not damage the pollock stocks and these species can grow. I think that it is about time the EU either looked at that or, if they do not, the only way is for the British fisheries Minister to grasp the nettle and say that we are going to take back national control on a conservation measures basis and we are going to introduce methods of capture like this so that the fish stocks stand a chance of survival.

149. You would not that accept the regional advisory councils would give more influence, certainly in our waters, as a reasonable alternative?

(Mrs Murray) The regional advisory councils may give a slight advantage but at the end of the day you are still going to get horse-trading because they still have to involve more than one Member State. If you look at the North Sea or you look at the Irish Sea you are going to have three or four different nations and they have all got different agendas, so the regional advisory councils without one Member State having

the control would not achieve what I think the Commission would like us to believe they would achieve.

Diana Organ

150. You spoke very passionately on behalf of our fishing communities and you said that the industry is facing disaster, a total demise, and this obviously has an impact on the earning capacity of the communities that earn their living from fishing. You said that it is conceivable that fishermen can be forced into economic ruin with no government financing to assist them. So what level of assistance do you think is acceptable and necessary that needs to be done at present for fishing communities?

(Mrs Murray) For a start, if we are going to end up having to put up with this system, the first thing that I think is essential is that we are seeing annual multispecies management plans talked about and if fishermen are going to be tied up then they certainly need to be compensated for those tie-ups, just as the industry asked last year for compensation but the money was not forthcoming. We saw the Spanish situation with the loss of the Moroccan agreement and we saw European money being pulled out not only for the six months that the Commission had to do it but for a lot longer period to compensate these Spanish vessels for the loss of fishing opportunities in Moroccan waters. I think we should start to say, "Okay, I know it is going to be hard on the Treasury but at the end of the day the British Government must do the same for British fishermen".

Mr Borrow

151. Austin raised the issue of effort reduction and I think you were unhappy with that concept, but if the Council decides to introduce effort reduction how do you think it should be introduced because quite a number of different ideas have been put forward?

(Mrs Murray) We do not have a choice because the European Commission have already tabled their method in the Cod and Hake Recovery Regulation. They are talking about a form of kilowatt days. In other words it would be a multiple of the length of time a vessel spends at sea multiplied by the kilowatts in engine power of that vessel during a certain period of time. I think they are talking about the average between 1998–2000. It would be the total of that and then left up to the Member State how they distribute those kilowatt days. Quite frankly, I believe that it would end up forcing a tremendous amount of the UK industry out of business and on to the dole queue and I believe that is the genuine reason because John Farnell has already told a committee such as this in Scotland a few weeks ago that the Commission's intention is virtually to force fishermen out of the industry because they are not able to maintain economic viability. Decommissioning has not worked. The most active and efficient fishermen have not accepted decommissioning because they have not been offered enough money to leave the industry and so they are going to use this as a tool to force them away. I personally do not think and my Association does not think that we are ever going to be able to achieve anything sensible for the United Kingdom 31 October 2002] Mrs Sheryll Murray [Continued

[Mr Borrow Cont]

fishermen until we break this system of haggling amongst 15 Member States unless one person is in control. It is not saying you do not have to consult with them but at the end of the day you have got to have one person who can end up making the decisions or you do not get any decisions, or not sensible ones.

152. You have made that comment several times so I think we have got that message loud and clear, but I am really wondering whether you have any views on a reduction in effort. If that is the method that is going to be used, and you have said you are not happy with the quota proposed, part of the argument that is going on is that if you want to reduce the catch by a certain percentage you need to reduce the effort by more than that percentage to make up for the fact that boats get more efficient as the inefficient boats go out and if people are cutting the time they are going fishing it is going to be the least productive times rather than the most productive times.

(Mrs Murray) If you were forced to do that then obviously there would have to be a sensible decommissioning scheme to remove capacity. I do not believe that once you remove the amount of capacity, and there are a lot of fishermen who would leave the industry if they were able to accept an early retirement scheme or a sensible realistic decommissioning scheme, there would be any need for a days at sea scheme if sensible technical measures involving gear were adopted, but the whole situation is based on the fact that you are never ever going to get those because every time something is put forward there are two or three other Member States that do not agree with it. It is no good telling anybody in the industry to come up with these wonderful ideas because when our minister takes them to Brussels he is probably going to be one voice. Do not forget that we have to get 28 votes to get a blocking minority or 62 votes to get a qualified majority on any agreement. At the end of the day it really does not matter what we decide. The only way in which we are going to be able to achieve anything for British fishermen, who I believe the UK Parliament is here to represent, is for all UK parliamentarians to accept that they are not going to get anywhere in the European system and to adopt perhaps a Bill that was put before Parliament a few years ago as a Private Member's Bill called the Fisheries Limits (Amendment) Act, and grasp the nettle and take back control.

Diana Organ

153. Effectively what you are saying then is that we come out of the EU on fishing?

(Mrs Murray) No, I am not, because you do not have to leave the European Union to take back national control over the Common Fisheries Policy. The British 200-mile limit, as every other Member State's 200-mile limit, is recognised as belonging to the Member State, not the European Union, by the United Nations and the United Nations convention on the law of the Sea (UNCLOS) agreement of 1983. The European Union is not a country and that is why it cannot be recognised as having a 200-mile limit. It is legally possible for British parliamentarians to speak up on this issue, and I believe it is acceptable; in fact I believe you have a responsibility to do it on

conservation grounds because at the end of the day in going along with the European Union's Common Fisheries Policy you are contributing to the demise infish stocks. You are also contributing to the demise of third country fish stocks. You have only got to look at the situation with Senegal to see that not only is the European Common Fisheries Policy agreement with that country destroying their fish stocks but they are also destroying the artisanal fisherman because Spanish vessels are going in beyond the limits that they should and the artisanal fishermen put to sea without lights or anything because they cannot afford them and I think it is about time our Minister accepted how many deaths have occurred in Senegalese waters because of our participation in the Common Fisheries Policy.

Mr Mitchell

154. I just want to point out that that was a hybrid Bill and a very good Bill it was too. If the regional advisory councils, which are, let us face it, put forward by the SFF and the NFFO as a compromise between taking back control of our own waters and the full rigours of the European policy, were not advisory councils but had power to enforce conservation measures and fishing plans agreed by whatever nations are fishing in those waters, would that be a satisfactory compromise?

(Mrs Murray) If they had absolute control, yes, that would be satisfactory, or it would not be completely satisfactory but it would be a move forward. One of the things that I hasten to add is that you are never ever going to get that because, according to the Commission's proposals, the regional advisory councils are only going to be able to make recommendations. The Commission does not have to take any notice of them when they make their proposals to the Council of Ministers and, even if they do, the Council of Ministers again have to adopt that agreement. I am afraid that the proposals that have been tabled are going to deliver nothing. We heard talk about the six and 12-mile limits being made permanent. After the last Council of Ministers meeting even that has now been watered down to say that it might be another 10-year derogation. The reason for that is that everybody knows that you cannot have a permanent derogation unless it is an abrogated derogation or a protocol to the treaty, whichever way you wish to describe it.

155. The same is true of relative stability, is it not? (Mrs Murray) Relative stability is a derogation and it is not permanent and if you look at what John Farnell told the Scottish Parliament a few weeks ago, they are now looking at relative stability being completely re-negotiated every five years and put into a regulation and probably being shared out on the basis of fisheries dependent regions rather than historic rights.

156. If there is a reduction of effort there has to be, you said, some form of compensation for vessels that cannot put to see. Presumably those communities will be hit by this. Who should that be financed by? The British Government or Europe?

31 October 2002] Mrs Sheryll Murray [Continued

[Mr Mitchell Cont]

(Mrs Murray) No. I think it should perhaps be financed by the European Union but if that means that the Treasury has to make a contribution then so be it because, do not forget, European Union money in the past has been denied to British fishermen. That is why we have not been able to get modernisation grants, because the Treasury would not put up their share.

157. Because of the rebate. (*Mrs Murray*) Absolutely.

158. You say that what has been agreed is effectively going to impose a limitation of days at sea on the British fleet and you have suggested that that will drive many of them into bankruptcy because they are fishing near their financial limit at the moment without that restriction. If we are in that situation, and I regard it as hypothetical because Elliot Morley was one of the leaders of the opposition to days at sea, what is going to be the reaction of the Scottish vessels? Is it going to lead to more black fish and more cheating? Can it be effectively policed on a whole series of scattered communities round the coast?

(Mrs Murray) On the days at sea, you mean?

159. Yes.

(Mrs Murray) Yes, of course it will be policed because at the end of the day they will be tied up in port. I will give you an example of a situation where this has already happened in Scotland. One of the most modern vessels from the north of Scotland has just been sold to Norway because it did target the North Sea fishery and our Minister encouraged vessels to diversity into—

160. That is the Scottish Minister?

(Mrs Murray) No; Elliot Morley encouraged vessels to diversity into other fisheries, so this vessel invested in a huge amount of gear to target the deep sea fisheries, such as orange ruffey and other species. What happened? They got two per cent of the European quota and that was not enough to maintain this vessel and it is now being sold to

Norway, putting all the crew out of business, denying those landings to the ports like Peterhead and other ports, and we are going to see this more and more if the European Commission is allowed to continue the way it is going.

Chairman

161. The NFFO said to us that a fishing industry operating on rebuilt stocks would generate sufficient revenue to modernise itself without public subsidy. Do you think that the fishing industry could operate without public subsidy if it were operating on that rebuilt stock basis?

(Mrs Murray) Let us face it, the British fishing industry has been operating without public subsidy for a long time now because they have been denied it, but rebuilt stocks is the situation. While those stocks are being rebuilt, what happens to British fishermen? The Spaniards and the French have modern vessels. The majority of the British fishing vessels are about 30-odd years old now so what happens? The vessels wear out, they cannot be replaced because the fishermen have no money to replace them, and therefore will we have a British fleet left then? If I could just say this to you, I went to Peterhead very recently and saw the wonderful new market that has been built there, but after I have seen these Commission proposals I wonder how many Scottish and British vessels are going to be landing in that market or will we be relying on other Member States' vessels to land their produce into a British port?

Chairman: Mrs Murray, can I thank you very much for coming. It has been a very good and interesting evidence session. I know that you might stay to listen to the Minister. Can I say that if anything occurs to you now or subsequently in the next day or so and you want to submit that further information, it will have to be quick but please do so because we would be very grateful for any further thoughts you might have. In the meantime, thank you very much.

Supplementary memorandum submitted by The Fishermen's Association Ltd (FAL) (K4 (a))

- 1. The Chairman of the Committee has invited FAL to submit an additional Memorandum following the Evidence provided to the Committee on 31 October 2002, by FAL Director, Mrs. Sheryll Murray.
- 2. Accordingly the following is an addendum not only to FALs original Memorandum but also to that oral evidence.

Use of the ICES REPORT TO THE ACFM

- 3. The scientists have a long tradition of calling for excessive cuts in the TAC for certain stocks. The Commission then uses this as a lever to obtain agreement by qualified majority in the Council for smaller cuts. It is not the scientific advice that is necessarily at fault in these situations, but the horse-trading exercise that follows not only at the December Council of Ministers Meeting, but during the preceding meetings that take place under the authority of the Presidency with the different Member States and also within the Committee of Permanent Representatives.
- 4. The situation now faced by the Industry centres around the Cod and Hake Recovery Programme, first tabled by the Commission in December 2001. Whilst the original concept might appear to offer a credible solution, the devil is in the detail.

Details that have failed to be brought to the public arena include:

 The system of management is not isolated to cod or hake and may be introduced for any stock considered under threat.

- The days at sea are Kilowatt Days (engine power x time at sea) and are then set globally each member state.
- Unlike the previous system, there is NO facility to increase the number of Kilowatt Days to allow a vessel to take its full allocation of quota.
- Once an allocation for Cod or Hake is fully utilised, the vessel must tie up or move to another area outside the area of the programme.
- Whilst the Council sets the TAC for Cod and Hake in the first year, the Commission will set it for each of the following years to the end of the programme based on the scientific advice.
- The Commission will therefore have the ultimate power over and above that of the Council of Ministers.
- 5. There was very little support in the October 2002 Council for "days at sea" in the Cod and Hake recovery programme. The Commission will now make political use of this scientific advice in order to "scare" other member states into accepting the draconian cuts in days at sea that are on the table.
- 6. A cut of 50 per cent or a maximum allocation of 150 days (to be used where there is no historical reference data for a vessel between 1998–2000) will be just as devastating to the industry.
 - 7. Past decommissioning schemes have not worked. The most efficient effort remains.

REGIONAL ADVISORY COUNCILS

- 8. Under the Treaty Obligations accepted by the UK and other Member states, there is no possibility of these Councils receiving full management responsibility let alone full control over the area. The Amsterdam Treaty explicitly rules out any decentralisation of power from "Brussels" back to member states so Regional Advisory Councils can never get the power required. Once the European Union acquires power from a member state, that power remains in the EU, and is never relinquished. They will evolve into "discussion groups" providing a report from time to time to the Commission. This is evident when one looks at the amount of influence on Commission proposals presently enjoyed by the Committee of the Regions and the European Parliament. Furthermore, after the initial setting of the TACs in the first year of a multi annual management plan, it is envisaged that even the Council of Ministers will lose power to the Commission.
- 9. For these Committees to have real power, one Member State (ie the flag state) must have autonomy although of course the full consultation process must take place and the views of all interested parties taken into account.

ACCESS TO THE NORTH SEA FOR SPAIN

- 10. It must always be remembered that this has been on the cards since Spain acceded in 1986.
- 11. Spain and Portugal, in the same way as every other member state accepted the *acquis communautaire* as part of their accession terms.
 - 12. This means that they accepted equal access to a common resource without discrimination.
- 13. Access to the North Sea will be the main bargaining point for the Spanish during the review of the EU fisheries policy. You only have to look at the negotiations that took place in relation to the access to the Irish Box to see how clever the Spanish are in obtaining what is after all their rights under their Treaty of Accession.

Spain will get access to the resources in the North Sea, if only by virtue of the Amsterdam Treaty which demands the rooting out of all discrimination, whether based on nationality, race or religion, and which is one of the basic objectives of the European Union.

- 14. This press article of 17 October 2002 says it all
 - "Minister of Agriculture and Fisheries Miguel Arias Cañete said Spain would turn to the EU Court of Justice if necessary. He called on the other Member States to stop denying Spain the right to equality in European fishing grounds and to adhere to the principle of relative stability.
 - The principle of relative stability determined access to fishery resources and allocated a fixed percentage of the commercial species to each Member State before Spain and Portugal became members of the European Union.
 - On 31 December 2002 the restriction period, established by the Adhesion Treaty of Spain to the EU, is due to end giving Spain free access to the North and Baltic seas. But Spanish fishermen won't be able to access the resources unless the current quota allocation system is modified.
 - If Members States are unwilling to end the 'discrimination' that the Spanish industry has been suffering for the last 10 years because of the Treaty, said Arias Cañete, then Spain would ask for the necessary legal reports to resolve the issue."

- 15. The ECJ ruling would be based on the terms of the Treaties.
- 16. Spain has in the past conducted quota swaps with other Member States in order to obtain the required access to resources. There is no reason that this should not happen again.
- 17. The precedent has been set—Council Regulation (EC) 685/95 of 27 March 1995. Article 11. Annual transfers of Cod, Monkfish, Haddock, Whiting and Hake are available to Spain for areas Vb, VI, VII, VIII, IX, XII and XIV in exchange for Anchovy in area VIII.
- 18. This agreement is subject to change with an agreement between the Member States at the time that the TACs are set although the Regulation states that a multi-annual prospect is envisaged.
- 19. The agreement with Belgium has no such stipulation and the exchange of quotas for Cod, Haddock, Monkfish and Whiting to Spain for Megrim has taken placed each year between 1995–2002.
- 20. Portugal also conducted an exchange of quota which again stipulated that this exchange would take place annually from 1995–2002.
- 21. It is clear from the above that placing quota restrictions on every species in the North Sea would not necessarily prevent Spain from gaining access to the resources.
- 22. The introduction of trading in quotas between the Member States will also provide the facility for this to happen.

RELATIVE STABILITY AND THE 1983 ALLOCATION KEYS

- 23. As has been previously demonstrated, Spain fully expects and is determined to obtain equal access without discrimination after 31 December 2002.
- 24. One problem faced by UK Fishermen is that some leaders, encouraged by UK Fisheries Departments officials, have failed to differentiate between the principle of relative stability and the discriminatory allocation keys.
- 25. This actually worked against the UK in the Deep Water species allocations. On one hand the Industry was pressing our Minister to defend the discriminatory allocation keys that benefited them in areas such as the North Sea and on the other they wished to move away from this system in the Deep Water Species negotiations. It is almost laughable that some representatives of the industry were arguing in such a contradictory manner.
- 26. The proposed Cod Stock Recovery Programme is a clear indication that the discriminatory allocation keys will not continue. When days at sea allocated on the basis of fishing for Cod has been used up, no other species linked to Cod such as Haddock or Whiting can be harvested. This in itself undermines the allocation keys.
- 27. The Minister and his officials clearly do not understand the Treaties and the Regulations. The following examples show the intention to change the reference period:
- (1). John Farnell, Director for markets and horizontal measures—European Commission DG XIV—to Scottish Parliament Rural Development Committee—September 2002—pointed out the need to "clearly fix" relative stability allocation keys in an EU regulation, "so that all parties would know how we would propose to allocate fisheries resources for the foreseeable future". He said that allocation keys should be reviewed every five years "in order to ensure that they correspond to real fishing interests, as opposed to interests on paper". That could signal an unwelcome degree of flexibility in the quota share out system between Member States.
- (2). Communication from the Commission on the reform of the Common Fisheries Policy ("Roadmap") Brussels, 28.5.2002 COM(2002) 181 final—The European Parliament adopted in January 2002 a resolution calling for "a fisheries policy based on rational and responsible management of resources which has as its rationale the preservation of fish stocks and the maintenance of the way of life of those traditionally dependent on the sea and preserves the fundamental principle which derives from these objectives, namely relative stability; a policy which facilitates a fair and equitable regime for distributing fisheries resources tailored to the specific needs of fisheries dependent regions and which is impartial, stable, enforceable and under Community control".
- (3). Proposal for a council regulation on the conservation and sustainable exploitation of fisheries resources under the Common Fisheries Policy Brussels, 28.5.2002 COM(2002) 185 final—The Commission proposes that the allocation of Community fishing opportunities among the Member States, based on the principle of maintaining relative stability of fishing activity, should be maintained. It is proposed, however, that a method of allocation for each stock be decided by the Council in order to make the application of this principle more transparent.

(4). Preamble paragraph 14 Proposal as per 3 above—In view of the precarious economic state of the fishing industry and the dependence of certain coastal communities on fishing, it is necessary to ensure relative stability of fishing activities by the allocation of fishing opportunities between the Member States, based upon a predictable share of the stocks for each Member State.

Much is made by Fisheries Ministers that the UK has a "national" quota of the various species of fish prosecuted by UK fishermen. This is to preserve the illusion that the UK has still some sovereign power over the control and management of these fisheries.

The reality is that once the EU through the Council of Ministers (and after agreement with Third parties for joint stocks) has decided upon the Total Allowable Catch for the various species subject to quota, the UK receives in terms of the Relative Stability principle and the agreed allocation keys, a share of the EU TAC. The present quota system and the TAC and quota regulations adopted at the end of each year is a derogation from the non discrimination rules of the EU.

FINANCIAL AID FOR THE INDUSTRY

28. There is a very limited amount of financial aid available for the catching sector. However, it must never be forgotten that any Government aid provided for the Industry, should it be tied up, would be governed by the EU State Aid rules. Some aid given by other Member States to their industries to compensate for the increased fuel prices a few years ago was subsequently deemed illegal. A similar conclusion will more than likely be the outcome of the Commission's investigation into the quota purchasing scheme in Orkney and Shetland.

12 MILE LIMIT

29. It should be noted that after all of the shouting over the past months of the great victory in making this limit permanent, the Council conclusion in October stated that these limits would probably only be for a further 10 year derogation period. One reason of course is because it requires the unanimous agreement of all 15 Member States in order to achieve this, in much the same way as it requires the unanimous agreement to change the principle of equal access to a common resource.

EMERGENCY MEASURES

- 30. Great faith has been stored in the fact that Member States can initiate emergency measures. Unfortunately, yet again the devil is in the detail such as Commission approval must be sought or that the Council could make a different recommendation.
- 31. It should also be noted that these measures are seen as a one way street. There is no mention of short time increasing fishing opportunities should there be a recovery of stocks.

1 November 2002

Memorandum submitted by the Department for Environment, Food and Rural Affairs (K11)

SUMMARY

- 1. This memorandum has been prepared by DEFRA in consultation with Cabinet Office, FCO, HMT and DFID and in agreement with the devolved administrations.
- 2. Last year's European Commission Green Paper on the future of the Common Fisheries Policy (CFP) was balanced in its evaluation of the current policy. It identified the need for a common fisheries policy and the positive aspects that are often forgotten. The policy has managed, to a large extent, to contain conflicts at sea. It has provided a welcome degree of stability to the fisheries sector. So far, it has averted the major collapse of stocks that we have seen in some parts of the world.
- 3. The Green Paper was, however, perceptive in its analysis of the failings of the current policy. These include structural weaknesses in the form of a mixture of occasionally contradictory objectives derived from a variety of sources and operational weaknesses that fail to ensure sustainable exploitation. While noting the failings of the CFP as it currently operates, the Green Paper stimulated a debate about the way forward. It included a number of suggestions for setting clearer objectives for the future and a set of options to strengthen and improve fisheries conservation policy. The Government consulted stakeholders and interested parties and delivered its views to the Commission in September last year. The government is pleased to see that this year's proposals reflect many of the points we made.

4. Our response to the Committee's first question examines the Commission's proposals to reorientate the CFP around consistent policy objectives. The objectives the Commission has chosen have consequences for the operation of the CFP. These include expanding the menu of fisheries management tools available and moving to a multi-annual management system for most fish stocks. We have addressed these issues in our answer to the Committee's second and fifth questions.

- 5. The reformed CFP's conservation policy is aimed at bringing the capacity of the fleets to catch fish better into line with the fishing opportunities available. Clearly, in a situation where there is substantial overcapacity this has implications for the structure of the fishing industry and potential socio-economic consequences for communities especially dependent on fishing. Our answers to the third and fourth questions deal with this aspect of the Commission's proposals.
- 6. Our response to the Committee's final question on control and enforcement deals with the measures the Commission has proposed to ensure fair and consistent standards. The Commission's approach, giving greater weight to effective control and enforcement and a drive to improve standards, is very much in line with the government's views on this issue.

Question 1: What effects will the Commission's proposals have on the fundamental principles of the Common Fisheries Policy?

- 7. The CFP has inherited a set of principles derived from Treaty obligations and from Community legislation.
- 8. The Treaty establishing the European Community has no specific fisheries chapter but gives the CFP the same fundamental objectives as the common agricultural policy (Article 33): to increase productivity by promoting technical progress and by ensuring the rational development of production and the optimum utilisation of the factors of production, in particular labour; to ensure a fair standard of living for the (fishing) community, in particular by increasing individual earnings; to stabilise markets; to assure the availability of supplies; to ensure that supplies reach consumers at reasonable prices and to ensure the principle of non-discrimination (Article 34).
- 9. The CFP also has to ensure that environmental protection requirements are integrated into the policy and that policy on the environment be based on the precautionary principle. The CFP must also consider consumer protection requirements, the objectives of economic and social cohesion and of development cooperation.
- 10. Article 2 of Council Regulation (EEC) 3760/92 defines the objectives of the CFP. These are "to protect and conserve available and accessible living marine aquatic resources, and to provide for rational and responsible exploitation on a sustainable basis, in appropriate economic and social conditions for the sector, taking into account of its implications for the marine eco-system, and in particular taking account of the needs of both producers and consumers."
- 11. These objectives are sometimes contradictory and pull in opposite directions. As last year's Commission Green Paper put it "the CFP aims at:
 - ensuring the conservation of increasingly fragile fish stocks while promoting the continuation of fishing activities;
 - modernising the means of production while limiting fishing effort;
 - ensuring the proper implementation of conservation measures while Member States retain responsibility in the field of monitoring and sanctions;
 - maintaining employment while reducing fleet capacity;
 - ensuring a decent income for fishermen even though the Community's own supply of fish products is declining and the EU market depends more heavily on imports each year; and
 - acquiring fishing rights in the waters of third countries without threatening the sustainable exploitation of fisheries."
- 12. The Commission's proposals for reform of the CFP aim at providing clear and coherent objectives and principles for the future. The new CFP (Com(02) 185 Article 2) "shall ensure exploitation of living aquatic resources that provides sustainable environmental, economic and social conditions." The Commission's Explanatory Memorandum accompanying the draft framework regulation makes it clear that these will be the underlying objectives. The government agrees with this approach; the CFP should have clear objectives and sustainability should be at the heart of a reformed CFP.
- 13. Article 2 goes on to elaborate the way in which, to serve these objectives, the Community shall apply the precautionary principle to provide for sustainable exploitation and to minimise the impact of fishing activities on marine ecosystems. The new CFP will aim to progressively introduce an eco-system based approach to fisheries management. The aim will be to develop an economically viable and competitive fisheries and aquaculture industry; a sector which will provide a fair standard of living for those dependent

on fishing activities and take account of the needs of consumers. The government supports these revised objectives. The UK formally endorsed an ecosystem-based approach at the Fifth North Sea Conference in March 2002 and this strategy was elaborated further in the first Marine Stewardship report, "Safeguarding our Seas", published in May this year.

Question 2: To what extent will the proposals improve quota management and conservation and what alternatives might be considered?

- 14. The Commission's proposals do not include any specific recommendations on day to day quota management. However, they do cover a range of measures aimed at improved conservation policy:
 - a new multi-annual framework for setting of TACs and quotas;
 - strengthening of technical measures;
 - an evaluation of the impact of industrial fishing on marine eco-systems;
 - fisheries management in the Mediterranean Sea;
 - incorporation of environmental concerns into fisheries management; and
 - an action plan for the improvement of scientific advice for fisheries management.
- 15. A further alternative to the current system of quota management would be the establishment of multispecies TACs. The Commission proposal states that multi-annual management plans should take account of the impact of exploiting these stocks on other species.
- 16. The Government supports the adoption of a long-term approach to fisheries management. It also welcomes the adoption of the precautionary approach as the basis for a multi-annual framework for fisheries management. Also welcome is the intention to take account of the need to conserve biodiversity and minimise the impact on habitats, as well as the establishment of rules for the protection of non-commercial species such as cetaceans and other marine mammals, including sea birds. An evaluation of the impact of industrial fishing on marine eco-systems is long overdue and therefore a welcome element of the package.
- 17. Improvements in the quality of scientific advice for fisheries management will go a long way towards ensuring that catch levels are fixed at sustainable levels. The Government agrees with the Commission that reliable and consistent scientific advice is essential for effective fisheries management.
- 18. The Commission has undertaken to maintain the principle of relative stability for the time being as well as continuing with the system of Total Allowable Catches (TACs) and quotas. However, they recognise that the imbalance between the size and power of fishing fleets and fisheries resources means that normal market conditions cannot apply. The Commission wants to move in this direction in the long-term. They, therefore, intend to organise workshops in 2002 to look at systems for:
 - individual or collective fishing trading rights; and
 - payment for the right to fish;

and will make proposals or recommendations in 2003 on the basis of the outcome of these debates.

19. The Government welcomes the proposed continuation of the relative stability principle. It is willing to discuss management options that effectively safeguard fish stocks, and secure the long-term survival and profitability of the fisheries sector and its fisheries-dependent communities.

Question 3: What will be the impact of the proposals on the structure of the British fishing industry?

- 20. In response to advice from the International Council for the Exploration of the Sea (ICES), that the cause of the decline in stocks of a number of commercial fish species is excessive fishing mortality, the Commission proposes that the time the EU fleet spends at sea should be cut significantly. It believes that much of the surplus fleet thereby created should be decommissioned, to ensure the viability of the remainder.
- 21. The implications of this would be a reduction in the size of the UK fleet, focused on whitefish vessels and is likely to impact, in particular, on fisheries dependent regions—eg north east Scotland, the Orkney and Shetland Islands and Northern Ireland as well as north east and south west England. The actual size and timing of any effects would depend on the scale of cuts agreed by the Council, the period over which the measures were introduced for the particular stocks and the effects on individual vessels. The Commission produced a table to support its proposals containing projections of the number of vessels to be decommissioned in each Member State (and the potential cost). These were however, purely indicative. We would, of course, expect that any targets set for the UK would take account of the significant reduction in the respective fleets already achieved through this year's decommissioning schemes in England, Scotland and Northern Ireland. The Commission have accepted this.

22. The Government accepts the scientific advice that there needs to be a better balance between fishing mortality/activity and available stocks, in order to ensure sustainable commercial fisheries. We are currently consulting the industry on how action should be taken in this regard and want a full review of all the possible options.

23. As far as other Member States are concerned, six (France, Greece, Ireland, Italy, Spain and Portugal) remain opposed to the principle of using effort control in parallel with the existing Total Allowable Catch (TAC) and quota mechanism.

Question 4: Are the plans for social help for fishing communities adequate?

- 24. The Commission has estimated that some 28,000 fishermen (or 11 per cent of total employment at sea) could be affected by these measures. They are not, however, in a position to assess in detail the full consequences on employment in the sector (both in terms of absolute numbers or regional distribution). The Commission has therefore arranged a series of bilaterals with Member States to review the position. This is with a view to producing an Action Plan to deal with the socio-economic consequences. This will be developed in the context of the current structural measures and financial provision. The Commission are also looking to prepare a long-term strategy for the integrated development of coastal areas dependent on fishing.
- 25. The Commission recognises that the Financial Instrument for Fisheries Guidance (FIFG) and the other structural funds have provisions to assist fishermen to diversify into other employment. In the UK, as well as FIFG, both the European Regional Development Fund (ERDF) and the European Social Fund (ESF) are used, along with other sources of finance, by regional bodies to encourage re-structuring. In addition, the work they are funding in the areas particularly dependent on fishing will help to identify suitable opportunities.
- 26. The Government does not consider that there is a need to increase the overall projected expenditure on the EU FIFG programmes. Any new expenditure requirements should be met by re-targeting existing provisions.
- 27. In the light of the potentially significant impact of cuts in the EU fleet, it is right that the Commission should pay due regard to their socio-economic consequences: but how to tackle them ought to remain a matter for the Member States to decide.
- Question 5: To what extent will the reforms allow a more flexible system to develop, permitting short term adjustments to quotas to be made to react to changes in fish biology and fishing technology?
- 28. It is unlikely that the reforms will allow for adjustments to be made in a shorter time-scale than at present. This is because of the nature of the scientific advice that underpins fisheries management decisions. The assessment of the state of fish stocks undertaken by ICES takes place on an annual basis. This advice is then taken into account when the Council of Ministers meets to agree the levels of Total Allowable Catches (TACs) for the following year. It would theoretically be possible to conduct more frequent assessments of the state of the stocks. It is doubtful, however, that the information gained would justify the additional costs.
- 29. The proposals instead focus on securing long-term stability. The Commission proposes that Multi-Annual Management Plans be established for most stocks. These plans would be established for a period of perhaps three to five years at a time, depending on the life cycle and state of the stock. They would be designed to avoid the risk of stock collapse by keeping stock size and fishing mortality rates within long-term safe levels. In addition they would take into account the need to conserve bio-diversity and minimise the impact on habitats. Within these constraints they would be designed to ensure high and stable yields.
- 30. The plans would first be introduced for those stocks that are outside safe biological limits and would aim to bring them rapidly within safe limits.
- 31. The Council would decide on the catch and/or fishing effort limits for the first year of the plan. In subsequent years the Commission, assisted by a Management Committee composed of representatives from Member States, would set catch and/or effort limits in line with the rules set out by the Council. This aspect of the proposal has attracted a lot of criticism. Many Member States feel these decisions should always be taken by the Council. The government has indicated its willingness to consider this proposal with an open mind. We consider that the remit for matters to be decided in this fashion would have to be very tightly defined, but that the possibility should be explored rather than dismissed out of hand.
- 32. The Commission envisages that a range of measures would be available to fisheries managers in setting up Multi-Annual Management Plans. These would include familiar tools such as the setting of TACs and technical measures including maximum mesh net sizes and minimum landing sizes. In addition the Commission envisages the ability to set targets for fishing effort where appropriate. Fishing effort, in the context of the CFP reform proposals, means the product of the fishing capacity (expressed in gross tonnage

and power in kilowatts) and the activity of a fishing vessel. Thus the Multi-Annual Management Plans could include references to the total "kilowatt-fishing days" and "gross registered tonnage-fishing days" that vessels would be allowed to operate in the fishery.

- 33. Multi-Annual Management Plans would, if agreed, provide a greater degree of predictability for the fishing industry and allow more forward planning than is available under the current annual system. We support the development of a multi-annual approach to fisheries management.
- 34. One area where the reforms do allow for short-term adjustments is in response to emergencies. The Commission would have the power to decide on emergency measures lasting up to a year in the event of a serious threat to the conservation of living aquatic resources or the ecosystem resulting from fishing activities. In addition Member States would be able to take emergency measures in waters falling under their sovereignty or jurisdiction for up to three months. In the 12 mile zone Member States would be able to take non-discriminatory measures applying to vessels of all Member States for the conservation of resources and to minimise the effect of fishing on the conservation of marine eco-systems. These measures are not fundamentally different from the current arrangements except for the length of time that emergency measures can be put in place.

Question 6. Has enough emphasis been placed on proper enforcement of the CFP?

- 35. Effective standards of control and enforcement, applied fairly and even handedly, are essential to the success of any fisheries regime: the Common Fisheries Policy is no exception.
- 36. Action on control and enforcement is central to the Commission's proposals for the reform of the CFP. In its Roadmap the Commission has stated that current control and enforcement arrangements have been insufficient to ensure a level-playing field across the Union thereby undermining the credibility of the CFP. To improve standards of control and enforcement it advocates a new regulatory framework for control and enforcement. Section 3.4 of the Roadmap sets out plans for more robust measures to deal with noncompliance, an action plan for improving co-operation between Member States and the establishment of a Community Joint Inspection Structure which would enable Member States and the Commission to pool resources in order to undertake collaborative inspection and surveillance activity in both Community and international waters. Specific measures include:
 - a code of conduct for inspections;
 - admissibility of inspection reports in any national court;
 - rules for the suspension of fishing vessel licences;
 - a strengthening of the supervisory powers of the Commission;
 - minimum level of sanctions for serious infringements;
 - the phased extension of satellite monitoring to fishing vessels over 10 metres;
 - wider use of observers on board vessels; and
 - the gradual introduction of electronic logbooks.
- 37. Much of the ground covered in Section 3.4 of the Roadmap is taken forward in Chapter V of the proposed Council Regulation on the conservation and sustainable exploitation of fisheries under the CFP. As well as providing a new framework for control and defining the responsibilities and obligations for the industry, Member States and the Commission, Chapter V includes provisions for:
 - enhanced controls at the point of first sale of fish, including the registration of fish buyers;
 - improved co-operation between Member States;
 - inspection and surveillance reports drawn up by Commission inspectors or inspectors from another Member State to constitute admissible evidence in administrative or criminal proceedings of any Member State and to have the same value for establishing the facts as inspection and surveillance reports of the Member State;
 - the appointment of a single authority (point of contact) within each Member State to be responsible for co-ordinating the collection and verification of information on fishing activities and reporting these to the Commission;
 - commission inspectors to undertake audits, inquiries, verification and inspections to ensure that Member States are implementing the rules of the CFP correctly and have adequate control and enforcement systems;
 - the setting of minimum levels of sanction for serious infringements;
 - the suspension of fishing activities by the Commission in cases of non-compliance where this is having an adverse effect on fish stocks; and
 - reparations of any stock losses caused by Member States failing to enforce the rules of the CFP.

Many of these measures will need to be under-pinned by the adoption of detailed rules under Commission Regulations.

- 38. It is evident that the Commission is giving more weight to effective control and enforcement and the drive towards better and more uniform standards of enforcement across the Community is consistent with the policies pursued by this government over the past five years. We believe that the Commission's proposals, which supplement the measures adopted following the UK's Presidency in 1998, represent a major step forward. The proposals will, of course, require careful evaluation. In particular, we shall need to be satisfied that some of the proposed measures such as those relating to harmonised sanctions, suspending licences, enhancing the Commission's powers and admissibility of inspection reports in national courts will not conflict with national competence for jurisprudence matters.
- 39. Whilst the UK supports the strengthening of fisheries enforcement across the Community, it is clear that such action alone cannot deliver a successful fisheries policy. Policies designed to secure conservation, structural and marketing objectives must be capable of enforcement. All Member States must be committed to ensuring effective enforcement and allocate sufficient resources to that task. Fishermen must be confident that rules and policies are being applied fairly across the Community. Other factors may be important. For example, the divergence between fleet capacity and fishing opportunities can create economic pressure on fishermen to circumvent the rules. The greater the divergence the more difficult the enforcement task, especially for Member States such as the UK with an extensive sea area, a long coastline and a large number of landing locations within its jurisdiction.

September 2002

Examination of Witness

MR ELLIOT MORLEY MP, Parliamentary Under-Secretary of State (Fisheries, Water & Nature Protection), Department for Environment, Food and Rural Affairs), examined.

Chairman

162. Minister, good afternoon. Thank you very much for coming. The difficulty in trying to get satisfactory times and dates over what has been a short period, because obviously we want to conclude the report well in time to make it a contribution to these important discussions, has been acute. Can I start by referring to the recent ICES report published just about a week ago? What is your assessment of the state of fish stocks in the EU at the present time?

(Mr Morley) It is no surprise to either myself as Minister or indeed the fishing industry that the ICES advice is so severe. We know that cod stocks have been in trouble for some time, which is why we have been introducing cod recovery programmes, particularly in the Irish Sea and also latterly in the North Sea. There is no doubt that science does reflect the problem that a number of key stocks of interest both to the UK and indeed a number of other Member States are in severe difficulty and below their safe biological spawning mass. We cannot ignore that science and that means that we do have to address the situation with a range of measures. It may well be the case, and I know that you may have heard this in the fishing industry, that some of those measures that we have been putting in place since 2000 may not have fully been taken into account in relation to the impact that they will have on reducing effort, not least the decommissioning round last year which has removed about 10 per cent of the UK white fish fleet. We do need to analyse and interpret this science very carefully in terms of understanding exactly what the implications are. We also need to sit down with the industry and look at a range of measures in terms of dealing with it. Although there is some work to be done on the interpretation of this,

I do not think that we can ignore the scientific advice or the fact that stocks are in some difficulty and we must take some notice of that.

163. Part of the report refers to the urgency of the situation and refers to the danger of imminent collapse. Do you share that concern?

(Mr Morley) I think that with cod there is severe danger, particularly with North Sea cod. The figures on the Irish Sea show a very modest upturn, and I should stress modest, but at least the figures are going the right way on the Irish Sea, but the stock for the Irish Sea, North Sea and west coast of Scotland are severely below what you would regard as a safe spawning mass, so there has to be some measured action on this.

Mr Mitchell

164. Where does that point you though, because the fishermen's organisations are arguing, as you have said, for waiting to see the effects of the measures like increasing mesh sizes and a reduction in the Danish fleet and in the Dutch and the British fleets before imposing a ban. Does the evidence in your mind point to a ban on cod?

(Mr Morley) I think that the idea of closing down the whole North Sea to fishing fleets is not realistic. In fact, on some fisheries which have been identified as being a problem, such as nephrops, it is not justified either. I understand the fishermen's views on trying to assess the impact of the measures that we have been taking. I should stress, Chairman, that we have not been sitting around doing nothing for the last few years. We have recognised these problems and we have been introducing a range of measures, including bigger mesh sizes and decommissioning, although of course they are phased in and of course in that sense it does take a bit of time for those

[Mr Mitchell Cont]

measures to have an effect. Where I would disagree with the fishing industry is that I would be a bit anxious about waiting a number of years to try and evaluate the effect when stocks are in such a dire situation. I really think that there is more that we could do in a range of measures and I think we are duty bound to act upon that now even though I do not dispute with the fishing industry that there may be a cumulative beneficial effect in relation to what we have already done.

165. You are equating a ban on cod with closing down the North Sea?

(Mr Morley) Yes. That is the clear interpretation of the ICES advice which is zero quota for cod but also in relation to by-catch, so in a mixed fishery like the North Sea the logical interpretation is that where we have a by-catch haddock and whiting fishery then the strict interpretation will be to close it down completely. I do not think that is realistic but I do think that we have to acknowledge the seriousness of the science. I know that the science is frequently disputed. I do not think that is a responsible position to take. I think we have to recognise that although fishery science by definition is never going to be exact, you can see the trends very clearly and I do not dispute the trends.

166. If you are going to look to other measures and that is an argument for giving the regional advisory councils more power, in other words, they can introduce specific measures targeted to the needs of that area and the fish stocks in that area, the nature of the mixed fisheries in that area, perhaps closing down class one and perhaps even more increasing mesh sizes, is it not an argument for giving them power to exercise more control over fishing in the area they cover?

(Mr Morley) Yes, I would agree with that. The regional advisory councils will fail if they are simply talking shops. They must have real influence in relation to fisheries management decisions and that is the position that we take from the UK and it is the position that I take as a Minister. We have to accept that the ultimate responsibility will always lie with the Council of Ministers because there has to be clear accountability through the EU Council and through the Member States, but we need to ensure that the regional advisory councils have direct input in relation to the Council and they have direct input in relation to the decision making process in terms of management decisions which are taken within their regions. In this case we are talking about the North Sea. I certainly see a strong and effective role for the regional advisory councils and I think it is the most effective way of dealing with management issues and of course we are talking here about the North Sea cod, Irish Sea cod, and there is also hake in relation to the Western Approaches, so many of these problems are regional in nature and there is a limited number of fishery stakeholders who are involved in those fisheries, so I think it is logical that we come together on a regional basis and try and find approaches which will of course apply to all the countries who are involved in the fishery because it has got to be all countries involved in a particular fishery, not just one.

167. What about Spanish effort in the North Sea in that case because it is going to be allowed in for non-precious stocks? There must therefore be by-catches. Does that mean that they will need to be represented on the regional advisory councils and that would mean a greater influence on them?

(Mr Morley) That of course depends on whether they have an interest in the North Sea and, as you quite rightly say, while technically the terms of the accession agreement mean that Spain will be allowed to fish in the North Sea from 1 January, in reality just about everything in the North Sea is on quota and therefore if you do not have a quota to fish in the North Sea then there is no economic inducement to do so and I think that will apply in relation to Spain. In fact, we have discussed issues of effort management in the North Sea and the last thing we need from any Member State is increased effort, whoever they are. It is not a discriminatory issue. Perhaps ways of dealing with that might be what little is left which is non-quota perhaps ought to be put on quota and distributed on the basis of the track record in the normal way.

168. I admire your trust, Mr Morley. I do not share it. Let me move on to the Common Fisheries Policy because as I read it pretty well the unanimous verdict of the evidence given to us is that the Common Fisheries Policy has failed. I will just quote the Joint Nature Conservation Committee which said that it is plain that EU fisheries management has failed systematically and it is therefore hardly likely that reinforcing the present system will work. I find it surprising in that situation that DEFRA—I suppose it has to say something nice about the system it is lumbered with—urges us not to forget the "positive aspects" of the CFP, and claims that it has provided a welcome degree of stability to the fisheries sector, or stability in decline. Let us take the Joint Nature Conservation Committee's verdict that it is failing and therefore it is hardly any use reinforcing it.

(Mr Morley) I am not going to defend the Common Fisheries Policy in relation to its recognised weaknesses which we recognise from DEFRA. The Common Fisheries Policy has inherent weaknesses, it is inflexible, it is bureaucratic, it is too slow to response, it is not involved in engaging the fishing industry in a way that we think it should, and all those aspects need to be changed, but it would be wrong to say that all the problems of the fishing industry are a result of the Common Fisheries Policy.

169. I do not think anybody is saying that.

(Mr Morley) Oh, I think some people are. Some people are saying that the root of all the problems is as a result of the Common Fisheries Policy and that is not the case. The results of a lot of the problem have been over-fishing which in some cases involved mis-reporting, illegal landings and not applying enforcement. This is not unique to any one Member State, I have to say, and it is also the case that in relation to management of fish stocks there has to be international co-operation, and there have been successes in relation to recovery of herring, for example, which is recovering in the North Sea. Amongst all the bad figures there are some welcome figures as well and North Sea herring is one. There is recovery of the management of the pelagic stocks, which were in generally good condition and good

[Mr Mitchell Cont]

state, and that has been brought about by cooperation within the framework of the CFP. You do need a framework in relation to European fisheries management, and indeed a framework to negotiate things like the EU Norway Agreement and also third country agreements. What we need to do is recognise where the CFP has failed, and it has, and try and address that and reform it.

170. Where is that?

(Mr Morley) Mainly in its inflexibility. It is a very monolithic kind of structure and when you want to take conservation measures or introduce technical measures that is a regional argument in one part of our own waters. If we use the North Sea as an example it can take a very long period of negotiation and argument before you get that in. We have to move fast. We very much welcome the fact that within the CFP proposals from the Commission there is provision for much faster emergency measures to be taken in relation to their fisheries management and also more Member State involvement up to 12 miles in relation to taking decisions on conservation management. That applies to all. That is a very welcome step as well. There is some welcome recognition within the proposals for change which recognise the weaknesses and the failings in the CFP. But sometimes you get people who complain about quota management, saying that quota management is a failure. Whether we are in the CFP or not we will always probably have quota management or, if we did not have quota management, the only real alternative to that would be some kind of days at sea regime. There is no real alternative to take pressure off fish stocks and to ensure that there is some proper management because otherwise there would be a big free-for-all and the stocks would be devastated.

171. That is a straw man you are setting up there. If we had control of our own quotas we could manage them for our purposes. That is the political dole out of a country that is the straw man of the CFP.

(Mr Morley) But we have had a political dole out amongst our fishing fleets, so in that sense you would not get away from the issue that quota is not just a management tool; it is also a tool for distributing the fishing opportunities within our own fleet.

Diana Organ

172. Can we go back a little bit because it seems to me that when you started you almost had a very fixed view that the science is right, the science is telling us that there is depletion of the fish stocks in the North Sea, therefore everything else will follow, and yet you did touch on the fact that you thought it was not an exact science and it is difficult and you and I might argue that it is the science, but we have heard that it is totally inaccurate to the extent that it is almost laughable. We have had evidence given to us in previous sessions that there is a 40 per cent margin of error on this science and no scientist in this country would accept that that is acceptable as a margin of error and that there are variations from year to year even in the southern part of the North Sea. It seems to me that you have implacably set yourself with the

advice you have got that this is the state of the science, but the science is inaccurate, you are going to ignore that, and then the policy will follow from there. Do you not see that the whole thing is building up as a house of cards because the science is so poor?

(Mr Morley) I am not sure the science is so poor. I have not seen that figure of 40 per cent inaccuracy. I accept, as I have just said, that of course by its very nature it is going to be inexact, but I need a reference point in relation to decision-making, and the reference point that I have is my contact with the fishing industry. I do not ignore their views and their experience because it does count in the decision making process. I have to have some reference point in relation to the stock figures and the stock trends. You only have to look at the year on year spawning biomass of North Sea cod to see that it is plummeting like a stone. You can argue about exactly where on the graph that figure should be but there is no argument that it has declined at a dramatic level; there is no argument at all about that. It would be irresponsible of me to ignore the scientific advice that I am getting. I know that there are those in the industry who do refute the scientific arguments and, as I say, I do not ignore the industry point of view and in fact I have taken steps in recent years to try and involve the industry in a much closer way with the scientific assessment process both in terms of engaging the industry with scientists, meeting with scientists to talk about their methods and their procedures. We have had representatives from the NFFO on our research ships which I thought was mutually beneficial for both our scientists and indeed our fishermen, and I am trying to encourage a much closer working relationship between the industry and the scientific advisers because there are some misunderstandings on both sides. I think it is important that we try to address those but to try and say we can ignore the scientific advice because it is rubbish I do not accept.

173. But on the other hand if we are taking that view as a result because you are taking the scientific advice and therefore the policy will follow, a tighter quota on cod, more restriction of fishing effort, etc, but there is no evidence, is there, and look at what happened on the Grand Banks, that all of these measures do anything to bring the cod stocks back?

(Mr Morley) The worry about the Grand Banks is that there are a number of unknowns about the Grand Banks. One of the theories about the Grand Banks is that the cod breeding biomass fell below a critical level that has not allowed it to recover. I do not intend to let that happen to the North Sea; I just do not intend that to be the case. Therefore we have to be wary, and in fact the Grand Banks should be a lesson to us, not an excuse for ignoring the science. It is true that there may be some other factors such as the warming sea temperatures. It is a scientific fact that cod is at its most productive at the lowest cycle of water temperatures and so if water temperatures are rising it is probably not helpful in relation to cod breeding. We have to accept that ICES themselves in their assessments have made it very clear that their view is that over-fishing is a principal reason for the decline. Therefore we do have to address the issue of fishing effort.

[Diana Organ Cont]

174. We talked earlier about the failure of the CFP and you are probably aware that the House of Lords Select Committee on the European Union wrote that "the manifest failure of the CFP during its first two decades has been in large measure due to lack of political will...".

(Mr Morley) Yes, I think there is some truth in that. In fact, we are seeing it now. I am appalled at some of the statements I have seen from some Euro MPs and from the Scottish National Party who seem to be ignoring the science and simply saying that there must be no cuts to the fishing industry and they present this as standing up for the industry. I do not believe seeing fish stocks wiped out is standing up for the industry. There has been a tendency to do this in the past by other Member States where fishery ministers have believed that their job is to come back from the annual Council by negotiating the maximum amount of fish quota for their industry even if that quota does not exist and it is simply a paper quota and it is way above the scientific advice. Even countries like Norway and Iceland, which are sometimes held up as paragons of virtue in relation to fisheries management, have taken a disgraceful— I make it very plain to you, Chairman,—and unsustainable attitude on some deep water stocks such as blue whiting where they have ignored completely the scientific advice and have been taking an unsustainable catch from that stock. There are still examples of an attitude which ignores the science, ignores the long term view, ignores sustainability and instead thinks that it is a populist position to say, "We are going to ignore the advice and we are going to stand up for our industry by saying no reduction in quota, no following the advice from the scientists". As I say, there are examples of that from the SNP and some MPs at the moment in our own country and I think it is to be condemned.

175. What about more at home lack of political will to deliver support to the fishing industry in the monies that are available within Europe for modernisation, for upgrading of health and safety? There has been criticism from fishing organisations and associations that the British fishing fleet have always been put on the back foot because they have not been able to get the monies that have been helping other fishing fleets to get the modernisation. Is that a lack of political will from the British Government?

(Mr Morley) It is not the case. We will provide I think a very large sum of money over the next few years in relation to the FIFG programme which we allocate to our own industry for a range of support measures. There is also support in relation to restructuring through the regional development agencies. It is true that we do not give money for building and modernisation. I do not think there is any justification for doing so. In this country we went through a period in the eighties of giving money for building and modernisation, new vessels and extending existing vessels. That had the effect of increasing effort and so after giving out large sums of money in the 1980s, the 1990s were spent in giving

large sums of public money in decommissioning those vessels to reduce them. I think with all the problems that we had which we have just been discussing in relation to the problem of fish stocks in the European Union generally it is completely ludicrous to be using public funds to build and modernise fishing vessels because the end result is always a more efficient and more powerful fishing vessel. We certainly are not going to go down that road in the UK because I think it is entirely unjustified. I know that was the view of your own Committee in the last report you did on the CFP and the view of the House of Lords Select Committee as well. It is one of the issues of course that we are arguing in the CFP reform. But in terms of other financial measures, our fishing industry gets very similar support through the FIFG programme as other countries.

Mr Mitchell

176. The reality is that because of the Fontainebleau agreement and the nature of the Treasury contribution to any European funding, which is high, the British industry has suffered. It has got less money from Europe or from its own government and mainly from both than competing industries have.

(Mr Morley) The Fontainebleau agreement does work against the interests of our country in relation to the small print of the rebate negotiation that was carried out by Mrs Thatcher. In a sense we do not have the same access to European funds as other countries do. However, I think you will find that analysis of the amount of money which has gone into the UK fishery industry in the last decade compares very favourably with the average that has gone into other Member States' fishing industries.

177. Would it not be sensible, if we are hit to a degree, whatever figure we can argue about, by the Fontainebleau agreement and if our Treasury is meaner towards fishing than comparable trades are,—

(Mr Morley) Not necessarily.

178.—because fishing is a smaller interest in the British economy and the overall picture than it is in Denmark and in Spain and in other countries? If it is the case that you do not want to provide money for investment in new vessels would it not be better to argue on the European scale for no investment in new vessels for any country because there has been a huge modernisation of the Spanish fleet, so it is causing a lot not only of increased competition but certainly ill will in this industry that British vessels cannot get it but Spain is modernising at our expense a fleet that is too big already?

(Mr Morley) No, I agree absolutely with you that I think the position should be no funds for building and modernisation in the whole of the European Union. That is a recommendation within the revised CFP where Franz Fischler is actually arguing that the money which is going currently for building and modernisation should be switched into restructuring to help the industry in areas where there is decline; I think that is the right thing to do. One should always stress of course that the Spanish fleet has contracted

Note by Witness: The actual sum made available by the four fisheries Departments in the UK for the period 2001–02— 2003–04 was £85 million.

[Mr Mitchell Cont]

dramatically, as indeed has been the case in every Member State. I do not think it has expanded, it is true they have a lot of modernisation money but I do not think they have expanded.

179. They had subsidy support in the 1990s when they were pushed out of Morocco.

(Mr Morley) It is true, although, of course, that is a comparable situation from when we were pushed out of Iceland and there was a great deal of money and support for our fleets, quite rightly so at the time. Indeed that Spanish fleet is not going back into Morocco and it is not going anywhere else for that matter as well and it will be decommissioning.

180. Okay. You mentioned the argument about standing up for Britain, we have just been told of the example of a new deep water trawler in Scotland which became unviable because the quota allocated, 2 per cent orange ruffey for instance, made it unviable and, therefore, it was sold off to Scotland. When I was in Hull the other day for the ceremony of changing my name back from Haddock to Mitchell—

(*Mr Morley*) That is one less haddock in the North Sea so I hold you responsible for that.

181.—which was conducted on a new vessel, they said also that because the French have a bigger quota for deep water stocks in what would have been our waters on a territorial basis that they were worried about viability. Now this indicates that we are not fighting energetically enough, all deference to yourself because I hope to become your PPS.

(Mr Morley) I do not agree with that position. It is true that I opposed the deep water agreement for a whole variety of reasons, particularly as the Commissioner made a very strong statement when he was over here in London in relation to the position that we were taking on deep water stocks which was compromised then in relation to the discussion. The brutal reality for these circumstances is that those vessels have not established a track record. When there is a new fishery of course people want to get into it and part of the problem—which I cannot deny, with the deep water fishery, although I thought the solution was the wrong one—is that when there is an opportunity for new fishing everyone piles into it to establish track records and you get then what is known as Olympic fishing in the trade because everyone is trying to establish as big a track record as possible. That is very bad for the stock, it is very bad for sustainability and it needs to be controlled which is why we have the principle of track record which our industry well understands and signs up to because, of course, on some distribution of quotas we have done very well on the basis of our track record. Unfortunately this is one where some of our own vessels have started to pursue this industry quite late on and, of course, the French have a longer established track record. I think the way it was done was the wrong way because I think it should have been on effort control in relation to the nature of deep water stocks because they may have it in one particular area and the danger is you can fish them out even on quota management and let them move on to the next population of fish and an effort control system would have been a better way of doing it. If you have not got the track record you have not got

the track record and that makes it very difficult for me to argue when these negotiations and principles are very well established and understood, including by our own industry.

182. Do you believe there needs to be a significant reduction in the fishing effort to allow the stocks to recover?

(Mr Morley) Yes, I think that is inevitable.

183. How big a reduction?

(Mr Morley) I think that is one of the issues that I was saying, Chairman, that we have to analyse and negotiate between now and December because when we are talking about how big that reduction in effort has to be, we come back to the point that I was making earlier on, and I do not disagree with some of the points that the industry was making, that we have to take into account the measures that we have been applying. We have got to take those into account and it may well be the raw interpretation of the figures in terms of effort at the present time is not correct, in fact I am pretty sure it is not correct. Before we can discuss the kind of measures that we need to take to reduce effort we have to agree on what that reduction is and that means taking into account the measures that we have been applying for some years. As I say, we have not been sitting around doing nothing in relation to these problems of stocks, we have been taking action on it and the benefits of those effort control measures need to be taken into account I

184. It means the other way also, conversely to that, taking into account the technological creep, the increase in the efficiency of fishing.

(Mr Morley) Yes, it does.

185. Therefore it will be bigger.

(Mr Morley) Well, the decommissioning programme, the ten per cent figure is the net figure which takes that into account but it is true there is this technical creep adds between 3 and 6 per cent of effort a year probably, just on increased efficiency, that is when you are standing still.

Chairman

186. Minister, you are on record as saying something with which I agree that no Member State should undertake to do more than its fair share.

(Mr Morley) Yes.

187. If the Council agrees to fleet reductions, will the UK actually have to lose more vessels, bearing in mind its previous record?

(Mr Morley) Not necessarily because we have made more progress on the multi-annual guidance programme than some other Member States and we have just had the recent decommissioning round. Now they are all factors which will be taken into account in terms of effort reduction so therefore it is not necessarily the case that effort reduction will fall uniformly on all Member States because we have made a great deal of progress already in these particular areas.

188. You believe we can share that pain equitably across Member States?

[Chairman Cont]

(Mr Morley) It will have to be shared equitably because it will have to be based in relation to the fleet capacity and the calculations the Commission are using which are on the basis that they are working. They are working on the basis that there are a number of Member States' fleets which are considerably over-capacity. Of course, how you deal with that is a matter for the individual Member States concerned. We have been dealing with a range of measures, not least our decommissioning scheme so, therefore, we are addressing that problem and we have been addressing it for a while.

189. You are not expecting necessarily for us to be able to participate in a wholesale decommissioning round this time?

(Mr Morley) I do not rule out decommissioning. Decommissioning is a double edged sword in relation to the advantages and disadvantages but there may well be a role for further decommissioning. These are issues which, of course, I want to discuss with the fishing industry.

190. If we do not go through the decommissioning side, will that mean alternative days at sea limitation?

(Mr Morley) I have not ruled out any option at this stage and I think that the way to address the problems of effort control is to have a tool box approach with a range of options. We are back to the regional approach in that you may want to apply different measures in different parts of the country. You may want to apply different measures to different fleet segments according to the problems they face and the needs they have. I think it is question of finding the right solution in the right area and, also, it is a matter to engage the fishing industry with as well. I think we should look at all options and there are advantages and disadvantages in every management option basically. What you have got to look at is what is most effective in the circumstances.

Mr Borrow

191. We have talked a bit about effort control, what other management options are there other than effort control?

(Mr Morley) Effort control applies to anything you do which reduces the amount of fishing effort and pressure on a particular stock. It is sometimes interpreted as, for example, days at sea. Days at sea is certainly an effort control measure but closing areas is an effort control measure. In our Irish Sea cod recovery programme, which has some welcome figures, the latest figures, there is a three months closure in the spawning areas for cod. So you are taking effort off for three months of the year within the Irish Sea recovery programme. You could have closed areas, you could have bigger mesh, the bigger mesh you have the more fish escape, that is taking effort off. These are all effort control measures. Twine thickness, square measures, closed areas, whether it is seasonal closure or real time closure, and real time closure is when you may have a temporary situation of concentrations of juvenile fish, for example, and what you could do is immediately close that area for a limited amount of time because of juvenile concentrations, I am actually quite keen on these kinds of approaches and I know the industry is

certainly quite keen to discuss them. Again, concepts of real time closure are within the proposals from the Commission within the revised CFP because to be effective you have got to move fast on that. Also there is the concept of no-take zones. The difficulty with all these things is that sometimes they might have to be very big zones to have an effect and that can be a problem in relation to the fishing industry. I am very glad to say that we have got agreement on our first no-take zone in the UK, that is Lundy Island. That is a very small area but I think very useful in relation to shellfish conservation in particular. I think there is scope for exploring these measures further. All of them on their own are probably not adequate. I think where I have a bit of a difference of opinion with the Commission is that the Commission are looking for one approach in effort control and I do not think that is necessarily the right way. What I think we should do is a toolbox approach where you have a range of options and you may want to use a number of them. To get the effort reduction you may have to apply a number of options together and you may want to apply different options in different areas.

192. Are there management systems that you could use that would not be classed as effort control? Are there things that you could do that would not be in the toolbox?

(Mr Morley) I think just about all these things really have an influence on effort control one way or another. Even decommissioning is about reducing effort because if you reduce the killing power of the fleet then you reduce effort on that as well. These are all options which reduce effort.

193. Have you made any scientific assessments or been advised of scientific assessments of the effectiveness of the various measures that are being used?

(Mr Morley) Yes. There is an attempt to try and evaluate scientifically the benefits of particular kinds of measures, whether it is mesh size, square mesh panels or closed areas. To be quite honest with you, Chairman, it is why scientists are quite keen on such things as days at sea control as a method of effort control because you can evaluate it and control it comparatively easy but, of course, that very much depends on the amount of days which are available to each individual boat in the fleet because there is an issue of viability for the fleet as well, which I well understand. Effort control is not the answer, although it is favoured by scientists and some fisheries' managers. It is not the answer in itself. You can have problems of increased effort because if you reduce the number of days then the risk is that on the days that people have they will be fishing even harder. There are pros and cons to each individual method, which is why the way forward is probably a combination.

194. On the science itself, one of the things that has become clear to the Committee is that there is a dispute as to the accuracy of the science. I think even the scientists themselves recognise that there is quite a degree of guesswork, if you like, in terms of estimates made. Is there anything that you are doing as the minister or that your Department is doing to actually improve the quality of the scientific advice that you receive?

[Mr Borrow Cont]

(Mr Morley) Yes. We spend a lot of money on fisheries science. The way that ICES works is that ICES is made up of a number of constituent nations but it is basically the whole of the North Atlantic, it includes Russia and North America, and each member state carries out scientific surveys and the scientific information is pooled and scientific advances are also pooled. I think we have a very good record in this country in terms of cutting edge technology in science. We are doing some interesting work on tracking cod, for example. We have also invested in a state of the art research vessel which will be available from next year. We are constantly investing in our scientific database and our scientific procedures. I have to say I think we have a good record and I do have confidence in it. I do want to involve the fishing industry more. I also do not, as scientists do not, rule out their contribution, particularly on their catch figures and logbooks, as long as they are accurate.

195. On that general point in terms of the involvement of the fishing community in some of these management decisions, what has come over to me as an MP representing a non-fishing constituency, and therefore it is not an issue I would deal with regularly, is the extent to which there is distrust within the fishing industry of either the science itself but also there being a them and us situation in the sense "we are the people who do the fishing and it is those lot over there in Brussels who are making the decision".

(Mr Morley) Yes.

196. It just strikes me that if you are going to get improvements in the system you need to have shared ownership of the management process and shared ownership of the decisions on how stocks will be conserved and shared ownership of the science as well.

(Mr Morley) Yes.

197. What work is your Department doing now to try to move towards that sort of structure?

(Mr Morley) We are trying to involve the fishing industry much more closely with the whole scientific process and the annual assessment of stocks, and the long-term assessment. There are fishing vessels which do work on behalf of CEFAS under contract as part of their data collection, for example. They had some fishing vessels chartered in the Irish Sea recently doing work for CEFAS and that is not unusual. There has to be this close collaboration between scientists and the industry. I do accept that at the moment there is this distrust and there is this alienation from the decision making process. That is why I do think one way of addressing this is the Regional Advisory Councils, an idea which originally came from our own fishing industry in the joint Scottish Fishermen's Federation and National Organisation of Fishermen's paper on CFP reform. I am very glad that it has been incorporated in the Commission's proposals and I am confident that we will get that implemented in the revised CFP. I think there is support for it. There will obviously be some discussion on the make-up of the committees and the powers that they will have, but I think the important thing is to establish a principle and I think that we can do that. It is interesting to note, Chairman, that

when I was at ICES recently I went to Copenhagen for the one hundredth anniversary and some countries were saying that the fishing industries in those countries actually pay towards the scientific collection themselves and they say that they have a lot of confidence in the science because they are actually paying for it. Now, I am not suggesting that we therefore give the bills to our own fishing industry but it is quite interesting that you cannot get a much closer link than actually paying for it and that gives them a lot more confidence than it appears our own industry has. I think the answer to it is certainly for the industry to have more ownership in decision making but particularly that involvement in relation to the scientific assessment.

Mr Mitchell

198. Just as a counterpoint, several European fishermen do not actually pay for the docks, the works and the charges and that gives them a lot of confidence in the docks, the works and the charges. Can we talk about the support for fishing communities in terms of compensation. First of all, I see that the Government does not consider that there is a need to increase the overall projected expenditure, this is DEFRA, on EU FIFG programmes, that it could be re-targeted.

(Mr Morley) Yes.

199. There is a strong argument for that. Is it not daft that everywhere is opening new fishing markets when there is a diminishing supply of fish and that, for instance, on the Humber, where we have got a brilliant fish market in Grimsby, which you have visited several times, Minister, they are being financed to open another market to compete on the other side in a place whose name I have forgotten? This duplication of markets at a time of diminishing supply is barmy.

(Mr Morley) Well, we did have an independent analysis of the business case for the Hull fish markets, which are words that I know cannot help but pass your lips, Austin, and one of the issues that we did ensure was taken into account was the viability of having two markets on the Humber. Now, as you well know, a lot of the fish going through both those markets is imported. We import something like 70/80 per cent of the white fish in this country which is from non-UK waters. A lot of the fish that we catch in this country, particularly in the south and south-west, is immediately exported out of this country because of the different nature of the markets. Even with the problems that we are facing in the North Sea, even though it will impact inevitably because if there is a reduction in catch then there is an inevitable impact on fish markets, the vast majority of fish coming through is coming from other sources and will continue to come from other sources, so those markets will continue to have a role to play. While I understand the point you are making I can assure you that before any venture receives Government grant there has to be an independent assessment of its business case and that was done in the case of both markets, incidentally, both of which were granted.

200. That was true of the Dome also.

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[Mr Mitchell Cont]

(Mr Morley) I have to say that I had no part in that whatsoever.

201. That was just a joke. There is a problem in fishing communities and John Ashworth told us that many of the fishing communities are remote and alternative jobs are in short supply and people will have to leave.

(Mr Morley) Sure.

Mr Mitchell: I do not only include remote Scottish fishing communities in this, it is down the entire East Coast. There are problems in Whitby and Scarborough. There are areas of high unemployment in Grimsby.

Chairman: Cornwall.

Mr Mitchell

202. I am just talking about the East Coast. Cornwall has problems as well. What support can we provide for fishing communities? Are they going to be in need of targeted support as a result of whatever reduction there is?

(Mr Morley) There is a case for targeted support always for a range of industries and the fishing industry is entitled to its share. As I was saying, Chairman, it does get support through the FIFG. There is a range of other Government funds and measures also, particularly for fishing communities and fishing ports through the RDA and there was some additional money that was made available. It is a complex situation. It should be borne in mind that the vast majority of the English fishing fleet is under 10 metres and the under 10 metres are generally sustainable and in relation to the shellfish in particular which they catch, the returns are good and the fishery is in reasonably decent shape. It is the case also that in terms of our white fleet there is a problem with crews. It is not as if there are a lot of unemployed fishermen, it is a problem getting crew at the present time in Scotland and in England and, indeed, other countries as well for all sorts of reasons: competition in our case with the North Sea oil industry and a range of other competing situations and low unemployment.

203. They support jobs onshore, engineering and all the rest of it.

(Mr Morley) That is true, they all come into it, and that is why I am very wary about decommissioning because it is always in the back of my mind that when you start reducing vessels you have a knock-on consequence in relation to shore jobs. I am sensitive to that point, although sometimes you have to look at the viability of fishing vessels in relation to making sure there are enough fish to go around for them to make a decent living. That is all part of the concept of decommissioning. There is support for communities in a range of different ways, both directly in relation to the FIFG, which is specifically for the fishing industry, and also indirectly in a range of other structural and regional measures.

204. The Commission has estimated about 28,000 fishermen will be affected by the reductions in fishing effort. Would your estimate be of a similar scale?

(Mr Morley) It is difficult to say really because it depends on the kind of reductions, it depends on whether we can turn around some of these stocks in

the short-term or the long-term. It is very difficult to say that. That is twice the total number of fishermen directly employed in our industry, which is about 14,000 in the UK, the majority of whom are in the inshore fleet.

205. Will whatever effort is made to help fishing communities be through the Regional Development Agencies or have DEFRA planned on a national scale?

(Mr Morley) A bit of both really because we, of course, manage the FIFG programme and that is managed in consultation with the fishing industry. The RDAs, of course, are managed through their boards and through the Regional Government Offices. There are also Objective 1 and 2 funds and Cornwall has Objective 1, which is a big advantage.

206. The World Wildlife Fund— (*Mr Morley*) Scotland has Objective 1 as well.

207.—co-operating with the NFFO and the SSF has developed proposals for supporting the industry through the period of reorganisation. In other words, this is its point at the present moment and (a) you want to get it through various measures like effort limitation or decommissioning or whatever through the difficult period until (b) the stocks begin to build up and when they do begin to build up to the point of sustainability then that industry generates tax revenues and is financially viable, but it has got to be helped from (a) to that point (b) and that responsibility, they argue, falls on Government. They have told us in evidence that they are doing a cost benefit analysis of the programme to put proposals to Government. Without having those proposals at the present moment, what is your initial reaction to that argument that you are not subsidising the industry, you are investing in it?

(Mr Morley) One person's subsidy is another person's investment depending on who is giving it basically. I do not close my mind to any approach and I never have and that is why I am sometimes urged to rule out things. I would prefer to look at individual ideas on their particular merits. I have never closed my mind to the idea of tie-up grants, which is what you are talking about. I do have to say, Chairman, that I am not currently persuaded that that would be the best use of what in the end are limited public funds. We have to accept that we do not have an infinite budget in relation to any public sector, therefore you have to make decisions on where the money is best spent. We do have budgets for the fishing industry and we do have priorities in relation to where we are spending that money. I do not myself think that it is a good priority to use that money in tying up a fleet which actually could be for a very long time. If you have a problem of an unsustainable fleet then even if you recover stocks you are still unleashing a potentially unsustainable fleet which will just obliterate those stocks after all the money and pain of rebuilding them. I think that you have got to look for long-term solutions which, again, means a range of issues, including fleet size, including management methods. including conservation plans, in terms of ensuring that you have a sustainable fishing industry. I am not persuaded that tie-up grants is the best way of doing that.

[Mr Mitchell Cont]

208. The WWF proposals are not proposals for sustaining an unsustainable fleet, are they, they are proposals for financing the reorganisation of that fleet to the point of sustainable stocks when that fleet becomes profitable, that is the argument.

(Mr Morley) I understand the argument. I have met with the WWF to discuss this with them and, indeed, I have discussed it with our own fishing industry as well. Of course, it is very easy when you are promising somebody else's money in relation to any kind of strategy of that type. From my point of view, in terms of a limited budget, and the budgets will always be limited, you are back to what is the best use of it, where is the best use and how do you apply it. I am not persuaded at the present time that using it for tie-up grants, which potentially could be enormous, I know they are doing this analysis of what they think it will cost but the cost potentially could be huge, is the best use of public funds.

Mr Mitchell: Presumably they will come up with a carefully tested proposal and costed proposal. The counterpoint to that, of course, is unless there is some measure of Government support for the industry to reach a viable level, and it has got to for stocks to become sustainable, other countries are more likely to be more generous to their industries and the British fleet will wind down by a process of bankruptcy with the Government failing to support it. They will inherit the earth.

Chairman

209. The sea.

(Mr Morley) But they will not, will they, because the quota is national. I believe that there are one or two Member States who are building up big problems for themselves in that they have subsidised an expansion of fleet efficiency with vessels which frankly have limited opportunities and it will come back to haunt them. The fact that they have these vessels does not give them any more fish because our quota is our national quota and we manage it in relation to our national priorities so it is not available for other fishing fleets. What they do is a matter for national decisions. What we do is in relation to getting the maximum benefits for our national quota for our fishing fleet.

210. Minister, just to finalise, looking back at some of our predecessor committees, at which you have been a frequent attender now, there was reference some little while ago to the production in MAFF days to what might be called a UK strategy for fish.

(Mr Morley) Yes.

211. I could not find whether that had been produced ever.

(Mr Morley) It is in process. The Fisheries Forum have agreed to develop a fisheries strategy and we have had a number of meetings with the Fisheries Forum which involves all sections of the fishing industry. They are still in the process of finalising particularly the costings of what is quite a sophisticated and far reaching strategy. We have had a presentation from them in terms of their thinking as part of the strategy which links in everything from the catching side to the processing and the marketing side. They deserve credit for what they have done. I think they have done a great deal of work. What they have not done as yet is the costings about what it would mean and they are involved in that currently.

212. It has been rather long in the gestation, it might have been quite helpful in relation to what we are doing now and, indeed, bearing in mind the very important decisions which are going to be made very shortly. Is the strategy going to be just blown out of the water by the time they get it out?

(Mr Morley) No, I do not think so. The strategy is about overall management of the industry, although of course it is a long term view, it is not designed to cope with the kind of problems that we are facing at the present time with North Sea cod, for example. These are issues which are absorbing our attention and energies, to be honest. We have a lot of demands on the Department, on the fisheries section within DEFRA at the present time, in that of course we are coming to a conclusion on the CAP, we are trying to negotiate that; we have the annual quota round which is coming up; we have the cod and hake recovery plans which need to be resolved and negotiated and also we have some internal measures such as the introduction of shellfish licensing. I appreciate it is a slow process but the demands upon my own Department and officials are quite considerable at the moment.

Chairman: Minister, thank you very much indeed. That has been extremely helpful and I am glad we managed to find a mutually convenient date and time at the end of this process.

APPENDICES TO THE MINUTES OF EVIDENCE

APPENDIX 1

Memorandum submitted by the Shetland Oceans Alliance (K1)

REFORM OF THE COMMON FISHERIES POLICY

In reply to your Press Notice of 24 July 2002 inviting written evidence on the above, please find below our submission.

1. Proposal for a Council Regulation on the conservation and sustainable exploitation of fisheries resources under the Common Fisheries Policy

Our main comments are:

- 1.1 Multi Annual Management Plans for the management of fish stocks. This has been welcomed by the fishing industry and was one of the issues SHOAL campaigned on. It is noted that effort limitation, catch limits and technical measures will be components of a multi annual management plan. One measure proposed is the establishment of incentives, including those of an economic nature, to promote more selective fishing. This suggests that compensated tie up could be revisited. SHOAL has consistently argued that transitional aid is necessary if the fishing industry is to survive and a compensated, gradually decreasing tie up scheme is necessary if the crisis with fish stocks is to be genuinely tackled. SHOAL again asks the Scottish Executive to reconsider its position on compensated tie up.
 - 1.2 It is noted that the 12 mile limit will remain.
- 1.3 The principle of equal access is confirmed in the White Paper but Relative Stability remains, which means that only countries which have quota in the area will have a right to fish there. There is mention in the Roadmap however of consideration being given to altering the allocation keys, for example by basing allocations on an average share of catches over the past five to ten years.

It is clear from the preamble to the Regulation, and from comments in the Roadmap that the Commission's view is that the structural changes proposed in the CFP will lead to a more stable economic situation in the fishing industry, such that relative stability and national fish stock allocations would no longer be required. However, Relative Stability benefits everybody so there is unlikely to be much demand for wholesale change in the future. It is noted that the Commission is proposing to organise workshops later this year on fisheries management issues, covering areas such as ITQs and payments for the right to fish, and it is critical that the Scottish Executive and, more importantly, representatives of communities heavily dependent on fishing, such as Shetland, are invited to participate in such workshops.

- 1.4 Fleet capacity levels for each member state will be based on the existing MAGPIV objectives. The UK is presently within its MAGP objectives for all but the pelagic sector, even before the withdrawals from decommissioning are taken into account. The Commission proposes to introduce an entry/exit ration of 1-1, ie no boat can enter the fleet without similar capacity being withdrawn. The UK effectively works this system within its vessel licensing rules, so this proposal will bring other Member States into line with the UK. There are two areas which require attention in this regard:
 - (a) arguments need to be put forward to look at fleet capacity on a per sector basis rather than overall so that individual sectors of the fleet are not penalised for another sector's overcapacity. There is no logical basis for this, but it is the position the UK adopts. The Commission is also taking that line in its Emergency Vessel Scrapping Regulation (see Para 6 below);
 - (b) safety capacity. Certain Member States, particularly the Irish, have argued that a certain proportion of the tonnage of their fleet is necessary for safety reasons and therefore should not be included in determining whether MAGP targets have been met. Clarification is therefore required as to whether the interpretation of "capacity" and "tonnage" is the same across all Member States and, if not, then in the interests of fairness, argue for a recalculation of UK tonnage and capacity for safety reasons. SHOAL asks the Scottish Executive to clarify this issue as soon as possible.
- 1.5 Retention of the Shetland Box is confirmed in the Regulation, but it goes on to state that all such derogations are to be reviewed by 31 December 2003 to see whether they can be justified in terms of conservation and sustainable exploitation objectives. SHOAL has actively campaigned for the retention and extension of the Shetland Box and asks the Scottish Executive for its support for a proposed study, to be undertaken next year co-ordinated by North Atlantic Fisheries College, to demonstrate the effectiveness of the Box in terms of fisheries conservation and management .
- 1.6 It is noted that assistance towards fleet renewal is to be severely restricted, but since the UK has not availed itself of European assistance in the past this does not affect us unduly. However higher scrapping premiums are to be introduced and, if necessary, extra Community co-funding for vessels most affected by

multi annual management plans which will encourage additional decommissioning. However, as stated in Para 4a) above, the proposed Council Regulation on an emergency scrapping measure states that only those Member States which have achieved both overall and sector reductions will qualify for such assistance, which means that the UK would not qualify. As mentioned above SHOAL asks that the Scottish Executive and the UK government present arguments to the Commission to have fleet capacity assessed on a per sector basis, so that boats could qualify for this additional assistance. SHOAL has argued that a certain level of permanent decommissioning is required but that it is not the only solution, especially for fisheries dependent communities such as Shetland where diversification is not an option. SHOAL's position is therefore one where decommissioning and compensated tie-up should run in tandem, such that fishing effort is reduced temporarily till stocks recover, but in the meantime the infrastructure remains so that, when stocks recover, fishing can resume normally.

- 1.7 Commission Emergency Measures—the regulation proposes that the Commission can impose emergency measures for a period of up to one year, for example in a situation where stocks look to be in danger of collapse. The Commission already has these powers (utilised in imposing area closures last year) but only for a maximum period of six months. The proposed regulation therefore doubles the time period for such measures.
- 1.8 Conditions for access to waters and resources—a number of these proposals are already carried out in the UK (eg the requirement to carry licences on board). For those proposals not already in place (eg the proposal for electronic log books), SHOAL asks the Scottish Executive to confirm that such measures will only be introduced following industry consultation. The proposals in the regulations concerning marketing of fisheries products is broadly welcomed by Shetland's fishermen.
- 1.9 The proposals on Inspection and Enforcement and Follow up of Infringements give no particular cause for concern in that these procedures are largely in place in the UK at present although suspension of licences is something which, to date, the UK authorities have shied away from. It is noted that, in order to ensure that the CFP rules are applied equally throughout the EU, the Commission is proposing to come forward with a proposal for a Joint Inspection Structure at Community level. A communication to that effect will be presented by the end of 2002 with a view to having a joint inspection structure in place by mid-2004.
- 1.10 Decision Making and Consultation—the chapter states that the Commisson will be assisted by a Committee for Fisheries and Aquaculture. Clarification is required as to whether this is the same as or a replacement for the European fisheries advisory committee ACFMA. The regulation also goes on to refer to the establishment of a further Committee known as the Scientific, Technical and Economic Committee for Fisheries which is to be consulted on all matters pertaining to conservation and management. It is not clear where this fits in to the picture, ie is this a replacement for ACFMA?

This chapter also includes the proposal to establish Regional Advisory Councils the aim of which would be to bring together all stakeholders with an interest in fisheries management and conservation. These Councils would then submit suggestions to the Commission and Member States on fisheries management issues within their areas. This is an issue SHOAL campaigned on and SHOAL therefore asks the Scottish Executive to ensure that there is sufficient Shetland fisheries representation on the relevant Committee. SHOAL recommends that there be no dilution of the purpose of these Committees and that they should be strongly industry focused.

1.11 The Regulation stipulates that because of the number and extent of amendments to be made to the CFP, existing CFP Regulations 3760/92 and Regulation 101/76 should be repealed. SHOAL asks that the Scottish Executive's legal team provide advice as soon as possible as to whether this would present any difficulties.

2. Roadmap

- 2.1 Page 9—Improvement of scientific advice for fisheries management. It is proposed that an Action Plan for this will be presented in the second half of 2002. One of the measures proposed by the Commission is "the development in the longer term of a European Centre for Fisheries Assessment and Management, bringing together scientific expertise at Community level". As an internationally recognised centre of excellence in fisheries research and development, North Atlantic Fisheries College is ideally suited to assume this role and SHOAL asks the Scottish Executive for its assistance in actively promoting NAFC's case in this regard, particularly in recognition of the very important and ground breaking work undertaken over the last year by NAFC on behalf of the Executive in respect of stock assessments and technical conservation measures.
- 2.2 Page 19—the Social Dimension of the CFP. It is acknowledged that structural adjustment is "bound to have short term consequences for the fisheries sector and for the economy of a number of coastal areas dependent upon fisheries". It is noted that the Commission is proposing to conduct bilateral consultations with Member states to assess the likely socio-economic impact of fleet restructuring. Such consultations will, *inter alia*, focus on the adaptation of European assistance schemes such as FIFG and ERDF and it is stated that "appropriate account will be taken of the need of the outermost regions". The Commission proposes to produce an Action Plan on the social, economic and regional consequences of the CFP in the second half of 2002. Much work has already been done by Shetland Islands Council and SHOAL on Shetland's fisheries dependency, peripherality and insularity and SHOAL agreed that this is presently being drawn together for

presentation to the Scottish Executive, the UK Government and the Commission to try and gain some recognition of Shetland's particular status. In recognition of Shetland's heavy dependence on fisheries, SHOAL therefore asks for the Scottish Executive's support in presenting Shetland's case to the UK Government and to the Commission for particular derogations from general and specific state aids regulations, the retention of current state aids thresholds and continued access to ERDF and FIFG finance post 2006, in order that Shetland can continue to support and develop its key fisheries industries on which it is so dependent.

- 2.3 Page 22—A Strategy for Integrated Development of Coastal Areas Dependent on Fishing. It is proposed that a long term strategy be developed which "recognises the role played by fishermen and other fisheries stakeholders in maintaining the social and cultural heritage of coastal areas, maintaining SHOAL's arguments leading up to the CFP. However, the proposal also mentions "providing leverage for the development of alternative activities, tourism in particular. It must be recognised that, for Shetland, there are no realistic economic alternatives to the fishing industry. SHOAL has consistently argued this point in its submissions to the Scottish Executive, the UK Government and the Commission and it is critical for the future of these islands that this is taken on board by all three bodies when coming to decisions on the future direction of the Common Fisheries Policy.
- 3. Proposal for a Council Regulation on Community Structural Assistance for Fisheries
- 3.1 The explanatory memorandum to this regulation states that "renewal of the fleet must take place without any increase in fishing effort, within a sound economic environment and without public financial support". It is noted that the regulation stipulates that FIFG assistance will be concentrated on vessel scrapping and that public aid for fleet renewal will no longer be permitted. Modernisation assistance will be restricted to measures connected with safety, quality, hygiene, etc or measures to increase gear selectivity, reduce by-catches etc.
- 3.2 It is also noted that the Regulation confirms that compensation could be granted to fishermen for a period of three months "in the event of unforeseeable circumstances particularly those caused by biological factors" or for up to a year where multi-annual management plans are adopted or where emergency measures are decided by the Commission. This brings compensated tie up back on the agenda and SHOAL's position on this and its requirements from the Scottish Executive are detailed previously in this letter. It is unclear from the regulation whether overall MAGP targets have to be met before such assistance is given and SHOAL therefore asks the Scottish Executive to clarify this matter.
- 4. Proposal for a Council Regulation re scrapping fishing vessels

See Para 4a) and Para 6 above.

- 5. Communication from the Commission regarding the integration of Environmental Protection requirements into the CFP
- 5.1 It is very clear that the environmental bodies will have a major input into fisheries management decisions within the CFP. Multi Annual Management Plans will take into account environmental factors and environmental bodies will be involved in the Regional Advisory Councils.
- 5.2 It is noted that the Communication proposes as a first step to consult the Scientific Technical and Economic Committee for Fisheries (see Para 10 above), which itself will include environmental representatives, with a view to designing an experimental monitoring system to become operational during 2003. The Commission then proposes, by 2005, to prepare a report for the Commission and the Parliament on the environmental performance of the CFP.
- 5.3 SHOAL's commitment to the environment has already been made very clear to the Scottish Executive, to the UK Government and to the Commission in its various responses to the CFP review and continues to emphasise these, particularly in relation to fisheries conservation. SHOAL would also like to reiterate its call for an urgent review of the effects of industrial fishing on the marine ecosystem. SHOAL also emphasises the important role served by the Shetland Box in preserving biologically sensitive stocks and in conserving the marine environment and asks for the Scottish Executive's support in ensuring that the Shetland Box is retained.

In conclusion SHOAL would welcome an opportunity to discuss what it considers the main points in the White Paper.

APPENDIX 2

Memorandum submitted by the Natural Environment Research Council (K7)

Introduction

1. Most of the comments in this document relate to environmental aspects of the Common Fisheries Policy (CFP) and draws on input from the Sea Mammal Research Unit (SMRU). Comments concentrate on the terms of references indicated below and are presented as follows:

Introduction	Paragraph 1
Background	Paragraphs 2 to 4
To what extent the proposals will improve quota management and conservation and what alternatives might be considered	Paragraphs 5 to 17
What will be the impact of the proposals on the structure of the British fishing industry?	Paragraphs 18 to 19
Whether the plans for social help for fishing communities are adequate	Paragraph 20
Whether enough emphasis has been placed on proper enforcement of the CFP	
Other comments	Paragraphs 25 to 31

BACKGROUND

- 2. The Natural Environment Research Council (NERC) is one of the UK's seven Research Councils. It funds and carries out impartial scientific research in the sciences of the environment. NERC trains the next generation of independent environmental scientists. Its priority research areas are: Earth's life-support systems, climate change, and sustainable economies.
- 3. NERC's research centres are: the British Antarctic Survey (BAS), the British Geological Survey (BGS), the Centre for Ecology and Hydrology (CEH) and the Proudman Oceanographic Laboratory (POL).

SPECIFIC COMMENTS

To what extent the proposals will improve quota management and conservation—and what alternatives might be considered.

REFORMS

CONSERVATION OF RESOURCES AND MANAGEMENT OF FISHERIES

- 4. The objective given in the roadmap: "an economically viable and competitive fisheries and aquaculture industry which will benefit the consumer" is laudable, but requires further explanation. The consumer would most likely be served best by policies that produce most fish, which would result in lower prices. This may not be in the best economic interests of the industry. A more explicit statement that the highest practicable yield levels will be sought, subject to environmental concerns, would have been useful.
- 5. It is stated that management will be re-focused on a more long-term approach to secure sustainable fisheries with high yields, which goes some way to addressing the point above. However, elsewhere in the documents, multi-annual management plans are proposed to ensure sustainable exploitation, a less ambitious goal, and to "keep stock size and fishing mortality rates within long-term safe levels" again a less ambitious goal than trying to ensure highest practicable yields.
- 6. It is stated in the document that the multi-annual plans will "establish rules for the protection of non-commercial fish species, in particular cetaceans and other marine mammals and seabirds". Clarification on whether the aim here is population conservation or restoration rather than individual animal protection, would be welcome. The "other" marine mammals are seals or pinnipeds, and it might be simpler just to say "mammals, birds and reptiles", as turtles could also be added to this list.
- 7. The proposed Management Committee needs further explanation. For example, how will this Committee be made up and what resources will it have, especially to balance stock management and economic considerations with environmental concerns? Relevant expert bodies should be consulted on its terms of reference, scope of activities, constitution and organisation. There needs to be some explicit link between this proposed committee and at least the Scientific, Technical and Economic Committee for Fisheries (STECF) and the proposed Regional Advisory Councils (RAC). It is important that it has access to expertise in all appropriate disciplines. The Commission and its Committees may not be set up to access all significant information at present.

INDUSTRIAL FISHING

8. Some aspects of this section need clarifying. It is stated first that industrial fishing should target fish for which there is no market for direct human consumption. Yet the last sentence also looks for improved management of stocks for which there are both industrial and human consumptive uses. Blue whiting is mentioned, but sprats and horse mackerel could be included. The more appropriate aims should be to minimise any economic waste brought about by industrial fishing, and to ensure that any risks of eco-system level impacts from such fishing are minimised.

FISHERIES MANAGEMENT IN THE MEDITERRANEAN SEA

9. We would have liked to see more here about data gathering and data management.

INCORPORATING ENVIRONMENTAL CONCERNS INTO FISHERIES MANAGEMENT

- 10. The Commission espouses the use of "indicators of environmental impact" which will presumably be developed by the "relevant bodies" mentioned. The International Council for the Exploration of the Sea (ICES) has some experience here of developing Ecological Quality Objectives for OSPAR, so perhaps that process should be referred to if this route is to be taken. This is a task that will need some far-sighted thinking and would benefit from reviewing approaches that have been taken elsewhere in the world as well as those that are currently under development in Europe. There is also a danger in deriving trite sets of indicators by which performance is measured, as invariably these lead to a narrowed managerial focus. Ongoing peer review, as proposed elsewhere under fleet policy, would be a preferable means of addressing so complex a set of issues. It may be difficult to establish a set of useful environmental impact indicators by early 2003.
- 11. The Commission proposes immediate action (in 2002) on sharks, seabirds and cetaceans. Whereas some actions could be taken with respect to all of these groups, there is a lack of sufficient information on which to base adequate management actions. This section needs to elaborate on how a management framework might be set up to address such issues, including pinpointing where there are important deficiencies in information. In this respect it should be stressed that STECF and the proposed Management Committee need to have appropriate expertise to address these issues.

ACTION PLAN FOR THE IMPROVEMENT OF SCIENTIFIC ADVICE

Improvement in data collection, extended to include environmental impact:

12. There are enormous problems in terms of data collection, data management and data availability. Baseline data should be explicitly mentioned with respect to environmental impacts. It is not just a question of needing to assess, for example, the quantities of non-commercial species being impacted by fisheries; information on the distribution, abundance and ecology of those species is also vital. Such monitoring needs to be done independently of fishing operations, should be an integral part of any ecosystem management schemes, and ideally should be funded from the fishery.

INTERNATIONAL FISHERIES

13. There is very little mention of environmental impacts in this entire section. A key element must be data collection, including baseline surveys, and the sharing of this information with the host nation. Proper data collections schemes must be established on all distant water fleets to assess environmental impacts and where necessary environmental/ecological/population surveys need to be carried out in order to be able to assess the extent of any impact on the distant water environment. The Commission should not be responsible for undertaking such an assessment itself as this is a task that needs to be undertaken by some element of an environmental management regime that is opaque in the current proposal.

ENVIRONMENTAL INTEGRATION AND IUU FISHING (COM (2002) 186 FINAL AND COM (2002) 180 FINAL)

14. It is suggested that a new set of technical measures will be adopted by the end of 2002 to reduce bycatch of cetaceans to levels guaranteeing favourable conservation status. This would be extremely difficult, if not impossible, as the levels of cetacean bycatch are unknown in all but a very few fisheries, population sizes are unknown in almost all cases, and there are limited options at present to devise adequate technical measures. The Annex notes that both bycatch and population size will be estimated on the basis of scientific evidence but the evidence is not there and will not be for at least another two or three years. A more useful and realistic target would be to implement some kind of management framework that would enable the appropriate questions to be posed, and then answers to those questions sought, and then management advice put forward on that basis. Similarly, "full monitoring" of "populations of marine species on Annex IV of Directive 92/ 43/EEC" needs to be undertaken, but it will take longer than a year (as proposed in the document), and a proposal is being prepared to address this very issue in 2004–05.

- 15. There is no doubt that reducing fishing effort and the elimination of public funds for increasing fishing power will help environmental efforts, but we would like to know how the Commission will draw up another action plan on sharks, cetaceans and sea birds in the next few months and whom it will consult. This is a major task that has social and economic consequences and it would be helpful to know how the appropriate expertise (including that from countries outside the EC) can be brought to bear in a timely manner. The establishment of ad hoc committees that have to work within a short time frame to provide advice on this topic will not be sufficient.
- 16. The questions involved in integrating environmental concerns into fisheries management are complex and will require dialogue between the Commission and any technical committee set up to address the issue, and also with bodies such as ICES, STECF and the Advisory Committee for Fisheries and Aquaculture. Dialogue must be initiated to decide on management objectives before management plans can be devised by a technical committee, and often the appropriate information to decide on a management plan will not be available. In this instance a technical committee needs to seek advice on what to do in the interim (ie how to adjust the management goals in the short term) and how best to ensure that the appropriate information is indeed collected and analysed as soon as possible. If the Commission proposes a full set of action plans for birds, sharks and mammals (why not turtles and sturgeons) to protect them from fisheries in the next few months then we fear that those plans will be inadequate. It would be far better to establish an institutional framework so that these matters can be addressed thoroughly using the best available advice.

WHAT WILL BE THE IMPACT OF THE PROPOSALS ON THE STRUCTURE OF THE BRITISH FISHING INDUSTRY?

Access to waters and resources

17. Perhaps it is time to recognise explicitly the possibility here that there should at some point be no "national" fleets, but only European registered ones.

COMPENSATION AND SANCTIONS

18. These should be extended or it should be made explicit that the "loss of common resources" includes damage to the environment. Note again the need for independent monitoring of the environment if this were to be possible.

WHETHER THE PLANS FOR SOCIAL HELP FOR FISHING COMMUNITIES ARE ADEQUATE

19. While a fair standard of living for fishery workers is a major objective, it appears that the only place safety is mentioned in the section: A new strategy to address structural adjustment.

WHETHER ENOUGH EMPHASIS HAS BEEN PLACED ON PROPER ENFORCEMENT OF THE CFP

A framework for the deployment of observers on board fishing vessels

20. It has been shown in the US that when scientific observers are tasked with enforcement and compliance, data quality is seriously undermined. There are two ways in which this happens—boats will clearly behave differently when an enforcement official is on board, and at an individual level the behaviour of such official also changes or is changed when they are living on board. There is a risk of coercion where an individual is expected to live 24 hours a day with a potentially hostile company—the dangers of this are obvious, and can lead to problems, among which poor data quality or biased data are probably the least worrying. We recommend that enforcement and compliance tasks are undertaken by the VMS and remote sensing systems proposed, backed up by roving inspections, and that any on board scientific observers are divested of any enforcement authority, both for their own protection and to ensure the least biased data collection.

REGIONAL ADVISORY COUNCILS

21. These are a good idea, but further details are required on how they will be funded, or how they will be constituted or organised. Outreach is a critical issue here as stakeholders need to be. There is also a need to think through how such Councils will interact with other bodies involved in fisheries management in the EU including ICES, STECF, the Management Committee, the Advisory Committee for Fisheries and Aquaculture and indeed the Commission itself.

EUROPEAN CODE OF RESPONSIBLE FISHERIES

22. This is seemingly being developed—or has been developed already—by the Advisory Committee for Fisheries and Aquaculture, without any interactions with other bodies in relation to environmental concerns. An appropriate organisational structure whereby the best advice can be sought by all the various bodies set up to advise the Commission needs to be established. In this instance it would seem appropriate that the development of a code of conduct for responsible fishing should also have some environmental input.

ACTIONS TO PROMOTE TRANSPARENCY AND PEER REVIEW

23. Another subject that should be reviewed here is that of environmental targets; it should be made explicit that the Commission and member states will hold to account states that fail to meet monitoring or enforcement targets set to minimise environmental impacts.

OTHER COMMENTS

The new CFP "Roadmap" and Framework Regulation

- 24. From an environmental perspective the new objectives in the roadmap go some way towards addressing the previous lack of environmental considerations. Environmental concerns are clearly flagged in Article 2 of the proposed regulation, which states that fishery exploitation shall provide "sustainable environmental, economic and social conditions". Less clear, however, is what principles should be used in reconciling the obvious conflicts that such a broad objective will generate. Nor is it clear in the roadmap or elsewhere exactly how the proposed new management framework will address environmental concerns at a practical level: how will advice be sought and made available to the management committee, how will targets and timetables be decided and how will transgressions be dealt with?
- 25. Article 2 also indicates that "eco-system based approach to management" will be developed, but it is not clear what it means, and it avoids making any societal choice or decision about management objectives. Thus, other than saying that an eco-system approach will be used, the roadmap does not establish or propose any explicit environmental objectives.
- 26. A more target-driven and explicit objective would have been preferable, including the maintenance of marine wildlife populations at levels that, at a minimum, excludes the possibility of any further regional extinctions, and the restoration of depleted populations to historic levels. The precedence of objectives needs to be clarified.
- 27. The statement that the CFP should address the integration on environmental policy concerns into the aquaculture sector could be more explicit. This is an important sector and serious thought needs to go into how the environmental concerns surrounding aquaculture can be addressed at a European level.
- 28. The implications of coastal zone management need to be understood. Most of Europe's coasts are already over-developed. In this case "sustainable development" would seem to imply repair and restoration rather than further development. Integrated coastal zone management is not really a tool—it simply means getting people from different management spheres to talk to one another and agree on a common set of goals and an agreed set of management measures. For this to work in Europe there needs to be a means of communication between those responsible for all activities impacting the coastal zone to communicate. The Action Plan does not mention how this will be achieved. Exactly what the coast zone consists of needs to be defined. For example, should it include water authorities dealing with catchment areas hundreds of miles from the sea for example? Again, it would be helpful to hear how the Commission proposes to get the appropriate areas of expertise or responsibility to speak to one another.
- 29. The Plan also mentions the need for the CFP to adopt a community strategy for distant water fisheries to contribute to sustainable fishing outside community waters. It is not clear that this has anything to do with environmental concerns and there is little mention of environmental concerns in the relevant sections on distant water fishing in the Road Map document. Some clarity on how the EU's environmental concerns will be executed in relation to distant water fishing would be helpful.
- 30. The UK's priorities seem well founded. As will be evident from the comments above, we feel there is room for improvement in the process and organisational structure: given the expanded nature of the proposed new CFP's remit, we believe that more thought needs to go into the organisation framework of how the Commission will receive advice, and how it will solicit answers to specific questions relevant to management decisions. We note that in the Proposal for a Council Regulation on the conservation and exploitation of fisheries under a common fisheries policy, the Commission intends to broaden the scope of STECF, and will bring forward a Communication on improving scientific advice.

Natural Environment Research Council

APPENDIX 3

Memorandum submitted by the RSPCA (K9)

Introduction

- 1. The Royal Society for the Prevention of Cruelty to Animals (RSPCA) is concerned by the incidental entanglement and subsequent death of thousands of cetaceans (dolphins, porpoises and whales), sea birds, turtles and sharks annually in the nets of the EU's fishing fleets.
- 2. A report released by the RSPCA in 2000 highlighted the deaths of over 7,000 harbour porpoises in set nets around the coasts of Britain each year. These animals can remain conscious for some time while struggling in the net, incurring injuries such as skin lacerations, broken teeth and bones, internal haemorrhaging and eventual death from an inability to reach the surface to breathe. Research conducted since 2000 has confirmed common dolphin deaths in the UK sea bass pair trawl fishery and in a trial Irish albacore tuna pair trawl fishery (where 30 dolphins died in one haul).
- 3. The problem of cetacean by-catch continues, whilst other species of protected wildlife also die in fishing nets. The Habitats Directive (92/43/EEC) requires that Member States monitor the incidental deaths of various species of wildlife listed in Annex IV(a) of the Directive; this includes all cetaceans. Member States are required to take measures to ensure that these incidental deaths do not have a significant negative impact on the species.
- 4. Dolphins and porpoises are present in far lower numbers around our shores than in the past and such declines may continue unless the Common Fisheries Policy reform is used to introduce mandatory protection for these species. The Commission addresses this issue within the Community Action Plan to integrate environmental protection requirements into the Common Fisheries Policy (COM/2002/0186/final). In so doing it has not presented a formal Regulation but instead provided an indication of the timescale over which legislation to reduce by-catch should be introduced.

COMMUNITY ACTION PLAN ON ENVIRONMENTAL PROTECTION

Priority Measures

- 5. The RSPCA welcomes the Commission's plan for proposals to protect cetaceans, sharks and seabirds from detrimental fishing practices, and to give high priority to the reduction of fishing activities that adversely affect non-commercial species and habitats. For this to be carried out, population estimates and estimates of by-catch rates of these species are essential. However many States are not collecting systematic by-catch data and reliable population estimates of cetaceans are lacking. Therefore the Commission's target to produce by 31 December 2002 technical conservation measures to reduce wildlife by-catch seems unlikely to be fulfilled. There is concern that without compulsory monitoring for all Member States, the required information will not be collected sufficiently rapidly for the formulation of technical conservation measures within the near future
- 6. Any technical conservation measures to preserve wildlife must be applicable to all EU vessels and incorporated into the proposed Community strategy for distant water fisheries.

Complementary Measures

- 7. The RSPCA welcomes the Commission's plan to extend management measures to the protection of non-commercial species. Its acknowledgement of the importance of the application of the precautionary principle can be used to insist that conservation measures are introduced as a priority even in the absence of data confirming that populations of cetaceans are declining through by-catch in fisheries.
- 8. However Member States must be strongly encouraged to carry out the obligatory monitoring as per the Habitats Directive (92/43/EEC), which requires that Member States monitor the incidental deaths of species of wildlife, including all cetaceans, listed in Annex IV(a) of the Directive. Though the Action Plan highlights this requirement under other Community legislation, it does not in itself introduce mandatory requirement for this work to be carried out.
- 9. The Action Plan states that the Commission and Member States should keep the wider public well informed about the situation of fisheries and aquaculture. However it must also formalise a process of consultation between all interested bodies and stakeholders, establishing working groups composed of scientists, fisheries industry, government and environmental groups to facilitate the development of by-catch reduction programmes.

MONITORING AND EVALUATION

10. The Commission proposes a process for monitoring and evaluating the progress of the environmental performance of fisheries management. However such a monitoring system is proposed to come into effect in 2003, with the aim of providing a report to the Council and European Parliament by the end of 2005. There

is no indication of a time-scale over which a Regulation to reduce cetacean by-catch will be formulated or introduced, nor how this monitoring will contribute to such a formulation. Any delay in this monitoring and evaluation process may result in the subsequent delay of a Regulation still further.

CONSULTATION

11. The RSPCA welcomes the Commission's plan to consult widely at the initial stages of the decision process and believes that such consultation should not be restricted to pre-established committees or Regional Advisory Councils but should be open to input from all interested groups.

TARGETS AND TIMETABLES

12. A target of 31 December 2002 is provided for the formulation of new technical conservation measures relevant to the reduction in cetacean by-catch levels, to achieve favourable conservation status of cetacean populations. A proposal for a Council Regulation to address this issue must be put forward at the earliest possible opportunity.

CONCLUSION

13. The RSPCA welcomes the Action Plan as a first step towards introducing a Regulation to monitor and reduce, ultimately to zero, the incidental catches of dolphins and porpoises currently known to occur in EU fisheries. However it is essential that Member States comply with EC Directives and carry out monitoring of their own fleets to assess the scale of the by-catch problem. The Commission must be encouraged to produce at the earliest opportunity a proposed Regulation to implement by-catch reduction strategies in all fisheries shown to generate cetacean by-catch. The problem of cetacean by-catch must be addressed both in terms of conservation of the species affected and welfare of the individuals that die within the nets.

30 September 2002

APPENDIX 4

Memorandum submitted by the South Western Fish Producer Organisation Ltd (K10)

Introduction

Since 1970 the Fisheries Policy of the European Union has cost the British fishing industry the loss of more than 7,000 catching sector jobs and countless ancillary jobs. This has been done falsely in the name of conservation and sustainability. Since 1992 more than 2,000 UK fishing vessels have been scrapped. Fishing has become the most heavily regulated of all British industries and the signs are that things are going to get much worse before they improve. The quota system of the CFP has been in existence since 1983. It was designed to regulate the amount of fish taken from the sea and yet, year on year, the quotas have been reduced. This has not aided conservation because the vessels continue to catch the fish, much of which then has to be discarded, dead, back into the sea. Yet, ironically, fishing for human consumption is responsible for only 10 per cent of the mortality experienced by fish stocks! The other 90 per cent results from industrial fishing, pollution, predation by seals, other fish, marine mammals and birds, mechanical devices such as power station intakes and aggregate dredging.

The quota system has also given rise to another unpleasant side effect. Although the national quotas were intended to ensure a stable share of the fishing opportunities for the coastal communities of the Member States, those quotas have fallen easy prey to foreign owners who desire to catch more fish than they would otherwise have access to and to provide jobs where otherwise they would have been lost through industry restructuring under the MAGP's. However, the European Court in the case known as "Factortame" has ruled such "quota-hopping" to be perfectly lawful. Now, under single market rules, more than £40 million worth of British fish quotas are lost annually to the quota-hopping vessels of Spanish and Dutch ownership. Spanish operators now own 56 per cent of UK Hake quotas, 36 per cent of the Megrim and 31 per cent of the Anglerfish. Dutch interests own more than 66 per cent of UK North Sea Plaice quotas and 55 per cent of our N Sea Dover Sole quotas. In effect British fishing quotas are being used to provide employment in Spain and Holland to the detriment of UK fishing communities. This is contrary to the intentions of the CFP quota system based, as it is, on "relative stability" of opportunities.

The British government spends more than £45 million each year to police and administer the CFP and its inherent quota system. Alarmingly, that's more than 10 per cent of the value of the fish landed by British fishermen into UK ports. This amount increases each year despite the fact that the industry is in decline. Interestingly the Minister of Fisheries admitted recently "I often think that one of the problems of European fisheries management is that we spend too long enforcing complicated regulations and not enough time on making sure we adopt the right regulations—that fishermen are happy to follow—in the first place." Yet policing the CFP remains a growth sector for jobs and technology! If the proposals contained in the

"roadmap" come to fruition it will not be long before we have a fully integrated and incredibly costly European fisheries inspection service.

The price per kilo paid to fishermen for their catch is much the same now as it was 30 years ago, yet operating costs for the fishermen have risen inexorably. Profitability is marginal at best and the recent surge in the price of fuel has driven some vessel operators into bankruptcy and many more are on the brink. The European Parliament has recently approved a piece of legislation that will outlaw "red" diesel as used in fishing boats. Fuel will increase in price by 9 per cent. Fishermen will incur expense in converting their trawler engines to take the new "low sulphur" fuel. Fish merchants and fish processors are also suffering and quitting the industry in droves. Hitherto there have been mechanisms designed to deal with the social consequences of fisheries policies. However, these seem now to be taking a poor second place to so-called conservation in the name of the precautionary principle.

The Fisheries Commission, in the introduction to the "roadmap" for reform, laments the economic fragility of the industry and regrets the loss of 66,000 catching sector jobs across Europe between 1990 and 1998, but then advises readers that a further 26,000 jobs must be shed by the end of 2006!

All of the regulation and bureaucracy associated with the CFP might have been accepted if sustainability had been achieved over the past 30 years, but the opposite is true. Fish stocks continue to decline and available quotas are much lower now than when they were established in 1983.

These facts are hardly the symptoms of a successful policy and of a vibrant industry. But the saddest fact of all is that the long-term fate of the British fishing industry effectively was decided many years ago when Britain joined the European Community.

The questions we should now be asking are "When will the job cuts end? When will the fleet be small enough? When will British fish quotas be reserved for the benefit of British fishing communities? When will somebody with authority realise that commercial fishing is one of the lesser contributors (only 10 per cent of all fish killed are for human consumption) to mortality in fish stocks and that it is now time to impact on the other factors, such as seal, mammal and bird predation or industrial fishing?".

REFORM OF THE CFP, WHAT REFORM?

When the founders of the CFP sat down together in the late 1960's to discuss and set out the principles by which the fisheries of the European Community would be regulated and fostered, the states of both the fleets and the fisheries were somewhat different to those with which we are now faced. Those politicians made certain decisions and took the fishing industry in a certain direction, convinced in their own minds that the fisheries would thrive and the market in fisheries products would get stronger. Their strategy was a failure, although their motives and objectives were probably honourable.

The Fisheries Commission is now asking us to endorse their "roadmap" for reform. We are told that it contains a revised set of objectives and a new framework designed to deliver sustainability and economic viability. We have studied those revised objectives and can see that they barely differ from the original ones. In itself that is not surprising, as it was not the objectives that were at fault, but the method of achieving them.

The big question is whether or not the new framework can deliver a better result than the previous one? As an Organisation of Fish Producers, we have yet to be convinced that it is wise to take the same route now to achieve the aims of the CFP as was taken then. This is especially as the present state of the fish stocks is the result of a combination of factors, most of which have resulted from taking that route. Does the Commission deserve our trust to get it right this time?

In those early days of fisheries policy, the emphasis was on the market in fisheries products and not so much on the conservation of the stocks. It was then, after all, a Common Market, not a European Union. The aims of those who sought to manage the fisheries in 1970 were 1) to obtain the maximum economic benefit for the fishermen, 2) to stabilise the markets, 3) to assure the availability of supply and 4) to ensure that supplies reached consumers at reasonable prices. Conservation of fisheries was limited to simple technical measures aimed at minimising the bycatch of juveniles of the species targeted. Such measures were not new to the industry and were generally respected as being worthwhile.

It was not until more than 10 years later, in 1983, that "the protection of the fishing grounds, the conservation of the biological resources of the sea and their balanced exploitation on a lasting basis and in appropriate economic and social conditions by the restriction of fishing effort, in particular by limits on catches", became further guiding principles within the finalised CFP. In that year the concept of a Total Allowable Catch was realised and the national quota shareout began. From that date the "Control Measures" became much more complex and sophisticated. They also became much less respected and certainly no more effective in delivering the goal of sustainability of the stocks.

These two clear and separate sets of principles, established at different stages of fisheries policy, have led to different practices. On the one hand, maximising the market inferred higher fishing effort and greater efficiency. The fleets grew, often with cash incentives from Brussels and national governments, over the first 10 years of fisheries policy. On the other hand, ensuring the supply and conserving the resources implied a lowering of fishing effort and fleet capacity. The MAGP's have sought to rein in fleet development through decommissioning and effort limitation, reversing the trends of growth and expansion.

The principles of the CFP are therefore self-cancelling. Either the stocks suffer or the fishing communities. Both cannot thrive under such contradictory conditions.

This inherent contradiction in fisheries policy has been a significant contributory factor, amongst many others, which have brought about the decline in fish stocks, which is now a feature of European fisheries. The problem is that dealing with the catching element cannot alone bring about a reverse in the state of the stocks. A strategy aimed at reducing the mortality of fish stocks must deal with all elements contributing to that mortality.

The Commission is now attempting to give the conservationist objectives priority. Economic viability may remain an objective, but on an individual rather than community basis. Social, economic and regional consequences are foreseen as a necessary consequence of sustainable fishing. Dependence on fishing is no longer acceptable in the new CFP! Another 28,000 jobs are to be sacrificed over the next 4 years. Is this a sign of a rational coherent strategy or of panic?

Furthermore, the present drive for reforms has been motivated by other expedients, the desire to complete the "single market" and the prospect of enlargement to, perhaps, 30 Member States. The problem is, however, that the fisheries have been so damaged over these past 30 years that they are even less ready for an integrated Community policy than they were at the start of the transitional period in 1972. The essential aim of Treaty negotiators has always been to conclude, through integration, the "single market" providing "equal conditions of access to and use of the fishing grounds." Imagine how much worse things would be if the CFP had existed without derogation for these 30 years?

The derogations from the principle of equal access were designed to fulfil two objectives. Firstly to enable the Member States' fishing industries to make the transit from National to Community Control. However, fishing communities were to be protected and fish stocks were to be conserved. Secondly to enable the Member States to adapt their legal systems to match the needs of the Community. The present system of national quotas is an integral part of that transition process.

We now know that the extended transition has been far from smooth with outcomes far from successful, yet there are those who seek now to justify the conclusion of the derogations and the immediate completion of the CFP within the single market. We believe that such an outcome would, at this juncture, be premature and would also have far more damaging consequences for the fish stocks and the fishing communities that rely on them. Although the legal systems of the Member States may have been prepared, the Communities and the fish stocks have not.

The Commission states that the CFP has reached a "turning point", yet their proposals amount to no more than a re-iteration of the originally stated objectives. Although we have no fundamental argument against those objectives, we believe that the adoption of a policy that demands the priority of conservation of the stocks over the survival of the fishing communities, will lead to the destruction of those communities and to the polarisation of the remaining fleet into the hands of a small number of owners.

We agree that the CFP has reached a "turning point". But the "roadmap" does not offer a change of direction it merely signals an acceleration towards a blind bend!

WHAT ARE THE PRACTICAL EFFECTS OF THE PROPOSALS?

If it is accepted that the fundamental principles behind the CFP are derived from and inextricably linked to the Treaty establishing the European Community, then the current proposals fall far short of those principles. However, if it is also accepted that such a shortfall is inherent in the practical application of fisheries policy and that the ends (sustainability) justify the means (derogations from the principles), then the "new" CFP should be as acceptable to Member States as was the original. The effectiveness of the new CFP compared to the old one is another issue.

The fundamental principles demand a common policy in the sphere of fisheries. Such a common policy should be guided by a legal process and structure and should lead to the *acquis communautaire*.

However, such a situation does not exist at the moment because of a series of dispensations, whose justification, we would argue, has not disappeared through the passage of time.

A transition period was envisioned in 1970. It was considered to be 10 years, but was extended at the end of that period to 30 years, ending on 1 January 2003.

Most observers and commentators acknowledge that the fisheries and the corresponding fishing industries are not yet in a condition to allow for equal access. Others suggest that the legal process must prevail, regardless of the state of the stocks. Ultimately the Council of Ministers must decide, but the proposals suggest a continuation of the derogations for the foreseeable future. The six and 12-mile limits, the Shetland Box and the relative stability shares of national quotas, all have their place, at least at the start of the new CFP.

Thus, insofar as the legal status of the European fisheries is concerned, there will probably be no change between the present CFP and that which will come into being on 1 January 2003. There are a few Member States that do not like such a prospect and they may impede the process, but common sense and not a common resource must prevail.

WILL THE PROPOSALS IMPROVE QUOTA MANAGEMENT AND CONSERVATION?

One thing that should be clear to any observer is that it is not helpful to consider quota management in the same context as conservation. Although the one was intended to be coincident with the other, quota management has become synonymous with discarding, overfishing and generally greedy conduct.

Quotas were designed to ensure stability for fishing communities during the restructuring of fishing fleets that was considered to be a necessary evil of the CFP. Tragically and with disastrous consequences, there were those who were willing to exploit any weaknesses of the system.

In the period between 1980 and the end of 1982 a number of "joint ventures" were established as "brass plate companies" in the UK to enable 61 Spanish vessels to fish in Community waters as though they were British. These vessels added to the limited number of Spanish vessels allowed to fish in Community waters under the 1980 agreement between the Community and Spain. From 1983 these 61 vessels partook of a share of the UK quotas established under relative stability.

In 1985 these vessels were awarded UK fishing vessel licenses when the UK government established the restrictive licensing scheme in order to ensure that the quotas were not exceeded.

In 1988 the government attempted to rid the fishing vessel register of the "flagships" through the Merchant Shipping Act. The owners successfully challenged the legitimacy of that Act through the European Court, thereby driving a coach and horses through relative stability and the quota system. In effect fishing communities cannot be afforded the protection intended by those that designed and distributed the national quota shares. Yet relative stability is still held by many to be a success, indeed as a "principle" at the core of the CFP and not to be abandoned at any cost.

In our view, the national quotas are no more than a deeply discredited opportunity distribution system. They are the "rotten core" of the CFP.

WHAT ARE THE ALTERNATIVES?

- 1. The first step has to be the repatriation of foreign-owned vessels to their beneficial flag-state. The Member States that have exported parts of their fleet to other fishing registers have done so in order to appear to have complied with fleet restructuring targets, yet their boats are still working and their crews are still employed. Alternatively, the national fleet targets should take into consideration the "flagships" when assessing compliance with those targets. Economic and beneficial compliance is more significant than the physical size of the registered fleets.
- 2. Discards of over-quota fish must be banned. This phenomenon is a symptom of the system. The quota is a 12-month allowance that the fishermen start to catch from January 1. Each fisherman makes his own decision as to when to draw from the quotas. He will discard the fish that he doesn't want to count so that he can keep fishing until Christmas. It is his duty to his dependants to make the maximum for his landed catch within those quota limits.
- 3. Because the discards are of dead fish they contribute nothing to conservation. The quantities involved should be added to the calculation of Total Allowable Catch, which should be established for a rolling multi-annual period of three to five years, especially for the vulnerable species.
- 4. With the fleets re-established at their "true" levels, after taking the quota-hoppers properly into account, an effort limitation or "days at sea" scheme can be created for the protection of species at greatest risk. These would be national limits and those fleets that are not within their re-structure targets would be penalised by having appropriate amounts of effort deducted.
- 5. Conservation would be achieved by having proper regard for technical measures designed primarily to stop immature fish from being caught. If the penalty for landing such fish was very heavy and if anyone handling such fish was also subject to similar penalty, then there would be greater incentive to rig fishing gear in more selective ways.
- 6. The sea areas used to designate the boundaries for fish stocks should be reviewed so as to reflect better the locations of the commercial concentrations of fish. At the moment, for example, Western waters are divided into such small areas that fishermen experience difficulty when searching. They often move from one stock area to another, yet the fish they catch may have also moved, such are the migrations and meanderings of fish.

WHAT WILL BE THE IMPACT OF THE PROPOSALS ON THE STRUCTURE OF THE UK FISHING INDUSTRY?

Because the present proposals will do nothing to restore British fish quotas to the benefit of British fishing communities and because the relative stability shares are to be continued for the time-being, the British fishing industry will continue to suffer from the inequities that have dogged it for the past 20 years.

The MAGP's 1 to 4 have set fleet targets based on the available quota opportunities and the state of the fish stocks. These have never taken "flagships" into consideration. British fishing communities have been stripped of far more vessels than they should have. More British fishermen have lost their jobs than was necessary. The structure of the British fishing industry has been made to crumble unnecessarily.

The proposals are going to make matters even worse. There is to be more decommissioning, more policing and extended satellite monitoring and VMS. The quota system will be supplemented with effort limitation. It will become increasingly difficult to make a reasonable profit under these strict conditions and many owners will be forced to withdraw from the industry. Many more of our fishing ports will become "ghost" towns.

ARE THE PLANS FOR SOCIAL HELP ADEQUATE?

Absolutely not.

Member States should not be allowed to opt out of using public aid to provide the necessary support to enable our fishing communities to cope with the strains associated with fishing and infrastructure job losses. Better still, restore the British fishing jobs and export back to Spain and Holland the Spanish and Dutch jobs we have been saving on the quota-hoppers!

WILL THE PROPOSED REFORMS ALLOW A MORE FLEXIBLE SYSTEM TO DEVELOP?

The proposal to introduce a new multi-annual framework for conservation of resources and management of fisheries is broadly welcomed. However, there has been a tendency for the "precautionary" approach to be used as a stick to beat the industry with. This has been far from helpful.

The Commission's proposals are intended to ensure that the Community's fisheries management makes "the best use of harvested resources and avoids waste." Strict adherence to the precautionary principle, however, results in lower than necessary quotas and greater than necessary levels of discards. The only way of actually reducing discards and aiding conservation is with the implementation of appropriate technical measures combined with a fair system of effort limitation as described earlier. The use of "boxes", to close off areas where juvenile fish concentrate, may also have a part to play.

It may be possible to develop a more flexible system of fisheries management if all options are explored and if fishermen themselves are included in the investigation and consultation process. In any event there has to be a move away from decisions that are politically motivated and towards a firmer science base. We do not believe that the quota system has aided conservation and we feel that there are better ways to achieve sustainability in the stocks and viability in the fishing fleets. For so long as the TAC and associated quotas remain a measure of fish landed and not of fish mortality, they will be an unreliable mechanism in the field of fisheries conservation.

HAS ENOUGH EMPHASIS BEEN PLACED ON PROPER ENFORCEMENT?

Regulations are relatively easy to enforce if they have the respect of the subjects of that enforcement. If the regulations are discredited and have fallen into disrepute, then compliance will be minimal.

Compliance with the quotas is proportional to availability of the fish itself. Simply putting a limit on the amount a fisherman may land is not the same as stopping him from catching that fish in the first place. This is especially so in the mixed fisheries experienced in the English Channel and the Southwest approaches. If a man has caught a high value fish for which he has no quota, he will argue that it is dead and, "What's the point in discarding it to feed the birds?" Whether it is one fish or several tonnes, the logic applies. That is the reason why the Commission is spending so much time and money investigating the discarding of fish that has been caught for any number of reasons.

Should enforcement of the quotas be given such priority? Or should the emphasis be on enforcing the technical measures and on improving matters that can truly have a beneficial effect on conservation?

The Commission certainly believes that going "over quota" is a mortal sin. They have even vetoed Member States from engaging in swaps after the year-end to cover even the most minor infringements that must then result in a matching deduction from that quota in the following year. This is rigid inflexibility in the extreme!

We believe that the infringements that should carry the heaviest penalties are those related to the technical measures and the taking of immature fish. Many stocks now facing difficulties would be in far better heart if the technical rules aimed at their conservation had been adhered to since their creation. Even now it is not too late to reverse the decline in most stocks by implementing the technical measures fully from now on.

30 September 2002

APPENDIX 5

Memorandum submitted by the South and West Wales Fishing Communities (K12)

1. Introduction

1.1 The South & West Wales Fishing Communities is a formally constituted Fishermen's Association formed from the recent merger of the Joint Fishing Communities of South & West Wales and the South & West Wales Fishermen's Association. Its membership currently comprises 120 licensed commercial fishermen and charter angling boat skippers residing in South Wales from Cardiff to Cardigan and operating from harbours within the South Wales Sea Fisheries Committee area of jurisdiction. The majority of vessels operated by members of the Association are 12 metres and fish inshore waters with static gear for shellfish, particularly crab species, lobsters, whelks and prawns. Other vessels fish seasonally for white fish, eg cod, herring, mackerel, skate and ray, shark species, flatfish and bass, whilst there are also fishermen who locally hand pick bivalves, especially cockles, oysters and mussels.

1.2 The South & West Wales Fishing Communities wholeheartedly welcomes this opportunity to present its views to the Committee and trusts that the views expressed will assist the Committee in its formulation of a robust and sensible response to the Commission which will lead to the protection of the interests and livelihoods of UK fishermen through a sustainable, ecosystem-based approach to the management of the EU's fisheries and marine environment.

2. Summary

There now follows the Association's brief response to the reforms to the Common Fisheries Policy proposed by the European Commission in May 2002.

The response:

- supports the need for an urgent and swingeing review of the Common Fisheries Policy which is not meeting the needs of the industry, stocks or the environment;
- supports the proposed capacity reduction rather than TAC/quota approach to high seas fishery management whilst also being concerned that overly rigid application of capacity reduction could adversely affect the ability of fishermen to diversify operations;
- highlights the urgent need for the Common Fisheries Policy to differentiate between the needs of the inshore and the high seas fishing sectors and to focus more carefully on the former;
- endorses the ecosystem-based approach to fisheries management whilst advising of the dangers of too rigidly imposing the "precautionary principle";
- endorses the proposal to create Regional Advisory Councils and suggests that there should be Local Advisory Councils to ensure adequate industry representation and a sense of ownership by stakeholders;
- endorses the proposal to retain the access restrictions within the six to 12 mile zone but suggests that the proposals do not go far enough to afford adequate protection to stocks, inshore fisheries and the inshore marine environment.

3. Overall Impact on Fundamental Principals

- 3.1 The review of the Common Fisheries Policy is essential as the current policy, depending as it does on TACs and quotas, is acting counter to the interests of the fishing industry, the fish stocks and the marine environment generally.
- 3.2 Whilst the current proposals go some way to providing the radical and courageous review of the CFP that is essential to ensure sustainability of stocks and fishing communities and to restore public support for the fishing industry, without a similar radical and courageous approach to its implementation by the Commission and Member States the current situation will continue to deteriorate.
- 3.3 The proposal to concentrate more on capacity reduction and to employ an ecosystem-based approach to fisheries management is believed to be more likely to succeed, but only if the latter policy is applied in a local / regional way based on ecosystem rather than on political or other false grounds.
- 3.4 The declared aims of the proposed new Policy of openness and transparency, involvement of stakeholders in policy shaping and the management process and improved accountability are supported wholeheartedly, but the it is not clear from the proposals that this will be achieved in any significant way unless the management process is introduced at a much more local and "grass roots" level than would seem to be envisaged.
- 3.5 The Commission is urged to adopt a "Small is Beautiful" approach to fisheries management. The past and present concentration of attention on large scale fishing activity, high seas fisheries and large scale, broad brush measures is believed to be a major reason for the failure of the CFP. It is recognised that this stems, to a large extent, from the acceptance by the European Commission of an "open seas" policy where all fisheries outside the six mile limit are effectively open to all Member States. However, such an approach creates major impediments to the development and operation of fishery and environmental conservation measures and a sense of ownership and responsibility amongst stakeholders. It also is a very blunt and unwieldy implement and prevents the fine tuning and local variation that would be valuable for effective stock management.

4. IMPACT ON QUOTA MANAGEMENT AND CONSERVATION AND ALTERNATIVES

- 4.1 The impact on stocks of the current quota management policy with the high level of discards and bycatch does not appear to have been adequately addressed by the proposed revisions. Stringent measures are required and would be supported. The current failure of the UK Government and the European Commission to adequately address the unsustainable south coast pair trawler bass fishery with its excessive exploitation of spawning stock and its demonstrable high by-catch of cetaceans gives no confidence that there is any will or intention to change to the extent that is urgently required.
- 4.2 The proposal to establish rules for the protection of non-commercial fish species is very welcome but they must be effectively designed and enforced.
- 4.3 The retention of the 6 and 12 miles limits is welcomed and should be made permanent. However, the detailed proposals regarding the 6 to 12 mile zone does not go far enough. The effective management of the coastal zone out to 12 miles is fundamental to the survival of the inshore fishing sector and to the sustainability of the important coastal marine environment. Dr. Franz Fischler's suggestion that the intention of the CFP Review is to give each National State responsibility for the fishery within its own 12 mile zone is particularly welcome as is his suggestion that the responsibility will include control over foreign vessels fishing under historical rights between 6 and 12 miles and that the 12 mile zone will be totally separate from the shared regions outside 12 miles. It will be essential that this interpretation is supported with the greatest energy by the UK Government in partnership with others to ensure that it is pushed through against anticipated opposition from some other Member States.
- 4.4 The Association recommends in the strongest possible terms that the 0-12 mile zone should be designated for the exclusive use of National vessels only. Further that fishing activity within this 0–12 mile zone should be derogated to national management through the designation of adequate powers of regulation and enforcement. If this restriction in use is applied and rigidly enforced, the following benefits will accrue:
 - stakeholders will feel a sense of ownership and responsibility for their fisheries;
 - stakeholders will develop a confidence in the future which will allow them to manage their fisheries in a sustainable way through the adoption of conservation measures and practices in the knowledge that their will be no unexpected impact from outside interests;
 - the inshore fishing industry will be able move from a "hunter/gatherer" mode of operation to a "farming/husbandry" approach.

3 October 2002

Annex

Letter from David Gardner, South & West Wales Fishing Communities to Mrs Eluned Morgan MEP (dated 9 September 2002)

COMMON FISHERIES POLICY REVIEW

Thank you very much for your letter and enclosure of 2 October. I am very grateful for your interest in the attempts being made by the fishing industry in Wales to protect and develop its interests and for the efforts that you are making on its behalf. It is much appreciated.

The reply letter from Commissioner Fischler is disappointing, as it does not address the principal concerns that the Welsh fishing industry has. It would seem that he was not clear about the context of the document that I had prepared which did not solely address the issues of immediate interest to the Welsh inshore sector but was a general response to the CFP Consultation Document in its entirety. If he had understood that context he would have recognised that the Association's support for measures to, inter alia, reduce industrial fishing were in the context of concern for the bigger picture rather than parochial interests. In addition, whilst I accept the constraints against introducing immediate measures to phase out the use of fish products in aquaculture feed products, there is a missed opportunity here for the Commission to make a clear declaration of intent to move towards this goal and to implement projects to develop alternatives.

Of greater concern is the fact that Commissioner Fischler appears not to recognise the importance of the points that I have made regarding the difficulties of the Welsh (and the UK) inshore sector and the enormous potential that there is within the current CFP Review for improving the situation within the discipline of a sustainable, ecosystem-based approach. This is evidenced by his reply to my points regarding ray landing sizes and beam trawling within the 12 mile zone by non-Nationals. Fisheries legislation is complex and hard to unravel even for those working routinely with the issues. I have therefore set out the principal issues in bullet point format as an Appendix to this letter for your information and for you to use in whatever way you believe would be helpful to the interests of the Welsh industry.

I am aware, as Commissioner Fischler confirms in his letter, that the Commission proposes to retain the existing conditions within the six to 12 mile zone in perpetuity. This is welcome. However, in a statement to the industry made on 10 June 2002, Commissioner Fischler appeared to support significant changes to the conditions within the 0–12 mile zone and it is essential that these are approved (see comments in attached Annex).

I am heartened by Commissioner Fischler's statement in the letter that "the Commission would encourage contribution by the UK during the debate on CFP reform on problems and possibilities for the Welsh inshore fisheries". This reinforces my view that all those within Wales and the UK with an interest in the perpetuation and future success of the Welsh fishing industry should leave no stone unturned and no avenue unexplored in their energetic and robust representation of Welsh fishing interests to the Commission and elsewhere. It is a foregone conclusion that other Member States with a less long term vision will be doing everything within their power to push forward their views. This has already happened through the establishment of, and very powerful lobbying by, the "Friends of Fishing" consortium of six Member States including Ireland, Spain, France and Portugal.

Unfortunately, this consortium appears not to recognise that a long term, sustainable fishing industry is entirely dependent on the responsible and restrained management of fish stocks and that the pursuance of its current approach will result in long term damage to their interests and those of other Member States. There is very real fear that "they who shout loudest" will carry the Commission with them. It will take an equally robust and cohesive approach by other Member States including the UK if the CFP Review is not to be shanghaied by the short term interests of others.

You will note from the headers and footers of this letter that two (unrelated) changes have occurred since I last wrote. Firstly, I have now moved home and my new address is given below. Secondly, and more importantly, I am delighted to say that the S&WWFA has merged with the Joint Fishing Communities to create a single Fishermen's Association for South Wales comprising over 130 members. This is a major step forward for the industry but it will all come to nought if the CFP Review does not address the issues that are currently a major constraint on sustainable development. I hope that we can count on you to support a last ditch effort to bring common sense to the Common Fisheries Policy.

I am copying this letter to the list below for information.

cc Michael German AM; Rory O'Sullivan, WAG; Nick Ainger, MP; Jackie Lawrence MP; Cynog Dafis AM MP

Annex

KEY POINTS FOR THE SUPPORT OF THE WELSH INSHORE FISHING INDUSTRY

National measures currently apply to the 0–6 mile zone only, leaving the 6–12 mile zone subject to international legislation which is often more relaxed than national regulations. This means that international vessels, or vessels that are larger and/or more powerful than the local inshore vessels, can catch and land fish of a smaller size than the local inshore fleet creating a number of enforcement, conservation and management issues.

Attempts by inshore fishermen to introduce and operate conservation / stock enhancement measures within the 0-6 mile zone are currently mitigated against by the inability of the Member State/regional administration to:

- (i) regulate the prosecution of the vital source fisheries in the 6–12 mile zone on which the sustainability of inshore stocks depends, and
- (ii) maintain exclusivity of fishing within the 0–6 mile zone.

Attempts by government agencies and others to introduce and operate effective ecosystem—based management of the marine environment will be similarly seriously impaired.

Increasing pressure on the high seas, quota fisheries will lead to a transfer of effort to the coastal zone and non-quota stocks which will seriously impact on the viability of the traditional, indigenous inshore fleet.

Retention of the existing derogation of access restrictions within the 0–12 mile zone whilst being welcome is entirely inadequate for the protection and sustainability of inshore fisheries. In a statement to the industry on 10 June 2002, Commissioner Franz Fischler helpfully presented his interpretation of the Commission's proposals as being:

- (i) Each National State will have responsibility for the fishery within its own 12 mile territorial zone, including control over foreign vessels fishing under historical rights in the 6 to 12 mile zone;
- (ii) The 12 mile zone will be totally separate from the shared regions outside 12 miles.

Ratification of these proposals is absolutely essential as a minimum. It is also vital that, in the interests of creating a level playing field and providing protection of the productivity and diversity of the marine ecosystem, they should be further enhanced by:

- (a) the permanent derogation of the 0–12 mile zone to include provision that it be for the exclusive use of national vessels only;
- (b) the establishment of an effective and adequately funded national management/enforcement capability for the 0–12 mile zone as a stated requirement within the CFP reform package

Without the introduction of these measures through the CFP Review, the inshore fishing sector in Wales is unlikely to survive and the drift into part time, unlicensed fishing will continue. With these measures, the sector will stand a good chance of developing valuable opportunities for sustainable local businesses and the creation of a range of home-grown Welsh seafood products.

APPENDIX 6

Memorandum submitted by the Chief Executive of the Sea Fish Industry Authority (K14)

Thank you for your invitation to comment on the proposed reforms of the CFP. The Sea Fish Industry Authority (Seafish) is a non-departmental public body established in 1981 and therefore predates DEFRA. Pan-industry experience and involvement are such that the following comments will be broad in perspective rather than deep in detail and will tend to be of a non-political nature.

The stated objectives for the Common Fisheries Policy (CFP) Review are:

- "Reform must lead to a new CFP capable of providing sustainable development in environmental, economic and social terms. This will be achieved through measures aiming at
- responsible and sustainable fisheries and aquaculture activities that contribute to a healthy marine eco-system;
- an economically viable and competitive fisheries and aquaculture industry which will benefit the consumer;
- a fair standard of living for those who depend on fishing activities."

You have asked us to look specifically at six points and I will address each of these in order.

1. The Effects of the Proposal on the Fundamental Principals of the CFP

The reforms as published are comprehensive and capable of meeting the objectives as stated above. Their limitation is lack of specific detail and it is understood that this is being developed through consultation in such ways as this. Our concern however is that quite aside from consultation there is a simultaneous process of political negotiation at the widest EU level.

The CFP sits within a wider EU agenda for the complete reform of the Common Agricultural Policy (CAP) and our fears are that it is the CAP reforms that will command major political attention and subsequent funding. Already there are intimations suggesting that some elements of the CFP proposals, such as the removal of the financial support for any new building of fishing vessels, already are being undermined or given away in exchange for political conciliation. Such erosion of certain key elements undermines the strength and stability of the entire proposals and it seems likely that UK fishermen will be disadvantaged by such compromises.

2. TO WHAT EXTENT WILL THE PROPOSALS IMPROVE QUOTA MANAGEMENT AND CONSERVATION—AND WHAT ALTERNATIVES MIGHT BE CONSIDERED?

Quota management, total allowable catches [TACs] and conservation are dependent on accurate base information and robust science. The complexity of marine eco-systems is such that we have only a limited ability to model their dynamics and the influence of anthropogenic inputs. Uncertainty here is compounded by the likely effects of climate change over the coming years.

Stock assessment scientists also recognise that their quota recommendations lag behind the supporting data by about a year. Added to this is the further delay in tracking catch levels, determining when targets have been reached and then preventing further fishing mortality through discarding. Seafish endorses the strengthening of technical measures to reduce by-catches and discards in mixed fisheries, protect younger fish and vulnerable species. Measures such as larger mesh sizes, square mesh panels and discard bans should only be implemented in consultation with fishermen.

The principle of involving fishermen in generating reliable catch data, including discards, is a crucial part of the solution to these difficulties. There are many examples in other parts of the world, in particular in Australasia and Canada, where their fishing industries have been providing this information with increasing confidence for many years. For this principle of stakeholder involvement to have any credibility in a reformed CFP, a prior requirement is the elimination of "black fish" and compliance with the requirement to record fishing information honestly and accurately. Conservation will not be achieved without the active support of fishermen and they in turn must not be encouraged, albeit passively by non-enforcement, or allowed, to perpetuate a duplicitous system.

In the end, these proposals will depend as much on compliance and enforcement as on science. No matter how good the science it will be rendered irrelevant if the actual catch differs significantly from the allocated quotas. Seafish do not propose alternative policies because the Green Paper as amended represents a comprehensive and coherent set of proposals. They are appropriate to the challenge but their successful implementation will depend upon maintaining their integrity and providing significant additional funding for fisheries research and related science.

3. THE IMPACT OF THE PROPOSALS ON THE STRUCTURE OF THE BRITISH FISHING INDUSTRY

Seafish have recently published (June 2002) an Economic Survey of the UK Fishing Fleet. This concludes that most sectors of the industry are working below viable economic cost recovery, and with the exception of the few northern based large pelagic vessels, the traditional white fish catching sector is already in a critical condition.

Reducing fishing effort by restricting days at sea will further reduce incomes in many areas to the level at which we would expect many to give up altogether. Fleets which fish for non-quota species, such as in the south west of England, would be penalised without any consequential benefit for target stock conservation. Days of entitlement to fish should therefore be adjusted to reflect local conditions.

These reform proposals suggest that quota will have to be further reduced to meet sustainability objectives for demersal round fish stocks. Quota is likely to become a property right of value within and potentially across nation states. As tradability of quota increases there is an increasing likelihood that UK quota will be owned by non-UK interests. "Ring fencing" quota (quota which can only be bought and sold within defined regions, eg Grampian, Shetland) is one method to maintain the traditional fishing rights for vulnerable fishing communities. Without such protection, and notwithstanding arguments against any form of market distortion, the impact would be to accelerate the decline of the remaining fishing fleet working outside of the 12 mile limit. Further attention should be given to matters of transitional aid and funding during this process of restructure.

Transitional aid should also be considered as an answer for two different needs, the catching sector itself as well as those businesses that service or are dependent upon it, each with different time bases.

- (a) The level of aid and the ways in which it is targeted need to reflect the short term reduction in effective effort that is required. That reduction is predicated on a series of target bio-mass levels for the various stocks. These are projected to build over a five to seven year period and will then offer new opportunities for exploitation. The UK should therefore be careful to maintain sufficient latent capacity to capitalise on the rebuilt stocks.
- (b) A further decline in the UK catching sector will not only impact primary processing business, but also on other onshore support sectors. During the whole of the transitional period care will also have to be exercised to ensure that regional service infrastructure—for example in gear supply, safety equipment, repair, maintenance, training and so on—does not collapse through lack of demand.

A review of these aspects should help to ensure minimal disruption to coastal communities. Without it there is a real risk that effort reduction will have an unnecessarily disproportionate impact.

4. ADEQUACY OF PLANS FOR SOCIAL HELP

Defra's Strategy for the Conservation and Sustainable Development of our Marine Environment Safeguarding our Seas comments in chapter 7 "the green paper rightly recognises that the current system is failing to provide an adequate living for many fishermen through its failure to conserve fish stocks for present and future generations".

Seafish endorses all the principles in this strategy but note Defra's wider objective to protect the social infrastructure of communities dependant on the fishing industry.

The UK primary fish processing industries are clustered around the ports of landing and their dependence on the UK fishing fleet is direct and significant. Further decline of the UK catching sector will drive many of these smaller primary businesses and local employers out of the industry. Research currently being carried out by Seafish indicates that for every job lost at sea, an additional 1.2 jobs will be lost onshore.

The secondary processing industry which already depends heavily on imported fish, is at risk from competition from imports to provide finished processed products rather than simply raw material. This latter risk is yet to be determined, but the threat to local fishing communities has been reinforced recently by the closure of a Nephrops processing factory in Kilkeel and the collapse of Albert Fisher Group based in many sites throughout the north or England and Scotland.

The entire processing industry is one of very low margins and as such the threat of small economic changes are multiplied into very serious local community problems. Plans for social help are not explained in sufficient detail comment on their adequacy or otherwise.

5. FLEXIBLE SYSTEMS, SHORT TERM ADJUSTMENTS TO QUOTAS AND REACTION TO CHANGES IN FISH BIOLOGY

Proposals for the establishment of Regional Advisory Councils for fisheries management are welcomed. Details of these have still to be clarified but it is clear that structures will have to vary so that each can accommodate prevailing conditions. Our concern is that whilst the Commission is willing to allow the decentralising of competence they have made no public commitment to the devolution of power that subsidiarity would require. This is necessary in order to give credibility to the concept of a real transition towards regionalisation. Without such an expression of commitment the new advisory bodies may not attract the support of key players or engender responsible participation.

Each regional body will need to agree a basis for generating and interpreting scientific knowledge and to recognise the range of appropriate technical measures available for certain pre-determined situations. This seems to be covered in principle but our concerns are that this is one of the areas where UK fishing industry interests are most likely to be subsumed by lack of national political support.

6. Emphasis on Proper Enforcement of the CFP

The proposed action plan to eradicate illegal, unreported and unregulated (IUU) fisheries is welcome, as is recognition of the obligations of member-states to ensure the effectiveness of management measures applied equitably and to similar standards throughout the EU.

The biggest single problem restricting agreement to improve the industry is a lack of well-established, dependable statistics on which management decisions can be made, and within which the problem area of black fish has been recognised.

Proposals to register first buyers and sellers of fish would be a significant first step towards eliminating sales of black fish, and the noise now reverberating to Defra's consultation on these proposals is evidence that concern that this might indeed be the case is widespread. However, applying these in isolation to other pan-EU management regimes again would prejudice UK fishing interests.

One particular UK fishing sector showing anomalies which must be rectified before further changes are considered is that of the Scottish Nephrops. Quota management for this prawn/scampi species was introduced relatively recently and at levels that seem to have been influenced strongly by the precautionary principle. Current levels are recognised by industry and scientific advisors alike as not reflecting the best available stock information. This species is not under threat at present levels of exploitation and quota must be adjusted upwards to reflect what is now being caught before any further controls are introduced. Nephrops fishermen must be trusted to respond responsibly and enforcement regulations applied rigorously thereafter.

CONCLUSION

We trust that the above remarks are helpful. It is inevitable that "noise" will increase proportionately as both CFP and quota negotiations approach December deadlines. We conclude by urging that attention should be focussed on:

- maintaining the coherence of the Green Paper's proposals during negotiations, resisting any moves towards partiality or sectoral bias;
- recognising the fragility of much of our fisheries, their associated infrastructure and their dependent communities;
- retaining exclusive coastal state access to the six mile zone;
- coastal states must have powers to enforce EU-approved national management measures equally to any and all vessels fishing through "historic rights" within the six to 12 mile zone;
- maintaining the principle of relative stability;
- sustaining the benefits of relative stability by discouraging free trade in fishing entitlements; and
- engaging the catching sector as constructive partners, true stewards of the marine environment and a part of the solution.

Restructuring by chaos would represent the worst of all possible worlds.

27 September 2002

APPENDIX 7

Memorandum submitted by the South Devon & Channel Shellfishermen (K15)

Introduction

1.1 In order to understand the problems of the fishing industry it is necessary to go right back to Regulation 2141 of 1970 and also to our Treaty of Accession. Reg 2141 (later replaced by 101/76) decreed that fish stocks would be a common resource to be exploited by all member states without discrimination.

- 1.2 When we joined in 1973 we accepted this, but obtained a derogation for our 6 and 12 mile limits for 10 years.
- 1.3 In 1983 a management regime was brought in covering two 10 year periods (Regs 170/83 and 3760/92) which, among other things, renewed the 6/12 mile limits, allocated fish quotas to member states and control of fleets through MAGP (Multi Annual Guidance Programme). It is this management regime which is being changed/reformed while leaving the central principle of equal access to a common resource unchanged.
- 1.4 No clear aim/policy (eg sustainable fisheries) has ever been enunciated and decisions have been made by 15 managers (the Council of Ministers) for political reasons (votes back home) and not for fisheries or conservation reasons. All the evidence proves that the CFP has been an unmitigated disaster for both fish stocks and fishing communities.
- 1.5 When reviewing the new proposals it is necessary to keep in mind the fundamental principle of the EU—no discrimination between citizens of member states (Articles 7 and 40(3) of the Treaty of Rome). Indeed, the Commission has made it abundantly clear in both its Green Paper and in its Road Map (and also when explaining its proposals) that the principles of the Treaties will be complied with.
- 1.6 We have examined the proposals in accordance with the terms of reference for the Inquiry ("To examine the reforms proposed by the European Commission in May 2002 for the Common Fisheries Policy") and will cover the bullet points listed during our examination of the major components of the proposals.

SIX AND 12 MILE LIMITS

- 2.1 This proposal is most welcome, although it is not clear if these limits are to be retained permanently or through another derogation. It is our view, though, that they should be made permanent as they are of such importance to local communities and are the nursery area of about 90 per cent of all species.
- 2.2 It is also an improvement that the host nation is to be allowed to enforce its own legislation on visiting boats, although it is not clear if this can only be with the consent of the other nation. It is our view that the host nation should be able automatically to enforce its own laws on visiting boats.
- 2.3 However, it is clearly discriminatory to allow some nation's boats to fish between the 6/12 mile limits and not others. The only way to avoid such discrimination is to have an exclusive 12 mile zone for every state. The original dispensation given to some states was to allow for historic practices (not rights). Since then the efficiency of boats and gear has improved beyond recognition enabling the boats concerned to catch many times what they did 30 years ago—yet there is still no control on gear, numbers or size. Quite clearly this has a huge (and detrimental) effect on local fish stocks and communities. The only way to avoid both this and discrimination is to reserve the 12 mile limit for the nation state.

DAYS AT SEA

- 3.1 It is inequitable to have days at sea and quotas as this becomes a "double whammy". Franz Fischler's explanation that his aim is to make boats uneconomical and thus drive them out of the industry is immoral. If this is the aim, then we feel it is more appropriate to have some form of "tie up" scheme. After all, if, as intended, these proposals lead to an increase in stocks, then it is only right that those fishermen who have "taken the pain" should be available to benefit from the cure.
- 3.2 If the Government is not prepared to assist in financing a tie up scheme, then money should be made available for those driven out of business and taking early retirement.
 - 3.3 In any event, it is imperative that the UK draws down on funds available from Brussels.
- 3.4 Days at sea are not appropriate for fishing with crab pots as the pots are left in the water all year round and are too many to be brought ashore.

EU INSPECTORS AND ENFORCEMENT

- 4.1 It is generally accepted that the British carry out more rigorous control than any other nation. Indeed, in over 30 years landing into France our boats have never been checked even once.
- 4.2 Whilst we agree the need to have a uniform inspection and enforcement policy, we do not accept the need, and we certainly do not want, foreign inspectors enforcing policy on British boats and fishermen on British soil or our EFZ. We are sure that this will lead to unnecessary friction. There is also concern at the legal implications of inspectors from one country having jurisdiction over fishermen in another country.
- 4.3 In the same way that British police police Great Britain, German police police Germany etc, so British fisheries inspectors should police all actions, including landings, from Britain's EFZ.
- 4.4 If we have to share freely our EFZ with other EU countries, then the cost of enforcing EU legislation should be borne by the EU.

RACs

- 5.1 Whilst we accept that it is important for fishermen working the same grounds to liaise, we believe the proposals for RACs to be too cumbersome and unwieldy.
- 5.2 If, as proposed, all those with an interest in a particular region are entitled to sit on the committee, who is going to decide who should and should not be represented. The different methods have different needs, and, even within the same fishing method, we have different organisations. They will all want their say, as will each country.
 - 5.3 The same will apply to the many different environmental groups.
- 5.4 It is highly unlikely that they will ever be given any power as the Amsterdam Treaty specifically excludes any power being returned to the nation states.
- 5.5 All that will happen is that the RACs will end up as huge great talking shops with little chance of concensus.
- 5.6 We believe that it is far more appropraiate to do as we have been doing for 23 years—that is meeting with those who fish a particular area (in our case, the mid-Channel grounds) and agreeing a *modus operandi*. We, as potters, meet with fishermen from Normandy, Brittany, Belgium, the Channel Islands and the SWFPO once a year to agree potting and trawling areas. Agreement can be hard to achieve, but any larger meeting would never get agreement.
- 5.7 RACs should not get involved inside 12 miles and Sea Fisheries Committees powers should be extended to 12 miles.

NEW BUILDS

6.1 We agree that there should be no more grants for new builds.

NORTH SEA AND OTHER RESTRICTED AREAS

- 7.1 We accept that under her accession Treaty, Spain becomes entitled to equal access on 1 January 2003 (as do other recently joined members).
- 7.2 Even if initially Spain (and others) is restricted to just non TAC species, there is bound to be a bye-catch of pressure stock fish—and in order to increase the bye-catch boats will try and maximise the non TAC species.
 - 7.3 There will, therefore, be an increase in mortality, greater discards and even more pressure on all species.
- 7.4 Our members fish almost exclusively for crustacea—non TAC. If Spain were now to target these species it could have a very serious effect on our members—not only on extra fishing, but, as Spain is one of our main markets, in our outlets as well. (It should also be remembered that, as wet fish boats have come under pressure, more and more boats have recently switched to crabs/lobsters, putting strain on both stock and markets).

RELATIVE STABILITY

- 8.1 Relative stability as currently practised is discriminatory. Indeed, in December 1996 the Government of the time wrote in its Supplementary Memorandum on Quota Hopping to the Intergovernmental Conference "The Court of Justice has itself recognised that the quota system, as a system of national quotas, is a derogation from the general rule of equal conditions of access to fishery resources (see Jaderow judgement) and the principle of non-discrimination laid down in Article 40(3) of the Treaty".
- 8.2 Without unanimity, it can not, therefore, continue much longer in its present form. In fact, it has been made abundantly clear in various Commission documents that Treaty requirements will be implemented.
- 8.3 In his address to the Spanish Parliament Franz Fischler said "From 1st January onwards Spain will have access to the North Sea. We will re-examine the quota allocations made during the period when Spain was excluded from these waters. . .the Commission will apply Community law to Spain in just the same way as to other Member States" (our italics).
- 8.4 The proposals also state that any new fishing opportunities will be made available to Spain (increased quota, non quota species being turned into quota?) and that ITQs will be discussed. Indeed, in order to comply with the Treaty, non discrimination and equal access principles, some form of freely tradeable fishing opportunities will have to come in. These can either be in the form of ITQs or, as Regulation 1627 of 1994 requires, EU fishing permits.
- 8.5 Such trade will have serious repercussions on the British industry. Quota/permits will eventually end up in the hands of those who can afford to pay. We will therefore see most fishing opportunities going to Spain, Holland and France and Great Britain's finest natural renewable resource will end up in the hands of

foreigners and out of the control of the British Parliament and people. Even now almost 70 per cent of our North Sea plaice quota, 60 per cent of our hake quota, 30 per cent of our megrim quota and 55 per cent of our Dover sole quota belong to "quota hoppers".

REGISTRATION OF BUYERS

- 9.1 In those countries where enforcement is poor, registering of buyers will have no effect on curbing the landing of over-quota fish. However, if such measures are introduced and enforced, they will enable the authorities to trace fish from catcher to retailer and thus cut down on the landing of "black fish".
- 9.2 They should benefit the inshore shellfishermen, though, for, at present, he suffers from unregistered fishermen selling (and undercutting) to hotels and restaurants. This measure will assist in cutting out the illegal trade.

SATELLITE MONITORING

- 10.1 This will undoubtedly assist in overcoming mis-reporting of where a vessel has been fishing, although it adds yet more bureaucracy and expense for fishermen.
- 10.2 To bring the size down to 10m is going to make monitoring the several thousand boats difficult and complicated. Perhaps a higher cut off point would be more appropriate and make monitoring easier.
- 10.3 An advantage for static gear fishermen is that VMS may be able to assist us in identifying those boats which deliberately tow through our gear causing thousands of pounds of damage.

ENVIRONMENTALISTS

- 11.1 We welcome the proposed involvement of responsible environmental groups (we are members of the Marine Conservation Society) as we should all have the same aim.
 - 11.2 However, many such groups are too radical and their involvement may well exacerbate problems.
 - 11.3 Who will select and how will numbers be limited?

Control

- 12.1 Too many decisions are made for political reasons and fish stocks do not understand politics! It is not possible to effectively manage one huge fishery with 15 managers each with his own political agenda.
 - 12.2 We therefore favour each nation state controlling its own EFZ.
- 12.3 However, if one accepts the pooling of resources, then (unfortunately!) control needs to be pooled as well.
- 12.4 Much as we object to more powers going to the Commission, we can see the logic of it under the present pooling system.

SUMMARY

- 13.1 The 6/12 mile limits should be made permanent and exclusive to each nation.
- 13.2 Quotas and days at sea should not run together—we should have either one or the other.
- 13.3 If Treaty obligations are to apply, then some form of tradeable quota or permit will have to come in. Whilst this will benefit those already in the industry (they will have security and something to sell on retirement), it will mean that, eventually, much of the quota/permits will end up in the hands of the few.
 - 13.4 The Government must draw on all EU funds available.
 - 13.5 The problem of equitable enforcement has not been properly addressed.
 - 13.6 Politics need to be taken out of the management and control of fishing.
- 13.7 Greater access by other member states to our EFZ will put more pressure on all stocks and therefore on British fishermens' jobs.
- 13.8 The end result of the proposals will be fewer British boats, fewer British fishermen and the disintegration of fishing communities.

APPENDIX 8

Memorandum submitted by Mr John Ashworth, Conservation spokesman for Save Britain's Fish (K16)

1. The fundamental principles of the CFP are those contained in the *acquis communautaire*, and which will be contained in the Accession Treaties of the nations presently waiting to join the European Union in 2004. It is not what was established in 1983, which was a transitional derogation from the Treaty obligations.

From that standpoint the proposals will endorse the Treaty obligations, as per what was stated in the proposals: "ensuring that the governance remains compatible with the legal and institutional framework of the Treaty".

- 2. The implementation of the Treaty obligations will not help stock management. The destruction of the feed source, the marketing of juvenile fish, and dumping of prime fish will continue, because management is political. Until Member States are given National control, free of the disastrous equal access to a common resource without discrimination principle, enshrined in the Treaty, stocks will not recover to their true levels.
- 3. The impact on the British Fishing Industry is to be downgraded to a cottage industry. The bulk of the catching sector will go along with the ancillary trades, and another British industry goes with the tacit acceptance of the Westminster Parliament.
- 4. Unlike the collapse of the Deep Sea sector in the 1970s, today's British fishing fleet is in remote areas. Finding alternative jobs will be impossible, and it will result in families having to leave those areas to find alternative work. Forced out by their own political representatives.
- 5. The Treaty obligations are rigid in structure. Therein lies the problem. A rigid political management system controlling a fluid system of nature. Whatever tinkering on the edges will not solve the problem.
- 6. Enforcement of what? Crazy rules that make fishermen be criminals and dump prime fish dead back in the sea as a pollutant, which the Ministry either don't except happens or fishermen do it deliberately. The enforcement argument is being used for one purpose, to introduce an EU fishery protection service.

The terrible state of Europe's living marine resources, and the pending collapse of the British Fishing Industry and ancillary industries, is down to the Westminster Parliament. The members have been told over and over again the true situation, but as can be seen from the title of this enquiry, "Reform of the Common Fisheries Policy", no notice is taken of the truth, which is any reform can only take place within the confines of the Treaties, which is equal access to a common resource without discrimination, and the failure of Members to take that into account, has and will, result in a social and environmental disaster, which Members will be held responsible for.

29 September 2002

APPENDIX 9

Memorandum submitted by the Chief Executive, Association of Sea Fisheries Committees of England and Wales (K17)

The Association appreciates the opportunity to submit written evidence but the Committee will appreciate that, as the Association's Member Committees are the statutory bodies in England and Wales responsible for the management and regulation of inshore waters out to six miles, their concern and comments on the proposals contained in the recent documentation from the EC perforce concentrate on those which have specific relevance to inshore waters and particularly the question of the management and regulation of the fishing stocks in those waters.

Any comments contained in the responses which this Association has made and as set out in Annexes A and B to this Memorandum, being letters dated the 15 July 2002 and the 29 August 2002 addressed to the Sea Fisheries Conservation Division of DEFRA, reflect their interest in the question of relative stability and the six and 12 mile limits. Although they support the proposals for better enforcement subject to funding being available, apart from an observation on the proposed Regional Advisory Councils, they take the view that other very important proposals relating to fleet policy, multi annual management plans and environmental aspects can be responded to in a more informed manner by the Fishing Industry and those better placed by involvement and experience than the Association.

The responses which this Association has made to the Government have been so made against a backcloth of a common acknowledgment that regrettably the CFP has been almost a complete failure; the only major matter of importance is that it has prevented conflicts at sea. What it has done, however, is to provide a continuing dissatisfied and frustrated body of stakeholders.

A major element of concern to the Association's Member Committees has to be the question of access after the 1 January 2003 to waters outside the 12 mile limit by those who may claim such access without a track record. This is of particular concern to those shellfisheries in such waters which could be subject to marauding vessels who may be tempted to target high-value non-quota species.

Annex A

Letter to Sea Fisheries Conservation Division, Department for Environment, Food and Rural Affairs, from the Chief Executive, Association of Sea Fisheries Committees of England and Wales (dated 15 July 2002)

CONSULTATION ON REVIEW OF THE COMMON FISHERIES POLICY

I refer to Stephen Wentworth's letter dated 29 May last concerning the above. As I think I mentioned in a subsequent telephone conversation, my Association did not meet until last week and so our views on the questions raised in your Consultation Document were not considered until then. I was instructed to make some informal comments on the questions raised in your paragraph three which follow:

A detailed consideration of the whole of the documentation, including the Roadmap and the draft Regulations will be undertaken in due course by the Association's Technical Panel and comments will be made to you before the 30 August as requested. However, be that as it may, I have encouraged my Member Committees to respond to you direct asap with as much detail as they feel necessary so as to assist the Department and to enable their views to be taken into account in your preliminary discussions.

Dealing now with the aforementioned questions, briefly our initial observations are as follows:

THE COMMISSION'S PROPOSALS

(a) The new CFP B "Roadmap" and Framework Regulation

The Association has no objection to the revised set of objectives and accepts that the reforms attempt to coincide with the Commission's stated aims. We may have further comments to make in detail in due course but concern has been expressed as to how "relative stability" will be continued. Furthermore, so far as the most important provisions are concerned with regard to inshore fisheries, clarification is required relating to the power to regulate in the six and twelve mile zones and how consents will work in practice.

(b) Structural Assistance and Aid for Scrapping Fishing Vessels

No comment at this stage.

(c) Environmental Integration and IUU Fishing

Action Plans supported.

U.K. PRIORITIES

We do agree with the priorities and indicated as such when we responded to the Green Paper B see my letter to Gareth Baynham-Hughes dated 30 May, 2001 (no doubt your predecessor in this matter as he shares the same stable—ie room 423b) and the file should reveal all.

COMMISSION CONSULTATION PROCESS

My Member Committees will be encouraged to take part if they so desire in addition to responding to your Consultation Document.

Annex B

Letter to Sea Fisheries Conservation Division, Department for Environment, Food and Rural Affairs, from the Chief Executive, Association of Sea Fisheries Committees of England and Wales (dated 29 August 2002)

EUROPEAN PROPOSALS FOR REFORM OF THE COMMON FISHERIES POLICY

I refer to your letter of the first instant acknowledging my comments in a letter to you dated the 15 July last following informal consideration of the Commission's Consultation Documents. As indicated in my letter, the Association's Technical Panel has now had an opportunity of considering the whole of the documentation including the Roadmap and my report on the Consultation Meeting hosted by Stephen Wentworth at York on the 24 July last, which was also attended by representatives of some of my member Sea Fisheries Committees. As you will no doubt be aware, other Sea Fisheries Committees representatives attended the Consultation Meetings held in London and Exeter.

I am aware that several of my member Sea Fisheries Committees have written in some detail, not only in response to your Consultation Document, but also commenting on the "Roadmap" Document. In the

circumstances, I do not intend to repeat many of those observations, the gist of which in most cases would have the support of the Association, and bearing in mind our initial support of the proposals as indicated in my letter to you of the 15 July last.

The Association's Technical Panel were, however, concerned at the ability of the Commission to maintain "relative stability" in the long term, if not in the short term, bearing in mind the expectations of those who would be entitled to access to fisheries post 1 January, 2003. Whether or not the existing "ration" of quotas can be maintained is, in our view, doubtful. They would, however, support the stated aims concerning the conservation of resources and management of fisheries and the proposed new multi-annual framework, together with a strengthening of technical measures but would oppose industrial fishing. The political implications should be removed and a precautionary approach taken.

The Panel is naturally more concerned with proposals concerning inshore fisheries management which directly impact on coastal stocks falling within the statutory responsibility of the regulation and management of those fisheries by my Member Committees. They welcome the continuation of the six and 12 mile limit arrangements and are delighted at the proposed member state control. They are, however, concerned at the possible knock-on effect if free access is allowed into coastal waters, albeit outside the 12 mile limit. It is quite feasible that marauding EU trawlers would not only target high value non-quota species such as bass and crustacea, but also may be allowed to keep a by-catch of quota species. The Panel considers that access to any waters should only be allowed on a proven track record and that so far as the inshore fisheries are concerned, ie 0-12, any existing historical practices should be re-examined.

The Commission has never spent very much time in dealing with shellfish management and the CFP discussions and arguments over the years have seldom concentrated on shellfisheries. As the UK Government is aware, shellfish is of huge importance to the fishing industry here and provides a third of the landings. The lack of knowledge and the ignorance of the effect of decisions by the Commission needs to be immediately addressed. The amendment to regulation 850/98 concerning crab claws (the initial provision of 5 per cent itself should never have been allowed) whereby all boats other than potters would be allowed to land up to 75 kilos of crab claws per trip was outrageous. This one provision in itself needs rectification.

So far as Regional Advisory Councils are concerned, the Panel is sceptical as to whether or not such bodies with no teeth will provide an improvement or an encumbrance. What is particularly important is that member states should have absolute control of inshore waters out to 12 miles and the proposed consultation provisions of Articles 9 and 8 should be re-visited. Does "consultation" mean consent?

Proposals to strengthen the monitoring and enforcement regime are welcomed but additional funding and resources must be made available as I am sure that SFC's would want to be part of the Joint Fisheries Inspection structure.

Finally, on the 10 June in London, Dr Franz Fischler, the E.U. Commissioner, in response to my question concerning the 1 January 2003 and the fact that time was running out, assured the meeting that they had power to act if agreement had not been reached in time. I do hope that circumstances do not conspire to prove him wrong. We shall be happy to discuss with the U.K. representatives any detail concerning the Reform which the Department feels would be helpful. My members are genuinely anxious to assist in a constructive manner as there appear to be many questions which could legitimately be raised on parts of the Roadmap and various Articles, if only for clarification.

APPENDIX 10

Memorandum submitted by The Wildlife Trusts (K18)

The Wildlife Trusts welcomes the opportunity to submit evidence to this inquiry. The Wildlife Trusts advocates fisheries management which maintains the balance between fishing effort and living marine resources, thus ensuring the long-term sustainability of fish stocks and a more stable marine environment. As members of six of the locally based Sea Fishery Committees, The Wildlife Trusts plays a key role in delivering science-based advocacy to the fishing industry and its managers in England, Wales, Scotland and Northern Ireland.

The Wildlife Trusts are a unique partnership of 47 local Wildlife Trusts covering the whole of the UK and the Isle of Man. The partnership campaigns for the protection of wildlife and invests in the future by helping people of all ages to gain a greater appreciation and understanding of nature. Collectively The Wildlife Trusts have approximately 382,000 members and manage almost 2,500 nature reserves, covering more than 76,000 hectares of land, ranging from inner city urban sites to the UK's finest wildlife areas.

We have considered the Commission's proposals for the first set of reforms and would like to make the following observations.

1. There is no doubt that long-term mismanagement of the European Union's fish resources has put the environment, fish stocks and fishing communities in an unsustainable manner. The original CFP Green Paper portrayed the CFP as a policy that has failed to provide adequate management of EU fisheries and identifies candidly several major failures of the existing system. The Wildlife Trusts welcomed the acknowledgement by the Commission of the main drivers for the current crisis, namely over capacity, inadequately targeted

subsidies and inequitable fisheries agreements. We also endorsed fully the shift in focus in the Green Paper towards the promotion of sustainable ecosystem-based fisheries management. The Wildlife Trusts believed that the original Green Paper provided a good basis for discussion and offered some tangible solutions towards recovery of dwindling resources, a declining industry, and a degraded ecosystem. However, we feel the Commissions proposals fall far from what is needed to achieve a strategic policy which provides SMART targets and indicators on which to base the long-term sustainable management of EU fisheries.

- 2. The Wildlife Trusts are very concerned that the new draft Framework regulation has failed to give any emphasis to delivering the requirements of the Habitats and Birds Directives. In order to meet the requirements of the Habitats and Birds Directives, strategic management plans would need to be developed to ensure that fishing activities occurring within inshore and offshore Special Areas of Conservation (SACs) and Special Protection Areas (SPAs) meet with the conservation objectives of the site. Plans for inshore sites have already been developed in some Member States; for example the LIFE funded marine SAC initiative in the UK. Under Article 12 of the Habitats Directive, a mechanism should also be identified for ensuring that fishing activities do not have negative impacts on populations of cetaceans and turtles.
- 3. We are very disappointed that the road map did not consider the ecosystem approach as one of the key principles and objectives of the CFP. We believe in order to retain a healthy ecosystem with abundant fish stocks, it is necessary to move away from the conventional focus on single target species, and to adopt an ecosystem-based approach to management. Such an ecosystem-based approach is central to the system of management endorsed by the Council Integration Strategy, the EC Communication on the Integration Strategy and the EC Biodiversity Action Plan for Fisheries, and is embodied in the objectives of the CBD, the UN Fish Stocks Agreement and the FAO Code of Conduct. The Wildlife Trusts believe it is essential that an ecosystem-based approach should therefore be adopted at all levels of decision making under the CFP, including decisions concerning fleet restructuring, subsidisation, marketing and processing, and external relations.

The ecosystem approach to fisheries management takes a step beyond single or even multi-species approaches but considers the management of all the processes essential for maintaining a natural and healthy ecosystem. It involves safeguarding not only food chains but also habitats and wider environmental interactions. In 1997, at a North Sea Ministerial Meeting on fisheries and the environment, the need for an ecosystem approach was recognised by environment and fisheries ministers alike. This recognition was reaffirmed when environment ministers adopted the new OSPAR Annex V on the protection of biodiversity and ecosystems in 1998. Yet, again, this has not been applied. The ecosystem approach will not only aid recovery plans for commercial fish stocks but will also benefit all species which spend all or part of their life in our coastal and marine environments. The ecosystem approach to the management of fisheries is essential for the successful integration of fishery and nature conservation objectives.

- 4. The Wildlife Trusts are disappointed that neither the precautionary principle nor adaptive management styles have been considered by the Road Map as priorities. We believe these principles must be accepted otherwise it will not be possible to develop a new CFP, which is capable of providing sustainable development in environmental, economic and social terms. In the absence of scientific information on the impacts of fisheries on biodiversity, conservation measures should be adopted in line with the precautionary principle, particularly in cases where fishing activities are likely to result in serious or irreversible damage. Adaptive systems of management with proper and transparent auditing systems are central to the success of fisheries management systems in other parts of the world, such as that underpinning the Convention for the Conservation of Antarctic Marine Living Resources (CCAMLR).
- 5. The Wildlife Trusts believe that the precautionary approach must be seen as one of the most important underlying principles of the future CFP. The need for the precautionary principle was recognised in the 1980s when Environment Ministers were considering future management and environmental protection for one of the most productive but intensively used seas of the world—the North Sea. Over the past two decades the principle and its application have been widely discussed and adopted in a variety of international agreements, declarations and conventions. The reason we need to apply this approach is that we will never have a full understanding of the marine environment, which is a dynamic and complicated ecosystem.
- 6. The Wildlife Trusts believe that the underlying principle for future policies for the management of fisheries should include the conservation of marine biodiversity as a major objective. An approach that is based on maintaining the health of the ecosystems, upon which both wildlife and fishermen depend, is one that is most likely to deliver a sustainable future for both.
- 7. We are pleased to see that the roadmap advocates greater openness and transparency, and the participation, through greater and broader stakeholder involvement. Local participation in the management of sea fisheries will also allow more scope for the contribution of local fishermen to the decision making process. The current situation tends to lead to fishermen feeling excluded from the major decisions that affect them. As well as cutting off a useful source of local knowledge, such alienation may lead to increased levels of non-compliance. As the Roadmap suggests it will take more than changes in the regulatory framework to deliver a sustainable future for inshore fisheries. Financial support for pilot projects investigating new management techniques and to cushion the effects of transition between regimes will be required. Developments in the business infrastructure supporting the industry may also be beneficial; developments that will undoubtedly need funding.

- 8. A number of European funding programmes are available to support structural development within the fishing industry. Objective 1 and Objective 2 funding, under the European Regional Development Fund (ERDF) and the European Social Fund (ESF) is aimed at general economic development, which may include fisheries, and is available for specific areas within the UK. This is complemented by the Financial Instrument for Fisheries Guidance (FIFG) which is aimed specifically at providing investment in the fishing and aquaculture industries and is available throughout the UK outside Objective 1 areas. However, experience to date suggests that the delivery of sustainable inshore fisheries may be seriously threatened by a lack of coordination between different programmes. The situation in the South West of England Objective 2 area provides an example. A Single Programming Document (SPD) sets out priorities for structural funding in the region and one of the measures is aimed at "Regenerating Fishing Communities". These are contrary to the measures outlined in the Roadmap. Which states that there will be "restriction on the aid for modernisation, renewal and export of fishing vessels". The commission also states in the Roadmap that the "possibility of granting public aid for the new capacity be removed". The Wildlife trusts believe that this should come into affect immediately and that steps are taken to ensure that the recommendations in the roadmap are translated on the ground with immediate effect.
- 9. The incidental capture of animals in fishing gear (bycatch) is considered to be one of the greatest threats facing small cetacean population's world-wide. Every January during the winter storms 100's of carcasses of common dolphins and porpoises are washed ashore in the Southwest. This is not a new phenomenon but has been a regular occurrence for the last five years. The Wildlife Trusts working with the Plymouth aquarium have collated information on this issue and with other NGO's have created considerable publicity on this horrific and unnecessary problem. We have also lobbied the government and the EU commission and provided them with our results and made certain demands in order to reduce this problem. Yet despite all this publicity and evidence of an unsustainable fishery the bycatch of small cetaceans continues.
- 10. Members of the European Union are already committed under Council Directive 92/43/EEC (the Habitats Directive) to establish a system to monitor the incidental capture and killing of all cetaceans and, in light of the information gathered, to take further research or conservation measures as required to ensure that incidental capture and killing does not have a significant negative impact on the species concerned.
- 11. Last summer Member States which includes the UK that are Parties to the Agreement on the Conservation of Small Cetaceans of the Baltic and North Seas (ASCOBANS) have acknowledged the threat that bycatch poses to small cetacean populations and have committed themselves to ensuring that where unacceptable bycatch is identified, measures are taken to reduce this level of bycatch. Parties have agreed for the present to define unacceptable interactions as being, in the short term, "a total anthropogenic removal above 1.7 per cent" of the population.⁴
- 12. The only direct way to obtain reliable estimates of total marine mammal bycatch in a fishery is via an independent observer scheme covering a representative sample of the fishery. The UK has failed to implement such a scheme and are therefore unaware of the precise nature of the problem associated with the pelagic trawl fishery in the Southwest. Despite unacceptable bycatch levels being identified in UK waters, there has been no demonstrable reduction in bycatch to date. In general, Member States are failing to fulfil their obligations on incidental capture set out in the Habitats Directive and Parties to ASCOBANS have failed to meet the specific commitments made under this Agreement with respect to bycatch.
- 13. There should be a much wider deployment of independent on-board observers to monitor bycatch of non-target species such as small cetaceans. This would also help inform the development of the EU's National Plan of Action to reduce seabird bycatch in longline fisheries. In New Zealand, observers are part funded by the fishing industry through a Conservation Services Levy Programme. This model could be adopted in the UK, either working alongside the Sea Fish Industry Authority (SFIA) levy, or as an additional function of the SFIA levy.
- 14. A generic approach to addressing the variety of bycatch problems, that meets Member States' conservation obligations and objectives, should be adopted by Member States and formalised within the Common Fisheries Policy of the EU. We are extremely disappointed that such provisions have not been formally adopted during the current CFP review. The Wildlife Trusts are calling for a new CFP to contain clear and measurable commitments to reduce significantly bycatch in the EU fishing fleet within the next five years and to reform subsidies to ensure they support sustainable fishing.
- 15. The Wildlife Trusts believe that the Roadmap is particularly weak in terms of developing policy for the sustainable management of aquaculture. By far the most pronounced aquaculture-derived environmental impacts within Community waters result from finfish culture. Through a combination of the scale of production, techniques utilised in the husbandry, and the often enclosed nature of the environment in which fish farming is undertaken, it results in impacts including:
- 16. The green paper acknowledged the increasing industrialisation of aquaculture throughout the community. Unfortunately the need for a co-ordinated strategy for guiding the development of this expanding industry at a Member State and Community level is not highlighted within the roadmap or regulations. The inclusion of aquaculture into the CFP would provide an important opportunity for the

⁴ Northridge SP and Hammond P S. 1999. Estimation of porpoise mortality in UK gill and tangle net fisheries in the North Sea and west of Scotland. Paper SC/51/SM42 submitted to International Whaling Commission Scientific Committee.

principles of sustainability, integration of environmental concerns and the adoption of an ecosystem approach to be extended to Community aquaculture policy, planning and financial assistance. The Wildlife Trusts see such a strategic view as essential.

- 17. Clear strategic guidance should be given on the development of aquaculture both within the EC and Member States. This should be transparent and subject to environmental appraisal, covering the full life-cycle of aquaculture production. Strategic environmental assessments should be applied to all aquaculture development plans to ensure that cumulative impacts of developments are properly considered. In particular, new regulatory measures need to be adopted to minimise the impacts of aquaculture on wild fish populations through ecological and genetic effects and disease and parasite transfer.
- 18. The Green Paper recognised the role FIFG has played in providing capital grants to aquaculture companies. It is vital that aquaculture policy learns from the problems of encouraging intensive, high-impact terrestrial farming through the CAP and uses the CFP reform to put measures in place to encourage a more sustainable responsible approach to marine fish and shellfish farming in the community. Existing policies, particularly relating to funding, should be reviewed to ensure that no EC support is being given to aquaculture developments that are likely to impact negatively on the environment. Conversely, active support should be given to the development of environmentally benign aquaculture practices and to initiatives such as ecolabelling in order to assist these.

CONCLUDING REMARKS

- 19. There can be a healthy future for the European fishery, provided that the plans for their management do not neglect the ecosystems and habitats on which they depend. There need be no conflict between our vision for a healthy marine environment and the development of an inshore fishery, which provides for the needs of fishermen and the communities in which they live. All it takes is for us all to share a common vision for the future, to have the imagination to see the changes that are needed and to work together to bring them about. The Wildlife Trusts believe the Roadmap and Regulation fall from implementing this vision.
- 20. But there is little point in fisheries management taking account of ecosystems and habitats if other human activities continue to place them under pressure. The mistake in the past has been to consider each human activity in the marine environment in isolation.
- 21. True sustainability will only be achieved through a single strategic approach to the management of all human activity in the marine environment, an approach that includes the conservation of marine biodiversity as a major objective. We would like to see the Commission stating how they see the CFP review and reform integrating with the EU Marine Directive that is to be published in July of this year.

Finally, The Wildlife Trusts have recently produced a report on the future of inshore fisheries (Annex 1 [not printed]). The recommendations in the report our based on our experiences over the last five years as members of the Sea Fisheries Committee's. Although the CFP does not cover the inshore are it is important the Committee recognises that inshore waters are of particular value to marine biodiversity, encompassing a wide range of seabed habitats and marine communities. The same areas are also important to the fishing industry, especially small vessels limited to grounds close to their homeports. It follows that establishing sustainable management regimes in inshore waters is of the highest priority, with fisheries managed in a way, which enables both wildlife and fishermen to thrive.

14 September 2002

APPENDIX 11

Memorandum submitted by the Whale and Dolphin Conservation Society (K19)

1. Introduction

- 1.1 WDCS has as its primary objective the conservation and protection of all cetaceans (whales, dolphins and porpoises). As such, the Society is concerned with the protection of the marine environment and the integrity of its ecosystems. However, our particular areas of work and expertise focus on human activities and threats that impact most directly on whales, dolphins and porpoises. Therefore, our submission deals mainly with those aspects of fisheries that impact on cetaceans, most specifically within EU waters the incidental capture (or bycatch) of dolphins and porpoises.
- 1.2 One of the key objectives that was identified in the Commission's Green Paper and in the subsequent package of reform proposals was to incorporate environmental concerns into fisheries management. We urge the Committee to include, amongst the matters it will address, the environmental implications of fisheries, in particular impacts on non-target species and habitats, and whether the proposed reforms are adequate to deal with these matters.
- 1.3 In particular, the Action Plan makes a commitment to bring forward a "new set of technical conservation measures designed to reduce bycatch of cetaceans to levels guaranteeing favourable

conservation status of cetacean populations before 31 December 2002". However, we are concerned that the status and scope of such provisions may not provide the necessary framework and legal standing to ensure that this problem is addressed effectively.

2. INCIDENTAL CAPTURE OF PROTECTED CETACEANS

- 2.1 The bycatch of cetaceans in fisheries is well recognised to be one of the greatest threats to populations of small cetaceans and has been highlighted by various international fora including the Agreement on the Conservation of Small Cetaceans of the Baltic and North Seas (ASCOBANS). Some specific fisheries and sea areas have already been identified where bycatch presents a serious and unsustainable problem. The case of pelagic driftnets used in the tuna and swordfish fisheries of the north east Atlantic and Mediterranean is an example of a highly destructive practice that has now been addressed by the EU in the form of the driftnet ban that came into effect in January 2002. However, there is ample evidence of problems in numerous other fisheries that have yet to be addressed. Moreover, many fisheries in the EU that present a threat to cetaceans are not yet even being monitored for their bycatch. Therefore, the few data that are available represent only a bare minimum estimate of the scale of the problem.
- 2.2 Harbour porpoises are prone to getting caught in bottom-set gill nets and high incidences have been recorded in a number of fisheries throughout their range. The losses of harbour porpoises in the Celtic Sea bottom-set gill net fishery were investigated using onboard observers in the early 1990s. This revealed an estimated mortality of 2,200 animals per annum, or roughly 6 per cent of the local population¹. It has been agreed internationally that an annual loss of even 1 per cent of a population should be a cause for concern and merits investigation as a matter of priority².
- 2.3 Observers on Danish vessels fishing in the North Sea have provided an estimate of 6,785 porpoises caught annually in the Danish gill net fishery³ and approximately 1000 are also caught in UK gill nets in the North Sea⁴. The Danish catches alone represent some 4 per cent of the porpoise population of the area. In addition, losses to other fisheries in the North Sea are yet to be investigated.
- 2.4 In the Baltic, harbour porpoise populations have declined significantly in recent years, with less than 1000 animals thought to remain while animals continue to be caught in both bottom-set and surface drift gill nets⁵. This population has been identified as a priority for conservation efforts and an Action Plan has now been agreed⁶ but so far little has been done to reduce bycatch levels.
- 2.5 There is also a significant European bycatch of dolphins occurring, as evidenced by the hundreds of dead dolphins that regularly wash up on French and adjacent English coasts over the winter months. As early as 1991, these strandings were being attributed to trawlers⁷.
- 2.6 During the 1990s observer studies of bycatch in pelagic trawl fisheries recorded dolphin catches in four of the fisheries studied targeting sea bass, hake, tuna and horse mackerel⁸. Although the report describes the bycatch of dolphins in trawls as a "rare event", it notes that the size of the European fleet and the amount of fishing effort mean that the total number of animals caught may be significant. It also observes that the bycatch estimate must be treated as a minimum because, for instance, some fishing fleets refused to take observers on board as there is no legislation in the UK or the other participating countries (France, Ireland and the Netherlands) to enforce co-operation with observers
- 2.7 More recently, an Irish study of a trial pelagic pair trawl fishery for albacore tuna observed 30 dolphins being caught in a single haul, with145 cetaceans caught by just four pairs of trawlers in a single season⁹. During 2001 observers placed on UK pair trawlers targeting the winter sea bass fishery recorded a catch of 53 dolphins in 116 hauls¹⁰.

¹ Tregenza, N J C, Berrow S D, Hammond P S and Leaper R 19097. Harbour porpoise (*Phoeoena phocoena*) by-catch in set fillnets in the Celtic Sea. ICES Journal of Marine Sciences. 54:986–904.

² IWC 1995, Report of the Scientific Committee. International Whaling Commission.

³ Vinther M. 1999. Bycatches of harbour porpoise (*Phocoena phocoena*) in Danish set-net fisheries. J Cetacean Res Manage. 1(2): 123–135.

⁴ Northridge SP and Hammond P S. 1999. Estimation of porpoise mortality in UK gill and tangle net fisheries in the North Sea and west of Scotland. Paper SC/51/SM42 submitted to International Whaling Commission Scientific Committee.

⁵ Berggen P, P R Wade, J Carlstrom and A J Read. 1998. Potential limits to anthropogenic mortality for harbour porpoises in the Baltic Region. International Whaling Commission SC/50/SM7.

⁶ Recovery plan for Baltic harbour porpoises (Jastarnia Plan) ASCOBANS. Bonn, July 2002.

⁷ Simmonds M and J D Hutchinson 1994. Mass mortality events in marine mammals and their implications for conservation. Scientific Symposium on the 1993 North Sea Quality Status Report 18–21 April. Ebeltoft, Denmark. 227–234.

⁸ Morizur Y, Berrow S D, Tregenza N J C, Couperus A S and Pouvreau S. 1999 Incidental catches of marine-mammals in pelagic trawl fisheries in the north-east Atlantic. Fisheries Research 41: 297–307.

⁹ Diversification trials with alternative tuna fishing techniques including the use of remote sensing technology. Final Report to the Commission of the European Communities Directorate General for Fisheries. EU contract No. 98/010. Bord Iascaigh Mhara. Irish Sea Fisheries Board.

¹⁰ DEFRA Cetaccean Bycatch: action in hand. Unpublished briefing. Fisheries Division III (Sea Fisheries Conservation. DEFRA 21 February 2002.

3. CURRENT OBLIGATIONS ON EU MEMBER STATES

- 3.1 Members of the European Union are committed under Council Directive 92/43/EEC (the Habitats Directive) to establish a system to monitor the incidental capture and killing of all cetaceans and, in light of the information gathered, to take further research or conservation measures as required to ensure that incidental capture and killing does not have a significant negative impact on the species concerned¹¹.
- 3.2 Seven of the fifteen Member States are Parties to the UN Agreement on the Conservation of Small cetaceans in the Baltic and North Seas (ASCOBANS). Parties have agreed an intermediate precautionary objective to reduce bycatches to less than 1 per cent of the best available population estimate¹². ASCOBANS has also agreed the general aim to minimise (ie to ultimately reduce to zero) anthropogenic removals of small cetaceans.

4. THE COMMISSION'S PROPOSALS FOR THE REFORM OF THE CFP

- 4.1 The Commission's proposed Framework Regulation states that "the Community shall apply the precautionary principle in taking measures designed to protect and conserve living aquatic resources, to provide for their sustainable exploitation and to minimise the impact of fishing activities on marine ecosystems" (Art.2,1)¹³. A series of very laudable measures are set out that will help to achieve this end. However, there are also some notable short-comings.
- 4.2 The Commission's "Roadmap" ¹⁴ acknowledges that over-capacity in the Community fleets has been the major factor in the depletion of fish stocks and the damage caused to non-target species and habitats. We support the Commission's suite of radical proposals relating to fishing capacity and effort reduction. In particular, we welcome the removal of public aid for the introduction of new capacity and for the export of fishing vessels to third countries. The Roadmap identifies the target for fleet capacity to correspond to sustainable fishing mortality rates. However, we would like to see environmental impact, such as damage to non-target species or benthic habitats, explicitly included as a criterion for targeting effort or fleet capacity reductions.
- 4.3 The proposed Framework Regulation also sets out the aim of "progressive implementation of an ecosystem based approach to fisheries management" (Art.2,1). We are in total support of the approach of basing fisheries management decisions on full consideration of the implications for, and of, the wider ecosystem. However we would raise a note of caution that some nations (outside the EU) have tended to subvert the use of this concept to promote the management of the wider ecosystem (in particular, the killing of top predators such as whales) for the purposes of fisheries protection. The use and definition of this term should, therefore, be treated with utmost caution in order to prevent such abuse.
- 4.4 We support the proposal in the Framework Regulation (Art. 4.2) to adopt technical measures, including "to reduce the impact of fishing activities on marine ecosystems and non-target species" and to "establish incentives, including those of an economic nature, to promote more selective fishing". We also support the adoption of multi-annual management plans and recognise these as a means of ensuring effort reductions and other restrictions that are less vulnerable to political intervention than the current system of annual negotiations. We welcome the explicit statement that, as well as setting targets for the recovery of target stocks, the plans shall, where appropriate "include targets relating to other living aquatic resources and the maintenance or improvement of the conservation status of ecosystems" (Art.5.4). However, these plans are proposed only for fish stocks, and as a priority, those which are outside safe biological limits. We would advocate that multi-annual management plans should also be introduced for fisheries where the impact (for instance, on non-target species) is deemed to be unacceptable (or outside safe limits).
- 4.5 We support the provisions for the Commission or Member States to be able to introduce emergency measures in order to avert a serious threat to fisheries or to the ecosystem resulting from fishing activities (Arts. 7 and 8).
- 4.6 We are also in favour of the proposed Regional Advisory Councils which will allow stakeholders from all the main industry and other relevant interest sectors to contribute to policy and management considerations. We feel that this is an important vehicle to enable environmental and wildlife interests to be represented and to ensure that these perspectives are properly considered. We consider that the proposed RACs could provide an appropriate framework within which issues such as cetacean bycatch can be effectively addressed (see 5.4 below).
- 4.7 We welcome the proposal that "measures for the modernisation of the fleet should be restricted to measures [inter alia] to increase the selectivity of fishing gear, including for the purpose of reducing by-catches and habitat impacts" (para. 6). We also support the measures in the proposed Regulation for scrapping fishing vessels that provide incentives for early and increased decommissioning of vessels. The proposed

¹¹ Article 12.4 of Council Directive 92/43/EEC (Habitats and Species Directive).

¹² ASCOBANS 2000. Resolution on incidental take of small cetaceans. Annex 9c of Proceedings of the Third Meeting of the Parties, Bristol UK.

¹³ Proposal for a Council Regulation on the conservation and sustainable exploitation of fisheries resources under the Common Fisheries Policy. COM(2002) 185 final. Brussels 28 May 2002.

¹⁴ Communication from the Commission on the reform of the Common Fisheries Policy ("Roadmap") COM(2002) 181 final. Brussels 28 May 2002.

increased premiums for scrapping those vessels that are "severely affected by a multi-annual management plan" present an innovative way of targeting effort reduction. However, we consider that it would be helpful if such enhanced decommissioning incentives could also be applied to fisheries that are causing unsustainable ecological impacts (such as non-target species catches) that we consider should also be subject to multi-annual management plans (as argued in 4.4 above).

4.8 The section of the Roadmap addressing aquaculture (section 3.6) presents only a slightly fuller consideration of this sector than did the Green Paper—which seriously under-stated particularly the environmental concerns associated with intensive aquaculture. The Commission's proposals do at least acknowledge the need to "develop appropriate environmental and health standards". The proposed strategy which aims (inter alia) to promote "an environmentally sound industry" should also include measures to address: the impact on other wildlife of noise pollution from predator deterrent devices; the release of chemotherapeutants; the escape of domestic strains of native species as well as alien species (which can also have a major impact on wild populations); the release of enhanced levels of parasites and pathogens (which again can impact heavily on wild populations); and the implications of aquaculture feeds for industrial fish stocks and their associated ecosystem.

5. THE COMMISSION'S PROPOSALS ON ENVIRONMENTAL INTEGRATION

- 5.1 We broadly welcome the Action Plan on the integration of environmental protection¹⁵ which reflects as a priority the provisions of the Roadmap and Framework Regulation regarding reduction of fishing pressure through multi-annual management plans (and this document refers to targeting fishing activities that have adverse effects both on the sustainability of fish stocks and on the favourable conservation status of noncommercial species and habitats); improvement of fishing methods to reduce discards, incidental bycatch and impact on habitats; and removal of aid for fleet renewal and modernisation.
- 5.2 However, we are extremely concerned about the weak status of the Action Plan, with very few specific measures even being proposed for hard legislation (beyond those that are already provided for in the Framework or other regulations). This "Commission communication" status seems to reflect the rather lower priority being assigned to environmental integration than for example, structural assistance.
- 5.3 In particular, the Action Plan makes a commitment to bring forward a "new set of technical conservation measures designed to reduce bycatch of cetaceans to levels guaranteeing favourable conservation status of cetacean populations before 31 December 2002". However, we are concerned that adequate attention must be put into devising and implementing a legally based process whereby competent authorities are obliged to monitor, assess and act to reduce bycatch problems, on a case by case basis.
- 5.4 We contend that formal legislation is required within the CFP that provides for a mandatory process to be implemented with respect to each bycatch problem. Such a response process should require (with input from stakeholders, perhaps through the RACs) the design and implementation of remedial management measures in order to meet bycatch reduction targets within a set timeframe (ie. comparable to the multi-annual management plans). It is widely acknowledged that each bycatch problem requires individual consideration and, often, the application of a suite of management measures¹⁶. We are concerned that a "one size fits all" set of technical measures that does not provide for individual problem assessment, may result in inappropriate or ineffective application of measures with potentially detrimental effects.
- 5.5 We are deeply concerned that no-where in the Action Plan (or the proposed regulations) is there any mention of Environmental Impact Assessment or Strategic Environmental Assessment for either new or existing fisheries. Reference is made in the Roadmap to improvement in data collection, extended to include environmental impact. However, this does not equate to the formal process of EIA which surely should be a fundamental requirement for assessing and reducing the environmental impact of fisheries. There are numerous examples of fisheries that have developed with concomitant problems that could have been foreseen or averted if EIA had been conducted. For instance, following the EU decision to ban driftnet fishing for large pelagic species there has been an increasing interest in pursuing the NE Atlantic albacore fishery using pelagic pair trawls. Environmental impact assessment of this new fishery would have revealed that it presented a substantial risk to dolphin populations (as outlined in 2.7 above) which in fact was the main reason for the original ban on the driftnet fishery.

6. Precedent for a New Approach to Bycatch Reduction

6.1 EU Member States are already under an obligation to properly monitor and where necessary reduce the incidental capture of cetaceans and other protected species. It is our view that the only way to fulfil these obligations across the Community is through specific provisions within the Common Fisheries Policy. Member States should be obliged to monitor incidental capture of cetaceans through onboard observers that skippers are required to carry. Fisheries with acceptable levels of bycatch should be subject to a bycatch reduction plan,

¹⁵ Communication from the Commission setting out a Community Action Plan to integrate environmental protection requirements into the Common Fisheries Policy. COM (2002) 186 final. Brussels 28 May 2002.

¹⁶ Read A J. 2000. Potential mitigation measures for reducing the by-catches of small cetaceans in ASCOBANS waters. Report to ASCOBANS 27 December 2000. Unpublished. 32 pages.

agreed jointly by all participating Member States, that aims to reduce the bycatch level to below 1 per cent of the population within a set time period. The plan should: review information on the population in question; estimate the number of animals that is being incidentally taken and assess the threat to the population; and recommend mitigating measures for the reduction of bycatch to below one percent and ultimately towards zero (this could take the form of a suite of management measures including effort reduction, closed areas/seasons and alternative gear development and deployment). Critically, the plan must identify who is responsible for implementing and progressing the actions and set clear deadlines for achieving its objectives.

6.2 There are various precedents for such a proactive approach to reducing bycatch of cetaceans and other protected species. For instance, in the United States the 1994 amendments to the Marine Mammal Protection Act establish specific provisions governing the interactions between marine mammals and commercial fisheries. These require the National Marine Fisheries Service (NMFS) to establish Take Reduction Teams (TRTs) for strategic stocks of marine mammals that interact with U.S commercial fishing operations. This system has been implemented in a range of fisheries in US waters and has made significant steps towards reducing unacceptable levels of bycatch.

The MMPA established the following goals:

- (i) reducing incidental mortality or serious injury of marine mammals occurring in the course of commercial fishing operations to below Potential Biological Removal (PBR) within six months of enactment and:
- (ii) further reducing these mortalities and serious injuries to insignificant levels approaching a zero mortality and serious injury rate within seven years.

PBR is defined as "the maximum number of animals, not including natural mortalities that may be removed from a marine mammal stock while allowing that stock to reach or maintain its optimum sustainable population [the number of animals which will result in the maximum productivity of the population, keeping in mind the carrying capacity of the habitat and the health of the ecosystem of which they form a constituent element].

Take reduction teams consist of representatives from the commercial fishing industry, conservation groups, scientists, federal and state officials, and fisheries management councils.

- 6.3 In New Zealand the government has acknowledged that the increase in fishing effort has resulted in the incidental take (bycatch) of significant numbers of non target species of protected marine wildlife. As a result, the commercial fishing industry has been required to meet the direct and attributable costs of its activities that previously had been met by the taxpayer. The Department of Conservation has initiated and developed projects through Conservation Services Levies in the following major areas:
 - (a) observer coverage targeted at protected species bycatch in selected fisheries,
 - (b) analysis and estimation of bycatch data for protected species;
 - (c) bycatch carcass retrieval and identification;
 - (d) research and development of mitigation measures;
 - (e) monitoring of population of protected species taken as bycatch; and
 - (e) development of population management plans.

Such levies give fishermen a strong financial incentive to address their interactions with protected species and thus exempt themselves from payment.

6.4 In Australia, under the Endangered Species Protection Act 1992, endangered or vulnerable species are listed along with key threatening processes that impinge upon them. The Act requires a Threat Abatement Plan to be prepared for each key threatening process listed, including fisheries bycatch.

In the case of bycatch, Threat Abatement Plans outline the measures available for reducing bycatch, provide for the development of new measures or improvements to existing measures, educate fishermen about threat mitigation and provide for the collection of information to support future management decisions. The plans are developed in consultation with the fishing industry, conservation groups, scientists and government authorities responsible for conservation and fisheries management.

7. Conclusion

It is globally recognised that incidental capture poses a serious threat to cetaceans and other non target species. In the EU, fisheries bycatch adversely affects species that are listed as strictly protected under the Community's main piece of conservation legislation, the Habitats Directive.

The reform of the Common Fisheries Policy provides a major opportunity to introduce the necessary legal and structural framework to address this problem effectively across all Community fisheries, as well as providing for the development, deployment and enforcement of specific mitigation measures. Other countries have embraced national bycatch reduction policies. European fisheries authorities should follow their example and adopt clear and practical provisions to address the incidental take of cetaceans and other protected species in European fisheries.

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