EUROPEAN PARLIAMENT

2004



2009

Committee on Fisheries

9 September 2004

OPINION

of the Committee on Fisheries

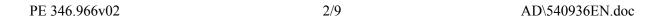
for the Committee on Budgets

on the Budget 2005 : section III, Commission 2004/2001 (BUD))

Draftswoman: Carmen Fraga Estévez

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Introduction

The Preliminary Draft Budget 2005 for fisheries shows a 7.2% increase over the Budget for 2004 and amounts to €71 million. In general terms, this increase is due to a number of factors including International Agreement on Fisheries (+ 4.1%) resulting from the renewal of protocols connected to existing agreements which are due to expire, as well as new agreements which have to be negotiated. It is also necessary to increase evaluation in connection with the adhesion of two regional organisations, as well as the increase of payments resulting from the increase of activities of regional organisations.

An increase of 46% stems from the further implementation of the CFP, and relates in particular to the creation of the RAC's and the enlargement of the EU. Details of the enlargement costs for 2005 are as follows:

Line	Subject	Country abbreviation	Country	Amount 2005
11 04 01	Dialogue/Communication			(250 000)
11 06 01	Structural funds (Objective 1)	CY	Cyprus	1 126 162
		CZ	Czech Republic	2 420 887
		EE	Estonia	4 009 497
		HU	Hungary	1465 243
		LT	Lithuania	4 119 701
		LV	Latvia	8 799 000
		MT	Malta	945 640
		PL	Poland	67 375 653
		SI	Slovenia	594 539
		SK	Slovakia	610 591
			Sub-total 11 06 01	91 466 913
11 07 01	Data-Collection			8 000 000 (compared to 15M€ for EUR 15)
11 07 03	Inspection/recruitment of inspectors for new Member States			1 000 000 + increased budget for inspection missions

The research budget has also increased (40.52%) and structural intervention in favour of fisheries has increased by 8.04%. Another major increase has been 7.9% for conservation, controls, and implementation, which essentially refers to the needs for new information gathering in the new Member States.

The draftswoman broadly welcomes the Budget proposals for 2005, but wishes to make a number of specific points:

Fisheries Agreements (Line 11 03 01)

In the PDB, the Commission proposed \in 195 326 000 for commitments and \in 199 076 000 for payment appropriations. These proposals were based on a number of precise costings which are as follows:

Breakdown	Implement	tation 2003	Implementation Plan 2004		PDB 2005 (1)	
	Number of actual outputs	Total cost (M Euros)	Number of planned outputs	Total planned cost (M Euros)	Number of outputs envisaged	Total cost envisaged (M Euros)
ACTION / SPECIFIC OBJECTIVE 1:						
Agreements in force on 01/01/2005						
Type of outputs						
Côte d'Ivoire, Gabon, Greenland, Guinea, Guinea- Bissau, Kiribati, Madagascar, Mauritius, Mauritania, Mozambique, Senegal						
	15	178 559	16	168 422	11	164 351
Sub-total	15	178 559	16	168 422	11	164 351
ACTION / SPECIFIC OBJECTIVE 2:						
Negotiations on renewal and extension and additional contractual obligations						
Type of outputs						
Angola, Cape Verde, Comoros, Sao-Tomé, Seychelles, Additional financial compensation						
	2	3 743	5	19 646	6	25 590
Sub-total ACTION / SPECIFIC	2	3 743	5	19 646	6	25 590
OBJECTIVE 3:						
Negotiations on new agreements						
Type of outputs:						
Algeria, Cook Islands, Croatia, Kenya, Libya, Micronesia, Russia, Solomon Islands, Tanzania						
	1	0 546	0	0	9	5 385
Sub-total	1	0 546	0	100.000	9	5 385
TOTAL	18	182 848	21	188 068	26	195 326

The Budget Conciliation meeting of 16 July 2003 reduced the Commission proposals by €6 million in commitments and €3 million in payments (on the reserve). The only reason given was that the Council felt the amounts were over-estimated but, as has been shown, the amounts proposed stem from precise costings of present agreements and precise proposals for new agreements. The Draftswoman therefore proposes that the original amounts be reinstated.

Regional Advisory Councils (Line 11 04 01)

The Council agreement on the financing of RAC's was based on a degressive scale of contributions by the EU, with a set amount for interpretation and translation. These amounts are as follows:

RAC		EU pays	EU contribution %	Interpretation/
				Translation
	1st year	200 000	90%	50 000
	2nd year	165 000	75%	50 000
	3rd year	132 000	60%	50 000
	4th year	121 000	55%	50 000
	5th year	110 000	50%	50 000

The Draftswoman understood from the Commission that two RAC's will be established during 2004, a further three will be established in 2005 and two more will be established in 2006.

On this basis, the costing for 2005 is as follows:

2 RAC's in 2nd year	$2 \times 165\ 000 = 330\ 000$
Interpretation/Translation	$2 \times 50\ 000 = 100\ 000$
-	
3 RAC's in 1st year	3 x 200 000 = 600 000
Interpretation/Translation	$3 \times 50 000 = 150 000$
_	
	1 715 000

At the Committee meeting of 28 July, the Director General of Fisheries confirmed that one of the RAC's planned for 2004 would probably not be set up, which means that additional costs will be incurred in 2005.

The draftswoman believes that it should be possible for all seven RAC's to be fully operational during 2005, particularly as work has been done on the establishment of these RAC's, including for example the Mediterranean RAC.

If all RAC's are established in 2005 this will entail the expenditure of an extra $\[\le \]$ 535 000 (2 x 200 000 + 2 x 50 000 for Interpretation/Translation + $\[\le \]$ 35 000 extra for the RAC that will be set up in 2005 rather than 2004). The total expenditure in 2005 will therefore be $\[\le \]$ 1715 000. An amendment to this effect will be tabled.

Financial Instrument for Fisheries Guidance (Line 11 06 01) Completion of earlier programs (Line 11 06 03) Completion of earlier FIFG programs outside Objective 1 (Line 11 06 05)

In structural operations, the Commission proposals have been reduced by the Council by €31.521.359 in payment appropriations. This reduction is entirely unjustified since the programs are in full operation, with increasing payments being made. The draftswoman therefore proposes that the original amounts be reinstated.

Emergency measures for scrapping fishing vessels (Line 11 06 10)

This line was proposed in 2003 but the Council adopted the Regulation only in December 2003. The purpose was to help Member States with the scrapping of fishing vessels that were surplus to requirements. Member States did not avail themselves of the extra finance proposed, partly due to the very short timetable that existed for them to do so, and partly because of bureaucratic delays. The line has now become redundant as the cost of scrapping has been included within FIFG, as part of a total program from 2004 onwards.

Support for the management of fisheries resources (collection of basic data and improvement of scientific advice) (Line 11 07 01)

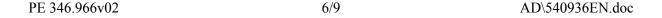
This line consists of two parts: Data Collection (11 07 01 Action A) and Scientific Advice (11 07 01 Action B). In the latter field, the fisheries sector suffers from many disadvantages, without enough scientists in the field and with scientists disagreeing with each other about the basic problems and causes of problems. The Draftswoman therefore proposes that a serious effort be made to remedy the situation and is putting forward an amendment increasing the second part of this Budget line by €3 million.

Inspection and surveillance of fishing activities in Community waters and elsewhere (Line 11 07 03)

This line has been reduced by 38.1% because the NAFO observers' scheme is now paid by the Member States. The scheme therefore remains in action and fully funded, and the Draftswoman wishes to make no amendments.

Community Fisheries Control Agency (Line 11 07 04)

It is proposed that the organisation starts work in 2006 and a p.m. has been entered into the 2005 budget. However, it is extremely likely that certain establishment costs will be needed in 2005 and the draftswoman proposes that a small amount of €1 million should be placed in the Budget for 2005.





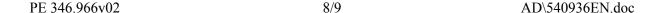
Summary of amendments

Line	PDB 2005		DB 2005		Amendment	
	Commitments	Payments	Commitments	Payments	Commitments	Payments
11 03 01						
Appropriations	164. 351. 000	168. 101. 000	164. 351. 000	168.101.000	0	0
Reserves	30. 975. 000	30.975.000	24 .975. 000	27.975.000	+ 6.000.000	+ 3.000.000
11 04 01						
Appropriations	3.264.000	3.264.000	3.264.000	3.264.000	+ 535.000	+535.000
11 06 01						
Appropriations	498.625.711	356.475.138	498.625.711	328.283.779	0	+28.191.359
11 06 03						
Appropriations	p.m.	5.000.000	p.m.	3.000.000	0	+2.000.000
11 06 05						
Appropriations	n m	3.500.000	n m	2.170.000	0	+1.330.000
Appropriations	p.m.	3.300.000	p.m.	2.170.000	0	1.550.000
11 07 01						
Appropriations	43.400.000	37.000.000	43.400.000	37.000.000	+3.000.000	+3.000.000
11 07 04 01						
Appropriations	p.m.	p.m.	p.m.	p.m.	+1.000.000	+1.000.000

SUGGESTIONS

The Committee on Fisheries calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

- 1. Broadly welcomes the proposals for the Fisheries Budget in 2005 which reflect the needs of the reformed CFP after enlargement.
- 2. Believes however that with regard to Fisheries Agreements, the Council reduction of commitment appropriations by €6 million and payment appropriations by €3 million is entirely unjustified, and demands that these amounts be reinstated.
- 3. Believes further that the reduction in payment appropriations in the FIFG by €30 million is unacceptable; the programs concerned are fully operational and the amount should be reinstated
- 4. Calls for additional funds to be made available for the RAC's so that all RAC's can be set up in 2005.
- 5. Notes, and regrets, that the line for emergency measures for scrapping fishing vessels was not used, and that while it is still possible for fishing vessels to be scrapped under FIFG, the extra money that was provided has been lost.
- 6. Points out that the 6th Framework Programme does not adequately take account of Fisheries research and calls for a substantial increase to be made to the Budget line relating to scientific advice since fisheries suffer from inadequate funding in this matter, and scientists disagree on fundamental matters.
- 7. Believes that although the Fisheries Control Agency is scheduled to start work in 2006, some funds should be provided in 2005 for initial preparations.



PROCEDURE

Title	on the Budget 2005 : section III, Commission			
References	2004/2001(BUD)			
Committee responsible	PECH			
Enhanced cooperation	No			
Drafts(wo)man	Carmen Fraga Estévez			
Date appointed Discussed in committee	28.7.2004 1.9.2004			
Date amendments adopted	1.9.2004			
Result of final vote	for: 22 against: 0 abstentions: 0			
Members present for the final vote	Elspeth Attwooll, Niels Busk, Luis Manuel Capoulas Santos, Zdzisław Kazimierz Chmielewski, Antonio De Poli, Carmen Fraga Estévez, Ioannis Gklavakis, Alfred Gomolka, Ian Stewart Hudghton, Heinz Kindermann, Albert Jan Maat, Rosa Miguélez Ramos, Philippe Morillon, Seán Ó Neachtain, Sérgio Ribeiro, María Isabel Salinas García, Struan Stevenson, Catherine Stihler, Margie Sudre, Daniel Varela Suanzes-Carpegna			
Substitutes present for the final vote	Béla Glattfelder, Adam Siekierski.			
Substitutes under Rule 178(2) present for the final vote				