



EUROPEAN COMMISSION  
IMPACT ASSESSMENT BOARD

17 JAN. 2011

Brussels,  
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## Opinion

### Title

**DG MARE - Impact Assessment on the 2012 reform of the  
Common Fisheries Policy Basic Regulation**

**(draft version of 06 December 2010)**

### **(A) Context**

The Common Fishery Policy (CFP) was last reformed in 2002. The Basic Regulation 2371/2002 indicates that the Commission has to report on the operation of certain fundamental pillars of the CFP, such as conservation and sustainability and adjustment of fishing capacity, before the end of 2012 – with a view to a possible revision of the policy. The Commission has decided on a complete overhaul of the CFP and has already adopted a reformed control regime which entered into force in January 2010. The CFP Reform Package consists of a Communication on the reform of the CFP, a proposal revising the CFP Basic Regulation 2371/2002, a Communication on the future of the international dimension of the CFP and a proposal revising the CMO of the CFP and a proposal for a new financial instrument for fisheries and the IMP.

### **(B) Overall assessment**

**While the Board acknowledges the extent and depth of the analytical work carried out, the IA report requires further work on several important aspects. Firstly, it should better describe the design of the main policy options and the changes envisaged by them, as well as more transparently explaining the selection process for the individual measures/tools that make them up. Secondly, it should more clearly present the limits of current policy instruments for reducing the fishing capacity of the fleets and should strengthen the analysis on introducing Individual Transferable Rights (ITR). Thirdly, the report should better demonstrate how the lack of adequate scientific advice will be addressed. Finally, it should improve the analysis of the external aspects of the Common Fisheries Policy.**

**Given the nature of these concerns, the IAB requests DG MARE to resubmit a revised version of the IA report on which it will issue a new opinion.**

### **(C) Main recommendations for improvements**

**(1) Better describe the main policy options, including the selection of individual measures ('reform tools'), and improve the presentation of their impacts.** The IA report should provide greater transparency on the design of the four main options (point 5.2). This could be achieved by stressing the increasing levels of ambition in the options while also highlighting key differences in the scope and intensity of the measures within each one (more detailed information should remain in Annex 4). The report should explain clearly up front that 'anti-discard measures' and 'Relative Stability' feature in each of the reform options although with different levels of intensity. It should also be clearer on which policy options and measures have been discarded at an early stage, including more radical approaches like ceasing 'Relative Stability'. The differences between the impacts of the options should also be better explained, both as regards the modelled outcomes and those which are qualitatively assessed. In order to provide policy makers with a full picture of the choices involved, the changes envisaged by each reform option should be more clearly presented so they are comparable to both the baseline and each other. The different stakeholder views on the design and assessment of options should also be presented more transparently.

**(2) Improve the analysis of Individual Transferable Rights (ITR) and their effects on fleet overcapacity.** The problem definition section should better describe the current rigidity of 'Relative Stability', how it limits the use of market mechanisms and the resulting inefficiencies for the catching sector. The potential of ITR to limit overfishing by contributing to fleet reduction (while maintaining 'Relative Stability') should be better presented. The IA report should describe in greater detail the positive and negative effects of limiting ITR to individual Member States and explain why it may be justified despite being an economically sub-optimal solution. This assessment should benefit from an illustration of experiences from countries which already use ITR (such as Denmark, Iceland or the US). Finally, the IA report should outline the safeguard mechanisms for small scale coastal fisheries under ITR and explain how it would prevent fishing rights concentration.

**(3) Clarify the limits of measures aiming to reduce the fishing capacity of the fleet.** The IA report should better explain determinants of fishing capacity, such as vessel size or fishing gear efficiency, and clarify their relative importance. In this context, it should also discuss the effectiveness of current fishing capacity reduction measures, such as subsidies for fleet scrapping. Methodological difficulties related to assessing the actual fishing capacity of the fleet should be more clearly presented in the IA report.

**(4) Show how the gap in scientific advice will be closed.** Given the importance of establishing scientific data and advice, the IA report should be clearer about how existing shortcomings and risks will be addressed and should explain the responsibility of the Member States in this process.

**(5) Improve the analysis with regard to the external aspect of the Common Fisheries Policy.** The report should more thoroughly assess the problems in implementing Fishery Partnership Agreements (FPAs), in particular those related to surplus stocks, EU funding and payments for fishing rights that are eventually not used. It should also clarify the relative importance of the FPAs for the EU fisheries sector.

*Some more technical comments have been transmitted directly to the author DG and are expected to be incorporated in the final version of the impact assessment report.*

**(D) Procedure and presentation**

It seems that all procedural aspects have been followed. Clearer references from the main text to the annexes should be provided throughout the report.

**(E) IAB scrutiny process**

Reference number	2011/MARE/004
External expertise used	No
Date of Board Meeting	12 January 2011