

**Briefing on the European Maritime and Fisheries Fund
ahead of plenary vote on 23 October 2013
Invest in the Future of a Reformed European Fisheries and Not in the Failed Past**

Overview

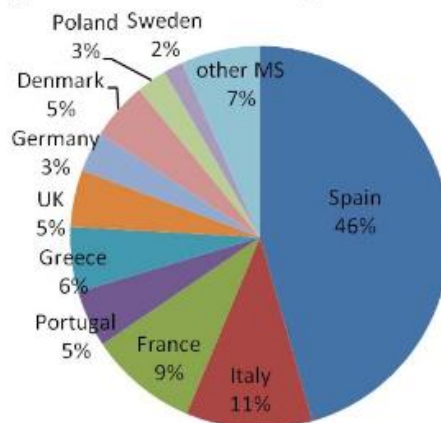
On 6 February 2013, the European Parliament overwhelmingly voted in favour of an ambitious reform of the Common Fisheries Policy. This vote paved the way for sustainable fisheries in the EU.

Next Tuesday 23 October 2013, the European Parliament will vote on the European Maritime and Fisheries Fund, the European subsidies scheme for fisheries.

The total sum of the EMFF over 2014-2020 will amount 6.40 billion euro, according to the latest agreement on the multiannual financial framework.

In the past, only a limited number of Member States have used most of the subsidies, including Germany. Below is an illustration of the proportion of subsidies per EU Member States.

Figure 2: Total FIFG funding 2000–2006



Source: EC FIFG database

To see what boats get EU subsidies, have a look at the page Rich European Fishermen: <https://www.facebook.com/RichEuropeanFishermen>

Issues at stake

In our view, these subsidies shall be used to support the implementation of this ambitious reform as adopted back in February. BalticSea2020 would like to bring to your attention two types of subsidies which we consider as harmful and going against the reform adopted in February. These are presently part of the report adopted by the Fisheries Committee, to be voted on next 23 October by the European Parliament.

1. Subsidies for construction and modernisation of boats

Re-introducing vessel construction subsidies that were abolished in 2002 would be a serious step backwards. Construction subsidies were abolished because they did not work. Indeed, what some Members have failed to acknowledge is that fishermen are best placed to know when to invest in new vessels, not politicians.

Building new boats and modernising boats will lead to an increase in capacity. Since there is a limited quota for fish, increased capacity means less fish per boat and lower profitability for the industry. Over the last 30 years, subsidies have supported a capacity increase by 3% every year (average since 2000), while fish stocks continued to be overfished, with currently 2 out of 3 fish stocks being overfished. As in the Baltic, fishermen have invested in new vessels when stocks allow for it and they have done this on their own back and without government aid.

If you vote to finance new vessel building at the taxpayers' expense, only a few countries will ever use the funds. National governments who believe in sound financial management will never co-finance what they know from past experience will be poor investments. You will have again created an un-level playing field for fishermen operating in the EU.

If tax payers' money should be used to support the fishery, they should support the future of the whole fleet and not a selected few. It shall be a business decision from fishermen to invest in their boats.

2. Subsidies for engine replacement

Members of the Fisheries Committees voted in favour of subsidies for engine replacement for all vessels. A vote to restrict this aid to small-scale vessels was defeated with 12 votes against 11.

Such capacity-enhancing subsidies increase fishing capacities without restoring stocks. It should be pointed out that provisions to change to less powerful engines are unfortunately impossible to control since the power output can be easily changed through a minor change of electronics in modern engines.

These subsidies are therefore clearly going against the reform adopted in February 2013, and will not allow Europe to secure a sustainable future for its industry and seas.

How subsidies have failed before...

A performance audit from the European Court of Auditors' (ECA) assessed whether EU measures effectively contributed to adapting the capacity of the fleets to available fishing opportunities.¹ The audit was carried out at the Commission and in seven Member States (Denmark, Spain, France, Italy, Poland, Portugal and the UK) selected on the basis of the size of their fishing fleets and the resources available for adapting their fishing fleets under the EFF.

¹ <http://eca.europa.eu/portal/pls/portal/docs/1/10518798.PDF>

The audit concluded that overcapacity of the fishing fleet continues to be one of the main reasons for the failure of the CFP in assuring a sustainable fishing activity. Although the reduction of fishing overcapacity has been a recurrent theme in previous reforms of the CFP, current measures have failed. The ECA's recommendations include measures to reduce overcapacity, as it considers the CFP will remain unsuccessful unless the problem of fleet overcapacity is resolved. This will require an assessment of actual capacity, effective reducing of capacity, and functioning monitoring, and stopping subsidies which increase capacity. .

Support for implementing the CFP

The new CFP has new provisions such as the discard ban, regional management as well as the need for multiannual management plans. As explained by the South-Western Waters Regional Advisory Council (SWW RAC), the implementation of these provisions will require data collection, which shall be supported by such EU subsidies.

There is therefore a potentially large need to support the implementation and development of these provisions.