



## Joint NGO reaction to the Joint Declaration of the Spanish, French and Italian governments on the post 2020 European Maritime and Fisheries Fund

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BirdLife Europe, Bloom, ClientEarth, Seas At Risk, Surfrider Foundation Europe and WWF follow the discussions around the post 2020 European Maritime and Fisheries Fund (EMFF) with great interest, as it offers important opportunities to enable a transition to sustainable activities at sea. However these opportunities are only within reach on the condition that public spending is properly allocated to the achievement of the Common Fisheries Policy (CFP) objectives and Europe's targets for effective marine biodiversity protection. **It is on this note that we must highlight our serious concerns regarding the [Joint Declaration of Spain-France-Italy](#) which calls for the modernisation of fishing vessels and the renewal of the small-scale fishing fleet. The undersigned NGOs call on Spain, France and Italy to not undermine the current ban of such harmful subsidies in the EU and therefore withdraw their proposal.**

**We also appeal to France, Italy and Spain to respect the international commitments made in 2015 to the United Nations Sustainable Development Goals and to stand by their position at the current World Trade Organization negotiations to prohibit harmful fisheries subsidies** that contribute to overcapacity and overfishing. We further implore these governments to stand by the emerging international dynamic calling for a New Deal for nature in 2020, for which President Macron has announced on May 6<sup>th</sup> a mobilisation at national, European and international levels. The Joint Declaration is a brash move which counters all of these goals and commitments.

### **1. Flexibility and simplification must respect strategic and accountable spending**

The undersigned NGOs agree with the Spanish, French and Italian governments that the existing EMFF Framework has suffered from significant delay. This has led to a poor uptake of the fund and significant underspend. This does not correlate with the financial support required by the fishing sector for an ecological transition to deliver an ecosystem-based approach to sustainable fisheries management.

Simple procedures are also needed for applicants when applying for aid. This, however, should not water down the rules on how public funds should be spent and the conditions for receiving

financial support. It is essential to ensure that flexibility and simplification do not undermine strategic spending and equal access to aid across the EU.

## **2. Reporting and access to information on the allocation of EU aid must be guaranteed**

The Joint Declaration calls for a softening of the obligation to report how the EMFF is being implemented, deleting the mandatory transmission of cumulative data and the annual performance report submitted to the European Commission. We believe that the simplification of administrative burden should not lead to a reduction of the reporting obligations. Appropriate and robust reporting is essential to ensure that spending contributes to the achievement of the EU's fisheries and environmental objectives, as well as to detect potential implementation problems.

Moreover, it is essential to ensure transparency and access to information on how EU funds are being allocated. Transparency ensures that citizens are able to access information about spending of EU funds, but also has the potential benefit of attracting beneficiaries and enabling a best-practice approach. Having access to up-to-date, public and reliable expenditure data will help civil society organisations and decision-makers to inform themselves about possible challenges in the implementation, and to propose meaningful solutions and ways forward. Annual performance reports of the Member States on the implementation of the post-2020 EMFF Regulation should therefore be routinely published in line with the obligations set out in the Aarhus Convention, and Member States should maintain a public list of operations detailing the aid granted under the EMFF.

## **3. Guaranteeing priority access for low impact fishing**

The undersigned NGOs support a flexible mechanism for enabling low impact fishing activities. The preferential access to aid for small-scale fishing vessels, as proposed by the European Commission, is already a significant improvement in the new EMFF. However, this should have reflected support to low impact fishing activities as per Article 17 of the Common Fisheries Policy.

Therefore, we believe that innovative approaches are needed to manage low impact fishing rights and further collaboration is essential to help the sector to manage their quotas/days at sea, improve area-time management, link production with marketing, or solve choke species issues. Coastal communities and the marine environment will benefit most when fishing opportunities are allocated on the basis of transparent environmental, social and economic criteria. Aid promoting sustainability and participatory processes may contribute to tackling these challenges and include actions such as facilitating workshops, designing participatory processes to interact with scientist and other stakeholders, encourage co-management and fishing restricted areas, improve data-collection etc.

## **4. The EMFF is not the appropriate legal act to change the definition of 'small-scale coastal fishing'**

All EU legal texts define the small scale fishing sector as *"fishing carried out by fishing vessels of an overall length of less than 12 metres and not using towed fishing gear"*. It has been estimated that the small-scale fishing sector, defined in this way, represents around 83% of all fishing vessels and 25% of the total catches in the EU.

The undersigned NGO are not against discussing a potential 'small-scale coastal fishing' definition that considers, in addition to a strict boat-size criterion, other complementary requirements such as the impact on the marine ecosystem, the time spent at sea or the characteristics of the economic unit exploiting the resource. However, this discussion should not take place under the EMFF framework. Including new subjective criteria in the definition of 'small-

scale coastal fishing' only for funding purposes might entail unforeseen consequences and will lead to a lack of a level playing field throughout the EU.

## 5. No aid for fleet renewal

The Joint Declaration of ES-FR-IT proposes to facilitate the renewal of the artisanal fleet. This is however a capacity-enhancing subsidy that is clearly against the international commitments of the EU. The United Nations Sustainable Development Goal on the oceans, seas and marine resources (SDG 14) explicitly calls for the elimination of this type of subsidies by 2020. The EU phased out aid for the construction of new vessels over a decade ago, and is actively advocating for the prohibition of fisheries subsidies that contribute to overcapacity and overfishing during negotiations in the World Trade Organization (WTO).<sup>1</sup>

- The EU still faces a problem of overcapacity

There is broad agreement that EU harmful subsidies have traditionally led to a build-up of excessive fishing capacity, so much so that its fleet was, in some fisheries, around two to three times larger than sustainable fishing would allow.<sup>2</sup> The EU fleet still needs to overcome its problems regarding overcapacity<sup>3</sup> and financing new capacity will only exacerbate these problems. Reintroducing vessel renewal in the EU would be a major step back from the current efforts to reduce overcapacity in the EU fishing fleet. It seems also paradoxical that the EU is simultaneously re-introducing subsidies for the scrapping of fishing vessels, in a contradictory effort to combat overfishing.

- It is not possible to renew the fleet without increasing fishing capacity

The Joint Declaration proposes to only allow fleet renewal when Member States respect fishing capacity ceilings. This however will not work: fishing capacity ceilings measured in terms of tonnage (GT) and power (kW) do not capture the effective ability of a fleet to catch fish. As already highlighted by the European Court of Auditors, the capacity of the European fishing fleet in terms of GT/kW has been decreasing for years, while real ability to catch fish has increased due to technological progress. Therefore, capacity ceilings have become an inadequate measure of restriction in terms of adapting fishing fleet capacity to available fishing opportunities. Modern vessels are always more effective and efficient at fishing. In practice, allowing subsidies for new vessels will always increase the pressure on the marine resources.

### Fishing profitability has improved despite the lack of fleet renewal aids

The 2018 Annual Economic Report on EU Fishing Fleet (STECF<sup>4</sup> 18-07) shows that, overall, the EU fishing fleet is profitable, and this profitability is expected to continue to increase. Also, new fishing vessels are being constructed, including e.g. 25 new fishing vessels currently under construction in Spain.

In addition, the age of a vessel can be deceptive: in certain cases, the only original part of the vessel is the hull. A vessel can therefore be considered old based on the age of the hull, with all other parts having been completely modernised.

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<sup>1</sup> World Trade Organization, TN/RL/GEN/181/Rev.1.

<sup>2</sup> EU Commission (2008) Reflections on further reform of the Common Fisheries Policy, non-paper. See also FishSec's report: "Too many vessels chase too few fish", 2018.

<sup>3</sup> Article 22 of the CFP Basic Regulation.

<sup>4</sup> <https://ec.europa.eu/jrc/en/publication/eur-scientific-and-technical-research-reports/2018-annual-economic-report-eu-fishing-fleet-stecf-18-07>

- Fleet renewal is unfair aid

Given the cost of vessel construction (up to a €1 million for small scale vessels), only a few operators would have access to such support. The EMFF is the smallest EU fund. Deciding to invest part of this fund on vessels construction would give a significant advantage to only a small number of beneficiaries.

Public funding should go for public goods which benefit the fisheries sustainability and marine conservation across the fishing sector. This type of aid only provides (few) benefits in the short term to private interests while undermining common goods and performance of the EMFF as a tool to meet sustainable fisheries and ocean.

## **6. No aid for vessels modernisation**

The Joint Declaration of ES-FR-IT proposes to grant aid for vessels modernisation and engine replacement to all type of fishing vessels, independently on their size. Modernising or replacing equipment and engines is however associated with higher efficiency and a greater capacity to catch fish, increasing the fishing capacity of the vessel. Even if replacing old engines is conditional upon making them equally or less powerful, it will not necessarily translate into a reduction of the vessel's ability to catch fish. While vessels equipped with so-called 'fuel efficient' may help to reduce fishing activity carbon footprint – which is obviously positive - engines still have an incentive to increase their fishing effort, for instance by spending more hours at sea if there is not a strong governance and effort management scheme in place, which is not the case in many Mediterranean and Atlantic fisheries.<sup>5</sup>

Importantly, under-declaration of engine power is a common and general problem. Engines can be legally certified with a power much lower than their maximum continuous power. This is possible through adjustments to the fuel injection settings, which can easily be reversed once the engine has been certified. As a result, the real power installed on board is almost impossible to control unless vessels are equipped with permanently installed devices that measure and record engine power.

Finally, replacing engines will not help to improve safety. Fishing accidents have traditionally been identified due to human error rather than to the age of the vessels. A more effective way to secure jobs and safety at sea is to invest in crew and community schemes rather than in vessels and machinery, e.g. crew safety training, life-saving equipment, rescue services and lifelong learning and acquisition of new professional skills linked to safety.

## **In conclusion**

The undersigned NGO urge France, Italy and Spain to withdraw their proposal and call on Member States to honour the objectives of the CFP and international commitments (SDGs) by not introducing any provisions that would allow for the reintroduction of subsidies for fleet renewal and the modernisation of fishing vessels, and ensure that the post 2020 EMFF supports the transition to sustainable fishing.

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<sup>5</sup> EU Court of Auditors (2011) Have EU measures contributed to adapting the capacity of the fishing fleet to available fishing opportunities?, paragraphs 43 – 47.