CPMR - Discussion on issues relating to the post-2020 EMFF

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Main topics of the presentation

- Importance of the fishing sector as producer of healthy food
- Is the aid justified? Is it necessary? Challenges
- Ambitious objectives of the CFP
- Is the current EMFF 2014-2020 framework working?
- Which European fisheries fund does the sector need post-2020?
Fishing Industry Importance

- 84,420 vessels
- 5 million tonnes/yr
- 14 billion meals/yr
- Value of €7 billion
- 152,700 fishers jobs

As food producers, the fishing sector has a clear added value and plays a major role for food security, differentiating us from other economic activities in the EU’s integrated maritime policy and the blue growth strategy.

Need for a specific fund for fisheries!
Is the aid justified?

- **Article 39 - Treaty of European Union (TFEU)**
  - Need to ensure a fair standard of living for the fishing communities, in particular by increasing the individual earnings
  - Structural and natural disparities between the various agricultural (fisheries) regions

- **Article 2 – Common Fisheries Policy**
  - The CFP shall contribute to a fair standard of living for those who depend on fishing activities, bearing in mind coastal fisheries and socio-economic aspects
  - Provide conditions for economically viable and competitive fishing industry
Is the aid justified?

- Ambitious objectives of the CFP
  - Funding necessary to adequately comply with the objectives of the CFP: environmental, social and economic sustainability, MSY, landing obligation, improved selectivity, ...
  - Costly EU standards for the sector
  - Need to remain competitive in a globalised industry
  - Need to promote energy efficiency, develop selective and environmentally friendly gears, collection of marine litter
Challenges

- Positive economic performance of the EU fleet during the past 5 years
  - Net profit in 2015: €800 million

- Main drivers:
  - Increased fishing opportunities
  - Better prices for some fish stocks
  - Low fuel prices

- Why then granting public support to a sector economically profitable?
Trends on costs as a % of revenue (STECF 2017)

- Wages and salaries of crew
- Unpaid labour value
- Energy costs
- Repair & maintenance costs
- Other variable costs
- Other non-variable costs
- Annual depreciation costs
- Opportunity cost of capital
- Net profit

* STECF projections
Challenges

- Brexit gap
  - €10 billion loss per year in the future EU budget
  - Fishing rights, fishing access and markets

- Reform of the upcoming Multiannual Financial Framework (MFF)
  - Will fisheries be a priority?

- Lack of implementation of current EMFF
  - Jeopardises the implementation of the CFP
  - Puts into question the need for future funding
Is the current EMFF 2014-2020 framework working?

Implementation Progress (total cost) for European Maritime & Fisheries Fund

Is the current EMFF 2014-2020 framework working?

- To date only around 7% of the entire EMFF budget in the EU has been executed

- Main causes: late approval of the legislative framework, too much bureaucracy and MS are very scared to make a mistake

- Fishermen, particularly small-scale, frustrated with the requirements needed to receive funding
Which European fisheries fund does the sector need post-2020?

- We call for a post-2020 specific and simplified fisheries fund, with much less bureaucracy, allowing its full use from the very beginning.

- **Flexible** financing mechanisms in the Operational Programmes.

- Need to adopt a substantial financial envelope to finance both small and large projects, yet with different levels of administrative burdens.

- Promoting the development and diversity of areas highly dependent on fisheries through FLAGs.
Which European fisheries fund does the sector need post-2020?

- Fostering industry collaboration with scientists, innovation and technological development

- Continuation of scrapping schemes in cases where these measures are necessary to balance fishing capacity with available resources

- Renewal and modernization of EU vessels which shall not result in an increase of fishing capacity

- Need to finance temporary cessations of fishing activities caused by extraordinary circumstances:
  - biological standstill
  - closure of a fishery
  - breach of a fishing protocol with a third country
Which European fisheries fund does the sector need post-2020?

- Promoting the **social dimension**: safety and well-being of crews through good working conditions (in line with ILO Convention 188) and training, to alleviate the current problem of **shortage of qualified professionals**

- **Gross tonnage** problem

- Aid to improve the **data collection** and the **control** of all links in the commercial chain

- **Communication**
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Thanks!