## **EUROPEAN PARLIAMENT**

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## **MOTION FOR A RESOLUTION**

further to Question for Oral Answer B6-B6-0064/2008

pursuant to Rule 108(5) of the Rules of Procedure

by Pedro Guerreiro, Jacky Hénin, Willy Meyer Pleite, Marco Rizzo

on behalf of the GUE/NGL Group

on the worsening socio-economic crisis in the fisheries sector in the wake of rising fuel (petrol and diesel) prices

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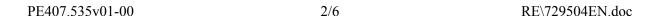
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## B6-0308/2008

## European Parliament resolution on the worsening socio-economic crisis in the fisheries sector in the wake of rising fuel (petrol and diesel) prices

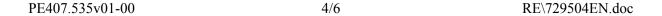
The European Parliament,

- having regard to the Commission communication to the Council and the European Parliament of 9 March 2006 on improving the economic situation in the fishing industry (COM(2006)0103),
- having regard to its resolution of 28 September 2006 on improving the economic situation in the fishing industry (P6\_TA(2006)0390),
- having regard to its resolution of 12 December 2007 on the common organisation of the market in the fisheries and aquaculture products sector (P6\_TA-PROV(2007)0606,
- having regard to the questions for oral answer tabled to the Commission and Council on the crisis in the fisheries sector in the wake of rising fuel prices,
- having regard to the meeting of the Agriculture and Fisheries Council of 23-24 June 2008,
- having regard to Rule 5 of its Rules of Procedure,
- A. having regard to the recent actions organised by the fisheries sector in several Member States demanding urgent and effective support measures to deal with the rocketing price of fuel (petrol and diesel) and the socio-economic crisis in the sector,
- B. having regard to the strategic importance of the fisheries sector for socio-economic conditions, supplies of fish to the public and the food balance in both the Member States and the EU as such, as well as its major contribution to the socio-economic wellbeing of coastal communities, local development, employment, the preservation and creation of economic activity and jobs upstream and downstream, ensuring supplies of fresh fish, and preserving local cultural traditions,
- C. having regard to the insecure situation of incomes and wages affecting fisheries professionals, arising from the way marketing is structured in the sector, the price formation process for the initial point of sale, and the irregular nature of the activity, all of which points to the need to maintain certain national and Community aids,
- D. whereas, thanks to the interaction between wage levels, income from initial sales of catch and certain costs related to factors of production which are directly deducted from incoming revenue before calculating pay, higher fuel prices have a direct and adverse impact on crew members' take-home pay,



- E. whereas existing sales patterns do not make it possible to pass on variations in the costs of factors of production, including fuel, in the form of higher fish prices; whereas price levels at the initial point of sale have either remained static or fallen since 2000, while this has not been reflected in lower prices for the end-consumer of fresh fish,
- F. whereas the economic situation of numerous fishing enterprises has deteriorated in recent years and there is a real risk that thousands of enterprises will fold and thousands of jobs will be lost thanks to higher fuel prices,
- G. whereas the increases in the price of fuel (petrol and diesel) over the last four years have had a particularly harsh impact on the fisheries sector, and now, in some parts of the sector, account for some 50% of all operational costs, thus significantly worsening the existing crisis in terms of operational margins and economic viability, and leading to a substantial fall in fishermen's incomes.
- H. whereas in some cases the existing COM in fisheries products has not contributed sufficiently to achieving better prices at the initial point of sale or to improving the distribution of value added over the value chain in the sector,
- I. whereas the encouragement of indiscriminate scrapping, without considering the specific characteristics of fleets, fish stocks or each Member State's needs in terms of fish consumption, has been the watchword for the so-called 'adaptation' of fleet size to fish stocks, and has had enormous social and economic repercussions while producing no significant alteration in the situation,
- J. whereas the big oil companies have seen a massive increase in their profits, leading, notably, to oil prices based on speculation in cheaply acquired oil stocks,
- K. whereas Member States have applied or intend to apply certain measures, albeit often insufficient or limited in impact, offering socio-economic support to their fishing fleets, especially so as to offset higher fuel prices,
- 1. Expresses its solidarity with the fishermen of France, Portugal, Spain, Italy and other Member States who are calling for measures to deal with spiralling fuel prices and ensure decent living conditions;
- 2. Deplores the EU's attitude of inertia and denial rather than taking the necessary decisions, and its refusal to recognise the solutions and proposals which the fishery sector's representatives have long been proposing with a view to ensuring modernisation and sustainable development in the sector, guaranteeing its socio-economic viability and the sustainability of stocks, and protecting food sovereignty and safety and supplies of fish to the public while preserving jobs and improving fishermen's living conditions;
- 3. Stresses that the solution of 'reducing the fishing effort' and 'adapting the fleet' in other words, promoting the permanent withdrawal of vessels is a smoke-screen preventing a real solution to the problem, especially if one is talking of 'improving the economic situation of the sector':

- 4. Deplores a policy that, taking advantage of the socio-economic deterioration in the sector arising from escalating fuel prices, promotes scrapping and the permanent withdrawal of vessels, thus leading to ever greater concentration in the sector and generating more unemployment, the decline of the productive sector and the worsening of the food balance and the balance of trade;
- 5. Stresses once again that the majority of the Commission's proposals will at best, only have a medium-term or long-term effect on the economic situation in the fisheries sector;
- 6. Stresses that the measures to be implemented must also be aimed at safeguarding the interests, responding to the needs and tackling the problems of vessel crew members and small-scale traditional fishermen, especially those who, for safety reasons, use motors requiring petrol;
- 7. Calls for the adoption of emergency measures to meet, immediately and in appropriate fashion, the sector's socio-economic needs, and, especially, to offset higher prices of fuel (petrol and diesel);
- 8. Calls, in this connection, for the creation of a guarantee fund, with joint Community financing, aimed at ensuring stable fuel prices, as well as for the granting of a transitional compensatory allowance to the fisheries enterprises affected;
- 9. Advocates coordinated action at Member State level with a view to establishing, for each Member State, a maximum price level for fuel (petrol and diesel), or else an additional discount, specifically for fuel used in fisheries, of 0.40 EUR/litre;
- 10. Insists on the need to utilise all possibilities and financial margins of the Community budget to finance extraordinary support measures for the sector, to enable it to deal with the problems arising from higher fuel prices pending the implementation of other types of measure;
- 11. Calls for the creation of a public insurance system, with guarantees at national and Community level, to cover unforeseen developments in the fisheries sector;
- 12. Demands the utilisation of the existing support instruments, such as the 'de minimis' aids, which result in real and immediate assistance for the sector, and insists that their level must be increased for the fisheries sector to bring it into line with other productive sectors;
- 13. Calls for a three-way dialogue at European level bringing together all the players (public administrations, unions and fishermen), in order to tackle the structural problems of the sector, which are not merely a reflection of the oil price crisis, with priority for fishermen's working conditions;
- 14. Stresses the need to treat production costs as one of the variables to be taken into account when setting guidance prices;



- 15. Calls for the creation of mechanisms aimed at improving prices at the initial point of sale and promoting a fair and appropriate distribution of value added over the value chain in the sector;
- 16. Reaffirms the need to consider adopting other types of intervention, such as guarantee prices or maximum profit thresholds, with a view to improving the distribution of value added, reducing the margins for middlemen, ensuring better prices for the producer, and controlling price levels for the end-consumer;
- 17. Insists that the EFF must continue to grant aid for the renewal and modernisation of fishing fleets especially to replace motors on safety grounds, protect the environment or save fuel above all for small-scale coastal and traditional fishermen, and also for replacing vessels that are more than twenty years old and are no longer operating in safe conditions:
- 18. Reaffirms the need to recognise the specific nature of small-scale coastal and traditional fishing in the CFP, and to determine how far the existing instruments are suited to the needs of such fisheries and how far they should be adapted;
- 19. Reiterates its proposal for the creation of a Community support programme for small-scale coastal and traditional fishing, to coordinate actions and channel funding from other instruments in order to deal with the specific problems of this subsector;
- 20. Urges the Commission to examine mechanisms such as consumer aids with a view to promoting the marketing of high-value-added processed fishery products, such as canned fish, on lines similar to those applying to certain agricultural products;
- 21. Stresses the need for the Structural Funds to contribute to modernisation and the creation of marketing infrastructures in the fisheries sector;
- 22. Stresses the vital importance of striking a balance between socio-economic conditions and a sustainable environment, while also emphasising the need to implement a mechanism for subsidising or compensating fishermen affected by the economic and social repercussions of recovery plans for fish population units or other measures for enhancing ecosystem protection, especially in the less-favoured regions;
- 23. Considers it essential that imported fishery products placed on the internal market should be subject to the same standards and requirements as those applying to Community products, in such areas as labelling, phytosanitary rules, exclusion from the Community market of fisheries products of a size smaller than the minima authorised for Community products, and the outlawing of imports deriving from illegal, undeclared and unregulated fishing;

- 24. Believes that the Member States should introduce fiscal measures to combat speculation in fuel prices, notably by creating, at individual Member State level, a tax on oil companies' profits arising from the 'stock effect';
- 25. Instructs its President to forward this resolution to the Council. the Commission and the Governments and Parliaments of the Member States.

