

## FISHERIES AND AQUACULTURE NEWSLETTER

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The summer break is over and things have already been set in motion. However vacations were turbulent this year as the fisheries sector received a major blow from the Russian federation after it introduced a ban on seafood products, amongst others. The month of September started off with the presentation of the new Commission structure and proposed Commissioners and soon after the hearings of the Commissioner-designates in their respective parliamentary committees. In addition, discussions have started again on the aspects of the new CFP with the landing obligation and its implementation at the core of the discussions.

Enjoy the reading,

A handwritten signature in black ink, appearing to read 'Despina Symons'.

*Despina Symons*  
Director, EBCD

## Industry reacts to the Russian embargo



The Russian embargo, which entered into force in August, banned a wide array of products into the Russian Federation. Amongst those were seafood products, whose sudden interdiction caused the fishing industry unparalleled damage.

The National Organisations of Fishery Enterprises voiced by their president, Javier Garat, react to this ban.

- **What is the fishing industry's response to the Russian ban?**

*The Russian ban, imposed at the start of August affected a whole series of fisheries and agriculture products. It has been estimated that 153.8million Euros will be lost following the closure of this vital, long-established market trading in species such as salmon, trout, oysters and rock cod. On top of the ban, Russia has been actively seeking out alternative markets elsewhere, which if established, could prove serious to long-term trade between the EU and Russia. The fishing industry watched the Agriculture Commissioner react with swift action implementing exceptional measures to help farmers deal with the economic*

*consequences of the ban yet we had seen nothing immediate from our own Fisheries Commissioner. Europêche sent a joint letter (with Copa-Cogeca, EAPO, FEAP and EMPA) to the Commissioner to seek much-needed clarity and guidance. Following our action, we have since met with DG MARE services to discuss potential solutions to mitigate the effects of the ban. The Commission explained that fishermen are able to utilise funds from the EMFF to give to Producer Organisations who are unable to sell their products to Russia. This enables them to store their unsold products until new markets have been found. The Commission also pointed to rules on shifting quotas allowing Member States to carry up to 10% of their fishing quotas over to 2015. There is a chance that this figure could be increased if scientific advice confirms that it would not harm stocks in the long run.*

- **Having heard DG Mare's solutions to tackle the impact of the ban on fishermen, do you think that these measures are sufficient and if not, which extra measures do you think should be put in place?**

*The measures discussed are a step in the right direction and we trust that the Commission will work in close cooperation with industry to analyse the external and internal impacts of the ban in the EU market to assist the entire supply chain as well as the catching sector. However, I am still concerned that certain species do not qualify for storage aid. We have therefore requested to exceptionally include species such as rock cod in the list of species eligible for financial assistance under the new European Maritime Fisheries Fund (EMFF). All fisheries affected by the ban must*



receive help to adjust to the changes. The Commission must also look into the fact that the EU are facing a surplus of products coming from other third countries also affected by the ban who are trying to find new markets within the EU.

- **How do you think the ban will affect the long-term future of this vital market?**

*Finding alternative markets for our fisheries products takes time to consolidate and the measures offered by the Commission are rather short-term solutions. It is essential that we work in close cooperation with DG MARE services to look into the possibility of opening new foreign markets through trade agreements, increasing the banking of quota and analysing the possibility of extraordinary funds for these kind of unforeseen political moves. A stable market for fishery and aquaculture products is essential especially when our fishermen are still adapting to the radical changes following the recent reform of the Common Fisheries Policy.*

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### **New Commissioners-designate**

The Barroso Commission II has run its full course for the second time (2009-2014) and now, according to the procedure, new Commissioner-designates have to be appointed to lead the European Commission main policy areas for the next 5 years.

The European Commission is composed of President and Vice-Presidents, 28 Commissioners, including the high representative for foreign affairs and security policy. Each Commissioner, one from each Member State, is

assigned responsibility for a specific policy area by the Commission President.



After the European Parliament elections, Jean-Claude Juncker, president of the leading political party of the European Parliament elections, European People's Party-EPP, was entrusted to spearhead the European Commission for the upcoming 5 years. So, following procedure, in agreement with the Council, on the 10<sup>th</sup> September 2014, he announced the appointment of 27 Commissioners-designates. Some major changes were proposed compared to the previous Commission structure, such as the merging of the portfolios for Climate Change and Energy under one Commissioner (current MEP Arias Cañete (ES,EPP)), as well as the merging of the portfolios for Environment and Maritime Affairs and Fisheries under Commissioner Karmenu Vella from Malta. Additionally, this new Commission structure featured a new attribute, 6 Vice-Presidents and 1 First Vice-President. Their role will be to aid the Commission President as well as monitor projects that overlap various Directorate Generals (DGs). According to the Commission President, these "aid advisors" will not have veto powers over the actions of a specific DG or a Commissioner's plan of action; although more

information is expected to surface over the course of the next months as this is a first seen Commission structure.

These new Commissioner-delegates have to, following procedure, present their portfolio and answer questions in front of their respective European Parliament committee (or joint committee in case of overlapping policy areas). Then, the results of these hearing are put in a draft resolution to be debated and voted upon in plenary (vote of investiture). If approved, then, the new European Commission is able to start its 5 year term. If not or if the Parliament expresses its disagreement with the portfolios assigned to the commissioners, then, the Commission President has to reshuffle his team and propose a new line-up of Commissioner-designate, which will have to undergo the same process, and therefore, delaying the new Commission's taking of office (this was the case for the 1<sup>st</sup> Barroso Commission where 5 of his designates were found at fault). The hearings have already started and are expected to last two weeks (29 September to 7 October), while the new Commission as a whole is expected to be approved in October plenary, should no delay occur.

### **Environment, Fisheries and Maritime Affairs Portfolio**

As stated above, the new Commission structure envisages a common portfolio for Environment and Fisheries/Maritime Affairs, under 64 year old Commissioner-designate Karmenu Vella from Malta. During a three hour joint Environment/Fisheries and Transport hearing (29<sup>th</sup> September 2014), his work program was grilled through by MEPs from the Fisheries Committee (17 questions). All in all, he acknowledged that the

socio-economic elements of the fisheries policy have been forgotten and that, for new legislation to be a success, fish and fishermen need to be protected. He also noted that decisions and proposals will be made based on scientific data and on a regional approach (as it is envisaged in the CFP) and not a one-size-fits-all solution (e.g proposal for a discard ban under M. Damanaki's leadership). Amongst the issues raised by the MEPs were dossiers of great importance to the fisheries sector, such as:

- Implementation of the CFP and more specifically the concept of regionalisation
- The proposal for a ban on the use of driftnets
- The landing obligation
- The omnibus regulation
- A new technical measures framework
- Illegal, Unregulated and Unreported fishing (IUU)
- Sustainable Fisheries Partnership Agreements (SFPAs)
- Blue Growth and promoting of a level playing field on an international level
- Implementation of the Maritime Spatial Planning Directive

The committees, having heard his statements and positions, although not satisfied with his positioning on environmental issues and asking from him to give a higher profile to environmental sustainability, nevertheless, stated that they will not hold hostage his nomination.

## Reactions from stakeholders

K. Vella's speech and replies were met with lukewarm remarks from the industry, where Javier Garat, President of Europêche, said "Karmenu Vella faced a tough three hour grilling by both the Environment and Fisheries Committee yesterday but I sense it will be a promising outcome. Mr. Vella acknowledged the recently forgotten economic and social elements of fisheries policy, underlining the fact that successful fisheries legislation needs both fish in the sea and people to fish. Unlike the current Commissioner, Maria Damanaki, he stated that future policies must be based on facts and research and not on knee jerk one-size-fits-all rules, citing the example that one of the best tools for the success of the upcoming discards ban is in fact regionalisation, something the sector has been calling for since the beginning. He also mentioned the fact that he is open to hearing all options regarding the controversial drifnet regulation, which will soon be debated by the Parliament. We welcome this promise of open and honest dialogue between the Commission and the sector, something which we have not experienced with the current Commissioner. Although, the merger of the portfolios of Environment and Fisheries came as a surprise to the industry, it could be beneficial if Vella is committed to real sustainable development and not to radical conservationism. Actions speak louder than words so it remains to be seen whether he will really strike a balance between the environmental, social and economic aspects, where fishermen play an essential role in the marine environment."

On the other hand, the hardcore environmentalists, voiced by an alliance of

European NGOs; Green 10, raised concerns by writing a letter to the Commissioner-designate stating that "The structure of the new Commission... and the choice of Commissioners all reveal a serious downgrading of environment and a roll back of EU commitments to sustainable development, resource efficiency, air quality, biodiversity protection and climate action."

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## Landing Obligation



The discard ban, referred in the Common Fisheries Policy (CFP) as landing obligation in its article 15, is the fundamental element of the reform of the policy.

## Discard ban

According to the provisions on the landing obligation, all catches subject to either catch limits or subject to minimum landing sizes; this being the case in the Mediterranean, shall be recorded, landed and counted against the quotas. There will be a three step approach to its implementation:

- Mandatory landing of by-catches as of the 1st of January 2015 for pelagic species



- the 1st of January 2016 for valuable demersal species such as cod, haddock, hake and sole
- 1st of January 2019 for the rest of the fish stocks in EU waters.

The landing obligation will be applied in EU waters and European vessels fishing in third countries waters.

Under the regionalisation scheme also an important element of the new CFP, Member States, in cooperation with all stakeholders through the work of the Advisory Councils came up with discard plans for the first set of species by June 2014. The Commission stated during the fisheries (PECH) Committee of the European Parliament, that took place on the 3rd of September, that they are above its highest expectations and once approved, will be turned into community law before 2015.

The compliance by the industry with the principle of full accountability, the consistency throughout the regulatory system and the ability of fishermen to fish the fish available, minimizing the choke species problem, are the main challenges for this new policy.

### Omnibus regulation

The Commission has proposed a piece of legislation, the so called omnibus regulation, to align a set of other fisheries rules to the discard ban policy objective. The omnibus seeks to amend, on the one hand, technical conservation measures, completely incompatible with the landing obligation, which should be changed, and on the other hand, control measures which are not incompatible but as the landing obligation is a new obligation, it has to be included amongst the activities to be controlled.

The discard ban will apply whether or not the omnibus is approved. The European Parliament is considering the proposal, though some MEPs have stressed in recent PECH Committee meetings that this regulation should only touch upon the necessary and the rest will be sorted out during the new technical measures framework discussions. These technical measures will be proposed in 2015 to fix on a permanent basis the incompatibilities with the landing obligation, where the omnibus regulation will be rendered obsolete. The Commission has stated recently that in case this regulation is not approved, advertising campaigns will be set in place to increase awareness.

### Stakeholder's views

Fishermen's organizations, industry and Member States have stated that quota uplifts won't be enough to alleviate the effects of this obligation, while others expressed that this ban is unrealistic and will even harm fish stocks in the long run. On the landing obligation, industry has expressed its concerns on this new set of rules which could create further legal and interpretation issues.

Some NGOs say that a ban with exemptions is not a ban while others say that the policy they want is selectivity and bycatch reduction, not the discard itself. They recommended including provisions to ensure that the revenues resulting from the sale of discards shall revert to fisheries management and be used for the purpose of research, control and enforcement activities.

### Next steps

Due to the entry into force of the discard ban for pelagic species the first of January 2015, these months ahead will be of a high importance: not

only the omnibus regulation is waiting for its approval but the discard plans should be turned into community law before 2015.

As with every change, it is hard for communities to adapt to the new situation but an open and transparent dialogue between all involved actors, as well as financial support from the fisheries fund (EMFF), which was adopted in April this year, can ease the difficult road ahead.

# Upcoming EVENTS

October 2014			
01 Oct	Delegations	<a href="#">Constituent Meeting</a>	Brussels, Belgium
02 Oct	Pelagic AC	<a href="#">General Assembly/ Executive Committee</a>	The Hague, Netherlands
07 Oct	SWWAC	<a href="#">General Assembly</a>	Vigo, Spain
6-17 Oct	CBD	<a href="#">12th meeting of the Conference of the Parties (COP 12)</a>	PyeongChang, Korea
08-10 Oct		<a href="#">Marine Ecosystems Conference</a>	Swakopmund, Namibia
07-09 Oct	European Commission, European Marine Board	<a href="#">EurOcean 2014</a>	Rome, Italy
12-16 Oct		<a href="#">World Conference on Marine Biodiversity</a>	Qingdao, China
13-14 Oct	EU Council	<a href="#">Agriculture and Fisheries Ministers' Council</a>	Luxembourg, Luxembourg
14-17 Oct	EAS	<a href="#">Aquaculture Europe 2014</a>	Donostia-San Sebastian, Spain
14-18 Oct	CBD	<a href="#">17th Meeting SBSTTA</a>	Montreal, Canada
15 Oct	DG MARE	<a href="#">New Labels for Consumers, new opportunities for Industry Conference</a>	Brussels, Belgium
15 Oct	Intergroup	<a href="#">Cocktail Reception- Presentation of the Intergroup Climate Change, Biodiversity and Sustainable Development</a>	Brussels, Belgium



16 Oct	EP	<a href="#">Fisheries Committee</a>	Brussels, Belgium
16-18 Oct		<a href="#">The 3rd Annual World Congress of Aquaculture And Fisheries-2014</a>	Dalian, China
20-31 Oct	CCAMLR	<a href="#">XXXIII Meeting of the Commission</a>	Hobart, Australia
20-23 Oct	EP	<a href="#">EP Plenary</a>	Strasbourg, France
21-29 Oct	IFFO	<a href="#">IFFO Annual Conference 2014</a>	Vancouver, Canada
29 Oct	Baltic Sea AC	<a href="#">Executive Committee Meeting</a>	Copenhagen, Denmark