
THE COMMON FISHERIES POLICY AND THE WRECKAGE OF AN INDUSTRY

Institute of Directors EU Policy Comment

Introduction

The UK joined the European Communities - the European Economic Community (EEC or “Common Market”), the European Coal and Steel Community (ECSC) and the European Atomic Energy Community (EAEC or Euratom) - on 1 January 1973. Denmark and Ireland joined on the same day. So 1 January 2003 will be the thirtieth anniversary of British membership of “Europe”. Over the intervening 30 years the EEC has been transformed. Political and economic integration has proceeded apace, though it should always be remembered that the EEC was, from its inception, about political integration. The 1957 Treaty of Rome spoke of the “ever closer union of the peoples of Europe”, and so it has proved to be. Indeed the “European Union” (EU) was set up under the Maastricht Treaty as agreed at the Maastricht Summit of 1991.

Over the last 30 years the EU has increased in size as well as political integration (“widening” as well as “deepening”). Greece joined in 1981, Spain and Portugal in 1986, and Austria, Sweden and Finland joined in 1995. Over the next couple of years the current “15” is expected to become “25” but enlargement is not expected to stop there.

EU membership has, of course, meant winners and losers – but, arguably, the biggest loser has been the British fishing industry. The Common Fisheries Policy (CFP) is devastating the industry and the decline is far from over.

The 1970s

In 1970, when the UK, Norway, Ireland and Denmark (all with substantial fishing waters) were negotiating entry into the European Communities, the six original members hastily developed the CFP, the key feature of which was that all Member States would have “equal access” to EEC fishing grounds, which would become a “common resource”. This was a problem for all the applicant countries because they were fish rich – but especially for the UK and Norway (which subsequently did not join because it could not accept the CFP). The UK government, however, finally agreed to the CFP in 1971 with the relatively minor concessions (“derogations”) that the limit for national “exclusive” coastal fishing rights would be 0 to 6 miles, and the limit for “partial” rights would be 6 to 12 miles. These concessions were originally for 10 years only, expiring on 31 December 1982, but were extended to 31 December 2002. (This original “transitional phase” was, therefore, due to expire at the end of 1982.)

In 1976 the UK parliament passed the Fisheries Limits Act, extending Britain’s fisheries limit from 12 to 200 miles (which, on some estimates, enclose about 80% of western Europe’s fish).

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This Act accorded with international law but, because of the terms of Britain's accession Treaty, the extra fishing grounds were handed over to the EEC to be shared with every other Member State.

The 1980s

Until 1982 there were few further developments, but all changed in 1983 when a system of total allowable catches (TACs) and quotas on a species-by-species basis (with minimum permissible mesh sizes) was introduced. Any fish that were caught that didn't fit the species quota were discarded (thrown back into the sea) even though they were probably dead and could otherwise have been marketed. This policy of dumping millions if not billions of discards, nothing but rotting pollutants, has been at the heart of the ecological disaster that has happened in our fishing waters over the last 20 years - along with general over-fishing and the lax compliance standards of the large Spanish fleet.

Ostensibly the quota system was about fish conservation and management, but it has clearly been counterproductive and in reality it was driven by a politically integrationist agenda intended to achieve "equal access" to all EU Member States to "Community waters". This inevitably meant that those with large fish stocks would be sharing them with countries that had fewer fish stocks. The UK came out of the 1983 share-out particularly badly. Even though we had, possibly, 80% of the stocks our allocation was a mere 37% by volume and possibly as low as 12% by value.

The 1983 system was designed to operate for two 10-year periods until 2002, during which time the Commission intended to delay Spain's and Portugal's full rights to the "Community waters". This would give the Commission time to reduce the fishing fleets of the other EEC countries by various nefarious means before Spain was fully part of the CFP. The Spanish fleet was a particular problem because, even though it was a very large fleet (much bigger than Britain's), Spain had few "marine resources". The Spanish, however, partly circumvented the restrictions placed upon them by registering their boats ("flag boats") and buying licences, with fishing quotas attached, in other countries (especially in the UK). This "quota hopping" activity had become so serious a problem for the British by the late 1980s that they passed the 1988 Merchant Shipping Act, trying to make it illegal. Suffice to say, the European Court of Justice (ECJ) overruled the British law in 1991.¹ By the mid-to-late 1990s more than 25% of UK quotas were in foreign hands.

The 1990s

The sad story continued into the 1990s. In 1992, in the name of "conserving fish stocks" all national fleets were instructed to reduce their "fishing effort"; Britain was asked to cut its quotas by 19%. Decommissioning of some British boats inevitably followed.² Then in 1994 Spain threatened to veto the membership of Austria, Finland, Sweden and Norway (which voted no again) if it did not have full access to "EU or Union waters", as they were now known, by 1996. Concessions were made.

By 1996 it was increasingly clear that the northern countries (especially the UK) were having their national fleets drastically reduced in order to create room for the full access of the loosely regulated and vast Spanish fleet. The "conservation" arguments were, in part, a smokescreen. And, sure enough, in 1996 the UK was told to cut its fleet by 40% (on top of 1992's 19%) – for the sake of "conservation".

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The 2000s and the future

31 December 2002 marked the end of the “transitional phase” for Spain and the Spanish fleet now has full access to “Union waters”. Another development is that the old-style CFP, with its defective quota system, is being replaced by a new-style non-political Commission management committee that will dictate through an individual licensing system precisely how each fisherman will be allowed to fish. It is about the most rigid centralised system that could have been devised and one likely to exterminate small family enterprises. And, finally, there is enlargement with the fleets of the eastern European applicant countries (many of which, including Hungary and the Czech Republic, are totally landlocked) that will also eventually have access to “Union waters”. The future for British fishing and Britain’s fishing communities is bleak indeed. And I used to think that the Common Agricultural Policy (CAP)³ was the maddest and most inequitable bureaucratic system ever.

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References

1. This was the “Factortame” case in which Factortame, a Spanish-owned company registered in the UK to enable its owner to exploit British fishing quotas, challenged the 1988 Merchant Shipping Act. The ECJ ruled in favour of Factortame, overruling the Merchant Shipping Act.
2. Though, at the same time, the British taxpayer (via the mechanism of the EU budget) was contributing to the building of brand-new Spanish trawlers (the “modernisation” programme).
3. Lea, Ruth: “CAP: a catalogue of failure. The need for radical reform” (IoD, 2000).