

### The European Maritime, Fisheries and Aquaculture Fund (EMFAF) 2021-2027

Presentation of the provisional agreement





### **AGENDA**

#### PRESENTATION

- Political context
- Scope of EMFAF
- > Financial framework
- Conditions of support
- Programming
- Monitoring

#### QUESTIONS AND ANSWERS





# Political context What to expect from the new fund

- Maximising the added value of public investment
- Contributing to the horizontal policy objectives of the Union (resilience, green transition, digital transition)
- Result-orientation
- Simplification
- Avoiding harmful fisheries subsidies
  - Sustainable Development Goal 14.6: commitment to eliminate fisheries subsidies which contribute to overcapacity and overfishing
  - > On-going discussion at the World Trade Organisation on fisheries subsidies





#### **Political context**

Overview of key policy areas

European Green Deal: making Europe carbon neutral by 2050

EU main priorities

**Recovery and Resilience** 

Main policy objectives

Climate neutrality

Circular Economy

Zeropollution

Farm to Fork

**Biodiversity** 

Digital transformation

Scope of EMFAF

Sustainable Blue Economy – Common Fisheries Policy – Maritime Policy – International Ocean Governance

Maritime Affair & Fisheries



### Scope of EMFAF Achieving the objectives of the CFP

- Promoting sustainable fishing (MSY, elimination of discards, low-impact fishing)
- Providing conditions for the competitiveness of the fishing sector
- Supporting the structural management of fisheries and fleets
- Promoting an efficient market for fisheries products
- Contributing to a fair standard of living in coastal areas (focus on small-scale coastal fishing)
- Contributing to the collection of scientific data for fisheries management
- Supporting control and enforcement and promoting a culture of compliance
- Promoting a sustainable aquaculture



# Scope of EMFAF Contributing to the EU maritime policy

- Promoting a sustainable blue economy (innovation, technology transfer, skills, data sharing, etc.)
- Promoting an integrated governance and management of the maritime policy (e.g. maritime spatial planning, maritime regional cooperation)
- Fostering maritime surveillance and security
- Strengthening international ocean governance (UNCLOS, fight against IUU fishing, contributions to RFMOs, etc.)





# Scope of EMFAF Contributing to the Biodiversity Strategy

- Protecting and restoring aquatic biodiversity and ecosystems
- Contributing to the achievement of a good environmental status in the marine environment
- Implementing marine protected areas



### Scope of EMFAF Priorities

- 5 overarching **Policy Objectives** established in the Common Provisions Regulation (CPR)
- 4 EMFAF **Priorities** contributing to Policy Objectives 2 and 5

POLICY OBJECTVE (CPR)	EMFAF PRIORITY
(2) A greener, low-carbon transitioning towards a net zero carbon economy and resilient Europe by promoting clean and fair energy transition, green and blue investment, the circular economy, climate change mitigation and adaptation and risk prevention and management	(1) Fostering sustainable fisheries and the restoration and conservation of aquatic biological resources
	(2) Fostering sustainable aquaculture activities, and processing and marketing of fisheries and aquaculture products, thus contributing to food security in the Union
	(4) Strengthening international ocean governance and enabling seas and oceans to be safe, secure, clean and sustainably managed
(5) A Europe closer to citizens by fostering the sustainable and integrated development of all types of territories and local initiatives	(3) Enabling a sustainable blue economy in coastal, island and inland areas, and fostering the development of fishing and aquaculture communities

FRIORITI	
(1) Fostering sustainable fisheries and the restoration aquatic	
biological resources	

**PRIORITY** 

#### **SPECIFIC OBJECTIVES UNDER SHARED MANAGEMENT** Strengthening economically, socially and environmentally sustainable fishing activities Increasing energy efficiency and

engines of fishing vessels

capacity and contributing to a fair

Fostering efficient fisheries control and enforcement, including fighting against IUU fishing, as well as reliable data for

knowledge-based decision-making

Promoting a level-playing field for

Contributing to the protection and

the outermost regions

ecosystems

fishery and aquaculture products from

restoration of aquatic biodiversity and

cessation of fishing activities

Provision of scientific advice and knowledge for the purpose of

promoting sound and efficient fisheries management decisions under the CFP reducing CO2 emissions through the replacement or modernisation of Regional cooperation on conservation Promoting the adjustment of fishing capacity to fishing opportunities in cases of permanent cessation of fishing

measures Development and implementation of a Union fisheries control system standard of living in cases of temporary Functioning of Advisory Councils

> Voluntary contributions to the activities of international

organisations dealing with fisheries Promotion of clean and healthy seas and oceans

**SCOPE UNDER DIRECT** 

**MANAGEMENT** 

sustainable aqu	
activities, and processing and marketing of fisheries and aquaculture products, thus contributing to food security in the Union  corproducts and actions actions actions actions.	emoting subaculture and the inpetitiven oduction which is are stainable in the impetitive of the impetitive and the impetitive of the impetitive and the impetitive of the imp

# SPECIFIC OBJECTIVES UNDER SHARED MANAGEMENT moting sustainable

Promoting sustainable aquaculture activities, especially strengthening the competitiveness of aquaculture production while ensuring that the activities are environmentally sustainable in the long term

Promoting marketing, quality and value added of fisheries and aquaculture products, as well as processing of these products

### SCOPE UNDER DIRECT MANAGEMENT

Development and dissemination of market intelligence for fishery and aquaculture products by the Commission

### **PRIORITY** (3) Enabling a sustainable blue economy in coastal, island and inland areas, and fostering the development of fishing and aquaculture communities

# SPECIFIC OBJECTIVES UNDER SHARED MANAGEMENT

Enabling a sustainable blue economy in coastal, island and inland areas, and fostering the sustainable development of fishing and aquaculture communities

Community-led local development

### SCOPE UNDER DIRECT MANAGEMENT

Promotion of a sustainable, low carbon and climate resilient blue economy

Promotion of an integrated governance and management of the maritime policy, including through maritime spatial planning, sea basin strategies and maritime regional cooperation

Enhancement of the transfer and

uptake of research, innovation and technology in the sustainable blue economy

Improvement of maritime skills, ocean literacy and sharing of socio-economic and environmental data on the sustainable blue economy

Development of project pipelines and innovative financing instruments

### **PRIORITY (4)** Strengthening international ocean governance and enabling seas and oceans to be safe, secure, clean and sustainably managed

# SPECIFIC OBJECTIVES UNDER SHARED MANAGEMENT

### SCOPE UNDER DIRECT MANAGEMENT

Strengthening sustainable sea and ocean management through the promotion of marine knowledge, maritime surveillance and coastguard cooperation

Implementation of the European marine observation and data network (EMODnet)

Promotion of maritime security and surveillance, including through data sharing, coastguard and agencies cooperation and fight against criminal and illegal activities at sea

Voluntary contributions to international organisations active in the field of ocean governance

International cooperation in the context of the UN Convention on the Law of the Sea, the 2030 Agenda for Sustainable Development and other international agreements

Implementation of ocean partnerships between the Union and relevant ocean actors

Implementation of international agreements that aim to promote better ocean governance

Implementation of international agreements to prevent, deter and eliminate illegal, unreported and unregulated fishing

International cooperation on ocean research and data



### **Scope of EMFAF**Climate and environment objectives

"Support under the EMFAF shall contribute to the achievement of the **environmental** and **climate** change mitigation and adaptation objectives of the Union."

- Contribution to the overall target of 30% of expenditure under the Union budget spent on climate objectives
- ➤ Contribution to the overall target of expenditure under the Union budget spent on biodiversity objectives (7.5% of annual spending in 2024 and 10% of annual spending in 2026 and 2027)

No specific EMFAF target for climate or environment





### Financial framework General framework

- Overall budget for 2021-2027: <u>EUR 6.108 billion</u> in current prices (2014-2020: EUR 6.396 billion)
- Budgetary resources for shared management: <u>EUR 5.311</u>
   <u>billion 87%</u> (2014-2020: EUR 5.749 billion 90%)
  - ➤ National allocations established on the basis of the 2014-2020 distribution key (relative stability)
- Budgetary resources for direct management: <u>EUR 797</u> <u>million – 13%</u> (2014-2020: EUR 647 million – 10%)





### Financial framework Ring-fenced elements

- Maximum 15% of each national allocation for five « fleet measures » together:
  - First acquisition of a second hand vessel, engine replacement, increase of gross tonnage, permanent cessation, temporary cessation
- Minimum 15% of each national allocation for fisheries control and the collection of scientific data together (lower percentage possible for land-locked Member States)
- Minimum amounts for the outermost regions (for structural investment + compensation for additional costs)
  - Compensation capped at 60% (up to 70% if duly justified in the programme)
    Montime Affairs
    Reference



#### **Financial framework**

### Co-financing rate

# Single maximum co-financing rate under shared management (Union's share): 70%

One exception: 100% for the compensation of additional costs in the outermost regions

#### Comparison with 2014-2020 (no single rate):

- Higher for permanent cessation, temporary cessation and engine replacement (50%)
- Lower for everything else (in a 75%-100% range)





### Conditions of support A broad scope of support

- Focus on ends (objectives) rather than means (eligibility rules)
- Flexibility for Member States to define eligibility rules
- Discontinuation of the pre-defined measures of the 2014-2020 framework
- Example with aquaculture:
  - > 2014-2020: 11 measures (= 11 articles)
  - ➤ 2021-2027: one Specific Objective mirroring the aquaculture-related objectives of the Common Fisheries Policy



# **Conditions of support** *General principles of eligibility*

#### General principle in the Common Provisions Regulation:

The eligibility of expenditure is determined on the basis of national rules, except where specific rules are laid down in the Union legal framework

#### General principles for shared management in the EMFAF:

Member States may support operations which:

- ✓ fall under the scope of the Priorities and Specific Objectives
- √ are not explicitly ineligible
- ✓ are in accordance with applicable Union law





# Conditions of support List of ineligible operations (1/3)

- Operations that increase the fishing capacity of a fishing vessel, <u>unless otherwise</u> <u>provided for in the Regulation</u>;
- The acquisition of equipment that increases the ability of a fishing vessel to find fish;
- The construction and acquisition of fishing vessels or the importation of fishing vessels, <u>unless otherwise provided for in the Regulation</u>;
- The transfer or reflagging of fishing vessels to third countries including through the creation of joint ventures with partners of those countries;
- The temporary or permanent cessation of fishing activities, <u>unless otherwise</u> <u>provided for in the Regulation</u>;
- The replacement or modernisation of a main or ancillary engine on a fishing vessel, unless otherwise provided for in the Regulation;



# Conditions of support List of ineligible operations (2/3)

- Exploratory fishing;
- The transfer of ownership of a business;
- Direct restocking, except explicitly provided for as a reintroduction measure or other conservation measures by a Union legal act or in the case of experimental restocking;
- The construction of new ports or new auction halls, with the exception of new landing sites;
- Market intervention mechanisms aiming to temporarily or permanently withdraw
  fishery or aquaculture products from the market with a view to reducing supply in
  order to prevent price decline or drive up prices, unless otherwise provided for in
  the Regulation;





# Conditions of support List of ineligible operations (3/3)

- Investments on board fishing vessels necessary to comply with the requirements under Union law in force at the time of the submission of the application, including requirements under the Union's obligations in the context of regional fisheries management organisations, <u>unless otherwise provided for in the Regulation</u>;
- Investments on board fishing vessels that have carried out fishing activities for less than 60 days in the two calendar years preceding the year of submission of the application for support.



# Conditions of support Specific conditions for fleet measures

- The concept of pre-defined measures remains for five « fleet measures » subject to detailed conditions:
  - > First acquisition of a second hand vessel
  - Engine replacement or modernisation
  - ➤ Increase of gross tonnage to improve safety, working conditions or energy efficiency
  - > Permanent cessation of fishing activities
  - > Temporary cessation of fishing activities
- Conditions are necessary to avoid harmful fisheries subsidies (i.e. contributing to fleet overcapacity and overfishing)



### **Conditions of support** *First acquisition of a vessel*

- Start-up support for young fishers (younger than 40): first acquisition of a vessel
- Only second-hand vessels (minimum 3 years old for smallscale vessels; minimum 5 years old for other vessels)
- Only vessels smaller than 24m
- Only in fleet segments without overcapacity
- Possibility of **partial ownership** (with minimum 33% of the shares)



### Conditions of support Engine replacement/modernisation

- Only for vessels smaller than 24m
- Only in fleet segments without overcapacity
- The new engine must not have more power than the engine replaced (but no reduction required)
- For vessels between 12m and 24m, the new engine must emit at least 20% less CO2 than the engine replaced
- Physical verification of the new engines (to make sure that their actual power matches the power declared)



### **Conditions of support** *Increase of gross tonnage*

<u>New measure introduced by the co-legislators:</u> increase of the volume of fishing vessels (gross tonnage, i.e. fishing capacity)

- Only to improve safety, working conditions or energy efficiency exhaustive list of eligible operations
  - > e.g. increase in gross tonnage necessary for the subsequent installation of accommodation facilities dedicated to the exclusive use of the crew
- Only for vessels smaller than 24m and older than 10 years
- Only in fleet segments without overcapacity
- Obligation to **offset the increase of gross tonnage by an equivalent reduction** in the same fleet segment or in a segment subject to overcapacity (in the same national fleet)



### **Conditions of support**

#### Permanent cessation

- Structural tool to eliminate fleet overcapacity (must be included in the action plan for imbalanced fleet segments)
- Permanent cessation (through scrapping or retroffiting)
  - the fishing licence and autorisation are permanently withdrawn
  - the fishing capacity (GT and kW) is permanently removed from the Union Fleet Register and cannot be replaced
- Eligible beneficiaries: vessel owners and crew members
- The beneficiary cannot register a new vessel within 5 years. The crew members must cease fishing activities for five years.



### Conditions of support Temporary cessation

- Compensation for temporary cessations of fishing activities stemming from:
  - conservation measures or emergency measures
  - interruptions of the application of Sustainable Fisheries Partnership Agreements for reasons of force majeure
  - natural disasters, environmental incidents, health crises
- Minimum duration of the cessation: 30 days in a calendar year
- Maximum duration of the compensation: 12 months in the programming period
- Cessations stemming from conservation measures must lead to a reduction of fishing effort (on the basis of scientific advice)



### **Conditions of support** *Exceptional crisis measure*

### New measure in case of exceptional events generating a significant disruption of the market

- Two types of financial compensations:
  - to operators of the fishery and aquaculture sector for their income foregone or additional costs
  - to producer organisations to implement the storage mechanism of the Common Market Organisation (i.e. reducing supply in order to drive prices up)
- Compensations eligible only if the Commission has set out the occurrence of an exceptional event by way of an implementing decision. Expenditure eligible only during the period of occurrence of the exceptional event.



### Conditions of support Intensity of public aid (1/2)

#### Standard maximum rate of public aid: 50%

<u>Specific maximum rates for certain categories of operations or beneficiaries:</u>

- 40% for certain fleet measures (i.e. first acquisition of a vessel, engine replacement, increase of gross tonnage)
- 100% for operations related to small-scale coastal fishing
- 100% for operations wich are (1) of collective interest, (2) have a collective beneficiary and (3) have innovative features or ensure public access to their results (cumulative conditions)
- 75% for operations implemented by producer organisations
- 75%-100% for certain operations related to the landing obligation
- 75% for operations related to health, safety and working conditions on board
- 85% for operations located in the outermost regions or in remote Greek and Croatian islands

  Maritime Affairs

  AFFISHERIES



### Conditions of support Intensity of public aid (2/2)

- 85% for operations related to fisheries control
- 100% if the beneficiary is a public body
- 100% for compensations
- 100% for operations related to the collection of scientific data
- 100% for operations related to the protection of biodiversity and ecosystems
- 100% for operations related to Priority 4
- 100% for CLLD operations wich are (1) of collective interest, (2) have a collective beneficiary or (3) have innovative features and ensure public access to their results (non cumulative conditions)
- 100% for financial instruments
- 60% for operations related to sustainable aquaculture implemented by SMEs
- 75% for operations related to innovative products, processes or equipment in fisheries, aquaculture and processing
- 60% for operations implemented by organisations of fishers or other collective beneficiaries



# **Conditions of support** *Safeguards against infringements*

- Inadmissibility of applications submitted by operators who have committed serious infringements to the Common Fisheries Policy (e.g. illegal fishing, invalid licence, forbidden gear)
  - Delegated act to establish the threshold of serious infringements triggering inadmissibility and the period of inadmissibility (on the basis of the points system of the Control Regulation)
- Reimbursement of the aid if the beneficiary commits serious infringements within five years
- Commission's powers to suspend payments to Member States in case of non compliance with the rules of the Common Fisheries Policy (list of cases in an implementing act)



### **Programming** *General framework*

 Shared management: national programmes prepared by Member States and adopted by the Commission

 <u>Direct management:</u> work programmes prepared by the Commission and adopted by implementing acts





# **Programming** *Forms of support*

#### Forms of support:

- Grants (reimbursement of eligible expenditre or simplified cost options)
- > Financial instruments (e.g. loans, guarantees)
- Compensations

#### Purpose of support:

- Research, pilot projects, innovation
- > Investments
- Collective actions
- > Structural management of the fleet, etc.





### **Programming**

Framework under shared management

**SWOT** analysis

### **PRIORITY**

Identification of needs



Financial allocation

Co-financing rate

Targets for output and result indicators

Types of actions

Target groups

#### **Types of intervention**

Climate and environment tracking

Indicative amount on a specific area

**Operations** 



# **Programming** *Main elements of programmes*

- A SWOT analysis (Strenghts, Weaknesses, Opportunities and Threats) to identify the needs
- A description of the types of actions envisaged for each Specific Objective
- A performance framework along output and result indicators
- An indicative financial breakdown for specific areas (« types of intervention »)
- A **financing plan** showing the distribution of financial resources across the Specific Objectives



# **Programming** *SWOT analysis – table 1a*

Policy objective	Priority	SWOT analysis (for each priority)	Justification (summary)
		Strengths  [10 000 per priority]  Weaknesses  [10 000 per priority]  Opportunities  [10 000 per priority]  Threats  [10 000 per priority]	[20 000 per priority]
		Identification of needs on the basis of the SWOT analysis and taking into account the elements set out in Article 9(5) of the EMFAF Regulation  [10 000 per priority]	



## Specific elements of programmes: small-scale coastal fishing

- Member States must take into account the specific needs of smallscale coastal fishing in their SWOT analysis
- For the specific objectives that contribute to the development of sustainable small-scale coastal fishing, Member States must describe the **types of actions** considered for this purpose
- Member States must endeavour to take into account the specificities
  of small-scale coastal fishing operators for possible simplification
  measures, such as simplified application forms
- Obligations on content but not on format



# Specific elements of programmes: outermost regions

#### Action plan for each outermost region (annex to the programme):

- Ring-fenced financial allocation
- Strategy for the sustainable exploitation of fisheries and the development of sustainable blue economy sectors
- Description of the main actions envisaged and the corresponding financial means for:
  - the structural support to the fishery and aquaculture sector
  - the compensation for additional costs
  - other investments in the sustainable blue economy necessary to achieve a sustainable coastainable velopment



Specific elements of programmes: regional challenges

"In the preparation of the programme, and where appropriate, the Member States shall endeavour to take into account regional or local challenges and may identify intermediate bodies."





### Financing plan - table 11a

Priority	Specific Objective (nomenclature set out in the EMFAF Regulation)	Basis for calculation of EU support	EU contribution	National public	Total	Co- financing rate
Priority 1	1.1.1	Public				Max. 70%
	1.1.2	Public				Max. 70%
	1.2	Public	Maximum 15% (fleet measures)		sures)	Max. 70%
	1.3	Public				Max. 70%
	1.4	Public	Minimum 15% (control and data collection)		a collection)	Max. 70%
	1.5	Public	Compensation in the outermost regions		st regions	Max. 100%
	1.6	Public				Max. 70%
Priority 2	2.1	Public				Max. 70%
	2.2	Public				Max. 70%
Priority 3	3.1	Public				Max. 70%
Priority 4	4.1	Public				Max. 70%
Technical assistance	5.1/5.2	Public				Max. 70%



### Commission's assessment of programmes

- Main guiding principle for the Commission's assessment:
   The maximisation of the contribution of the programme to the Priorities of the EMFAF and to the objectives of resilience, green transition and digital transition, including through a wide range of innovative solutions.
- In its assessment, the Commission takes into account the regional sea basin analyses (analysis of the main challenges at sea basin level with regards to the achievement of the objectives of the Common Fisheries Policy)





### **Monitoring under shared management** *Indicators* (1/3)

- Output indicator: number of operations for each Specific Objective
- List of 22 EMFAF result indicators (no pre-defined link between indicators and Specific Objectives)
- Member States must select at least one result indicator per Specific Objective
- Milestones (only for the output indicator) for 2024 and targets (for result and output indicators) for 2029
- Reporting by Member States twice per year on the values of output and result indicators (for each Specific Objective)





### Monitoring under shared management Indicators (2/3)

New production capacity (tonnes/annum)

Aquaculture production maintained (tonnes/annum)

Businesses created (number of entities)

Businesses with higher turnover (number of entities)

Capacity of vessels withdrawn (GT and kW)

Jobs created (number of persons)

Jobs maintained (number of persons)

Persons benefitting (number of persons)

Area addressed by operations contributing to good environmental status, protecting, conserving, and restoring biodiversity and ecosystems (km2 or km)

Actions contributing to good environmental status including nature restoration, conservation, protection of ecosystems, biodiversity, fish health and welfare (number of actions)

Entities increasing social sustainability (number of entities)

Effectiveness of the system for "collection, management and use of data" (scale: high, medium, low)

Cooperation activities between stakeholders (number of actions)

Innovations enabled (number of new products, services, processes, business models or methods)

Control means installed or improved (number of means)

Entities benefitting from promotion and information activities (number of entities)

Entities improving resource efficiency in production and/or processing (number of entities)

Energy consumption leading to CO<sub>2</sub> emissions reduction (kWh/tonnes or litres/h)

Actions to improve governance capacity (number of actions)

Investment induced (EUR)

Datasets and advice made available (number)

Usage of data and information platforms (number of page views)



### Monitoring under shared management Indicators (3/3) – tables 2 and 3

Table 2: Output indicators										
Priority	Specific	Fund	Category	ID [5]	Indicator	Measurement	Milestone	Target		
	objective		of region		[255]	unit	(2024)	(2029)		
			N/A							

Table 3: Result indicators											
Priority	Specific objective	Fund	Category of region	ID [5]	Indicator [255]	Measurement unit	Baseline or reference value	Reference year	Target (2029)	Source of data [200]	Comments [200]
			N/A								





### Monitoring under shared management Types of intervention (1/3)

- Nomenclature of 16 EMFAF « types of intervention »
- 3 purposes:
  - 1. Tracking climate and environment-related expenditure (through standard coefficients)
  - 2. Setting indicative amounts on specific areas within each Specific Objective
  - 3. Providing aggregated data on selected operations





### Monitoring under shared management

Types of intervention (2/3)

	TYPE OF INTERVENTION	CLIMATE COEFFICIENT	ENVIRONMENT COEFFICIENT
1	Reducing negative impacts and/or contributing to positive impacts on the environment and contributing to Good Environmental Status	100%	100%
2	Promoting conditions for economically viable, competitive and attractive fishing, aquaculture and processing sectors	40%	40%
3	Contributing to climate neutrality	100%	100%
4	Temporary cessation of fishing activities	100%	100%
5	Permanent cessation of fishing activities	100%	100%
6	Contributing to Good Environmental Status through Implementing and monitoring Marine Protected areas including Natura 2000	100%	100%
7	Compensation for unexpected environmental, climatic or public health events	0%	0%
8	Compensation for additional costs in outermost regions	0%	0%
9	Animal health and welfare	40%	40%
10	Control and enforcement	40%	100%
11	Data collection, analysis and promotion of marine knowledge	100%	100%
12	Maritime surveillance and security	40%	40%
13	CLLD preparation actions	0%	0%
14	CLLD implementation of strategy	40%	40%
15	CLLD running costs and animation	0%	0%
16	Technical Assistance	0%	0%



### Monitoring under shared management

Types of intervention (3/3) – table 7bis

Table 7 bis								
Priority	Specific objective	Type of intervention	Code	Amount (EUR)				





### Monitoring under shared management Operations

#### **Common Provisions Regulation**

Reporting by Member States five times per year on:

- the number of selected operations,
- the total eligible cost of selected operations,
- the total eligible expenditure declared by beneficiaries to the managing authority

#### Additional EMFAF reporting (Infosys) twice per year on:

- the key characteristics of each beneficiary (name, type of beneficiary, size of enterprise, gender and contact details)
- the key characteristics of each operation (specific objective, type of operation, sector addressed, values of indicators, state of progress of the operation, common fleet register number, financial data and form of support)



# QUESTIONS AND ANSWERS