



Brussels, 9 May 2022

To the attention of
Head of Unit, Mr. Gereon Thiele
DG Competition, Unit H.6 Agriculture and Fisheries

State aid in fisheries and aquaculture sector: request to reconsider the position of the fish processing industries

Dear Mr. Thiele,

as far as State aid is concerned, we understand that EU operators in the fisheries and aquaculture sector are unequivocally subject to the same rules, irrespective of the activity they carry out. This is clear from the following specific EU rules for fisheries and aquaculture:

- a. The [EC Commission Regulation n° 1388/2014](#), declaring certain categories of aid to undertakings active in the production, processing and marketing of fishery and aquaculture products compatible with the internal market in application of Articles 107 and 108 of the Treaty on the Functioning of the European Union. This Regulation shall apply to aid granted to small and medium sized enterprises (SMEs) active in the **production, processing or marketing** of fishery and aquaculture products.
- b. The EC Commission Regulation [n° 717/2014](#) of 27 June 2014 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to “*de minimis aid*” in the fishery and aquaculture sector. This Regulation establishes :
 - the definition of “undertakings in the fishery and aquaculture sector” as undertakings active in the production, **processing and marketing** of fishery and aquaculture products;
 - the total amount of de minimis aid granted per Member State to a single undertaking in the fishery and aquaculture sector shall not exceed EUR 30 000 over any period of three fiscal years.

The above has important practical implications, especially in view of the current “*Temporary Framework*” measures adopted by the EU Commission due to the Covid 19 pandemic and more recently due to the conflict in Ukraine.

Both of these “*Temporary Framework*” measures set limits for aid granted to any undertaking active in **fishery and aquaculture sectors**.

The [Communication from the Commission temporary framework for state aid measures to support the economy in the current covid-19 outbreak](#) establishes that “*the overall aid does not exceed EUR 2.3 million per undertaking at any given point in time*”. On the contrary, for all the undertakings active in fishery and aquaculture sectors the overall aid does not at any point in time exceed **EUR 345 000**.

The same principle applies in the [Temporary Crisis Framework for State Aid measures to support the economy following the aggression against Ukraine by Russia](#): the overall aid does not exceed **EUR 400.000** per any undertaking, including those that process agricultural products, while the overall aid does

not at any point in time exceed EUR **35 000** per any undertaking operating in fishery and aquaculture sectors.

For agriculture, in some, certain circumstances, the undertakings active in processing and marketing sector may respond to different rules than those applicable to primary agriculture (in essence being equated with the general industrial sector), whereas this is never possible for the fisheries and aquaculture sector.

In other words, the EU Commission follows a different approach between **processing and marketing** in the fisheries sector and **processing and marketing** in the agricultural sector under the current legal framework. A different treatment that affects fisheries processors only on the basis of the category of raw material they process.

We also understand that for the fisheries and aquaculture sector the compatibility of public intervention in the activity (and therefore of State aid) is assessed by the Commission not only on the basis of competition policy objectives, but also on those of the Common Fisheries Policy.

This discriminates against companies that process fish products, compared to those that process other raw materials.

For the agricultural sector the Commission included the processing and marketing of agricultural products in the scope of the regulations for industrial enterprises.

Considering the ongoing revision of State Aid rules, the Commission should ensure that fish processing companies are brought into line with the general rules applied to other industrial sectors;

- in the first instance, the connection between primary activities and those related to processing and marketing should not remain in place. The two activities should be separated, among other because their turnovers are very different.
- in the second instance, the Commission should take into consideration the size and turnover of the companies in the fish processing and trading sector when setting aid ceilings, as the current ceilings are not in proportion with companies' size and turnovers.

In conclusion, we request that - as part of the current revision of the rules governing State Aid for the fisheries sector - the Commission recognize - as already done for the agricultural sector - a specific treatment (different from what is applied to primary production) for operators who process fish products, in order to ensure level playing field for our member companies with the industries that process other food products and with which they compete daily.

We remain at your disposal.

Kind regards,

Guus Pastoor, AIPCE President



Peter Bamberger, CEP President

