

# COMMISSION OF THE EUROPEAN COMMUNITIES

COM(77) 531 final

Brussels, 24 October 1977

## COMMUNICATION FROM THE COMMISSION TO THE COUNCIL

concerning the problems of the herring fisheries in the  
North Sea and the Celtic Sea

accompanied by a

## PROPOSAL FOR A REGULATION (EEC) OF THE COUNCIL

laying down special aid measures for herring fisheries in the  
North Sea and the Celtic Sea

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COMMUNICATION TO THE COUNCIL

1. In view of the ban on herring fishing in the North Sea and the Celtic Sea the Commission deems it necessary to take special steps in order to maintain the fishing potential of the Community in order that stocks may be exploited when replenished.
  
  2. These measures, which accompany conservation measures for the above-mentioned stocks, should afford temporary aid to Community enterprises whose activity depends on direct fishery of herring in the North Sea and the Celtic Sea.
  
  3. As regards fishing undertakings, the Commission considers that the granting of financial compensation should make it possible to avoid scrapping production capacity, which will be needed in the future for fishing the reconstituted stocks in ensuring the profitability of the undertakings for an interim will provide them with sufficient gross receipts to guarantee fishermen a satisfactory income.
  
  4. As regards the processing industry and insofar as this industry could be confronted with certain problems of supply, given the diversity of structures of the industry in different Member States, the Commission considers that the search for appropriate solutions should be made on a national basis.  
  
On the assumption that Member States deem it necessary to consider the granting of specific aids for these industries, the Commission is ready to examine with the minimum of delay provisional projects drawn up in order to provide a positive solution to the problems posed.
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## EXPLANATORY MEMORANDUM

By Regulation (EEC) No 350/77 of 18 February 1977 laying down certain interim measures for the conservation and management of fishery resources, the Council decided in view of the precarious situation of herring stocks in the North Sea and the Celtic Sea to prohibit herring fishing from 28 February to 30 April in the North Sea and until 31 December 1977 in the Celtic Sea.

The ban on herring fishing in the North Sea has been extended several times in 1977. These prorogations were made in the light of scientific estimates that demonstrated the precarious state of herring stocks and showed for several years, or even simply lead to their disappearance.

In this context, the Commission, having proposed to the Council that in 1978 all direct fishing for herring in the North Sea should be prohibited and that by-catches be reduced to the unavoidable minimum, has also decided to propose supporting measures providing for a special scheme of aid for the fisheries concerned.

The Commission is aware that in the present situation, the temporary banning of herring fishing in the North Sea and the Celtic Sea, made indispensable in order avoid the disappearance of stocks and to ensure the progressive reconstitution, involves important and enduring economic and social consequences such that its effect must be limited as far as possible.

In the absence of aid measures of a conjunctured character, an acceleration of decision to definitively reduce fishing capacity could be assisted, which although excessive in a time of shortage, will eventually be needed once stocks have, as a result of conservation measures, built up again.

As fishery undertakings are already in a difficult economic situation due to ever-increasing operating costs, they cannot at short notice reorient their activities and seek out other fishing grounds.

Further, as most of these undertakings have renewed and modernized their plant, which means periodic payment of heavy financial charges, they cannot temporarily lay up their vessels in economically and social satisfactory conditions.

The purpose of this proposal is therefore to maintain by grants of aid to compensate for there being no production sufficient potential of fishing vessels.

The aid will be granted by Member States to undertakings whose fishing vessels are engaged in operations that traditionally depend to a significant extent (at least 10% of total catches in the preceding three years) on the exploitation of herring stocks in the North Seas and the Celtic Sea.

The aid should not exceed 250 u.a. per tonne, and should be fixed allowing for earnings from species other than herring during the period concerned.

Under the EAGGF, Guarantee Section, the Community will contribute to the financing of the measures in question up to 50% of the expenditure incurred by granting financial compensation to the undertakings concerned.

Such compensation will be calculated on the volume of the catches that could have been taken for human consumption if the goal of reconstituting stocks had not been set.

The calculation for the volume as well as the distribution of catches in the North Sea and the Celtic Sea is set out in the Annex to this Explanatory Memorandum.

HERRING

CEE	Calculation of theoretical annual volume of direct catches in the North Sea										Annual volume of theoretical catches in the Celtic Sea	
	Amended NEAFC key	Theoretical catch volume 75.000 t	of which by-catches authorised			Theoretical volume of direct catches		1977	(1)	000 t	000 t	000 t
			1977	1978	1977	1978	1977					
	%											
BELGIQUE	1.2	0.9										
DANEMARK	27.7	20.8	15.0	9.51	5.80	11.26						
DEUTSCHLAND	7.0	5.3	0.41	0.26	4.89	5.04						
FRANCE	8.3	6.2	0.137	0.075	6.063	6.125						
IRELAND	—	—	—	—	—	—						
NEDERLAND	11.5	8.6	0.137	0.075	8.463	8.525						
UNITED KINGDOM	8.3	6.2	1.65	1.05	4.55	5.15						
Total EEC	64.0	48.0	17.334	11.000	29.766	36.100						6.50
Non-member countries	36.0											
Grand Total	100.0											

(1) Catches taken between 1.1.1977 and 31.12.1977 should be deducted.

COUNCIL REGULATION

laying down special aid measures for herring fisheries  
in the North Sea and the Celtic Sea

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THE COUNCIL OF THE EUROPEAN COMMUNITIES,

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

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament,

Whereas Council Regulation (EEC) No 350/77 of 18 February 1977 laying down certain interim measures for the conservation and management of fishery resources (1), as last amended by Regulation (EEC) No /77 (2), prohibited herring fishing in the North Sea from 28 February 1977 to 31 December 1977, and whereas this measure was extended until 31 December 1978 by Council Regulation (EEC) No laying down conservation measures for herring stocks in the North Sea (3);

Whereas Regulation (EEC) No 350/77 also prohibited herring fishing in the Celtic Sea from 1 March 1977 to 31 December 1977, and whereas this measure was renewed by Council Regulation No ... of ..... (Doc. COM 524);

Whereas the purpose of the prohibition of herring fishing is to reconstitute the stocks concerned;

Whereas steps should be taken to maintain the fishing of the Community in order to ensure the optimal exploitation of these stocks when reconstituted;

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(1) OJ No L 248, 19.2.1977, p.28.

(2) OJ No

(3) OJ No

Whereas to this end a scheme providing financial compensation for enterprises and for the fishermen concerned should be introduced;

Whereas the amount of financial compensation should be fixed at a standard rate per tonne of fish;

Whereas such financial compensation should be granted to vessels which depend to a significant extent on fishing herring stocks in the North Sea and the Celtic Sea;

Whereas the financial compensation granted by the Member States to the undertakings concerned during the periods when herring fishing is banned in the North Sea and the Celtic Sea should be in proportion to the catches of herring for human consumption made by these undertakings in the North Sea and the Celtic Sea over the previous three years allowing for earnings from the catching of species other than herring during these periods, and whereas, moreover, benefit of this financial compensation should be equally shared, between the shipowner and the workers concerned;

Whereas in view of the exceptional circumstances Community financing should be provided for 50% of the expenditure incurred by granting financial compensation up to the limit of the volume of catches that would have been taken for human consumption if the goal of reconstituting stocks had not been adopted;

HAS ADOPTED THIS REGULATION:

## Article 1

1. In order to assist undertakings in the Community that depend to a significant extent on direct fishing of herring stocks in the North Sea and Celtic Sea and whose potential catch has been reduced as a result of conservation measures designed to reconstitute these stocks in a short time, Member States shall grant such undertakings financial compensation.
  
2. Financial compensation shall be paid only to undertakings whose annual average income in 1974, 1975 and 1976 from landings, by vessels flying the flag of one of the Member States of the Community, of North Sea herring for human consumption caught in sub-area IV and division VII-d as defined by the International Council for the Exploration of the Sea, and/or Celtic Sea herring for human consumption caught in divisions VII-g and VII-h as defined by the International Council for the Exploration of the Sea, is equal to at least 10% of their total gross receipts.
  
3. Financial compensation shall only be granted for the period 28 February 1977 to 31 December 1978 with respect to losses arising from the ban on herring fishing in the North Sea and the period 1 March 1977 to 31 December 1977 with respect to losses arising from the ban on herring fishing in the Celtic Sea.

Article 2

1. The financial compensation referred to in Article 1 (1) shall not exceed 250 u.a. per tonne of herring that the enterprise in cause would have realised if the aim of building up herring stocks in the North Sea and the Celtic Sea had not been adopted. The amount of that compensation shall be fixed allowing for earnings from the catching of species other than herring during the periods referred to in Article 1(3).
2. The financial compensation to be made to each enterprise is calculated by applying to the theoretical volume of direct catches of the Member State concerned, the percentage corresponding to the part of the actual catches of each enterprise made on average during the years 1974, 1975 and 1976 with respect to the total production of the Member State concerned in the areas listed in Article 1, para. 2.
3. The volume of direct catches shown in para . 2 figures in the annex of this regulation.
4. Member States take principally the appropriate provisions in order that the benefit of financial compensation be shaved equitably between the parties concerned.

Article 3

1. Financial compensation shall be granted to the undertakings concerned on application to the competent authority of the Member State, submitted either individually or collectively through a recognized producers' organization.
  
2. The application referred to in paragraph 1 shall be submitted with documentation enabling the competent authority of the Member State to determine in respect of the vessel or vessels concerned the quantity and value of the total catch and of the herring catch for human consumption made in the areas referred to in Article 1 (2) in 1974, 1975 and 1976.
  
3. Applications for financial compensation must be presented before 1 December 1977 for compensation relative to 1977, and before 1 June 1978 for that relative to 1978.

Article 4

1. The European Agricultural Guidance and Guarantee fund, Guarantee Section, reimburses Member States 50 % of expenses made on application of the present regulation.
  
2. Modalities for the application of paragraph 1, can be decreed according to the procedure laid down in Article 13 of Regulation (EEC) No. 729/70 (1).

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

Article 5

Detailed rules for implementing this Regulation shall be adopted as required by the procedure laid down in Article 32 of Regulation (EEC) No 100/76 of 19 January 1976 on the common organization of the market in fishery products (1).

Article 6

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

Done at Brussels,

The Council,  
The President

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(1) OJ No L 20, 28.1.1976, p. 1

ANNEX

Theoretical volume of direct catches as in Article 2, para. 2.

Countries	1977		1978
	Celtic Sea	North Sea	North Sea
BELGIQUE	—	—	—
DANEMARK	—	5.800	11.260
DEUTSCHLAND	200	4.890	5.040
FRANCE	750	6.063	6.125
IRELAND	4.100	—	—
NEDERLAND	1.150	8.463	8.525
UNITED KINGDOM	300	4.550	5.150
	6.500 1)	29.766 1)	36.100

1) In order to calculate financial compensation, catches taken between 1.1.77 and 31.12.77 should eventually be subtracted.

# FINANCIAL STATEMENT

DATE : 4.7.1977

1. BUDGET LINE CONCERNED : 7119 (other fishery intervention)

2. ACTION : Proposal for a Council Regulation laying down special aid measures for herring fisheries in the North Sea and the Celtic Sea

3. LEGAL BASIS : Article 43 of the Treaty

4. OBJECTIVES : Compensation for the value of catches that would have been taken if herring fishing had not been banned.

5. FINANCIAL CONSEQUENCE	FOR THE MARKETING YEAR	CURRENT FINANCIAL YEAR ( )	FOLLOWING FINANCIAL YEAR ( )
5.0 EXPENDITURE			
-CHARGED TO THE EC BUDGET (REBURNS/INTERVENTIONS)	4.5 million u.a.	3 million u.a.	4.5 million u.a.
-CHARGED TO NATIONAL ADMINISTR.			
<del>-CHARGED TO OTHER NATIONAL GROUPS</del>			

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

5.0.1 PLURIANNUAL PATTERN OF EXPENDITURE

5.1.1 PLURIANNUAL PATTERN OF RECEIPTS

Limited operation

5.2 METHOD OF CALCULATION

Theoretical volume of direct catches : 36.266 t in 1977  
42.600 t in 1978

Amount of compensation : 250 u.a./t

Calculation of catches made between 1.1.1977 and 31.12.1977  
= 12.000 t/estimation

Forecaste of the volume in 1977 =

24.266 t x 250 U.C. = ± 6 UCM of which 50 % on EAGGF charge  
Guarantee section, i.e. = 3 UCM for 1977.

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  
1978

COMMENTS :

1. It will probably be possible to finance the measure by transfers between items in the chapter concerned. For a lesser part, a transfer between titles 6 and 7 may be necessary.