



EMFF POST 2020

**Implementation of support for
permanent cessation through
financing not linked to costs**

EMFF Expert Group

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References in the Commission's proposal

- *Article 125 of the **Financial Regulation** (forms of support)*
- **CPR proposal:**
 - Article 46 (forms of Union contribution to programmes)
 - Article 89 (financing not linked to costs)
 - Annex V, appendix 2 (template for the programmes)
- **EMFF proposal:** Article 17 (management of fisheries and fishing fleets)

Why financing not linked to costs for permanent cessation?

- Capacity management requirements under Article 22 of the CFP Regulation – permanent cessation as a tool of the action plans for imbalanced segments
- Structural fleet adaptation still necessary (25% of active fleet segments are imbalanced)
- However, support for permanent cessation was poorly targeted in the past and did not fully tackle overcapacity

>> Commission's proposal: simplification and result-orientation for permanent cessation

How does it work?

- Financing not linked to costs is a **form of Union contribution to programmes** – mandatory for permanent cessation and optional for any other area of support
- Payments from the Commission to Member States **conditional** upon the achievement of results and the fulfillment of conditions
- Results and conditions described *ex ante* **in the programmes** together with a corresponding amount to be paid, a timeline, deliverables triggering reimbursement and measurement units
- **Delegated act** to lay down conditions linked to conservation measures
- No consequences on payments from Member States to beneficiaries

Simplification

- **Payments are disconnected from costs (no invoices and less paper work)**
- **The scope of audits is limited to the verification of the fulfilment of the conditions and the achievement of the results**

Example

- Alignment of the results to be achieved to the targets of the action plans for imbalanced fleet segments
- Possible result: quantified reduction of capacity (measured in GT and kW)
- Example in annex to the fiche