# PRELIMINARY COMMENTS ON THE COMMISSION PROPOSAL FOR A COUNCIL REGULATION ESTABLISHING A COMMUNITY CONTROL SYSTEM FOR ENSURING COMPLIANCE WITH THE RULES OF THE COMMON FISHERIES POLICY (CFP) (COM[2008] 721 FINAL)

"If the political authorities want the CFP to achieve its objective of sustainable exploitation of the fisheries resources, the present control, inspection and sanction systems must be strengthened considerably."

*"If this situation continues, it will bring grave consequences not only for the natural resource, but also for the future of the fishing industry and the areas associated with it."*<sup>1</sup>

#### I. BACKGROUND

The dismal state of fish stocks in European waters and elsewhere, combined with a situation of overcapacity in many fisheries, has resulted in an increasing number of infringements, more or less tolerated by flag Member States, combined with a marked tendency for lower and lower sanctions<sup>2</sup>.

The sad case of the bluefin tuna fishery in the Mediterranean illustrate very clearly why the new control measures proposed by the European Commission (EC) are badly needed. Avoiding stricter measures will only hasten the demise of both fish stocks and those depending on them.

The Advisory Committee on Fisheries and Aquaculture (ACFA) noted in its submission on the reform of the control system<sup>3</sup> that: "*The strengthening of the rules is essential. The reinforcement of the Commission's possibilities to ensure the application of the decisions taken by the Council should be encouraged*".

The proposal for a revised Community control system<sup>4</sup> is meant to complement two other Council Regulations, the so-called IUU (Illegal, Unreported and Unregulated) fishing Regulation<sup>5</sup> and the Council Regulation on fishing authorisations<sup>6</sup>; together these will then form the three pillars of the European Union (EU) control system.

#### **II. GENERAL CONSIDERATIONS**

ACFA welcomes the Commission's proposal, as it includes major improvements on existing measures as well as additional tools to enhance compliance with the EU Common Fisheries Policy (CFP), by both Member States and various actors in the fisheries sector along the chain of production. Some of the key measures the Commission has proposed include:

increased monitoring of vessel activities through the use of, for example, Automatic Identification System (AIS) and Vessel Detection System (VDS);

<sup>&</sup>lt;sup>1</sup> European Court of Auditors Special Report No. 7/2007 on the control, inspection and sanction systems relating to the rules on conservation of Community fisheries resources.

<sup>&</sup>lt;sup>2</sup> Communication from the Commission to the Council and the European Parliament (Nov 2008) – Reports from Member States on behaviours which seriously infringed the rules of the Common Fisheries Policy in 2006.

<sup>&</sup>lt;sup>3</sup> Advisory Committee for Fisheries and Aquaculture (ACFA) – EP(08)88final Brussels,

<sup>5</sup> May 2008 – ACFA's opinion regarding the Commission's consultation document on the initiatives it proposes so as to modernise and reform the control system of the CFP.

<sup>&</sup>lt;sup>4</sup> COM(2008)721 final:

http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2008:0721:FIN:EN:PDF.

<sup>&</sup>lt;sup>5</sup> Council Regulation (EC) No. 1005/2008 of 29 September 2008 establishing a Community system to prevent, deter and eliminate illegal, unreported and unregulated fishing.

<sup>&</sup>lt;sup>6</sup> Council Regulation (EC) No. 1006/2008 of 29 September 2008 concerning authorisations for fishing activities of Community fishing vessels outside Community waters and the access of third country vessels to Community waters.

- improved traceability of fish, including more precise information for the consumer on the origin of the fish;
- > prohibition of at-sea transhipment in EU waters;
- > Commission inspections without prior notice to Member States;
- the possibility for civil society and other stakeholders to submit documentation on observed infringements;
- measures enabling the Commission to ensure that Member States implement and enforce the rules of CFP.

As was the case with the Regulation on IUU fishing<sup>7</sup>, the proposed control system is deemed by some as being too complex. In an ideal world, fish stocks would be exploited in an environmentally and economically sustainable way and fishermen would abide by the management and conservation rules, which would ensure the perpetuity of their trade and livelihood. In such a world, a control system could rely a lot more on the cooperation and good will of the sector. Sadly, this is not currently the case – fishing is a complex activity and so requires an elaborate control system.

Another criticism voiced by some Member States is that the proposed system is likely to result in additional costs for the sector and the national administrations. But, in fact, there are some indications that the system could actually lead to a decrease in administrative costs, for example through the use of electronic means of recording and reporting.

Moreover, recent research<sup>8</sup> estimates that if IUU fishing was eliminated, by 2020 Member States could earn an additional total of  $\in$ 10 billion in value of landings, which could create more than 27,000 jobs in the fishing and processing industries. Furthermore, ending illegal fishing would lead to increases in biomass of fish stocks to a value of approximately  $\in$ 8 billion by 2020. These estimates are on the low side as the analysis only included selected costs and key stocks with clear evidence of IUU fishing. The true economic benefits of ending IUU fishing are, therefore, likely to be substantially higher.

#### **III. SUMMARY OF RECOMMENDATIONS**

To ensure increased compliance with the rules of the CFP, ACFA:

- 1. Strongly supports the full integration of environmental requirements into all aspects of the CFP and the introduction of conditionality of public aid in respect of such requirements by the fisheries sector;
- Supports the 'risk management' approach to control operations at sea, which should be based on a set of legally binding criteria and methodologies;
- Urges the Commission and the Council, in cooperation with the Community Fisheries Control Agency, to establish a legally binding set of inspection standards;
- 4. Calls on the Commission to add to its proposal for a new control system the basis for an EU observer scheme.
- Suggests a process which would help to avoid problems later on by testing the system through case studies ahead of the adoption of the new Control Regulation;

<sup>&</sup>lt;sup>7</sup> Council Regulation (EC) No. 1005/2008 of 29 September 2008 establishing a Community system to prevent, deter and eliminate illegal, unreported and unregulated fishing.

<sup>&</sup>lt;sup>8</sup> eftec (2008). Costs of Illegal, Unreported and Unregulated (IUU) Fishing in EU Fisheries, at: www.pewenvironment.eu/resources/costs\_of\_IUU.pdf.

- Urges Commission and Member States to overcome political, legal and administrative obstacles to the harmonisation of sanctions systems and levels, without which conservation and management objectives of the CFP cannot be fulfilled;
- 7. Calls on the Commission to also provide incentives for fishermen and Member States to abide by the rules of the CFP and to reconsider the current spending priorities of fisheries subsidies to make more funding available for control measures;
- 8. Strongly supports the adoption of the proposed additional measures enabling the Commission to take swift action to ensure implementation of the CFP by Member States and the proposed expansion of the Community Fisheries Control Agency's mandate;
- 9. Recommends a thorough rationalisation of all relevant legislation that forms the control system, to avoid legal uncertainty and confusion; and
- 10. Calls on the Commission to urgently present a proposal for a legal instrument to reduce fishing capacity of EU fishing fleets and accompanying financial measures.

# IV. COMMENTS AND RECOMMENDATIONS IN DETAIL

#### 1. The Environmental Dimension of the CFP

There is a clear commitment by the Commission to introduce further means to ensure compliance with environmental and conservation requirements.

The CFP reform proposal and other upcoming legislation are expected to further integrate environmental requirements in the CFP<sup>9</sup>. The "Basic Regulation" establishing key principles for the CFP<sup>10</sup> stipulates that it should be consistent with other Community policies, in particular with environmental, social, regional, developmental, health and consumer protection policies. That requirement is reinforced by the Lisbon Treaty<sup>11</sup>.

The basic Regulation introduces the notion of serious threat posed to marine resources (see Art. 7). The current proposal takes this one step further, for instance by basing the level of sanction on the seriousness of the threat or prejudice posed by the illegal activity. It also includes some more specific measures, such as control provisions for Marine Protected Areas and the implementation of measures on discards, which will also be subject to a new Regulation with the objective of a no-discards policy<sup>12</sup>.

The obligation to respect environmental requirements has already been introduced in another EU policy. The Common Agricultural Policy reform of 2003 included the principle of conditioning public aid through Cross Compliance. In order to receive financial support from the EU, farmers must respect existing environmental and animal welfare laws and regulations. Not complying can result in a cut in or complete withdrawal of support.

<sup>&</sup>lt;sup>9</sup> Consolidated version of the Treaty establishing the European Community (2002) – Article 6 – Environmental protection requirements must be integrated into the definition and implementation of the Community policies and activities referred to in Article 3, in particular with a view to promoting sustainable development.
<sup>10</sup> Article 2.2 (d) of Council Regulation (EC) No. 2371/2002 of 20 December 2002 on the conservation and sustainable

<sup>&</sup>lt;sup>10</sup> Article 2.2 (d) of Council Regulation (EC) No. 2371/2002 of 20 December 2002 on the conservation and sustainable exploitation of fisheries resources under the Common Fisheries Policy.

 <sup>&</sup>lt;sup>11</sup> Article 37.2 of the consolidated version of the Treaty amended by the Lisbon Treaty (2007) or Article 2F of the Lisbon Treaty.
 <sup>12</sup> Commissioner Borg's statement at the plenary meeting of the Advisory Committee on Fisheries and Aquaculture on 4

<sup>&</sup>lt;sup>12</sup> Commissioner Borg's statement at the plenary meeting of the Advisory Committee on Fisheries and Aquaculture on 4 December 2008.

ACFA supports the full integration of environmental requirements into all aspects of the CFP and the introduction of conditionality of public aid in respect of such requirements by the fisheries sector.

# 2. Control at Sea

During the public consultation on the reform of the control system, ACFA's opinion stressed that: "In order to establish an efficient control policy, it is necessary to sufficiently carry out controls at sea, since it is the only means of verification of the use of appropriate nets and meshes<sup>13</sup>".

The Commission provided an analysis of the failings of the current control system. The consultation paper stated that: "Inspection at sea at the European level is ineffective, expensive and not organised", and suggested placing the emphasis on the control of landings as well as on other land-based areas such as auctions, markets and imports.

This was based on data presented at the seminar on control organised by the Commission on 10 April 2008, demonstrating that at-sea control operations as currently conducted are not cost effective. According to the presentation, control at sea represents 54.2 percent of the operational costs incurred by Member States. The Commission mentioned that in the 2003 report on fisheries enforcement by the United Kingdom Comptroller and Auditor General, the probability of infringements being detected at sea is estimated to be 1/600 as opposed to 1/60 at landing point and 1/6 at sale point<sup>14</sup>. It is therefore interesting to note that the Communication from the Commission on infringements of the CFP in 2006 states that: "The majority of breaches were discovered during inspections at sea<sup>15</sup>".

All this considered, while the proposed measures aimed at strengthening the control on land are necessary, so are measures to enhance control at sea, as a number of infringements can only be uncovered at sea.

ACFA supports the 'risk management' approach to control operations at sea. However, this should be based on a set of legally binding criteria and methodologies, such as alert thresholds based on cross-checking of vessel monitoring system (VMS) and other data, as well as target benchmarks for inspection activities, which Member States must use to develop risk-based control plans under the supervision of the Commission and/or the Common Fisheries Control Agency (CFCA). In addition, ACFA would support a wider introduction of video surveillance technology in combination with the electronic logbook to complement inspection on sea.

#### 3. Harmonisation of Inspection Procedures

There are currently no EU-wide standards on how an inspection should be conducted, which leads to major discrepancies among Member States. Again, the European Court of Auditors report identifies this as a problem: "The absence of general control standards is an impediment to adequate control pressure and optimisation of inspection activities in the Member States<sup>16</sup>".

In its opinion on the reform of the Control system, ACFA stated that: "One of the constraints for a new Community inspection and control policy could be the will of certain Member States to maintain the control over their fleet. In other words, it might turn out to be difficult to carry out standardised and homogenous controls in all Member

http://www.nao.org.uk/publications/0203/fisheries\_enforcement\_in\_engla.aspx. <sup>15</sup> Communication from the Commission to the Council and the European Parliament (Nov 2008) – Reports from

Member States on behaviours which seriously infringed the rules of the Common Fisheries Policy in 2006. <sup>16</sup> European Court of Auditors Special Report No. 7/2007 on the control, inspection and sanction systems relating to the

<sup>&</sup>lt;sup>13</sup> Advisory Committee for Fisheries and Aquaculture (ACFA) – EP(08) 88 final.

<sup>&</sup>lt;sup>14</sup> Report by the Comptroller and Auditor General: Fisheries Enforcement in England (3 April 2003):

rules on conservation of Community fisheries resources.

States although standardisation is necessary in order to avoid discrimination between EU fishermen<sup>17</sup>".

Moreover, Member States' legislation and administrative regulations can also constitute an obstacle to harmonised inspection standards. For instance, in Spain fisheries inspectors are supposed to work according to the same schedule as other civil servants. That means that they are supposed to stop working at 3.30pm, after which time landings are unlikely to be inspected. Member States must review relevant national legislation and regulations and amend them to ensure full compatibility with EU inspection standards.

Articles 65 to 80 of the proposal establish the basis for the conduct of inspections but there is a need to further develop clear guidelines that would have to be followed by all EU inspectors. Article 65.5 stipulates that such a harmonised methodology will be developed and adopted at a later stage. In addition, the Community Fisheries Control Agency is to issue manuals on harmonised standards of inspection<sup>18</sup>. These standards should be made compulsory.

ACFA urges the Commission and the Council, in cooperation with the Control Agency, to establish a legally binding set of inspection standards.

#### 4. EU Observer Scheme

Observer schemes are an essential complement to other methods of gathering data and detecting infractions. The United States, Canada, Norway and New Zealand use observers on vessels to collect scientific data but also to note infringements<sup>19</sup>.

Certain provisions in the current proposal clearly require the presence of on-board observers to ensure that rules are abided by effectively. For instance, Article 14, 'Logbook', requires that: "The masters of Community fishing vessels exceeding 10 meters length overall shall keep a logbook of their operations, indicating specifically all quantities greater than 15kg of live-weight equivalent of each species caught and kept on board, the date and the relevant geographical area, expressed by reference to a sub-area and division or sub-division, or where applicable statistical rectangle in which catch limits apply pursuant to Community legislation, of these catches and the type of gear used. The quantities of each species discarded at sea shall also be recorded in the logbook".

Article 63 covers the basic functions of observers, when they are required. Certain Regional Fisheries Management Organisations (RFMOs) of which the EU is a member or a participant, require on-board observers. EU vessels fishing in third countries under a bilateral fisheries agreement are sometimes also requested to take an observer on board. In addition, the Council Regulation on incidental catches of cetaceans<sup>20</sup> provides for an observer scheme. However, at present the CFP does not provide the framework for a comprehensive observer scheme.

ACFA therefore calls on the Commission to add the basis for an EU observer scheme to its proposal.

#### 5. The Need to Test the System

A control system must be very specific to avoid misinterpretation and confusion. Its application must be adapted to the real context. It is obvious that some provisions in

<sup>&</sup>lt;sup>17</sup> Advisory Committee for Fisheries and Aquaculture (ACFA) – EP(08) 88 final.

<sup>&</sup>lt;sup>18</sup> See Article 17b of the proposal.

<sup>&</sup>lt;sup>19</sup> Report by the Comptroller and Auditor General: Fisheries Enforcement in England (3 April 2003).

<sup>&</sup>lt;sup>20</sup> Council Regulation (EC) No. 812/2004 of 26 April 2004 laying down measures concerning incidental catches of cetaceans in fisheries.

the proposal will need further details or specifications, many of which will be developed and/or available only after the proposed Council Regulation has been adopted.

Such a procedure makes it difficult to evaluate some of the measures proposed. For instance, how will the compulsory recording of discards be enforced in the absence of observers? Also, in a number of provisions, wording such as "serious threat", "appropriate follow-up" to infringements, "adequate resources" for inspection, "effective operation" of the control system, "particularly detrimental" to the stocks, leave room for interpretation and may end up perpetuating the discrepancies noted in the way Member States implement and enforce the CFP rules.

It should be noted that this is one of the problems with the current Control Regulation. As only a few of the Regulations required to implement were finally adopted, some rules remain vague and therefore difficult to apply and enforce, or have not been implemented at all.

During the consultation and debates on the IUU fishing Regulation<sup>21</sup>, it was proposed by both the fisheries sector and the NGOs that concrete case studies be selected to test the efficacy of the proposed measures with the aim to identify and correct potential problems. This did not happen, and it is only now that the IUU Regulation is adopted that the Commission will hold a technical meeting to discuss concrete application problems.

ACFA suggests that such a process, established in advance of the adoption of the new Control Regulation, would help to avoid problems later on.

#### 6. Harmonisation of Sanctions

It has been clearly demonstrated that sanctions imposed by most Member States for serious infractions are not dissuasive. In its Communication on serious infringements detected in 2006<sup>22</sup>, the Commission stated that: "The level of penalties allows the fishing industry to consider disbursements imposed for infringements to the CFP rules simply as an ordinary running cost of the enterprise and this removes any real incentive for them to comply".

In addition, "The Commission notes the significant disparities of the sanctions imposed by the different Member States for the same type of serious infringements and underlines the fact that the overall penalties imposed are not a sufficient deterrent, as they provide no real incentive to comply". The Court of Auditors concurs by stating that: "The lack of Community integration and harmonisation impairs the effectiveness of sanctions".

On that matter, ACFA stated in its submission to the Commission Consultation on the reform of the control system that: "We are in favour of this objective insofar as we recommend an equal treatment of all fishermen during inspections in the different Member States and a harmonisation of the sanctions in this context, in spite of the fact that some Member States have raised concerns about the real competence of the Community on this matter, in the light of the principle of subsidiarity<sup>23</sup>".

Despite the fact that it has been clearly demonstrated that sanctions applied by Member States need to be more dissuasive and harmonised across the EU, most Member States have opposed proposals by the Commission to that effect, referring to the principle of subsidiarity.

<sup>&</sup>lt;sup>21</sup> Council Regulation (EC) No. 1005/2008.

<sup>&</sup>lt;sup>22</sup> Communication from the Commission to the Council and the European Parliament (Nov 2008) – Reports from

Member States on behaviours which seriously infringed the rules of the Common Fisheries Policy in 2006. <sup>23</sup> Advisory Committee for Fisheries and Aquaculture (ACFA) – EP(08) 88 final.

ACFA therefore urges the Commission and Member States to overcome political, legal and administrative obstacles to the harmonisation of sanctions systems and levels, without which conservation and management objectives of the CFP cannot be fulfilled.

## 7. Incentives for Compliance

Infringements to the applicable rules should lead to dissuasive sanctions, as proposed by the Commission. However, incentives for fishermen and Member States to abide by CFP rules should also be provided.

For instance, Article 17.3 of the United Nations Agreement on straddling and highly migratory fish stocks<sup>24</sup> states that: "Such fishing entities<sup>25</sup> shall enjoy benefits from participation in the fishery commensurate with their commitment to comply with conservation and management measures in respect of the stocks". Although the UN Agreement provision only applies to States that are not members of relevant RFMOs, one could argue that such a principle should apply to any State whose fleets are engaged in a fishery, including the EU Member States.

Measures could be provided to reward Member States with effective control systems by providing them with preferential access to resources. In that context, the Control Agency has indicated that the Commission may develop performance indicators to evaluate the efficiency of Member States' control systems<sup>26</sup>. The new Control Regulation should include such indicators, which can be used as a basis for a sanction/reward system.

Incentives to encourage the industry to abide by conservation rules and improve its fishing practices could also be provided. Such incentives have already been introduced in EU legislation. For instance, the 2007 TAC and Quota Regulation<sup>27</sup> already contains one example of preferential access for selective gear, with extra days at sea available to Nephrops trawlers using a sorting grid.

Financial measures also need to be adapted or developed to help and encourage Member States to apply the proposed measures. Aid under the European Fisheries Fund (EFF) funding that would under the proposed Regulation not be paid to Member States due to inadequate enforcement of the CFP could be reallocated to other Member States that perform in an outstanding manner. In addition, Community financial contributions towards Member States' fisheries control programmes<sup>28</sup> could be used to reward Member States with effective control systems. In the medium term, the overall spending priorities should be reconsidered. As the Court of Auditors noted, the Community currently provides annually €837 million of structural assistance for fisheries and €156 million for International fisheries Agreements, while the Community's contribution to control and enforcement activities is limited to only €46 million per year.

ACFA calls on the Commission to provide incentives for fishermen and Member States to abide by the rules of the CFP and to reconsider the current spending priorities of fisheries subsidies to make more funding available for control.

<sup>&</sup>lt;sup>24</sup> Agreement for the implementation of the provisions of the United Nations Convention on the Law of the Sea of 10 December 1982 relating to the conservation and management of straddling fish stocks and highly migratory fish stocks.

<sup>&</sup>lt;sup>25</sup> A State which is not a member of a sub-regional or regional fisheries management organisation or is not a participant in a sub-regional or regional fisheries management arrangement, and which does not otherwise agree to apply the conservation and management measures established by such organisation or arrangement.

<sup>&</sup>lt;sup>26</sup> Harm Koster, Director of the Community Fisheries Control Agency, addressing the European Parliament's Fisheries Committee on the Agency's 2009 work programme, Brussels, 2 December 2008.

<sup>&</sup>lt;sup>27</sup> Council Regulation (EĆ) No 41/2006 of 21 December 2006 fixing for 2007 the fishing opportunities and associated conditions for certain fish stocks and groups of fish stocks, applicable in Community waters and, for Community vessels, in waters where catch limitations are required.

<sup>&</sup>lt;sup>28</sup> Council Decision 2004/465/EC of 29 April 2004.

#### 8. Powers and Mandate of the European Commission and the Control Agency

As highlighted in the Court of Auditors report, Member States' implementation of CFP rules is far from satisfactory. In order to improve the situation, the Commission needs more flexible mechanisms at its disposal to allow more timely intervention.

The Court of Auditors recommends that: "To reinforce the Commission's capacity to put pressure on the Member States, it is desirable that the Community legislator [...] examine whether strengthening the powers of the Commission inspectors and broadening the mandate of the Community Fisheries Control Agency would be appropriate; and lastly introduce more responsive instruments of sanction such as, for example, the capacity to suspend payments of Community aid in the fisheries sector if a Member State fails to respect its control obligations<sup>29</sup>".

ACFA noted in its submission to the Commission<sup>30</sup> during the consultation on the reform of the control system that: "*The reinforcement of the Commission's possibilities to ensure the application of the decisions taken by the Council should be encouraged*".

It is unfortunate that, in some cases, the principle of subsidiarity is effectively blocking the adoption of much-needed measures to ensure the implementation of the CFP.

ACFA strongly supports the adoption of the proposed additional measures enabling the Commission to take swift action to ensure greatly enhanced implementation of the CFP by Member States. It also supports the proposed expansion of the Control Agency's mandate, including audits, inspections of national control systems, organisation of operational cooperation, assistance to Member States and the possibility of setting up emergency units where a serious risk to the CFP exists.

## 9. Ensure Coherence Between the Three Pillars of the Control System

The EU revised control system will be based on three Council Regulations. Two have already been adopted: the IUU fishing Regulation<sup>31</sup> and the Regulation on fishing authorisations<sup>32</sup>. It is essential to ensure that these Regulations are coherent and compatible.

Inevitably, they sometimes overlap. For instance, despite the clearly defined scope at the beginning of the proposal, some provisions only apply to EU vessels or in EU waters, possibly because non-EU waters and/or third country vessels are covered within the other Regulations. The certification and traceability systems in the IUU and Control Regulations should not result in duplication of procedures. There are several references in the proposal to the IUU fishing Regulation, in particular regarding serious infringements and sanctions, which may need to be clarified.

ACFA recommends a thorough rationalisation of all relevant legislation to avoid legal uncertainty and confusion.

# **10. The importance of reduction of Fishing Capacity**

As noted by the Court of Auditors in its report on the Community control, inspection and sanction system: "Overcapacity detracts from the profitability of the fishing industry and in a context of decreasing authorised catches is an incitement to non-compliance with these restrictions. It also affects the quality of the data forwarded. After the failure of the programmes for adapting fishing capacity, the current approach, which is

<sup>&</sup>lt;sup>29</sup> Special Report No 7/2007 on the control, inspection and sanction systems relating to the rules on conservation of Community fisheries resources – paragraph 133.

<sup>&</sup>lt;sup>30</sup> Advisory Committee for Fisheries and Aquaculture (ACFA) - EP(08)88final.

<sup>&</sup>lt;sup>31</sup> Council Regulation (EC) No. 1005/2008.

<sup>&</sup>lt;sup>32</sup> Council Regulation (EC) No. 1006/2008 of 29 September 2008 concerning authorisations for fishing activities of Community fishing vessels outside Community waters and the access of third country vessels to Community waters.

essentially based on reducing the fishing effort, is unlikely to resolve the problem of overcapacity".

Since the Multi-Annual Guidance Programmes were abandoned, the EU relies on an entry-exit scheme to keep its fishing fleets' capacity constant or to prevent an increase. But there is no effective mechanism to reduce capacity and the situation of overcapacity remains.

Until effective capacity-reduction programmes are implemented, no control system, however strict, will succeed in eliminating fraud. It is therefore imperative to address the problem of excess fishing capacity as a prerequisite to establishing an effective control system. New legislation creating an instrument for the reduction of fishing capacity to bring it into balance with available resources must urgently be developed by the Commission, adopted by Council and then implemented in order to make compliance objectives realistic.

Under the EFF, some Member States such as Ireland have used available funds to reduce fishing capacity. Other Member States, such as France, Italy, Spain, Greece and the Netherlands, have allocated substantial parts of their available EFF funding to fleet management<sup>33</sup>, but it remains to be seen if this money is actually used to reduce existing overcapacities or to modernise the fleet. Only Sweden has requested to amend its operational programme, submitted in December 2007, to increase the amount of funds allocated for fishing capacity reduction within the framework of the temporary specific action aiming to promote the restructuring of the EU fishing fleets affected by the economic crisis<sup>34</sup>.

The ACFA calls on the Commission to urgently present a proposal for a legal instrument forcing Member States to reduce the fishing capacity of the EU fleets as well as accompanying financial measures. Such a reduction should be based on both qualitative (favouring low-impact, low-fuel-consumption vessels) and quantitative criteria and should not result in the displacement of excess fishing capacity to other fisheries and/or areas.

#### Submitted by:

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<sup>&</sup>lt;sup>33</sup> National Operational Programmes:

http://ec.europa.eu/fisheries/cfp/structural\_measures/operational\_programmes\_en.htm. <sup>34</sup> Council Regulation (EC) No. 744/2008.