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COMMISSIONER
Mairead McGuinness
Financial services, financial stability
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EAPO22-48/ EP(22)28

Brussels / Oostende, 12 September 2022

Subject: Open letter on EU Taxonomy and Technical Screening Criteria for Fishing Activities

- EU fishing sector denounces lack of transparency, legitimacy and expertise in the composition and procedure followed by the Platform on Sustainable Finance (PSF) for fisheries
- Recommendations are a wish-list of unrealistic and unachievable targets far from the fisheries realities
- An unworkable EU Taxonomy will impact on the ability of operators to attract funding for their sustainable fishing activities

Dear Commissioner McGuinness,

In 2020, the European Commission set up independent technical expert groups composed of industry, NGO and finance experts to produce a set of technical screening criteria for each sector, being the one related to our sector a subgroup for Agriculture / Forestry / Fishery. Even though the call for application for the selection of members of the Platform was published on the European Commission's website, it went largely unnoticed for the fishing supply chain since the initiative was mainly led by DG FISMA and not DG MARE.

I hope you agree with us that considering the importance of the tasks undertaken by the expert group, it is essential that the development of Technical Screening Criteria takes place with transparency and accountability, allowing the adequate participation of all stakeholders. However, the membership of the platform did not include any fishing industry stakeholder, only NGO representatives. This unbalanced situation led to significant gaps in the platform's knowledge and expertise. Likewise, this serious deficiency in the composition of the platform puts into question the legitimacy and validity of the work delivered by the PSF for fisheries.

In September 2021, Europêche provided a comprehensive response to the European call for feedback on the preliminary recommendations for technical screening criteria for the EU taxonomy relating to

fishing activities¹. We note with concern that the European Commission has ignored the call in the response to re-open the expert group' member list to industry representatives (i.e., fishing vessel owners, producer organisations, trade unions, specialised financial services, processing and retailers). It is to be noted that the debates and discussions held within the Platform are not public nor reported.

To our surprise, the PSF for fisheries continued its work and recommended criteria which have been proposed and discussed mainly by environmental NGO representatives whose position and vision on this subject is limited and interested.

We reiterate that according to the Common Fisheries Policy (CFP), the European Commission must consult relevant EU Advisory bodies specialised in fisheries, before submitting any "expert" outcome to the scrutiny of the public or as a recommendation to the European Commission. Namely, the Commission must ensure "appropriate involvement of stakeholders, in particular Advisory Councils, at all stages - from conception to implementation of the measures". Furthermore, given the socioeconomic impact of the taxonomy, and following Article 154.2 of the TFEU, "[...] before submitting proposals in the social policy field, the Commission shall consult management and labour on the possible direction of Union action". None of these steps have been taken so far.

The effect of this lack of expertise can be read throughout the sections in the report and annex concerning fishing with unworkable criteria and unachievable targets that go way beyond existing EU legislation, internationally agreed standards and the fishery reality. As a result, the vast majority of the EU fishing industry will not be able to reach alignment with the criteria, especially small-scale artisanal vessels.

Furthermore, it is rather strange that the NGOs participating in the Platform (and the European Commission at this stage) are reluctant to reform the current CFP basic regulation² while, at the same time, in the taxonomy they propose the introduction of completely new standards based on cherry-picking science, being some of the studies quoted produced or commissioned by the NGOs participating in the expert group (e.g., *Birdlife, Bycatch Mitigation FACT-SHEETS*). Isn't it biased that a member of the platform (Birdlife) is quoting its own study to underpin the recommended policy criteria? Isn't this a conflict of interests? The proposed criteria appear to be a "wish list" of NGO claims that tried without success to insert them in other EU legislative acts (e.g., fisheries control regulation, multiannual management plans) and now once again within the framework of the taxonomy without any real debate.

Lastly, Europêche and EAPO question the auditability of the proposed criteria. Particularly given the fact that the bodies providing scientific advice to the EU do not provide the level of detail for the information required under the screening criteria.

While appreciating the timely updates on the state of play of taxonomy by DG MARE, we are extremely disappointed with the process and the outcome. We fail to understand how and why DG FISMA did not request any stakeholder representation from the fisheries value chain. In the end, EU fishing companies will be the ones applying the rules and not eNGOs.

We reiterate our call to re-open the Platform on Sustainable Finance (PSF) for fisheries to all fisheries stakeholders, the opposite will lead to an objection of the taxonomy from the fishing sector.

2

¹ Europêche response to the European call for feedback by the Platform on Sustainable Finance on the draft report on preliminary recommendations for technical screening criteria for the EU taxonomy EP(21)33

² https://www.birdlife.org/wp-content/uploads/2022/03/2022-02_CFP-joint-NGO-PR.pdf

We remain open to have a meeting with you and your services to further explain our concerns and discuss ways forward.

Javier Garat

President of the Association of National Organisations of Fishing Enterprises in the EU Esben Sverdrup-Jensen

President of the European Association of Fish Producers Organisations (EAPO)

Cc: Virginijus Sinkevičius, Commissioner for Environment, Oceans and Fisheries