COUNCIL REGULATION (EEC) No 1852/78

of 25 July 1978

on an interim common measure for restructuring the inshore fishing industry

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

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

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament (1),

Whereas Article 9 (2) of Council Regulation (EEC) No 101/76 of 19 January 1976 laying down a common structural policy for the fishing industry (2) provides that common measures may be decided upon for the attainment of the objectives mentioned in paragraph 1 of that Article in so far as they relate to the objectives set out in Article 39 (1) (a) of the Treaty; whereas these common measures may be financed by the Guidance Section of the European Agricultural Guidance and Guarantee Fund, hereinafter referred to as 'the Fund', under Article 1 (3) of Council Regulation (EEC) No 729/70 of 21 April 1970 on the financing of the common agricultural policy (3), as last amended by Regulation (EEC) No 2788/72 (4);

Whereas action to restructure inshore fishing is necessary in order to promote the rational use of the available resources and the best use of production factors and to ensure an equitable standard of living for those who depend on fishing for their livelihood; whereas, for this purpose, the Commission proposed to the Council a common measure which provided that the restructuring of this sector should be implemented under programmes the realization of which requires a detailed analysis of the production potential in the different Community regions; whereas this analysis is not yet complete; whereas the European Parliament has delivered a favourable opinion on the proposal for a common measure;

Whereas, until such time as better knowledge of this potential is available, the Fund should, during 1978, undertake the financing of investment projects for the development of inshore fishing in regions where the fishing potential makes this development possible and for the development of aquaculture in regions which are particularly suited to this activity;

Whereas a contribution from the Fund in the form of a capital subsidy not exceeding 25 % of the total investment is an appropriate contribution to this investment;

Whereas some regions of the Community find themselves at a disadvantage from the point of view of agricultural revenues and under-employment both in the agriculture sector and elsewhere; whereas the action for structural development of these regions should be reinforced in those areas where this would be most likely to improve the situation in a rapid and lasting way;

Whereas, in order to ensure that beneficiaries observe the conditions laid down when aid is granted from the Fund, an effective control procedure should be provided for together with the possibility of suspending, reducing or discontinuing aid from the Fund,

HAS ADOPTED THIS REGULATION:

TITLE I

Provisions concerning the projects

Article 1

1. The Fund may participate in the financing of investment projects for:

— the development of inshore fishing in regions where fishing potential makes this possible,

— the development of aquaculture in regions which are particularly suited to this activity.

2. The measures provided for by this Regulation shall constitute common measures within the meaning of Article 6 (1) of Regulation (EEC) No 729/70.

Article 2

For the purposes of this Regulation 'project' means any investment project for:

(a) the construction or purchase of fishing vessels;

(1) OJ No C 131, 5. 6. 1978, p. 86.
(2) OJ No L 20, 28. 1. 1976, p. 19.
(3) OJ No L 94, 28. 4. 1970, p. 13.
(4) OJ No L 295, 30. 12. 1972, p. 1.

(b) the construction, equipping or modernization of aquaculture establishments for rearing fish, crustaceans and molluscs in salt or brackish water.

Article 3

1. In order to qualify for aid from the Fund, the equipment covered by the projects must meet the following technical conditions:

(a) fishing vessels:

— fishing vessels must have a length of between 12 and 24 metres (40 and 80 feet), measured between perpendiculars, or a tonnage of between 25 and 130 gross registered tons;

(b) breeding establishments:

— breeding establishments must be concerned with the breeding or rearing of fish, crustaceans and molluscs for commercial purposes.

2. The lower limits referred to in paragraph 1 (a) may be reduced to six metres (20 feet) in length or 10 gross registered tons for vessels fishing otherwise than by trawl or 'purse seine' and operated by persons whose principal activity is fishing.

Article 4

1. The projects shall provide an adequate guarantee of profitability and contribute to a lasting economic improvement in the structures of the industry in question.

2. Priority for support from the Fund shall be given to projects which bring benefit to regions which have particular difficulties in developing satisfactory production structures and which also fulfil one or more of the following criteria:

— they are consistent with a rational production policy and serve to improve the market supply situation,

— they improve employment prospects in the inshore fishing industry or in aquaculture,

— they improve the working conditions and, in particular, the safety of the workers concerned,

— they permit a diversification of fishing activity, in particular through the use of several methods of fishing in keeping with the resources available in the fishing zones concerned.

Article 5

The Member State concerned shall submit to the Commission a summary document showing, for each project or group of projects:

(a) for fishing vessels:

— that a possible production increase is compatible with the real potential catch,

— that the person operating the vessel in question has sufficient training to make the best use of the vessel's gear;

(b) for aquaculture:

— that the investments are related to modern breeding techniques and permit the development of new production structures in the regions concerned,

— that the species to which the projects relate have already been bred commercially.

Article 6

1. Aid from the Fund shall consist of a capital subsidy paid in one or more instalments.

2. For each project:

(a) the beneficiary must finance at least 50 % of the total investment;

(b) the Member State must finance at least 5 % of the total investment;

(c) the subsidy granted by the Fund shall not exceed 25 % of the total investment.

3. By way of derogation from paragraph 2, in Greenland, Ireland, Northern Ireland and the Mezzogiorno:

(a) the beneficiary shall finance at least 25 % of the total investment;

(b) the Member State shall finance at least 5 % of the total investment;

(c) the subsidy granted by the Fund shall not exceed 50 % of the total investment.

Article 7

1. This common measure shall not extend beyond 31 December 1978.

2. The estimated total cost to the Fund of the common measure is five million European units of account.

TITLE II

General and financial provisions

Article 8

1. Applications for aid from the Fund shall be submitted to the Commission before 1 December 1978. The Commission shall take a decision by 31 March 1979.

2. Applications for aid from the Fund shall be made through the Member State concerned and shall have been approved by the said Member State.

Article 9

1. A decision shall be taken on aid from the Fund in accordance with the procedure laid down in Article 12, after the Fund Committee has been consulted on the financial aspects.

2. The decision on aid shall be notified to the Member State concerned and to the beneficiaries.

Article 10

1. Aid from the Fund shall be granted to natural or legal persons or groups thereof bearing the ultimate financial responsibility for the project.

Payments in respect of aid from the Fund shall be made by agencies designated for this purpose by the Member State concerned.

2. Throughout the period in which aid is being provided by the Fund, the department or agency designated for this purpose by the Member State shall send to the Commission on request all supporting documents and all documents showing that the financial or other conditions imposed for each project are fulfilled. The Commission may, if necessary, make an inspection visit.

After consulting the Fund Committee on the financial aspects, the Commission may decide to suspend, reduce or discontinue aid from the Fund, in accordance with the procedure laid down in Article 12:

— if the project is not carried out as planned, or

— if some of the conditions imposed are not complied with, or

— if the beneficiary, contrary to the particulars given in his application and repeated in the decision granting aid, has not, within two years of notification of that decision, begun work and if he has not, before the end of this period, supplied adequate assurances that the project will be carried out.

The decision shall be notified to the Member State concerned and to the beneficiary.

The Commission shall take steps to recover any sums not paid or unduly paid.

Article 11

The particulars which applications for aid from the Fund referred to in Article 8 must contain and the form in which projects shall be presented shall be decided in accordance with the procedure laid down in Article 12, after the Fund Committee has been consulted on the financial aspects.

Article 12

1. Where the procedure laid down in this Article is to be followed, the matter shall be referred to the Standing Committee for the Fishing Industry, either on the initiative of its chairman or at the request of the representative of a Member State.

2. The representative of the Commission shall submit a draft of the measures to be taken. The Committee shall deliver its opinion within a time limit to be set by the chairman according to the urgency of the matter. Opinions shall be adopted by a majority of 41 votes, the votes of Member States being weighted in accordance with Article 148 (2) of the Treaty. The chairman shall not vote.

3. The Commission shall adopt the measures, which shall apply immediately. However, if they are not in accordance with the opinion of the Standing Committee for the Fishing Industry, the Commission shall forthwith communicate them to the Council; in that event the Commission may defer their application for not more than one month from the date of such communication. The Council, acting by a qualified majority, may adopt different measures within one month.

Article 13

This Regulation shall enter into force on the third day following 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, 25 July 1978.

For the Council

The President

H. J. ROHR