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From:	Secretary-General of the European Commission, signed by Mr Jordi AYET PUIGARNAU, Director
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To:	Mr Jeppe TRANHOLM-MIKKELSEN, Secretary-General of the Council of the European Union

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Subject:	COMMISSION STAFF WORKING DOCUMENT EXECUTIVE SUMMARY OF THE IMPACT ASSESSMENT Accompanying the document Proposal for a COUNCIL DIRECTIVE implementing the Agreement concluded between the General Confederation of Agricultural Cooperatives in the European Union (COGECA), the European Transport Workers' Federation (ETF) and the Association of National Organisations of Fishing Enterprises (EUROPÉCHE) of 21 May 2012 as amended on 8 May 2013 concerning the implementation of the Work in Fishing Convention, 2007 of the International Labour Organisation
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Delegations will find attached document SWD(2016) 143 final.

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COMMISSION STAFF WORKING DOCUMENT
EXECUTIVE SUMMARY OF THE IMPACT ASSESSMENT

Accompanying the document

Proposal for a COUNCIL DIRECTIVE

implementing the Agreement concluded between the General Confederation of Agricultural Cooperatives in the European Union (COGECA), the European Transport Workers' Federation (ETF) and the Association of National Organisations of Fishing Enterprises (EUROPÊCHE) of 21 May 2012 as amended on 8 May 2013 concerning the implementation of the Work in Fishing Convention, 2007 of the International Labour Organisation

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Executive Summary Sheet

Proportionate impact assessment on the EU Social Partners' Agreement concerning the implementation of the ILO Work in Fishing Convention, 2007.

A. Need for action

Why? What is the problem being addressed?

The International Labour Organisation (ILO) Work in Fishing Convention (C188) was adopted in 2007 with a view to supplementing and updating international working conditions standards for this sector. That year, the Commission launched the first phase of consultation with the EU social partners pursuant to Article 154 of the Treaty on the Functioning of the EU (TFEU). EU social partners were invited to 'examine the possibilities of a joint initiative to promote the application within the EU of the provisions of the recent ILO Work in Fishing Convention, 2007'. The European Transport Workers' Federation (ETF), the Association of National Organisations of Fishing Enterprises (Europêche) and the General Confederation of Agricultural Cooperatives in the EU (COGECA) — concluded an agreement on 8 May 2013 and on 10 May 2013 requested the Commission to transpose the agreement into EU legislation (via a directive). In their agreement, EU social partners wanted to merge the provisions from EU *acquis* and ILO Convention C188.

The main problems identified are that the risks and seriousness of accidents and occupational diseases are high and their incidence significantly higher than in other economic sectors. This leads to absence from work and early departures from the sector, increasing costs for employers and social security systems. The main drivers are: 1. Work related factors: accidents are often caused by fatigue due to long working hours, inadequate health and safety or working conditions. 2. Slow ratification: existing international treaties regarding safety on board of vessels have not entered into force due to slow ratification. France is the only EU Member State that has ratified Convention C188. 3. Fragmentation: EU labour and occupational safety and health legislation, providing rules applicable to all workers, offers a fragmented framework, not fully suited to specific working conditions in a given sector. In matters not covered by the EU *acquis*, EU Member States have introduced very different national standards.

What is this initiative expected to achieve?

General objective: To enhance the working and living conditions for fishermen working on vessels flying the flag of an EU Member State. Specific objectives: (1) to improve occupational health and safety for fishermen within the EU; and (2) to establish a consolidated legal framework suited to working conditions in the sea fishing sector.

What is the value added of action at the EU level?

It would lead to a consolidated EU legal framework for the sea fishing sector, aligned with international standards, which includes elements which are currently not yet regulated at EU level, such as the medical certificate for fishermen or the right to on-board medical treatment. It builds on existing international and EU standards in applying the EU Treaties. An EU framework would lead to a level playing field in the sea fishing sector across the EU Member States. The agreement will help speed up the ratification of international Treaties. It will also strengthen the EU's leadership in relation to non-EU countries and international organisations to improve compliance with international measures, including respect for human rights and the conservation and management of marine living resources.

B. Solutions

What legislative and non-legislative policy options have been considered? Is there a preferred choice or not? Why?

The Commission can only accept or reject the signatory parties' request for legislation implementing the agreement. It cannot amend the text of the agreement. Therefore only one policy approach has been analysed, (i.e. the measures defined in the agreement), and compared against the baseline (i.e. the option of no further EU action). In comparing the options, it can be concluded that the agreement achieves the objectives set of overall reasonable costs and that implementation of the agreement through a directive is appropriate.

Who supports which option?

The agreement has been concluded by the EU social partners in the sea fishing sector.

- European Transport Workers Federation (ETF): represents the workers in the sea fishing sector with membership in 11 Member States (BE, BG, DE, DK, ES, FR, IT, NL, PL, PT and UK).
- Europêche: brings together the employers in the sector, both artisanal and large scale, in 11 Member States (BE, DE, DK, ES, FR, EL, IT, NL, PL, SE and UK) and another 2 with observer status (LV and LT).
- COGECA: represents the general and specific interests of European agricultural, forestry, fisheries and agri-food cooperatives with membership from 11 national organisations (CY, DE, EE, ES, FR, EL, IE, IT, MT, NL and SI).

Altogether 16 Member States involved in sea fishing are represented. In addition the 8 Member States (ES, IT, PT, EL, FR, NL, PL and UK) which make up 84 % of the sector in total employment terms and 87 % in terms of full-time equivalents are represented within the EU social dialogue committee. It can be therefore concluded that the social partners that have signed the agreement are representative of the sector and can therefore justly ask

the Commission for legislation to implement the agreement in accordance with Art. 155 TFEU. All EU Member States voted in favour of ILO Convention C188 when it was adopted in 2007. France is the only EU Member State which has ratified it. A few EU Member States (UK, NL, EE and DK) are preparing to ratify the Convention.

C. Impacts of the preferred option

What are the benefits of the preferred option (if any, otherwise main ones)?

The agreement will improve the living and working conditions in the sea fishing sector concerning working time, minimum age, medical certification, risk assessment and medical treatment on board. It will also create a level-playing field for the sector by setting minimum standards across the EU. The main benefits by stakeholder group are as follows.

- For **employers** it will reduce the incidence of occupational accidents, injuries, diseases and the associated cost of compensation, loss of production and staff turnover. The reduction in the number of occupational illnesses is estimated to provide an annual benefit to employers of EUR 200 000. The change in the incidence of workplace accidents would save employers over EUR 400 000. The analysis shows that the reduction in workplace accidents and occupational illnesses would persist over time and over a five-year period between 200 and 2 000 workplace accidents and between 300 and 1 300 episodes of occupational illness would be avoided, with a total benefit to employers of between EUR 0.2 and EUR 1.6 million for occupational illnesses and EUR 0.4 and EUR 3.8 million for accidents.
- For **workers** it will lead to a lower risk of accidents or disease and therefore a lower risk of loss of earning capacity, enabling them to stay longer in the sector and increasing the attractiveness of the sector for young and skilled workers.
- For **national authorities** it will lead to lower costs in social security benefits and healthcare. The benefits to national authorities will also persist beyond the full five-year period analysed, with the total benefit in relation to hospital cost savings estimated to be over EUR 0.2 and EUR 1.5 million over a five-year period.

What are the costs of the preferred option (if any, otherwise main ones)?

Overall, no significant increase in costs when implementing the agreement is expected. Some costs will only occur once (i.e. costs related to the implementation of the agreement in national legislation) and some will be recurrent (i.e. costs linked to the medical certificate, which will need to be renewed periodically, the cost of repatriation, etc.). The costs vary between Member States, depending on the degree to which their national legislation already complies with the agreement.

France is the only EU Member State which has ratified the Convention. Some Member States (BE, DE, DK, EE, EL, FI, HR, LT, LV, NL, and PL) comply with most provisions of the agreement, therefore the costs for these Member States will be limited. Spain, Portugal, Italy and the United Kingdom will need to change some aspects of their legislation (i.e. medical certification, right of repatriation). However, for the Member States that will need to change their national legislation, the cost per worker or per enterprise remains proportionate overall to the objective to be achieved. The cost of repatriation is estimated at EUR 10 000 per repatriation, leading to a total of EUR 0.1 million per year. The cost of the medical certificate is estimated at a total of EUR 0.5 million per year.

How will businesses, SMEs and micro-enterprises be affected?

Nearly 90 % of businesses in this sector are micro-businesses with only one vessel. Although data is scarce, it can be assumed that a significant share are owner-operated vessels (to whom provisions of the agreement do not apply) or operated by a skipper with one or two other self-employed or employees on board.

The impact on small businesses will be limited to those where employees or the self-employed work alongside employees. Given that the overall quantitative and qualitative impact of the agreement on businesses is of limited significance (although there is inevitably a greater impact on SMEs), it is unlikely to reduce their competitiveness. In addition, the agreement gives Member States the option of progressively implementing the agreement over a period of five years for certain categories of fishermen or vessels.

Will there be significant impacts on national budgets and administrations?

For national authorities, a reduction in the incidence of occupational accidents, diseases, and injuries will lead to lower costs for social security and healthcare. Apart from hospital admission savings (reported above), savings related to the treatment of occupational accidents, injuries and diseases are difficult to quantify.

Will there be other significant impacts?

Given that the overall quantitative impact of the agreement on businesses is of limited significance, no impact on consumers is expected with regard to the price of fish. No displacement effect, i.e. shift from employee to self-employed status, is expected.

D. Follow-up

When will the policy be reviewed?

The European Commission will, after consulting management and labour at European level, monitor the implementation of the Directive implementing the agreement. The European Commission will evaluate the Directive implementing the agreement five years after its entry into force.