ASSOCIATION OF NATIONAL ORGANISATIONS OF
FISHING ENTERPRISES IN THE EU

Europeche Comments - Study on the Economic Benefits of MPAs

Brussels, 12th February 2018

Message from the fishing industry

This study must not be used by the European Commission to underpin the need for more and bigger MPAs since the reality shows that the vast majority of existing MPAs are not effective for fisheries management, not well-monitored nor enforced, and there is no strong evidence showing positive economic effects for fishermen.

General remarks

First and foremost, Europêche **does not see a correlation between the cost-benefit analysis performed on several study cases and the findings or conclusions of the study.** Indeed, the study recognises that "*there is little robust economic evidence in the literature and consultees could only speculate on the extent of economic benefits"* (see pages 37-38). In addition, "*there are relatively few comprehensive ex-ante or ex-post cost benefit analyses (CBAs) of MPAs currently available from either within or outside Europe, making it difficult to draw overall conclusions about the net benefits of individual MPAs or MPA networks in Europe*."

However, the study states that: "*Evidence indicates that MPAs and SPMs can, under certain conditions, benefit the commercial fishing sector by helping to address these issues – helping to lower production costs, improve fish stock status and provide opportunities to increase incomes. As a result, MPAs and SPMs can lead to direct benefits such as increases in revenue and jobs, and/or improvements in profitability (either via cost efficiencies or unit value improvements).*" Then the study builds up a story around the theoretical benefits of MPAs if well implemented.

We strongly oppose and challenge this approach, since the results of the cost-benefit analysis do not show such economic benefits to the industry. The study wrongly use verbs such as "can" or "may" that gives the impression that MPAs may or can have a *theoretical* huge beneficial economic impact, when reality shows that it is not the case.

We refer to the sole proven case in the study to be beneficial (demonstrated a net gain) to the commercial fishing community: the case of the Columbretes Islands (Spain). However, this concerns a no-take MPA for over an 8-15 year protection period and only generated a mean annual net benefit of 10% of the catch in weight. If this is the most successful story, it surely does not reflect the optimistic approach observed throughout the text of the study and particularly in the conclusions. In addition, the study does not always show the economic loss faced by the fishing sector when the MPA was established (effort displacement, fishing effort reduction, loss of licenses, reconversion of boats, loss of fishing opportunities, loss of jobs, decommissioning of boats, etc...).

Regarding the **scope of the study**, it mainly focused on **small-scale fishermen in certain coastal areas (within the 12-mile zone off the coast and inshore waters), particularly in the Mediterranean**. This should be reflected in the findings and conclusions of the study in order to avoid unwise and unworkable generalisations.

The study doubts that the benefits from spillover effects outweigh the costs of displacement. However, the "**spillover effects**" from so-called "no-take" zones (areas that do not allow fishing) are presented in many parts of the text as the main driver for the potential benefits on fisheries. We would like to recall that there's still ongoing discussion on the spillover effect in the international scientific community which should not be generalised and studied on a case by case basis.

Moreover, the benefits regard mostly **low mobility target species** and there is only limited evidence showing whether a larger MPA suitable to protect mobile species and their key life cycle stages will be generating the same benefits.

The study identifies as a major problem a **loss of biodiversity** in EU waters. We recall that this is caused by a number of threats (such as ocean warming, sea level rise, acidification, overexploitation, pollution and habitat degradation), and yet the fishing industry seems to be the only maritime economic activity poorly regulated and causing these problems. Apparently, in view of this, MAPs are the best tool to tackle these issues while providing beneficial economic benefits.

Europêche argues that **fisheries is actually one of the most affected sectors** by these measures which don't take into account other impacts such as pollution and marine mining industries (including oil and gas). In fact in Page 23 it is stated that MPAs often act to conserve rather than improve biodiversity and environmental quality.

A proposal to close an area to fishing must be based on a scientific recommendation and bring tangible benefit for nature compared with the previous situation and not only be based on believes or expert opinions on the potential advantages: "**What are we protecting and why**?" Impact assessments, including cost-benefit analyses, need to be carried out prior to the introduction of any new measure.

A large proportion of MPAs already established are **"paper parks"** with zero efficiency in meeting their objectives. This is recognised in the report: *"A large proportion of MPAs in the EU are considered to lack effective management (e.g. see Milieu et al, 2016)"*. Many MPAs actually fail because their planning is rarely integrated as part of broader marine spatial planning and ocean zoning efforts, creating a dangerous illusion of protection. The study states (page 4): *Nevertheless, more MPAs and other area-based conservation measures (which might include some types of SPMs) are expected, and many* ***recently designated MPAs do not yet have management rules established*****.** We do not however see these strong arguments in the main findings. It should be clearly stated that the vast majority of MPAs fail to meet their objectives.

MPAs are a tool, not an objective so in order for these closures to be successful, their existence has to be justified. They therefore must be science-based, well monitored, effective and not simply established to reach a quota. As we know, fish populations do not respect boundaries and closing off an area to fishing will only displace vessels to neighbouring areas with unintended consequences on management.

Specific remarks

Page 10 - Opening line: **The fishing industry in the EU fishing is in long-term decline**.

Comment: It's true that the EU fleet capacity continues to decrease steadily at an average annual rate of 2% in terms of vessel numbers and engine power (kW) and 3% in terms of gross tonnage (GT).

But the EC in its Communication on the state of fish stocks (COM(2017)368 final) states that average stock biomass in the North-East Atlantic increased by 35 % between 2003 and 2015. Improving overall economic performance: The EU fleet registered record net profits of EUR 770 million in 2014, a 50 % increase over the 2013 figure of EUR 500 million. This was due to fisheries management measures and not to MPAs!!

Catch **peaked** in 1995, but has since fallen, although it has remained relatively stable since 2007.

Comment: this data comes from the FAO SOFIA report, but does it reflect the situation in the EU? The great positive trend in achieving MSY levels is not reflected in the study.

Page 15 - We appreciate the Key factors that determine the effects of MPAs (and SPMs).

Indeed, the fishing industry believes that the only circumstances when MPAs make a positive contribution to fisheries management are:

- In the absence of effective fisheries management
- Management of sedentary species
- Protection of essential fish habitat and VMEs

Not effective against

- IUU fishing
- Climate, acidification, pollution from land, plastics
- Lack of enforcement and compliance
- Without effort reduction, MPAs only have a minor (positive or negative) impact on overall benthic ecosystems

Creating equity & competition for space:

1. MPA product branding is unfair for fishermen not permitted to fish in the MPA only adding to the conflicts between sectors (p.16) and one of the reasons for the high rate of MPAs failing (p.50)
2. e.g. towed gear fishermen who were displaced to surrounding areas experienced increased costs by having to fish elsewhere since the MPA was established (p.17)
3. Increased competition for space (recreational fishermen and static gear fishermen) from the increase in static gear use inside the MPA (p.17)

We believe this should be a balanced study showing the positive and negative impacts of MPA and SPMs. However, there are no references regarding cases leading to negative economic effects:

PLAICE BOX - Gear restriction area (SPM) in 400.000 Km^2:

Only small trawlers allowed, effort in box reduced >90%. Effort outside box increased.

Aim: to reduce the bycatch of undersized plaice in a nursery ground. These led to unforeseen effects with huge impact to the industry which showed that it was ineffective since:

- Juvenile plaice have moved out of plaice box after implementation
- MPAs are not suitable for all fish species (plaice - worms)
- Gear restrictions can produce similar results to MPAs
- Present no or little catch

Scottish case: establishment of a MPA larger than originally designed. Impact to fishermen:

- Threat to safety as fishermen no longer have safe shelter in which to fish
- Losing up to 50 % of Gross Turnover through MPAs, more if Regulating Order came in.
- Giving up fishing
- Loss of work, pride and earnings
- Moving from already depopulating areas with families
- Making crew redundancies
- Loss of national and international markets which will not be rebuilt
- Many fishermen are already disheartened and depressed, the human impact of these actions should not be underestimated
- Campaigners and lobby groups misrepresenting purpose of MPAs to obtain public support for closures (unsubstantiated claims on protection of fish stocks not designated features)
- If a new MPA plans to exclude certain sectors of fishing activity it is likely that the displaced vessels will relocate to other areas nearby therefore it is important to consider and evaluate the implications this additional effort will have on these adjacent areas

CAMPAIGNS

Some organisations actively against all mobile fishing, want to see a ban and create instead a tourist and recreational angling resort.

Cherry pick science, run events and public campaigns, portray local community fishermen as unsustainably minded, create negative PR around fishermen and fishing.

Page 17 - "*Lower impact fisheries: MPAs can act as a catalyst to encourage the development of new or modified lower environmental impact fishing practices."* This is not true since MPAs impose or allow certain gears while banning others. It does not lead to innovation but replacement of the gear.

The expression "low impact gear" should be removed from the text since if birds or shark are the species protected by a MPA, they will be mostly affected by longliners and not bottom trawling gears. Each gear has a different impact in the environment which must be regulated and mitigated as much as possible.

Page 26 - Opposition from Blue economy sectors, are fishermen in favour?

Many of these sectors are most commonly thought to incur costs from MPAs rather than benefits, particularly opportunity costs through restrictions on activity and mitigation costs for permitted MPA use. Majority of respondents stated that such sectors 'never' benefit from MPAs or SPMs – particularly where there is no link between the sector and use of ecosystem services. Indeed, no direct economic evidence was identified in the literature of other blue economy sectors benefiting from MPAs or SPMs, although studies (e.g. for biotechnology in Russi et al, 2016) have demonstrated the theoretical benefits.

This reflection should also be applicable to fisheries.

Conclusion:

Concerning the establishment of marine protected areas (MPAs), the fishing industry is not necessarily opposed to them when they are science-based, well monitored, effective and counting with the full involvement of all stakeholders and particularly in coastal areas.

Against this scenario, it is clear that a blanket approach to MPAs does not ensure the protection of sensitive areas; especially taking into consideration that threats such as pollution, invasive species and urban run-off do not respect the boundaries of reserves thus could not be addressed through MPAs. What is needed is:

- an identification of the area, habitat and species to be protected from extractive activities
- conduct prior impact assessments to define the possible threats from ALL sectors, possible mitigation measures and expected socio-economic consequences
- allow for maximum exploitation with minimum environmental impact

The study did not answer the following questions:

The report states that every 1 billion of expenditure supports 30,000 jobs but 60% of these are directly related to site management. How many professional fisheries jobs or companies have been created thanks to the establishment of MAPs in Europe? What's the difference in number of jobs before and after the creation of an MPA? Only in Italy between 2004 and 2015 there were already job losses of more than 20%.

The report states that overall benefits of MPA exceed total costs, but these benefits relate to non-market improvements in welfare and not to the real economy benefits (p. 38). When excluding the welfare benefits from this calculation are the benefits then still exceeding the costs? What was the economic loss for fishermen in Europe? What about the costs regarding the transition to different gears (or alternative practices) required to comply with the MPA management measures (p.46)?

Remark

As stated by the Commission itself in the new proposal for a Technical Measures Regulation, it will remove half of the 40 existing closed or restricted areas relating to the protection of juveniles and spawning aggregations. This is based on advice from STECF, taking account of comments received by Member States and stakeholders.