



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 10.10.1995  
COM(95) 469 final

95/0246 (CNS)

Proposal for a

COUNCIL DECISION

on a specific measure for the grant of an indemnity  
to fishermen from certain Member States of the Community  
who have had to suspend their fishing activities  
in waters under the sovereignty or jurisdiction of Morocco

(presented by the Commission)



## **EXPLANATORY MEMORANDUM**

### **1. BACKGROUND**

The Agreement on relations in the sea fisheries sector between the European Community and the Kingdom of Morocco, which applied from 1 May 1992, expired on 30 April 1995.

Negotiations between the two parties entered into well before that date have not yet resulted in a compromise for a new agreement. Some 700 Spanish and Portuguese vessels have been immobilized since then and have been unable to carry on any alternative activity.

In view of the fact that the redeployment of those fleets in Community waters or the waters of other third countries presents difficulties on account of the restrictive policy concerning access now applied in relation to the fleets which normally fish in those waters, the Commission is planning to pay an indemnity to the shipowners and crews who have had to suspend their activities.

### **2. PRECEDENT OF THE SAME TYPE**

The Commission, in Decision 88/162/EEC of 1 February 1988, which applied for a period of one month, extended for a further month, granted aid to the owners of 700 Spanish and Portuguese vessels which had been immobilized for almost two months, pending the termination of negotiations in progress for the conclusion of a fisheries agreement between the Community and Morocco.

This measure was proposed under Article 32 (Title X) of Regulation (EEC) No 4028/86 concerning specific measures.

### **3. PROPOSED COMPENSATION**

The European fleet operating in Moroccan waters under the Agreement between the Community and Morocco can be broken down as follows:

	<u>Vessels</u>	<u>Tonnage</u>	<u>Crew</u>
Spain	632	69 821	6 285
Portugal	53	4 677	1 117
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Total	685	74 498	7 402

The breakdown for crews includes only fishermen who are nationals of the Member States concerned.

#### Indemnity for shipowners

Under Article 14 of Regulation (EC) No 3669/93, shipowners may qualify temporarily for Community assistance through the FIGG.

Application of the scales set out in the Regulation would offer shipowners for the whole of the period (May to December) compensation totalling ECU 52 million (ECU 48 million for Spain and ECU 4 million for Portugal).

The Community would bear 75% of the cost, in accordance with the Structural Funds rules for Objective 1 regions.

This Community compensation for shipowners would be charged against the FIGG under the appropriations for the operational programmes for Spain and Portugal.

#### Indemnity for crews

The indemnities for crews, on the other hand, would mean that a special socio-economic measure would have to be implemented, based on Article 3 of Regulation (EEC) No 2080/93 concerning specific measures.

Crew members who are entered on the books of vessels which have been immobilized as a result of the suspension of fishing activities in Moroccan waters since 1 May 1995 would receive a monthly indemnity of ECU 454 per man per month for the period May to August. On account of the deterioration in the social situation of fishermen owing to the exceptional length of the crisis, the indemnity would be raised to ECU 620 per man per month for the period September to December.

The estimated cost of the measure is:

Spain:	$6\,285 \times 454 \times 4 + 6\,285 \times 620 \times 4 =$	ECU 27 000 360
Portugal:	$1\,117 \times 454 \times 4 + 1\,117 \times 620 \times 4 =$	ECU 4 798 632
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Total:	$7\,402 \times 454 \times 4 + 7\,402 \times 620 \times 4 =$	ECU 31 798 992

The Community could contribute up to 75% of this amount, i.e. ECU 24 million, under the Structural Funds rules for Objective 1 regions.

Part of this Community compensation for crew members would be covered by appropriations available under the operational programmes, part by a reprogramming of those programmes and part by a transfer within rubrique 2.

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THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 43 thereof,

Having regard to Council Regulation (EEC) No 2080/93 of 20 July 1993 laying down provisions for implementing Regulation (EEC) No 2052/88 as regards the financial instrument for fisheries guidance<sup>1</sup>, and in particular Article 6 thereof,

Having regard to the proposal from the Commission<sup>2</sup>,

Having regard to the opinion of the European Parliament<sup>3</sup>,

Having regard to the opinion of the Economic and Social Committee<sup>4</sup>,

Whereas the Agreement on relations in the sea fisheries sector between the European Economic Community and the Kingdom of Morocco<sup>5</sup> applicable for a period of four years from 1 May 1992 provided for a mid-term review;

Whereas it was agreed at the mid-term review meeting to terminate the validity of the Agreement on 30 April 1995 and to start negotiations on a new Agreement which would apply from 1 May 1995; whereas it proved impossible to conclude these negotiations by that date;

Whereas, as a result of a notification from the Moroccan authorities, Community vessels operating in waters under the sovereignty or jurisdiction of Morocco stopped their fishing activities on 30 April 1995;

Whereas about 700 vessels flying the flags of Spain and Portugal are affected by the suspension of fishing activities and cannot work either in Community waters or elsewhere;

Whereas, pending the outcome of the negotiations in progress, the consequences of this suspension of activities should be reduced to a minimum by the grant of an indemnity to shipowners and fishermen designed to remedy a serious disturbance in the economies of certain areas of the Member States concerned; whereas the indemnity for shipowners and

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<sup>1</sup> OJ No L 193, 31.7.1993, p. 1.

<sup>2</sup> OJ No C

<sup>3</sup> Opinion delivered on

<sup>4</sup> Opinion delivered on

<sup>5</sup> OJ No L 407, 31.12.1992, p. 1.

fishermen may be granted only where they have had to suspend all fishing activities as a result of the failure to renew the Agreement;

Whereas the shipowners may qualify temporarily for Community financial assistance under the financial instrument for fisheries guidance pursuant to Article 14 of Regulation (EEC) No 3699/93 laying down the criteria and arrangements regarding Community structural assistance in the fisheries and aquaculture sector and the processing and marketing of its products;

Whereas an indemnity for fishermen constitutes a specific measure within the meaning of the last indent of Article 3(1) of Regulation (EEC) No 2080/93;

Whereas in view of the deterioration in the circumstances of fishermen as a result of the exceptional length of the crisis, the indemnity should be increased from 1 September;

Whereas a number of Spanish and Portuguese vessels have been forced to suspend all activities on account of the interruption of fishing in Moroccan waters; whereas this period of inactivity should be taken into consideration, therefore, in the calculation of fishing activity for the purposes of eligibility for structural aid measures,

HAS ADOPTED THIS DECISION:

#### Article 1

1. A specific measure is hereby introduced for the grant of an indemnity to fishermen who are nationals of a Member State and who are entered on the books of a fishing vessel flying the flag of the Kingdom of Spain or the Portuguese Republic and who have had to suspend their fishing activities in waters under the sovereignty or jurisdiction of Morocco.
2. The indemnity is intended for fishermen from those Member States, in order to help minimize, pending the outcome of the negotiations in progress, the loss of income they are suffering as a result of the suspension of their fishing activities in the waters under the sovereignty or jurisdiction of Morocco.

#### Article 2

1. The indemnity shall be granted from 1 May 1995 up to the date on which fishing activities recommence under a new Agreement with Morocco and up to 31 December 1995 at the latest.
2. The amount of the indemnity paid by the Member States to the fishermen shall not exceed ECU 454 per man per month for the period 1 May to 31 August 1995 and ECU 620 per man per month for the period 1 September to 31 December 1995.

The financial contribution from the Community shall not exceed 75% of the amounts actually paid.

Fishermen employed on board vessels which have had to suspend all fishing activities as a result of the failure to renew the fisheries agreement between the Community and the Kingdom of Morocco shall alone be eligible for the indemnity.

The maximum number of fishermen qualifying for the standby indemnity is estimated at 7 402, comprising 6 285 in Spain and 1 117 in Portugal.

3. Payment of the Community contribution shall be subject to the actual suspension of activities by vessels and their crews during the indemnity period.

#### Article 3

The period of inactivity of Spanish and Portuguese fishing vessels which are entitled to the indemnity provided for in this Decision shall be taken into consideration as days on which a fishing activity has been carried on within the meaning of point 1.1. of Annex III to Regulation (EC) No 3699/93, within the limit of the number of days on which those vessels have carried on a fishing activity, under the Agreement between the Community and the Kingdom of Morocco, during the same period in 1994.

#### Article 4

The Member States concerned shall forward to the Commission the programme of assistance containing details of the indemnity arrangements.

The Commission shall approve the programme after considering its conformity with this Decision and the Community provisions concerning the FIG.

#### Article 5

This Decision is addressed to the Kingdom of Spain and the Portuguese Republic.

Done at Brussels,

For the Council



## **BUDGET IMPACT FORM**

(to be completed in ecus)

1. Budget heading:  
**B2-1100 Objective 1 regions**
2. Appropriations entered under this heading for 1995:  
**ECU 297 550 000**
3. Carry-over(s) authorized or requested (specify):
  - **automatic**
  - **non-automatic**
4. Expenditure arising from Decision proposed by the Commission:
  - (a) in respect of the current year **ECU 23.85 million**
    - using appropriations entered under the budget heading referred to
    - ~~using carry-overs~~
    - ~~applying other procedures<sup>1</sup>~~
  - (b) ~~in respect of subsequent years (where applicable)~~
5. Other financial implications of Decision (if any):  
**None**
6. Method of calculation adopted (explain in words):  
**Community contribution pursuant to Article 3 of Council Regulation (EEC) No 2080/93 of 20 July 1993. The method of calculation is expressly included in Article 2 of the Decision concerning the specific measure.**

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<sup>1</sup> In this exceptional situation, give detailed reasons.

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# DOCUMENTS

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