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To:	Ms Thérèse BLANCHET, Secretary-General of the Council of the European Union
No. Cion doc.:	COM(2026) 498 final
Subject:	Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL amending Regulation (EU)2021/1139 as regards simplification and the transposition of the WTO Agreement on Fisheries Subsidies

Delegations will find attached document COM(2026) 498 final.

Encl.: COM(2026) 498 final

EUROPEAN
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Brussels, 21.9.2026
COM(2026) 498 final

2026/289 (COD)

Proposal for a

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

amending Regulation (EU) 2021/1139 as regards simplification and the transposition of the WTO Agreement on Fisheries Subsidies

{SWD(2026) 282 final}

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EXPLANATORY MEMORANDUM

1. CONTEXT OF THE PROPOSAL

• Reasons for and objectives of the proposal

The European Maritime, Fisheries and Aquaculture Fund (EMFAF), established under Regulation (EU) 2021/1139[1] ('the EMFAF Regulation'), allocates resources from the EU budget to support the common fisheries policy (CFP), the Union's maritime policy and its international commitments on ocean governance. The combination of the CFP's regulatory framework – which covers the conservation of marine biological resources, an area of exclusive EU competence – and the structural support provided by the EMFAF has proven effective in maintaining or restoring healthy fish stocks and promoting sustainable aquaculture. As key contributors to EU food production, the fisheries and aquaculture sectors require reliable financing to cope with negative externalities, environmental volatility, and the need for innovation, strategic planning and adaptation. The EMFAF therefore underpins sustainable fisheries and aquaculture, the conservation of marine biological resources, food security, the blue economy and the management of healthy, safe and secure seas and oceans. Member States draw up national EMFAF programmes tailored to their needs and based on the priorities and objectives set out in the EMFAF Regulation.

Despite its strategic importance, the current regulatory framework presents implementation challenges. The mid-term EMFAF evaluation[2] and regular feedback from Member States, stakeholders and Advisory Councils (ACs), indicate that funding opportunities are perceived as limited and insufficiently flexible. Legal uncertainty and complexity have been identified as major barriers to supporting the energy transition, small-scale fishing and generational renewal. Moreover, while the EMFAF is the main source of financing for the implementation of the CFP, some of its provisions go beyond the requirements of the CFP Regulation and are impacted by significant shifts in external factors since the adoption of the EMFAF Regulation, such as the increasing urgency to support the sector's energy transition. The evaluation therefore recommends targeted measures to accelerate implementation timelines and reduce administrative delays.

This proposal seeks to amend the EMFAF Regulation to make it more accessible and easier for Member States and beneficiaries to implement. The amendment also incorporates the necessary changes to ensure the full implementation in EU law of the World Trade Organization (WTO) Agreement on Fisheries Subsidies (AFS), which was adopted at the WTO's 12th Ministerial Conference on 17 June 2022, was ratified by the EU on 7 June 2023 and entered into force on 15 September 2025. The agreement prohibits harmful fisheries subsidies and targets specific fishing activities and areas, including illegal, unreported and unregulated (IUU) fishing, fishing of overfished stocks and fishing on the unregulated high seas, setting out corresponding new obligations.

[1] Regulation (EU) 2021/1139 of the European Parliament and of the Council of 7 July 2021 establishing the European Maritime, Fisheries and Aquaculture Fund and amending Regulation (EU) 2017/1004 (OJ L 247, 13.7.2021, ELI: http://data.europa.eu/eli/reg/2021/1139/oj)

[2] Mid-term evaluation of the European Maritime, Fisheries and Aquaculture Fund (EMFAF) 2021-2027, https://op.europa.eu/en/publication-detail/-/publication/65b91bed-294f-11ef-9290-01aa75ed71a1

- **Consistency with existing policy provisions in the policy area**

The proposal is limited to targeted amendments to Regulation (EU) 2021/1139 and is consistent with Regulation (EU) No 1380/2013 on the Common Fisheries Policy and with Regulation (EU) 2021/1060 on common provisions for Union funds implemented under shared management.

- **Consistency with other Union policies**

The proposal and its objectives are consistent with other Union policies, especially environmental, climate, cohesion, agriculture, social, market and trade policies.

The proposal is also consistent with the initiatives set out in the European Ocean Pact, which applies an integrated approach to funding and ocean-relevant policies that cover a broad range of areas, including the conservation of marine biological resources, which is one of the EU's five exclusive competences; the restoration of marine biodiversity; the management of, and innovation in, fisheries and sustainable aquaculture; the implementation of the CFP; ocean knowledge; maritime security; food security; and the development and scaling-up of a competitive and sustainable blue economy. The proposal also contributes to achieving the United Nations (UN) Sustainable Development Goal 14 ('conserve and sustainably use the oceans, seas and marine resources'), to which the EU is committed.

2. LEGAL BASIS, SUBSIDIARITY AND PROPORTIONALITY

- **Legal basis**

Article 42, Article 43(2), Article 91(1), Article 100(2), Article 173(3), Article 175, Article 188, Article 192(1), Article 194(2), Article 195(2) and Article 349 of the Treaty on the Functioning of the European Union.

- **Subsidiarity (for non-exclusive competence)**

The proposed provisions will be implemented under shared management in accordance with the Financial Regulation[3].

- **Proportionality**

The proposed provisions comply with the proportionality principle as they are appropriate and necessary and no less restrictive measures are available to achieve the intended policy objectives.

- **Choice of the instrument**

The proposed instrument is a Regulation of the European Parliament and of the Council.

3. RESULTS OF EX-POST EVALUATIONS, STAKEHOLDER CONSULTATIONS AND IMPACT ASSESSMENTS

- **Ex-post evaluations/fitness checks of existing legislation**

The preliminary results of the *ex-post* evaluation of the EMFF Regulation (2014-2020) and the mid-term evaluation of the EMFAF Regulation (2021-2027) show that previous EU funds targeting similar areas have had a positive impact on the fisheries and aquaculture sectors, have contributed to the implementation of the CFP, including the conservation of marine

[3] Regulation (EU, Euratom) 2024/2509 of the European Parliament and of the Council of 23 September 2024 on the financial rules applicable to the general budget of the Union (OJ L, 2024/2509, 26.9.2024, ELI: http://data.europa.eu/eli/reg/2024/2509/oj).

biological resources, especially by improving fisheries control and enforcement and supporting data collection. They have also made positive contributions to maritime policy, international ocean governance, the development of coastal communities and the sustainable blue economy.

The EMFAF mid-term evaluation illustrates that Member States consider that limited capacity, institutional structures and strict eligibility conditions for fleet-related measures are the main causes of slow implementation, indicating a need for further improvements to the delivery system. Overall, the evaluation confirms that the EMFAF remains a strategic tool for addressing EU policy priorities and national needs, offering Member States the flexibility to programme funding in response to an evolving policy context and changing priorities.

- **Stakeholder consultations**

In addition to the evidence gathered through the EMFAF mid-term evaluation, supporting studies and exchanges with Member States, the sector, NGOs and wider civil society, the Commission has collected a broad range of contributions from Member States and stakeholders to inform the targeted amendment of the EMFAF Regulation. The amendment also draws on discussions within expert groups, input from national experts and the work of the Commission's dedicated EMFAF monitoring and evaluation support unit, the Fisheries and Aquaculture Monitoring, Evaluation and Local Support Network (FAMENET).

Several resolutions adopted by the European Parliament have called on the Commission to review the EMFAF Regulation. In its resolution on the state of play of the CFP's implementation, adopted in January 2024, Parliament acknowledged limitations in the EMFAF and called on the Commission and the Member States to facilitate access to EMFAF support for industry professionals. In a further resolution adopted in March 2026, Parliament called for unnecessary regulatory barriers under the EMFAF to be removed. Likewise, in its resolution on the decarbonisation and modernisation of the EU fishing fleet adopted in December 2025, Parliament stressed that the current rules can 'severely restrict' access to financing for vessel renewal and energy efficiency. Parliament therefore reiterated its calls for targeted amendments to both the CFP framework and the EMFAF, as it believes that the existing frameworks hinder necessary improvements in safety and energy efficiency and undermine the competitiveness and profitability of EU fishers compared with non-EU fleets.

More specifically, the European Parliament called for Articles 17 to 19 of the EMFAF Regulation to be revised to simplify the eligibility criteria, arguing that the current conditions are too restrictive, limit the practical application of those provisions and result in low uptake. These concerns are echoed in research carried out for the PECH Committee on the energy transition of the fishing fleet, which, following consultations with an EMFAF managing authority and sector representatives, found that stakeholders see fleet modernisation as a priority for reducing operating costs and improving working conditions, with decarbonisation being pursued as a complementary objective.

In addition to regular administrative exchanges, ministers from several Member States have sent a joint letter inviting the Commission to assess whether the EMFAF Regulation could be reviewed to better support the energy transition and generational renewal, including through a simplification package. Some Member States, such as Estonia, Finland and Spain, have raised the matter in writing and requested dedicated meetings. The issue was also discussed in the Council, including at the AGRIFISH Council meetings in March 2025, November 2025 and March 2026.

Several stakeholders, including ACs and sectoral associations, have submitted proposals for targeted amendments. The issues raised by the ACs concern implementation constraints, particularly the lack of operational calls for potential applicants by the Member States, unclear timelines and complex administrative procedures. Sectoral associations have called for structural measures to strengthen the sector's long-term resilience, together with targeted adjustments and increased support for a just energy transition. These organisations include Europêche, SEA Europe, LIFE, the French National Association of Producer Organisations (ANOP), the French National Committee for Maritime Fisheries and Marine Aquaculture (CNPMEM), and two of its regional representations (CDPMEM du Finistère and CRPMEM Bretagne).

The Commission also sought feedback in view of a possible targeted amendment of the EMFAF through a call for evidence[4] open from 23 June to 21 July 2026. A total of 69 replies were received from stakeholders in 18 Member States. Business associations were the largest respondent group (20 replies), followed by NGOs (17 replies). Spain accounted for 29 replies.

Business associations represented the largest respondent group, accounting for 21 of the 69 submissions received. They broadly called for administrative simplification, the extension of funding eligibility beyond SMEs to larger enterprises, changes to fleet-capacity rules, and more flexible conditions for generational renewal. They also stressed the need to preserve the EMFAF's ring-fenced budget, rather than integrating it into a broader post-2027 fund.

Non-governmental organisations generally supported full transposition of the WTO Agreement on Fisheries Subsidies, including strong provisions to prevent support linked to IUU fishing. At the same time, they highlighted that simplification must not weaken eligibility rules, monitoring requirements or stakeholder participation. Many also advocated redirecting funding toward small-scale, low-impact fishing, ecosystem restoration, animal welfare safeguards and greater transparency in the allocation of subsidies.

Public authorities broadly supported simplification and greater flexibility in implementation. Many argued that the fishing-capacity concept should be revised, considering GT/kW ceilings to be outdated. Regional authorities and authorities from outermost regions called for greater recognition of insular and regional specificities, more flexible rules on generational and fleet renewal, and, in some cases, a dedicated crisis mechanism to address shocks such as fuel-price increases.

Companies argued that limiting eligibility to SMEs unfairly excludes larger processors and marketing operators. They also supported funding for digital infrastructure for landing declarations and reporting and raised concerns about the legal implications of a blanket exclusion of subsidies linked to bottom trawling.

Other respondents similarly supported full transposition of the WTO AFS and stronger environmental targeting of funding. Finally, they called for simpler application procedures, faster payments, and the removal of SME-only eligibility restrictions.

- **Collection and use of expertise**

Not applicable.

- **Impact assessment**

Not applicable.

- **Regulatory fitness and simplification**

Not applicable.

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[4] European maritime, fisheries and aquaculture fund – amendment for simplification and to transpose the WTO agreement

- **Fundamental rights**

This proposal has no implications for the protection of fundamental rights.

4. BUDGETARY IMPLICATIONS

The proposed amendments do not entail any changes to the annual ceilings for commitments and payments under the Multiannual Financial Framework.

5. OTHER ELEMENTS

- **Implementation plans and monitoring, evaluation and reporting arrangements**

The implementation, monitoring, evaluation and reporting requirements established in Regulations (EU) 2021/1139 and 2021/1060 apply.

- **Detailed explanation of the specific provisions of the proposal**

Not applicable.

2026/289 (COD)

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REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

amending Regulation (EU) 2021/1139 as regards simplification and the transposition of the WTO Agreement on Fisheries Subsidies

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Articles 42, Article 43(2), Article 91(1), Article 100(2), Article 173(3), Article 175, Article 188, Article 192(1), Article 194(2), Article 195(2) and Article 349 thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Acting in accordance with the ordinary legislative procedure,

Whereas:

(1) The needs of the European Union's fisheries sector and the challenges it is currently facing call for a better-tailored and straightforward support measures under the European Maritime Fisheries and Aquaculture Fund (the 'EMFAF'). The adjustments proposed in this Regulation aim to improve and facilitate implementation of the EMFAF by addressing some of the issues that have been identified in the mid-term evaluation of the EMFAF as well as in the stakeholder consultation, without departing from the fundamental principles of the policy and while ensuring compliance with the Common Fisheries Policy (CFP) Regulation. The aim of the amendments is to increase flexibility for Member States and reduce the burden on beneficiaries, thereby enabling them to make better use of the opportunities offered by the EMFAF for the remainder of the programming period.

(2) The budgetary restrictions on allocations for fleet measures and permanent cessation should be revised to give Member States greater flexibility and agility in programming additional financial allocations under these measures.

(3) To enhance safety at sea without increasing fishing capacity, navigation technologies such as GPS or radars should be made eligible for support.

(4) Generational renewal in fisheries is essential for Europe's food security, sustainability and coastal vitality. Therefore, the transfer of ownership to young fishers and small-scale coastal fisheries should be facilitated. To ensure the viability of small-scale fishers and address their economic vulnerability, it is necessary to provide appropriate financial incentives to diversify activities.

(5) In line with recital (4), it should therefore also be possible for Member States to grant young fishers a higher aid intensity rate to support generational renewal and facilitate their entry into the sector.

(6) Greater flexibility and simplification are required in the energy transition process to ensure that the future of fisheries is ecologically, economically and socially sustainable, while safeguarding the viability of current business models. Replacing or

modernising engines, for example using technology based on hydrogen, ammonia, internal combustion, fuel cells, electricity, a combination of electricity and combustion (hybrid), fuel cell hybrid, or any other equivalent energy-efficient or alternative fuel technology, is one way to accelerate the energy transition of the fisheries sector and boost the Union's competitiveness. To support the energy transition process and increase the attractiveness of the sector, small-scale coastal fishing vessels should be given greater flexibility in modernising or replacing their engines. Therefore, the requirements in Article 18(2), point (c), of Regulation (EU) 2021/1139 should be amended to shift the focus from the engine's kW capacity to its contribution to energy efficiency, measured by the proposed reduction in CO_2 emissions. The requirements for engine replacement in Article 18(2), point (d), of Regulation (EU) 2021/1139 should be adapted to remove rigid thresholds that currently impede uptake, thereby enabling broader decarbonisation across the fleet.

(7) To further reduce the administrative burden on the fishing sector, the registration period for fishing vessels should be reduced from 10 to five calendar years. In addition, increases in the gross tonnage capacity of vessels should be permitted for small-scale coastal fisheries to accommodate the increase in volume required to replace an engine or improve energy efficiency.

(8) Eel fisheries are highly seasonal as they are influenced by geographical factors and the eel's complex life cycle. For simplification purposes, the specific characteristics of eel fisheries should be reflected in the calculation of fishing activities at sea, and a derogation from the requirement of 90 days at sea should be introduced in Article 20(2), point (c), of Regulation (EU) 2021/1139, as is already the case for Article 21 of that Regulation.

(9) Financial support for temporary cessation should be allowed in order to alleviate the socio-economic impact on fishers of significant and unexpected reductions in fishing opportunities.

(10) Additional financial support is required to foster innovation, energy transition and energy efficiency initiatives that contribute to the Union's environmental and climate objectives, particularly in the fisheries and aquaculture sectors. Further targeted support should therefore be allowed for pilot and research projects in those sectors that constitute experimental initiatives designed to test the feasibility of a measure under the applicable legal framework. Similarly, financial support should be allowed for investments in ports and infrastructure that contribute to the energy transition in the fisheries sector.

(11) Member States should be permitted to further support the design, development and collective implementation of national strategies for marine protected areas and fisheries-restricted areas and for the management of those areas.

(12) It is also necessary to amend Regulation (EU) 2021/1139 in order to transpose the Protocol amending the Marrakesh Agreement establishing the World Trade Organization, which contains the Agreement on Fisheries Subsidies[5].

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5 The Notice concerning the entry into force of the Protocol amending the Marrakesh Agreement establishing the World Trade Organization Agreement on Fisheries Subsidies was published in the Official Journal of the European Union by the General Secretariat of the Council (OJ L, 2025/1962, 25.9.2025, ELI: http://data.europa.eu/eli/notice/2025/1962/oj)

(13) The European Union is a member of the World Trade Organization ('WTO'), which launched the Doha Round of trade negotiations, known as 'the Doha Development Agenda', in November 2001. The objective of the WTO negotiations on fisheries subsidies was to deliver on Target 14.6 of the United Nations Sustainable Development Goals, which focuses on prohibiting certain forms of fisheries subsidies that lead to overcapacity and overfishing, eliminating subsidies that support illegal, unreported and unregulated (IUU) fishing, and refraining from introducing new harmful subsidies.

(14) On 17 June 2022, the 12th Ministerial Conference adopted the Protocol amending the Marrakesh Agreement establishing the World Trade Organization ('the Protocol'), which contains the Agreement on Fisheries Subsidies ('the Agreement'). The Protocol entered into force on 15 September 2025, when the required two thirds of WTO members had deposited their instruments of acceptance of the Agreement.

(15) The Agreement identifies a number of fisheries subsidies as harmful and establishes an obligation for WTO members to prohibit subsidies for vessels or operators engaged in IUU fishing or fishing-related activities in support of IUU fishing and for fishing and fishing-related activities on the high seas outside the regulatory competence of a relevant regional fisheries management organisation or arrangement ('RFMO/A').

(16) Council Decision (EU) 2023/1116[6] approved the Protocol. The European Union deposited its instrument of acceptance on 7 June 2023. The Protocol should be implemented in Union law.

(17) In order to implement the provisions of the Agreement and ensure full compliance with its obligations, in particular as regards EU funding, it is necessary to amend Regulation (EU) 2021/1139 to provide that for operators and vessels involved in IUU fishing or fishing-related activities in support of IUU fishing, as determined in accordance with Article 3.2 of the Agreement, and fishing and fishing-related activities on the high seas outside the regulatory competence of a relevant RFMO/A are ineligible for support under the EMFAF.

(18) According to Article 5.1 of the Agreement, no WTO member is to grant or maintain subsidies for fishing or fishing-related activities conducted outside of the jurisdiction of a coastal member or a coastal non-member and outside the competence of a relevant RFMO/A. To implement that rule in Union law, it is necessary to provide that such operations and expenditure are also ineligible for funding under the EMFAF. For this purpose, a new Article 13a should be introduced to supplement the list of ineligible operations and expenditure under Article 13 of Regulation (EU) 2021/1139.

(19) To ensure consistency with the obligations under the Agreement, the provisions implementing the Agreement should apply from the date of entry into force of this amending Regulation until the date of termination of the Agreement, as published in the *Official Journal of the European Union*. During that period, applications for support that do not comply with the Agreement should be inadmissible, and operations and expenditure should be ineligible.

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[6] Council Decision (EU) 2023/1116 of 25 May 2023 on the conclusion, on behalf of the European Union, of the Protocol amending the Marrakesh Agreement establishing the World Trade Organisation, as regards the Agreement on fisheries subsidies (OJ L 148, 8.6.2023, p. 1, ELI: http://data.europa.eu/eli/dec/2023/1116/oj)

(20) Findings of IUU fishing in affirmative determinations under Article 3.2 of the Agreement should be without prejudice to findings of IUU fishing under Council Regulations (EC) No 1005/2008[7] and (EC) No 1224/2009[8],

HAVE ADOPTED THIS REGULATION:

Article 1

Amendments to Regulation (EU) 2021/1139

Regulation (EU) 2021/1139 is amended as follows:

(1) in Article 2(2), the following points (16), (17), (18), (19), (20), (21), (22) and (23) are added:

‘(16) “Affirmative determination” means a final finding that an operator or vessel has engaged in illegal, unreported or unregulated fishing (‘IUU fishing’) or fishing-related activities in support of IUU fishing, where that finding is made by:

(a) a member of the World Trade Organization (WTO), for activities in areas under its jurisdiction (‘the coastal state’); or

(b) a relevant regional fisheries management organisation or arrangement (‘RFMO/A’), for activities in areas and for species under its competence, in accordance with the rules and procedures of that RFMO/A and relevant international law;

(17) “WTO Agreement on Fisheries Subsidies” means the Agreement on Fisheries Subsidies contained in the Protocol amending the Marrakesh Agreement establishing the World Trade Organization as regards the Agreement on Fisheries Subsidies, which was adopted by the WTO on 17 June 2022, in force since 15 September 2025 and was approved on behalf of the Union by Council Decision (EU) 2023/1116[9];

(18) “energy transition in the fisheries and aquaculture sector” means a measurable transformation of fishing and aquaculture activities towards lower energy consumption, reduced greenhouse gas emissions and reduced dependence on fossil fuels, where that transformation is achieved through the deployment and use of energy-efficient technologies and designs, the uptake of alternative fuels and low-carbon energy sources in the fisheries and aquaculture sector, and the development of supporting infrastructure that does not undermine the objectives of the common fisheries policy;

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7 Council Regulation (EC) No 1005/2008 of 29 September 2008 establishing a community system to prevent, deter and eliminate illegal, unreported and unregulated fishing, amending Regulations (EEC) No 2847/93, (EC) No 1936/2001 and (EC) No 601/2004 and repealing Regulations (EC) No 1093/94 and (EC) No 1447/1999 (OJ L 286, 29.10.2008, p. 1, ELI: http://data.europa.eu/eli/reg/2008/1005/oj)

8 Council Regulation (EC) No 1224/2009 of 20 November 2009 establishing a Community control system for ensuring compliance with the rules of the common fisheries policy, amending Regulations (EC) No 847/96, (EC) No 2371/2002, (EC) No 811/2004, (EC) No 768/2005, (EC) No 2115/2005, (EC) No 2166/2005, (EC) No 388/2006, (EC) No 509/2007, (EC) No 676/2007, (EC) No 1098/2007, (EC) No 1300/2008, (EC) No 1342/2008 and repealing Regulations (EEC) No 2847/93, (EC) No 1627/94 and (EC) No 1966/2006 (OJ L 343, 22.12.2009, p. 1, ELI: http://data.europa.eu/eli/reg/2009/1224/oj)

9 Council Decision (EU) 2023/1116 of 25 May 2023 on the conclusion, on behalf of the European Union, of the Protocol amending the Marrakesh Agreement establishing the World Trade Organization, as regards the Agreement on fisheries subsidies (OJ L 148, 8.6.2023, ELI: http://data.europa.eu/eli/dec/2023/1116/oj)

(19) “young fisher” means a fisher who is no more than 40 years of age on the date on which the application for support is submitted;

(20) for the purposes of Articles 11a and 13a, “vessel” means a fishing vessel as defined in Article 4(1), point 4, of Regulation (EU) No 1380/2013, or any other vessel, ship or boat used, equipped to be used or intended to be used, for fishing or fishing-related activities;

(21) for the purposes of Articles 11a and 13a, “fishing” means searching for, attracting, locating, catching, taking or harvesting fish, or any activity that can reasonably be expected to result in attracting, locating, catching, taking or harvesting fish;

(22) for the purposes of Articles 11a and 13a, “fishing-related activity” means any operation in support of or in preparation for fishing, landing, packaging, processing, transhipping or transporting of fish that have not previously been landed at a port, as well as the provision of personnel, fuel, gear and other supplies at sea;

(23) for the purposes of Articles 11a and 13a, “operator” means the owner of a vessel, or any person who is in charge of, directs or controls the vessel.’;

(2) Article 5(5) is replaced by the following:

‘The amount of Union financial support allocated by each Member State under the EMFAF referred to in Articles 17, 18, 19 and 20 shall not exceed 30% of the Union financial support allocated to that Member State.’;

(3) the following Article 11a is inserted after Article 11:

‘*Article 11a*

Admissibility of applications in the case of an affirmative determination

1. Without prejudice to Article 11, an application for support submitted by an operator shall be or become inadmissible if a coastal state or an RFMO/A notifies the flag Member State of an affirmative determination concerning an operator or a vessel the operator operates.

2. Where an affirmative determination is notified by a coastal state, an application for support submitted by an operator shall be inadmissible if the affirmative determination is based on relevant factual information and the coastal state has provided the following to the flag Member State and, if known, the subsidising Member State:

(a) a timely notification communicated through appropriate channels. The notification shall also include references to the applicable laws, regulations or administrative procedures, or other relevant information and details of any measures taken, including the following:

  (i) the temporary detention of the vessel or operator, pending further investigation, for engaging in IUU fishing, or

  (ii) the initiation by the coastal state of an investigation for IUU fishing;

(b) an opportunity to exchange relevant information before the affirmative determination is finalised, so that such information may be taken into account in the final affirmative determination, in a manner and within a period to be specified by the coastal state.

The coastal state shall notify the flag Member State of the final affirmative determination and any sanctions imposed, including, if applicable, their duration.

3. Where an affirmative determination has been notified in relation to a specific vessel, the inadmissibility of an application submitted by the operator of that vessel shall apply only to support that is directly linked to that specific vessel or its activities.

4. Where an affirmative determination is notified during the period between the granting of support and the final payment, any support already paid from the EMFAF in respect of the vessel and activities referred to in that affirmative determination shall be recovered from the operator in accordance with Article 44 of this Regulation and Article 103 of Regulation (EU) 2021/1060 of the European Parliament and of the Council.

5. Applications shall be inadmissible, pursuant to paragraphs 2 to 4, for a period corresponding to the longer of the following:

(a) the duration of the sanction provided for in the national rules of the coastal state that made the affirmative determination; or

(b) the period during which the vessel or operator is listed by an RFMO/A.

6. Member States may apply, in accordance with their national rules, a longer inadmissibility period than that determined under paragraph 5, taking into account the nature, gravity and repetition of the IUU fishing or fishing-related activity in support of IUU fishing committed by the vessel or operator.

7. Where an affirmative determination notified to the flag Member State does not specify the duration of the sanction, the flag Member State shall determine the period of inadmissibility, taking into account the nature, gravity and repetition of IUU fishing and fishing-related activities in support of IUU fishing.

8. Where the same IUU fishing or fishing-related activities in support of IUU fishing result in an inadmissibility under both Article 11(1) and Article 11a, the total period of inadmissibility shall not exceed the longest period of inadmissibility resulting from either Article 11 or paragraphs 5, 6 and 7 of this Article.

9. Where a flag Member State receives an affirmative determination concerning one of its vessels or operators, it shall inform the Commission by electronic means within 10 working days of receipt of the affirmative determination, indicating the operator and vessel concerned and, where applicable, the duration of the sanction. The Commission shall make that information available to all other Member States by publishing it in a restricted-access section of its website.

(4) Article 13 is amended as follows:

(a) the introductory wording is replaced by **the following**:

‘1. The following operations and expenditure shall not be eligible for support from the EMFAF:’;

(b) in paragraph 1, point (a) is replaced by the following:

‘(a) operations that increase the fishing capacity of a fishing vessel, unless otherwise provided for in Articles 19 and 19a’;

(c) in paragraph 1, point (c) is replaced by the following:

‘(c) the construction, acquisition or importation of fishing vessels, unless otherwise provided for in Article 17 and 19a’;

(d) in paragraph 1, point (g) is replaced by the following:

‘(g) the transfer of ownership of a business, unless the support is granted to a young fisher to whom ownership is transferred or unless the business is engaged only in small-scale coastal fishing’;

(e) in paragraph 1, point (k) is replaced by the following:

‘(k) investments on board fishing vessels that are necessary to comply with requirements under Union law in force at the time of submission of the application for support, including requirements under the Union’s obligations in the context of RFMOs, unless otherwise provided for in Articles 19a and 22’;

(f) in paragraph 1, point (m) is replaced by the following:

‘(m) the replacement or modernisation of a main or ancillary engine of a fishing vessel, unless otherwise provided for in Article 18 and 19a’;

(g) the following paragraph (2) is added:

‘2. Paragraph 1, point (b) shall not apply to navigation equipment operating exclusively above the water surface, such as GPS and radar technology, which is solely used for the prevention of maritime accidents and to increase safety at sea.’;

(6) the following Article 13a is inserted after Article 13:

‘*Article 13a*

Ineligibility of support for fishing or fishing-related activities outside the jurisdiction of a coastal state and outside the competence of a relevant RFMO/A

In addition to the ineligible operations and expenditure under Article 13, operations and expenditure supporting fishing or fishing-related activities conducted outside the jurisdiction of coastal states, including coastal states that are not WTO members, and outside the competence of a relevant RFMO/A, shall not be eligible for support from the EMFAF.’;

(7) Article 18 is amended as follows:

(a) in paragraph 2, point (c) is replaced by the following:

‘(c) for small-scale coastal fishing vessels, the new or modernised engine contributes to a reduction in CO_2 emissions.’;

(b) in paragraph 2, point (d) is replaced by the following:

‘(d) for other vessels up to 24 metres in overall length, the new or modernised engine does not have more power in kW than that of the current engine and meets the requirements set out in paragraph 5’;

(c) paragraph 5 is replaced by the following:

‘5. The new engine referred to in paragraph 2, point (d), shall:

(a) use an energy-efficient technology or an alternative fuel technology, in line with the Energy Efficiency Directive[10];

(b) be type-approved in accordance with Regulation (EU) 2016/1628 of the European Parliament and of the Council[11]; and

[10] Directive (EU) 2023/1791 of the European Parliament and of the Council of 13 September 2023 on energy efficiency and amending Regulation (EU) 2023/955 (recast) (OJ L 231 20.9.2023, ELI: http://data.europa.eu/eli/dir/2023/1791/2026-08-05)

(c) be at least seven years newer than the engine being replaced.’;

(8) Article 19 is amended as follows:

(a) in paragraph 2, point (c) is replaced by the following:

‘(c) the fishing vessel has been registered in the Union fleet register for at least the five calendar years preceding the year of submission of the application for support’;

(b) in paragraph 3, point (d) is replaced by the following:

‘(d) the increase in gross tonnage necessary for the subsequent installation or renovation of an engine or a propulsion system that demonstrates better energy efficiency or lower CO_2 emissions compared to the previous situation, which, unless the vessel in question is a small-scale coastal catching vessel, does not have a power exceeding the catching vessel’s previously certified engine power pursuant to Article 40(1) of Regulation (EC) No 1224/2009, and whose maximum power output is certified by the manufacturer for that engine or propulsion system model’;

(9) the following Article 19a is inserted after Article 19:

‘*Article 19a*

Support for the energy transition

1. To achieve the specific objective referred to in Article 14(1), point (a), of this Regulation, the EMFAF may also support pilot and research projects and investments in ports and infrastructure that contribute to the energy transition in the fisheries sector.

2. Pilot and research projects refer to the testing of innovative technological and operational solutions to demonstrate and validate their contribution to the energy transition using one or more fishing vessels or aquaculture production systems under the supervision of an independent scientific, research or technical body. Such projects may also include the acquisition of a fishing vessel, engine replacements and/or the provision of equipment for fishing vessels, provided these are not used for commercial fishing. Vessels, engines or any equipment financed under such projects may subsequently be used for commercial fishing only if they have been acquired by the relevant operator at fair market value, without public support or with public support that is fulfilling the conditions of this Regulation.;

3. Investment in ports and infrastructure means investments that support the energy transition in EU fisheries and aquaculture as referred to in Article 2(2), point (18), in ports, quays and docking areas.’;

(10) in Article 20(2), point ((c) is replaced by the following:

‘(c) the fishing vessel is registered as active and has carried out fishing activities at sea for at least 90 days per year during the last two calendar years preceding the date of submission of the application for support; this condition shall not apply in the case of a vessel licensed for and authorised for fishing eels.’;

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[11] Regulation (EU) 2016/1628 of the European Parliament and of the Council of 14 September 2016 on requirements relating to gaseous and particulate pollutant emission limits and type-approval for internal combustion engines for non-road mobile machinery, amending Regulations (EU) No 1024/2012 and (EU) No 167/2013, and amending and repealing Directive 97/68/EC (OJ L 252, 16.9.2016, p. 53, ELI: http://data.europa.eu/eli/reg/2016/1628/oj)

(11) in Article 21(2), the following point (f) is added:

‘(f) socio-economic impacts resulting from a reduction of at least 40% in the fishing opportunities allocated to the operator, following a reduction in fishing opportunities adopted by the Council pursuant to Article 43(3) of the Treaty on the Functioning of the European Union. The reference year for calculating the reduction shall be the calendar year preceding the year for which the fishing opportunities are established by the relevant Council Regulation.’;

(12) in Article 25, the following point (h) is added:

‘(h) actions to support the design, development and collective implementation of national strategies for marine protected areas and fisheries-restricted areas, the management of marine protected areas and fisheries-restricted areas, and the development of fisheries co-management schemes, and awareness-raising measures to promote stakeholder cooperation for the establishment and management of marine protected areas and fisheries protected areas.’;

(13) the following Article 30a is inserted after Article 30:

‘*Article 30a*

Small-scale fishing

To achieve the specific objective referred to in Article 29 of this Regulation, the EMFAF may also provide support for actions intended to sustain viable small-scale coastal fishing and facilitate the diversification of the income of small-scale coastal fishers through the development of complementary activities.’;

(14) the following Article 44a is inserted after Article 44:

‘*Article 44a*

Financial corrections by Member States in the case of an affirmative determination

1.1. Where financial corrections are made to recover support pursuant to Article 11a (4), Member States shall determine the amount of the correction, which shall be proportionate to the nature, gravity, duration and repetition of the IUU fishing or fishing-related activity in support of IUU fishing committed by the beneficiary concerned and to the extent of the EMFAF contribution to that beneficiary’s economic activity.’;

(15) Article 66 is replaced by the following:

‘*Article 66*

Entry into force and date of application

This Regulation shall enter into force on the day following that of its publication in the *Official Journal of the European Union*. It shall apply from 1 January 2021 in respect of support under direct and indirect management provided for in Title III. Article 2(2), points (16), (17), (20), (21), (22) and (23) and Articles 11a, 13a and 44a shall apply from [insert date of entry into force of the provisions amending the Regulation]. Article 2(2), points (16), (17), (20), (21), (22) and (23) and Articles 11a, 13a and 44a shall apply until the date of termination of the WTO Agreement on Fisheries Subsidies, as published in the *Official Journal of the European Union*.’;

(16) In Annex III, row 1 is replaced by the following:

‘Operations supported under Articles 18 and 19	40%

Operations supported under Article 17 for young fishers	60%’

Article 2

Entry into force

This Regulation shall enter into force on the 20th day following that of its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

For the European Parliament
The President

For the Council
The President

LEGISLATIVE FINANCIAL AND DIGITAL STATEMENT

1. FRAMEWORK OF THE PROPOSAL/INITIATIVE

1.1. Title of the proposal/initiative

Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EU) 2021/1139 as regard simplification and the transposition of the WTO Agreement on Fisheries Subsidies.

1.2. Policy area(s) concerned

The proposal concerns Programme cluster 8 ('Agriculture & Maritime Policy') under Heading 3 ('Natural Resources and Environment') of the Multiannual Financial Framework (MFF) 2021-2027. It is limited to targeted amendments to Regulation (EU) 2021/1139 and is consistent with Regulation (EU) No 1380/2013 on the Common Fisheries Policy and with Regulation (EU) 2021/1060 on common provisions for Union funds implemented under shared management.

Moreover, it has linkages to other Union policies, especially environmental, climate, cohesion, agriculture, social, market and trade policies. It is consistent with the initiatives set out in the European Ocean Pact and contributes to achieving the United Nations (UN) Sustainable Development Goal 14 ('conserve and sustainably use the oceans, seas and marine resources'), to which the EU is committed.

1.3. Objective(s)

1.3.1. General objective(s)

This proposal seeks to amend the EMFAF Regulation to make it more accessible and easier for Member States and beneficiaries to implement. The proposal also incorporates the necessary changes to ensure the full implementation in EU law of the World Trade Organization (WTO) Agreement on Fisheries Subsidies (AFS).

1.3.2. Specific objective(s)

The proposal introduces new definitions to provide greater legal certainty, makes certain conditions on engine replacement or modernisation more flexible, introduces two new schemes for temporary cessation and small-scale fisheries, increases the aid intensity to support generational renewal, and eases certain restrictions on budget allocations. The proposal also transposes the AFS into this legal basis.

1.3.3. Expected result(s) and impact

Specify the effects which the proposal/initiative should have on the beneficiaries/groups targeted.

The proposal is expected to:

provide greater legal certainty and facilitate the testing of new technologies by introducing new definitions for "energy transition", "pilot projects" and "demonstrators", which should not be treated as ordinary fishing vessels.

accelerate the energy transition of the EU fishing fleet by making engine replacement and modernisation rules more flexible, with a simplified approval process and methodology for emissions reduction calculation.

have a positive impact on generational renewal by increasing aid intensity for young fishers and the removal of barriers to support the transfer of ownership of business will have a positive impact on generational renewal.

introduce a new scheme for temporary cessation in order to alleviate the socio-economic impact on fishers of significant and unexpected reductions in fishing opportunities.

grant Member States more budgetary flexibility by raising the ceiling for fleet measures and permanent cessation from 15 % to 30 % of each Member State's allocation.

ensure full compliance with the AFS by making any operator or vessel engaged in IUU fishing or high seas activities outside the competence of Regional Fisheries Management Organisations (RFMOs) ineligible for EMFAF support.

1.3.4. *Indicators of performance*

Specify the indicators for monitoring progress and achievements.

The implementation, monitoring, evaluation and reporting requirements established in Regulations (EU) 2021/1139 and 2021/1060 apply.

1.4. The proposal/initiative relates to:

☐ a new action

☐ a new action following a pilot project / preparatory action[12]

☒ the extension of an existing action

☐ a merger or redirection of one or more actions towards another/a new action

1.5. Grounds for the proposal/initiative

1.5.1. *Requirement(s) to be met in the short or long term including a detailed timeline for roll-out of the implementation of the initiative*

[…]

[…]

1.5.2. *Added value of EU involvement (it may result from different factors, e.g. coordination gains, legal certainty, greater effectiveness or complementarities). For the purposes of this section 'added value of EU involvement' is the value resulting from EU action, that is additional to the value that would have been otherwise created by Member States alone.*

Reasons for action at EU level (ex-ante) […]

Expected generated EU added value (ex-post) […]

1.5.3. *Lessons learned from similar experiences in the past*

[…]

[…]

1.5.4. *Compatibility with the multiannual financial framework and possible synergies with other appropriate instruments*

[…]

[…]

[12] As referred to in Article 58(2), point (a) or (b) of the Financial Regulation.

1.5.5. Assessment of the different available financing options, including scope for redeployment

[…]
[…]

1.6. Duration of the proposal/initiative and of its financial impact

☐ **limited duration**

– ☐ in effect from [DD/MM]YYYY to [DD/MM]YYYY

– ☐ financial impact from YYYY to YYYY for commitment appropriations and from YYYY to YYYY for payment appropriations.

☐ **unlimited duration**

– Implementation with a start-up period from YYYY to YYYY,

– followed by full-scale operation.

1.7. Method(s) of budget implementation planned

☐ **Direct management** by the Commission

– ☐ by its departments, including by its staff in the Union delegations;

– ☐ by the executive agencies

☐ **Shared management** with the Member States

☐ **Indirect management** by entrusting budget implementation tasks to:

– ☐ third countries or the bodies they have designated

– ☐ international organisations and their agencies (to be specified)

– ☐ the European Investment Bank and the European Investment Fund

– ☐ bodies referred to in Articles 70 and 71 of the Financial Regulation

– ☐ public law bodies

– ☐ bodies governed by private law with a public service mission to the extent that they are provided with adequate financial guarantees

– ☐ bodies governed by the private law of a Member State that are entrusted with the implementation of a public-private partnership and that are provided with adequate financial guarantees

– ☐ bodies or persons entrusted with the implementation of specific actions in the common foreign and security policy pursuant to Title V of the Treaty on European Union, and identified in the relevant basic act

– ☐·bodies established in a Member State, governed by the private law of a Member State or Union law and eligible to be entrusted, in accordance with sector-specific rules, with the implementation of Union funds or budgetary guarantees, to the extent that such bodies are controlled by public law bodies or by bodies governed by private law with a public service mission, and are provided with adequate financial guarantees in the form of joint and several liability by the controlling bodies or equivalent financial guarantees and which may be, for each action, limited to the maximum amount of the Union support.

Comments

[…] […]

2. MANAGEMENT MEASURES

2.1. Monitoring and reporting rules

[…]

[…]

2.2. Management and control system(s)

2.2.1. Justification of the budget implementation method(s), the funding implementation mechanism(s), the payment modalities and the control strategy proposed

[…]

[…]

2.2.2. Information concerning the risks identified and the internal control system(s) set up to mitigate them

[…]

[…]

2.2.3. Estimation and justification of the cost-effectiveness of the controls (ratio between the control costs and the value of the related funds managed), and assessment of the expected levels of risk of error (at payment & at closure)

[…]

[…]

2.3. Measures to prevent fraud and irregularities

[…]

[…]

3. ESTIMATED FINANCIAL IMPACT OF THE PROPOSAL/INITIATIVE

3.1. Heading(s) of the multiannual financial framework and expenditure budget line(s) affected

- Existing budget lines

In order of multiannual financial framework headings and budget lines.

Heading of multiannual financial framework	Budget line	Type of expenditure	Contribution			
	Number	Diff./Non-diff.[13]	from EFTA countries[14]	from candidate countries and potential candidates[15]	From other third countries	other assigned revenue
	[XX.YY.YY.YY]	Diff./Non-diff.	YES/NO	YES/NO	YES/NO	YES/NO
	[XX.YY.YY.YY]	Diff./Non-diff.	YES/NO	YES/NO	YES/NO	YES/NO
	[XX.YY.YY.YY]	Diff./Non-diff.	YES/NO	YES/NO	YES/NO	YES/NO

- New budget lines requested

In order of multiannual financial framework headings and budget lines.

Heading of multiannual financial framework	Budget line	Type of expenditure	Contribution			
	Number	Diff./Non-diff.	from EFTA countries	from candidate countries and potential candidates	from other third countries	other assigned revenue
	[XX.YY.YY.YY]	Diff./Non-diff.	YES/NO	YES/NO	YES/NO	YES/NO
	[XX.YY.YY.YY]	Diff./Non-diff.	YES/NO	YES/NO	YES/NO	YES/NO
	[XX.YY.YY.YY]	Diff./Non-diff.	YES/NO	YES/NO	YES/NO	YES/NO

13 Diff. = Differentiated appropriations / Non-diff. = Non-differentiated appropriations.
14 EFTA: European Free Trade Association.
15 Candidate countries and, where applicable, potential candidates from the Western Balkans.

3.2. Estimated financial impact of the proposal on appropriations

3.2.1. Summary of estimated impact on operational appropriations

– ☐ The proposal/initiative does not require the use of operational appropriations

– ☐ The proposal/initiative requires the use of operational appropriations, as explained below

3.2.1.1. Appropriations from voted budget

EUR million (to three decimal places)

Heading of multiannual financial framework	Number	

DG: <…….>			Year **2024**	Year **2025**	Year **2026**	Year **2027**	**TOTAL MFF 2021-2027**
Operational appropriations							
Budget line	Commitments	(1a)					**0.000**
	Payments	(2a)					**0.000**
Budget line	Commitments	(1b)					**0.000**
	Payments	(2b)					**0.000**
Appropriations of an administrative nature financed from the envelope of specific programmes							
Budget line		(3)					**0.000**
TOTAL appropriations for DG <…….>	Commitments	=1a+1b+3	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
	Payments	=2a+2b+3	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

DG: <…….>			Year **2024**	Year **2025**	Year **2026**	Year **2027**	**TOTAL MFF 2021-2027**
Operational appropriations							
Budget line	Commitments	(1a)					**0.000**
	Payments	(2a)					**0.000**

Budget line	Commitments	(1b)					**0.000**
	Payments	(2b)					**0.000**
Appropriations of an administrative nature financed from the envelope of specific programmes							
Budget line		(3)					**0.000**
TOTAL appropriations for DG <…….>	Commitments	=1a+1b+3	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
	Payments	=2a+2b+3	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

			Year **2024**	Year **2025**	Year **2026**	Year **2027**	**TOTAL MFF 2021-2027**
TOTAL operational appropriations	Commitments	(4)	0.000	0.000	0.000	0.000	**0.000**
	Payments	(5)	0.000	0.000	0.000	0.000	**0.000**
TOTAL appropriations of an administrative nature financed from the envelope for specific programmes		(6)	0.000	0.000	0.000	0.000	**0.000**
TOTAL appropriations under HEADING <….> of the multiannual financial framework	Commitments	=4+6	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
	Payments	=5+6	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

Heading of multiannual financial framework	Number	

DG: <…….>			Year **2024**	Year **2025**	Year **2026**	Year **2027**	**TOTAL MFF 2021-2027**
Operational appropriations							
Budget line	Commitments	(1a)					**0.000**

	Payments	(2a)					0.000
Budget line	Commitments	(1b)					0.000
	Payments	(2b)					0.000
Appropriations of an administrative nature financed from the envelope of specific programmes							
Budget line		(3)					0.000
TOTAL appropriations for DG <…….>	Commitments	=1a+1b +3	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
	Payments	=2a+2b+3	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

DG: <…….>			Year **2024**	Year **2025**	Year **2026**	Year **2027**	**TOTAL MFF 2021-2027**
Operational appropriations							
Budget line	Commitments	(1a)					0.000
	Payments	(2a)					0.000
Budget line	Commitments	(1b)					0.000
	Payments	(2b)					0.000
Appropriations of an administrative nature financed from the envelope of specific programmes							
Budget line		(3)					0.000
TOTAL appropriations for DG <…….>	Commitments	=1a+1b +3	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
	Payments	=2a+2b+3	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

			Year **2024**	Year **2025**	Year **2026**	Year **2027**	**TOTAL MFF 2021-2027**
TOTAL operational appropriations	Commitments	(4)	0.000	0.000	0.000	0.000	**0.000**
	Payments	(5)	0.000	0.000	0.000	0.000	**0.000**

TOTAL appropriations of an administrative nature financed from the envelope for specific programmes		(6)	0.000	0.000	0.000	0.000	**0.000**
TOTAL appropriations under HEADING <….> of the multiannual financial framework	Commitments	=4+6	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
	Payments	=5+6	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

			Year **2024**	Year **2025**	Year **2026**	Year **2027**	**TOTAL MFF 2021-2027**
• TOTAL operational appropriations (all operational headings)	Commitments	(4)	0.000	0.000	0.000	0.000	**0.000**
	Payments	(5)	0.000	0.000	0.000	0.000	**0.000**
• TOTAL appropriations of an administrative nature financed from the envelope for specific programmes (all operational headings)		(6)	0.000	0.000	0.000	0.000	**0.000**
TOTAL appropriations Under Heading 1 to 6 of the multiannual financial framework (Reference amount)	Commitments	=4+6	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
	Payments	=5+6	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

Heading of multiannual financial framework	**7**	'Administrative expenditure'

DG: <…….>		Year **2024**	Year **2025**	Year **2026**	Year **2027**	**TOTAL MFF 2021-2027**
• Human resources		0.000	0.000	0.000	0.000	**0.000**
• Other administrative expenditure		0.000	0.000	0.000	0.000	**0.000**
TOTAL DG <…….>	Appropriations	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

DG: <…….>		Year 2024	Year 2025	Year 2026	Year 2027	**TOTAL MFF 2021-2027**
• Human resources		0.000	0.000	0.000	0.000	**0.000**
• Other administrative expenditure		0.000	0.000	0.000	0.000	**0.000**
TOTAL DG <…….>	Appropriations	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

TOTAL appropriations under HEADING 7 of the multiannual financial framework	(Total commitments = Total payments)	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

EUR million (to three decimal places)

		Year 2024	Year 2025	Year 2026	Year 2027	**TOTAL MFF 2021-2027**
TOTAL appropriations under HEADINGS 1 to 7	Commitments	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
of the multiannual financial framework	Payments	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

3.2.1.2. Appropriations from external assigned revenues

EUR million (to three decimal places)

Heading of multiannual financial framework	Number	

DG: <…….>			Year 2024	Year 2025	Year 2026	Year 2027	**TOTAL MFF 2021-2027**
Operational appropriations							
Budget line	Commitments	(1a)					**0.000**
	Payments	(2a)					**0.000**

Budget line	Commitments	(1b)					0.000
	Payments	(2b)					0.000
Appropriations of an administrative nature financed from the envelope of specific programmes							
Budget line		(3)					0.000
TOTAL appropriations for DG <…….>	Commitments	=1a+1b+3	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
	Payments	=2a+2b+3	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

DG: <…….>			Year **2024**	Year **2025**	Year **2026**	Year **2027**	**TOTAL MFF 2021-2027**
Operational appropriations							
Budget line	Commitments	(1a)					0.000
	Payments	(2a)					0.000
Budget line	Commitments	(1b)					0.000
	Payments	(2b)					0.000
Appropriations of an administrative nature financed from the envelope of specific programmes							
Budget line		(3)					0.000
TOTAL appropriations for DG <…….>	Commitments	=1a+1b+3	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
	Payments	=2a+2b+3	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

			Year **2024**	Year **2025**	Year **2026**	Year **2027**	**TOTAL MFF 2021-2027**
TOTAL operational appropriations	Commitments	(4)	0.000	0.000	0.000	0.000	**0.000**
	Payments	(5)	0.000	0.000	0.000	0.000	**0.000**
TOTAL appropriations of an administrative nature financed from the envelope for specific programmes		(6)	0.000	0.000	0.000	0.000	**0.000**

TOTAL appropriations under HEADING <….> of the multiannual financial framework	Commitments	=4+6	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
	Payments	=5+6	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

Heading of multiannual financial framework	Number	

DG: <…….>			Year **2024**	Year **2025**	Year **2026**	Year **2027**	**TOTAL MFF 2021-2027**
Operational appropriations							
Budget line	Commitments	(1a)					**0.000**
	Payments	(2a)					**0.000**
Budget line	Commitments	(1b)					**0.000**
	Payments	(2b)					**0.000**
Appropriations of an administrative nature financed from the envelope of specific programmes							
Budget line		(3)					**0.000**
TOTAL appropriations for DG <…….>	Commitments	=1a+1b+3	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
	Payments	=2a+2b+3	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

DG: <…….>			Year **2024**	Year **2025**	Year **2026**	Year **2027**	**TOTAL MFF 2021-2027**
Operational appropriations							
Budget line	Commitments	(1a)					**0.000**
	Payments	(2a)					**0.000**
Budget line	Commitments	(1b)					**0.000**
	Payments	(2b)					**0.000**

Appropriations of an administrative nature financed from the envelope of specific programmes							
Budget line		(3)					**0.000**
TOTAL appropriations for DG <…….>	Commitments	=1a+1b+3	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
	Payments	=2a+2b+3	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

			Year **2024**	Year **2025**	Year **2026**	Year **2027**	**TOTAL MFF 2021-2027**
TOTAL operational appropriations	Commitments	(4)	0.000	0.000	0.000	0.000	**0.000**
	Payments	(5)	0.000	0.000	0.000	0.000	**0.000**
TOTAL appropriations of an administrative nature financed from the envelope for specific programmes		(6)	0.000	0.000	0.000	0.000	**0.000**
TOTAL appropriations under HEADING <….> of the multiannual financial framework	Commitments	=4+6	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
	Payments	=5+6	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

			Year **2024**	Year **2025**	Year **2026**	Year **2027**	**TOTAL MFF 2021-2027**
• TOTAL operational appropriations (all operational headings)	Commitments	(4)	0.000	0.000	0.000	0.000	**0.000**
	Payments	(5)	0.000	0.000	0.000	0.000	**0.000**
• TOTAL appropriations of an administrative nature financed from the envelope for specific programmes (all operational headings)		(6)	0.000	0.000	0.000	0.000	**0.000**
TOTAL appropriations under Headings 1 to 6	Commitments	=4+6	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

of the multiannual financial framework (Reference amount)	Payments	=5+6	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

Heading of multiannual financial framework	**7**	'Administrative expenditure'

EUR million (to three decimal places)

DG: <…….>		Year **2024**	Year **2025**	Year **2026**	Year **2027**	**TOTAL MFF 2021-2027**
• Human resources		0.000	0.000	0.000	0.000	**0.000**
• Other administrative expenditure		0.000	0.000	0.000	0.000	**0.000**
TOTAL DG <…….>	Appropriations	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

DG: <…….>		Year **2024**	Year **2025**	Year **2026**	Year **2027**	**TOTAL MFF 2021-2027**
• Human resources		0.000	0.000	0.000	0.000	**0.000**
• Other administrative expenditure		0.000	0.000	0.000	0.000	**0.000**
TOTAL DG <…….>	Appropriations	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

TOTAL appropriations under HEADING 7 of the multiannual financial framework	(Total commitments = Total payments)	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

EUR million (to three decimal places)

		Year **2024**	Year **2025**	Year **2026**	Year **2027**	**TOTAL MFF 2021-2027**
TOTAL appropriations under HEADINGS 1 to 7	Commitments	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

of the multiannual financial framework	Payments	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

3.2.2. Estimated output funded from operational appropriations (not to be completed for decentralised agencies)

Commitment appropriations in EUR million (to three decimal places)

Indicate objectives and outputs ⇩			Year **2024**		Year **2025**		Year **2026**		Year **2027**		Enter as many years as necessary to show the duration of the impact (see Section1.6)						**TOTAL**	
	OUTPUTS																	
	Type[16]	Average cost	No	Cost	No	Cost	No	Cost	No	Cost	No	Cost	No	Cost	No	Cost	Total No	Total cost
SPECIFIC OBJECTIVE No 1[17]…																		
- Output																		
- Output																		
- Output																		
Subtotal for specific objective No 1																		
SPECIFIC OBJECTIVE No 2 ...																		
- Output																		
Subtotal for specific objective No 2																		
TOTALS																		

16 Outputs are products and services to be supplied (e.g. number of student exchanges financed, number of km of roads built, etc.).

17 As described in Section 1.3.2. 'Specific objective(s)'

3.2.3. *Summary of estimated impact on administrative appropriations*

– ☐ The proposal/initiative does not require the use of appropriations of an administrative nature

– ☐ The proposal/initiative requires the use of appropriations of an administrative nature, as explained below

3.2.3.1. Appropriations from voted budget

VOTED APPROPRIATIONS	Year **2024**	Year **2025**	Year **2026**	Year **2027**	**TOTAL 2021 - 2027**
HEADING 7					
Human resources	0.000	0.000	0.000	0.000	**0.000**
Other administrative expenditure	0.000	0.000	0.000	0.000	**0.000**
Subtotal HEADING 7	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
Outside HEADING 7					
Human resources	0.000	0.000	0.000	0.000	**0.000**
Other expenditure of an administrative nature	0.000	0.000	0.000	0.000	**0.000**
Subtotal outside HEADING 7	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
TOTAL	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

3.2.3.2. Appropriations from external assigned revenues

EXTERNAL ASSIGNED REVENUES	Year **2024**	Year **2025**	Year **2026**	Year **2027**	**TOTAL 2021 - 2027**
HEADING 7					
Human resources	0.000	0.000	0.000	0.000	**0.000**
Other administrative expenditure	0.000	0.000	0.000	0.000	**0.000**
Subtotal HEADING 7	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
Outside HEADING 7					
Human resources	0.000	0.000	0.000	0.000	**0.000**
Other expenditure of an administrative nature	0.000	0.000	0.000	0.000	**0.000**
Subtotal outside HEADING 7	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
TOTAL	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

3.2.3.3. Total appropriations

TOTAL VOTED APPROPRIATIONS + EXTERNAL ASSIGNED REVENUES	Year **2024**	Year **2025**	Year **2026**	Year **2027**	**TOTAL 2021 - 2027**
HEADING 7					
Human resources	0.000	0.000	0.000	0.000	**0.000**
Other administrative expenditure	0.000	0.000	0.000	0.000	**0.000**
Subtotal HEADING 7	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
Outside HEADING 7					
Human resources	0.000	0.000	0.000	0.000	**0.000**

Other expenditure of an administrative nature	0.000	0.000	0.000	0.000	**0.000**
Subtotal outside HEADING 7	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
TOTAL	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

The appropriations required for human resources and other expenditure of an administrative nature will be met by appropriations from the DG that are already assigned to management of the action and/or have been redeployed within the DG, together, if necessary, with any additional allocation which may be granted to the managing DG under the annual allocation procedure and in the light of budgetary constraints.

3.2.4. Estimated requirements of human resources

– ☐ The proposal/initiative does not require the use of human resources

– ☐ The proposal/initiative requires the use of human resources, as explained below

3.2.4.1. Financed from voted budget

Estimate to be expressed in full-time equivalent units (FTEs)

VOTED APPROPRIATIONS		Year **2024**	Year **2025**	Year **2026**	Year **2027**
• Establishment plan posts (officials and temporary staff)					
20 01 02 01 (Headquarters and Commission's Representation Offices)		0	0	0	0
20 01 02 03 (EU Delegations)		0	0	0	0
01 01 01 01 (Indirect research)		0	0	0	0
01 01 01 11 (Direct research)		0	0	0	0
Other budget lines (specify)		0	0	0	0
• External staff (inFTEs)					
20 02 01 (AC, END from the 'global envelope')		0	0	0	0
20 02 03 (AC, AL, END and JPD in the EU Delegations)		0	0	0	0
Admin. Support line [XX.01.YY.YY]	- at Headquarters	0	0	0	0
	- in EU Delegations	0	0	0	0
01 01 01 02 (AC, END - Indirect research)		0	0	0	0
01 01 01 12 (AC, END - Direct research)		0	0	0	0
Other budget lines (specify) - Heading 7		0	0	0	0
Other budget lines (specify) - Outside Heading 7		0	0	0	0
TOTAL		**0**	**0**	**0**	**0**

3.2.4.2. Financed from external assigned revenues

EXTERNAL ASSIGNED REVENUES	Year **2024**	Year **2025**	Year **2026**	Year **2027**
• Establishment plan posts (officials and temporary staff)				
20 01 02 01 (Headquarters and Commission's Representation Offices)	0	0	0	0
20 01 02 03 (EU Delegations)	0	0	0	0
01 01 01 01 (Indirect research)	0	0	0	0
01 01 01 11 (Direct research)	0	0	0	0

	2024	2025	2026	2027
Other budget lines (specify)	0	0	0	0
• External staff (in full time equivalent units)				
20 02 01 (AC, END from the 'global envelope')	0	0	0	0
20 02 03 (AC, AL, END and JPD in the EU Delegations)	0	0	0	0
Admin. Support line [XX.01.YY.YY] - at Headquarters	0	0	0	0
Admin. Support line [XX.01.YY.YY] - in EU Delegations	0	0	0	0
01 01 01 02 (AC, END - Indirect research)	0	0	0	0
01 01 01 12 (AC, END - Direct research)	0	0	0	0
Other budget lines (specify) - Heading 7	0	0	0	0
Other budget lines (specify) - Outside Heading 7	0	0	0	0
TOTAL	**0**	**0**	**0**	**0**

3.2.4.3. Total requirements of human resources

TOTAL VOTED APPROPRIATIONS + EXTERNAL ASSIGNED REVENUES		Year **2024**	Year **2025**	Year **2026**	Year **2027**
• Establishment plan posts (officials and temporary staff)					
20 01 02 01 (Headquarters and Commission's Representation Offices)		0	0	0	0
20 01 02 03 (EU Delegations)		0	0	0	0
01 01 01 01 (Indirect research)		0	0	0	0
01 01 01 11 (Direct research)		0	0	0	0
Other budget lines (specify)		0	0	0	0
• External staff (in full time equivalent units)					
20 02 01 (AC, END from the 'global envelope')		0	0	0	0
20 02 03 (AC, AL, END and JPD in the EU Delegations)		0	0	0	0
Admin. Support line [XX.01.YY.YY]	- at Headquarters	0	0	0	0
	- in EU Delegations	0	0	0	0
01 01 01 02 (AC, END - Indirect research)		0	0	0	0
01 01 01 12 (AC, END - Direct research)		0	0	0	0
Other budget lines (specify) - Heading 7		0	0	0	0
Other budget lines (specify) - Outside Heading 7		0	0	0	0
TOTAL		**0**	**0**	**0**	**0**

===

The staff required to implement the proposal (in FTEs):

	To be covered by current staff available in the Commission services	**Exceptional additional staff***		
		To be financed under Heading 7 or Research	**To be financed from BA line**	**To be financed from fees**

Establishment plan posts			N/A	
External staff (CA, SNEs, INT)				

Description of tasks to be carried out by:

Officials and temporary staff	
External staff	

3.2.5. Overview of estimated impact on digital technology-related investments

Compulsory: the best estimate of the digital technology-related investments entailed by the proposal/initiative should be included in the table below.

Exceptionally, when required for the implementation of the proposal/initiative, the appropriations under Heading 7 should be presented in the designated line.

The appropriations under Headings 1-6 should be reflected as "Policy IT expenditure on operational programmes". This expenditure refers to the operational budget to be used to re-use/ buy/ develop IT platforms/ tools directly linked to the implementation of the initiative and their associated investments (e.g. licences, studies, data storage etc). The information provided in this table should be consistent with details presented under Section 4 "Digital dimensions".

TOTAL Digital and IT appropriations	Year **2024**	Year **2025**	Year **2026**	Year **2027**	**TOTAL MFF 2021 - 2027**
HEADING 7					
IT expenditure (corporate)	0.000	0.000	0.000	0.000	**0.000**
Subtotal HEADING 7	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
Outside HEADING 7					
Policy IT expenditure on operational programmes	0.000	0.000	0.000	0.000	**0.000**
Subtotal outside HEADING 7	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
TOTAL	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

3.2.6. Compatibility with the current multiannual financial framework

The proposal/initiative:

– ☐ can be fully financed through redeployment within the relevant heading of the multiannual financial framework (MFF)

– ☐ requires use of the unallocated margin under the relevant heading of the MFF and/or use of the special instruments as defined in the MFF Regulation

– ☐ requires a revision of the MFF

3.2.7. *Third-party contributions*

The proposal/initiative:

– ☐ does not provide for co-financing by third parties

– ☐ provides for the co-financing by third parties estimated below:

Appropriations in EUR million (to three decimal places)

	Year **2024**	Year **2025**	Year **2026**	Year **2027**	Total
Specify the co-financing body					
TOTAL appropriations co-financed					

3.3. Estimated impact on revenue

– ☐ The proposal/initiative has no financial impact on revenue.

– ☐ The proposal/initiative has the following financial impact:

– ☐ on own resources

– ☐ on other revenue

– ☐ please indicate, if the revenue is assigned to expenditure lines

EUR million (to three decimal places)

Budget revenue line:	Appropriations available for the current financial year	Impact of the proposal/initiative[18]			
		Year **2024**	Year **2025**	Year **2026**	Year **2027**
Article ………….					

For assigned revenue, specify the budget expenditure line(s) affected.

[…]

Other remarks (e.g. method/formula used for calculating the impact on revenue or any other information).

[…]

4. DIGITAL DIMENSIONS

4.1. Requirements of digital relevance

The proposal does not include requirements of digital relevance, as it does not entail changes in reporting obligations nor new requirements concerning data flows. Although digital technologies are being used for EMFAF implementation by the Member States, the

[18] As regards traditional own resources (customs duties, sugar levies), the amounts indicated must be net amounts, i.e. gross amounts after deduction of 20% for collection costs.

proposed amendments are not linked to those digital technologies.

The only relevant digital change is a minor adaptation of the European Commission's internal administrative and management side of the SFC system: the System for Fund Management in the European Union.

SFC2021 is the electronic data exchange system for all official exchanges of information between the Member State and the Commission concerning the CPR Funds management as set in Article 69(9) of the Regulation (EU) 2021/1060 of the European Parliament and of the Council of 24 June 2021 laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration Fund, the Internal Security Fund and the Instrument for Financial Support for Border Management and Visa Policy. This electronic system used for exchanging official information between Managing Authorities and the European Commission, needs a slight adaptation of internal parameters as operations could reach higher financial ceilings. Indeed, financing plans of MAs will be adapted through programme amendments without changing the total financial allocations. However, the submission, workflow and validation processes remain unchanged.

Managing Authorities in Member States, as end-users of SFC2021, will be informed of the change but are not expected to need to adapt their own systems or procedures, since the change is confined to backend parameter thresholds.

The technical adaptation will be scheduled to take effect ahead of, or in parallel with, the entry into force of the amended EMFAF Regulation, so that Managing Authorities can submit and manage operations at the higher ceilings without interruption.

4.2. Data

Not applicable. The proposal does not establish new data collection, sharing or processing obligations as a distinct policy requirement. The digital-related element is a minor internal adaptation linked to SFC2021, which does not introduce new data obligations for stakeholders or Member States. Therefore, there is no substantive digital or data-requirements impact to assess under the guidance.

4.3. Digital solutions

Not applicable, as the proposal does not prescribe the use of specific digital solutions or impose digital-by-default tools. The only identified system-related consequence is a limited back-office adaptation of the SFC system.

4.4. Interoperability assessment

Not applicable. The proposal does not create or modify cross-border digital public services, nor does it introduce interoperability obligations between national or EU digital systems.

4.5. Measures to support digital implementation

Not applicable. The proposal does not include dedicated measures to organise or support digital implementation as such.