

Commission Regulation (EC) No 498/2007 of 26 March 2007
laying down detailed rules for the implementation of Council
Regulation (EC) No 1198/2006 on the European Fisheries Fund

CHAPTER III

PRIORITY AXES

SECTION 1

Priority axis 1: Measures for the adaptation of the Community fishing fleet

Article 4

Public aid for permanent cessation of fishing activities

1 After the permanent cessation of fishing activities, the fishing vessel concerned shall be permanently deleted from the fishing fleet register of the Community and, where appropriate, the fishing licence associated with it shall be permanently cancelled.

2 The operational programme shall specify the methods for calculating the premiums granted under Article 23 of the basic Regulation.

3 Where the permanent cessation of fishing activities of a fishing vessel is achieved by its reassignment as referred to in Article 23(1)(b) of the basic Regulation, Member States shall adjust the level of the premium accordingly, taking into account criteria such as the market value of the fishing licence for the vessel and the residual value of the vessel.

4 If a fishing vessel is lost between the date of the decision to grant the premium and the actual date of permanent cessation of fishing activities, the management authority shall make a financial correction for the amount of the compensation paid by the insurance.

Article 5

Public aid for the temporary cessation of fishing activities

1 The operational programme shall specify the methods for calculating the premiums granted under Article 24 of the basic Regulation.

2 For the purposes of Article 24(2) of the basic Regulation, 'Community financial assistance allocated to the sector' shall mean the EFF contribution to the operational programme of the Member State concerned.

Article 6

Investments on board fishing vessels and selectivity

1 For the purposes of Article 25 of the basic Regulation, the managing authority shall be responsible for assessing compliance with paragraphs 2 to 5 of this Article and shall provide the Commission with all relevant documents upon request.

2 The total eligible expenditure to be supported per fishing vessel over the entire programming period under Article 25 of the basic Regulation, except under paragraph 6(e) of that Article, shall not exceed a maximum amount established on the basis of objective criteria, such as those listed in Article 23(3) of that Regulation and included in the operational programme.

3 The 20 % reduction in engine power may be achieved by a group of vessels as provided for in Article 25(4) of the basic Regulation, subject to all the following conditions:

- a all the vessels belonging to the same group are individually identified;
- b all the vessels belonging to the same group operate in the same management areas;
- c all the vessels belonging to the same group use the same main fishing gear as listed in Appendix III (section C) of Commission Regulation (EC) No 1639/2001⁽¹⁾;
- d all the vessels belonging to the same group do not exceed fifty in number.

4 The exits from the fishing fleet of fishing capacity with public aid shall not be taken into account in the calculation of the 20 % reduction in power that may be achieved by a group of vessels as provided for in Article 25(4) of the basic Regulation.

5 Financial support granted under Article 25(6)(e) of the basic Regulation shall be granted only for equipment and modernisation works for the protection of catch and gear from wild predator species protected under Council Directives 79/409/EEC⁽²⁾ and 92/43/EEC⁽³⁾.

Article 7

Small-scale coastal fishing

1 Where the private financial participation rate is reduced in accordance with Article 26(2) of the basic Regulation, the rate of the public contribution shall be increased accordingly. The contribution from the EFF shall be calculated in accordance with the rates provided for in Article 53 of the basic Regulation in relation to such resulting public contribution.

2 The operational programme shall specify the methods for calculating premiums granted under Articles 26(3) and 26(4) of the basic Regulation in favour of small-scale coastal fishing.

3 For the purposes of Article 26(4)(b) of the basic Regulation ‘fisheries products’ shall mean fishery products originating from the catches of small-scale coastal fishing vessels.

Article 8

Socio-economic compensation for the management of the Community fishing fleet

1 The operational programme shall specify the methods for calculating the socio-economic compensation for the management of the Community fishing fleet granted under Article 27 of the basic Regulation.

2 Support provided for in Article 27(1)(d) of the basic Regulation for early retirement shall be eligible for a contribution from the EFF, even where it is paid to the beneficiaries after 31 December 2015, provided that it has been secured for this purpose in a blocked account before that date.

SECTION 2

Priority axis 2: Aquaculture, inland fishing, processing and marketing of fishery and aquaculture products

Article 9

Scope of intervention in aquaculture production

Support under Article 28(6) of the basic Regulation may cover the costs of assessments provided for in Council Directive 85/337/EEC⁽⁴⁾.

Article 10

Measures for productive investments in aquaculture

1 For the purpose of Article 29(1)(a), (b) and (c) of the basic Regulation, the following definitions shall apply:

- a 'new species': species for which aquaculture production in the Member State is low or non-existent and for which there are good market prospects;
- b 'species with good market prospects': species for which the forecast medium-term trend shows that market demand is likely to exceed supply;
- c 'normal practice in the aquaculture sector': aquaculture activities carried out in compliance with binding legislation, whether it relates to health, veterinary or environmental matters;
- d 'traditional aquaculture': time-honoured practices which are linked to the social and cultural heritage of a given area.

2 The support provided for in Article 29 of the basic Regulation, may cover aquaculture service vessels. Fishing vessels as defined in Article 3(c) of Council Regulation (EC) No 2371/2002⁽⁵⁾ shall not be regarded as aquaculture service vessels even where they are exclusively used in aquaculture.

3 Without prejudice to Article 35(6) of the basic Regulation, support under Article 29 of that Regulation may cover investments related to on-farm retail trade where such trade forms an integral part of the aquaculture farm.

4 Where Member States use the possibility provided for in Article 29(1)(a) of the basic Regulation, they shall put in place mechanisms to make available to the management authority the results of prospective market analysis on aquaculture species.

5 For the measures provided for in Article 29 of the basic Regulation, Member States shall describe in their operational programme how aid is to be prioritised to micro and small enterprises.

Article 11

Aqua-environmental measures

1 Where support is granted to beneficiaries for the purposes referred to in Article 30 of the basic Regulation, Member States shall check that those beneficiaries comply with the aqua-environmental commitments at the latest three years from the date of approval of the operation and at the end of the implementation of the operation.

2 Support provided for in Article 30(2)(b) of the basic Regulation, shall concern only costs for participation in a Community eco-management and audit scheme (EMAS) that are prior to the approval of the scheme for an individual enterprise.

3 For the purpose of Article 30(2)(c) of the basic Regulation, ‘organic aquaculture’ shall mean the aquaculture activities producing farmed aquatic species in accordance with the organic production method within the meaning of Article 2 of Council Regulation (EEC) No 2092/91⁽⁶⁾ and which bear indications to that effect. Until the adoption of detailed production rules by the Community, including rules on conversion, applicable to organic aquaculture, national rules or, in the absence thereof, private standards, applicable to organic aquaculture, accepted or recognised by the Member States, shall apply.

4 Support provided for in Article 30(2)(d) of the basic Regulation, may be granted only for specific restrictions or requirements for Nature 2000 areas, imposed by the relevant national measures for the implementation of the Directives 79/409/EEC and 92/43/EEC.

5 For the purpose of Article 30(3) of the basic Regulation, ‘normal good aquaculture practice’ shall mean compliance with binding legislation, whether it relates to health, veterinary or environmental matters, and the use of production protocols that prevent the wastage of resources and avoidable pollution.

Article 12

Animal health measures

1 Support provided for in Article 32 of the basic Regulation, may cover:

- a for exotic diseases in aquaculture as listed in Article 3 of Council Decision 90/424/EEC⁽⁷⁾, the control measures applied pursuant to Section 3 of Chapter V of Directive 2006/88/EC;
- b for non-exotic diseases in aquaculture as listed in the Annex of Decision 90/424/EEC, eradication programmes drawn up and approved pursuant to Article 44(2) of Directive 2006/88/EC.

2 The managing authority of the operational programme shall decide whether it will contribute to the financing of control measures referred to in paragraph 1(a), or an eradication programme referred to in paragraph 1(b), and adopt the detailed arrangements for its financial

participation before submitting the measures or the programme, respectively, in accordance with the provisions of Decision 90/424/EEC.

3 If the Commission does not approve, in accordance with Article 24 of Decision 90/424/EC, the control measures or the eradication programme referred to in paragraph 1 of this Article, the committed contribution shall be immediately returned to the budget of the operational programme.

4 If the value of the eligible costs in the action approved by the Commission in accordance with Article 24 of Decision 90/424/EC is less than the sum committed by the management authority, the difference released in this way may be reused by the Member State for its operational programme.

5 Support provided for in Article 32 of the basic Regulation, shall not cover surveillance activities intended to demonstrate freedom from a disease in order to obtain the recognition of the officially disease-free status or fixed costs such as the costs of official veterinary services.

Article 13

Inland fishing

1 For the purpose of Article 33 of the basic Regulation, ‘vessels operating exclusively in inland waters’ shall mean vessels engaged in commercial fishing in inland waters and not included in the Community fishing fleet register.

2 For the investments provided for in the second subparagraph of Article 33(2) and Article 25 of the basic Regulation, vessels of less than 12 metres, not using towed gear and operating in inland fishing, may be supported with the same aid intensity as provided for small-scale coastal vessels referred to in Article 26 of that Regulation.

3 Member States shall determine in their operational programmes how they will ensure that the investments supported under Article 33 of the basic Regulation do not jeopardise the equilibrium between the fleet size and the corresponding fish resources available.

Article 14

Investments in processing and marketing

1 Investments for the extractions from fishmeal or fish oil of dioxin or other substances harmful to human health may be supported by the EFF under Article 34 of the basic Regulation even where the final products are intended to be used and processed for purposes other than human consumption.

2 For the measures provided for in Article 35 of the basic Regulation, Member States shall describe in their operational programmes how aid will be prioritised to small and micro enterprises.

SECTION 3

Priority axis 3: Measures of common interest*Article 15***Collective actions**

1 Support provided for in Article 37 of the basic Regulation shall not cover costs related to exploratory fishing.

2 Support provided for in point (n) of the first paragraph of Article 37 of the basic Regulation may be granted for:

- a the creation of producer organisations in order to facilitate the setting up and administrative operation of producer's organisation recognised under Council Regulation (EC) No 104/2000⁽⁶⁾ after 1 January 2007;
 - b the implementation of plans of producer organisations that have been specifically recognised under Article 12 of Regulation (EC) No 104/2000 in order to facilitate the implementation of their plans to improve the quality of their products;
- or
- c the restructuring of producers' organisations in order to increase their efficiency in line with market requirements.

3 The support referred to in paragraph 2(b) of this Article shall be degressive over three years following the date of the specific recognition under Article 12 of Regulation (EC) No 104/2000.

*Article 16***Measures intended to protect and develop aquatic fauna and flora**

1 Support provided for in point (a) of the first subparagraph of Article 38(2) of the basic Regulation shall concern measures for the construction and installation of artificial reefs or other facilities made up of long lasting elements.

Support may cover work preliminary to installation, including studies, components, signalling, transport and the assembly of the facilities and scientific monitoring.

2 Support provided for in Article 38(2) of the basic Regulation shall not cover fish aggregating devices.

3 Support provided for in point (c) of the first subparagraph of Article 38(2) of the basic Regulation may cover the expenditure on the necessary conservation measures for sites belonging to the Nature 2000 European Ecological Network. Support may cover the preparation of management plans, strategies and schemes, infrastructure including depreciation and equipment for reserves, training and education for the employees of reserves as well as relevant studies.

4 Support provided for in point (c) of the first subparagraph of Article 38(2) of the basic Regulation shall not cover compensation for rights foregone, loss of income and salaries of employees.

5 For the purposes of second subparagraph of Article 38(2) of the basic Regulation, ‘direct restocking’ shall mean the activity of releasing live aquatic organisms, whether the animals are produced in hatcheries or fished elsewhere.

Article 17

Landing sites

Where support is given for investments to restructure landing sites and to improve the conditions for fish landed by coastal fishers in existing landing sites, as provided for in the second subparagraph of Article 39(1) of the basic Regulation, Member States shall ensure compliance with the relevant sanitary rules and the enforcement of control measures in those landing sites.

Article 18

Development of new markets and promotional campaigns

1 Support provided for promotional measures, as provided for in Article 40(3)(a), (d), (e) and (g) of the basic Regulation, may cover in particular:

- a the costs of advertising agencies and other service providers involved in the preparation and implementation of promotional campaigns;
- b the purchase or hire of advertising space and the creation of slogans and labels for the duration of promotional campaigns;
- c expenditure on publishing and external staff, required for the campaigns;
- d the organisation of and participation in trade fairs and exhibitions.

2 As regards products protected under Council Regulation (EC) No 510/2006⁽⁹⁾, support may be granted for their promotion only from the date on which the name has been entered in the register as provided for in Article 7 of that Regulation.

Article 19

Pilot projects

1 No support shall be granted under Article 41 of the basic Regulation for exploratory fishing.

2 Where support is given for a pilot project, as provided for in Article 41 of the basic Regulation, the managing authority shall ensure that the pilot project includes adequate scientific follow up and that an adequate qualitative assessment of the technical reports referred to in Article 41(3) of that Regulation is made.

3 Pilot projects shall not be of a directly commercial nature. Any profit generated during the implementation of a pilot project shall be deducted from the public aid granted to the operation.

4 Where the total costs of a pilot project exceed EUR 1 million, the managing authority shall, prior to its approval, require an assessment by an independent scientific body.

*Article 20***Modification for reassignment of fishing vessels**

Support, as provided for in Article 42 of the basic Regulation, may be granted for the modification of a fishing vessel after its reassignment only if that vessel has been deleted permanently from the fishing fleet register and, where appropriate, the fishing licence associated with it has been permanently cancelled.

SECTION 4

Priority axis 4: Sustainable development of fisheries areas*Article 21***Objectives and measures**

The support granted under Article 43 of the basic Regulation shall be for:

- (a) implementing local development strategies as referred to in Article 45(2) of the basic Regulation and Article 24 of this Regulation with a view to achieving the objectives referred to in Article 43(2)(a), (b) and (c) of the basic Regulation and through the eligible measures provided for in Article 44(1)(a) to (g), (i) and (j) and Article 44(2) and (3) of that Regulation;
- (b) implementing inter-regional and trans-national cooperation among the groups in fisheries areas as referred to in Article 44(1)(h) of the basic Regulation, mainly through networking and disseminating best practices with a view to achieving the objective referred to in Article 43(2)(d) of that Regulation.

*Article 22***Geographical application of Priority axis 4**

1 The operational programme shall specify the procedures and the criteria for selecting the fisheries areas. Member States shall decide how they will apply Articles 43(3) and (4) of the basic Regulation.

2 The fisheries areas selected do not necessarily have to coincide with a national administrative area or with zones established for the purposes of eligibility under the objectives of the Structural Funds.

*Article 23***Procedures and criteria for selecting the groups**

1 A group, as referred to in Article 45(1) of the basic Regulation, shall be composed in such a way that it is able to draw up and implement a development strategy in the area concerned.

The relevance and effectiveness of the partnership shall be assessed on the basis its composition, as well as its transparency and clarity in the allocation of tasks and responsibilities.

The capacity of the partners to carry out the tasks assigned to them and the effectiveness and decision-making shall be guaranteed.

The partnership shall comprise, including at the decision-making level, representatives of the fisheries sector and of other relevant local socio-economic sectors.

2 The administrative capacity of the group shall be considered adequate where the group:

- a either selects from the partnership, one partner as the administrative leader who will guarantee the satisfactory operation of the partnership;
- or
- b comes together in a legally constituted common structure, the formal constitution of which guarantees the satisfactory operation of the partnership.

3 If the group is entrusted with the administration of public funds, its financial capacity shall be assessed:

- a with regard to paragraph 2(a), in terms of the ability of the administrative leader to administer the funds;
- b with regard to paragraph 2(b), in terms of the ability of the common structure to administer the funds.

4 The groups for the implementation of local development strategies shall be selected no later than four years from the date of the approval of the operational programme. Longer time limits may be granted where the managing authority organises more than one selection procedure for the groups.

5 The operational programme shall specify:

- a the procedures and the criteria for selecting the groups, as well as the number of groups that the Member State intends to select; the selection criteria referred to in Article 45 of the basic Regulation and in this Article shall constitute a minimum and may be supplemented by specific national criteria; the procedures shall be transparent, provide adequate publicity and ensure competition where applicable, between the groups putting forward local development strategies;
- b the management arrangements and the procedures for the mobilisation and circulation of financial flows as far as the beneficiary; it shall describe in particular how the groups are integrated into the management, monitoring and control systems.

Article 24

Local development strategy

The local development strategy proposed by the group in accordance with Article 45(2) of the basic Regulation shall:

- (a) be integrated and be based on interaction between actors, sectors and operations and go beyond a mere collection of operations or a juxtaposition of sectoral measures;
- (b) be consistent with the needs of the fisheries area particularly in socio-economic terms;
- (c) prove its sustainability;

- (d) be complementary to other interventions made in the area concerned.

Article 25

Implementing local development Strategy

1 Notwithstanding Article 45(2) of the basic Regulation, the group shall choose the operations to be financed under the local development strategy.

2 If the group is entrusted with the administration of public funds, it shall create a separate account for the implementation of the local development strategy.

SECTION 5

Common provisions for several measures

Article 26

Common provisions for priority axes 1 to 4

The following expenditure shall not be eligible for a contribution from EFF:

- (a) for the purposes of the Articles 28(3) and 34(3), point (i) of the first paragraph of Article 37 and Article 44(2) of the basic Regulation, the purchase of infrastructure used for lifelong learning for an amount exceeding 10 % of total eligible expenditure of the operation concerned;
- (b) the part of the cost of vehicles not directly linked to the operation concerned.

- (1) OJ L 222, 17.8.2001, p. 53.
- (2) OJ L 103, 25.4.1979, p. 1.
- (3) OJ L 206, 22.7.1992, p. 7.
- (4) OJ L 175, 5.7.1985, p. 40.
- (5) OJ L 358, 31.12.2002, p. 59.
- (6) OJ L 198, 22.7.1991, p. 1.
- (7) OJ L 224, 18.8.1990, p. 19.
- (8) OJ L 17, 21.1.2000, p. 22.
- (9) OJ L 93, 31.3.2006, p. 12.