



EMFF post-2020 – Update on the negotiations

SUMMARY

This note examines the extent to which CPMR's proposals are being taken into account in the negotiations concerning the European Maritime and Fisheries Fund (EMFF) post-2020.

To date:

- The CPMR has set out its proposals, in a [Policy Position](#) adopted in March 2018 by its Political Bureau
- The European Commission has published its proposals for the Regulation on the European Maritime and Fisheries Fund (EMFF), on 12 June 2018
- The rapporteur for the European Parliament, Gabriel Mato, has submitted a draft report to the European Parliament, on 12 September 2018. The Fisheries Committee of the European Parliament will vote on the report at first reading on 23 January 2019.

This note takes a further look at:

- **Five positive points in the current negotiations:**
 - Maintenance of a specific fund to finance fisheries and aquaculture
 - Simplification of the EMFF
 - Strengthened measures for the outermost regions
 - Continued support for community-led local development (CLLD)
 - Support for sustainable blue growth.
- **Five points on which action is needed to:**
 - Increase the proposed EMFF budget
 - Increase the share of support under shared management
 - Strengthen the role of the regions in Operational Programmes
 - Waive the obligation to use financial instruments to support aquaculture and product processing
 - Reduce the list of ineligible operations.

1 Positive points

1.1 Maintenance of a specific fund to finance fisheries and aquaculture as a priority

The European Commission's proposals and even more so the European Parliament's draft report, are in line with the CPMR's Policy Position, which stressed in particular the needs of the fisheries sector. The first two objectives proposed by the European Commission will take up the main part of the EMFF budget. The European Parliament's draft report proposes to strengthen the focus of these objectives on fisheries.

European Commission's proposals	European Parliament's draft report
<p>The European Commission proposes to maintain the EMFF, with the following four objectives:</p> <ul style="list-style-type: none">• Foster sustainable fisheries and the conservation of marine biological resources• Contribute to food security in the Union through competitive and sustainable aquaculture and markets• Enable the growth of a sustainable blue economy and foster prosperous coastal communities• Strengthen international ocean governance and enable safe, secure, clean and sustainably managed seas and oceans	<p>The European Parliament's draft report proposes to strengthen the focus of the EMFF's first two objectives as follows:</p> <ul style="list-style-type: none">• Foster sustainable fisheries, for achieving economic, social and environmental benefits;• Contribute to food security in the Union through competitive and sustainable aquaculture and markets <p>The justification for these proposals given in the European Parliament's draft report is that sustainable fisheries help conserve the sea's biological resources and that fisheries also contribute to food security.</p>

1.2 Simplification of the EMFF

The European Commission's proposals, supported by the European Parliament, give the managing authorities responsibility for defining the measures to be funded and the eligibility rules, with the exception of a list of ineligible operations. From the CPMR's point of view, this is a beneficial simplification.

1.3 Strengthened measures for the outermost regions (ORs)

The proposals of the European Commission and the European Parliament are positive from the CPMR's point of view. However, as explained in point 2.3. below, CPMR wants other regions to be able to benefit from the special measures granted to the ORs in terms of the governance of the EMFF.

European Commission's proposals	European Parliament's draft report
<p>The European Commission proposes to strengthen the measures for the ORs, in particular by identifying a minimum allocation, requiring managing authorities to define specific action plans, and maintaining differentiated rates of aid intensity.</p>	<p>The European Parliament's draft report proposes to group together the articles relating to the ORs in a specific chapter, and to further strengthen the measures for these regions.</p>

1.4 Continued support for community-led local development (CLLD)

The European Commission's proposals, which the European Parliament's draft report does not propose to amend, allow for support for CLLD to be continued. They also broaden the focus from fisheries and aquaculture to the blue economy in general. This is a positive development from CPMR's point of view, although the challenges facing the fisheries and aquaculture sectors will undoubtedly remain very important in the context of CLLD.

1.5 Support for sustainable blue growth

The European Commission's proposals, which the European Parliament's draft report does not propose to amend, allow for measures falling under the Integrated Maritime Policy in the framework of the EMFF 2014-2020 to be continued. The CPMR is in favour of this, but wants to increase the share of support under shared management, as explained in point 2.2. below.

The measures to support sustainable blue growth concern in particular the promotion of:

- A sustainable, low carbon and climate resilient blue economy
- An integrated governance and management of the maritime policy, including through maritime spatial planning, sea basin strategies and maritime regional cooperation
- The transfer and uptake of research, innovation and technology in the sustainable blue economy
- The improvement of maritime skills, ocean literacy and sharing of socio-economic data on the sustainable blue economy
- The development of project pipelines and innovative financing instruments.

2 Points on which action is needed

2.1 Increase the EMFF budget

The CPMR wants to see the EMFF budget maintained at the same level as the 2014-2020 programming period.

As explained in the Appendix to this note, the budget proposed by the European Commission for the EMFF post-2020 represents a reduction of 13% compared to the current EMFF budget.

As does the CPMR, the European Parliament's draft report calls for the EMFF budget for the next programming period to be maintained at the same level as the 2014-2020 period, in current prices, at EUR 6 400 000 000.

2.2 Increase the share of support under shared management

CPMR wishes to see the support under shared management in the EMFF extended.

The European Commission proposes a 16% reduction in the share of the EMFF budget under shared management, and an increase of 11% in the share under direct management.

The European Parliament's draft report calls for 90% of the total EMFF budget (EUR 5 760 000 000) to be allocated to support under shared management and 10% (EUR 640 000 000) to support under direct and indirect management. This would restore the balance in favour of the CPMR's demands.

2.3 Strengthen the role of the regions in Operational Programmes

CPMR wishes to see introduced:

- The possibility, for Member States that wish to do so, of creating regional Operational Programmes. This is not currently possible in the context of the EMFF, although it would be justified in certain regions which concentrate a large share of national envelopes.
- Alternatively, the requirement that Member States adopt a specific action plan for each region as part of their national Operational Programme. The European Commission does propose this, but only for the outermost regions.

The European Parliament's draft report does not propose to amend the European Commission's proposals. The CPMR will therefore pursue its own action on these points.

2.4 Waive the obligation to use financial instruments to support aquaculture and product processing

The CPMR is not in favour of the European Commission's proposal to allow support for aquaculture and the processing industry under the EMFF through financial instruments only.

The European Parliament's draft report asks that support for aquaculture and the processing industry should also be possible under the EMFF through grants. The CPMR therefore supports the European Parliament's draft report on this point.

2.5 Reduce the list of ineligible operations

The list of ineligible operations proposed by the European Commission includes measures which are perceived as necessary by numerous Regions. These include in particular:

- acquisition of vessels
- financing the modernisation or replacement of engines
- financing new infrastructure, such as new auction halls, to improve product quality and value added without increasing capacities in terms of infrastructure

The European Commission does propose some exceptions, but only for small-scale coastal fisheries, which it defines as being carried out by vessels of less than 12 metres and not using towed fishing gear. This definition is perceived by numerous regions as being restrictive and not well adapted to their situation.

The European Parliament proposes to apply the exceptions to the ban on financing the acquisition of vessels and the financing of the modernisation or replacement of engines to vessels of less than 24 metres, and to allow Member States to adapt their definition of small-scale coastal fisheries. This would give the managing authorities greater flexibility, and is thus a positive element from CPMR's point of view.

However, the European Parliament's draft report does not envisage making it possible to finance new infrastructure, and the CPMR will therefore pursue its own action on this point.

APPENDIX – ELEMENTS OF ANALYSIS OF THE PROPOSED BUDGET FOR THE EMFF POST-2020

The European Commission has published its budget proposals for European funds for the 2021-2027 period, including the EMFF, in “2018” prices, as well as in “current” prices:

- The 2018 prices, also known as constant prices, correspond to the budget of European Funds in a given year, in this case 2018;
- Current prices correspond to the budget of European Funds plus estimated inflation, for the coming years. To estimate the budget of European Funds for the 2014-2021 period in current prices, the Commission adds inflation estimated at 2% per year.

For the EMFF, the European Commission has proposed a budget of EUR 5.4 billion in 2018 prices and EUR 6.1 billion in current prices.

Comparing the budgets for the 2014-2020 and the 2021-2027 programming periods in current is biased as these budgets include inflation-related variations.

The ideal situation would be to be able to compare the budgets of the two programming periods in 2018 prices.

In this context, the CPMR has made an estimate of the EMFF budget for the 2014-2020 period in 2018 prices, applying a 2% deflator and excluding the UK portion of this budget to take into account the impact of Brexit.

The results of these estimates are show below.

EMFF				
MFF 2014-2020 (CPMR calculation)		Amount differences	MFF 2021-2027	
	2018 prices excluding UK		2018 prices	Share of total MFF
EMFF	6 282	-13%	5 448	0.50%
Of which:				
Shared management	5 621	-16%	4 712	0.40%
Direct management	660	11%	735	0.06%



**CPMR
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Contact person: Damien Périssé, Directeur en charge des affaires maritimes

Email: damien.perisse@crpm.org

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.

www.cpmr.org

CONTACT:

6, rue Saint-Martin, 35700 Rennes (FR)
Tel: + 33 (0)2 99 35 40 50

Rond-Point Schuman 14, 1040 Brussels (BE)
Tel: +32 (0)2 612 17 00

Email: Secretariat@crpm.org; Website: www.cpmr.org

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