

North Western Waters Regional Advisory Council

INFORMATION NOTE

Seminar in relation to fishing rights management within the framework of the CFP Organised by the European Commission – Brussels, 25th of January, 2010

NWWRAC representative and rapporteur: Emilie GELARD

Paris, the 28th of January, 2010

The European Commission, under the auspices of the period of reflection engaged on the reform of the CFP, organised a seminar on fishing rights management systems within the framework of the CFP^1 , on the 25th of January, 2010.

There, Mr Debén presented a certain number of clarifications concerning Green book consultation and the reform timetable (1.). The different contributions by community experts from third party countries such as Norway or Iceland made it possible to review the different management systems that use existing fishing rights, their terms of implementation, their advantages and/or disadvantages, as well as the results produced (2.).

1. Clarification in relation to Green book consultations and timetable elements

Mr. Debén states that the Council of Fisheries Ministers, to be held in April, should debate the summary of Green book contributions, and affirms that, to date, the European Commission does not have a position on most of the elements of the reform.

The Commission's desire, concerning the question of fishing rights, is to move towards a logic of industrial fisheries based on ITQs (without having yet defined the final position in respect of the principles or the methods of implementation). In relation to inshore fisheries, enrolment in the ITQ system will be on a voluntary basis. The ITQs will be put into place with a series of "safeguard clauses" which are yet to be defined (to avoid an excessive concentration of rights, any eventual speculation, in order to protect the small-scale/inshore fleet). However, the Commission states that, the higher the number of safeguards imposed, the more limited will be the positive effects of the system.

To date, the Commission observes that the Member States have already instituted management systems using individual quotas (IQ), without any harmonisation of these systems. In addition, it also considers that IQs play a major role in terms of adapting the fleet in a more efficient manner that any other instrument (subsidised fleet decommissioning plans – FDP). The IQ is viewed as a fundamental instrument for giving a sense of responsibility to the sector and to administrative authorities.

¹ The seminar agenda is attached in an annex. In addition the presentations of the participants are available on the European Commission website via the following link: <u>http://ec.europa.eu/fisheries/meetings_events/events_en.htm</u>



Mr. Debén notes that fishing rights could play a major role in the calculation (as an asset) of the value of an enterprise. According to him, it is important to harmonise these systems and to discuss the methods of implementation at community level. He declares that the desire is to achieve a common framework for all the fleets in the Union to ensure coherence of the CFP with single market principles and competition rules. On the other hand, the instrument will be managed on a national level.

The Commission, in relation to the privatisation of resources, considers that this is not permissible under Community law and that one should work on the basis of access "concessions" for limited periods (short), without any definitive privatisation. He acknowledges that a single system cannot be applied to all fleets, however, the ITQ appears to be the favoured instrument for industrial fleets.

Timetable:

- 25 February 2010:	Seminar on small inshore fisheries Presentation of the 1 st stage of the Impact Assessment (what would the CFP become in the absence of reform)
- April 2010:	Seminar on the financial backing and the structure of the future European Fisheries Fund (EFF)
- May 2010:	Seminar on the external policy
- May 2010:	The La Coruña conference on 3 major subjects: regionalisation/governance – access to resource and ITQ – differentiation between inshore fisheries and industrial fisheries
- June 2010:	Seminar on discards and technical measures
- End of June 2010:	2 day meeting to conclude the 2 nd phase of consultation
- 2 nd half of 2010:	Period of work internal to the EC to prepare the 2 nd part of the Impact Assessment and draft the proposed regulations for the EP and the Council
- 2011:	Commencement of negotiations



2. Presentation of the different fishing rights management systems

Following a general presentation of systems existing in the European Union (Mr Tokarski), of the importance of having high quality rights (Mr Cunningham), and the notions of individualisation and transferability (Mr Cueff), various national experts presented systems operating in their fisheries. Thus:

- <u>Mr Danielsen presented the Norwegian system</u> (as well as Mr Holm at the end of the day) This system relies on different "Sectorial Quota systems" (SQS), a type of ITQ, in each of the segments of the Norwegian fleet. He stated the importance of installing safeguards (variable from one segment to another). He presented the positive effects obtained by this system on the fishing fleet (reduction in capacity without FDP type subsidies).

- Mr Asmundsson introduced the Icelandic system

The Icelandic system is based on 2 distinct regimes of ITQ (for vessels < 15 GT and those > 15 GT) matched with safeguard clauses (like for example, the prohibition of quota transfers from small inshore fisheries to industrial fisheries. This system is supplemented by a total ban on discards, the fixing of fishing areas, gear restrictions as well as monitoring and effective inspections of these management measures.

- Mr Schou presented the Danish system

The Danes, following a period of reflection of about ten years (or even fifteen), instituted an ITQ system to which only registered fishermen, whose revenue from fishing represented 60% of their income, could join. In particular, he presented the possibility open to fishermen to join together in a system of "pooling" in order to adapt the needs of each individual (via a rental system for parts of quotas. Thus for example, when landing, the fisherman who has caught more than his quota allows, can rent part of the quota of another fisherman in his group).

- Mr Pichon presented the management methods employed by his producers organisation

Following a brief résumé of French legislation, he particularly insisted on the methods employed to divide up quotas into sub-quotas (for producer organisations), and then to divide up among producers in the POs, while explaining that there was a disconnection between fishermen's historical precedence (from the reference period) and the individual distribution that can subsequently be made under the framework of collective management of quotas by the producers organisation. In addition, in his opinion, he also stated that if one envisaged a transferability system, the transferable part of the the rights should be evaluated according to long term arrangements, thus being evaluated only on part of sub-quotas and should never be the result of an individual decision (thus a decision of the producers organisation).

- Mr Park presented the Scottish system

The Scots have a system since 1999 that resembles a fishing rights management system through the allocation of fixed quotas to vessels, based on the 1994-1996 reference period. An ITQ system was instituted thanks to a "pooling" system, somewhat in the image of Mr Pichon's producers organisation, in which the State can intervene and recover quota.



- Mr Spagnolo reported on management in the Mediterranean

He reminded everyone of the specific characteristics of resource management in the Mediterranean (particularly the absence of EEZs). He called for the establishment of a system to protect small inshore fisheries. The ITQ system does not appear to be the most appropriate.

- Mr Svenberg introduced the Swedish system

Sweden established an ITQ system for the pelagic fleet and observed positive effects in terms of a reduction in fleet capacity. Currently, the demersal fleet is subject to a licensing system based on the allocation of kW*day, but thought is being given to the introduction of ITQs (with safeguards).

- Mr Garat for CEPESCA

Above all, Mr Garat spoke of the difficulties of implementing this type of system in specific fleets, such as the NEAFC fleet. However, he showed that he is in favour of ITQs, which are nevertheless less favourable than "concession" systems, because he considers that the rights are only certain when they are permanent, as for the revision of relative stability.

- M. Bakker presented the Dutch system

ITQs were introduced in the Netherlands, beginning in 1973, for 9 segments (8 demersal and 1 pelagic). The quota was distributed in IQ in each group. The group is responsible for the management of the quota that has thus been distributed. The group can rent parts between members of the group and between groups. It is also possible to purchase and sell parts of quotas. When he concluded with the positive effects in terms of fleet reduction, he insisted that it is not possible to go back, once such a system is introduced.

- Mr Trujillo and Mr Smidt for ETF

The ETF representatives, while acknowledging that the introduction of the systems presented will have a positive effect on the resource, reminded everyone of the importance of taking into account the social dimension of these regimes (and their consequences) before putting them into place. They also reminded the participants of the need for financial support of fishermen.

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