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11 October 2001

## **REPORT**

on the Commission communication on fisheries and poverty reduction  
(COM(2000) 724 – C5-0071/2001 – 2001/2032(COS))

Committee on Development and Cooperation

Rapporteur: Paul A.A.J.G. Lannoye

Draftsman (\*) : Daniel Varela Suanzes-Carpegna, Committee on Fisheries

(\*) Hughes procedure



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## PROCEDURAL PAGE

By letter of 9 November 2000, the Commission forwarded to Parliament a communication on fisheries and poverty reduction (COM(2000) 724 – 2001/2032(COS)).

At the sitting of 28 February 2001 the President of Parliament announced that she had referred the communication to the Committee on Development and Cooperation as the committee responsible and the Committee on Fisheries for its opinion (C5-0071/2001).

At the sitting of 5 April 2001 the President of Parliament announced that the Committee on Fisheries, which had been asked for its opinion, would be involved in drawing up the report, under the Hughes procedure.

The Committee on Development and Cooperation had appointed Paul A.A.J.G. Lannoye rapporteur at its meeting of 5 February 2001.

The committee the Commission communication and the draft report at its meeting of 13 September 2001.

At its meeting of 10 October 2001, it adopted the motion for a resolution unanimously.

The following were present for the vote: Joaquim Miranda; chairman Margrietus J. van den Berg and Fernando Fernández Martín, vice-chairmen; Paul A.A.J.G. Lannoye, rapporteur; Teresa Almeida Garrett (for Vitaliano Gemelli), Nirj Deva, Concepció Ferrer (for Giuseppe Brienza), Glenys Kinnock, Wolfgang Kreissl-Dörfler, Hans Modrow, Didier Rod, Ulla Margrethe Sandbæk, Francisca Sauquillo Pérez del Arco, Bob van den Bos.

The opinion of the Committee on Fisheries is attached.

The report was tabled on 11 October 2001.

The deadline for tabling amendments will be indicated in the draft agenda for the relevant part-session.

## MOTION FOR A RESOLUTION

### European Parliament resolution on the Commission communication on fisheries and poverty reduction (COM(2000) 724 – C5-0071/2001 – 2001/2032(COS))

*The European Parliament,*

- having regard to the Commission communication (COM(2000) 724 – C5-0071/2001)<sup>1</sup>,
  - having regard to the undertaking in the EC Treaty (Title XX, Article 178) to take account of cooperation and development objectives (essentially, promoting sustainable development and reducing poverty) in the sectoral policies implemented by the EU which are likely to affect the developing countries,
  - having regard to its resolution of 17 February 2000<sup>2</sup> and the Development Council's resolution of 5 June 1997<sup>3</sup> on coherence between the sectoral policies of the European Union, particularly its common fisheries policy and development policy,
  - having regard to Rule 47(1) of its Rules of Procedure,
  - having regard to the report of the Committee on Development and Cooperation and the opinion of the Committee on Fisheries (A5-0334/2001),
- A. whereas the actual and potential contribution made by fisheries and the activities of coastal communities to food security and employment in the developing countries, including the important role played by women in processing and marketing in these communities, make this sector a major factor of sustainable development and poverty reduction in the developing countries,
- B. noting the depletion of fisheries resources in the developing countries' EEZs,
- C. wishing to encourage observance, in the context of fisheries relations between the EU and the developing countries, of the principles of the FAO's Code of Conduct for Responsible Fisheries, in particular:
- application of the precautionary principle in resource management,
  - giving priority to the needs of coastal communities that engage in small-scale fishing,
  - good governance of fisheries and active participation by those concerned,
  - the importance of cooperation at sub-regional, regional and global level in promoting resource conservation and management,

1. Calls for a precautionary approach to the management of fisheries resources in the

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<sup>1</sup> Not yet published in Official Journal

<sup>2</sup> OJ C 339 , 2.11.2000.

<sup>3</sup> 2012 Development Council - Press 329 No 8631/97.

developing countries' EEZs to be adopted in order to avoid dissipating the long-term development potential of local fisheries, particularly small-scale fisheries;

2. Takes the view that the wide variety of fisheries relations between the EU and the developing countries calls, in the interests of efficiency, coherence and good management (including that of European public funds), for the application of a frame of reference for the sustainable development of the developing countries' fisheries industry which is compatible with international undertakings, bearing in mind the particular needs of coastal communities which depend on fisheries;
3. The EU should increase coordination between its development cooperation policy and the external aspects of its CFP so that it can contribute more effectively to the dual objective of Community market supply and sustainable development and poverty reduction in the world;
4. EU development cooperation policy should include more objectives geared to fisheries cooperation in developing countries, providing more programmes, technical resources and budgets in order to contribute to economic and social development in the developing countries;
5. Calls in consequence for the EU's cooperation and development policy to pay greater attention to the developing countries' fishing industry, particularly to small-scale fishing, by means of country-specific cooperation strategy documents resulting from the political dialogue between the EU and the developing countries;
6. Takes the view that, in those countries where fisheries-dependent coastal communities are most vulnerable, the objective of improving the living conditions of these communities must be borne in mind in the context of the various 'priority intervention areas' defined within this cooperation strategy (rural development, transport, health, education, etc.);
7. Calls on the Commission to propose specific mechanisms to reinforce the organisations representing the small-scale fishing industry in the developing countries and to consult them on EU intervention in fisheries; this should involve the women who work in the areas of processing and marketing;
8. The EU should continue to develop an active policy geared to signing international fisheries agreements of a commercial nature with developing countries based on mutual interest and benefit and with the aim of:
  - obtaining fishing possibilities for the Community fleet which will not lead to depletion of local fish stocks, thereby contributing to the supply of fish and to employment in the EU, as well as to the EU's policy of economic and social cohesion in EU regions dependent on fishing, particularly Objective 1 and outermost regions;
  - contributing to the economic and social development of the fishery sector and ancillary industries in third countries;
9. Stresses that commercial fisheries agreements must be signed only if they are compatible

with supplying the Community market and the sustainable development of the fishing industry of the developing country concerned. Judging this compatibility would involve, specifically, prior assessment of the state of the resource, of the total local fishing effort (by national and foreign fleets) and, based on this, of the existence or otherwise of surplus stocks; priority access to stocks must always be granted to the small-scale fishing industry of the developing country;

10. Stresses also that the Union must abide by the precautionary principle in the agreements reached with developing countries, this implies that where there is not enough scientific data to carry out the abovementioned assessments such data must be obtained before the agreement is signed; the access conditions laid down must, of course, be based on reliable data; in the event of disagreement, a precautionary approach should be adopted;
11. The EU must – in the interests of greater effectiveness, coherence and coordination – negotiate development cooperation agreements – together with the current fisheries agreements – in which the objectives, priorities, arrangements, areas and human, technical and financial resources set aside for fisheries development in third countries are specified;
12. The EU must continue to monitor the application of and compliance with the International Law of the Sea in third-country waters and must continue to foster scientific research into both resources and responsible fishing and trade, supporting these third countries in combating flags of convenience and other vessels, both EU owned and non-EU owned, which fish illegally in their exclusive economic zones (EEZs);
13. Calls for the Union to support the establishment of an effective surveillance and monitoring programme in the developing countries' EEZs;
14. The EU should advocate responsible and transparent conduct in respect of the negotiation and application of fisheries agreements with third countries in all areas, always respecting the sovereignty of the countries concerned. The Commission must obtain legal guarantees from those third countries with regard to compliance with all the obligations entered into by them under fisheries agreements signed with the EU;
15. Requests that the Council should amend the FIFG , so that this instrument can no longer grant subsidies to Community ship-owners for permanent transfers to flags of convenience;
16. Encourages the development of regional cooperation and participation by the developing countries concerned in any regional initiative aimed at better resource management;
17. Considers that the Community should play an active role in ensuring that the international legal instruments essential for the management and control of the exploitation of shared resources are adopted and then applied. In the context of its development policy the European Community should offer the partner developing countries financial assistance to enable them to implement these international commitments to which they have subscribed;
18. Instructs its President to forward this resolution to the Council and Commission.

## EXPLANATORY STATEMENT

### 1. Introduction

In December 2000 the Commission published a communication entitled '*Fisheries and Poverty Reduction*'. This initiative was to be welcomed since the role played by fishing in poverty reduction had hitherto been insufficiently recognised in European contributions to development aid.

The fishing industry in developing countries is an area where a number of European policies come into play: these amount, essentially, to the common fisheries policy and the development policy. The fisheries agreements signed with the developing countries represent much larger sums than all the development aid assigned to the fishing industry put together (EDF or other budget lines). It is important to ensure that all these aspects of European intervention are coherent and contribute to an overall strategy to promote sustainable development and fight poverty in the developing countries.

### 2. Major factors in fisheries relations between the European Union and the developing countries

#### A. Involvement of civil society

The European Union advocates the involvement of civil society in its relations with the developing countries (e.g. the Cotonou Agreement). In the case of the fishing industry, civil society (fishermen's organisations, women's organisations, etc.) should be involved in measures directly affecting the activities and survival of coastal communities and populations that depend on fishing for their livelihood. The Commission also encourages '*the participation of civil society and Southern-based professional fisheries organisations in the preparation and implementation of fisheries agreements*'.

In view of the very large number of European measures which might have an impact on the survival of communities, the latter should be more widely consulted on the general framework of these interventions, rather than simply on fisheries agreements. It must also be ensured that this participation is credible, which means that support should be given not only to participation per se, but also to reinforcing trade organisations in the South. It is important, therefore, that in the interests of improving participation the emphasis should be laid on development measures designed to support the creation and development of professional and economic organisations involving the fishing industry's partners, including the poorest, to help with the organisation of local communities that depend on fishing and to support the setting up and running of professional networks and structures intended to facilitate an exchange of experience and knowledge among communities whose livelihood is based on fishing.

#### B. Aspects of management of, and access to, developing countries' resources and fishing zones

The Commission communication recognises that '*fish are a scarce and depletable resource to developing countries. Under the current circumstances the public authorities of most developing countries need assistance to guarantee sufficient sustainable access of their poor populations to aquatic resources. Also, more global governance is required and it must be*



*accountable to the poor, who depend on the stock for their survival’.*

The EU, as a member of the FAO, has approved the *Code of Conduct for Responsible Fisheries*, and has undertaken to promote its application. Most of the developing countries with which the EU has fisheries relations have also approved the Code of Conduct, making it a shared point of reference on sustainable fisheries management for the EU and the developing countries.

Certain articles of the Code of Conduct need to be borne in mind in any discussion of fighting poverty and managing the resources on which local populations depend for their survival. Article 6.5 of the Code, for example, recommends applying ‘*a precautionary approach widely to conservation, management and exploitation of living aquatic resources [...]. The absence of adequate scientific information should not be used as a reason for postponing or failing to take measures to conserve target species’*. Article 6.18 recognises ‘*the important contributions of artisanal and small- scale fisheries to employment, income and food security, States should appropriately protect the rights of fishers and fishworkers, particularly those engaged in subsistence, small-scale and artisanal fisheries, to a secure and just livelihood, as well as preferential access, where appropriate, to traditional fishing grounds and resources in the waters under their national jurisdiction’*.

The Commission communication explicitly recognises that EU-developing country fisheries relations must be based on these principles.

It must nevertheless be admitted that at present the EU is a long way from applying these principles. In the context of some fisheries agreements (Mauritania), for example, the Community has negotiated a form of access based essentially on the demands of EU ship-owners rather than on any consideration of the impact of these demands on local stocks and fisheries. This could lead to a form of competition of which the first victims would be the coastal communities.

Also, independently of fisheries agreements, European vessels are transferred, temporarily or permanently, to third countries. Since these vessels then take the flag of a third country, they can be removed from the European register, thus artificially reducing the European fleets’ fishing overcapacity. Some of these transfers take place within the waters of a third country which at the same time has a bilateral fisheries agreement with the EU. The impact of such transfers on the resources and activities of coastal communities is very significant, and should be recognised and taken into account when fisheries relations between the EU and the developing countries are being discussed.

Transfers of Community fishing vessels to countries offering flags of convenience. (FOC) are also a cause for concern. Vessels flying flags of convenience not only violate the law governing fishing on the high seas, but regularly engage in ‘poaching’ or unlawful fishing in the waters of developing countries, depriving these countries in so doing of vital employment and revenue opportunities.

Flags of convenience not only pose a threat to aquatic resources and the marine environment, they also have a human cost. The London-based International Transport Workers Federation (ITF) reports numerous problems linked to fishing by vessels flying FOCs, including bad treatment of crews, starvation wages and extremely dangerous working conditions.

The FAO's International Action Plan against illegal, unregulated and unreported fishing must be implemented by the Community and the developing countries - the Action Plan stipulates inter alia that the funds required to do this are to be supplied to the developing countries.

At a global level, approximately one third of fish caught are converted into fish meal and oil. The aquaculture and agriculture industries, including the Community's, use large quantities of these products - Germany is the world's fifth largest importer of fish meal. Although some of the fish made into these products are caught in Community waters, most of them come from countries like Chile and Peru. Exports of these products represent a major source of revenue for these countries, but the resources fished are also essential to ensuring environmental balance (marine mammals, birds, fish). In addition, they are also often needed for the food security of the local population. The high level of dioxins in the meal and oil produced in the Community may lead to a rise in imports of these products, since these are less contaminated.

The measures proposed in the development area relating to resource access and management are to be encouraged: improving knowledge of the state of resources; improving management of access rights, arbitration between different fishing methods and a possible reduction of fishing pressure; improving catch selectivity and/or a temporal or spatial limitation of fishing activities.

Nonetheless, one feels intense concern when the Commission proposes<sup>1</sup> that measures of this kind should be supported by the Community *'in exchange for fishing rights for Community vessels'*. It is not at all desirable for this support to be made conditional upon the granting of rights to fish resources which are already being fully exploited locally, as in the case of access to demersal species in the agreements with Mauritania and Senegal. This is in flagrant contravention of the Code of Conduct for Responsible Fisheries, which stipulates that priority access rights should be granted for small-scale fishing.

### **3. Financial aspects**

As regards development aid, the Commission proposes identifying and evaluating *'which interventions should be carried out as part of development cooperation and those undertaken as part of its Common Fisheries Policy. [...] The choice of particular activities for a given country or region should be dependent on an ex-ante evaluation'*. This evaluation of measures should go beyond financial considerations and extend to a prior evaluation of the measures' impact on the environment and local fishing activities. Recognising and bearing in mind these environmental and social costs is an important aspect of sustainable development.

But the development aid intervention is far from being the most significant in financial terms. Payments of €270 million per annum in financial compensation under the fisheries agreements is a factor which encourages the developing countries to open their waters to European vessels even where this cannot be justified in terms of poverty reduction and sustainable development. It is essential, therefore, that there should be some coherence between the different instruments in the interests of poverty reduction and sustainable development in the recipient country, as well as from the point of view of good management of European public funds.

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<sup>1</sup> In the Green Paper, international dimension, chapter on cooperation and development.

It should also be noted that subsidies are available under the CFP for European vessels fishing the developing countries' waters, to help pay for modernisation, transfer of vessels, setting up joint companies, cost of access to third-country waters, etc.

These subsidies have a significant impact: they enable European vessels, the cost of running which has been artificially lowered, to be profitable even if the catch volume is insufficient, which can act as an incentive to overfishing. In addition, they give rise to unfair competition between the products caught by the EU fleets and the products of the developing countries whose fleets are not subsidised.

#### **4. Commercial aspects**

Almost 60% of the fish consumed in Europe come from non-European waters, including those of the developing countries.

The Communication says that 'consumer protection is another concern, which in presence of weak sanitary and veterinary standards may cause obstacles to trade in fish and fishery products'. In a context of fighting poverty (which includes promoting food security), use of the term 'consumer' to mean 'European consumer' is to be avoided. Consumer protection must also include protection of consumers in the developing countries, and one way of doing this is to protect their access to fish as a source of nourishment. Supplying European consumers must on no account be allowed to imperil food security in the developing countries.

The need to bring hygiene standards into line with the conditions required for long-distance transport may put the developing countries' trade and coastal communities at a disadvantage. In addition, monopolisation of the export market by a few operators who have been granted European licenses lowers fishermen's capacity to negotiate prices.

What the EU most wants is unprocessed fish, so that value can be added in European plants. This could work to the disadvantage of any value-adding activities that might be carried out by the developing countries (filleting, ready meals, etc.). The distribution of value-adding activities (i.e. fish processing) between the developing countries and the EU is an important concern. The development of a (small-scale or industrial) fish-processing industry in the developing countries, for local consumption or export, is a vital element in the development of local industry. Stress must therefore be placed on support for *'the development of local fishery industry, including processing and distribution networks for local consumption'*, which is currently at the bottom of the list of development measures proposed for the processing sector.

#### **5. Regional approach**

A 'country-by-country' approach does not take account of the fact that fish stocks are often 'shared', i.e. they travel between the waters of several neighbouring coastal countries. The fisheries agreements between the EU and the developing countries are always negotiated by the Community with one country at a time. But since the state of stocks is often little known this can lead to overfishing. This tendency is further exacerbated when, as on the west African coast, the regional organisation of fisheries does not have adequate financial and scientific

resources to lay the foundations for sustainable management of the stocks concerned (research, monitoring, etc.).

The Commission says in its Communication that *'regional interventions will be a priority for the EC, taking into account the frequently observed regional nature of fisheries problems and the Community's comparative advantage in this field'*. This statement is reinforced by the Green Paper, which calls, in the context of the future CFP, for effective implementation of the international legal framework, and reinforcement and promotion of regional cooperation mechanisms. The interventions include: support for the setting up and consolidation of sub-regional and regional networks or organisations working in the areas of research, knowledge and resource management, monitoring, control and surveillance of fishing activities, protection and/or restoration of ecosystems; harmonisation of national laws to enable resources to be better managed; support for the setting up and running of regional networks facilitating sharing of experience and knowledge; technical support to help developing countries take part in international negotiations on international marketing of aquatic products, resource management, biodiversity, and the exchange in international fora of scientific knowledge and any other knowledge relating to the FAO Code of Conduct.

These development measures must be supported, but questions arise concerning the compatibility of these measures, which will increase the influence of the developing countries in regional fishing organisations, and the attitude of the Community and its Member States, which will see their own influence (and the extent to which their wishes are met, particularly in terms of access) diminish correspondingly (e.g. ICCAT, country-by-country fisheries agreement).

14 September 2001

## **OPINION OF THE COMMITTEE ON FISHERIES**

for the Committee on Development and Cooperation

on the communication from the Commission to the Council and the European Parliament on fisheries and poverty reduction  
(COM(2000) 724 – C5-0071/2001 – 2001/2032 (COS))

Draftsman(\*): Daniel Varela Suanzes-Carpegna

(\*): Hughes Procedure

### **PROCEDURE**

The Committee on Fisheries appointed Daniel Varela Suanzes-Carpegna draftsman at its meeting of 6 March 2001.

It considered the draft opinion at its meetings of 23 April, 11 July and 12 September 2001.

At the last meeting it adopted the following conclusions by 14 votes to 1, with no abstentions.

The following were present for the vote: Daniel Varela Suanzes-Carpegna, chairman and draftsman; Rosa Miguélez Ramos and Hugues Martin, vice-chairmen, Elspeth Attwooll, Niels Busk, Arlindo Cunha, Nigel Paul Farage, Carmen Fraga Estévez, Ian Stewart Hudghton, Salvador Jové Peres (for Mihail Papayannakis), Heinz Kindermann, Albert Jan Maat (for Brigitte Langenhagen), Patricia McKenna, Camilo Nogueira Román, Bernard Poignant, Struan Stevenson (for James Nicholson) and Margie Sudre (for Antonio Tajani).

## SHORT JUSTIFICATION

The communication from the Commission to the Council and the European Parliament on fisheries and poverty reduction (COM(2000) 724), which is the subject of this opinion, analyses the importance of fishing and the EU's common fisheries policy (CFP) for developing countries, in particular for those developing countries with which the EU has signed international fisheries agreements. It contains guidelines and a series of specific proposals designed to define EU interventions in those countries and make them more specific and coherent.

### **I. Fishing and its contribution to the eradication of poverty in the world**

The Commission document describes the situation of fisheries in the world and, in particular, the contribution made by fishing to the development of the least developed countries.

#### **1. Economic and social development**

The Commission highlights the importance of fishing and the CFP for developing countries, which obtain added economic and social value at each stage of the process of catching, selling and processing fish. According to the Commission, a total of more than 150 million people in developing countries depend on the fisheries sector, which supports jobs in fishing, unloading, processing and distribution, as well as the construction and maintenance of vessels.

#### **2. Commercial value**

According to the Commission data, fish products are a significant source of foreign currency for many developing countries, either through trade or thanks to international fisheries agreements. Between 50 and 60% of world catches are made in waters under the jurisdiction of third countries, of which around 50% are made in the waters of ACP countries. Fish products represent the most internationalised form of food production, given that more than 40% is marketed through international trade. As a result of that trade, developing countries recorded a net commercial surplus of 16.6 billion dollars in 1996.

### **II. European development cooperation and common fisheries policies**

The chief objective of EU development cooperation policy is sustainable development and poverty reduction in the developing countries.

The chief objective of the CFP is to help guarantee the supply of fish to Community markets and maintain the European fishing industry while respecting resources.

The figures given above demonstrate the importance of fishing for both economic and social development and poverty reduction in the developing countries, and hence the relevance of both policies in this field. In this context, and in accordance with the principle of coherence (Article 3(2) and Article 178 of the Treaty establishing the European Community (TEC)), it is necessary to ensure the requisite coordination, coherence and complementarity between the CFP and development cooperation policy. The two policies must complement each other, and their respective objectives and scope, as well as their human, technical and financial resources, must be clearly identified.

Development cooperation in the area of fisheries cannot be pursued exclusively on the basis of the CFP and international fisheries agreements, which are fundamentally commercial in nature, but must also and above all be implemented through development cooperation policy, which must include fisheries among its priority objectives.

### **III. Contributing to development through fisheries agreements with third countries**

The EU's policy of international fisheries agreements forms a basic pillar of the CFP aimed at managing and marketing, in a responsible way, the surplus stocks not caught by the local sector in third-country waters with a view to their exploitation to the mutual benefit of the third countries involved and the EU.

The Commission communication itself stresses this important dual objective of international fisheries agreements: their contribution to the EU and to developing countries.

#### **1. Benefits of international fisheries agreements for the EU**

International fisheries agreements help to cover the EU's needs as regards the supply of fish products, in which it has a large deficit, importing almost 60% of its consumption.

At the same time they help to preserve jobs in the Community fleet, which is moreover highly localised in European regions whose economic development is lagging behind and which are highly dependent on the fishing industry, many of them Objective 1 and outermost regions. In short, they help to achieve economic and social cohesion within the EU, which is another of its fundamental objectives as recognised by both the Commission and the Council in its conclusions of October 1997.

As regards employment in the EU – also one of the fundamental objectives of all Community policies – it should be pointed out that, thanks to these international fisheries agreements and according to the Commission's figures, around 2800 Community vessels fish in third-country waters and a total of around 22 000 fishermen depend on these agreements, to which must be added the indirect employment generated by upstream and downstream ancillary industries, amounting to around 100 000 jobs.

#### **2. Benefits of international fisheries agreements for the developing countries**

International fisheries agreements with third countries make an extremely important contribution to their economic and social development, particularly in their fishing sector and ancillary industries.

## **2.1. Compensation in exchange for fishing rights**

According to the IFREMER study<sup>1</sup> the payments made from the Community budget in exchange for fishing rights are extremely important for the development of the third countries concerned. It should be pointed out that fishing rights play a key role in the budgets of a number of countries such as Sao Tomé, where they account for 13% of budget revenue, Mauritania, with 15%, and Guinea-Bissau, where they reach 30%.

In the interests of fairness, mention should also be made in this context of the fees paid by shipowners in exchange for fishing licences or rights, which provide additional revenue for third countries. Such revenue accounts for between 15 and 25% of the overall financial compensation under each agreement (answers to questions E-0675/01 and P-0671/01). Over the period 1993-97, shipowners bore an average of 17.2% of the total cost of agreements, giving an annual average of slightly more than EUR 32 m. At the same time, shipowners must make an advance payment (the amount of which varies by country) regardless of the volume of the catch declared. In 1996 and 1997 advance payments reached 30% of the total fee (IFREMER data). It should also be pointed out that shipowners fishing under the so-called northern agreements are exempt from this obligation to pay fees for fishing rights.

## **2.2. Revenue from fish exports**

International fisheries agreements also contribute to development in that they provide a large number of benefits arising from revenue accruing from exports of the catches made in their waters. Most of these exports go to developed countries, which purchase more than 80% of the products sold on the international market. The EU holds a key position in this trade as an importer, processor and consumer, making it a net importer of fish. While the EU exports around 1.6 million tonnes of fish products annually, it imports 4.3 million tonnes to cover its needs, which means that the EU imports 58% of its consumption. In 1999, according to the Commission figures, exports of fish from developing countries to the European Union amounted to approximately EUR 4 billion, EUR 1.4 bn from Latin America, EUR 1.4 bn from the ACP countries and EUR 1.2 bn from Asia. It is estimated that in recent years 63% of exports from the ACP countries have gone to the European Union, 27% to Japan and 10% to the United States. A significant part of these exports comes from joint ventures financed with EU funds. These have made an important contribution to the development of the fishing sector in the countries concerned, making them a key instrument of development cooperation which must be preserved and developed.

## **2.3. Contribution to employment**

*According to the IFREMER study and Commission figures, these agreements also have a significant impact in terms of employment in the local economies of the third countries concerned. Around 6 000 out of the 22 000 fishermen are nationals of the third countries, to which must be added a total of 11 000 indirect jobs. Under the southern agreements alone, it is calculated that a total of 2 400 people are directly employed onboard Community fleet vessels each year, maintaining almost 5000 indirect jobs onshore, 36% in Ivory Coast*

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<sup>1</sup> Evaluation of the fisheries agreements concluded by the European Community, drawn up in August 1999 by IFREMER (Institut Français de Recherches pour l'Exploitation de la Mer) for the European Commission (Community contract No. 97/S240-152919 of 10.12.1997).



(canning and repairs), 21% in Senegal (essentially in the canning industry), 25% in Madagascar (repairs and canning) and 12% in Seychelles. Overall, 41% of these jobs are in tuna processing and the manufacture of packaging for the canning industry.

#### **2.4. Contribution to the development of the local fishery sector and ancillary industries**

International fisheries agreements also include specific actions designed to aid the development of the local fishery sector and ancillary industries such as: measures geared to the conservation and study of marine resources; creation and operation of infrastructure for monitoring the fleets operating in these fisheries; training programmes for officials and local agents involved in the fishery sector, including the cost of participation by the administration of these countries in international fisheries organisations; provisions designed to guarantee food security through the compulsory landing of part of the catch; provisions geared to promoting an emerging local processing industry whose market is the European Union itself, by granting generous customs concessions for imports from these third countries, which mostly enter the Community with zero duty; strengthening the small-scale coastal fishing sector and, where appropriate, the existing processing industry; training for observers, inspectors and seamen on board vessels operating in the country, etc.

#### **2.5. Safeguarding the local small-scale fleet**

Finally, it should be mentioned that fishing by Community vessels has not given rise to any conflict of interests with or harmed the local small-scale fishing sectors, given that the agreements signed by the European Union with these countries are either tuna agreements, where vessels are granted the right to enter to fish for highly migratory species (generally tuna) passing through the country's EEZ, or, in the case of agreements relating to demersal species, the Community fleets are permitted to operate outside the 12 nautical mile limit, in which case there is no conflict between the small-scale local fleet and the Community long-distance fleet. The vast majority of resources fished by EU fleets under these agreements are beyond the reach of local fleets alone owing to the high level of technology required, and cooperation is therefore essential.

Nevertheless, vessels flying flags of convenience (including the flags of third countries with which the agreement has been signed) and other vessels have been detected fishing outside the framework of the agreements. Such vessels fish in an irresponsible way with total impunity, with no regard for the International Law of the Sea and the principle of sustainable development in relation to resources and the marine ecosystem.

#### **IV. Real contribution of European cooperation and fisheries policy to the development of the fishery sector in third countries**

The facts outlined above clearly show that European cooperation in the development of the fishery sector in developing countries is chiefly based on the CFP and, in particular, on international fisheries agreements, and to a much lesser extent on the specific European development cooperation policy.

The real contribution made by each policy is also clearly demonstrated by the budget figures provided by the Commission. According to those figures, the average EU annual budget

(1998-2000) allocated to international fisheries agreements stands at EUR 270 m. Under that budget heading, between 30% and 60% of the total amount of each agreement goes to development cooperation under the agreements with ACP countries (rising to 70% in some cases; answer to Written Question E-0675/01), which means that the CFP provides at least EUR 81 m per year for development cooperation under its international agreements (30% of EUR 270 m = EUR 81 m).

This figure is far higher than the amount committed by the EU (EDF plus EU budget) for the fishery sector in all developing countries as part of its development cooperation policy, which stood at EUR 268 m during the period 1986-1998, i.e. an average of EUR 22 m per year (0.3 % of the overall budget allocation for external cooperation, answer given by the Development Commissioner, Poul Nielson, to Written Question E-0687/01).

It can thus be concluded that the CFP dedicates at least four times more funds to fisheries cooperation (30% of EUR 270 m = EUR 81 m) than the EU budget for external fisheries cooperation, with an annual average of EUR 22 m.

## CONCLUSIONS

The Committee on Fisheries calls on the Committee on Development and Cooperation, as the committee responsible, to incorporate the following points in its motion for a resolution:

1. The EU should increase coordination between its development cooperation policy and the external aspects of its CFP so that it can contribute more effectively to the dual objective of Community market supply and sustainable development and poverty reduction in the world.
2. EU development cooperation policy should include more objectives geared to fisheries cooperation in developing countries, providing more programmes, technical resources and budgets in order to contribute to economic and social development in the developing countries.
3. The EU should continue to develop an active policy geared to signing international fisheries agreements of a commercial nature with developing countries based on mutual interest and benefit and with the aim of:
  - obtaining fishing possibilities for the Community fleet which will not lead to depletion of local fish stocks, thereby contributing to the supply of fish and to employment in the EU, as well as to the EU's policy of economic and social cohesion in EU regions dependent on fishing, particularly Objective 1 and outermost regions;
  - contributing to the economic and social development of the fishery sector and ancillary industries in third countries.
4. The EU must – in the interests of greater effectiveness, coherence and coordination – negotiate development cooperation agreements – together with the current fisheries

agreements – in which the objectives, priorities, arrangements, areas and human, technical and financial resources set aside for fisheries development in third countries are specified.

5. The EU must continue to monitor the application of and compliance with the International Law of the Sea in third-country waters and must continue to foster scientific research into both resources and responsible fishing and trade, supporting these third countries in combating flags of convenience and other vessels, both EU owned and non-EU owned, which fish illegally in their exclusive economic zones (EEZs).
6. The EU should advocate responsible and transparent conduct in respect of the negotiation and application of fisheries agreements with third countries in all areas, always respecting the sovereignty of the countries concerned. The Commission must obtain legal guarantees from those third countries with regard to compliance with all the obligations entered into by them under fisheries agreements signed with the EU.