

HOUSE OF LORDS

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2nd REPORT

SELECT COMMITTEE ON
THE EUROPEAN UNION

REFORM OF THE
COMMON FISHERIES POLICY:

THE CURRENT CRISIS OVER
FISH STOCKS

WITH EVIDENCE

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CONTENTS

	<i>Page</i>
REPORT	5
APPENDIX 1: Letter from the Chairman of the Select Committee on the European Union to Elliot Morley MP, Parliamentary Under Secretary of State, Department for Environment, Food and Rural Affairs	7
APPENDIX 2: Membership of Sub-Committee D	9
ORAL EVIDENCE	
<i>Elliot Morley MP, Parliamentary Under Secretary of State, Department for Environment, Food and Rural Affairs</i>	
Oral evidence 10 July 2002	1

NOTE: Pages of the Report and Appendix are numbered in bold type; pages of evidence are numbered in ordinary type.

SECOND REPORT

3 DECEMBER 2002

By the Select Committee appointed to consider European Union documents and other matters relating to the European Union.

ORDERED TO REPORT

REFORM OF THE COMMON FISHERIES POLICY:

THE CURRENT CRISIS OVER FISH STOCKS

1. On 28 May 2002 the European Commission published a series of documents containing its proposals for the reform of the Common Fisheries Policy (CFP).¹ Sub-Committee D,² after preliminary scrutiny of the documents, invited the Fisheries Minister, Elliot Morley MP, of the Department of Environment, Food and Rural Affairs (DEFRA), to give oral evidence on the proposals and the likely progress of negotiations in the Fisheries Council. The Minister's evidence of 10 July 2002 and the Committee's letter to him of 18 July (Appendix 1) form part of this Report.

2. Among the points made to the Minister in July were:

- Fleet capacity must be reduced and aid for the fishing industry redirected;
- Current arrangements restricting access by foreign fleets to coastal waters must be retained;
- Greatly increased resources are needed for the EU Structural Funds in order to facilitate change in fishing communities;
- Integration of environmental protection into the CFP remains an imperative;
- Sustainable fisheries management is a global issue, with profound implications for world trade and international development policy.

The letter to the Minister cleared the Commission's proposals from scrutiny, on the understanding that the Committee would be kept informed of developments.

3. As negotiations have proceeded on the proposed reforms, in preparation for the meeting of Agriculture and Fisheries Ministers on 16–19 December, recent scientific reports have highlighted the grave state of fish stocks, particularly of cod, in the seas around north-western Europe as a result of over-fishing.

4. This is not a new problem. Previous reports by Committees of both House have repeatedly drawn attention to a growing crisis, most recently the 2001 Report of this Committee, *Unsustainable Fishing*.³ The situation has worsened dramatically since we reported. Urgent measures to arrest further decline—even extinction—of commercially important stocks are desperately needed. These must be put in place now: the Community cannot afford to wait for agreement on longer-term reform, essential though that is.

5. In brief, we have noted the following developments since July 2002:⁴

- *27 August*: Delegates to the Johannesburg Earth Summit reach agreement on a commitment to limit fishing to sustainable levels and to restore depleted stocks by 2015.⁵
- *16 October*: The Agriculture and Fisheries Council fails to reach a view on the Commission's proposals of December 2001 for a North Sea cod and hake recovery plan.⁶

¹ COM(2002)180, 181, 185, 186, 187 and 190, 28 May 2002.

² The membership of Sub-Committee D is set out in Appendix 2.

³ House of Lords European Union Committee, 3rd Report, Session 2000–01, HL Paper 12.

⁴ For information on the Commission's website see: http://europa.eu.int/comm/fisheries/policy_en.htm.

⁵ See for example *The Financial Times*, 28 August 2002.

- *18 October*: The International Council for the Exploration of the Sea (ICES) publishes its advice on fisheries. In particular, for cod and the species which are most closely associated with cod (such as haddock and whiting), ICES recommends a moratorium on fishing in the North Sea, Skagerrak, West of Scotland and Irish Sea.⁷
- *7 November*: WWF backs ICES' call for a moratorium.⁸
- *11 November*: The Commission's Scientific, Technical and Economic Committee for Fisheries (STECF) presented its findings. In a speech in Dublin, Commissioner Fischler says: "We find ourselves between a rock and a hard place. The advice from our own scientific and economic committee (STECF) is clear: the surest way forward is a closure of the cod and associated fisheries. However I am exploring other options where fishing for cod, haddock, whiting and other stocks could continue on a very limited level, provided that Ministers agree on an improved recovery plan for cod in December."⁹
- *15 November*: The European Court of Justice holds, in two cases brought by the Commission, that the UK was in breach of its obligations under the CFP to stop illegal over-fishing in the North Sea during the period 1985–1996.¹⁰
- *18 November*: Meeting in Brussels between Commission officials and representatives of the fishing industry to discuss management measures for cod and associated stocks in EU waters. Commissioner Fischler promises to look at alternatives to the complete moratorium recommended by ICES and STECF.¹¹

6. The mounting crisis in the fishing industry has been well covered by the press in recent weeks. With critical discussions in the Council now imminent, the Committee wishes the House to be aware of the urgency of the situation. It therefore makes this short Report for information.

⁶ COM/2001/0724 final; see *Europe Agri*, no 120, 25 October 2002 and DEFRA News Release 415/02, 16 October 2002 at <http://www.defra.gov.uk/news/2002/indx2002.asp>.

⁷ For further information, see ICES website: <http://www.ices.dk/>.

⁸ *The Scotsman*, 8 November 2002.

⁹ Commission press release of 11 November 2002 at: http://europa.eu.int/comm/fisheries/news_corner/press/inf02_40_en.htm.

¹⁰ C-454/99, 2002.11.14; C-140/00, 2002.11.14; *The Financial Times*, 16 November 2002.

¹¹ See http://europa.eu.int/comm/fisheries/news_corner/press/inf02_44_en.htm; *The Financial Times*, 12 November 2002.

APPENDIX 1

**Letter from the Chairman of the Select Committee on the European Union to
Elliot Morley MP, Parliamentary Under Secretary of State,
Department for Environment, Food and Rural Affairs**

REFORM OF THE COMMON FISHERIES POLICY
(COM(2002)180, 181, 185, 186 AND 187)

As you know, Sub-Committee D has been considering the Commission's proposals for the reform of the CFP and your Explanatory Memoranda of June 2002, with particular reference to the "Roadmap" Communication (COM(2002)181), and was most grateful for the helpful oral evidence which you gave on 10 July. It has compared the proposals with the recommendations made in the Select Committee's Report *Unsustainable Fishing* (3rd report, 2000–01, HL Paper 12) and the subsequent comments which I made in my letter of 9 May 2001 about the Commission's Green Paper, together with MAFF's response to the original Report. We should be grateful if the Government would take these further comments into account in Council working group discussions and in preparing for the important debates to be held in the Fisheries Council this autumn.

As our Report emphasised, the manifest failure of the CFP during its first two decades has been in large measure due to lack of political will in the face of clear scientific advice. We were therefore pleased to note the degree of commonality between the Green Paper, which we supported, and the current reform package—despite the intense pressure on the Commission this spring to weaken its proposal. We foresee continuing pressure from national fishing interests to win concessions which, collectively, could have the effect of perpetuating unsustainable fishing effort and practices. These must be firmly resisted.

This high level of concordance between the Commission, the Committee and the Government on what is wrong with the CFP, and in turn, on the kinds of measures needed to put it right, gives us considerable encouragement. In the Council debates and negotiations we would urge the Government to pay particular attention to the following issues, which we set out in our Report and are well supported by the Commission's proposals for reform.

- *Reducing fleet capacity*

We cannot emphasise too strongly the need to cut fleet capacity and redirect policy on financial aid to the fishing industry so that it ceases to result in increased capacity and effort (Report paragraph 94). We therefore strongly support Chapter III of COM(02)185 and the specific regulation on cutting aid in COM(02)187.

- *Multi-annual framework for the conservation of resources and management of fisheries*

We firmly believe that the approach advocated in Chapter II of COM(02)185 is right, in order to avoid the sort of problems to which we drew attention in the Report (e.g. in paragraphs 121–122 and the box on page 11).

- *Regional Advisory Councils*

We are pleased to see the inclusion of zonal management in the Commission's "Road map" (COM(02)181, section 3.9)—a decision-making approach which we considered highly advantageous in our Report (paragraph 100).

- *The six and 12-mile limits*

We strongly support the Commission's proposal to continue the current regime applicable to the six to 12 miles zone. During the inquiry we found widespread support for this regime as a safeguard for coastal regions especially dependent on fishing, and as an important conservation tool (Report paragraphs 102–105).

You mentioned on 10 July (Q 2) that you were confident that political agreement could be reached by the end of the year on coastal limits. Even if nothing else is agreed by 31 December, we believe this is absolutely essential.

- *Socio-economic consequences of fisheries restructuring*

We recommended in our Report that “present levels of financial support for Fishing Communities from the Structural Funds and through any future Community initiative . . . should be increased substantially” (paragraph 108). We welcome the proposed reallocation of funds from upgrading of fleets to retraining of fishermen, and look forward to the forthcoming Action Plan. Since some questions remain over the continued funding of this proposal, we shall be monitoring closely this aspect of the reform package.

It is not just a case of resources. As in the parallel case of CAP reform, we see a need for much more imaginative and joined-up thinking in the use of Structural Funds to facilitate transition in the areas most affected by changes to the CFP.

- *The environmental dimension*

We welcome the Action Plan for integrating environmental protection requirements into the CFP (COM(02)186). We have long argued for a more coherent approach to linking CFP and environmental issues (e.g. paragraphs 86–88 of the Report). It is now crucial that the final outcome of the Council negotiations maintains that coherence across the range of the various proposals.

- *Global fisheries: developing countries and sustainable development*

We talked in the Report (paragraphs 114–119) about the external dimension of the CFP, and in more recent correspondence we have emphasised our concerns about the environmental and social effects of third country agreements, particularly in West Africa. In your oral evidence (at Q 30) you promised to provide further information about the Atlantic Dawn and related issues. We strongly support your efforts to get this aspect of the CFP properly debated in Council. As a recent article in *New Scientist* (13 July, page 5) has illustrated, there is desperate need for radical re-thinking of the next generation of third country agreements.

We have also argued for sustainable fisheries policies to be given more prominence in the Government’s political agenda. The forthcoming Johannesburg Summit offers an unrivalled opportunity for the EU to promote environmentally sustainable policies in its relations with the developing world, including more equitable exploitation of global fish stocks. We hope that the Secretary of State and Michael Meacher will work hard to raise the profile of marine conservation issues in this context.

Subject to these comments, and to receiving the further information you have promised, we are content to clear the present documents from scrutiny. We should be grateful if you could keep us posted on the outcomes of the Fisheries Council meetings later this year, and we shall examine with interest further elements of the reform package as they come forward from the Commission.

I am copying this letter to David Curry and Jimmy Hood, Chairmen of the House of Commons Environment, Food and Rural Affairs and European Scrutiny Committees, to the Clerks of those Committees, Gavin Devine and Dorian Gerhold, to Michael Carpenter, Legal Adviser to the Commons Committee, Les Saunders (Cabinet Office) and Graham Collins, Departmental Scrutiny Co-ordinator, DEFRA.

18 July 2002

APPENDIX 2

*Sub-Committee D**(Environment, Agriculture, Public Health and Consumer Protection)**Members of the Sub-Committee*

Baroness Billingham
Lord Crickhowell
Lord Christopher
Lord Dubs
Lord Fyfe of Fairfield
Baroness Maddock
Baroness Miller of Chilthorne Domer
The Countess of Mar
Lord Palmer
Earl of Selborne (Chairman)
Lord Walpole