

# COMMISSION OF THE EUROPEAN COMMUNITIES

COM(82)242 final

Brussels, 11 june 1982

PROPOSAL FOR A COUNCIL REGULATION (EEC) ON AN  
INTERIM COMMON MEASURE FOR RESTRUCTURING THE  
INSHORE FISHING INDUSTRY AND AQUACULTURE

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(submitted to the Council by the Commission)

COM(82)242 final

247 -1

EXPLANATORY MEMORANDUM

On 18 July 1980, the Commission proposed to the Council a multi-annual guidance plan to restructure, modernize and develop the fishing industry and develop aquaculture<sup>(1)</sup>, superseding its previous proposal for a restructuring measure for inshore fishing submitted to the Council on 8 June 1978.

Since the adoption of a long-term structural policy is an integrated part of global decisions concerning the common fisheries policy, the Council has not yet taken a final decision on the proposal.

However, it has acknowledged that there should be continuity in the measures adopted to promote the improvement of structures in the sector and that they should be developed in certain regions with good fishing potential or which are particularly suited to aquaculture. It therefore decided, on 25 July 1978, to approve an interim common measure for restructuring the inshore fishing industry, initially valid for 1978. This measure was subsequently extended and expanded during 1979, 1980 and 1981 and the amount of Community aid increased from 5 million ECU in 1978 to 25 million ECU in 1981, the scope of the measure being extended in 1980 to include both the modernization and construction of fishing vessels.

Experience over the last four years has confirmed the very great value for the fishing industry of such a rationalisation and development measure. Between 1978 and 1981 the Commission received a total of 1.052 applications for aid to construct fishing vessels and 123 applications concerning aquaculture establishments and involving a total of 188.8 million ECU, i.e. nearly three times the amount of aid available.

The aid granted by the Community in connection with this measure has been concentrated in coastal areas in which the population is particularly dependent on fishing. Community expenditure was broken down as follows:

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(1) COM(80)420 final.

Member States	V e s s e l s		Aquaculture	TOTAL
	Construction	Modernisation		
Belgium	✱	✱	✱	✱
Denmark	✱	25,1	✱	✱
Germany	✱	7,2	✱	✱
France	✱	✱	14,8	11,9
Ireland	33,3	✱	12,8	25,5
Northern Italy	✱	8,4	10,4	6,8
Southern Italy	11,1	✱	56,9	24,3
Netherlands	✱	5,9	✱	✱
England and Wales	✱	10,9	✱	✱
Scotland	19,8	✱	✱	14,0
Northern Ireland	7,0	29,1	✱	6,5
Others	28,8	13,4	5,1	11,0
<b>TOTAL</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

\* Since the aid granted was less than 5% of the total, it is included under "others".

In view of the importance of this interim measure for the inshore fishing industry, the aim of this proposal is that it be continued in 1982 at a cost of 30 million ECU. An appropriation for commitment of 25 million ECU has already been included for this purpose in Article 460 of the 1982 budget. However, some appropriate form of action will be necessary to supplement this allocation.

This proposal also constitutes a consolidation of the various regulations adopted since 1978 in the framework of this measure. In addition, it makes a few minor amendments to the regulation on the basis of experience acquired since their implementation.

Proposal for a  
COUNCIL REGULATION (EEC) No

1982

on an interim common measure for restructuring the inshore fishing industry  
and aquaculture

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

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

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parlia-  
ment (1),

Whereas Article 9 (2) of Council Regulation (EEC)  
No 101/76 of 19 January 1976 laying down a common  
structural policy for the fishing industry (2) provides  
that common measures may be decided upon for the  
attainment of the objectives mentioned in paragraph 1  
of that Article in so far as they relate to the objectives  
set out in Article 39 (1) (a) of the Treaty; whereas these  
common measures may be financed by the Guidance  
Section of the European Agricultural Guidance and  
Guarantee Fund, hereinafter referred to as 'the Fund',  
under Article 1 (3) of Council Regulation (EEC)  
No 729/70 of 21 April 1970 on the financing of the  
common agricultural policy (3), as last amended by  
Regulation (EEC) No 3509/80 (4);

Whereas action to restructure inshore fishing is neces-  
sary in order to promote the rational use of the available  
resources and the best use of production factors and to  
ensure an equitable standard of living for those who  
depend on fishing for their livelihood; whereas, for this  
purpose, the Commission proposed to the Council a  
common measure to restructure, modernise  
and develop the fishing industry and  
develop aquaculture (5); whereas this  
proposal has not yet been approved by  
the Council;

(1) .

(2) OJ No L 20, 28.1.1976, p. 19.

(3) OJ No L 94, 28.4.1970, p. 13.

(4) OJ No L 367, 31.12.1980, p. 87

(5) OJ No C 243, 22.09.1980, p. 5

-4-

Whereas Council Regulation (EEC) N° 1852/78 of 25 July 1978 on an interim common measure for restructuring the inshore fishing industry<sup>1</sup>, as last amended by Regulation (EEC) No 2992/81<sup>2</sup>, has ensured the financing by the Fund, until 31 December 1981, of investment projects designed to develop inshore fishing or aquaculture; whereas this measure was intended, first and foremost, to help regions experiencing particular difficulties in developing production structures in the sectors in question;

whereas, pending a decision on the structural measures to be implemented as a whole as part of a common fisheries policy, such a measure should be continued during 1982;

Whereas a contribution from the Fund in the form of a capital subsidy not exceeding 25 % of the total investment is an appropriate contribution to this investment;

Whereas some regions of the Community find themselves at a disadvantage from the point of view of revenues and under-employment both in the fishing industry and elsewhere;

whereas structural development measures in these regions should be strengthened;

Whereas deadlines should be laid down for submission of aid applications to the Commission;

Whereas aid applications submitted for the first time under Regulation (EEC) N° 1852/78 and not aided from the Fund for lack of appropriations should be entertained under this Regulation;

Whereas, in order to ensure that beneficiaries observe the conditions laid down when aid is granted from the Fund, an effective control procedure should be provided for together with the possibility of suspending, reducing or discontinuing aid from the Fund.

HAS ADOPTED THIS REGULATION:

(1) OJ No L 211, 1.08.1978, p.30

(2) OJ No L 299, 20.10.1981; p.24

-5  
3

TITLE I

Provisions concerning the projects

*Article 1*

1. The Fund may participate in the financing of investment projects for:
  - the development of inshore fishing in regions where fishing potential makes this possible,
  - the development of aquaculture in regions which are particularly suited to this activity.
2. The measures provided for by this Regulation shall constitute common measures within the meaning of Article 6 (1) of Regulation (EEC) No 729/70.

*Article 2*

For the purposes of this Regulation 'project' means any investment project for:

(a) the construction or purchase of **new fishing vessels**;  
**and the modernization or conversion of**  
**existing fishing vessels;**

(b) the construction, equipping or modernization of  
establishments for rearing fish, crusta-  
ceans and molluscs in salt or brackish water.

*Article 3*

1. In order to qualify for assistance from the Fund, the projects referred to in Article 2(a) should involve fishing vessels of between 12 and 24 metres in length, measured between perpendiculars. This lower limit may be reduced from 12 metres to 6 metres for vessels fishing otherwise than by trawl or purse seine and operated by persons whose main activity is fishing.

In addition, the modernization or conversion work on existing fishing vessels referred to in Article 2 (a) must be carried out on a large scale for the purpose of rationalizing fishing operations, better preserving catches or saving energy and total a minimum of 65.000 ECU par project.

2. In order to qualify for aid from the Fund, the aquaculture projects referred to in Article 2(b) must involve the breeding or rearing of fish, crustaceans or molluscs for commercial purposes.

Article 4

1. The projects shall provide an adequate guarantee of profitability and contribute to a lasting economic improvement in the structures of the industry in question.

2. Priority for support from the Fund shall be given to projects which bring benefit to regions which have particular difficulties in developing satisfactory production structures and which also fulfil one or more of the following criteria:

- they are consistent with a rational production policy and serve to improve the market supply situation,
- \* — they permit a diversification of fishing activity, in particular through the use of several methods of fishing in keeping with the resources available in the fishing zones concerned.
- contribute to the adaptation of existing fishing capacity in relation to the requirements for the conservation of marine biological resources,
- they improve employment prospects in the inshore fishing industry or in aquaculture,
- they improve the working conditions and, in particular, the safety of the workers concerned,

Article 5

The Member State concerned shall submit to the Commission a document confirming for each project

(a) for fishing vessels:

- that the person operating the vessel in question has sufficient training to make the best use of the vessel's gear;

(b) for aquaculture:

- that the species to which the projects relate have already been bred commercially.

Article 6

1. Aid from the Fund shall consist of a capital subsidy paid in one or more instalments.
  
2. For each project:
  - (a) the beneficiary must finance at least 50 % of the total investment;
  - (b) the Member State must finance at least 5 % of the total investment;
  - (c) the subsidy granted by the Fund shall not exceed 25 % of the total investment.
  
3. By way of derogation from paragraph 2, in Greece, Greenland, Ireland, Northern Ireland, the Mezzogiorno and the French Overseas departments :

- (a) the beneficiary shall finance at least 25 % of the total investment;
- (b) the Member State shall finance at least 5 % of the total investment;
- (c) the subsidy granted by the Fund shall not exceed 50 % of the total investment.



TITLE II

General and financial provisions

Article 7

1. This common measure shall not extend beyond 31 December 1982.

2. The estimated total cost to the Fund of the common measure is 30 million European units of account. This figures shall be referred to for guidance only.

Article 8

1. Applications for aid from the Fund shall be submitted to the Commission before 1 October 1982. The Commission shall take a decision by 31 March 1983.

2. Applications for aid from the Fund shall be made through the Member State concerned and shall have been approved by the said Member State.

3. Applications for aid first submitted under Regulation (EEC) No 1852/78 which could not, owing to lack of available appropriations, receive aid from the Fund, may be taken into consideration under this Regulation and the conditions laid down herein.

Article 9

1. A decision shall be taken on aid from the Fund in accordance with the procedure laid down in Article 12, after the Fund Committee has been consulted on the financial aspects.

2. The decision on aid shall be notified to the Member State concerned and to the beneficiaries.

1. Aid from the Fund shall be granted to natural or legal persons or groups thereof bearing the ultimate financial responsibility for the project.

Payments in respect of aid from the Fund shall be made by agencies designated for this purpose by the Member State concerned.

2.

The department or agency designated for this purpose by the Member State shall send to the Commission on request all supporting documents and all documents showing that the financial or other conditions imposed for each project are fulfilled. The Commission may, if necessary, make inspection visits.

After consulting the Fund Committee on the financial aspects, the Commission may decide to suspend, reduce or discontinue aid from the Fund, in accordance with the procedure laid down in Article 12:

- if the project is not carried out as planned, or
- if some of the conditions imposed are not complied with, or
- if the beneficiary, contrary to the particulars given in his application and repeated in the decision granting aid, has not, within two years of notification of that decision, begun work and if he has not, before the end of this period, supplied adequate assurances that the project will be carried out.

The decision shall be notified to the Member State concerned and to the beneficiary.

The Commission shall recover any sums not paid or unduly paid.

3. Without prejudice to Article 108 (3) of the Financial Regulation of 21 December 1977 applicable to the general budget of the European Communities (1), as amended by Regulation (ECSC, EEC, Euratom) No 1252/79 (2), the appropriations made available by a decision taken in accordance with the second subparagraph of paragraph 2 or because the beneficiary abandons the project or reduces the investments laid down in the decision to grant aid may be used for the financing of other projects.

(1) OJ No L 356, 31. 12. 1977, p. 1.

(2) OJ No L 160, 28. 6. 1979, p. 1.

*Article 11*

The particulars which applications for aid from the Fund referred to in Article 8 must contain are those set out in Commission Regulation (EEC) No 1898/80 of 9 July 1980.<sup>1</sup>

*Article 12*

1. Where the procedure laid down in this Article is to be followed, the matter shall be referred to the Standing Committee for the Fishing Industry, either on the initiative of its chairman or at the request of the representative of a Member State.
2. The representative of the Commission shall submit a draft of the measures to be taken. The Committee shall deliver its opinion within a time limit to be set by the chairman according to the urgency of the matter. Opinions shall be adopted by a majority of 45 votes, the votes of Member States being weighted in accordance with Article 148 (2) of the Treaty. The chairman shall not vote.
3. The Commission shall adopt the measures, which shall apply immediately. However, if they are not in accordance with the opinion of the Standing Committee for the Fishing Industry, the Commission shall forthwith communicate them to the Council; in that event the Commission may defer their application for not more than one month from the date of such communication. The Council, acting by a qualified majority, may adopt different measures within one month.

*Article 13*

This Regulation shall enter into force on the third day following its publication in the *Official Journal of the European Communities*.

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This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 25 July

*For the Council*  
*The President*

(1) J.O. N° L 187 du 21.07.1980, p.1

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**FINANCIAL STATEMENT**

DATE : 2 APRIL 1982

-11-

1. BUDGET LINE CONCERNED : Article 460

2. ACTION : Proposal for a Council Regulation (EEC) on an interim common measure for restructuring the inshore fishing industry and aquaculture.

3. LEGAL BASIS : Article 43 of the EEC Treaty and Article 6(1) of Council Regulation (EEC) No 729/70 of 28 April 1970.

4. OBJECTIVES : To enable investment projects designed to develop inshore fishing fleets and aquaculture in brackish or salt water to be implemented in 1982.

5. FINANCIAL CONSEQUENCE	FOR THE MARKETING YEAR	CURRENT FINANCIAL YEAR	FOLLOWING FINANCIAL YEAR
5.0 EXPENDITURE			
-CHARGED TO THE EC BUDGET (REFUNDS/INTERVENTIONS)		30 million ECU	
-CHARGED TO NATIONAL ADMINISTR.			
-CHARGED TO OTHER NATIONAL GROUPS			
5.1 RECEIPTS			
-ON RESOURCES OF THE EC (LEVIES/CUSTOMS DUTIES)			
-NATIONAL			

YEAR ..... YEAR ..... YEAR .....

5.0.1 PLURIANNUAL PATTERN OF EXPENDITURE

5.1.1 PLURIANNUAL PATTERN OF RECEIPTS

**5.2 METHOD OF CALCULATION**

In view of the large number of projects submitted for 1981 pursuant to Regulation (EEC) No 1852/78, as last amended by Regulation (EEC) No 2892/81, a great many of which cannot be granted aid (513 applications were submitted in 1981 compared with 378 in 1980, in addition to 271 applications carried over from the previous years), an allocation of 30 million ECU should be provided.

6.0 FINANCING POSSIBLE WITH CREDITS INSCRIBED IN RELEVANT CHAPTER OF CURRENT BUDGET ?	YES/NO
6.1 FINANCING POSSIBLE BY TRANSFER BETWEEN CHAPTERS OF CURRENT BUDGET ?	YES/NO
6.2 NECESSITY FOR A SUPPLEMENTARY BUDGET ?	YES/NO
6.3 CREDITS TO BE WRITTEN INTO FUTURE BUDGETS ?	YES/NO

COMMENTS : An appropriation for commitment of 25 million ECU has already been included in Article 460 of the 1982 Budget. Appropriate measures will be necessary to supplement this allocation.