



Council of the
European Union

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NOTE

From:	General Secretariat of the Council
To:	Delegations
Subject:	European Maritime, Fisheries and Aquaculture Fund and Support – Compensation in Case of Exceptional Events – follow-up - Information from the Portuguese delegation, on behalf of the Bulgarian, Cyprus, Czech, French, Hungarian, Maltese, Polish, Portuguese and Spanish delegations

Delegations will find attached an information note by the Portuguese delegation, on behalf of the Bulgarian, Cyprus, Czech, French, Hungarian, Maltese, Polish, Portuguese and Spanish delegations on the above-mentioned subject with a view to the meeting of the Council (Agriculture and Fisheries) on 26 March 2024, where it will be presented under "Any Other Business".

AGRIFISH COUNCIL

26 March 2024

**AOB by Bulgaria, Cyprus, Czech Republic, France, Hungary, Malta, Poland, Portugal
and Spain**

EUROPEAN MARITIME, FISHERIES AND AQUACULTURE FUND AND SUPPORT – COMPENSATION IN CASE OF EXCEPTIONAL EVENTS Follow-Up

We wish to follow up on the AOB presented during the AGRIFISH Council of 2023 December, when Commission was invited to extend the eligibility period of Commission Implementing Decision 2022/500 until 31 December 2024.

When presenting the AOB, we explained that occurrence of an exceptional event causing a significant market disruption was still ongoing during 2023 and likely during 2024.

Seventeen (17) Member States supported this request during the December Council. Unfortunately, Commission has yet to provide a positive response to the calls from Member States, arguing that the criteria for the said Decision are not met.

Analyzing the criteria, it is clear that the European Union still faces exceptional events, as the Russia's military aggression against Ukraine is ongoing and, more recently, we were confronted with the situation in Israel and in the region.

In relation to the disruption of markets criteria, and despite all efforts, the Union's fishing fleet remains significantly impacted, facing reduced profitability and inability to offset the increased production costs. Furthermore, Autumn Forecast underlines

that the both crises continues to pose risks and remain a source of uncertainty. The Central Bank did not reduce interest rates either, as was initially foreseen.

Nevertheless, the Commission still concludes that there is no justification for the extension of the date foreseen under the EMFAF crisis mechanism.

In fact, Commission continues to refer to the State Aid Framework as the appropriate measure to be used by the Member States to mitigate the effects of the current situation. Even more so that in November 21st 2023, Commission amended the Temporary Crisis and Transition Framework, allowing the granting of aid to offset high-energy prices until 30 of June of 2024.

Such decisions create many uncertainties about the Commission's overall position, as the criteria are the same for the Commission Implementing Decision and the State Aid Framework.

The fact remains that the European fishing industry continues to face high costs of energy and production and needs a solution to deal with the high costs that it is unable to reflect in the price of fish.

We stress, once again, that the current situation is not a national issue but a European one, as it affects most of Member States. Therefore, we deem appropriate to allow Member States that so if for to use EMFAF to this end, as the required measure does not increase any effort on the European Budget.

In light of the above, we invite, once again, Commission to extend the eligibility period until 31 December 2024 allowing support to be provided for the period 2023-2024.