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

European Union aid to the development of the fishing sector in France (1994–99)

The French fishing industry is at present undergoing radical restructuring. The sector's response to the present crisis, to the scarcity of resources in Community waters and to intense competition both within Europe and globally, must address a number of issues.

To support the efforts of the Member States, the European Union has made over ECU 260 million (about FF 1 700 million) available to French authorities and businesses for the period 1994-99.

This financing has been allocated mainly through the FIFG (Financial Instrument for Fisheries Guidance) and covers the whole of France'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 French authorities in six programming documents, which concern respectively mainland France, Corsica and the four overseas departments: French Guiana, Réunion, Guadeloupe and Martinique.

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 six FIFG programmes (pages 3-6);
- the French 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).

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:
- 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:


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 France: strengths and weaknesses

The fisheries and aquaculture sector in France generates value added of ECU 6 billion a year (about FF 40 billion).

Sea fishing, with an annual output of almost 600,000 tonnes of fish, molluscs and shellfish, and a turnover of ECU 950 million, is inadequate to satisfy steadily expanding domestic demand: the trade deficit in fisheries products amounts to almost ECU 1,600 million a year.

France has identified almost 1,500 unloading points, although fewer than 100 can be regarded as genuine fishing ports. Among these ports, 43 have auction market facilities.

The number of fishermen on board ship for more than six months a year has been steadily declining for several years; by 1992, there were 23,907 registered fishermen.

The fishing fleet is also declining: between 1984 and 1994 the number of vessels fell by 40%, from 11,660 to 7,021 vessels, although power fell by only 6%, and tonnage by 13%.

Brittany and the Loire Region account for 52% of total fishing power. Small-scale off-shore fishing is a major activity, and most of the catch comes from the Bay of Biscay and from the North Sea.

France's Mediterranean fishing is concentrated around Sete. The power of the overseas departments account for about 165,000 kW, mainly small inshore fishing vessels.

The aquaculture sector has an output of 258,000 tonnes and a turnover of ECU 560 million. France is the Union's largest producer of oysters, and one of the largest producers of aquaculture products in general.

Per capita consumption of fishery and aquaculture products, which averages about 19 kg a year, is gradually shifting to processed and pre-cooked products, with a consequent reduction in the consumption of fresh products. This tendency is accelerated by the growing share of supermarkets in sales, close to 45%.

The main structural weaknesses of the sector in France are:

(a) excess fleet capacity, which leads to overexploitation of resources;
(b) high corporate indebtedness;
(c) growing demand increasingly met by imports, with consequent reduction in self-sufficiency for fisheries products;
(d) very competitive import prices, leading to lower profitability and job losses in fishing.
FIFG operations 1994-99: ten areas for assistance

In this situation, the general objective of the structural measures programmed for 1994-99 in France is to address and solve the problems of the fisheries sector, in the short to medium term, in 10 main areas, with a view to firstly 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, through reduction of the fleet, following the indications in the multiannual guidance programme.

(a) Grants for permanent withdrawal of fishing vessels, after scrapping or permanent transfer to a non-member country or permanent transfer to an activity other than fishing;

(b) encouragement for setting up joint enterprises with partners from non-Community countries (including measures to encourage start-up capital for such enterprises) with a view to redirecting fishing activities towards the waters of countries outside the EU.

Recipients: fishing enterprises, individually or grouped together.

2 Fleet renewal and modernization
(a) replacement, on a modest scale, of obsolete vessels (taking care that the capacity of the new vessels does not exceed the reduction achieved by withdrawal measures);

(b) modernization of existing vessels aged under 30 years, as regards safety on board, hygiene standards, etc;

(c) conversion towards more selective and more environment-friendly fishing techniques.

Major investment for renewal and modernization is planned in French Guiana, Réunion and mainland France.

Recipients: fishing enterprises, individually or grouped together.

3 Other measures relating to the fleet
Reserves to finance the above measures (withdrawal of vessels, joint enterprises, modernization of the fleet) in 1997-99.

Recipients: fishing enterprises, individually or grouped together.

4 Aquaculture at sea and on shore
Development and modernization of the sector, through investment:

(a) to increase production (construction, modernization and purchase of facilities);

(b) to improve standards of hygiene and environmental impact in existing units;

(c) to diversify species (rainbow trout at present accounts for over 90% of production);

(d) to support and develop freshwater commercial fishing.

These measures are mainly intended for mainland France, Corsica and French Guiana.

Recipients: private enterprise in the aquaculture sector, producer groups, commercial freshwater fishermen, other public or private organizations.

(see page 6)
Financing of investment

France — Objective 1 Regions
(Corsica and Overseas Departments)

### Corsica

<table>
<thead>
<tr>
<th>Field of action</th>
<th>FIFG 1</th>
<th>National public financing</th>
<th>Private financing</th>
<th>Total financing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Renewal / modernization</td>
<td>2.031</td>
<td>1.120</td>
<td>2.388</td>
<td>5.589</td>
</tr>
<tr>
<td>Aquaculture</td>
<td>2.104</td>
<td>1.596</td>
<td>1.810</td>
<td>5.509</td>
</tr>
<tr>
<td>Port facilities 1</td>
<td>2.702</td>
<td>2.702</td>
<td>-</td>
<td>5.404</td>
</tr>
<tr>
<td>Processing / marketing</td>
<td>1.791</td>
<td>1.641</td>
<td>0.149</td>
<td>3.581</td>
</tr>
<tr>
<td>Promotion</td>
<td>0.283</td>
<td>0.264</td>
<td>-</td>
<td>0.567</td>
</tr>
<tr>
<td>Technical assistance</td>
<td>0.089</td>
<td>0.038</td>
<td>-</td>
<td>0.127</td>
</tr>
<tr>
<td>Socio-economic measures</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>9.000</td>
<td>7.380</td>
<td>4.347</td>
<td>20.727</td>
</tr>
</tbody>
</table>

### Overseas departments
(Guadeloupe, French Guiana, Martinique, Réunion)

<table>
<thead>
<tr>
<th>Field of action</th>
<th>FIFG 1</th>
<th>National public financing</th>
<th>Private financing</th>
<th>Total financing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Renewal / modernization</td>
<td>15.467</td>
<td>8.053</td>
<td>21.44</td>
<td>44.96</td>
</tr>
<tr>
<td>Aquaculture</td>
<td>4.049</td>
<td>1.102</td>
<td>5.074</td>
<td>10.225</td>
</tr>
<tr>
<td>Port facilities 1</td>
<td>13.391</td>
<td>10.881</td>
<td>4.7</td>
<td>28.972</td>
</tr>
<tr>
<td>Processing / marketing</td>
<td>1.07</td>
<td>1.913</td>
<td>1.802</td>
<td>4.785</td>
</tr>
<tr>
<td>Promotion</td>
<td>0.076</td>
<td>0.051</td>
<td>0.042</td>
<td>0.169</td>
</tr>
<tr>
<td>Technical assistance</td>
<td>0.247</td>
<td>0.462</td>
<td>0.62</td>
<td>1.529</td>
</tr>
<tr>
<td>Socio-economic measures</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>34.3</td>
<td>22.462</td>
<td>33.878</td>
<td>90.64</td>
</tr>
</tbody>
</table>

1 Objective 1 of the Structural Funds covers regions whose gross domestic product is less than 75% of the Community average. Objective 1 regions in France are Corsica, the Overseas departments and the districts of Avesnes, Douai and Valenciennes (where no fishing and aquaculture measures are planned).

2 As a guide, in December 1995 an ecu was worth approximately FF 6.44.

3 ECU 1.5 million for port facilities in Corsica and ECU 3.6 million in Guadeloupe financed by the ERDF.

4 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, within the overall total appropriation.
Financing of investment

France — other regions
(Whole country, except Corsica and overseas departments)

<table>
<thead>
<tr>
<th>Fields of intervention</th>
<th>FIGG (1)</th>
<th>National public financing (2)</th>
<th>Private financing (3)</th>
<th>Total cost (1 + 2 + 3)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Adjustment of fishing efforts</td>
<td>16.19</td>
<td>16.19</td>
<td>–</td>
<td>32.38</td>
</tr>
<tr>
<td>2. Renewal and modernization of the fleet</td>
<td>20.31</td>
<td>20.31</td>
<td>65.18</td>
<td>105.30</td>
</tr>
<tr>
<td>3. Other measures for the fleet</td>
<td>27.00</td>
<td>27.00</td>
<td>58.66</td>
<td>112.66</td>
</tr>
<tr>
<td>4. Development of aquaculture</td>
<td>33.70</td>
<td>16.89</td>
<td>118.31</td>
<td>168.90</td>
</tr>
<tr>
<td>5. Fishing port facilities</td>
<td>8.11</td>
<td>8.11</td>
<td>64.84</td>
<td>81.06</td>
</tr>
<tr>
<td>6. Processing and marketing</td>
<td>54.80</td>
<td>26.38</td>
<td>201.43</td>
<td>282.61</td>
</tr>
<tr>
<td>7. Promotion of products</td>
<td>5.00</td>
<td>5.00</td>
<td>–</td>
<td>10.00</td>
</tr>
<tr>
<td>8. Access to the financial market</td>
<td>23.00</td>
<td>23.00</td>
<td>–</td>
<td>46.00</td>
</tr>
<tr>
<td>9. Technical assistance</td>
<td>1.79</td>
<td>1.79</td>
<td>–</td>
<td>3.58</td>
</tr>
<tr>
<td>10. Socio-economic measures</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>189.90</td>
<td>144.67</td>
<td>508.42</td>
<td>842.99</td>
</tr>
</tbody>
</table>

1 These measures under the Structural Funds Objective 5a (Fisheries) cover the whole of France, except the Objective 1 regions (Corsica and Overseas Departments).
2 As a guide, in December 1995 an ecu was worth approximately FF 6.44.
3 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, within the overall total appropriation.
Legal references

**FIG (Financial Instrument for Fisheries Guidance)**


**Amendments:**

**Structural Funds:**

**Framework Regulation**

**Coordination Regulation**

**Coordination Regulation**

---

(from page 3)

5 Fishing port facilities
Improve conditions of landing, processing and storage of fishery products, in terms of both product quality and worker safety. Providing support for activity of fishing vessels by improving services. Construction, modernization and implementation of safety standards for primary marketing and trading facilities.

**Recipients:** chambers of commerce and industry, public authorities (regions, departments, communes).

6 Processing and marketing of products
Increasing value-added of fishery and aquaculture products, and enhancing competitiveness of processing and marketing firms, through the following measures:
(a) modernization of facilities and implementation of hygiene standards;
(b) construction and purchase of buildings;
(c) application of new technologies (including data-processing and data-transmitting equipment) and provision of facilities for marketing.

**Recipients:** private companies, traders.

7 Product promotion
Measures to implement quality policy, and to promote and enhance the value of products:
- promotion campaigns;
- trade fairs, exhibitions, study missions;
- quality certification and labelling of products.

**Recipients:** Market organization intervention funds, producers' organizations, professional, public or semi-public organizations.

8 Access to the financial market
Strengthening of existing guarantee fund and creation of a new fund, to guarantee the repayment of bank loans to businesses.

**Recipients:** producer organizations.

9 Technical assistance
Studies, pilot and demonstration schemes, technical assistance, dissemination of results, etc.

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

10 Socio-economic measures for fishermen
Two optional measures for the French authorities, to help fishermen leaving the sector:
- support for the national early retirement scheme for fishermen;
- flat-rate individual premiums for younger fishermen leaving the sector.

**Recipients:** fishermen.

---

An example of past achievements

Fishing in Martinique has remained a small-scale activity. A major effort is being made to provide the sector with essential infrastructure to ensure optimum development of catches under hygienic conditions. The ports of Case-Pilote, Vauclin, Trinité and François have been modernized and provided with equipment for the maintenance and repair of boats, the delivery of supplies and the sale 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 in France are:
- rationalization and concentration of product supply (use of new technologies for advance notice of catches, operators’ network, marketing promotion measures);
- enhancement of products and business services;
- better marketing procedures (compliance with health standards for wholesalers’ premises; support for final processing measures);
- studies, promotion and research;
- vocational training (e.g. in business management) or retraining for other activities (e.g. to retrain fishermen engaged in pair-trawling in the Mediterranean);
- technical assistance measures.

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).

Geographical distribution of PESCA financing in France

(million ECU)

<table>
<thead>
<tr>
<th>Region</th>
<th>Structural Funds</th>
<th>National public financing</th>
<th>National private financing</th>
<th>Total financing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nord-Pas-de-Calais/ Picardy</td>
<td>4.96</td>
<td>4.00</td>
<td>4.80</td>
<td>13.76</td>
</tr>
<tr>
<td>Upper Normandy</td>
<td>0.78</td>
<td>0.54</td>
<td>1.20</td>
<td>2.52</td>
</tr>
<tr>
<td>Lower Normandy</td>
<td>1.21</td>
<td>0.91</td>
<td>1.48</td>
<td>3.60</td>
</tr>
<tr>
<td>Brittany</td>
<td>12.86</td>
<td>9.32</td>
<td>17.70</td>
<td>39.88</td>
</tr>
<tr>
<td>Loire Region</td>
<td>2.00</td>
<td>1.73</td>
<td>1.38</td>
<td>5.10</td>
</tr>
<tr>
<td>Poitou-Charentes</td>
<td>0.71</td>
<td>0.51</td>
<td>1.00</td>
<td>2.22</td>
</tr>
<tr>
<td>Aquitaine</td>
<td>1.02</td>
<td>0.76</td>
<td>1.28</td>
<td>3.06</td>
</tr>
<tr>
<td>Languedoc- Roussillon</td>
<td>0.93</td>
<td>0.67</td>
<td>1.30</td>
<td>2.90</td>
</tr>
<tr>
<td>Provence-Alpes- Côte d’Azur</td>
<td>2.20</td>
<td>2.12</td>
<td>0.42</td>
<td>4.74</td>
</tr>
<tr>
<td>Corse</td>
<td>0.30</td>
<td>0.30</td>
<td>0.41</td>
<td>1.01</td>
</tr>
<tr>
<td>National measures and technical assistance</td>
<td>1.33</td>
<td>1.33</td>
<td>–</td>
<td>2.66</td>
</tr>
</tbody>
</table>

Total1  28.30 22.12 30.92 81.34

1 The total figures in the last line of the table were increased in October 1995 by ECU 5.25 million from the reserve for Community initiatives.

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 in France are managed by the Secretariat-General for regional affairs (this applies solely to the regions covered by the table on this page).

The complete text of the French PESCA programme is obtainable from that authority, and from the French Ministry for Agriculture and Fisheries and 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.
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
- 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 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 FIFG financing will be available.

Useful addresses:
Ministère de l'Agriculture et de la Pêche Direction des Pêches maritimes et des cultures marines 3, place Fontenoy 75700 Paris Tel. (33-1) 44 49 80 00 Fax (33-1) 44 49 84 00

European Commission Directorate-General XIV – Fisheries Rue de la Loi 200 B-1049 Brussels Fax (32-2) 296 30 33

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 (FIFG).

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