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Summary of FIFG structural measures to assist the fishing and aquaculture industry in Luxembourg

European Union aid to the development of the fishing and aquaculture industry in Luxembourg (1994-99)

Despite the absence of a coastline, and thus of a fishing fleet, Luxembourg participates in the measures financed by the Financial Instrument for Fisheries Guidance (FIFG) that relate to the development of aquaculture and the processing and marketing of products. Over ECU 1 million (about LUF 40 million) has been made available to Luxembourg authorities and businesses for the period 1994-99 by the FIFG, the most recent of the European Union's Structural Funds.¹

The priorities of the FIFG and its areas of operation were established in partnership between the European Commission and the Luxembourg authorities in a programming document. This brochure summarizes:

- (a) the contents and the indicative financing plan of the FIFG programme for the Grand Duchy;
- (b) the origin and the purpose of all the Structural Funds, with special attention to the FIFG (page 4).

Practical details of structural aid: see page 3.

The common fisheries policy of the European Union

The common fisheries policy (CFP) is the cornerstone of the Community's fishing industry. It covers all fishing and farming of living aquatic resources, as well as the processing and marketing of fisheries products.

Since the first decisions were adopted in 1970, the CFP has developed progressively into its current form, which has four major aspects:

- (a) the conservation of resources;
- (b) the organization of markets:

(c) international agreements;(d) structural measures (dealt with in this publication).

Additional information on the CFP will be found in the following publications:

The new common fisheries policy, Luxembourg, Office for Official Publications of the European Communities, 1994 (in all the Community languages; ISBN: French version: 92-826-7571-8; English version: 92-826-7570-X.) The common fisheries policy' Information file, Brussels, EC Commission, DG XIV, 1994 (in French or English).

These two publications can be obtained from the European Commission, DG XIV–Fisheries, Rue de la Loi 200, B-1049 Brussels Fax (32-2) 299 48 17

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Aquaculture in Luxembourg: strengths and weaknesses

Land-based aquaculture is a new sector currently being organized in the national economy, which seems to be promising; it concerns the whole country.

Until 1991, the aquaculture branch in Luxembourg consisted of only two firms in the private sector, importing and distributing trout for the restaurant trade and angling, and one public sector establishment whose sole activity was the production of salmonids from native stock to repopulate rivers, lakes, ponds etc. covered by the legislation on angling.

The establishment, in 1991, of an intensive closed-circuit aquaculture plant in southern Luxembourg changed this situation. The main activity of the plant, which came on stream in 1992, is largescale production of eels from elvers, with the production of carp, tilapia, sturgeon, catfish and ornamental fish as a sideline.

Aquaculture in Luxembourg is characterized by slow but steady growth in output. However, its development will depend on finding Luxembourg's special niche, and in occupying it on the European market.

The main significant factors in development are:

- (a) domestication and development of farming of new species: eel, sturgeon, catfish, tilapia, ornamental species, etc.;
- (b) research and development into new products for new consumer markets: large trout, fillets of trout and carp, processed and cooked dishes, etc.;
- (c) improved farming techniques and new technologies: closed circuit fish-farming, improvement of ponds, specialization in aquaculture management etc.

The main implications of the geographical situation of the Grand Duchy are:

- (a) diversification of traditional production;
- (b) the need to invest in equipment to process products;
- (c) cross-border development of the branch for new species and new products, both for intensive and extensive aquaculture (ponds, etc.);
- (d) new, growing and well-founded interest in this previously somewhat marginal sector.

Land-based aquaculture has been somewhat marginal, and has not had all the technical and administrative support afforded to other production sectors. General unfamiliarity with the sector, and the relative unpopularity of traditional freshwater products go some way to explain this situation. The development of new techniques and products also explains the renewed interest in this sector of activity, which must now adapt to a new technical and commercial situation requiring an effort of organization at professional, technical and administrative level.

FIFG operations 1994–99: three areas for assistance

In this situation, the structural measures programmed for 1994-99 in the Grand Duchy of Luxembourg in the fisheries and aquaculture sector address problems in three main areas.

1. Development of aquaculture

The purpose of this measure is to increase output of eel, tilapia, sturgeon and catfish on the market, where they are at present in short supply. Financing will be available to boost supply only in response to market demand.

Beneficiaries: public bodies, private enterprise, producers' associations.

2. Processing and marketing of products

It is planned to establish small processing plants (for filleting, smoking, etc.) to enable a part of local output to be processed within the country (eel, carp, sturgeon, tilapia, catfish, etc.).

Beneficiaries: private companies, small businesses.

3. Product promotion

Promotion and consumer information measures are planned to encourage consumption of available freshwater species (promotion campaigns, market studies, trade fairs and exhibitions in the Grand Duchy and the region comprising the border areas of Germany, France and Luxembourg).

Beneficiaries: public bodies, producers, producers' organizations, private companies, small business.

Financing of FIFG investments in Luxembourg (1994–99)

				(million ECU) ¹
Field of action	FIFG	National public financing	Private financing	Total financing
Aquaculture	0.76	0.25	1.51	2.52
Processing and marketing	0.29	0.10	0.58	0.97
Promotion	0.05	0.02	0.11	0.18
Total	1.10	0.37	2.20	3.67

¹ As a guide, in December 1995 ECU 1 = approximately LUF 38.6.

Access to financing and programming documents

To take part in the measures financed by the FIFG, the potential beneficiaries defined above for each area of assistance should apply to the Ministry at the address given at the end of this publication.

Beneficiaries must submit proposals consistent with the relevant objectives.

The detailed description of the objectives and of the contents of each type of measure, summarized here, appears in the document dealing with Structural Fund operations in the Grand Duchy of Luxembourg under Objective 5a – Fisheries for 1994-99.

This document can be requested from the addresses appearing on the last page.

For additional information, see the booklet entitled 'The European Community and the fishing industry. Practical guide to structural aid', Luxembourg, Office for Official Publications of the European Communities, 1994, ISBN (English version) 92-826-7762-1; (French version) 92-826-7763-X.

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The FIFG

Tasks of the FIFG

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;

socioeconomic measures;

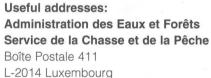
other measures (technical assistance, etc.).

Community financing

The Community contribution may be up to 75% of eligible expenditure in the Structural Funds Objective 1 regions, and up to 50% in other regions (with ceilings of 50% and 30% respectively for direct productive investment).

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 FIFG financing will be available.



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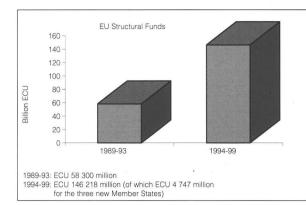
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This publication does not necessarily express the official views of the Commission.

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:

- (i) the European Regional Development Fund (ERDF);
- (ii) the European Social Fund (ESF);
- (iii) the Guidance Section of the European Agricultural Guidance and Guarantee Fund (EAGGF):
- (iv) the Financial Instrument for Fisheries Guidance (FIFG).

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