



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 07.01.1998  
COM(97) 723 final

98/0008 (CNS)

Proposal for a

COUNCIL REGULATION (EC)

laying down the criteria and arrangements regarding Community structural assistance in the fisheries and aquaculture sector and the processing and marketing of its products

(consolidated version)

(presented by the Commission)

## EXPLANATORY MEMORANDUM

1. In the context of a people's Europe, the Commission attaches great importance to simplifying and clarifying Community law so as to make it clearer and more accessible to the ordinary citizen, thus giving him new opportunities and the chance to make use of the specific rights it gives him.

This aim cannot be achieved so long as numerous provisions that have been amended several times, often quite substantially, remain scattered, so that they must be sought partly in the original instrument and partly in later amending ones. Considerable research work, comparing many different instruments, is thus needed to identify the current rules.

For this reason a consolidation of rules that have frequently been amended is also essential if Community law is to be clear and transparent.

2. On 1 April 1987 the Commission therefore decided to instruct its staff that all legislative measures should be consolidated after no more than ~~ten~~ amendments, stressing that this was a minimum requirement and that departments should endeavour to consolidate at even shorter intervals the texts for which they were responsible, to ensure that the Community rules were clear and readily understandable.
3. The Conclusions of the Presidency of the Edinburgh European Council (December 1992) confirmed this, stressing the importance of legislative consolidation as it offers certainty as to the law applicable to a given matter at a given time.

It must be undertaken in full compliance with the normal Community legislative procedure.

Given that no changes of substance may be made to the instruments affected by legislative consolidation, Parliament, the Council and the Commission have agreed, by an interinstitutional agreement dated 20 December 1994, that an accelerated procedure may be used for the fast-track adoption of codification instruments.

4. The purpose of this proposal <sup>(1)</sup> for legislative consolidation of 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, is to undertake official codification of this type. The new regulation will supersede the various regulations incorporated in it <sup>(2)</sup>; their content is fully preserved, and they are brought together with only such formal amendments as are required by the codification exercise itself.
5. This legislative consolidation proposal was drawn up on the basis of a preliminary consolidation, in all the official languages, of Regulation (EC) No 3699/93 and the instruments amending it, carried out by the Office for Official Publications of the European Communities, by means of the data-processing system referred to in the conclusions of the European Council meeting at Edinburgh. Although the articles have been given new numbers, the old numbering has been retained in the margin for ease of reference; the correlation between the old and new numbers is shown in a table set out in Annex IV, Part A to the consolidated Regulation.

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<sup>(1)</sup> Entered in the legislative programme for 1997.

<sup>(2)</sup> See Annex IV, Part B of this Proposal.

PROPOSAL FOR A  
COUNCIL REGULATION (EC) No .../...

of ...

**laying down the criteria and arrangements regarding Community structural assistance in the fisheries and aquaculture sector and the processing and marketing of its products**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 43 thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament <sup>(1)</sup>,

Having regard to the opinion of the Economic and Social Committee <sup>(2)</sup>;

- 1) Whereas 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 <sup>(3)</sup> has been frequently and substantially amended <sup>(4)</sup>; whereas for reasons of clarity and rationality the said Regulation should be codified;
- 2) Whereas Council Regulation (EEC) No 2052/88 of 24 June 1988 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 <sup>(5)</sup> and Council Regulation (EEC) No 4253/88 <sup>(6)</sup> laying down provisions for implementing Regulation No 2052/88 define the general objectives and tasks of the Structural Funds and the financial instrument for fisheries guidance, their organization, the assistance methods, programming and general organization of the aid provided by the Funds and the general financial arrangements;

1. 3699/93  
(adapted)

<sup>(1)</sup> OJ No C ....

<sup>(2)</sup> OJ No C ....

<sup>(3)</sup> OJ No L 346, 31. 12. 1993, p. 1. Regulation as last amended by Regulation (EC) No 25/97(OJ No L 6, 10. 1. 1997, p. 7).

<sup>(4)</sup> See Annex IV, Part B.

<sup>(5)</sup> OJ No L 185, 15.7.1988, p. 9. Regulation as last amended by the Act of Accession of Austria, Finland and Sweden.

<sup>(6)</sup> OJ No L 374, 31.12.1988, p. 1. Regulation as last amended by Regulation (EC) No 3193/94 (OJ No L 337, 24. 12. 1994, p. 11).

<p>3) Whereas Council Regulation (EEC) No 3760/92 of 20 December 1992 establishing a Community system for fisheries and aquaculture <sup>(1)</sup> lays down the objectives and general rules of the common policy; whereas the development of the Community fishing fleet must in particular be restricted according to the decisions that the Council is called to take by virtue of Article 11; whereas it is for the Commission to translate these decisions into precise measures at the level of each Member State; whereas, furthermore, the provisions of Council Regulation (EEC) No 2847/93 of 12 October 1993 establishing a control system applicable to the common fisheries policy <sup>(2)</sup> must be respected;</p>	2.	3699/93
<p>4) Whereas 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 of fisheries guidance <sup>(3)</sup>, (FIFG) defines the specific tasks of Community structural aid measures in the fisheries and aquaculture sector and the industry processing and marketing its products, hereinafter referred to as 'the sector'; whereas under Article 6 the Council must decide on the terms and conditions of the contribution of the FIFG to adaptation measures of the structures of the sector;</p>	3.	(adapted)
<p>5) Whereas the Council must lay down detailed rules for the implementation of measures connected with the modification of the structures of the sector in order to ensure that FIFG assistance achieves the objectives assigned to the structural policy of the sector within the overall framework of Community structural assistance and the common fisheries policy as a whole, which comes under the exclusive competence of the Community, and so that each Member State is in a position to manage structural assistance in the sector; whereas, in so far as such assistance is not limited to the granting of Community aid, it is appropriate in particular to integrate, in a coherent manner, the programming of the restructuring of Community fishing fleets in the context of structural assistance as a whole;</p>	4.	
<p>6) Whereas promotion of products or forms of processing should be encouraged in those cases where official recognition of origin with reference to a specified geographical zone is granted pursuant to Council Regulation (EEC) No 2081/92 of 14 July 1992 on the protection of geographical indications and designations of origin for agricultural products and foodstuffs <sup>(4)</sup>; whereas the use of geographical references can be permitted only if such official recognition of origin has been granted;</p>	2.	25/97

<sup>(1)</sup> OJ No L 389, 31. 12. 1992, p. 1. Regulation as last amended by the Act of Accession of Austria, Finland and Sweden.

<sup>(2)</sup> OJ No L 261, 20. 10. 1993, p. 1. Regulation as last amended by Regulation (EC) No 686/97 (OJ No L 102, 19. 4. 1997, p. 1).

<sup>(3)</sup> OJ No L 193, 31. 7. 1993, p. 1.

<sup>(4)</sup> OJ No L 208, 27. 7. 1992, p. 1. Regulation as last amended by Regulation (EC) No 1068/97 (OJ No L 156, 13. 6. 1997, p. 10).

7) Whereas Article 7b of Council Regulation (EEC) No 3759/92 of 17 December 1992 on the common organization of the market in fishery and aquaculture products <sup>(1)</sup> provides for financial aid to producer organizations implementing a plan to improve the quality and marketing of their products; whereas for reasons of legal and budgetary consistency, this Regulation should refer to this aid;	3.	25/97 (adapted)
8) Whereas financial aid for FIFG in the case of temporary cessation of activities, taking account of this type of intervention, must remain an exceptional measure; whereas it is therefore advisable to set a ceiling on the funds allocated to this measure, without prejudice to possible recourse, on a case-by-case basis, to the specific measures referred to in Article 3 of Regulation (EEC) No 2080/93;	4.	965/96 (adapted)
9) Whereas the fishing industry is now undergoing far-reaching changes in the context of a serious crisis; whereas the necessary adjustments to the industry entailed by the application of the common fisheries policy as laid down in Regulation (EEC) No 3760/92 are creating a need for an extensive range of accompanying measures of a socio-economic nature;	2.	2719/95 (adapted)
10) Whereas a range of socio-economic accompanying measures to assist enterprises and individuals in the fishing industry as well as areas dependent on fishing is already available at Community level in the general context of the Structural Funds;	3.	
11) Whereas these measures are not, however, sufficient to prevent the fishing industry from losing dynamic and skilled members through the reduction of fishing capacity; whereas appropriate measures should therefore be implemented at Community level, in particular to assist elderly fishermen;	4.	(adapted)
12) Whereas the provisions of the London Convention (ITC 69) were extended to all fishing vessels by Council Regulation (EEC) No 2930/86 of 22 September 1986 defining characteristics of fishing vessels <sup>(2)</sup> ; whereas the implementation of the provisions of the said Convention will generalize, by 1 January 2004 at the latest, the use of gross tonnage as the unit of tonnage to all vessels of the fishing fleet of the European Union;	1.	1624/95 (adapted)

(1) OJ No L 388, 31. 12. 1992, p. 1. Regulation as last amended by Regulation (EC) No 3318/94 (OJ No L 350, 31. 12. 1994, p. 15).

(2) OJ No L 274, 25.9.1986, p. 1. Regulation amended by Regulation (EC) No 3259/94 (OJ No L 339, 29.12.1994, p. 11).

- |  |    |                      |
|--|----|----------------------|
| 13) Whereas there should be provision for a specific activity threshold that renders a fishing vessel eligible for measures of permanent withdrawal as regards fishing vessels registered in the North Baltic ports, having regard to the special climatic conditions of the region which cause its water which is only slightly salty to freeze for a large part of the year,   | 4. | 1624/95<br>(adapted) |
| 14) Whereas national and Community rules are at the heart of a strengthening of the conditions controlling access to fish resources, in particular by the introduction of systems of fishing licences and permits; whereas those new restrictions on access are having the effect of increasing the value of vessels, in particular those more than 30 years old; whereas this increase in value has made withdrawals of those fishing vessels more difficult to guarantee than in the past; | 1. | 965/96<br>(adapted)  |
| 15) Whereas provision should be made to ensure that preference is given to the withdrawal from the fleet of the oldest of the vessels; whereas the premiums should therefore be maintained at a sufficiently high level to guarantee the withdrawal of that category of vessels,   | 3. |                      |

HAS ADOPTED THIS REGULATION:

*Article 1*

**Scope**

The financial instrument of fisheries guidance (FIFG) may, under the conditions laid down in this Regulation, provide assistance for the measures referred to in Titles II, III and IV, within the fields covered by the common fisheries policy as defined in Article 1 of Regulation (EEC) No 3760/92.

**TITLE I**

**PROGRAMMING**

*Article 2*

**General provisions**

1. The measures referred to in Article 1 of this Regulation shall be the subject of a two-stage programming procedure under the conditions laid down in Articles 3 and 4.
2. Provision for the restructuring of the Community's fishing fleets shall be made in multiannual guidance programmes, as referred to in Article 5.

*Article 3*

**Sectoral plans and aid applications**

1. Each Member State shall present to the Commission in the form of a single programme document, hereinafter referred to as 'the document':

- a sectoral plan,
- an aid application.

Each document shall cover a period of six years, the first programming period beginning on 1 January 1994.

For the part of the programme period covered by a multiannual guidance programme already approved by the Commission under Article 5 (2), the document shall be drawn up in accordance with paragraph 2 of this Article.

For the remainder of the programme period not yet covered by a multiannual guidance programme approved by the Commission, the programme information given in the document shall be purely indicative; it shall be specified by Member States when the new multiannual guidance programme is approved, in accordance with its objectives.

The documents covering programme periods following the first period shall be submitted at least six months before the start of each period.

3699/93  
(adapted)

Article 1

Article 2

Article 3

(adapted)

2. Each sectoral plan may cover all of the fields referred to in Titles II, III and IV. It shall contain all the information specified in Annex I. It shall be drawn up in accordance with the objectives of the common fisheries policy and the provisions of the multiannual guidance programme referred to in Article 5.

Aid applications shall be drawn up in accordance with Article 14 (1) and (2) of Regulation (EEC) No 4253/88. They shall describe all the measures that are planned in order to give effect to common measures and shall specify the forms of assistance within the meaning of Article 5 of Regulation (EEC) No 2052/88.

3. The document shall draw a distinction between information relating to Objective 1 regions and information relating to other regions.

The information relating to Objective 1 regions shall be covered by the programming referred to in Article 8 (7) of Regulation (EEC) No 2052/88 and Article 5 (2) of Regulation (EEC) No 4253/88.

#### *Article 4*

#### Article 4

##### **Community programmes**

1. The Commission shall examine the sectoral plans to determine whether they are consistent with the tasks of the FIFG as provided for in Article 1 of Regulation (EEC) No 2080/93 and with the provisions and policies referred to in Articles 6 and 7 of Regulation (EEC) No 2052/88.

Aid applications shall be examined in accordance with Article 14 (3) and (4) of Regulation (EEC) No 4253/88.

2. On the basis of the document referred to in Article 3 of this Regulation, within six months of receiving it, the Commission shall adopt a single decision on a Community programme for structural assistance in the sector.

The Commission's decision, taken in accordance with the procedure laid down in Article 8 of Regulation (EEC) No 2080/93, shall be taken in the framework of the partnership referred to in Article 4 (1) of Regulation (EEC) No 2052/88 and in agreement with the Member State concerned.

The Commission's decision on a Community programme shall be communicated to the Member State concerned and published in the *Official Journal of the European Communities*.

3. Community programmes shall be drawn up in accordance with the objectives of the common fisheries policy and the provisions of the multiannual guidance programmes referred to in Article 5. They may in particular, to this end, be revised in the event of major changes and at the end of each programme period for the restructuring of the Community's fishing fleets.



*Article 5*

**Multiannual guidance programmes for fishing fleets**

1. For the purposes of this Regulation, a 'multiannual guidance programme for the fishing fleet' shall mean a series of objectives accompanied by a set of measures for their realization, allowing for management of fishing effort on a consistent, longer-term basis.
2. On the basis of multiannual objectives and measures for restructuring the fisheries sector as laid down by the Council pursuant to Article 11 of Regulation (EEC) No 3760/92, the Commission shall, acting in accordance with the procedure provided for in Article 18 of Regulation (EEC) No 3760/92, approve the multiannual guidance programmes for individual Member States.
3. The multiannual guidance programmes adopted for the period from 1 January 1993 to 31 December 1996, as referred to in Article 9 (1) of Regulation (EEC) No 2080/93, shall remain in effect until they expire.

*Article 6*

**Monitoring multiannual guidance programmes**

1. For the purpose of monitoring the implementation of multiannual guidance programmes, Member States shall transmit to the Commission, before 1 April each year, a document reviewing the progress made with their multiannual guidance programme. Within three months of this deadline the Commission shall forward an annual report to the European Parliament and the Council on the implementation of multiannual guidance programmes throughout the Community.
2. Member States shall transmit to the Commission information on the monitoring of fishing effort by fleet segment, particularly as regards the development of capacities and the corresponding fishing activities, in accordance with the procedures implemented by the Commission.
3. To this end the Commission shall operate a Community register of fishing vessels designed for use in managing fishing effort.
4. The Commission shall adopt the rules relating to the register referred to in paragraph 3 in accordance with the procedure laid down in Article 18 of Regulation (EEC) No 3760/92.
5. At the request of the Member State concerned or the Commission, or pursuant to provisions laid down in the multiannual guidance programmes, any multiannual guidance programme which has been approved may be re-examined and, if necessary, revised.

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Article 5

(adapted)

1624/95 – Art. 1 (1)

3699/93

Article 6

(adapted)

6. The Commission shall decide whether or not to approve the revisions provided for in paragraph 5 of this Article in accordance with the procedure laid down in Article 18 of Regulation (EEC) No 3760/92.

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7. For the implementation of this Article, Member States must comply in particular with Article 24 of Regulation (EEC) No 2847/93.

## TITLE II

### IMPLEMENTATION OF MULTIANNUAL GUIDANCE PROGRAMMES FOR FISHING FLEETS

#### *Article 7*

#### Article 7

##### **Common provisions**

(adapted)

1. At the end of a multiannual guidance programme, where, with regard to a given segment of a Member State's fleet, the reductions in capacity financed by official aid lead to overachievement of the objectives for that segment, the new situation brought about solely as a result of that aid may not be invoked to bring into service new capacity.

These provisions do not apply in the particular case of small local coastal fishing fleets made up of vessels of under 220 kW, for which fisheries quotas have not been set at Community level.

For such fleets, the Member State may finance, by State aids alone and within the limits of the premiums and ceilings of the official aids referred to in 1.3 and 2.1 of Annex III, the capacities corresponding to this excess.

2. Each year, for each fleet segment, Member States shall ensure that aid for modernization and construction does not result in an increase in fishing effort.

#### *Article 8*

#### Article 8

##### **Adjustment of fishing effort**

1. Member States shall take measures to adjust fishing effort to achieve at least the objectives of the multiannual guidance programmes referred to in Article 5.

Where necessary, Member States shall take measures to stop vessels' fishing activities permanently or restrict them.

2. Measures to stop vessels' fishing activities permanently may include:

- scrapping,
- permanent transfer to a third country, provided such transfer is not likely to infringe international law or affect the conservation and management of marine resources,
- permanent re-assignment of the vessel in question to uses other than fishing in Community waters.

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For vessels of less than 25 gross registered tonnes (GRT) or 27 gross tonnes (GT) only the scrapping of the vessel may qualify for official aid within the meaning of this Article.

1624/95 – Art. 1 (2)

Member States shall ensure that vessels concerned by such measures are deleted from the registration lists for fishing vessels and from the Community fishing vessel register. They shall also ensure that deleted vessels are permanently excluded from fishing in Community waters.

3. Measures to restrict fishing activities may include restrictions on fishing days or days at sea authorized for a specific period. Such measures may not give rise to any State aid.

*Article 9*

Article 9

**Re-orientation of fishing activities — temporary joint ventures and joint enterprises**

1. Member States may take measures to promote the re-orientation of fishing activities by encouraging the creation of temporary joint ventures and/or joint enterprises.

2. For the purposes of this Regulation 'temporary joint venture' means any association based on a contractual agreement of limited duration between Community ship-owners and physical or legal persons in one or more third countries with which the Community maintains relations, with the aim of jointly fishing for and exploiting the fishery resources of the third country or countries and sharing the costs, profits or losses of the economic activity jointly undertaken, with a view to the priority supply of the Community market.

The contractual agreement shall provide for the catching and, where necessary, the processing and/or marketing of those species covered, the provision of know-how and/or the transfer of technology where linked to the said operations.

3. For the purposes of this Regulation 'joint enterprise' means any company regulated by private law comprising one or more Community shipowners and one or more partners in a third country, constituted in the framework of formal relations between the Community and the third country, with the aim of fishing for and possibly exploiting fishery resources in the waters under the sovereignty and/or jurisdiction of the third country, with a view to the priority supply of the Community market.

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4. Where necessary the Commission, acting in accordance with the procedure referred to in Article 8 of Regulation (EEC) No 2080/93, shall set conditions for implementing this Article.

#### *Article 10*

#### Article 10

##### **Fleet renewal and modernization of fishing vessels**

1. Member States may take such measures to promote the construction of fishing vessels as comply with the global annual intermediate objectives and the final objectives by segment under their multiannual guidance programme within the stated time limits.

(adapted)

Member States shall, when forwarding any pertinent aid proposal, inform the Commission of provisions taken to ensure that this condition is complied with.

2. Member States may take measures to promote the modernization of fishing vessels. Such measures shall be subject to the conditions referred to in paragraph 1 where investments are likely to result in an increase in fishing effort.

#### TITLE III

##### **INVESTMENT AID IN THE FIELDS OF AQUACULTURE, THE DEVELOPMENT OF COASTAL WATERS, FISHING PORT FACILITIES AND PROCESSING AND MARKETING**

#### *Article 11*

#### Article 11

##### **Scope**

1. Member States may, under the conditions specified in Annex II, take measures to encourage capital investment in the following fields:

(adapted)

- aquaculture,
- protection and development of marine resources in coastal waters, in particular by the installation of fixed or movable facilities to enclose protected underwater areas,
- fishing port facilities,
- processing and marketing of fishery and aquaculture products.

2. In addition, Member States may take measures to encourage the devising and implementation of systems for the improvement and control of quality, hygiene conditions, statistical instruments and environmental impact, as well as research and training initiatives in enterprises. The relevant expenditure, with the exception of beneficiary enterprises' operating costs, may be funded from the FIGG, provided that it is directly linked to the investments referred to in paragraph 1.

3699/93

TITLE IV  
OTHER MEASURES

*Article 12*

Article 12

**Measures to find and promote new market outlets**

Member States may take measures in favour of finding and promoting new market outlets for fishery and aquaculture products, in particular:

(adapted)

- operations associated with quality certification and product labelling,
- promotion campaigns, including those highlighting quality issues,
- consumer surveys,
- projects to test consumer reactions,
- organization of and participation in trade fairs and exhibitions,
- organization of study and sales visits,
- market studies, including those relating to the prospects for marketing Community products in third countries, and surveys,
- campaigns improving marketing conditions,
- sales advice and aids, services provided to wholesalers and retailers.

The above measures must not be based around commercial brands nor make reference to particular countries or regions except in specific cases where official recognition of origin with reference to a specified geographical zone for a product or process is granted pursuant to Regulation (EEC) No 2081/92. The reference may be used only from the date on which the name has been entered on the register provided for in Article 6 (3) of Regulation (EEC) No 2081/92.

25/97 – Art. 1 (1)

*Article 13*

**Operations by members of the trade**

Member States may take measures to promote operations carried out by members of the trade themselves and regarded by the competent authorities in the Member State as short-term operations of collective interest, provided such operations serve to attain the objectives of the common fisheries policy.

The measures referred to in this first subparagraph include in particular aid to producer organizations within the meaning of Articles 7 and 7b of Regulation (EEC) No 3759/92.

3699/93

(adapted)

Article 13

25/97 – Art. 1 (2)

*Article 14*

**Temporary cessation of activities**

Member States may take measures for the temporary cessation of activities.

FIFG assistance may be used only to finance measures intended to offset partially the loss of income suffered as a result of a temporary cessation of fishing activities caused by unforeseen and non-repetitive events resulting from biological phenomena in particular.

This grant cannot exceed, for each calendar year and for each Member State, ECU 350 000 or 0,85 % of the funds foreseen in the financial plan for each Member State for the year concerned, whichever amount is the greater.

965/96 – Art. 1 (1)

Article 14

*Article 15*

**Measures of a socio-economic nature**

1. For the purposes of this Article, “fisherman” shall mean anyone engaging in his main occupation on board an operational sea-going fishing vessel.

2. The Member States may take, for fishermen, measures of a socio-economic nature associated with restructuring of the Community fisheries sector within the meaning of Article 11 of Regulation (EEC) No 3760/92.

3. Financial assistance from the FIFG may only be granted for the following measures:

(a) part-financing of national early-retirement schemes for fishermen, provided that the following conditions are fulfilled:

- at the time of early retirement, the age of the beneficiaries of the measure must be not more than ten years from the legal retirement age for the purposes of the legislation in force in the Member State, or the beneficiaries must be aged at least 55,

2719/95 – Art. 1 (1)

(adapted)

Article 14a

- the beneficiaries can show that they have worked for at least 10 years as fishermen.

However, contributions to the normal retirement scheme for fishermen during the period of early retirement shall not be eligible for financial assistance from the FIG.

In each Member State, for the entire programming period referred to in Article 3, the number of beneficiaries may not exceed the number of jobs eliminated on board fishing vessels as a result of those vessels permanently stopping fishing activities, within the meaning of Article 8 (2), or because of the permanent transfer of vessels to a third country in the context of the creation of a joint enterprise, within the meaning of Article 9 (3);

- (b) granting individual compensatory payments to fishermen, on the basis of an eligible cost limited to ECU 7 000 per individual beneficiary, provided the vessel on which the beneficiaries were employed has been the object of measures permanently stopping its activities, within the meaning of Article 8 (2), or permanently transferring it to a third country in the context of the creation of a joint enterprise, within the meaning of Article 9 (3).

Under no circumstances may any one fisherman accumulate the benefits of the two measures referred to in points (a) and (b).

4. The Member States shall adopt the necessary provisions to prohibit any one fisherman from accumulating benefits from the two measures referred to in paragraph 3 (a) and (b). They shall also make the necessary arrangements to ensure that the beneficiaries of the measure referred to in paragraph 3 (a) permanently give up work as fishermen and that the compensation referred to in paragraph 3 (b) is refunded on a *pro rata temporis* basis where the beneficiaries return to their work as fishermen within a period of less than six months after the decision to grant them the compensation.

5. Unless provisions to the contrary are adopted according to the procedure provided for in Article 43 of the Treaty, this Article shall automatically be repealed when the first programming period referred to in Article 3 of this Regulation expires.

TITLE V  
GENERAL AND FINANCIAL PROVISIONS

*Article 16*

**Compliance with the conditions governing assistance**

1. Member States shall ensure that the special conditions governing assistance listed in Annex II to this Regulation are complied with.
2. When requesting payment of each annual aid instalment, Member States shall certify that compliance with the conditions governing assistance set out in this Regulation has been verified.
3. Where the conditions referred to in paragraph 2 have not been complied with, the Commission shall carry out a suitable examination of the circumstances in the framework of the partnership, in particular asking the Member State or the authorities appointed by it for implementation of the measure to submit their comments within a given period.

Following that examination, the Commission may suspend, reduce or cancel FIG assistance in the area of assistance concerned as defined in point 1 of Annex I if the examination confirms that the conditions referred to in paragraph 2 have not been complied with.

*Article 17*

**Scales and rates of assistance**

1. The maximum amounts of assistance payable under this Regulation and the limits on financial participation from the Member States, beneficiaries and the Community are listed in Annex III.

2. Amounts in ecus set by this Regulation shall be converted into national currency at the rate published in the *Official Journal of the European Communities*, C series.

The conversion shall be made at the rate applicable on 1 January of the year of the Member State's decision to grant the premium or aid.

3. Within the scope of this Regulation, Member States may introduce supplementary aid measures subject to conditions or rules other than those laid down in this Regulation, or covering a sum in excess of the maximum amounts referred to in this Article, provided that they comply with Articles 92, 93 and 94 of the Treaty.

4. From 1 January 2004 only reference to the GT unit of tonnage shall be possible in this Regulation.

3699/93

(adapted)

(adapted)

25/97 – Art. 1 (3)

3699/93

1624/95 – Art. 1 (3)

Article 15

Article 16



**Budget commitments**

1. In the case of multiannual operations, Member States shall forward to the Commission each year the information required to permit commitment of the annual instalments provided for in Article 20 of Regulation (EEC) No 4253/88.
2. Budgetary resources shall be committed in line with the implementation stages set out in the decisions granting assistance.
3. Detailed rules for the application of this Article shall be adopted by the Commission in accordance with the procedure laid down in Article 8 of Regulation (EEC) No 2080/93.

Article 19

Article 18

**Procedures for the payment of assistance**

1. Financial assistance shall be paid in accordance with Article 21 of Regulation (EEC) No 4253/88 and in line with the implementation stages and financial provisions set out in the decision to grant assistance.
2. Applications for payment must be accompanied by documents providing evidence of the progress made in implementing the operation and any payments made by the Community and national authorities to the beneficiaries.
3. Detailed rules for the application of this Article shall be adopted by the Commission in accordance with the procedure laid down in Article 8 of Regulation (EEC) No 2080/93.

Article 20

**Repeal**

Regulation (EC) No 3699/93 is repealed.

The references to the above Regulation shall be construed as references to this Regulation and should be read in accordance with the correlation table set out in Annex IV, Part A.

Article 21

**Entry into force**

This Regulation shall enter into force on the date of its publication in the *Official Journal of the European Communities*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels

*For the Council*

*The President*

## INDICATIVE CONTENTS OF SECTORAL PLANS

1. **Description of current situation broken down by area of assistance <sup>(1)</sup>**
    - Strengths and weaknesses.
    - Summary of operations undertaken and impact of funds used in previous years.
    - Needs of the sector.
  2. **Strategy for adjustment of fishery structures**
    - General objectives under the common fisheries policy.
    - Objectives specific to each area of assistance, quantified if possible.
    - Anticipated impact (on employment, production, etc.).
  3. **Means to attain the objectives**
    - Measures selected (legal, financial or other) in each area of assistance.
    - Indicative financing schedule covering the entire programming period and listing the national and Community resources provided for each area of assistance.
    - Indications of how the FIG assistance is to be used (forms of assistance, etc.).
    - Justification for Community assistance.
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<sup>(1)</sup> 'Area of assistance' means subsectors of the fishery sector whose problems can be grouped together, for example:

- adjustment of fishing effort,
- renewal and modernization of the fishing fleet,
- aquaculture,
- enclosed seawater areas,
- fishing port facilities,
- product processing and marketing,
- product promotion.

SPECIAL CONDITIONS AND CRITERIA FOR  
ASSISTANCE

1. Implementation of multiannual guidance programmes (Title II) (adapted)
- 1.1. *Permanent withdrawal* (Article 8 (2))
- (a) Permanent withdrawal may concern only vessels which have carried out a fishing activity for at least 75 days at sea in each of the two periods of 12 months preceding the date of request for permanent withdrawal or, as the case may be, a fishing activity for at least 80 % of the number of days at sea permitted by current national regulations. In the Baltic Sea the number of seventy five days shall be reduced to sixty days for vessels registered in ports situated north of parallel 59° 30' N. 1624/95 – Art. 1 (4)
- (b) Operations may concern only vessels more than 10 years old.
- 1.2. *Temporary joint ventures and joint enterprises* (Article 9)
- (a) Operations must satisfy the following conditions:
- they must involve vessels of more than 25 GRT or 27 gross tonnes (GT), registered in a Community port, operating for more than five years under the flag of a Community Member State and technically suited to the proposed fishing operations; however, a minimum operating period of five years will not be required of vessels registered in a Community port between 1 January 1989 and 31 December 1990, 1624/95 – Art. 1 (5)
  - the vessels in question must fly the flag of a Member State throughout the duration of the temporary joint venture, which must consist of fishing activities lasting between six months and one year,
  - in the case of the founding of a joint enterprise, they must be accompanied by the permanent transfer of the vessels to the third country concerned with no possibility of a return to Community waters.

- (b) The financial assistance given to joint enterprise projects may not be added to other Community aid granted under this Regulation or Regulations (EEC) No 2908/83<sup>(1)</sup> or (EEC) No 4028/86. The assistance granted is to be reduced *pro rata temporis* by the amount previously received in the following cases:
- aid for construction during the 10 years preceding the setting-up of the joint enterprise,
  - aid for the modernization and/or allowance for a temporary joint venture during the five years preceding the setting-up of the joint enterprise.

1.3. *Vessel construction* (Article 10)

- (a) Vessels must be built to comply with the regulations and directives governing hygiene and safety and the Community provisions concerning the dimension of vessels. They shall be entered in the appropriate segment of the Community register.
- (b) Financial assistance shall be granted by way of priority to those vessels using the most selective fishing gear and methods.

1.4. *Vessel modernization* (Article 10)

- (a) Investments should relate to:
- the rationalization of fishing operations, in particular by the use of more selective fishing gear and methods, and/or
  - improvement of the quality of products caught and preserved on board, the use of better fishing and preserving techniques and the implementation of legal and regulatory provisions regarding health, and/or
  - improvement of working conditions and safety, and/or
  - equipment on board vessels to monitor fishing activities.
- (b) Operations may cover only vessels less than 30 years old. This limit shall not apply where investment relates to the improvement of working conditions and safety and/or equipment on board vessels to monitor fishing activities.

<sup>(1)</sup> Council Regulation (EEC) No 2908/83 of 4 October 1983 (OJ No L 290, 22. 10. 1983, p. 1).

## 2. Investment in the areas referred to in Title III

3699/93

### 2.0. General

- (a) Investments must:
- contribute to lasting economic benefits from the structural improvement in question,
  - offer an adequate guarantee of technical and economic viability, in particular by avoiding the risk of creating surplus production capacity.
- (b) In all the spheres referred to in Title III, physical investment intended to improve conditions of hygiene or human or animal health, to improve product quality or reduce pollution of the environment shall be eligible.
- (c) Investment in the purchase of land, coverage of general expenses beyond 12 % of costs and vehicles for passenger transport shall not be eligible.

### 2.1. Aquaculture

Measures may involve physical investments:

- (a) in the construction, equipping, expansion and modernization of aquaculture installations, such as:
- the construction, modernization and acquisition of buildings,
  - works concerning the development or improvement of water circulation in aquaculture enterprises,
  - the acquisition and installation of new plant and machinery intended exclusively for aquaculture production, including service vessels and equipment concerned with data processing and data transmission;
- (b) concerning projects intended to demonstrate, on a scale approaching that of normal productive investments, the technical and economic viability of farming species not yet commercially exploited in the aquaculture sector or innovative farming techniques, provided that they are based on successful research work.

### 2.2. Development of coastal waters

Investments should meet the following conditions:

- (a) they must include scientific monitoring of the operation for at least five years, in particular the evaluation and monitoring of the development of marine resources in the waters concerned;

- (b) they must be carried out by public institutions, recognized producer organizations or bodies designated for that purpose by the competent authorities of the Member State concerned.

### 2.3. *Fishing port facilities*

- (a) Eligible investments shall relate in particular to installations and equipment:
  - to improve the conditions under which fishery products are landed, handled and stored in ports,
  - to support fishing vessel activities (provision of fuel, ice and water, maintenance and repair of vessels),
  - to improve jetties with a view to improving safety during the landing or loading of products.
- (b) Priority is to be given to investments:
  - of interest to all fishermen using a port,
  - contributing to the general development of the port and to the improvement of services offered to fishermen.

### 2.4. *Processing and marketing*

- (a) Eligible investments shall relate in particular to:
  - the construction and acquisition of buildings and installations,
  - the acquisition of new equipment and installations needed for the processing and marketing of fishery and aquaculture products between the time of landing and the end-product stage (including in particular data-processing and data-transmission equipment),
  - the application of new technologies intended in particular to improve competitiveness and increase value added.
- (b) Investments shall not be eligible for assistance where they concern:
  - fishery and aquaculture products intended to be used and processed for purposes other than human consumption, with the exception of investments exclusively for the handling, processing and marketing of fishery and aquaculture product wastes,
  - the retail trade.

3. **Promotion** (Article 12)

3699/93

- (a) Eligible expenditure shall cover in particular:
- expenditure by advertising agencies and other providers of services involved in the preparation and implementation of promotion campaigns,
  - the purchase or hire of advertising space and the creation of slogans and labels for the duration of promotion campaigns,
  - expenditure on publishing, external staff, premises and vehicles required for the campaigns.
- (b) Priority is to be given to:
- campaigns to encourage the sale of surplus or underexploited species,
  - campaigns of a collective nature,
  - operations to develop a quality policy for fishery and aquaculture products.
- (c) The beneficiary's operating costs (staff, equipment, vehicles, etc.) shall not be eligible.
-

## SCALES AND RATES OF ASSISTANCE

(adapted)

## 1. Scales of assistance relating to fishing fleets (Title II)

1624/95 – Art. 1 (6)

1.1. *Permanent withdrawal and joint enterprises* (Articles 8 (2) and 9 (3); Annex II, 1.1 and 1.2)

(adapted)

TABLE 1

Class of vessel by gross registered tonnage (GRT)	Maximum amount of premium for a 15-year-old vessel (in ecus)
0 < 25	6 215/GRT
25 < 50	5 085/GRT + 28 250
50 < 100	4 520/GRT + 56 500
100 < 400	2 260/GRT + 282 500
400 and over	1 130/GRT + 734 500

TABLE 2 (\*)

Class of vessel (GT)	Maximum amount of premium for a 15-year-old vessel (in ecus)
0,2 < 10	8 130/GT + 1 200
10 < 25	4 100/GT + 41 500
25 < 100	3 520/GT + 56 000
100 < 300	2 348/GT + 173 200
300 < 500	1 912/GT + 304 000
500 and over	1 045/GT + 737 500

(a) The premiums for scrapping of a vessel for setting up joint enterprises paid to beneficiaries may not exceed the following amounts:

- 15-year-old vessels: see Tables 1 and 2 above,
- vessels less than 15 years old: scale from Tables 1 and 2 increased by 1,5 % per year less than 15,
- vessels more than 15 years old: scale from Tables 1 and 2 decreased by 1,5 % per year over 15 and up to 30 years old, the age beyond which premiums are limited to the amount for vessels 30 years old.

965/96 – Art. 1 (2)

(\*) Vessels longer than 24 metres between perpendiculars may only benefit from the premiums in Table 2 or 4.



- (b) Premiums for the permanent transfer of a vessel to a third country or for permanent re-assignment, in Community waters, to uses other than fishing paid to beneficiaries, may not exceed the maximum amounts for the scrapping premiums referred to in (a) above, less 50 %.

1624/95 – Art. 1 (6)

1.2 *Temporary cessation of fishing activities and temporary joint ventures* (Articles 14 and 9 (2)); Annex II, 1.2

(adapted)

The laying-up premiums (for temporary cessation) and cooperation premiums (for temporary joint ventures) paid to beneficiaries may not exceed the scales set out in Tables 3 and 4 below.

TABLE 3

Class of vessel by gross registered tonnage (GRT)	Maximum amount of premium per vessel (ecu/day)
0 < 25	4,52/GRT + 20
25 < 50	4,30/GRT + 25
50 < 70	3,50/GRT + 65
70 < 100	3,12/GRT + 88
100 < 200	2,74/GRT + 120
200 < 300	2,36/GRT + 177
300 < 500	2,05/GRT + 254
500 < 1 000	1,76/GRT + 372
1 000 < 1 500	1,50/GRT + 565
1 500 < 2 000	1,34/GRT + 764
2 000 < 2 500	1,23/GRT + 956
2 500 and over	1,15/GRT + 1 137

TABLE 4 (\*)

Class of vessel (GT)	Maximum amount of premium per vessel per day for a vessel (in ecus)
0 < 10	5,2 /GT + 20
10 < 25	4,3 /GT + 30
25 < 50	3,2 /GT + 55
50 < 100	2,5 /GT + 90
100 < 250	2,0 /GT + 140
250 < 500	1,5 /GT + 265
500 < 1 500	1,1 /GT + 465
1 500 < 2 500	0,9 /GT + 765
2 500 and over	0,67/GT + 1 340

(\*) Vessels longer than 24 metres between perpendiculars may only benefit from the premiums in Table 2 or 4.

1.3. *Construction aid* (Article 10; Annex II, 1.3)

The eligible expenditure for aid for the construction of fishing vessels may not exceed the scales in Tables 1 and 2 above, increased by 37,5 %. However, for vessels with a steel or glass fibre hull, the coefficient of increase is 92,5 %.

1624/95 – Art. 1 (6)  
(adapted)

1.4. *Modernization aid* (Article 10; Annex II, 1.4)

The eligible expenditure for aid for the modernization of fishing vessels may not exceed 50 % of the eligible costs for construction aid referred to in 1.3 above.

2. **Participation rates**

For all the operations referred to in Titles II, III and IV, the restrictions on Community participation (A), total State participation (national, regional and others) by the Member State concerned (B) and, where applicable, participation by private beneficiaries (C) shall be subject to the following conditions, expressed as a percentage of eligible costs:

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2.1. *Investments in enterprises*

Group 1: construction and modernization of vessels, aquaculture;

Group 2: other investments and measures with financial participation by private beneficiaries.

TABLE 5

	Group 1	Group 2
Objective 1 regions	$A \leq 50 \%$	$A \leq 50 \%$
	$B \geq 5 \%$	$B \geq 5 \%$
	$C \geq 40 \%$	$C \geq 25 \%$
Other regions	$A \leq 30 \%$	$A \leq 30 \%$
	$B \geq 5 \%$	$B \geq 5 \%$
	$C \geq 60 \%$	$C \geq 50 \%$

2.2. *Other measures*: scrapping premiums, temporary cessation premiums, temporary joint ventures, joint enterprises and investments and measures financed exclusively by the Community and the national, regional or other authorities of the Member States concerned, including the measures referred to in Article 15 (3).

2719/95 – Art. 1 (2)

TABLE 6

3699/93  
(adapted)

Objective 1 regions	$50 \% \leq A \leq 75 \%$ $B \geq 25 \%$
Other regions	$25 \% \leq A \leq 50 \%$ $B \geq 50 \%$

## ANNEX IV

## Part A

## CORRELATION TABLE

Regulation 3699/93	Present Regulation
Article 1	Article 1
Article 2	Article 2
Article 3 (1), 1st to 4th subparagraphs	Article 3 (1), 1st to 4th subparagraphs
Article 3 (1), 5th subparagraph (up to semi-colon)	—
Article 3 (1), 5th subparagraph (after semi-colon)	Article 3 (1), 5th subparagraph
Article 4	Article 4
Article 5 (1)	Article 5 (1)
Article 5 (2)	Article 5 (2)
Article 5 (3)	Article 5 (3)
Article 5 (4)	—
Article 6	Article 6
Article 7	Article 7
Article 8	Article 8
Article 9	Article 9
Article 10 (1)	Article 10 (1)
Article 10 (2), 1st subparagraph	Article 10 (2)
Article 10 (2), 2nd subparagraph	—
Article 11	Article 11
Article 12	Article 12
Article 13	Article 13
Article 14	Article 14
Article 14a	Article 15
Article 15	Article 16
Article 16 (1)	Article 17 (1)
Article 16 (1) a	Article 17 (2)
Article 16 (2)	Article 17 (3)
Article 16 (3)	Article 17 (4)
Article 17	Article 18
Article 18	Article 19
—	Article 20
—	Article 21
Annex I	Annex I
Annex II	—
Annex III	Annex II

Regulation 3699/93	Present Regulation
Annex IV, 1	Annex III, 1
Annex IV, 1.1 Table 1	Annex III, 1.1 Table 1
Annex IV, 1.1 Table 1a	Annex III, 1.1 Table 2
Annex IV, 1.1 (a) and (b)	Annex III, 1.1 (a) and (b)
Annex IV, 1.2 Table 2	Annex III, 1.2 Table 3
Annex IV, 1.2 Table 2a	Annex III, 1.2 Table 4
Annex IV, 1.3 and 1.4	Annex III, 1.3 and 1.4
Annex IV, 2	Annex III, 2
Annex IV, 2.1 Table 3	Annex III, 2.1 Table 5
Annex IV, 2.1 Table 4	Annex III, 2.1 Table 6
—	Annex IV

**Part B**

**Regulations amending Regulation (EEC) No 3699/93**

		Official Journal	
	No	page	date
Council Regulation (EC) No 1624/95 of 29 June 1995	L 155	1	6. 7. 1995
Council Regulation (EC) No 2719/95 of 20 November 1995	L 283	3	25. 11. 1995
Council Regulation (EC) No 965/96 of 28 May 1996	L 131	1	1. 6. 1996
Council Regulation (EC) No 25/97 of 20 December 1996	L 6	7	10. 1. 1997

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