

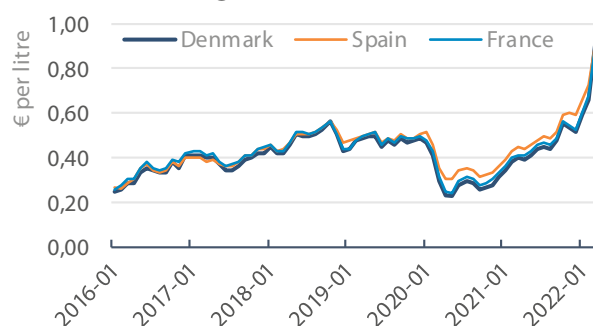
# Russia's war on Ukraine: Support for the fishing, aquaculture and fish-processing sectors

The Russian war against Ukraine has a significant impact on the EU seafood sector. Increased prices for energy and raw materials have led to high operating costs for fishermen, aquaculture farmers and fish-processing companies. The European Commission has responded with emergency measures, adapting State aid rules and activating exceptional support from the European Maritime, Fisheries and Aquaculture Fund (EMFAF).

## Impact

The EU fisheries and aquaculture sector was affected by rising energy prices in the course of 2021, and Russia's invasion of Ukraine has led to a further escalation in energy costs. Marine gasoil prices are reaching peaks that are more than double compared to early 2021 (see Figure 1). Prices are exceeding €1 per litre in many EU countries, while, according to the [sector](#), EU vessel operations are only profitable up to €0.60 per litre. [Many EU fishermen](#) are mooring their boats and warning of a shortage of fresh fish. Black Sea fisheries face [direct impacts](#) from the war, in particular for Romanian vessels that used to fish close to Ukrainian waters and are now advised to stay away from the conflict zone. Aquaculture and fish processing companies are also affected by increased energy costs, as well as by high logistic costs and trade disruption. Although import bans do not cover seafood from Russia (apart from caviar and shellfish products [added](#) in the [fifth round of sanctions](#)), [trade flows are severely hampered](#), particularly affecting EU fish-processing companies that rely heavily on supplies of whitefish from Russia.

Figure 1 – Average monthly marine gas oil prices for the three main EU fishing countries (Jan 2016-Mar 2022).



Data source: [EUMOFA macroeconomic dashboard](#).

## Emergency measures

An [exchange of views](#) took place in Parliament's Committee on Fisheries on 16 March 2022, with Members calling for support for operating costs, to prevent a complete closure of the sector. A joint [statement](#) by 13 Member States, submitted ahead of the Agriculture and Fisheries Council on 21 March 2022, urged the European Commission to come up with specific proposals. Parliament's [resolution](#) on food security, adopted on 24 March 2022, called for broad emergency measures for the seafood sector, including compensation for income lost, support for temporary cessation of activities and storage aid.

On 23 March 2022, the Commission [adopted](#) a [temporary State aid framework](#) to support the economy in the context of Russia's invasion. It allows Member States to grant fishery and aquaculture companies up to €35 000, to provide liquidity support in the form of state guarantees and subsidised loans, and to provide aid to compensate for high energy prices. Measures under the framework can be combined with aid under permanent State aid rules and are valid retroactively from 1 February until the end of 2022.

On 25 March 2022, the Commission triggered the [EMFAF](#) Regulation crisis mechanism (Article 26(2)), by [declaring](#) the occurrence of an exceptional event causing significant disruption to markets. This allows Member States to compensate operators for lost income or additional costs, as well as producer organisations that store fishery products. Member States can define specific measures in their operational programmes and the support will be available from 24 February 2022 until the end of the year. In addition, a possible [upcoming amendment](#) to the fund for the previous programming period, the European Maritime and Fisheries Fund ([EMFF](#)), could free up remaining unused budget from that fund to help the sector.

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