Specific measures to mitigate the impact of the COVID-19 outbreak in the fishery and aquaculture sector

2020/0059(COD) - 02/04/2020 - Legislative proposal

PURPOSE: to adopt specific measures to mitigate the impact of the Covid-19 pandemic on the fisheries and aquaculture sector.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure on an equal footing with the Council.

BACKGROUND: the fishery and aquaculture sector has been particularly hard hit by the market disruption generated by a significant drop in demand following the COVID-19 pandemic. This crisis can consequently have dramatic socio-economic consequences in certain communities where fishing and aquaculture play a key role. Small-scale coastal fisheries represent close to 75% of all active vessels and over 55% of direct employment; they constitute the main economic activity in many coastal areas.

On 13 March 2020, the Commission proposed a <u>'Coronavirus Response Investment Initiative</u>' directed at promoting investments by mobilising available cash reserves in the European Structural and Investments Funds, to fight the crisis immediately. However, the fact that fishing and aquaculture activities have been interrupted or significantly reduced makes it difficult to implement the current operational measures and programmes under the European Maritime and Fisheries Fund (EMFF) in a normal way. In the absence of effective measures to tackle the crisis, the EMFF is unlikely to be fully implemented by the end of the current programming period.

The Commission considers that it should be possible for the European Maritime and Fisheries Fund (EMFF) established by Regulation (EU) No 508/2014 to support specific measures until 31 December 2020 to mitigate the impact of the COVID-19 outbreak in the fishery and aquaculture sector.

CONTENT: the proposal aims to amend <u>Regulation (EU) No 508/2014</u> (EMFF Regulation) and <u>Regulation (EU) No 1379/2013</u> (CMO Regulation) in order to introduce specific measures under the EMFF to mitigate the effects of the COVID-19 pandemic in the fisheries and aquaculture sector.

Specific measures

The amendments to the EMFF are intended to allow a more flexible redistribution of financial resources within operational programmes in each Member State and a simplified procedure for amending operational programmes as regards the introduction of new measures.

The proposed specific measures to mitigate the impact of the COVID-19 outbreak in the fishery and aquaculture sector comprise:

- support to fishermen for the temporary cessation of fishing activities caused by the COVID-19 outbreak,

- support to aquaculture farmers for the temporary suspension or the reduction of production caused by the COVID-19 outbreak,

- support to producer organisations and associations of producer organisations for the storage of fishery and aquaculture products, in accordance with the Common Market Organisation (CMO).

It is proposed that these measures are retroactively eligible as of 1 February 2020 and available until 31 December 2020.

Budgetary implications

The proposed modification does not imply any changes in the Multiannual Financial Framework annual ceilings for commitments and payments as per Annex I of Regulation (EU) No 1311/2013. The annual breakdown of commitment appropriations for the EMFF remains unchanged.

The available payment appropriations in the 2020 budget for the EMFF can accommodate a shift between Union Priorities within operational programmes. The new measures will in fact to a large extent replace initially planned initiatives, which are now being stopped due to the general decline of economic activity.

By consequence, the proposed measures aim to ensure an effective implementation of the 2020 budget and the 2014-2020 allocation for the EMFF.