



CORONAVIRUS RESPONSE:

Support to the fishery and aquaculture sectors

April 2020
#Coronavirus



“Europe’s fishermen and aquaculture farmers are used to fighting the elements. But the coronavirus is a different kind of storm. The Commission therefore proposes a range of targeted actions addressing the urgent challenges that our seafood community faces. These measures will help protecting thousands of jobs in the EU’s coastal regions and maintaining food security.”

Virginijus Sinkevičius, European Commissioner for Environment, Oceans and Fisheries

Coronavirus is a severe public health emergency with huge consequences for EU citizens, societies and economies. The fishery and aquaculture sectors have been particularly hard hit by market disruption, as demand has seen a sudden decline.

On 2 April 2020, the European Commission adopted a set of ambitious proposals to mitigate the socio-economic impact of the coronavirus in the fishery and aquaculture sectors. This initiative introduces additional measures and provides flexibility to the rules governing expenditure under the European Maritime & Fisheries Fund (EMFF).

The package of specific temporary measures includes:

1. support to fishers for the **temporary cessation** of fishing activities due to coronavirus;
2. support to aquaculture farmers for the **suspension or reduction of production** due to coronavirus;
3. support to producer organisations for the temporary **storage** of fishery and aquaculture products;
4. a more **flexible reallocation of financial resources** within the operational programme of each Member State and a **simplified procedure** for amending operational programmes with respect to the introduction of the new measures.



Temporary
cessation



Suspension or
reduction of
production



Storage



Reallocation of
financial resources

The proposed measures, once approved by the European Parliament and the Council, will be eligible retroactively as of 1 February 2020 and will be available until 31 December 2020.

This proposal strengthens the Coronavirus Response Investment Initiative proposed by the Commission on 13 March 2020 and the revised State aid rules under the new Temporary Framework, adopted on 19 March 2020, which aimed to bring immediate relief to the seafood sector.

Support for fishers

To mitigate the significant socio-economic consequences of the coronavirus outbreak and the need for liquidity in the economy, the EMFF could grant a financial compensation to fishers for the temporary cessation of their fishing activities. The EU will pay up to 75% of this compensation, the rest to be borne by Member States.

Support for the temporary cessation of fishing activities caused by the coronavirus outbreak will not be subject to the financial capping applicable to the other cases of temporary cessation, thus allowing Member States to grant support on the basis of need. Vessels that have already reached the maximum six month duration of EMFF support for temporary cessation under Article 33 of the EMFF Regulation will nevertheless be eligible for support under the Coronavirus measures until the end of 2020.

Support for aquaculture farmers

The proposal gives the possibility to grant financial compensation to aquaculture farmers for the temporary suspension or reduction of production, where it is the consequence of the coronavirus outbreak. This compensation will be calculated on the basis of income foregone.

The EU will pay up to 75% of this compensation, the rest to be borne by Member States.

Support for producer organisations

Given the sudden disruptions to fishery and aquaculture activities and the resulting risk of jeopardising seafood markets, the proposal includes public support to producer organisations for the temporary storage of fishery and aquaculture products for human consumption. This will foster greater market stability, mitigate the risk of having such products wasted or redirected to non-human food purposes, and contribute to absorbing the impact of the crisis on the return of products.

Given the key role played by producer organisations in the management of the crisis, the ceiling for support to their production and marketing plans is increased from 3% up to 12% of the average annual value of the output placed on the market. It will also be possible for Member States to grant advances of up to 100% of the financial support to producer organisations for this support.

Simplification of procedures and budgetary flexibility

Given the urgency of the situation, the Commission proposes to apply a simplified procedure for amendments to Member States' operational programmes under the EMFF, related to the specific measures and the reallocation of financial resources. This will allow a swift reallocation of financial resources to address the needs resulting from the current crisis. However, resources available for fisheries control, the collection of scientific data and the compensation of additional costs in the outermost regions remain ring-fenced to ensure the implementation of the EU's common fisheries policy. Other available resources in Member States' operational programmes can be allocated by Member States on the basis of their needs.

The proposal does not imply any changes in the Multiannual Financial Framework's annual ceilings for commitments and payments.

Increased State aid

These targeted EMFF measures to support the seafood community through the crisis come on top of the support that can be granted by Member States under the new State aid Temporary Framework adopted on 19 March 2020.

Section 3.1 of the Temporary Framework enables Member States to provide relief to economic operators active in the fishery and aquaculture sectors hit by the crisis through State aid (national funding) up to a level of €120,000 per undertaking.

Aid can be granted until 31 December 2020 to undertakings that face difficulties as a result of the Coronavirus outbreak. Upon notification of the measures by the Member State, the Commission has put in place procedures to enable very swift assessment and decision-making. These measures, which have been available since 19 March, are fully in line with EU's common fisheries policy, which promotes the sustainable use of ocean resources. Aid under the Temporary Framework cannot be granted activities explicitly excluded from the de minimis compensation in the fishery and aquaculture sectors.