

Marketing of fisheries products: scheme to compensate for additional costs resulting from the remoteness of the Azores, Madeira, Canary Islands, Guyana, Réunion (2003-2006)

2003/0202(CNS) - 30/11/2006 - Follow-up document

The present report has been prepared by the Commission in response to requirements set out in Regulation 2328/2003/EC introducing a scheme to compensate for additional costs incurred in the marketing of certain fishery products from the Azores, Madeira, the Canary Islands and the French departments of Guiana and Reunion as a result of those regions' remoteness.

The report is based on the finding of a study on the "Structural aspects of the Common Fisheries Policy in the outermost regions", which was conducted by Ernst & Young and forwarded to the Commission in September 2006. The study's main objective is to analyse the specific problems and needs of the fisheries sector in the EU's outermost regions and to provide recommendations on how to maximise the Community's support programmes

In its conclusions the Commission notes that, throughout its operations, the compensation scheme has brought lasting stability. The scheme has also contributed to the outermost regions' employment opportunities. The benefits these operators have derived from the scheme have enabled the various sectors concerned to maintain an adequate level of output and development.

In view of the need for a strategic vision for the fishery sectors, the Commission is proposing that the scheme should continue at the same level of funding for the period 2007-2013. Such an approach would be in line with the duration of measures set out by the European Regional Development Fund.

At the same time, a number of changes are being called for. The changes should:

- offer greater flexibility particularly as far as the specific marketing needs of the outermost regions are concerned. This could be achieved by firstly, allowing Member States to determine and adjust the eligible fishery products and their quantities, and secondly to fix the respective compensation amounts within an annual allocation of funds, based on current allocation schemes. It could also be achieved by basing compensation amounts on the additional costs arising from transport to the European mainland;
- introduce safeguards to avoid unjustified levels of compensation, in particular, by limiting compensation to a share of the transportation and other related costs and taking consideration of other types of public intervention;
- offer stricter definitions on eligibility conditions. This could be achieved by excluding support for products incompatible with the rules of the Common Fisheries Policy or derived from imported products;
- ensure that compensation schemes will not adversely affect biologically sensitive stocks;
- concentrate support on economically viable recipients only;

- simplify administrative procedures;
- ensure improved accountability through the introduction of regular Member State reporting mechanisms.

The proposal for a Regulation, which accompanies this report sets out the details of the proposed amendments.