



EUROPEAN COMMISSION
Directorate-General
for Fisheries

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

European Union aid for the development of the fishing industry in Greece (1994–99)

Because of the country's physical geography, fishing has always been an important economic activity in Greece. It has not been spared by the recent crisis in the industry in Europe, due to the scarcity of resources in Community waters and to intense competition world-wide, and those involved in the industry have been forced to embark upon radical restructuring.

To support the efforts of the Member State, the European Union has made over ECU 180 million (about DR 55 000 million) available to Greek authorities and businesses for the period 1994-99.¹

This financing has been allocated mainly through the FIFG (Financial Instrument for Fisheries Guidance), the most recently created EU Structural Fund, and covers the whole of Greece'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 Greek authorities in an operational programme for fisheries, integrated into a Community support framework establishing all Structural Fund measures for Greece from now to the end of the century.

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

This publication summarizes:

- (a) the contents and the indicative financing plans of the FIFG operational programme (pages 3-6);
- (b) the Greek programme under the new PESCA Community initiative (page 7);
- (c) the origin and the purpose of all the Structural Funds, particularly of the FIFG (page 8).

¹ 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:

- (i) the conservation of resources
- (ii) the organization of markets
- (iii) international agreements
- (iv) 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: Greek version: 92-826-7569-6; 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 the European Commission DG XIV-Fisheries
Rue de la Loi 200
B-1049 Brussels
Fax (32-2) 299 48 17

The fishing industry in Greece: strengths and weaknesses

All aspects of the fishing industry in Greece are of major economic importance.

The industry is characterized by a coastal fleet comprising a large number of small vessels, an expanding aquaculture sector producing sea bass and sea bream, and a rather obsolete processing and marketing sector.

Virtually all the vessels in the fleet (about 20 300 altogether) fish in the waters of the Greek archipelago.

The fleet is made up of three segments:

- (a) coastal vessels (97.8% of total vessels, 58.67% of total capacity and 77.01% of total power); the segment includes 410 purse-seiners, which land large and small pelagic fish; the annual catch of this segment of the fleet accounts for approximately 70% of total output;
- (b) bottom trawlers (1.88% of total vessels, 22.57% of capacity and 17% of power); their catch accounts for 22% of total output;
- (c) ocean trawlers (0.3% of total vessels, 18.74% of capacity and 5.97% of power); this segment fishes mainly in the Atlantic, and most of the catch (which represents 8% of total output) is frozen.

Vessels are very widely distributed between Greek ports, but the major ports are Thessaloniki and Kavala on the northern coast, and Piraeus in the centre.

The fleet provides about 34 000 jobs.

In 1994, Greece met the overall objectives of the Multiannual Guidance Programme (MAGP) for the fleet, which

laid down the reduction in fishing effort for each biological species. However, more needs to be done to ensure that the specific objective for bottom trawlers can be met.

The recent development of the marine aquaculture sector has been remarkable, thanks to the natural environment and the climate, technological improvement and national and Community financial aid.

Greece's production of sea bass and sea bream accounted for over half the total Community output in 1992. Direct employment in the aquaculture sector in Greece accounts for about 3 300 jobs, but a further 5 000 people are employed in allied activities (services, crafts and industry).

Equipment in processing industries is very out of date. Processing is mainly concerned with salting, smoking and canning Mediterranean fish products.

At a structural level, the sector must deal with the following weaknesses:

- (a) vessels are very old;
- (b) the topography of Greece's sea-bed limits fishing areas;
- (c) the processing industry does not use modern technology;
- (d) marketing channels are inadequate;
- (e) there is no further training for those in the industry, and no training for young people to prepare them for work in the industry;
- (f) research activities are not geared to the needs of the fishing industry;
- (g) fishing port infrastructure and facilities are limited.

FIFG operations 1994-99: nine areas for assistance

In view of these structural weaknesses, the general objective of the structural measures programmed for 1994-99 in Greece is to address and solve the problems of the fisheries sector, in the short to medium term, in nine main areas, with a view to: first, finding the right balance between the available resources and fishing effort by the end of the century; secondly, maintaining employment at a level favourable to the development of the sector, while contributing to the modernization of fishing enterprises.

1. Adjustment of fishing effort

An attempt to find a sustainable balance between resources and effort, and a considerable reduction of the fleet.

Assistance to be granted for:

- (a) permanent withdrawal of certain vessels; it is planned to withdraw 385 vessels, comprising 300 fixed gear vessels and seiners, 80 bottom trawlers and 5 ocean trawlers;
- (b) temporary withdrawal of other vessels, due to unforeseen factors unlikely to recur, in particular as a result of biological and other unforeseeable problems;
- (c) redirecting fishing activities through the constitution of joint enterprises with shipowners from third countries, to remove certain Greek bottom and ocean trawlers from the register, and transfer them to the other country; it is planned to set up 22 such joint enterprises (18 projects for vessels up to 100 grt, 4 projects for vessels over 100 grt).

Recipients: businesses, skippers.

2. Fleet renewal and modernization

Investment to modernize or replace vessels (at present, 75% of vessels are over 10 years old).

It is planned to modernize 700 vessels, and to replace a further 130.

The application of these measures will lead to:

- (a) rational and profitable exploitation of fishery resources;
- (b) improved productivity and economic viability of fishing enterprises;
- (c) a wider radius for fishing activities;
- (d) improved working conditions on board, especially in terms of health and safety;
- (e) fishing in under-exploited areas;
- (f) improved catch quality.

The introduction of renewal and modernization measures will not lead to an increase in the fishing effort.

Recipients: businesses, skippers.

3. Fishing port facilities

Investment in fishing ports and auction halls, and inland waters, with a view to:

- (a) construction and improvement of quayside buildings and facilities;
- (b) creation or improvement of infrastructure to support the activities of fishing vessels (electricity and water supplies, access etc.);
- (c) improvement of storage and chilling facilities;
- (d) installation of ice-producing equipment.

Recipients: producers' organizations, cooperatives, local authorities, private sector.

(see page 4)

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 programming document for FIFG operations in Greece.

This document is the Community programme 1994-99 for fisheries in Greece, obtainable from the European Commission or from the Greek authorities (see addresses on the last page of this brochure).

The programme is included in the Community support framework for Greece, 1994-99, which presents the structural measures planned in all the economic sectors; the fishing industry is part of Objective 5a of the Structural Funds' priorities for development and competitiveness of the economic fabric.

For further 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; (Greek version): 92-826-7761-3.

4. Aquaculture

To increase output, improve product quality, and guarantee healthy, hygienic and environment-friendly production, it is planned to build, extend or modernize aquaculture facilities.

In inland waters, 16 new establishments will be built, and 85 existing establishments will be modernized, involving the production of eel, trout, sturgeon, carp, mullet, etc. Twenty or so lagoons will also be developed for this purpose, on the basis of integrated management plans. Some 40 new maritime establishments will also be set up, and a hundred or so will be modernized to increase output of shellfish and new species, and to maintain the production of sea bream and sea bass.

Recipients: public sector, semi-public sector, private sector.

5. Development of coastal areas

Creation of protected marine areas (in eastern Greece, western Macedonia and Thrace) with the establishment of mobile and fixed components to form artificial reefs.

This measure will help to:

- (a) protect small fish and improve living conditions and resource development in the areas concerned;
- (b) create spaces where fish are highly concentrated, thus increasing exploitable biomass while reducing fishing effort.

Recipients: regional or local authorities, fishermen.

6. Enhancement of fishery and aquaculture products

The measures planned under this heading are organized around three priorities: processing, marketing and product promotion.

Processing

- (a) ten new processing establishments (buildings, heavy electrical plant and high-tech equipment);
- (b) extension and modernization of 15 existing units (equipment, including computerization);
- (c) improving about 80 existing units to comply with health and environmental standards: biological cleansing systems for treatment of waste; modernization, moving and reinstalling facilities.

Marketing

- (a) construction of at least three new auction halls and a fish market (Thessaloniki);
- (b) modernization of 12 existing auction halls, to bring them into line with health standards for the sale of fishery products;
- (c) construction of 10 centres for cleaning and dispatching shellfish, and 15 packing units; modernization of some 40 existing units.

Product promotion and exploration of new distribution arrangements

- (a) promotion campaigns,
- (b) quality certificates and product labelling,
- (c) consumer surveys,
- (d) trade fairs, exhibitions etc.

Recipients: processing and marketing firms, fishmongers, fishermen, producers.

(see page 6)

Greece

(million ECU) ¹					
Field of action	FIFG (1)	Other Structural Funds (2)	National public financing (3)	Private financing (4)	Total financing (1 + 2 + 3 + 4)
1. Adjustment of fishing effort	31.77	—	10.59	—	42.36
(permanent or temporary withdrawal)	(26.45)	—	(8.82)	—	(35.27)
(joint enterprises)	(5.32)	—	(1.77)	—	(7.09)
2. Fleet renewal and modernization	14.29	—	4.76	24.25	43.30
3. Fishing port facilities	4.79	—	1.60	3.19	9.58
4. Development of aquaculture	31.60	—	10.53	49.57	91.70
5. Development of coastal areas	1.35	—	0.45	—	1.80
6. Enhancement of fishery and aquaculture products	43.65	—	14.55	34.65	92.85
(processing)	(26.17)	—	(8.72)	(28.77)	(63.66)
(marketing)	(15.98)	—	(5.33)	(4.88)	(26.19)
(promotion)	(1.50)	—	(0.50)	(1.00)	(3.00)
7. Infrastructure and research	—	20.00 ²	6.67	—	26.67
8. Technical assistance	2.55	—	0.85	—	3.40
9. Socioeconomic measures ³					
Total	130.00	20.00	50.00	111.67	311.67

NB: As Greece is entirely within Objective 1 of the Structural Funds, the Community may contribute up to 75% of the total cost of the project, or 50% of investment in the private sector.

¹ As a guide, in December 1995 ECU 1 = approximately DR 308.85.

² Measure financed by the ERDF (European Regional Development Fund).

³ These measures became possible with the amendment of Regulation (EC) No 3699/93 in November 1995. The amount of these measures is still to be determined, within the overall total appropriation.

Legal references

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);

Amendments:

Change of tonnage measurement: Regulation (EC) No 1624/95 of 29.6.1995, (OJ L 155, 6.7.1995);

Socioeconomic measures (early retirement, compensation on leaving the sector): Regulation (EC) No 2719/95 of 20.11.1995 (OJ L 283, 25.11.1995).

Adjustement of compensation schemes: Council Regulation (EC) No 965/96 of 28.5.1996 (OJ L 131, 1.6.1996).

- Council Regulation (EEC) 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).

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 European Investment Bank and the other existing financial instruments (OJ L 193, 31.7.1993).

Coordination Regulation:

- Council Regulation (EEC) No 2082/93 of 20.7.1993 amending Regulation (EEC) No 4253/88 (OJ L 193, 31.7.1993).

(from page 4)

7. Infrastructure and research

A series of measures to be financed by the European Regional Development Fund:

- (a) improvement and protection of lagoons,
- (b) harbour infrastructure,
- (c) research into fisheries, aquaculture and shellfish,
- (d) setting up a public centre for the development of aquaculture, to follow issues related to reproduction, nutrition, disease, etc. in aquatic animals;
- (e) monitoring programme for the quality of water used in aquaculture.

Recipients: public and private organizations, aquaculture businesses, research centres, fishermen.

8. Technical assistance

The following measures, *inter alia*, will be taken to ensure smooth implementation:

- (a) computerization of departments concerned,
- (b) studies,
- (c) information and outreach to inform the public or the operational programme for fisheries,
- (d) training and seminars for administrative staff.

Recipients: private and public bodies, project managers, fisheries experts, etc.

9. Socioeconomic measures for fishermen

Two optional measures for the Greek authorities to combat the adverse effects of restructuring the fleet:

- (a) support for the national early-retirement scheme for fishermen;
- (b) flat-rate individual premiums for younger fishermen leaving the sector.

Recipients: fishermen.

An example of past achievements

Several major projects have been carried out recently in Greece in connection with sea fish farming on the basis of Regulation (EEC) No 4028/86. A very successful integrated measure was carried out at Fokida (southern mainland Greece) by the Rio-Pesca company: taking advantage of favourable conditions (aquatic bio-system, climate) and using Community and national aid, this company invested in breeding and fattening sea bream and sea bass (hatchery and tanks on shore at Managouli and in the lagoon at Messolonghi), and fattening at sea (cages at Aghios Spyridon), through its subsidiary Ydrolak.

The Rio-Pesca hatchery now produces about 25 million restocking fry a year, supporting the operation of many fattening units in the Mediterranean basin; the fattening units produce 750 tonnes of sea bass and sea bream a year.

The installation in the Messolonghi lagoon is now operating autonomously, and financing itself without the need for public funding.

In addition to structural aid: the Community initiative PESCA

The Community initiative PESCA

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.

The measures eligible for financing through PESCA in Greece are as follows:

- introduction of productive economic activities in coastal areas (craft firms, small and medium-sized businesses, etc.);
- diversification and conversion of businesses, mainly to maritime tourism; improvement to fishing ports to make them suitable for new activities; vocational retraining and conversion;
- improved occupational skills for workers in the industry, and training for trainers;
- promotion of fisheries products and rationalization of marketing chains;
- general projects (marine cartography, medical assistance vessels for remote regions, sectoral studies, pilot projects, etc.).

The final beneficiaries of these measures can be: either public or private groups (regional authorities, municipal 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 can apply to the appropriate regional authority for further information.

The complete text of the Greek PESCA programme is obtainable from that authority, from the Greek Ministry for Agriculture, Directorate-General for Fisheries, and from the European Commission, DG XIV (for addresses, see next page).

The Commission notice on PESCA (94/C 180/01) was published in OJ C 180, 1.7.1994.

Geographical distribution of PESCA financing in Greece

(million ECU)

Region	Structural Funds	National public financing	National private financing	Total financing
Eastern Macedonia/Thrace	1.54	0.55	1.21	3.30
Central Macedonia	1.80	0.67	1.30	3.76
Western Macedonia	0.35	0.13	0.24	0.73
Thessaly	0.94	0.34	0.74	2.02
Mainland Greece	1.44	0.51	1.14	3.08
Attika	2.47	0.93	1.71	5.11
Epirus	1.10	0.41	0.80	2.30
Western Greece	3.19	1.15	2.12	6.45
Ionian Islands	1.38	0.51	1.03	2.93
Peloponnese	1.77	0.64	1.37	3.78
Crete	1.42	0.48	1.25	3.14
Southern Aegean	1.69	0.60	1.35	3.64
Northern Aegean	2.68	0.94	2.18	5.80
Whole country and technical assistance	5.33	1.96	1.27	8.56
Total ¹	27.10 ¹	9.82	17.71	54.63 ¹

¹ The total rounded figures in the last line of the table were increased at the end of 1995 by Community assistance of ECU 3.31 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
grants for leaving the sector,
and aid for early retirements
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 1 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:

Ministry of Agriculture Directorate-General for Fisheries

Acahnon 381
GR-Athens
Tel. (+30) 1 21 11 471
Fax (+30) 1 20 28 898

European Commission Directorate-General XIV—Fisheries

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



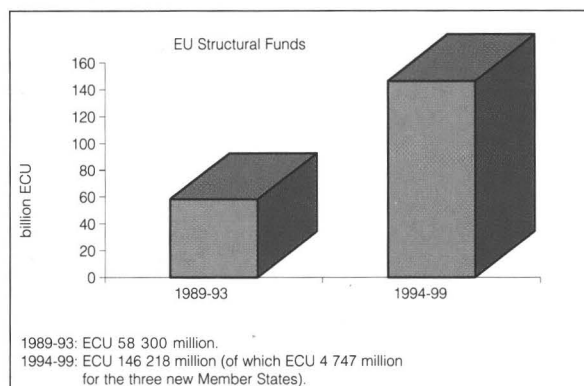
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For further information, please send a fax to (+32-2) 296 73 60. A great deal of additional information on the European Union is available on the Internet. It can be accessed through the Europa server (<http://europa.eu.int>).

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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.