

Marketing of fisheries products: scheme to compensate for additional costs resulting from the remoteness of the Azores, Madeira, Canary Islands, Guyana, Réunion (2003-2006)

2003/0202(CNS) - 25/08/2003 - Legislative proposal

PURPOSE : to introduce a compensation scheme for the additional costs incurred in the marketing of certain fishery products from the Azores, Madeira, the Canary Islands and the French departments of Guyana and Reunion as a result of the remoteness of those regions. **CONTENT** : The outermost regions of the Community are lagging behind in socio-economic terms. There are several significant factors contributing to the socio-economic situation in these regions: - a per capita GDP below the Community average; - high unemployment rates in some regions and situations of serious underemployment; - a primary sector still largely dependent on traditional industries and employing a large part of the population. Family firms dominate the fishing industry. - additional costs in relation to supplies and transport: the absence of nearby regional markets, the limitations of local markets and transport difficulties mean that there are permanent constraints on these economies as regards access to the outlets where their products are marketed. Council Decisions 89/686/EEC, 91/314/EEC and 91/315/EEC, have instituted programmes of specific options for addressing the remoteness and insularity of these regions. The programmes are designed to take account, in implementing Community policies, of the special characteristics and handicaps of these regions in connection with their remoteness, insularity, small size and difficult topography and climate. This proposal follows up on the measures already taken by adopting a legal instrument whereby a stable reference framework can be put in place for the economic operators concerned. The purpose of this proposal is to enable the scheme already in place to continue, given its considerable success. The existing arrangements have enabled the producers concerned to overcome the constraints of the additional costs in connection with transport to the continental market. On this aspect the proposal merely sets out to offset the additional costs arising from the disposal of the products concerned. The aim is to bring conditions into line with those prevailing on the mainland so that the sector can integrate into the single market. The measures proposed are designed to support the market in order to compensate for a permanent geographical handicap and involve no structural aspect or impact. For this reason, these measures are to be financed by the EAGGF Guarantee Section and cannot be charged to the FIFG (Financial Instrument for Fisheries Guidance) since the latter is by definition for financing structural measures. These measures cover a particularly important sector in these regions. They will help to improve the sector's competitiveness by compensating for the handicap of the isolation of the local fishery products industry within the framework of Community policy to assist the outermost regions.

FINANCIAL STATEMENT: - Budget line: B1-3240 Fisheries programme for outermost regions. - Total allocation for action: EUR 59 981 648 (EUR 14 995 412 per year for four year period.) The Commission is proposing the scheme without a time limit starting in 2003, with the annual funding indicated above. The Council generally fixes a period of application of four years. - Impact on staff: 1 staff will be assigned.