COMMISSION OF THE EUROPEAN COMMUNITIES

COM(76) 355 final
Brussels, 5 July 1976

Amendment to the Proposal for a COUNCIL REGULATION (EEC)

on a programme for restructuring the non-industrial inshore fishing industry

(submitted to the Council by the Commission pursuant to the second paragraph of Article 149 of the EEC Treaty)

COM(76) 355 final

Annex 1

Proposal for a Council Regulation (EEC) on a programme for restructuring the non-industrial inshore fishing industry, as amended pursuant to the second paragraph of Article 149 of the Treaty.

1. The title of the proposed Regulation is amended to read as follows:

"Council Regulation (EEC) on a programme for restructuring the ishore fishing industry".

The deletion of the word "non-industrial" previously used in the title leads to the same word being deleted in the Explanatory Memorandum, in the list of "recitals", in Articles 1, 2, 5, 6 and 10, in the Annex and in the financial estimate.

2. The ninth recital in the proposed Regulation is amended to read as follows:

At the end of the recital, after the comma, add "or to non-member developing countries".

3. The Articles of the proposed Regulation are attached hereto and amended to read as follows: (The amendments are underlined).

- 1. Programmes shall be transmitted to the Commission by the Member State concerned. They shall be drawn up either by the Member States or by the authorities or organizations designated for the purpose by the Member States, on the basis of the information shown in the Annex hereto.
- The Commission shall examine whether, in view of the catch prospects, the conservation measures for fishery stocks provided for by the Community rules, the need for the products concerned, as well as the requirements of the common policy for the fishing industry, such programmes could provide a framework for schemes whose projects are eligible for financial assistance from the Community, and for measures to encourage the cessation of fishing.
- The Commission, acting in accordance with the procedure laid down in Article 23, shall within <u>six</u> months following notification of a programme and after consulting the Standing Committee for the Fishing Industry and the Committee of the Fund on the financial aspects adopt a decision on the subject specifying any additional conditions that programmes must satisfy.

In deciding whether to grant assistance from the Fund, the Commission shall make a comprehensive economic assessment of each scheme submitted, taking into account the criteria laid down in Article 6. It shall, furthermore, carry out a thorough study of the project which constitute the schemes, pearing in mind that they must:

- offer adequate guarantees as to the lasting economic effects of the structural improvements to be carried out;
- seek to make or keep inshore fishing undertakings viable and make them more profitable, with due regard for the need to conserve fishery stocks.

The Commission shall, when assessing the schemes submitted to it, take account in particular of the following criteria:

- a) their contribution to the orientation of production sought by the common policy for the fishing industry;
- b) their contribution towards the improvement of the quality of products or the better use of waste products;
- c) a reduction in the use of intervention machinery under the common organization of the market, through the adjustment of catching, storage, preparation or marketing capacities to market requirements;
- d) their contribution to the search for new outlets through the catching, breeding and valorization of certain species of fish;
- e) the concentration of schemes in regions which could experience special difficulties in adjusting to the economic or social consequences of measures taken under the Common Fisheries Policy and rendered necessary, in particular, by changes in the law of the sea;
- f) their contribution towards an improvement in the employment situation in the inshore fishing industry;
- g) improvement of working conditions, in particular as regards the safety of the workers concerned;
- h) compliance with the requirements for the protection of the environment;
- i) respect for the interests of consumers.

- 1. In order to be eligible for assistance from the Fund the projects relating to plant and equipment as specified in Article 9 must be carried out by persons who:
 - for not less than five years have carried on fishing activities involving one or more vessels flying the flag of a Member State, registered within the Community territory and having a water-line length of less than 24 metres;

or who:

- " farm fish, crustaceans or molluscs.
- 2. The persons referred to in paragraph 1 must:
 - if they are natural persons, have carried on fishing activities for not less than five years, have drawn and be drawing not less than half their income from fishing or fish-farming and have devoted and be devoting at least half their total hours of work to fishing or fish-farming;
 - if they are legal persons, have, over the five financial years preceding that in which the project was submitted, derived not less than 85% of their total turnover from fishing or fish-farming;
- 3. In order to qualify for assistance from the Fund, research and vocational retraining projects must be carried out by an association of persons which has applied for assistance for the acquisition of plant and equipment for production, processing or marketing. The results of research projects must be made available to all interested parties in the Community.

The plant and equipment provided for by a project must satisfy the following requirements:

1. Fishing vessels:

- a) Trawlers, vessels with a purse seine and multi-purpose vessels must:
 - have a minimum water-line length of 12 metres;
 - be fitted with equipment adequate to preserve catches;
 - be fitted with the electronic, radiophonic and other equipment necessary for fish detection and the safety of the crew;
 - comply where appropriate, with the safety standards laid down by the IMCO Safety Convention;
- b) Fishing vessels other than trawlers and seine net vessels must:
 - have a water-line length of between 6 and 12 metres;
 - comply, where appropriate, with the safety standards laid down by the INCO Safety Convention.

2. Shore installations:

- there must be a proper relation between the production of fishery products intended to be preserved, treated or processed and the capacity of the installations proposed, having regard to existing installations of the same type located in the territory covered by the programme;
- the processing capacity of the installations proposed must be sufficient to ensure that the fishery products in question are preserved, treated or processed with the maximum profitability; however, no project may relate to the creation or modernisation of establishments designed chiefly for the manufacture of fish meal, with the exception of those which process fish waste, fish offals or fish unfit for human consumption.

Article 9 (cont.)

3. Farming of fish, crustaceans and molluscs

- -- establishments must have adequate production capacity to ensure long-term commercial operation;
- in the case of mussel culture and oyster farming there must be adequate equipment for purification of the products before marketing.

It shall be permissible not to apply this condition where mussel culture or oyster farming are carried on in waters meeting national or Community quality requirements.

- 1. The beneficiaries of the measures provided for in Article 10 shall be persons satisfying the conditions aid down in the first indent of Article 8(1) and in the first indent of paragraph 2 of that Article. Such measures shall comprise the following:
 - a) in the case of natural persons, the grant of an annuity to persons aged between 55 and 65 years who apply therefore and who undertake to cease permanently to fish;
 - b) in the case of natural or legal persons, the grant of a lump-sum premium to persons who sell their vessels to breakers' yards or to developing countries. For the sale to breakers' yards and developing countries, vessels must be at least fifteen and eight years old respectively.
- 2. Member States shall take all measures necessary to ensure that the social security benefits which recipients of the annuity provided for in paragraph 1(a) would have received, had they not ceased to fish, are not reduced, and that the contributions made by them to social security funds are not unduly increased.

- 1. The Commission shall take a decision not later than 31 December on applications for aid from the Fund submitted to it in the first half of the calendar year and, not later than 30 June of the following year, on those submitted in the second half of the year.
- 2. Applications for aid from the Fund shall be made through the Member State concerned and must have been approved by the latter.

CHAPTER II: Financial provisions relating to TITLE III.

Article 21

- 1. The Fund shall reimburse to Member States 25% of the expenditure actually incurred under Article 11(1).

 The maximum such expenditure which may be taken into account for the purposes of this provision shall be as follows:
 - a) in respect of measures to encourage the cessation of fishing,
 - 900 u.a. per year to a married recipient;
 - 600 u.a. per year to an unmarried recipient or the widow of a recipient,

until such time as the recipient reaches or would have reached 65 years of age.

- b) in respect of the sale of vessels to breakers' yards or developing countries,
 - 200 u.a. per gross registered ton.
- 2. Applications for reimbursement shall be in respect of expenditure incurred by Member States during a calendar year and shall be submitted to the Commission before 1 May of the following year.

Annex II

Explanatory Momorandum on the amendments to be made to the proposal for a Council Regulation (MEC) on a programme for restructuring the inshore fishing industry.

Point 1.

This change in the drafting of the text is necessary wing to the difficulties which have arisen in establishing perfect harmony between the texts in the various Community languages. Since the word "non-industrial" gives rise to varying interpretations, it was advisable to delete it in order to eliminate any possible ambiguity.

Point 2.

As requested by the Economic and Social Committee, the preamble takes into account the suggestion that retirement premiums should also be granted on the sale of vessels to developing countries.

Point 3.

The suggestions made by the European Parkiament and a number of those made by the Economic and Social Committee have prompted the Commission to amend Article 3, 5, 6, 8, 9, 11, 16 and 21 of the proposed original version.

Article 3.

As a result of the amendment made to paragraph 1, not only the Member States but also the authorities or (trade or industry) organizations designated by the Member States may be made responsible for preparing multi-annual regional programmes.

As requested by the European Parliament, the amendment to paragraph 2 endorses the principle that the programmes must first and foremost be established with due regard for the need to preserve marine resources, as provided for by the Community rules.

The amendment to paragraph 3 reduces from eight to six months the time-limit within which the Commission must make a decision on the adoption of the programmes. This will speed up the implementation of the common measures for restructuring the inshore fishing industry.

Article 5.

The amendment relates, as does that to paragraph 2 of the preceding Article, to the necessity for the projects to be assessed with due regard for the preservation of fish stocks.

Article 6.

The amendments made are purely concerned with the wording of the text.

Article 8.

As requested by the Economic and Social Committee, the criteria for the selection of the beneficiaries must be based not only on the time devoted to fishing or the farming of fish, crustaceans or molluscs, but also on the income derived therefrom.

Article 9.

As requested by the European Parliament in its Opinion, the amendment to paragraph 2 makes it possible for the Fund to withhold its aid from establishments designed mainly for the manufacture of fish meal.

In paragraph 3, the second indend has been supplemented in order to make an exception, in respect of certain technical conditions, for mussel culture and oyster farming in waters meeting national and Community quality requirements.

Article 11, Article 21.

As was suggested by the Economic and Social Committee, the amendment makes it possible for the retirement premium to be granted also on the sale of vessels over eight years of age to non-member developing countries.

Article 16.

The amendment to paragraph 1 makes it possible to speed up the procedure for financing the projects.