

# Community system to prevent, deter and eliminate illegal, unreported and unregulated fishing (IUU)

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Illegal, Unreported and Unregulated, or IUU fishing, is a major global threat to the sustainable management of marine resources. The global “turnover” of IUU fisheries is second only, in value to that of China and stands at an estimated EUR 10 billion. The loss is far from purely economic. Many IUU fisheries extort an important ecological costs. While 75% of world fish stocks are either fully or over-exploited by *legal* fisheries, IUU fishing represents the hidden force which threatens to undermine this worrying situation.

IUU is a global problem. It is one in which the EU is called to play a leading role. The EU has one of the largest fishing fleets; is the third catching power; and the world’s largest market and importer of fisheries products. Illegal fisheries imports into the EU have been estimated conservatively at EUR 1.1 billion a year. There is broad international consensus on the need to act decisively against IUU fishing as expressed by the FAO, the UN General Assembly and the OECD. The EU has long been active in the fight against IUU fishing both at home and internationally. The Commission believes that the time has come to take the fight against IUU fishing to a new level. This Communication describes the main characteristics of the IUU phenomenon and outlines the core elements of a new strategy to ensure that in future, fisheries crime does not pay.

**The impact of IUU fishing:** IUU fishing has a detrimental impact on the environment; it has socio-economic consequences and it undermines efforts to govern the oceans. The practice of IUU fishing is the often disastrous damage it inflicts on marine biodiversity. It does great harm to the sustainability of fisheries given that catches go un- or misreported. This is a particularly worrying trend given that IUU fishing typically target juveniles. IUU fishing also represents a serious threat to marine habitats by using prohibited methods whereby a high proportion of unwanted species can be taken as by-catches and are then discarded.

In terms of its socio-economic impact, IUU fishing represents the theft of common fisheries resources and results in considerable losses to those fishermen who do abide by the law. Estimates suggest that the value of IUU fishing amounts, worldwide, to around EUR 10 billion. By comparison, the value of landings by the EU fleet was EUR 6.8 billion in 2004. Thus, the EU fishing industry faces fierce competition from IUU operators who disregard all obligations which legal operators take on when working the same fishing grounds or targeting the same species and end markets. It has dramatic consequences for coastal communities in developing countries and it uses substandard vessels flying the flag of states which apply no or very low standards of social protections. As a result crews aboard IUU fishing vessels have to endure unacceptable living and working conditions.

**Drivers of IUU fishing:** Profit is the driving force behind IUU fishing. Those conducting IUU activities have low operating costs. Costs resulting from social and tax charges can be reduced to a minimum or may even be non-existent. The non-respect of fisheries rules and trading of catches outside official channels translates into reduced expenses. While costs are low, the probable profits from IUU activities are generally high. A problem aggravated by the fact that illegal operators tend to target valuable species which command higher market prices such as tooth fish, bluefin tuna or cod. The persistence of IUU practices is to a large extent the ease with which illegal operators are able to pursue their activities. IUU operators take advantage of the benefits available under certain national systems of flag registration.

Insufficient cooperation at both international and EU levels between states and international bodies adds to the problem. Further, illegal operators within EU waters take advantage of the weakness of the control, inspection and enforcement systems of Member States to develop their activities.

**A new EU strategy:** The EU has a specific responsibility to lead international efforts in the fight against IUU fishing. The EU has been very active over the last years, promoting at EU, regional and international levels the implementation of an ambitious policy to deter and prevent IUU fishing. This is beginning to bear fruit particularly within Regional Fisheries Management Organisations (RFMO's). IUU has, however, not been eradicated. In the past, EU policy has focused on working with international rules and consolidating regional bodies responsible for enacting them. Focus has been given to monitoring and control activities occurring at sea.

The Commission considers, however, that the time has now come to present a new strategy to deter, prevent and eliminate IUU that encompasses all fishing and related activities linked to IUU practices such as: harvesting, transshipment, processing, landing, trade etc. The proposed new strategy aims to build upon and further develop the most advanced measures enacted at international and regional levels, while also advocating unilateral action by the EU wherever multilateral initiatives are not yet able to achieve a satisfactory outcome. In short, the main features of the new strategy are:

- **To complete the EU system for anti-IUU action through the integration of trade:** The main shortcoming of the regime is precisely that it is not comprehensive enough. The market dimension of the IUU problem is to a large extent left aside, despite the fact that the EU is the biggest market and the leading importer of fisheries products. Yet, the EU framework is particularly weak when it comes to guaranteeing that fisheries products from third countries imported into the EU have been caught in compliance with relevant management and conservation rules. To address this challenge the Commission is proposing the introduction of a new regime governing the access to the Community territory of third country fishing vessels and imported fisheries products. This regime will be based on the principle that only those fisheries products certified as legal by the flag state concerned are entitled to enter into the Community.
- **To find more effective ways to persuade flag states to exert an adequate control over their fishing vessels:** The Commission regards as unacceptable the current situation where regional and international bodies are unable to enact effective measures against states which fail to discharge their duties under international law and to take appropriate action against IUU fishing. To address this challenge, the Commission is proposing that the Community be entitled to act unilaterally in order to identify and establish black lists of states hosting flags of non compliance and vessels responsible for IUU fishing and to enact trade measures towards them.
- **To reach a higher degree of compliance with international compliance by EU vessels in Community waters:** The EU can only be seen as a credible actor against IUU fishing if it is able to demonstrate that illegal fishing in EU waters and by EU vessels is being tackled. Investigations show, however that the enforcement of current CFP provisions is not satisfactory. This matter needs to be addressed as a matter of urgency. The new strategy, therefore, intends: to encourage Member States and the Community to implement the current CFP framework; to approximate sanctions across the EU; and to ensure stricter control and enforcement measures against Community nationals responsible for IUU fishing beyond Community waters.
- **Improved investigative cooperation:** The effective investigation of IUU activities requires a high degree of coordination and regular exchange of information between the various services in charge of maritime surveillance and border control. The new strategy, therefore, intends to offer EU support to multilateral efforts being carried out most notably through the FAO; to put in place a global register of fishing vessels; to establish an international network dedicated to MCS activities; to promote mutual assistance with third countries to combat IUU fishing and to improve Member States coordination through the Community Fisheries Control Agency.
- **Intensify EU policies against IUU fishing on the high seas and with developing countries:** Coastal developing countries are one of the main victims of IUU fishing. The Fishery Partnership

Agreements with developing countries goes some way to addressing the prevention of IUU fishing. The new strategy will seek to strengthen this further by consolidating and rendering more operational measures against IUU fishing in the 13 RFMOs to which the Community is a Party; by confirming and intensifying the financial support of the Community to coastal developing countries; by improving the management and monitoring of activities in their waters and by their vessels; by further assessing the consequences of the IUU regulation on developing countries; by promoting a rapid and large ratification of the ILO consolidated convention on work in the fishing sector; and by exploring the possibility of incorporating these conventions into Community law.

Based on the above, the Commission invites the European Parliament and the Member States to endorse the new strategy to prevent, deter and eliminate illegal and unregulated fishing activities.