

NAT-VI/028

129th plenary session, 16-17 May 2018

OPINION

The European Maritime and Fisheries Fund (EMFF) beyond 2020: an investment in European coastal communities

THE EUROPEAN COMMITTEE OF THE REGIONS

- considers, in view of the small average size of fishing businesses, direct public support in the form of a grant to be the best option and stresses that this model guarantees control over the destination and use of funds;
- reiterates the general call to support and encourage the renewal of the fishing fleet in order to avoid losses caused by ageing, as the average age of a fishing vessel in the EU is 22.6 years.
 This renewal must be promoted without increasing the fishing effort and focus on improving safety (for example, fire safety) and working and living conditions on board vessels;
- supports strengthening the territorial focus of the fund, through sea basin strategies, thereby
 offering solutions tailored to different circumstances and challenges in the European regions
 and avoiding a "one size fits all" proposal;
- considers that this simplification should include providing fewer and simple requirements and forms to apply for funding and stresses that the application process should be suitable for management by a single body, without resorting to specialist help and third-party advice;
- calls for increased training, particularly in relation to the generational renewal. And also the importance of promoting and achieving a successful handover to the next generation must be stressed, and to ensure this, budgetary support for training and access to the sector via the purchase or replacement of vessels must be prioritised, as this does not generate an increase in fishing effort;
- lends its support to the widespread demand for the new EMFF to reach a minimum threshold of 1% of the MFF post-2020, by adding an increase of 0.47% for the IMP to the current allocation to fisheries and aquaculture of 0.53%. Firmly believes that the United Kingdom's decision to leave the EU should not be used as a pretext to cut future funding to the EMFF, given the important challenges for environmental protection, production and trade created by this process.

Rapporteur
Alberto Núñez Feijóo (EPP/ES), President of the Regional Government of Galicia
COR-2017-05781-00-00-AC-TRA (EN) 1/12

Opinion of the European Committee of the Regions — European Maritime and Fisheries Fund (EMFF) beyond 2020: an investment in European coastal communities

I. POLICY RECOMMENDATIONS

THE EUROPEAN COMMITTEE OF THE REGIONS

- 1. welcomes this debate on an essential fund for boosting the social, environmental and economic conditions in European coastal areas and for developing the maritime and fisheries sector and the blue economy in coastal and marine areas, particularly rural areas;
- 2. is pleased that this debate on the future of the EMFF is being launched at a critical time for maritime Europe, which faces major challenges such as the review of the multiannual financial framework (MFF) and Brexit. Feels moreover that it offers an opportunity to correct the constraints identified in the current fund, although this has to be done at a very early stage, practically after its launch;
- 3. draws attention to the importance of the European maritime and fisheries sector, which involves more than 85 000 vessels, employs over 340 000 people throughout the whole chain, and produces more than 6 000 000 tonnes of fish and seafood from fishing and aquaculture. Stresses the socio-economic impact of this sector in many coastal regions, which are highly dependent on it and where it has strong ties to the local culture and customs;
- 4. emphasises the influence of the common fisheries policy (CFP) and the integrated maritime policy (IMP) in shaping the future of this sector in Europe, as they gear objectives on improving the environmental, social and economic sustainability of fishing;
- 5. recognises the important role played by the previous financial programmes in the non-traumatic redefinition of the sector which has made a significant effort to adapt that should be recognised and in achieving a state-of-the-art processing sector that can compete at global level;
- 6. draws attention to the problems arising from the implementation of the CFP, such as reducing discards or achieving maximum sustainable yield (MSY), in addition to those resulting from Brexit and the new challenges that arise daily on the market and in connection with the global production of marine proteins. There is a need to supply our markets with healthy, safe food products and stem imports of foreign products that are not subject to adequate controls;
- 7. points out that the fisheries sector contributes to society across the EU, particularly in two areas: food and climate. The fisheries sector helps keep the EU self-sufficient in terms of food, guaranteeing citizens and thus consumers a product which meets food safety requirements and abiding by the rules on proper management of fisheries and aquaculture. The Committee points out that food is a key EU competence as enshrined in the TFEU, and that the EU market is dependent on imports of fish and seafood. The Committee points out that food is United Nations Sustainable Development Goal 2, welcomes the "Food from the oceans" report and calls for the recommendations set out in this report to be taken fully on board. By investing in ships and

ports, the fisheries sector helps reduce greenhouse gases (GHGs) and limit the use of fossil fuels;

A sector with potential and momentum that deserves support in the face of constant change

- 8. considers it important to safeguard the budget needed to deal with the changes brought about by both the CFP and the challenges affecting the maritime and fisheries sector;
- 9. calls on the European Commission, within the framework of the new MFF, to put forward a proposal for the EMFF that is comprehensive enough to meet the goals and objectives of the CFP, allowing investment in coastal communities undergoing change and taking into account the external dimension of fisheries;
- 10. asks that the EMFF objectives focus on the importance of maritime and fisheries activities and of sustainable aquaculture in sea and fresh water, and not, as has been mentioned on several occasions, on giving priority to substituting them with other activities, since all marine activities are compatible. Takes the view that that fishing can retain its traditional character and relaunch it for the future. For this reason, it is important to increase the attractiveness of the fishing profession. Specifically, the Committee calls for the EMFF to be devoted to the fisheries sector and to sustainable aquaculture in sea and fresh water and to aim at achieving the objectives of the Common Fisheries Policy, in particular supporting small-scale coastal fisheries, providing incentives to young generations, making the fishing profession more attractive and boosting the Union's coastal communities. The Committee of the Regions would therefore like the EMFF to be designed in such a way as to support new types of activity and develop the industry, and would like state aid rules to support such efforts;
- 11. reiterates stakeholder support for the call for a European environmental and maritime financial instrument that would provide support for new and existing businesses in the form of bank loans and guarantees; is pleased that the fisheries sector is included among the priorities of the Juncker plan 2.0 and calls for this approach to be kept up beyond 2020;
- 12. calls for the post-2020 EMFF to include and strengthen the territorial dimension of policies and support provided to European coastal communities to help them in their possible move to diversify traditional maritime industries by supporting investments in complementary activities such as fish restaurants serving local produce, and environmental, cultural and educational services in the fisheries sector;
- 13. stresses the need to maintain and increase the resources available for local development, as community-led local development (CLLD) strategies have proved to be a success for small communities by providing financial support for community empowerment and economic diversification beyond the fishing sector;

The current EMFF: an important means of support with conflicting objectives and late implementation

- 14. recognises the importance of the EMFF and praises the structure of the current fund, which is subdivided into two key areas, relating to the CFP and the IMP, that do not interfere with each other;
- 15. calls for specific measures and management arrangements for the outermost regions to be adopted under new EU programmes to support the sustainable development of fisheries and other sectors of the blue economy in these regions, pursuant to Article 349 of the Treaty on the Functioning of the European Union. Such measures should be part of a specific instrument that includes a compensation regime for the additional costs of fishery and aquaculture products in the outermost regions, something which is currently governed by the EMFF;
- 16. regrets the late entry into force of the fund and the considerable delay in the provision and implementation of the funds. Considers this lateness to be due to the delay in approving the fund and to the fact that the validation process for the operational programmes was slow and the definition of eligible parties cumbersome and unclear;
- 17. calls for better use and implementation of the financial resources provided by the EMFF in order to make up for the delay. Efforts should be stepped up to provide financial support to improve and increase the fund's low overall implementation rate, which was 2.7% in November 2017;
- 18. points out the need, in the future, to better coordinate the programming and structuring that creates temporary discrepancies between the objectives and the funds linked to the CFP. In this regard, highlights the need to come up with a clear strategy how the fund will be implemented before addressing challenges such as the MSY targets or objectives to reduce discards;
- 19. welcomes the significant financial support given to CLLDs and considers the allocation of funding to measures to improve the environmental sustainability and competitiveness of our maritime and fisheries sector to be an advantageous and sensible move;

The importance of a new specific horizontal fund

- 20. emphasises that during the budgetary process, Europe should not neglect "little" policies such as the CFP. Stresses that the EMFF is important for coastal communities, as it helps them to diversify their economies, its helps fishermen make the transition to sustainable fishing and it funds projects that create new jobs and improve the quality of life in European coastal areas;
- 21. lends its support to the widespread demand for the new EMFF to reach a minimum threshold of 1% of the MFF post-2020¹, by adding an increase of 0.47% for the IMP to the current allocation

.

As discussed at the Conference of Peripheral Maritime Regions (CPMR) in Helsinki. It should be noted that the majority of the main maritime fishing regions and recipients of EMFF funding are members of the CPMR. This approach would allow a constant budget for the CFP and support the development of more ambitious measures in the framework of the IMP.

to fisheries and aquaculture of 0.53%. Firmly believes that the United Kingdom's decision to leave the EU should not be used as a pretext to cut future funding to the EMFF, given the important challenges for environmental protection, production and trade created by this process;

- 22. highlights the need to define new objectives that contribute to the viability and strength of maritime and fisheries activities. The importance of promoting and achieving a successful handover to the next generation must be stressed, and to ensure this, budgetary support for training and access to the sector via the purchase or replacement of vessels must be prioritised, as this does not generate an increase in fishing effort;
- 23. calls for improved safety and living conditions for seafarers to be a definite priority for the future EMFF, in connection with its contribution to the delivery of the 20 principles of the European Pillar of Social Rights;
- 24. reiterates the general call to support and encourage the renewal of the fishing fleet in order to avoid losses caused by ageing, as the average age of a fishing vessel in the EU is 22.6 years. This renewal must be promoted without increasing the fishing effort and focus on improving safety (for example, fire safety) and working and living conditions on board vessels;
- 25. the EMFF must assist the fisheries and aquaculture sectors in contributing to European climate objectives by rolling out innovative investments across the board (mechanisation, aerodynamics, etc.). The Committee points to the restrictive conditions established by the current EMFF regulation, which drastically limit its impact on mitigating the effects of climate change. The post-2020 EMFF will need to play a pivotal role in reducing the sector's carbon footprint;
- 26. highlights the need to maintain and increase, by at least 10%, financial support allocated to data collection and systematisation, as well as to applied research and involving the sector itself in this process by promoting contact between fishermen and scientists;
- 27. links this effort to the adoption of more suitable measures to conserve marine resources and to adapt the fishing effort. Stresses, in any case, the need to continue support for measures to compensate the fleet for socio-economic damage caused by environmental measures such as area closures, temporary stops and other measures limiting fishing activities;
- 28. calls for the continuation of measures that help to improve the organisation of the sector and its internal cohesion, which foster co-governance within the sector and highlight its importance in ensuring proper definition and enforcement of the rules²;
- 29. calls for the Advisory Councils to be given greater resources and a stronger remit in order to further regionalise the CFP, and for the CFP reform to provide for the full participation of the regions covered by the councils;

Reasonably successful formulas that can serve as a model for other recipients of support should be identified. In this case, examples could be provided by groups such as formal multi-stakeholder co-governance committees which include fishermen, NGOs, the public authorities and other actors in Catalonia, or the seafood management systems in Galicia.

- 30. calls for continued support to the processing and marketing industry in order to boost its competitiveness and to create a level playing field. The EU should avoid inconsistencies with other policies, such as market or customs taxation policies;
- 31. advocates the diversification and complementarity of coastal economic activities, by making the most of CLLD strategies, particularly in non-urban coastal areas where they have contributed to a strong ability to retain the local population, and for this reason the multi-fund nature of CLLD should be strengthened;
- 32. suggests that the EMFF support initiatives and activities linked to maritime and fisheries sector and those activities that it directly influences. To this end, recommends creating a European financial instrument³ that would provide venture capital and bank guarantees for loans, on the condition that investments contribute to improving the environmental sustainability of maritime and fishing activities, shellfishing, sea and fresh water aquaculture and the sea-to-industry chain:
- 33. calls for a white paper on "The sea at the heart of Europe", to include a maritime roadmap for each EU policy;

Possibilities for coordination and creating synergies with other funds

- 34. emphasises the possibility of creating synergies and integrating the capacity of other sectoral funds in order to promote socio-economic development in coastal areas, without necessarily redefining their structure since the organisational set up and objectives of each one will avoid overlap; again calls for interregional, national and transnational projects that are consistent with the initiative's strategic framework and the S3 to be eligible for financing through the pooling of regional, national and European funds within a simplified framework and to qualify for a community bonus, without the need for new calls for projects;
- 35. stresses that the integrated and multi-fund approach of the current European Structural and Investment Funds, which include the EMFF, should be increased post 2020, by eliminating the existing regulatory differences that currently limit the ability of these funds to be delivered together at local level including via CLLD;
- 36. believes that these synergies should focus on the implementation of European Agricultural Fund for Rural Development (EAFRD) projects in non-urban coastal areas, through CLLD strategies and by examining the possibilities for joining up these funds for aquaculture of all types, with particular reference to freshwater aquaculture practised in landlocked Member States, as these Member States and regions have expressly pointed out on various occasions;
- 37. argues in favour of European Regional Development Fund (ERDF) measures for infrastructure linked to maritime and fisheries activities particularly ports which contribute to regional development in peripheral and extremely remote areas. Suggests that some activities linked to processing could be considered as support measures for SMEs provided by the ERDF;

3

A fund called for by the majority of SMEs, associations and new businesses within the blue economy.

- 38. calls for increased training, particularly in relation to the generational renewal, provided through the use of financial support linked to the European Social Fund (ESF);
- 39. takes the view, in line with the recommendations put forward in the CoR opinion on blue growth⁴, that the blue economy still has untapped potential to create additional jobs and economic growth at European level, through smart investment in innovative forward-looking businesses. Suggests reducing the existing overlap between the EMFF and Horizon 2020 in the area of fisheries, aquaculture and marine research;

A new simplified, more flexible fund shaped by the CFP

- 40. calls strongly for a considerable simplification of the EMFF implementation with the EU drawing up general guidelines, and basins and regions adapting their implementation to the local territory, without adding red tape at each administrative level or level of competence. Considers that this simplification should include providing fewer and simple requirements and forms to apply for funding and stresses that the application process should be suitable for management by a single body, without resorting to specialist help and third-party advice;
- 41. supports the call for a fund that is geared to the circumstances of the CFP and the sector. Notes that the objectives and targets of the CFP should shape the EMFF, as a specific funding programme, and not the other way round. Emphasises the need to tailor the provision of funds to suit the activities to be implemented, and to avoid delays in the delivery of funds to beneficiaries in order to prevent strains in their economy;
- 42. highlights the need to clearly define the parties eligible for support to ensure the swift and correct implementation of the fund. Generic eligibility guidelines should be set out and the details of parties to be supported should then be fine-tuned in the basins and regions; in particular, we ask the European Commission to define/elaborate a definition of small-scale coastal fisheries, taking into account new criteria and giving response to the reality and diversity of the EU fleet;
- 43. considers, in view of the small average size of fishing businesses, direct public support in the form of a grant to be the best option. Stresses that this model guarantees control over the destination and use of funds, has a direct leverage effect on the economy, stimulates initiatives, builds trust and ensures that funding is obtained, by acting as a guarantor for the receipt of investment funds;
- 44. is of the view that together with small and medium-sized enterprises, stronger cooperation and synergies are needed and more centres need to be set up to stimulate research and innovation and pilot new innovations;
- 45. revisits the debate on whether it is desirable to open up access to direct financial support to businesses with a high volume of staff or turnover, even partially. Considers that their ability to

See CoR opinion on "A new stage in the European policy on blue growth" (NAT-VI/019).

boost research, development and innovation (RDI), to improve labour standards and to generate added value in coastal rural areas could go to waste due to a lack of support;

- 46. stresses the importance of ensuring that all maritime and fisheries sectors can access support based on their objectives and characteristics. Believes that support from the fund should reach all coastal areas, including major urban centres with strong links to the maritime and fisheries sector, which should be able to obtain support from the EMFF;
- 47. supports strengthening the territorial focus of the fund, through sea basin strategies, thereby offering solutions tailored to different circumstances and challenges in the European regions and avoiding a "one size fits all" proposal;
- 48. calls for a greater role and more autonomy for the regions in defining the objectives and spending areas. Although the EMFF is currently managed at Member State level, there are successful examples where it has been sub-delegated to the competent regional authorities in some Member States. The new EMFF Regulation should explicitly encourage this. Emphasises the unanimous nature of this call and the positive experience gained in relation to management of the EMFF in many regions. Considers that the demand for adaptation is particularly relevant to the outermost regions, for whom EMFF application conditions in terms of eligibility, co-financing rates and aid levels should also be revised and improved. Moreover, support under compensation plans for covering the additional costs for fisheries and aquaculture products in outermost regions should, in view of its objectives and specific features, be stepped up and the associated implementing rules should be made similar to those applying to similar support granted in the agricultural sector;

A new fund to face future challenges

- 49. would like to see the EU's new European maritime policy support efforts to develop new technologies and tailored solutions to mitigate climate change; points out that marine ecosystems have been damaged by climate change, pollution and over-fishing;
- 50. stresses the importance of the IMP and the need to increase funds allocated to it as a way of supporting the expansion of job and wealth creation relating to the sea. Stresses the need to provide specific funds and to consider cross-border, transnational and interregional cooperation as an essential factor in this field, particularly in areas such as maritime spatial planning, data collection, and ensuring security and surveillance and the creation of areas for the replenishment of fish stocks;
- 51. stresses the need to establish a European blue economy investment fund/mechanism, a maritime Juncker plan 2.0, which could have two complementary intervention methods: direct financing at European level of structural and high-risk projects, and the establishment of regional investment platforms;
- 52. emphasises the external dimension of the CFP and the IMP, making explicit the importance of supporting the EU's contribution to better governance of the oceans. Supports these efforts as a

means of boosting the sustainability and competitiveness of our maritime-fisheries sector through the creation of a level playing field for competition and more sustainable oceans;

- 53. considers the maritime sector to have the potential to create additional jobs and economic growth. Highlights the fact that some regions have already developed detailed plans for developing the marine economy and that many others are engaged in this process;
- 54. points out that there is growing international interest in maritime issues, both in the COP 21 and 22 conclusions and in free trade agreements and that the EU maritime companies face strong competition from abroad in all sectors of the blue economy, such as transport, energy, innovation, shipbuilding, fisheries and aquaculture. The Committee therefore advocates for consistent and sufficiently funded EU policy as the best option for the maritime regions of the EU and encourages the EU to invest in these industries, especially renewable marine energy and marine biotechnologies, where we can become a world leader;
- 55. warns that Brexit is a significant challenge looming over the maritime and fisheries sector in the short and long term and stresses the need to consider and address its impact on the regions⁵. Warns of the negative impact that this process could have in terms of allocations to fisheries and the marketing of seafood products, and calls for financial support to minimise this effect;
- 56. supports the increased involvement of CLLDs in the overall financial package, as this instrument has proven effective in small coastal communities. Advocates for new ways of working to be introduced to such strategies, in order to promote the important socio-economic role of the maritime-fisheries sector and to make it attractive to young people, thus encouraging generational renewal. Highlights the role that the FARNET network plays and can continue to play in coordinating efforts.

Brussels, 16 May 2018

The President of the European Committee of the Regions

Karl-Heinz Lambertz

⁵ See CoR study on the impact of Brexit on the EU's local and regional authorities.

The Secretary-General of the European Committee of the Regions

Jiří Buriánek

II. PROCEDURE

Title	The European Maritime and Fisheries Fund (EMFF) beyond
	2020: an investment in European coastal communities
References	
Legal basis	Article 307(1) TFEU
Procedure	Own-initiative opinion
Date of Council referral/Date of	
Commission letter	
Date of President's/Bureau decision	29/11/2017
Commission responsible	Commission for Natural Resources
Rapporteur	Alberto NUNEZ FEIJOO (ES/EPP)
Analysis	30/01/2017
Discussed in commission	9 March 2018
Date adopted in commission	9 March 2018
Result of the vote in commission	majority
Date adopted in plenary	1605/2018
Previous Committee opinions	CdR 034/2012 Opinion on the European Maritime and
	Fisheries Fund (EMFF) ⁶

OJ C 391, 18.12.2012, p. 84