

**FINAL DOCUMENT ON THE REFORM OF
THE COMMON FISHERIES POLICY
APPROVED BY THE AGRICULTURE COMMITTEE OF ITALY'S
CHAMBER OF DEPUTIES
PURSUANT TO ARTICLE 127 OF THE RULES OF PROCEDURE
(Sitting of 31 July 2012)**

The XIII Committee (Agriculture) of Italy's Chamber of Deputies

having examined, pursuant to article 127 of the Rules of Procedure:

the proposal for a regulation reforming the Common Fisheries Policy (COM(2011)425 final), establishing the basic provisions governing the sector;

the proposal for a regulation on the common organisation of the markets in fishery and aquaculture products (COM(2011)416 final), reforming commercial policy in this sector;

the proposal for a regulation on the European Maritime and Fisheries Fund, governing the new financial instrument for the sector (COM(2011)804 final);

the European Commission's communication on the reform of the Common Fisheries Policy (COM(2011)417 final);

the European Commission's communication on the external dimension of the Common Fisheries Policy (COM(2011) 424 final);

the report on the conservation and sustainable exploitation of fisheries resources of the Common Fisheries Policy (COM(2011) 418 final);

having regard to the results of the Agriculture and Fisheries Council of 12 June 2012 which, among other things, reached a general agreement on two of the proposals under examination (COM(2011)425) and COM(2011)416);

whereas:

(a) the reforms of the Common Fisheries Policy (CFP) for the period 2014-2020 are generally designed to ensure the sustainability of the ecosystem and economic growth, which we can endorse, in general terms; however, considering the great importance of the reform for the future of the Italian fisheries sector, it should take greater account of the peculiarities of the Mediterranean countries in terms of their sea basins and the impact of fisheries-related activities on the economy and on employment;

(b) the basic principles on which the proposal for the reform of the CFP is based in terms of the planning and management of fishery activities are more consistent with the needs and peculiarities of the Northern European area and can only partially be adapted to the Mediterranean dimension, and in particular to Italy, whose local communities are affected by specific problems of their own, such as small-scale fisheries. Generally speaking, the measures proposed should therefore take greater account of specific local situations, traditions, fisheries systems and fleet types in which are of relevance;

(c) the socio-economic importance of small-scale and small-scale coastal fishing fleets and of aquaculture is beyond dispute in many parts of our country; the development of specific measures for them should therefore be encouraged at a level which is as close as possible to the coastal communities themselves, and to the needs of the whole industry. It would therefore be most appropriate to develop diversified fisheries-related activities in order to support incomes and foster integration with other sectors such as tourism, gastronomy and the local economy; it is essential to have a regionalised system of governance with margins of flexibility and adapting general principles to particular and unique contexts;

(d) safeguarding the environment, conserving fish stocks and measures to combat overfishing should be linked to the economic demands in a sector which is already seriously threatened, and be more consistent with the local features, potential and opportunities;

Considering:

that the opinions and comments expressed in the course of the hearings have made it possible to acquire useful information and identify the needs of the representatives of numerous organisations and businesses operating in the sector;

the progress in the ongoing debate in the European institutions and in particular the outcome of the Agriculture and Fisheries Council of June 12, 2012, which reached a general agreement on two of the proposals under examination (COM(2011) 425) and COM(2011) 416);

the need for this final document to be forwarded to the European Parliament, and the European Council and Commission as part of the political dialogue, together with the opinion approved by the Chamber's European Union Policies Committee dated 11 July 2012, which is annexed hereto;

commits the government

to continue negotiations at the European Union level, on the basis of the following guidelines:

1) Discard ban

Article 15 of the proposal for a Regulation COM(2011) 425 on the Common Fisheries Policy requires the catches of the specified fish stocks to be landed save where they are used as live bait, according to the timetable running from 1 January 2014 to 1 January 2016.

In this connection, the Committee notes that simply banning discards, as proposed, is unrealistic in view both of the particular features of the fishing

methods used in Italian waters and the lack of any solutions regarding the uses to which unwanted catches can be put.

With reference to the first point, it must be borne in mind that as far as the Upper Adriatic basin is concerned, for example, the problem of discards, with regard to trawling, concerns inert materials (shells, algae and mud) and negligible quantities of different types of fishery materials, and this is mainly practised by small vessels; and by the nature and quantity of gear they take on board, they would be forced to perform a sorting operation when they open the net, with zero results.

Mid-water pair trawling for bluefish is quite another matter, since it inevitably inevitably large quantities of unwanted catches of commercially unattractive species; sometimes there are quite substantial discards which ought to be avoided, but in view of the volumes it is very difficult for the fishing vessels to manage said catches, because they do not have the necessary structures.

Article 8 of the proposal for a regulation COM(2011) 416 on the CMO for fisheries requires fishery producer organisations to make the best use of unwanted catches (these are defined as products which do not meet the minimum marketing sizes) but it does not say how this provision is to be put into practice, or who is supposed to cover the costs of distributing and storing these catches, considering – *inter alia* – the lack of any land-based facilities, which, if it becomes necessary to build them, would give rise to costs and require all the permits for building any kind of construction in harbour areas.

Retaining unwanted or surplus catches on board the vessel also goes way beyond normal fishing activities in terms of space, time and on-board security. The obstacles created by filling the areas required for normal fishing operations on the vessels with materials that have to be landed reduces the storage capacity and makes it necessary for the vessels to return to port more frequently than they normally would, creating charges in terms of time, distances to be covered, and direct and indirect costs.

Furthermore, it is not clear whether the ban on discarding introduces the practice of producing fisheries reports on the basis of the fishing quotas captured rather than the quotas landed, as is the current practice.

It would also be wise to take a gradual approach, a point that attracted a great deal of agreement at the Agriculture and Fisheries Council held on June 12 this year.

Lastly, it is important to encourage the start-up of pilot projects, some mandatory, to identify the technical difficulties and the costs created by banning discards, which would also make it possible to formulate specific measures to be included in the management plans.

Implementing experimental projects could also make it possible to address the issue of banning discards on a case-by-case basis, taking account of the specific features of the various fisheries basins, the species captured and the types of fleets involved.

With regard to unwanted catches, it might be useful to clarify whether only fish species should be considered (bony and cartilaginous species) or also other organisms (echinoderms and algae) which constitute the biomass gathered by dragnets.

2) Transferable fishing concessions

Articles 27 to 33 of the proposal for a regulation COM(2011) 425 on the Common Fisheries Policy institute a system of transferable fishing concessions which the Member States are required to phase in over a period of 15 years, beginning on 1 January 2014 until 31 December 2029, in order to rationalise access to resources, restrict overcapacity and make it possible to adjust fleet dimensions to the actual fishing opportunities.

Most Italian fishing fleets are quite small-scale, with multi-species equipment, and small fishing vessels. Particular importance will therefore be paid to the ways in which governments issue licences for individual species and for each fishing enterprise [it is too generic to talk about "the likely catch composition of vessels" as stated in article 28 (3)] and the opportunities for individual fishing licences. The mechanism could be simple and easier to control for a small number of vessels focusing their fishing effort on a few species, like the vessels operating in the Atlantic, or our mid-water pair trawler vessels which are dedicated to bluefish alone; the method might not be applicable or enforceable for the small vessels which produce a wide variety of different species in many different quantities.

In this connection, the Committee notes that it would be more useful for the purposes of stock conservation and the distinctive features of local fisheries to leave the local control of the resources to the management plans, requiring decisions to be taken at the Regional or the sub-Regional levels, acting in conjunction with other bordering Regions.

We would also point out that the incentive to move over to this system – and hence to market conditions for the fishing fleet – has been the non-renewal of the Axis 1 funding from the European Fisheries Fund (EFF) which provides for the scrapping of the fleet and compensation for suspending the fishing effort. Also in consideration of the failure to support scrapping, we would note that the fishing concessions are inappropriate for small-scale coastal fishing and at all events they are unsuitable for Mediterranean fishing because of their specific characteristics and socio-economic vulnerability; many small-scale fishing companies, faced with the danger of excessive concentrations for concessions, could find themselves in serious difficulties.

It would also be appropriate to spell out more clearly the criteria that will be adopted to define which concessions are transferable within the Mediterranean area where, with the exception of red tuna, there is no Total Allowable Catch (TAC) system or the quotas that exist in the northern European seas; allocating a fishing effort measure (and hence the number of days of operations at sea) for each fishing vessel or a system of quotas on a multi-species TAC are working

hypotheses which, regardless of the soundness of the measure, could create considerable complications.

In supporting the need to make this system voluntary, it nevertheless appears appropriate to gradually phase in the measures relating to the transferable concessions, with trial periods of 5 years instead of 15 years, because of the specific features of the Union's maritime context and, in the event that the Member State can show that it is able to achieve the necessary reduction in capacity without resorting to the quota system, there should be the possibility for being given an exemption; for, if the management of the industrial fleets with larger vessels is appropriate for the application of the concessions system, in relation to small-scale fishing, such as the case of Mediterranean fishing, access to the rights and possible transfers, together with the efforts associated with the introduction of national and local management plans, would be extremely complex and would not foster the effectiveness of the proposed action.

It will also be appropriate to spell out more clearly the guarantees provided to protect small-scale and coastal fishing which, for Italy, is the most fragile segment, while being the one with the largest number of jobs and economic activities in the coastal and lagoon regions.

3) *Small-scale fishing*

We believe that the definition of small-scale fishing should take account not only of the length of the vessels (12 m) but also other elements such as fishing capacity, fishing effort, gear used, annual number of days at sea, duration of periods spent at sea, the workers who are members of cooperatives or ship-owners on board, sizes of the crews, distance from the coast and type of vessel concerned.

4) *Financing*

The possible review of all public finances, as envisaged in relation to the objectives of the European Commission's Communication "Europe 2020", abolishing incentives to scrap fishing vessels acts as a brake on the reduction of the fleet and its modernisation, with evident negative repercussions on crew security. The incorporation of existing financial instruments (EFP, support for SMEs and the facilities of the common organisation of the markets) into a single fund, the European Maritime and Fisheries Fund (EMFF), proposed by the European Commission in order to ensure greater simplification could also lead to an increase in the bureaucratic complexity of the rules, hoisting management and administrative costs and slowing down the use of funds for the 2014-2020 programming period.

The EMFF currently has resources of about 7 billion Euro as this emerges from the proposal for the new Multi-Year Financial Framework; the new Fund will also cover the financing of European maritime policy, and it is hoped that this

component will not be to the detriment of European Union support guaranteed for fisheries, aquaculture and the fishing industry in general.

The EMFF is also subject to the conditionalities provided by the proposal for a regulation COM(2011) 615, containing common provisions for the funds forming part of the Common Strategic Framework.

In this connection the Committee notes that the prescriptive system is extremely rigid even though its purpose is to promote the use of Union funding, particularly with reference to macroeconomic conditionalities. It places excessive constraints on the possibility of providing assistance to comply with formalities that are difficult to demonstrate, such as catch capacity, which raises a risk of enormously complicating the system of providing funds to the beneficiaries.

It is also to be hoped that if it is decided to halt contributions to fleet scrapping, a phasing-out strategy will be applied to provide adequate accompanying measures for the operators concerned.

5) Regionalisation

The decision-making process underlying the CFP would appear to be excessively centralised considering the distinctive features of the sea basins throughout the territory of the Union; for, if this approach is essential for the proper management and conservation of common fish stocks, detailed provisions, such as the size of the fishing net mesh, are not easily applicable to every different situation. Some current provisions have also proven to be inadequate to meet the different situations in the southern European seas, particularly the Mediterranean, where there are radically different structural, socio-economic and cultural features which require specific approaches.

The multi-year management plans are an initial response to the need for the adequate management of the different specific features of the European seas; but a formulation is nevertheless needed based on broader participation involving not only the Member States but all the operators and the stakeholders concerned. It is essential to introduce regionalised governance, with margins of flexibility and adaptation.

6) The external dimension of fisheries

The enhanced role of the European Union on the international stage is crucially important against the background of globalised relations and trade. Future Sustainable Fisheries Agreements (SFA) are essential instruments for guaranteeing access to the available surplus resources, making it possible to supply the Union market, maintaining jobs and developing the fisheries sector in the partner countries. The agreements will contribute to establishing a high quality governance environment in the partner country if they are consistent with the development policy objectives and focus on the principles of the

sustainability and transparency of resource management and monitoring, supervision and control activities. We also point out the need to ensure that the exploitation of fish resources is based on solid scientific opinion, and relates solely to the surplus resources which the partner country cannot or does not wish to fish.

In the pursuit of the objectives established by the reform of the CFP it appears to be essential to involve neighbouring countries, particularly those in the Western Balkans, with which it is necessary to agree on joint initiatives to protect our common sea basins, such as regulating the biological rest period in the Adriatic Sea.

7) *Aquaculture*

Considering that the European aquaculture industry has created some 17,000 businesses and 65,000 direct and indirect jobs and that, at a time of strong global demand for aquaculture products, the European Union only accounts for 2% of world aquaculture output, while its annual internal consumption amounts to more than 5,000,000 tonnes, appropriate provisions appear to be necessary in the framework of the COM to combat unfair competition from cheap imports of poor quality products which do not meet EU hygiene and health standards.

It is also vital for the European Commission to clarify the systems for registering labels and certificates for aquaculture products within the framework of the COM, and indicate the timing for the institution of the European Advisory Council for Aquaculture, its mission, structure and financing.

Aquaculture is the future of the fishery economy: we can therefore fully endorse the need to exploit this sector and to promote the development of sustainable, competitive and diversified fish farming techniques, encouraging research into new species and new forms of production appropriate to facilities in different types of environments.

It is necessary to focus on the food safety of farmed fish products and animal welfare by removing the obstacles of which businesses complain, relating in particular to the administrative formalities and the difficulties of gaining access to public resources (production areas, water abstraction and water treatment).

The new CFP seems to be an attempt to make progress in this regard, also by introducing a form of coordination between the Member States to encourage not only innovation but also the exchange of information and best management practices.

Appropriate sectoral policies must also be developed based on the "zero food miles" concept and to encourage the establishment of land-based infrastructure to support the conservation, processing and marketing of "made in Italy" quality products.

The strategy for developing European aquaculture launched in 2002 has failed to achieve the objective set for it, considering the important part played by this industry in guaranteeing food security, driving employment and guaranteeing sound regional development.

8) *Delegated acts*

With reference to delegated acts, whereby the EU legislator delegates powers to the Commission to adopt acts amending non-essential elements of the regulations, it should be emphasised that such delegated powers should be contained within the limits and according to the conditions laid down by article 290 of the Treaty on the Functioning of the European Union and by the legislative acts themselves, considering that delegated acts may be envisaged for such important aspects as the following: the species for which the discard ban may be introduced [article 15 (6) of the proposal for a regulation COM(2011) 425] and calculating the fishing capacity ceilings set for the Member States' fleets [article 35 (3) of the proposal for a regulation COM(2011) 425].

Similarly, for the adoption of draft implementing acts, the Chamber's Committee recommends compliance with the provisions of Regulation (EU) No. 182/2011, laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers.