## STOLEN SEAS

## How the UK suffers under the Common Fisheries Policy



Ray Finch shows how the EU's Common Fisheries Policy was designed from the outset to steal Britain's fish. In short, the French did in a couple of years' negotiation what they had failed to do in 900 years of conflict, to negate our navy and plunder our seas - and unless we leave the EU - for the long term.

You won't enjoy reading this book ... after all, it demonstrates the incompetence and self-serving of the British political class. But, it is vital to understand how our money - taxpayers' money - is wasted to pursue a damaging and counter-productive policy

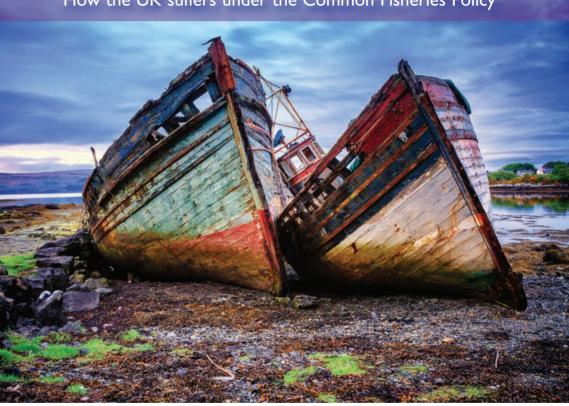


Europe of Freedom and Direct Democracy 2015



# STOLEN SEAS

How the UK suffers under the Common Fisheries Policy



## Ray Finch MEP



Member of the EFDD Group in the European Parliament





Fisheries STOLEN SEAS book A5\_Layout 1 29/01/2015 3:41 Page 1

## Stolen Seas

# How the UK suffers under the Common Fisheries Policy



Ray Finch MEP

Member of the EFDD Group in the European Parliament
2015

## **CONTENTS**

Letter from Nigel Farage MI	EP, Co-Pre	sident of t	he EFDD	Group	2
Trapped					4
'In the Summertime'					7
Sharing out the spoils					8
A licence to kill					12
Not a free lunch					14
The Armada strikes back					18
Sleeping with the enemy					21
Them's our fish					24
Notes					26
Acknowledgements					28

"Swallow the lot, and swallow it now" Sir Con O'Neill, British Negotiating Team



-(₹	<b>&gt;</b>



# A letter from Nigel Farage



### Dear Reader,

The Common Fisheries Policy, the CFP, is a disaster. It has been for many decades.

It has fundamental failings built into its structure. To highlight just a few examples:

- It does not comprehend the crucial role of property ownership in ensuring sustainability;
- it encourages selfish behaviour and corruption;
- it causes the plundering of our waters without thought for our children;
- it imposes totally impractical, Kafkaesque, rules;
- it takes money from taxpayers which they can ill-afford.

## Stolen Seas

I have known this for many years but I decided it was time other people also got to understand the CFP's flawed history - and potential consequences.

That is why I asked my colleague Ray Finch MEP, our current lead on the European Parliament's fisheries committee to produce a short booklet to expose this failed policy to a wider audience.

I also asked Ray to make clear that the whole policy was designed from the very beginning to steal Britain's fish (and other marine resources) and ensure we could never change this without leaving the EU. In short, the French did in a couple of years' negotiation what they had failed to do in 900 years of conflict, to negate our navy and plunder our seas - and for the long term.

I don't necessarily expect you to enjoy reading what follows. It may make many of you very cross ... after all, it demonstrates the incompetence and self-serving of the British political class. But it is vital that more people understand how our money - taxpayers' money - is wasted to pursue a damaging and counter-productive policy.

So please read on.

Yours sincerely

Nigel Farage MEP

Co-President of the EFDD Group

Nefann



## **-⊗**-

### Stolen Seas

## Trapped

The Common Fisheries Policy (CFP) is a French invention. Therefore, from its inception, it was typically French: downplaying the role of markets and rejecting free trade, it focussed on intervention and protection.

Its original architect was Raymond Simonnet, an official at the French fisheries administration assigned to the European Commission. The Commission's choices were strongly influenced by representatives of the French fishing industry like Jacques Huret, president of the *Union interfédérale des armateurs à la pêche* \*1. In June 1966, Simonnet and the fisheries unit within the European Commission produced a document, calling for common action \*2.

Existing French policies and practices were directly translated to the EU level.

The newly introduced Common Customs Tariff (CCT) for fisheries had substantially lowered the high tariffs that France traditionally had used to protect its domestic fisheries. The French demanded compensation - in the form of a price and support system similar to the one given to their farmers by the Common Agricultural Policy (CAP) \*3.

Taxpayers' money would be used to modernise fleets which were not otherwise commercially viable. More taxpayers' money would be sunk into building infrastructure, creating a marketing organisation, supporting price levels and securing income for producers.

The CFP was hastily stitched together by the founding six member states just before the start of the accession negotiations with Denmark, Ireland, Norway and the UK.

At a hastily arranged meeting on 30 June 1970, six hours before

## Stolen Seas

negotiations began, the agriculture ministers of the "six" adopted the principle of 'equal access' to EU waters. This meant that the principle of free access was an integral part of EU law - an arrangement which any then EU membership candidate had to accept.

The timing was no accident.

The waters of these four applicants contain well over 90 per cent of western Europe's fish, some 80 per cent in seas controlled by Britain, once described by the famous Labour politician, Nye Bevan as an "island made of coal, surrounded by a sea of fish".

French intentions were clear. For instance, by 1970, fishermen from Boulogne, Brittany and Normandy made no less than 65 per cent of their fresh fish catch in what would be the British Exclusive Economic Zone (EEZ) and 20 per cent in the Norwegian and Faroe Islands' EEZ  $^{\ast 4}$  .

So, the trick was to get the 'equal access' principle established as EU law before the negotiations began. This would mean that the candidate countries would have to accept it without argument as part of the so-called acquis communautaire, the established body of Community law. As Christopher Booker and Richard North note, "this was a trap aimed at appropriating the applicants' property, to share it between the Community members" \*5.

In this way, just as the UK began its journey to accession, the "six", the UK's new partners, had fixed a CFP to operate deliberately to their advantage at the UK's expense. It was part of a pattern: the UK was also presented with a fait accompli on agriculture where French President Georges Pompidou had insisted on a CAP settlement on terms hugely favourable to France, again before the start of negotiations with the UK \*6.

Of course, the British fishing industry was up in arms, although it was powerless to resist.

Acceptance of the CFP as it stood would lead to an invasion of British coastal waters denuding them of both fish and shellfish. But British Conservative Prime Minister Edward Heath was determined



The date an agreement was reached on the principle of 'equal access' ... iust two weeks after Edward Heath's election victory triggered UK entry negotiations with the EU, and just six hours before the talks actually started.

## **─**

### Stolen Seas

not to allow the fisheries issue to block or impede accession. Just as Heath was prepared to accept the EU's inefficient, expensive and protectionist CAP, so he made no serious attempt to challenge a fisheries policy deliberately designed to stitch-up the UK's fishermen.

Sir Con O'Neill, the senior civil servant on the British negotiating team, admitted thirty years later that the principle which guided the

negotiations was "swallow the lot, and swallow it now".



Edward Heath: ignored implications of the CFP

Specifically, with regard to the fishing talks, Sir Con O'Neill said that a fundamental mistake had been made in not trying to stop the adoption of the CFP: "I believe we could have at least postponed such an agreement; and if we had, it is possible, though questionable, that we could have postponed it indefinitely. ... Why was our handling of the issue of fisheries far more uncertain, and more faulty [sic], than our handling of other issues? We did not at the outset realise how acute the question would become and, in part, our retreat from our opening position and the gradual stepping up of our demands was due simply to the mounting political pressure exercised upon us" \*7.

CFP The CFP was thus essentially designed as a resource grab. By imposing from the outset the non-negotiable dogma of free access, Britain's rich fishing grounds and fish stocks were turned into a common resource that must be shared with other EU member states. Britain received nothing in exchange for this asset.

I do not blame the French for their success as negotiators. I do unreservedly blame and condemn Heath and the British political class for letting them get away with such a simple ruse.

In short, Heath had walked straight into the carefully-laid French trap and did nothing to try even to mitigate it, let alone stop it. As in all such negotiations, the British Prime Minister responded with depressing alacrity in meeting the EU's demands in full.

### Stolen Seas

## "In the summertime" of 1970...

## Two weeks in June 1970 saw the genesis of the Common Fisheries Policy.

This tale of stitch-up and surrender emerged behind closed doors on the continent and came about in the aftermath of the surprise General Election victory for Edward Heath's Conservatives on June 18th.



It was an election which had been fought on the economy - at one point on the price of eggs, one of which was thrown at the incumbent Prime Minister Harold Wilson.

## But what was really occupying everyone's minds?

It was the year of flares and hotpants and the start of the 'decade that fashion forgot'. The topical "In the Summertime", Mungo Jerry's number one, hit the airwaves and the World Cup hit our screens - on colour TV!

'Mexico 70' was the finest-ever World Cup; winners Brazil (pictured), the finest-ever team and, on June 21st, Pele, the world's finest-ever player, inspired his team's 4-1 final victory over Italy.

England were there, too: reckoned to be better than the winning '66 squad and expected to go far - the nation reverberated to the team's chart hit 'Back Home'.

However, they had to contend with a false accusation of theft made by a Mexican jeweller against captain Bobby Moore and the debilitating

effect of heat and high altitude, which laid low goalie Gordon Banks (after his spectacular save against Pele on June 7th). A week later, England went out as



the Germans got their revenge for 1966, without the need of penalties, with a 3-2 victory in extra time in the quarter-final.

1970 saw The Who perform 'Tommy' in the New York Metropolitan Opera House, the Beatles break up and the death of Jimi Hendrix.

It saw the launch of 'The Goodies' on TV, Simon and Garfunkel's 'Bridge Over Troubled Water', British Leyland's Range Rover and Norwegian Thor Heyerdahl's 'Ra II', a papyrus raft which sailed across the Atlantic. The US appointed its first two female generals and the Methodist Church its first woman minister.

That summer also saw the birth of 'Take That' singer Jason Orange, supermodel Naomi Campbell and England striker Alan Shearer.

6



# Sharing out the spoils

nowledge is power. If all information is concentrated at EU level in Brussels, then only the Commission has access to the bigger picture. The resulting asymmetry is effectively a massive transfer of power from the member states to the European Commission, a Commission dominated by French official culture and traditions.

The sys to give measure Free ac Allowal

The system was deliberately engineered by the Commission to give it exclusive power to define and enforce regulatory measures.

Free access was put into practice through a system of Total Allowable Catches (TACs) and national quotas on a species-by-species basis.

TACs are maximum quantities of fish that can be caught from a specific stock in a certain area, and landed in a given year. The annual TACs are divided between the various Member States in the form of national quotas.

The TAC system was and is presented as an instrument of conservation but in fact it was the means of sharing the spoils of the EU's successful resource grab.

As with so much of the EU, the CFP was ossified at the moment of its inception, it only makes sense in the context of the early 1970s, when "fisheries in the North Sea and adjacent waters were enjoying an unprecedented boom in stock abundance among several important food species" \*8. The TAC and quota system was designed to allocate fishing rights and share out plentiful fish stocks, not to protect

The CFP established the 'Total Allowable Catch' (TAC) for each of the main fish species, and divided this into quotas for each member state.

TUESDAY

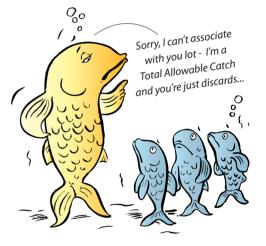
## Stolen Seas

resources, let alone over-exploited ones \*9.

Although a coastal zone of 12 nautical miles was theoretically reserved for the exclusive use of each state, access up to six miles would be allowed for fishermen from other states who had 'historic rights' to national waters. Again, the French agenda was clear. A study at the time by British United Trawlers revealed that the catch in the UK's 12 mile zone was potentially higher than all catches by the UK in all other waters \*10.

The TAC system has had perverse effects and dramatic ecological consequences.

Because fishermen are not allowed to land fish caught surplus to quota or fish for which the vessel does not have a TAC or fishing rights, the TAC and quota system has led to an enormous amount of waste, the throwing overboard of unwanted fish, so-called discards. Most discarded fish are usually dead or at least damaged by the catching process and there is little point in throwing them back as food for gulls or other fish. The explosion of the gull flocks in coastal towns may well be caused by this practice.

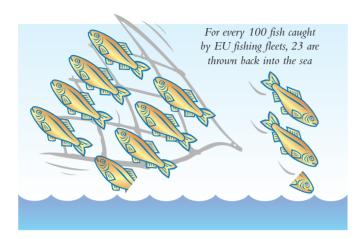


Robin Churchill and Daniel Owen perfectly describe how this system leads to an endless chain of discards:

"Suppose a vessel is fishing in the North Sea. It has quotas for species A and species B, and those two species are commonly found together. The vessel exhausts its quota for species A but it still has quota for species B. In continuing to fish for species B, the vessel also catches species A. The catch of species A is surplus to quota and must be discarded. In seeking to use its entire quota for species B, the vessel's discards of species A may potentially be very large. Furthermore, in

8





fishing for species A and B, the vessel may catch species C which is also subject to a TAC but for which the vessel has no quota. All of the vessel's catch of species C must therefore be discarded. In addition, in fishing for any non-quota species having exhausted its quotas for species A and B, the vessel may continue to catch species A, B and C which will need to be discarded" \*!!

Based on Eurostat data, it is estimated that, in this way, European fisheries throw away 1.7 million tonnes of fish every year, a staggering 23 per cent of all catches in EU fisheries. And, this is a conservative estimate, since the Eurostat analysis is based on official landing statistics and does not take into account misreporting and 'black landings' \*/2.

Discarding is bad for our seas. It is a waste of natural resources and can prevent struggling stocks from recovering, even if quotas are lowered \*/3. As well as the economic and ecological costs, a policy which forces fishermen to destroy massive amounts of perfectly good, valuable seafood is unethical.

In the 2008 House of Commons fisheries debate, MPs were told of one fisherman "who had thrown overboard 300 boxes of perfectly marketable cod".

A Southern MP observed that one of his constituents had "brought

## Stolen Seas

back seven sole and half a box of plaice but discarded 30 stone of cod"

A north of England MP said that, "Even the smallest under 10 metre-trawlers are having to dump about 150 kg of cod and 300 to 400 kg of whiting per day, regardless of what gear they use. For that, they get as little as 100 kg of prawns and 100 kg of haddock. The fish that the fishermen are out to catch are effectively swamped by the fish that they cannot land and have to discard. They regard discarding as an unethical practice, damaging to fish stocks and to the housewife who could buy the fish" \*14.

A ban on discards was introduced by the new CFP in 2013. It will be gradually introduced in EU waters between 2015 and 2019 for all commercial fisheries. In principle, this ban is a step in the right direction. However, researchers from the University of East Anglia (UEA) pointed out that a ban alone may not reduce unwanted catches and that it



Fate of the 'discards'.

does not create a strong incentive for selective fishing. As lead researcher Harriet Condie observes: "the fact that fish can no longer be thrown back into the sea will not automatically make their exploitation more sustainable because (...) there is no significant incentive to avoid catching them".

Professor Alastair Grant added that: "A fish that is landed and turned into fishmeal makes as little contribution to future generations as one that is thrown back into the sea dead. The biggest challenge is to reduce fishing mortality, and national and international politics have always made that politically difficult to achieve" \*15.

A discards ban will also not reverse the resource grab. A sustainable fisheries policy will only be possible after we have taken back national management control.





# A licence to kill

To no one's surprise, the UK was badly treated when the quotas were divided out in 1983. With 80 per cent of the stocks, it got an allocation of just 37 per cent by volume - representing perhaps as little as 12 per cent by value \*16.

Moreover, EU law does not even allow us to reserve these quotas for our own fishermen.

WEDNESDAY

JANUARY

1986

Spain and Portugal joined the European Union, having applied in 1977. The practice known as 'quota-hopping' is the purchase of UK boats and shipping licences by foreign companies and ship owners to exploit UK quotas. It increased substantially after the 1986 accession of Spain and Portugal. When the Tory government tried to make it impossible for quota-hoppers to continue to operate in UK waters, it was overruled in 1991 by the European Court of Justice (ECJ), stating that the UK could not lawfully demand residence and nationality conditions before granting vessels British registration: this is known as the Factortame judgement \*17.

It was the first time that the ECJ had overruled a member state's Act of Parliament, clearly demonstrating that when EU and national law are in disagreement, EU law prevails \*18. So much for the UK's sovereignty - despite the many decades in which we were told this remained intact.

Thus, Spanish and other foreign fishing barons were given a licence by the EU to continue plundering our waters.

In July 2012, two Spanish fishing companies, Hijos De Vidal Bandin

## Stolen Seas



The sun sets on the British fishing industry

SA and Sealskill Limited, were fined £1.62 million in a Truro court \*19. Ariana Densham, of Greenpeace UK, rightly observed that this case was merely a symptom of a bad and unjust system. "Given that these fishermen were operating on UK quota, in UK waters and had received millions of subsidies, little of the benefits would ever have fed back into the UK economy. The system is skewed in favour of powerful, industrial scale fishing companies whereas it should be supporting our inshore low impact fishermen. They make up 77 per cent of the UK fleet but get access to only 4 per cent of the UK's quota" \*20.

This analysis was confirmed in November 2014 when Greenpeace revealed that 43 per cent of England's fishing quota is held by foreign fishing businesses. A single Dutch trawler holds nearly a quarter of the English quota (about 6 per cent of the entire fishing quota for the UK), unloading its catches in Dutch ports. Five vessels hold 20 per cent of the UK quota. By contrast, the small-scale fleet which makes up four fifths of the entire UK fishing fleet has just 4 per cent of the UK's quotas \*21. As a fisherman from Aldeburgh, Suffolk, said: "The government is not giving a fair share of quota to local fishermen who look after the sea and our communities." \*22



The European Court of Justice overruled the UK Parliament and allowed Spanish 'Quota hopping' to continue



## No free lunch

## The coastal communities of North Devon have good reason to resent the Common Fisheries Policy.

The fishing village of Appledore is one of the oldest in the UK, dating back more than 1,000 years. However, after the government's Marine Management Organisation (MMO) imposed a ban on ray and skate fishing in October 2014, Appledore's fishermen were tied up in port for the rest of the year. It's like telling farmers during harvest to stay indoors until next year.

The ban was imposed because the UK had exceeded its EU quota.

British fishermen, say that these quotas are completely out of

touch with reality at sea. Although there is plenty of fish, they are constantly confronted with cuts. One representative of our fishing industry said the Commission is 'out for blood' \*23.

The EU quota system not only fails to reflect reality, it is also unjust. While local fishermen lose their jobs, large foreign trawlers continue to net huge amounts of fish in the Bristol Channel.

Small-scale fishermen are also threatened by the proposed ban on driftnets, which is only the latest example of the EU's one-size-fits-all approach. This ban is intended to address the devastating effects of large driftnets in the Mediterranean. The UK has no equivalent problems. The small-scale driftnets fisheries in our country are not only fuel efficient and cost effective but also clean in environmental terms. The proposed ban would result in the closure of all UK small scale driftnet fisheries for herring, mackerel, sole, bass, salmon, sardine, and mullet.

By contrast, foreign trawlers are not only given free access to the

## Stolen Seas

UK's waters but also a free ride thanks to the CFP's abundant subsidy system.

EU fishing subsidies result in uneconomic investment, over-fishing, political demands to disregard scientific advice to reduce catch

limits, illegal fishing, reduced economic efficiency and failure to realise the potential economic benefits from the resource. Last but not least, subsidies encourage and fuel excessive fishing which seriously damages the marine environment, particularly through unintended but unavoidable bycatch of non-target and protected species \*24.



Industry to idleness -Appledore falls victim to 'onesize-fits-all'

The EU is not only one of the world's most profligate users of taxpayers' money. It is also a champion of damaging, inefficient, subsidies throughout the fishing industry, covering:

- vessel acquisition, construction, repair or modification
- transfer of vessels to a third country (i.e. vessel buyback programmes where the ships or boats are exported instead of being scrapped)
- support for operating costs (e.g. fuel and licence fees) of both fishing and land-based processing
- · port infrastructure for fisheries activities
- income support
- price support
- acquisition of fishing access to foreign waters \*25.

For decades this aid has maintained and worsened the problem of overcapacity.

Technological advances, subsidised by the CFP, have dramatically increased vessels' effective catching ability. The European Court of

The MMO imposed a ban on ray and skate fishing freezing Appledore's fishing industry.

FRIDAY

OCTOBER

14



Auditors notes that while the size of the EU-12 fishing fleet in terms of tonnage and engine capacity has decreased by 29 per cent in the period 1992 to 2008, the effective capability to catch fish has increased by 14 per cent \*26.



Harvesting money: the last decade has seen a huge growth in the numbers of EU-subsidised fishing vessels. The Financial Instrument for Fisheries Guidance (FIFG) II, 2000-2006, provided support for the construction of around 3,000 vessels and the modernisation of nearly 8,000, when scrapping only 6,000 vessels (a large proportion of which were small inshore vessels from Greece and Spain) \*27.

Real fishing capacity also continued to increase during the period of the European Fisheries Fund (EFF)

2007-2013. With a budget of around €4.3 billion \*28 the EFF continued to subsidise the processing industry, fleet modernisation, engine replacement, fishing ports, landing sites as well as marketing and promotional campaigns\*29.

The new European Maritime and Fisheries Fund (EMFF), covering the period 2014-2020, allocates even more taxpayers' money: the EU plans to give the sector another €6.5 billion, supporting both the CFP and the EU Integrated Maritime Policy.

Next to direct subsidies, fuel subsidies are a major driver of overcapacity and over-fishing.

Fuel subsidies for fisheries within the EU mainly take the form of fuel tax reductions and exemptions \*30. They are especially harmful since they directly reduce the cost of going to sea and promote fishing which would otherwise be uneconomic. Cheaper fuel makes it possible to fish further and for longer. It enables fishing to continue even when it is otherwise unprofitable and it encourages continued fishing even when catches are declining. In short, it results in over-fishing, misuse of capital and economic inefficiency \*31.

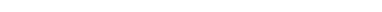
16

### Stolen Seas

The CFP has not only caused over-fishing but it has also subsidised illegal fishing.

In March 2010, the watchdog Fishsubsidy.org published a list of 42 convictions of fishing vessel owners that had received CFP subsidies.

The study, focusing on Spain and France, indicated the nature of the infringements with data on subsidy payments. The 36 law-breaking vessels received  $\in$  I3,510,418 in EU subsidies between 1994 and 2006. Five of the vessels on the list received more than  $\in$  I million each in EU subsidies. They had been convicted of infringements including logbook misreporting, captures under minimum size, the use of illegal fishing gear and exceeding quotas. Some of the vessels have been caught many times. They have been fined - in 2001, Hodeiertza and Gure Reinare, two vessels owned by Pesqueras Zozuak/Pascual Santizo, were convicted of using illegal fishing gear and each vessel was fined  $\in$  35,000 - but the amounts are small compared with the subsidy. The EU had subsidised the construction of the two vessels by nearly  $\in$  2 million while the Hodeiertza received a further EU subsidy for modernisation in 2006 \*32. Scandalous, indeed.





## The Armada strikes back

## he Spanish have fared particularly well from the CFP's

The development of an industrial, long-distance fishing fleet goes back to the policies of the infamous Spanish dictator, General Franco. By 1980, the Spanish fleet had become the third largest in the world, after the USSR and Japan.



Greenpeace points out that in this period Spain and its fishing fleet received nearly €1.6 billion in EU fisheries subsidies and paid at least another €630 million in national subsidies. This is equal to about 25 per cent of the value of the total Spanish catch, or more than €27,000 per Spanish fisherman per year \*33.

Spain used the FIFG to reshape its fleet by building and modernising vessels above 24 metres and scrapping mainly small-scale vessels.

to the EU, the CFP's subsidy machinery allowed Spain to modernise and expand its already large industrial fishing empire. From 2000 to 2006, Spain received

almost 50 per cent of the EU's fisheries subsidies - four times more than the next largest recipient, Italy, and three and a half times the total sum given to the UK, Germany and Poland combined.

In the years after Spanish accession

Since 1986. the Spanish have used EU subsidies to vastly enlarge their fishing fleet

## Stolen Seas

While the UK, Italy and most other member states used aid as intended to reduce their fleets, Spain and France used taxpayers' money to expand and modernise their fleets.

Between 2000 and 2006, 27 Spanish vessels received construction subsidies of more than €1 million each. All of these vessels were larger than 30 metres. Only 3 of the 53 vessels received construction subsidies were smaller than 25 metres. Scrapping funds were approved for approximately 940 vessels of which almost 90 per cent were under 25 metres.



Spain was also by far the main beneficiary of the EFF, a situation

which will continue under the newly established EMFF.

Alongside its CFP subsidies, the Spanish fishing industry continues to receive massive amounts of state aid.

The organisation Oceana revealed that in the period 2000-2013 member states have granted €4.9 billion of state aid to their fishing sectors in addition to the €8 billion that the Commission had doled out. So, total EU spending on the fisheries sector in this period was €12.9 billion - all taxpayers' money. These figures do not even include other subsidy mechanisms such as support for access to the EEZs of third countries or fuel subsidies through tax exemptions.

Spain, France, Italy and Ireland account for almost 75 per cent of the total amount of allocated state aid.

€1.991 billion of state aid was allocated by Spain, of which 48 per cent could be classified as environmentally harmful, 23 per cent as ambiguous and 29 per cent as undefined general aid. In striking contrast, no state aid has been allocated to measures that benefit

In 1588, a large Spanish fleet attempted to dominate the British seas: four hundred years later this was accomplished by another large Spanish

## **-**�

### Stolen Seas

the environment.  $\leqslant$ 480 million had been spent on vessel modernisation and construction and  $\leqslant$ 300 million on promotional measures and the processing of fish products. Interestingly, Spain's tuna fleet, operating in the Indian ocean, received  $\leqslant$ 5 million for onboard private security measures. Thus, in total Spain's fisheries sector received  $\leqslant$ 4.825 billion in subsidies in this thirteen-year period \*34.

Analysis made by the International Consortium of Investigative Journalists, for 2000-2011, found that the Spanish fishing sector had been exempted from paying  $\leqslant$  2 billion in fuel taxes to the Spanish Treasury \*35.

Not surprisingly, Spain is the fiercest defender of the CFP's subsidy machinery and related instruments ever since becoming an EU member state.

## Stolen Seas

# Sleeping with the enemy

## hile Spain is a clear winner, the UK fishing industry has suffered hugely from the CFP.

At the time of the Factortame judgement the UK was ordered to reduce drastically the size of its fleet - to create enough space for the vast Spanish fleet. After the UK had already had its fleet cut by 19 per cent in 1992, a further 40 per cent followed in 1996 \*36.

Arguments that this was motivated by concern for conservation or sustainability are nothing but a smokescreen.

Quite simply and despite so much of the seas around Europe being UK waters (as defined by a 200 mile EEZ under international law), when it comes to filching taxpayers' money, the UK is an "also-ran".

The UK was the fifth largest recipient of FIFG grants between 1994 and 1997, receiving 173 million ecus. By contrast, Portugal received 248 million ecus, France 267 million ecus and Spain a massive 1.163 billion ecus. Spain used this money to replace about 1,400 vessels and to modernise around 1,800 existing vessels.

This equates to around £150 million of UK taxpayers' money channelled to foreign fishermen \*37.

Under the EFF, Spain received € 1.13 billion between January 2007 and December 2013, Poland received €734 million, Italy €424 million, Portugal €246 million, France €216 million, Greece €207.8

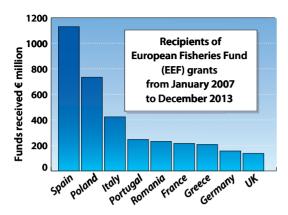


Britain's fishing fleet has decayed while others have grown.

20

## --

## Stolen Seas

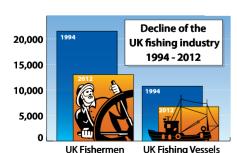


million and Germany just under  $\in$ 156 million. By contrast, the UK received just under  $\in$ 138 million, making it only the ninth largest recipient of funds.

Because other member states have actively used the funds which the UK as a net contributor has subsidised, our country has a competitive disadvantage. In short, we pay for a system from which others benefit at our expense. We have to remember that, under regional aid budgets, the UK has also subsidised the upgrading of foreign ports. It is no secret that Spain and Portugal have always been major recipients.

Consequently, the UK fleet has lost much of its competitiveness and has continued to decline. To quote Lee Rotherham: "British boat owners have not been able, or inclined, to reinvest in their platforms. So comparatively, the British fleet has become on average older, smaller,

22



and less powerful (in terms of engine capacity) than its competitors. This is a vicious circle, as the larger and more souped-up foreign vessels have a larger claim on national catch shares when TAC have been bartered, because they can catch more, and hold more, in a shorter time. Hence, the UK's share of the overall catch has dwindled by default" \*38.

## Stolen Seas

Under the CFP, the UK fishing industry has been dramatically reduced in size of both fishermen and vessels. Statistics from the MMO indicate that the number of vessels decreased from 10.295

in 1994 to 6,406 in 2012, with a reduction in fishermen from 20,751 to 12,450 in the same period  $^{*39}$ .

With fewer fishermen and vessels, the amount of fish landed in UK ports has dropped dramatically.

In 1970, 948,000 tonnes of fish were landed from British vessels; by 2008 that had dropped to 417,000 tonnes, approaching the 1915 level of 405,000 tonnes when the North Sea was a war zone.

Catch tonnage from British vessels has halved

With a declining catch and at the same time rising demand for fish, the UK has since 1984 become a net importer of fish - to the tune, currently, of £2.66 billion worth of seafood annually - two thirds of what we eat.

This is an astonishing result for a country surrounded by rich waters and with a long seafaring tradition. The UK should be more than self-sufficient and a big player on the export market. We are in this situation not

because of our own fishermen but because politicians have bartered away our inheritance for a mess of pottage.

Lee Rotherham estimates the total annual cost to the UK of the CFP at £2.81 billion, taking into account different factors including unemployment in the fleet and related industries, the grant aid funded by the UK to Spain, France and other member states, the loss of access to home waters and higher food prices factored into social security payments. If we look at it from the customer's perspective, the cost of the CFP in terms of higher bills is around £186 per household per year - or £3.58 a week \* $^{*40}$ .



970

Two thirds of the seafood consumed in Britain is now imported - and we're supposed to be an island!



## Conclusion

## Them's our fish

## t's very simple: the CFP has been an economic, social and environmental disaster for the UK.

This has been so from the very beginning and it will continue unless and until we leave the EU.

THURSDAY

MAY

2015

This is no accident. It was designed that way and our neighbours have ensured that significant change is all but impossible under EU structures.

The British political class do not care about this betrayal.

Conservatives, Labour, and Liberal Democrats alike believe that the vast waste of taxpayers' money and the plundering of our waters with little thought for the future are a price worth paying for EU membership.

A date of huge significance in Britain. Sadly, it won't make any difference to our fishing industry. Their manifestos in the 2010 general election only spoke about reforming the CFP to encourage sustainable practices and to end fish discards \*41 - knowing that reform will not change an underlying structure damaging to British interests.

As if to confirm all this, David Cameron does not include getting back our waters - or even a fairer arrangement - as part of his plans for re-negotiation  $^{*42}$ .

All this is part of a greater truth about which the British political class (but not their EU counterparts) are in denial. Fisheries is one of a growing number of policy areas and whole portfolios where the UK cannot have a policy; it can only legally do what the EU instructs.

## Stolen Seas

Our ministries exist only to implement the policies of the EU institutions.

As a direct result, we, as a once great sea-faring nation with the greatest trading seaborne empire the world has ever seen, are reduced to importing fish to satisfy rising domestic demand, with the fish imported being caught in what were our own waters and subsidised by our own taxpayers' money.

We want to put a stop to this scandal. The only way to do so is to leave the EU and reclaim what is ours, the seas around us to the full extent of the internationally agreed 200 mile EEZ. Only in this way can we escape the European resource grab.

Some claim that we can only lose by EU exit.

But Norway has not lost. Norway's fishing and aquaculture industry is one of the world's largest exporters of seafood, reaching over 150 countries and producing 3 million tonnes of seafood each year \*43. Norway does not suffer from being outside the EU.



By staying out of the EU, Norway is able to have its own seat and voice on key international committees including the World Trade Organisation, and the Food and Agriculture Organisation and its fisheries committee. Indeed, Norway also holds the presidency of NASCO (the North Atlantic Salmon Conservation Organisation).

Outside the EU, the UK can run its own fisheries with a sensible conservation strategy which will avoid the Tragedy of the Commons in our waters at least and thus ensure that there is enough fish for future generations.



## Notes

- I Christian Lequesne, The politics of fisheries in the European Union, Manchester: Manchester University Press, 2004, p. 91.
- 2 European Commission, Report on the situation in the fisheries sector of EEC member states and the basic principles for a common policy, COM (66)250.
- 3 Lukas Schweiger, The evolution of the Common Fisheries Policy: governance of a Common-Pool-Resource in the context of European integration, Institute for European Integration Research, Austrian Academy of Sciences, Working Paper N° 7/2010, November 2010, p. 15.
- 4 Christian Lequesne, op. cit., p. 20.
- 5 Christopher Booker and Richard North, The Great Deception. A secret history of the European Union, London/New York: Continuum, 2003, p. 146.
- 6 Stephen Wall, The official history of Britain and the European Community. Volume II: From rejection to referendum, 1963-1975, London/New York: Routledge, 2013, p. 425.
- Quoted by Philip Johnston, 'Britain was ready to pay any price to join EEC', The Daily Telegraph, 7 September 2000.
- David Symes, 'The European Community's Common Fisheries Policy', Ocean & Coastal Management, 1997, 35 (2-3), (137-155), p. 139, quoted by Lukas Schweiger, op. cit., p. 22.
- 9 European Commission, Staff Working Document, A diagnosis of the EU fisheries sector, p. 130.
- 10 British United Trawlers, Proposals for a UK Fisheries Policy, Hull, 1976, p. 14, in: Lukas Schweiger, op. cit., p. 41.
- 11 Robin Churchill and Daniel Owen, The EC Common Fisheries Policy, Oxford: Oxford University Press, 2010, p. 163.
- 12 European Commission, Staff Working Document, op. cit., p. 166.
- 13 Emma Witbooi, Fisheries and sustainability. A legal analysis of EU and West African agreements, Leiden/Boston: Martinus Nijhoff Publishers, 2012, p. 100.
- 14 Quoted by Lee Rotherman, Taxpayers Alliance, The price of fish. Costing the Common Fisheries Policy, London, 2009, p. 42.
- 15 University of East Anglia, 'Saving our fish' needs more than a ban on discarding', 11 November 2013.
- 16 Ruth Lea, Institute of Directors, EU Policy Comment, 'The Common Fisheries Policy and the wreckage of an industry', p. 2.

### Stolen Seas

- 17 European Court of Justice, Factortame II (ECJ judgement Case C-221/89 of 25 July 1991).
- 18 Craig McLean, The Common Fisheries Policy of the European Union. Diverging responses in Germany and the United Kingdom, Lewiston Queenston Lampeter: The Edwin Mellen Press, 2008, p. 108.
- 19 Fiona Harvey, 'Spanish fishermen receive some of biggest fines in UK maritime history', The Guardian, 26 July 2012.
- 20 Ariana Densham, 'Biggest fine in maritime history for Spanish fishing barons in UK', 27 July 2012.
- 21 Nina Shrank, Greenpeace UK, 'Our net gain', 18 November 2014.
- 22 Ben Spencer, 'EU lets one Dutch ship net A QUARTER of England's fishing quota and take it to Holland as it holds 23 % of permits', Mailonline, 5 November 2014.
- 23 Quentin Bates, 'EU is "out for blood", Fishing news, 21 November 2014.
- 24 Anne Schroeer, Courtney Sakai, Vanya Vulperhorst, Andrzej Bialas, Oceana, The European Union and fishing subsidies, September 2011, p. 3-4.
- 25 Rashid Sumaila, Vicky Lam, Frédéric Le Manach, Wilf Swartz, Daniel Pauly, Global fisheries subsidies, European Parliament, Policy Department B: Structural and Cohesion policies-fisheries, 2013, p. 15.
- 26 European Court of Auditors, Have EU measures contributed to adapting the capacity of the fishing fleets to available fishing opportunities?, Special Report N° 12, 2011, p. 17.
- 27 Poseidon, FIFG 2000-2006 Shadow Evaluation, March 2010, p. i and p. 47.
- 28 European Commission, Facts and figures on the Common Fisheries Policy, 2014, p. 45.
- 29 Markus Till, European fisheries law. From promotion to management, Groningen: Europa Law Publishing, 2009, p. 243-244.
- 30 Alessandra Borrello, Arina Motova and Natacha Dentes De Carvalho, Fuel subsidies in the EU fisheries sector, European Parliament, Policy Department B, Structural and cohesion policies, 2013, p. 13.
- 31 World Bank and UN Food and Agricultural Organisation, The sunken billions. The economic justification for fisheries reform, Washington DC, 2008, p. 23.
- 32 Jack Thurston, When crime pays: how the EU subsidises illegal fishing, Axis of logic, 11 March 2010.
- 33 Greenpeace, The destructive practices of Spain's fishing armada, Amsterdam: Greenpeace International, May 2010, p. 10.
- 34 Oceana, State aid the hidden subsidies; also: Oceana, 'Oceana study reveals EU member states allocated an additional €4.9 billion in subsidies to fishing sector', Press Release, 8 July 2013.
- 35 Kate Wilson, Mar Cabra and Marcos Garcia Rey, Center for Public Integrity, 'Nearly 6 billion in subsidies fuel Spain's ravenous fleet', 2 October 2011.



- 36 Kate Zillah Sharpe and Aneurin Brewer, Institute for the Study of Civil Society, 'Common Fisheries Policy', 2006.
- 37 Lee Rotherman, Taxpayers Alliance, op. cit., p. 26.
- 38 Lee Rotherman, Taxpayers Alliance, op. cit., p. 16.
- 39 Marine Management Organisation, UK Sea Fisheries Statistics 2012, 2013; Ministry of Agriculture, Fisheries and Food, UK Sea Fisheries Statistics 1994, 1994, in: HM Government, Review of the balance of competences between the United Kingdom and the European Union. Fisheries report, Summer 2014, p. 30.
- 40 Lee Rotherman, op. cit., p. 6-7.
- 41 Open Europe, Briefing note: in brief: the parties positions on key EU policies, 21 April 2010, p. 10.
- 42 Steve Peers, 'Renegotiating the UK's membership of the EU: mission impossible?', EU Law Analysis, 16 March 2014.
- 43 Rory Broomfield, 'A lesson for Great Britain: the success of Norway's fishing industry outside of the EU', The Freedom Association, 17 August 2011.

### **ACKNOWLEDGEMENTS**

This booklet could not have been produced without the invaluable help of my EFDD colleague, Tony Brown, and my European Parliamentary assistants, Dirk Crols and Roger Bird.

### **PICTURES**

Page 6 (Edward Heath, 1966) US federal government employee, now public domain (ref Wikimedia Commons).

Page 7 (Brazil football team): El Gráfico, Argentina, 1970, author unknown, copyright expired (ref. PD in Argentina and Wikimedia Commons).

All other pictures are either purchased from royalty-free commercial picture libraries, supplied by the author or created by the designer.



