


Procedure file

Basic information		
CNS - Consultation procedure Regulation	2008/0144(CNS)	Procedure completed
Fisheries sector: temporary specific action aiming to promote the restructuring of the EU fishing fleets affected by the economic crisis		
Subject 3.15.03 Fishing fleets, safety of fishing vessels 3.15.08 Fishing enterprises, fishermen, working conditions on board 3.60.02 Oil industry, motor fuels		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	PECH Fisheries		
Council of the European Union	Council configuration	Meeting	Date
	Justice and Home Affairs (JHA)	2887	24/07/2008
	Agriculture and Fisheries	2884	15/07/2008

Key events			
07/07/2008	Legislative proposal published	COM(2008)0454	Summary
09/07/2008	Decision by committee, without report		
09/07/2008	Debate in Parliament		
10/07/2008	Committee referral announced in Parliament		
10/07/2008	Decision by Parliament	T6-0360/2008	Summary
24/07/2008	Act adopted by Council after consultation of Parliament		
24/07/2008	End of procedure in Parliament		
31/07/2008	Final act published in Official Journal		

Technical information	
Procedure reference	2008/0144(CNS)
Procedure type	CNS - Consultation procedure
Procedure subtype	Legislation
Legislative instrument	Regulation

Legal basis	EC Treaty (after Amsterdam) EC 036; EC Treaty (after Amsterdam) EC 037
Stage reached in procedure	Procedure completed
Committee dossier	PECH/6/65235

Documentation gateway

Legislative proposal		COM(2008)0454	08/07/2008	EC	Summary
Document attached to the procedure		COM(2008)0453	08/07/2008	EC	Summary
Text adopted by Parliament, 1st reading/single reading		T6-0360/2008	10/07/2008	EP	Summary

Additional information

National parliaments	IPEX
European Commission	EUR-Lex

Final act

[Regulation 2008/744](#)
[OJ L 202 31.07.2008, p. 0001](#) Summary

Fisheries sector: temporary specific action aiming to promote the restructuring of the EU fishing fleets affected by the economic crisis

PURPOSE: to set up a temporary specific action aiming to promote the restructuring of the European Union fishing fleets affected by the economic crisis, in particular the increase in fuel prices.

LEGISLATIVE ACT: Council Regulation.

BACKGROUND: the EU fisheries sector has long suffered from a vicious circle of poor economic profitability and over-exploitation of stocks due to a significant overcapacity. Several steps have been taken since the 2002 reform of the Common Fisheries Policy to counter this vicious circle, but overcapacity and excessive fishing effort still jeopardise the economic viability of the sector.

In the context of the recent economic situation, following in particular the drastic increase in fuel prices, there is an impending need to take additional measures aiming for a more rapid adaptation of the Community fishing fleet to the current situation, addressing the need to ensure sustainable social and economic conditions for the sector concerned.

Such action should be equally available for all Member States and needs to be addressed and coordinated at Community level to avoid distorting competition between Member States or fleets.

CONTENT: the proposed Regulation establishes a specific action of the Community designed to provide for exceptional and temporary support for the persons and enterprises active in the fisheries sector affected by the economic crisis induced by the increase of oil prices in 2008, as a special regime under the European Fisheries Fund (EFF).

The measures focus primarily on reducing overcapacity and ensuring that vessels can operate more efficiently and at higher productivity.

Since this emergency situation requires coordinated solutions at EU level, the package relies basically on an enhanced use of the European Fisheries Fund (EFF). It consists mainly of measures based on temporary derogations from rules under the EFF, to support a faster adaptation of the Community fleet to the present situation and to provide temporary relief in order to cushion economic and social consequences in the transitional phase.

In concrete terms, the Commission is proposing to set up an ad hoc special, temporary regime which will derogate from some provisions of Council Regulation (EC) No 1198/2006 on the European Fisheries Fund for a period up to 31 December 2010.

Fisheries sector: temporary specific action aiming to promote the restructuring of the EU fishing fleets affected by the economic crisis

This Commission communication presents a package of urgent restructuring measures aiming to tackle the fuel crisis in the fisheries sector.

Since 2002, marine fuel prices in the EU have increased by some 240%, and are now in many cases above EUR 0.7/litre. This has led to a severe economic crisis in certain segments of the EU fishing fleet, where fuel costs make up an extremely high proportion of revenues, in particular for vessels using towed gears (trawlers). In principle, fish prices should reflect these rising costs. However, first sale fish prices have continued to stagnate for the last decade and hence fishermen have not been able to pass their cost increases down the chain.

High oil prices are a structural problem which requires structural remedies. However, short term actions also need to be contemplated to ensure that the fishing sector is not completely wiped out.

The Commission is thus proposing an emergency package to address both the immediate situation of economic and social hardship and to make a long term contribution to tackling systemic overcapacity. This response must be EU-wide and co-ordinated in order to avoid distorting competition between Member States or fleets.

Four underlying principles are proposed:

- 1) ensuring an in-depth adaptation of the EU fleet towards economic and environmental sustainability;
- 2) providing immediate support to the sector to alleviate social and economic hardship;
- 3) focusing the bulk of the effort on very badly hit segments of the fleet through Fleet Adaptation Schemes;
- 4) ensuring coordinated EU intervention through an enhanced use of the EFF and possibly other EU funds and instruments.

Five main types of measures are proposed:

- 1) emergency measures, consisting principally of temporary cessation aid, to help fishermen cope with short-term pressures while the sector prepares a longer term strategy;
- 2) a whole new range of restructuring measures for fleet segments which sign up to Fleet Adaptation Schemes, to be adopted at national level;
- 3) horizontal measures which fall outside the Fleet Adaptation Schemes, including increased EFF aid-intensity for fuel-saving equipment, expertise in relation to energy audits and restructuring plans, expanding the rank of beneficiaries eligible for early retirement under the EFF, and promoting research on fuel saving technologies;
- 4) market measures under both the EFF and the Common Organisation of the Market, including a new price-monitoring observatory, and additional financial support for stakeholder-led initiatives;
- 5) measures designed to facilitate the use of the EFF, so as to ensure fast and targeted action by Member States.

In addition, the Communication also examines possible changes to the de minimis rules for the fisheries sector (EUR 30 000 de minimis aid per vessel instead of per firm, but with an overall cap of EUR 100 000 per enterprise), social aid in the form of decreased social security contributions, and the scope for additional funding outside of the EFF.

Fisheries sector: temporary specific action aiming to promote the restructuring of the EU fishing fleets affected by the economic crisis

The European Parliament adopted a legislative resolution approving the proposal for a Council regulation instituting a temporary specific action aiming to promote the restructuring of the European Union fishing fleets affected by the economic crisis.

Fisheries sector: temporary specific action aiming to promote the restructuring of the EU fishing fleets affected by the economic crisis

PURPOSE: to establish certain measures for a more rapid adaptation of the Community fishing fleet to the current economic situation.

LEGISLATIVE ACT : Council Regulation (EC) No 744/2008 instituting a temporary specific action aiming to promote the restructuring of the European Community fishing fleets affected by the economic crisis.

CONTENT: this Regulation establishes a specific Community action designed to provide for exceptional and temporary support for the persons and enterprises active in the fisheries sector affected by the economic crisis induced by the increase of oil prices in 2008, as a special regime under the European Fisheries Fund (EFF). This Regulation shall apply only to public aid which has been the subject of an administrative decision by the relevant national authorities by 31 December 2010.

The aim of this Regulation is twofold: to provide immediate, temporary aid to those fishermen most affected by the rise in the price of fuel, and to seek a sustainable solution to the in-built overcapacity of European fishing fleets, thereby creating the conditions for greater profitability in the sector.

The Regulation, which will remain in force until 31 December 2010, provides for temporary derogations from certain provisions of the European Fisheries Fund and includes general measures applicable to the fisheries sector and special measures for vessels participating in Fleet Adaptation Schemes. The measures are as follows:

1) Emergency measures

- exceptional emergency aid for the temporary cessation of fishing activities for a maximum period of three months, provided that the vessel in question is covered by a restructuring plan within the six months following the entry into force of the Regulation. The aid may cover part of the costs of crew salaries and the vessel's fixed costs.

2) Measures for vessels participating in a Fleet Adaptation Scheme: these measures apply only to fleets whose energy costs represent at least 30 % of production costs and which undertake to reduce their fishing capacity permanently by at least 30 %. They involve:

- removal of all restrictions on access to premiums for permanent cessation of fishing activities;
- aid for an additional period of temporary cessation of activity of from 6 weeks to 3 months, as appropriate;
- reduction in the level of mandatory private financial participation for the modernisation of gear and engines;
- where vessels are replaced by smaller vessels which consume less fuel, a premium for partial decommissioning, depending on the

capacity scrapped and subject to certain conditions.

3) General measures which are not covered by Fleet Adaptation Schemes: these are

- increase in the rate of EFF co-financing of fuel-saving investments, including the replacement of gear and auxiliary engines;
- extension of EFF early departure aid, including early retirement aid, for fishermen, to cover other workers in fisheries-related activities;
- EFF support for energy and restructuring audits and advice, and pilot projects to improve energy efficiency in the fisheries sector.

4) Measures to facilitate use of the Fund's resources:

- raising of the level of EFF cofinancing of action under the Regulation to 95 % of the total public expenditure;
- doubling of EFF prefinancing of operational programmes, from 7 % to 14 %.

Report: the Commission shall report to the European Parliament and the Council on the application of the measures laid down in this Regulation by 31 December 2009 at the latest.

ENTRY INTO FORCE: 31/07/2008.