



EUROPEAN COMMISSION

Directorate-General  
for Fisheries

Summary of the structural interventions for  
fisheries in Sweden:  
FIFG financing  
and the Community initiative PESCA

## European Union aid for fisheries development in Sweden (1995–99)



Having joined the European Union on 1 January 1995, Sweden is now eligible for assistance from the EU Structural Funds, including the Financial Instrument for Fisheries Guidance (FIFG). This instrument aims at coping with the present crisis of the fisheries in Europe and covers the entire sector: from fleet modernization to fishing port equipment, from aquaculture to the fish processing and marketing industries.



In order to support actions undertaken at the national level, FIFG has made available approximately ECU 50 million (about SKR 425 million) to the Swedish industry, organizations and public authorities for the period 1995-99.<sup>1</sup>

FIFG priorities and fields of action have been decided in partnership by both the European Commission and the Swedish authorities and are documented in two programmes, concerning the northern regions (which are covered by Objective 6 of the EU Structural Funds because of their low population density, see last page) and the rest of the country.

Another kind of intervention is represented by the Community initiative PESCA, launched by the Commission with the aim of supporting Europe's coastal regions.

This publication summarizes:

- (a) the content and financial plans of the two FIFG programmes (pages 3-6);
- (b) the Swedish programme of the Community initiative PESCA (page 7);
- (c) origin and goals of all the EU Structural Funds, particularly of the FIFG (page 8).

<sup>1</sup> Practical details of structural aid: see pages 3 (FIFG) and 7 (PESCA)

## The common fisheries policy of the European Union

The common fisheries policy (CFP) is at the core of the European Community's fishing industry.

The CFP covers all activities involved in the fishing and farming of living aquatic resources, as well as the processing and marketing sectors.

The policy has gone through a number of transformations since the first CFP decisions were adopted in 1970, and today it is centred on four major areas:

- (a) conservation of stocks
- (b) organization of markets
- (c) international agreements
- (d) structural measures  
(subject of this publication).

For further information about the CFP, read:

*The new common fisheries policy*, Luxembourg, EUR-OP, 1994 (in nine EC languages; English version: ISBN 92-826-7570-X).

'The common fisheries policy', Information file, Brussels, EC Commission, DG XIV, 1994 (in English or French).

These publications may be ordered from:

European Commission  
DG XIV — Fisheries  
Rue de la Loi, 200  
B-1049 Brussels  
Fax (32-2) 299 48 17

## The fisheries sector in Sweden: strengths and weaknesses

Swedish sea fisheries take place in the North Sea, the Skagerrak and Kattegat and the Baltic Sea.

The main species for human consumption is herring which represents half the human consumption catches. In value, the most important species is cod which has been subject to a serious decline in recent years due to the very unfavourable cod stock situation in the Baltic, followed by herring, shrimp, Norway lobster and salmon.

The Swedish fishing fleet is composed of 2 543 vessels (as at 1 January 1996) with a global power of 270 000 kW and a tonnage of 47 400 tonnes. The fishing activities are conducted by a number of small polyvalent vessels; about 60 seiners of more than 30 metres are specialized in small pelagic fishing (herring).

There are around 3 250 professional fishermen of whom 250 are fishing in lakes. The number of fishermen has decreased by 15% in the period 1985-90. Half of the salt-water fishing population lives on the west coast.

Around 1 000 persons are employed in aquaculture. The processing industry employs around 3 000 persons of whom 1 500 are working in 42 companies with more than 10 employees. Another 500 persons are connected to fish production, bringing total employment in the land-based industry to 3 500 persons.

As regards the structural weaknesses, important parts of the Swedish sector are facing economic difficulties resulting from the deterioration of the main fish stocks, in particular cod in the Baltic Sea. Opportunities are limited as regards switching to alternative fisheries.

General price supplements are no longer payable from 1994. This type of support was previously provided mainly for herring and Baltic herring. This means that the herring fishing companies have been obliged to adapt to the new market situation within the context of the recognized producer organizations.

Syndrome M 74 represents a major threat to wild salmon in the Baltic and has led to the imposition of major restrictions on professional salmon fisheries.

In the last generation, the processing industry has been reduced to half its original size. The reasons for this were the custom duties in the European Community and the reduction in cod supplies.

Investment in the processing industry is required in order to meet Community hygiene standards and to reduce pollution.

# Structural interventions 1995-99: nine fields of action

In the light of this situation, the structural interventions laid down by the two programmes for Sweden identify nine fields of action, in line with the objectives of the common fisheries policy:

## 1. Adjustment of fishing effort

Scrapping premiums will be granted, as well as assistance for the sale of vessels to third countries or for uses other than fishing.

The estimated necessary reduction of capacity amounts to 2 500 grt (gross registered tonnage) and is in accordance with the objectives of the Swedish MAGP (Multiannual Guidance Programme) for 1995-96. A further reduction of 500 grt is foreseen for 1997-99.

**Beneficiaries:** owners of Swedish fishing vessels.

## 2. Renewal and modernization of the fishing fleet

The objective is to improve both the selectivity and quality in fishing methods and gears, and working conditions and safety on board.

During the programming period, it is estimated that 15 vessels with an average 75 grt will be built, and 250 vessels will be modernized.

A high priority will be given to promoting the use of more selective gears.

Aid will be granted only on condition that the fishing effort will not be increased.

**Beneficiaries:** fishing enterprises, institutions and organizations within the sector.

## 3. Aquaculture

The main objective is to enable the aquaculture sector to develop both with regard to the number of farms and total production volume and with regard to the number of species.

The following investments may be eligible for aid:

- (a) modernization and rationalization of existing facilities, including investments in new feeding systems and new farming methods (about 60 projects are foreseen);
- (b) construction of new farming facilities (about 20 projects);
- (c) construction of new processing units (about five projects);
- (d) breeding programmes and trials with species new to aquaculture (about five projects);
- (e) conversion to all-year production, including construction of slaughtering units;
- (f) refrigeration and deep-freezing installations.

The measures mainly concern the farming of rainbow trout for human consumption, but also of other species such as Arctic char, eel, crustacea and mussels, and broodstock production.

**Beneficiaries:** fish and shellfish producers and processors, legal persons intending to establish such enterprises.

## 4. Enclosed sea-water areas

Priority will be given to a small number of pilot projects aiming at increasing water flow through embankments and piers.

By restocking commercially important coastal fish species, it will be possible to maintain profitable and durable coastal fishing.

**Beneficiaries:** public authorities, public or private institutions or research bodies.

## Access to financing and programming documents

In order to take part in the actions financed by FIG, potential beneficiaries, listed at the end of each field of action, should contact the competent Ministry (see last page for the address).

Single projects proposed by beneficiaries are expected to be in line with the envisaged aims.

A detailed description of the fields of action, aims and contents, is included in the two Swedish FIG programming documents:

(a) *for the northern regions* (covered by Objective 6 of the EU Structural Funds): the single programming document 'Objective 6', priority 3 (Agriculture, fisheries and natural resources), measure 6 (Fisheries);

(b) *for the rest of the country:* the single programming document 'Objective 5a - Fisheries outside Objective 6'.

These documents may be ordered from the addresses listed on the last page.

For more information, read: *The European Community and the fishing industry. Practical guide to structural aid*, Luxembourg, Office for Official Publications of the EC, 1994, ISBN 92-826-7762-L.

(see page 6)

Sweden: Objective 6 area <sup>1</sup>

(million ECU) <sup>2</sup>					
Field of action	FIFG (1)	Other EU Structural Funds (2)	National public contribution (3)	Private sector (4)	Total financing (1 + 2 + 3 + 4)
Fisheries	4.00		0.89	2.72	7.61
Socioeconomic measures <sup>3</sup>	—	—	—	—	—
Skills for fisheries	—	1.00 <sup>4</sup>	1.00	—	2.00
Technical assistance	0.10	—	0.10	—	0.20
Total	4.10	1.00	1.99	2.72	9.81

<sup>1</sup> This area comprises the entire county of Jämtland and parts of a further six counties: Värmland, Kopparberg, Gävleborg, Västernorrland, Västerbotten and Norrbotten. Objective 6 of the EU Structural Funds covers areas with a low density of population.

<sup>2</sup> For information, based on monthly exchange rate in December 1995, ECU 1 = SKR 8.50.

<sup>3</sup> These measures may be introduced following the modification of Council Regulation (EC) 3699/93 in November 1995. The amount allocated to them is still to be decided, but remains within the total financing allowed.

<sup>4</sup> This measure is financed under the ESF (European Social Fund).

Sweden: rest of the country<sup>1</sup>

(million ECU) <sup>2</sup>				
Field of action	FIFG	National public funding	Private sector	Total
	(1)	(2)	(3)	(1 + 2 + 3)
1. Adjustment of fishing effort	4.00	4.00	—	8.00
2. Renewal/modernization of the fleet	12.00	4.00	24.00	40.00
3. Aquaculture	5.10	1.70	10.20	17.00
4. Enclosed sea-water areas	1.90	1.90	—	3.80
5. Fishing port facilities	2.20	2.20	1.10	5.50
6. Processing and marketing	9.00	3.00	18.00	30.00
7. Product promotion	1.79	1.70	0.23	3.72
8. Other measures	3.60	3.60	—	7.20
9. Socioeconomic measures <sup>3</sup>	—	—	—	—
Total	40.00	22.60	53.30	115.90

<sup>1</sup> Interventions carried out in the context of Objective 5a – Fisheries, of the Structural Funds, outside the Objective 6 area (see previous page).

<sup>2</sup> For information, based on monthly exchange rate in December 1995, ECU 1 = SKR 8.50.

<sup>3</sup> These measures may be introduced following the modification of Council Regulation (EC) 3699/93 in November 1995. The amount allocated to them is still to be decided, but remains within the total financing allowed.

## Legal references

*On the FIFG (Financial Instrument for Fisheries Guidance):*

- Council Regulation (EC) No 3699/93 of 21.12.1993 laying down the criteria and arrangements regarding Community structural assistance in the fisheries and aquaculture sector and the processing and marketing of its products (OJ L 346, 31.12.1993);

Modifications:

Change of capacity:  
Council Regulation (EC) No 1624/95 of 29.6.1995, (OJ L 155, 6.7.1995);  
Socioeconomic measures (early-retirement schemes, compensatory payments):  
Council Regulation (EC) No 2719/95 of 20.11.1995 (OJ L 283, 25.11.1995);

- Council Regulation (EC) No 2080/93 of 20.7.1993, laying down provisions for implementing Regulation (EEC) No 2052/88 as regards the financial instrument for fisheries guidance (OJ L 193, 31.7.1993).

*On the Structural Funds:*

Framework Regulation:  
• Council Regulation (EEC) No 2081/93 of 20.7.1993, amending Regulation (EEC) No 2052/88 on the tasks of the Structural Funds and their effectiveness and on coordination of their activities between themselves and with the operations of the EIB and the other existing financial instruments (OJ L 193, 31.7.1993).

Coordination Regulation:  
• Council Regulation (EEC) No 2082/93 of 20.7.1993 amending Regulation (EEC) No 4253/88 laying down provisions for implementing Regulation (EEC) No 2052/88 as regards coordination of the activities of the different Structural Funds between themselves and with operations of the EIB and the other existing financial instruments (OJ L 193, 31.7.1993).

*(from page 3)*

### 5. Fishing port facilities

The aim of this measure is to improve reception facilities and service for the fishing sector in fishing ports, fish auctions and other primary reception facilities: refrigeration and landing facilities, storage premises, slipways, fitting shops, etc.

**Beneficiaries:** municipalities and other owners of fishing port areas, organizations of port users within the fisheries sector.

### 6. Product processing and marketing

The objective is to develop the processing industry in both quality and quantity terms.

About 60 projects are expected to be assisted, a major part of them being aimed at compliance with EU food hygiene rules. Investments will also be implemented within the following areas: construction/extension of storage and production premises, acquisition/installation of equipment, reduction of environmental pollution, etc.

**Beneficiaries:** enterprises processing fish, shellfish and aquaculture products.

### 7. Product promotion

In order to increase both the internal consumption and the exports of fish, about 30 projects are expected to be assisted during the period 1995-99 in the following areas: market research and sales support for herring products, freshwater fish, aquaculture products; promotion campaigns; dissemination of information; etc.

**Beneficiaries:** National Board of Fisheries.

### 8. Other measures

(a) Temporary withdrawal of fishing vessels: aid will be granted on the temporary cessation of fishing activities caused by unforeseen events.

(b) Water permeability: studies will be carried out on this topic with relevance to the protection of the marine environment.

(c) Technical assistance to implement the programmes.

**Beneficiaries:** owners of fishing vessels, public institutions and research bodies.

### 9. Socioeconomic accompanying measures

In order to minimize the negative effects of the reduction of the fleet, the Swedish authorities may optionally decide to adopt two additional measures:

- (a) part-financing of national early-retirement schemes for fishermen, under certain conditions;
- (b) granting individual compensatory payments to fishermen leaving the profession.

**Beneficiaries:** fishermen.

### 10. Skills for fisheries

(only for the Objective 6 area)

In order to obtain a long-term positive development of the sector, considerable measures in the field of training will be financed by the ESF (European Social Fund): courses on management of resources and fishing techniques, on safety and working conditions, on fish farming, on business administration and marketing, etc.

**Beneficiaries:** educational and vocational training institutes, research institutes, professional organizations, etc.



# Another instrument: the Community initiative PESCA

The Community initiative PESCA is complementary to the structural aid described above. Its objectives are: to put the fishing industry into a condition where it can succeed in its own transformation; to help it cope with the social and economic consequences by providing aid for the redeployment of the workforce and diversification of the enterprises; to contribute to maintenance and creation of employment in the coastal areas.

The importance of PESCA lies less in the actual content of the possible schemes than in the way integrated, innovative projects can be devised and set in train by the participants in the local economy. PESCA may call on the combined possibilities of the FIGG, the European Regional Development Fund and the European Social Fund.

The eligible measures under PESCA in Sweden are the following:

- job-creation activities: development of aquaculture and processing/marketing sectors, as ways of creating or maintaining alternative jobs;

- development of aquatourism: sea trips, sea-ranching and other activities on fishing areas;
- refining and marketing of products for consumption;
- use of fish offal and other fishery by-products in other sectors (i.e. pharmaceutical industry or high-tech activities);
- training in both biological and technical knowledge and practical experience;
- development of networks with other countries to exchange experience and information.

The final beneficiaries of these measures may be: either collective, public or private bodies (regional or local authorities, Chambers of Commerce, fishermen's cooperatives, profit or non-profit-making organizations); or individual economic operators (craft enterprises, small and medium-sized enterprises, fishermen and other workers in the fishing industry).

The areas eligible for PESCA in Sweden are Gävle on the Norrland coast; Gotland, Borgholm, Mörbylånga and Västervik on the east coast; Karlskrona, Sölvesborg and Simrishamn on the south coast; Varberg, Öckerö, Tjörn, Orust Sotenäs, Tanum and Strömstad on the west coast; Lidköping and Lake Vänern.

## PESCA: practical guide

Both potential beneficiaries and other interested people can seek additional information on this Community initiative from the municipalities indicated under 'areas eligible for PESCA in Sweden', or from the competent Ministry (see last page for this address).

The complete text of the PESCA programme for Sweden may be ordered from the competent authorities (see above) or from the European Commission, DG XIV (see address on the last page).

The Commission communication on the Community initiative PESCA (94/C 180/01) was published in OJ C 180, 1.7.1994.

## PESCA-Sweden

(million ECU)

Area	EU Structural Funds	National public financing	National sector	Total
Aquaculture/processing	0.79	0.48	0.93	2.20
Aquatourism	0.79	0.48	0.93	2.20
Refinement/marketing	0.79	0.48	0.93	2.20
Fish offal	0.20	0.12	0.23	0.55
Training	0.99	0.74	0.74	2.48
Networks	0.20	0.15	0.15	0.50
Technical assistance	0.20	0.20	—	0.40
Total <sup>1</sup>	3.97	2.67	3.90	10.54

# The FIGG

## Tasks of the FIGG

To help the fisheries sector solve the problem of overcapacity of the Community fleet.  
To improve the structures of the European fishing and aquaculture industry, and enhance its international competitiveness.

## Areas for action

adjustment of fishing effort  
modernization of the fleet  
development of aquaculture  
protection of marine coastal areas  
provision of fishing port facilities  
processing and marketing  
product promotion  
grants for fishermen leaving the sector  
other measures (technical assistance, etc.).

## Community financing

Depending on the category of investment, the Community contribution may be up to 75 or 50 % of eligible expenditure in the Structural Funds Objective 6 regions, and up to 50 or 30 % in other regions.

## How to apply

It is up to project sponsors to apply to their national or regional authorities to integrate their projects into Community programmes, so that FIGG financing will be available.

### Useful addresses:

#### National Board of Fisheries

Lilla Bommen 6  
S- 40126 Göteborg  
Tel. (+46) 31 630 300  
Fax (+46) 31 156 577

#### European Commission

#### Directorate-General XIV — Fisheries

Rue de la Loi 200  
B-1049 Brussels  
Fax (+32-2) 296 30 33



European Commission  
Directorate-General for Fisheries

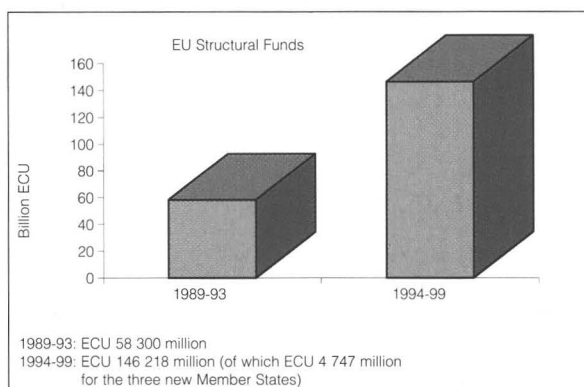
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For further information, please send a fax to (+32-2) 296 73 60.

A great deal of additional information on the European Union is available on the Internet. It can be accessed through the Europa server (<http://europa.eu.int>).

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# The EU Structural Funds

To promote harmonious development throughout the European Union, the Single Act of 1987 and the Treaty of Maastricht of 1993 introduced the goal of economic and social cohesion, to be achieved by a concentration of financial aid on six priority objectives:

- Objective 1: structural adjustment of regions whose development is lagging behind;
- Objective 2: converting regions seriously affected by industrial decline;
- Objective 3: combating long-term unemployment, contributing to the occupational integration of young people and of those threatened with exclusion from the labour market;
- Objective 4: facilitating workers' adaptation to industrial changes;
- Objective 5a: speeding up the adjustment of agricultural and fisheries structures;
- Objective 5b: development of rural areas;
- Objective 6: development of areas with low population density.

To achieve these objectives, assistance is available from the EU Structural Funds:

- (a) the European Regional Development Fund (ERDF);
- (b) the European Social Fund (ESF);
- (c) the Guidance Section of the European Agricultural Guidance and Guarantee Fund (EAGGF);
- (d) the Financial Instrument for Fisheries Guidance (FIGG).

Other possible Community sources of financing include Cohesion Fund grants, and European Investment Bank loans.