

# EUROPEAN PARLIAMENT

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FINAL  
**A5-0168/2004**

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## **REPORT**

on the proposal for a Council regulation amending Regulation (EC) No 2792/1999 laying down the detailed rules and arrangements regarding Community structural assistance in the fisheries sector (COM(2003) 658 – C5-0547/2003 – 2003/0261(CNS))

Committee on Fisheries

Rapporteur: Hugues Martin

### ***Symbols for procedures***

- \* Consultation procedure  
*majority of the votes cast*
- \*\*I Cooperation procedure (first reading)  
*majority of the votes cast*
- \*\*II Cooperation procedure (second reading)  
*majority of the votes cast, to approve the common position*  
*majority of Parliament's component Members, to reject or amend*  
*the common position*
- \*\*\* Assent procedure  
*majority of Parliament's component Members except in cases*  
*covered by Articles 105, 107, 161 and 300 of the EC Treaty and*  
*Article 7 of the EU Treaty*
- \*\*\*I Codecision procedure (first reading)  
*majority of the votes cast*
- \*\*\*II Codecision procedure (second reading)  
*majority of the votes cast, to approve the common position*  
*majority of Parliament's component Members, to reject or amend*  
*the common position*
- \*\*\*III Codecision procedure (third reading)  
*majority of the votes cast, to approve the joint text*

(The type of procedure depends on the legal basis proposed by the Commission)

### ***Amendments to a legislative text***

In amendments by Parliament, amended text is highlighted in ***bold italics***. Highlighting in *normal italics* is an indication for the relevant departments showing parts of the legislative text for which a correction is proposed, to assist preparation of the final text (for instance, obvious errors or omissions in a given language version). These suggested corrections are subject to the agreement of the departments concerned.

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## PROCEDURAL PAGE

By letter of 17 November 2003 the Council consulted Parliament, pursuant to Articles 36 and 37 of the EC Treaty, on the proposal for a Council regulation amending Regulation (EC) No 2792/1999 laying down the detailed rules and arrangements regarding Community structural assistance in the fisheries sector (COM(2003) 658 – 2003/0261(CNS)).

At the sitting of 20 November 2003 the President of Parliament announced that he had referred the proposal to the Committee on Fisheries as the committee responsible and the Committee on Budgets for its opinion (C5-0547/2003).

The Committee on Fisheries appointed Hugues Martin rapporteur at its meeting of 25 November 2003.

The committee considered the Commission proposal and draft report at its meetings of 4 December 2003 and 20 January, 17 February and 16 March 2004.

At the last meeting it adopted the draft legislative resolution by 13 votes to 1, with 1 abstention.

The following were present for the vote: Struan Stevenson (chairman), Rosa Miguélez Ramos (vice-chairman), Elspeth Attwooll, Niels Busk, Nigel Paul Farage, Giovanni Claudio Fava (for Vincenzo Lavarra), Ilda Figueiredo (for Salvador Jové Peres), Ian Stewart Hudghton, Heinz Kindermann, Carlos Lage, Giorgio Lisi, Patricia McKenna, Neil Parish (for Brigitte Langenhagen), Manuel Pérez Álvarez, Joaquim Piscarreta, Catherine Stihler et Daniel Varela Suanzes-Carpegna.

The Committee on Budgets decided on 26 November 2003 not to deliver an opinion.

The report was tabled on 17 March 2004.

## DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

**on the proposal for a Council regulation amending Regulation (EC) No 2792/1999 laying down the detailed rules and arrangements regarding Community structural assistance in the fisheries sector  
(COM(2003) 658 – C5-0547/2003 – 2003/0261(CNS))**

### **(Consultation procedure)**

The European Parliament,

- having regard to the Commission proposal to the Council (COM(2003) 658)<sup>1</sup>,
  - having regard to Articles 36 and 37 of the EC Treaty, pursuant to which the Council consulted Parliament (C5—0547/2003),
  - having regard to Rule 67 of its Rules of Procedure,
  - having regard to the report of the Committee on Fisheries (A5-0168/2004),
1. Approves the Commission proposal as amended;
  2. Calls on the Commission to alter its proposal accordingly, pursuant to Article 250(2) of the EC Treaty;
  3. Calls on the Council to notify Parliament if it intends to depart from the text approved by Parliament;
  4. Asks the Council to consult Parliament again if it intends to amend the Commission proposal substantially;
  5. Instructs its President to forward its position to the Council and Commission.

Text proposed by the Commission

Amendments by Parliament

#### Amendment 1 RECITAL 4

(4) Any increase in production in excess of the likely evolution in demand should not be encouraged. Better marketing strategies have to be implemented, but reliable statistics on fish consumption are often lacking, as is economic analysis on markets and marketing of aquaculture products.

(4) Any increase in production in excess of the likely evolution in demand should not be encouraged. Better marketing strategies have to be implemented, but reliable statistics on fish consumption are often lacking, as is economic analysis on markets and marketing of aquaculture products.  
***Nevertheless, the level of funding should***

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<sup>1</sup> Not yet published in OJ.

*be maintained for those sectors and aquaculture projects which, on the basis of reliable data, have shown moderate expansion and an additional margin for growth.*

Amendment 2

RECITAL 5

(5) Harmful algal blooms are among the most serious threats for the future of shellfish farming in Europe. Sometimes a bloom can last for exceptionally long periods and compensation for the shellfish farmers affected may be justified, ***except in the case of recurring phenomena.***

(5) Harmful algal blooms are among the most serious threats for the future of shellfish farming in Europe. Sometimes a bloom can last for exceptionally long periods and compensation for the shellfish farmers affected may be justified.

*Justification*

*The fact that aid is being proposed for shellfish farmers facing toxic algae contamination of their harvest represents progress; they must be eligible for aid whenever such contamination occurs.*

Amendment 3

RECITAL 5 a (new)

***(5a) To combat the threat of toxic algae, research in the area ought to be continued so as to enhance knowledge of the phenomenon and provide better protection against it.***

*Justification*

*As the Commission points out, toxic algae are a very serious threat to shellfish farming. It would therefore seem necessary to step up research in the area.*

Amendment 4

ARTICLE 1, POINT -1

Article 12, paragraph 3, point (d) a (new) (Regulation (EC) No. 2792/1999)

***(-1) The following point (da) is inserted in Article 12(3):***

***(da) in the event that a recovery plan is adopted by the Council or where emergency measures are adopted by the Commission or by one or more Member***

*States, the maximum amounts of aid referred to in points (b) and (c) shall be increased by 20%.*

*Furthermore, the requirement that the vessel on which the crew members were employed must have permanently stopped its activities, as laid down in point (b), shall not apply.'*

#### *Justification*

*Just as aid for scrapping is increased, aid for crew members who are forced to give up fishing owing to the introduction of a recovery plan must also be increased, and it must be made easier to grant such aid not only by increasing the amounts but also by taking account of the situation which may arise when modernising vessels for other activities may mean that the crew members lose their jobs without the vessel being scrapped. See justification to Amendment 7.*

#### Amendment 5

##### ARTICLE 1, POINT 1 a (new)

Article 15, paragraph 3, point (g) (Regulation (EC) No 2792/1999)

*1a. In Article 15(3), point (g) is replaced by the following:*

*"(g) eradication of the pathological risks of fish farming or parasites in catchment areas or coastal ecosystems plus aid for research with a view to the eradication of toxic algae;"*

#### *Justification*

*As the Commission points out, toxic algae are a very serious threat to shellfish farming. It would therefore seem necessary to step up research in the area.*

#### Amendment 6

##### ARTICLE 1, POINT 3 a

Article 16, paragraph 1 bis (Regulation (EC) No 2792/1999)

"1bis. The Member States may grant financial compensation to shellfish farmers where the **contamination** due to the growth of toxic algae makes it necessary, for the protection of human health, to suspend harvesting for more than **six** consecutive **months**. The granting of compensation may cover no more than six months of

"1bis. The Member States may grant financial compensation to shellfish farmers where the **accumulation of toxins** due to the growth of toxic algae makes it necessary, for the protection of human health, to suspend harvesting for more than **15** consecutive **days at times when selling is intensive and provided that the**

suspension of harvesting over the entire period from the entry in force of this Regulation to the end of 2006.";

***undertakings in the area in question are genuinely being harmed and there is an objectively assessed loss of production, taking account of both the economic cycle of the undertaking and the productive cycle.*** The granting of compensation may cover no more than six months of suspension of harvesting over the entire period from the entry in force of this Regulation to the end of 2006.";

#### *Justification*

*Firstly, 'contamination' has been replaced by 'accumulation of toxins' in order to avoid a problem with the negative interpretation of the term contamination. Harmful algal blooms are a natural phenomenon which differs from what is normally understood by 'contamination'. The six-month minimum period during which harvesting would have to be suspended in order to qualify for compensation for toxic algae growth is too long, in particular where a bloom occurs at a time when selling is intensive. The last change seeks to prevent any competitive advantage for producers who simply suffer algal blooms, however prolonged they might be, and instead to focus compensation on cases of an abnormally prolonged accumulation of biotoxins in molluscs which entails a loss of production which can be objectively assessed. As regards the period of time during which harvesting is suspended, account must be taken of the two fundamental factors affected by such closure due to biotoxins: the economic cycle of the undertaking and the productive cycle.*

#### Amendment 7

##### ARTICLE 1, POINT 3 (b) a (new)

Article 16, paragraph 3 (Regulation (EC) No 2792/1999)

***(ba) In paragraph 3, the following subparagraph is added:***

***"Where a recovery plan is adopted by the Council or where emergency measures are adopted by the Commission or by one or more Member States, Article 10(3)(a) and (b)(ii) shall not apply."***

#### *Justification*

*Bearing in mind that one of the objectives of recovery plans is a permanent reduction in fishing effort, measures requiring the recovery of aid previously received in the event of the permanent cessation of fishing activities should be eliminated. This could act as a disincentive for the fleet to leave the fisheries involved. At the same time, the proposed provision might contribute to the competitive development of Community aquaculture and make it possible to meet the growing demand for aquaculture products owing, inter alia, to possible stagnation in the supply of caught fish partly caused by the above measures, in a market that has a serious deficit in Community products.*



Amendment 8  
ARTICLE 1, POINT 3 (c)  
Article 16, paragraph 4 (Regulation (EC) No 2792/1999)

4. Recurrent seasonal suspension of fishing **and aquaculture** activity shall not be eligible for compensation under paragraph 1, ***Ibis***, 2 and 3.

4. Recurrent seasonal suspension of fishing activity shall not be eligible for compensation under paragraph 1, 2 and 3.

*Justification*

*The aim is to ensure consistency with Amendment 2 to Recital 5. Shellfish farmers facing toxic algae contamination must also qualify for aid where contamination is recurrent.*

Amendment 9  
ARTICLE 1, POINT 4  
Article 17, paragraph 2, subparagraph 3 (Regulation (EC) No 2792/1999)

"Small-scale, applied-research initiatives, not exceeding EUR 150 000 in total cost and three years in duration, carried out by an economic operator, a scientific or technical body or other competent body, shall be eligible as pilot projects, provided that they contribute to the objectives of sustainable development of the aquaculture industry in the Community."

"Small-scale, applied-research initiatives, not exceeding EUR 150 000 in total cost and three years in duration, carried out by an economic operator, a scientific or technical body, ***a representative professional organisation*** or other competent body, shall be eligible as pilot projects, provided that they contribute to the objectives of sustainable development of the aquaculture industry in the Community."

*Justification*

*A representative professional organisation must also be able to submit pilot projects.*

Amendment 10  
ARTICLE 1, POINT 5 (b)  
Annex III, point 2.2 (c) (Regulation (EC) No 2792/1999)

(c) the initial costs incurred by aquaculture enterprises to join in the Community eco-management and audit schemes set up by Regulation (EC) No 761/2001, as well as investments in works concerning the installation or improvement of water circulation in aquaculture enterprises and on service vessels shall be eligible;

(c) the initial costs incurred by aquaculture enterprises to join in the Community eco-management and audit schemes set up by Regulation (EC) No 761/2001, as well as investments in works concerning the installation or improvement of water circulation in aquaculture enterprises and on service vessels ***used in aquaculture*** shall be eligible;

Amendment 11  
ARTICLE 1, POINT 5 (b)  
Annex III, point 2.2 (d) (Regulation (EC) No 2792/1999)

(d) fishing vessels as defined in Article 3, point (c) of Regulation (EC) No 2371/2002, will not be considered as service vessels ***even when*** they are exclusively used in aquaculture;

(d) fishing vessels as defined in Article 3, point (c) of Regulation (EC) No 2371/2002, will not be considered as service vessels ***unless*** they are exclusively used in aquaculture;

Amendment 12  
ARTICLE 1, POINT 5 (b)  
Annex III, point 2.3., subpoint (e)(ii) (Regulation (EC) No 2792/1999)

(ii) the improvement of traditional aquaculture activities such as mollusc farming, ***that*** are important in maintaining the social and environmental tissue of specific areas,

(ii) the improvement of traditional aquaculture activities, such as mollusc farming, ***and aquaculture activities in ponds, which*** are important in maintaining the social and environmental tissue of specific areas,

*Justification*

*Activities in freshwater and brackish ponds also constitute a traditional area helping to maintain the social and environmental fabric.*

Amendment 13  
ARTICLE 1, POINT 5 (b)  
Annex III, point 2.2 (e)(v) a (new) (Regulation (EC) No 2792/1999)

***(va) increasing production by launching new undertakings devoted to species where the market is not close to saturation. Production may not under any circumstances exceed the likely evolution in demand.***

*Justification*

*In line with the position taken by the European Parliament and the Committee of the Regions, which take the view that a basic principle for action should be to establish measures for the competitive economic development of Community aquaculture that will make it possible to meet the growing demand for aquaculture products owing, inter alia, to stagnation in the supply of caught fish, in a market that has a serious deficit in Community products.*

Amendment 14  
ARTICLE 1, POINT 5 (b)  
Annex III, point 2.2 (e), (v) b (new) (Regulation (EC) No 2792/1999)

***(vb) Establishment of farms in the open sea.***

*Justification*

*In line with the position taken by the European Parliament and the Committee of the Regions, which take the view that a basic principle for action should be to establish measures for the competitive economic development of Community aquaculture that will make it possible to meet the growing demand for aquaculture products owing, inter alia, to stagnation in the supply of caught fish, in a market that has a serious deficit in Community products.*

## EXPLANATORY STATEMENT

### CONTEXT

In September 2002, the Commission submitted to Parliament and the Council a communication on a strategy for the sustainable development of European aquaculture (COM(2002) 511 final), as part of the reform of the common fisheries policy, for which I was appointed rapporteur.

The strategy contained a number of proposals centred on:

- protecting the **environment**;
- creating long-term **employment**, particularly in regions dependent on fishing where there is no alternative;
- giving consumers an assurance that aquaculture products are **safe** and available while ensuring high **animal health** and **welfare** standards;
- promoting **research**, in particular by providing for appropriate funding in connection with how aquaculture interacts with the environment and, for instance, with master cultures.

To take account of, and implement, the recommendations under the strategy, the Financial Instrument for Fisheries Guidance (FIFG), i.e. Regulation (EC) No 2792/1999 laying down the detailed rules and arrangements regarding Community structural assistance in the fisheries sector, has had to be amended. The regulation includes a number of provisions on aquatic resource protection and development and on development of the Community aquaculture sector.

### SUBSTANCE OF THE COMMISSION PROPOSAL

The proposal makes provision for:

- **clarification of the definition** of aquaculture, intensive fish farming and extensive fish farming; the measures also cover inland waters, and any ambiguity which may have existed has thus been removed;
- a 10% **increase in Community aid** for extensive fish farmers and a **reduction in Community aid for intensive fish farming**;
- **financial aid** for shellfish farmers where **harvesting is suspended** for more than six consecutive months as a result of toxic algae contamination;
- the **funding of applied research** projects costing no more than EUR 15 000 in total, and lasting no more than three years, the aim of which is to contribute to sustainable development;
- **fresh priorities** to be set for measures to assist aquaculture under FIFG programmes, including techniques reducing environmental impact, support for traditional aquaculture activities (such as mollusc farming) in order to maintain the social fabric in regions with no other alternatives, and farmed-species diversification;
- **aquaculture enterprises to be encouraged** to take more effective action to protect the environment; accordingly, costs borne by aquaculture enterprises in order to participate in the Community eco-management and audit scheme would be eligible;

- **a clear distinction to be drawn between fishing vessels and vessels used for aquaculture** in order to prevent vessels qualifying for aquaculture aid from being subsequently used for fishing; the fact is that fishing vessels are ineligible for aid.

## REMARKS

The amendments proposed by the Commission are fully consistent with its earlier communication (COM(2002) 511 final) and with your rapporteur's report (A5-0448/2002) and the recommendations it makes.

Overall, therefore, your rapporteur endorses the Commission proposals: they are steps towards more research and technological development and ever increasing respect for the environment, quite apart from the useful semantic clarification they provide.

One issue poses a problem, however.

Although the granting of **aid to shellfish farmers** where harvesting is suspended as a result of toxic algae represents progress, the Commission proposal rules out aid where contamination is recurrent. This de facto discrimination between producers affected is not satisfactory and not acceptable; it must therefore be removed.

At times when selling is intensive, in addition, the six-month minimum qualifying period for aid for which harvesting would have to be suspended where toxic algal blooms occur is much too long. It should therefore be reduced to **15 consecutive days** while laying down the condition that enterprises in the area in question would have to be suffering genuine harm.

Although, in general, **research** is given a boost under the Commission proposal, insufficient provision is made for research into toxic algae contamination. It therefore would appear necessary to encourage such research.

While, furthermore, small-scale applied research initiatives would become eligible as pilot projects, there must be a wider variety of bodies carrying out such projects so as to include any representative professional organisation in addition to economic operators plus scientific and technical organisations.

Lastly, a technical detail: **traditional aquaculture activities** include not only mollusc farming, but also **aquaculture activities in ponds**.