

**No EU aid for extraordinary or permanent cessation of fishing activities
PECH vote on 19 February 2019 on the post-2020 European Maritime and Fisheries Fund
Rapporteur: Gabriel Mato (EPP) C8-0270/2018 – 2018/0210(COD)**

Dear Member of the Fisheries Committee of the European Parliament,

Your vote on the post-2020 European Maritime and Fisheries Fund (EMFF) on 19 February 2019 can help with the transition to sustainable fishing by ensuring that public spending is allocated to achieve the goals of the Common Fisheries Policy (CFP). **We, the undersigned organizations, would like to highlight our serious concerns regarding some amendments tabled by members of the Fisheries Committee on the post-2020 EMFF to maintain subsidies for extraordinary cessation (previously called temporary cessation) and re-introduce subsidies for the permanent cessation of fishing activities. We ask you to strengthen the Commission's proposal and reject this type of harmful subsidies which have been considered very problematic in the past, as cash flow is difficult to control. The risk is that EU and public money is misused to finance activities that enhance fishing capacity.**

1. Extraordinary cessation

Although extraordinary cessation is often described as aid linked to conservation measures or deemed as a social need for fishers when there is insufficient income from fishing, in some cases, this kind of subsidy artificially maintains excessive fishing capacity and its associated environmental and economic damaging effects¹. For example, as early as 1994, the Court of Auditors found that temporary cessation aid had been granted for periods where fishers would not have been fishing in any case². Aid for extraordinary cessation does not remove the root causes of overfishing, but contributes to maintaining the status quo by essentially rewarding individuals for overfishing. This should not be continued and instead the sector should be helped to diversify from fisheries activities or to set up its own tie-up fund. Other existing government social schemes may be used, as necessary, to support incomes while stocks rebuild.

We therefore ask you to **reject AM 45, 47, 48, 49, 50, 445, 539, 540, 541, 542, 723, 724, 725, 726, 727, 728, 729, 730, 731, 734, 735, 736, 737, 738, 739, 740, 741, 742, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 760, 761, 762, 763, 764, 765, 768, 769, 770, 771, 772 and 1022.**

2. Permanent cessation

Permanent cessation is usually granted for fishers for the scrapping of their vessel or the decommissioning and retrofitting to activities other than fishing. While the intended purpose of this aid is to support the exit of vessels from the sector and tackle overcapacity, the European Court of Auditors identified this type of measures as one of the most controversial direct subsidies that, paradoxically, have the effect of

¹ Court of Auditors, Special Report No 3/93 concerning the implementation of the measures for the restructuring, modernization and adaptation of the capacities of fishing fleets in the Community, OJ C 2 , 04.1.1994, p. 48; Special Report No 12/2011 "Have EU measures contributed to adapting the capacity of the fishing fleets to available fishing opportunities?" 12/12/2011, point 76.

² Court of Auditors, Special Report No 3/93 concerning the implementation of the measures for the restructuring, modernization and adaptation of the capacities of fishing fleets in the Community, OJ C 2 , 04.1.1994, p. 48; Regulation (EC) No 1198/2006 and Council Regulation (EC) No 861/2006 and Council Regulation No XXX/2011 on integrated maritime policy (COM(2013)0245 – C7-0108/2013 – 2011/0380(COD)), PE 494.539v03-00 A7- 0282/2013 Fund repealing Council.

encouraging fishers to stay in business. The EU has spent 2.73 billion euro from 1994 until 2013 to scrap fishing vessels, but despite this massive spending, the EU fishing capacity has still increased by about 3% every year³. To avoid this, the Commission is proposing a results-based approach by only granting funding for permanent cessation once there is a reduction of fishing capacity. While we welcome the new approach, it is in practice very difficult to control how these premiums are spent. Fishers may, for example, reinvest this money in a new fishing vessel or in the modernisation of other vessels they own, which would lead to an overall increase of the fishing capacity, despite one vessel (often less efficient at catching fish) having been scrapped. The continued presence of such aid may actually contribute more to capacity problems by reducing investment risks and injecting funds into businesses.

The current EMFF Regulation crucially contains a phasing out of these types of subsidies from 31 December 2017 onwards. The legislators introduced the phase-out because they recognised the limitations and challenges of this type of approach, including the difficulty of verifying that all of the conditions are respected. The post-2020 EMFF should therefore not reintroduce it until it can be proven and duly justified with solid evidence that all control and check mechanisms exist to avoid that the money granted with these subsidies is reinvested in fishing capacity enhancing activities, that all conditions are respected, and that it can be proven that fishing capacity will be reduced.

We therefore ask you to **reject AM 40, 41, 42, 43, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 686, 687, 688, 689, 691, 692 and 693** and instead to **support AM 667, 927, 929, 931, 932 and 934**.

We wish to thank you in advance for your consideration. Please feel free to contact us should you require additional information.

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³ European Commission, Non-Paper, "[CFP Reform – Transferable Fishing Concessions](#)".