



European policies in West Africa: who benefits from fisheries agreements?

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Abstract

Fishery cooperation agreements with the Sub-Saharan West African coastal states are considered by the European Union as purely commercial deals that are designed to maximize access to coastal state fishery resources, secure employment for European harvesting and processing industries and supply European seafood consumption markets at the lowest possible cost.

Financial compensation paid by Brussels to the West African countries for fishing rights covers two-thirds or more of the license fees and is a subsidy for European vessel owners. This subsidy puts EU in position of a preferred user of the coastal resources. That displaces foreign investors and local entrepreneurs in the coastal states, distorts economics of the European fishing enterprises and promotes excessive pressure on the resources that greatly harms the marine environment in the West African region.

Analysis of EU's relations with Guinea-Bissau shows that together with manipulation of the size of fishing fleet used by EU in this country's waters, there were significant irregularities resulting from excessive by-catch, underpayment of tuna license fees and denial of timely statistical information for the coastal state.

Continuation of this type of relations with Sub-Saharan West Africa is against the long-term interests of the coastal states and sustainability of the coastal resources. Unless significant changes in fishing policies of the EU are made, West African coastal countries will face severe overexploitation of their resources and subsequent drop in license revenues. The EU's departure from purely business approach in fisheries relations with the West African coastal countries and termination of subsidization of the European fleets should be considered as important steps toward new fisheries relations with the region

On other hand, coastal states should undertake more coordinated approach in dealing with foreign pressures on their resources and harmonize negotiation of the fisheries agreements with the EU. They also must improve the investment climate so foreign fleet operators would be encouraged to integrate their offshore activity with the coastal states' economies. © 2002 Elsevier Science Ltd. All rights reserved.

1. Introduction

Cooperation agreements in fisheries between European Union (EU) and West African coastal states¹ are seen as important tools of EU's economic cooperation policy with countries of the Third World. The main policy guidelines as defined by the Maastricht Treaty commit EU to ensure that relations with developing nations should help to reduce poverty and promote

sustainable development. This commitment is equally valid in such areas as fisheries, trade and agriculture.²

The future of development cooperation between EU and countries of the Africa, Caribbean and Pacific (ACP) is at stake because the terms of the Lome Convention IV expired at the end of 1999.³ This Convention, in relation to a fisheries cooperation, recognizes the role that fishing industries of the EU could play in the development of the coastal states'

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¹In this study only five Sub-Saharan West African coastal states are taken into consideration: Mauritania, Senegal, Gambia, Guinea-Bissau and Republic of Guinea.

²The Article 130u of Title XVII of the Maastricht Treaty obligates the EU to ensure coherence between its policy objectives for development cooperation and those for other activities. See: The Final Act of the Maastricht Treaty, Maastricht, February 7, 1992.

³The Convention, Lome IV between the EU and 71 African, Caribbean and South Pacific states (ACP) covered the period of 10 years, from 1990 to the end of 1999, with a 5 year renewable Protocol.

capabilities to exploit their own coastal resources. However, the Lome Convention is silent in regard to requirements to unload of harvested resources and/or investment in coastal states' land infrastructure for purposes of value added processing. These two forms of integration with local economies are considered by all coastal countries as important factors contributing to economic growth and reduction of poverty. It is expected that the EU will be increasingly pressed to address this new type of cooperation in negotiations with the ACP states. Another significant expectation of the ACP nations in regard to the future fishery relations with the EU is that they should not be seen solely as commercial arrangements but should also include greater participation by EU in resource conservation, environmental protection, assistance in creation of local fishing fleets and private sector development [1]. In EU the perception that implementation of such policy changes would result in loss of revenues, higher costs of cooperation, growth of imports, and unemployment in the fishery sector serves as an impediment to policy change and implementation.

In Europe, the market demand for seafood and the capacity of fishing fleets to extract living marine resources from its Exclusive Economic Zone (EEZ) far outstrips available reproductive capacities. Some of the fisheries technologies used by these fleets threaten the marine habitats on which fisheries depend and thereby reduce the resilience of overfished stocks to recover [2]. In order to address these constraints, the EU is spending millions of ECU to re-deploy fishing fleets of the member-states into other nations' waters mainly through international fisheries cooperation agreements with developing countries.

The Department of Fisheries (DG XIV) of the EU is responsible to negotiate these agreements. It claims that the arrangements with the Third World nations are purely commercial in nature and have nothing to do with development or reduction of poverty [3]. Yet, for millions of people in developing countries, especially in West African coastal nations, fishery resources currently provide and have significant potential to be primary source of animal protein and livelihood. The policy which accords high priority to agreements for extraction of marine living resources from the waters of developing countries with little contribution by EU to the development of coastal state capabilities to use and process their resources with indigenous labor and land infrastructure, undermines the social and economic development goals of these nations. These agreements could be used as a tool for restructuring of coastal economies of these nations through compensation for access to the resources, unloading of harvests and investment promotion. In this way coastal state dependence on EU subsidized fishing in EEZ of the developing countries could decrease and living resources could be better used

for alleviation of poverty and development of national economies in the Sub-Saharan West Africa.

This paper empirically evaluates the performance of EU–West African fishery cooperation agreements—using regional and country perspectives. The focus is on the impacts of these agreements on economic welfare of the coastal countries of this region. After an analysis of the EU fisheries policies toward the Third World coastal states, relations with EU are assessed from the West African perspective. Representative performance of fishery cooperation agreements is reviewed using the case of Guinea-Bissau—a nation which, despite a rich inventory of marine living resources in country's coastal waters [4], is among the poorest countries in Africa [5]. Agreements with this country are analyzed with respect to their stated objectives, trends in activities of EU fleets, compensation paid, and impacts on fish stocks. Fishery cooperation agreements are seen here as a part of a larger ecological, social, political and economic system, rather than as a simple business deal with the coastal states solving domestic EU fisheries and seafood supply problems. Based on this approach, recommendations are presented how these agreements could be re-shaped for the benefit of the developing countries at the same time providing legitimate opportunities for EU private entrepreneurs.

The study does not address the most recent and important socio-political and armed conflict-related problems particularly in Guinea-Bissau and Sierra-Leone and involving Senegal and Republic of Guinea. Armed conflicts which took place in these countries in 1997, 1998 and 1999 had a profound impact on their environments and management of their marine living resources.⁴ The governments of these countries struggling for their survival have put a fairly low priority on living resource conservation and management and on sound fishery international relations. The cessation of hostilities and installation of new democratic governments creates the opportunity to revise relationships with foreign nations and to set new partnership directions.

The focus of this paper on EU is not to neglect other non-coastal states such as People's Republic of China, Korea and Japan that also use coastal resources of the West Africa. However, we consider EU as the most important partner and fleet operator and one which can greatly affect positive change due to its lengthy, large

⁴The civil war in Guinea-Bissau started in June 7, 1998. It ended in September 1999 and caused a substantial refugee problem (over 300,000 people fleeing war zones), take-over of the government and significant economic losses estimated at the level of US \$170 million [6]. In Sierra-Leone the civil war continues from 1997 until now. These conflicts caused military interventions of other West African states or organizations: in Guinea-Bissau—by Senegal and Guinea-Conakry and in Sierra-Leone by UN peacekeeping forces.

scale and intimate economic, political and cultural relationship with countries of this region.

1.1. EU fisheries cooperation policy with developing countries

With existing overcapacity in the harvesting sector and overfishing in the European seas the EU is actively pursuing new possibilities of access to fishery resources in other parts of the World Ocean. It now subsidizes access fees to developing country EEZs [7]. In 1996, the EU paid US \$229 million, or 43% of the EU's annual monies earmarked for addressing overcapitalization [8]—for access agreements with Africa, primarily for the benefit of French, Spanish, Italian and Portuguese companies—thereby exporting the overcapacity problem from North to South. The EU currently supports similar arrangements with 14 nations of West and East Africa [9]. EU agreements with all West African coastal states generate in average 240,000 tons of catch per year, 38,840 jobs of which 13,440 are fishermen onboard nearly 800 vessels operating in this area. The added value generated through processing from resources harvested in West Africa is equal to approximately ECU 100 million per year [9].

Analysis of access agreements signed by the EU with the Sub-Saharan West African coastal states over the period 1985–1998 shows how these cooperation arrangements affect development of sustainable fishery policies in the coastal states.

The primary objective of the EU in these agreements is to supply European markets and to create employment opportunities for fishing fleets and land support sectors of the EU member countries. These agreements are seen as the principal tools of access to overseas fishery resources and the way to reduce overcapacity of fishing fleets in EU waters so resources from other regions could be brought and processed for consumption in Europe.

In Sub-Saharan West Africa these agreements are negotiated and signed as purely commercial arrangements. Pursuing business objectives that are detached from the broader scope of European–African development cooperation, international fishery agreements signed by the EU do not reflect long-term needs of the developing coastal countries. Except for a small, one-time allocation of so-called “dedicated funds” for the coastal country⁵ generally absent from the agreements

are provisions on broader economic cooperation with the coastal states, on joint scientific research, technical assistance, training or resource protection, surveillance and management measures that would address sustainability of these resources and developmental objectives of the coastal states. On the one hand, agreements are limited to securing resource access to EU's fleets against financial compensation to the coastal countries' governments. On other hand, no conditions or provisions of the utilization of payments transferred to the coastal states are stipulated in these documents. This frequently reflects position of the coastal state negotiating parties who oppose restrictions on spending. The consequence is that all the funds go into the general treasury and little is invested by the country in the fishery sector development or management. In addition the EU may not live up to self-control of its fleet activities and standards of harvest monitoring and reporting.

The EU Commission's Directorate General for Fisheries (DGXIV) shields itself from commitments made in Maastricht Treaty and Lome Convention declaring that fishery agreements have strictly a business character and this reflects EU's recognition of coastal country sovereignty over their fishery resources. This argument, however, is inconsistent with the scope of the Lome Convention, which refers to the fishery development policies as an integral part of the responsibility of the Directorate General for International Cooperation (DGVIII).

This practice is apparently acceptable to heavily indebted West African governments. For many coastal states of this sub-region, the EU fishing agreement is a non-restricted source of hard currency that the governments can use to finance their operations, pay salaries of public officers, repay national debt and finance emergency imports. It is also much more convenient for local governments to collect license fees from Brussels in single lump sum payments instead of separate negotiations with individual foreign vessel owners or national companies. Experience shows that compensation received from EU is seldom used to benefit the development of the domestic fisheries sectors despite the fact that this specific provision is in the laws of most coastal West African states.⁶

(footnote continued)

however, the Government would demand that all dedicated funds are paid in advance and in its totality to the State Treasury account, so decisions on spending would be left for the central authorities. It is a frequent case that these funds are used for other than intended purposes by the coastal country governments.

⁶In Guinea-Bissau, according to the internal order of the Ministry of Economy and Finance, all so-called “dedicated funds” i.e., EU fund allocations foreseen by the Fishery Cooperation Agreement for support of the artisanal fishery sector, scientific research, training and other sector needs are taken to the National Treasury. From there they are mostly used by the Government to satisfy needs not related to the fishery sector [10].

⁵Dedicated funds constitute an integral part of the compensation for access to the resources negotiated by the EU with each coastal state. These funds as seen in Table 1 are one-time allocations for the duration of the whole agreement. In certain situations the payments of dedicated funds are made, within pre-agreed limits, in several installments or as the Government requests the money transfer for specific project (foreign training, membership fees, purchase of the equipment, financing host country's research project). In most cases,

The “business approach” that EU pursues in shaping fishery relations with West African and other coastal states leads to a number of distortions that potentially affect both long-term interests of the EU (sustained access to overseas coastal fishery resources) and potential socio-economic benefits these states could derive from such a cooperation. The chief threat to EU and coastal states’ interests is the lack of effective management to sustain exploited marine living resources in the region.

Most agreements signed with West African states, for example, do not contain catch quotas for EU vessels and this can result in overharvesting. Instead EU’s fishing rights and intensity of resource exploitation are assigned in terms of the vessel size, (measured in gross registered tonnage—GRT), number of authorized vessels and time when they can operate. It is well known, however, that a vessel’s GRT has little relation to its harvesting and fish processing capacity.⁷ Thus, this approach allows the EU fleets to harvest an essentially unlimited volume of resources for one prefixed license payment. Further, there is no control on the increase of this capacity through development of technical innovations in harvesting and at-sea processing by vessels that are authorized to operate under the cooperative fishery agreement. Moreover, EU reserves a right in most agreements to increase the allocated tonnage of its fleets at its sole discretion [11], meaning, that decisions regulating fishing effort belong to the EU fleet operators rather than to the coastal states. Because by-catch limitations are not clearly defined in the agreements and local legislation is rarely enforced by the coastal states, EU is in position to manage the intensity and patterns of coastal resource exploitation practically without any consultation with the coastal state.

To protect commercial interests of the EU fleets, all information related to the execution of the agreement (actual volume or composition of catches, data on effort and other vital information) are not reported to the coastal countries despite the contractual obligation in the treaties to do so nor are the data made public in Europe. Information on tuna operations in West African coastal waters is not reported to the coastal states (because they are non-members of the International Commission for Conservation of Atlantic Tuna, ICCAT) so they remain ignorant as to the amount and type of resources harvested within their 200 mile EEZ [12]. For the EU tuna companies this permits payment of extremely low license fees

by tuna vessel owners,⁸ and avoids coastal state’s control of these fleets and possible demands for increased financial compensation. The declining strength of coastal fishery resources (particularly demersal species) in West Africa [14], continuing dependence of West African states on EU fishery compensation and inability to introduce more effective resource conservation measures are clear evidence of failure of the EU strategies applied in its West African fishery cooperation agreements to line up to Maastricht Treaty obligations.

2. Fishery cooperation agreements: the West Africa perspective

2.1. EU agreements in regional perspective

A more detailed examination of the EU’s fishery agreements with the coastal Sub-Saharan West African countries—its economically poorest partners—gives a good idea of the actual principles behind the EU’s policy toward this marine region (Fig. 1). These agreements are to be examined considering: (a) compensation arrangements, (b) intensity and patterns of exploitation by EU fleets, (c) controls and sustainability of the resource use, (d) support for scientific research and training, and (e) support for monitoring and surveillance.

These “access to stocks for financial compensation” agreements are negotiated separately with each coastal state of the region and the level of compensation is expected to be commensurable with the access rights the coastal state is assuring for the EU fleets. In the language of EU agreements the right to fish is termed as “fishing possibilities”. Because of the absence of coordination between coastal states of this region, compensation can differ substantially from country to country even if resources (like tuna species) available for the EU could be the

⁷ Harvesting capacity depends also of the engine power, size of nets used, time spent fishing, possibilities of re-supplies and transfer of cargo at sea, skill and experience of skippers and crews and other factors. Fish processing capacity is related to the type of processing, processing method (hand or mechanized) and final products that are to be produced onboard the ship.

⁸ Because statistical information of the tuna catches is not delivered to the coastal state, European vessel owners are not paying any fees that are due for all tuna harvested on top of limits imposed by EU minimum hypothetical catch levels. In the 1995–1997 Agreement EU assumed that in Guinea-Bissau’s economic zone tuna-superseiners were harvesting yearly only 75 tons of tuna and from this amount the yearly license fee equal to 1500 ECU was paid (in 1997–2001 Agreement EU increased these numbers to, respectively, 90 tons and 1800 ECU per year). Any catch over this amount is to be paid by vessel owners at the level of 20 ECU per each ton of tuna. Because statistical information on real tuna catches is not provided to the coastal state, this fee-reflecting real harvest level—is never paid. Losses for the coastal state resulting from this practice are estimated at the level of 200,000–300,000 ECU per year as based on review of ICCAT reports. Note, that the average 1997 market value of one ton of tuna unloaded in Europe is at the level of US \$1500 [13]. Therefore, a license fee equal to 20 ECU per harvested ton of tuna makes 1.3% of this value.

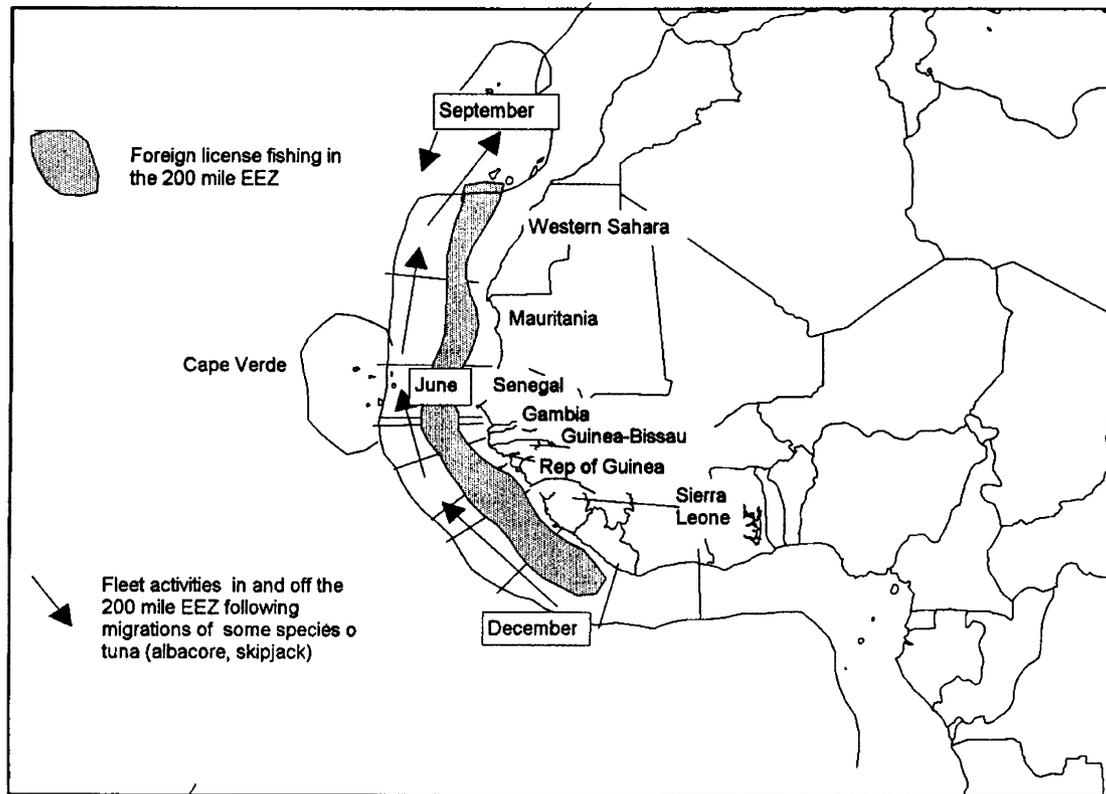


Fig. 1. Foreign fishing activities in and off the 200 mile EEZ of the Sub-Saharan West African States (all border lines are approximate).

same.⁹ Much depends on the negotiation ability and knowledge of the coastal states in relationship to their EU counterparts.

Payments for access to the resources of the West African countries are divided into two parts:

- (a) an amount directly paid by the EU, usually in yearly installments, and
- (b) license fees to be paid by individual EU vessels.

As a rule, the vessel license fee paid by the vessel owner accounts for only one-third or less of the total value of compensation paid by Brussels [9]. This means,

⁹In 1998 the European Commission signed a 3-year agreement with Gabon allowing access to the African state's tuna stocks for EU vessels. The deal provides a quota of 9000 MT of tuna annually for 75 EU vessels. In return the EU will provide a total of 2.025 million ECU per year. The EU's quota is based on an average European catch of 9000 million tons in Gabonese waters. If the limit is exceeded, the EU will make additional compensatory payments. Vessel owners will also pay a fee of 25 ECU per MT for their catch. In order to protect the local industry, EU vessels will not be permitted to fish within 12 mile of the coast of Gabon [15].

In contrast, the Fishery Cooperation Agreement with Guinea-Bissau signed in June 1997 foresees yearly access rights for 89 EU tuna vessels including 37 tuna seiners and 52 longliners and pole and line tuna ships. There are no tuna catch limits imposed by the Agreement. The yearly license fee for these ships is only 27,460 ECU [12].

that the other two-thirds or more of the license is subsidized by the EU lump sum yearly compensation. The total amount of EU subsidy depends on the coastal country and the size of the authorized EU fleet measured in GRT of vessels or in the number of specialized boats and commercial significance of allocated resources. If the total tonnage of ships allowed to harvest shrimp is, for example, 8800 tons GRT (the case of Guinea-Bissau) and the average size of the shrimp trawler is equal to 270 GRT, the estimated number of vessels that EU can use to take shrimp every year in the coastal country EEZ will be ≈ 32 .

Because compensation-subsidies lower resource access costs of the EU vessels-other operators, including those from the coastal country cannot fairly compete with European fleets. The free market competition is distorted if access fees are cheaper for one group of fishing vessel owners than to the other, or if all available resources are allocated to and taken homestead by the EU licensed fleet.

Agreements signed by the EU during 1989–1997 with selected coastal states of the Sub-Saharan West Africa are summarized in Table 1 and Fig. 2. In general, the higher the GRT tonnage, length of time, or number of fishing vessels that are authorized to operate in the coastal state's waters, the larger the compensation

Table 1
International fishery cooperation agreements between the EU and selected West African states valid between 1981–2006

Country/ validity	Duration (years)	Yearly fleet size		Compensation ECU/year	Dedicated funds for (additional single payment)			Total compensation per agreement (ECU)
		Trawlers GRT	Number of Tuna boats		Science	Training	Other	
<i>Mauritania</i>								
7/87–6/90	3	34,000	45	6,750,000	600,000	250,000		21,100,000
8/90–7/93	3	35,950	63	9,250,000	900,000	360,000		29,010,000
8/93–7/96	3	23,600	45	8,670,000	900,000	360,000		27,270,000
8/96–7/01 ^c	5	103,000	59	53,360,000	600,000	250,000	200,000	267,860,000
<i>Senegal</i>								
2/88–2/90	2	34,500	101	5,725,000	550,000	550,000		12,550,000
5/90–4/92	2	30,600	103	7,187,500	800,000	450,000		15,625,000
10/92–10/94	2	30,600	79	7,800,000	600,000	200,000		16,400,000
10/94–10/96	2	13,000	64	7,900,000	458,000	230,000	1,512,000 ^a	18,000,000
5/97–4/01 ^c	4	16,210	76	12,000,000	n/a	n/a	n/a	48,000,000
<i>Gambia</i>								
7/87–6/90	3	72,425	103	1,100,000	80,000	200,000		3,580,000
7/90–6/93	3	17,270	65	1,290,000	80,000	165,000		4,115,000
7/93–6/96	3	3160	30	370,000	80,000	220,000		1,410,000
<i>Guinea-Bissau</i>								
1/81–12/85	5	7500	50	1,425,000	250,000	0		7,375,000
6/86–6/89	3	11,000	76	2,500,000	400,000	250,000		8,150,000
6/89–6/91	2	15,000	95	5,415,000	550,000	550,000		11,930,000
6/91–6/93	2	17,000	32	6,000,000	850,000	550,000		13,400,000
6/93–6/95	2	15,000	32	6,000,000	450,000	250,000		12,700,000
6/95–6/97	2	8800	42	5,400,000	150,000	100,000	350,000	11,400,000
6/97–6/01	4	12,600	89	8,500,000	300,000	400,000	1,300,000 ^b	36,000,000
6/01–6/06	5	12,400	76	10,000,000	n/a	n/a	1,000,000	51,000,000
<i>Republic of Guinea</i>								
2/83–2/86	3	3000	50	1,425,000	20,000	0		4,295,000
2/86–2/89	3	12,000	76	2,500,000	350,000	55,000		7,905,000
1/90–1/91	2	12,000	80	5,415,000	400,000	400,000		11,630,000
1/92–12/93	2	12,000	37	6,000,000	400,000	400,000		12,800,000
1/94–12/95	2	5000	42	6,000,000	400,000	250,000	900,000	7,550,000
1/95–12/97	2	5000	74	1,225,000	400,000	250,000	900,000	4,000,000
1/98–12/99	2	4000	68	3,250,000	450,000	390,000	1,920,000	9,260,000
Total								674,315,000

^a Includes 860,000 ECU to support fisheries surveillance, 452,000 ECU—is for administrative support, 200,000 ECU—for Senegal's artisanal fisheries.

^b Includes 800,000 ECU for surveillance, 200,000 ECU—for administrative support, and 300,000 ECU—for artisanal fisheries.

^c For Senegal and Mauritania GRT includes EU vessels authorized for pelagic and mollusk fisheries.

Sources: [16–18,12].

payment. Agreement with Mauritania is a good example of this situation. Increased duration of agreements (valid 4 or even 5 years now instead of 2 years) with much higher authorized size of EU fishing fleets to operate in Mauritania, Senegal and Guinea-Bissau¹⁰ waters con-

tributed to substantial raise in financial compensation for these countries. Reduction of EU's fishing fleet

(footnote continued)

yearly GRT is $\approx 103,000$ GRT per year. This is over 436% more than authorized by the Government of Mauritania in the former Agreement (23,600 GRT) with EU. For the first time, the EU fleet is allowed to catch octopus and squid resources—despite the fact that these resources are fully used by domestically based Mauritanian fishing companies and artisanal fishermen. Also for the first time the EU will send a fleet of 22 super-factory trawlers (equal to or bigger than 3000 GRT each) to harvest small pelagics in Mauritania's 200 mile EEZ.

¹⁰ For example, Fishery Cooperation Agreement signed with Mauritania in June 1996 is valid 5 years and stipulates the record high US \$67 million-a-year compensation. This Agreement, however, allows EU to increase, substantially, the size of the fishing fleet and the number of tuna vessels operating in the Mauritanian 200 mile EEZ. Calculating authorized trawling fleet in terms of its GRT, the total

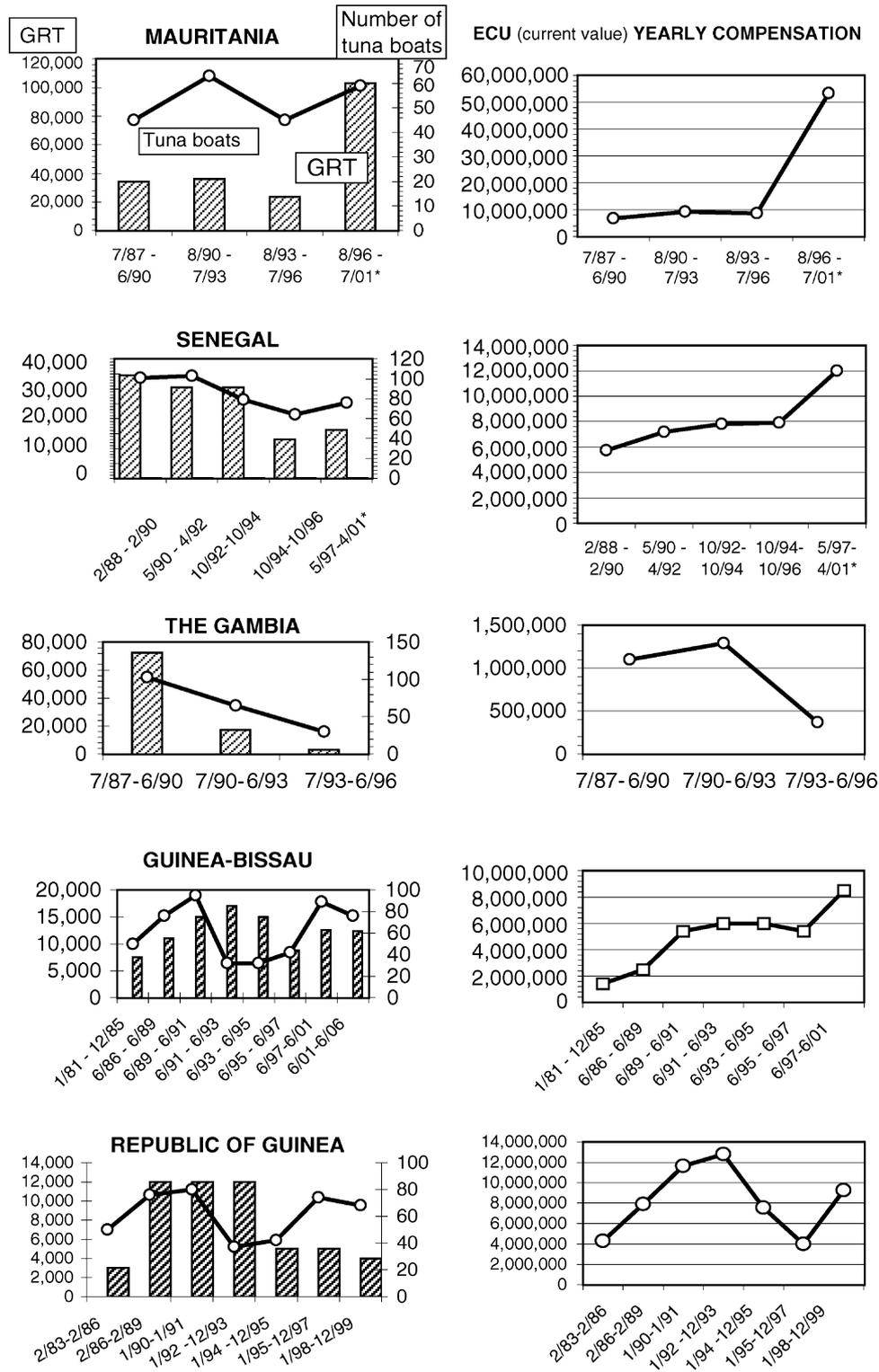


Fig. 2. Size of fishing fleets authorized to operate in coastal waters of West African states by agreements and yearly compensations paid by the EU between 1981 and 2006. * For Senegal and Mauritania GRT includes EU vessels authorized for pelagic and mollusk fisheries. Source: Table 1.

authorized under agreement with Gambia (agreements and Republic of Guinea (agreements valid from January 1994 to December 1999)¹¹ had direct adverse impact on the compensation. Table 1 shows that the total amount of compensation paid or committed by the EU to five West African coastal states during last 25 year period ending in 2006 is US \$674 million.

The fishery agreements with Senegal illustrate the EU fishery policy in the West Africa. Since 1979, the EU fishing industry benefited from profitable access to the once-rich Senegalese waters, with few restrictions imposed by either the EU or the Senegalese government. After over 15 years of EU–Senegalese “cooperation” the assessment is clearly negative, from both an environmental and social points of view: fish stocks are depleted and the Senegalese artisanal fishery is disrupted. As there were fewer fish for the European fleets to catch, during 1994–96 the 2-year financial compensation from EU remained stagnant at the level of 18 million ECU (US \$22 million) [19].

Although there is no doubt that these agreements adversely affect development of the domestic fishing industry and well-being of coastal communities, including artisanal fishing and local fish consumption, the EU does not foresee measures nor does it format any of its payments to prevent and correct the impact of its fleets’ activities on the coastal environment and local economies.¹² Nor does the EU call for any scientific study prior to the negotiation of the access agreement with the coastal state to ensure that the fishing effort fixed in the agreements is sustainable from the point of view of stock conservation. Nowhere in the agreements are provisions found on transfer of technology and know-how necessary to monitor the impact of the EU fleet activity on the coastal ecosystems (through high, unreported by-catch, for example) and even less, on impacts on local private harvesting, processing and consumption. Carevich [21] argues that one of the reasons for inequity in benefits generated by the coastal resources for EU versus West African nations is the lack of strong research data on fishery resources and bargaining power of coastal states to demand fair payment of license fees from the foreign fleet operators. As a result, agreements signed with the EU

do not reflect the true value of the resources that are taken by foreign fleets in EEZs of the West Africa coastal states. Equally alarming is the lack of EU’s desire to help coastal nations to increase their own capacity to use their resources and assist them to reap much higher local benefits through the shorebased processing and exports where appropriate. Absence of quota allocations substantially increases size of harvest by EU fleets authorized by agreements with Guinea-Bissau, Senegal and Mauritania in spite of the decline of many exploited stocks [20].

2.2. *Traditional versus second and third generation agreements*

Until the mid-1990s, fishery cooperation agreements between EU and West African coastal states were signed for 1 or 2 years duration and were termed as “cash—for access” or “compensate and take back fish raw material to Europe” arrangements. However, the pervasive effects of these agreements on local economies and coastal populations and the EU’s exploitative attitude towards sub-Saharan West Africa were denounced in the ACP countries-EU Joint Assembly Resolution of October 7, 1993 [22].¹³ Also, from within DG VIII (Cooperation) and the European Parliament came voices calling for the conversion of classic fishing agreements with ACP countries into agreements which have a stronger element of cooperation and involve both DG XIV and DGVIII [3].

With growing awareness in coastal states of existing inequities in benefits generated by existing conditions of access to the resources, the days of these *traditional agreements* are possibly coming to the end. A new type of agreements, the so-called “*second-generation*” agreements, was proposed in the mid-1990s to various countries, but not to all. These agreements call for creation of both short-term and equity joint ventures between EU vessel owners and local partners in the coastal state. Basically, only more developed or resource-rich Third World nations, like Argentina, Chile or Namibia could be eligible to sign this new type of agreement.

To establish such ventures EU vessel owners receive subsidies from both the EU and the EU Member State where the boat is originally registered. To support a “second generation agreement” with Argentina, for example, the EU allocated US \$203 million for the 5 year period (1993–1999) most of which was used

¹¹ Fishery Cooperation Agreement between Republic of Guinea and European Union was renewed for the period from January 1, 2000 to December 2001. This Agreement reflects poor state of most resources in the coastal waters of Guinea and foresees further reduction of the GRT tonnage of vessels targeting cephalopods and demersal fish (from 4000 to 2500 tons). In recognition of conservation measures the Government of Guinea planned to implement to restore declining stock, the EU decided to increase yearly compensation to Euro 2,960,000 with almost half of it (Euro 1,360,000 allocated to targeted measures (science, surveillance, training and other sector needs)) [17].

¹² According to FAO all cephalopods, hakes, sardinellas, sea breams and many other commercially important species in the North West African coastal waters are overexploited or fully used [20].

¹³ ACP countries—EU Joint Assembly Resolution of October 7, 1993, deals with fisheries in the context of ACP-European Economic Community (EEC) cooperation. It states that “the 16 bilateral agreements concluded between the Community and the ACP states have certainly had beneficial results from the financial point of view, but might have contributed to the impoverishment of the populations, sometimes to the damage of artisanal fisheries”.

to support newly established joint ventures with that country. The main beneficiaries of these arrangements are private companies from Spain and other countries such as Portugal, Italy, Greece, France and Germany [23]. Moving EU fishing vessels to developing countries helps to reduce capacity of the European fishing fleets in EU waters while still continuing to supply seafood to the European markets. It is the responsibility of coastal states to manage these fleets in their EEZ.

The trend in the agreements is clearly toward privatization of and liberalization of trade. It is expected that this might lead to totally private agreements between multinationals such as Pescanova, Unilever and Resource Group International with the coastal state's governmental agencies or private partners. For instance, Namibia has negotiated fisheries access rights directly with Pescanova–Spain [10].

In these new agreements, vessel transfer and joint venturing is promoted but the principal fishery cooperation policy objective of the EU has remained the same: the constant supply of market with the raw material at the lowest possible cost. This policy is accompanied by decreased or eliminated EU management responsibility and related financial burdens, accountability and public scrutiny.

The “*second generation*” agreements do not solve existing major problems such as lack of control and enforcement of regulations or agreed responsibilities assumed by the EU. This leads to overexploitation and a neglect of coastal countries' laws governing use of their resources. These agreements generally also lack attention to the needs of local small-scale fishing communities [19].

“*Third generation agreements*” are now stipulated but no consensus has yet emerged as to what their objectives should be or how they will differ from the older generation agreements. What is recommended in new agreements is elimination of subsidies for European fleets operating in the West African waters, more consistency with the EU development and cooperation policy objectives with the Third World countries [13]. There is a need for more integration with the coastal state economies including investment in land infrastructure, local processing and more active cooperation in scientific research, resource monitoring and management particularly in less developed West African countries.

In most countries of this region, marine living resources are considered as a key economic asset, with significant potential for future development [24]. However, they do not have sufficient capabilities to benefit of them in the short-term perspective. They need to establish fishing capabilities and create coastal facilities to harvest and add value to their own coastal resources.

3. Implementation of agreements with the West African countries: the case of Guinea-Bissau

3.1. Maximizing access to the coastal resources

Evaluation of coherence between development cooperation policy of the EU and the practice of EU fisheries agreements is made using, as an example, the typical 2-year Fishery Cooperation Agreement between EU and Guinea-Bissau valid from June 1995 to June 1997. For purposes of comparison and projection of future trends—the June 1997–June 2001 Agreement is also considered.¹⁴ These agreements, like earlier arrangements are entirely devoted to maximize extraction from the coastal waters of Guinea-Bissau of shrimp, demersal fish, cephalopods and tuna by the EU fishing fleets. There is no active support for landing of food fish or for the development of the coastal country's fishing and processing capabilities, joint venture projects or investment in land infrastructure. Modest dedicated funds supporting local research, training and administrative overhead accompanying compensation do not positively affect local capacity building as they are in practice used mostly to support non-related state needs. No specific measures are taken to promote research, monitoring, surveillance or cooperative resource conservation and management projects. EU rejected requests of the Government for unloading of “African fish”¹⁵ for local consumption and to use local ports because the delivery of this fish would consume too much valuable time. This approach undermines immediate need for seafood in poor coastal countries and development of the coastal country's economy.

Data provided in Table 2 allow comparison of size of the EU fleet authorized in 1996 to operate in the Guinea-Bissau 200 mile EEZ with vessels effectively employed on yearly basis in exploitation of shrimp, demersal fish, cephalopods and tuna species.¹⁶ Several

¹⁴In June 2001 the Government of Guinea-Bissau has renewed the fisheries agreement with the EU. This agreement was signed for the period of 5 years. It has decreased slightly the number of authorized tuna boats (from 89 to 76) to operate every year in this country's 200 mile EEZ, while the total tonnage of other vessels (mostly trawlers), i.e., 12,400 GRT was agreed on nearly the same level as in the previous agreement. However, the yearly compensation was increased from US \$8.5 to US \$10 million with one extra US \$ million to finance country fishery sector needs [16].

¹⁵Fish species of high demand in African markets and harvested by industrial fleets principally as a by-catch. Usually this fish is discarded at sea.

¹⁶Fishery Cooperation Agreements with Guinea-Bissau and many other Sub-Saharan West African states are out of phase with the calendar or fishing year. They start and end in the middle of the year (see Table 1). This seriously complicates statistical recording of catches because the fishing year does not accord with timing of the agreement. Statistical analysis is much more difficult and management of the EU's fleet activity is much more complicated in the context of Fishery Management Plans and other conservation measures adopted on calendar year basis by the coastal states.

Table 2
Fishery agreement with EU 1995–1997: authorized fleets and estimated ex-vessel value of their catches in Guinea-Bissau waters, 1997

			Authorized GRT and number of vessels			GRT and vessels used	
			GRT	Average vessel size (GRT)	Number of vessels	GRT utilized	Number of vessels used
Shrimper	Spain	2400	223	11	3301	15	
	Trawlers	Portugal	3200	243	13	2685	14
	Italy	3200	338	9	4408	12	
	Sub-total	8800		33	10,394	41	
Trawlers	Spain					4	
	Italy					2	
	Sub-total	4000		15	2000	6	
Tuna vessels ^a	France and Spain						
Purse-seiners				26		23	
Long-liners/pole and line				16		13	
	Sub-total			42		36	

Species group		Ex-vessel price/ton	Spain	Portugal	Italy	France	Total
Shrimp	Tons		1051	698	316	0	2065
	US dollar;	6,000	6,306,000	4,188,000	1,896,000	0	12,390,000
Cephalopods	Tons		276	61	2609	0	2946
	US dollar;	2,000	552,000	122,000	5,218,000	0	5,892,000
Demersal fish	Tons		484	1,103	699	0	2286
	US dollar;	1,500	726,000	1,654,500	1,048,500	0	3,429,000
Tuna	Tons		9855	0	0	27,010	36,865
	US dollar;	1,500	14,782,500			40,515,000	55,297,500
Other species	Tons		91	680	395	0	1166
	US dollar;	1,000	91,000	680,000	395,000	0	1,166,000
Total	Tons		11,757	2,542	4019	27,010	45,328
	US dollar;		22,457,500	6,644,500	8,557,500	40,515,000	78,174,500

^a 2nd Semester of 1995 and 1st Semester of 1996.

Sources: [25].

important conclusions can be drawn from this statistical summary:

- (a) There was an excess tonnage of shrimp trawlers used by EU in 1996. The Agreement authorized 8800 GRT for the fleet targeting on shrimp while the total effective tonnage used by EU was 10,394 GRT, i.e., 18% more. The use by EU of excess tonnage is authorized in the Agreement, but in the course of its implementation this extra tonnage (and pressure on the resources) was introduced without consultation with the coastal country although fishing vessel licenses were purchased for extra ships. In such cases the Agreement calls for additional compensation *pro rata temporis* by Brussels but such a payment has never occurred.
- (b) For the Guinea-Bissau authorities one of the most confusing tools insisted on by the EU in establishing and managing the size of authorized fleets is the principle of so-called “average monthly GRT used during the year”. This criterion allows EU to reduce statistically the calculation of tonnage of vessels buying licenses for periods <1 year.

If a vessel of 250 GRT purchased license for half a year—the tonnage of this ship was considered to contribute only 125 GRT into the total GRT limit established in the Agreement.¹⁷ This way of defining the fishing effort was not only difficult to control by the Government but it allowed EU to employ practically unlimited number of ships. It avoids, at the same time, additional payment of compensation for excessive tonnage of fishing vessels. This specific provision was removed from agreements signed by EU with West African coastal states in 1996 and 1997. However, during previous years this fishing strategy allowed EU to intensify fleet operations during the best part of the season in each locale. Vessels then moved to other areas. This effectively negated any conservation goals of trying to link fishing capacity of fleets with sustainable levels of resource exploitation.

¹⁷ For example, applying the “monthly GRT average” criterion to the 1995/1997 Agreement with Guinea-Bissau, the real size of the EU shrimper-trawler fleet would be equal to 12,769 GRT in 1996, i.e. 45% over the “yearly GRT average” [26].

These irregularities are possible because of the lack of the agreement enforcement on the coastal states' side.

- (c) The dedicated funds accompanying basic compensation, if calculated on yearly basis, remain practically the same for the 1995/97 and 1997/2001 Agreements. Support of surveillance in the 1997–2001 fishery agreement with Guinea-Bissau is established at the level of US 200,000 ECU (US \$250,000) per year. However, according to the Guinea-Bissau fishing regulations, each vessel is expected to pay a Fisheries Resources Management Fee equal to US \$4800 for yearly license regardless of the length of time fished. The EU–Guinea-Bissau Agreement allowed \approx 126 EU vessels to operate every year and this would generate a surveillance fee revenue equal to approximately US \$600,000 per year. If paid in full for 4 years the total revenue from EU fleets would be US \$2,419,250. However, according to the Agreement, dedicated fund for surveillance support for the same period is equal to only US \$1,000,000. Because of this dedicated fund to support surveillance in Guinea-Bissau EU ships pay Surveillance Fee equal to US \$4 per GRT only (tuna vessels are exempt from this fee). From this fee the authorized fleet of 12,600 GRT could generate additional US \$200,000 per year during the 4 year period. As a result the Government of Guinea-Bissau receives only US \$1,200,000 from EU under this Agreement and this is 50% less than the full Surveillance Fee. The net saving for EU fleets is US \$1,200,000. In this case, agreed “donation” in lieu of statutorily required payment deprives Guinea-Bissau of a substantial part of revenue needed to support its under-financed surveillance program.
- (d) In absence of reporting of catch statistics by the EU, the only data on activities at sea is collected by the coastal state observer program that focuses on harvests and their ex-vessel values.¹⁸ These reports indicate that authorized EU vessels in 1996 took \approx 45,000 million tons of various species with a total ex-vessel value equal to US \$78 million. Tuna and shrimp are the resources of highest interest for the EU fleets. Table 3 shows that the EU compensation and license payments by the EU vessel owners in 1996 were equal to US \$8,250,000. EU fisheries license revenues were therefore, equal to 10.5% of the estimated value of resources taken by EU vessels from the Guinea-Bissau coastal

waters and only 7.5% of the same resources value FOB Bissau if they would be processed in this coastal country.

3.2. *Loss of value due to discard of by-catch*

All EU fleets operating in Guinea-Bissau coastal waters harvest substantial volumes of resources as a by-catch to the target fisheries described above. It was only in the 1997 that Guinea-Bissau's research center and statistical services started to look more closely at this problem. Researchers estimated the by-catch and then added it to target catch statistics of foreign fleets. Incorporation into statistical reporting in Guinea-Bissau of this category of catches allowed reassessment of country's resource allocation policy and economic impacts of foreign operations in this country's 200 mile EEZ.¹⁹ Excluding tuna fleets, the overwhelming majority of EU vessels (41 ships in 1996) operating in this country's coastal waters had purchased shrimp licenses Table 2). However, closer examination of the composition of their catches shows that shrimp is not necessarily the main species harvested by these fleets (Table 4). Italian vessel owners with shrimp licenses, for example, have chosen cephalopods and demersal fish as their target species rather than shrimp. Shrimp was only 8% of their total catch in 1996. The other 92% of Italian catches were cephalopods and demersal fish. Catch composition of Portuguese vessels also indicates that this country's shrimper-trawlers harvested only 27% of shrimp while demersal fish and other finfish species made 71% of their retained catch. Only Spanish catches show a preponderance of shrimp (55%) vis-à-vis demersal species (45%). The shrimp license is not expensive for EU vessels (US \$266—per GRT of the vessel) because of subsidies by Brussels. Therefore, in the absence of by-catch limitations, shrimper-trawlers can use nets with authorized mesh size for shrimp (25 mm) rather than for finfish (65 mm) and take whatever enters into their nets. There was no clear by-catch limitation or enforcement measures in the 1995/97 Agreement (and it is not improved very much in the 1997/2001 Agreement) with respect to catching shrimp as a target species. This practice seriously affects the state of the Guinea-Bissau fishery resources and means that the value of the by-catch is not captured in the compensation package focused only on shrimp.

According to the data on 1997 foreign (including People's Republic of China and other countries) harvest

¹⁸ For purposes of this study the ex-vessel value of the resources harvested by EU fleets was calculated using an average price for non-processed fish and invertebrates onboard the fishing vessel in the 200 mile EEZ of Guinea-Bissau.

¹⁹ Estimates of by-catch harvest were first time introduced in the Guinea-Bissau Fisheries Management Plan for 1997 prepared by Center for Applied Fisheries Research (CIPA) in cooperation with the International Union for Conservation of Nature, Ministry of Fisheries, Bissau, 1997.

Table 3

Fishery agreement Guinea-Bissau—EU, 1995–1997: comparing license revenues with value onboard and the value added in on-shore processing, 1996

Source of Revenue	Total US dollar;
Compensation by the European Union (Brussels)	6,750,000
License payments by EU fishing vessel owners	1,500,000
Total revenue from license sales	8,250,000

License revenues as % of	
Processed value FOB bissau	7.5%
Resource value onboard vessels	10.5%

Same Resources but Different Values: License Revenues, Value of Resources Onboard and Added Value Through Land Processing

Category	Value (US\$)
License Revenues	8,250,000
Value Onboard Vessels	7,500,000
Processed Value FOB Bissau	11,424,185

Main species groups	Volume tons	Onboard-the-vessel value US dollar;		Estimated added value in land processing (US dollar)			
		Per ton	Total	Recovery ratio	Volume tons	FOB/ton US dollar;	Total FOB Bissau
Shrimps	2065	6000	12,390,000	50	1033	14,000	14,455,000
Cephalopods	2946	2000	5,892,000	80	2357	4200	9,898,560
Demersal fish	2286	1500	3,429,000	60	1372	5000	6,858,000
Tuna	36,865	1500	55,297,500	85	31,335	2500	78,338,125
Other	1166	1000	1,166,000	50	583	1500	874,500
Total	45,328		78,174,500		36,679		110,424,185

Sources: Table 2 and ([27–29]).

levels (Table 5)—27% of all shrimp catch reported by Guinea-Bissau observers is a by-catch produced during the demersal fish fishery. With this substantial by-catch level (possible only by use of small mesh nets to harvest demersal fish) the estimation of total catch of shrimp in 1997 jumped from 2392 tons (Table 4) to 5317 tons in 1997, i.e., a 222% increase. There is also large by-catch of demersal fish reported from vessels targeting on cephalopods. All extra catches are not compensated for in the payment of license fees.

3.3. Inequities in benefit sharing from tuna resources

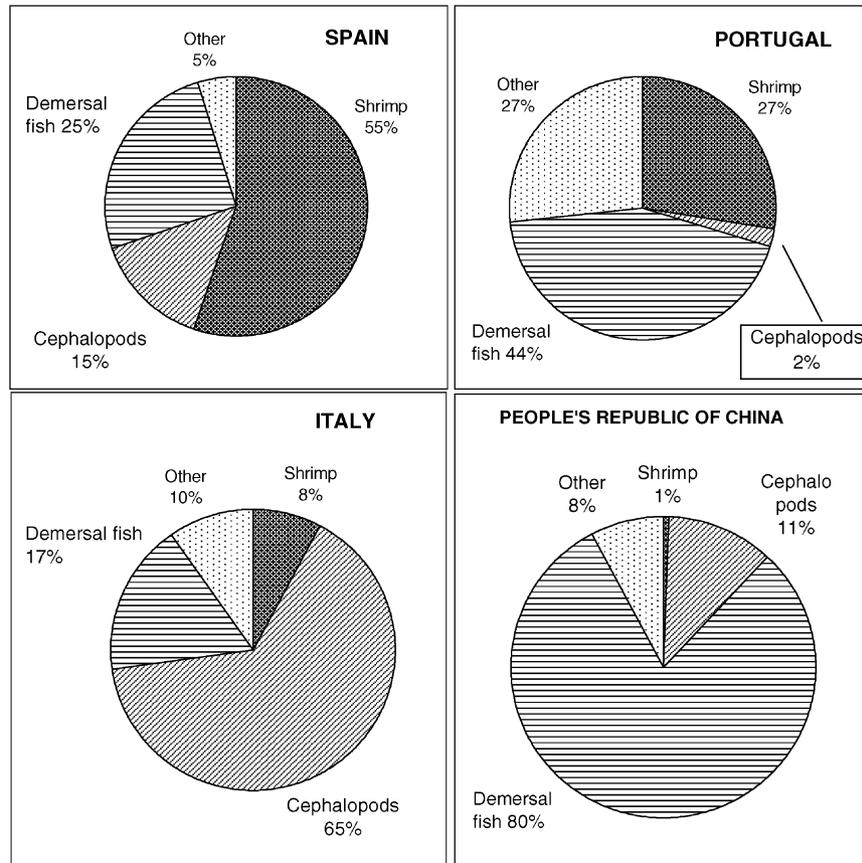
The tuna fishery is the least controlled component of EU fleet operations in the West African 200 mile EEZ. Major users of this region's tuna resources are France, Spain, Japan and most recently, Cuba.

Tuna super-seiners, longliners and pole-and-line tuna ships are the major classes of vessels used in these operations. The EU's tuna fisheries in this zone are intensifying and two tuna species (blue fin tuna and yellowfin tuna) are already considered fully utilized or overfished [32]. The number of EU tuna vessels admitted yearly to Mauritania and Senegal increased 18% and 31%, respectively, between 1994 and 1997 while in the case of Guinea-Bissau the authorized presence of French and Spanish tuna boats grew from 32 in 1994 to 89 in 1998 ($\approx 300\%$ increase). It has been estimated that the volume of catch that would correspond to increased number of authorized tuna boats and duration of licenses purchased for operation in Guinea-Bissau 200 mile EEZ grew from 4500 tons in 1994 to 37,000 tons per year and the value of harvest in 1997 was estimated at about of US \$55 million [12].

Table 4
Composition of catch by countries and species groups^a in Guinea-Bissau coastal waters during 1996 (in metric tons)

Country	Shrimp	Cephalopods	Demersal fish	Other	Total
Spain	1051	276	484	91	1902
Portugal	698	61	1103	680	2542
Italy	316	2609	699	395	4019
People's Rep. of China	110	2428	17,173	1645	21,356
Other	217	2829	12,774	1077	16,897
Total	2392	8203	32,233	3888	46,716

^a Excluding tuna and no by-catch data included.



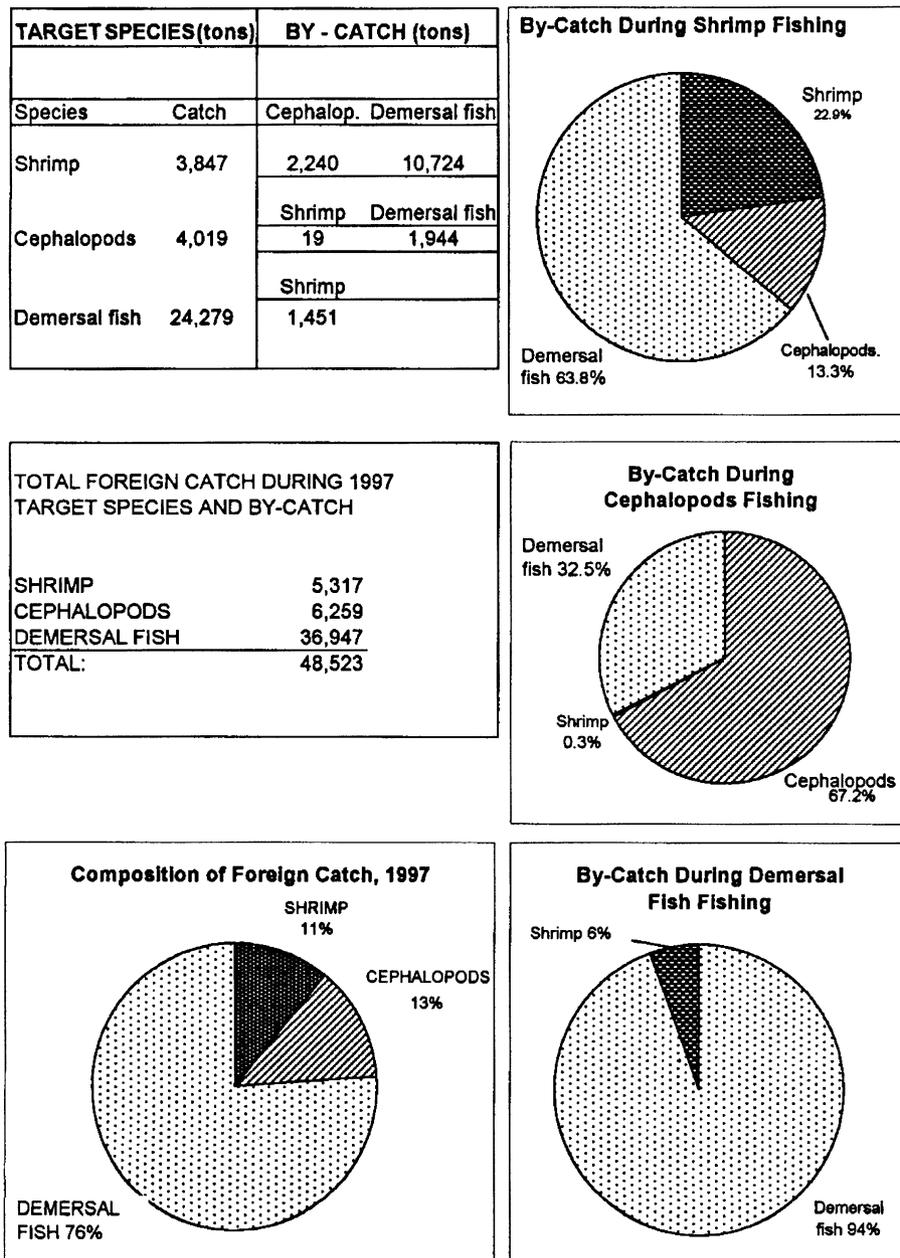
Sources: [27,30].

Coastal countries, non-members of the ICCAT with headquarters in Madrid are not informed about current trends in the East Central Atlantic tuna fisheries.²⁰ In the Guinea-Bissau case, foreign fleet operators (principally French and Spanish) do

²⁰ Information on tuna catches is—after reprocessing by national research institutes in Spain, France and other Atlantic tuna fishing countries—is delivered to ICCAT in Madrid. These data are readily available for the ICCAT member countries while coastal states like the Republic of Guinea-Bissau cannot afford the cost of membership and have no official access to the data collected by ICCAT member-states.

not cooperate with local authorities as prescribed in the Agreement and by the Guinea-Bissau's license regulations [33]. As a result no statistical data on foreign fleet activity are supplied and information on catches is routinely denied to the Government. EU fleets do not accept coastal country observers onboard their ships and do not pay agreed fees (20 ECU per ton) for tuna harvested in the country's coastal waters. They also do not visit local ports for inspections and do not accept local crewmembers.

Table 5
By-catch in foreign fishing in Guinea-Bissau coastal waters 1997



Source: [31].

Governmental revenues from licenses paid by the EU tuna fishing vessels are insignificant in relation to the value of the tuna resources harvested. For example, in 1996 the total license revenue from French and Spanish tuna vessel owners (37 boats with one year license each) was 29,100 ECU [12]. The license fee is calculated by the EU assuming that in Guinea-Bissau jurisdictional waters one tuna super-seiner (≈ 1200 DWT) harvests yearly

75 tons²¹ and one longliner—15 tons of tuna. No other payments are made to the Government. According to the 1995/97 Agreement, the yearly license fee for a tuna

²¹ Review of License Applications filled by purse-seiners willing to operate in the 200 mile EEZ of Guinea-Bissau indicates that the processing capability of one typical vessel of this class is from 26 to 40 and more tons of tuna per day. Data from the Industrial Fisheries Department, Ministry of Fisheries, Bissau, 1998.

super-seiner was 1500 ECU. EU tuna longliners paid only 300 ECU per year. The total cost of license fees paid by EU tuna boats fluctuates between 0.24% (1994) and 0.4% (1997) of the estimated market value of harvested tuna [12]. This percentage is in stark contrast with revenues from licenses received by other coastal states particularly in the Indian and Pacific Ocean. Even without consideration of the stricter access conditions and conservation measures, foreign fleets pay fees equivalent of up to 10% of the gross market value of the harvested tuna (purse-seine operations), i.e., 25 times more than in the case of Guinea-Bissau. This means that if Guinea-Bissau were to receive comparable value for resources harvested, license revenues could be increased from 30,000 ECU to over 2–3 million ECU per year.

3.4. Comparing costs and benefits generated by the agreement

Under the umbrella of the International Fishery Cooperation Agreement, the EU fleets can exploit coastal resources of Guinea-Bissau with little control by the coastal state. Guinea-Bissau receives no economic benefits from these resources beyond Compensation from Brussels and license fees paid by EU vessel owners. This is because EU operators take their catches directly to European markets without any integration of their fleet activity with the coastal state's economy. Yearly license fee revenue received by the Guinea-Bissau Government was US \$8,250,000 in 1996 while the approximate ex-vessel value of coastal resources taken back by EU vessels to Europe was US \$78,000,000 (Table 3).

After processing in European plants the end value of seafood products from these resources is estimated as US \$110,424,000. This illustrates a huge disparity in value of the resources taken by EU companies and the license fee that is paid to the coastal country (7.5% of value of the processed products). The real issue, however, is the lost opportunity in jobs and hard currency revenues to Guinea-Bissau from use of its principal resource. This loss could be considered as a price this country pays by not having its own harvesting and land processing capabilities. In today's free market environment, very few countries around the world allow their natural resources to be exported unprocessed, especially by foreign-owned operations [33].

The most common pattern of behavior of the EU fleets is to avoid investment in Guinea-Bissau as there is a generalized perception that such integration is risky and economically hardly viable. However, this competitive pattern of resource use generates no positive impact on the coastal state's economy and perpetuates its dependency on the EU license fishing. Coastal fishery resources are the only significant natural assets available

in this country. Although there is a widespread recognition that these resources could become an important source of hard currency revenues, employment and food for local population, this potential is not realized. This failure is a product of the desperate financial situation of the coastal state that depends (45% and more) on fisheries revenues to finance governmental operations (see footnote 20) and the inability to generate local investment onshore.

4. Moving toward sound fishery relations of EU with West Africa

4.1. Changes to consider by coastal countries

Joint commitment of EU and West African coastal states is needed to transform fishery cooperation into more effective instrument of growth and reduction of poverty in the region. However, coastal states must lead the way because domestic policy issues are at the heart of inefficiencies generated by the fishery agreements with the Sub-Saharan West African coastal states. No real turnaround is conceivable unless these policy matters are dealt with.

Several important factors might affect the course of actions that could be undertaken by the West African coastal states in order to improve fishery relations with the EU.

1. For many coastal countries of the region, EU financial compensation represents a very important source of hard currency earnings and accounts for a significant share of their income. However, the activity of subsidized EU fleets has impact on fish stocks and it contributes to deterioration of the coastal resources. In order to secure the sustainability of these resources and their beneficial effect on economies, coastal states need to develop effective controls over the foreign fleet activity. These states are gradually improving resource management measures including harvest quotas, limitation of and accounting for by-catch, restriction on use of destructive fishing practices. Some countries are applying seasonal and area fishing limitations so resources can recover from overexploitation where it exists. Fishery agreements should better reflect these conservation measures. The effectiveness and support by the EU of such financial compensation should be subject of review by coastal states because of its negative impact on the development of national fishing and processing capabilities (unfair competitive edge secured by subsidies to the European fleets vis-à-vis local operators). Compensation introduces distortions in valuation of resources harvested by the EU ships (it is more economic for EU vessel owners

to buy license for shrimp and harvest demersal fishes as license fees are heavily subsidized). Compensation, access rights and fees as well as resource allocations should be used as incentives to integrate foreign operators with the coastal state economies. Priority in access to the resources should be given to foreign operators that unload harvested fish in local ports for processing.

2. The most recent changes in EU policies indicate that, albeit slowly, European enterprises might consider investing in coastal state infrastructure (initially in more advanced economies) by moving their vessels there, building land facilities and looking for some form of partnership within the local economy. The implication of these trends for the West African coastal states is that they will be increasingly less able to rely on compensation and will have to develop a more welcoming and secure environment for private foreign investment and financing.
3. Experience of developing countries in the Southwest Pacific shows that coordinated negotiation of fishery agreements with the distant-water fishing nations results in more equitable conditions of access and better controlled fleet activities in the 200 mile EEZs of these states. Improved coordination between West African states could be attained by empowering the Sub-Regional Fisheries Commission to coordinate and represent the region in negotiation of fishery cooperation agreements with the EU so as to improve benefits from resources exploited by EU fleets. Among the most important tasks of such a coordinating body would be to negotiate with EU—on behalf of member states—access conditions to trans-boundary and highly migratory species (tuna and other pelagics), agreeing on code of conduct and compliance of EU fleets with coastal state's regulations, planning EU-sponsored research and running a register of all EU vessels operating in the West African 200 mile EEZs. This Commission has already successfully coordinated the Luxembourg-sponsored sub-regional air surveillance project in West Africa.²²
4. In order to create a more favorable business climate for foreign operators to invest their capital, technology and know-how, coastal countries might consider introducing changes in their investment codes, trade and banking regulations, and to promote the development of a private sector allocating preferential access rights to those investing in shore installations and activities.

There is a need for the Government to change the criteria used in resource allocation to all foreign and

²²This project operated two years from Banjul—Gambia starting in May 1995 and covered the EEZs of the Gambia, Guinea-Bissau, Republic of Guinea, Sierra-Leone, Cape Verde, Mauritania and Senegal [34].

local users replacing the GRT or number of vessels allowed to operate to quota allocation by species. The greatest proportion of the dedicated funds set aside by the agreements with EU should be used for the development and maintenance of the fishery sector and support scientific research, training, development of artisanal fisheries and other vital programs. Fishery policy reform can boost growth, but without greatly increased cooperation from abroad there will be insufficient foreign exchange and investment funds available to allow full structural improvement in the West African coastal states.

4.2. *The need for shifts in EU policy toward West African coastal states*

One of the most fundamental needs for shift in the EU fisheries cooperation policy vis-à-vis Sub-Saharan West African states is to view their coastal fishery resources and local fisheries sectors as engines of growth of the local economies. These resources—in some cases are among the most valuable assets these coastal countries have—could become an important source of employment and export revenues as well as the primary means to reduce poverty. In order to help coastal states in developing their own capabilities to use and add value to their resources, EU could promote investment in developing countries and local processing and seafood marketing (including exports) industries.

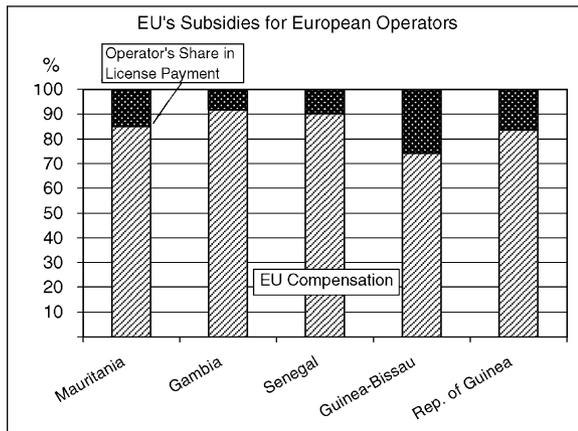
The most important step for the EU to change its fishery relations with West African coastal states is to eliminate subsidization of the European fleets operating in the West African coastal waters. The average yearly subsidy for EU's fleets operating in coastal waters of five Sub-Saharan states during years 1993–1997 is summarized in the Table 6. These funds keep EU fishing companies operating in this region but at the same time they contribute to overharvesting of depleted fish stocks and depress local capabilities to use these resources for the benefit of the coastal communities. Instead EU could use its support to promote investment in land infrastructures and sector reform programs. Marine policy changes in West African states supported by active involvement of the EU promise substantially improved growth prospects for West Africa in the next century.

When dependence of the coastal state on compensation is high it has powerful effect on a country's economic life. Using this situation the EU could rewrite its fishery cooperation policy and undertake joint effort with West African coastal states to address current problems these countries face in fisheries development.

The international fishery cooperation policy of the EU for the West African region needs to be based on

Table 6
Average yearly compensation (subsidy) benefiting EU fleets operating in coastal waters of the West African states 1993–1997

Coastal country	Average yearly compensation			Operator's share in license payment	
	Total	(Euro)	%	(Euro)	%
Mauritania	33,751	28,580	85	5071	15
Gambia	312	286	92	26	8
Senegal	10,496	9368	90	1028	10
Guinea-Bissau	9431	6912	74	2419	26
Rep. of Guinea	2601	2092	84	409	16



Source: [9].

detailed macro-economic, sector and environmental analysis of the coastal states. Such studies should be performed jointly between EU and the coastal state's entities and should precede negotiation of any cooperation agreement. Policy directions should reflect specifics of individual countries. In addition, attention needs to be given to the formulation of realistic assessments and investment programs.

Increased EU responsiveness to the specific situation of each West African coastal state requires more in-depth analysis of conditions on environmental, economic, legal and administrative levels.

EU's assistance can take many forms—project support, sector lending, support of local agencies in structural adjustment, support in marine sectors including local artisanal fisheries and promotion of exports to the EU markets. There is a great need for helping local companies in meeting product quality and sanitary requirements, training and technical assistance, support of the scientific research and resource monitoring/surveillance programs. Most of these needs were not previously addressed by the Fishery Cooperation agreements with West African coastal states.

5. Conclusions

Examination of the EU's fishery agreements with the Sub-Saharan West African countries shows that principles behind the EU's policy toward developing coastal states and the degree of coherence in meeting policy guidelines as established by the Maastricht Treaty and Lome Convention with African, Pacific and Caribbean nations are not fully applied. Both instruments call for broader cooperation in developing coastal states' economies and their capacities to manage and use of their natural resources. Yet, when signing fishery cooperation agreements with African coastal states, the EU's Department of Fisheries is applying primarily business approach that is not in harmony with declared objectives of cooperation in development and reduction of poverty in the Third World countries.

The main goal of the fishery agreements signed by the EU with the West Africa is to gain the access to the foreign fishery resources, secure employment for European seafood processing industries and supply European consumption markets. Any deeper integration with the coastal states economies is seen from the EU's perspective as burden and a cost factor that should be minimized. This is achieved by:

- avoiding investment in coastal state's land infrastructure for processing of the fish harvested by European fleets;
- shipment of harvested resources directly to Europe, without using local ports or land facilities and;
- securing minimum limitations in access rights and resource harvesting costs by the EU fishing fleets;
- subsidizing license costs of the EU fishing companies;
- not living up to the reporting information requirement of the agreements especially not insisting on sustainability of exploited resources.

In order to secure long-term access rights to West African coastal resources the EU decided to press for agreements of longer than 2 years duration. The newest generation of "money for access" agreements is of 4–5 year duration starting from 1996. In exchange for stable resource access rights for European fleets the EU substantially increased compensation to the coastal states. However, it continues to stay away from the development cooperation and from responsibilities associated with conservation and management of the coastal living resources in the Sub-Saharan West Africa. No limitation of catches is accepted while the fishing effort is established in such a way that permits EU to keep full control and decide how many vessels it can send to the coastal state's waters. Quotas and conservation measures in regard to the tuna resources have not

been established in the West Africa and statistical information on EU fleet activity is chronically missing or it is insufficient.

Financial compensation received by the West African countries includes a subsidy of two-thirds of the license fees that are to be paid by the European vessel owners. Dedicated funds included in the compensation paid by the EU are theoretically to support different programs including scientific research, training and artisanal fisheries development but these funds are usually taken by the National Treasury and few are used as agreed in the Cooperation Agreements. However, closer analysis of the EU financial support for the surveillance program in Guinea-Bissau shows that by paying modest dedicated fund for support of the local surveillance program the EU is saving over 50% of the surveillance fees that otherwise EU's vessels would pay when buying the fishing license.

Implementation by the EU of the 1995–1997 Agreement with Guinea-Bissau was associated with a continuing decline in overall catch, lack of accountability for and compensation for a by-catch, underpayment of tuna license fees and use of excessive fishing effort to this authorized by the Agreement. At the same time the extend of illegal fishing as expressed by arrests of foreign (European, Asian and other) fishing vessels made in 1997 and 1998 indicate to violation of the country's regulations and to insufficient capability of the coastal state to keep steady and effective watch of foreign activities [35].

Since in terms of value EU fleet operators are the principal users of Guinea-Bissau coastal resources,²³ they are responsible for the depletion of many important stocks in these waters while agreements subsidized by Brussels perpetuate dependency of the country's economy on foreign fishing that brings important revenue for the Government for running the country but negligible benefits for the national economic development.

One positive development in 1997 was increased awareness in Europe (but apparently not in the Fishery Commission of the EU) and in the world that continuation of subsidies to the European companies and development of West African coastal resources without integration with the local economies is no longer possible. There is a necessity of adjusting these agreements to specific needs of the coastal states and to the status of their coastal resources. Unless more drastic changes in an attitude of the EU are put in place urgently, West African coastal countries will

face severe drop in revenues due to depletion of fishery resources and delays in enjoying socio-economic effects these resources may have on future growth of this region.

Substantial transformation of the EU policy toward coastal West African states could be accelerated if coastal states could undertake joint sub-regional initiatives in this regard and start improving foreign investment climate that is needed for foreign operators to integrate their offshore activity with the coastal states' economies. These policy reforms should be combined with the EU's change of orientation from pure business approach in fisheries relations with the West African coastal countries to more active participation in reform programs in the coastal states and increased responsibility in protection and sustainability of marine living resources exploited by European companies.

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²³In 1996 People's Republic of China was reported as the largest fishing country in Guinea-Bissau coastal waters with 21,356 tons of the total catch but 80% of it is the fish while EU boats target on much more valuable shrimp and mollusks (Table 4). However, if tuna is included, EU would be classified as a most important harvester both in terms of volume and value.

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