

Summary of Responses to the consultation on proposals relating to the Common Fisheries Policy (CFP) and the Common Organisation of the Market (CMO) on Fishery and Aquaculture Products

Date: February 2012

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Ministerial Foreword

I am pleased to be able to publish this response to the consultation on the proposals for reform of the Common Fisheries Policy (CFP) and Common Organisation of the Markets (CMO) on Fishery and Aquaculture Products.

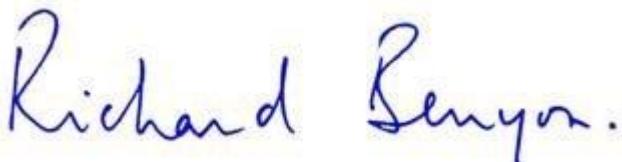
It is clear to all of us that the CFP is broken. Even the Commission's own Green Paper identified serious structural failings including micro-management, lack of stakeholder engagement, over-capacity and unclear policy objectives. It is therefore critical that we take advantage of this once in a decade opportunity to address these problems and deliver sustainable fish stocks, a prosperous industry and a healthy marine environment.

The proposals that have been put forward by the Commission are potentially far reaching in scope and could have a significant impact on UK fisheries, the marine environment and markets. The views of UK stakeholders on these proposals are therefore vitally important to ensure that we deliver a realistic and effective package of reform measures.

The responses to the consultation questions have shown that there is a wealth of support for genuine and radical reform of both the CFP and the CMO. In particular, I am pleased to see the support for a shift towards a more regionalised CFP and for working towards more sustainable targets and a reduction in discards. Likewise, on CMO proposals views were broadly aligned to the Government's analysis with overall support for the Commission's aims and recognition that some areas need further clarification, including around the increased responsibility of Producer Organisations (POs).

There remain significant challenges to overcome to get the detail in the policy right. However, I am completely committed to working with all those involved to secure the CFP and CMO reforms that deliver sustainable fisheries, a profitable industry and thriving coastal communities.

I would like to thank everyone who took the time to take part in this consultation and the stakeholder event we held in November. Your views are important to us, and I hope you will continue to engage with us as we take forward this work.



RICHARD BENYON

Introduction – a background to the consultation

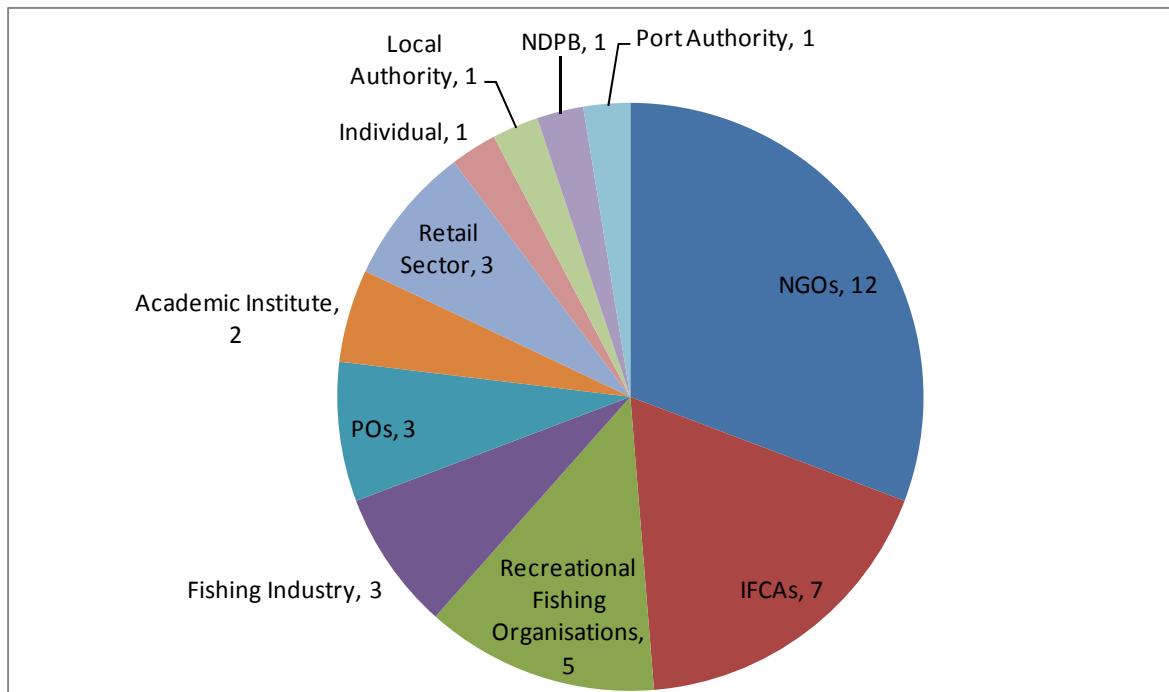
1. On 13 July 2011 the European Commission published a package of proposals to reform the Common Fisheries Policy (CFP) and the Common Organisation of the Market (CMO) in fishery and aquaculture products. Some of the changes proposed are potentially far-reaching and could have a significant impact on UK fishing industries and the marine environment.
2. On CFP, proposals seek to address and overcome the CFP's failings that were identified in the Commission's Green Paper of 2009, including imprecise policy objectives, a decision making process which is too short term focussed, unacceptably high level of discards, fleet overcapacity, an excessively centralised policy and varying levels of compliance.
3. Specifically, the Commission have called for all fish stocks to be brought to sustainable levels by achieving maximum sustainable yield (MSY) by 2015, the elimination of discards and the development of multi-annual plans (MAPs). They want a new CFP to match fishing capacity to sustainable fishing opportunities and have proposed transferable fishing concessions (TFCs) as a market-based driver to deliver this aim and have introduced proposals for the promotion and development of the EU's aquaculture sector to meet the growing global demand for fish and seafood. They have also called for a more decentralised CFP to bring responsibility for fisheries management at a regional level, keeping strategic decisions – such as objectives, targets and timeframes – at an EU level. Finally, the Commission have proposed that the same principles of sustainable use of marine resources should be applied outside EU waters as within. This includes a strengthened role on Regional Fisheries and Management Bodies (RFMOs), greater action on illegal, unreported and unregulated (IUU) fishing, and a reorientation of Sustainable Fisheries Agreements (SFAs).
4. On reform of the CMO, Commission proposals intend to upgrade market incentives to support sustainable production practices, improve the market position of European Union (EU) production enhancing the market potential of EU products and supporting better governance, reduce administrative burdens and simplify the legal framework. Proposals also outline the Commission's desire to strengthen the marketing responsibilities of Producer Organisations (POs), increase transparency of how they work, create a simplified and streamlined method for POs to withdraw fisheries and aquaculture products from the market on behalf of their members and has provisions for the creation of a Market Observatory, with centralised and comprehensive information on the markets which aims to improve the overall functioning of the market across the EU.
5. The reform of the CFP and the CMO provide a much anticipated opportunity to radically overhaul the way EU fisheries are managed and overcome the structural failings that have not delivered healthy fish stocks or put the fishing industry on an economic and environmentally sustainable basis.

6. The UK is committed to genuine and fundamental reform to achieve healthy fish stocks, a prosperous fishing industry and a healthy marine environment. As part of this commitment and to deliver our aims for reform, Defra launched a consultation on questions relating to proposals for the CFP and the CMO regulations. The aim of this consultation was to seek views from the UK public on the package of proposals and the questions were based on the key areas noted above (see Annex A). The consultation was launched on 10 August 2011 and ran for 12 weeks. A summary of responses is outlined below, along with the Government's response. These views will help inform the UK's negotiating position in the coming months.

Overview of responses

7. There were 39 responses to the consultation from across a range of sectors, including Non-Governmental Organisations (NGOs), Inshore Fisheries and Conservation Authorities (IFCAs), the fishing industry, recreational fishing organisations, Producer Organisations (POs), the retail sector, academic institutions, a Port Authority, a Local Authority and an individual (see Annex B for a list of respondents and Figure 1 for a breakdown by sector).
8. Respondents were generally positive on Commission proposals to reform the CFP and CMO and welcomed their ambition to deliver a reform package aimed at creating sustainable fisheries, thriving coastal communities, profitable industries and greater food security for EU citizens. In particular, respondents welcomed the shift towards a more regionalised CFP, working towards sustainable targets such as MSY and the elimination of discards. However, there was some scepticism on how these targets might be reached and what the impact would be on UK industry should discards be banned. While there was some support for proposals to introduce TFCs to create a more economically rational industry, concerns were expressed on the mandatory and prescriptive nature of the proposals and the implications this might have on the existing system of quota allocation currently used by the UK.
9. On CMO, respondents were also positive about Commission proposals with the majority of respondents supporting proposals, suggesting enhanced quota management and marketing responsibilities for POs. While there was support for proposals on labelling requirements, some respondents had mixed opinions on the burden this would place on industry and felt there were conflicts between CMO proposals with other, similar legislation on labelling requirements through the CFP Control Regulations and the Food Information Regulations. Finally, the majority of respondents were satisfied that the intervention mechanisms in the current regulation were to be retained, however they felt there should be sufficient flexibility to enable Member States to utilise them as they see necessary.

Figure 1: Breakdown of respondents across sectors



Summary of Responses to questions on proposals for CFP

Q. 1. Are the aims of the CFP set out clearly and appropriately in these proposals, with the right balance between environmental, social and economic objectives?

10. 29 responses were received on the question regarding the aims of CFP reform and whether these aims are set out clearly and achieve the right balance between environmental, social and economic objectives. Of the 29 responses received, 10 were from NGOs, 5 were from IFCAs, 6 were from fishing associations (including recreational and commercial), 2 were from the retail sector, 2 were from POs, and 1 each was received from an academic institute, Local Authority, individual and an NDPB.

11. Most respondents support the Commission's aims for reform of the CFP and felt the right balance was struck between achieving environmental, social and economic objectives to deliver sustainable fisheries and a healthy marine ecosystem. In particular, NGOs strongly supported the need for a reformed CFP but felt proposals do not go far enough to achieve the social and environmental objectives required to achieve ecological sustainability and thriving coastal communities. Further, they felt that the environmental objectives should take primacy over social and economic aims to ensure sustainability of the marine environment is secured.

12. The fishing industry welcomed the long overdue reform of the CFP. However, some recreational organisations felt proposals could go further to ensure environmental objectives

are achieved. In particular, they felt enforcement could be strengthened so that the Commission and Member States are better able to achieve their aims. IFCAs also supported the Commission's objectives but questioned whether its aim to achieve MSY by 2015 was realistic.

13. Academic institutions were less convinced that the Commission's aims were set at the right level and felt that greater clarity was needed to understand the relative balance between the environmental, social and economic elements of the Commission's aims. More specifically, they thought the biological and economic objectives were largely addressed through proposals for MSY and TFCs but were less clear on how the Commission planned to deliver on its social objectives, highlighting risks to the social sustainability of small scale fisheries and fishing dependent communities.

Q. 2. What are your views on the proposed content of multi-annual plans and the process to deliver management measures under these plans?

14. 23 responses were received on the question regarding the content of multi-annual plans and the process to deliver measures under these plans. Of the 23 responses, 8 were from NGOs, 4 were from IFCAs, 5 were from fishing associations, 2 were from the retail sector, and one response each was received from an academic institute, individual, PO and an NDPB.
15. All of the respondents welcomed proposals for multi-annual plans and viewed them as a positive driver to achieve sustainable fish stocks. However, while the NGO sector supported them in principle, they felt Commission proposals lacked important detail in how they would be developed and implemented and that this would need to be clarified before a new CFP was introduced.
16. The IFCAs also welcomed proposals for multi-annual plans but noted the level of challenge in delivering them and, like the NGOs, felt further clarification on their detail, such as ownership and a timeline for implementation, was required. They also stressed the importance of good science and data to make the plans work.
17. The recreational fishing organisations thought multi-annual plans were a positive step in the right direction but noted the importance of aligning them to scientific data and that this will be a key consideration to successful implementation. More generally, the fishing industry felt the introduction of multi-annual plans will help eliminate short term interests but that industry involvement will be essential for their effective development and implementation.
18. An academic institute supported multi-annual plans as a mechanism for achieving sustainable fish stocks but stated it would require a determined effort from both a scientific and political level to ensure they are implemented effectively and adhered to by all groups concerned. They emphasised the importance of Member States working together at a regional level to carry out decision making and implementation of MAPs. However, issues around the science and

implementation of current management plans would need to be addressed so as not to undermine the effectiveness of MAPs in future planning and decision making.

19. The retail sector supported the principle of developing multi-annual plans and welcomed the long term nature of the proposals which should help rebuild and maintain fish stocks to sustainable levels. However, they stressed the importance of keeping the marketing chain involved in the development of the plans to ensure fishermen's activity is aligned with the needs of the market. Like the NGOs and IFCAs, they also raised some concerns over lack of detail, such as how regions are defined, how MSY will be achieved in multispecies fisheries and how the Commission intends to achieve a reduction in fishing effort through the implementation of these plans.

20. Further views on multi-annual plans are noted under question 4 on regionalisation.

Q. 3. Have the proposals got it right on ending fish discards? If not, what changes would you suggest?

- 21.** 30 responses were received on the issue of discards. Of the 30 responses, 10 were from NGOs, 7 were from IFCAs, 6 were from fishing associations (both recreational and commercial), 2 were from Producer Organisations, and 1 each from an individual, an academic institute, a local authority, an NDPB, and the retail sector.
- 22.** The majority of respondents supported the need to end or significantly reduce the level of discarding that is currently taking place. However a significant majority of the respondents felt that proposals on discards were either not the right approach or believed that changes were required to the regulation before this proposal could work.
- 23.** Some respondents, including IFCAs and NGOs felt that landing all catches was not the right solution to ending or significantly reducing discards and is not necessarily the best solution for all species and does not necessarily meet conservation goals. Instead respondents, particularly IFCAs, NGOs several POs, a retail organisation and a recreational fishing organisation suggested the use of technical measures as the best solution to reduce discards. Many stated that by reducing the percentage of unwanted catch through the use of technical measures the volume of discards would be significantly reduced in the first place. It was also felt that technical measures would lead to fleets implementing more sustainable practices, whilst landing all catches could hinder this.
- 24.** One PO stated that landing all catch would kill large numbers of unwanted fish that would have survived discarding, making the landing process wasteful. Several NGOs and one PO raised the need for more information to be available on survival rates, particularly for species which were believed to have a high likelihood of survival. Some NGOs also stated that the proposals do not go far enough to cover concerns over non-commercial species. However, one PO noted if there is no use for a particular species and no market, then there is little point landing that species for it simply to end up in a landfill site.

25. One NGO and an academic institution expressed concern about the process of phasing in the implementation according to species and not fisheries. Overall respondents seemed to favour a fishery-by-fishery approach, taking into account all the drivers for discarding in a mixed fishery scenario.
26. There were some concerns that an obligation to land all catches might lead to the creation of markets for undersized or over-quota fish. Several NGOs stressed the importance of ensuring that perverse incentives are not created which lead fishers to target undersized/over quota fish.
27. There was concern from IFCAs about the impact that a discard ban might have on the inshore fisheries sector and small ports. It was felt that the small scale fleet will be particularly affected as they will be the most limited by financial and practical constraints. This would place additional burdens on the small scale fleet which could further threaten the viability of this sector. Further, small ports may not necessarily be able to handle the landing of all fish caught into their ports.

Q. 4. Do the proposals give sufficient flexibility to manage fisheries on a regional basis, with an appropriate voice for stakeholders? If not, what changes might be necessary?

28. 24 responses were received on the question regarding regionalisation and whether proposals provide an appropriate voice for stakeholders. Of these 24 responses, 7 were from NGOs, 7 were from IFCAs, 5 were from fishing associations (both recreational and commercial) and one response each was received from an individual, an academic institute, a local authority, an NDPB and the retail sector.
29. The vast majority of respondents supported the need for regionalisation and a shift towards de-centralisation. However whilst agreeing with the aims of the proposals, many respondents believed that the current proposals would not be sufficient to meet the Commission's goals and further work was therefore required to improve these proposals.
30. Many respondents, especially the NGOs, felt there is not enough detail in Commission proposals to know whether what is being proposed is realistic and whether it will achieve the high level aims set out by the Commission. In particular, the NGO sector felt there could be greater detail provided on targets and timetables for multi-annual plans as well as the frameworks for technical measures and national measures. They felt that proposals should also set out the relevant powers, duties and obligations of Member States. They wanted greater clarity on the fish stocks that will be covered by plans and how those not covered by plans should be managed. The need for transparency and accountability mechanisms was highlighted as an important consideration so that challenges over failure could be easily addressed. Finally, it was thought that guidance will be a key consideration so Member States have much needed clarity over how regionalisation will operate.

31. There was general agreement that the key to the success of a regionalised approach is the full engagement of stakeholders at local, regional, national and international levels. One individual noted that a bottom-up approach should be adopted to ensure stakeholder engagement and commitment was achieved while a fishing industry respondent suggested that proper consideration be given as to how to successfully engage the industry where fishermen are often on boats for long periods. More generally, all respondents stressed the importance of stakeholder involvement and buy-in across all sectors to achieve the aims of a more regionalised CFP. One academic institute questioning what entry point proposals offered for greater stakeholder involvement, other than through the Advisory Councils (ACs).
32. Despite it being suggested that RACs or future equivalents will be essential for providing a platform for discussion between stakeholder groups and managing bodies, many respondents felt the proposals do not provide measures for strengthening or enhancing RACs. It was suggested by a retail organisation that there is a need for clear responsibilities and mandates to be laid out for RACs, with a balanced membership.
33. Whilst being supportive of regionalisation a number of respondents raised concerns over the potential impacts poorly managed regionalisation might have on small-scale and inshore coastal fisheries. The suggestion made by IFCAs was that inshore fish stocks should be managed within a small unit area rather than be merged into larger management areas that might lead to inappropriate measures being applied to localised inshore fisheries. It was further raised by several fishing industry respondents and POs that there is a need for stronger representation of the inshore commercial sector within Fish Producers Organisations (FPOs) and fishing associations.
34. In tandem there were also concerns raised by a recreational fishing organisation that the proposals might hand over more influence to the producer and large scale fishermen's organisations. A contrasting view was also put across by the retail sector that any regionalised decision making arrangement must involve the whole marketing chain, including the processing and trading sector.
35. A large number of respondents raised the importance of multi-annual plans in delivering successful regional management. However it was felt by some respondents, particularly NGOs, that at present there is a need for a much more explicit commitment to multi-annual plans, forming the central mechanism for delivery, and including details on how this will all be achieved i.e. who will draft plans and how will they be delivered on the ground. It was also suggested by this sector that for multi-annual plans to successfully deliver regionalisation there needs to be a shift in fisheries management with individual multi-annual plans the responsibility of regional decision making and the high level principles, objectives, standards and targets set out by the Commission. It was further suggested that Member States working in cooperation with RACs at the regional sea basin level should prepare multi-annual plans to deliver genuine regional management.
36. Finally, one fishing industry respondent suggested the expansion of the use of delegated authority through which blocks of responsibility could be transferred to fishing industry organisations, such as producer organisations. This proposal included a system of approvals

and audits to reverse the burden of proof in fisheries. Concerns over this type of approach were raised by other respondents, including some NGOs.

Q. 5. What are your views on the proposal to introduce “transferable fishing concessions” for vessels over 12m and those which used towed gear? Are the provisions for Member States to decide on allocations and set safeguards on trading appropriate/sufficient?

- 37.** A total of 28 responses were received on proposals for transferable fishing concessions (TFCs) for CFP reform. Of the 28 responses received, 8 were from NGOs, 5 were from fishing associations (both recreational and commercial), 2 were from the retail sector, 5 were from IFCAs and there was one response each from an NDPB, 1 was from a PO, and an individual.
- 38.** Most respondents supported a move to a more economically rational system to manage quota rights. However, concerns about the mandatory and prescriptive nature of TFCs was highlighted, particularly NGOs, who preferred to leave this to the discretion of Member States.
- 39.** Respondents felt the Commission proposals for TFCs would lead to the monopolisation of rights by large scale interests resulting in the detriment of smaller, lower impact fishing fleets. In particular, some NGOs emphasised the need to design a system that supports less destructive and more selective fishing practices where fishermen are rewarded for legal compliance with the rules and for minimising their impact on the marine environment.
- 40.** Most respondents stressed the need for a system of safeguards to prevent problems of structural and geographical overconcentration of fishing opportunities and the decimation of the small scale fishing sector. This could include the introduction of safety valves, such as limits or caps, on quota ownership to avoid accumulation of rights and the creation of monopolies. The academic institutions felt it was important that ownership of such rights remained in the hands of active fishermen rather than banks, trading companies, agents or ‘slipper skippers’. IFCAs also supported this view.
- 41.** One NGO questioned the lawfulness of TFCs on the basis that the EU is prohibited from intervening in Member State systems of property ownership according to the Treaty on the Functioning of the European Union (TFEU). This perspective considers TFCs as property rights – and therefore the responsibility of Member States – based on their exclusive and transferable nature. The same NGO further supported that TFCs are contrary to the EU principle of subsidiarity (because the scale of such a system can be achieved at a national or regional level) and are contrary to the principle of proportionality (because TFCs exceed what is necessary to achieve the objectives of the Treaty in relation to fisheries).
- 42.** IFCAs welcomed the exemption of vessels under 12 m without towed gear and further recommended that all vessels under 12 m be exempted from proposals for TFCs, not just those with towed gear. This was supported by one respondent from the retail sector that felt the inclusion of the under 12 m vessels with towed gear in the TFC system will contribute to the demise of this sector and will prevent the industry from attracting new entrants. One

respondent from the retail sector welcomed the exemption of the under 12 m vessels with passive gear but felt this should be a mandatory provision to ensure a level playing field across competing markets.

43. Concerns were raised by IFCAs, one PO and the retail sector about the leasing of fishing opportunities outside UK waters. However, most respondents were somewhat reassured by provisions to enable Member States to restrict transfers at a national level. One PO could not see the benefit of TFCs unless they are applied to all boats catching quota and were supported by free trades. They felt that this would create a level playing field to enable fishing opportunities to be matched to capacity which could help to achieve a reduction in discards.
44. One of the fishing industry respondents made the point that the UK is already employing a system of rights-based management. As such, the introduction of TFCs at the EU level risks undermining the current UK system which they believe functions reasonably well at present in delivering a flexible and functioning rights-based system. This was echoed by other sectors including NGOs, IFCAs, and POs. Further, these organisations felt that Commission proposals are at odds with proposals for decentralisation and will undermine the current flexibility provided by the system to introduce tailored quota management arrangements within individual Member States.
45. Several recreational fishing organisations expressed concern that the proposals will give commercial fishermen increased controls over the management of fish stocks and were worried about the creation of a tradable asset that could be controlled by those with no direct engagement in fishing. This concern was also supported by the academic institutes.
46. The retail sector viewed TFCs as an effective market mechanism to reduce fishing capacity and would also serve to encourage fishermen to take ownership of the resource and promote more rational and efficient exploitation. They noted that in such a system, the more constraints placed on the operation of the market, the less potential there is for economic rationalisation of the fleet. This was further supported by an NDPB that fully supported the Commission's proposals for TFCs and viewed them as a powerful way to provide clear and strong incentives to protect the resource and deliver long-term, sustainable benefits to right holders and the wider community and economy.
47. Several POs voiced their concern about the impact of TFCs on the management of national quota shares and stressed the importance of safeguards to limit the migration of the smaller, inshore sector to the larger, off-shore sector.
48. Concern was raised by one academic institution that the introduction of TFCs signalled the encroachment by the Commission on an area traditionally governed by national administrations and, as mentioned by many other respondents, it was felt that Member States should be free to design their own TFC systems based on the needs of their own national and regional fishing industries.
49. Finally, respondents felt that TFCs should not be relied upon as a single tool to reduce capacity and that there should be a range of tools available to Member States and the

Commission to help align capacity to fishing opportunities. One NGO made the point that TFCs must be considered within the framework of proposals for multi-annual plans.

Q. 6. Are the proposals to help develop the aquaculture industry necessary and the steps suggested helpful?

- 50.** 23 respondents answered the question regarding development of the aquaculture industry. Of the 23 who responded, 6 were from NGOs, 5 were from IFCAs, 5 were from fishing associations (both recreational and commercial), 2 were from the retail sector and there was one response each from an NDPB, an individual, an academic institute, a Local Authority and a Port Authority.
- 51.** There was a clear divide between those in favour of measures to develop aquaculture and those opposed to it. There was also a strong split between those that favoured the CFP proposals and those that either did not support proposals on aquaculture or felt that important details were missing from the proposals.
- 52.** Many NGOs commented that the Commission's proposals for aquaculture fail to deliver an ecosystem approach or include environmental sustainability as a priority for development. Many respondents, including NGOs, the retail sector and POs suggested that the proposals should make specific reference to "sustainable" aquaculture and give stronger guidance on how National Aquaculture Plans should link aquaculture to environmental sustainability and principles of sustainable development.
- 53.** More specifically, one NGO noted that proposals did not adequately recognise some of the environmental impacts that could result from aquaculture. For example, the issue of pesticide use was raised where chemicals polluting the surrounding ecosystem create conditions for parasites to breed and infest farmed stock and contaminate wild stock. Concerns were also raised by one recreational fishing organisation about the potential threat that fish farms pose to the genetic diversity of wild stocks as a result of captive fish escaping. It was thought that unsustainable aquaculture of this kind, particularly where wild stocks are threatened, should not be allowed despite any economic and/or cultural contribution it may make.
- 54.** While some respondents questioned the Commission's proposals for aquaculture others, particularly the retail sector, openly welcomed proposals recognising the development of this sector as a way to increase fish supply and employment opportunities in coastal communities.
- 55.** Some IFCAs tempered their support for proposals by stating that they are supportive as long as proposals are not to the detriment of the marine environment and are sympathetic to activities of other stakeholders. Other respondents suggested that proposals should only act as a driver for development and promotion of environmentally responsible and sustainable aquaculture, and that lessons should be learned from the past.
- 56.** While there was support for and against the Commission's proposals for aquaculture, most respondents agreed that further analysis of its impacts and sustainability should be carried

out, including development of funding for responsible and sustainable farm practices as well as funding for the development of credible certification schemes.

- 57.** There were several NGOs that felt a dedicated Advisory Council for aquaculture would be a positive move and create a balanced and representative stakeholder platform from which to voice opinions. However, this was contrasted by views of a recreational fishing organisation that felt that the aquaculture industry is already well represented by the Advisory Council for Fisheries and Aquaculture (ACFA) and does not require further representation on a new advisory council for aquaculture.

Q.7. Do these proposals go far enough to ensure the sustainability of EU fishing activity in external, non-EU waters? If not, what other measures are necessary?

- 58.** 11 organisations provided a response on the question regarding whether proposals go far enough to ensure sustainability in non-EU waters. Of these 11 responses, 6 were from NGOs, 2 were from IFCAs, 2 were from fishing associations (both recreational and commercial) and 1 was from the retail sector.
- 59.** Overall there was a favourable response to these proposals with a majority of respondents welcoming the strong commitments from the Commission stating that they were ambitious and engaged with the principles of sustainability as well as the ecosystem approach. One NGO countered this by stating that proposals failed to deliver a holistic ecosystem approach in its own waters or for community vessels fishing in external waters.
- 60.** Although there was strong support for the proposals, this was tempered by statements from an NGO and IFCAs that it will be difficult to see whether these proposals will be successful until more information on legislation for local and national levels is provided. One NGO noted the need for detailed and legally binding mechanisms to “operationalise” the strong commitments made in the proposals. Several NGOs and one recreational fishing organisation raised the importance of developing and using scientific knowledge with those countries with which the EU has Fisheries Partnership Agreements (FPAs) with. These must be compatible with CFP and other EU and development policies with public scrutiny on agreements to ensure accountability. Another NGO further noted that proposals provide scope for the EU to strengthen its leadership role to promote good governance, administration and enforcement.
- 61.** Most respondents noted the responsibility for the EU to protect small scale fishing communities in those countries which the EU has partnerships with. Several respondents raised the point that the external dimension of the CFP must observe the same principles of management both within and outside EU waters and that equivalent management standards must apply to both the domestic and external fleet. It was further raised by an NGO that it was vitally important that EU fishing in non-EU waters must not damage the livelihoods of local populations. Related to this was the suggestion that there should be a standard human rights clause added to the regulation.

62. Issues over financial contributions were also raised with one PO noting that any surplus stock should be granted to the EU given it makes the largest financial contribution to countries it has fisheries agreements with. It was also recommended by one NGO that Article 42 be strengthened so that where aid is explicitly coupled to Sustainable Fisheries Agreements (SFAs), this should be aimed at improving third countries governance and management of their natural resources.
63. Several respondents, including an NGO, retail organisation and a recreational fishing organisation stated their desire to see the Union's commitment to strengthen and improve Regional Fisheries Management Organisations (RFMOs) through the Commission's proposals.
64. Other points of interest include the need for the EU fleet to reduce its fisheries footprint to accommodate an increasing fleet from developing countries, the need for producers to have continued access to the global supply chain and concerns that proposals to introduce provisions to prevent re-flagging will have harmful unintended consequences for business abiding by FPAs.

Summary of Responses on CMO Reform

Q.8. Do you think that quota management and marketing responsibilities for producer organisations should be brought out and strengthened in the legislation?

65. There were 17 responses relating to PO responsibilities. Of those that responded, 3 responses were from fishing associations (both recreational and commercial), 4 were from IFCAs, 3 were from POs, 3 were from NGOs, 2 were from the retail sector, 1 was from an individual and 1 was from an academic institute.
66. Most respondents would like to see formalised quota management responsibilities within the proposals and support enhanced marketing responsibilities for POs, however some reservations were expressed, specifically due to having insufficient information regarding how POs would be expected to perform. Respondents expressed their support for strengthening responsibilities to ensure that there was no abuse of the system and to encourage more sustainable use of fisheries and aquaculture products throughout Europe.
67. Several POs commented that they did not see a reason for the quota management aspects to be incorporated formally into the proposals and that it should remain the responsibilities of individual Member States to decree what organisation/individual is sufficiently qualified to undertake these responsibilities on behalf of the Member State. Those POs specifically interested in aquaculture products said that quota management is not an activity relevant for this area of the industry, and therefore did not wish to comment.

68. NGOs saw the strengthening of marketing responsibilities for POs as a mechanism to ensure that the best use of fisheries and aquaculture products were taking place, so meeting the sustainability objectives set out in the wider CFP to eliminate discards where possible. They also commented that POs could do a lot to ensure that only sustainable products were presented to consumers and promoting greater stewardship of the marine environment.
69. The response from the academic institute said that the increased emphasis placed on POs through the proposals in the field of integrated production and marketing planning could prove an effective means of increasing stakeholder involvement, improving regularity of supplies, enhancing the added value of the catch and ultimately maximising the social utility of fishery resources. They also felt that for some considerable time POs have been an undervalued and underutilised resource for the effective delivery of CFP and CMO objectives and stated that POs in the UK have already undergone a major transformation in their functions. For example, they have become increasingly involved in the quota management system and, in a more or less nominal way, the planning of their members' fishing activities – to the detriment of their original function in respect of marketing. They therefore support the proposals to increase POs responsibilities in this area.
70. IFCAs welcomed greater transparency in the way the POs operate, and the necessity of ensuring that public resources, such as quota, were managed in a sensible, transparent and sustainable manner. They also noted that they would want to see more details on the changes before making any extensive comments but that if the role of POs were to change under the proposals, that infrastructure and support mechanisms to enable them to take on those new responsibilities must also be in place.

Q.9. Are the proposals consistent with current, wider consumer information and labelling requirements? (If not, how should they be made consistent or will they place additional burdens on the industry).

Q.10. Should additional voluntary information be included in the proposals?

71. A total of 18 responses were received regarding labelling requirements under the proposals for CMO reform. Of the 18 responses received, 6 were from NGOs, 3 were from fishing associations (both recreational and commercial), 3 were from the retail sector, 3 were from IFCAs, 1 was from a NDPB, 1 was from a PO, and 1 was from an individual.
72. Of the NGOs that responded, the main issues that they raised was that in addition to the information being clear and accurate and easily available, it should also be used to inform consumers as to the sustainability of the product being sold. They stated that current labelling requirements on sustainability of catches is not sufficient, and they would welcome changes that would increase the information available to consumers with regards to whether the product comes from a sustainable source. They would also like to see mandatory and voluntary labelling requirements harmonised with other relevant legislation under the CFP and Food Information Regulations so that specific terms have the same meaning across products

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and businesses. This will help minimise the level of confusion for consumers. This comment was echoed by responses from the retail sector and the NDPB.

- 73.** Concern was expressed by the retail sector, namely regarding the conflicting elements of the CMO proposals compared with similar legislation set out in the CFP Control Regulations and the Food Information Regulations (FIR) - both of which cover labelling requirements for fisheries and aquaculture products. They felt that enhanced levels of consumer information over and above those required under the CFP Control Regulations and FIR provides no additional value to the customer, and contrary, is likely to cause greater confusion. This sector also felt that the requirement to have the scientific name added to labelling information is not beneficial to the customer, as it is information that is not widely known, and there are already requirements to have the common name for the species listed on the label- which would provide sufficient information to the consumer to be able to make an informed choice. They make the point that they are not opposed to providing more information regarding sustainability and origin of products, however they stated that any changes to labelling must be proportionate and contribute to genuine consumer choice.
- 74.** Fishing associations welcomed steps aimed at delivering clearer and more accurate information to the consumer. However, they voiced concern that plans may have a negative impact on industry with regards to providing information, and that cost are likely to be burdensome. This was also echoed by the retail sector, who suggested that the costs for implementing new labelling machines for some business would be prohibitive. Some respondents claimed that labelling requirements are likely to be self regulating, as it will be increasingly expected by consumers that sustainability information will be provided on labels and that they will only purchase products deemed to be from a sustainable source.
- 75.** The IFCAs welcomed change, as information is likely to be an effective marketing tool for fishermen and fish traders, encouraging higher prices for sustainably caught stocks. They also stated that where possible, the requirements for labelling should be voluntary, rather than mandatory, as voluntary measures are more likely to succeed and will therefore reduce the regulatory burden of enforcing the regulations.

Q. 11. Do you think that intervention mechanisms should continue to be part of the new marketing regulation? (If so what form should this be in e.g. temporary or permanent)?

- 76.** There were 8 responses received in relation to proposals for intervention mechanisms to be streamlined and simplified. Of the 8 responses received, 3 were from fishing associations (both recreational and commercial), 2 were from IFCAs, 1 was from the retail sector, 1 was from an academic institute and 1 was from an individual.
- 77.** Overall the views received expressed an inevitability that intervention would exist within the new regulations in one form or another. The IFCAs suggested that more information was required before they would be able to offer an opinion as to whether or not intervention mechanisms should be retained in the new CMO regulations. The majority of respondents

suggested that if intervention mechanisms were to be retained that there should provide sufficient flexibility in the measures to enable each Member State to be able to utilise them as they deem necessary.

- 78.** The response from the academic institute made the point that all forms of subsidy, such as the intervention mechanism proposed in these regulations, will contribute directly or indirectly to overproduction, and therefore should be phased out. They suggest that the proposed intervention mechanism should be a temporary transitional measure to mitigate the necessity of landing entire catches (as part of the discard reduction proposal set out in the Common Fisheries Policy), and should be phased out once industry adjusts to those changes. This was also the view of the respondent from the retail sector.

Other Comments

- 79.** One respondent commented on the proposal to establish a European Market Observatory from a fishing association. They appreciated the desire to establish a better understanding of the market and to gather better market intelligence. However, they were concerned that for this to be done successfully at an EU level, it is likely to create an unnecessarily heavy burden. They noted that data collection might be more efficiently handled at a Member State level, with an inbuilt reporting requirement for Member States to the Commission, rather than having it set out in CMO regulations. They expressed concerns at the expectations being placed upon producers, processors and Member States to provide data required, and that the costs would lie with producers.

Q. 12. Will these proposals place additional burdens and costs on stakeholders? If so can you provide an estimate of what those additional costs could be?

- 80.** There were 15 responses received in relation to additional burdens and costs being placed onto stakeholders. Out of the 15 responses, 4 were from NGOs, 5 were from IFCAs, 2 were from fishing associations (both recreational and commercial), and there was 1 response each from an individual, an Academic Institute, the retail sector, and a Producer Organisation.
- 81.** All respondents felt Commission proposals would place additional financial burdens on stakeholders. However, respondents found it difficult to quantify the impact of these burdens at this stage. They felt an accurate estimate of financial burdens is required with careful consideration placed on the balance between the environmental, social and economic elements of proposals.
- 82.** Most respondents felt that any additional financial burdens placed on stakeholders, particularly industry, must be supported by adequate funding so that stakeholders are able to deliver on their new commitments. This will be essential to achieve conservation of marine biological resources and healthy marine ecosystems to subsequently deliver sustainable livelihoods for fishing industries and their communities.

- 83.** IFCAs noted that any costs being placed on stakeholders should be considered against the current economic climate while the fishing industry were concerned with who is going to pay for the additional costs and the additional burden that this will place on industry. POs voiced their concern about the financial implication of achieving MSY for all stocks by 2015, ending discards and introducing TFCs.
- 84.** The response from the retail sector touched upon the impact on business and the supply of seafood to consumers at competitive prices. It was generally noted that any increase in the financial burden on fishermen may impact on their incomes, leading to problems in the market. However, regardless of the financial burden introduced by reform proposals, the retail sector felt that the CFP must ensure there are mechanisms to meet consumer demands and ensure a continued supply of products.

Other comments

- 85.** One respondent raised the question whether the additional costs are short term and eventually outweighed by increased economic benefits or whether they represent a permanent burden on the industry for little or no return. They suggested the Commission is seeking to rebalance the responsibilities of managing fisheries and spread some of the costs across industry.

Government view on CFP proposals and consultation responses

- 86.** The Government welcomes the views of respondents to the consultation and values the input made by the UK public. On CFP reform, the UK has supported the Commission's ambition for radical reform and its general aim to deliver sustainability of fisheries and a healthy marine environment (question 1). We are pleased that respondents share this level of ambition and that they welcome the Commission's ambitious package for reform. However, respondents felt the proposals could be strengthened in a number of areas and the UK agrees that there is more we can do to set the policy right to deliver sustainable fisheries, a profitable industry and thriving coastal communities. The Government believes proposals can be strengthened under the following areas.

Regionalisation and multi-annual plans

- 87.** We welcome the broad support provided by respondents on proposals for a more decentralised CFP and agree that the current framework for fisheries management is over-centralised and bureaucratic (question 4). The UK is seeking genuine decentralisation and simplification of decision-making where Member States are able to work together regionally to develop management plans, and implement measures which are appropriate to their fisheries. This can be achieved within the constraints of existing treaties, involving those closest to the fishery, without creating another layer of unnecessary management. However, as noted by some of the respondents, there are concerns about increased conferral of powers to adopt delegated acts to the Commission. The UK supports this view and would like to see more

detail from the Commission on the assessment and criteria which will be used to further empower the Commission to intervene.

- 88.** As part of a decentralised CFP there must be robust, science-based multi-annual plans (MAPs) confined to high-level principles but developed and implemented at a regional level so that those involved in a fishery can work together to agree tailored and appropriate fisheries management measures. We are pleased to see respondents provided general support for these plans and that the relative framework for the plans is broadly aligned to the UK's view (question 2). Respondents recognised the importance of MAPs in terms of providing an effective tool for the management of fisheries and the UK government supports this view. We would additionally like to see these plans being underpinned by the technical decisions we make under a reformed CFP.

Discards

- 89.** The UK welcomes the ambition of the Commission's approach on ending discards but would prefer greater discretion on the most appropriate way to reduce discards. This position was echoed by many respondents to the consultation who thought the prescriptive nature of the proposals left little flexibility to deliver appropriate and tailored management measures to reduce discards (question 3). The UK will press for proposals on discards to provide the incentives and regulatory framework to drive the necessary changes in fishing activity and behaviour on a fishery by fishery basis to end discards. In some cases this will mean introducing a fully implemented and enforceable discard ban but in other cases it will not. While we must be ambitious in our aims, it is crucial that the right measures are implemented. Flexibility within the new framework will be key to introducing a range of tailored measures, other than a ban, that are genuinely effective, enforceable and affordable. This means working with industry to introduce appropriate measures, including expansion of the 'catch quota' approach, improvements in gear selectivity, and other technical/spatial measures, rather than a simple obligation to land all catches.

Transferable Fishing Concessions

- 90.** We support the Commission's ambition to secure a more rational and economically efficient fleet, so that fishermen are able to plan for the long term, and benefit from improving stocks. However, this should not mean imposing the same system on all, as set out in the Commission's proposals. This means that while we accept that measures to define and limit catch levels are a basic part of fisheries management, and the conservation of stocks at an EU level, there are important areas in which the CFP should not impose detailed rules on Member States, nor encroach on Member States' competence to manage their own fleets and fishing rights. Some respondents were clearly for or against TFCs while others' opposed the mandatory and prescriptive nature of TFCs but did not object to the principle of a more rational and economic system (question 5). The latter view is closely aligned to the UK's position.

Aquaculture

- 91.** The UK supports the development of the aquaculture sector but is sceptical that increased regulation or intervention under the CFP can add value to its management. This reflects broadly the general views of the majority of respondents but some clearly supported its

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management through the CFP (question 6). The UK position is that aquaculture is, and should remain, to a large extent within the remit of national competence.

External Policy

- 92.** The UK supports the Commission's proposal that the same principles of sustainable use of marine resources should be applied outside EU waters as within and is pleased to see the UK public is closely aligned to this view (question 7). Additionally, the UK supports that the new CFP must achieve coherence between EU fisheries and development policies, and transparency in dealings with developing countries. We believe that proposals for Sustainable Fisheries Agreements (SFAs) should be strengthened to ensure better integration and co-operation on fisheries development projects with greater consideration of human rights in the negotiation of SFAs and greater transparency and governance of agreements. We will press for the Union to take a more active role to develop greater partnership working with international organisations and third countries to ensure enforcement and control of fishing limits are strictly observed and we will want to see a timeline to reduce subsidies given to EU fleets fishing outside of EU waters with the aim to eliminate these subsidies over time.

Government view on CMO proposals and consultation response

PO responsibilities

- 93.** The Government supports the current direction of proposals on POs' responsibilities in terms of making POs more transparent and accountable in their operation and making it clearer what their functions are. This reflects the general view from respondents who gave broad support to these proposals (question 8). However, the UK has concerns about several aspects of the proposals, including no clearly defined provisions on strengthening / ensuring marketing operations for POs on behalf of their members. We would also not be averse to seeing the specific inclusion of 'quota management' as an option for PO objectives to take into account how POs within the UK currently function, and to formalise these responsibilities in the legislation. With regard to PO recognition criteria and how POs will meet their proposed objectives, we need more clarity from the Commission that these will be covered in the implementing legislation or any new PO legislation. In particular, we feel that the monitoring and enforcement requirements of Member State authorities, and the actions they will take if POs are failing to meet their obligations, need to be strengthened (i.e. annual checks by Member States).

Labelling and consumer information

- 94.** While there was some support for these proposals, the Government has expressed concern to the Commission over the level of mandatory and voluntary information required in the CMO proposals, when it is already covered in both the CFP Control Regulation and also the newly adopted Food Information Regulations. This concern was echoed by several respondents (question 9 & 10). There have been a number of discrepancies in relation to defrosting and exemptions between CMO proposals and the Control Regulation which we would like to see

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addressed by the Commission in the new iteration of the regulations. The Government also needs to confirm with the Commission that, if the Consumer Information provisions are to be retained in the CMO regulations that they align with both the Control and Food Information Regulations to prevent instances of confusion and also where there are conflicting requirements under the different pieces of legislation. While respondents did generally support proposals, the Government believes that labelling requirements currently set out in the CMO regulations could be removed entirely as these elements are covered in the other two pieces of legislation, thus reducing the regulatory burden on the industry and simplifying requirements.

Intervention mechanisms

95. Currently the provisions for intervention are not widely used by UK POs, and the Government does not see the need to retain any intervention measures in the new CMO regulations. The general view by respondents was that it is inevitable to have some form of intervention in the regulation (question 11). However, the UK views subsidising the industry for supplying products that the market does not want as counterproductive. With the Commission's proposals on eliminating discards under CFP Reform, retaining any form of intervention / withdrawal mechanism (and prices triggering PSA) does not align. The Government feels that we should press the Commission for the complete removal of all intervention mechanisms along these lines, thus bringing the market more in line with supply and demand pressures for fisheries and aquaculture products.

Next Steps

- 96.** Discussions on the detail of the proposals commenced in Council and European Parliament in September 2011 and are expected to continue throughout 2012, and potentially into 2013. The European Parliament and Council are expected to table their first formal response in summer 2012. The proposals are expected to enter into force during 2013. This timetable will be alongside proposals for the European and Maritime Fisheries Fund (EMFF).
- 97.** We will continue to work with the Commission, other Member States, the European Parliament, and others with an interest in fisheries and the marine environment during this process to secure a reform package that improves upon these proposals and is in line with the UK position

Annex A – Questions asked in the consultation on CFP and CMO reform

Q1: Are the aims of the CFP set out clearly and appropriately in these proposals, with the right balance between environmental, social and economic objectives?

Q2: What are your views on the proposed content of multi-annual plans and the process to deliver management measures under these plans?

Q3: Have the proposals got it right on ending fish discards? If not, what changes would you suggest?

Q4: Do the Proposals give sufficient flexibility to manage fisheries on a regional basis, with an appropriate voice for stakeholders? If not, what changes might be necessary?

Q5: What are your views on the proposal to introduce “transferable fishing concessions” for vessels over 12m and those which used towed gear? Are the provisions for Member States to decide on allocations and set safeguards on trading appropriate/sufficient?

Q6: Are the Proposals to help develop the aquaculture industry necessary, and the steps suggested helpful?

Q7: Do these proposals go far enough to ensure the sustainability of EU fishing activity in external, non-EU waters? If not, what other measures are necessary?

Q8: Do you think that quota management and marketing responsibilities for producer organisations should be brought out and strengthened in the legislation?

Q9: Are the proposals consistent with current, wider consumer information and labelling requirements? (If not, how should they be made consistent or will they place additional burdens on the industry).

Q10: Should additional voluntary information be included in the proposals?

Q11: Do you think that intervention mechanisms should continue to be part of the new marketing regulation? (If so what form should this be in e.g. temporary or permanent)?

Q12: Will these proposals place additional burdens and costs on stakeholders? If so, can you provide an estimate of what these additional costs could be?

Annex B – List of organisations and individuals responding to the consultation

Organisation
Angling Trust
Associations of IFCA's
Bass Anglers Sporting Fish Society
British Trout Association
British Frozen Food Federation
British Retail Consortium
Brixham Sea Anglers Club
ClientEarth
Cornwall IFCA
Food and Drink Federation
GreenPeace
Isles of Scilly IFCA
Imperial College
Institute of Fisheries Management
Kent & Essex IFCA
Lerwick Port Authority
Marine Conservation Society
MARINET
Member of Public
National Federation of Fishermen's organisations
Newcastle University
North Eastern IFCA
North Tyneside Council
Northumberland IFCA
PEW Trust
Royal Society for the Protection of Birds
Seafish
Scottish Pelagic Fishermans Association
Scottish Salmon Producers organisation
Scottish Water
Sussex IFCA
South Devon and Channel Shellfishermen
South Western Fish Producer Organisation
The Wildlife Trust

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The Fishmongers Company
World Wildlife Fund
Whale and Dolphin Conservation Society
Wales & West Coast Fish Producers Organisation
Welsh Federation of Sea Anglers