



**EU Fish Processors and Traders Association**  
**Association des Industries du Poisson de l'UE**

**EU Federation of National Organisations of Importers and Exporters of Fish**  
**Comité des Organisations nationales des importateurs et exportateurs de poisson de l'UE**

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## **AIPCE-CEP<sup>1</sup> position on the Proposal for a Regulation on the European Maritime and Fisheries Fund**

### **Introduction**

A key objective of the proposed European Maritime and Fisheries Fund (EMFF) is the promotion of sustainable and competitive fisheries and aquaculture sectors. AIPCE-CEP believes that this requires a whole chain approach, with support for improved resource efficiency and innovation at all stages of production, marketing and distribution in line with the Europe 2020 Strategy. Fish processing and trading employ as many people as the catching sector and give rise to outputs, valued at around EUR 23 billion a year – a substantial contribution to overall growth and prosperity, as well as to the development and territorial cohesion of fishing zones themselves and to the job opportunities for women and family members.

The proposals as currently adopted do not appear to give sufficient weight to the non-catching element of the value chain, in particular the economic and social importance of the processing sector and its potential to increase added value for the benefit of the entire industry.

We believe that higher priority must be given to sustainable economic growth, employment innovation and competitiveness alongside support for the conservation objectives of the reformed Common Fisheries Policy.

Achieving this will require rebalancing of the funding provisions proposed and explicit recognition of the need to promote operations which integrate the producing, processing and marketing activities of the supply chain.

### **Specific comments**

On the basis of AIPCE-CEP analysis of the EC proposal for the EMFF, we would like to make some specific remarks:

→ A clear reference to **processing activities** should be made in the EMFF objectives (article 5), as well as under the EU Priorities (article 6) in line with Strategy 2020. **Improving the business environment for a strong and sustainable processing industry, and supporting**

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*1 AIPCE-CEP represents 130.000 employees, 4.000 enterprises and a production value of around €20 billion ([www.aipce-cep.org](http://www.aipce-cep.org)).*

**the development of an innovative industrial base, able to compete globally and create jobs in the EU** should be mentioned as a key objective.

→ As regards the **budgetary resources under shared management** (article 15), the proposal establishes a distribution of funding between Member States proportionally to employment and production in fisheries/aquaculture and the size of fishing sector. It will also be based on historical references. AIPCE-CEP supports this approach, however the amount corresponding to each Member State is not known. There must be much greater clarity on how the budget will be shared among the Member States.

Furthermore, clarity on which proportion of the budget will be allocated to measures of processing and marketing is needed (there is no mention to Chapter IV where these measures are found).

→ As for the **Content of the operational program** (article 20), AIPCE-CEP considers that the **processing industry should be consulted** for the analysis of its economic situation in relation to the objective of data collection. This will help to ensure the best use of public funds.

→ **Marketing and processing related measures** (Chapter IV):

- The **Specific Objectives** (article 68) refer to the sustainable development of fisheries and sustainable development of aquaculture. While acknowledging this important goal, there are other objectives essential to marketing and processing.

The current EFF regulation has contributed efficiently to improve the business structure of the processing industry, and specifically those aspects that determine competitiveness (better quality, innovation and application of new technologies). It has also contributed to the fulfillment of the requirements arising from the regulations on food safety and environment. Promoting the consumption of fishery products has contributed significantly to a better understanding by consumers of the qualities and beneficial properties of fish products.

The opening and development of new markets is also essential as recognized by Strategy 2020, particularly in a globalized world where competition from emerging countries is increasing, not only in the manufacture of processed products, but in the consumption of raw materials. Quality and product innovation are important to open new markets. The EU should continue to contribute to improving the environmental performance and to ensuring food safety. Improving food safety beyond the legislative requirements is a challenge for the industry which will allow us to be prepared for new consumer demands as well as for the requirements in our export markets. It should also cover the measures to guarantee the compliance with the Community law regarding food safety or environment until the regulations are in force.

Therefore, the scope of this article is not broad enough to allow for an efficient use of resources by the industry. We consider that additional objectives need to be included: **Improving the competitiveness of the manufacturing industry and the food safety and quality of the products; reducing the negative impact on the environment and increasing energy efficiency, ensuring a better use of minor species, by-products and waste; the development, production and marketing of new products and the use of new technologies and innovative production methods; opening and developing new markets and improving working conditions and training of workers.**

- **Production and Marketing Plans** and **Storage aid** (articles 69 and 70) are supported by proposed measures which might cause a distortion of the market. An **impact assessment** considering the needs of all stakeholders of the value chain should be carried out to analyse that a balance in the markets is guaranteed.

- Among the **Marketing measures** (article 71) the organization of fairs and exhibitions (currently applicable Regulation 498/2007 on the implementation of the Fisheries Fund) is no longer included. The organization of fairs and events of a commercial nature in the territory of the EU streamlines the economy in the areas where they take place and are creating a direct benefit not only to the fisheries sector but for the entire population of that region, contributing to the diversification of economic activities in those fishing areas which is one of the objectives of this regulation. They drive sales, not just on an EU level, but also on the export markets, which in turn generates employment.

The proposal provides funding for regional, national or transnational promotion campaigns. It is unclear whether these campaigns can be extended to third countries. We understand that one must find a balance between generic and brand promotion in order to contribute to more efficient promotion campaigns (greater impact on importers and consumers), on the one hand, and on the other hand, generate greater interest among participating firms, which ultimately are the ones to co-finance these activities.

On the other hand, we highlight, that the proposal of the EMFF takes into account the creation of inter-branch associations for their importance for the processing and marketing sector of fishery and aquaculture products. Nevertheless, it is necessary to consider also the support to the existing organizations, necessary not only for the financing of their creation, but also of its functioning and development of the competences that are assigned to them.

It is noteworthy that innovative measures by the fishing and aquaculture sector would be eligible for funding, but the processing industry is completely left out. It is very important not only for the processing industry but also their representative associations to have access to funding for innovation. Therefore, we consider necessary an express mention in the document of specific research and innovation lines for the processing companies and/or their representative associations, in order to develop actions that could tackle, at least, the improvement and optimization of the productive processes, the valorization of by-products, the development of new products and the guarantee of the quality and food safety in the whole value chain.

The training of workers is also important. The EMFF proposal should provide adequate skills to workers by appropriate training associated to the processing and marketing of fishery and aquaculture products.

Therefore, we consider that the marketing measures should be re-named **Marketing and Innovation** with the addition of support to **the organization and participation in fairs and trade events of the sector, activities that facilitate access to research and innovation by the companies and their representative associations and training on more advanced techniques, new processes or new or improved organizational systems as well as existing organizations.**

▪ The possibilities proposed to support investments in **processing of fishery products and aquaculture** (article 72) do not reflect the reality of the processing industry and are insufficient to secure the objectives of the proposal. The European production model with high standards in food quality and safety requires continued innovation in infrastructure and technology that will maintain the necessary guarantees and reduce costs. Facing a globalized world the EU has to compete on quality, with new technologies that involve a significant investment which has not been taken into account in the proposal of the Commission.

The proposal provides for improved health and safety conditions on board but there is no similar provision for the processing industry.

The Commission envisages investments in saving energy and reducing environmental impact as well as processing of products or species with low commercial value. This is important but we cannot forget that regulatory measures and changes in consumption patterns require more efficient and innovative products, technologies and systems. As stated above the Commission introduces innovation in fisheries and aquaculture but overlooks the vital role of the processing industry for the sector as a whole.

Therefore the following investments should be included: **to improve food safety and quality characteristics of the products, to develop or market new or substantially improved products, processes or management systems with respect to the most advanced existing techniques, to improve working conditions and worker training in processes, management systems and innovative organization and to improve the competitiveness of the existing structures.**

→ While the fishing sector is predominant in seven Regional Advisory Councils, and aquaculture will soon have its own Advisory Council, industry and trade will have no forum to provide advice and express their views in the same way. The only place where industry and trade are able to represent their interests is in the current Advisory Council for Fisheries and Aquaculture whose abolition is being proposed. The Commission has previously said that it intends to create a forum for industry and trade but it is not mentioned in this regulation. It should therefore be treated financially in the same way as the other committees, with an explicit mention in the CMO Regulation as well as in this one. Therefore **Article 88 should refer to an Advisory Council for Markets and Trade.**

→ We support that **large companies may have access to the EMFF**, eliminating the established restriction in the EFF. The proposed EMFF (Annex I) has a reduction in 20 percentage points for large companies (not defined as SMEs). In this sense, it is essential that the regulation provides for mechanisms that allow making this reduction more flexible as long as the investment capacity of the SME is not enough to absorb the totality of the funds which are at the disposal of companies through the EMFF.