

# Potential for climate action

Examples of how to mainstream climate action and the potential for doing so

# **EMFF**

European Maritime and Fisheries Fund 2014-2020



#### Introduction

The European Maritime and Fisheries Fund (EMFF) is one of the five European Structural and Investment Funds (ESIF).

This Fact Sheet provides examples of how to mainstream climate action into the EMFF, and outlines the potential for doing so. Fact Sheets are also available for the other four funds.

The five funds are governed by a Common Provisions Regulation (CPR)<sup>1</sup>. The CPR defines eleven Thematic Objectives (TOs) to help implement the Europe 2020 Strategy. See page 5 for a list of the TOs.

The EMFF regulation<sup>2</sup> translates the TOs into Union Priorities (UP):

- UP1: Promoting environmentally sustainable, resource efficient, innovative, competitive and knowledge-based fisheries
- UP2: Fostering environmentally sustainable, resource efficient, innovative, competitive and knowledge-based aquaculture
- UP3: Fostering the implementation of the Common Fisheries Policy (CFP)
- UP4: Increasing employment and territorial cohesion
- UP5: Fostering marketing and processing
- UP6: Fostering the implementation of the Integrated Maritime Policy (IMP)

Through the defined UPs, the EMFF explicitly supports four of the TOs: TO3 (competitiveness), TO4 (low-carbon economy), TO6 (environment and resource efficiency) and TO8 (employment and labour mobility)<sup>3</sup>.

There is, however, potential for climate action in all Union Priorities, most distinctively in UP1 and UP2. Therefore, by mainstreaming climate action into the EMFF, the fund can contribute towards reaching at least 20% climate-related expenditure for the overall EU budget in the period 2014-2020.

The Regulation categorises the measures under shared management in 8 specific chapters. Six of those relate directly to the UPs<sup>4</sup>:

- Chapter 1, sustainable development of fisheries relates to UP1
- Chapter 2, sustainable development of aquaculture relates to UP2
- Chapter 3, sustainable development of fisheries and aquaculture areas relates to UP4
- Chapter 4, marketing and processing related measures relate to UPS Chapter 6, Accompanying measures for the Common Fisheries policy
- Chapter 6, Accompanying measures for the Common Fisheries policy (CFP) under shared management relate to UP3
- Chapter 8, the IMP measures financed under shared management relate to UP6.

The EMFF can contribute to mitigation through supporting energy efficiency in fisheries, aquaculture and maritime sectors. For example, support can be provided for investments in equipment on board including in fishing gear, and for studies to assess the contribution of alternative propulsion systems and hull designs to the energy efficiency of fishing vessels. Support can also be provided for conversion to renewable energy in land-based aquaculture. Investment support can also aim to improve energy efficiency through improvement of the infrastructure of fishing ports, auction halls, landing sites and shelters.

Although not explicitly addressed in the four TOs covered by the EMFF, the fund can also help the sector to adapt to climate change. Changes in sea temperatures may, for example, lead to changes in fishing opportunities. Impacts from climate change may alter the distribution, size, abundance and behaviour of fish. New species may arrive or become more abundant while others may be less abundant or disappear entirely. Fisheries need to adapt to this, and the demand for the new type of catch must be stimulated. Climate change can make sensitive marine ecosystems even more vulnerable. The EMFF can support measures to reduce the impact of fisheries on these vulnerable eco-systems under UP1. Support can be provided to help aquaculture diversify its production and protect against economic

losses from climate-induced risks under UP2. Also, water savings in aquaculture can be important when land-based aquaculture is located in water-stressed areas.

Fishing communities may be located in risk-prone areas. Maritime spatial planning and Integrated Coastal Zone Management as well as sea-basin strategies are wider planning initiatives that will help to improve the climate change resilience of such communities. They are addressed under direct management.

At the local level, EMFF can support community-led local development in fishing communities. This can involve local approaches to adaptation, and local initiatives for mitigation, such as promoting locally produced renewable energy, e.g. tidal wave or wind energy. Local development strategies can also support initiatives to reduce 'food miles' by encouraging the consumption of local and seasonal products through direct sales of local catches, short circuits and local branding.

Synergies with the other funds under ESIF may also exist. The aim of this new programming period is to maximize synergies between the funds in order to improve coordination and efficiency and to avoid double funding. Synergetic impacts can arise, for example, in regards to cross-border initiatives under the European Regional Development Fund (ERDF) on Integrated Coastal Zone Management.

The tables on the next pages point to selected Articles of the EMFF Regulation that are of particular relevance to climate change. However, the relevance and feasibility of the different measures will always depend on specific local conditions. Thus, in a specific country, measures other than those depicted in the tables may be both relevant and feasible from the climate action perspective, whereas some of the measures shown may be irrelevant and/or unfeasible.

European Fisheries Fund (EFF) projects are already now contributing to climate change adaptation and mitigation in particular.

## Examples of how climate issues were mainstreamed in EFF 2007-2013

Mitigation was specifically considered by Member States in the period 2007-2013. For example, support in the period 2007-2013 has included changes to fishing gears and designing vessels to promote energy efficiency. Also, energy audits have largely been supported pointing to substantial potentials for energy savings.

Jászkiséri Halas Ltd. is an aquaculture producer in Hungary that has succeeded in implementing investments that improve energy efficiency and reduce the environmental pressure from aquaculture production at the same time. Support in the order of 320,000 EUR was provided through the EFF to use locally available thermal water supply for fish farming purposes. An intensive fish producing site was established and equipped with high-tech tools and due to the high quality of water treatment, the site does not emit pollutants.

Km 0 for brand for local sourcing is a CLLD initiative supported by EFF with 67,000 EUR. Total project cost amounted to some 129,000 EUR. The project has promoted local sourcing through the branding of local products and awareness raising throughout the supply chain. This includes strengthening the links between restaurants, chefs, fishermen and other primary producers in the area and enhancing their market opportunities. The brand 'KM 0' rests on the development of traceability system with a quality charter for a number of products from the region. Events have been organized to create visibility. The outreach and brand work has been accompanied by a third image oriented action. All in all, this initiative provides for short supply chains thus reducing energy use, and they add value to fishery products thereby enhancing the viability of local communities.

<sup>&</sup>lt;sup>1</sup> Regulation (EU) No 1303/2013, published in the Official Journal, OJ 347, 20.12.2013

<sup>&</sup>lt;sup>2</sup> Regulation (EU) No 508/2014, published in the Official Journal, OJ 149, 20.05,2014

<sup>&</sup>lt;sup>3</sup> Commission Implementing Regulation (EU) No 215/2014, published in the Official Journal, OJ 69, 08.03.2014

<sup>&</sup>lt;sup>4</sup> In addition to those listed here, Chapter 5 is about compensation for additional costs in outermost regions for fishery and aquaculture products, and chapter 7 is about technical assistance at the initiative of the Member State

### Examples of mitigation action

EMFF Measures	Potential mitigation action
Implementation of local development strategies (Art. 63)	Local development strategies can include mitigation aspects from different angles including for example: community-based renewable energy production and a local focus on energy efficiency and increased use of renewable energy sources. In addition, projects related to reducing "food miles" and encouraging the consumption of local and seasonal products and fish species (such as short circuits, direct marketing and local branding initiatives) can provide for energy savings <sup>5</sup> .
Temporary or permanent cessation of fishing activities (Art. 33 and Art. 34)	Temporary or permanent cessation of fishing activities can help to improve the effectiveness of the fishing fleet from a mitigation perspective: less energy will be consumed per unit of catch.
Energy efficiency and mitigation of climate change (Art. 41 and Art 44 inland fishing)	Investments in equipment on board aimed at reducing the emission of pollutants or greenhouse gases and increasing energy efficiency of fishing vessels . Also, investments in fishing gear are eligible provided that they do not undermine the selectivity of that gear. Eligible investments include:
	<ul> <li>Costs to improve the hydrodynamic of the hull of the vessel;</li> <li>Investments to improve the propulsion system of the vessels;</li> <li>Investments on fishing gear and equipment: towed gear modifications, change from towed gear to alternative gear;</li> <li>Costs related to the reduction of energy consumption: investment to improve the refrigeration, freezing or insulation systems for vessels under 18m.</li> </ul> The efficient operation of vessels can result in a significant reduction of fuel consumption;
	investments to support operational change must be considered as well.  Energy efficiency audits and schemes are also relevant tools to promote energy efficiency in fisheries.  Support can be provided under certain specified conditions for the replacement or modernization of main or ancillary engines.
Fishing ports, landing sites, auction halls and shelters (Art. 43 + Art. 44 Inland fishing)	Investment support could improve the energy efficiency of ports, landing sites and shelters and help to reduce energy consumption. This can relate to buildings, machinery and operations including icing and cooling. It may be relevant to consider installations for renewable energy or low-carbon energy sources at ports.
Increasing the potential of aquaculture sites (Art. 51)	Improvements in infrastructure including energy supply can contribute to climate change mitigation e.g. through use of renewable energy along with investments in land based infrastructure.

 $<sup>^{\</sup>rm 5}$  See the website of the European Fisheries Ares Network (FARNET) for project examples: www.farnet.eu

## Examples of adaptation action

EMFF Measures	Potential adaptation action
Implementation of local development strategies (Art. 63)	Support to the implementation of Integrated Coastal Zone Management measures, such as preventing flooding and erosion.
	Where climate change impacts will lead to changes in fishing opportunities (quantities and species) local development strategies could encourage diversification of fisheries and aquaculture and the diversification of the local economy into other sectors.
Mutual funds for adverse climatic events and environmental incidents (Article 35)	Mutual funds pay financial compensation to fishermen for economic losses caused by adverse climatic events.
Temporary or permanent cessation of fishing activities (Art. 33 and Art. 34)	Temporary or permanent cessation of fishing activities help adapt fishing capacity to resources, to protect vulnerable fish stocks; a balanced marine ecosystem is generally more resilient to external impacts including climate change.
Limitation of the impact of fishing on the marine environment, protection and conservation of marine biodiversity (Art. 38 and Art 40)	The EMFF may support investments aiming to reduce the impact of fishing on the marine environment thus making it more resilient to external impacts, including climate change.
Innovation linked to the conservation of marine biological resources (Art. 39)	Innovation to provide new technical or organisational knowledge to reduce the impact of fishing activities on the environment should, where relevant also take into consideration the impacts from climate change on the environment.
Increasing the potential of aquaculture sites (Art. 51)	Ensuring that aquaculture production is excluded in areas where the eco-system's functioning could be damaged will take into account the possible impact from climate change on these eco-systems. Investments in water management can contribute to adapting to the impacts from climate change.
Aquaculture stock insurance (Art 57)	Aquaculture stock insurance can help to protect producers' income from impacts due to climate change. For example, sudden changes in Water quality and water quantity due to e.g. floods or heavy rainfall and adverse climate events such as extreme temperatures can negatively affect stocks.
The IMP measures financed under shared management (Art 80)	Support for integrated maritime surveillance and protection of the marine environment can add to the understanding of the impacts of climate change and contribute to the protection of the marine environment against the impacts from climate change.

#### **Background information**

#### Why do we need to take climate action?

Tackling climate change is one of the great challenges facing the EU and its global partners.

The need for urgent action is clearly reflected in the Europe 2020 Strategy and the EU's ambitious 20/20/20 targets for climate change mitigation, i.e. to cut greenhouse gas emissions by 20% (30% if the conditions are right); reduce energy consumption by 20% through increased energy efficiency; and to meet 20% of energy needs from renewable sources.

Climate change is already happening and its effects will become more severe in coming years. So we need to take action on mitigation, and we also need to act to protect people, buildings, infrastructure, businesses and ecosystems from the impacts. These adaptation measures, which will make us more resilient to the adverse impacts of climate change, will become increasingly important. Adaptation measures can be taken at national, regional and local levels. Adaptation measures include for example actions that can stimulate more efficient water use, and development and use of design standards that protect constructions against the impacts of future climate conditions and extreme weather events. Other examples include the building of flood defences, raising the levels of dykes, and replacing exposed power overhead lines with underground cables. It also includes measures to take advantage of possible opportunities arising from climate change. The aim of the EU Strategy on adaptation to climate change is to help make Europe more climate resilient and enhance its preparedness and capacity to respond to the impacts of climate change.

Building a low-carbon and climate-resilient economy will enhance Europe's competitiveness, create new, greener jobs, improve energy security and bring health benefits to Europe's citizens by improving air quality.

#### EU funding over the period 2014-2020

The EU budget has an important role to play in promoting climate action in all sectors of the European economy and in catalysing the investment needed to meet the climate targets and ensure climate resilience. Investment is needed in a wide range of technologies that improve energy efficiency, in renewable energy sources and related infrastructure, and in the adaptation to climate change.

Based on a proposal put forward by the Commission, the European Council concluded on 7-8 February 2013 that 'Climate action objectives will represent at least 20% of EU spending in the period 2014-2020 and therefore be reflected in the appropriate instruments to ensure that they contribute to strengthen energy security, building a low-carbon, resource efficient and climate-resilient economy that will enhance Europe's competitiveness and create more and greener jobs'.

#### European Structural and Investment Funds (ESIF)

ESIF include the European Regional Development Fund (ERDF), the Cohesion Fund (CF), the European Social Fund (ESF), the European Agricultural Fund for Rural Development (EAFRD), and the European Maritime and Fisheries Fund (EMFF).

The ultimate responsibility for implementing the EU budget lies with the European Commission, but the funds and programmes under ESIF are implemented under 'shared management', with individual EU countries actually distributing the funds and managing expenditure. Checks and balances are in place to ensure the funds are managed properly and in accordance with the rules.

The Common Provisions Regulation (CPR) sets out the means to achieve consistency with the economic policies of the EU and its Member States, coordination mechanisms among the ESI Funds and with other EU policies and instruments, horizontal principles and cross-cutting policy objectives. It lays down arrangements to address territorial challenges, suggests action with high European added value, and sets out the principles and the priorities for action.

Each Member State will prepare a Partnership Agreement, in cooperation with its partners and in dialogue with the Commission. In preparing the Partnership Agreement, each Member State translates the elements set out in the CPR into the national context and sets firm commitments to achieve the EU's objectives through the programming of the ESIF.

ESIF will be implemented through programmes in accordance with the Partnership Agreement. Each programme will cover the period 2014-2020. It will set out a strategy explaining how the programme will address the national and/or regional needs and contribute to the EU2020 strategy for smart, sustainable and inclusive growth, in line with the applicable regulations and the Partnership Agreement.

The CPR defines eleven Thematic Objectives (TOs), which will contribute to the implementation of the EU's strategy for smart, sustainable and inclusive growth. The eleven TOs are:

- Strengthening research, technological development and innovation
- 2. Enhancing access to, and use and quality of, information and communication technologies
- Enhancing the competitiveness of small and medium-sized enterprises, the agricultural sector (for the EAFRD) and the fisheries and aquaculture sector (for the EMFF)
- Supporting the shift towards a low-carbon economy in all sectors
- Promoting climate change adaptation, risk prevention and management
- Preserving and protecting the environment and promoting resource efficiency
- Promoting sustainable transport and removing bottlenecks in key network infrastructures
- Promoting sustainable and quality employment and supporting labour mobility
- Promoting social inclusion, combating poverty and any discrimination
- 10. Investing in education, training and vocational training for skills and lifelong learning
- 11. Enhancing institutional capacity of public authorities and stakeholders and efficient public administration

The fund-specific regulations define for each TO the corresponding investment priorities (for the structural funds) and Union priorities for the EMFF and EARDF.

TO 4 and 5 are dedicated to climate change mitigation and adaptation. In addition, climate action can be mainstreamed into other TOs. Hence, ESIF can contribute to the achievement of the climate objectives and the transition to a low-carbon and climate-resilient economy.

The European Maritime and Fisheries Fund (EMFF) will make an important contribution to the transition to a low-carbon and climate-resilient Europe.

This Fact Sheet shows how this can be done and outlines the potential for climate mainstreaming in this fund.

The EMFF is one of the five European Structural and Investment Funds (ESIF) under the Common Provisions Regulation (CPR). These funds have a key role to play in achieving the Europe 2020 Strategy for smart, sustainable and inclusive growth. The five funds will contribute to the target that climate-related expenditure will represent at least 20% of EU spending in the period 2014-20, while helping to improve energy security, build a low-carbon, resource-efficient and climate-resilient economy that will boost Europe's competitiveness and create more and greener jobs.

The CPR defines eleven Thematic Objectives that will contribute to the implementation of the Europe 2020 Strategy. The EMFF translates the Thematic Objectives into Union Priorities. There is potential for mainstreaming in all of the Union priorities. By doing so, the EMFF can contribute towards reaching at least 20% climate-related expenditure for the overall EU budget.

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#### Further information

http://ec.europa.eu/fisheries/cfp/emff/index\_en.htm DG Climate Action: http://ec.europa.eu/clima



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