EUROPEAN PARLIAMENT

2004



2009

Committee on Fisheries

2008/2026(BUD)

9.9.2008

OPINION

of the Committee on Fisheries

for the Committee on Budgets

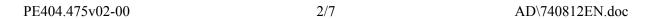
on the draft general budget of the European Union for the financial year 2009 (C6-0000/2008 - 2008/2026(BUD))

Section III - Commission

Rapporteur: Emanuel Jardim Fernandes

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Introduction

With the exception of fisheries research, all activities in the field of maritime affairs and fisheries are fully carried out under heading 2 'Preservation and Management of Natural Resources'. There are two main instruments: (a) the European Fisheries Fund (EFF), and (b) the so called "second instrument", covering all other actions related to the Common Fisheries Policy (CFP), including international fisheries and the Law of the Sea. A preparatory action and a pilot project for the launch of the implementation of the European Maritime Policy complete the picture in the PDB 2009.

For the EFF, the Commission proposes EUR 631,7 million in commitment appropriations and EUR 561,1 million in payment appropriations, respectively + 3,1 % and + 24,5 % relative to the 2008 budget. The relatively strong increase in payments is mainly explained by the fact that the 2008 budget was marked by low payment levels as all advances were already budgeted in 2007. For the PDB 2009, the payment appropriations proposed concern the new 2007-2013 EFF programmes and the clearance of the outstanding commitments of the lines that formed part of the 2000-2006 Structural Funds programmes (completion of the Financial Instrument for Fisheries Guidance (FIFG)).

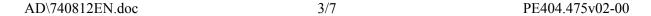
For the CFP, the appropriations proposed are, in total, EUR 297,8 million for commitments and EUR 269,3 million for payments. Compared to 2008, this represents a decrease of 6 % and 11 % respectively. It reflects the Commission's efforts to adjust budget appropriations to the actual implementation observed in the most recent years. To these figures, EUR 5,7 million have to be added for the Community Fisheries Control Agency (CFCA). Compared to 2008, this represents an average decrease of 23 % for all titles of the CFCA.

Expenditure for international activities (EUR 194,3 million in both commitments and payments) decreases by 8 % compared to 2008. This decrease is mainly due to renegotiated and adjusted amounts for several Fisheries Partnership Agreements with third countries and to lower needs for non-compulsory contributions to international fisheries organisations. Most of the appropriations asked for are intended to finance fisheries agreements in force. For the renewal of some existing fisheries agreements which are about to expire and some new agreements which are to be negotiated an amount of around EUR 29 million is set for on the reserve line. The remaining part is intended to guarantee the Community's participation in an increasing number of international and regional fisheries organisations, as well as for related preparatory work.

Comments

The overall appropriations allocated to fisheries in the PDB 2009 represent continuity by comparison with the previous financial year, which must be considered a negative development given that previous budgets already represented the minimum necessary to carry out the steps required of public administrations in order to implement a coherent Community Fisheries and Maritime policy with the requisite resources to make it effective.

For the fishing industry, the increased external economic pressure of fuel price increases adds to existing pressures from fleet overcapacity and an eroded resource base caused by overfishing. In the fisheries sector, at current price levels, fuel costs are estimated to be more



than 30% of the value of EU fish landings. Some operators, especially trawlers, are the hardest hit as fuel costs can represent up to 50% of income. In contrast, in recent years, fish prices have stagnated or even decreased, resulting in substantial losses for the sector and critical social problems for the fisherman in general.

Although the Commission proposes to restructure the fisheries sector in line with the current macroeconomic situation, concrete measures are needed to help ensure the survival of those segments of the European fleet that are most vulnerable while taking care of the economic and social repercussions. In this context, additional support is urgently needed to reflect on assistance to fishermen during the restructuring of the sector and exceptional fuel prices.

This support should arise from the CFP with an increase in appropriations and payments, new measures of a social nature or other exceptional measures aiming at restructuring the fishing fleet, reducing prices and fuel dependency and give greater social support to the fisherman, making the sector more environmentally friendly, less fuel dependant and guaranteeing fisherman a fair deal for their catches. The draftsman considers that such extraordinary measures should also lead to greater innovation in the sector and enable fisherman to adapt to the re-structuring of the sector and are absolutely essential in an exceptional time as the current one.

The Commission's PDB 2009 cuts the item intended to co-finance control measures carried out by the Member States by 3,1 %, on the grounds that this item was not fully used under the previous budget and that particular technical support programmes are to be implemented in 2008.

This reduction may in future serve as something of an alibi to cover up poor management by those countries which do not set aside sufficient resources to strengthen fisheries control, a competence which they guard jealously whilst at the same time paying little attention to the satisfactory performance of their tasks, which is their legal obligation. Furthermore, this reduction is not in line with the Court's of Auditor Special report 7/2007¹ which stresses that the Member States should develop analytical programming and follow-up tools for their inspection activities to enable them to ensure that there is adequate overall control pressure and optimal deployment of resources.

In view of their specific characteristics, particular attention needs to be paid to the outermost regions in order to offset the strong disadvantages arising from their isolation and natural conditions. The Council has approved a financial support mechanism for 2008 amounting to EUR 15 million, which does not correspond to the amount of EUR 17 million voted by the European Parliament and thus, this amount will evidently need to be restored. The current legal framework will also need to be adapted to reflect such an increase.

Maritime policy is one of the Union's strategic objectives. The aim is that the various initiatives in the fields of maritime transport, tourism, fisheries, the environment, the conservation of natural resources and research and development should converge and produce a multiplier effect with a view to the development of a European Union maritime policy.

¹ Special Report No 7/2007 on the control, inspection and sanction systems relating to the rules on conservation of Community fisheries resources together with the Commission's replies. Official Journal C317, 28.12.2007.



The ground needs to be prepared for the development of this new integrated policy on the marine environment. This means that the corresponding financial resources with which to launch preparatory initiatives need to be available to continue implementation of already started Preparatory action on Maritime Policy and the Pilot project on Networking and best practices in maritime policy. It is therefore highly appropriate that the corresponding budget items have been entered in the 2009 budget, thus ensuring that these initiatives will not be blocked in 2009.

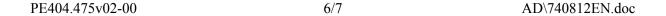
The draftsman expresses his concern, in this context, that a new European Union maritime policy could develop to detriment of the existing priority areas of the CFP as far as it relates to their respective budgetary funding. EUR 6 million provided for the second year implementation of both the Preparatory action (EUR 4,1 million) and the Pilot project (EUR 1,9 million) are not sufficient to cover all aspects of the launching of a new European Union maritime policy. In future, this requires an adequate financing under more than one budget line

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. Welcomes the proposals for the Fisheries and Maritime Policy Budget in 2009 despite the fact that the resources decided on under the Financial Perspective for 2007-2013 are insufficient to meet the needs of the fisheries sector at a time of profound, continued crisis in the fishing industry, characterised by increased costs, particularly for fuel, smaller catches, and lower income;
- 2. Welcomes, equally, the package of measures submitted by the Commission with a view to helping fishermen deal with the crisis arising from rising fuel prices; calls on the Commission to submit, as soon as possible, the ad hoc financial instrument or other mechanism as finally chosen which will release the necessary resources should the Member States' reprogramming of the EFF not suffice, in line with the Commission communication on the adaptation of the fishing fleets to the consequences of high fuel prices (COM(2008)0453);
- 3. Considers that a pilot project for a market price observatory should be included in the 2009 budget with a view to help analysing the setting of prices throughout the value chain of fisheries products;
- 4. Welcomes the continuation of the Preparatory Action on Maritime Policy and the Pilot Project on Networking and Best Practices in Maritime Policy in the 2009 budget, thus ensuring that these initiatives will not be blocked in 2009;
- 5. Expresses its concern at the cuts in allocations intended to co-finance control measures carried out by the Member States; considers that the CFP can be duly implemented only on the basis of full compliance by the Member States with fisheries controls;
- 6. Considers that the Commission must provide the necessary technical, logistic and financial

- aid to enable developing countries to implement the newly-agreed catch certification scheme, as required by Council Regulation (EC) No .../2008 establishing a Community system to prevent, deter and eliminate illegal, unreported and unregulated fishing;
- 7. Expresses its concern that a new European Union maritime policy could develop to detriment of the existing priority areas of the CFP as far as it relates to their budgetary funding; the funds proposed are not sufficient to cover all aspects of the launch of a new European Union maritime policy; in future, such a policy will require adequate financing under more than one budget line.



RESULT OF FINAL VOTE IN COMMITTEE

Date adopted	8.9.2008
Result of final vote	+: 22 -: 1 0: 0
Members present for the final vote	Iles Braghetto, Zdzisław Kazimierz Chmielewski, Carmen Fraga Estévez, Struan Stevenson, Margie Sudre, Cornelis Visser, Stavros Arnaoutakis, Luis Manuel Capoulas Santos, Paulo Casaca, Emanuel Jardim Fernandes, Heinz Kindermann, Rosa Miguélez Ramos, Elspeth Attwooll, Philippe Morillon, Marie-Hélène Aubert, Pedro Guerreiro
Substitute(s) present for the final vote	Colm Burke, Eleonora Lo Curto, Ole Christensen, Teresa Riera Madurell, Jan Mulder, Josu Ortuondo Larrea, Kathy Sinnott, Thomas Wise
Substitute(s) under Rule 178(2) present for the final vote	Salvador Domingo Sanz Palacio