How the EU Fishing Fleet can Become Low Environmental Impact, Low Carbon and Socially Just

Fishing Opportunities as an Agent of Change

Low Impact Fishers of Europe & Our Fish
October 2021

LOW IMPACT FISHERS OF EUROPE

Our Fish

SUMMARY

In principle, the allocation of fishing opportunities, e.g. quotas has the potential to ensure environmentally sustainable and socially just fisheries. The EU already has legislation in place for this purpose, but lacks both the political will and a clear mechanism for implementation, and as a result, has so far failed to realise the potential environmental and social benefits.

There is a solution: activating Article 17 of the Common Fisheries Policy to reallocate fishing quotas to the "forgotten" small-scale low-impact fleet, which for historic reasons has had restricted access to quota species. In the context of the climate and biodiversity crises, a just transition to a low-carbon, low-impact EU fishing fleet is critical. This report proposes criteria and processes which the European Commission and member states could harness in order to enable a transition to a more ecologically, socially and economically sustainable fishing industry.

INTRODUCTION

The ocean is a key driver of global weather patterns and through the cycling and sequestration of carbon, continues to stabilise our climate and to make the planet habitable for humans.[1] However, our treatment of the ocean and marine life does not reflect our dependence upon them. In European waters, over 40% of commercially exploited fish stocks in the North East Atlantic are overfished; while in the Mediterranean at least 83% are overfished.[2] The environmental status of 89% of all EU fish populations remains unknown due to data gaps.[3] If the EU is to realise its Green Deal[4], Climate Law[5], the Common Fishery Policy[6], and EU Biodiversity Strategy for 2030[7] aims, it is imperative that the European Commission and member states change the current system for allocating fishing opportunities from rewarding 'those who fish the most', to one that rewards 'those who fish the most sustainably and provide the greatest benefits for society'.

EU FISHERIES REFORM

For many years, the systems used to allocate fishing opportunities (including quotas, effort (days at sea) and zoning) - under the EU's Common Fisheries Policy (CFP), have been responsible for engineering negative changes in the fishing sector, resulting in the concentration of fishing opportunities in the hands of a few big players, to the detriment of small-scale low impact fishers and the marine environment.

The European Commission's 2009 Green Paper drew attention to the "current reality of overfishing, fleet overcapacity, heavy subsidies, low economic resilience and decline in the volume of fish caught by European fishermen," and highlighted the unclear and conflicting objectives of the EU's Common Fisheries Policy and the lack of safeguards to prevent the pursuit of short-term economic growth from dominating in practice.[8] The reform of the CFP in 2013 reflected the need to transition towards true sustainability by rebalancing the emphasis of management in favour of greater social and environmental outcomes.

Meeting the new environmental and socio-economic objectives of the CFP requires a fair transition to a transparent system of fisheries management that restores ocean health and supports a secure future for fishers. In the reform of the CFP, it was recognised that criteria-based allocation of fishing opportunities could be used as a tool to promote social and environmental outcomes. This led to the creation of Article 17, aimed at rewarding those who fish in the most sustainable manner with priority access to resources.

Article 17: Criteria for the allocation of fishing opportunities by Member States

When allocating the fishing opportunities available to them, as referred to in Article 16, Member States shall use transparent and objective criteria including those of an environmental, social and economic nature. The criteria to be used may include, inter alia, the impact of fishing on the environment, the history of compliance, the contribution to the local economy and historic catch levels. Within the fishing opportunities allocated to them, Member States shall endeavour to provide incentives to fishing vessels deploying selective fishing gear or using fishing techniques with reduced environmental impact, such as reduced energy consumption or habitat damage.[9]

Article 17 requires that Member States allocate fishing opportunities using transparent and objective criteria, including those of an environmental, social and economic nature. However, it does not describe a hierarchy or priority system for the criteria. While the lack of any role assigned to the European Commission is a critical weakness undermining the implementation of Article 17, it does however, have some teeth. In July 2021, the Tribunal of Montpellier in France ruled in favour of the Professional Union of Small-scale Low Impact Fishers of the Occitan Region (SPMO) with regard to how Bluefin tuna quota was allocated.[10] **The judgement ruled that the basis on which the French government decided to allocate the quota infringed Article 17, being neither transparent nor objective, and did not comply with French law.**

FISHING OPPORTUNITIES AS AN AGENT OF CHANGE

The opportunity to deliver environmental benefits through the allocation of fishing opportunities was one of the driving forces behind the genesis of Article 17. For instance, Article 17 specifically directs member states to use fishing opportunities to deliver direct environmental benefits by deploying selective fishing gear or by using fishing techniques with reduced environmental impact. Therefore, if implemented, Article 17 could be a key tool for the enforcement of an ecosystem-based approach to fisheries management.

The need to ensure that the rights of small-scale fishers are respected was a driving force behind Article 17, a need that has also been highlighted by United Nations Sustainable Development Goal 14b, which calls for the provision of "access of small-scale artisanal fishers to marine resources and markets".[22] Despite these obligations, a status quo of distributive injustice has been maintained in many EU member states, impacting the overall resilience of fishing communities, with some researchers suggesting that the only way to tackle them is to overhaul the existing policies and governance systems.

A WASTED OPPORTUNITY FOR FISHING OPPORTUNITIES

The EU has failed to meet its legal deadline to end overfishing by 2020, and end discarding by 2019, of managed fish stocks.[11] Likewise, little progress has been made in implementing Article 17. According to the EU's Scientific, Technical and Economic Committee for Fisheries (STECF), in its recent analysis of the social dimension of the CFP[12], only 16 out of 23 member states bothered to answer requests for information by the European Commission on the method used for the allocation of fishing opportunities, despite reporting also being a legal requirement of the CFP (Article 16(6)).

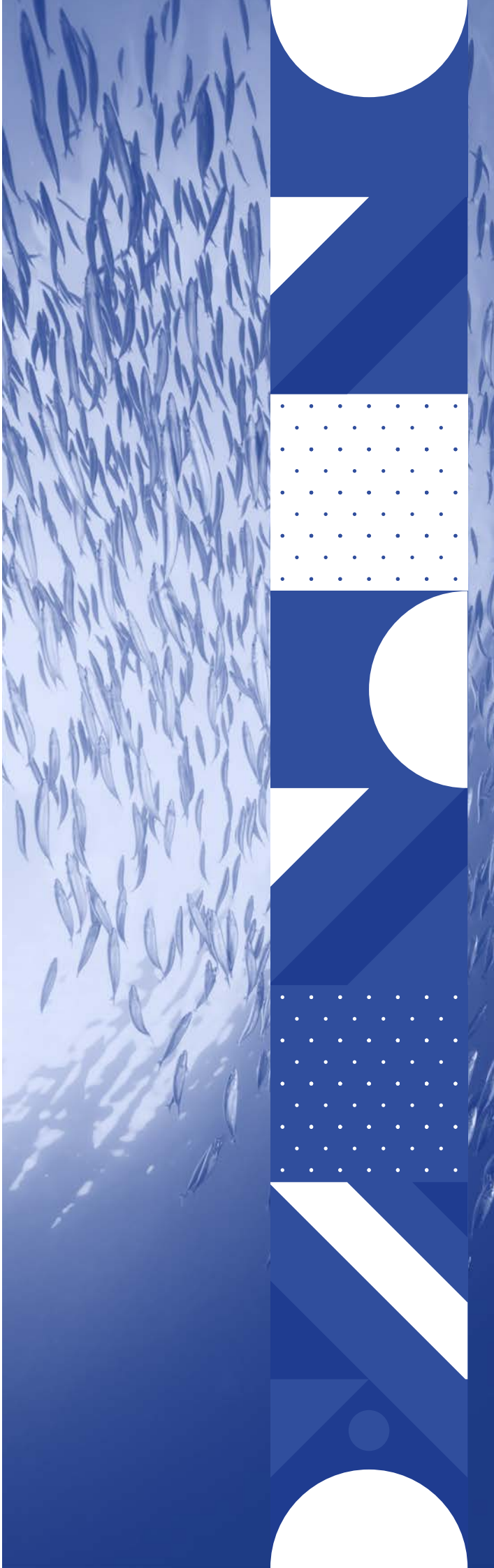
STECF has concluded that member states in general have not drawn a direct line between Article 17 and quota allocation systems.[8] Historical catch records are the most common means of allocating fishing opportunities in all member states; while these records can be considered as a social criterion, in practice it is open to abuse, depending on the historical reference period used and whether it is a fixed or rolling reference period.[8,13]

STECF has found that out of the 23 member states assessed, 12 had no environmental criteria in place, with the remainder allocating fishing opportunities, at least for some fisheries, based on what could be categorised as direct or indirect environmental benefits.

Despite member states' failure to implement Article 17, there are examples of countries using social and environmental criteria in the allocation of fishing opportunities. However there is no obvious trend in the use of social criteria based on geography, type of fishing opportunity, or political culture.[7]

RECOMMENDATIONS FOR CRITERIA

Judicious application of such incentives could help to minimise destructive impacts on biodiversity, marine ecosystems and the critical services they provide to communities. **An ecosystem-based approach to fisheries management is even more necessary in the context of the climate crisis, where it is crucial to make ecosystems and communities more resilient, and achieve gains in climate change mitigation in order to urgently achieve carbon neutrality. Article 17 is a clear pathway to a fleet-based approach, which can operationalise the tools needed to achieve ecosystem-based management.[14]**



PROPOSED ENVIRONMENTAL CRITERIA

Currently the EU relies heavily on setting fishing limits (TACs) for individual fish species and does not manage the impact of these TACs on other species in the marine food web, nor the impact of the fishing method on marine habitats. This has been ignored and so there has been a corresponding decline in the health of marine ecosystems.

We recommend the following Environmental Criteria for quota allocation as per Article 17, based on the European Parliament report (2015) and further research.

Indicator 1: Large Fish – the proportion of the catch larger than length at maturity (Lm50)

Indicator 2: Protected Species Index (PSI) – volumes of by-catch of protected, endangered or vulnerable species

Indicator 3: Marine Seabed Impact - extent of the bottom surface where relevant fishing activity occurred with respect to specific habitats location, and impact on carbon-richness of seabed

Indicator 4: Food Web Integrity – health of all elements of the marine food web occur at natural abundance and diversity levels, and the retention of their reproductive capacity

Indicator 5: Carbon Cycle Impact – volumes of carbon emissions from vessel use, transport and processing of seafood to point of sale; volumes of carbon extracted directly from the fish, and estimated impact on carbon storage through interruption of functional, behavioural and trophic interactions.[15]

The EU must look to harmonise fisheries management, marine conservation and climate change mitigation as an urgent priority. It has been made abundantly clear from numerous global reports such as the IPBES 2019 global biodiversity assessment, the Second World Ocean Assessment[16], the UNFCCC 1.5 degrees report[17], and the most recent IPBES-IPCC Workshop report of 2021[18] that without radical changes to how things are done, the effects of biodiversity loss and climate change will result in critical and potentially irreversible tipping points being exceeded, with dire consequences for people and nature. So, it is not a choice of whether we change, but how we do it in the most fair, efficient and effective way.

Reducing overcapacity and rebuilding stocks will reduce fuel use and emissions by increasing carbon sequestration by marine life and increasing the resilience of fisheries to climate change, and will also reduce the sector's emissions:[19]

(i) *Less emissions of CO_2 from the fishing sector itself* – as fish stocks rebuild less fishing effort is required to find and catch fishing quotas. Therefore, the efficiency of the fishing sector would increase, reducing the sector's emissions.

(ii) *Sequestration of higher levels of CO_2 that more fish in the ocean enables* – larger fish stocks and healthier marine ecosystem have a greater capacity to fulfil the oceans functions as a biological carbon pump and as a carbon sink.

PROPOSED SOCIAL AND ECONOMIC CRITERIA

STECF found that the low-impact, small-scale vessels (smaller than 12m), are more economically efficient than the large-scale destructive vessels, with double the productivity in terms of the use of capital and labour.[8] The small-scale low impact sector represents over 70% of the fishing fleet by numbers of vessels, and at least 50% of the fishing jobs, but only accounts for 5% of the catch. Article 17 should be used to significantly increase this and transform the high-impact fleet over the next 10 years. To achieve this, the authors recommend the following Social and Economic Criteria for quota allocation as per Article 17, based on the European Parliament report (2015) and further research.

Social Allocation Criteria:

Indicator 1: Fisheries dependency - Number of direct and indirect (at the NUTS3 level) employments per ton of fish produced

Indicator 2: Revenue contribution to local economy – at the NUTS 3 level

Indicator 3: History of fisheries and environmental compliance – using CFP Point System for the last five years

Indicator 4: History of compliance - combines fisheries compliance with other behaviour (e.g. tax duties; alignment to ILO standards on crew security and enrolment, etc.) (last five years)

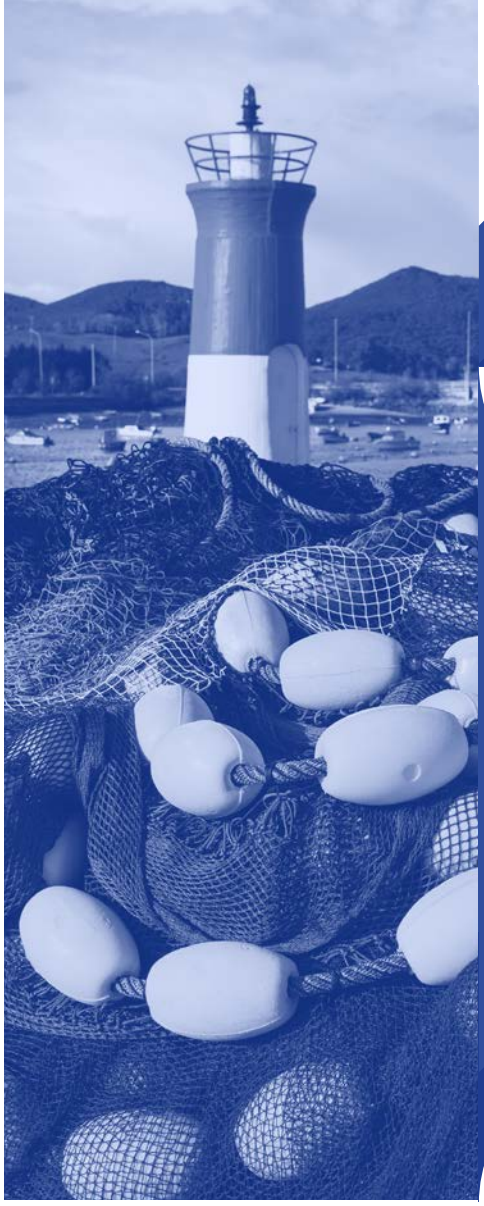
Indicator 5: Monitoring of at-sea activities for improved transparency – use of CCTV in working spaces and net sensors (Remote Electronic Monitoring (REM)) on vessels larger than 12 metres and small-scale vessels that are at a high risk of breaching the rules of the Common Fisheries Policy.

Economic Allocation Criteria:

Indicator 1: Catch records – proportion in the catches of the targeted stock during the last three years

Indicator 2: Footprint – proportion of the trips where catches of the targeted stock took place (last three years)

Indicator 3: Efficiency without subsidies - net output of an individual vessel or fleet sector without subsidies from national government or the EU



SPATIAL MEASURES

Spatial measures aim to achieve fisheries management objectives by limiting access to an area, including reserving areas or giving preferential access to areas for certain fishing fleets or vessels. Spatial measures are a commonly used tool in EU fisheries management and marine conservation. The CFP[20] highlights the need to prioritise access for "traditional fishing" activities within inshore waters (12 nautical miles), partially to ensure fishing opportunities for the inshore fleet and to restrict fishing pressure in the most sensitive part of European Union waters. Reserved or preferential access to fishing grounds has the capacity to deliver both socio-economic and environmental benefits through the redistribution of fishing opportunities. We believe greater efforts also need to be made to utilise spatial measures as a form of fishing opportunity to deliver positive benefits across member states.

CONCLUSIONS AND RECOMMENDATIONS

Ensuring a healthy ocean is a crucial component of humanity's response to the climate and biodiversity crisis. In this context, the CFP is critical to realising a transformation of EU fishing to maximise environmental, social and economic benefits that ensure a fair, sustainable and secure future for the coastal communities who depend directly on fisheries, and for all EU citizens who need a healthy, functioning ocean.

Article 17 is key: the European Commission should define criteria and a rating system, along with a process for member states to utilise the power of fishing opportunities to restore fish populations to a sustainable level, protect ecosystems and mitigate climate change. To achieve this, the Commission should:

1. Seek input from scientists and stakeholders on environmental and socio-economic criteria for allocating fishing opportunities.

2. Drive a transparent, accountable process to design a set of allocation criteria for fishing opportunities and a rating system for implementation, including:

a. Active engagement of stakeholders in the development of locally adapted allocation criteria;

b. Public listing of the criteria and the process for reallocation;

c. Co-management with quota management committees which include representation from the fishing and NGO sectors, with financial and organisational support for low-impact fishers to participate at local, member state and EU level;

d. Public listing of the beneficiaries of allocation.

3. Develop clear guidance for member states to utilise quota allocation to deliver on EU's Climate Law and the European Green Deal.

4. Use the '*Action Plan to conserve fisheries resources and protect marine ecosystems'* and the 2022 CFP implementation report to propose a clear legal instrument which requires member states to implement Article 17, including:

a. Full biodiversity, ecosystem and climate impact assessments of fishing, including the definition of indicators able to quantify each of these impacts;

b. A minimum number of priority criteria to be addressed by the quota reallocation, with specific targets, that require prioritising criteria that maximise multiple social, environmental, and economic benefits e.g. decrease CO2 emissions from vessels and marine life interactions by 40% for all fleets by 2025;[21]

c. A process which describes the reallocation of an increasing share of the Total Allowable Catch (TAC) over a period of eight years, which should include prescribed minimum allocations of fishing opportunities to the small-scale low-impact fishing fleet;

d. Create a mechanism to review the criteria and their application by member states to ensure that allocation based on social, environmental and economic criteria do not have unacceptable unintended impacts and maximise co-benefits.

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