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Fishing industry commitment to safe food supply

As a responsible industry, we will do our utmost to guarantee the supply of safe and healthy food during this crisis period of increasing energy prices. As a fundamental sector for our society, due to our relevance in the food chain, it is necessary for decision-makers to avoid the difficulties that arise in this crisis, including all those measures that allow the fleet to guarantee its activity. For this purpose, it is essential that measures are taken by the different administrations to guarantee that this objective can be maintained.

Fishing sector solution proposals to alleviate the sharp increase of energy costs

For months the sector has been facing a difficult economic situation, enduring a steep increase in gas and electricity prices and logistic costs. The Russo-Ukrainian armed conflict has only aggravated the situation. Fuel prices are reaching an all-time high, exceeding €1/liter in many EU countries. 60 cents per liter, was already the price limit for our vessels to remain profitable. The situation is even worse than the fuel crisis of 2008.

This has led to a situation in which for many vessels it is impossible to go to sea. Fishing vessels in all the Member States are tying up as a consequence of the sharp increase of energy costs. In addition, certain fishing ports (e.g. in France and in Ireland) have started to experience fuel shortages. Furthermore, the announcement of transport strikes, due to the same problem of rise of energy and fuel prices, would only aggravate the situation in the fisheries value chain.

All efforts should be focused, where possible, on the continuation of the fishing activities to secure seafood supply as well as on providing financial assistance to those fleet forced to stop operations due to the problems above-described.

Similar to the aid packages adopted to tackle the Brexit and Covid consequences, we need the Commission to propose emergency measures to alleviate the economic situation of our operators as well as to tackle the expected declines in the consumer purchasing power:

- Similarly to Article 26 of the new EMFAF, **compensate operators** for their income foregone and additional costs. This would partially cover production costs so that employment, prices and food security can be guaranteed and protected. Provide for sufficient funding to this end;
- **Capping of energy prices.** A solution to the exorbitant energy prices must be found.
- Support fishers for the **temporary cessation** of fishing activities due to the energy crisis;
- Support to Producer Organisations for the **temporary storage** of fishery products and take into consideration to reinstate minimum prices at first sales;
- Increase state limit to up to 500 000 € per vessel under the **de minimis** framework;
- Increase the **year-to-year quota flexibility** from 10% to 25%. The wider application of such 'augmented flex' for banking up to 25% of the quota applicable to all commercial fish species would be extremely important;
- In coordination with Member States and other DGs, propose **additional measures** such as suspension of fish auction taxes, an extension period for COVID loans or a suspension/reduction of VAT on fish and shellfish aimed at alleviating the situation;
- Guarantee through state emergency plans that the **logistic services** will transport and distribute seafood products at fair prices that ensure:
 - No abuse to the producer,
 - No abuse to the consumer and sale price, and
 - Fair treatment and remuneration of the transport workers.

This crisis has left no part of the EU fleet untouched, therefore measures should apply uniformly to all fleet segments.

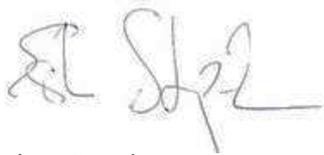
Commissioner, please note that even though the Covid aid package was adopted in a time record, the financial aid was only received by our operators one year later. Please work with governments to make sure that any financial aid can be received by fishermen as soon as possible.

If urgent measures are not taken and the fleet has to stop operating, there will be a seafood shortage problem in a matter of days or weeks, especially if measures are taken against Russian seafood in line with the US. The crews would be unemployed and will be forced to find jobs in different sectors. We can assure you that this workforce will be lost forever in our industry, creating deep socio-economic problems to the sector.

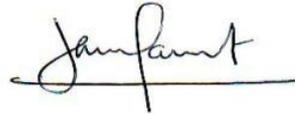
Commissioner, the sector firmly believes that the EU should focus on how to strengthen the food supply produced by EU companies, and not seeking for additional imports from anywhere in the world to fill the fish market gap. The second option would trigger a global price increase, jeopardise access

of poorer countries to seafood and disregard the EU Council declaration made in Versailles on food security and feed autonomy.

We appreciate the proposal to keep and open communication channel with the sector to follow-up on legislative and executive actions that the European Commission intends to propose in the short and medium term. We thank you in advance for your consideration and efforts to help the EU fishing industry to overcome this socio-economic crisis.



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