

EXECUTIVE SUMMARY – JULY 2016

Improving performance in the fight against illegal, unreported and unregulated (IUU) fishing

Recommendations for improving the EU IUU Regulation Catch Certificate (CC) Scheme



Introduction

The Environmental Justice Foundation, Oceana, The Pew Charitable Trusts and WWF (“the coalition”) are working together to secure the harmonised and effective implementation of the EU Regulation to end illegal, unreported and unregulated (IUU) fishing¹.

The following is a summary of recommendations for both the European Commission and EU member states (MS) from two position papers developed by the coalition, for improving the implementation of a core part of the Regulation: the catch certificate (CC) scheme.

The EU IUU Regulation aims to ensure that products deriving from IUU fishing activities are prevented from entering the EU market. To this end, the Regulation requires that:

- third (non-EU) countries issue and validate CCs for the export of seafood products to the EU, certifying the species, origin and weight of each consignment, as well as that the products were caught in compliance with national and international fishing laws and conservation and management measures; and
- using a risk-based approach, EU countries check these CCs to verify that imports are legal (i.e. by assessing the relative risk that imports stem from IUU fishing, using a series of criteria).

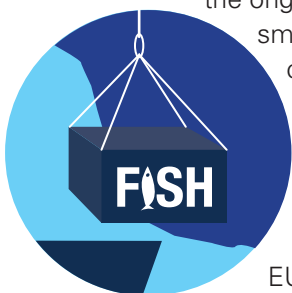
The coalition considers the EU IUU Regulation to be the most effective anti-IUU fishing trade legislation of its kind to date. Nevertheless, we have identified significant gaps in the EU CC system, which are preventing this Regulation from delivering fully on its potential. These include:

A paper-based CC system, which prevents EU-level cross-checks of information

Under the current paper-based CC scheme, copies of the same certificate may be used to import multiple consignments into different points across the EU, in excess of the total weight certified by the original document. In the absence of a central database of CC information, authorities are unable to carry out EU-level cross-checks of documents received by other EU countries, in order to ascertain whether the total weight of certified seafood product has been exceeded.

Processed products pose even greater challenges, due to complex supply chains involving multiple countries, product conversions and splits of consignments.

Each time an original consignment is split for processing, the original CC may be copied to accompany the smaller batches, leaving scope to augment the consignment with illegal product up to the total weight on the CC. In the absence of adequate checks, unreasonably high processing yields (i.e. the amount of processed product that can be produced for a given raw material input) can also be used to launder illegal product into EU supply chains.



Significant variability in methods for assessing the legality of fisheries imports

In many MS, current practices and procedures for processing CCs appear inadequate to detect cases of IUU fishing and to block imports stemming from such activities. In spite of an obligation under the Regulation to implement a risk-based approach to identify CCs for additional scrutiny, a number of EU countries are failing to apply robust risk criteria to direct their import controls.



Shortcomings and variations in methodologies have been identified in the following areas: (i) the processing and storage of CC information; (ii) the assessment of IUU risk associated with fisheries imports; and (iii) the verification of consignments to determine legal origin. As a result of inadequate harmonisation of national procedures to a sufficiently stringent standard across the EU, it seems inevitable that weaknesses in EU border controls are being exploited by unscrupulous operators.

Overview of the position papers

The coalition has developed two papers to provide recommendations for how to bridge these key gaps in the implementation of the EU IUU Regulation. Our recommendations are linked to the European Commission's commitment to launch an electronic database for all CC information in 2016² (referred to by the Commission as “modernisation”).



Delivery of an EU-wide database of CCs, incorporating a robust risk analysis tool, is an urgent priority if consignments are to be scrutinised effectively, and IUU fish denied entry to the EU market.

In our first paper, entitled *Modernisation of the EU IUU Regulation Catch Certificate Scheme*, we outline how the establishment of an EU-wide database of CCs would facilitate cross-checks and verifications of import information, and improve the effectiveness of the CC system in blocking entry of IUU products.

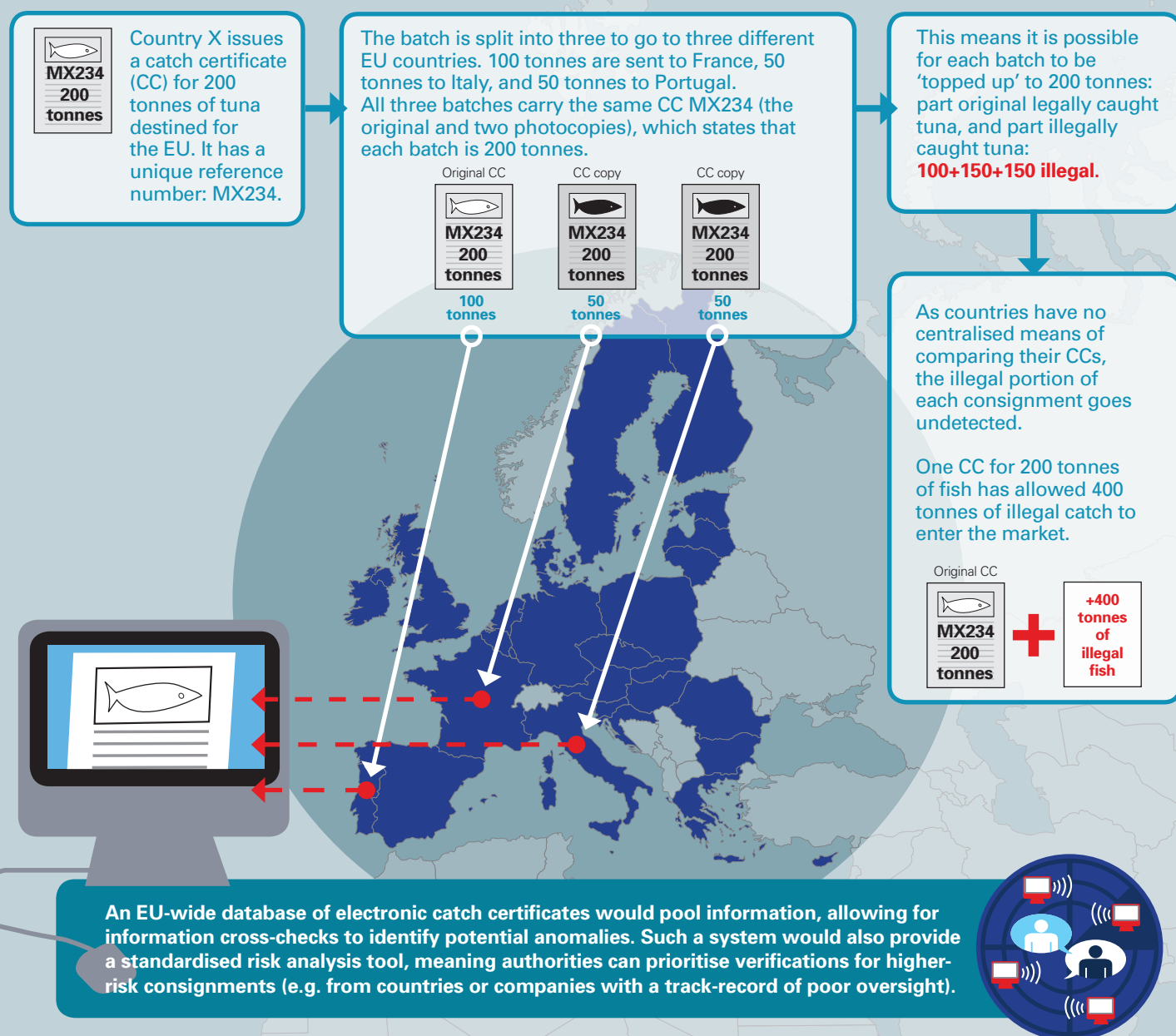
Importantly, we highlight in detail that for the system to fully deliver on its potential, a modernisation of the system will need to ensure that, as a bare minimum:

- ✓ CC information is captured in digital format within the EU to allow for information exchange among MS;

- ✓ all MS have access to the system, and are able and willing to use it;
- ✓ CC information cross-check facilities are provided, and CC documentary checks and risk analyses are standardised and automated, as much as possible, within the system;
- ✓ the system allows, wherever possible, for the counting down of total weights shown on the CC in the case of split consignments to detect overuse of CCs;
- ✓ the system assists authorities in the cross-checking of conversion factors³, to ascertain whether declared pre-processed and processed weights are consistent;
- ✓ the system allows for the strategic analysis of data to detect anomalies and trends over time in order to improve future risk analyses, and for reporting purposes.

We provide detailed recommendations for how these key features and functions of the database could be implemented.

How illegal catch can enter the EU market under the current paper-based system



In our second paper, entitled *Risk Assessment and Verification of Catch Certificates under the EU IUU Regulation*, we provide a number of recommendations to the European Commission and EU MS for the effective risk-based verification of CCs under the EU IUU Regulation. We propose a three-step approach to this process as follows:

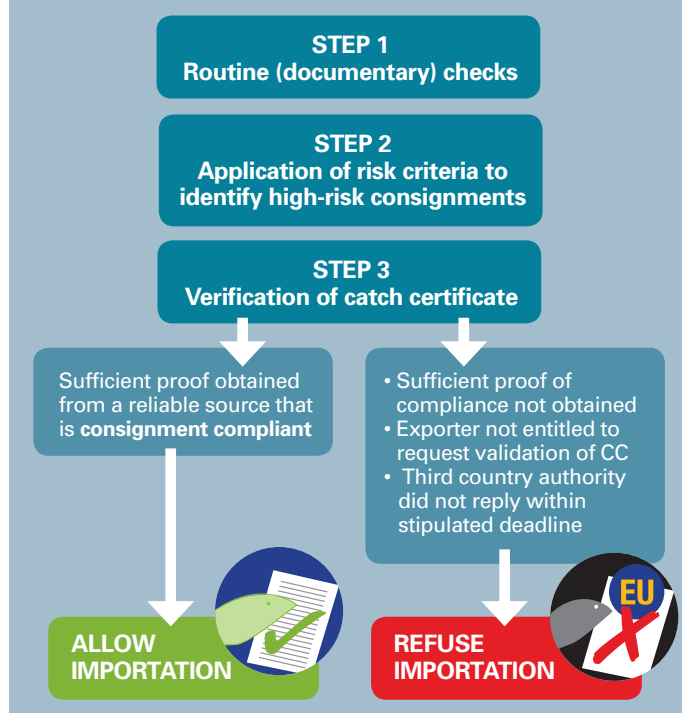
1. Routine documentary checks
2. Application of risk criteria
3. Verification of CCs.

The documentary checks and risk criteria outlined in this paper should, in our view, represent the minimum standards applied to all CCs in order to identify consignments for verification.

In setting out a series of minimum checks and criteria in this paper, we aim to inform discussions on the harmonisation of CC procedures across the EU. We consider that bringing all MS up to the same minimum level of implementation is crucial if the Regulation's CC scheme is to fulfil its objectives.

The establishment of an EU-wide database, incorporating a robust risk analysis tool, provides a crucial opportunity to standardise procedures for the risk-based verification of CCs across MS. Our paper therefore highlights how this database could build in the relevant functions to support the three-step procedure outlined.

Steps for verification of catch certificates



REFERENCES

1. Council Regulation (EC) No 1005/2008 of 29 September 2008 establishing a Community system to prevent, deter and eliminate illegal, unreported and unregulated fishing (OJ L 286, 29.10.2008).
2. <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM:2015:480:FIN>
3. Conversion factors are ratios that allow the estimation of the pre-processed weight from the known processed weight, for a given species for a given type of processing

Further information

The Environmental Justice Foundation (EJF), Oceana, The Pew Charitable Trusts and WWF are working together to secure the harmonised and effective implementation of the EU Regulation to end illegal, unreported and unregulated (IUU) fishing.

To download the papers referred to in this summary, go to www.iuuwatch.eu/catch-certificate-scheme

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