



Brussels Rural Development Policy Briefings
A series of meetings on ACP-EU development issues

**Briefing n°38: Fighting against Illegal, Unreported and Unregulated fishing (IUU):
Successes from ACP countries**

Organised by: CTA, ACP Secretariat, European Commission (DGDEVCO/DGMARE), Concord

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<http://brusselsbriefings.net/>

1. Context

More people than ever before rely on fisheries and aquaculture for food and as a source of income, but harmful practices and poor management threaten the sector's sustainability. The share of fisheries production used by humans for food has increased from about 70 percent in the 1980s to a record high of more than 85 percent (136 million tonnes) in 2012. At the same time per capita fish consumption has soared from 10 kg in the 1960s to more than 19 kg in 2012. Fish now accounts for almost 17 percent of the global population's intake of protein -- in some coastal and island countries it can top 70 percent. FAO estimates that fisheries and aquaculture support the livelihoods of 10–12 percent of the world's population. Illegal, unreported and unregulated (IUU) fishing remains a major threat to marine ecosystems and also impacts negatively on livelihoods, local economies and food supplies.¹ The fisheries sector plays a key role for ACP countries in terms of food security and poverty reduction, economic growth and job creation, as well as foreign exchange earnings.

IUU fishing is a major threat worldwide to the sustainability of fish stocks and marine biodiversity, and is detrimental to fishing fleet operating legally in developing countries. IUU fishing is not limited to the illegal harvesting of fish but also includes the shipment, processing, landing, sale and distribution of fish and fishery products. IUU fishing (i) generates harmful effects on the economic and social welfare of those involved in legal fishing; (ii) distorts competition for legal fishermen and reduces incentives to play by the rules; (iii) threatens the survival of coastal communities and jeopardizes the viability of resources; (iv) contributes to the depletion of fish stocks and undermines efforts to secure and rebuild those stocks; (v) destroys marine habitats.

IUU fishing is pervasive, occurring in all regions of the world; it is found in the high seas, in exclusive economic zones and in near-shore fisheries. If not adequately controlled, these activities pose serious problems for all types of fisheries: industrial, small-scale and artisanal, having potentially serious environmental, economic and social impacts. IUU fishing causes environmental concerns as a threat to the sustainability of fish stocks and marine biodiversity; economic losses to fishing fleets operating legally and confronting with unfair competition and social concerns for coastal communities where fish may represent a major source of food supply. Additional negative effects are the reduction of the access to EU markets and the rise of the costs tied to EU market access conditions (eg standards, administrative requirements..) or no access at all in case of no compliance with those requirements.

IUU fishing is not new but it has become more visible and pronounced in the past 20 years - it is increasingly observed in high-seas fisheries. It is motivated by economic gain and is sometimes, in industrial fisheries, associated with organized crime. It exploits weak management regimes, preys on developing countries and takes advantage of corrupt administrations with respect to vessel registration,

¹ FAO. The State of World Fisheries and Aquaculture. 2014. <http://www.fao.org/3/a-i3720e/index.html>

“authorizations to fish” and shore-side operations. Rough estimates indicate that IUU fishing takes 11–26 million tonnes of fish each year, for an estimated value of US\$10– 23 billion².

The international community has been trying to eradicate IUU fishing through various measures since it became a prominent issue on the global agenda, approximately fifteen years ago.³ But, its complex nature defies simple or uniform solutions. The emphasis has shifted from targeting IUU fishing vessels to targeting their catch⁴. FAO has developed two important instruments to assist with the global fight against IUU fishing: the 2001 voluntary International Plan of Action on IUU fishing (IPOA), and the 2009 FAO Agreement on Port State Measures to Prevent, Deter and Eliminate Illegal, Unreported and Unregulated Fishing (PSMA). These encourage countries to: implement measures that deny known IUU fishing vessels access to ports; take steps to strengthen realtime MCS; and raise public awareness about the long-term impacts of IUU fishing. The 31st FAO COFI took place in Rome from 9 to 13 June 2014 adopted voluntary guidelines on securing sustainable small scale fisheries, as well as the endorsement by COFI of the voluntary guidelines on flag state performance criteria.

2. The EU policy on combating IUU fishing

The EU is one of the largest markets for fish with poor and overfished domestic markets. It has been able to maintain and expand its important levels of consumption by outsourcing and importing fish from other regions of the world through international trade agreements. Therefore, the EU plays a crucial role on the fisheries market in terms of both production and consumption. The quantity of illegal products imported into the EU each year is estimated at 500 000 tonnes worth 1.1 billion.

The European Commission has been involved in the fight against IUU fishing for over a decade and in 2002 an Action plan against IUU fishing was adopted, inspired by the FAO’s IPOA of 2001⁵. Implementation of the Community action plan for the eradication of illegal, unreported and unregulated fishing is one of the top priorities of the European Fisheries Control Agency, established in 2005 to organise operational coordination of fisheries control and inspection activities by the Member States and to assist them to cooperate⁶. The IUU Regulation of 29 September 2008 applies to all vessels engaged in the commercial exploitation of fishery resources, and seeks to prevent, deter and eliminate all trade of fishery products into the European Community deriving from IUU fishing in all waters, and the involvement of Community nationals in IUU activities conducted under any flag⁷. In order to achieve this goal, an EC catch certification scheme has been introduced with the aim of improving traceability of all fishery products traded with the Community and to facilitate the control of their compliance with conservation and management rules, in cooperation with third countries⁸.

² Agnew DJ, Pearce J, Pramod G, Peatman T, Watson R, et al.(2009) “Estimating the Worldwide Extent of Illegal Fishing”. PLoS ONE 4(2): e4570. doi:10.1371/journal.pone.0004570.

<http://www.plosone.org/article/fetchObject.action?uri=info%3Adoi%2F10.1371%2Fjournal.pone.0004570&representation=PDF>

³ At each FAO Committee on Fisheries (COFI) session since its twenty-third in 1999, IUU fishing has been addressed. In 1999 COFI started procedures to elaborate an international plan of action on the subject. FAO, *International Plan of Action to prevent, deter and eliminate illegal, unreported and unregulated fishing* (IPOA-IUU) Rome, FAO. 2001. 24p was adopted by COFI in 2001. Each successive COFI also included IUU fishing on its agenda. The FAO conference and separate ministerial meetings have also focused on IUU fishing. In 2003, the FAO Conference adopted an IUU fishing resolution. The 2005 ministerial meeting on fisheries, dedicated in part to activities related to IUU fishing, produced the 2005 Rome Declaration on Illegal, Unreported and Unregulated Fishing.

⁴ Gueye, N. (2008) “General considerations on Illegal, Unreported and Unregulated (IUU) Fisheries”, Special paper prepared for the Fighting against Illegal, Unreported and Unregulated Fishing lunch side-event in the context of the 16th ACP-UE Joint Parliamentary Assembly, Port Moresby (Papua New Guinea), 25th November 2008.

⁵ Communication from the Commission, Community action plan for the eradication of illegal, unreported and unregulated fishing, COM(2002) 180 final, 28.5.2002.

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2002:0180:FIN:EN:PDF>

⁶ European Fisheries Control Agency (EFCA) <http://efca.europa.eu/pages/home/home.htm>

⁷ DG Fisheries website: Information note on the IUU Regulation, http://ec.europa.eu/fisheries/cfp/illegal_fishing/info/information_note01_en.pdf

⁸ DG Fisheries website: Technical note on the catch certification scheme, http://ec.europa.eu/fisheries/cfp/illegal_fishing/info/technical_note_en.pdf

From a European policy perspective, the following is considered to be IUU fishing⁹

- Fishing or transshipping in an RFMO area by vessels without nationality or not registered to a country that is a party (or a cooperating non-party) to the RFMO; and
- Fishing activities in the high seas in areas not regulated by an RFMO in a manner which is inconsistent with internationally agreed flag State obligations.

The scope of the combat against IUU fishing covers:

- infringements to rules on management and conservation of fisheries resources in national and international waters;
- fishing activities in high-seas areas covered by a Regional Fisheries Management Organisation (RFMO) carried out by vessels which contravene the rules of the organisation. These are vessels without nationality or registered in a country not party to the RFMO;
- fishing activities carried out in high-seas areas not covered by an RFMO in a manner inconsistent with state responsibilities for the conservation of resources under international law.

In January 2010 the EU started to enforce a comprehensive system of port and market controls. By way of a pan-European law (Council Regulation 1005/2008 “the IUU Regulation”)¹⁰, the EU has devised a WTO-compatible methodology for detecting IUU fishing trade flows as well as identifying States that do not address the illegal fishing activities of their fleets.¹¹

- The **EU Regulation to prevent, deter and eliminate illegal, unreported and unregulated fishing (IUU) entered into force on 1 January 2010**. The Commission is working actively with all stakeholders to ensure coherent application of the IUU Regulation.
- Only **marine fisheries products validated as legal** by the competent flag state or exporting state can be imported to or exported from the EU.
- An **IUU vessel list** is issued regularly, based on IUU vessels identified by Regional Fisheries Management Organisations.
- The IUU Regulation also offers the **possibility to blacklist states** that turn a blind eye to illegal fishing activities.
- **EU operators who fish illegally** anywhere in the world, under any flag, face **substantial penalties** proportionate to the economic value of their catch, which deprive them of any profit.

3. EU-ACP collaboration on fighting IUU fishing

More than 50 out of the 77 ACP States are coastal States, most of them with important coastal fishing communities, and more than 60 ACP states export fisheries products, both from maritime and inland fisheries and from aquaculture.

IUU fishing contributes to overexploitation of fish stocks and is a hindrance to the recovery of fish populations and ecosystems. Reviewing the situation in 54 countries and on the high seas, experts estimate that lower and upper estimates of the total value of current illegal and unreported fishing losses worldwide are between \$10 bn and \$23.5 bn annually, representing between 11 and 26 million tonnes. Our data are of sufficient resolution to detect regional differences in the level and trend of illegal fishing over the last 20 years, and we can report a significant correlation between governance and the level of illegal fishing. Developing countries are most at risk from illegal fishing, with total estimated catches in West Africa being 40% higher than reported catches. Such levels of exploitation severely hamper the sustainable management of marine ecosystems.¹²

The obligations of the Commission with regard to non-cooperating third countries are set out primarily in Chapters VI and VII of the IUU Regulation. Article 31(1) requires the Commission to identify the third

⁹ The IUU strategy of the European Union is set out in the DG Mare website.

http://europa.eu/legislation_summaries/maritime_affairs_and_fisheries/fisheries_resources_and_environment/166052_en.htm

¹⁰ Council Regulation (EC) No 1005/2008 of 29 September 2008 establishing a Community system to prevent, deter and eliminate illegal, unreported and unregulated fishing (IUU Regulation)

Commission Regulation (EC) No 1010/2009 of 22 October 2009 laying down detailed rules for the implementation of Council Regulation (EC) No 1005/2008

¹¹ Agnew, Pearce, Pramod, Peatman, Watson et al., (2009), cit.

¹² Agnew, Pearce, Pramod, Peatman, Watson et al., (2009), cit.

countries it considers as non-cooperating third countries in fighting IUU fishing. A third country may be so identified if it fails to discharge its duties as a flag, port, coastal or market State to take action to prevent, deter and eliminate IUU fishing. To this end the Commission services undertake a risk analysis of third countries based on such matters as alert messages sent by Member States identifying problems with catch certificates from a flag State, failure to comply with RFMO rules, volumes of trade flows and size of the fishing fleet. If a third country is identified as posing a risk a letter and questionnaire is sent to it in order to initiate a dialogue so as to improve common actions to combat IUU fishing.

If however improvements are insufficient or non-existent the Commission may decide to initiate a pre-identification process in accordance with article 32 of the IUU Regulation on the basis of notification to the country concerned that it faces the possibility of being formally identified as a non-cooperating third country.

Although the IUU Regulation is not directly binding upon them, third countries that wish to export fishery products into the EU must put into place appropriate national arrangements for the implementation, control and enforcement of relevant fisheries legislation applicable to their fishing vessels including the establishment of an appropriate scheme to enable the issue of catch certificates in the format specified in Annex II of the IUU Regulation.

In November 2013, the European Commission adopted two decisions¹³ against illegal fishing. It identified Belize, Cambodia and Guinea (Conakry) as non-cooperating countries in the fight against illegal fishing. These countries had already been pre-warned in November 2012. It announced a second round of “yellow cards” addressed to (South) Korea, Ghana and Curaçao. Along with these important announcements, the Commission also added that the 5 countries (Fiji, Panama, Sri Lanka, Togo and Vanuatu) that had received yellow cards in November 2012, are making progress and dialogue and work with them is ongoing. New positive developments will be discussed at the Briefing and the drivers of success analysed. In some cases, such as in Fiji, the national legislation lacked the measures to tackle IUU fishing for national or foreign fleets but it has now amended its legislation to allow improved governance and traceability. Fiji and Vanuatu, both successful cases in fighting IUU fishing, illustrate the problem that small territories have in managing extensive sea areas and huge fishing fleet (which comprises also ships with flags of convenience) and the need for bigger support from development partners as to monitor their very extensive Exclusive Economic Zone (EEZ).

4. Traceability tools in support of fighting IUU fishing

The need for traceability in the food supply chain is now widely recognized. Food safety scandals have attracted considerable media and consumer attention. These have perhaps been the main driver for implementing traceability in the food industry. Traceability is included in the regulations in major seafood importing regions and countries such as the European Union, the USA, and Japan. It is also required in order to demonstrate that fish has been caught legally from a sustainably managed fishery or produced in an approved aquaculture facility. Thus, it could be a tool to combat IUU fishing. It is an important component in many private ecolabelling schemes.

Regional fisheries management organizations (RFMOs) and other natural resource management intergovernmental organizations have addressed traceability issues through their attempts to deal with IUU fishing. In developing a number of different systems, these organizations have progressed to varying degrees in establishing traceability for the products of their fisheries. However, traceability is not a primary, or in some cases even an explicit, objective of RFMO catch documentation schemes. Instead of focusing on separate documentation of each link in the supply chain, e.g. “one up, one down”, the schemes aim to maintain traceability throughout the supply chain in order to combat IUU fishing. Thus, users judge the effectiveness of each scheme on the maintenance of multiple links and by the match between documented traded quantities and catch, neither of which is required in standard (one up, one down) traceability schemes.¹⁴

¹³ EC. European Commission intensifies the fight against illegal fishing. November 2013. http://europa.eu/rapid/press-release_IP-13-1162_en.htm.

EU Council 'Illegal fishing activities: Trade measures decided by the Council', 24 March 2014 http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/agricult/141823.pdf

¹⁴ FAO. The State of World Fisheries and Aquaculture. 2014

The greatest driver for fisheries certification has been environmental sustainability, as processors and retailers respond to demands from customers and NGOs to avoid overexploited fisheries. Many certifications provide an eco-label which, through preferential consumer choice, creates market incentives. Despite the considerable growth in fisheries certification schemes in recent years, there are a number of challenges for developing countries related to such initiatives: low capacity in developing countries and high costs to reach certification; potential non-tariff barriers for developing countries; low involvement of developing countries in standard setting.

The technologies in place for implementing traceability range from simple documentation to sophisticated electronic systems. Traceability of certified products through a chain of custody can be maintained with relatively straightforward handling and record-keeping procedures implemented by legitimate suppliers, processors, packers and traders. The most widely used principles and components of traceability are: (i) identification of the lot or production batch and identification of any actor in the supply chain that modifies the product or has an impact (e.g. mixing or splitting of lots) on the product; (ii) data capture and management in all steps of the supply chain; and (iii) data communication. The TraceFish project funded by the EU resulted in an output detailing a “technical standard” for fish traceability. The GS1 Global Traceability Standard¹⁵, developed by an international not-for-profit organization, can help provide a single traceability process to comply with all quality and regulatory requirements. It ensures interoperability with trading partners, allowing for efficient recall or tracing of raw materials originating from upstream suppliers. It is a business process standard describing the traceability process independently from the choice of enabling technologies. It defines minimum requirements for companies of all sizes across industry sectors in relation to traceability standards and best manufacturing practices. Other privately developed tools are in use by some of the standard setting bodies.¹⁶

5. The way forward

Despite ongoing and often successful initiatives by MCS practitioners, IUU fishing continues to have a devastating impact on local communities livelihoods and loss revenue, extending its impact to the trade chain and undermining development efforts. Another common negative aspect of IUU fishing is its lack of consideration for working conditions, safety at sea and labour laws.¹⁷ The solutions most often proposed to eliminate IUU fishing are associated with increased governance and the rule of law - increased cooperation between regional management authorities in management and control activities, increased capacity to undertake surveillance and enforcement of port state control and other means of reducing the economic incentives to engage in IUU fishing, such as increased sanctions and trade measures. In addition to global initiatives and EU enforcement law, States have given increasing importance to the drawing up and implementation of national plans of action to combat IUU fishing and to curtail fishing capacity.¹⁸

Some RFMOs¹⁹ and regional fisheries management arrangements have moved to develop catch certification schemes as a means of discouraging IUU fishing. Their purpose is to track catches in trade.

The effective implementation of port State measures by concerned States, strengthened by regionally agreed standards and requirements, will block or disrupt the trade in illegally caught fishery products, making it extremely difficult for such operations to remain economically viable. Advanced MCS schemes and port State measures are already implemented by several States.

These activities are encouraging, but set in the context of burgeoning demand for food and particularly protein, there will continue to be enormous pressure on fish stocks over the next 50 years and it is essential that the international community address effectively the large illegal and unreported catch of fish. Developing countries, the most vulnerable to IUU fishing activities, must have support in strengthening their capacity to survey and inspect the entry into their ports of fishing vessels (and cargo vessels linked to

¹⁵ GS1 Global Traceability Standard. <http://www.gs1.org/traceability>

¹⁶ FAO. The State of World Fisheries and Aquaculture. 2014

¹⁷ Ibid.

¹⁸ Ibid.

¹⁹ Such schemes are already in use by the Commission for the Conservation of Antarctic Marine Living Resources, the Commission for the Conservation of Southern Bluefin Tuna, and the International Commission for the Conservation of Atlantic Tunas.

fishing operations) not flying their flag. It is vital that implementation strategies for port State measures be supported by sound policy, legal, institutional and operational setups, with adequate resources.

The IUU Regulation is the first EU legislative instrument to tackle IUU fishing through trade. While the limitations in the current paper-based catch certification scheme are recognised, implementation of the regulation requires a good level of governance and competence within third countries. It is currently perceived however, that the regulation has already promoted better governance for the elimination of IUU fishing by boosting international cooperation between importing and exporting countries, in order to tackle illegal fishing globally and prevent the import of IUU products into the EU market. It has also been highlighted that several third countries have modified their policies and laws in order to be in compliance with the IUU Regulation and have access to EU markets. Given that the IUU Regulation has only been in force for four years, this is viewed as an important outcome.²⁰

In EU Member States, a range of IT tools have been developed by EU Member States to assist them implement the IUU Regulation that would help lead to greater efficiencies and increased effectiveness, including those to improve inter-agency cooperation and communication, catch certificate management and process and risk based management systems for document controls and physical checking. To date, both Spain and the UK are considered to have developed one of the highest levels of awareness of the IUU Regulation and have developed effective risk based assessment systems to combat IUU.²¹

The successes in fighting IUU and applying EU regulation from small island countries, is a very encouraging trend which should inspire other countries which have even more means to take action against IUU fishing.

Objectives of the Briefing

To improve information sharing and promote networking, CTA, the DG DEVCO from the European Commission, the ACP Secretariat, Concord organise bimonthly briefings on key issues and challenges for rural development in the context of EU/ACP cooperation. The Briefing on 27th October 2014 will focus on the successful cooperation, engagement and initiatives undertaken by a number of ACP countries with their key partners, notably the European Commission, in order to combat IUU and regain market access for their fisheries products into the EU market. The objectives of the briefing are to: (a) document and review the key ACP and ACP-EU partnerships and dialogues on combating IUU; (b) present the major achievements and successes of ACP countries in combating IUU, at both the national and regional levels; (c) consider the opportunities to upscale or replicate sound methods and approaches detailed in the successful case studies; (d) further dialogue on strengthening intra-ACP and ACP-EU cooperation to combat IUU, identify future risks and build capacity to realise future opportunities in the fisheries sector.

Target group

Around 100 ACP-EU policy-makers and representatives of EU Member States, civil society groups, research networks and development practitioners, and international organisations based in Brussels.

Outputs

Input and comments before, during and after the meetings will be included in the Briefings Website: <http://brusselsbriefings.net>.

A short report and a Reader in printed and electronic format will be produced shortly after the meeting.

²⁰ Study on the state of the play regarding application and implementation of Council Regulation (EC) n. 1005/2008 of 29 September 2008, establishing a community system to prevent, deter and eliminate Illegal, Unreported and Unregulated Fishing (IUU Regulation). April 2014 http://ec.europa.eu/fisheries/documentation/studies/iuu-regulation-application/doc/final-report_en.pdf

²¹ Ibid.