NGO Bloom refocuses on alleged illegal subsidies, exemptions post-pulse ban

By Dan Gibson  May 6, 2019 09:12 BST

The French environmental NGO Bloom will be re-focusing its attention on a pair of legal investigations after the final regulation to ban electric fishing practices within the EU was passed through the European Parliament on April 16.

The regulation, which will impose a full ban on all pulse trawling activities after June 30, 2021, will come into force as soon as it is published in the European Parliament’s official journal, Undercurrent News understands. This could take place in a matter of weeks, or even days.
Prior to the ban, the Dutch fishing fleet had received 84 derogations for the use of pulse trawling gear, and much of the discussion since the European Council’s decisive vote in February has been regarding the length of the transition phase each will receive in the two years before the full ban comes into effect.

According to Bloom, which spearheaded the campaign to ban pulse fishing, 42 of the 84 derogations will be removed this June.

“They were supposed to disappear in February, because they were granted for five-year pilot projects, and the fisheries minister in the Netherlands negotiated for a few more months, but these 42 derogations will be removed in early June, which is when the new regulation will enter into force,” Frederic Le Manach, Bloom’s scientific director, told Undercurrent.

There is less certainty regarding the timeframe on bans for the other 42, he said. Although all will be removed when the full ban comes into force on July 1, 2021, exactly how many will still be permitted until then remains an unresolved question.

However, it is also now possible for European countries to pass laws banning pulse fishing from their own waters for the next couple of years, and Le Manach said a draft law to this effect is already being discussed by the French government.
"The aim of that draft is to use that specific part of the EU regulations to ban electric fishing right away," he said. "It would be nice to have Belgium do that, and apparently they are willing to do so. It will be a lot trickier to do so in the Netherlands, as you might imagine, because the government is pretty close to the electric fishing industry."

The UK government has also been outspoken against the practice of pulse fishing, but it remains unclear whether it will also pass any similar legislation before 2021.

‘It’s a bit tricky in the UK,’ Le Manach said. ‘As part of the WA [withdrawal agreement], there is obviously an arrangement for some European vessels to continue working in British waters, so we don’t know how a statutory instrument can enforce a ban on electric fishing if they have the right to fish in UK waters as part of the WA.’

**Two investigations**

Alongside the drive to ban pulse fishing, Bloom has also been involved in a long-running investigation into the public subsidies used to help pay for the Dutch pulse fleet.

According to EU rules on state aid, national governments are allowed to use small sums of money to subsidize their fleets, known as de minimis aid.

Under EU legislation, however, such aid “may not be used for the purchase of fishing vessels, for modernisation or replacement of main or ancillary..."
engines of fishing vessels or to operations increasing the fishing capacity of a vessel or equipment increasing the ability of a vessel to find fish or any other ineligible operations under the EMFF”.

Bloom alleged in June 2018 that the Dutch government had spent €21.5 million on subsidizing its pulse fleet, which the NGO believes breaks the existing legislation on several counts.

"If you receive subsidies for a pilot project, any benefits you make out of that pilot project must be paid back from the subsidies you receive, and we know that hasn't been the case,” Le Manach said. "There are many indications that the €21.5m they received was illegal."

Bloom saw its claim rejected by the EU anti-fraud office OLAF in January, which the NGO has attributed to the relatively small size of the sum concerned.

"It’s so tiny compared to European budgets; I mean, what’s €20m for Europe?,” Le Manach said. "So they don’t want to spend time and money investigating something that is as hard and tricky to pin down as this."

The French NGO also accused OLAF of not being entirely impartial in this matter, noting the presence of several officials previously linked to the Dutch fishing industry, and past pulse trawling decisions.
OLAF strongly denied these claims when contacted by *Undercurrent* in January, stating that the officials in question are not involved with preliminary investigations.

"After this preliminary analysis, OLAF decided not to open an investigation as there was no verified suspicion that the EU funds for research or testing had been used for pulse fishing activities instead," a spokesperson said at the time. "OLAF strongly rejects any allegations of lack of impartiality."

However, with the pulse ban now about to become part of official EU law, Bloom will begin investigating alternative routes to bringing proceedings against electric trawl subsidies, Le Manach told *Undercurrent*.

"We are not going to give up on that subsidy front. We are looking into legal avenues to get the money back -- it’s one of our main focuses from here."

Le Manach said that due to the sensitive nature of the case, he could not disclose at this time the legal proceedings Bloom was pursuing.

Elsewhere, Bloom has been joined on its campaign by a wide array of small-scale fishermen who have blamed the Dutch pulse fishing fleet for declining revenues and landings in the past few years. According to Le Manach, many are now looking for some form of repayment from the Dutch government, and Bloom is now looking to quantify the damages it believes have been incurred by artisanal fishermen as a direct result of pulse trawling.

"It’s nothing else besides electric fishing – it’s not climate change, it’s not pollution, it’s not windfarms, it’s electric fishing," the scientific director told *Undercurrent*. "And this is something we’re going to prove this year."
Exemption stalemate

Bloom is also awaiting the results of a separate investigation into the legality of the original research exemptions granted to the Dutch fleet.

The French NGO believes that 70 of the 84 exemptions were granted illegally since the original research licenses for pulse trawling were set for only 5% of all Dutch vessels, 14 ships in total. To this end, last November Bloom called on the European Ombudsman, Emily O’Reilly, to look into the matter.

On Feb. 1, Bloom received notice from the European Commission about its intent to propose the opening of a formal investigation into the 70 exemptions. However, the final decision remains in the hands of the European college of commissioners, which “could take years” to begin formal proceedings, Le Manach told Undercurrent.

“What we’ve heard from the commission is that there are so many requests for this kind of procedure, they don’t know when they will reply,” he said. “We have to send letters to the commission on a regular basis to remind them about this, because we don’t want the file to disappear and get buried, and the commission is quite slippery on that front.”

Additionally, Le Manach notes the current second in command to Jean-Claude Juncker within the European Commission -- and one of the favorites to succeed Juncker as the commission’s president after the next European elections -- is a Dutchman, Frans Timmermans.

“He’s the official candidate of the European Socialists, so that’s a bit of an issue. We believe he’s putting a lot of pressure on the commissioners not to open any case against the Netherlands,” Le Manach said.

“For us, the main things now are to get the infringement procedure going, to get the subsidies back, and to get the fishers some money for what they suffered.”

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