

## PORTUGAL

### Amendments to the country paper following DG MARE's comments. Blue Growth Sea basin study (Atlantic Arc)

Please note that this provides an overview of comments addressed

1. from DG-MARE on papers on France, Portugal and Spain (6/08/2013) (1<sup>st</sup> round), as well as
2. further comments from DG MARE to PT country paper (uploaded 12/08/2013) (2<sup>nd</sup> round).  
Please note that reactions to the 12/08/2013 comments are **inserted on pages 10 following.**

#### DG MARE COMMENTS (received on 06/08/2013)

##### Layout

To be addressed by Ecorys Brussels

##### General overview

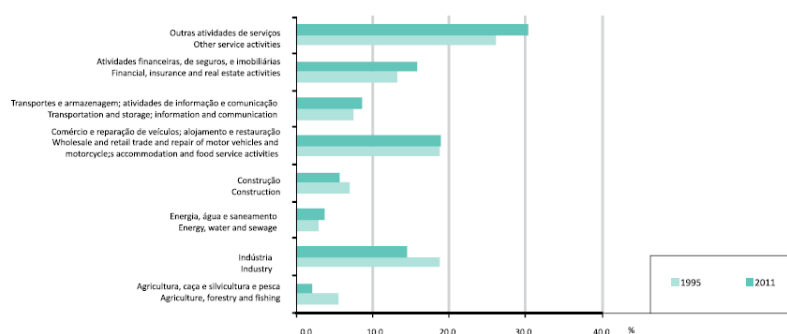
1. Population and unemployment rate: Please see change.
2. Last paragraph: Services represent more weight in the Portuguese economy although Industry's performance is increasing in terms of GVA contribution to the Portuguese economy.

For more information please refer to: Anuario Estadístico de Portugal-2011, INE.

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"Throughout the series started in 1995, service activities changed in volume, on average, more than the rest of the economy. This, jointly with a change in relative prices that benefited service activities in general – which are by nature less subject to foreign competition – has contributed to relatively higher nominal changes in the respective GVA. Between 1995 and 2011 the structure of the economy's total GVA changed markedly (see Chart III.1.3). In particular, the relative weight of services increased significantly, in contrast to a marked decline in the relative importance of industry and agriculture. However, there was an increase in the relative weight of industry in the past few years, from 13.0% in 2009 to 14.5% in 2011."

III.1.3 – Composição percentual do VAB (nominal)  
III.1.3 – Percentage composition of (nominal) GVA



## 0.2. Coastal regions

1. Coastline: -> Inserted the 200km interval scale in the description (see footnote no. 13)
2. Definition of Coastal Region from Eurostat:

An EU coastal region is a statistical region of the European Union (EU), at NUTS level 3, defined according to one of the following criteria:

- The region has a sea border;
- The region has more than half of its population within 50 km from the sea, that is based on the GEOSTAT 2006 population grid. Previous to the availability of this grid, all coastal regions were defined as a NUTS level 3 region with a sea border;
- Hamburg.

*German region, not meeting either of the two previous criteria, but still included because of its strong maritime influence*

In the case of Portugal, the criteria is Region with a Sea Border, this is a total of 13 regions.

[http://epp.eurostat.ec.europa.eu/statistics\\_explained/index.php/Glossary:Coastal\\_region](http://epp.eurostat.ec.europa.eu/statistics_explained/index.php/Glossary:Coastal_region)  
EU coastal region included and the footnote as well as the list of the regions.

[http://epp.eurostat.ec.europa.eu/statistics\\_explained/index.php?title=File:Cruise\\_passengers\\_in\\_EU\\_coastal\\_regions\\_by\\_NUTS\\_3\\_regions\\_2010\\_%281%29\\_%281\\_000\\_persons%29.png&filetimestamp=20120509091644](http://epp.eurostat.ec.europa.eu/statistics_explained/index.php?title=File:Cruise_passengers_in_EU_coastal_regions_by_NUTS_3_regions_2010_%281%29_%281_000_persons%29.png&filetimestamp=20120509091644) Please see changes. Data taken from Landscan. The figures from Landscan tool were provided by DG mare through their comments. Unfortunately, data is provided under fee for service. <http://web.ornl.gov/sci/landscan/index.shtml>

3. GDP fishery and agriculture activities: These include Agriculture, forestry and fishery.

Fishery represents 1,70% of GDP in 2011(all direct and indirect activities) "Hypercluster do Economia do Mar"-2012. The same report (Hypercluster do Economia do Mar, 2012), states that all maritime economic activities represent around 2% of GDP and around 75.000 direct employments.

The work, "Blue Growth for Portugal: uma visão empresarial da economia do mar" (COTEC: 2012), realises the same analysis using a wider approach and states from its side that these activities represent around 2, 2% of GDP.

Equally, the study, "Economia do mar em Portugal", realised by the Direção-Geral de Política do Mar (DGPM) in 2012, established that in 2010 that these activities attained around 2,5% of GVA and 2,3% of the total jobs in the country. (ENM.pdf).

+ Anexo\_A(Annex A is included in the report "Economia do MAR")

In 2011, industrial production of fishery and aquaculture dropped by 2,2%. (Estadística Pescas 2012). Please note that this information has been included in the Fishery paragraph although rephrased according to the argument described. This information has now been included in the Coastal Regions chapter.

4. Fishery labour input:

Please refer to the following document which explains the methodology for calculating Labour input in fishing.

<http://edepot.wur.nl/28054>

The following types of labour input can be distinguished in fishing:

- crew working on board, incl. the skipper-owner if he works on board;
- rotation crew, i.e. extra crew staying on shore during one trip, but remaining on the pay-roll of the vessel;
- temporary and/or seasonal crew, i.e. labour hired on short term basis and not paid when on shore;
- personnel in administration on shore;
- unpaid labour (e.g. family members).

Different fisheries may be characterised by different labour intensities and consequently by different levels of labour productivity. Therefore, it is an important aspect of economic analysis as the Labour input in fishing gives an overview of the importance and productivity of the sector in the country's economy.

5. "Lower case for Geographical. You need to look at this sentence again  
-> Sentence revised

6. Maritime economic activity:

➔ Inserted: Tourism represents 48% of the employment of the Maritime economic activities (Anexo A\_ Economia do mar).

**Overview of relevant maritime economic activities in a Member State**

-> This has been addressed and is implemented.

**Quantitative review of maritime economic activities in a MS a NUTS-O level**

Titles and boxes ➔ this has been addressed and is implemented.

Indicate whether activity is growing or shrinking? How has economic crisis affected it?

The information has been included, as far as available

**Shipbuilding**

1. Breakdown of the GVA and employment by type of ship:

Data from: Diretiva Quadro Estratégia Marinha, 2012. This data covers only GVA (VAB = valor acrescentado bruto in Portuguese)

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VABpm	10 <sup>6</sup> euros			Txv %		Estrutura %		
<b>Construção</b>	<b>83</b>	<b>87</b>	<b>60</b>	<b>5</b>	<b>31</b>	<b>64</b>	<b>58</b>	<b>46</b>
Construção, excl. recreio	70	74	56	6	25	54	49	42
Construção metálica, excl. recreio	67	72	54	7	25	52	48	41
Construção não metálica, excl. recreio	3	2	2	4	21	2	2	2
Construção, recreio	13	13	5	0	65	10	9	3

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Reparação	47	64	72	37	12	36	42	54
Total	130	151	132	17	13	100	100	100

2. A reference to the statement that the lack of supporting cluster structures is a barrier to growth and can you explain it more fully.

-> added a sentence and reference indicating the potential contribution of a Portuguese maritime clusters (Hypercluster) to naval construction and maintenance.

-> "In this context, the integration in a Hypercluster that encloses the Maritime Economy activities can particularly aid to support and enhance other activities as for example the Naval Construction and Maintenance. (...)

The creation of a coordination instance that may engage all maritime sectors to the integrated maritime economic activity would be an innovation in the Portuguese business system, in the sense that it could create a cooperative and rational identity that may increase the value of each one the Firms, as well as it could act as an interlocutor against the political authorities (Government and European Commission)."

"Hypercluster da Economia do mar,2012".

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3. Is there a lack of the small companies providing components? Is there a lack of trained staff?

-> added sentence: added text in footnotes that evidence for the contribution of small companies providing components or lack of trained staff could not be found.

### Construction of water projects

1. Indicate briefly what this includes

→ Added a brief description of which activities this includes . In Portugal, the construction of water projects includes the following activities:

- Water construction works
- Dredging works
- Coastal Protection works
- Topo-hydrographic works

2. Is there a budget for the coastal valorisation and protection plan for Portugal?

→ include the budget of the coastal valorisation and protection plan in the text. The Budget for Coastal protection is of 106 Million Euros. Source:

<http://www.portugal.gov.pt/pt/os-ministerios/ministerio-da-agricultura-e-do-mar/mantenha-se-atualizado/20130326-mamaot-protECAo-litoral.aspx>

### Maritime transport

1. Shipping represents 80% of international trade? Portugal or EU? 80% by volume or value.

→ Text has been modified

- "Ports in the Storm" from the Economist in 24 May 2012.  
<http://www.economist.com/node/21551072> Text has been modified and article dating from 2012 integrated and commented on.

#### Deep sea shipping

1. Can you say anything about patterns of trade. What goods and origins are increasing and what are decreasing?

→ We added information accordingly. However, the information could not be broken down any further.

[http://www.imarpor.pt/informacao\\_tecnica/estatisticas.htm](http://www.imarpor.pt/informacao_tecnica/estatisticas.htm)

No breakdown information provided.

#### Passenger ferries

1. The first and last sentences include some repetition:  
-> modified accordingly

#### Fishery

1. *The Portuguese national fleet (mainland and Autonomous regions of Azores and Madeira) consisted of 45 fleet segments in 2010.* This statement is meaningless. Fleet segments are an arbitrary way of classifying a broad range of fishing activities.  
-> Sentence on fleet segments deleted to avoid confusion.
2. Maybe include some facts about the relative employment and landings value of large and small boats.  
→ included information on small vessels (acc. to gross tonnage) and large vessels. This data is according to the fleet register, but does not include data on the landings value. No data on the relative employment disaggregated by size of boat is available.
3. Do the processing figures include imported fish or aquaculture?  
→ the processing figures we found can not be disaggregated into imported fish aquaculture and exported ones. A footnote has been added to underline that.
4. This could be put more elegantly. Low catches don't necessarily imply a negative trade balance. -> text modified

#### Aquaculture

There is quite a lot of useful information here but it is a bit confused. First of all you say it is growing, then you give a lot of reasons why it is not. Can you give a reference to the list of reasons why it is not growing? (obsolete production etc)

-> Please see amended text in country paper

#### Blue biotechnology

1. This sector is estimated to grow. By whom?

→ Information from “Bluegrowth for Portugal” Report, elaborated by COTEC Portugal - Associação Empresarial para a Inovação (for more information, please see [www.cotecportugal.pt](http://www.cotecportugal.pt))

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2. What is growth rate now? If you don't know say so.  
→ No data available. Text amended accordingly.
3. Who are the Intersectoral Oceanographic Commission and what do the scientific surveys have to do with biotechnology? The intersectoral oceanographic commission deals with all matters related to scientific and technological maritime research and this research may have an impact on the biotechnology activities. However, not specific evidence can be found. The sentence has been deleted.

<http://www.unesco.org/new/en/natural-sciences/ioc-oceans/>

Intersectoral Oceanographic Commission dependent of the Ministry of Science and Education: [http://www2.geo.ua.pt/coi/mandato\\_4.htm](http://www2.geo.ua.pt/coi/mandato_4.htm) --> a working group dealing with research programmes including blue biotechnology.

Established within the Intersectoral Oceanographic Commission of the Ministry of Science and Higher Education (COI-MCES), in consultation with the Portuguese Committee for Intergovernmental Oceanographic Commission of UNESCO (CP-COI/MNE), it is a Working Group in the subject "Oceans / Climate" of GOOS, which, in addition to other duties that may be assigned, will have the, the scientific and technical mandate for:

- i) Take stock of the situation at national level, on projects and research programs as well as other relevant activities, which may contribute to the development of the subject "Ocean / Climate", preparing a brief analytical profile of the active institutions in the relevant fields.
- ii) Evaluate the installed capacity, in order to identify potential and limiting factors structuring the module "Ocean / Climate", taking into account national priorities for research, development, management and environmental protection, support for public administration, including enhanced responsiveness the commitments under international agreements and organizations.
- iii) Promote and monitor pilot projects of observation (eg Argos floats) and comparative studies of operational experience, encouraging specialized databases compatible.
- iv) Prepare studies, summaries, papers, briefings and situation points to support the Portuguese participation in international programs, namely Module Oceans / Climate GOOS.
- v) Follow the point of view of technical and scientific activities of the I-GOOS and associated organ, as well as the Joint Commission IOC / WMO "Joint Commission on Marine Meteorology" (J-COMM).
- vi) Prepare and submit, within one year through the MCES Intersectoral Oceanographic Commission, a summary report that includes recommendations and proposals to develop joint actions and partnerships between organizations particularly with the aim of structuring the national component of the module

"Oceans / Climate", and evaluate how to participate in European regional implementation mechanisms including the EuroGOOS.

- vii) Organize, either by themselves or in conjunction with appropriate entities, "workshops" and other thematic meetings open to disseminate progress, particularly with regard to paragraph vi) in order to gauge the scientific community and other stakeholders.

4. Likewise, it is required the adoption of political measures, including, in particular, a legislative reform with regard to marine scientific research. -> deleted the sentence  
What particular reforms are needed and why?  
→ political initiatives to incentivize the sector are needed. Text modified accordingly.

#### Aquaculture in saline soils

Is production shrinking or growing. If so is it due to change in area or change in yield?

→ No data available.

#### Offshore wind

1. Portugal has deep water offshore so is pioneering floating (as opposed to those attached to seabed) wind farms.  
-> sentence added to the qualitative description
2. Windfloat, the second large scale floating system, was installed off the Portuguese coast in 2011 and started to produce energy in 2012. Developed by Principle Power and EDP, it is equipped with a 2MW Vestas wind turbine. It is the first offshore wind turbine to be installed without the use of any heavy lift vessels or piling equipment at sea. All final assembly, installation and precommissioning of the turbine and substructure took place on land in a controlled environment.  
-> sentence added to the qualitative description

#### Seaweed energy

1. Seaweed energy is Ok as a title but I think we should call it "algal energy" to maintain consistency with the other country papers.  
→ sector name modified
2. Seaweed energy solutions (SES). Budget? Expected completion? Expected output?  
→ Information on seaweed energy solutions added  
→ SES is a Norwegian company that has operations both in Norway and Portugal. According to its web site "SES has since 2009 been involved in governmental sponsored seaweed projects with combined budgets of EUR 10 million. Funding has been obtained from The Research Council of Norway, Innovation Norway and others. Recently, SES got approved a EUR 2,5 million Eurostars project and 2 projects backed by the Norwegian Research Council of about EUR 3 million.". However, there is no specific information regarding its activities in Portugal. (see change)  
Added text and reference

#### Aggregates mining

1. If there is no aggregates mining, please say so.  
→ information included. This section has been reorganized.
2. Could you be a bit more precise about the location of the Atlantic northeast seamounts?  
→ more precise information not available regarding the continental shelf. Information on other platforms (Plataforma Continental Estendida) has been included.
3. Could you give a reference to your statement that environmental impacts are lower offshore?  
→ reference included

### Coastal tourism

*Since this is a big activity we need more data on where the numbers come from. It is particularly important to indicate how coastal tourism is distinguished from other tourism. Was it from the NUTS 3 Analysis?*

→ More information included as well as references and a definition of what “coastal tourism” stands for

### Yachting and Marinas

Both sentences can't be true.  
→ Please see modified text.

### Cruise tourism.

1. *For further development of the cruise industry, the country should invest in improving the infrastructures, building passenger terminals and proceed to the establishment of agreements between the port cities visited, its ports, airports and industry hospitality of the region.*

Who says?

→ COTEC. Info taken from the report Bluegrowth for Portugal, 2012. Source added accordingly in the country paper

### Coastal protection

First paragraph:

1. This needs to be rewritten in a way that can be understood. €39.1 billion is about 20% of the Portuguese national debt. → modified text accordingly. (Double checked: [http://www.dgpm.gov.pt/Documents/Anexo\\_A.pdf](http://www.dgpm.gov.pt/Documents/Anexo_A.pdf) (Page 4) exact reference has been inserted)



2. €131 million over 17 years means about €8 million a year?  
→ total budget over the entire period

### **Maritime monitoring and surveillance**

Three paragraphs about European projects is too much. → shortened the text and streamlined it better

MRAG have done a study on environmental monitoring and may have something on costs. We do not have access to the report. Please could you provide it to us?

“Those barriers....” → deleted paragraph, since too general, and not applicable to this maritime economic activity

### **Table 3 – overview of employment**

- Implemented and addressed in the draft final template

#### **2.1. Listing and ranking**

addressed

#### **2.2. Ranking order of the 7 most promising**

addressed

#### **3.1. Innovation**

Will be added later to the country paper (as agreed with DG MARE)

#### **3.2. Annex I**

- As agreed with DG MARE, this will be addressed and implemented in overall methodology Annex to the country papers.

## DG MARE COMMENTS (received on 12/08/ 2013)

### 0.2. Coastal regions

1st paragraph of this section does a geographical description of the country and its jurisdiction waters. I think it would fit better in the country overview.

→ we have repositioned the text and moved from coastal regions subchapter to country overview

Regional analysis has been made in the following paragraph, although there is not much on maritime:

*From a geographical perspective, strong disparities in the economic structure of regions are translated in the predominance of two regions 'Lisboa' and 'Zona Norte', which in sum represent ¾ of the employment and GVA of the industry, specialising in the following sectors: agro-food, chemistry, heavy mechanical engineering, electric and electronic equipment, automotive and ship repair.*

- Deleted the paragraph in the text, due to insufficient link to maritime dimension of maritime economic activities

2nd, 4th and 5th paragraphs are part of a sectorial analysis of the maritime activities of the whole country but not a regional analysis.

- Existing Information has been restructured and additional data on regional description has been included

#### 1.1 Quantitative review of maritime economic activities

On Blue Biotechnology:

- Since it is a relatively new and emergent sector, not quantitative and aggregate information is available. Qualitative analysis has been conducted based on the report "Bluegrowth for Portugal, Uma visão empresarial da economia do mar"
- no quantitative data could be derived. Check on their websites and no information neither on employment nor on finances/turnover is available. Moreover, there are more companies in the sector, they are only the most representatives ones, so I cannot see how we can estimate their contribution to GVA and employment.

#### 1.1. Qualitative review of maritime economic activities

##### Shipbuilding

You say '...old sector that it is seen as a non-innovative industry'. This is more an opinion than a statement. Growth rates? Potential for diversification?

- This statement came from the report "Bluegrowth for Portugal, Uma visão empresarial da economia do mar".

- More precise and quantitative data on the turnover, and the order portfolio (in CGT) have been added and referenced

### Construction of water projects

*Dams and waste water treatment stations do not generally represent the maritime economy unless exceptional cases.* → deleted the sentence

*What about investments in ports and harbour infrastructures? Something about this has been mentioned in next section on maritime transport.* → investment figures included in the public and private initiatives.

*According to the structure of activities described, I believe that the coastal protection works listed in the Plan would fit better under section on 'coastal protection'.* → moved sentence to coastal protection sector

### Maritime transport

*Figures about trade flows. Main goods transported. Specialization by port.* → included

*Maritime transport companies in Portugal, regional distribution. Type of companies (big ones or SMEs)?* → Information inserted about the national maritime transport companies (national shipowners to merge on large business groups, concentrated in traffic and insular maritime transport, number of national shipowners...)

### Short Sea Shipping

*Highways of the Sea or Motorways of the Sea? Which routes are in service? → included. We are not able to find additional and relevant information on that. Do you have any suggestion?*

### Inland waterway transport

*Inland waterway transport in Portugal is negligible in volume. Although it might be like that for the quantitative analysis we could give some interesting qualitative information in this section. River Douro is being used as an inland waterway with touristic purposes mainly (linked to wine and gastronomy). It might be something on goods transport as well.*  
→ Included

### Fishery

*Regarding the employment, the number of licensed fishermen shows a downward trend from 2008 to 2012. Which trend?* → Sentence reworded

*Last paragraph is mostly on aquaculture. Would fit better under next section.*  
→ Moved to next section.

*Anything on the processing fishing industry?*  
→ additional information included

### Aquaculture

*Do they meet the fish demand for consumption? Trade and markets?*

Included → aquaculture only represents 1.5% of the domestic consumption (not sufficient to meet the domestic demand for consumption).

#### **Agriculture in saline soils**

Type of crops in the saline soils. → no information available. Added a sentence on that.

#### **Coastal tourism**

*Are there plans to diversify the coastal tourism activity? Is there any data on tourism linked to gastronomy, protected areas, talasotherapy...?*

→ additional information on the National Tourism Plan has been included.

#### **Coastal protection**

*You could refer here to the plan on coastal protection referenced in section 'construction of water projects'.*

→ included

#### **3.2 Assessment of innovation reports**

What do you mean by 'maritime enterprises'?

→ enterprises operating in the marine sector, included in the report

Isn't there any reference to biotechnology or off-shore energy (beyond off-shore renewables) in the source mentioned in table 9?

→ the single reference document we found is *Blue growth for Portugal. Uma visão empresarial da economia do mar*

Renewable off-shore energies. The description given in table 9 is not consistent with ranking order number 2.

→ please, see modifications in table changes