European Fisheries Fund: extension of increased co-financing for Member States threatened with serious difficulties with respect to their financial stability

2013/0200(COD) - 18/06/2013 - Legislative proposal

PURPOSE: to extend the increased co-financing for Member States threatened with serious difficulties with respect to their financial stability.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: in the context of the ongoing economic and financial crisis, the smooth implementation of the European Fisheries Fund programmes is of particular importance for investment in the fisheries sector. This is particularly the case for those Member States which have been most affected by the crisis and have received financial assistance under an adjustment programme.

In order to facilitate the management of Union funding, to help accelerate investments and to improve the availability of funding to the economy, Council Regulation (EC) No 1198/2006 was amended in 2012 to allow the increase of interim and final payments from the European Fisheries Fund by an amount corresponding to ten percentage points above the actual co-financing rate for each priority axis for Member States which are facing serious difficulties with respect to their financial stability and request to benefit from that measure.

Article 77a of Regulation (EC) No 1198/2006 allows for the application of that increased co-financing rate up to 31 December 2013. However, since Member States still face serious difficulties with respect to their financial stability, the application of the increased co-financing rate **should not be limited to the end of 2013**.

IMPACT ASSESSMENT: the proposal would allow the Commission to top up payments to programme countries until the end of the 2007-2013 period. The increase will be an amount calculated by applying ten percentage points top-up to the co-financing rates applicable to the priority axes of the programmes to the newly certified expenditure submitted during the period in question until the ceiling for payments is reached.

The total financial allocation for the period from the Fund to the countries and the programmes in question will not change.

LEGAL BASIS: Article 43(2) of the Treaty on the Functioning of the European Union (TFEU).

CONTENT: it is proposed to modify article 77a of the Regulation to allow the Commission to continue, until the end of the eligibility period of the 2007-2013 operational programmes, to reimburse the newly declared expenditure by an increased amount calculated by applying a 10 percentage points top-up of the applicable co-financing rates for the priority axis.

The contribution from the fund to the priority axis concerned cannot be higher than the amount mentioned in the Commission decision approving the operational programme.

BUDGETARY IMPLICATION: There is no impact on commitment appropriations since no modification is proposed to the maximum amounts of the Fund financing provided for in the operational programmes for the 2007-2013 programming period. For payment appropriations, the proposal relating to the top-up is budget neutral.