

Fisheries and Access Agreements

Policy Brief 6

MRAG
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Key messages

- Access agreements provide fishing opportunities for distant water fleets (fishing vessels that fish outside their own country's waters), and also important revenue to coastal developing states. The main concerns relate to pressure on over-exploited stocks, a lack of transparency, lack of enforcement and compliance with regulations, weak negotiation and enforcement capacity of coastal developing states, and whether they are an appropriate means of delivering development cooperation in fisheries.
- In 2004, the EU responded to these criticisms and moved from fisheries agreements to Fisheries Partnership Agreements (FPAs), aiming to align access arrangements more closely with development policy.
- Access agreements cannot contribute effectively to developing countries' economies unless implemented in the context of a broader fisheries sector development plan. Developing coastal states need to develop effective fisheries management and good governance in establishing and enforcing fisheries regulations.

This brief examines fisheries access agreements around the world, particularly the new Fisheries Partnership Agreements being implemented by the European Union, and considers the implications for fisheries policy in developing countries. It draws on the 'Comparative study of the Impact of Fisheries Partnership Agreements' conducted by MRAG for DFID and DEFRA. This brief is part of a series concerning fisheries and development issues produced by MRAG and DFID.

Access agreements in fisheries

Distant water fleets (DWFs) are fishing fleets that fish outside their national waters. Over the period 1970–1999, DWFs caught between 5 % and 15 % of worldwide fisheries catches annually [1].

Traditionally, DWFs from developed nations such as Spain, Portugal, USA and Japan enjoyed access to fish stocks of coastal states. In 1982, the United Nations Convention on the Law of the Sea (UNCLOS) granted coastal states sovereign rights to the seafloor and marine resources up to 200 miles from their coastlines, and the majority of the world's fisheries resources came under the control of coastal states. As a result, these DWFs had to enter into agreements with individual countries to continue fishing in those areas.

Such fisheries or fishing access agreements generally involve access for DWF vessels to the fisheries resources in another country's waters in return for a financial contribution or in-kind benefits. UNCLOS specifies that access should be provided only for 'surplus' fish stocks — stocks that the host country does not have the capacity or the interest to harvest to their full potential. The main countries involved in access agreements, and the areas they fish, are described in Box 1.

Access agreements are an important source of revenue for many developing countries, and provide additional fishing opportunities for the fleets of other countries. However, they are also reported to have been responsible for over-exploitation of stocks, and for conflicts with local fisheries and local development interests [2].



An EU tuna purse seine vessel in port in the Seychelles. The EU Fisheries Partnership Agreement with Seychelles is worth € 5.3 million per year to Seychelles, and allows 52 EU vessels to catch up to 63 000 tonnes of tuna in their waters. Photo by: C. Barnes

Benefits of access agreements

For developing countries

Fish stocks are a renewable natural resource and significant source of potential wealth, if managed sustainably. Many developing countries have substantial fish resources in their waters, but not necessarily the fishing vessels to catch them. By signing access agreements, these countries can obtain revenue from their fishery resources without the need for investment in domestic fishing capacity. As a priority, this revenue should fund responsible stewardship of fishery resources, as required by UNCLOS. Any surplus can be invested in other sectors such as health, education or infrastructure, to provide services for the population.

The payments from access agreements contribute a substantial proportion of government revenue in some countries. For example, the EU agreement with Mauritania (€ 86 million per year) provides 25 % of the government's budgetary receipts.

Access agreements can also provide employment opportunities for nationals on vessels, or in ports and associated services. When fish are landed in-country, they supply raw material to local processing industries, such as the tuna canning factories in Côte d'Ivoire, Mauritius and Seychelles under the EU agreements, supporting jobs and exports.

For DWF countries

For countries whose vessels fish in foreign waters under access agreements, they provide fishing opportunities, helping maintain employment in the fisheries sector. They are also an important source of fish for consumer markets, and of raw material for processing. The greatest financial gains for either side to make from access agreements are in these value-added activities.

Concerns with access agreements

Sustainable development

Access agreements have often been negotiated without adequate knowledge of the state of the fish stocks involved. A lack of data on most fish stocks in developing country waters makes it difficult to know if there is a surplus available. Coupled with a lack of management capacity, this can lead to overexploitation of fish stocks.

Management capacity

Developing coastal states often lack the capacity to manage fisheries effectively. Weaknesses are common in enforcing existing regulations and monitoring the activities of foreign vessels. This provides potential for illegal fishing and misreporting of catches.

Development coherence

Access agreements have generally failed to help host countries develop capacity to generate sustained economic benefits from their fish stocks, for example by developing their own fleet capacity, or drawing economic rents from foreign fleets. Their ability to secure such benefits is prejudiced by chronic weaknesses in fisheries governance and management systems. Access agreements can serve to distract attention away from developing such systems, by ensuring foreign payments irrespective of management quality or the state of the resource. This may especially be the case with large payments over a number of years.



Foreign fleets may affect local fishing operations such as these in Mauritania, even if they are fishing 'surplus' stocks. Because the concept refers to a biological rather than an economic surplus, this may have an impact on the profitability of local fishing operations targeting the same stocks. Photo by: C.Barnes

Box 1: Access Agreements worldwide

The main DWF nations are the EU, Asian countries such as Japan, Republic of Korea and China (Taiwan), the Russian Federation and USA. Until the dissolution of the USSR, the ex-Soviet block countries also had significant distant-water fleets, targeting low-value high-volume pelagic fish, such as sardines and (horse) mackerel.

The **EU** has access agreements in West Africa (Eastern Central Atlantic), Indian Ocean, and more recently, Pacific Ocean. These mainly target tuna and tuna-like species (e.g. swordfish, albacore), although some agreements in West Africa include a significant component for demersal and pelagic fish, shrimp, squid and octopus. The agreements are between the European Commission and host country governments.

The **USA** has a regional treaty with Pacific countries, through the Forum Fisheries Agency, for access to tuna resources.

Japan, Republic of Korea and China have agreements in the Atlantic, Indian and Pacific Oceans and mainly target high-value tuna species for *sashimi* and *sushi*, as well as white fish and squid. The agreements are often between fishing associations and host governments.

Fair price

Developing countries may not receive a fair price for the fishing opportunities offered under an access agreement. The financial compensation from EU agreements appears to be commensurate with the fishing opportunities provided. However, the greatest economic benefits usually go to the DWF nation through value-added activities. Developing coastal states often lack the necessary port and processing infrastructure to capture these benefits.

Local conflicts and food security

Foreign vessels can come into conflict with local fishing vessels, damaging fishing gears and sometimes resulting in injury or death of local fishers. This has been a problem off West Africa (e.g. Senegal and Sierra Leone). Access agreements can also affect food security through reduced local fish supplies and increased local prices. Conversely, when large quantities of cheap fish are landed, this can depress local prices, adversely affecting local fishers and traders.

Subsidies

Developed nations have provided subsidies to their national fishing sectors, increasing the number and power of their fishing vessels. Some argue this has resulted in the need for access agreements to increase fishing opportunities, exporting excess capacity from the developed to the developing world.

Link between compensation and access

The dependency on income from fishing agreements can create a reluctance to limit fishing opportunities even when stocks are overexploited, as this would imply a short-term reduction in revenue to the host nation.

EU Fisheries Partnership Agreements

The EU has 17 bilateral fishing agreements where fishing opportunities are provided in return for a financial contribution, currently € 160 million per year in total. Most benefits go to Spanish operations, which obtain over 80 % of the added value and jobs [3].

The concerns with access agreements listed above were considered in the 2002 reform of the Common Fisheries Policy. In 2004, the EU changed its approach and new agreements called Fisheries Partnership Agreements (FPAs) were negotiated; the remaining access agreements are expected to be replaced with FPAs by 2009. The main changes are summarised in Box 2.

FPAs specify that the Community must contribute towards strategies for the sustainable management of fisheries, as defined by the coastal state, in order to contribute to its development.

The FPAs require the coastal state to report on the outcomes of the financial compensation allocated to implementing the sectoral fisheries policy in the coastal state, rather reporting on expenditures as in previous agreements. This may make them less accountable, although countries have a sovereign right to decide how they will spend the money. FPAs now include development objectives, but there is still concern that they may not be the best way to deliver development assistance in fisheries.

All FPAs include a Vessel Monitoring System (VMS) Protocol, to improve monitoring and compliance. However, many coastal states do not yet have the required systems for the protocols to be implemented. Even with a VMS in place, countries still rely on vessels to report their catches.

The FPAs have shown a general move away from mixed fisheries and towards agreements only to fish tuna. This reduces some of the concerns about fish stock sustainability because tuna stocks are managed by regional organisations, and under FPAs, the EU is only targeting its allocation of the regional resource.

The EU carries out impact assessments of the agreements. These are often limited in scope and are also

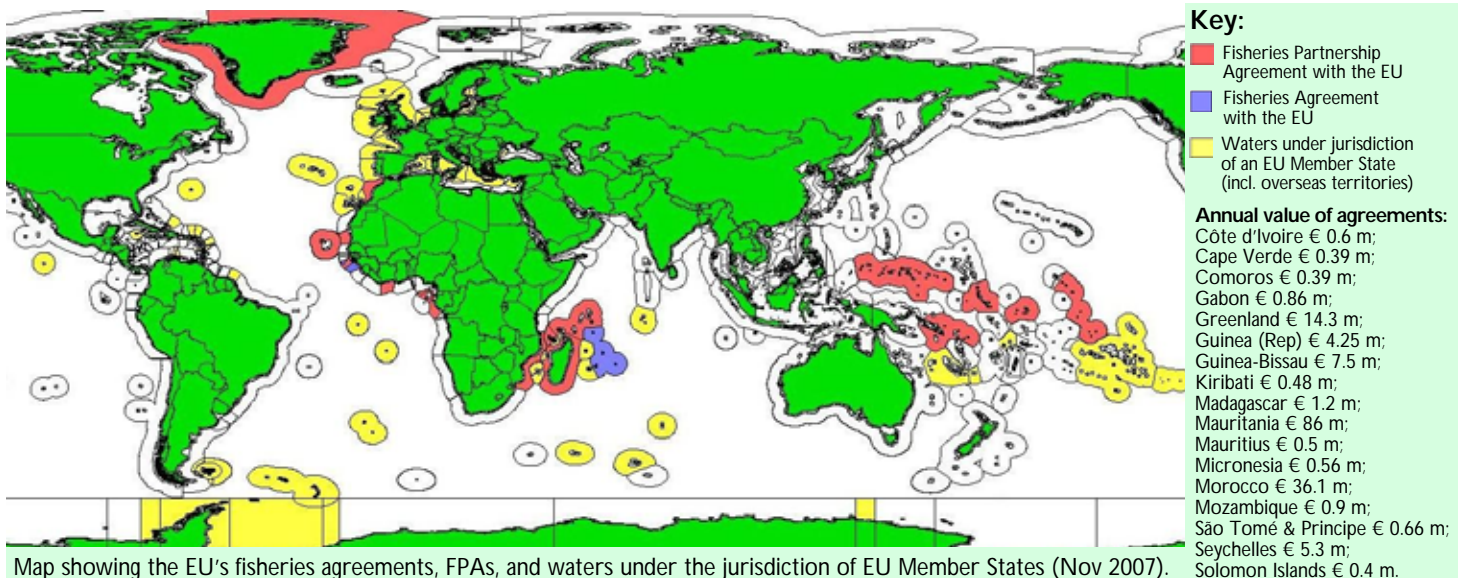
Box 2: EU Fisheries Partnership Agreements: the main changes [4]

Aspect	Fisheries agreements	Fisheries Partnership Agreements
Fishery types	Tuna and mixed (demersal) fisheries	Mainly tuna-only; some mixed agreements remain
Financial contribution (FC)	Based on fishing opportunities (species/quantities/number of vessels)	Based on fishing opportunities +/- an extra payment to support policy
Actions in the fisheries sector	Proportion of FC put towards specific 'targeted actions'; EU monitored spend	Proportion of FC put towards 'developing and implementing a sectoral fisheries policy'; EU monitors outputs
Employment for coastal state nationals	Sometimes required local crew to be employed on vessels	Require local or ACP* crew to be employed on vessels; labour conditions to meet ILO** standards
Investment	No provision	Joint ventures and investments encouraged
Review and scientific cooperation	Little scope for scientific cooperation. Joint Committee only met when necessary	Joint Committee and scientific committee or working group meet annually, increasing scope for cooperation
Monitoring, Control & Surveillance (MCS)	Only included in some agreements	Vessel Monitoring System (VMS) Protocol must be included; not always implemented
Impact evaluations	Included since 2003	Requirement for ex-ante and ex-post evaluations

*ACP = African, Caribbean & Pacific states; this has effectively increased flexibility for EU vessels as they do not have to employ nationals from the particular coastal State of the agreement, but rather from any ACP state.

**ILO = International Labour Organization.

carried out before and after the agreements, rather than offering effective, continuous monitoring of impacts during implementation. They are not released to the public, causing further scepticism about the process.



Maximising the benefits

With effective governance and management in place, developing countries can benefit substantially from access agreements. There are a number of ways these benefits could be maximised.

Access should only be provided for **surplus** stocks, based on stock assessment from both biological and economic perspectives. It also requires better quantification of existing fishing effort (e.g. fishing power, rather than number or tonnage of vessels).

Effective **enforcement** through monitoring, control and surveillance (MCS) systems is key. Developing countries in particular need to increase their capacity to monitor and enforce regulations and combat illegal fishing.

Developing countries need to develop **port and processing infrastructure** to capture a greater proportion of the potential value-added from the agreements.

Development cooperation in fisheries needs to **increase national capacity** for effective fisheries management and governance.

Priorities for future work

The EU FPAs have made progress in improving the terms of access agreements, but to assist developing countries in capturing economic benefits and providing employment, income and food security from the fisheries, further work is still needed to:

- Increase the negotiation capacity of coastal states;
- Assist developing countries with sectoral fisheries policies, developing national fleet capacity, supporting local small-scale fisheries and providing effectively regulated access to foreign fleets;
- Improve fisheries management and governance to ensure regulations are enforced and illegal fishing is minimised;



Tuna processing plant in Fiji. Developing countries can maximise the value-added they capture from fisheries, by processing and selling products to high-value markets. Photo by: C.Barnes

- Improve data and information on stock status to allow agreements to be based on realistic stock assessments;
- Assist developing countries to maximise the value-added they obtain from their fisheries, through investing in port and processing infrastructure, and opportunities for international trade (Policy Brief 7).

References

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- [4] Walmsley, S.F., Barnes, C.T., Payne, A.I. & Howard, C.A. (2007) Comparative Study of the Impact of Fisheries Partnership Agreements, May 2007. MRAG, Cambridge Resources Economics & NRI. 183 pages.

For more information:

Further information about fisheries and development issues can be obtained from the UK Department for International Development (DFID) and Marine Resources Assessment Group (MRAG) Ltd.

Department for International Development:

More information about DFID's work can be found on the website:

www.dfid.gov.uk

Marine Resources Assessment Group Ltd:

18 Queen Street
London
W1J 5PN
United Kingdom

Tel: +44 (0) 20 7255 7755
Fax: +44 (0) 20 7499 5388
Email: enquiry@mrage.co.uk
Web: www.mrage.co.uk

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