

Inside the homes of the victims

Through a narrow focus on fleets and markets, the EU's fishing policies drastically affect countries of the South

In 1990, the total fleet of the European Union (EU), numbering over 104, 000 fishing vessels, accounted for a fifth of global marine catches, 28 per cent of which were harvested from either the high seas or the waters of other countries. However, those six and a half million tonnes of fish were not enough for the biggest fishery products market in the world. The EU imported nearly seven million tonnes of fishery products that year, while exporting only 1.3 million tonnes. On its own, it absorbed 38 per cent of the international trade in fishery products.

It comes as no surprise, therefore, that the impact of EU fisheries policies extends significantly beyond its borders, especially affecting developing countries.

There are many factors underlying and strengthening this impact, but two of them stand out as the most important ones: the EU's failure to manage its own

fishery resources; and its need to ensure supply for its markets and its agro-food industries, in order to remain competitive in international markets.

In the first substantive session of the United Nations Conference on Straddling Fish Stocks and Highly Migratory Fish Stocks, held in the UN headquarters in New York in July 1993, a representative of the EU addressed the plenary to explain how good a fishery management system the EU had applied in its waters. According to him, the TACs (Total Allowable Catches) had provided for the conservation of EU resources at healthy levels.

Mid-term review

It is not known how many delegates actually believed him. His EU partners probably did not. A year and a half earlier, in the 1991 Report to the European Council and the European Parliament on

the mid-term review of the Common Fisheries Policy (CFP), the Commission of the European Communities (CEC) had recognized that the management of marine fishery resources through the sole means of the setting of a TAG and some technical measures had affected the stocks to such a point that they “are at risk owing to excess fishing mortality”.

Some stocks were subject to a fishing effort up to 40 per cent more than that needed to reach the Maximum Sustainable Yield (MSY). But how had this been possible? There are many answers to this question. Even if the TACs were theoretically based on scientific criteria, as a matter of fact, as still happens, not always were the scientists’ recommendations adopted. The final decisions are usually made by a council of ministers, in which each minister is much more concerned about satisfying the demands of his own industry than in the long-term conservation of stocks.

Only in December 1995 did the ministers adopt serious cuts in quotas for some species, and then only due to pressure from Norway, which has fishing agreements with the EU. On the other hand, the lack of control of fishing activities in the EU-especially in the Mediterranean Sea-has been proverbial.

One of the pillars of the CFP is the ‘equality of access’ for every member State (except

for Spain and Portugal, which, though part of the Community since 1986 have, until 1 January 1996, been subject to an especially stringent fishing regime in EU waters). In the absence of controls on fishing effort, the TAGS regime only lead to a ‘fishing race’ for fleets and catches.

In terms of fleets, the Commission itself has made an important contribution to this race. Among the most significant revelations of the 1991 Report is the lack of co-ordination between those EU civil servants responsible for the conservation of resources and those responsible for the structural policy (two of the main arms of the CFP, the markets policy being the third one).

Modernization

In the period 1983-1990, the Community; devoted 41 per cent of its structural’ budget either to new vessel constructions ‘ (30 per cent) or to the modernization of existing ones (14 per cent). In comparison,

After the Turbot War

According to the trade press, at least 11 of the Spanish vessels that have left the turbot fishery in the high seas due to tighter regulations have obtained licenses to fish in poor countries like Angola, Mauritania, Guinea Conakry and Guinea Bissau. Thus the transfer of fishing capacity from North to South continues in the wake of the much publicized Turbot War.

it “only” spent 14 per cent of this budget in adjusting fishing capacity (not only by scrapping vessels but also by exporting them to other countries).

If one takes into account the fact that those subsidies encouraged even larger investments, and that the vessels that were ‘adjusted’ were, as a rule, the less efficient ones, the result of the policy is evident: a significant increase of EC fishing capacity. In essence, the CFP has worsened an already existing problem.

As fishing overcapacity became a clear problem even for the Commission, given the progressive deterioration of EU resources, the need to find a solution entered the range of political priorities. “The introduction of ‘joint ventures’ into the EU structural legislation in 1990 was not casual.

Spain had already used this formula: shipowners who set up a fishing company with anyone from a country rich in fishing resources received a subsidy to sell their fishing vessels to this joint venture, in such a manner that the exported vessels changed their flags and were no more the responsibility of Spain. In fact, before entering the EEC, Spain had already exported 216 vessels in this manner, mainly to the UK, Morocco, Argentina, Mauritania, Mexico and Senegal.

When, in 1990, Namibia closed its waters to foreign fleets, 150 large Spanish freezer trawlers found themselves with no alternative fishing ground. Many of them had to be tied up in the Galician harbours of Vigo and Marin. It was not too difficult to have predicted Namibia’s move, given the poor state of its hake stocks.

But, surprisingly enough, most of these vessels were brand new. In 1986, a legal loophole had allowed the construction of nearly 100 new freezer trawlers. These began operations around 1989. At the very least, it can be said that the loophole proved extremely profitable for the Spanish shipyards and their bankers.

Neither the EU fishing agreements with Third World countries nor the renewal of those that Spain had negotiated on its own were enough to redeploy these vessels. Spain strongly pushed for joint ventures

Cameroon: Spanish shipyards’ new customer

The Ship-owners’ Union of Cameroon has ordered Spanish shipyards to construct 50 multipurpose shrimp trawlers, to be financed through a Spanish loan from the Funds for Aid to Development (FAD). To get this loan, Cameroon has cancelled its 5 billion pesetas (us\$ 400 million) agreement with Spain. This has been the result of lobbying by the Spanish private shipyards association, ASEGA, which will build the vessels. In the fierce International competition, shipbuilders—and their workers—are thoroughly insensitive to the fortunes of millions of small-scale fishermen (around 35,000 in Cameroon) who suffer the consequences of the new vessels being built.

which had proved so useful in the past. For the EU, this opened new possibilities of redeploying the excess fishing capacity that its irresponsible policy had generated. From the very start, not only large freezer trawlers, but also much smaller vessels were allocated a specific range of subsidies.

In 1992, a ‘New CFP’ was designed. For the first time, there were references to the conservation of marine ecosystems and how these would be affected by fishing activities. One of the main objectives was to attain a balance between available resources and fishing capacity. In 1993, the Financial Instrument for Fisheries Orientation (IFOP) was created. It came into force the next year.

The IFOP is in charge of both structural and market interventions. Since fisheries have entered the range of the EU Structural Funds, the amount of money available for the IFOP is far greater than before. Between 1983 and 1990, the Commission spent 1280 million ECU in its structural policy and markets organization. Between 1994 and 1999, it plans to spend 1140 million ECU in Spain alone.

Difficult bureaucracy

At first, the introduction of joint ventures was not very successful. This was because the overall administrative bureaucracy made it difficult and time-consuming to get the approval for shipowners’ projects. Between 1990 and 1994, ‘only’ 28 joint venture projects (of these, 21 were Spanish) had been approved. The

Squaring the circle

Several European NGOs have formed the Coalition for Fair Fisheries Agreements (CFFA), which campaigns for fundamental changes in the EUS policy and practice on fisheries agreements with countries in the South. The Coalition's particular concerns are the sustainable use of fish resources for the benefit of fishing communities who depend on them for their livelihoods and food security, and the conservation of global fish stocks for future generations. CFFA publishes a regular newsletter as well as specific briefing papers on issues which relate to development policy and fishery agreement practices.

On 26 September 1995, CFFA hosted a seminar titled *Squaring the Circle: Reconciling EU Development Co-operation Policy Objectives with the Policy and Practice of EU-ACP Fisheries Agreements*. Around 50 participants discussed the pressing problems of the European Union (EU) fishing fleet faced with overcapacity, and the development needs of fisheries in the African, Caribbean and Pacific (ACP) states, which are signatories to the Lome Convention.

In Europe, the Common Fisheries Policy (CFP) is in disarray. It is estimated that the EUS fishing fleet has an overcapacity of at least 40 percent, in terms of the resources available in EU waters.

The EUS policy on overcapacity is either to pay fishermen to scrap their boats through decommissioning grants or to encourage their redeployment to other waters. In its own waters, the EUS fisheries policy has led to the devastation of fish stocks. Now it is threatening the stocks of other countries.

The EUS policy on development co-operation avowedly seeks to promote the sustainable economic and social development in the most disadvantaged countries as well as their integration into the world economy. It campaigns against poverty, advocates respect for human rights, fundamental freedoms and the rule of law. It promotes democracy and good governance.

However, it is ironic that although artisanal fisheries are widely acknowledged to sustain some of the world's poorest and most disadvantaged people, the commercial interests of EU fishing companies are being encouraged to undermine them. Such activities directly contradict the EUS stated policy objective of promoting sustainable economic and social development for the benefit of the most underprivileged.

It was to address these issues of the mismatch between EU development co-operation and the practice of fishery agreements that CFFA organized the Brussels seminar. It coincided with the meeting of the EU-ACP Joint Assembly, where fishery issues and negotiated agreements with the EU were being scrutinized.

The seminar gave NGO and fishworker representatives from both North and South a chance to discuss with Commission officials, parliamentarians and official representatives from ACP states the potentially contradictory issues of local development priorities and external commercial interests.

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introduction of the IFOP has used the 'subsidiary principle' to delegate the decision-making processes to member States. This dramatically increased the availability of capital. Also, the process to establish companies, associations and joint ventures became highly simplified. In 1994 alone, 19 projects were approved.

All this would not be a matter of special concern if not for the fact that the EU systematically allows the fishing activities of its fleets to be conducted under secrecy, and virtually unchecked. "The EU has already consistently displayed this behaviour in the fisheries

agreements it has concluded with ACP (African, Caribbean and Pacific) countries.

A detailed examination of the EU's fishing agreements with ACP countries its poorest partners give a good idea of the actual moral principles behind the EU's policy. These 'access to stocks/financial compensation' agreements are established for a two-to four-year period, and normally contain a tacit renewal clause. "The financial compensation received by the ACP country is divided into two parts: an amount directly paid by the EU, and licence fees to be charged for

individual EU vessels. However, as a rule, the latter amount accounts for only 20 per cent of the total cost of the agreements.

The EU taxpayers' money makes up most of the costs of the agreements. A part of this financial compensation is devoted to bursaries programmes and scientific and technical co-operation, even if such activities do not always lead to satisfactory results.

Although there is no doubt that these agreements affect the artisanal fishing sector, the EU does not budget any allocation to prevent and correct the impact of its fleets' activities on local communities. Neither does it call for any scientific study to ensure that the catch amounts fixed in the agreements are sustainable from the point of view of stock conservation.

On the contrary, the EU Commission's Directorate General for Fisheries (DG XIV) shields itself under the strictly commercial character of the agreements, and claims of the ACP countries' sovereignty. This is how it delivers its financial compensation to the governments, without establishing any condition or control over the utilization of these funds.

This practice is obviously welcome by desperately indebted ACP governments, eager for hard currency. For them, this is a kind of blank cheque to be used at will,

not necessarily for the people's benefit. The claim by the DG XIV that the fishing agreements are 'strictly business' is remarkable, given the fact that they fall under the scope of the Lome Convention, which covers the fisheries development policy carried on by DG VIII (in charge of co-operation).

But the secrecy that DG XIV wraps over these negotiations is even more surprising. For example, in order to catch a given quota, the fishing rights for trawlers are assigned in terms of Gross Registered Tonnage. This allows the fleet to progressively increase its fishing effort by developing technical innovations for any given tonnage.

Not made public

Furthermore, to preserve EU interests, the actual catches of the EU under a given fishing agreement are not made public. This helps avoid comparisons that could lead to a demand for increased financial compensations.

The Commission's indifference towards ACP countries'—and the European Parliament's— requirements for more transparency is plain. In October 1993, the ACP-EU Joint Assembly adopted Resolution 818/A calling the EU to build a 'Joint Fisheries Follow-up Committee'. Pressured by its shipowners, the EU has not yet appointed its representatives to this committee.

The pervasive effects of fishing agreements on local populations, and the EU's neo-colonialist attitude towards ACP countries, were already denounced in the ACP-EEC Joint Assembly Resolution of 7 October 1993, which dealt with fisheries in the context of ACP-EEC co-operation. It states that "the 16 bilateral agreements concluded between the Community and the ACP States have certainly had beneficial results from the financial point of view, but might have contributed to the impoverishment of the population, sometimes to the damage of artisanal fishermen...".

Also, from within DG VIII (co-operation) and the European Parliament come voices calling for the conversion of classic fishing agreements with ACP countries into 'third generation' agreements which have a strong element of co-operation and involves both DG XIV and DG VIII.

Although European citizens must press the Commission to end these shameful practices, which are based on EU taxpayers' money, it is also true that the solution to the problem has to unavoidably entail a change in the attitude of ACP governments, which, more often than not, fail to adequately represent their citizen's interests and concerns. In this sense, the budget allocation for the artisanal fishing sector included in the last agreement with

Senegal, as a result of Senegalese fishermen's lobbying efforts, is a first step-weak as it may be in the correct direction. This process must lead to a fuller participation of artisanal fishermen and their communities in the conservation and management of their resources.

To the governments and peoples of Southern countries, at first sight, joint ventures either with the EU or companies from other countries look brilliant.

This is because they promise a transfer of technology from Northern countries, an injection of foreign capital, employment creation and vital direct access to international markets.

Unfortunately, a closer look gives reason for some pessimism. On the one hand, taking into account the increasing mobility of capital, foreign investments may have little impact on the local economy.

On the other, since joint ventures belong to the private sector, governments have little control over technology transfer or expansion plans.

Sophistication

Further, the technological sophistication of the joint ventures' vessels may place their activities beyond the control of governments. Even if joint ventures provide employment, their vessels

Future fishing or fishing future?

Fishing communities all over the world face bleak prospects. The resource base on which their livelihoods have depended. One of the principal reasons is overfishing. The development of super-efficient fishing technology-and its introduction to fisheries all over the world-has produced a pattern of fishing that is inherently non-sustainable.

In Europe, this pattern of fishing has created a situation where the capacity to fish far outstrips the resources available. The environmental impact of the technology used also outreaches the capacity of the environment to recover. The EU is taking radical action to address this problem: It is spending hundreds of thousands of ECU from the Common Fisheries Budget to redeploy the EU fishing fleet to other waters through fisheries agreements.

The DG XIV claims that these fisheries agreements are purely commercial in nature and have nothing to do with development. Yet, for millions of people worldwide, fisheries provide the main source of food and livelihood. In many countries, fisheries have to be considered as key natural resources, with significant development potential.

Fisheries agreements have the capacity to contribute to, or to undermine, this development potential. It is not acceptable for the EU to dump its problems on the

governments of a cash-hungry South, under the guise of commercial interests.

Following the EU-ACP Joint Assembly in Dakar, Senegal in February 1995, the Coalition for Fair Fisheries Agreements (CFFA), in partnership with CREDETIP (Centre de Recherche pour le Developpement Technologie Intermediarie de Peche), a Senegalese NGO, have jointly published a brochure titled *Fishing for a Future*. It analyzes fisheries agreement in Senegal, highlighting their impact on local fishing communities. It makes a strong case for fishing communities to be involved in the decision making processes that affect their lives. This must involve an open process of dialogue with the governments concerned, which the EU should, in fact, be encouraging.

The brochure provides insights and analysis on the inherent potential of artisanal fisheries, which are often undervalued. *Fishing for a Future* is an important contribution to the growing lobbying efforts for a greater involvement of civil society in government and for greater transparency and accountability in decision making processes.

Fishing for a Future is available in English and French from CFFA, 65 Rue Gretry, B-1000 Brussels, Belgium. Tel: 00 32 2 2181538. Fax: 0032 2 21 2178305

compete with thousands of artisanal fishermen.

Moreover, joint ventures often jeopardize the working conditions of the workers from the country of origin of the vessel, as is already the case with the Spanish crews working on joint ventures with Argentina.

They may even promote precarious and unsafe working conditions for new workers, as crews from Argentina and Chile have learnt to their dismay. Even the EU-ACP Joint Assembly has recognized that joint ventures and other forms of exporting vessels have not meant "an actual transfer of technology, nor an adaptation to technological change leading to an endogenous development". Rather, it has claimed that "there is need for a new approach to joint ventures." On

the other hand, the FAO recently stated that "Fisheries, therefore, seem to be operating as a wealth 'sink'.

If the excess capacity is imported, as it is in many developing countries, the wealth of these countries is transferred and 'sinks' abroad, as reflected in a negative foreign exchange balance, without much secondary benefits for the developing countries' people (for example, the acquired excess fleets generate employment in the developed countries' shipyards)."

Not on the agenda

However, these concerns do not seem to be high up on the EU's agenda. In fact, the EU legislation does not demand a scientific study of the state of the resources prior to the transfer of one or more vessels to a joint venture.

It does not even mention the need for the recipient countries to have fisheries research organizations, nor any previous co-operation in the area of fisheries. Nowhere is mentioned the need to transfer the technology necessary to monitor the impact of the fishing vessels exported, their effect on the ecosystems (through by-catch, for instance), and, even less, their influence on local fishing communities.

In order to avoid responsibilities, the EU argues that these agreements concern the private sector. However, such a reasoning is inconsistent with the fact that many of these joint ventures would no be viable were it not for EU subsidies.

The impact of the activities of joint ventures depends upon two main factors. The first is the recipient country's ability to effectively control the activities of the ventures.

The second has to do with the development model chosen, the importance given to resource conservation and small-scale fisheries, and the need to promote the domestic and export fish markets.

Namibia, which does not depend on traditional small-scale fisheries, is perhaps a paradigmatic example of a country rich in marine resources but which displays a strong will to develop these resources for the benefit of its people.

It hopes to achieve this goal through joint ventures with foreign companies. To do so, it has had to stand up to EU pressure to establish a fishing agreement. Both the increasing cost of fisheries agreements and the ever-growing competition for scarce resources 'with other fishing powers, such as Korea, Japan and Taiwan, make the EU increasingly rely on joint ventures for its access to Southern countries' resources. This is through the

'second generation agreements'. These activities are progressively left in the hands of the private sector, and soon fall under the scope of the legal and financial dispositions of the particular society, in terms of the protection granted to investments. This is one area where any talk about ecosystem conservation or competition with artisanal fisheries or food security is plainly out of place.

Such a delegation of responsibilities by the EU is far from innocent. The absence of any kind of criteria to establish joint ventures other than the need to ensure supply to the EU market, which is the cornerstone of the CFP-is an instrument in the EU's move to ensure access to other countries' resources, while avoiding any restriction on the activities of its own operators.

From the EU's point of view, the South is a convenient dumping site for its excess fishing capacity.

In 1995, the EU witnessed two major conflicts that flung fisheries on to the world's headlines.

First, Canada illegally prosecuted the Estai, a Spanish freezer trawler fishing for Greenland halibut in international waters off Canada.

Later on, Morocco unilaterally denounced its fishing agreement with the EU, and 778 fishing vessels including 650 from Spain and 50 from Portugal had to return to their home ports.

The EU had to pay subsidies both to fishermen and shipowners as compensation until another agreement was reached, which allowed these vessels to go back to Moroccan waters from the beginning of 1996.

Overcapacity

Following these conflicts, Emma Bonino, the Commission's Fisheries Commissar, the EU's topmost political fisheries authority, declared that there was a basic problem of "fishing overcapacity". According to Bonino, decreasing this overcapacity, via scrapping of joint ventures, is at the heart of the new CFP.

Impressive as this determination may seem, apparently the reality lies in the opposite direction. A look into the allocations of the IFOP in the case of Spain shows just that. Although 36 per cent of the total budget is assigned for 'fleet readjustments; another 30 per cent is concurrently assigned for 'fleet renewal', that is, new constructions and modernization of existing vessels.

The foreseeable result is a new increase in the fishing capacity and a further industrialization of European fishing activities. This will easily result in more vessels and crews becoming redundant and future subjects for 'fleet readjustment'. Are European citizens subsidizing the building of vessels that in a near future will have to be exported into new and also subsidized joint ventures?

Notwithstanding the effects of EU's fishing fleets whether under the flag of an EU member state or not perhaps the most important impact of the EU on the South, especially on those less developed countries, has been more subtle: the export of an ideology and a model for the exploitation of marine resources.

This is an ideology that assumes and promotes the superiority of industrial fisheries over small-scale fisheries, the convenience to prioritize supply to international markets over domestic markets and the 'rationality' and 'scientific dimension' of a management model that has had such a damaging impact.

This is borne out by the experiences of countries like Newfoundland, whose fishing grounds have collapsed due to overfishing.

These are operations guided more by maximizing short-term benefits than by guaranteeing the preservation of the ecosystems. The EU fisheries co-operation which has included port construction as well as modernization schemes for artisanal fisheries has contributed to the extension of this paradigm.

This has resulted in the progressive marginalization of the weaker sectors and to the impoverishment, concentration and

privatization of resources. It has also led to a loss of community control, placing it instead in the hands of a few. Furthermore, the promotion of export markets may easily decrease local access to fish the traditional source of protein for the poor.

In applying the same scientific and economic principles and fishing strategies that have endangered ecosystems in its own waters, the EU will undoubtedly contribute to the destruction of the marine environment in all of the zones where its fishing activities are conducted, or where its development model is copied.

"The EU will thus continue to promote an unsustainable exploitation of fishery resources both at home and abroad unless it comes to recognize three fundamental truths in present fisheries management:

- the exploitation of renewable but finite resources can not keep up forever with increasing demand;
- the limited regenerative capacity of resources can not match the tendency of capital to search for unlimited profits; and
- maximum economic efficiency and maximum equity in the distribution of profits are not compatible.

Guarantee conservation

A management system that really comprehends these contradictions would focus not on maximizing catches in the medium and long terms but on something even more difficult: it would seek to guarantee the conservation of resources in the face of all the current powerful forces that tend to make them unsustainable. ♣

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