COUNCIL OF THE EUROPEAN UNION

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PECHE 258

COVER NOTE

from : Lithuanian delegation
to : Council
Subject : Renewal of fishing fleet under the EFF Regulation
– Request by the Lithuanian delegation

Delegations will find attached a document submitted by the Lithuanian delegation, to be dealt with under "Any other business" at the Council (Agriculture and Fisheries) on 19-20 October 2009.
Proposal by Lithuania to include one additional item on the agenda for the Council meeting (Agriculture and Fisheries) on 19 and 20 October 2009.

REGARDING RENEWAL OF THE FISHING FLEET UNDER THE REGULATION ON THE EUROPEAN FISHERIES FUND

Under Council Regulation (EC) No 2792/1999, as amended by Council Regulation (EC) No 2369/2002, laying down the detailed rules and arrangements regarding Community structural assistance in the fisheries sector, the new European Union Member States did not have the possibility of renewing their national fishing fleets. Lithuania therefore is taking the initiative of proposing the introduction of such a possibility.

At present, environmental problems are being dealt with at a global level: efforts are being made to decrease emissions, and to mitigate climate change. Environmentally sound fisheries are attracting a lot of attention all over the world. European fisheries activities must be based on the principle of economic viability. The Green Book on the Common Fisheries Policy notes that fleets must increase their economic resilience and adapt to environmental and market changes. Some actions to adapt have already been taken in the European Community, including transition to less fuel-intensive fishing methods. An integrated approach is applied in defining the future Common Fisheries Policy, and the future of the fishing and aquaculture sectors is planned with emphasis placed on such important factors as climate change, emissions policy and energy efficiency. The new Common fisheries policy envisaged proposes that more ambitious financing of the integrated maritime policy objectives is needed, either from the European Fisheries Fund or other financial instruments.

The average age of Lithuanian fishing vessels is 29 years, hulls are worn out, engine makes date back to the year 1948 and engine power does not exceed 220 kW. If ships are modernised according to the requirements of Council Regulation (EC) No 1198/2006 on the European Fisheries Fund (EFF), which state that when replacing an engine the new engine must have at least 20 % less power than the old one, they will be unable to attain optimum speed when trawling. Having assessed the reasons outlined, we note that Lithuanian fishermen are not in a position to take advantage of EFF vessel modernisation support, because for them it is economically inefficient and ineffective. Besides, in ships as old as these it is even difficult to ensure safety at work, and it is technically impossible to install new technologies for monitoring and control of fishing activities.
With the recent deterioration in the economic situation the income of entities in the fishing sector has decreased, while fuel and engine lubricant prices are constantly rising. Engine inefficiency has a negative impact on the economic performance of fishing companies since the fuel price accounts for one third of trawler fishing costs. Due to the state of great wear of ships, fishing vessel owners incur heavy annual repair costs. Granting financial support for the purchase of new fishing vessels would make a great contribution to the fishing sector in these times of economic hardship and would help fishing businesses to remain competitive.

Having regard to the economic, environmental and technical reasons outlined above, we propose to include in Council Regulation (EC) No 1198/2006 of 27 July 2006 on the European Fisheries Fund an article designed to enable Member States to use EFF funds, without increasing the fishing capacity of the State concerned, for purchasing new fishing vessels up to 40 meters in length. The engine power of a newly purchased vessel must be at least twice that of the old one, and the Member State undertakes not to increase the reference level of fishing capacity (total tonnage in GT and total engine power).