

# Third-country carding process

The second key component of the Regulation requires that countries which export fish to the EU, or who lend their flags to vessels that are involved in the EU supply chain, must cooperate in the fight against IUU fishing. Countries identified as having inadequate measures in place to ensure catch is legal may be issued with a formal warning (yellow card) to improve. If they fail to do so, they face having their fish banned from the EU market (red card). On making required improvements, they are delisted (green card).

Under the Regulation, the European Commission (the Commission) conducts rigorous fact-finding to evaluate the compliance of third countries with their duties as flag, coastal, port or market states under international law<sup>11</sup>. The Commission enters into dialogue with third-country authorities to assess the systems in place to combat IUU fishing according to the following categories:

- 1. The compliance of a third-country's legal framework with international fisheries management and conservation requirements<sup>12</sup>, for example, the registration of vessels, systems for monitoring, inspection and enforcement, and effective sanctions.
- 2. The ratification of international instruments and participation in regional and multilateral cooperation, including membership of RFMOs and compliance with RFMO conservation and management measures (e.g. with regard to reporting, observers, and lists of authorised vessels).
- 3. The implementation of appropriate fisheries and conservation measures, allocation of adequate resources, and establishment of systems necessary to ensure control, inspection and enforcement of fishing activities both within and beyond sovereign waters, e.g. an accurate licensing system and updated list of authorised vessels.

The Commission also takes into account the specific constraints of developing countries and existing capacity of their competent authorities, particularly in relation to the monitoring, control and surveillance of fishing activities<sup>13</sup>. Indeed, the dialogue process provides a framework for the EU to provide capacity-building and technical assistance to strengthen fisheries management and control in third countries. By the end of 2015, cooperation to raise fisheries industry standards had resulted in more than 55 developing countries receiving technical assistance from the EU through its programmes<sup>14</sup> for this purpose.

Once the review and fact-finding is complete 15 a decision is taken. If the country is yellow- (or eventually red-) carded,



it will need to take a proactive role in complying with international requirements, as set out above, to be delisted.

To date, the EU has engaged with almost 50 third countries seeking improvements in measures to combat IUU fishing. The majority have undertaken key reforms recommended by the EU with no need for warnings. Twenty countries have received yellow cards to improve their fisheries management, of which nine have undertaken robust reforms and been delisted. Four countries have been identified as 'non-cooperating', and issued with a red card, which means a trade ban on their fish products entering the EU. Three of these countries - Cambodia, Guinea and Sri Lanka – remain red-carded to date (February 2016), while Belize was delisted in December 2014<sup>16</sup>.

# The carding process in action





### Yellow, then red, now green-carded

BELIZE was yellow-carded in 2012 for having failed to comply with international obligations to police fishing vessels flying its flag. The country's vessel registry had been privatised and EU scrutiny had identified concerns that unscrupulous operators were using Belize as a so-called flag of convenience to avoid stricter controls. Failure to take action resulted in Belize being banned from trading fish products with the EU in early 2014. The government re-nationalised the vessel registry, removed vessels with a record of IUU fishing, and instituted more rigorous policing of vessels fishing under its flag. As a result, Belize was delisted in late 2014.

# How does the carding process work?



Step 1 Dialogue begins dialogue with a third cour authorities to understand what systems are in place to prevent IUU fishing. Countries are usually chosen based on their relevance to the EU seafood sector as flag, coastal, port or market state. This dialogue lasts several months or even years.



Step 2a Cooperation f national authorities cooperate with the EU, the dialogue to try to understan and resolve any compliance cases, at this stage countries take enough action to improv their fisheries management and control systems, and



Step 2b Non-cooperation or evidence of shortcomings: Yellow card
If there is evidence of significant flaws within a country's systems to combat IUU fishing or a lack of cooperation, the Commission may decide to officially warn – 'yellow card' – that country. This decision is made publically available on the EU's official journal

### **Step 3 Evaluation and reforms**

There is then an evaluation period of at least six countries are expected to undertake substantial reforms to address the identified shortcomings in line with an action plan proposed by the EU on presentation of the yellow card.

#### **Step 4 Further sanctions: Red card**

If reforms are not carried out, or not carried out in a timely manner, a red card may be issued<sup>b</sup>. This results in a ban on imports to the EU of fish products caught by vessels flying the flag of the red-carded country. It also leads to a ban on EU vessels fishing in the waters of that red-carded country. This decision is made publically available on the EU's official journal

Both yellow and red cards can be lifted when there is clear evidence that the situation that warranted the carding has been rectified.



Pre-identification





a. The Commission's decision to grant yellow cards, http://eur-lex.europa.eu/legal-content/EN/ TXT/?uri=uriserv: OJ.C\_.2012.354.01.0001.01.ENG b. Granting a red card consists of two different steps. First, the Commission identifies the country and proposes the red card, and second the Council of the EU adopts the final decision

c. The Commission's decision to grant a red card, http://eur-lex.europa.eu/legal-content/EN/ TXT/?uri=uriserv: OJ.L\_.2014.091.01.0043.01.ENG



# Yellow to green

GHANA, which exports close to €28 million worth of fishery products to the European market per year, was yellow-carded in November 2013 for failure to meet its responsibilities to prevent, fight and deter IUU activities. Following two years of cooperation with the Commission<sup>17</sup>, Ghana adopted an ambitious fisheries management plan and fleet strategy, strengthened its legal framework and introduced dissuasive sanctions. It also set up a fisheries enforcement unit and ensured improved traceability of its exports. Ghana was delisted in October 2015.





## Yellow to green

SOUTH KOREA, an important trading partner in fisheries products with the EU, was issued a yellow card for failure to curb IUU fishing activity off the coast of West Africa by a number of vessels in its distant water fleet. The South Korean government closed loopholes in its systems, including: revising the legal framework governing its long-distance fleet in line with international requirements; establishing a fisheries monitoring centre that controls in near real time its fleet in all oceans; installing a vessel monitoring system on-board all South Korean-flagged distant water fishing vessels (approximately 300); improving its on-board observer programme. As a result, South Korea was delisted in April 2015.