

Amendment to the EMFF

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

1. New specific measures

1.1. Compensation to fishers for the temporary cessation of fishing activities

In addition the existing cases of temporary cessation in Article 33(1), the following new case is added:

(d) where the temporary cessation occurs between 1 February and 31 December 2020 as a consequence of the COVID-19 outbreak, including for vessels operating under a Sustainable fisheries partnership agreement.

The conditions in Article 33(2) are also modified:

The support referred to in points (a) to (c) of paragraph 1 may be granted for a maximum duration of six months per vessel during the period from 2014 to 2020. This maximum duration shall not apply to the support referred to in point (d) of that paragraph.

The other conditions of Article 33 are applicable to the new case. Inland fishermen are also eligible to this new case (and only this one), under the same conditions.

Concretely, this means that:

- A temporary cessation caused by the COVID-19 outbreak must occur at any time between 1 February and 31 December 2020. The Member State must ensure that all fishing activities of beneficiaries are stopped during the cessation period. Payments from the Member State to beneficiaries and payment claims from Member States to the Commission can happen after 31 December 2020.
- The Member State must justify that the cessation is the consequence of the COVID-19 outbreak.
- Vessels that have already reached the maximum six months duration of support for temporary cessation under Article 33 are nevertheless eligible for support under the COVID-19 case until 31 December 2020.
- In the case of inland fishing, references made in Article 33 to fishing vessels shall be understood as references to vessels operating exclusively in inland waters.
- Beneficiaries receive a premium. They can do whatever they want with that (including i.e. private storage of products, operational costs).

- The Member State must calculate the premium on the basis of the method described in section 4.6 of his operational programme. This section may need to be amended to take into account the specific features of the new case.
- Since it is a compensation, the aid intensity rate is 100 %.
- The co-financing rate is maximum 75 % of public eligible expenditure. Other cases or temporary cessation remain at 50 %.

1.2. Compensation to aquaculture farmers for the temporary suspension or the reduction of production

Article 55 (public health measures) is amended to introduce a new case of eligibility:

1(b) compensation to aquaculture farmers for the temporary suspension or the reduction of production occurred between 1 February and 31 December 2020, as a consequence of the COVID-19 outbreak.

Paragraph 2 and the first sub-paragraph of paragraph 3 do not apply to this new case.

Concretely, this means that:

- The beneficiary must justify that the suspension or reduction of production is the consequence of the COVID-19 outbreak.
- The compensation must be limited to a suspension or reduction of production occurred between 1 February and 31 December 2020. Payments from the Member State to beneficiaries and payment claims from Member States to the Commission can happen after 31 December 2020.
- Beneficiaries receive a premium. They can do whatever they want with that (e.g. private storage of products, operational costs).
- The Member State must calculate the compensation on the basis of the method described in section 4.5 of his operational programme. This section may need to be amended to take into account the specific features of the new case.
- Since it is a compensation, the aid intensity rate is 100 %.
- The co-financing rate is maximum 75 % of public eligible expenditure.

1.3. Storage aid

Storage aid under Article 67 is reactivated until 31 December 2020¹ only “*where this is needed to respond to the COVID-19 outbreak*”. It can be granted only to producer organisations and associations of producer organisations that activate the storage mechanism

¹ It was not longer eligible since 1 January 2019.

of the Common Market Organisation (Articles 30 and 31 of Regulation 1379/2013). Both fishery and aquaculture² producer organisations are eligible.

Concretely, the support is a compensation for the technical and financial costs of the actions required for the stabilisation and storage of products. The quantities eligible do not exceed 25 % of the annual quantities of the products concerned put up for sale by the producer organisation. The annual compensation does not exceed 20 % of the average annual value of the production placed on the market by the members of the producer organisation in the period 2017-2019.

The Member State must calculate the compensation on the basis of the method described in section 4.5 of his operational programme. This section may need to be amended to take into account the specific circumstances of the COVID-19 outbreak.

Since it is a compensation, the aid intensity rate is 100 %. The co-financing rate is 100 % of public eligible expenditure.

Individual fishers or aquaculture farmers are not eligible to storage aid under Article 67 but can use the premium granted under Article 33 or 55 to pay the private storage of their products.

2. Modification of existing measures

Article 66 is amended to:

- increase the ceiling for support to production and marketing plans from 3 % to 12 % of the average annual value of the production placed on the market,
- allow Member States to grant advances up to 100 %³ of the financial support.

Such support can be granted only to producer organisations.

3. Retroactive eligibility of expenditure

For each of the new measures described in section 1, the following provision is introduced:

By way of derogation from the first subparagraph of Article 65(9) of Regulation (EU) No 1303/2013, expenditure for operations supported under [this measure] shall be eligible as of 1 February 2020.

This means that expenditure for operations supported under the new COVID-19-related measures will be retroactively eligible as of 01/02/2020, provided that they comply with the eligibility conditions of the EMFF and the Common Provisions Regulation.

Therefore, Member States can already start selecting and supporting these operations before the formal approval of the corresponding amendment to their operational programme.

² The proposal adds aquaculture producer organisations, which are not covered by the initial version of the Article.

³ 50 % in the initial version of the Article.

Expenditure for these operations will be included in upcoming payment claims, in accordance with the usual procedure.

4. Breakdown of budgetary resources

In Article 13 (budgetary resources under shared management), the ring-fenced amounts for storage aid and Integrated maritime policy are deleted. The other ring-fenced amounts (control, data collection, compensation of additional costs in the outermost regions) are not amended.

The consequence is that Member States should no longer be bound by corresponding ring-fenced amounts for storage aid and Integrated maritime policy in their operational programmes. The Commission should therefore send a letter to each Member State to cancel these ring-fenced amounts in the individual operational programmes.

5. Financial capping for temporary cessation

Article 25(3) establishes a financial capping for temporary cessation, permanent cessation and engine replacement⁴. The new case of temporary cessation caused by the COVID-19 outbreak (*Cf.* section 1) is explicitly excluded from this capping. Only the other cases of temporary cessation are covered.

6. Simplified procedure for amending operational programmes

Article 22(2) is amended to extend the scope of the simplified procedure for amendments to operational programmes:

(e) amendments to operational programmes concerning the support referred to in Articles 33(1)(d), 35, 44(4a), 55(1)(b), 57, 66 and 67, including the reallocation of financial resources thereto to address the consequences of the COVID-19 outbreak.

This simplified procedure covers:

- all the amendments necessary for a full implementation of the new measures, including the description of the methods for calculating support,
- amendments related to Articles 35 (mutual funds), 57 (aquaculture stock insurance) and 66 (production and marketing plans),
- the reallocation of financial resources related to the new measures and to Articles 35, 57 and 66.

The Commission should check that these amendments really address the consequences of the COVID-19 outbreak. If they do not, the simplified procedure cannot be used. Member States should send a written justification to demonstrate that the amendments address the consequences of the COVID-19 outbreak.

⁴ They should not exceed together 15 % of the total of allocations to Union Priorities 1, 2 and 5.

7. Annual implementation report

The parallel amendment to the Common Provision Regulation extends the deadline for the submission of the annual implementation report for the year 2019 to 30 September 2020⁵. This includes the EMFF.

8. Adjustments to the programme template and Infosys

These amendments to the EMFF Regulation require the following adjustments to the programme template and Infosys:

- Creation of a new row in the financing plan within UP 1 for temporary cessation caused by COVID-19. This is necessary because this support does not use the same co-financing rate than the other cases of temporary cessation⁶ and is not covered by the capping applicable to them.
- Creation of new codes in Infosys for operations related to the COVID-19 outbreak, in order to ensure the monitoring of the new measures.

⁵ Instead of 31 May for the EMFF.

⁶ Maximum 75 % for the new case, 50 % for the other cases.