DRAFT FOR COMMENTS

EPAs on fisheries

CFFA - Coalition for Fair Fisheries Arrangements

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Discussion Paper

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1. Fishing as a livelihood issue

FAO indicates that the livelihoods of at least 36 million people depend directly on fish catching and fish farming (aquaculture). Overall fishing and its associated activities, provide a source of livelihoods for between 200 and 250 million people worldwide. Whilst employment levels may be much lower than in agriculture, fishing livelihoods are strategically important in many remote and isolated areas, with few alternative resources. In many cases fish stocks and other living aquatic resources provide the only source of food for some of the world’s poorest communities, with over 60 % of the world’s recorded fisherfolk survive on less than USD 1 per day.

Today the fishing sector world-wide is facing a situation of severe and widespread crisis. Serious concerns are being raised about the prospects for sustainability; an estimated 75 % of the world’s fish stocks are being fished at or above their sustainable limits; and the catching capacity of the world fishing fleet has far outstripped the rate of natural replenishment.

In recent years the annual world fish catch from wild stocks has stagnated, fluctuating at around 90-95 million tonnes (some 90 % marine and 10 % inland). Most of the world’s fish catch (around 60 %) is now taken from the waters of countries in the South. This is partly due to the expansion of developing countries fisheries (notably China), but also due to overfished stocks in the North.

Some 70 % of the world fish catch is destined for direct human consumption. The remaining 30 % is converted into non-food products, mainly fishmeal and oil. An unknown, but significant (estimated at between 17.9 and 39.5 million tons - some 28 % of the total marine fish catch) quantity of fish are discarded each year in commercial fisheries as uneconomic by-catch. This is due to the non-selective nature of fishing operations and the inherent nature of quota-based fishery management practices.

Industrialised fisheries (like coastal shrimp trawling) in tropical developing countries are particularly prone to by-catch and associated problems. In such fisheries there is a rich aquatic biodiversity, with large numbers of species but low volumes of each species, on which trawling and other intensive fishing practices may impact severely. By-catch not only represents a serious environmental threat, and a considerable waste of potential food. In order to reduce waste and to promote food security, development programmes and fisheries agreements often try to channel by-catch from the industrialised sector onto local markets. Such initiatives, although well motivated, may be the cause of considerable economic and social disruptions, particularly in the artisanal fishing sector.

*Where scales matter...*

The fishing sector is characterised by dichotomy - of scale, technological sophistication, and wealth. Fishing operations and associated activities go from *small-scale or artisanal* fisheries on the one hand, to *large-scale or industrialised* on the other. More than 90 % of the world’s fishery dependent populations rely on small-scale or artisanal fisheries, yet they are responsible for less than half of the total fish catch. The large-scale or industrialised sector, representing only about 1 % of the fishing fleet and employing about 2 % of the fishermen take more than 50 % of the catch.

Industrialised fisheries have benefited significantly from modernisation and globalisation processes. The rapid development of the sector is attributable to a large extent on the provisions of large state subsidies, designed to promote production. Today many industrialised fishing activities are only able to continue to operate profitably because they still receive large subsidies. Subsidies to the fisheries sector globally are estimated at US$14.0-$20.5 billion, or approximately 20-25 per cent of revenues. Most of these go to the industrialised sector in the form of boat building and modernisation grants, tax breaks (on fuel), and subsidies on access fees to third country waters.
Small-scale fisheries have also benefited from modernisation. The use of modern materials (glass fibre for boat building, nylon and other polymers for net making), modern, miniaturised technology (outboard engines, navigation and fish finding equipment, etc.) have enabled the small-scale sector to make an important contribution to economic and social development in many countries, contributing as much as 50% to the export earnings from the fishery sector. In many situations, small-scale fishing operations may out-compete industrialised operations on economic grounds. This is making it attractive as an investment sector.

As well as evolving into an investment sector, artisanal fisheries also plays an important role as an activity of last resort when other sectors fail. In cases of natural calamities (drought, famine etc) and in war torn areas, there may be significant in-migrations into fishing. This may lead to conflicts within the sector, and cause resource depletion and habitat destruction – particularly where desperate situations lead to destructive fishing (with explosives and poisons).

**Fish as Food**

More than 1 billion people worldwide rely on fish as an important source of animal proteins. Fish also provides the only source of essential nutrients (protein, fats, vitamins (notably A and D) and minerals (notably calcium) in remote areas. More seafood is consumed than any other type of meat.

About 56% of the world's population derives at least 20% of its animal protein intake from fish, and some small island States depend on fish almost exclusively. In general, people living in African and Asian countries (including LIFDCs) are much more dependent on fish as part of their daily diets than people living within most developed countries and other regions of the world. There are also marked regional differences in both catching and consumption patterns. Of the worldwide 95.5 million tonnes of food fish available for consumption in 1999, only 6.2 million tonnes (6.5%) were consumed in Africa (with 11% of the world’s population). Despite an overall increase in world fish supplies, total world per capita fish supplies have decreased from 14.6 kgs in 1987 to 13.1 kgs in 2000.

**The Promise of Aquaculture**

Aquaculture, or the farming of fish, is being promoted as the answer to the world’s dwindling fish supplies. Globally, aquaculture production has been growing at an average rate of 9% per year since 1970, compared with 2.9% for terrestrial farmed meat production and 1.3% for capture fisheries.

Aquaculture production reached 45.7 million tonnes by weight and $56.5 billion by value in 2000. Of particular note is that 90% of the total aquaculture production comes from developing countries, particularly countries in Asia. It is also particularly significant that aquaculture production in developing countries and low-income food-deficit countries (LIFDCs) has been growing steadily at an average rate of about 10% per year since 1970.

Traditional forms of small-scale aquaculture in South and South East Asia have developed and expanded significantly in recent years. These operations play an important role in rural livelihood and food security. However, one of the main thrusts of aquaculture development has been on

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1 Food fish (from capture fisheries and aquaculture) represents 15.9% of total animal protein supply, followed by pig meat (15.2 percent), beef and veal (13.4 percent), and poultry meat (13.0 percent).

2 In LIFDCs as a whole, fish contributes some 20.4 percent of the total animal protein intake. In Africa it is 19 percent, in Europe 10.3, and in Central and North America 7.2.
intensive export oriented shrimp culture. In many countries increased export earnings from aquaculture have been offset by the significant social and environmental costs it has incurred.

1.1. Issues of fish trade, in the context of international trade agreements

Globally fishery products are amongst the most highly traded food commodities, with some 30-40 % of the catch traded internationally. Fishmeal (representing one third of the fish catch) is an important component of international trade in fishery products. In 2000 the global export trade in fish products was worth some US$55 billion.

For many developing countries fishery products have become a highly important source of foreign exchange. In fact fish has become the most important foreign exchange earner among all agriculture products traded by developing countries. Net foreign exchange receipts in developing countries for fishery products (i.e. the difference between the costs of imports and the total value of exports), increased from US$3.7 billion in 1980 to US$18.0 billion in 2000 - a 2.5-fold increase in real terms.

Developed countries accounted for more than 80 % of the value of the total fishery product imports. The main international markets for fishery products are the USA, Japan and the European Union, where about 76 % of the import value is concentrated. In 2003 the EU became the world’s main market for fishery products, importing more than €12 billion worth of fish and fishery products.

But whilst the markets of the North may offer the best prices, would be fish exporters in countries of the South face a plethora of trade barriers (both tariff and non-tariff) to enter here. The greatest economic returns are achievable through adding value through processing; hence the markets of the North tend to encourage trade in raw material rather than in processed products. Tariff barriers tend to be higher for processed products than for unprocessed fish. Non-tariff barriers are those relating to food safety, hygiene and quality control, and these affect processed products to a much greater extent than raw material.

International Trade Agreements.

Exports of fishery commodities constitute some 40 % of total catch by weight, suggesting that trade and trade policy have significant implications for fisheries conservation. Further trade liberalisation as promoted by the World Trade Organisation (the reduction and elimination of tariffs and non-tariff barriers, particularly on products of interest to developing countries) has implications for fisheries conservation and the sustainability of fish stocks.

The United Nations and the World Trade Organisation (WTO) are responsible for the international legal and policy frameworks that define how fisheries may be exploited and fishery products may be traded. While the WTO provides the institutional structure and legal basis for international trade liberalisation, the United Nations provides the legal basis for the sustainable development and management of fisheries resources, and for responsible fisheries production.

This potentially brings the conservation instruments of the United Nations and the trade liberalisation processes of the WTO into conflict. To bring their trade relations into line with the WTO and other international agreements, countries in the North are concluding free trade agreements with countries in the South. Increasingly free

3 A recent example of such a conflict was the EU complaint to the WTO against Chile for closing its ports to EU vessels fishing in international waters. Chile responded by challenging the EU under the conservation provisions of the United Nations Convention on the Law of the Sea (UNCLOS).
Trade agreements form part of a comprehensive package of agreements that include trade, investment, development co-operation and political dialogue.

The multilateral agreements on trade relevant to fisheries are:

- Marrakech Protocol to the General Agreement on Tariffs and Trade (GATT) 1994
- Agreements on Non-Tariff Barriers
- Agreement on Sanitary and Phyto-sanitary Measures (SPS)
- Agreement on Technical Barriers to Trade (TBT)
- Agreement on the Implementation of Article VI of the General Agreement on Tariffs and Trade (GATT) 1994 (Anti-dumping)
- Agreement on Import Licensing Procedures
- Agreement on Subsidies and Countervailing Measures
- Agreement on Safeguards

1.2. Fisheries current status in the WTO and the Doha Round

During the Uruguay Round of negotiations of the General Agreement on Tariffs and Trade (GATT), fisheries (and fishery products) were left out of the Agreement on Agriculture. Fisheries and fishery products are therefore treated as an industrial sector and industrial products respectively by the WTO.

Fisheries is currently dealt with by the WTO at four different levels:
- market access for non-agricultural products (reduction and elimination of tariffs and non-tariff barriers, particularly on products of interest to developing countries);
- agreement on subsidies and countervailing measures (ASCM). The Doha Round called for negotiations to clarify and improve WTO disciplines on fisheries subsidies, taking into account the importance of this sector to developing countries
- trade and the environment, particularly as regards multilateral environmental agreements (MEAs);
- dispute settlement procedures.

The Doha Agenda includes a number of issues of particular importance to international trade in fish and fishery products, including improved market access, fisheries subsidies, environmental labelling, the relationship between WTO trade rules and environmental agreements, as well as technical assistance and capacity building.

1.3. Provisions on fisheries in the Cotonou Agreement

The Cotonou Agreement deals with fisheries under two main areas:
- under the provisions dealing with fisheries agreements;
- under the trade provisions of the Cotonou Agreement.

Cotonou and Fisheries Agreements

Fisheries agreements are dealt with in Part 3 of the Cotonou Convention, under Title II: Economic and Trade Co-operation, Chapter 6: Co-operation in other areas. Article 53 on Fishery Agreements contains 2 elements that concern:

- the willingness to negotiate fishery agreements aimed at guaranteeing sustainable and mutually satisfactory conditions for fishing activities in ACP States;
• a commitment on the side of the ACP States not to discriminate against the Community or among the Member States, without prejudice to special arrangements between developing States within the same geographical area, including reciprocal fishing arrangements, when concluding or implementing such agreements, and a commitment from the Community not to discriminate against ACP States.

Following the review of the Common Fisheries Policy in 2002, the EU is proposing a modified policy framework for its fisheries agreements with ACP States. These are to be called “Fisheries Partnership Agreements” (FPAs). FPAs are designed to be “WTO compatible”, and to be in the mutual interests of the EU and its ACP partners.

The Trade Provisions of Cotonou

The terms and conditions for the export of ACP fish and fishery products to EU markets are determined in the main by the provisions of the Cotonou Agreement, assuming that the rules of origin can be met. The margins of preference enjoyed by ACP exporters under Cotonou depend on the trade regime applied to fishery products from competing countries. Products from competing countries may benefit from special free trade arrangements (as in the case of fish products from Chile under the 2002 Chile-EU Association Agreement), or other arrangements (including special GSP provisions)

The market-access provisions of the Cotonou agreement are based on the non-reciprocal trade preferences extended to ACP countries under the earlier Lomé Convention. These allow ACP countries to export their fish products to the EU without having to pay the import taxes applied to fisheries exports from other countries. These ACP tariff preferences will continue until the end of 2007. The EU is seeking to replace the current unilateral preferences with new reciprocal arrangements that would begin in January 2008.

Duty-free access for fishery products is qualified by the rules of origin applied to fishery products under the Cotonou Agreement (Protocol I, Annex V). To obtain duty-free access, ACP fishery products must be ‘wholly obtained’ in the ACP state concerned. Article 3 defines ‘wholly obtained products’, and specifies that (paragraph 1) for fisheries these include:

• products obtained by hunting or fishing conducted there;
• products of sea fishing and other products taken from the sea outside the territorial waters by their vessels; and
• products made aboard their factory ships exclusively from products referred to in the above subparagraph;

The restrictions imposed by “the rules of origin” have for long been a source of contention in EU-ACP fisheries relations. Indeed, the ACP countries have demanded that all catches effected in their waters (i.e. within their national jurisdiction) should enjoy originating status. This is recorded in Declaration XXXIX: ACP Declaration relating to Protocol 1 of Annex V on the origin of fishery products in the Cotonou Agreement. To date however, the EU has failed to respond to these ACP requests.
2. Relevance of fisheries to the ACP countries

2.1. Key fisheries issues for the ACP countries

Data derived from the FAO FishStat database indicates that in 2001 the total fisheries production of ACP countries was around 5.8 million tonnes, of which more than 98 % came from capture fisheries. According to these data, ACP fisheries production represents about 6 % of the total world fisheries production.

The small-scale fisheries in ACP countries, notably marine fisheries in West Africa, provide a highly diverse range of activities with a significant division of labour by gender. Whilst sea-going fishing is the domain of men, value added processing and trading are often the domains of women. Such a division of labour is important in assuring household income and food security. It is notable in several fisheries that as small-scale fisheries become more export oriented, the role of women diminishes and household income and food security suffer. A striking example is the export oriented Nile Perch fishery in Lake Victoria.

The EU provides ACP States with their most lucrative markets for fish, accounting for around than 75 % of ACP fishery exports by value.

Key issues for fisheries in ACP countries include:

- Lack of capacity to control, monitor and regulate fishing activities. As a result many countries suffer from “IUU” (Illegal, Unregulated and Unreported) fishing activities, carried out by both national and international fleets.
- Lack of capacity to carry out the fisheries research (observer programs, data collection, etc) required for rational management, and a lack of capacity to effectively manage their fisheries.
- Declining fish catches due to overfishing and the destructive impacts of fishing and other activities (including pollution) on the marine habitat.
- Lack of investment, lack of infrastructure development, and a lack of basic facilities.
- The application of a development model for fisheries more appropriate for the temperate fisheries in countries of the North than for the tropical fisheries in countries of the South.

The tropical ecosystems of ACP countries, and the social and economic structures are highly vulnerable to the impact of the industrial model of fishing. ACP States should therefore develop their fisheries based on an understanding of the fragile nature of their tropical fishery ecosystems; the existing fishing sector and the social structure of the coastal communities that depend on fishing; the natural capital that fisheries represent, and the long term potential to be realised from sustainable fisheries resource exploitation.

ACP-EU Trade in Fishery Products

Fisheries products are one of the few areas where ACP countries have seen their participation in world trade increase. Between 1976 and 1986 ACP fish exports to the EU rose from 36 MECU to 309 MECU. In 2001, the value of ACP fish exports to the EU exceeded 1.5 billion Euros. In the same year overall fish exports from ACP countries were 955,600 tonnes with a value of over US$2 billion.

The main ACP fish exports are:
- Fresh, chilled and frozen fishery products; these account for about 60 % by volume and about 50 % by value of ACP fish exports;
- Canned fish, which accounts for about 20 % by volume and 18 % by value of ACP fish exports;
- Canned or frozen shell fish (crustaceans and molluscs), which account for about 11 % by volume and 30 % by value of ACP fish exports;
- Dried, salted or smoked fish, which accounts for some 4 % by volume and 3 % by value of ACP fish exports.
ACP-EU Fisheries Partnerships

Formal EU-ACP fisheries relations are governed by 3 main institutional frameworks:

- A co-operation framework (e.g. the EU-ACP Development Co-operation framework),
- a wider framework of other policies where the primary objectives are to promote EU fisheries interests. This includes interventions made under the Common Fisheries Policy in two main areas: subsidised joint ventures and bilateral fisheries agreements;
- a framework that governs the trade in animals and animal products (including the application of tariff and non-tariff barriers)

ACP States have netted considerable financial benefits from the financial disbursements made by the EU in exchange for fishing rights through bilateral fisheries agreements. This is far in excess of the financial value of aid disbursements to the fishing sector made through development co-operation programmes. Fisheries agreement negotiations therefore dominate in EU-ACP fisheries relations, and are likely to continue to do so.

Fishery development objectives are often included in the negotiating agenda, and provisions are generally included in the fisheries agreements (the so-called targeted actions) that address such development issues as fishery management, support to the artisanal sector, local landings etc. The EU has also taken some significant steps in recent years to embrace sustainable development objectives in both the internal and external dimensions of its “Common Fisheries Policy” (CFP). These steps have included:

- The issuing of a European Commission (EC) Communication on Fisheries and Poverty Reduction in 2000. This was the first time that a link was officially made between the policy objectives for development co-operation and those of fishing. A number key issues were identified as pre-requisite for the sustainable development of the fishing sector in developing countries.
- Subsequently in 2001 during discussions on the reform of the Common Fishing Policy, the EC committed itself to ensuring: "sustainable and responsible fisheries outside Community waters with the same commitment as in its own waters"; and "sustainable exploitation of fisheries resources both in its own external fisheries activities and in international trade in fisheries products".

A step further was taken in 2002 by the EC Communication on an Integrated Framework for Fisheries Partnership Agreements (FPAs) with Third Countries. This proposed policy changes in bilateral fisheries relations with developing countries that would contribute to responsible fishing in the mutual interest of the Parties concerned. FPAs aim to ensure that both the interests of the EU distant-water fleet are protected and that the conditions to achieve sustainable fisheries in the waters of the partner concerned are strengthened.

Up to now the policies for trade in fisheries products and fisheries agreements have not been directly linked. However, whilst the FPA proposal deals mainly with access for its distant water fleet, there are some important aspects that are likely to have an influence on ACP-EU fish trade. Thus the EC Communication on FPAs notes that “the FPA shall support measures aiming at promoting the creation of joint-ventures, transfer of know-how, transfer of technologies, investments and capacity management for the benefit of the fishing industry”. This implies that in addition to granting access for its fleet, FPAs may also include other components, which may include both joint ventures and investments for the benefit of the (EU) fishing industry. This may involve establishing vertically integrated EU companies that would take lion’s share of the benefits from any local value added processing.
2.2. Impact/relevance for specific ACP sub-groups

In order to define pertinent ACP sub-groups, it is useful to consider various aspects of ACP fisheries in the context of EU-ACP fishery relations:

- **Geographic region**: West African, Southern African, Indian Ocean, Pacific Ocean, and Caribbean;
- **Nature and extent of fisheries resources**: tuna fisheries; demersal fisheries (in particular shrimp and cephalopod fisheries); and small pelagic fisheries (sardine, sardinella, scad etc);
- **Profile of the national fisheries sector**: ACP States with important small-scale fisheries; ACP States with important commercial fish catching and processing sectors; ACP States with an EU fisheries agreement; ACP States with no EU fisheries agreement;
- **Degree of fishery dependence**: ACP Small Island Developing States (SIDS); ACP Single Commodity States; and highly fisheries dependent ACP states.

**Issues Arising for Countries having signed a Tuna Agreement with the EU**

Two main ACP regions can be looked at

**Indian Ocean**

ACP countries in the Indian Ocean like Comoros, Madagascar, Mozambique, and the Seychelles have important tuna resources. The fisheries relations with distant water fishing nations like the EU are based on cash for access tuna agreements.

The distance of the Indian Ocean fishing grounds necessitates the use of local ports by the EU fleets for refuelling and other requirements (transhipping, provisions, maintenance, etc). These agreements are important for the local export processing sector (tuna canning) that are highly dependent on the supply from EU vessels for exporting on EU market.

**Pacific islands**

There are 3 tuna fisheries agreements with countries in the Pacific Ocean (Kiribati, the Solomon Islands and the Federated States of Micronesia (FSM). For the countries concerned, the financial compensation packages provided make a significant contribution to the overall Government revenues. But questions have been raised about the environmental impact of one of the main fishing methods used – purse seining. This tends to catch a high level of juveniles.

The tuna species of greatest commercial importance are highly migratory, and move between waters under the national jurisdiction of some coastal ACP States and international waters. This

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4 These groupings have a particular relevance for negotiation of fisheries relations with the EU. For example, specific regions may develop regional initiatives which should be taken into account when negotiating with distant water fishing nations like the EU.

5 There are 18 ACP countries that have signed formal fisheries agreements with the EU. These agreements tend to fall into 2 main categories: tuna agreements and mixed agreements.

6 The main relevance of these agreements is that they provide an opening for the EU to legitimately expand its tuna fishing activities in the Pacific. The EU has recently signed the “Convention on the Conservation and Management of Highly Migratory Fish Stocks in the Western Central Pacific Ocean (WCPTC)”, and these agreements will provide it with the necessary catch histories for future quota allocations.
migratory habit provides considerable challenges for ACP States, particularly for small islands with big EEZ, in terms of monitoring and controlling the activities of EU vessels, and verifying whether catches of tuna are being made within or outside their respective EEZs. This is important because the compensation payments are commensurate with the levels of catches being made, and this creates a powerful incentive for vessel operators to under report.

In this regard, the recent introduction of vessel monitoring systems that use satellite based positioning systems are an important development. However, the information is only of value if it is provided on a continuous and real time basis. Its effectiveness is also highly dependent on the capacity of the coastal state to back up such systems with patrol vessels and the ability to monitor catches directly. The latter is more readily achieved if there are enforceable compulsory local landing provisions integral to the fisheries agreement.

Several ACP States (including Seychelles, Madagascar, and Senegal) are also highly dependent on the landings of EU vessels to supply their tuna canning factories. Their own tuna fishing fleets are poorly developed, and in order to comply with the Rules of Origin requirements of the EU market (under the Cotonou Agreement and other trade agreements) the only option is to obtain tuna caught by EU owned vessels.

The rules of origin challenge

The Rules of Origin as defined in the Cotonou Agreement pose particular problems for ACP countries since the structure of many ACP fisheries sectors, based on vessel-chartering arrangements, joint ventures, fishing agreements etc, makes it impossible for them to comply with the rules of origin. This means, for example, that a significant part of the ACP tuna catch does not comply with the Rules of Origin as set out in the Cotonou Agreement, and therefore does not benefit from any tariff preferences over their competitors.

The tariff preferences provided by the Cotonou Agreement were originally conceived to promote economic development. But the conditions applied through the associated rules of origin tend to promote a model of development that enhances rather than reduces dependence on the EU. In particular the fishery agreement conditions attached to the chartering of vessels (Para 3 Protocol I) will have a marked influence on how the ACP coastal state is able to develop its fishery.

The strategic importance of tuna to the EU, combined with the substantial trade preferences available to the ACP States, explains the EU’s motive for highly restrictive Rules of Origin which limit any possible conferring of preference to third countries, while conferring maximum benefit to themselves. EU canneries are protected through the tariffs applied to imports from third countries. This protection, extended to the EU tuna fleet through the stringent requirements of Article 3, prevents ACP States using fish caught by foreign (non-EU) vessels to produce originating tuna products. This creates an incentive for ACP States to grant EU vessels preferential access to their EEZs over those from third countries, to ensure that their tuna canneries are supplied with “originating tuna”. The preferential margin offered to the ACP States for originating canned is therefore more a form of upstream subsidy to EU vessels via fishery access agreements, and less a trade concession to ACP States.

Generally the EU tuna fleet do not compete with local ACP fishing fleets, and with notable exceptions their fishing activities have no significant environmental impacts. The exceptions to this include:

- tuna fishing operations that use purse seines and fish aggregating devices. These operations tend to take significant levels of by-catch and juvenile tuna; and
- tuna fishing operations (pole and line) that require live bait. The live bait catching activities may have a significant impact on coastal resources and compete directly with local artisanal fisheries.
**Issues arising for ACP countries having signed a mixed agreement with the EU**

An ACP particular region can be looked at

**West Africa**

Many West African states have important small-scale fisheries, which provide an important source of livelihood and food security. There is evidence that EU and other foreign fishing activities compete both directly (for space and resources) and indirectly (for markets) with these fisheries.

The West African fishing grounds provide the basis of the so-called "pay, fish and go" (or "cash for access") EU-ACP fisheries agreements and are, with notable exceptions (Cape Verde has a tuna agreement with the EU), mixed agreements. The proximity of the EU (notably the port of Las Palmas in the Canary Islands) means that EU fishing fleets prefer not to land their fish locally. This in turn means that local landing provisions are either not respected, or that only lower quality fish is landed.

**Short term gains, long term losses**

Special consideration is often given by West African countries in their national fisheries policy to their small-scale fisheries sector. This is a shared concern for all ACP states where small scale fisheries exist. This "special treatment" exists for the following reasons:

- small-scale fishing communities tend to be critically dependent on fishery resources for their food and livelihood security, and as such are highly vulnerable to external pressures;
- small-scale fishing communities are highly dynamic, provide significant direct and indirect employment, and promote important forward and backward linkages in the local economy; and
- most if not all small-scale fisheries production is used directly for human food, either through subsistence or trade. Up to 60% of large-scale fisheries production is processed for industrial uses. With 15-20% of the catch from large-scale fisheries discarded as by-catch, only 20-25% is available for direct human consumption.

Unfortunately, because of the high degree of dependency of West African states from the EU fisheries agreement financial compensation, these national preferential provisions for small scale fisheries become of secondary importance when negotiating a fisheries "cash for access" agreement with the EU.

In the case of West Africa, EU fishing operations may compete directly with local ACP fishing sectors both for resources and markets. There are a number of issues arising from such competition.

Certain fishing activities, notably prawn trawling, generate significant quantities of by-catch. Such by-catch may consist of valuable non-target species, of low value non-target species, or of juvenile fish of both target and non-target species. From an economic point of view, by-catch of valuable non-target species by EU vessels represents an economic loss to the ACP States. From a social and economic point of view, compulsory landings of low value non-target species may disrupt local markets and undermine the economic viability of local artisanal fisheries. From a conservation perspective, high levels of by-catch may cause disruptions in the predator-prey relations and other wider ecosystem disruptions.

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7 There are 11 such fisheries agreements with West African counties: Angola, Cape Verde, Equatorial Guinea, Gabon, Guinea Bissau, Guinea Conakry, Ivory Coast, Mauritania, Sao Tome & Principe, Senegal
In some cases ACP States fish catching and processing sectors compete directly with EU fishery enterprises to obtain the benefits from the value added processing. In such cases, particularly where resource scarcity is exacerbated by over-fishing, ACP States may find the costs of compliance with EU hygiene and food safety regulations too high. They therefore often find themselves forced to enter into a fisheries agreements that discriminate against their own catching and processing sectors.

Effective monitoring, control and surveillance programmes are also highly important for providing good information for fisheries management, and to regulate fishing activities. There are various methods that can be used to verify both catch size and location where catches were made, including on-board observer programmes, compulsory landing provisions, vessel monitoring systems (VMS), and log books. However, often ACP States lack the capacity to implement these, and are not provided with “real time” full information from VMS and log books.

### Particular Issues arising for SIDS and Single Commodity States

There are a number of ACP SIDS (Small Islands developing States) whose economies and food security is highly dependent on fishery resources and fishery access agreements. Such states are faced with a number of particular constraints in their quest to optimise the contribution of their fishery resources to the national economy. These constraints include:

- isolated location, distant from markets and sources of vital inputs (fuel, spare parts supply and know-how), makes for high labour costs (often need for foreign workers), and high processing costs and this reduces competitiveness;
- few alternative resources available locally makes the economy highly vulnerable to world market prices for fish, and the terms of trade.

### ACP countries with no fisheries agreement

**Southern Africa**

There are 2 key ACP States in the Southern African region with rich fishery resources, but with no fisheries agreement with the EU. These are Namibia and the Republic of South Africa (RSA). Namibia and RSA are the top two ACP exporters of fishery products to the EU, by both volume and value. In both countries, the national fisheries policies favour foreign involvement in their fisheries through private joint venture arrangements, but not through formal bilateral fisheries agreements. In the case of RSA, the recent free trade agreement (the Trade Development and Co-operation Agreement (TDCA) signed in 1999) with the EU ties trade liberalisation in fishery products to the signing of a mutually beneficial fisheries agreement. To date RSA has declined to sign such an agreement, with implications for market access to the EU for its fisheries products. This means that either South Africa will need to explore alternative markets, find alternative (e.g. regional) avenues to the EU market, or yield to EC pressure to sign an agreement if it wants tariff free access to the EU market.

Both nations are key players in the regional SADC grouping, with important local export oriented fishing (catching and processing) sectors.

**Caribbean**

There are no countries in the Caribbean that have signed a fisheries agreement with the EU. Generally the limited extent of their fishery resources and the geographical proximity of the USA limits the importance of their fishery relations with the EU. In the Caribbean, it is only the Bahamas and Surinam that have significant annual export earnings from their trade in fishery
 products with the EU, placing them in the league of the top twenty (no 12 and 15 respectively) fish exporting ACP States to the EU.

**ACP-EU Fish Trade and Access Agreements**

In recent years the ACP has exported 350,000 - 400,000 tonnes of fish to the EU, with a value of 1-1.5 billion Euro. This represents around 15 % of the total value of EU fish imports from third (non-EU) countries. Namibia, RSA and Senegal are the most important ACP fish exporters to the EU in both quantity and value terms. Tanzania, Madagascar and Kenya follow but significantly behind. The value of fish exports from the Seychelles, Ghana and Uganda to the EU are also significant in value terms, but considerably lower in quantity. Of these 9 countries only 3 - Senegal, Madagascar, and Seychelles – have important fisheries agreements with the EU.

**A Regional Approach to Fisheries Management**

ACP coastal countries are often part of some regional organisations, which may influence the development of their fisheries sectors.

Regional fishery organisations (RFOs) have an important role to play in the management of fishery resources, including high seas resources, resources that migrate between ACP EEZs, shared stocks and straddling stocks. There are more than twenty regional and subregional fishery bodies worldwide whose mandates include the conservation and management of high seas fisheries. Some have full regulatory powers while others have an advisory role related to management issues. The functions of these bodies vary from dealing with a single species or a group of closely related species, to those based more on a region and covering a whole range of species within their areas of competence. The actions of these organisations will have important consequences both for ACP coastal states and for EU distant water fishing fleets.

Some RFOs of great significance for ACP States include:

- for West Africa:
  - the International Commission for the Conservation of Atlantic Tunas (ICCAT),
- for Indian Ocean:
  - the Indian Ocean Tuna Commission (IOTC),
- for Pacific
  - the Commission for the Conservation of Southern Bluefin Tuna (CCSBT)

The EU is a member of all these RFOs. EU fishing fleets are active throughout the Atlantic and Indian Ocean Regions, where they fish both in international waters and those under national jurisdiction. The EU bilateral fishery agreements with ACP countries in these regions enable its fleets to operate throughout the year. They are thus able to follow the highly migratory tuna stocks on their seasonal migrations between international waters and waters under the national jurisdiction of ACP coastal states. The network of bilateral EU-ACP fisheries agreements also enable the EU fleets to move from resources in one country to those in another as stocks are depleted or seasons change.

The EU is also building up its presence in the Pacific Ocean to take advantage of a new regional treaty, the Convention on the Conservation and Management of Highly Migratory Fish Stocks in the Western Central Pacific Ocean (WCPTC). This is being developed for the conservation and management of highly migratory fish stocks in the Central and Western Pacific (i.e. tuna and tuna like species).

At the same time, several groups of ACP countries are forming regional frameworks influencing bilateral dealings with distant water fishing nations and markets for fish like the EU. Notably these include the SADC (Southern African Development Community), the Common Market for Eastern and Southern Africa (COMESA), SRFC (Sub Regional Fisheries Committee-West Africa), and the
FFA (Forum Fisheries Agency – Pacific). Other important regional groupings include the Economic Community of West African States (ECOWAS), the Asia Pacific Economic Co-operation (APEC), the Association of South-East Asian Nations (ASEAN), the Co-operation Council for the Arab States of the Gulf (GCC), the Organisation of Eastern Caribbean States (OECS), the CARIFORUM, the Indian Ocean Rim Association for Regional Co-operation (IOR-ARC), and the Pacific Economic Co-operation Conference (PECC). There are also Customs Unions, such as the Southern African Customs Union (SACU), which have an important role to play in the negotiation and implementation of regional free trade agreements (for example with the USA).

2.3. Key issues where broad all-ACP consensus could be built

The most important areas where a common approach would strengthen the ACP position include:

- Harmonising minimum terms and conditions for access for third country vessels to their EEZ;
- Joint negotiation of access agreements where appropriate, particularly with regard to migratory species, particularly at the regional level;
- Joint initiatives in terms of research, monitoring and control, particularly at the regional level;
- Joint negotiating of regional trade, investment, and development co-operation agreements (as in the case of the EU-MERCOSUR negotiations) and;
- Putting forward joint negotiating positions on such issues as rules of origin, where current arrangements discriminate against ACP States.

Establishing minimum conditions for access provided to third country vessels is an approach that could usefully be applied. For example, the Indian Ocean countries, such as Mozambique, Madagascar, Kenya, Tanzania, and the Seychelles. Many of these countries already form part of the SADC group, as well as being part of the IOC-ARC.

Harmonisation of the minimum terms provides the opportunity for immediate and practical collaboration without the need to address such difficult issues as the division of financial compensation payments.

Similarly given internal EU pressures for vessel redeployment, the development of a common set of standards and criteria to guide the redeployment of EU vessels to ACP waters is something which the ACP could usefully explore. The drawing up of a common code of conduct and common criteria for vessel transfers could greatly assist ACP states in avoiding the problems of stock depletion and fleet over-capacity in the European fishing fleet that beset EU fisheries in community waters.

The current way that the rules of origin and originating products are defined in the Cotonou Convention restrict the benefits accruable to ACP States. The way these are currently defined, particularly in the case of tuna products, protect the EU domestic processing industry (notably tuna canneries) and the EU distant water fleet. It is in the interests of all ACP fish export processing states that these rule are changed.

2.4. key issues where divergences are likely to exist between ACP countries

Key areas where divergences occur between ACP countries will depend on:

- whether or not the ACP State depends on its fishery resources for its own population. For example, although Mauritania is not a large fish consuming country, an important export oriented artisanal fishery for octopus has developed. It also depends to a large extent on
revenues from fisheries agreements and fish exports for debt service. Neighbouring Senegal is highly dependent on fish as a source of food and needs to balance its need for foreign exchange from fish exports and fishery access agreements with the need of its populations for fish as food and livelihood;

- the nature of the fishery resources. Some countries, like Cape Verde, may have rich tuna resources. Others, like Senegal, may have rich variety of resources, and others may be rich in other resources (as in the case of Mauritania with its small pelagic resources). The nature of the resource and the state of stocks will determine the level of interest in the EU for having a fisheries agreement (or not), thus necessitating different approaches to negotiating with the EU;

- the policy decisions of the ACP State with regard to value added processing. Several ACP States have invested in tuna canning plants and other export processing facilities. These are however faced with an increasing number of barriers. In the case of tuna canneries, it is likely that the current margins of preference enjoyed by ACP States will be eroded. In the case of other processed products, non-tariff barriers (food safety and hygiene regulations) can represent further significant constraints to EU market access. Yet other ACP States have formed joint venture arrangements where the involvement of an EU partner may ease these barriers, but with the lion’s share of the benefits from value adding accruing to the foreign partner. Others still (like Mauritania) allow distant water fleets to catch the lion’s share of their available resources, with little or no provision for local value addition.

- the response of ACP States to the “rules of origin” established by the EU. In many ACP States the local fishing sectors are either not capable of catching fish to the specifications required for export, or not geared up to process it. These countries, particularly those with tuna canning industries, have to rely on EU vessels to catch the fish and EU based companies to process the catch ashore. Such countries may take a laissez-faire approach to negotiations on rules of origin. Others, who want to develop their fleets and the fisheries within their EEZs may want to re-negotiate the rules of origin so as to grant originating status to any locally processed fish that is caught within their EEZs (and not just that caught by EU Member State or ACP State vessels).

On the whole improvements in the fishery agreement conditions for the ACP States have been negotiated on a bilateral basis. These improvements include, for example, provisions for biological rest periods in some fisheries, provisions for an exclusive area inside 12 miles reserved for artisanal fishing (as in the case of Guinea), and the establishment of vessel monitoring systems (VMS). Therefore, rather than trying to adopt a common negotiating framework, it may be more advantageous for individual ACP States to negotiate bilaterally, and to “cherry-pick” the gains made by others for inclusion in their own negotiations.

In short…

To date ACP States have not seen fit to negotiate fisheries agreements on a joint basis, or to establish a joint ACP position on common negotiation positions.

Whilst in theory there may be some advantages to forming such a joint negotiating position, in practice ACP States may obtain greater advantage from learning from the experience of others, and capitalising on the gains made.

One of the main issues of concern from the trade perspective is the rules of origin. The restrictive nature of these makes it very difficult for many ACP States to benefit from the preferential trade provisions on offer under the Cotonou Convention.
3. Relevance of fisheries to the EU and its likely position

3.1. Key issues for the EU (and its member states) in fisheries

The two main features of EU fisheries of relevance for ACP States are:

- resource depletion in EU waters, where there has been a failure to achieve a sustainable balance between resources on the one hand and fishing effort on the other; and
- the increasing EU dependence on external fish supplies to meet both its market (processing and consumption) and fishing sector (employment and investment) demands.

The declining stock levels in EU waters, and the supply deficit in the marketplace are the main forces driving EU external fishing policy. Its fishing policy for ACP countries is therefore driven by the need to gain access to ACP fishery resources (both fishing grounds and fishery products). The fishery situation in the EU today (over-capacity, depleted resources, supply deficit, etc) is both potentially promising and perilous for ACP states.

EU stock sizes and landings have declined dramatically over the last 25 years. For example, for many commercially important demersal stocks, in the early 1970’s mature fish numbers were about twice those found in the late 1990’s. According to a 2001 European Commission report on the fisheries situation in the Community: “If current trends continue many Community fish stocks will collapse”. It further noted that “the over-capacity has negative economic effects on the profitability of the fleet”; and that for an improvement of the economic and financial performance, there needs to be “a reduction in the overall level of capital employed”.

Today about 60 % of fish consumed or processed in the EU comes from outside EU waters. The growing demand for fish is for both quantity and quality. Food safety standards have been established, and there are strict controls are applied to ensure compliance with sanitary and phytosanitary standards. These standards provide a strong check on the potential for ACP States to benefit from any value addition to its fishery products, rather encouraging the export of fish in a raw or semi-processed form.

It is important to note that in 2000, with the exception of Spain, which is now the third largest importer of fishery products, all other major countries of the Euro-Zone reported decreased values of imports. Spain plays a major role in EU external fishing policy, both in terms of securing access rights for its distant water fleet, and in regulating the market conditions for imports.

3.2. Key fisheries provisions and differences with previous EU agreements

Previous EU agreements address 3 main issues:

i) Fishery access arrangements for EU vessels (as in the case of all bilateral fisheries agreements);
ii) Market access arrangements for Third Country products on the EU market (as in the case of the EU-RSA and EU Mexico agreements);
iii) Reciprocal arrangements for investment in fishery enterprises (as in the case of the Chile Association Agreement, and as reported from the current EU-Mercosur negotiations).

Until recently, there was no direct or otherwise overt linkage between agreements negotiated for fisheries access and agreements governing trade relations. Whilst successive Lomé Conventions contained provisions, and the Cotonou Convention contains provisions on fisheries agreements, these are not tied to the free trade provisions. The lack of any linkage between free trade and fisheries access is becoming a thing from the past. In its most recent free trade agreements with
countries that have important fisheries resources (RSA and Chile) the opening up of the EU market to free trade is closely tied to the opening up of third country waters to EU fleet access (through fisheries agreements and investment).

The advent of the World Trade Organisation (WTO) and the various WTO brokered agreements on the removal of tariff and non-tariff barriers have influenced this change in the EU approach. In exchange for granting tariff free trade to third countries, fishery access and liberalised investment conditions for EU enterprises are demanded.

**Bilateral Fisheries Agreements**

As part of the compensation payment negotiated under bilateral fisheries agreements, a certain proportion may be set against mutually agreed “targeted actions”. These often include a number of important management and research provisions, and also occasionally provisions for fishery development (artisanal fisheries, up-grading fish processing to comply with EU standards etc). However, there is no obligation on the part of the ACP State to report on how these monies are spent. This lack of transparency is a major constraint to promoting good governance and to ensuring that fishery development objectives are met. There is however no bilateral fisheries agreement that includes trade provisions.

Arrangements for fish and fishery products form an increasingly important part of wider agreements such as the Trade, Development and Co-operation (TDCA) agreement with South Africa, the EU-Mexico Global Agreement, the EU-Chile Association Agreement.

**The TDCA with RSA**

In the case of TDCA agreement with South Africa, article 62 on Fisheries notes that: “Co-operation in this area shall aim at promoting sustainable management and use of fisheries resources…. This will be achieved by exchange of information… These arrangements will be set out in a mutually beneficial fisheries agreement which the Parties undertake to… complete as soon as possible”. The Agreement explicitly links tariff concessions in the fisheries sector to the conclusion of a fisheries access agreement. In Title II and Annex V it is made clear that the elimination of EU tariffs on South African fisheries exports will only come into effect, once a fisheries agreement with the EU has been concluded.

Even then tariffs are not immediately removed. Schedules are established for the progressive removal of tariffs on South African fisheries exports over a 10 year period, with the future of tariffs on the most valuable South African fisheries exports, Hake, Monkfish and Anchovy, being determined “in the light of the content and continuity of the fisheries agreement.” Thus South African fish exporters will continue to face tariffs of between 8% and 15% on products exported to the EU, unless South Africa not only concludes a fisheries agreement with the EU, but also concludes a fisheries agreement that is wholly acceptable to EU fishing interests.

**The EU-Mexico Global Agreement**

In the case of the EU-Mexico Global Agreement signed in 2000, only trade and political issues are dealt with in the agreement. Under the agreement it is envisaged that by 2010, 100% of the EU’s imports and 89% of Mexico’s imports will have zero tariffs. However, to door has been left open for a future agreement on investment to be signed, and this open the way to liberalised inward investment conditions for the EU in Mexican fishery enterprises.
The EU-Chile Association Agreement

The FTA with Chile, signed in November 2002, is one of the most recent free trade agreements concluded by the EU. Fisheries comprise an important part of the agreement, forming part of both the trade and investment components of the agreement. They are also referred to under Economic Cooperation (Title I), Article 25:

Para 1. In view of the importance of fisheries policy in relations between them, the Parties undertake to develop closer economic and technical collaboration, possibly leading to bilateral and/or multilateral agreements covering fisheries on the high seas.

Para 2. Furthermore, the Parties underline the importance that they attach to the fulfilment of the mutual commitments specified in the Memorandum Of Understanding that they signed on 25 January 2001.

Under Article 66 that refers to customs duties on industrial imports originating in the Community, fish and fisheries products are referred to in subsection 2.2. Article 67 deals with the scope of the agreement (i.e. to which fish and fishery products the agreement applies). Article 68 refers to the Customs duties on fish and fisheries imports originating in Chile. This provides the timetable for eliminating the customs duties on imports into the Community of fish and fisheries products originating in Chile as listed in Annex I under category "Year 0", "Year 4", "Year 7" and "Year 10", “so that these customs duties are completely eliminated by the entry into force of this Agreement, 1 January 2007, 1 January 2010 and 1 January 2013, respectively.”

For most fishery products, with the notable exception of hake and some salmon and tuna products, tariff barriers are reduced to zero within 4 years, with a maximum transitional period of 10 years for 95% fisheries products exported from Chile to the EU.

In addition to these provisions, there is a separate Protocol on Fishing Enterprises. This establishes conditions for European investment in the Chilean fisheries sector. It sets out provisions under which the European owners of Chilean companies may register their vessels, buy licenses and quotas, and transfer vessels to Chile. The conditions are fully reciprocal, according to the national laws of Member States.

The Protocol on Fishing Enterprises has 4 main components:

- Conditions governing ownership and control, which on the one hand authorise EU companies to own a major stake in, and to control and manage new or existing fishery enterprises in Chile. And on the other authorising reciprocal rights for Chilean companies in EU Member states.
- Conditions governing registration and operation of fishing vessels. These entitle EU companies owning Chilean companies to apply for, register and operate fishing vessels in Chile, under the same conditions as Chilean companies. Reciprocal rights apply to Chilean companies owning companies registered in EU member states.
- Conditions governing fishing permits, which entitle EU companies to obtain fishing permits and their corresponding individual quotas (with reciprocal rights for Chileans).
- Conditions governing the transfer of licences and vessels, which entitle EU companies to receive, by means of transfer, fishing authorisations and vessels under the same conditions as Chilean companies.

The EU MERCOSUR Negotiations

Indications are that a similar approach to fisheries is being adopted as in the case of Chile. In this regard, it seems that trade liberalisation for MERCOSUR fisheries products on the EU market is
being tied to favourable investment conditions for EU companies in MERCOSUR fishing enterprises.

3.3. Likely EU strategy in EPA negotiations

The EU is increasingly dependent on external fish supplies to meet both its market (processing and consumption) and fishing sector (employment and investment) demands. Therefore, in the context of EPAs, EU fisheries negotiations are likely to be governed by two main factors:

- on the one hand by the interests of the EU for resource access (including investment in local fishing enterprises), and
- on the other by the ACP interests for tariff free access to EU markets for both raw fish and value added fish products.

To date, EU negotiators have made it clear that they do not wish to differentiate between production sectors. Rather they prefer to negotiate broad terms that will allow them to make trade-offs between providing development assistance and allowing market access on the one hand (for products from a variety of sectors), and on the other securing concessions on trade and investment for EU companies (in a variety of sectors). This is reflected in the current stances of the EU and the ACP in the negotiations that are still stalled in Phase 2.

It is therefore likely that for fisheries relations, the EU will adopt a two-pronged approach. On the one hand the EPA framework agreements will set out the broad conditions under which trade, development, and investment may take place. On the other the EU will negotiate separate bilateral Fishery Partnership Agreements (FPAs), the signing of which may be part of the deal for the ACP to benefit from tariff free access to EU markets.

The conditions that are applied to the Rules of Origin (for originating products) are an important issue for trade negotiations. As noted above, the restrictions imposed by “the rules of origin” have for long been a source of contention in EU-ACP fisheries relations. The conditions applied in previous agreements place significant constraints on ACP fishery products to enter the EU market, whilst favouring EU enterprises based in ACP States (as in the case of canned tuna).

In short....

Recent experience in South Africa and Chile suggest that the EU’s negotiating strategy for fisheries in the context of EPAs will be to:

- make EU market access for ACP fishery products conditional on granting the EU access to ACP fishery resources;
- press for favourable conditions for direct EU investment in ACP fisheries sectors;

The EU is also likely to press for the maintenance of the status quo as regards the rules of origin, as these strongly favour their own domestic processing industries and (as noted below) confer strategic advantages to their distant water tuna fleet.
3.4. Options for the ACP countries

Two pre-requisite for EU-ACP negotiations on fisheries

# A clear fisheries policy in concerned ACP States and clear priorities within their national fisheries development plans, taking into account the long term needs of the local (catching and processing) sectors. If not, then past experience shows that the local fisheries sector development will always be afforded second priority to the signing of a fisheries partnership with the EU, and short term benefits will be privileged over long term sustainable development.

# A clear definition of the articulation between Fisheries Partnership Agreements and Economic Partnership Agreements as soon as possible. This is required to avoid negative consequences for ACP fisheries sectors and resources, and to benefit fully from the potential advantages offered by the variety of fisheries relations available with the EU. As noted above, it is likely that EU will define broad terms under the EPAs including the tying of tariff free entry conditions for fishery products to the EU market on the signing of a fisheries partnership agreement. However, the conditions for EU fleet access and fishery enterprise investment are likely to specified in the specific bilateral FPAs.

Whilst it may be possible to define some minimum conditions for EU fisheries access to ACP fishing grounds, experience shows that ACP States as a group may be better advised to negotiate the fisheries components of EPAs on a bilateral/regional basis and not a multilateral basis.

As regards the terms of trade, WTO rules and WTO agreements have set the writing firmly on the wall for the preferential margins granted to ACP fishery products on the EU market. Further, the compliance with the rules of origin as defined under Cotonou is extremely difficult for ACP States. This is likely to put them at a disadvantage compared to other developing countries whose fishing sectors are more developed (such as some ASEAN states). Furthermore, trade concessions granted to non-ACP States for the import of their fishery products to the EU will make ACP States fishery products less able to compete. This will affect SIDS and single commodity states more than others. New trade arrangements are therefore needed that guard the privileged position of the ACP States.

3.5. Possible strategies for EPA negotiations

ACP negotiators need to be aware that the EU are likely to push for ACP access to EU markets to be made conditional on EU fleet access to ACP waters.

Such trade and fisheries agreement linkages may further distort the distributions of benefits of exploitation of ACP fisheries resources away from the local population and in favor of European operators interests.

To ensure long term gains from their fisheries relations with the EU, it is therefore vital that ACP States come to the negotiating table with firmly established priorities for fisheries sector development within national development plans.

Full transparency, information and well prepared participation of the local ACP fisheries sector to the negotiating process can only but reinforce the ACP States position in favor of a sustainable, “poverty reducing” development of ACP fisheries sectors.

An issue of potentially even greater concern is that post Cotonou, and within the framework of EPAs, ACP market access may be made conditional on direct foreign investment for EU enterprises in the ACP fishing sector. This may include establishing EU enterprises in ACP States (for both catching and processing fish), transfer of EU vessels to these enterprises, and EU
fishing vessels competing directly with local vessels for resource access. ACP fishing enterprises and artisanal fishing sectors will increasingly have to compete directly with EU fishing companies and fishing operations under terms that discriminate in favour of the EU. In the advent of the introduction of market mechanisms for resource allocation, EU companies may even be able to purchase local fish quotas, displacing the local sector.

There is therefore a need to place greater emphasis on the EPAs as development partnerships rather than as commercial partnerships, especially in the short to medium term. This would mean maintaining preferential margins of preference in the short term, and in the medium to longer term developing the capacity to produce value added export products.

For more information….


GLOBEFISH: http://www.globefish.org/entry_infopeche.htm

Kurien, J. 2004 (in draft) Fish Trade for the People. FAO/Norwegian Ministry of Foreign Affairs (background etc available at: www.tradefoodfish.org)

The source of FAO data on capture fisheries, aquaculture and trade are available at: http://www.fao.org/fi/statist/FISOFT/FISHPLUS.asp, as downloadable data bases

EU communications in relation to fisheries relations with ACP countries


To know more about key fisheries issues for the EU relations with ACP countries


Elements of an EU-ACP framework agreement on fisheries partnerships, by Dr Roman Grynberg, May 2003 http://www.acp-eu-trade.org/documents/Grynberg_Comeas_26_05_03_Elements%20of%20ACP-EU-Framework_Fisheries_Agreement.pdf
The European Centre for Development Policy Management (ECDPM) aims to improve international cooperation between Europe and countries in Africa, the Caribbean, and the Pacific.

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This Discussion Paper on EPAs on fisheries is an initiative by the European Centre for Development Policy Management (ECDPM) and the Technical Centre for Agricultural and Rural Cooperation (CTA), under the editorial supervision of Sanoussi Bilal (sb@ecdpm.org), Stefan Szepesi (ECDPM) and Vincent Fautrel (fautrel@cta.int).