

OF FISHING ENTERPRISES IN THE EU

Europêche disappointed at political agreement on Nature Restoration Law

The destructive nature legislation threatens fishers' livelihoods and food production in the EU

Brussels, 10 November 2023

Europêche, the representative body for the European fishing industry, strongly criticizes the agreement reached yesterday evening by the Council and the European Parliament on the Nature Restoration Law. While Europêche recognizes the importance of protecting and restoring nature, the sector voiced several significant concerns about the Regulation that have been ignored by policy-makers. Some of the primary concerns include the complete absence of a cost-benefit assessment, the artificially broadened scope, which will result in more area closures, and the discriminatory treatment when compared to renewable energy. This law will only feed the already overwhelming bureaucracy and environmental ngo lobbies, but not the people in Europe. Europêche urges the Council and the Parliament to reject the political agreement.

One of the fundamental issues with this law is the absolute lack of a socio-economic impact assessment. As highlighted in the tables attached below, the Commission has failed to provide any concrete data on the "costs and benefits" that this new law is expected to generate for Member States, marine ecosystems and the fisheries sector. Instead, the legislation primarily relies on theoretical gains and potential undocumented benefits, which is not a solid basis for policymaking.

Daniel Voces, managing director of Europêche, stated: "The Regulation should only entry into force when the Commission provides robust and scientific data on the impact the new law will have on food availability and prices, company costs as well as fishing grounds affected. It is a real shame that in the end policymakers decided not to sustain this approach."

In a publication, the Commission recognizes that under the EU Habitat Directive less than 2% of the European marine areas are in need of restoration¹. Only to contradict itself in the same document and propose to multiply by a factor of 10 the areas in need for restoration (20% of the seas) without any science-based justification. This threshold goes beyond the international target agreed in Kunming-Montreal (COP15 – CBD), putting once more the fishing fleet at competitive disadvantage. Consequently, according to Europêche, Member States will be spending time and millions of Euros in artificially identifying and restoring areas that are not in need of restoration. The sector will likewise suffer the consequences of uncalled additional area closures.

Another pressing concern is the lack of extra funding to support the implementation of the Regulation. The EU fishing sector is already under significant pressure to decarbonize, minimize its footprint and endure closures of traditional fishing grounds. Expecting fishers to achieve unrealistic targets with limited funding, especially in a challenging economic environment, is

¹ <u>https://op.europa.eu/en/publication-detail/-/publication/95311c9d-f07b-11ec-a534-01aa75ed71a1</u> (page 11)

absurd and counterproductive. Mr Voces commented: "New legislative ambitions require adequate funding. The proposal does not guarantee the creation of a dedicated fund, without which, targets will be unattainable and the policy will fail. We should remember that fisheries is very particular in the use of funds and therefore this absence could not be covered by deviating funding from other areas."

Europêche is equally concerned about the exemption for renewable energy industries from complying with some environmental law provisions. Mr Voces commented: "This approach is appalling, especially in light of the unresolved environmental concerns highlighted by the Court of Auditors², regarding offshore renewable energy. It also creates an unfair playing field for the fishing sector since both sectors are competing for the maritime space. Has the scope of the Regulation been broadened to cover up this exception? We call for an equal treatment of all blue economies."

Once again, the EU is willing to limit its production of food without even considering the consequences, at home and abroad, of such decisions. For Europêche the troubled debate regarding the new environmental law made one thing clear. The EU needs to return to a model where all primary food production is placed under the mandate of a dedicated Commissioner and that needs to happen in the next mandate of the European Commission (2024-2029).

Overview of costs for the preferred option – until 2070 (present values)					
Action	One-off Annual Total in E costs in costs in million for EUR EUR A million million (15-40-100') by 2030-20- by 2030-20-		or scenario 9% targets	Total in EUR million for scenario B (30-60-100% targets by 2030-2040-2050) Comments	
Costs for restorat	ion and maint	enance ner eco	system type f	or hoth Membe	r States and businesses
Peatlands	on una maini	chunce per ceo	system type j	4 779	5 12
Marshlands				3 643	3 72
Coastal					
wetlands				5 141	5 85
Forests				50 082	53 85
Agro-				26 559	27 73
ecosystems				26 559	21 13
Steppe, heath and scrub				3 051	3 11
Rivers, lakes				Т	
and alluvial				35 232	40 21
habitats					
Sub-total				128 487	139 60
Marine, urban, pollinators				(na)	(na
	Benefit to c	ost ratio		Benefit to cost	tratio
Ecosystem type / Species	(With Annex I targets: 15 % by 2030, 40 % by 2040, 100 % by 2050)			(With Annex I targets: 30 % by 2030, 60 % by 2040, 100 % by 2050)	
Inland wetlands (for peatland only)	7.1 (2.2 if carbon only)			8.3 (2.5 if carbon only)	
Forests	4.1(0.1 if for carbon only*)			4.1 (0.1 if for carbon only*)	
Heathland and scrub	6.9 (1.3 if carbon only)			8.2 (1.5 if carbon only)	
Agro- ecosystems	8.6 (0.6 if carbon only)			9.2 (0,7 if carbon only)	
Rivers, lakes and alluvial habitats	24			26	
Coastal wetlands	35.3 (0.2 if carbon only)			38.1 (0.2 if carbon only)	
Median cost- benefit ratio between ecosystem types	7.9			8.8	
	Quantitative/Qualitative estimates indicate benefits very likely to outweigh the costs, in particular, in the longer term.			Quantitative/Qualitative estimates indicat benefits very likely to outweigh the costs in particular, in the longer term.	

ANNEX

² https://www.eca.europa.eu/ECAPublications/SR-2023-22/SR-2023-22_EN.pdf