



EUROPEAN COMMISSION

Directorate-General  
for Fisheries

Summary of the structural measures  
to assist the fishing industry in Italy:  
FIFG financing  
and the Community initiative PESCA

## European Union aid to the development of the fishing industry in Italy (1994–99)

The Italian fishing industry is at present undergoing radical restructuring. The main causes of the crisis are declining resources in Community waters, and keener international competition. Faced with this situation, all those involved in the sector are encouraged to respond through incisive, effective and coherent measures.

To support Italy's efforts, the European Union has made over ECU 400 million (about LIT 850 billion) available to Italian authorities and businesses<sup>1</sup> for the period 1994-99.

This financing has been allocated mainly through the FIFG (Financial Instrument for Fisheries Guidance) and covers the whole of Italy's fisheries sector, from fleet modernization to port facilities, and from aquaculture to the processing and marketing of products.

The priorities of the FIFG and its areas of operation were established in partnership between the European Commission and the Italian authorities in two programming documents, which concern respectively southern Italy under Objective 1 of the EU Structural Funds ('regions whose development is lagging behind'), and all the other regions.

Another source of assistance is the PESCA Community initiative, launched by the Commission to provide support to European coastal areas.

This brochure summarizes:

- the contents and the indicative financing plans of the two FIFG programmes (pages 3-6);
- the Italian programme under the new PESCA Community initiative (page 7);
- the origin and the purpose of all the Structural Funds, with special attention to the FIFG (page 8).

<sup>1</sup> How to apply for structural assistance: see pages 3 (FIFG) and 7 (PESCA).

**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:

- the conservation of resources
- the organization of markets
- international agreements
- 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: Italian version: 92-826-7572-6; 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:  
European Commission,  
DG XIV – Fisheries  
Rue de la Loi 200  
B-1049 Brussels  
Fax (32-2) 299 48 17

**The fishing industry in Italy: strengths and weaknesses**

The fisheries and aquaculture sector in Italy employs 70 000 workers (44 450 in fishing, 6 000 in aquaculture, 7 900 in processing industry and 12 460 in marketing and distribution).

The sector's annual output is 704 000 tonnes, including a Mediterranean catch of 497 000 tonnes, 50 000 tonnes from ocean-going vessels, and 157 000 tonnes of aquaculture products.

The fishing fleet comprises 16 400 vessels (figure for June 1995); the number of vessels fell 1 074 between 1990 and 1993 (6% of the total in terms of tonnage).

Small vessels (i.e. under 11 GRT (gross registered tonnage) account for 77% of the fleet; only 2.4% of vessels exceed 100 GRT.

The vast majority of vessels are equipped with several types of gear (80.4%), while 10.5% are equipped for trawling and 7.5% use driftnets.

A significant proportion of fishing vessels (23.4%) are based in Sicily. Italy's main fishing ports are Mazara del Vallo and Pescara.

The aquaculture sector (marine and on-shore) is mainly located in the north of Italy (750 out of a total of 1 000 establishments). Its major products are trout, bass, bream and bivalve molluscs (mussels and clams).

The processing industry is undergoing a slow process of restructuring, characterized on the one hand by labour-shedding, and on the other by a slow recovery of investment (from LIT 20 billion to LIT 30 billion in the period 1990-92).

The sector's main activities are processing of tuna, anchovy and sardines, and various frozen products (especially molluscs and white fish).

Italy's total consumption of fishery and aquaculture products is 1 256 000 tonnes a year; imports amount to 633 000 tonnes, exports to 81 000 tonnes, including 67 000 tonnes of fresh products and 14 000 tonnes of processed products.

Despite the increase in per capita productivity, the Italian fisheries sector is affected by structural weakness:

- (a) excess fleet capacity, which leads to over-exploitation of resources;
- (b) high corporate indebtedness;
- (c) growing demand increasingly met by imports, with consequent reduction in self-sufficiency for fisheries products (according to data for 1994, the trade deficit in fisheries products was LIT 690 billion);
- (d) very competitive import prices, leading to lower profitability and job losses in fishing.

The specific economics of fishing, where areas of production are not privately owned, naturally create a tendency to over-exploit resources, especially in certain areas such as the central Tyrrhenian sea, the southern Adriatic and the seas north of Sicily.

# FIFG operations 1994-99: eleven areas for assistance

In this situation, the operations financed by the FIFG (Financial Instrument for Fisheries Guidance) in Italy have been divided into 11 areas for intervention.

## 1 Adjustment of fishing effort

Under the third multiannual guidance programme (MAGP III) this measure is intended to achieve a sustainable balance between resources and effort, through reduction of the fleet. Financing will be granted for:

- (a) definitive withdrawal of fishing vessels (it is planned to reduce tonnage by 20% for trawlers and pole-and-line vessels, and by 15% for dredgers and beam trawlers).
- (b) setting up 10 joint enterprises or temporary associations with partners from non-Community countries, especially for Mediterranean and ocean trawling.

**Recipients:** fishing enterprises, individually or grouped together.

## 2 Fleet renewal and modernization:

This measure contributes to:

- (a) replacement, on a modest scale, of obsolete vessels (about 70 new vessels are to be built; the capacity of the new vessels is not to exceed the reduction achieved by withdrawal measures);
- (b) modernization of existing vessels as regards safety on board, compliance with health standards, etc;
- (c) conversion of pole-and-line vessels or coastal trawlers towards more selective and more environment-friendly fishing techniques.

**Recipients:** fishing enterprises, individually or grouped together.

## 3 Aquaculture

Development and modernization of the sector, through investment:

- (a) to modernize the technology of existing marine and on-shore establishments;
  - (b) to set up new establishments for the production of new marine species;
  - (c) to set up service centres.
- The aim is to reduce costs, improve product quality and improve environmental standards.

**Recipients:** associations, fishing enterprises, individually or grouped together, regional authorities.

## 4 Protection of marine areas

To protect and develop fisheries resources, it is planned to create at least three protected areas covering a total of 12 000 m<sup>2</sup>, by installing artificial reefs.

**Recipients:** associations, regional and local authorities.

## 5 Fishing port facilities

To remedy shortcomings of organization, distribution and safety in ports and landing areas, this funding is intended to improve services and infrastructure.

The measures include improvement of mooring quays and facilities for primary marketing and storage of catches.

At least 20 initiatives are planned in the private sector.

**Recipients:** associations, firms, public bodies.

(see page 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 type of measure, summarized here, appears in the two programming documents for FIFG operations in Italy:

- (a) a programme of FIFG operations in the Mezzogiorno, which is an integral part of the Community support framework for southern Italy and the islands, which are covered by Objective 1 of the Structural Funds;
- (b) a programme of FIFG operations in central and northern Italy, under Objective 5a - fisheries (adjustment of fisheries structures outside Objective 1 regions).

The texts of these programmes can be requested from the addresses appearing on 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; (Italian version) 92-826-7764-8.

Italy — Mezzogiorno<sup>1</sup>  
(Campania, Molise, Abruzzi, Apulia, Basilicata,  
Calabria, Sicily, Sardinia)

(million ECU)<sup>2</sup>

Field of action	FIFG (1)	Other EU Structural Funds (2)	National public financing (3)	Private financing (4)	Total financing (1+2+3+4)
1. The adjustment of fishing effort	69.2	—	69.2	—	138.4
2. Renewal and modernization of the fleet	59.6	—	11.87	47.73	119.2
3. Aquaculture	34.4	—	6.78	27.3	68.48
4. Protected marine areas	2.3	—	2.3	—	4.6
5. Fishing port facilities	10.3	—	8.5	1.8	20.6
6. Processing and marketing of products	41.0	—	20.52	20.52	82.04
7. Product promotion	6.6	—	6.6	—	13.2
8. Access to the capital market	6.0	—	6.0	—	12.0
9. Technical assistance	3.6	—	3.6	—	7.2
10. Vocational training <sup>3</sup>	—	24.4	10.46	—	34.86
11. Socio-economic measures for fishermen <sup>4</sup>					
Total	233.0	24.4	145.83	97.35	500.58

NB: A measure for provisional suspension of fishing activities costing ECU 93.4 million will be financed entirely by central government.

<sup>1</sup> Regions covered by Objective 1 of the Structural Funds ('regions whose development is lagging behind', with a gross domestic product of less than 75% of the Community average). Abruzzi is covered by Objective 1 only until 31 December 1996, the other regions are covered until 31 December 1999.

<sup>2</sup> As a guide, in December 1995 an ecu was worth approximately LIT 2 091.

<sup>3</sup> These training measures do not appear in the operational programme for fisheries in Objective 1 regions; they are financed by the European Social Fund, and appear either in the Community Support framework for the Mezzogiorno, which comprises all structural measures provided for in the different sectors of the economy, or, in more detail, in the regional operational programmes for Basilicata, Calabria, Campania, Apulia, Sicily and Sardinia.

<sup>4</sup> These measures became possible with the amendment of Regulation (EC) 3699/93 in November 1995. The amount of these measures is still to be determined.

Italy — North and Centre<sup>1</sup>

(million ECU)<sup>2</sup>

Field of action	FIFG (1)	National public financing (2)	Private financing (3)	Total financing (1 + 2 + 3)
1. The adjustment of fishing effort	35.38	35.38	—	70.76
2. Renewal and modernization of the fleet	33.62	11.23	67.38	112.23
3. Aquaculture	20.50	6.78	40.66	67.96
4. Protected marine areas	1.20	1.20	—	2.40
5. Fishing port facilities	5.60	4.92	3.3	13.52
6. Processing and marketing of products	28.10	18.69	46.88	93.67
7. Product promotion	3.60	3.60	—	7.20
8. Access to the capital market	4.00	4.00	—	8.00
9. Technical assistance	2.40	2.40	—	4.80
10. Socio-economic measures <sup>3</sup>				
Total	134.40	88.20	158.24	380.84

NB: A measure for provisional suspension of fishing activities costing ECU 75.6 million will be financed entirely by central government.

<sup>1</sup> These measures under the Structural Funds Objective 5a (fisheries) cover the regions not covered by Objective 1 (i.e. all central and northern Italian regions).

<sup>2</sup> As a guide, in December 1995 an ecu was worth approximately LIT 2 091.

<sup>3</sup> These measures became possible with the amendment of Regulation (EC) 3699/93 in November 1995. The amount of these measures is still to be determined.

## Legal references

FIFG (Financial Instrument for Fisheries Guidances:

- Council Regulation (EC) No 3699/93 of 21 December 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;

Amendments:

Change of tonnage measurement: Regulation (EC) No 1624/95 of 29 June 1995, OJ L 155, 6.7.1995;

Socioeconomic measures (early retirement, compensation on leaving the sector): Regulation (EC) No 2719/95 of 20 November 1995, OJ L 283, 25.11.1995;

Adjustment of compensation scheme (under way)

- Council Regulation (EEC) No 2080/93 of 20 July 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.

Structural Funds:

Framework Regulation

- Council Regulation (EEC) No 2081/93 of 20 July 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 European Investment Bank and the other existing financial instruments, OJ L 193, 31.7.1993.

Coordination Regulation:

- Council Regulation ((EEC) No 2082/93 of 20 July 1993 amending Regulation (EEC) No 4253/88, OJ L 193, 31.7.1993.

(from page 3)

### 6 Processing and marketing of products

Setting up new establishments (52 processing centres and 14 marketing centres) and modernization of existing units, in order to:

- (a) improve the quality of products intended for processing;
- (b) strengthen and computerize distribution and marketing circuits;
- (c) introduce marketing initiatives for the products of fisheries and aquaculture through suitable promotion and advertising.

**Recipients:** enterprises, individually or grouped together, associations, cooperatives, public bodies.

### 7 Product promotion

Promotion and enhancement of fisheries and aquaculture products through the financing of market research and studies, in Italy and abroad, pilot schemes, consultancy and assistance.

**Recipients:** single coordinating body for national associations.

### 8 Access to the financial market

Setting up a single national loan guarantee fund, to cover loans for structural measures in Italy, in receipt of Community financing.

This fund could help to improve access by small and medium-sized fisheries enterprises to the financial market.

**Recipients:** single coordinating body for national associations.

### 9 Technical assistance

The following will be financed:

- surveys, feasibility studies, measures such as setting up an economic observatory for the fisheries sector.

**Recipients:** fisheries experts, national fisheries associations, research centres.

### 10 Vocational training

Training courses and specialized vocational training financed by the European Social Fund (within the CSF for the Mezzogiorno) exclusively for

fishermen resident in certain southern regions (Basilicata, Calabria, Campania, Apulia, Sicily, Sardinia).

**Recipients:** regional authorities, national associations, training institutes.

### 11 Socio-economic measures for fishermen

Two optional measures for the Italian authorities, to combat the adverse effects of reducing the fishing fleet:

- (a) a financial contribution to the national early retirement scheme for fishermen, under specific conditions (beneficiaries must be within 10 years of pensionable age, and have worked as fishermen for at least 10 years);
- (b) flat-rate individual premiums for younger fishermen leaving the sector because of the reduction of the fleet.

**Recipients:** fishermen.

## An example of past achievements (1989-93)

Structural measures in favour of fisheries in Italy in the previous programming period led to a number of achievements. Among the most significant were the projects to enhance productivity in the brackish lagoons of Veneto (Valli); the projects not only enabled biological life to be maintained in a degraded environment, between land and sea, but also reinforced local aquaculture through the creation of rearing ponds, wintering channels, fishing facilities and restocking ponds to enable breeding of fish.



# In addition to structural aid: the PESCA Community initiative

**The PESCA Community initiative** complements the structural aid described. Its special purpose is to provide the fishing industry with the conditions for successful change; to help the sector cope with the attendant social and economic consequences through aid to retrain workers and diversify the activities of enterprises; and to contribute to safeguarding and creating jobs in coastal regions.

The **importance of PESCA** is not so much in the content of possible measures, but in its bottom-up approach, where integrated, innovative projects are initiated, designed and implemented by those directly concerned. PESCA can call upon the combined forces of the FIFG, the European Regional Development Fund and the European Social Fund.

The **measures eligible** for financing through PESCA are as follows:

- creation of business services centres for the industry (aid, consultancy, technology transfer, etc.);
- productive investment and assistance in converting businesses to new activities (e.g. maritime tourism);
- general projects (marine cartography, regional fisheries observatories, product promotion and enhancement, pilot projects, etc.);
- diversification of economic activities in coastal areas (start-up aid for very small firms, conversion of fishing ports, etc.);
- job-promoting measures (vocational training and retraining, assistance with mobility, etc.);
- financial engineering (setting up guarantee funds for enterprises).

The **final beneficiaries** of these measures can be:

- either public or private groups (local authorities, chambers of commerce, fishing cooperatives, groups of enterprises, etc);
- or individual operators (very small firms, small and medium-sized businesses, fishermen and other workers in the sector).

## PESCA: how to apply

Potential beneficiaries, and anyone else interested in this Community initiative, can apply to the appropriate regional authority for further information.

As a rule, sub-programmes under the PESCA Community initiative are managed by the regional fisheries authorities (this applies solely to the regions covered by the table below).

The complete text of the Italian PESCA programme is obtainable from those authorities, and from the Italian Ministry for Agricultural, Food and Forestry Resources and the European Commission, DG XIV (for addresses, see last page).

## Geographical distribution of PESCA financing in Italy

(million ECU)

Region	Structural Funds	Public financing	National private financing	Total financing
Apulia	8.701	4.350	4.350	17.401
Campani	0.914	0.191	0.723	1.828
Sicily	5.267	2.633	2.634	10.534
Sardinia	2.165	1.083	1.083	4.331
Several Objective 1 areas	1.951	1.711	0.239	3.901
Liguria	0.039	0.034	0.025	0.098
Friuli Venezia Giulia	2.045	1.363	3.409	6.817
Veneto	2.871	1.914	4.786	9.571
Emilia Romagna	1.684	1.123	2.807	5.614
Tuscany	0.513	0.342	0.856	1.711
Lazio	1.076	0.718	1.794	3.588
Marches	1.430	0.954	2.384	4.768
Several non-Objective1 areas	5.509	5.509	—	11.018
<b>Total <sup>1</sup></b>	<b>34.170 <sup>1</sup></b>	<b>21.925</b>	<b>25.090</b>	<b>81.185 <sup>1</sup></b>

<sup>1</sup> The total figures in the last line of the table were increased in October 1995 by ECU 2.85 million from the reserve for Community initiatives.

# 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
- socio-economic 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 FIGG financing will be available.

### Useful addresses:

**Ministero delle Risorse agricole,  
alimentari e forestali  
Direzione Generale della Pesca  
e dell'acquacoltura**

Viale dell'Arte, 16  
I-00144 Roma  
Tel. (39-6) 53 08 42 03  
Fax (39-6) 59 08 41 76

**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

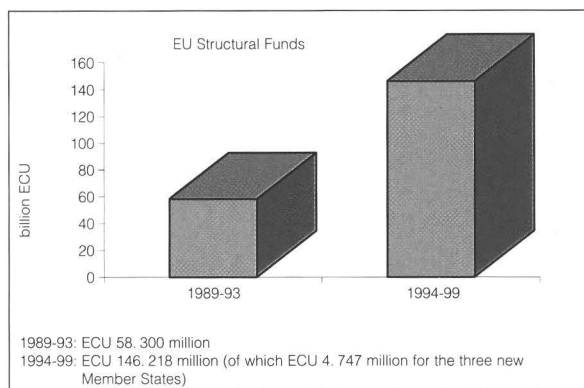
Editor: EC DG XIV

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>).

Printed on recycled paper.



# 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.