



Common Fisheries Policy and European Maritime Affairs and Fisheries Fund

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State of play and prospects for the CPMR

BACKGROUND

The Common Fisheries Policy (CFP) and the European Maritime Affairs and Fisheries Fund (EMFF) are undergoing major changes, linked to:

- The implementation of the CFP following its last reform in 2013. The latest [overview](#) of the state of play of the CFP by the European Commission was published in June 2019:
- New guidelines proposed for the EMFF, which are currently being negotiated;
- The current revision of State Aid regulations in the fisheries and aquaculture sector, on which the European Commission carried out a consultation which ended on 20 September 2019.

The [mission letter](#) sent by the President of the European Commission to the Commissioner-designate Virginijus SINKEVICIUS in charge of Environment and Oceans also indicates that an assessment of the CFP will be conducted by 2022. This assessment should identify how the CFP could better address the issues of the social dimension, adaptation to climate change, and the marine environment. It is possible that a new reform of the CFP arises from this assessment.

This Technical Paper summarises the latest developments relating to these issues, from the CPMR's perspective. It does not specifically deal with Brexit.

1. What is the current overview of the CFP and the EMFF?

1.1. Aspects of the CFP review

The CPMR actively contributed to the negotiation of the 2013 CFP reform, based on the proposals presented in its Policy Position “Reform of the Common Fisheries Policy” (March 2013). More recently, the CPMR has also been active, mainly through its Atlantic Arc Commission, on the issue of the landing obligation, to highlight the difficulties for the sector relating to this obligation and the need for flexibility in its implementation.

The European Commission's [overview](#) in June 2019 of the CFP implementation indicates the following trends concerning:

- **Achievement of the maximum sustainable yield and evolution of biomass**

According to the European Commission, the results are positive with regard to achieving maximum sustainable yield in the North Atlantic and adjacent areas, as well as in the Baltic Sea and the North Sea, with a general downward trend in fishing pressure. This trend is accompanied by a near doubling of stocks within safe biological limits

On the other hand, the results are more negative for the Mediterranean and the Black Sea, where the exploitation rate remains above the target in terms of maximum sustainable yield. According to the European Commission, 35 of the 40 stocks assessed have been exploited beyond sustainable levels in 2017 in the Mediterranean, as well as 6 of the 8 shared stocks assessed in the Black Sea. With the exception of certain stocks, the spawning stock biomass had not increased significantly in 2016 compared to 2003 in these seas.

- **State of the fleets in the European Union**

The EU fleets' economic performance continues to grow, making record net profits of EUR 13 billion in 2017. On the other hand, EU fleet capacity continues to decline, and was marked in 2019 by a decline of 1.32% in the number of vessels and 2.46% in KW. Above all, total employment in the EU fleet is also declining, by an average of 1.8% per year since 2008.

- **Decentralised fisheries management**

In addition to the adoption of new multi-annual plans, the decentralised management of fisheries has been marked by an increase in the opinions forwarded to the European Commission by the 10 existing Advisory Councils. However, the Regions still have too little involvement in the work of these Councils.

- **Landing obligation**

The landing obligation entered into force on 1 January 2019. The European Commission stated that it has received reports from 18 Member States and the European Fisheries Control Agency on the implementation of the landing obligation in 2018. These reports reveal a shortage of data submitted by the Member States to the European Commission concerning the implementation of the landing obligation and concerning the monitoring of its compliance.

There is, of course, good reason to welcome the positive trends in achieving maximum sustainable yield, and to hope for improvements where they are negative.

However, the CPMR has always supported the idea that the protection of the resource was not incompatible with protection of employment, even during the negotiations of the last reform of the CFP. Fishing activities are a very important source of employment and social promotion in many regions.

There is therefore reason to be concerned about the observed decline in fishing employment and the socio-economic consequences of this in the territories. This is all the more worrying since the share of the CFP's impact on the increase in profits of the European fleets is relatively unknown, and that this is due in large part to the fall in the price of fuel.

For this reason, it is positive that the social dimension will be subject, with adaptation to climate change and the marine environment, to the scope of analysis of the announced CFP assessment for 2022. This should be accompanied more profoundly by an analysis of the CFP's performance to combine environmental protection and employment. In particular this implies questioning the effectiveness of the European Union's contribution to the necessary renewal of the fleets.

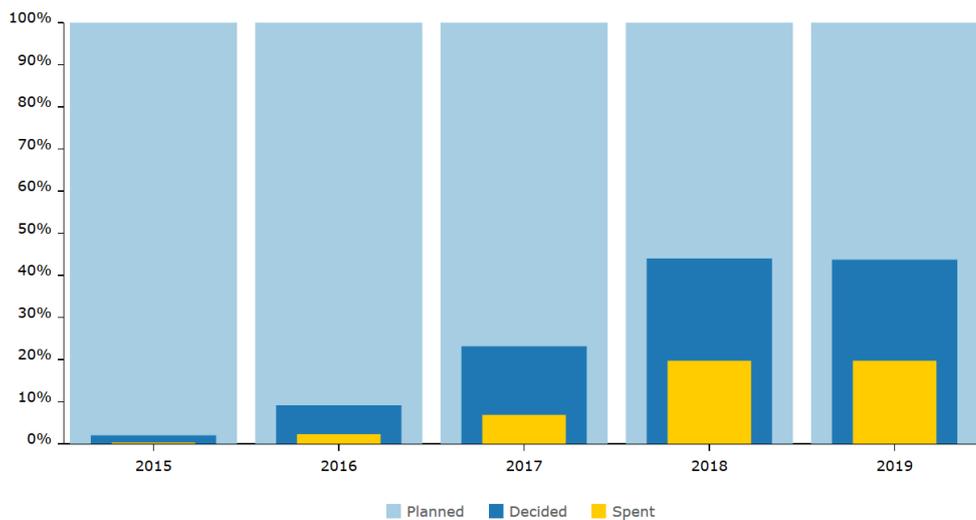
The CPMR is also naturally in favour of reducing discards. However, the difficulties currently reflected by the European Commission unfortunately echo the concerns previously expressed by the CPMR regarding the realistic nature of this obligation, as it is implemented. The current difficulties must lead the European Commission to analyse the reasons for this more accurately, and to work pragmatically with the professional sectors concerned.

The CPMR will closely monitor the implementation of the announced CFP assessment and the further implementation of the current CFP. It will contribute to these reflections with its Member Regions in order to promote a stronger partnership with them in the framework of the CFP.

1.2. Aspects of the EMFF review

The CPMR has regularly expressed concern about the low absorption rate of the EMFF in the early years of the current programming period. For the CPMR, this situation is due in large part to the delay in the adoption of the EMFF in the last negotiations, as well as administrative difficulties, including the interpretation of the provisions of the EMFF. The CPMR helped to overcome these difficulties by carrying out an analysis and discussions with its Member Regions on the technical difficulties they were encountering. The available figures for the absorption of the EMFF indicate a positive dynamic. After initial difficulties, this dynamic suggests that the final EMFF consumption rate will be positive by the end of 2023.

Current EMFF Absorption Rate (Source: European Commission)



The EMFF absorption rate improved from 2018. For the CPMR, the effectiveness of the EMFF, both in terms of the absorption and the adequacy of the measures it finances with the needs of the territories, would be further improved if the regions had more responsibilities in its implementation.

This point of view guides the CPMR's proposals and action in the context of the EMFF negotiations and the on-going revision of state aid. It will also lead the CPMR to propose to its Member Regions, Member States and the European Commission to work on the technical aspects of the preparation of the next programming period, which could facilitate the role of the regions in the context of the EMFF.

2. What prospects for the regions in the EMFF negotiations and future State Aid regulations for fisheries and aquaculture?

2.1. Update on on-going EMFF negotiations

Progress in the EMFF negotiations was assessed during the CPMR Political Bureau meeting in June.

There have been recent developments since then, including:

- **European elections, and the appointment of new Members of European Parliament including Francisco MILLAN MON (PPE) as Rapporteur for the EMFF, and the following shadow Rapporteurs:** Manuel PIZARRO (S&D), Pierre KARLESKIND (Renew), Francisco GUERREIRO (Greens/EFA), Rosanna CONTE (ID), Ruža TOMAŠIĆ (ECR), Joao FERREIRA (GUE/NGL). A first meeting of the Rapporteur and shadow Rapporteurs was held on 25 September.
- **The adoption of an initial position by the Council in June 2019. This position will be completed and finalised during the October Council.**

At this stage, the positions of the European Parliament and the Council are positive in light of the CPMR's requests concerning:

- An increase in the EMFF budget;
- An increase in the share of measures under shared management;
- Waiving the obligation to use financial instruments to support aquaculture and fishery and aquaculture product processing;
- A reduction in the list of ineligible measures under the new EMFF.

On the other hand, unlike the European Parliament, the Council has not introduced the possibility, in Member States that so wish, to adopt EMFF Operational Programmes at regional level. Neither the Council nor the European Parliament has introduced the obligation for Member States to adopt a specific action plan by region as part of their national operational programme.

The CPMR will continue its work with the European institutions in view of the first trilogues between the European Parliament, the Council and the European Commission, the dates of which will be fixed very soon. The CPMR will particularly focus on the possibility of adopting EMFF Operational Programmes at regional level.

The CPMR also pays particular attention to the negotiations on the multi-annual budget for the period 2021-2027. The Finnish Council Presidency is expected to provide a first quantified proposal of the various budget lines that make up the MFF (including the EMFF) after the next European summit which will take place on 16-17 October 2019. This first proposal could include many reductions, especially for shared management funds such as the EMFF.

2.2. Update on the on-going revision of the State Aid regulations for fisheries and aquaculture

Until 20 September 2019, the European Commission carried out a consultation concerning the following regulations:

- European Commission's *De Minimis* Regulation No 717/2014 relating to *de minimis* aid in the fisheries and aquaculture sector;
- European Commission's Block Exemption Regulation No 1388/2014;
- Guidelines for the examination of State Aid in the fisheries and aquaculture sectors (Communication 2015/C 217/01, as amended).

The objective of the revision of these regulations is to ensure consistency between them and the new rules of the EMFF for the next programming period. Therefore, the CPMR's contribution to the consultation launched by the European Commission is an extension of its Policy Position on the EMFF negotiations, with the aim of giving greater flexibility and responsibility to the regional authorities.

In this context, the CPMR has drawn up the following proposals:

- **Simplify State Aid regulations and extend their scope**

In order to achieve this, the CPMR asks that future regulations focus on the definition of principles and aid that are incompatible with the objectives of the Common Fisheries Policy, and, in this context, entrust the public authorities with greater responsibility in defining possible types and criteria of aid. This greater responsibility will allow public research authorities to be more coherent between their state aid interventions and the approach they will take in terms of the financing measures they will implement through the EMFF.

Similarly, the CPMR proposes to broaden the scope of the current Exception Regulation so as to avoid it being more restrictive than the EMFF for the next programming period, for example for companies other than SMEs involved in the processing of fishery and aquaculture products.

- **Incorporate aid to companies operating in the processing and marketing of fishery and aquaculture products in the “*De Minimis*” Regulation 1407/2013**

In order to remedy this situation and facilitate the action of the public authorities, the CPMR requests that companies which operate in the production, processing and marketing of fishery and aquaculture products should in the future be covered by Regulation No 1407/2013 of the European Commission. This would be consistent with the CPMR's request that the use of financial instruments to support these companies is not mandatory under the EMFF, in order to allow the authorities and actors concerned to define the most appropriate support modalities.

- **Consider flexibility to help public authorities to react in the event of Brexit**

One element envisaged to help public authorities provide the necessary support to these sectors through the EMFF is to allow a more flexible use of aid for temporary cessation of activities provided for under this fund. The CPMR is also asking the European Commission to introduce flexibility arrangements in the framework of state aid regulations in the fisheries and aquaculture sectors, in order to enable public authorities to intervene appropriately in the event of Brexit.

The CPMR will continue its action to promote its proposals regarding the current revision of State Aid. This will involve initiatives to contact Member States and the European Parliament, in conjunction with exchanges with the European Commission.



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The Conference of Peripheral Maritime Regions (CPMR) brings together some 160 Regions from 25 States from the European Union and beyond.

Representing about 200 million people, the CPMR campaigns in favour of a more balanced development of the European territory.

It operates both as a think tank and as a lobby group for Regions. It focuses mainly on social, economic and territorial cohesion, maritime policies and accessibility.

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