

## I

(Acts whose publication is obligatory)

COUNCIL REGULATION (EEC) No 4042/89

of 19 December 1989

on the improvement of the conditions under which fishery and aquaculture products are processed and marketed

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Articles 42 and 43 thereof,

Having regard to the Act of Accession of Spain and Portugal, and in particular Article 155 (2) thereof,

Having regard to the proposal from the Commission <sup>(1)</sup>,

Having regard to the opinion of the European Parliament <sup>(2)</sup>,

Having regard to the opinion of the Economic and Social Committee <sup>(3)</sup>,

Whereas, on 20 January 1989, the European Parliament adopted a resolution on the fishery products processing industry <sup>(4)</sup>;

Whereas, within the framework of the reform of the Structural Funds, the Council has adopted:

- 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>;
- Council Regulation (EEC) No 4253/88 of 19 December 1988 laying down provisions for implementing Regulation (EEC) No 2052/88 as regards co-ordination of the activities of the different Structural Funds between themselves and with the operations of the European Investment Bank and the other existing financial instruments <sup>(6)</sup>;

- Council Regulation (EEC) No 4254/88 of 19 December 1988 laying down provisions for implementing Regulation (EEC) No 2052/88 as regards the European Regional Development Fund <sup>(7)</sup>;
- Council Regulation (EEC) No 4255/88 of 19 December 1988 laying down provisions for implementing Regulation (EEC) No 2052/88 as regards the European Social Fund <sup>(8)</sup>;
- Council Regulation (EEC) No 4256/88 of 19 December 1988 laying down provisions for implementing Regulation (EEC) No 2052/88 as regards the EAGGF Guidance Section <sup>(9)</sup>;

Whereas the marketing and processing of fishery products can contribute to strengthening the Community's economic and social cohesion through the doubling of the Structural Funds between 1987 and 1993, as provided for in the financial perspective attached to the Interinstitutional Agreement on budgetary discipline and improvement of the budgetary procedure of 29 June 1988 <sup>(10)</sup>, hereinafter called the 'Interinstitutional Agreement';

Whereas it is necessary to estimate the amount of Community finance necessary for the execution of this action; whereas this amount is covered by the financial perspective attached to the Interinstitutional Agreement and whereas the appropriations actually available will be determined under the budgetary procedure in compliance with the said agreement;

Whereas Article 10 of Regulation (EEC) No 4256/88 provides that the Council shall, by 31 December 1989, decide upon the forms of, and the conditions for, the Fund contribution to measures to improve the conditions under which, *inter alia*, fishery products are processed and marketed;

Whereas, following the adoption of the Regulations on the reform of the Structural Funds, Regulation (EEC) No 355/72 <sup>(11)</sup>, as last amended by Regulation (EEC) No 4256/88, must be replaced by a new regulation;

<sup>(1)</sup> OJ No C 143, 9. 6. 1989, p. 6.

<sup>(2)</sup> OJ No C 323, 27. 12. 1989.

<sup>(3)</sup> OJ No C 329, 30. 12. 1989.

<sup>(4)</sup> OJ No C 47, 27. 2. 1989, p. 176.

<sup>(5)</sup> OJ No L 185, 15. 7. 1988, p. 9.

<sup>(6)</sup> OJ No L 374, 31. 12. 1988, p. 1.

<sup>(7)</sup> OJ No L 374, 31. 12. 1988, p. 16.

<sup>(8)</sup> OJ No L 374, 31. 12. 1988, p. 21.

<sup>(9)</sup> OJ No L 374, 31. 12. 1988, p. 25.

<sup>(10)</sup> OJ No L 185, 15. 7. 1988, p. 33.

<sup>(11)</sup> OJ No L 51, 23. 2. 1977, p. 1.

Whereas, in order to incorporate the improvement of the conditions under which fishery and aquaculture products are processed and marketed in the common fisheries policy, it has become necessary to adopt a separate specific regulation;

Whereas the adoption of a separate regulation is in accordance with Council Regulation (ECSC, EEC, Euratom) No 2049/88 of 24 June 1988 amending the Financial Regulation of 21 December 1977 applicable to the general budget of the European Communities <sup>(1)</sup> and entails the application of stricter rules for improving transparency and financial management;

Whereas Title I of Regulation (EEC) No 4256/88, on the speeding up of the adjustment of agricultural structures with a view to the reform of the common agricultural policy, concerns measures for improving the processing and marketing of fishery products;

Whereas Article 155 (2) of the Act concerning the conditions of accession of the Kingdom of Spain and the Portuguese Republic states that it is for the Council to determine which of the Community's structural measures in the fisheries sector shall be applicable to the Canary Islands, Ceuta and Melilla; whereas Regulation (EEC) No 4028/86 <sup>(2)</sup> stipulates that most of the common actions for the improvement and adaptation of fishery and aquacultural structures shall apply to these territories; whereas the processing and marketing of fishery and aquaculture products are closely linked to the rest of the structural policy for fisheries and whereas it is therefore desirable to extend the common action provided for in this Regulation to these territories;

Whereas these measures for improving the processing and marketing of fishery products are to be implemented as part of Objective 5 (a) defined in Article 1 of Regulation (EEC) No 2052/88 in order to speed up the adjustment of fishery and aquaculture structures in all Member States;

Whereas Community measures for improving and adjusting structures in the fishery and aquaculture sector were adopted at Community level by Regulation (EEC) No 4028/86 and whereas the processing and marketing of fishery and aquaculture products are activities linked to structural policy and even form an essential component thereof;

Whereas there is currently a growing imbalance between supply and demand and the Community has a substantial trading deficit; whereas the main imported items are high-value products (salmon, crustaceans, molluscs) and processed and prepared products derived therefrom (including tuna fish); and whereas the Community therefore has an interest in developing its own processing industry for fishery and aquaculture products;

Whereas the improvement of the processing and marketing of fishery and aquaculture products, and in particular the

improvement of the hygiene, quality and presentation of such products may open up more outlets, enhance the value of the products concerned and thereby help to increase the productivity of fisheries and aquaculture, and to stabilize prices;

Whereas the common fisheries policy was designed to be managed and implemented at the level of each Member State and whereas steps must therefore be taken to ensure that measures relating to the processing and marketing of fishery and aquaculture products are consistent with the common fisheries policy;

Whereas the continuing improvement of structures in the sector is essential to the harmonious development of a common fisheries policy and thus represents a means of attaining, in the sector, the objectives set out in Article 39 (1) of the Treaty; whereas structural measures for achieving this improvement must therefore be based on a Community approach and on Community criteria;

Whereas the basic guidelines of the new structural policy for fisheries and aquaculture must not only take account of the results obtained and the experience gained in the past, but must also be defined against the background of the completion of a genuine internal market in fishery products and in terms of the new situation obtaining in the sector, which has become more important since the accession of Spain and Portugal to the Community;

Whereas the internal market in the fisheries sector is limited to trade in a small number of products, especially between neighbouring Member States; whereas this market consists, in fact, of several national markets, each characterized by its own structure of supply and demand; whereas, therefore, not only should work in progress be accelerated but new measures should also be taken to complete the internal market in the fisheries sector by 1993;

Whereas the sectoral objectives of the common fisheries policy must contribute to the harmonious development of the Community, to the strengthening of its economic and social cohesion and, in particular, to the speedier advancement of the less-favoured and less-developed regions;

Whereas, furthermore, in accordance with Article 39 (2) of the Treaty the structural policy must take ample account of the economic and social environment of the fisheries sector and must allow scope for adaptation, if necessary, in the light of the diversity or seriousness of certain structural problems at regional level;

Whereas the measures laid down must be in step with the requirements of environmental protection;

Whereas, in the implementation of this Regulation, the Commission will be assisted by the Standing Committee for the Fishing Industry set up by Article 47 of Regulation (EEC) No 4028/86,

<sup>(1)</sup> OJ No L 185, 15. 7. 1988, p. 3.

<sup>(2)</sup> OJ No L 376, 31. 12. 1986, p. 7.

HAS ADOPTED THIS REGULATION:

*Article 1*

**Objectives**

1. Within the framework of the reform of the Structural Funds provided for in Regulation (EEC) No 2052/88 and in order to facilitate the adaptation of the conditions under which fishery and aquaculture products are marketed and processed to the development of the common fisheries policy, a common measure within the meaning of Article 2 of Regulation (EEC) No 4256/88 is hereby established in order to improve the conditions under which fishery and aquaculture products are processed and marketed. Under this measure, the Community may participate in the financing of investments which meet one or more of the following objectives:

- (a) contribute to the economic and social cohesion of the Community;
- (b) take account of the needs of the less-favoured regions defined in Article 8 of Regulation (EEC) No 2052/88 and the Annex thereto;
- (c) contribute to improving the situation of the production sectors of fishery and aquaculture basic products; in particular they must guarantee the producers of those products an adequate and lasting share in the resulting economic benefits;
- (d) help to direct production and processing towards the objectives pursued by the common fisheries policy through the structural measures adopted in the areas defined in Article 1 (b), (e) and (f) of Regulation (EEC) No 4028/86;
- (e) improve, in the long term, the marketing and processing structures for fishery and aquaculture products;
- (f) improve the marketing and distribution networks for fishery and aquaculture products;
- (g) help to improve the hygiene, quality, preservation and packaging of products, or contribute to the better use of by-products;
- (h) promote technical innovation, and the processing and marketing of new or underexploited species;
- (i) help to adapt processed products to consumer demand at reasonable prices;
- (j) contribute to market stability for fishery and aquaculture products;

- (k) help to ensure the regular and adequate supply of raw materials to the fishery and aquaculture product processing sector, or enable such supplies to be modified by an appropriate production process;
- (l) take account of the Community's fishery products deficit and of the need for a balanced exploitation of the Community's internal resources.

2. The common measure shall apply to the entire Community.

3. The primary aim of the common measure shall be to contribute towards the achievement of Objective 5 (a) defined in Article 1 of Regulation (EEC) No 2052/88 by speeding up the adjustment of fishery and aquaculture structures to the development of the common fisheries policy, in accordance with the conditions laid down in Regulation (EEC) No 4256/88.

4. The common measure shall complement national measures of a similar nature and contribute to their implementation within the framework of the partnership between the Community and the Member States defined in Article 4 of Regulation (EEC) No 2052/88.

TITLE I

SECTORAL PLANS

*Article 2*

**General guidelines for the sectoral plans**

In order to improve the processing and marketing of fishery and aquaculture products, each Member State shall prepare a sectoral plan covering the entire fisheries and aquaculture sector. Plans must be drawn up at national level, taking into account any regional data which may be available in the Member State concerned, in order to ensure the effective integration, planning and management of the processing and marketing of fishery and aquaculture products, and must be conceived in such a way as to:

- create a viable industry which is in conformity with Community policies and in particular with the common fisheries policy, which takes account of the foreseeable trend of raw materials supplies in the medium term and which is in step with existing fishery activities and structures,
- develop and adapt facilities for the processing and marketing of fishery and aquaculture products and improve their quality and hygiene conditions in order to increase productivity and added value and to satisfy the requirements of producers and consumer demand,
- take account of the socio-economic needs of the fishing and aquaculture industry and reflect the impact of this Regulation.

Member States shall endeavour to ensure that consistency is achieved between national sectoral plans and regional development plans where the latter include measures relating to fisheries and aquaculture.

### Article 3

#### Content of sectoral plans

1. Sectoral plans must contain a report on activities undertaken during the previous three to five years and a description of the present situation as regards the processing and marketing of fishery and aquaculture products.
2. Sectoral plans must give precise details of the requirements of the sector and of the means which will be deployed to satisfy those requirements and to justify Community assistance.
3. Sectoral plans must give particulars also of the policies implemented by the Member State during the period of validity of the plan and give precise details of the objectives and the financing plan.
4. The period envisaged for implementing the plan must not exceed five years.
5. An outline of the sectoral plan and of the information which it shall contain, as an indicative basis, is given in the Annex.

### Article 4

#### Updating and new sectoral plans

If the period originally determined by a Member State for implementing a sectoral plan has expired, or if a significant modification must be made to it, a new or updated sectoral plan must be drawn up. It shall contain, in addition to the information referred to in Article 3, a report showing:

- (a) the progress achieved as against the forecasts in the earlier plan, in particular regarding the availability of public funds;
- (b) the development of the situation regarding the processing and marketing of products, and the need to update the plan or to prepare a new one.

### Article 5

#### Procedure for the submission of sectoral plans and the approval of Community support frameworks

1. The initial sectoral plans must be submitted to the Commission by the Member States within three months of the entry into force of this Regulation.

The dates for the submission of subsequent plans or of adjustments to existing plans shall be fixed by the Commission in agreement with the Member State concerned.

2. On the basis of the sectoral plans, decisions concerning the Community support frameworks for fishery and aquaculture products shall be taken by the Commission, in agreement with the Member State concerned, within six months in accordance with Article 11 of Regulation (EEC) No 2052/88 and in accordance with the procedure laid down in Article 8 (2) and (3) of Regulation (EEC) No 4253/88, following consultation of the Standing Committee for the Fishing Industry set up by Article 47 of Regulation (EEC) No 4028/86.

3. As part of the approval procedure, the Commission shall see to it that the Community support frameworks are compatible with the priorities of the Community policies and in particular with those of the common fisheries policy.

4. Measures falling within the scope of this Regulation may be taken into consideration by the Commission when establishing the Community support frameworks for areas covered by Objectives 1, 2 and 5 (b), as provided for in Title III of Regulation (EEC) No 4253/88. Such measures must conform to the provisions of this Regulation.

In such cases, the Commission, before adopting its decision, shall obtain the opinion of the Standing Committee for the Fishing Industry, set up by Article 47 of Regulation (EEC) No 4028/86, on the said measures.

## TITLE II

### OPERATIONAL PROGRAMMES, GLOBAL GRANTS, SUITABLE PROJECTS

### Article 6

#### Forms of assistance

1. For the purposes of the application of this Regulation, Community assistance shall be provided in one or more of the following forms:

- part-financing of operational programmes,
- provision of global grants,
- part-financing of suitable projects,
- support for pilot and demonstration projects and for technical assistance and studies in preparation for operations,

as shown in Article 5 (2) of Regulation (EEC) No 2052/88.

2. The part-financing of operational programmes and the provision of global grants shall constitute the main forms of assistance.

3. Part-financing may also be granted for suitable projects, but only where they relate to new processing and marketing units. In this case the thresholds referred to in Article 16 (2) of Regulation (EEC) No 4253/88 shall not apply.

#### Article 7

##### Pilot/demonstration projects, technical assistance, studies

Community financial support of up to 1% of the annual budgeted amount may, in accordance with Article 8 of Regulation (EEC) No 4256/88, cover:

- pilot of demonstration projects for the processing or marketing of species, especially new ones,
- technical assistance and the necessary preparatory studies,
- studies to assess the effectiveness of the measures provided for by this Regulation.

#### Article 8

##### Applications for assistance

1. Applications for assistance shall be drawn up in accordance with the conditions laid down in Articles 14 (1) and 16 (1) of Regulation (EEC) No 4253/88 and shall be submitted to the Commission by the Member State or, with that State's agreement, by any body it may designate to do so.

Applications shall relate to one of the forms of assistance provided for in Article 6 (1) of this Regulation and shall be compatible with the Community support framework adopted by the Commission, in accordance with Article 5 (2) of this Regulation.

2. Applications shall contain the information necessary for the Commission to:

- assess the conformity of the proposed measures with Community policies, in particular the common fisheries policy,
- assess the contribution of the proposed measure to the improvement of processing and marketing structures, the consistency of the constituent measures and their conformity with the Community support framework it has approved and with the selection priorities,
- check the positive effects of the proposed measure on the fisheries and aquaculture production sector together with the advantages of a possible increase in production capacity in this respect,
- check that the implementing and financing procedure will ensure the effective implementation of the measures,
- ensure that Community provisions relating to the award of public contracts are observed,

- determine the precise nature of the assistance it will have to provide,
- evaluate the overall impact on the environment and the means available for offsetting or reducing any adverse effects.

3. The details for implementation of this Article shall be adopted by the Commission after consultation of the Standing Committee for the Fishing Industry.

### TITLE III

#### INVESTMENTS, ELIGIBILITY, SELECTION

#### Article 9

##### Types of investment

Measures implemented under this Regulation shall concern public, semi-public or private investments in respect of fishery and aquaculture products and cover, in particular:

- premises and/or equipment intended, *inter alia*, for:
  - the extension or rationalization of facilities for cutting, filleting, salting, drying, smoking, the removal of heads, evisceration and skinning and for souasing, cooking and canning or other forms of packaging,
  - bulk packaging of the products and packing the products for retail sale,
  - auction markets and facilities for first-hand sale,
  - storage, cold-storage and deep-freezing facilities,
- investments concerning new processing techniques,
- facilities to improve the quality and hygiene of production and marketing conditions, in particular those dealing with molluscs and shellfish and with water filtration,
- all equipment required for processing and marketing from the time of landing from fishing vessels in ports to the final product.

#### Article 10

##### Eligibility

1. The investments defined in Article 9 shall be eligible for Community assistance throughout the Community.
2. However, in order to be eligible for such financial assistance, investments must:
  - in particular, belong to one of the classes defined in Article 9,

- form an integral part of a Community support framework and contribute to the lasting economic effect of the structural improvement provided for therein,
- offer adequate assurances of technical and economic viability,
- guarantee the Community origin of the bulk of the raw materials.

3. Investments shall not be eligible which concern:

- product processing on board ship,
- fishery and aquaculture products intended to be used and processed for purposes other than human consumption (except investments intended solely for the treatment, processing or marketing of fishery wastes),
- the retail sector,
- vehicles used for the transport and distribution of fishery and aquaculture products,
- work commenced before the date of receipt of the application for assistance by the Commission; however, in the case of an operational programme or a global grant, work commenced during the six months preceding the date of receipt of the application for assistance by the Commission shall be deemed eligible,
- products other than those listed in Annex II to the Treaty. The Commission may, however, allow investments concerning other products provided that the beneficiaries of the assistance have direct contractual links with the producers of basic fishery and aquaculture products.

4. Within the framework of the investments referred to in paragraph 1, costs may be eligible for funding if they relate to:

- (a) the construction and acquisition of immovable property, other than purchase of land;
- (b) the acquisition of new machinery and equipment, including computers, software and computer programmes;
- (c) overheads such as fees for architects, engineers and consultants, the cost of feasibility studies up to 12% of the costs referred to in points (a) and (b).

#### Article 11

##### Selection priorities

The investments must ensure the rational development of the processing and marketing of fishery and aquaculture products and guarantee producers of basic products a satisfactory and lasting share of the economic benefits arising from them.

In general, priority shall be given to investments which concern one or more of the following categories:

- the construction, modernization and rationalization of auction markets and halls for the first-hand sale of products landed by vessels flying the flag of a Member State,
- the storage and handling of fishery and aquaculture products,
- the smoking of fishery and aquaculture products,
- facilities for preparation for first-hand sale and filleting of fresh fish and the preparation of deep-frozen fish,
- the preparation on land of finished products from fish which has been caught and/or deep-frozen on board vessels flying the flag of a Member State.
- undertakings producing preserved and semi-preserved products including those using sousing techniques, provided that they are production units which are technically advanced, economically viable and capable of withstanding free international competition,
- the development of new products and new technologies based in particular on the results of the research, pilot and demonstration projects,
- the improvement of the quality and hygiene of production and marketing processes,
- the enhancement of the added value of products.

Priority shall also be given to investments submitted by producers of basic products, producers' groups or associations thereof, and cooperatives, with particular attention being paid to the needs of small and medium-sized undertakings.

#### Article 12

##### Beneficiaries

1. Community assistance shall be granted to natural or legal persons or groups of such persons, responsible for investments, which may be public, semi-public or private.
2. Community assistance shall be paid in accordance with the conditions laid down in Article 15 of this Regulation;
  - by the authority designated pursuant to Article 14 (1) of Regulation (EEC) No 4253/88, or
  - by the intermediary designated pursuant to Article 16 (1) of Regulation (EEC) No 4253/88.

*Article 13***Decisions granting assistance and budgetary commitments**

1. The Commission shall decide upon granting assistance as a general rule within six months of receipt of the application for assistance.

2. Member States shall be given prior notice of draft decisions contemplated by the Commission. At the request of a Member State, the Standing Committee for the Fishing Industry shall be consulted on draft Commission decisions.

3. The decisions referred to in paragraph 1 shall be notified to the authority or intermediary referred to in Articles 14 (1) and 16 (1) of Regulation (EEC) No 4253/88 and to the Member State concerned.

4. In the case of multiannual measures, the authority or intermediary referred to in paragraph 3 shall send the Commission each year the information necessary to enable the commitment to be effected in the annual instalments provided for in Article 20 (2) of Regulation (EEC) No 4253/88 and to check the conformity of the investments with the decisions referred to in paragraph 1 of this Article and in Article 5 (2) and (4) of this Regulation.

relation to the eligible cost of investments may not exceed the maximum rates laid down in paragraph 1 above.

Such other forms may not, however, be implemented until the details for their implementation have been adopted by the Commission after consultation of the Standing Committee for the Fishing Industry.

3. The Member States concerned shall finance at least 5 % of the eligible costs of the investments accepted by the Commission for the granting of assistance.

4. The contribution of the beneficiaries referred to in Article 12 (1), in relation to the eligible costs of the investments accepted, shall be at least:

(a) 25 % in the areas concerned by Objective 1;

(b) 45 % in other areas.

5. Member States may, within the limits set by the scope of this Regulation, adopt additional aid measures which are subject to conditions or rules other than those laid down herein, or which involve an amount in excess of the maximum amounts referred to in this Article, provided that they are in conformity with Articles 92, 93 and 94 of the Treaty.

## TITLE IV

## GENERAL FINANCIAL PROVISIONS AND CONTROLS

*Article 14***Rates of assistance**

1. Assistance may not exceed, in relation to the eligible costs of the investments:

(a) 50 % in the regions concerned by Objective 1, in accordance with Article 8 of Regulation (EEC) No 2052/88 and the Annex thereto;

(b) 30 % in other regions.

The Community support framework may provide for the rates of assistance adopted, taking into account the considerations listed in Article 13 of Regulation (EEC) No 2052/88.

2. Assistance shall be in the form of capital grants.

If assistance takes one of the forms provided for in Article 5 (3) of Regulation (EEC) No 2052/88, the equivalent grant in

*Article 15***Procedure for payment of the assistance**

1. The amount of the advances or balances which must be paid in accordance with Article 21 of Regulation (EEC) No 4253/88 shall be paid to the authority designated pursuant to Article 14 (1) of that Regulation or, where appropriate, and with the agreement of the Member State, to the intermediary referred to in Article 16 (1) of that Regulation.

Payment of the balance shall be made after the financial contribution of the Member State, provided for in Article 14 (3) of this Regulation, has been paid to the beneficiaries.

2. The authority or intermediary referred to in paragraph 1 shall check the documents supporting the final expenditure of the beneficiaries and shall see to it that there are no irregularities before the Community assistance is paid. It shall also carry out on-the-spot checks in order to verify that the information contained in the aid application corresponds to the true situation. Payment to the beneficiary must as a general rule be made within five weeks of submission of the application to the authority or intermediary, provided that the application is accompanied by all the documents required by the authority or intermediary and the information necessary for establishing the effective nature of the expenditure.

3. At the end of each quarter, the authority or intermediary referred to in paragraph 1 shall forward to the

Commission a list of the payments made to beneficiaries with particulars of the supporting documents in its possession.

4. A progress report shall be transmitted by the authority or intermediary referred to in paragraph 1 to the Commission every year.

5. The details for implementation of paragraphs 3 and 4 shall be adopted by the Commission after consultation of the Standing Committee for the Fishing Industry.

#### Article 16

##### Checks and controls

1. Member States shall submit a description of their management and control arrangements for the Community assistance provided for in this Regulation.

2. Pursuant to Article 23 of Regulation (EEC) No 4253/88, the authority designated in accordance with Article 14 (1) of that Regulation or, where appropriate, the intermediary referred to in Article 16 (1) of that Regulation shall send the Commission, at its request, all supporting documents and any other documents such as to establish that the financial or other conditions imposed have been met.

#### Article 17

##### Reduction, suspension or discontinuation of assistance

In the framework of partnership, and in accordance with the procedure laid down in Article 24 of Regulation (EEC) No 4253/88, the Commission may decide to suspend, reduce or discontinue its assistance if:

- the investments have not been carried out as envisaged,
- certain conditions laid down in the Commission decision referred to in Article 13 (1) have not been fulfilled,
- the implementation periods have not been observed,
- the beneficiary sells equipment or facilities having received aid under this Regulation within six or ten years respectively of the date of their acquisition or of the completion of the work, without prior authorization from the Commission.

Such a decision shall be notified to the Member State concerned and to the authority designated pursuant to Article 14 (1) of Regulation (EEC) No 4253/88 or, where appropriate, the intermediary referred to in Article 16 (1) of that Regulation.

#### Article 18

##### Annual budgeted amount

The amounts deemed necessary for the execution of the action introduced by this Regulation shall be determined each financial year by the budgetary authority.

#### Article 19

##### Monitoring and assessment

The monitoring and assessment of the financial measures provided for herein shall be carried out in accordance with Articles 25 and 26 of Regulation (EEC) No 4253/88.

#### TITLE V

##### OTHER PROVISIONS

#### Article 20

The common action established by this Regulation shall be applicable to the Canary Islands, Ceuta and Melilla.

#### Article 21

##### Transitional provisions

1. Until 31 December 1990, projects may be submitted in accordance with Regulation (EEC) No 355/77.

2. Projects presented in 1990 under Regulation (EEC) No 355/77 which do not form part of a sectoral plan shall be considered, until 30 June 1991, for the purposes of the granting of financial assistance under that Regulation.

3. On their expiry and at the time of their review, the specific programmes approved by the Commission under Regulation (EEC) No 355/77 will be extended until 30 June 1991.

#### Article 22

##### Entry into force

This Regulation shall enter into force on 1 January 1990.

All references in other acts to Regulation (EEC) No 355/77 and relating to fisheries shall, except where otherwise stated in the transitional provisions referred to in Article 21 of this Regulation, be replaced by references to this Regulation.



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

Done at Brussels, 19 December 1989.

*For the Council*  
*The President*  
J. MELLICK

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## ANNEX

## OUTLINE SECTORAL PLAN

## A. FISHERIES

## 1. General description of the area

- geographical configuration;
- demographic structure;
- main economic indicators;
- level of employment;
- gross regional product (composition and trends);
- importance of fisheries to the general economy of the region.

## 2. General description of fisheries in the region

2.1. *Fishing fleet*

- (a) types of vessel, characteristics, types of fishing gear used;
- (b) employment directly linked with the fishing fleet;
- (c) area of activity of the fishing fleet in the short, medium and long-term; development trends of resources in terms of yield; information sources used for evaluating these trends;
- (d) development of the fishing fleet in the region following the implementation of the multiannual guidance programme defined in Regulation (EEC) No 4028/86, and impact on capacity and future landings.

2.2. *Ports and landing sites*

- (a) description of fishing ports (location, size);
- (b) complete breakdown of main species landed, stating, where necessary, the origin of imports;
- (c) description of facilities, current needs and problems in each port.

2.3. *Auctions*

Number, capacity, location and extent of use of auctions; species sold; current shortcomings due to lack of concentration of sales; shortcomings attributable to the inadequacy of facilities and equipment or other factors.

2.4. *Coldstore capacity of the area*

Location and capacity of coldstore facilities in the area; turnover (annual volume of entries and exists of goods); types of product stored. Inadequacy of capacity for storing the production of local or other fleets. Storage of products from other regions (differentiating between Community and non-Community products): types and quantities of products stored for processing; description of problems and of shortcomings.

2.5. *Related sectors*

Description, where necessary, of related sectors in the region (shipyards, repair workshops, supply stores) and impact of the local fleet on their economy.

## B. AQUACULTURE

## 1. General description of aquaculture in the region

- (a) outline of the aquaculture sector, present situation and outlook (requirements, plans);
- (b) description of the type of facilities, their capacity and methods of production;
- (c) description of the types and quantities of products for which aquaculture production could supply the raw material;

- (d) description of the quality of the waters concerned, means used for obtaining an appropriate quality of water for fish-farming in accordance with Community rules;
- (e) description of the environmental protection measures taken.

### C. PROCESSING AND MARKETING

#### 1. Processing

Detailed figures for the sector (number of undertakings, types of products processed); present sources of raw materials; problems involving the ability of the industry to compete with other industries inside and outside the Community; current problems relating to equipment and sources of raw materials; full description of the present situation and outlook for the various types of fishery and aquaculture products.

#### 2. Marketing

Detailed figures for the sector (number of undertakings, type of marketing); description by sector of future sales and marketing strategies for the various types of fishery and aquaculture product.

### D. AIMS OF THE PROGRAMME AND RESULTS EXPECTED FOR THE PERIOD IN QUESTION

A detailed description should be given of the aims to be achieved for remedying the abovementioned shortcomings, and particulars should be given of the way in which the various sectors will be affected.

A list should also be given of the legal, financial or other measures planned by the Member State for developing the processing and marketing sector, as well as the number and type of projects to be presented under the programme.

The desired level of Community funding should also be specified, together with the consequences of a total or part refusal. A financing plan must be prepared for this purpose comprising, where the Member State so wishes, annual tranches.

Lastly, details should be given of why the objectives have been set, the way in which they will benefit the region and the quantitative effect of their implementation on the regional economy.

### E. INFORMATION

- (a) Definition of the geographical areas in which fisheries and aquaculture are significant; history of the processing and marketing sector and the reasons for its present geographical location;
- (b) a survey of the present situation and a description of past and future trends justifying the action, particularly as regards:
  - the economic and social situation of the area in general, insofar as it is of importance to the sectoral plan, and in particular the fisheries and aquaculture sector,
  - the importance of fishing and/or aquaculture to the economy,
  - the situation as regards the processing and marketing of fishery and/or aquaculture products, in particular the present capacity of the undertakings in question and their geographical distribution;
- (c) the needs which the plan must answer and its objectives, in particular the number, nature and size of the processing units, storage facilities and auctions, but also the number of jobs likely to be created, and the species and quantities of raw materials for processing;
- (d) the means deployed to improve hygiene conditions at each stage of the processing and marketing of fishery and aquaculture products;
- (e) the marketing and sales strategies proposed for the sectors of processed products;
- (f) the means envisaged for attaining the objectives of the plan, in particular the total amount of the investments and the financial contribution of the Member State;

- (g) the relationships, coordination and links of the sectoral plan with other national and Community programmes in the area, in particular with the measures provided for in Regulation (EEC) No 4028/86 on Community measures to improve and adapt structures in the fisheries and aquaculture sector;
  - (h) a description of the nature of and detailed provisions relating to national aid, and relevant national and regional legislation;
  - (i) an indicative list of the categories of investments and other measures liable to be funded as part of the plan (the Commission will decide later on the information to be provided in respect of each investment);
  - (j) national criteria for selecting investments not referred to above, since it cannot be expected that a sectoral plan will describe in detail all the investments proposed for funding during its period of validity;
  - (k) an indication of the way in which investments liable to be funded will obtain their supplies of raw materials, taking into consideration Community resources, the resources of third countries, the trend of fishery agreements, agreements relating to international waters and other non-Community sources of supply;
  - (l) an indicative description of the types of product likely to be marketed and of their situation in relation to the present state of the Community market;
  - (m) the overall impact on the environment of the measures provided for in the plan, where such impact is significant, and the means for dealing with it;
  - (n) the period envisaged for implementing the plan, which must not exceed five years;
  - (o) the administrative, legal or financial measures adopted or to be taken for implementing the plan, in particular the nature of the measures envisaged and the authorities or intermediaries designated pursuant to Articles 14 (1) and 16 (1) of Regulation (EEC) No 4253/88.
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