



**Supporting Sustainable Fisheries and Aquaculture in the Next EU Budget: right on ring-fencing the budget, wrong on defining small-scale fisheries.**

Mr Niclas Herbst (EPP), the Pech Committee Rapporteur for the renewal of EU sectoral support to the Common Fisheries Policy, the European Ocean Pact and the Union's maritime and aquaculture policy as part of the National and Regional Partnership Fund (NRP Fund) for the period from 2028 to 2034, presented his draft report yesterday in Brussels in the European Parliament.

He emphasised that the next EU budget – the Multiannual Financial Framework (MFF) - provides a crucial opportunity to ensure that the Union's fisheries and aquaculture sectors remain resilient, competitive, and sustainable, while continuing to support the livelihoods of coastal communities. He felt that the EC proposal falls short in this regard.

His report underlines that **simplification and flexibility must be accompanied by clear safeguards**, requiring that funding for the sector is ringfenced to ensure investments that promote generational renewal and modernisation of fleets reach the sector. Such investments are essential not only to improve safety, sustainability, and efficiency, but also to make the sector more attractive to younger generations and skilled professionals, the report notes.

LIFE welcomes this approach, particularly the intention to maintain the identity of the European Maritime, Fisheries and Aquaculture Fund (EMFAF) within the NRP fund. Rather than leave it up to Member States to decide how much of the NRP Fund they allocate to fisheries and aquaculture, Herbst proposes that at least 7.29 billion (Amendment 28) be allocated to sector specific support, with 1 billion allocated to the Common Fisheries Policy implementation.

Within this new EMFAF budget there should also be a **ring-fenced budget for Small-scale fisheries set in concrete, including a bespoke aid delivery system taking into account the socio-economic specificities of the sector**, to be included under Article 3c Budget (in Herbst's amendment 28).

LIFE also applauds that the **report highlights the importance of small-scale coastal fishing (SSCF)**, emphasising that **access to both fishing areas and healthy fish stocks are vital for their livelihoods**. However, **LIFE is concerned that the proposed definition (Amendment 26) put forward by the report provides a significant loophole** for vessels to be classified as SSCF that are over 12 metres in length and which use towed gears and other fishing equipment that is non-selective with a high environmental impact. Such a definition would be counterproductive, defeating the final purpose of the definition and enabling misuse. For LIFE, the definition already used by the EMFAF is the most practicable definition and should not be changed.

On aid intensity rates for fleet modernisation and especially for SSCF operators, the rate of **100% is to be welcomed** but should not open this possibility to large-scale fleets.

**For SSCF this is not sufficient on its own.** Under the last EMFAF (for the period 2021 to 2027), although it is reported that 20% of the budget has been allocated to SSCF related actions, this has not actually been taken up by the sector (allocated in national plans, but without reaching the SSCF). To ensure that the intention to support SSCF is realised, **a dedicated aid delivery system is required that takes the specificities of the sector and its socio-economic realities into account.**

For this reason, LIFE calls for a differentiated approach to small and large scale fishing fleets, based on an understanding of their specific fishery related, and social and economic realities. In the case of small-scale fisheries these realities include:

- SSCF is a traditional way of life for many coastal dwellers, who are willing to sacrifice economic gain in order to live and work next to and on the sea, and to practice the profession of their forebears. Such activity may be part-time, seasonal and combined with other activities, providing enough income to get by on.
- SSCF is based on micro or nano family based enterprises, the majority with business turnovers of 100.000 Euros or less, many engaged in seasonal or part-time employment, often reliant on unpaid or underpaid labour to make businesses viable, and with little capacity to absorb economic shocks;
- SSCF operators, with a single operator or small crew on board, work long hours, incurring significant opportunity costs by taking time out to deal with the red tape needed to formulate proposals or to attend meetings with lawyers and financiers, and have little surplus to invest in hiring representatives to act on their behalf;
- SSCF provides an important source of revenue and socio-economic benefits in remote communities with few alternatives, with important links to tourism. A vibrant harbour full of small boats is an invaluable attraction for tourism, without which tourism would decline.
- SSCF is based on low volume, high value production, making producers highly vulnerable to market fluctuations and competition from high volume production and low cost imported products; and
- SSCF has a limited geographical range and limited fishing opportunities makes the fishing activities especially vulnerable to overfishing and competition from larger scale fishing, climate change impacts, to invasive species (like marine algae) and to displacement from traditional fishing grounds through spatial squeezing.

Such characteristics require a **dedicated aid delivery system**, including pre-finance, low interest credit, improved information and technical support and simplified procedures for application and reporting, using a CLLD approach, which should be added in the amendments.