



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 22.07.1999
COM(1999) 382 final

99/0163 (CNS)

Proposal for a

COUNCIL REGULATION (EC)

**on closer dialogue with the fishing industry and groups affected by the common
fisheries policy**

(presented by the Commission)

EXPLANATORY MEMORANDUM

1. INTRODUCTION

The number and impact of Community legislative measures concerning the fishing industry are a reflection of the importance and degree of integration of the common fisheries policy. However, the loose ties between the fishing industry and the Commission are not adequate for such an important policy. They will have to be reinforced in order to compensate for the remoteness of a legislative power seen to be imposing increasingly heavy burdens on an industry in difficulties.

In 1971 the Commission set up the Advisory Committee on Fisheries on the pattern of the agricultural Advisory Committees. It became clear however that the operation of the Committee was unsatisfactory to the Commission and the fishing industry.

This observation, borne out broadly by a survey of the industry ordered by the Commission from a consultant in 1997, led the Commission to undertake the reform of the Advisory Committee, whose role in the CFP deserves to be enhanced.

After careful consideration by Commission departments of the results of the study and of an analysis of the development of the industry, two main ideas emerged on which to base the approach to reform. First, the idea that common fisheries policy issues now extended beyond the fishing industry and concerned the whole of civil society and, secondly, the idea that the Committee's structure and mode of operation no longer properly met the general requirement of better dialogue between the Commission and the groups concerned on the various aspects of a highly integrated common policy which was becoming increasingly complex to manage.

The Commission has now had the opportunity of presenting a proposal for the reform of the Advisory Committee on Fisheries, whose structure and mode of operation would be thoroughly reorganised with a view to achieving:

- closer dialogue with the fishing and aquaculture industry;
- broader dialogue involving the relevant associations.

Once the consultations now under way on the proposal are completed, the Commission is to adopt, before 31 July 1999, which is the expiry date of the Committee's current mandate, a Decision setting up the new Advisory Committee.

Reform of the Advisory Committee on Fisheries would be insufficient on its own, however, to ensure substantial improvement of dialogue with the industry if the Commission did not at the same times take steps to help the trade organisations represented on the Committee carry out all their tasks

(initiative, representation, coordination, information) and to ensure that exchanges between the Commission and the parties concerned were passed down to the grass roots.

Consequently, it is proposed that the reform of the Advisory Committee on Fisheries should be accompanied by the adoption of measures to reinforce European fisheries trade organisations and to develop communication with all the groups affected by the common fisheries policy. That is the purpose of this proposal.

2. REINFORCEMENT OF EUROPEAN TRADE ORGANISATIONS

The first condition for effective dialogue is to identify the European trade organisations representing the fishing and fish farming industries. The Commission expects these organisations to be able to reach a shared diagnosis concerning matters of common interest, or even, where possible, to adopt a common position.

Although the trade organisations are the Commission's main discussion partner within the Advisory Committee, they are often short of financial and human resources, which makes them ill-prepared and materially under-equipped to take full advantage of the expertise available in the industry or to take a satisfactory part in the dialogue. Furthermore, while reducing the number of representatives of these organisations on the Advisory Committee, as provided for in the reform now under way, is fully justified on the grounds of greater industry cohesion on topics of Community interest, this downsizing may weaken the organisations by depriving their members of the opportunities and means for meeting one another.

Some way must be sought therefore of consolidating the European organisations. Four measures are proposed to enhance the capacity of these organisations to take part in dialogue:

- Giving preference to European organisations and associations: Direct contacts between the Commission and the trade are essential to proper administration, but the Commission must give preference to European organisations. This approach will be an incentive to national organisations to join European organisations which will then become more representative with greater resources. The same remark applies to associations.

Direct contact between the Commission and the organisations themselves should be confined also to discussing specific issues relevant to limited interest groups. All matters of general policy should be referred to the Advisory Committee on Fisheries, where European trade organisations and associations are represented in a broad-based way and where dialogue is guaranteed to be transparent.

- Ensuring that European trade organisations are freely accessible: The Commission must ensure that it recognises only European

organisations whose membership is open to all suitable national organisations. When a national organisation which meets all the general conditions for membership applies to join a European organisation, there should be no question of refusing. It would be very difficult for any European organisation which rejected such an application to be considered representative.

- Clarifying the tasks and objectives of the organisations: Reinforcing the European organisations also means clarifying their tasks and objectives. Within organisations, there is sometimes some confusion between the interests of employers and employees, fishermen and fish farmers, importers and processors, because the organisations to which they belong accepted all comers and are now faced with internal conflicts of interest which prevent them from defining a common position for their members
- Financial support to improve European coordination: The financial resources of European trade organisations are limited compared to those available to national organisations, although the cost of attending meetings in Brussels is very high. This situation reflects the choice of the representatives of the industry to give lower priority to representation at European level for the defence of their general interests. In fact this line of defence is still very often a national one. On top of that the European organisations are financed solely from members' dues, with no government assistance. A large number of trade organisations on the other hand qualify for public funding in the Member States where the public nature of their tasks is recognised. At European level, certain associations active in environment, cooperation and development policy also receive funding from the Community.

The Commission cannot take over the operating costs of the European trade organisations whose independence, including financial independence, has to be safeguarded. Encouraging discussion on the common fisheries policy between those involved in the industry is on the other hand desirable within the framework of their organisations. It is essential to help them offset the effect of reducing the number of their seats in the Advisory Committee by reinforcing coordination between their members. This might include taking over some operating expenditure, such as the cost of organising meetings to prepare for Advisory Committee meetings.

The taking over of the latter cost gives rise to the need for new resources, which is the purpose of this proposal. Without being permanent, this measure should be maintained until the trade organisations have found resources of their own that make it superfluous.

3. BETTER COMMUNICATION WITH THE INDUSTRY

Effective dialogue with the representatives of the fishing industry and the other interest groups concerned depends largely on the general level of information about the common fisheries policy – objectives, mechanisms and constraints – among these groups. If the Commission wishes to improve the quality of dialogue it must also improve its communication.

To do this, it must take account of the distinct characteristics of the fishing industry, the circumstances in which it operates and evolves and the views of the groups concerned. Particular account should be taken of the following:

- The industry, if it is to respond to the challenges facing it, must be in a position to obtain proper information about and to understand fully the Community rules governing the fishing industry, together with the proposals being prepared within the Community, including the scientific findings on which they are based. The common fisheries policy has direct implications for day-to-day operations across the whole of the industry.
- Bringing about change in the industry will create difficulties, particularly in the economic and social spheres. These will mainly affect regions and areas dependent on fishing. The common fisheries policy is sometimes presented by opinion leaders and the media as primarily responsible for these difficulties; information disseminated to the groups concerned is consequently frequently influenced by prejudice.
- The fishing industry in future is going to have to reckon with a public that is increasingly conscious of environmental protection issues. Fishing is frequently the target of public awareness campaigns calling into question the environmental repercussions of certain activities (for example: the use of particular types of gear or techniques, overfishing of resources, pollution caused by fish farms).
- Fishing and fish farming, by their very nature, are carried on in outlying and scattered areas, generally remote from centres where information is readily accessible. Information is not therefore usually available to those concerned at their place of work.
- Topics relating to fishing and aquaculture, because of their technical and specialised nature, are quite complex and difficult to understand. It is essential therefore that information relating to them be simplified and explained. This applies particularly in the case of technical proposals on these matters.

In view of the above, the Commission must be able to take action and put in place the means enabling the industry and the other groups concerned to obtain access to basic information and to specific data on the common fisheries policy. This information must cover, in particular, legislative proposals that are being prepared, their scientific and technical bases, and discussions which may lead to Community measures in this field. Those involved in the industry and the groups concerned will then be able to obtain

information making it possible for them to take part in the debate and express their views with full knowledge of the facts.

The Commission, lastly, must also be able to show that it is acting in a totally transparent way within the framework of the dialogue with the representatives of the whole of the industry and the groups concerned in the Advisory Committee on Fisheries.

Because of the limited resources available to the organisations which make up the Committee, its members do not have the means needed to disseminate information to the groups concerned or interested members of the public. Reducing the number of trade members on the Committee must not result in a further reduction in information for the grass roots or in transparency. These two elements are essential prerequisites of effective dialogue.

The Commission began last year to take action and introduce tools to provide the industry with better information. It will be necessary, however, to target better the activities introduced and the instruments used in order to respond better to the needs of the industry and the groups concerned. Communication between the Commission and the groups concerned, and between these various groups, especially between scientists and the industry, should be more interactive.

Commission action is going to focus therefore on two priorities:

- establishing ongoing contacts with existing trade and association networks to improve communication with and between these networks, as well as producing and disseminating documents tailored to the special interests and needs of the various groups (written, audiovisual and electronic material);
- communication with all the groups concerned and putting in place instruments giving very wide access to data and explanatory material mainly concerning Commission proposals. This will involve developing a special Commission Internet website and a regular explanatory publication, with sections covering the various interests of the industry and the groups concerned.

The budget needed to implement these measures will be covered partly by the Structural Funds where they are included in the tasks of the Funds. A significant proportion of them are not covered by the Funds and consequently warrant a special budget (dialogue and explanations on aspects of the common fisheries policy not connected with Structural Fund measures).

Proposal for a

COUNCIL REGULATION (EC)

on closer dialogue with the fishing industry and groups affected by the common fisheries policy

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 37 thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament,

- (1) Whereas, in order to give the representatives of the fishery products and aquaculture industry together with the other groups concerned a greater role in the design, drafting and implementation of the common fisheries policy, it is necessary to establish closer dialogue with these groups and to make the entire decision-making process more transparent, especially in the preparatory stages;
- (2) Whereas, in view of the tasks of the Advisory Committee on Fisheries set up by Commission Decision No of... July 1999, the establishment of closer dialogue and transparency could be made easier by the introduction of new measures to improve the organisation of meetings of the Advisory Committee and the communication to the groups concerned of information concerning the issues at stake and the results achieved;
- (3) Whereas to that end the European trade organisations should be given help in preparing meetings of the Advisory Committee with a view to stimulating comprehensive study of the issues involved in the common fisheries policy and the impact of its measures, fostering initiatives from the industry and seeking, if possible, common positions on Commission proposals;
- (4) Whereas in order to improve the circumstances in which decisions are taken the industry should be informed at a very early stage of the initiatives planned and the aims and details of the different common fisheries policy measures should be explained to all the groups concerned,

HAS ADOPTED THIS REGULATION:

Article 1

Within the limits of the appropriations adopted annually by the Budget Authority and under the conditions laid down in the Annex hereto, the Commission shall:

- contribute up to 100% of the costs of meetings arranged by the European trade organisations for the purpose of preparing meetings of the Advisory Committee on Fisheries;
- ensure that the objectives of the common fisheries policy and measures relating to it, and in particular Commission proposals, are explained, and disseminate relevant information in this field to the fishing industry and the groups concerned.

Article 2

Funding may be provided also for meetings of experts arranged by the Commission to support the measures referred to in the second indent of Article 1.

Article 3

The Commission may carry out all the verifications it considers necessary to ensure compliance with the conditions and performance of the tasks assigned by this Regulation to the European trade organisations, which shall assist the representatives appointed for this purpose by the Commission.

Article 4

This Regulation shall enter into force on the seventh day following its publication in the Official Journal of the European Communities.

Done at Brussels,

For the Council
The President

ANNEX

Costs incurred by the European trade organisations in arranging preparatory meetings for meetings of the Advisory Committee on Fisheries

The travelling and accommodation costs of members of the European trade organisations required to travel in order to prepare meetings of the Advisory Committee on Fisheries will be eligible.

The costs relating to meetings of the European trade organisations unconnected with meetings of the Advisory Committee on Fisheries and costs other than those referred to in paragraph 1 will not be eligible.

Each year, as a function of the financial resources available and in proportion to entitlements within the plenary committee of the Advisory Committee on Fisheries, each trade organisation which is a member of the Advisory Committee on Fisheries will be allocated drawing rights under a financing agreement with the Commission.

These drawing rights and the average cost of a journey by a member of a trade organisation (approximately EUR 750 in 1998) will determine the number of journeys for which each organisation may be financially responsible for the purpose of preparing meetings, less a maximum of 20% of the amount of the drawing right which will be retained by each organisation to cover its organisational and administrative costs strictly linked with the organisation of the preparatory meetings.

Communication with all the groups concerned

This will include:

- producing and disseminating documentary material tailored to the specific needs of the groups concerned (written, audiovisual and electronic material) based mainly on surveys conducted among those groups;
- providing very wide access to data and explanatory material concerning in particular Commission proposals through the development of the Internet website and producing a regular publication, as well as organising information and training seminars for opinion formers.

The above measures will be carried out by external contractors selected by a call for tenders.

FINANCIAL STATEMENT

1. TITLE OF OPERATION

Other support measures for the CFP (Action B: closer dialogue with the fishing industry and groups affected by the CFP)

2. BUDGET HEADING(S) INVOLVED

B2-903 (nomenclature PDB2000)

3. LEGAL BASIS

Proposal for a Council Regulation on closer dialogue with the fishing industry and groups affected by the common fisheries policy (COM ... of ...)

4. DESCRIPTION OF OPERATION

4.1 General objective

The relations between the Commission and the fishing industry, in particular within the Advisory Committee on Fisheries, are no longer satisfactory either to the Commission or to the industry. This observation has induced the Commission to consider a reform of the Committee, whose role within the CFP needs to be upgraded.

The objective of the reform is to create the conditions for responsible, transparent and well-informed dialogue with all those affected by the CFP, by:

- closer dialogue with the fishing and aquaculture industry;
- widening the dialogue to associations active in environmental and development fields.

The purpose of this two-way flow of communication is to improve, with the industry's help, the thrust, design and implementation of the common fisheries policy. The CFP is a highly integrated policy applying to widely diversified fishing activities spread over a large geographical area, now rendered even more complex to manage by the prospect of the Community's enlargement.

The emergence of a Europe-wide dialogue within the Advisory Committee on Fisheries calls for a reduction in the number of seats of each European organisation if the expression of national positions is to be avoided. Such a reduction is, however, likely to weaken the organisations by making it impossible for them to meet. It is therefore proposed to assist the European organisations by allowing them to meet to prepare for Committee meetings.

Reforming the Advisory Committee would be insufficient on its own to improve dialogue with the industry substantially if the Commission were not at the same time

to take steps to help the trade organisations on the Committee to carry out all their tasks (initiative, representation, coordination, information) and to ensure that exchanges between the Commission and the parties concerned were passed down to grass roots.

It is accordingly proposed that the reform of the Advisory Committee on Fisheries and the adoption of measures to reinforce Europe's fisheries trade organisations be accompanied by measures to develop communication.

4.2 Measures planned

The action plan for closer dialogue with the industry and the interests affected by the common fisheries policy takes over and in some cases develops the meetings, exchanges and events identified as falling within the scope of the dialogue and develops communication measures. In combination these measures seek to achieve the objectives laid down.

In turn, the action plan therefore takes over the available financial resources used currently to organise the meetings, exchanges and events and communication measures. Additional resources are requested where required under the plan. The overall coherence of the three-part action plan must be preserved since each section helps to reinforce the other two. Nonetheless, the various sections may have different legal bases and/or budget headings.

Section 1: Reform of the Advisory Committee on Fisheries:

This is covered by a separate Commission decision.

Section 2: Granting of financial support to improve coordination of the trade organisations (Part B of budget)

The financial resources of the European trade organisations are slight compared with those available to national organisations while the costs connected with meetings in Brussels are particularly high. This situation is in line with the consensus among the national organisations not to favour representation at European level over a largely national defence of their interests, and also stems from the fact that European organisations' only resources are the fees of their members, with no support from their governments to fall back on.

The Community should therefore help trade organisations to strengthen their links in terms of coordination and to offset the effect of the reduction in the number of their representatives by paying certain organisational expenses. Such aid would in particular cover the organisation of preparatory meetings for those of the Advisory Committee.

Regulation (EC) No 3699/93 (FIFG) provides that the Member States can take measures to promote measures carried out by members of the trade themselves, provided such operations serve to attain the objectives of the CFP. The Regulation that is to replace Regulation (EC) No 3699/93 will continue to provide for such measures (cf. Article 16 of the proposal in Document COM(1998)728 final) where only the Member States enjoy the right to set them in motion. A percentage of the financial resources for such measures can be used by the Commission. That percentage, which cannot exceed 0,7%, could serve partly and at the Commission's

initiative to help the European organisations. It should nonetheless be borne in mind that the ceiling of 0,7% of FIFG resources would be used solely to finance measures in connection with the Funds' programmes.

In this respect, while interregional meetings (networking) do fall within the category of innovative measures in heading 2 under the Structural Funds, preparatory meetings for those of the Advisory Committee on Fisheries do not fall within heading 2. The latter call for heading 3 resources.

The annual budget needed to finance preparatory meetings for those of the Advisory Committee amount to around EUR 400 000.

Section 3: improving communication with the industry (Part B of budget)

The funds needed to implement measures to explain and provide documentation on the CFP for the industry and the interests concerned may be put at around EUR 1 million a year (see point 7.1 for calculation).

4.3. Period covered and arrangements for renewal

For meetings to prepare those of the Advisory Committee on Fisheries, the measure should be dispensed with, albeit not permanently, until such time as the trade organisations have resources of their own allowing them to do without the aid. After four or five years, the Commission will assess the measure and will analyse the need to continue or discontinue granting the part aid.

The measure for improving communication with the industry is subject to no limit in duration.

5. CLASSIFICATION OF EXPENDITURE OR REVENUE

5.1 Non-compulsory expenditure

5.2 Differentiated appropriations

5.3 Type of revenue involved: none

6. TYPE OF EXPENDITURE OR REVENUE

- Section 2: subsidy of up to 100% for preparatory meetings for those of the Advisory Committee organised by the fishing industry trade organisations
- Section 3: 100% financing for communication measures at the initiative of the Commission

7. FINANCIAL IMPACT

7.1 Method of calculating total cost of operation (relation between individual and total costs)

Section 2: Granting of financial support to improve coordination of trade organisations (Part B of budget)

The annual budget needed to finance preparatory meetings for those of the Advisory Committee is around EUR 400 000.

Although it will not be permanent, the measure should be dispensed with until such time as the trade organisations have resources of their own that allow them to do without the aid. Each European trade organisation will be allocated a share of the aid paid in instalments, with advances of 30% in February, 40% in June and the balance on presentation of an annual summary of costs reimbursed per person and per meeting where the agenda and time are specified. The organisations are to reimburse travel and accommodation costs in line with the Commission's model for travel by members of the Advisory Committee. Those members who attend both the preparatory meetings and those of the Advisory Committee are not paid by the organisation and receive twice the daily subsistence allowance for attending the Advisory Committee meetings.

Section 3: improving communication with the industry (Part B of budget)

The funds needed to implement the measures to explain and provide documentation on the CFP for the industry and the interests concerned may be put at around EUR 1 million a year. Apart from special cases involving communication concerning structural measures, which will be financed up to a limit of EUR 300 000 under heading 2 (FIFG (0,3%)), the other communication measures fall within heading 3. The latter budget should cover the appropriations needed for:

- the production and distribution of a periodical in 11 languages on all aspects of the common fisheries policy (EUR 200 000), a section for the production of printed explanatory material for a target readership, also in 11 languages (EUR 100 000), audio-visual (EUR 75 000) and electronic material (EUR 200 000), including constant updating of the Internet site;
- information/training seminars, in particular for opinion formers (EUR 50 000);
- surveys of target sections of the public to which the information is addressed with a view to responding better to demand (EUR 45 000).

In addition, the budget should cover ancillary expenditure for support in the form of meetings of experts on information targeting educational institutes providing training in the industry's skills, associations of fishermen's wives, etc. (EUR 30 000).

CA (EUR million to third decimal place)

Breakdown	Type of project/Output (drafts, files)	Number of projects/ output	Average unit cost	Total cost
	1	2	3	4=(2x3)
Measure B	Meetings organised by trade org. to prepare for Advisory Committee meetings	50	0.008	0.400
	Periodical publication explaining the CFP	5 x 11 languages	0.040	0.200
	Printed background and explanatory material	2 x 11 languages	0.050	0.100
	Audio-visual background and explanatory material	2 x 11 languages	0.037	0.075
	Electronic background and explanatory material - multimedia CD-ROM	1 (multilingual)	0.150	0.150
	- internet site	1 (multilingual)	0.050	0.050
	Information/training seminars for opinion formers	2	0.025	0.050
	Surveys of industry and interests concerned	1	0.045	0.045
	Meetings of experts on information measures	4	0.0075	0.030
			TOTAL COST	1.100

7.2 Itemised breakdown of cost

Commitment appropriations EUR million (at current prices)

Breakdown	1999 p.m.	2000	2001	2002	2003		
Measure 1							
Specific Objective 1 (strengthening European trade organisations, preparatory meetings for Advisory Committee meetings)		0.400					
Specific Objective 2 (improving communication with the industry)	0.975 ¹	0.700 ²					
Total	0.975	1.100					

7.3 Operational expenditure for studies, experts etc. included in Part B of the budget

Commitment appropriations EUR million (at current prices)

	2000	2001	2002	2003	2004	n+5 and subs. yrs	Total
– Studies							
– Meetings of experts ³	0.030						
– Information and publications							
Total	0.030						

¹ These measures are currently financed under the FIG (Article 4 of Regulation (EEC) No 2080/93 (FIG - B2-1101) even though they are not all structural.

² With the exception of structural communication measures.

³ Costs satisfying the criteria in the Commission communication of 22.4.1992 (SEC(92) 769).

7.4 Schedule of commitment and payment appropriations

EUR million

	2000	2001	2002	2003	2004	2005 and subs. yrs	Total
Commitment appropriations	1.100						
Payment appropriations							
Year 2000	0.750						
2001	0.350						
2002							
2003							
2004							
2005 and subs. yrs							
Total	1.100						

8. FRAUD PREVENTION MEASURES

- Specific control measures envisaged

- **monitoring**

- For a period of three years the organisations are to keep supporting documents covering expenses reimbursed, including airline boarding cards, for inspection by the Commission at all times.
- Quarterly reports to be provided by those responsible for implementing communication measures.

- **details and frequency of planned evaluations**

- Annual reports on progress in and impact of measures.

- **fraud-prevention measures**

- Commission officials may conduct on-the-spot checks, in particular by sampling, of measures financed under this budget heading and may study the inspection systems and measures put in place by the national authorities, in particular as regards checks on compliance with obligations to use certain means, the prevention and penalising of irregularities and, where applicable, the recovery of funds lost as a result of irregularities.

9. ELEMENTS OF COST-EFFECTIVENESS ANALYSIS

See points 4.1, 4.2 and 7.1

10. ADMINISTRATIVE EXPENDITURE (SECTION III, PART A OF THE BUDGET)

This section of the financial statement must be sent to DGs IX and XIX; DG IX will then forward it to DG XIX with its opinion.

Actual mobilization of the necessary administrative resources will depend on the Commission's annual decision on the allocation of resources, taking into account the number of staff and additional amounts authorized by the budgetary authority.

10.1 Effect on the number of posts

Type of post		Staff to be assigned to managing the operation		Source		Duration
		Permanent posts	Temporary posts	Existing resources in the DG or department concerned	Additional resources	
Officials or temporary staff	A	2		2		Whole duration of measure
	B	3.1		3.1		
	C	1.1	1	1.1		
Other resources						
Total		6.2	1	7.2		

If additional resources are required, indicate the pace at which they will have to be made available.

10.2 Overall financial impact of additional human resources

EUR

	Amounts	Method of calculation
Officials		
Temporary staff		
Other resources (indicate budget heading)		
Total		

The amounts given must express the total cost of additional posts for the entire duration of the operation, if this duration is predetermined, or for 12 months if it is indefinite.

10.3 Increase in other administrative expenditure as a result of the operation

EUR

Budget heading	Amounts	Method of calculation
Total		

The amounts given must correspond to total expenditure arising from the operation if its duration is predetermined or expenditure for 12 months if it is indefinite.