



**COUNCIL OF THE  
THE EUROPEAN UNION**

**Brussels, 16 March 2012**

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**Interinstitutional File:  
2011/0212 (COD)**

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**7645/12  
ADD 1**

**CODEC 658  
PECHE 86  
CADREFIN 144  
OC 132**

**ADDENDUM TO THE "I/A" ITEM NOTE**

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from : General Secretariat of the Council

to : COREPER/COUNCIL

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No. Cion prop.: 13407/11 PECHE 212 CADREFIN 68 CODEC 1303

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Subject : Proposal for a Regulation of the European Parliament and of the Council amending Council Regulation (EC) No 1198/2006 on the European Fisheries Fund, as regards certain provisions relating to financial management for certain Member States experiencing or threatened with serious difficulties with respect to their financial stability (**first reading**)

- Adoption of the legislative act (**LA + S**)

=Statements

**COMMON GUIDELINES**

**Consultation deadline: 21.3.2012**

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**Joint declaration of the Commission and the Council on budgetary impact**

The Council and the Commission consider that the subject Regulation shall also be considered in the context of the budgetary restraints facing all Member States, which should be reflected appropriately in the EU budget for 2012 and 2013.

Any increased amounts for the payments consequent on the entry into force of this regulation should be accommodated through the procedure for the Commission to present updated figures concerning payment appropriations under heading 2 by September 2012 and, if necessary to utilise the Global Transfer exercise for 2012, subject to other possible needs under other financial framework headings, and if then still necessary to present a draft amending budget for this sole purpose.

### **Council declaration on co-financing and 2014-2020 perspective**

The Council confirms that the co-financing principle is a fundamental principle of the Common Fisheries Policy, as it ensures ownership of, responsibility for and selection of the projects with the highest value added. Any relaxation of this principle should therefore be exceptional. The current amendment is justified by the unprecedented crisis affecting international financial markets and the economic downturn and should be without prejudice to the outcome of the negotiations on the CFP legislative package for the next financing period.

### **Statement of the Republic of Bulgaria**

1. The Republic of Bulgaria has consistently supported the opinion that resolving issues related to the financial and economic crisis requires a coordinated approach at the EU level. The crisis has put national budgets under pressure and has led to challenges for the investment process everywhere in the European Union.
2. The Republic of Bulgaria maintains serious reserve with regard to the proposal for temporary increase in the co-financing rates from the EU funds for the EU Member States which are under financial assistance programmes.
3. The proposed approach discriminates against the Member States which have put extremely important efforts in the years of the crisis to maintain financial and fiscal discipline and have avoided being in a situation of liquidity difficulties. The proposal should have also created incentive mechanisms for the efforts of the Member States which have been disciplined. It should have also encompassed the Member States which stick to financial and fiscal discipline but which because of the economic crisis also undergo temporary difficulties in safeguarding co-financing.

4. The refusal to undertake such an approach may lead to “wrong” incentives to the ones which have not maintained financial and fiscal discipline. The amendment could potentially have a discouraging effect on the Member States in adhering to the Stability and Growth Pact and sticking to sound and sustainable fiscal policy.
  5. This position has been expressed by the Bulgarian Prime Minister at the European Council, as well as in the General Affairs Council and ECOFIN. It also has the support of the Bulgarian Parliament.
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