

EUROPEAN COMMISSION

DIRECTORATE-GENERAL FOR MARITIME AFFAIRS AND FISHERIES

The Director-General

Brussels, MARE.A.4/NG

Dear Mr Brouckaert,

Thank you very much for the advice of the North Western Waters Advisory Council (NWWAC) on the decarbonisation of the EU fishing fleet. I have read it with interest.

Your contribution is important to the development and implementation of a long-term strategy for the energy transition in the EU fisheries and aquaculture sector. Your engagement and your inputs, such as the NWWAC response to the public consultation on the Energy Transition Partnership (ETP) for the EU Fisheries and Aquaculture and your advice on the Communication (1), feed into our collective efforts to build the path towards the energy transition of the fisheries.

I am pleased to acknowledge your interest in joining the Energy Transition Partnership and in contributing to "a declaration to join forces in implementing the energy transition and becoming climate-neutral by 2050." This work will be reflected within the ETP discussions through thematic workshops covering the challenges faced by the sector, including financing, innovation, research and knowledge, and skills, to arrive to a common roadmap for the energy transition towards climate neutrality by 2050. The first workshop (²), held on November 28, 2023, focused on finance, and the second workshop that took place on the February 28 was dedicated to Innovation and Research (³). The following session will be on Skills and will take place on the 19th of April. During these sessions, we are engaging with a wide range of stakeholders to discuss current innovation and technological barriers and opportunities, aiming to develop a common roadmap for the energy transition in the fisheries and aquaculture sector. This roadmap will outline the investment needs, sector initiatives, and aim at informing policy decisions to facilitate the energy transition. It is designed to be a joint endeavour between the Commission, represented by DG MARE, and the participating stakeholders.

To enhance this joint ownership, the ETP will soon launch a call for the creation of a support group that will facilitate discussions under the partnership and serve as a link between the Commission, the ETP, and the stakeholders it represents.

⁽¹) <u>Communication from the Commission: On the Energy Transition of the EU Fisheries and Aquaculture</u> sector - European Commission (europa.eu)

^{(2) 2023-11-28} energy transition finance workshop report (europa.eu)

^{(3) 2024-02-28}_energy_transition_innovation_and_research_workshop_agenda (europa.eu)

I would like to inform you that we have established a website containing all information on the ETP (⁴), where you can access details concerning the agenda of the next workshop, its location, and reports of past workshops. As a member of the partnership, NWWAC will also receive email updates regarding the partnership. Additionally, this website hosts our compendium on best practices (⁵), which will be updated at least twice a year, enabling stakeholders to monitor progress and learn from successful examples. We have taken note of your suggestion to include work carried out in Member States in future updates of the compendium and invite the NWWAC to inform us about any existing projects that could be included in the scope of this document.

Furthermore, on closing the gaps in technology and knowledge through R&I, I would like to highlight that the Commission will soon publish the results of the study on available technologies for the energy transition in the fisheries and aquaculture sector and their respective costs and benefits. This study will reflect and take in consideration the diversity of the fisheries sector and will be the first step towards providing detailed information about the efficiency across the different solutions to help the sector, including industry stakeholders, investors, regions, and governments, to target financial incentives and investments and understand how investment can be directed towards the energy transition of the European fishing fleet and the aquaculture.

The Commission recognizes that the energy transition will require a significant financial effort, supported by private and public investment. The aforementioned study gives an indication of the investment effort and the financial benefits that the energy transition of the fisheries and aquaculture will entail. The overall costs will of course depend also on forthcoming technological advances.

As regards the use of funding and financial instruments in place to support the implementation of the energy transition, the European Maritime, Fisheries and Aquaculture Fund (⁶) (EMFAF) provides funding opportunities to support the sector to transition towards more energy efficient and climate-neutral solutions through innovation and fleet modernisation. I would also like to highlight that the Commission published a guide (⁷) as well as an interactive tool (⁸) on existing EU funding opportunities to support stakeholders in navigating the different types of funding that can be used for the energy transition in the sector, which we aim at updating over time. Similarly, to raise awareness among the stakeholders, a webinar with BlueInvest on 30th of January (⁹) focused exclusively on the energy transition in the sectors, allowing an exchange of views with investors on how they see the investment potential. We will also continue to explore the possibilities to promote and support pilot projects and living labs. While the sector must fulfil its responsibility, we recognize the financing challenges outlined in the Communication and are therefore dedicated to exploring additional financing

(5) Possibilities and examples for energy transition of fishing and aquaculture sectors (europa.eu)

⁽⁴⁾ Energy Transition Partnership - European Commission (europa.eu)

⁽⁶⁾ Regulation (EU) 2021/1139 of the European Parliament and of the Council of 7 July 2021 establishing the European Maritime, Fisheries and Aquaculture Fund

^{(7) &}lt;u>Guide on financing the green energy transition of fisheries and aquaculture - Publications Office of the EU (europa.eu)</u>

^{(8) &}lt;u>Guide on Financing opportunities for the Green Energy Transition of Fisheries and Aquaculture - European Commission (europa.eu)</u>

^{(9) &}lt;u>BlueInvest Webinar on Energy Transition of EU Fisheries and Aquaculture - European Commission (europa.eu)</u>

opportunities, including in collaboration with the European Investment Bank and the private sector.

In relation to the EU regulatory framework, the Common Fisheries Policy (¹⁰) rules allow new fishing vessels to be built with private money along with safeguards to prevent the fleet's fishing capacity from increasing. Concretely, any new fishing capacity (quantified in volume and power of vessels) entering the fleet must be compensated by at least the same amount of capacity being withdrawn. Member States have the flexibility to allocate the margin between capacity ceilings and actual active capacity to fishing vessels requiring energy-efficient propulsion systems. Furthermore, the energy transition in the fisheries and aquaculture sector encompasses more than only replacing engines and transitioning to alternative and low-carbon fuels, with significant potential for improving energy efficiency in the short term.

One of the objectives of the CFP Regulation is to promote social sustainability. The current CFP Regulation does not hinder Member States from allowing increases in capacity of fishing vessels to improve living conditions and safety on board, as long as they respect the overall capacity ceilings and the entry/exit scheme (¹¹). The existing margin between the capacity of the Member States' fishing fleets and the capacity ceilings can be used to this effect. Some Member States have already a practice of allocating gross tonnage from the national reserve for reasons of improving safety of fishing vessels.

The link between the social dimension and the energy transition is also reflected in the EMFAF, which seeks to improve safety and working conditions on board fishing vessels while supporting decarbonisation and fleet modernisation. For that purpose, adequate training is key to ensure that fishers are skilled and ready for the energy transition, but also for safety on board fishing vessels. The Commission has therefore started preparations to assess the feasibility of implementing the STCW-F into EU law with the view of establishing harmonised training for fishers across all EU Member States.

With respect to your request regarding the European Parliament resolution on "Fishers of the future," (12) the Commission launched a foresight study, contracted by the European Climate, Infrastructure and Environment Executive Agency, in the context of the 'Pact for Fisheries and Oceans' (13) announced in February 2023. The project, which started in November 2023 and will run until the end of 2024, looks into the role of fishers up to 2050 beyond the provision of high-quality food, and also examines how they envisage the future in light of the multitude of (new) challenges they are and will be facing. The project offers various opportunities for stakeholders to engage, including a survey on the key drivers of change and an event in Brussels on March 19th (14) to present and validate initial findings and gather feedback.

^{(10) &}lt;u>Regulation (EU) No 1380/2013 of the European Parliament and of the Council of 11 December 2013 on</u> the Common Fisheries Policy

⁽¹¹⁾ Article 23 of the CFP Regulation

⁽¹²⁾ EUR-Lex - 52021IP0386 - EN - EUR-Lex (europa.eu)

⁽¹³⁾ Setting the scene for the Fishers of the Future - European Commission (europa.eu)

⁽¹⁴⁾ Fishers of the Future - European Commission (europa.eu)

As regards the fair competition between the EU seafood sector and third countries' producers, the Commission will continue advocating for fair competition between the EU seafood sector and third countries' producers.

Your advice provides a clear picture and examples of your concerns. Knowing and understanding these is crucial to come to a strong and realistic long-term strategy for the transition. This advice and your future engagement, including in the ETP, is therefore highly welcomed by the Commission. The inevitable energy transition will require a long-term commitment of all stakeholders. Therefore, I would cordially invite your organisation to a continued strong engagement so that together we can move ahead in the transition towards a more resilient and sustainable sector.

I am looking forward to our continued fruitful cooperation. Should you have any further questions on this reply, please contact Ms Julia Rubeck, our Advisory Councils coordinator, via the functional mailbox MARE-AC@ec.europa.eu.

Yours sincerely,

Charlina VITCHEVA

c.c.: Mo Mathies <u>mo.mathies@nwwac.ie</u>

Matilde Vallerani <u>matilde.vallerani@nwwac.ie</u>