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(Acts whose publication is obligatory)

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

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to 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⁽¹⁾, and in particular Article 6 thereof,

Having regard to the proposal from the Commission⁽²⁾,

Having regard to the opinion of the European Parliament⁽³⁾,

Having regard to the opinion of the Economic and Social Committee⁽⁴⁾,

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⁽⁵⁾ and Council Regulation (EEC) No 4253/88 of 19 December 1988 laying down provisions for implementing the said Regulation⁽⁶⁾, define the general objectives and tasks of the Structural Funds and the financial instrument for fisheries guidance, hereinafter referred to as the 'FIFG', their organization, the assistance methods, programming and general

organization of the aid provided by the Funds and the general financial arrangements;

Whereas Council Regulation (EEC) No 3760/92 of 20 December 1992 establishing a Community system for fisheries and aquaculture⁽⁷⁾ 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⁽⁸⁾ must be respected;

Whereas Council Regulation (EEC) No 2080/93 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, no later than 31 December 1993, on the terms and conditions of the contribution of the FIFG to adaptation measures of the structures of the sector;

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,

⁽¹⁾ OJ No L 193, 31. 7. 1993, p. 1.

⁽²⁾ OJ No C 305, 11. 11. 1993, p. 12.

⁽³⁾ Opinion delivered on 17 December 1993 (not yet published in the Official Journal).

⁽⁴⁾ Opinion delivered on 21 December 1993 (not yet published in the Official Journal).

⁽⁵⁾ OJ No L 185, 15. 7. 1988, p. 9. Regulation as last amended by Regulation (EEC) No 2081/93 (OJ No L 193, 31. 7. 1993, p. 1).

⁽⁶⁾ OJ No L 374, 31. 12. 1988, p. 1. Regulation as amended by Regulation (EEC) No 2082/93 (OJ No L 193, 31. 7. 1993, p. 20).

⁽⁷⁾ OJ No L 389, 31. 12. 1992, p. 1.

⁽⁸⁾ OJ No L 261, 20. 10. 1993, p. 1.

HAS ADOPTED THIS REGULATION:

Article 1

Scope

The 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 Article 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.

Unless arrangements are made to the contrary with the Member States in question, documents covering the first programme period shall be submitted within three months of the entry into force of this Regulation; the

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

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

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 8 of Regulation (EEC) No 2080/93, adopt 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.

4. By 1 January 1996 at the latest, Member States shall supply the Commission with the information specified in Annex II to this Regulation, to be used in drawing up multiannual guidance programmes for the period from 1 January 1997 to 31 December 1999.

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 adopted may be re-examined and, if necessary, revised.

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.

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

Common provisions

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 IV, 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

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.

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

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

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 shipowners 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.

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

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.

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.

The measures referred to in this paragraph may be taken under the conditions referred to in Article 9 (1) of Regulation (EEC) No 2080/93 for vessels regarding which the request for assistance within the meaning of Title III of Regulation (EEC) No 4028/86 has not been accepted despite its formal eligibility under the provisions of the latter Regulation.

TITLE III

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

Article 11

Scope

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

— 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 FIFG, provided that it is directly linked to the investments referred to in paragraph 1.

TITLE IV

OTHER MEASURES

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:

- 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.

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 Article include in particular aid to producer organizations within the meaning of Article 7 of Council Regulation (EEC) No 3759/92 of 17 December 1992 on the common organization of the market in fishery and aquaculture products ⁽¹⁾.

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.

TITLE V

GENERAL AND FINANCIAL PROVISIONS

Article 15

Compliance with the conditions governing assistance

1. Member States shall ensure that the special conditions governing assistance listed in Annex III 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 FIFG assistance in the area of

⁽¹⁾ OJ No L 388, 31. 12. 1992, p. 1. Regulation as last amended by Regulation (EEC) No 697/93 (OJ No L 76, 30. 3. 1993, p. 12).

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 16

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 IV.

2. 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.

Article 17

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 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 19

Entry into force

This Regulation shall enter into force on 1 January 1994.

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

Done at Brussels, 21 December 1993.

For the Council

The President

A. BOURGEOIS

ANNEX I

INDICATIVE CONTENTS OF SECTORAL PLANS

1. Description of current situation broken down by area of assistance ⁽¹⁾

- 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 FIFG assistance is to be used (forms of assistance, etc).
- Justification for Community assistance.

⁽¹⁾ '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.

ANNEX II

MINIMUM CONTENT OF MULTIANNUAL GUIDANCE PROGRAMMES FOR THE FISHING FLEET FOR 1997 to 1999

1. Updating of the description of the situation provided for in Annex I

This consists in describing the change in the situation regarding fisheries, fleet and related employment since the date when the sectoral plan was submitted.

2. Results from the previous programme

- 2.1. Identify and comment on the progress achieved in attaining the objectives set for the 1993 to 1996 programmes.
- 2.2. Analyse the general administrative and socio-economic context in which it was implemented and in particular, where appropriate, the context in which measures to reduce fishing activity were implemented.
- 2.3. Specify and comment on the Community, national and regional financial resources committed in attaining the results achieved, for each fleet segment.

3. New guidelines

On the basis of the replies given to points 1 and 2 indicate the guidelines which should be given to the various fleet segments for the period 1997—99, in particular in relation to the following two operations:

- 3.1. adjustment of fishing effort: desirable levels of fishing effort per segment on 31 December 1999 in relation to the objectives set for each segment for 31 December 1996. Associated laws, regulations or administrative provisions. Systems for managing fishing activity. Extent of administrative resources and funds to be used to attain the new objectives thus set;
- 3.2. fleet renewal: rate of renewal desirable for each segment and associated funding. Legal or administrative provisions by each Member State for monitoring the inward and outward movements of its fleet's vessels. Measures taken by Member States per fleet segment to ensure that State aid granted for renewal and fishing effort adjustment operations does not have contradictory effects where the pursuit of the objectives of the programmes is concerned.

ANNEX III

SPECIAL CONDITIONS AND CRITERIA FOR ASSISTANCE

1. Implementation of multiannual guidance programmes (Title II)

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.

As regards vessels for which a request for permanent withdrawal within the meaning of Regulation (EEC) No 4028/86 has been submitted by 31 December 1993 to the competent authority of the Member State concerned, the criteria of Article 24 of Regulation (EEC) No 4028/86 shall apply.

- (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, registered in a Community port, operating for more than five years (4) 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,
- 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 vessel(s) 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 Regulation (EEC) No 2908/83 ⁽¹⁾ 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

(¹) Council Regulation (EEC) No 2908/83 of 4 October 1983 on a common measure for restructuring, modernizing and developing the fishing industry and for developing aquaculture (OJ No L 290, 22. 10. 1983, p. 1).

- 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.

2. Investment in the areas referred to in Title III

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 on 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 installation,
- 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 13)

(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.

ANNEX IV

SCALES AND RATES OF ASSISTANCE

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

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

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/BRT + 734 500

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

- 15-year-old vessels: see Table 1 above,
- vessels less than 15 years old: scale from Table 1 increased by 1,5 % per year less than 15,
- vessels more than 15 years old: scale from Table 1 decreased by 1,5 % per year over 15.

(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 %.

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

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 Table 2 below.

TABLE 2

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

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

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

1.4. *Modernization aid* (Article 10; Annex III, 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 other) 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:

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 3

	Group 1	Group 2
Objective 1 regions	A ≤ 50 % B ≥ 5 % C ≥ 40 %	A ≤ 50 % B ≥ 5 % C ≥ 25 %
Other regions	A ≤ 30 % B ≥ 5 % C ≥ 60 %	A ≤ 30 % B ≥ 5 % C ≥ 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.

TABLE 4

Objective regions	50 % ≤ A ≤ 75 % B ≥ 25 %
Other regions	25 % ≤ A ≤ 50 % B ≥ 50 %