



How France intends to dictate EU-wide regulation to save a single, unprofitable but heavily subsidized deep-sea fleet

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Since 2009, **despite legal obligations, the fishing fleet of French supermarket chain Intermarché has failed to publish its accounts. Intermarché's fleet, Scapêche, is the main French deep-sea fleet, with six bottom trawlers targeting deep-sea species, mainly in UK waters.** It is therefore subject to scrutiny by EU institutions, as they are currently reforming the EU's deep-sea fisheries management regime. In July 2012, the European Commission proposed to phase out deep-sea bottom trawling, a fishing method which has been described by researchers as "the most destructive fishing gear in history". Scapêche would be the fleet most heavily affected by this regulation. To fend off the impending tidal wave, **the supermarket-owned fleet has claimed to be transparent, profitable and a major employer. Paris-based non-profit organization BLOOM has recently proven that these claims are false.**

BLOOM had to start legal recovery proceedings to force Scapêche to publish its hidden 2009 – 2011 accounts, which the fleet finally did, in Mid-January 2013. So much for transparency. Subsequent analysis then showed that the accounts blatantly contradicted Intermarché's claims: **Despite receiving €10 million in public subsidies from France and the EU between 2002 and 2011 and €20 million in debt write-offs and capital increase from Intermarché, Scapêche has accumulated €19 million recurring losses (excluding exceptional profits and losses). This analysis confirms background findings by BLOOM showing the economic underperformance of the French industrial deep-sea fleets.**

"Scapêche's core activity – fishing – is unprofitable, in spite of substantial public funding. The company would not be viable if it were not connected to the Intermarché group" said Denis Berger, treasurer of BLOOM and author of the analysis. **"Buying fish at Intermarché is like paying for your fish twice: once as a taxpayer and once as a consumer"** added Claire Nouvian, founder of BLOOM.

The public subsidies provided to Intermarché's fleet fall short of the EU Common Fisheries Policy objectives, which are *"to support the growth of economically viable companies"* and *"to protect the environment and marine resources."*

"Scapêche's accounts reveal a cynical view of "fishing" which is no longer an autonomous and viable activity," said Claire Nouvian. **"Instead, fishing follows a strategy to capture wild marine resources on the backs of taxpayers, for the sole benefit of a retail giant."** The French Minister of Fisheries, Mr. Frédéric Cuvillier, has publically supported deep-sea fishing and is mobilized in Brussels to fight the phase out of deep-sea bottom trawling. A hearing on deep-sea fisheries will take place at the European Parliament's Fisheries Committee on February 19th, where these results will be presented.

According to French research institute IFREMER, **for the three main species targeted by French deep-sea vessels, more than 100 other species are discarded:** *"useless species from a commercial perspective, but indispensable to marine biodiversity,"* Nouvian continued.

With the fleet already questionable for its deep-sea bottom trawling practices, Scapêche's accounts give further cause for concern. **Despite fuel being tax free, the fleet's fuel costs are equivalent to 25% of its revenue.** Without the tax exemption on fuel granted to the fishing sector, fuel costs would be equivalent to 50% of revenue and would lead to an average operating loss equal to 33% of revenue. **"Fuel costs, which have increased steadily over the years and which operators have no means of controlling other than the modernization of their fleet, make the equation almost impossible to balance: the increased productivity of boats is not infinite and the investment capacity of fishing companies is limited"** Denis Berger said.



The question is whether this type of fishing, characterized by significant environmental impact and dependence on subsidies, is what citizens want, and whether it is consistent with the ambitions Members of the European Parliament have shown with their historic vote on the CFP reform on 6th February.

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To access the detailed analysis of the accounts (in French)

<http://www.bloomassociation.org/fr/intermarche-sous-perfusion>

To find out more about deep-sea fishing

<http://www.bloomassociation.org/en/deep-sea-fishing>

- In international waters, only 285 ships carry out deep-sea fishing, and more than 80% of them are bottom trawlers flying the flags of a dozen different nations, including France.
- Today, deep-sea fishing in France is a residual activity concerning ten ships owned by three companies. The biggest French deep-sea fleet belongs to the supermarket group Les Mousquetaires/Intermarché (a French retail giant).
- Intermarché renewed its deep-sea fishing fleet in 2004, despite scientists warning about the need to reduce fishing efforts on deep-sea species.

About BLOOM www.bloomassociation.org

BLOOM is a non-profit organization whose mission it is to protect the oceans by raising awareness and explaining environmental problems through scientific mediation, by producing relevant and independent scientific studies, and by participating in public consultations and institutional processes. Our actions target the general public, as well as political and economic decision-makers.

BLOOM is a member of the **Deep Sea Conservation Coalition**, a coalition of 70+ NGOs striving to protect the deep ocean: <http://www.savethehighseas.org/>