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RESTRUCTURING OF THE SMALL-SCALE INSHORE FISHING INDUSTRY¹

The Commission of the European Communities has just submitted to the Council of Ministers a proposal concerning the restructuring of the small-scale inshore fishing industry. It provides for two types of measures to achieve this objective ~~firstly~~ modernization of the fleets and other means of production together with the development of the aquiculture sector; secondly, the withdrawal from service of old, uneconomic vessels and encouragement to fishermen aged 55 to 65 to cease fishing when this activity can no longer be carried on in satisfactory economic and social conditions. In both cases the proposal provides for financial aid from the European Agricultural Guidance and Guarantee Fund (EAGGF). The total cost to the EAGGF for the first five years of the programme is estimated at 118 million units of account.

Characteristics of the sector

The small-scale inshore fishing industry is in general made up of small-sized undertakings using ships of less than 24 metres in length, often very old and obsolete, and lacking the necessary investment capital. This situation has been worsened by the general increase in production costs. The sector is, however, of great importance economically and socially. It covers 80 % of all Community fishermen, i.e. about 100,000 persons, but in view of the fact that these ~~undertakings~~ are often family businesses, the total number of persons economically dependant on ^{the} industry is much higher; it can be estimated at 600,000 persons. Annual production by value amounts to about 500 million units of account.

In 1973, the average income of fishermen in the Community was between 3,000 and 6,000 units of account per man per year. In 1974, the rise in management costs reduced this figure by 30 to 40 % - a serious matter in view of the extremely ~~harsh~~ working conditions for sea fishermen. At present, young fishermen are leaving the industry and there are signs of dis-investment. Although a drop in the labour force in this sector seems inevitable, especially in view of the overfishing in certain areas, the Commission considers that too brusque a change should be avoided. It has therefore set up a policy of modernizing the industry's structures and encouraging the cessation of fishing where necessary.

Modernization of the fleets and other means of production

The measures include the modernization of the fleets and shore installations for preserving, processing and marketing fish, the development of fish - crustacean - or mollusc-breeding as well as applied research on fishing and advanced training courses.

The aid from the Fund provided for in the proposal takes the form of capital grants of up to 25 %, on condition that the beneficiaries themselves provide at least 50 % and the Member States contribute at least 40 % of the sum granted by the EAGGF. Aid will only be granted to producers who have been fishing for at least five years with vessels whose length does not exceed 24 metres, or who have been involved in breeding fish, crustaceans or mulluscs. The related research and occupational training projects may benefit from EAGGF aid provided that they are set up by an association receiving aid from EAGGF for investment projects.

¹COM(75)574

Adjustments to production potential

This measure is justified in the Commission's view, since over-fishing, marine pollution and the possible establishment of catch quotas will make it difficult to retain the present number of persons presently employed in the small-scale inshore fishing industry in any given area.

The proposed scheme, which will be set up by the Member States as part of a regional programme, provides for a system of life annuities for fishermen aged 55 to 65 who cease fishing, and ship-breaking premiums for old vessels. The life annuities granted by the Member States will be reimbursed by the EAGGF at a rate of up to 225 u.a. per year per married fisherman. The reimbursement for unmarried fisherman will be up to 150 u.a. As regards the ship-breaking premium, according to the proposal the EAGGF will reimburse a maximum of 50 u.a. per gross registered ton (GRT) (the refunds correspond to 25 % of the suggested amounts to be granted by the Member States; i.e., 900 u.a. per married fisherman, 600 u.a. per unmarried fisherman and 200 u.a. per GRT). The Commission estimates that during the first five years of the scheme, about 26,000 fishermen aged over 55 will be able to leave the fishing industry and that the ship-breaking premiums could be applied to 80,000 GRT.

Multiannual regional programmes

For a rational restructuring of the small-scale inshore fishing industry, the Commission proposes that the Member States should draw up multiannual regional programmes. These programmes would comprise a certain number of measures including specific investment projects (such as the building of a fishing vessel, or a shore installation, or the establishment of a fish-, crustacean- or mollusc-breeding undertaking). These programmes would be examined by the Standing Committee for the Fishing Industry and approved by the Commission. They should indicate firstly the position with regard to existing structures and the production objectives to be reached in the various regions and secondly, the measures to be implemented to achieve these objectives (investment for modernization, and - if necessary - a reduction in production potential).

As soon as each programme is adopted by the Commission, Member States will proceed to select projects from among those submitted to them before implementing the development measures. To ensure optimal utilization of the funds available, these measures should be judged on the basis of Community criteria. They must contribute, in particular, towards reorienting production and improving the quality of fishery products, adjusting catch sizes and storage, packaging and processing capacity to market requirements, improving working conditions and the safety of personnel; finally they must respect the need to protect both the environment and consumers' interests.

Priority measures under the programme :

- measures helping to resolve difficulties following adjustments to Community rules (for example the possible introduction of a system of catch quotas) necessitated by amendments to the Law of the Sea,
- measures carried out in regions in which the European Regional Development Fund may intervene,
- measures implemented by recognized producers' organizations or their associations.

ESTIMATED NUMBER OF VESSELS IN COMMUNITY SMALL-SCALE INSHORE FISHING FLEETS

COUNTRY	Length of vessel 0 - 12 m		Length of vessel 12 - 18 m		Length of vessel 18 - 24m		TOTAL	
	Number	GRT	Number	GRT	Number	GRT	Number	GRT
Germany	151	4792	436	27385	163	28240	750	60417
Belgium	23	477	65	2581	89	6230	177	9288
Denmark	2170	28991	863	32645	217	15811	3250	77447
France	9505	30719	3167	64072	370	38968	13042	133759
Ireland	744	9000	185	5500	138	9800	1067	24300
Italy -motor vessels								
-trawlers	908	8055	783	14320	1741	59632	3432	82007
-others	16582	49212	-	-	-	-	16582	49212
Netherlands	5	100	108	4350	203	21000	316	25450
United Kingdom	4060	20000	1400	37000	560	30000	6020	87000
TOTAL	34148	151346	7007	187853	3481	209681	44636	548880

Sources: Figures transmitted by Member States to DG VI - OECD Statistics - SOEC - ICES

GRT: Gross registered tonnage

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