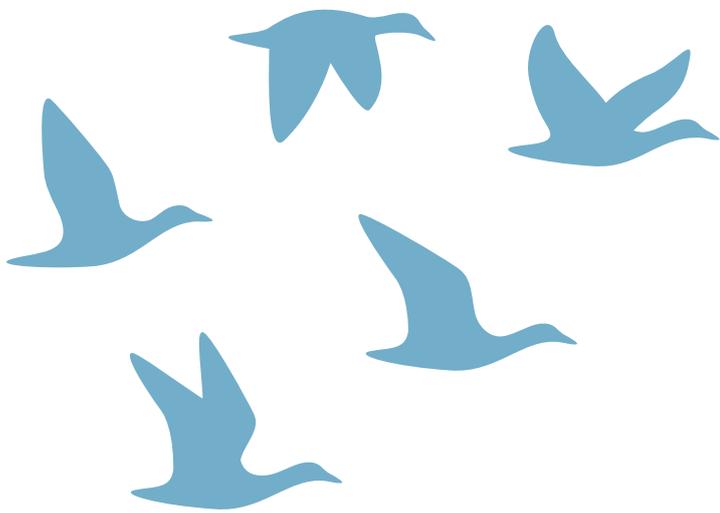


Report

The use of the European Maritime and Fisheries Fund (EMFF) in Croatia in relation to the protection of the marine environment and its resources

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CONTACT

Biljana Aljinović, Consultant, BirdLife Europe & Central Asia
biljana.aljinovic@gmail.com

Željka Rajković, Executive Director, Association BIOM
zeljka.rajkovic@biom.hr

AUTHORS

Biljana Aljinović - BirdLife Europe & Central Asia
Bruna Campos - BirdLife Europe & Central Asia
Željka Rajković - Association BIOM



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Summary

In order to have a better understanding of the spending of funds allocated through the European Maritime Fisheries Fund (EMFF) 2014-2020 in Croatia and what this entails for marine ecosystems and the sustainability of the fisheries sector in the Adriatic Sea, we analysed available data on how specific EMFF subsidies that we identified as either harmful or beneficial to the environment have been implemented. The subsidies whose positive or negative impact on the environment was difficult to assess given the information available were not analysed in this study.

Out of an envelope of 344 million euros, only 164 million euros (48%) had been paid out by the 31st of December 2018. Out of these 164 million euros, 66.2 million euros or 40% were paid out in subsidies identified as harmful to the marine environment and a mere 26.7 million euros or 16% were paid out in subsidies identified as beneficial to the marine environment.

The subsidies identified as harmful consist of payments for permanent and temporary cessations of fishing activities and payments to modernise fishing vessels. These subsidies contribute in particular to the increase in fleet capacity and thereby contribute to overfishing in Europe. Furthermore, a large part of harmful Croatian subsidies is linked to reducing the operational costs of the aquaculture sector and promoting the growth of that sector without environmental considerations. These subsidies are contrary to the objectives of the Common Fisheries Policy (CFP).

The subsidies identified as beneficial to the marine environment consist of subsidies for knowledge acquisition, data collection, protection and monitoring and enforcement. We have identified 9 beneficial subsidies in the Croatian EMFF Operational programme, however the funds were paid out for only two of them – Data collection and Control and enforcement. That means that by the end of 2018, no subsidies related to restoration and conservation of fish populations and the marine environment, limitation of impacts of fisheries, diversification of livelihood opportunities, environmentally friendly aquaculture or partnerships with scientists have been disbursed.

We must urge the Croatian decision makers to commit and pay out the remaining beneficial subsidies from EMFF 2014-2020 if Croatia is to start on a path towards a more sustainable and resilient fisheries sector in the near future. In the context of the current EMFF negotiations for 2021-2027, we must ensure that all spending conforms to the objectives of the Green Deal, the EU Biodiversity Strategy and is socially fair.

1. Introduction



The European Maritime and Fisheries Fund (EMFF) is the European Union's financial instrument for helping to achieve the objectives of the Common Fisheries Policy (CFP). Croatia, an EU Member State since 2013, is a beneficiary of EMFF funding for the period 2014-2020.

The priorities and objectives for the use of funds through the EMFF at national level are described in a national document called "Operational Programme for Maritime Affairs and Fisheries of the Republic of Croatia for the 2014-2020 programming period"¹ ("Operational programme" hereinafter). Within each priority, a series of measures are implemented through a subsidies allocation scheme (the full list of measures is available in Annex I). The program covers over 36 measures targeting the entire Croatian fisheries sector, from freshwater and marine aquaculture, freshwater and marine fishing, fisheries infrastructure, to the development of fisheries-dependent communities and areas. The Fund, along with the national funding, is used to co-finance individual projects.

The EMFF implementing body in Croatia is the Ministry of Agriculture (Fisheries Directorate). The national authorities and the European Commission are jointly responsible for the implementation of the programme. The Operational programme for Croatia was officially approved on November 5, 2015. The total financial resources available amount to EUR 344,148,406 of which EUR 252,634,138 is a contribution from the EMFF and EUR 91,505,268 is provided by the Republic of Croatia (after the reallocation of funds in 2018). By Dec 31st 2018, a total of EUR 164.5 million have been paid out, which represents 48% of the total allocated public funds.

This report presents the results of an analysis on EMFF spending in Croatia in relation to measures that have either a positive or a negative effect on the marine environment and the sustainability of the Croatian fisheries sector. We looked at the amounts that were paid out under different subsidies and the nature of approved operations, as well as specific eligibility conditions outlined for each of the relevant measures. The aim of the report is to offer an insight into potential impacts or benefits that the implementation of EMFF can have for fish populations and marine ecosystems in Croatian waters and to formulate accordingly a series of recommendations for the future.

1. Sumaila et al. (2019) Updated estimates and analysis of global fisheries subsidies, Marine Policy 109: 103695

2. EMFF subsidies in Croatia

2.1. Harmful subsidies

Public fisheries subsidies that enhance the capacity of fishing fleets and that artificially maintain fishers in the sector lead directly to overfishing and are thus known as 'harmful subsidies'. Their harmful impact has been identified on environmental, social and economic levels. These types of subsidies reduce the operational costs of the fishing sector such as building new vessels or increasing the efficiency of the fishing gear. Globally, they account for over 60% of fisheries subsidies (around EUR 20 billion annually)² and include support for fishing companies and vessels that engage in detrimental practices such as marine habitat degradation, slavery, or that catch large proportion of species not intended for sale (i.e. bycatch), as well as threatened / endangered species.

In 2004, the European institutions banned some of the most capacity-enhancing subsidies from the European Maritime Fisheries Fund (such as the construction of new vessels), in a bold move towards more sustainable fisheries in EU seas. However, certain measures within the current EMFF framework are defined in a way that still allows for a large amount of harmful operations to be approved for funding.

² Sumaila et al. (2019) Updated estimates and analysis of global fisheries subsidies, *Marine Policy* 109: 103695



Fishing boat, Zadar area, Croatia ©Biljana Aljinovic

Overview of the harmful subsidies that have been approved through EMFF in Croatia during 2014-2018 period (Table 1).

Measure	Allocation of funds (EUR) – available public funds	Spent until 31.12.2018 (EUR) (public expenditure of selected operations) ³	Spent until 31.12.2018 (%)	Eligible beneficiaries
I.1 Innovation	3.333.360	0	-	Scientific or technical bodies approved by the EU or the Rep. of Croatia, or fisheries subjects that cooperate with such bodies
I.9. Temporary cessation of fishing activities	26.405.974	19.513.786,06	73,90	Marine commercial fisheries licence holders and fishers (crew members)
I.10. Permanent cessation of fishing activities	15.334.000	15.480.687,18	100,96	Owners of fishing vessels
I.20. Energy efficiency and mitigation of climate change	2.666.667	109.326,985	2,84	Owners of fishing vessels
I.21. Energy efficiency and mitigation of climate change – engine replacement	2.000.000	0	-	Owners of fishing vessels
II.2./II.3./II.4. Productive investments in aquaculture	37.014.836	31.128.197,31	84,95	Aquaculture companies
TOTAL	86.754.837	66.231.997,535		

Temporary cessation of fishing activities

Subsidising fishers and vessel owners through “temporary cessation” is a practice that directly grants monies when there is an area closure because fish populations are not doing well (mostly because of overfishing). This artificially maintains excessive fishing capacity alongside their associated environmental and economically damaging effects. They do not remove the root causes of overfishing, but rather contribute to maintaining the status quo by rewarding individuals for overfishing. In fact, most temporary cessations are caused by the overfishing itself, creating a vicious circle that is supported by the implementation of this and similar measures.

3. Data downloaded from the table “Financijski podaci o provedbi operacija”, Godišnje izvješće o provedbi za 2018.

In the Croatian annual Operational Programme implementation reports (OPIRs)⁴ it is stated that “the scientific advice and the need for implementation of this measure are continuously revised and (...) it is targeted and implemented as a complementary measure to other resource management measures and only when it is necessary”, but the reality is that the temporary cessation is by far the most implemented EMFF measure in terms of the amount of approved projects (938) and among the most implemented in terms of approved subsidies - EUR 19.513.786 of public money (EU and national) has been spent on temporary cessation between 2014 and 2018.

The cessations were granted for periods of either 15 or 30 days.

Permanent cessation of fishing activities

Subsidies for permanent cessation compensate fishers for scrapping or converting their vessels. They are problematic because generally there is no control system in place for removing the fishing license (and associated quota) and ensuring the vessel has actually been scrapped. This enables situations that can contribute to enhanced fishing capacity – for example, a fisher can get compensated for permanent cessation of his used vessel, and then another family member can use that money to invest in a new one.



Fishing nets, Mljet island ©Biljana Aljinovic

In Croatia, the regulation for this measure states that a vessel can be permanently ceased through EMFF for the following three purposes only:

- scrapping (physical destruction of the vessel);
- conversion of use to activities outside of commercial fishing scope;
- conversion of use with the purpose of conservation and promotion of the national maritime heritage (only wooden vessels, minimum 30 years old and built in Croatia).

These activities can be carried out exclusively by the vessel owner, and, in case of conversions, are valid for at least 5 years following the subsidy allocation. The owner is not allowed to sell, rent or donate the vessel during that period. In order to submit the request for payment through this subsidy, the vessel owner is required to present proof of removal from the commercial fishing vessels official register, as well as the inscription in the corresponding new official register in case of conversion.

The scrapping needs to take place in an authorized shipyard and the vessel owner needs to inform the Fisheries Directorate about the planned start and end dates, at least one week before it starts.

The vessel owner is not allowed to acquire ownership or rent any new vessels during 5 years following the subsidy allocation. No reference is made to the owner's family members.

82 operations were approved for funding under this measure, for a total of EUR 15,480,687 of public funds. The implementation reports state that this measure was prioritized over other measures during the first two years of the EMFF implementation because it had to be carried out in full by the end of 2017, unlike the others. As a result, by the end of 2018 all the allocated funds for permanent cessation were already spent, while many other subsidies were not even open for applications yet.

In 2016, 28 vessels were scrapped and 2 were converted for use outside of the scope of commercial fishing through this measure. In 2018, 22 vessels have permanently left the fleet (16 purse seiners and 6 demersal trawlers), but the specific purpose is unknown. Out of these, 15 were large-scale vessels (>12m length). Generally, converting to other scopes may be a good investment itself, however at this time the government doesn't have or hasn't made available an actual plan for diversification actions, which leaves the impression that the conversions happen quite randomly and thus may or may not contribute to any long-term vision or strategy at national level.

Energy efficiency and mitigation of climate change (including engine replacement)

Subsidies granted under this measure in Croatia support the replacement or modernisation of engines and any other propulsion system components on board, replacement or modernisation of refrigeration systems, actions aimed at improving the hydrodynamics of the vessel, as well as conversion, replacement or monitoring of trawling fishing gear (the selectivity of the tool is not to be compromised). By the end of 2018, EUR 109,326 have been spent on this subsidy through 35 different operations, and further funds (EUR 2.6 million) have been made available through a new call published in late 2018.

Most of the eligible operations under this measure increase the ability to catch fish quicker, i.e. enhance fishing capacity and lead to overfishing. Improved propulsion systems allow fishing vessels to travel quicker, further and spend more time at sea. Improved and larger refrigeration systems on board vessels allow for more fish to be stored for more days, and, again, spend more time at sea. More time at sea means increased fishing activity.



Young fisher ©Andreas G. Karelias / Shutterstock

This not only doesn't help to mitigate climate change, it has the opposite effect. In fact, scientists agree that tackling overfishing would reduce the cumulative pressures on the ocean, increase its resilience and contribute to mitigating the effects of climate change⁵. It's also in contradiction with the target 14.6 of the UN Sustainable Development Goals (by 2020, prohibit certain forms of fisheries subsidies which contribute to overcapacity and overfishing, and eliminate subsidies that contribute to IUU fishing, and refrain from introducing new such subsidies etc.).

The ability for beneficiaries to acquire new engines is limited by the power of the engine and size of vessel, however, the European Commission⁶ have already reported the inability of Member States to properly control engine power. Furthermore, for the rest of the equipment purchased through this measure, it is not clear whether there is an adequate and efficient control mechanism that ensures the required energy efficiency level and thus prevents the misuse of funds.

Overall, even if there's a gain in mitigating against climate change through the implementation of this measure, this is counterbalanced by the destructive effects it has on marine life. Instead, this measure should support activities that clearly contribute to climate targets, such as enabling conditions for development of local markets and limiting long distance transport of fish and its products, or actions that benefit the conservation of seagrass meadows and associated fish species.

Productive investments in aquaculture

Productivity in aquaculture has been supported to a large extent through this measure in Croatia. As much as EUR 31 million have already been paid out to 60 different projects, making it the number one subsidy in terms of pay-outs by the end of 2018. The projects included investments in existing fish farms and establishment of new ones, but no further details were accessible.

The first call for this measure, published in 2016, included the possibility to retroactively finance relevant activities that were initiated as far back as Jan 1st 2014⁷. We have received unofficial information that this led to extensive misuse of funds, due to the lack of adequate control mechanisms - this only confirms that the measure had some serious flaws from the beginning.

This is a market subsidy that isn't linked to environmental sustainability criteria and is used to cover operational costs of the aquaculture industry. This subsidy can lead to market distortions and dependency on public aid. Intensive and/or poorly managed aquaculture can be very harmful to the environment, as it contributes to decreasing water quality, increasing habitat loss, creating competition with wild fish populations etc. Instead, the EMFF should be used to research how to support sustainable aquaculture practices and any specific support that reduces the operational costs of the aquaculture industry should be in the form of financial instruments and should have clearly established environmental criteria.

5. <https://our.fish/news/ending-overfishing-is-climate-action-scientist-statement-of-support/>

6. European Commission 2019. Study on engine power verification by Member States. <https://op.europa.eu/s/n6AM>

7. https://narodne-novine.nn.hr/clanci/sluzbeni/2016_03_22_609.html

2.2. Positive subsidies

Certain EMFF subsidies, on the other hand, can lead to investment in natural capital assets, such as those aimed at conservation and restoration of the marine environment and sustainability of marine economic sectors, including fisheries. These 'positive' subsidies ensure the optimum use of the finite resources of our ocean's diverse species and benefit both the ecosystems and the fishers themselves, as their interconnection is taken into account. They include, for instance, subsidies aimed at improving monitoring, control and surveillance programs of fishing vessels, research and development of the marine environment, and enhancement of habitats and species.

In Croatia, the EMFF spending that could be considered as positive subsidies in the period between 2014 and 2018 is as follows (Table 2):

Measure	Allocated funds (EUR)	Spent until 31.12.2018 (EUR)	Spent until 31.12.2018 (%)	Eligible beneficiaries
I.3. Partnerships between scientists and fishermen	3.333.360	0	-	Public bodies, fishers, fisheries associations, FLAGs and NGOs
I.6. Diversification and new forms of income	7.628.854	0	-	Fishers
I.15. Limitation of the impact of fishing on the marine environment and adaptation of fishing to the protection of species	2.000.000	0	-	Owners of fishing vessels, fishers, fisheries associations
I.17./I.18./I.19. Protection and restoration of marine biodiversity and ecosystems and compensation regimes in the framework of sustainable fisheries activities	3.054.832	0	-	Public scientific or technical bodies, advisory committees, fishers, fisheries associations, NGOs in partnership with fisheries associations or FLAGs
II.9. Transition to environmental management and audit systems and ecological aquaculture	2.666.667	0	-	Aquaculture companies
II.10. Aquaculture providing environmental services	2.666.667	0	-	Aquaculture companies
VI.2. Data collection	6.095.000	6,533,809.00	107,20	Public body competent for fisheries data collection and management
VI.1. Control and enforcement	37.085.081	20.174.333,34	54,40	Public body competent for the implementation of control, inspection and enforcement system in fisheries
VIII.2./VII.3. Protection of marine environment, sustainable use of resources and knowledge improvement	1.333.334	0	-	Public body competent for environment and nature protection
TOTAL	65.863.795	26.708.142,34		

The difference between the spending on positive and on harmful subsidies is obvious and striking. By Dec 31st 2018, no subsidies related to restoration and conservation of fish stocks and marine environment, limitation of impacts of fisheries, diversification of livelihood opportunities, environmentally friendly aquaculture or partnerships with scientists had been paid out. A national Prioritised Action Framework (PAF) would have partly supported the delivery of these components for actions related to Birds and Habitats Directives, in particular in the marine Natura 2000 network. However, Croatia has yet to develop one⁸. At the same time, over 66 million EUR of public funds have been spent on activities that are detrimental for the marine environment and that jeopardise the continuity of the fisheries sector that is already significantly weakened by overfishing.

There is very little information that explains this imbalance. In the annual report on the implementation of the Operational programme for 2017, the Croatian government states that the EMFF 2014 – 2020 has prioritised “the implementation of measures intended for fishers, fish farmers and processing workers” that had already started before 2014. However, they foresee spending for the protection of the marine environment in the coming period.

By the end of 2018, one operation was approved in the framework of the measure “Protection of marine environment, sustainable use of resources and knowledge improvement”, but no payments were made yet. During 2018 and 2019, calls were published for the “Diversification and new forms of income” and “Partnerships with scientists” measures as well, but the approved funds will only be visible in the upcoming implementation annual report(s).

8. Croatia managed to be exempt of the obligation to develop the PAF in the first financing period (2014-2020) and the development of the new (first) PAF is finally underway, albeit late. There should be a draft PAF developed by the end of 2020. It remains to be seen if and how the fisheries sector will be included in this.



Data collection and Control and enforcement

“Data collection” and “Control and enforcement” were implemented, but no regulation documents are publicly available for consultation. Data collection has been carried out through a single operation, implemented by the Ministry of Agriculture and the Institute for Oceanography and Fisheries, in the framework of the National Fisheries Data Collection programmes for 2014-2016 and 2017-2019. The Programme includes the collection of biological and socio-economic data, as well as relevant fishing activity data (catches, effort, capacity, first sales etc.). Some of the data is available on the official Programme website⁹ in the form of reports or links to relevant databases, but some segments are quite incomplete. For instance, little to no socio-economic data is available, while the report on biological data collection and results is only available for 2019. The allocated amount for this measure has been paid out in full by the end of 2018, amounting to EUR 6.5 million.

The activities carried out under the “Control and enforcement” measure were described as improvements to the surveillance of fisheries and control systems, including investments in state-of-the-art fishing and territorial sea monitoring and control equipment. The equipment includes an unmanned aeronautical system (6 drones), as well as two fast vessels, new engines for older fisheries inspection vessels, monitoring equipment, official vehicles, stereoscopic cameras for tuna fish monitoring, electronic logbooks for vessels’ computer equipment and the development and upgrading of geo-information systems. In addition to this, support was also granted for training of authorised personnel responsible for monitoring, control and surveillance, education of fisheries inspectors and activities related to procurement of fishery inspectors’ equipment and employees of the monitoring centre. In total, EUR 20 million of public funds have been paid out through this measure by the end of 2018.

Overall, the implementation of measures which allow for conservation and restoration of fish populations and the marine environment in Croatia is poor, insufficient and clearly not a priority. On the positive note, a significant effort has been made in collecting data and improving control and enforcement mechanisms, but the results and impacts of this work are not clear, nor is much data publicly available.

9. <http://podaci.ribarstvo.hr>

2.3. Other relevant measures

Innovation

The innovation measure grants subsidies for significant improvements and/or renewal of existing equipment, products and management systems. Its effects on marine ecosystems and fish populations will depend largely on the type of innovation which is to be approved or implemented by a scientific body. The regulation for this measure raises concerns, as it doesn't offer many specifications as to what type of equipment and products are eligible for funding, thus leaving the possibility to request subsidies for equipment that allows the vessel to travel further distances or spend more time at sea. It is specified that any costs related to enhancing fishing capacity are not eligible, but it is not clear what criteria is used to determine this nor how this would be controlled.

During the period between 2015 and 2018 two calls were published under this measure but no applications were received. This seems to reflect a general reluctance to change in the Croatian fishing sector and a preference for more "traditional" subsidies. Innovation of the fishing sector can also support testing and trialing with the fishing industry to improve their sustainability, such as testing different types of mitigation equipment to tackle wider ecosystem impacts such as bycatch, or testing remote electronic monitoring small-scale vessels to replace scientific observers. Therefore, the lack of these types of projects illustrate the unwillingness and lack of commitment from the Croatian government to tackle these issues.

Although for the moment there haven't been any operations (harmful or else) carried out under this measure in Croatia, it would be essential to have public access to the list of any future projects in order to be able to evaluate their impacts. This subsidy might be a great opportunity for the Croatian fisheries sector to improve the sustainability of their activities through the use of new technologies, rather than catching more fish.



Fishing net, Mljet island ©Biljana Aljinovic



Observers on boat in Europe ©SEO

In terms of innovation in the sector, it is worth noting that since 2018 the Institute of Oceanography and Fisheries has been working to innovate the fishing sector through several EU projects (such as “ARIEL - Promoting small scale fisheries and aquaculture transnational networking in Adriatic-Ionian macroregion” and “Adri. SmArtFish - Valorisation of Small-scale ARTisanal FISHery along the Adriatic coasts, in a context of sustainability”), in particular on the enhancing of the framework conditions for innovation in the fisheries sector and on promotion of technological and non-technological solutions for innovation uptake in small-scale fisheries and aquaculture in the Adriatic-Ionian basin.

Health and safety protection

Health and safety on board is extremely important and essential for the implementation of fishing activities in appropriate working conditions. At a first glance, the subsidies offered through this measure are not harmful for the environment and sustainability of the sector, and the regulation clearly states that operational and maintenance costs are not eligible. Nevertheless, the Croatian EMFF focused 100% of payments to replacement and purchase of (relevant) equipment. This measure should also be used for trainings and other forms of capacity building for fishers, in order to increase their preparation and understanding of health and safety procedures on-board vessels, as strongly recommended for a comprehensive approach in tackling safety and health issues on board. According to the European Maritime Safety Agency, human error is the top reason for accidents in a fishing vessel¹⁰.

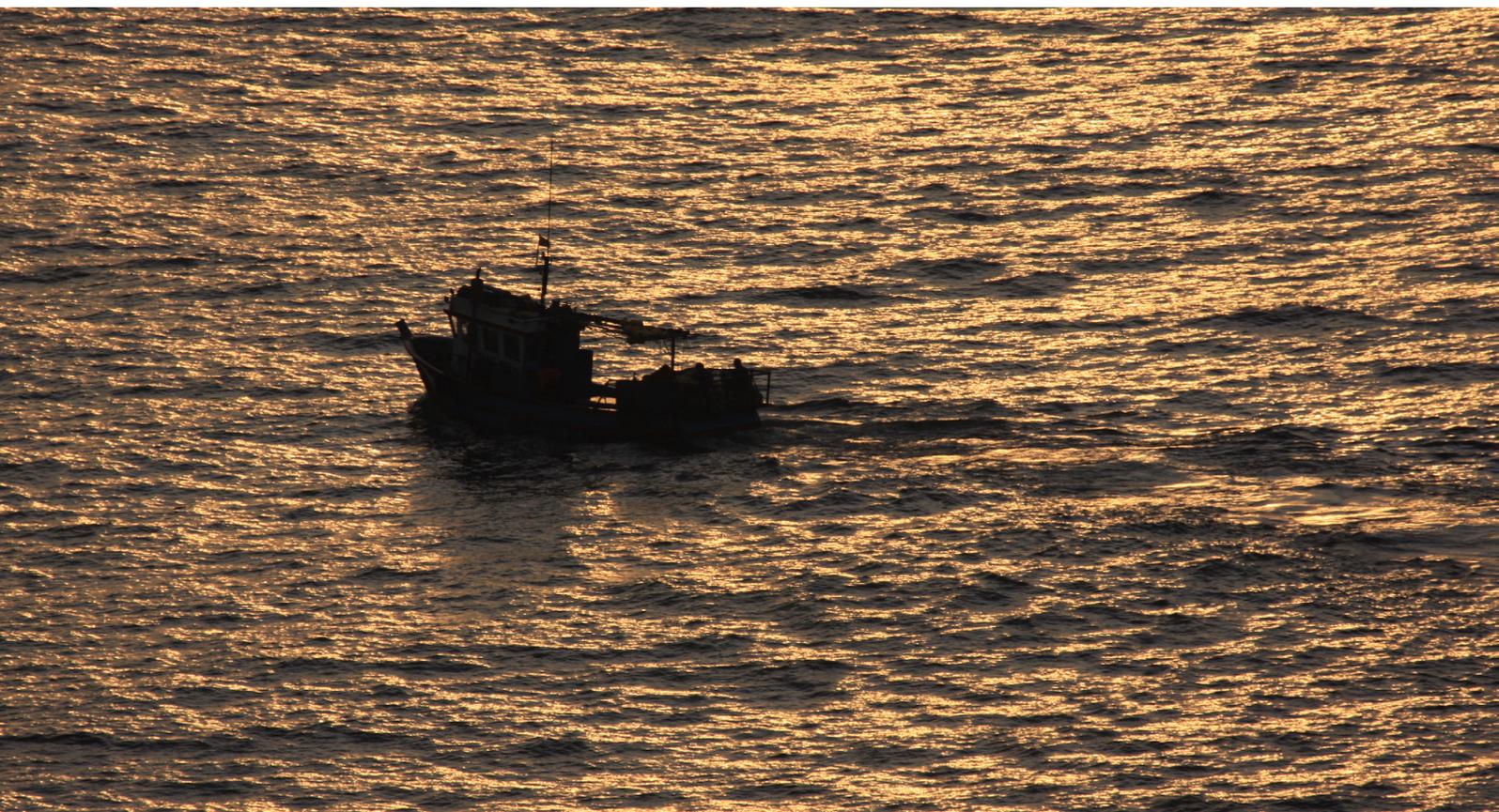
10. <http://www.emsa.europa.eu/news-a-press-centre/external-news/item/3406-annual-overview-of-marine-casualties-and-incidents-2018.html>

This measure supports the creation of Fisheries Local Action Groups (FLAGs), who are in charge of developing and implementing local fisheries development strategies. Part of the funds that are paid to FLAGs are then used to provide subsidies at local level, through the implementation of sub-measures from the local strategy. For example, this includes replacing and modernising of equipment on board vessels. Also, in spite of the fact that construction and/or purchase of new fishing vessels or imports of fishing vessels are listed among non-eligible costs, at least one local fisheries development strategy¹¹ offers subsidies for the purchase of the first fishing vessel to young fishers (25% of the total cost). This subsidy will be paid out during 2020. The public funds that were allocated for this sub-measure (EUR 85,516.37) will be provided from the EMFF.

Furthermore, the Croatian government, in late 2019, surveyed representatives of the fishing sector through a questionnaire that included the measure (along with all existing harmful measures): "acquisition of the first fishing vessel for fishers not older than 40 years". This survey was created in the context of identifying the "needs" of the fishing sector and stakeholders and represented a first step in the preparation of the next EMFF 2021-2027¹². This is a clear example of an attempt of a Member State to re-introduce a harmful subsidy, while claiming this is what the sector needs to attract younger generations.

11. [Lokalna razvojna strategija u ribarstvu Lokalne akcijske grupe u ribarstvu „Pinna nobilis“ za razdoblje 2014.-2020.](#)

12. https://euribarstvo.hr/files/Kratki-opis-prijedloga-mjera_anketni-upitnik.pdf



3. Transparency & access to information

Transparency and public access to information is of utmost importance for the citizens to voice their concerns, to effectively monitor and hold governments accountable for their actions, and to enter into informed dialogue about decisions that are being made. In the case of the EMFF, it is also very important for the potential beneficiaries of the subsidies, so they can easily understand the application process, conditions, implementation procedures and audit systems.

Here we summarize our experience with access to public data about the implementation of EMFF Operational Programme in Croatia.

Available documents/data:

- national EMFF Operational Programme (“Operativni Program za pomorstvo i ribarstvo Republike Hrvatske za programsko razdoblje 2014.-2020.”);
- annual Operational Programme implementation reports for period 2014-2018 – made publicly available only after directing a request to the implementing body;
- mid-term evaluation of efficiency and effectiveness of the Operational Programme (“Vrednovanje učinkovitosti i djelotvornosti Operativnog programa za pomorstvo i ribarstvo Republike Hrvatske za programsko razdoblje 2014.-2020.”);
- Operational Programme regulations and guidelines (available at the official website euribarstvo.hr);
- individual EMFF measures: description, regulations and calls (available at the official website euribarstvo.hr);
- partial data on the National Fisheries Data Collection programme (available at the official website podaci.ribarstvo.hr).

Although several dedicated webpages developed by the Ministry of Agriculture grant access to different data related to the EMFF, those are very poorly linked among them, which makes the research for data and information extremely time consuming. Some of them are not properly indexed and don't even appear in the search engines (e.g. National Fisheries Data Collection programme website). Also, some information is extremely outdated – for example, the last document published on the “mother” website of the Ministry of Agriculture's Fisheries Directorate (ribarstvo.mps.hr) is from 2011¹³.

13. <https://ribarstvo.mps.hr/default.aspx?id=91> (Accessed 09 July 2020)

Currently non available documents/data that would have been relevant for our analysis:

- list of approved projects including information on vessels subsidised through the permanent cessation measure - a list of beneficiaries is available at the official website but it only provides the name of the beneficiary under each measure, with no information on specific projects;
- complete information/reports/annual plans on data collection activities and results;
- annual Operational Programme implementation report for 2019.



European shag, *Phalacrocorax aristotelis* ©BirdLife Europe & Central Asia

4. Conclusion

In the framework of the EMFF and the implementation of its Operational Programme in Croatia, a clear priority is given to the implementation of capacity enhancing measures, such as permanent and temporary cessations and productive investments in aquaculture. Measures that benefit the marine environment and contribute to sustainability of the fisheries & aquaculture sector have been left for the last phase of implementation, whose results are yet to be seen. In the meantime, millions of euros of public money have been spent on the destruction of marine life in the Adriatic Sea that jeopardizes the future of Croatian fisheries, among other things. The impact of such measures is likely to be long-term and aggravate the fight against climate change. As an indication, the following table provides numbers of approved projects (per type) in the period between 2014 and 2018, as indicated in the official EMFF Operative programme implementation reports:

Positive subsidies	
Number of projects related to conservation measures, reduction of fisheries impact on the marine environment and adaptation of fisheries to species protection	0
Number of projects related to the protection and conservation of marine biodiversity and ecosystems	0
Number of projects related to partnerships with scientists	0
Number of projects related to limiting the environmental impact of aquaculture (environmental management, audit programs, environmental services related to organic aquaculture)	0
Number of projects related to supporting data collection, management and use	1
Number of projects related to the implementation of the Union's control, inspection and enforcement system	2
Number of projects related to the protection and improvement of knowledge of the marine environment	1
Total positive subsidies	4
Harmful subsidies	
Number of projects related to permanent cessation	82
Number of projects related to temporary cessation	938
Number of projects related to energy efficiency and climate change	35
Number of projects related to engine replacement or modernisation	0
Number of projects related to productive investments in aquaculture	60
Total harmful subsidies	1.115



Mljet National Park ©Biljana Aljinovic

During the analysis, the following aspects were identified as most positive and most negative respectively:

POSITIVE

- Regular maintenance costs are not eligible under the Croatian EMFF
- Measures to collect data and control and enforcement rules are in an advanced stage of implementation
- dedicated and updated webpage of the Operational Programme, with easy access to information and regulations related to most measures

NEGATIVE

- prioritising the implementation of subsidies for cessations
- subsidies for replacement and modernisation of capacity-enhancing equipment on board
- total absence of implementation of measures that support conservation of marine environment and sustainability of the fisheries sector
- limited or no access to information about data collection and control and enforcement
- no access to approved projects list or database

5. Recommendations for the current and future EMFF (2021-2027)

As per the objectives of the Common Fisheries Policy, Member States are to ensure fisheries management is coherent with environmental legislation, including the Birds and Habitats Directives. Therefore, for the two remaining years during which the expenses are still eligible under EMFF 2014-2020, we strongly urge Croatia to spend the money allocated for measures that were designed to improve the state of marine ecosystems in the Adriatic Sea and pave the way towards a more sustainable and resilient fisheries sector in the next funding period.

For the next EMFF and in line with the EU's pledges to tackle the issues of overcapacity and overfishing, to bring an end to harmful fisheries subsidies as per the Sustainable Development Goals, and in continuity with the Common Fisheries Policy, we strongly recommend that the national decision makers in Croatia:

- Reject harmful subsidies to acquire fishing vessels (newly built or second hand);
- Reject harmful subsidies for the modernisation of vessels and replacement of engines;
- Ensure that >25% of the budget is allocated to environmental protection and marine knowledge;
- Increase to 25% the budget for control, monitoring and data collection;
- Increase transparency on how the EMFF is used by beneficiaries so as to avoid any detrimental misuse;
- Recognize and actively support the role of the civil society sector in the implementation of EMFF (contribution to the transfer of good practices, capacity building, network building, improved transparency).

Supporting local communities such as fishers does not require providing harmful subsidies, and evidence-based alternatives exist, such as co-management, investment in livelihood improvements and subsidies aligned with broader societal goals that help enhance coastal resilience or rebuild fish populations. If harmful subsidies are reformed through the definition of clear goals, co-design, transparency and fair implementation, it is possible to develop more sustainable and environmentally friendly sectors including fisheries and aquaculture.

We believe that public money should be spent for public good and that any EU funds should strive for collective benefits rather than individual private gains. Investments must not be harmful to the environment, which in particular with regards to the EMFF means that these do not cause overfishing and pollution, and that they are instead invested in supporting the conservation and restoration of the marine environment and the sustainability of the marine economic sectors in Croatia and across all EU seas.



Scopoli's shearwater, *Calonectris diomedea* ©BirdLife Europe & Central Asia

6. Literature

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[Will the EU doom our ocean and fishers?](#)

7. Annexes

ANNEX I: EMFF measures defined under the Operational Programme for Maritime Affairs and Fisheries of the Republic of Croatia for the 2014-2020 programming period:

UNION PRIORITY 1: promoting environmentally sustainable, resource-efficient, innovative, competitive and knowledge-based fisheries
I.1. Innovation
I.2. Advisory services
I.3. Partnerships between scientists and fishermen
I.6. Diversification and new forms of income
I.8. Health and safety protection
I.9. Temporary cessation of fishing activities
I.10. Permanent cessation of fishing activities
I.13. Support for fishing opportunities allocation systems
I.15. Limitation of the impact of fishing on the marine environment and adaptation of fishing to the protection of species
I.17./I.18./I.19. Protection and restoration of marine biodiversity and ecosystems and compensation regimes in the framework of sustainable fisheries activities
I.20. Energy efficiency and mitigation of climate change
I.21. Energy efficiency and mitigation of climate change – engine replacement
I.22. 2 Added value, product quality and use of unwanted catches
I.23./I.24. Fishing ports, landing sites, auction halls and shelters
Total available public support: EUR 134.040.491,00

UNION PRIORITY 2: fostering environmentally sustainable, resource-efficient, innovative, competitive and knowledge-based aquaculture
II.1. Innovation
II.2./II.3./II.4. Productive investments in aquaculture
II.5. Management, relief and advisory services for aquaculture farms
II.7. Increasing the potential of aquaculture sites
II.9. Transition to environmental management and audit systems and ecological aquaculture
II.10. Aquaculture providing environmental services
II.11. Public health measures
II.12. Animal health and welfare measures
II.13. Ensuring aquaculture stocks
Total available public support: EUR 73.681.583,00

UNION PRIORITY 3: implementation of the Common Fisheries Policy (CFP)
VI.2. Data collection
VI.1. Control and enforcement
Total available public support: EUR 43.181.081,00

UNION PRIORITY 4: increasing employment and territorial cohesion
III.1. Preparatory support
III.2./III.3. Implementation of local development strategies
Total available public support: EUR 22.298.877,00

UNION PRIORITY 5: fostering marketing and processing
IV.1. Production and marketing plans
IV.2. Storage aid
IV.3. Marketing measures
IV.4. Processing of fisheries and aquaculture products
Total available public support: EUR 54.013.529,00

UNION PRIORITY 6: implementation of the Integrated Maritime Policy (IMP)
VIII.2./VII.3. Protection of marine environment, sustainable use of resources and knowledge improvement
Total available public support: EUR 1.333.334,00

