COUNCIL OF THE EUROPEAN UNION

Brussels, 5 July 2004

11144/04

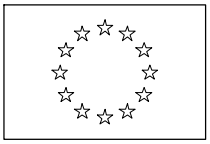
PECHE 246
ENV 393

COVER NOTE

from:	Secretary-General of the European Commission, signed by Ms Patricia BUGNOT, Director
date of receipt:	30 June 2004
to:	Mr Javier SOLANA, Secretary-General/High Representative
Subject:	Commission Staff Working Paper Developing a system of indicators of environmental integration for the Common Fisheries Policy

Delegations will find attached Commission document SEC(2004) 892.

Encl.: SEC(2004) 892



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 29.06.2004
SEC(2004) 892

COMMISSION STAFF WORKING PAPER

Developing a system of indicators of environmental integration for the Common Fisheries Policy

COMMISSION STAFF WORKING PAPER

Developing a system of indicators of environmental integration for the Common Fisheries Policy

This text does not reflect the view of the European Commission and in no way anticipates its future policy in this field.

TABLE OF CONTENTS

1. INTRODUCTION

Article 6 of the Treaty makes it compulsory to integrate environmental protection requirements into Community policies. The Fisheries Council, in its conclusions of 25 April 2001, invited the Commission to make specific proposals integrating environmental concerns as part of the reform of the CFP.

In May 2002, the Commission adopted a Communication setting out a 'Community Action Plan to integrate environmental protection requirements into the CFP' (COM (2002) 186 final) with guiding principles, management measures and a work programme, to move towards an ecosystem approach to fisheries management.

The Action Plan envisages the development of a system of indicators to monitor the change from the 'old' to the 'new' CFP. These indicators are to assess to what extent the reformed CFP is on the right track towards integrating environmental protection requirements. The Action Plan also foresees that the Commission will issue a progress report on the integration process, based on this system of indicators, before the end of 2005.

Experience has shown that designing a system of indicators may be a slow process. While there is a wide consensus on the theoretical framework, i.e. the ideal properties that indicators should have and how to structure the logical support of the system (for instance, the DPSIR –driving forces, pressure, state, impact and response- design), very little work has been done in the practical area of selecting, defining and attributing values to indicators in the field of fisheries management. The Commission believes that it is time to sum up, decide on a preliminary set of indicators and start working on them.

This preliminary set of indicators will serve to initiate the monitoring of environmental performance of the CFP and will also provide the basis for a more complex and accurate monitoring system in subsequent years. This Commission Staff Working Paper aims at describing the system of indicators chosen by the Commission, the process that led to this choice and the next stages in the development of this system.

2. METHODOLOGY

In 2002 DG Fisheries launched a call for tenders for a study with the following terms of reference:

- to examine the progress made in other fora on environmental indicators for fisheries (EEA, OECD, Eurostat, FAO, SCOR, ICES, etc)
- to review the indicators studied in the above fora and to select a few indicators that are i) relevant to measuring the environmental performance of the CFP; ii) easy for non-experts to understand and interpret, iii) reliable in that there is a correspondence between values of the indicator and status of integration, iv) based on data that are easy to obtain or are already being obtained for other purposes.
- the indicators should ideally cover driving forces, pressure, state, impact and response (DPSIR); however, since the number of indicators should be limited, the study should concentrate on the state of and impact on the marine ecosystem and the response of managers, the fishing industry and other parts of the society including consumers.

The study report[1] was finalised in August 2003. It included a review of work on environmental indicators for fisheries in different scientific fora in order to build on existing knowledge and a proposal for a preliminary set of indicators. Before finalising the report, the tenderer organised a seminar to discuss the preliminary results with representatives of several environmental agencies and scientific bodies which took place in Brussels, 23 May 2003. The study report, which includes the minutes of the seminar, is available at the DG FISH website http://europa.eu.int/comm/fisheries/

The preliminary set of indicators covered the three main policy areas of the CFP (conservation, structures and markets), plus a "horizontal" policy area. The area "external dimension" (management of fisheries in non-EC waters) was not chosen for the purposes of the study since it was felt that the CFP should perform in these waters according to the same environmental standards as in EC waters. For every policy area a selection was made of the policy questions to which indicators should give a response.

In order to assist the Commission services in making a choice of indicators, the Scientific, Technical and Economic Committee for Fisheries (STECF) was requested, during its plenary meeting of 3-7 November 2003, to:

– discuss the report of the Contract Study

– assess the appropriateness of the selection of indicators suggested in this study, and

– analyse the operational requirements in order to attribute numerical values to the selected set of indicators (data availability, computation needs).

As preparatory work for STECF, an STECF Expert Group was convened in 28-30 October 2003 in order to The Expert Group prepared a working document for the STECF November plenary session. Both this report and the STECF report are also available at the Fisheries website.

3. SUMMARY OF SCIENTIFIC ADVICE ON THE LIST OF INDICATORS

STECF had no basis to evaluate the economic consequences of the implementation of the system of indicators, especially with reference to the costs of collecting and processing the information required to assign values to the indicators. STECF therefore suggested that, prior to the definitive establishment of a monitoring system based on indicators, pilot projects should be carried out in order to analyse the implementation of limited environmental indicators, their constraints, the reactions of the fishing sector and the public and the economic costs of monitoring.

STECF provided a list of indicators as candidates from which the Commission may design an experimental monitoring system. The list was based on a review of the set proposed in the contract study, following some relatively minor adjustments. Some of the indicators can be common to all areas and Member States, but there is clearly a need for area and fisheries specific indicators, and this could be considered in future developments of the system. The list, together with some relevant comments, is given in Appendix 1.

---

[1] Jaako Pöyry Infra (Soil & Water), 2003. Development of Preliminary Indicators of Environmental Integration of the Common Fisheries Policy; Contract No FISH/2002/08

It is relevant to note that some of the indicators proposed, or very similar ones, may already be in the process of being analyzed by some scientific or technical institutions. This is the case for indicator 1, "Proportion of commercial stocks that are within safe biological limits", for which the European Environmental Agency (EEA) has published some figures. Furthermore, the Commission has also elaborated a "fish stocks in EC waters" indicator for the Spring European Councils where it presents the proportion of the catch that has been taken from stocks within safe biological limits among those for which the Community has a management responsibility. However these indicators are not necessarily identical to the one presented here as number 1: in the case of the EEA, the scope of work may extend well beyond the EU sphere to include all the range of countries covered by the EEA; the indicator for the Spring European Council concerns exclusively north-east Atlantic stocks. In any case it seems preferable to admit a certain risk of duplication in the technical work on these issues and to determine, in view of the results and subsequent analysis, which indicators perform better in describing and communicating the process of environmental integration.

4. FOLLOW-UP

The resulting list as proposed by STECF is probably too long (30 indicators) to be used in practice in the short term. Moreover, it contains both area-specific indicators and general ones and, whilst most of the indicators are well defined, others still need more work (as, for example indicator No 30). This heterogeneity is complicated by the fact that the availability and appropriateness of data for one or another indicator is also variable.

In accordance with the STECF advice to implement any environmental indicator scheme on a pilot basis the Commission has selected a reduced set from the list as a preliminary set of indicators on which its first report on the integration process, by the end of 2005, will be based. This selection was based on the preferences expressed by the STECF expert group, which commented in detail on the proposed indicators, and the availability of the data necessary to attribute numerical values to them. These preliminary indicators will be accompanied by a second-order set, for which data will also be collected but which will not serve as a basis for the Commission report unless they demonstrate an exceptional good performance in terms of significance and costs of data collection. Both sets of indicators are shown in Appendix 2.

During 2004, the Commission will launch a call for proposals to carry out an assignation of numerical values to the preliminary indicators for the 2005 report. As secondary objective, values will be sought for the "second-order" indicators. The results of the study should be made available around mid-2005, in order to allow for wide consultation before and during the drafting of the 2005 report, as foreseen in the Action Plan for environmental integration.

With a view to improving the measuring of the environmental performance of the CFP in the long term, the Commission is financing research within the 6th Framework Research Programme. A Concerted Action of 3 years duration will be initiated in 2004 in order to further improve the monitoring of the environmental performance of the CFP, with a special attention to indicators of the marine ecosystem state, functioning and dynamics.

It is expected that the experience gained from the preliminary system of indicators developed in this Commission Staff Working Paper, together with the research

improvements expected from the above-mentioned Concerted Action and further knowledge and experience gained in other fora, will allow an in-depth revision of the current system by the end of 2008.

Progress in developing environmental integration indicators will be dependent on the availability of raw data. While the existing framework for data collection necessary for the CFP (Regulation (EC) No 1543/2000 and subsequent secondary legislation) already provides a system for collecting data for a number of variables that can also be used to build up environmental indicators, like biological data on target species and fleet-related information it is likely that the future requirements for data of an environmental character may increase. The Commission will consider the need for an amendment of the above-mentioned legal framework, including the associated budget, in 2005.

5. IMPACT ASSESSMENT

A preliminary impact assessment is attached as Appendix 3.

APPENDIX 1 :

List of indicators of environmental integration proposed by the Scientific, Technical and Economic Committee for Fisheries (STECF)

POLICY AREA	POLICY QUESTIONS	PROPOSED INDICATORS OR AREAS TO BE COVERED	DESCRIPTION/COMMENTS BY EGI (STECF EXPERT GROUP ON INDICATORS) AND OTHER COMMENTS
Conservation (of species and habitats)	Are fisheries sustainable in respect of individual fish species?	**1.** Proportion of commercial stocks that are within safe biological limits	EGI proposes that commercial stocks/populations are defined as those stocks for which a formal assessment is available, and hence the spawning stock biomass (SSB) and fishing mortality (F) are known. Furthermore, the indicator should be limited to stocks for which precautionary levels are available.
		2. Relative abundance of a set of populations that are not regularly assessed but which are decreasing in number.	The quantification of this indicator is through abundance survey and/or commercial catch rate data. The information content of this indicator depends on the subset of species chosen in the same way as when considering assessed species/stocks. The use of vulnerable species would improve the responsiveness of the indicator. The indicator must consider another subset of species not only because they are vulnerable but also because they are "charismatic"(i.e. cetaceans).
	Are fisheries sustainable in respect of fish communities?	**3.** Average size (length and weight) in the fish community	Average size in the community is a proxy for the size-structure of the fish community, where size selective fishing removes large fish and releases small fish from predation. Hence, fishing will cause average size to decrease. Mean weight should be preferred as an indicator, as it puts a higher weighting on the removal of large fish, which is a direct, first order effect of fishing (as opposed to the increase of small fish).

POLICY AREA	POLICY QUESTIONS	PROPOSED INDICATORS OR AREAS TO BE COVERED	DESCRIPTION/COMMENTS BY EGI (STECF EXPERT GROUP ON INDICATORS) AND OTHER COMMENTS
Conservation (Cont.)		**4.** Mean trophic level	The trophic level refers to the position of an individual or a species within the food wed. This indicator can be obtained by weighting species abundance with their mean trophic level. Trophic levels have been estimated for many species using stable isotope analysis, diet analysis and trophic models.
		5. Mean maximum length	Another indicator that shows changes in the species composition. It can be obtained by weighting the species abundance with the maximum length . It reflects the composition in terms of life-history types.
		6. Biodiversity indicators	Some indices commonly used in, at least, academic ecology. The do not need to encompass all fauna and flora and may refer only to certain taxa or groups of species, for instance "teleostean fish above 25 cm". In some cases, it could also refer to genetic biodiversity within a given fish stock.
	Is the impact of fisheries on marine habitats and non-fish marine species sustainable?	**7.** Trends in abundance of sensitive benthos species..	This indicator is based on the abundance of live beings closely associated to the bottom and therefore vulnerable to bottom trawling and dredging. It is likely to be sensitive to changes in fishing pressure and the associated changes in physical impact on benthic communities. One possible means to detect such changes could be to analyse the long-term trends in abundance/biomass of species that are particularly sensitive to damage by ground gears (bottom trawls, dredges etc..)
		8. Area coverage of highly sensitive habitats	Even relatively low levels of fishing can have major impacts on highly sensitive habitats such as seagrass beds, *Sabellaria* reefs, coral reefs, etc. Measuring the area covered by these habitats over time could give an indication on the extent of damage done, c.q. recovery achieved as a result of a decrease in fishing pressure.

POLICY AREA	POLICY QUESTIONS	PROPOSED INDICATORS OR AREAS TO BE COVERED	DESCRIPTION/COMMENTS BY EGI (STECF EXPERT GROUP ON INDICATORS) AND OTHER COMMENTS
	Is aquaculture environmentally sound?	**9.** Total aquaculture production and total area occupied by aquaculture installations	This indicator should be considered by major geographical area. Although very broad and difficult to interpret, it encompasses general information about pressure on the marine environment, such as the utilisation of fish meal.
		10. Effluent water quality	This indicator should not be restricted to potential causative agents of eutrophication (viz. excess food and faeces) only,. It should be expanded to also include other potentially harmful substances released into the environment by aquaculture production activities.
		11. Eco-efficiency of aquaculture	There might be some overlap between this indicator and the previous one, in the sense that improved efficiency will also lead to improved water quality (less excess food and/or faeces released into the environment) and vice versa.
		12. Potential impact of aquaculture, and particularly on the impact of reared fish (such as salmon) escaping from fish farms, on the genetic structure of wild (fish) populations.	This aspect should be further investigated, in view of the development of an indicator that would properly reflect the extent of this threat and the measures that are taken to counteract it

POLICY AREA	POLICY QUESTIONS	PROPOSED INDICATORS OR AREAS TO BE COVERED	DESCRIPTION/COMMENTS BY EGI (STECF EXPERT GROUP ON INDICATORS) AND OTHER COMMENTS
Structural measures	Are the structure and organisation of the fishery sector supportive of environmental goals?	**13.** Effective fishing capacity and its spatial and temporal distribution[1]	The disturbance of the ecosystem caused by fishing is determined by the overall level of effective fishing capacity as well as the spatial and temporal distribution of that capacity. A higher overall level of effective fishing capacity will cause greater disturbance or pressure exerted on the system, both of which can be expressed in terms of the removal of target species or unwanted mortality of non-target species. However, if this fishing capacity is restricted to a small part of the stock or a limited part of a sensitive area the disturbance to (sensitive components of) the system will be relatively small. Refinement of this indicator may be based on its breakdown by categories based on the types of fishing (trawlers, purse-seiners, etc).
		14. Structural support and proportion allocated to promote environmental friendly fishing practices.	This is a useful indicator provided that strict criteria are applied to determine the type of support that can be considered environment friendly. In addition, it helps institutions/administrations to take environmental concerns seriously.
	Is the CFP contributing to good fishing practices?	**15.** Mapping of effort distribution over the sensitive areas	At least for some gear types it should be possible to devise indicators that reflect changes in effective fishing power, taking into account its spatial and temporal distribution. To some extent this may be done using the data based on EU logbooks as these data have a spatial and temporal component. A considerable improvement in quantifying this indicator could be achieved if the VMS data that are collected for enforcement purposes, become available to the scientific community.

[1] STECF considerer that this indicator should refer to adjusted fishing effort rather than fishing capacity

POLICY AREA	POLICY QUESTIONS	PROPOSED INDICATORS OR AREAS TO BE COVERED	DESCRIPTION/COMMENTS BY EGI (STECF EXPERT GROUP ON INDICATORS) AND OTHER COMMENTS
		16. Use of environmentally friendly gears	The difficulty associated with this indicator is the definition of "environmentally friendly gear". A possible approach would be to rank gears in accordance with their likely environmental impact on a number of hypothetical situations.
		17. Oil consumption as a proxy for CO_2 production.	In addition to giving a good indication of fishing effort, fuel consumption may also give a hint on the production of both greenhouse effect gases, nitrogen oxides and other pollutants.
		18. Unwanted by-catches of protected species and discards	As for the former indicator, data may become available through the implementation of Regulation (EC) No 1543/2000, which foresees the collection of these basic data.
Market measures	Are there market measures to stimulate good fishing practice based on demand patterns?	**19.** The share of fish produced (or consumed) that are eco-labelled.	It is considered that when eco labelling of marine products is well developed and labelling criteria are stable over time, this indicator will reflect the progression of environmental friendly fishing practices. The assumption is that this progression will be in detriment of less environmentally friendly fishing practices. This assumption will have to be corroborated. Until this indicator becomes widely available, the following indicator could be employed.
		20. Initiatives to support eco-labelling and use of eco-labels and similar awards.	This indicator may be based on the funds allocated to support implementation of these schemes (e.g. research) and the participation of operators to these (proportion of fishing operators adhering to a eco-label award schemes).

POLICY AREA	POLICY QUESTIONS	PROPOSED INDICATORS OR AREAS TO BE COVERED	DESCRIPTION/COMMENTS BY EGI (STECF EXPERT GROUP ON INDICATORS) AND OTHER COMMENTS
		21. The amounts of fish taken out of the market and/or traded on secondary (intervention) conditions.	This indicator may reflect good fishing practice by operators. EGI has reservations on the applicability of this indicator as it is only partly driven by market conditions which affect overall fishing pressure. Factors such as local fish aggregations and weather conditions also influence market withdrawal of fish. An alternative indicator of good fishing practice might be the proportion of landings that are covered by catch plans established by producers organisations pursuant to Article 9(1) of Council Regulation (EC) No 104/2000 on the common organisation of the markets in fishery and aquaculture products.
		22. The size of the European market for fish	EGI recognises that the overall market size determines the general pressure on fish stocks, but is not convinced that there is a relationship between the size of the European market and the degree to which environmental friendly fishing occurs. This indicator may be then solely interpreted as driving force or pressure within the DPSIR context.
		23. Changes in consumer preferences in relation to environmental issues	The indicator measures changes in consumer preferences in relation to environmental issues such as consumption of depleted or threatened species or of undersized organisms. The indicator could measure these changes of preferences through periodic surveys or just incorporate statistics on consumer education initiatives launched at the EU and national levels.

POLICY AREA	POLICY QUESTIONS	PROPOSED INDICATORS OR AREAS TO BE COVERED	DESCRIPTION/COMMENTS BY EGI (STECF EXPERT GROUP ON INDICATORS) AND OTHER COMMENTS
Horizontal measures	Are the structure and organisation of the fishery inspection sector supportive of environmental goals?	**24.** Number of inspections per landing	Such indicator should be broken down by major fishery. As the indicator should measure whether the fishery inspection sector is supportive of environmental goals, the infringements that shall be recorded should relate to the relevant sections of the CFP. The rationale should be reformulated as: "The CFP defines a number of regulations intended to achieve better environmental fishing practise. Inspection should actively check on the compliance to these regulations as well as other regulations in the CFP."
		25. Number of infringements over number of inspections.	
		26. Level of imposition of punishment	While inspections will generate a general pressure on compliance with the management measures, the number of inspections should not be seen in isolation. Inspections will in some cases find possible infringements. The indicator should also include how many of these supposed infringements actually lead to prosecution and in which form.
	Is stewardship of stakeholders increasing?	**27.** Attitudes and awareness of stakeholders towards CFP environmental goals	The collection of these data requires interviews with the fishermen or similar data collection. The European Fisheries Ecosystem Plan (EFEP) is an EU funded project where stakeholders' attitude to the CFP and its environmental aspects are being mapped. It may be of interest to repeat such an interview round after some years to investigate if there is a change in attitude among fishermen. EGI notes that the approach to measuring stakeholder participation is restricted. The discussion should be expanded to consider stakeholder participation and to developing indicators to that effect on fishermen participation in research activities (typically research cruises, abundance surveys and observer programmes).

POLICY AREA	POLICY QUESTIONS	PROPOSED INDICATORS OR AREAS TO BE COVERED	DESCRIPTION/COMMENTS BY EGI (STECF EXPERT GROUP ON INDICATORS) AND OTHER COMMENTS
	Is scientific understanding of complex environmental issues improving? is the integration of the scientific advice within decision-taking improving?	**28.** Total quantity of funds allocated to relevant research and distribution of research funds	The next two indicators should be seen as a pair that goes together, not as separate ones. It is obvious that the research area that is relevant for understanding the environmental issues should be clearly defined and the statistics on funds available collected based on common definitions. EGI notes that funding is through many different channels. A possible extension of the indicator would be to include the proportion of the total available funds for CFP related research that are allocated to environmentally relevant projects.
		29. Scientific advice in decision making	EGI considers that the performance of the policy makers should be monitored as well. In order to define a relevant indicator, policy makers should define their own success criteria, e.g. satisfaction with fisheries management among those affected or the status of fish stocks. These indicators are mentioned under different headings in the Contractor's Report, but an explicit question on Policy makers performance should be included in the package.
		30. Policy-makers performance	Proposed by STECF, but no further indication given on how such indicator can be made operational.

APPENDIX 2 :
Selected set of indicators for the 2005 report and second-order set of indicators.

Policy Area	Policy questions	Proposed indicators for 2005 report	Second-order indicators
Conservation (of species and habitats)	Are fisheries sustainable in respect of individual fish species?	**1** Proportion of commercial stocks that are within safe biological limits	**2** Relative abundance of a set of populations that are not regularly assessed but which are decreasing in number.
	Are fisheries sustainable in respect of fish communities?	**3** Average size (length and weight) in the community	**4** Mean trophic level **6** Biodiversity indicators **5** Mean maximum length
	Is the impact of fisheries on marine habitats and nonfish marine species sustainable?	**7** Trends in abundance of sensitive benthos species.	**8** Area coverage of highly sensitive habitats.
	Is aquaculture getting more environmentally sound?	**9** Total aquaculture production and total area occupied by aquaculture installations	**11** Eco-efficiency of aquaculture **12** Potential impact of aquaculture, and particularly on the impact of reared fish (such as salmon) escaping from fish farms, on the genetic structure of wild (fish) populations. **10** Effluent water quality

Policy Area	Policy questions	Proposed indicators for 2005 report	Second-order indicators
Structural measures	Are the structure and organisation of the fishery sector supportive of environmental goals?	**13** Effective fishing capacity (adjusted fishing effort) and its spatial and temporal distribution	**14** Structural support and proportion allocated to promote environmental friendly fishing practices.
	Is the CFP contributing to good fishing practices?	**15** Mapping of effort distribution over the sensitive areas **16** Use of environmentally friendly gears	**17** Oil consumption as a proxy for CO_2 production. **18** Unwanted by-catches of protected species and discards
Market measures	Are there market measures that respond to demand patterns?	**20** Initiatives to support eco-labelling and use of eco-labels and similar awards **21** Amounts of fish taken out of the market and/or traded on secondary (intervention) conditions.	**19** Share of fish produced (or consumed) that are eco-labelled. **22** Size of the European market for fish **31** Proportion of landings covered by catch plans **23** Changes in consumer preferences in relation to environmental issues
Horizontal measures	Are the structure and organisation of the fishery inspection sector supportive of environmental goals?	**24** Number of inspections per landing **25** Number of infringements over number of inspections.	**26** Level of imposition of punishment

Policy Area	Policy questions	Proposed indicators for 2005 report	Second-order indicators
	Is stewardship of stakeholders increasing?	**27** Attitudes and awareness of stakeholders towards CFP environmental goals	**32** Number of violations (assuming that inspection is efficient)
	Is scientific understanding of complex environmental issues improving in research as well as is the integration of the scientific advice to decision taking improving?	**28** Total quantity of funds allocated to relevant research and distribution of research funds	**29** Scientific advice in decision making **30** Policy makers performance

APPENDIX 3 :
Preliminary Assessment Statement

1. PROBLEM IDENTIFICATION

In the framework of the "Cardiff process", set out to achieve the objectives of Article 6 of the Treaty, and in the context of the 2002 Reform of the CFP, the Action Plan to integrate environmental protection requirements into the CFP (COM (2002) 186 final) envisages the development of a system based on indicators to monitor the change from the 'old' to the 'new' CFP. These indicators are to assess to what extent the reformed CFP is on the right track to integrate environmental protection requirements.

No potentially unsustainable trends or potential inconsistencies with other policies are seen associated with the problem addressed.

2. OBJECTIVE OF THE PROPOSAL

This Commission Staff Working Paper aims at establishing a system of indicators following the above mentioned Action Plan. This will set the basis to issue a report on the progress achieved in the process of integration, as envisaged in the Action Plan, before the end of 2005.

3. POLICY OPTIONS

a) What is the basic approach suggested to reach the objective?

To issue a Commission Staff Working Paper to announce how the preliminary indicator system has been chosen. To select indicators on the basis of scientific advice and to collect relevant data to attribute numerical values to the selected set of indicators.

b) What policy instruments have been considered?

Besides the option of no precise policy instrument whatsoever, which was also a valid one, bother options considered were i) a Commission Decision, ii) a Report to the Council and to the European Parliament and iii) a staff working document.

c) In what way do the options identified respect the subsidiarity and proportionality principles?

As the CFP is an of exclusive Community competence, and given the very horizontal, wide-ranging character of the proposed system, the principle of subsidiarity does not apply in this case. Any of the above-mentioned instruments and the work associated to them respects the proportionality principle, except the decision, where tits binding nature can be considered as disproportionate given the preliminary state of the art in the field of indicators in the fisheries field.

d) Which options can be excluded at this an early stage?

The option of no-action was excluded because it would run counter the policy of transparency of the Commission activities. Since this is an autonomous act of the Commission and does not imply, for the time being, new legal obligations, the decision is also a less preferred option. For reasons of translation workload, in view of the technical nature of this document and following consultation with the Secretariat General, the document will be issued as a Commission Staff Working Paper.

4. IMPACTS- POSITIVE AND NEGATIVE

a) On a preliminary basis, what are the expected positive and negative impacts of the selected options, particularly in terms of economic, social and environmental consequences?

In terms of economic consequences the proposal entails some financial costs. The Commission will have to contract studies to collect data and elaborate values for the indicators. "Indicators of environmental integration" is one of the topics to cover by studies under Data Collection Call for tenders 2004 with an assigned budget of 250000 €. As we are in a preliminary phase and this is just a pilot scheme, the budget will have to be adjusted in subsequent years according to needs. The announced further development foreseen within the 6th Framework Research Programme entails a cost of 500000 €.

It is also foreseen that the future improvement of the system will imply additional data requirements and, hence, additional funding of their collection, to an extent at present unknown. It will also imply the amendment of Regulation (EC) No 1543/2000 and associated secondary legislation.

There will be no social consequences, except for the fact of having the wide public well informed of how the Commission intends to monitor the environmental performance of the CFP.

As for the environmental consequences of the proposal, these can only be positive in the long run .

b) Who would be affected?

Initially, it will affect the potential candidates to submit tenders to the incoming studies on indicators. It is also likely that further development of the indicator system will imply new obligations for the authorities of Member States and for the scientific community on collection of basic data, monitoring and reporting.

c) What are the possible severe impacts on a particular social group, economic sector or region (inside or outside the EU) in the short term; the medium term and the long term?

The first report on the environmental integration process will be based on the pilot indicator scheme. At this stage we cannot anticipate its findings. If the report shows that we are on the right track, then there will be no severe impacts. If on the contrary it showed serious shortcomings in the integration process we could expect new measures with an unpredictable impact on the sectors mentioned above, in the medium and long term.

5. FOLLOW UP

a) what preparatory steps have already been taken (consultation, studies)?

This process is described in detail in point 2 of the Commission Staff Working Paper. Essentially, it consisted in scientific work, consultation to stakeholders, peer review by independent scientists and inter-service consultation within the Commission.

The Commission also informed the Advisory Committee for Fisheries and Aquaculture (ACFA).

b) Is an extended assessment recommended? Yes/No. Justification if not.

There is no need of extended assessment because the Commission Staff Working Paper does not entail legal obligations or important monetary expenses.

c) Is a consultation planned? Yes/No. On which basis?

Given the highly technical character of the decision, the scientific process that led to this decision and the consultation already carried out are considered sufficient