

May 9, 2011

Mr. Simon Coveney TD
Minister of Agriculture, Fisheries and Food
Agriculture House
Kildare St
Dublin 2

Dear Minister,

Fine Gael MEP Jim Higgins recently submitted an oral question to the European Commission requesting the doubling of the *de minimis* aid provision for European fisheries due to increasing fuel prices. Is this also the position of the Irish Government?

The EU fishing fleet (including the Irish) benefits from considerable fisheries subsidies while suffering considerable overcapacity - the Commission estimates capacity exceeds the available resource by a factor of two or three. The 2009 DG Mare Green Paper identified overcapacity as 'the fundamental problem' of the CFP and singled out the significant role the fuel tax exemption plays in fuelling this. Similarly, the Chair of the World Trade Organisation Negotiating Group on Rules released a report pointing out that "subsidies play a major role" in worldwide fish stock decline.

Mr. Higgins asked what the Commission is planning to ensure the medium and long-term sustainability of the fishing sector. This is a short-sighted perspective. All the evidence indicates that the sustainability of the sector and viability of dependent communities can only be secured with the reduction of fishing capacity and effort. Fisheries subsidies should be used for restoring overfished stocks and the long-term health of the marine environment, not to aggravate an already bad situation.

Could you please outline how the Government will ensure fisheries subsidies prioritise the health of the marine environment upon which many Irish coastal communities are dependent? We would further appreciate the details of the criteria used to determine the allocation of subsidies to fishers and to foster responsible fishing practices.

Attached you will find a recent report commissioned by Smart Taxes, which offers a clear overview of the harmful effect of fuel subsidies and proposes a mechanism by which these can be eliminated.

Yours sincerely,

Emer O'Siochru		Karin Dubsy		Brendan Price
Director		International Coordinator		CEO
Smart Taxes		Coastwatch Europe		Irish Seal Sanctuary
				

c.c. *Cecil Beamish*
Josephine Kelly
Martin Crowley