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► **B** REGULATION (EU) No 508/2014 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

of 15 May 2014

on the European Maritime and Fisheries Fund and repealing Council Regulations (EC) No 2328/2003, (EC) No 861/2006, (EC) No 1198/2006 and (EC) No 791/2007 and Regulation (EU) No 1255/2011 of the European Parliament and of the Council

(OJ L 149, 20.5.2014, p. 1)

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TITLE I

SUBJECT-MATTER, SCOPE AND DEFINITIONS

Article 1

Subject-matter

This Regulation defines Union financial measures for the implementation of:

- (a) the Common Fisheries Policy (CFP);
- (b) relevant measures relating to the Law of the Sea;
- (c) the sustainable development of fisheries and aquaculture areas and inland fishing; and
- (d) the Integrated Maritime Policy (IMP).

Article 2

Geographical scope

This Regulation applies to operations carried out in the territory of the Union, unless otherwise provided for in this Regulation.

Article 3

Definitions

1. For the purposes of this Regulation and without prejudice to paragraph 2 of this Article, the definitions referred to in Article 4 of Regulation (EU) No 1380/2013, Article 5 of Regulation (EU) No 1379/2013, Article 4 of Regulation (EC) No 1224/2009 and Article 2 of Regulation (EU) No 1303/2013 apply.
2. For the purpose of this Regulation, the following definitions apply:
 - (1) ‘Common information sharing environment’ (CISE) means a network of systems with a decentralised set-up developed for the exchange of information between users in order to improve their situational awareness of activities at sea;
 - (2) ‘cross-sectoral operations’ means those initiatives that mutually benefit different sectors and/or sectoral policies, as referred to in the TFEU, and that cannot be accomplished entirely through measures encompassed within respective policy areas;

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- (3) ‘electronic recording and reporting system’ (ERS) means a system for the electronic recording and reporting of data as referred to in Regulation (EC) No 1224/2009;
- (4) ‘European marine observation and data network’ means a network that integrates relevant national marine observation and data programmes into a common and accessible European resource;
- (5) ‘fisheries and aquaculture area’ means an area with a sea, river or lake shore, including ponds or a river basin, with a significant level of employment in fisheries or aquaculture, that is functionally coherent in geographical, economic and social terms and is designated as such by a Member State;
- (6) ‘fisherman’ means any person engaging in commercial fishing activities, as recognised by the Member State;
- (7) ‘inland fishing’ means fishing activities carried out for commercial purposes in inland waters by vessels or other devices, including those used for ice fishing;
- (8) ‘integrated coastal zone management’ means strategies and measures such as those described in Recommendation 2002/413/EC of the European Parliament and of the Council ⁽¹⁾;
- (9) ‘integrated maritime governance’ means the coordinated management of all sectoral policies at Union level affecting the oceans, seas and coastal regions;
- (10) ‘Integrated Maritime Policy’ (IMP) means a Union policy whose aim is to foster coordinated and coherent decision-making to maximise the sustainable development, economic growth and social cohesion of Member States, and notably the coastal, insular and outermost regions in the Union, as well as maritime sectors, through coherent maritime-related policies and relevant international cooperation;
- (11) ‘Integrated maritime surveillance’ (IMS) means a Union initiative aimed at enhancing effectiveness and efficiency in surveillance activities in respect of the European seas through information exchange and collaboration across sectors and borders;
- (12) ‘maritime spatial planning’ means a process by which the relevant Member State’s authorities analyse and organise human activities in marine areas in order to achieve ecological, economic and social objectives;
- (13) ‘measure’ means a set of operations;

⁽¹⁾ Recommendation 2002/413/EC of the European Parliament and of the Council of 30 May 2002 concerning the implementation of Integrated Coastal Zone Management in Europe (OJ L 148, 6.6.2002, p. 24).

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- (14) ‘small-scale coastal fishing’ means fishing carried out by fishing vessels of an overall length of less than 12 metres and not using towed fishing gear as listed in Table 3 of Annex I to Commission Regulation (EC) No 26/2004 ⁽¹⁾;
- (15) ‘vessels operating exclusively in inland waters’ means vessels engaged in commercial fishing in inland waters and not included in the Union fishing fleet register.

TITLE II

GENERAL FRAMEWORK

CHAPTER I

Establishment and objectives of the European Maritime and Fisheries Fund*Article 4***Establishment**

The European Maritime and Fisheries Fund (EMFF) is hereby established.

*Article 5***Objectives**

The EMFF shall contribute to the achievement of the following objectives:

- (a) promoting competitive, environmentally sustainable, economically viable and socially responsible fisheries and aquaculture;
- (b) fostering the implementation of the CFP;
- (c) promoting a balanced and inclusive territorial development of fisheries and aquaculture areas;
- (d) fostering the development and implementation of the Union’s IMP in a manner complementary to cohesion policy and to the CFP.

The pursuit of those objectives shall not result in an increase in fishing capacity.

*Article 6***Union priorities**

The EMFF shall contribute to the Europe 2020 strategy and to the implementation of CFP. It shall pursue the following Union priorities for the sustainable development of fisheries and aquaculture and related activities, which reflect the relevant thematic objectives referred to in Regulation (EU) No 1303/2013:

⁽¹⁾ Commission Regulation (EC) No 26/2004 of 30 December 2003 on the Community fishing fleet register (OJ L 5, 9.1.2004, p. 25).

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- (1) Promoting environmentally sustainable, resource-efficient, innovative, competitive and knowledge-based fisheries by pursuing the following specific objectives:
 - (a) the reduction of the impact of fisheries on the marine environment, including the avoidance and reduction, as far as possible, of unwanted catches;
 - (b) the protection and restoration of aquatic biodiversity and ecosystems;
 - (c) the ensuring of a balance between fishing capacity and available fishing opportunities;
 - (d) the enhancement of the competitiveness and viability of fisheries enterprises, including of small-scale coastal fleet, and the improvement of safety and working conditions;
 - (e) the provision of support to strengthen technological development and innovation, including increasing energy efficiency, and knowledge transfer;
 - (f) the development of professional training, new professional skills and lifelong learning.
- (2) Fostering environmentally sustainable, resource-efficient, innovative, competitive and knowledge-based aquaculture by pursuing the following specific objectives:
 - (a) the provision of support to strengthen technological development, innovation and knowledge transfer;
 - (b) the enhancement of the competitiveness and viability of aquaculture enterprises, including the improvement of safety and working conditions, in particular of SMEs;
 - (c) the protection and restoration of aquatic biodiversity and the enhancement of ecosystems related to aquaculture and the promotion of resource-efficient aquaculture;
 - (d) the promotion of aquaculture having a high level of environmental protection, and the promotion of animal health and welfare and of public health and safety;
 - (e) the development of professional training, new professional skills and lifelong learning.
- (3) Fostering the implementation of the CFP by pursuing the following specific objectives:
 - (a) the improvement and supply of scientific knowledge as well as the improvement of the collection and management of data;
 - (b) the provision of support to monitoring, control and enforcement, thereby enhancing institutional capacity and the efficiency of public administration, without increasing the administrative burden.
- (4) Increasing employment and territorial cohesion by pursuing the following specific objective: the promotion of economic growth, social inclusion and job creation, and providing support to employability and labour mobility in coastal and inland communities which

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depend on fishing and aquaculture, including the diversification of activities within fisheries and into other sectors of maritime economy.

- (5) Fostering marketing and processing by pursuing the following specific objectives:
- (a) the improvement of market organisation for fishery and aquaculture products;
 - (b) the encouragement of investment in the processing and marketing sectors.
- (6) Fostering the implementation of the IMP.

*CHAPTER II****Shared and direct management****Article 7***Shared and direct management**

1. Measures covered by Title V shall be financed by the EMFF in accordance with the principle of shared management between the Union and Member States and the common rules laid down in Regulation (EU) No 1303/2013.
2. Measures covered by Title VI shall be financed by the EMFF in accordance with the principle of direct management.

*CHAPTER III****General Principles of Assistance under Shared Management****Article 8***State aid**

1. Without prejudice to paragraph 2 of this Article, Articles 107, 108 and 109 TFEU shall apply to aid granted by Member States to undertakings in the fishery and aquaculture sector.
2. However, Articles 107, 108 and 109 TFEU shall not apply to payments made by Member States pursuant to, and in conformity with, this Regulation falling within the scope of Article 42 TFEU.
3. National provisions setting up public financing going beyond the provisions of this Regulation concerning payments referred to in paragraph 2, shall be treated as a whole on the basis of paragraph 1.
4. For the fishery and aquaculture products, listed in Annex I TFEU, to which Articles 107, 108 and 109 thereof apply, the Commission may authorise, in accordance with Article 108 TFEU, operating aid in the

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outermost regions referred to in Article 349 TFEU within the sectors producing, processing and marketing fishery and aquaculture products, with a view to alleviating the specific constraints in those regions as a result of their isolation, insularity and extreme remoteness.

*Article 9***Specific ex ante conditionalities**

The specific *ex ante* conditionalities referred to in Annex IV shall apply to the EMFF.

*CHAPTER IV****Admissibility of applications and ineligible operations****Article 10***Admissibility of applications**

1. An application submitted by an operator for support from the EMFF shall be inadmissible for an identified period of time laid down pursuant to paragraph 4 of this Article, if it has been determined by the competent authority that the operator concerned:

- (a) has committed a serious infringement under Article 42 of Council Regulation (EC) No 1005/2008 ⁽¹⁾ or Article 90(1) of Regulation (EC) No 1224/2009;
- (b) has been involved in the operation, management or ownership of fishing vessels included in the Union IUU vessel list as set out in Article 40(3) of Regulation (EC) No 1005/2008, or of vessels flagged to countries identified as non-cooperating third countries as set out in Article 33 of that Regulation;
- (c) has committed a serious infringement of the CFP rules identified as such in other legislation adopted by the European Parliament and by the Council; or
- (d) has committed any of the offences set out in Articles 3 and 4 of Directive 2008/99/EC of the European Parliament and of the Council ⁽²⁾, where the application is made for support under Chapter II of Title V of this Regulation.

2. The beneficiary, after submitting the application, shall continue to comply with the conditions referred to in points (a) to (d) of paragraph 1 throughout the period of implementation of the operation and for a period of five years after the final payment to that beneficiary.

⁽¹⁾ Council Regulation (EC) No 1005/2008 of 29 September 2008 establishing a Community system to prevent, deter and eliminate illegal, unreported and unregulated fishing, amending Regulations (EEC) No 2847/93, (EC) No 1936/2001 and (EC) No 601/2004 and repealing Regulations (EC) No 1093/94 and (EC) No 1447/1999 (OJ L 286, 29.10.2008, p. 1).

⁽²⁾ Directive 2008/99/EC of the European Parliament and of the Council of 19 November 2008 on the protection of the environment through criminal law (OJ L 328, 6.12.2008, p. 28).

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3. An application submitted by an operator shall be inadmissible for an identified period of time laid down pursuant to paragraph 4 of this Article, if it has been determined by the competent authority that that operator has committed a fraud, as defined in Article 1 of the Convention on the protection of the European Communities' financial interests ⁽¹⁾, in the context of the European Fisheries Fund (EFF) or the EMFF.

4. The Commission shall be empowered to adopt delegated acts in accordance with Article 126 concerning:

- (a) the identification of the period of time referred to in paragraphs 1 and 3 of this Article which shall be proportionate to the nature, gravity, duration and repetition of the serious infringement, offence or fraud, and shall be of at least one year's duration;
- (b) the relevant starting or ending dates of the period of time referred to in paragraphs 1 and 3 of this Article.

5. Member States shall require that operators submitting an application under the EMFF provide to the managing authority a signed statement confirming that they respect the criteria listed in paragraph 1 of this Article and declaring that they have not committed a fraud under the EFF or the EMFF as referred to in paragraph 3 of this Article. Member States shall verify the veracity of that statement before approving the operation, based on the information available in the national register of infringements referred to in Article 93 of Regulation (EC) No 1224/2009, or any other available data.

For the purposes of the first subparagraph, a Member State shall provide, on request from another Member State, the information contained in its national register of infringements referred to in Article 93 of Regulation (EC) No 1224/2009.

*Article 11***Ineligible operations**

The following operations shall not be eligible under the EMFF:

- (a) operations increasing the fishing capacity of a vessel or equipment increasing the ability of a vessel to find fish;
- (b) the construction of new fishing vessels or the importation of fishing vessels;
- (c) the temporary or permanent cessation of fishing activities, unless otherwise provided for in this Regulation;
- (d) exploratory fishing;
- (e) the transfer of ownership of a business;
- (f) direct restocking, unless explicitly provided for as a conservation measure by a Union legal act or in the case of experimental restocking.

⁽¹⁾ Convention drawn up on the basis of Article K.3 of the Treaty on European Union, on the protection of the European Communities' financial interests (OJ C 316, 27.11.1995, p. 49).

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TITLE III
FINANCIAL FRAMEWORK

Article 12

Budget implementation

1. The Union budget allocated to the EMFF under Title V of this Regulation shall be implemented within the framework of shared management in accordance with Article 4 of Regulation (EU) No 1303/2013.
2. The Union budget allocated to the EMFF under Title VI of this Regulation shall be implemented directly by the Commission in accordance with Article 58(1)(a) of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽¹⁾.
3. Any cancellations of all or part of the budget commitment under direct management by the Commission shall comply with Regulation (EU, Euratom) No 966/2012 and, where appropriate, with Article 123 of this Regulation.
4. The principle of sound financial management shall be applied in accordance with Articles 30 and 53 of Regulation (EU, Euratom) No 966/2012.

Article 13

Budgetary resources under shared management

1. The resources available for commitments from the EMFF for the period from 2014 to 2020 under shared management shall be EUR 5 749 331 600 in current prices in accordance with the annual breakdown set out in Annex II.

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2. EUR 4 340 800 000 of the budgetary resources referred to in paragraph 1 shall be allocated to the sustainable development of fisheries, aquaculture and fisheries and aquaculture areas, to marketing and processing-related measures and to technical assistance at the initiative of the Member States under Chapters I, II, III, IV and VII of Title V, with the exception of Article 67.

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3. EUR 580 000 000 of the budgetary resources referred to in paragraph 1 shall be allocated to the control and enforcement measures referred to in Article 76.
4. EUR 520 000 000 of the budgetary resources referred to in paragraph 1 shall be allocated to the measures on data collection referred to in Article 77.
5. EUR 192 500 000 of the budgetary resources referred to in paragraph 1 shall be allocated to the compensation of outermost regions under Chapter V of Title V. That compensation shall not exceed, per year:

⁽¹⁾ Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 (OJ L 298, 26.10.2012, p. 1).

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- (a) EUR 6 450 000 for the Azores and Madeira;
 - (b) EUR 8 700 000 for the Canary Islands;
 - (c) EUR 12 350 000 for the French outermost regions referred to in Article 349 TFEU.
6. EUR 44 976 000 of the budgetary resources referred to in paragraph 1 shall be allocated to the storage aid referred to in Article 67.
7. EUR 71 055 600 of the budgetary resources referred to in paragraph 1 shall be allocated to measures concerning the IMP referred to in Chapter VIII of Title V.
8. Member States shall have the possibility to use interchangeably the resources available under paragraphs 3 and 4.

*Article 14***Budgetary resources under direct management**

1. The resources available for commitments from the EMFF, for the period 2014 to 2020, concerning measures under direct management as specified in Chapters I to III of Title VI shall be EUR 647 275 400 in current prices.
2. For the purposes of Chapters I and II of Title VI, the indicative distribution of funds between the objectives set out in Articles 82 and 85, is set out in Annex III.
3. The Commission may depart from the indicative percentages referred to in paragraph 2 by no more than 5 % of the value of the financial envelope in each case.
4. The Commission shall be empowered to adopt delegated acts, in accordance with Article 126, adjusting the percentages set out in Annex III.

*Article 15***Mid-term review**

The Commission shall review the implementation of Chapter I and II of Title VI, including the need for adjustments of the indicative distribution of funds as laid down in Annex III, and shall, by 30 June 2017, submit to the European Parliament and to the Council an interim evaluation report on the results obtained and the qualitative and quantitative aspects of the EMFF.

*Article 16***Financial distribution for shared management**

1. The resources available for commitments by Member States referred to in Article 13(2) to (7) for the period from 2014 to 2020, as set out in the table in Annex II, shall be determined on the basis of the following objective criteria:

- (a) as regards Title V, with the exception of Articles 76 and 77:

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- (i) the level of employment in the fisheries and marine and fresh water aquaculture sectors, including employment in related processing;
 - (ii) the level of production in the fisheries and marine and fresh water aquaculture sectors, including related processing; and
 - (iii) the share of small-scale coastal fishing fleet in the overall fishing fleet;
- (b) as regards Articles 76 and 77:
- (i) the extent of the control tasks of the Member State concerned, taking into account the size of the national fishing fleet and the size of the sea area to be controlled, the volume of the landings and the value of imports from third countries;
 - (ii) the available control resources compared to the extent of the control tasks of the Member State, where available means are determined by taking into account the number of controls conducted at sea and the number of landing inspections;
 - (iii) the extent of the data collections tasks of the Member State concerned, taking into account the size of the national fishing fleet, the volume of the landings and of the aquaculture production, the amount of scientific monitoring activities at sea and the number of surveys the Member State is taking part in; and
 - (iv) the available data collection resources compared to the extent of the data collection tasks of the Member State, where available means are determined by taking into account the human resources and technical means needed to implement the national sampling programme for data collection;
- (c) as regards all measures, the historical allocations of funds in accordance with Regulation (EC) No 1198/2006 and the historical consumption in accordance with Regulation (EC) No 861/2006.
2. The Commission shall adopt implementing acts setting out the annual breakdown of the global resources per Member State.

TITLE IV

PROGRAMMING

CHAPTER I

Programming for measures financed under shared management*Article 17***Preparation of operational programmes**

1. Each Member State shall draw up a single operational programme to implement the Union priorities set out in Article 6 which are to be co-financed by the EMFF.

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2. The operational programme shall be established by the Member State following close cooperation with the partners referred to in Article 5 of Regulation (EU) No 1303/2013.

3. For the section of the operational programme referred to in point (o) of Article 18(1), the Commission shall, by 31 May 2014, adopt implementing acts laying down the actual priorities of the Union for enforcement and control policy. Those implementing acts shall be adopted in accordance with the advisory procedure referred to in Article 127(2).

*Article 18***Content of the operational programme**

1. In addition to the elements referred to in Article 27 of Regulation (EU) No 1303/2013, the operational programme shall include:

- (a) an analysis of the situation in terms of the strengths, weaknesses, opportunities and threats and the identification of the needs that require to be addressed in the geographical area, including, where relevant, sea basins covered by the programme.

The analysis shall be structured around the relevant Union priorities set out in Article 6 of this Regulation and, where applicable, shall be consistent with the multiannual national strategic plan for aquaculture referred to in Article 34 of Regulation (EU) No 1380/2013 and the progress made in achieving good environmental status through the development and implementation of a marine strategy referred to in Article 5 of Directive 2008/56/EC. Specific needs concerning jobs, the environment, the mitigation of, and adaptation to, climate change, and the promotion of innovation shall be assessed in relation to the Union priorities, with a view to identifying the most relevant responses at the level of each of the priorities related to the relevant area;

- (b) a description of the strategy within the meaning of Article 27 of Regulation (EU) No 1303/2013, which shall demonstrate that:

- (i) appropriate targets are set for each of the Union priorities that are included in the programme, on the basis of common indicators referred to in Article 109 of this Regulation;
- (ii) the selection of relevant measures follows logically from each Union priority selected in the programme, taking into account the conclusions of the *ex ante* evaluation and the analysis referred to in point (a) of this paragraph. As regards the measures for the permanent cessation of fishing activities under Article 34 of this Regulation, the description of the strategy shall include the targets and measures to be taken for the reduction of the fishing capacity in accordance with Article 22 of Regulation (EU) No 1380/2013. A description of the method for the calculation of the compensation to be granted under Articles 33 and 34 of this Regulation shall also be included;

- (iii) the allocation of financial resources to the Union priorities included in the programme is justifiable and adequate to achieve the targets set;

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- (c) where appropriate, the specific needs of Natura 2000 areas, as established by Council Directive 92/43/EEC ⁽¹⁾, and the contribution of the programme to the establishment of a coherent network of fish stock recovery areas as provided for in Article 8 of Regulation (EU) No 1380/2013;
- (d) the assessment of the specific *ex ante* conditionalities referred to in Article 9 of and in Annex IV to this Regulation and, where required, the actions referred to in Article 19(2) of Regulation (EU) No 1303/2013;
- (e) a description of the performance framework within the meaning of Article 22 of and Annex II to Regulation (EU) No 1303/2013;
- (f) a list of measures selected organised by Union priorities;
- (g) a list of criteria applied for selecting the fisheries and aquaculture areas under Chapter III of Title V;
- (h) a list of selection criteria for community-led local development strategies under Chapter III of Title V;
- (i) in Member States where over 1 000 vessels can be considered small-scale coastal fishing vessels, an action plan for the development, competitiveness and sustainability of small-scale coastal fishing;
- (j) the evaluation requirements and the evaluation plan referred to in Article 56 of Regulation (EU) No 1303/2013 and actions to be taken to address identified needs;
- (k) a financing plan which is to be designed by taking into account Article 20 of Regulation (EU) No 1303/2013 and in accordance with the Commission implementing act referred to in Article 16(2) of this Regulation, comprising:
 - (i) a table setting out the total EMFF contribution planned for each year;
 - (ii) a table setting out the applicable EMFF resources and co-financing rate under the Union priorities set out in Article 6 of this Regulation and for technical assistance; by way of derogation from the general rule laid down in Article 94(2) of this Regulation, that table shall, where applicable, indicate separately the EMFF resources and the co-financing rates which apply for the support referred to in Articles 33, 34, Article 41(2), Articles 67 and 70, points (a) to (d) and (f) to (l) of Article 76(2), point (e) of Article 76(2) and Article 77 of this Regulation;
- (l) information on the complementarity and coordination with ESI Funds and other relevant Union and national funding instruments;
- (m) implementing arrangements of the operational programme including:
 - (i) identification of the authorities referred to in Article 123 of Regulation (EU) No 1303/2013 and, for information purposes, a summary describing the management and control system;

⁽¹⁾ Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild fauna and flora (OJ L 206, 22.7.1992, p. 7).

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- (ii) a description of the respective roles of the FLAGs, the managing authority or designated body for all implementation tasks relating to the community-led local development strategy;
 - (iii) a description of the monitoring and evaluation procedures, as well as the general composition of the monitoring committee referred to in Article 48 of Regulation (EU) No 1303/2013;
 - (iv) the provisions to ensure that the programme is publicised in accordance with Article 119 of this Regulation;
- (n) a list of the partners referred to in Article 5 of Regulation (EU) No 1303/2013 and the results of the consultation of those partners;
- (o) for the objective of ensuring increased compliance through control referred to in Article 6(3)(b), and in accordance with the actual priorities adopted by the Commission pursuant to Article 17(3):
- (i) a list of the bodies implementing the control, inspection and enforcement system and a brief description of their human and financial resources available for fisheries control, inspection and enforcement, and their major equipment available for fisheries control, inspection and enforcement, in particular the number of vessels, aircraft and helicopters;
 - (ii) the overall objectives of the control measures to be implemented, using common indicators to be set in accordance with Article 109;
 - (iii) specific objectives to be achieved in accordance with the Union priorities set out in Article 6 and a detailed indication by category over the entire programming period;
- (p) for the objective of collection of data for sustainable fisheries management referred to in point (a) of Article 6(3), and in accordance with the multiannual Union programme referred to in Article 3 of Regulation (EC) No 199/2008:
- (i) a description of the activities of data collection, in accordance with Article 25(1) of Regulation (EU) No 1380/2013;
 - (ii) a description of the data storage methods, data management and data use;
 - (iii) a description of the capability to achieve sound financial and administrative management of the data collected.

The section of the operational programme referred to in point (p) shall be supplemented in accordance with Article 21 of this Regulation.

2. The operational programme shall include the methods for calculating the simplified costs referred to in points (b), (c) and (d) of Article 67(1) of Regulation (EU) No 1303/2013 and additional costs or income foregone in accordance with Article 96 of this Regulation,

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and the method for calculating compensation in accordance with relevant criteria identified for each of the activities deployed under Article 40(1), Articles 53, 54 and 55, point (f) of Article 56(1) and Article 67 of this Regulation. Where relevant, information on advance payments to FLAGs under Article 62 of this Regulation shall also be included.

3. The Commission shall adopt implementing acts laying down rules for the presentation of the elements described in paragraphs 1 and 2 of this Article. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 127(3).

*Article 19***Approval of the operational programme**

1. Subject to Article 29 of Regulation (EU) No 1303/2013, the Commission shall adopt implementing acts approving the operational programme.

2. For the purpose of adopting the implementing acts referred to in paragraph 1 of this Article, the Commission shall examine whether the measures referred to in point (b)(ii) of Article 18(1) are likely to effectively remove the overcapacity identified.

*Article 20***Amendment of the operational programme**

1. The Commission shall adopt implementing acts approving any amendments to an operational programme

2. In order to adapt to the evolving needs of control, the Commission may, every two years, adopt implementing acts detailing any changes in the priorities of the Union in the enforcement and control policy as referred to in Article 17(3) and the corresponding eligible operations which are to be prioritised. Those implementing acts shall be adopted in accordance with the advisory procedure referred to in Article 127(2).

3. Member States may submit an amendment to their operational programme, taking into account new priorities laid down in implementing acts referred to in paragraph 2 of this Article. In accordance with the principle of proportionality, such amendments to the operational programme shall be subject to a simplified procedure to be adopted in accordance with Article 22(2).

*Article 21***Work plans for data collection**

1. For the purpose of application of point (p) of Article 18(1) of this Regulation, Member States shall submit to the Commission by electronic means work plans for data collection in accordance with Article 4(4) of Regulation (EC) No 199/2008 by 31 October of the

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year preceding the year from which the work plan is to apply, unless an existing plan still applies, in which case they shall notify the Commission thereof. The content of those plans shall be consistent with Article 4(2) of that Regulation.

2. The Commission shall adopt implementing acts approving the work plans referred to in paragraph 1 by 31 December of the year preceding the year from which the work plan is to apply.

*Article 22***Rules on procedures and timetables**

1. The Commission may adopt implementing acts laying down rules on procedures, format and timetables for:

- (a) the approval of operational programmes;
- (b) the submission and approval of amendments to operational programmes, including their entry into force and frequency of submission during the programming period;
- (c) the submission and approval of amendments as referred to in Article 20(3);
- (d) the submission of work plans for data collection.

Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 127(3).

2. The procedures and timetables shall be simplified in the case of:

- (a) amendments to operational programmes concerning a transfer of funds between Union priorities, provided that the funds transferred do not exceed 10 % of the amount allocated to the Union priority;
- (b) amendments to operational programmes concerning the introduction or withdrawal of measures or types of relevant operations and related information and indicators;
- (c) amendments to operational programmes concerning changes in the description of measures, including changes of eligibility conditions;

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- (d) amendments referred to in Article 20(3), as well as in the case of any other amendments to the section of the operational programme referred to in point (o) of Article 18(1).

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3. Paragraph 2 shall not apply to measures referred to in Articles 33, 34 and Article 41(2).

▼B*CHAPTER II**Programming for measures financed under direct management**Article 23***Annual work programme**

1. In order to implement Title VI, the Commission shall adopt implementing acts laying down annual work programmes in accordance with the objectives set out in the respective Chapters. For Chapters I and II of Title VI, those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 127(3).
2. The annual work programmes shall include:
 - (a) a description of the activities to be financed and the objectives to be pursued for each activity which shall be in accordance with the objectives laid down in Articles 82 and 85. It shall also contain an indication of the amount allocated to each activity, an indicative implementation timetable, as well as information on their implementation;
 - (b) for grants and related measures, the essential evaluation criteria, which shall be set in a manner that best achieves the objectives pursued by the operational programme, and the maximum rate of co-financing.

TITLE V

MEASURES FINANCED UNDER SHARED MANAGEMENT

*CHAPTER I**Sustainable development of fisheries**Article 24***Specific objectives**

Support under this Chapter shall contribute to the achievement of the specific objectives under the Union priority set out in Article 6(1).

*Article 25***General conditions**

1. The owner of a fishing vessel having received support under this Chapter shall not transfer that vessel outside the Union during at least the five years following the date of actual payment of that support to the beneficiary. If a vessel is transferred within that time-frame, sums unduly paid in respect of the operation shall be recovered by the Member State, in an amount proportionate to the period during which the condition set out in the first sentence of this paragraph has not been fulfilled.
2. Operating costs shall not be eligible unless otherwise expressly provided for in this Chapter.

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3. The total financial contribution from the EMFF to the measures referred to in Articles 33 and 34 and to the replacement or modernisation of main or ancillary engines referred to in Article 41, shall not exceed the higher of the following two thresholds:

- (a) EUR 6 000 000; or
- (b) 15 % of the Union financial support allocated by the Member State to the Union priorities set out in Article 6(1), (2) and (5).

4. The total financial contribution from the EMFF to the measures referred to in Article 29(4) shall not exceed 5 % of the Union financial support allocated per Member State.

5. Support to vessel owners granted under Article 33 shall be deducted from support granted to vessel owners under Article 34 for the same vessel.

*Article 26***Innovation**

►C1 1. In order to stimulate innovation in fisheries, the EMFF may support operations aimed at ◀ developing or introducing new or substantially improved products and equipment, new or improved processes and techniques, and new or improved management and organisation systems, including at the level of processing and marketing.

2. Operations financed under this Article shall be carried out by, or in collaboration with, a scientific or technical body, recognised by the Member State or the Union. That scientific or technical body shall validate the results of such operations.

3. The results of operations financed under this Article shall be adequately publicised by the Member State in accordance with Article 119.

*Article 27***Advisory services**

1. In order to improve the overall performance and competitiveness of operators and to promote sustainable fisheries, the EMFF may support:

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- (a) feasibility studies and advisory services that assess the viability of operations potentially eligible for support under this Chapter;

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- (b) the provision of professional advice on environmental sustainability, with a focus on limiting and, where possible, eliminating the negative impact of fishing activities on marine, terrestrial and freshwater ecosystems;
- (c) the provision of professional advice on business and marketing strategies.

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2. The feasibility studies, advisory services and advice referred to in paragraph 1 shall be provided by scientific, academic, professional or technical bodies, or entities providing economic advice that have the required competences.

3. The support referred to in paragraph 1 shall be granted to operators, organisations of fishermen, including producer organisations, or public law bodies.

4. Where the support referred to in paragraph 1 does not exceed the amount of EUR 4 000, the beneficiary may be selected by means of an accelerated procedure.

*Article 28***Partnerships between scientists and fishermen**

1. In order to foster the transfer of knowledge between scientists and fishermen, the EMFF may support:

- (a) the creation of networks, partnership agreements or associations between one or more independent scientific bodies and fishermen, or one or more organisations of fishermen, in which technical bodies may participate;
- (b) the activities carried out in the framework of the networks, partnership agreements, or associations referred to in point (a).

2. The activities referred to in point (b) of paragraph 1 may cover data collection and management activities, studies, pilot projects, dissemination of knowledge and research results, seminars and best practices.

3. The support referred to in paragraph 1 may be granted to public law bodies, fishermen, organisations of fishermen, FLAGS and non-governmental organisations.

*Article 29***Promotion of human capital, job creation and social dialogue**

1. In order to promote human capital, job creation and social dialogue, the EMFF may support:

- (a) professional training, lifelong learning, joint projects, the dissemination of knowledge of an economic, technical, regulatory or scientific nature and of innovative practices, and the acquisition of new professional skills, in particular linked to the sustainable management of marine ecosystems, hygiene, health, safety, activities in the maritime sector, innovation and entrepreneurship;
- (b) networking and exchange of experiences and best practices between stakeholders, including among organisations promoting equal opportunities between men and women, promoting the role of women in fishing communities and promoting under-represented groups involved in small-scale coastal fishing or in on-foot fishing;

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(c) social dialogue at Union, national, regional or local level involving fishermen, social partners and other relevant stakeholders.

2. The support referred to in paragraph 1 may also be granted to spouses of self-employed fishermen or, where and in so far as recognised by national law, the life partners of self-employed fishermen, under the conditions laid down in point (b) of Article 2 of Directive 2010/41/EU of the European Parliament and of the Council ⁽¹⁾.

3. The support referred to in point (a) of paragraph 1 may be granted, for a maximum period of two years, for the training of people under 30 years of age, who are recognised as unemployed by the Member State concerned ('trainees'). Such support shall be limited to training on board a small-scale coastal fishing vessel owned by a professional fisherman of at least 50 years of age, formalised by a contract between the trainee and the owner of the vessel that is recognised by the Member State concerned, including courses on sustainable fishing practices and the conservation of marine biological resources as defined in Regulation (EU) No 1380/2013. The trainee shall be accompanied on board by a professional fisherman of at least 50 years of age.

4. Support under paragraph 3 shall be granted to professional fishermen to cover the trainee's salary and related charges, and shall be calculated in accordance with Article 67(5) of Regulation (EU) No 1303/2013, taking into account the economic situation and living standards of the Member State concerned. That support shall not exceed a maximum amount of EUR 40 000 for each beneficiary during the programming period.

Article 30

Diversification and new forms of income

1. The EMFF may support investments contributing to the diversification of the income of fishermen through the development of complementary activities, including investments on board, angling tourism, restaurants, environmental services related to fishing and educational activities concerning fishing.

2. The support under paragraph 1 shall be granted to fishermen who:

(a) submit a business plan for the development of their new activities; and

(b) possess adequate professional skills which may be acquired through operations financed under point (a) of Article 29(1).

3. The support under paragraph 1 shall only be granted if the complementary activities relate to the fisherman's core fishing business.

⁽¹⁾ Directive 2010/41/EU of the European Parliament and of the Council of 7 July 2010 on the application of the principle of equal treatment between men and women engaged in an activity in a self-employed capacity and repealing Council Directive 86/613/EEC (OJ L 180, 15.7.2010, p. 1).

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4. The amount of support granted under paragraph 1 shall not exceed 50 % of the budget foreseen in the business plan for each operation, and shall not exceed a maximum amount of EUR 75 000 for each beneficiary.

*Article 31***Start-up support for young fishermen**

1. The EMFF may provide business start-up support to young fishermen.

2. Support under this Article may be granted only in respect of the first acquisition of a fishing vessel:

(a) with an overall length of less than 24 metres;

(b) which is equipped for sea fishing;

(c) which is between 5 and 30 years old; and

(d) which belongs to a fleet segment for which the report on fishing capacity, referred to in Article 22(2) of Regulation (EU) No 1380/2013, has shown a balance with the fishing opportunities available to that segment.

3. For the purpose of this Article, the term ‘young fisherman’ means a natural person who seeks to acquire a fishing vessel for the first time and who, at the moment of submitting the application, is under 40 years of age and who has worked for at least five years as fisherman, or has acquired equivalent vocational training. Member States may define further objective criteria to be met by young fishermen in order to be eligible for support under this Article.

4. The support under this Article shall not exceed 25 % of the acquisition cost of the fishing vessel and shall in any event not be higher than EUR 75 000 per young fisherman.

*Article 32***Health and safety**

1. In order to improve hygiene, health, safety and working conditions for fishermen, the EMFF may support investments on board or in individual equipment provided that those investments go beyond the requirements under Union or national law.

2. The support under this Article shall be granted to fishermen or owners of fishing vessels.

3. Where the operation consists of an investment on board, the support shall not be granted more than once during the programming period for the same type of investment and for the same fishing vessel. Where the operation consists of an investment in individual equipment, the support shall not be granted more than once during the programming period for the same type of equipment and for the same beneficiary.

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4. The Commission shall be empowered to adopt delegated acts, in accordance with Article 126, identifying the types of operations eligible under paragraph 1 of this Article.

*Article 33***Temporary cessation of fishing activities**

1. The EMFF may support measures for temporary cessation of fishing activities in the following cases:

- (a) the implementation of Commission measures or Member States emergency measures referred to in Articles 12 and 13, respectively, of Regulation (EU) No 1380/2013 or of conservation measures referred to in Article 7 of that Regulation, including biological recovery periods;
- (b) a non-renewal of Sustainable fisheries partnership agreements or protocols thereto;
- (c) where the temporary cessation is provided for in a management plan adopted in accordance with Council Regulation (EC) No 1967/2006⁽¹⁾ or in a multiannual plan adopted under Articles 9 and 10 of Regulation (EU) No 1380/2013, where, based on scientific advice, a reduction of fishing effort is needed in order to achieve the objectives referred to in Article 2(2) and point (a) of Article 2(5) of Regulation (EU) No 1380/2013.

2. The support referred to in paragraph 1 may be granted for a maximum duration of six months per vessel during the period from 2014 to 2020.

3. The support referred to in paragraph 1 shall only be granted to:

- (a) owners of Union fishing vessels which are registered as active and which have carried out fishing activities at sea for at least 120 days during the last two calendar years preceding the date of submission of the application for support; or
- (b) fishermen who have worked at sea for at least 120 days during the last two calendar years preceding the date of submission of the application for support on board a Union fishing vessel concerned by the temporary cessation.

4. All fishing activities carried out by the fishing vessel or by the fishermen concerned shall be effectively suspended. The competent authority shall satisfy itself that the fishing vessel concerned has stopped any fishing activities during the period concerned by the temporary cessation.

⁽¹⁾ Council Regulation (EC) No 1967/2006 of 21 December 2006 concerning management measures for the sustainable exploitation of fishery resources in the Mediterranean Sea, amending Regulation (EEC) No 2847/93 and repealing Regulation (EC) No 1626/94 (OJ L 409, 30.12.2006, p. 11).

*Article 34***Permanent cessation of fishing activities**

1. The EMFF may support measures for the permanent cessation of fishing activities only when that is achieved through the scrapping of fishing vessels and provided that:

- (a) such scrapping is included in the operational programme referred to in Article 18; and
- (b) the permanent cessation is foreseen as a tool of an action plan referred to in Article 22(4) of Regulation (EU) No 1380/2013 indicating that the fleet segment is not effectively balanced with the fishing opportunities available to that segment.

2. Support under paragraph 1 shall be granted to:

- (a) owners of Union fishing vessels registered as active and which have carried out fishing activities at sea for at least 90 days per year during the last two calendar years preceding the date of submission of the application for support; or
- (b) fishermen who have worked at sea for at least 90 days per year during the last two calendar years preceding the date of submission of the application for support, on board of a Union fishing vessel concerned by the permanent cessation.

3. The fishermen concerned shall effectively cease all fishing activities. The beneficiary shall provide proof of the effective cessation of fishing activities to the competent authority. The compensation shall be refunded on a *pro rata temporis* basis where the fisherman returns to a fishing activity within a period of less than two years from the date of submission of the application for support.

4. Support under this Article may be granted until 31 December 2017.

5. Support under this Article shall be paid only after the equivalent capacity has been permanently removed from the Union fishing fleet register and after the fishing licences and authorisations have also been permanently withdrawn. The beneficiary shall be prohibited from registering a new fishing vessel within five years following the receipt of such support. The decrease in capacity as a result of the permanent cessation of fishing activities with public aid shall result in the permanent equivalent reduction of the fishing capacity ceilings set out in Annex II to Regulation (EU) No 1380/2013.

6. By way of derogation from paragraph 1, support may be granted for the permanent cessation of fishing activities without scrapping provided that the vessels retrofit for activities other than commercial fishing.

In addition and with a view to preserving maritime heritage, support may be granted for the permanent cessation of fishing activities without scrapping in the case of traditional wooden vessels, provided that such vessels retain a land-based heritage function.



Article 35

Mutual funds for adverse climatic events and environmental incidents

1. The EMFF may contribute to mutual funds which pay financial compensation to fishermen for economic losses caused by adverse climatic events or by environmental incidents or for the rescue costs for fishermen or fishing vessels in the case of accidents at sea during their fishing activities.

2. For the purpose of paragraph 1, the term ‘mutual fund’ means a scheme accredited by the Member State, in accordance with its national law, which enables affiliated fishermen to insure themselves, whereby compensation payments are made to affiliated fishermen for economic losses caused by the events set out in paragraph 1.

3. Member States shall ensure that overcompensation as a result of the combination of the support under this Article with other Union or national instruments or private insurance schemes is avoided.

4. In order to be eligible for support under this Article, the mutual fund concerned shall:

- (a) be accredited by the competent authority of the Member State, in accordance with national law;
- (b) have a transparent policy towards payments into and withdrawals from the fund; and
- (c) have clear rules attributing responsibility for any debts incurred.

5. Member States shall define the rules for the establishment and management of the mutual funds, in particular for the granting of compensation payments and the eligibility of fishermen for such compensation in the event of adverse climatic events, environmental incidents or accidents at sea referred to in paragraph 1, as well as for the administration and monitoring of compliance with those rules. Member States shall ensure that the fund arrangements provide for penalties in the case of negligence on the part of the fisherman.

6. Adverse climatic events, environmental incidents or accidents at sea referred to in paragraph 1 shall be those that are formally recognised by the competent authority of the Member State concerned as having occurred.

7. The contributions referred to in paragraph 1 shall only relate to the amounts paid by the mutual fund as financial compensation to fishermen. The administrative costs of setting-up the mutual funds shall not be eligible for support. Member States may limit the costs that are eligible for support by applying ceilings per mutual fund.

8. The contributions referred to in paragraph 1 shall only be granted to cover losses caused by the adverse climatic events, environmental incidents or accidents at sea which amount to more than 30 % of the

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annual turnover of the business concerned, calculated on the basis of the average turnover of that business over the preceding three calendar years.

9. No contribution from the EMFF shall be made to the initial capital stock.

10. Where Member States decide to limit the costs that are eligible for support by applying ceilings per mutual fund, they shall provide details and justifications in their operational programmes on those ceilings.

*Article 36***Support for the systems of allocation of fishing opportunities**

1. In order to adapt the fishing activities to the fishing opportunities, the EMFF may support the design, development, monitoring, evaluation and management of the systems for allocating the fishing opportunities.

2. Support under this Article shall be granted to public authorities, legal or natural persons or organisations of fishermen recognised by the Member State, including recognised producer organisations involved in the collective management of the systems referred to in paragraph 1.

*Article 37***Support for the design and implementation of conservation measures and regional cooperation**

1. In order to ensure the efficient design and implementation of conservation measures under Articles 7, 8 and 11 of Regulation (EU) No 1380/2013 and regional cooperation under Article 18 of that Regulation, the EMFF may support:

- (a) the design, development and monitoring of technical and administrative means necessary for the development and implementation of conservation measures and regionalisation;
- (b) stakeholder participation and cooperation between Member States in designing and implementing conservation measures and regionalisation.

2. The EMFF may support direct restocking under paragraph 1 only when it is provided for as a conservation measure in a Union legal act.

*Article 38***Limitation of the impact of fishing on the marine environment and adaptation of fishing to the protection of species**

1. In order to reduce the impact of fishing on the marine environment, to foster the gradual elimination of discards and to facilitate the transition to a sustainable exploitation of living marine biological resources in accordance with Article 2(2) of Regulation (EU) No 1380/2013, the EMFF may support investments:

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- (a) in equipment improving size selectivity or species selectivity of fishing gear;
- (b) on board or in equipment that eliminates discards by avoiding and reducing unwanted catches of commercial stocks, or that deals with unwanted catches to be landed in accordance with Article 15 of Regulation (EU) No 1380/2013;
- (c) in equipment that limits and, where possible, eliminates the physical and biological impacts of fishing on the ecosystem or the sea bed;
- (d) in equipment that protects gear and catches from mammals and birds protected by Council Directive 92/43/EEC or Directive 2009/147/EC of the European Parliament and of the Council⁽¹⁾, provided that it does not undermine the selectivity of the fishing gear and that all appropriate measures are introduced to avoid physical damage to the predators.

2. By way of derogation from point (a) of Article 11, in the outermost regions the support referred to in paragraph 1 may be granted for anchored fish aggregating devices, provided that such devices contribute to sustainable and selective fishing.

3. Support shall not be granted more than once during the programming period for the same type of equipment on the same Union fishing vessel.

4. Support shall only be granted where the gear or other equipment referred to in paragraph 1 has a demonstrably better size-selection or a demonstrably lower impact on the ecosystem and on non-target species than the standard gear or other equipment permitted under Union law, or under relevant national law adopted in the context of regionalisation as provided for in Regulation (EU) No 1380/2013.

5. Support shall be granted to:

- (a) owners of Union fishing vessels which are registered as active vessels and which have carried out fishing activities at sea of at least 60 days during the two calendar years preceding the date of submission of the application for support;
- (b) fishermen who own the gear to be replaced and who have worked on board of a Union fishing vessel for at least 60 days during the two calendar years preceding the date of submission of the application for support;
- (c) organisations of fishermen recognised by the Member State.

⁽¹⁾ Directive 2009/147/EC of the European Parliament and of the Council of 30 November 2009 on the conservation of wild birds (OJ L 20, 26.1.2010, p. 7).

*Article 39***Innovation linked to the conservation of marine biological resources**

1. In order to contribute to the gradual elimination of discards and by-catches and to facilitate the transition to exploitation of living marine biological resources in accordance with Article 2(2) of Regulation (EU) No 1380/2013, and to reduce the impact of fishing on the marine environment and the impact of protected predators, the EMFF may support operations aimed at developing or introducing new technical or organisational knowledge that reduces the impact of fishing activities on the environment, including improved fishing techniques and gear selectivity, or aimed at achieving a more sustainable use of marine biological resources and coexistence with protected predators.
2. Operations financed under this Article shall be carried out by, or in collaboration with, a scientific or technical body recognised by the Member State which shall validate the results of such operations.
3. The results of operations financed under this Article shall be adequately publicised by the Member State in accordance with Article 119.
4. Fishing vessels involved in projects financed under this Article shall not exceed 5 % of the number of vessels of the national fleet or 5 % of the national fleet tonnage in gross tonnage, calculated at the time of submission of the application. At the request of a Member State, in duly justified circumstances and on the basis of a recommendation by the Scientific, Technical and Economic Committee for Fisheries (STECF) established by Commission Decision 2005/629/EC ⁽¹⁾, the Commission may approve projects that exceed the limits set out in this paragraph.
5. Operations which do not qualify as fishing for scientific purposes in accordance with Article 33 of Regulation (EC) No 1224/2009 and which consist of testing new fishing gear or techniques shall be carried out within the limits of the fishing opportunities allocated to the Member State concerned.
6. The net revenue generated by the participation of the fishing vessel in the operation shall be deducted from the eligible expenditure of the operation in accordance with Article 65(8) of Regulation (EU) No 1303/2013.
7. For the purpose of paragraph 6, the term ‘net revenue’ means the income of fishermen from the first sale of the fish or shellfish caught during the introduction and testing of the new technical or organisational knowledge less the selling costs such as auction hall fees.

⁽¹⁾ Commission Decision 2005/629/EC of 26 August 2005 establishing a Scientific, Technical and Economic Committee for Fisheries (OJ L 225, 31.8.2005, p. 18).

▼B*Article 40***Protection and restoration of marine biodiversity and ecosystems and compensation regimes in the framework of sustainable fishing activities**

1. In order to protect and restore marine biodiversity and ecosystems in the framework of sustainable fishing activities, with the participation, where relevant, of fishermen, the EMFF may support the following operations:

- (a) the collection of waste by fishermen from the sea such as the removal of lost fishing gear and marine litter;
- (b) the construction, installation or modernisation of static or movable facilities intended to protect and enhance marine fauna and flora, including their scientific preparation and evaluation;
- (c) contributions to a better management or conservation of marine biological resources;

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- (d) the preparation, including studies, drawing-up, monitoring and updating of protection and management plans for fishery-related activities relating to NATURA 2000 sites and spatial protection measures referred to in Directive 2008/56/EC and relating to other special habitats;

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- (e) the management, restoration and monitoring of NATURA 2000 sites in accordance with Directives 92/43/EEC and 2009/147/EC, in accordance with prioritised action frameworks established pursuant to Directive 92/43/EEC;
- (f) the management, restoration and monitoring of marine protected areas with a view to the implementation of the spatial protection measures referred to in Article 13(4) of Directive 2008/56/EC;
- (g) increasing environmental awareness, involving fishermen, with regard to the protection and restoration of marine biodiversity;
- (h) schemes for compensation for damage to catches caused by mammals and birds protected by Directives 92/43/EEC and 2009/147/EC;
- (i) the participation in other actions aimed at maintaining and enhancing biodiversity and ecosystem services, such as the restoration of specific marine and coastal habitats in support of sustainable fish stocks, including their scientific preparation and evaluation.

2. Support under point (h) of paragraph 1 shall be subject to the formal recognition of such schemes by the competent authorities of the Member States. Member States shall also ensure that no overcompensation for damage occurs as a result of the combination of Union, national and private compensation schemes.

3. The operations referred to in this Article may be implemented by scientific or technical public law bodies, Advisory Councils, fishermen or organisations of fishermen which are recognised by the Member State, or by non-governmental organisations in partnership with organisations of fishermen or in partnership with FLAGs.

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4. The Commission shall be empowered to adopt delegated acts, in accordance with Article 126, specifying the costs which are eligible for support under paragraph 1 of this Article.

*Article 41***Energy efficiency and mitigation of climate change**

1. In order to mitigate the effects of climate change and to improve the energy efficiency of fishing vessels, the EMFF may support:

- (a) investments in equipment or on board aimed at reducing the emission of pollutants or greenhouse gases and increasing the energy efficiency of fishing vessels. Investments in fishing gear are also eligible provided that they do not undermine the selectivity of that fishing gear;
- (b) energy efficiency audits and schemes;
- (c) studies to assess the contribution of alternative propulsion systems and hull designs to the energy efficiency of fishing vessels.

2. Support for the replacement or modernisation of main or ancillary engines may be granted only:

- (a) for vessels up to 12 metres in overall length, provided that the new or modernised engine does not have more power in kW than the current engine;
- (b) for vessels between 12 and 18 metres in overall length, provided that the power in kW of the new or modernised engine is at least 20 % lower than that of the current engine;
- (c) for vessels between 18 and 24 metres in overall length, provided that the power in kW of the new or modernised engine is at least 30 % lower than that of the current engine.

3. Support under paragraph 2 for the replacement or modernisation of main or ancillary engines may only be granted in respect of vessels belonging to a fleet segment for which the report on fishing capacity, referred to in Article 22(2) of Regulation (EU) No 1380/2013, has shown a balance with the fishing opportunities available to that segment.

4. Support under paragraph 2 of this Article shall only be granted for the replacement or modernisation of main or ancillary engines which have been officially certified in accordance with Article 40(2) of Regulation (EC) No 1224/2009. It shall only be paid after any required reduction of capacity in kW has been permanently removed from the Union fishing fleet register.

5. For fishing vessels not subject to a certification of engine power, support under paragraph 2 of this Article shall only be granted for the replacement or modernisation of main or ancillary engines in respect of which the consistency of engine power has been verified in accordance with Article 41 of Regulation (EC) No 1224/2009 and which have been physically inspected to ensure that the engine power does not exceed the engine power established in the fishing licenses.

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6. The reduction of engine power referred to in points(b) and (c) of paragraph 2 may be achieved by a group of vessels for each category of vessel referred to in those points.

7. Without prejudice to Article 25(3), support from the EMFF under paragraph 2 of this Article shall not exceed the higher of the following two thresholds:

(a) EUR 1 500 000; or

(b) 3 % of the Union financial support allocated by the Member State to the Union priorities set out in Article 6(1), (2) and (5).

8. Applications made by operators from the small-scale coastal fishing sector shall be treated as a priority up to 60 % of the total support allocated for the replacement or modernisation of main or ancillary engines referred to in paragraph 2 over the entire programming period.

9. Support under paragraphs 1 and 2 shall only be granted to owners of fishing vessels and shall not be granted more than once for the same type of investment during the programming period for the same fishing vessel.

10. The Commission shall be empowered to adopt delegated acts, in accordance with Article 126, specifying the costs which are eligible for support under point (a) of paragraph 1 of this Article.

*Article 42***Added value, product quality and use of unwanted catches**

1. In order to improve the added value or quality of the fish caught, the EMFF may support:

(a) investments that add value to fishery products, in particular by allowing fishermen to carry out the processing, marketing and direct sale of their own catches;

(b) innovative investments on board that improve the quality of the fishery products.

2. The support referred to in point (b) of paragraph 1 shall be conditional on the use of selective gears to minimise unwanted catches and shall only be granted to owners of Union fishing vessels that have carried out a fishing activity at sea for at least 60 days during the two calendar years preceding the date of submission of the application for support.

*Article 43***Fishing ports, landing sites, auction halls and shelters**

1. For the purpose of increasing the quality, control and traceability of the products landed, increasing energy efficiency, contributing to environmental protection and improving safety and working conditions, the EMFF may support investments improving the infrastructure of fishing ports, auctions halls, landing sites and shelters, including investments in facilities for waste and marine litter collection.

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2. In order to facilitate compliance with the obligation to land all catches in accordance with Article 15 of Regulation (EU) No 1380/2013 and Article 8(2)(b) of Regulation (EU) No 1379/2013, as well as to add value to under-used components of the catch, the EMFF may support investments in fishing ports, auction halls, landing sites and shelters.
3. In order to improve the safety of fishermen, the EMFF may support investments in the construction or modernisation of shelters.
4. Support shall not cover the construction of new ports, new landing sites or new auction halls.

*Article 44***Inland fishing and inland aquatic fauna and flora**

1. In order to reduce the impact of inland fishing on the environment, to increase energy efficiency, to increase the value or quality of fish landed, or to improve health, safety, working conditions, human capital and training, the EMFF may support investments in the following:
 - (a) the promotion of human capital, job creation and social dialogue as referred to in Article 29 and under the conditions set out in that Article;
 - (b) on board or in individual equipment as referred to in Article 32 and under the conditions set out in that Article;
 - (c) in equipment and types of operations as referred to in Articles 38 and 39 and under the conditions set out in those Articles;
 - (d) the improvement of energy efficiency and the mitigation of the effects of climate change as referred to in Article 41 and under the conditions set out in that Article;
 - (e) the improvement of the value or quality of the fish caught as referred to in Article 42 and under the conditions set out in that Article.
 - (f) in fishing ports, shelters and landing sites as referred to in Article 43 and under the conditions set out in that Article;

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2. The EMFF may provide support for investments relating to business start-ups for young fishermen as referred to in Article 31 and under the same conditions as set out in that Article, except for the requirement under points (b) and (d) of paragraph 2 of that Article.

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3. The EMFF may provide support for the development and facilitation of innovation in accordance with Article 26, for the advisory services in accordance with Article 27 and for partnerships between scientists and fishermen in accordance with Article 28.

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4. In order to promote diversification by inland fishermen, the EMFF may support the diversification of inland fishing activities to complementary activities under the conditions laid down in Article 30.
5. For the purposes of paragraph 1:
- (a) references made in Articles 30, 32, 38, 39, 41 and 42 to fishing vessels shall be understood as references to vessels operating exclusively in inland waters;
 - (b) references made in Article 38 to the marine environment shall be understood as references to the environment in which the inland fishing vessel operates.
6. In order to protect and develop aquatic fauna and flora, the EMFF may support:
- (a) the management, restoration and monitoring of NATURA 2000 sites which are affected by fishing activities, and the rehabilitation of inland waters in accordance with Directive 2000/60/EC of the European Parliament and of the Council ⁽¹⁾, including spawning grounds and migration routes for migratory species, without prejudice to point (e) of Article 40(1) of this Regulation and, where relevant, with the participation of inland fishermen;
 - (b) the construction, modernisation or installation of static or movable facilities intended to protect and enhance aquatic fauna and flora, including their scientific preparation, monitoring and evaluation.
7. Member States shall ensure that vessels receiving support under this Article continue to operate exclusively in inland waters.

*CHAPTER II**Sustainable development of aquaculture**Article 45***Specific objectives**

Support under this Chapter shall contribute to the achievement of the specific objectives under the Union priority set out in Article 6(2).

*Article 46***General conditions**

1. Support under this Chapter shall be limited to aquaculture enterprises, unless otherwise stated in this Regulation.
2. For the purposes of this Article, entrepreneurs entering the sector shall provide a business plan and, where the amount of investments is more than EUR 50 000, a feasibility study including an environmental assessment of the operations. Support under this Chapter shall be

⁽¹⁾ Directive 60/2000/EC of the European Parliament and of the Council of 23 October 2000 establishing a framework for Community action in the field of water policy (OJ L 327, 22.12.2000, p. 1).

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granted only where it has been clearly demonstrated in an independent marketing report that good and sustainable market prospects exist for the product.

3. Where operations consist of investments in equipment or infrastructure ensuring compliance with future requirements relating to the environment, human or animal health, hygiene or animal welfare under Union law, support may be granted until the date on which such requirements become mandatory for the enterprises.

4. Support shall not be granted to the farming of genetically modified organisms.

5. Support shall not be granted to aquaculture operations in marine protected areas, if it has been determined by the competent authority of the Member State, on the basis of an environmental impact assessment, that the operation would generate significant negative environmental impact that cannot be adequately mitigated.

*Article 47***Innovation**

1. In order to stimulate innovation in aquaculture, the EMFF may support operations aiming at:

- (a) developing technical, scientific or organisational knowledge in aquaculture farms, which, in particular, reduces the impact on the environment, reduces dependence on fish meal and oil, fosters a sustainable use of resources in aquaculture, improves animal welfare or facilitates new sustainable production methods;
- (b) developing or introducing on the market new aquaculture species with good market potential, new or substantially improved products, new or improved processes, or new or improved management and organisation systems;
- (c) exploring the technical or economic feasibility of innovative products or processes.

2. Operations under this Article shall be carried out by, or in collaboration with, public or private scientific or technical bodies, recognised by the Member State, which shall validate the results of such operations.

3. The results of operations receiving support shall be adequately publicised by the Member State in accordance with Article 119.

*Article 48***Productive investments in aquaculture**

1. The EMFF may support:

- (a) productive investments in aquaculture;

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- (b) the diversification of aquaculture production and species cultured;
- (c) the modernisation of aquaculture units, including the improvement in working and safety conditions of aquaculture workers;
- (d) improvements and modernisation related to animal health and welfare, including the purchase of equipment aiming at protecting the farms from wild predators;
- (e) investments reducing the negative impact or enhancing the positive effects on the environment and increasing resource efficiency;
- (f) investments in enhancing the quality of, or in adding value to, aquaculture products;
- (g) the restoration of existing aquaculture ponds or lagoons through the removal of silt, or investments aimed at the prevention of silt deposits;
- (h) the diversification of the income of aquaculture enterprises through the development of complementary activities;
- (i) investments resulting in a substantial reduction in the impact of aquaculture enterprises on water usage and quality, in particular through reducing the amount of water or chemicals, antibiotics and other medicines used, or through improving the output water quality, including through the deployment of multi-trophic aquaculture systems;
- (j) the promotion of closed aquaculture systems where aquaculture products are farmed in closed recirculation systems, thereby minimising water use;
- (k) investments increasing energy efficiency and promoting the conversion of aquaculture enterprises to renewable sources of energy.

2. Support under point (h) of paragraph 1 shall only be granted to aquaculture enterprises if the complementary activities relate to the core aquaculture business of the enterprise, including angling tourism, environmental services related to aquaculture or educational activities concerning aquaculture.

3. Support under paragraph 1 may be granted for the increase in production and/or modernisation of existing aquaculture enterprises, or for the construction of new ones, provided that the development is consistent with the multiannual national strategic plan for the development of aquaculture referred to in Article 34 of Regulation (EU) No 1380/2013.

*Article 49***Management, relief and advisory services for aquaculture farms**

1. In order to improve the overall performance and competitiveness of aquaculture farms, and to reduce the negative environmental impact of their operations, the EMFF may support:

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- (a) the setting-up of management, relief and advisory services for aquaculture farms;
- (b) the purchase of farm advisory services of a technical, scientific, legal, environmental or economic nature.

2. Advisory services referred to in point (b) of paragraph 1 shall cover:

- (a) the management needs to enable aquaculture farms to comply with Union and national environmental legislation, as well as with maritime spatial planning requirements;

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- (b) environmental impact assessment as referred to in Directive 2011/92/EU of the European Parliament and of the Council⁽¹⁾ and Directive 92/43/EEC;

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- (c) the management needs to enable aquaculture farms to comply with Union and national aquatic animal health and welfare or public health legislation;

(d) health and safety standards based on Union and national legislation;

(e) marketing and business strategies.

3. The advisory services referred to in point (b) of paragraph 1 shall be provided by scientific or technical bodies, as well as by entities providing legal or economic advice with the required competences as recognised by the Member State.

4. Support under point (a) of paragraph 1 shall only be granted to public law bodies or other entities selected by the Member State to set up the farm advisory services. Support under point (b) of paragraph 1 shall only be granted to aquaculture SMEs or aquaculture organisations, including aquaculture producer organisations and associations of aquaculture producer organisations.

5. Where the support does not exceed EUR 4 000, the beneficiary may be selected by means of an accelerated procedure.

6. Beneficiaries shall not receive support more than once per year for each category of advisory services referred to in paragraph 2.

*Article 50***Promotion of human capital and networking**

1. In order to promote human capital and networking in aquaculture, the EMFF may support:

⁽¹⁾ Directive 2011/92/EU of the European Parliament and of the Council of 13 December 2011 on the assessment of the effects of certain public and private projects on the environment (OJ L 26, 28.1.2012, p. 1).

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- (a) professional training, lifelong learning, the dissemination of scientific and technical knowledge and innovative practices, the acquisition of new professional skills in aquaculture and with regard to the reduction of the environmental impact of aquaculture operations;
 - (b) the improvement of working conditions and the promotion of occupational safety;
 - (c) networking and exchange of experiences and best practices among aquaculture enterprises or professional organisations and other stakeholders, including scientific and technical bodies or those promoting equal opportunities between men and women.
2. Support referred to in point (a) of paragraph 1 shall not be granted to large aquaculture enterprises, unless they are engaged in knowledge-sharing with SMEs.
3. By way of derogation from Article 46, support under this Article shall also be granted to public or semi-public organisations and to other organisations recognised by the Member State.
4. Support under this Article shall also be granted to spouses of self-employed aquaculture farmers or, where and in so far as they are recognised by national law, to the life partners of self-employed aquaculture farmers, under the conditions laid down in point (b) of Article 2 of Directive 2010/41/EU.

*Article 51***Increasing the potential of aquaculture sites**

1. In order to contribute to the development of the aquaculture sites and infrastructures, and to reduce the negative environmental impact of the operations, the EMFF may support:
- (a) the identification and mapping of the most suitable areas for developing aquaculture, taking into account, where applicable, spatial planning processes, and the identification and mapping of areas where aquaculture should be excluded in order to maintain the role of such areas in the functioning of the ecosystem;
 - (b) the improvement and development of support facilities and infrastructures required to increase the potential of aquaculture sites and to reduce the negative environmental impact of aquaculture, including investments in land consolidation, energy supply or water management;
 - (c) action taken and implemented by competent authorities under Article 9(1) of Directive 2009/147/EC or Article 16(1) of Directive 92/43/EEC, with the aim of preventing serious damage to aquaculture;

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(d) action taken and implemented by competent authorities following the detection of increased mortalities or diseases as provided for in Article 10 of Council Directive 2006/88/EC ⁽¹⁾. Those actions may cover the adoption of shellfish action plans aimed at the protection, restoration and management, including support to shellfish producers for the maintenance, of natural shellfish banks and catchment areas.

2. Beneficiaries of support under this Article shall only be public law bodies or private bodies entrusted by the Member State with the tasks referred to in paragraph 1.

*Article 52***Encouraging new aquaculture farmers practising sustainable aquaculture**

1. In order to foster entrepreneurship in aquaculture, the EMFF may support the setting-up of sustainable aquaculture enterprises by new aquaculture farmers.

2. Support under paragraph 1 shall be granted to aquaculture farmers entering the sector provided that they:

- (a) possess adequate professional skills and competence;
- (b) set up for the first time an aquaculture micro or small enterprise, as managers of that enterprise; and
- (c) submit a business plan for the development of their aquaculture activities.

3. In order to acquire adequate professional skills, aquaculture farmers entering the sector may benefit from support under point (a) of Article 50(1).

*Article 53***Conversion to eco-management and audit schemes and organic aquaculture**

1. In order to promote the development of organic or energy-efficient aquaculture, the EMFF may support:

- (a) the conversion of conventional aquaculture production methods into organic aquaculture within the meaning of Council Regulation (EC) No 834/2007 ⁽²⁾ and in accordance with Commission Regulation (EC) No 710/2009 ⁽³⁾;

⁽¹⁾ Council Directive 2006/88/EC of 24 October 2006 on animal health requirements for aquaculture animals and products thereof, and on the prevention and control of certain diseases in aquatic animals (OJ L 328, 24.11.2006, p. 14).

⁽²⁾ Council Regulation (EC) No 834/2007 of 28 June 2007 on organic production and labelling of organic products and repealing Regulation (EEC) No 2092/91 (OJ L 189, 20.7.2007, p. 1).

⁽³⁾ Commission Regulation (EC) No 710/2009 of 5 August 2009 amending Regulation (EC) No 889/2008 laying down detailed rules for the implementation of Council Regulation (EC) No 834/2007, as regards laying down detailed rules on organic aquaculture animal and seaweed production (OJ L 204, 6.8.2009, p. 15).

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(b) the participation in the Union eco-management and audit schemes (EMAS) established by Regulation (EC) No 761/2001 of the European Parliament and of the Council ⁽¹⁾.

2. Support shall only be granted to beneficiaries who commit themselves to participate in the EMAS for a minimum of three years or to comply with the requirements of organic production for a minimum of five years.

3. Support shall take the form of compensation for a maximum of three years during the period of the conversion of the enterprise to organic production, or during the preparation for participation in the EMAS. Member States shall calculate that compensation on the basis of:

(a) the loss of revenue or additional costs incurred during the period of transition from conventional into organic production for operations eligible under point (a) of paragraph 1; or

(b) the additional costs resulting from the application and preparation of the participation in EMAS for operations eligible under point (b) of paragraph 1.

*Article 54***Aquaculture providing environmental services**

1. In order to foster the development of aquaculture providing environmental services, the EMFF may support:

(a) aquaculture methods compatible with specific environmental needs and subject to specific management requirements resulting from the designation of NATURA 2000 areas in accordance with Directives 92/43/EEC and 2009/147/EC;

(b) participation, in terms of costs directly related thereto, in ex-situ conservation and reproduction of aquatic animals, within the framework of conservation and biodiversity restoration programmes developed by public authorities, or under their supervision;

(c) aquaculture operations which include conservation and improvement of the environment and of biodiversity, and management of the landscape and traditional features of aquaculture zones.

2. Support under point (a) of paragraph 1 shall take the form of annual compensation for the additional costs incurred and/or income foregone as a result of management requirements in the areas concerned, related to the implementation of Directives 92/43/EEC or 2009/147/EC.

3. Support under point (c) of paragraph 1 shall be granted only to beneficiaries who commit themselves for a minimum period of five years to aqua-environmental requirements that go beyond the mere application of Union and national law. The environmental benefits of the operation shall be demonstrated by a prior assessment conducted by competent bodies designated by the Member State, unless the environmental benefits of that operation are already recognised.

⁽¹⁾ Regulation (EC) No 761/2001 of the European Parliament and of the Council of 19 March 2001 allowing voluntary participation by organisations in a Community eco-management and audit scheme (EMAS) (OJ L 114, 24.4.2001, p. 1).

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4. Support under point (c) of paragraph 1 shall take the form of annual compensation for the additional costs incurred and/or income foregone.

5. The results of operations receiving support under this Article shall be adequately publicised by the Member State in accordance with Article 119.

*Article 55***Public health measures**

1. The EMFF may support compensation to mollusc farmers for the temporary suspension of harvesting of farmed molluscs, where such suspension occurs exclusively for reasons of public health.

2. Support may only be granted where the suspension of harvesting due to the contamination of molluscs is the result of the proliferation of toxin-producing plankton or the presence of plankton containing biotoxins, and provided that:

- (a) the contamination lasts for more than four consecutive months; or
- (b) the loss, resulting from the suspension of the harvest, amounts to more than 25 % of the annual turnover of the business concerned, calculated on the basis of the average turnover of that business over the three calendar years preceding the year in which the harvest was suspended.

For the purposes of point (b) of the first subparagraph, Member States may establish special calculation rules in respect of companies with less than three years of activity.

3. The duration for which compensation may be granted shall be a maximum of 12 months over the entire programming period. In duly justified cases, it may be extended once for a maximum of an additional 12 months up to a combined maximum of 24 months.

*Article 56***Animal health and welfare measures**

1. In order to foster animal health and welfare in aquaculture enterprises, inter alia, in terms of prevention and bio-security, the EMFF may support:

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- (a) the costs of control and eradication of diseases in aquaculture in accordance with Regulation (EU) No 652/2014 of the European Parliament and of the Council⁽¹⁾, including the operational costs necessary to fulfil the obligations in an eradication plan;

⁽¹⁾ Regulation (EU) No 652/2014 of the European Parliament and of the Council of 15 May 2014 laying down provisions for the management of expenditure relating to the food chain, animal health and animal welfare, and relating to plant health and plant reproductive material, amending Council Directives 98/56/EC, 2000/29/EC and 2008/90/EC, Regulations (EC) No 178/2002, (EC) No 882/2004 and (EC) No 396/2005 of the European Parliament and of the Council, Directive 2009/128/EC of the European Parliament and of the Council and Regulation (EC) No 1107/2009 of the European Parliament and of the Council and repealing Council Decisions 66/399/EEC, 76/894/EEC and 2009/470/EC (OJ L 189, 27.6.2014, p. 1).

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- (b) the development of general and species-specific best practices or codes of conduct on bio-security or on animal health and animal welfare needs in aquaculture;
 - (c) initiatives aimed at reducing the dependence of aquaculture on veterinary medicine;
 - (d) veterinary or pharmaceutical studies and dissemination and exchange of information and best practices regarding veterinary diseases in aquaculture, with the aim of promoting an appropriate use of veterinary medicine;
 - (e) the establishment and operation of health protection groups in the aquaculture sector as recognised by Member States;
 - (f) compensation to mollusc farmers for the temporary suspension of their activities due to exceptional mass mortality, if the mortality rate exceeds 20 %, or if the loss resulting from the suspension of the activity amounts to more than 35 % of the annual turnover of the business concerned, calculated on the basis of the average turnover of that business over the three calendar years preceding the year in which the activities were suspended.
2. Support under point (d) of paragraph 1 shall not cover the purchase of veterinary medicines.
3. The results of the studies financed under point (d) of paragraph 1 shall be adequately reported and publicised by the Member State in accordance with Article 119.
4. Support may also be granted to public law bodies.

*Article 57***Aquaculture stock insurance**

1. In order to safeguard the income of aquaculture producers, the EMFF may contribute to an aquaculture stock insurance covering economic losses due to at least one of the following:
- (a) natural disasters;
 - (b) adverse climatic events;
 - (c) sudden water quality and quantity changes for which the operator is not responsible;
 - (d) diseases in aquaculture, failure or destruction of production facilities for which the operator is not responsible.
2. The occurrence of the circumstances referred to in paragraph 1 in aquaculture shall be formally recognised as such by the Member State concerned.
3. Member States may, where appropriate, establish in advance criteria on the basis of which the formal recognition referred to in paragraph 2 shall be deemed to be granted.

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4. Support shall only be granted for aquaculture stock insurance contracts which cover economic losses, as referred to in paragraph 1, exceeding 30 % of the average annual turnover of the aquaculture farmer, calculated on the basis of the average turnover of the aquaculture farmer over the three calendar years preceding the year in which the economic losses occurred.

*CHAPTER III**Sustainable development of fisheries and aquaculture areas*

Section 1

Scope and objectives*Article 58***Scope**

The EMFF shall support the sustainable development of fisheries and aquaculture areas following a community-led local development approach as set out in Article 32 of Regulation (EU) No 1303/2013.

*Article 59***Specific objectives**

Support under this Chapter shall contribute to the achievement of the specific objectives under the Union priority set out in Article 6(4).

Section 2

Community-led local development strategies and fisheries local action groups*Article 60***Community-led local development strategies**

1. In order to contribute to the achievement of the objectives referred to in Article 59, community-led local development strategies shall:

- (a) maximise the participation of fishery and aquaculture sectors in the sustainable development of coastal and inland fisheries and aquaculture areas;
- (b) ensure that local communities fully exploit and benefit from the opportunities offered by maritime, coastal and inland water development and, in particular, help small and declining fishing ports to maximise their marine potential by developing a diversified infrastructure.

2. The strategies shall be coherent with the opportunities and needs identified in the relevant area and the Union priorities set out in Article 6. Strategies may range from those which focus on fisheries

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to broader strategies directed at the diversification of fisheries areas. The strategies shall go beyond a mere collection of operations or juxtaposition of sectoral measures.

*Article 61***Fisheries local action groups**

1. For the purposes of the EMFF, the local action groups referred to in Article 32(2)(b) of Regulation (EU) No 1303/2013 shall be designated as Fisheries local action groups (FLAGs).
2. The FLAGs shall propose a community-led local development strategy based on, at least, the elements set out in Article 60 of this Regulation and shall be responsible for its implementation.
3. The FLAGs shall:
 - (a) broadly reflect the main focus of their strategy and the socio-economic composition of the area through a balanced representation of the main stakeholders, including private sector, public sector and civil society;
 - (b) ensure a significant representation of the fisheries and/or aquaculture sectors.

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4. If the community-led local development strategy is supported by other Funds in addition to the EMFF, the selection body of the FLAGs for the EMFF supported operations shall also fulfil the requirements set out in paragraph 3.

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5. FLAGs may also carry out additional tasks going beyond the minimum tasks provided for in Article 34(3) of Regulation (EU) No 1303/2013, where such tasks are delegated to them by the managing authority.

Section 3**Eligible operations***Article 62***Support from the EMFF for community-led local development**

1. The following operations are eligible for support under this Section in accordance with Article 35 of Regulation (EU) No 1303/2013:
 - (a) preparatory support;
 - (b) implementation of community-led local development strategies;
 - (c) cooperation activities;
 - (d) running costs and animation.
2. FLAGs may request the payment of an advance from the managing authority if such possibility is provided for in the operational programme. The amount of the advances shall not exceed 50 % of the public support related to the running costs and animation.

▼B*Article 63***Implementation of community-led local development strategies**

1. Support for the implementation of community-led local development strategies may be granted for the following objectives:

- (a) adding value, creating jobs, attracting young people and promoting innovation at all stages of the supply chain of fishery and aquaculture products;
- (b) supporting diversification inside or outside commercial fisheries, lifelong learning and job creation in fisheries and aquaculture areas;
- (c) enhancing and capitalising on the environmental assets of the fisheries and aquaculture areas, including operations to mitigate climate change;
- (d) promoting social well-being and cultural heritage in fisheries and aquaculture areas, including fisheries, aquaculture and maritime cultural heritage;
- (e) strengthening the role of fisheries communities in local development and the governance of local fisheries resources and maritime activities.

2. The support referred to in paragraph 1 may include measures provided for in Chapters I, II and IV of this Title, with the exception of Articles 66 and 67, provided that there is a clear rationale for their management at local level. Where support is granted for operations corresponding to those measures, the relevant conditions and the scales of contribution per operation laid down in Chapters I, II and IV of this Title shall apply.

*Article 64***Cooperation activities**

1. Support referred to in Article 35(1)(c) of Regulation (EU) No 1303/2013 may be granted to:

- (a) inter-territorial or transnational cooperation projects;
- (b) preparatory technical support for inter-territorial and transnational cooperation projects, on the condition that FLAGs can demonstrate that they are preparing the implementation of a project.

For the purposes of this Article, the term ‘inter-territorial cooperation’ means cooperation within a Member State, and the term ‘transnational cooperation’ means cooperation between territories in several Member States or cooperation between at least one territory of a Member State and one or more territories in third countries.

2. For the purposes of this Article, apart from other FLAGs, the partners of a FLAG under the EMFF may be a local public-private partnership that is implementing a community-led local development strategy within or outside the Union.

3. In cases where co-operation projects are not selected by the FLAGs, Member States shall establish an appropriate system for the purpose of facilitating cooperation projects. They shall make public

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the national or regional administrative procedures concerning the selection of transnational cooperation projects and a list of eligible costs at the latest two years after the date of approval of their operational programme.

4. Administrative decisions concerning cooperation projects shall take place no later than four months after the date of submission of the project.

5. Member States shall communicate to the Commission the approved transnational cooperation projects in accordance with Article 110.

*CHAPTER IV****Marketing and processing related measures****Article 65***Specific objectives**

Support under this Chapter shall contribute to the achievement of the specific objectives under the Union priority set out in Article 6(5).

*Article 66***Production and marketing plans**

1. The EMFF shall support the preparation and implementation of production and marketing plans referred to in Article 28 of Regulation (EU) No 1379/2013.

2. Expenditure related to production and marketing plans shall be eligible for support from the EMFF only after approval by the competent authorities in the Member State of the annual report referred to in Article 28(5) of Regulation (EU) No 1379/2013.

3. Support granted per producer organisation per year under this Article shall not exceed 3 % of the average annual value of the production placed on the market by that producer organisation during the preceding three calendar years. For any newly recognised producer organisation, that support shall not exceed 3 % of the average annual value of the production placed on the market by the members of that organisation during the preceding three calendar years.

4. The Member State concerned may grant an advance of 50 % of the financial support after approval of the production and marketing plan in accordance with Article 28(3) of Regulation (EU) No 1379/2013.

5. The support referred to in paragraph 1 shall only be granted to producer organisations and associations of producers organisations.

*Article 67***Storage aid**

1. The EMFF may support compensation to recognised producer organisations and associations of producers organisations which store fishery products listed in Annex II to Regulation (EU) No 1379/2013, provided that those products are stored in accordance with Articles 30 and 31 of that Regulation and subject to the following conditions:

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- (a) the amount of the storage aid does not exceed the amount of the technical and financial costs of the actions required for the stabilisation and storage of the products in question;
- (b) the quantities eligible for storage aid do not exceed 15 % of the annual quantities of the products concerned put up for sale by the producer organisation;
- (c) the financial support per year does not exceed 2 % of the average annual value of the production placed on the market by the members of the producer organisation in the period 2009-2011.

For the purposes of point (c) of the first subparagraph, where a member of the producer organisation did not have any production placed on the market in the period 2009 to 2011, the average annual value of production placed on the market in the first three years of production of that member shall be taken into account.

2. The support referred to in paragraph 1 shall end by 31 December 2018.

3. The support referred to in paragraph 1 shall only be granted once the products are released for human consumption.

4. Member States shall fix the amount of the technical and financial costs applicable in their territories as follows:

- (a) technical costs shall be calculated each year on the basis of direct costs relating to the actions required in order to stabilise and store the products in question;
- (b) financial costs shall be calculated each year using the interest rate set annually in each Member State;

These technical and financial costs shall be made publicly available.

5. Member States shall carry out controls to ensure that the products benefiting from storage aid fulfil the conditions laid down in this Article. For the purposes of such controls, beneficiaries of storage aid shall keep stock records for each category of products entered into storage and later reintroduced onto the market for human consumption.

Article 68

Marketing measures

1. The EMFF may support marketing measures for fishery and aquaculture products which are aimed at:

- (a) creating producer organisations, associations of producer organisations or inter-branch organisations to be recognised in accordance with Section II of Chapter II of Regulation (EU) No 1379/2013;
- (b) finding new markets and improving the conditions for the placing on the market of fishery and aquaculture products, including:
 - (i) species with marketing potential;
 - (ii) unwanted catches landed from commercial stocks in accordance with technical measures, Article 15 of Regulation (EU) No 1380/2013 and Article 8(2)(b) of Regulation (EU) No 1379/2013;

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- (iii) fishery and aquaculture products obtained using methods with low impact on the environment, or organic aquaculture products within the meaning of Regulation (EC) No 834/2007;
- (c) promoting the quality and the value added by facilitating:
- (i) the application for registration of a given product and the adaptation of concerned operators to the relevant compliance and certification requirements in accordance with Regulation (EU) No 1151/2012 of the European Parliament and of the Council ⁽¹⁾;
 - (ii) the certification and the promotion of sustainable fishery and aquaculture products, including products from small-scale coastal fishing, and of environmentally-friendly processing methods;
 - (iii) the direct marketing of fishery products by small-scale coastal fishermen or by on-foot fishermen;
 - (iv) the presentation and packaging of products;
- (d) contributing to the transparency of production and the markets and conducting market surveys and studies on the Union's dependence on imports;
- (e) contributing to the traceability of fishery or aquaculture products and, where relevant, the development of a Union-wide ecolabel for fishery and aquaculture products as referred to in Regulation (EU) No 1379/2013;
- (f) drawing up standard contracts for SMEs, which are compatible with Union law;
- (g) conducting regional, national or transnational communication and promotional campaigns, to raise public awareness of sustainable fishery and aquaculture products.

2. The operations referred to in paragraph 1 may include the production, processing and marketing activities along the supply chain.

The operations referred to in point (g) of paragraph 1 shall not be aimed at commercial brands.

Article 69

Processing of fishery and aquaculture products

1. The EMFF may support investments in the processing of fishery and aquaculture products that:

- (a) contribute to energy saving or reducing the impact on the environment, including waste treatment;
- (b) improve safety, hygiene, health and working conditions;

⁽¹⁾ Regulation (EU) No 1151/2012 of the European Parliament and of the Council of 21 November 2012 on quality schemes for agricultural products and foodstuffs (OJ L 343, 14.12.2012, p. 1).

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- (c) support the processing of catches of commercial fish that cannot be destined for human consumption;
- (d) relate to the processing of by-products resulting from main processing activities;
- (e) relate to the processing of organic aquaculture products pursuant to Articles 6 and 7 of Regulation (EC) No 834/2007;
- (f) lead to new or improved products, new or improved processes, or new or improved management and organisation systems.

2. As regards enterprises other than SMEs, the support referred to in paragraph 1 shall only be granted through the financial instruments provided for in Title IV of Part Two of Regulation (EU) No 1303/2013.

*CHAPTER V****Compensation for additional costs in outermost regions for fishery and aquaculture products****Article 70***Compensation regime**

1. The EMFF may support the compensation of additional costs incurred by operators in the fishing, farming, processing and marketing of certain fishery and aquaculture products from the outermost regions referred to in Article 349 TFEU.

2. Each Member State concerned shall determine, for the regions referred to in paragraph 1, the list of fishery and aquaculture products and the quantity of those products eligible for compensation.

3. When establishing the list and the quantities referred to in paragraph 2, Member States shall take into account all relevant factors, in particular the need to ensure that the compensation is fully compatible with the CFP rules.

4. The compensation shall not be granted for fishery and aquaculture products:

- (a) caught by third country vessels, with the exception of fishing vessels which fly the flag of Venezuela and operate in Union waters;
- (b) caught by Union fishing vessels that are not registered in a port of one of the regions referred to in paragraph 1;
- (c) imported from third countries.

5. Point (b) of paragraph 4 shall not apply if the existing capacity of the processing industry in the outermost region concerned exceeds the quantity of raw material supplied in accordance with the compensation plan of the region concerned.

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6. The following operators shall be eligible for compensation:
- (a) natural or legal persons using means of production to obtain fishery or aquaculture products with a view to placing them on the market;
 - (b) the owners or operators of vessels that are registered in the ports of the regions referred to in paragraph 1 and that are operating in those regions, or associations of such owners or operators;
 - (c) the operators in the processing and marketing sector or associations of such operators.

*Article 71***Calculation of the compensation**

The compensation shall be paid to the operators referred to in Article 70(6) carrying out activities in the regions referred to in Article 70(1) and shall take into account:

- (a) for each fishery or aquaculture product or category of products, the additional costs resulting from the specific handicaps of the regions concerned; and
- (b) any other type of public intervention affecting the level of additional costs.

*Article 72***Compensation plan**

1. The Member States concerned shall submit to the Commission a compensation plan for each region referred to in Article 70(1). That plan shall include the list, and quantities of fishery and aquaculture products and the type of operators referred to in Article 70, the level of compensation referred to in Article 71 and the managing authority referred to in Article 97. The Commission shall adopt implementing acts setting out its decision whether to approve such compensation plans.

2. Member States may amend the content of the compensation plan referred to in paragraph 1. Member States shall submit such amendments to the Commission. The Commission shall adopt implementing acts setting out its decision whether to approve those amendments.

3. The Commission shall adopt implementing acts defining the structure of the compensation plan. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 127(3).

4. The Commission shall be empowered to adopt delegated acts, in accordance with Article 126, laying down the criteria for the calculation of the additional costs resulting from the specific handicaps of the regions concerned.

*Article 73***State aid for implementing compensation plans**

Member States may grant additional financing for the implementation of the compensation plans referred to in Article 72. In such cases, Member States shall notify the Commission of the State aid which the Commission may approve in accordance with this Regulation as part

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of those plans. State aid thus notified shall be regarded as notified within the meaning of the first sentence of Article 108(3) TFEU.

*CHAPTER VI**Accompanying measures for the CFP under shared management**Article 74***Geographical scope**

By way of derogation from Article 2, this Chapter shall also apply to operations carried out outside the territory of the Union.

*Article 75***Specific objectives**

Support under this Chapter shall contribute to achieving the specific objectives under the Union priority set out in Article 6(3).

*Article 76***Control and enforcement**

1. The EMFF may support the implementation of a Union control, inspection and enforcement system as provided for in Article 36 of Regulation (EU) No 1380/2013 and further specified in Regulation (EC) No 1224/2009.

2. In particular, the following types of operations shall be eligible:

- (a) the purchase, installation and development of technology, including computer hardware and software, vessel detection systems (VDS), closed-circuit television (CCTV) systems and IT networks enabling the gathering, administration, validation, analysis, risk management, presentation (by means of the websites related to control) and exchange of, and the development of sampling methods for, data related to fisheries, as well as interconnection to cross-sectoral data exchange systems;
- (b) the development, purchase and installation of the components, including computer hardware and software, that are necessary to ensure data transmission from actors involved in fishing and the marketing of fishery products to the relevant Member State and Union authorities, including the necessary components for electronic recording and reporting systems (ERS), vessel monitoring systems (VMS) and automatic identification systems (AIS) used for control purposes;
- (c) the development, purchase and installation of the components, including computer hardware and software, which are necessary to ensure the traceability of fishery and aquaculture products, as referred to in Article 58 of Regulation (EC) No 1224/2009;

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- (d) the implementation of programmes for exchanging data between Member States and for analysing them;
- (e) the modernisation and purchase of patrol vessels, aircrafts and helicopters, provided that they are used for fisheries control for at least 60 % of the total period of use per year;
- (f) the purchase of other control means, including devices to enable the measurement of engine power and weighing equipment;
- (g) the development of innovative control and monitoring systems and the implementation of pilot projects related to fisheries control, including fish DNA analysis or the development of websites related to control;
- (h) training and exchange programmes, including between Member States, of personnel responsible for the monitoring, control and surveillance of fisheries activities;
- (i) cost/benefit analyses and assessments of audits performed and expenditure incurred by competent authorities in carrying out monitoring, control and surveillance;
- (j) initiatives, including seminars and media tools, aimed at enhancing awareness, among both fishermen and other players such as inspectors, public prosecutors and judges, as well as among the general public, of the need to fight illegal, unreported and unregulated fishing and of the implementation of the CFP rules;
- (k) operational costs incurred in carrying out more stringent control for stocks subject to specific control and inspection programmes established in accordance with Article 95 of Regulation (EC) No 1224/2009 and subject to control coordination in accordance with Article 15 of Council Regulation (EC) No 768/2005 ⁽¹⁾;
- (l) programmes linked to the implementation of an action plan established in accordance with Article 102(4) of Regulation (EC) No 1224/2009, including any operational costs incurred.

▼C1

3. The operations listed in points (h) to (l) of paragraph 2 shall only be eligible for support if they relate to control activities carried out by a public authority.

4. In the case of the operations listed in points (d) and (h) of paragraph 2, the Member States concerned shall designate the managing authorities responsible for the operation.

▼B*Article 77***Data collection**

1. The EMFF shall support the collection, management and use of data, as provided for in Article 25(1) and (2) of Regulation (EU) No 1380/2013 and further specified in Regulation (EC) No 199/2008.

⁽¹⁾ Council Regulation (EC) No 768/2005 of 26 April 2005 establishing a Community Fisheries Control Agency and amending Regulation (EEC) No 2847/93 establishing a control system applicable to the common fisheries policy (OJ L 128, 21.5.2005, p. 1).

▼B

2. In particular, the following types of operations shall be eligible:
- (a) the collection, management and use of data for the purpose of scientific analysis and implementation of the CFP;
 - (b) national, transnational and subnational multiannual sampling programmes, provided that they relate to stocks covered by the CFP;
 - (c) at-sea monitoring of commercial and recreational fisheries, including monitoring of by-catch of marine organisms such as marine mammals and birds;
 - (d) research surveys at sea;
 - (e) the participation of representatives of Member States and regional authorities in regional coordination meetings, meetings of regional fisheries management organisations of which the Union is a contracting party or an observer, or meetings of international bodies responsible for providing scientific advice;
 - (f) the improvement of data collection and data management systems and the implementation of pilot studies to improve existing data collection and data management systems.

*CHAPTER VII****Technical assistance at the initiative of Member States****Article 78***Technical assistance at the initiative of Member States**

1. The EMFF may support, at the initiative of a Member State, and subject to a ceiling of 6 % of the total amount of the operational programme:
- (a) the measures of technical assistance referred to in Article 59(1) of Regulation (EU) No 1303/2013;
 - (b) the establishment of national networks aiming at disseminating information, capacity building, exchanging best practices and supporting cooperation between the FLAGs in the territory of the Member State.
2. In duly justified circumstances, the threshold referred to in paragraph 1 may exceptionally be exceeded.

*CHAPTER VIII****The IMP measures financed under shared management****Article 79***Specific objectives**

1. Support under this Chapter shall contribute to the achievement of the specific objectives under the Union priority set out in Article 6(6), including:
- (a) the Integrated maritime surveillance (IMS) and, in particular, the Common information sharing environment (CISE) for the surveillance of the Union maritime domain;

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(b) the promotion of the protection of the marine environment, in particular its biodiversity and marine protected areas such as Natura 2000 sites, without prejudice to Article 37 of this Regulation, and the sustainable use of marine and coastal resources, and the further definition of the boundaries of the sustainability of human activities that have an impact on the marine environment, in particular in the framework of Directive 2008/56/EC.

2. Amendments of the operational programme with regard to the measures referred to in paragraph 1 shall not result in an increase of the total financial allocation referred to in Article 13(7).

*Article 80***Eligible operations**

1. The EMFF may support operations in accordance with the objectives set out in Article 79, such as operations that:

- (a) contribute to achieving the objectives of the IMS and, in particular, those of the CISE;
- (b) protect the marine environment, in particular its biodiversity and marine protected areas such as Natura 2000 sites, in accordance with the obligations established in Directives 92/43/EEC and 2009/147/EC;
- (c) improve the knowledge on the state of the marine environment, with a view to establishing the monitoring programmes and the programmes of measures provided for in Directive 2008/56/EC, in accordance with the obligations established in that Directive.

2. The salary costs of personnel of national administrations shall not be considered to be eligible operating costs.

TITLE VI

MEASURES FINANCED UNDER DIRECT MANAGEMENT

CHAPTER I

*Integrated maritime policy**Article 81***Geographical scope**

By way of derogation from Article 2, this Chapter shall also apply to operations carried out outside the territory of the Union.

*Article 82***Scope and objectives**

Support under this Chapter shall contribute to enhancing the development and implementation of the Union's IMP. It shall:

- (a) foster the development and implementation of integrated governance of maritime and coastal affairs, in particular by:
 - (i) promoting actions which encourage Member States and their regions to develop, introduce or implement integrated maritime governance;

▼B

- (ii) promoting dialogue and cooperation with and among competent authorities of the Member States and stakeholders on marine and maritime issues, including by developing and implementing integrated sea-basin strategies taking into account a balanced approach in all sea basins as well as the specific characteristics of the sea basins and sub-sea basins, and relevant macro-regional strategies where applicable;
 - (iii) promoting cross-sectoral cooperation platforms and networks, including representatives of public authorities at national, regional and local level, industry including tourism, research stakeholders, citizens, civil society organisations and the social partners;
 - (iv) improving the cooperation between Member States through exchange of information and best practices among their competent authorities;
 - (v) promoting the exchange of best practices and dialogue at international level, including bilateral dialogue with third countries, taking into account UNCLOS and the relevant international conventions based on UNCLOS, without prejudice to other agreements or arrangements which may exist between the Union and the third countries concerned. Such dialogue shall include, as appropriate, effective discussion on the ratification and implementation of UNCLOS;
 - (vi) enhancing the visibility of, and raising the awareness of public authorities, the private sector and the general public to an integrated approach to, maritime affairs;
- (b) contribute to the development of cross-sectoral initiatives that are mutually beneficial to different maritime sectors and/or sectoral policies, taking into account and building upon existing tools and initiatives, such as:
- (i) the IMS so as to reinforce the safe, secure and sustainable use of maritime space in particular by enhancing effectiveness and efficiency through information exchange across sectors and borders, while taking due account of existing and future cooperation mechanisms and systems;
 - (ii) maritime spatial planning and integrated coastal zone management processes;
 - (iii) the progressive development of a comprehensive and publicly accessible high quality marine data and knowledge base which shall facilitate the sharing, re-use and dissemination of those data and knowledge among various user groups, thus avoiding a duplication of efforts; for that purpose, the best use shall be made of existing Union and Member States' programmes;
- (c) support sustainable economic growth, employment, innovation and new technologies within emerging and prospective maritime sectors, as well as in coastal, insular and outermost regions of the Union, in a way that complements established sectoral and national activities;

▼B

- (d) promote the protection of the marine environment, in particular its biodiversity and marine protected areas such as Natura 2000 sites, and the sustainable use of marine and coastal resources and to further define the boundaries of the sustainability of human activities that have an impact on the marine environment, in accordance with the objectives of achieving and maintaining a good environmental status as required by Directive 2008/56/EC.

*Article 83***Eligible operations**

1. The EMFF may support operations in accordance with the objectives set out in Article 82, such as:

- (a) studies;
- (b) projects, including test projects and cooperation projects;
- (c) public information and sharing best practices, awareness-raising campaigns and associated communication and dissemination activities such as publicity campaigns, events, the development and maintenance of websites, and stakeholder platforms;
- (d) conferences, seminars, fora and workshops;
- (e) coordination activities, including information-sharing networks, and development support for sea-basin strategies;
- (f) the development, operation and maintenance of IT systems and networks enabling the gathering, administration, validation, analysis and exchange of, and the development of sampling methods for, data, as well as interconnection to cross-sectoral data exchange systems;
- (g) training projects for the development of knowledge, professional qualifications and measures aimed at promoting professional development in the maritime sector.

2. In order to achieve the specific objective of developing cross-border and cross-sectoral operations set out in point (b) of Article 82, the EMFF may support:

- (a) the development and implementation of technical tools for the IMS, in particular for supporting the deployment, operation and maintenance of the CISE, with a view to promoting cross-sectoral and cross-border surveillance information exchanges interlinking all user communities, taking into account the relevant developments of sectoral policies as regards surveillance and contributing, as appropriate, to their necessary evolution;
- (b) activities of coordination and cooperation between Member States or regions in order to develop maritime spatial planning and integrated coastal zone management, including expenditure related to systems and practices of data sharing and monitoring, evaluation activities, the setting-up and running of networks of experts, and the setting-up of a programme aimed at building capacity for Member States to implement maritime spatial planning;

▼B

- (c) initiatives to co-finance, purchase and maintain marine observation systems and technical tools for designing, setting-up and running an operational European marine observation and data network system which aims to facilitate the collection, acquisition, assembly, processing, quality control, re-use and distribution of marine data and knowledge, through cooperation between Member States and/or international institutions concerned.

*CHAPTER II**Accompanying measures for the CFP and the IMP under direct management**Article 84***Geographical scope**

By way of derogation from Article 2, this Chapter shall also apply to operations carried out outside the territory of the Union.

*Article 85***Specific objectives**

Measures under this Chapter shall facilitate the implementation of the CFP and the IMP, in particular with regard to:

- (a) the collection, management and dissemination of scientific advice under the CFP;
- (b) specific control and enforcement measures under the CFP;
- (c) voluntary contributions to international organisations;
- (d) Advisory Councils;
- (e) market intelligence;
- (f) communication activities under the CFP and the IMP.

*Article 86***Scientific advice and knowledge**

1. The EMFF may support the provision of scientific deliverables, particularly applied–research projects directly linked to the provision of scientific and socio–economic opinions and advice, for the purpose of sound and efficient fisheries management decisions under the CFP.
2. In particular, the following types of operations shall be eligible:
 - (a) studies and pilot projects needed for the implementation and development of the CFP, including those on alternative types of sustainable fishing and aquaculture management techniques, including within Advisory Councils;
 - (b) the preparation and provision of scientific opinions and advice by scientific bodies, including international advisory bodies in charge of stock assessments, by independent experts and by research institutions;

▼B

- (c) the participation of experts in the meetings of working groups on scientific and technical issues related to fisheries, such as STECF, as well as in international advisory bodies and in meetings where the contribution of fishery and aquaculture experts is required;
- (d) research surveys at sea, as referred to in Article 12(2) of Regulation (EC) No 199/2008, in areas where Union vessels operate under Sustainable fisheries partnership agreements as referred to in Article 31 of Regulation (EU) No 1380/2013;
- (e) expenditure incurred by the Commission for services related to the collection, management and use of data, to the organisation and management of fisheries expert meetings and the management of annual work programmes related to fisheries scientific and technical expertise, to the processing of data calls and datasets and to the preparatory work aiming at delivering scientific opinions and advice;
- (f) cooperation activities between Member States in the field of data collection, including those between the various regional stakeholders, and including the setting-up and running of regionalised databases for the storage, management and use of data which will benefit regional cooperation and improve data collection and management activities as well as improving scientific expertise in support of fisheries management.

*Article 87***Control and enforcement**

1. The EMFF may support the implementation of a Union control, inspection and enforcement system as provided for in Article 36 of Regulation (EU) No 1380/2013 and further specified in Regulation (EC) No 1224/2009.
2. In particular, the following types of operations shall be eligible:
 - (a) joint purchase and/or chartering by several Member States belonging to the same geographical area, of patrol vessels, aircrafts and helicopters, provided that they are used for fisheries control for at least 60 % of the total period of use per year;
 - (b) expenditure relating to the assessment and development of new control technologies, as well as of processes for the exchange of data;
 - (c) all operational expenditure related to control and evaluation by the Commission of the implementation of the CFP, in particular that relating to verification, inspection and audit missions, equipment and training for Commission officials, the organisation of or participation in meetings, including the exchange of information and best practices between Member States, studies, IT services and suppliers, and the charter or purchase by the Commission of inspection means as specified in Titles IX and X of Regulation (EC) No 1224/2009.

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3. With a view to strengthening and standardising controls, the EMFF may support the implementation of transnational projects that aim to develop and test the inter-State control, inspection and enforcement systems provided for in Article 36 of Regulation (EU) No 1380/2013 and further laid down in Regulation (EC) No 1224/2009.

Eligible types of operations shall include, in particular, the following:

- (a) international training programmes for personnel responsible for monitoring, control and surveillance of fisheries activities;
- (b) initiatives, including seminars and media tools, for standardising the interpretation of regulations and associated controls in the Union.

4. In the case of the operations referred to in point (a) of paragraph 2, only one of the Member States concerned shall be designated as a beneficiary.

*Article 88***Voluntary financial contributions to international organisations**

The EMFF may support the following types of operations in the area of international relations:

- (a) financial contributions provided to the United Nations organisations as well as voluntary funding provided to any international organisation active in the field of the Law of the Sea;
- (b) financial contributions to preparations for new international organisations or the preparation of new international treaties which are of interest to the Union;
- (c) financial contributions to work or programmes carried out by international organisations which are of special interest to the Union;
- (d) financial contributions to any activity (including working, informal or extraordinary meetings of contracting parties) which upholds the interests of the Union in international organisations and strengthens cooperation with its partners in those organisations. In that regard, when the presence of representatives of third countries in negotiations and meetings in international fora and organisations becomes necessary for the interests of the Union, the EMFF may bear the costs of their participation.

*Article 89***Advisory Councils**

1. The EMFF shall support the operating costs of the Advisory Councils established in accordance with Article 43 of Regulation (EU) No 1380/2013.

2. An Advisory Council having legal personality may apply for Union support as a body pursuing an aim of general European interest.

*Article 90***Market intelligence**

The EMFF may support the development and dissemination of market intelligence for fishery and aquaculture products by the Commission in accordance with Article 42 of Regulation (EU) No 1379/2013.

*Article 91***Communication activities under the CFP and the IMP**

The EMFF may support:

- (a) the costs of information and communication activities linked to the CFP and the IMP, including:
 - (i) the costs of the production, translation and dissemination of material tailored to the specific needs of the different target groups in written, audiovisual and electronic format;
 - (ii) the costs of the preparation and organisation of events and meetings to inform, or collect the views of, the different parties concerned by the CFP and the IMP;
- (b) the travelling and accommodation costs of experts and stakeholders' representatives invited by the Commission to meetings;
- (c) the costs of the corporate communication of the political priorities of the Union as far as they are related to the general objectives of this Regulation.

*CHAPTER III****Technical assistance****Article 92***Technical assistance at the initiative of the Commission**

The EMFF may support, at the initiative of the Commission and subject to the ceiling of 1,1 % of the EMFF:

- (a) the measures of technical assistance specified in Article 58 of Regulation (EU) No 1303/2013;
- (b) the preparation, monitoring and evaluation of sustainable fisheries agreements and the Union participation in regional fisheries management organisations. The measures concerned shall consist of studies, meetings, expert involvement, temporary staff costs, information activities and any other administrative costs or costs arising from scientific or technical assistance by the Commission;
- (c) the setting-up of a European network of FLAGs aimed at capacity building, disseminating information, exchanging experiences and best practices and supporting cooperation between the FLAGs. That network shall cooperate with the networking and technical support bodies for local development set up by the ERDF, the ESF and the EAFRD as regards their local development activities and transnational cooperation.



TITLE VII
IMPLEMENTATION UNDER SHARED MANAGEMENT

CHAPTER I
General provisions

Article 93

Scope

This Title shall apply to measures financed under shared management as set out in Title V.

CHAPTER II
Delivery mechanism

Section 1
Support from the EMFF

Article 94

Determination of co-financing rates

1. When adopting implementing acts pursuant to Article 19 approving an operational programme, the Commission shall set the maximum EMFF contribution to that programme.

2. The EMFF contribution shall be calculated on the basis of the amount of eligible public expenditure.

The operational programme shall establish the EMFF contribution rate applicable to the Union priorities set out in Article 6. The maximum EMFF contribution rate shall be 75 % and the minimum EMFF contribution rate shall be 20 % of eligible public expenditure.

3. By way of derogation from paragraph 2, the EMFF contribution shall be:

- (a) 100 % of the eligible public expenditure for the support under storage aid referred to in Article 67;
- (b) 100 % of the eligible public expenditure for the compensation regime referred to in Article 70;
- (c) 50 % of the eligible public expenditure for the support referred to in Articles 33, 34 and Article 41(2);
- (d) 70 % of the eligible public expenditure for the support referred to in point (e) of Article 76(2);
- (e) 90 % of the eligible public expenditure for the support referred to in points (a) to (d) and (f) to (l) of Article 76(2);
- (f) 80 % of the eligible expenditure for the support referred to in Article 77.

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4. By way of derogation from paragraph 2, the maximum EMFF contribution rate applicable to the specific objectives under a Union priority shall be increased by ten percentage points, where the whole of the Union priority set out in Article 6(4) is delivered through community-led local development.

*Article 95***Intensity of public aid**

1. Member States shall apply a maximum intensity of public aid of 50 % of the total eligible expenditure of the operation.

2. By way of derogation from paragraph 1, Member States may apply an intensity of public aid of 100 % of the eligible expenditure of the operation where:

- (a) the beneficiary is a public law body or an undertaking entrusted with the operation of services of general economic interest as referred to in Article 106(2) TFEU, where the aid is granted for the operation of such services;
- (b) the operation is related to the storage aid referred to in Article 67;
- (c) the operation is related to the compensation regime referred to in Article 70;
- (d) the operation is related to the data collection referred to in Article 77;
- (e) the operation is related to support under Article 33 or 34 or to compensation under Article 54, 55 or 56;
- (f) the operation is related to the IMP measures referred to in Article 80.

3. By way of derogation from paragraph 1, Member States may apply an intensity of public aid between 50 % and 100 % of the total eligible expenditure where:

- (a) the operation is implemented under Chapter I, II or IV of Title V and fulfils all of the following criteria:
 - (i) it is of collective interest;
 - (ii) it has a collective beneficiary;
 - (iii) it has innovative features, where appropriate, at local level;
- (b) the operation is implemented under Chapter III of Title V, fulfils one of the criteria referred to in points (a)(i), (ii) or (iii) of this paragraph and provides public access to its results.

4. By way of derogation from paragraph 1, additional percentage points of public aid intensity shall apply for specific types of operations as set out in Annex I.

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5. The Commission shall adopt implementing acts establishing how the different percentage points of public aid intensity shall apply in case several conditions of Annex I are fulfilled. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 127(3).

*Article 96***Calculation of additional costs or income foregone**

Where aid is granted on the basis of additional costs or income foregone, Member States shall ensure that the relevant calculations are adequate, accurate and established in advance on the basis of a fair, equitable and verifiable calculation.

*CHAPTER III****Management and control systems****Article 97***Managing authority**

1. In addition to the general rules set out in Article 125 of Regulation (EU) No 1303/2013, the managing authority shall:

- (a) by 31 March each year, provide the Commission with relevant cumulative data on operations selected for funding until the end of the previous calendar year, including key characteristics of the beneficiary and the operation itself;
- (b) ensure publicity for the operational programme by informing potential beneficiaries, professional organisations, the economic and social partners, bodies involved in promoting equality between men and women, and the non-governmental organisations concerned, including environmental organisations, of the possibilities offered by the programme and the rules for gaining access to programme funding;
- (c) ensure publicity for the operational programme by informing beneficiaries of the Union contribution and the general public of the role played by the Union in the programme.

2. The Commission shall adopt implementing acts laying down rules for the presentation of the data referred to in point (a) of paragraph 1. Those implementing acts shall be adopted in accordance with the advisory procedure referred to in Article 127(2).

*Article 98***Transmission of financial data**

1. By 31 January and 31 July, the Member States shall transmit, by electronic means, to the Commission a forecast of the amount for which they expect to submit payment applications for the current and for the subsequent financial year.

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2. The Commission shall adopt an implementing act establishing the model to be used when submitting the financial data to the Commission. That implementing act shall be adopted in accordance with the examination procedure referred to in Article 127(3).

*CHAPTER IV****Control by Member States****Article 99***Financial corrections by Member States**

1. In addition to the financial corrections referred to in Article 143 of Regulation (EU) No 1303/2013, Member States shall make financial corrections if the beneficiary does not respect the obligations referred to in Article 10(2) of this Regulation.

2. In the cases of financial corrections referred to in paragraph 1, Member States shall determine the amount of the correction, which shall be proportionate, having regard to the nature, gravity, duration and repetition of the infringement or offence by the beneficiary and the importance of the EMFF contribution to the economic activity of the beneficiary.

*CHAPTER V****Control by the Commission***

Section 1

Interruption and suspension*Article 100***Interruption of the payment deadline****▼C1**

1. In addition to the criteria allowing for interruption listed in points (a), (b) and (c) of Article 83(1) of Regulation (EU) No 1303/2013, the authorising officer by delegation, within the meaning of Regulation (EU, Euratom) No 966/2012, may interrupt the payment deadline for a payment application in the case of non-compliance by a Member State with its obligations under the CFP which is liable to affect the expenditure contained in a payment application for which the interim payment is requested.

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2. Prior to the interruption of an interim payment deadline as referred to in paragraph 1, the Commission shall, adopt implementing acts recognising that there is evidence suggesting non-compliance with obligations under the CFP. Before the Commission adopts such implementing acts, it shall immediately inform the Member State concerned of such evidence or reliable information and the Member State shall be given the opportunity to present its observations within a reasonable period of time.

▼C1

3. The interruption of all or part of the interim payments related to the expenditure referred to in paragraph 1 covered by the payment application shall be proportionate, having regard to the nature, gravity, duration and repetition of the non-compliance.

▼B*Article 101***Suspension of payments****▼C1**

1. In addition to Article 142 of Regulation (EU) No 1303/2013, the Commission may adopt implementing acts suspending all or part of the interim payments under the operational programme in the case of a serious non-compliance by a Member State with its obligations under the CFP, which is liable to affect the expenditure contained in a payment application for which the interim payment is requested.

▼B

2. Prior to the suspension of an interim payment as referred to in paragraph 1, the Commission shall adopt an implementing act recognising that a Member State has failed to comply with its obligations under the CFP. Before the Commission adopts such an implementing act, it shall immediately inform the Member State concerned of such findings or reliable information and the Member State shall be given the opportunity to present its observations on the matter.

▼C1

3. The suspension of all or part of the interim payments related to the expenditure referred to in paragraph 1 covered by the payment application shall be proportionate, having regard to the nature, gravity, duration and repetition of the serious non-compliance.

▼B*Article 102***Commission powers**

The Commission shall be empowered to adopt delegated acts, in accordance with Article 126, defining those cases of non-compliance, referred to in Article 100, and the cases of serious non-compliance, referred to in Article 101(1), deriving from the relevant CFP rules that are essential to the conservation of marine biological resources.

Section 2**Information exchange and financial corrections***Article 103***Access to information**

On request by the Commission, Member States shall communicate to the Commission the laws, regulations and administrative provisions which they have adopted for implementing Union acts relating to the CFP, where those acts have a financial impact on the EMFF.

*Article 104***Confidentiality**

1. Member States and the Commission shall take all necessary steps to ensure the confidentiality of the information communicated or obtained during on-the-spot controls or in the context of the clearance of accounts implemented pursuant to this Regulation.

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2. The principles referred to in Article 8 of Council Regulation (Euratom, EC) No 2185/96 ⁽¹⁾ shall apply to the information referred to in paragraph 1 of this Article.

*Article 105***Financial corrections by the Commission**

1. In addition to the cases referred to in Article 22(7), Article 85 and Article 144(1) of Regulation (EU) No 1303/2013, the Commission shall adopt implementing acts making financial corrections by cancelling all or part of the Union contribution to an operational programme if, after carrying out the necessary examination, it concludes that:

▼C1

- (a) expenditure contained in a payment application is affected by cases in which the beneficiary does not respect the obligations referred to in Article 10(2) of this Regulation and has not been corrected by the Member State prior to the opening of the correction procedure under this paragraph;
- (b) expenditure contained in a payment application is affected by cases of serious non-compliance with the CFP rules by the Member State which have resulted in the suspension of payment under Article 101 of this Regulation and where the Member State concerned still fails to demonstrate that it has taken the necessary remedial action to ensure compliance with and the enforcement of applicable rules in the future.

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2. The Commission shall decide on the amount of the correction taking into account the nature, gravity, duration and repetition of the serious non-compliance by the Member State or beneficiary with the CFP rules and the importance of the EMFF contribution to the economic activity of the beneficiary concerned.

3. Where it is not possible to quantify precisely the amount of expenditure linked to non-compliance with the CFP rules by the Member State, the Commission shall apply a flat rate or extrapolated financial correction in accordance with paragraph 4.

4. The Commission shall be empowered to adopt delegated acts, in accordance with Article 126, determining the criteria for establishing the level of financial correction to be applied and the criteria for applying flat rates or extrapolated financial corrections.

*Article 106***Procedure**

Article 145 of Regulation (EU) No 1303/2013 shall apply *mutatis mutandis* where the Commission proposes a financial correction referred to in Article 105 of this Regulation.

⁽¹⁾ Council Regulation (Euratom, EC) No 2185/96 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the Commission in order to protect the European Communities' financial interests against fraud and other irregularities (OJ L 292, 15.11.1996, p. 2).

*CHAPTER VI**Monitoring, evaluation, information and communication*

Section 1

Establishment and objectives of a common monitoring and evaluation system*Article 107***Monitoring and evaluation system**

1. A common monitoring and evaluation system for EMFF operations under shared management shall be established with a view to measuring the performance of the EMFF. In order to ensure an effective performance measurement, the Commission shall be empowered to adopt delegated acts, in accordance with Article 126, defining the content and construction of that system.

2. The general impact of the EMFF shall be considered in relation to the Union priorities set out in Article 6.

The Commission may adopt implementing acts establishing the set of indicators specific to those Union priorities. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 127(3).

3. Member States shall provide the Commission with all the information necessary to permit the monitoring and evaluation of the measures concerned. The Commission shall take into account the data needs and synergies between potential data sources, in particular their use for statistical purposes when appropriate. The Commission shall adopt implementing acts laying down rules on the information to be sent by Member States, as well as on the data needs and synergies between potential data sources. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 127(3).

4. The Commission shall present a report on the implementation of this Article to the European Parliament and to the Council every four years. The first report shall be presented by 31 December 2017.

*Article 108***Objectives**

The objectives of the common monitoring and evaluation system shall be:

- (a) to demonstrate the progress and achievements of the CFP and the IMP, to consider the general impact and to assess the effectiveness, efficiency and relevance of EMFF operations;
- (b) to contribute to better targeted support for the CFP and the IMP;
- (c) to support a common learning process related to monitoring and evaluation;

▼B

- (d) to provide robust, evidenced based evaluations of the EMFF operations that feed into the decision-making process.

Section 2

Technical provisions*Article 109***Common indicators**

1. A list of common indicators relating to the initial situation as well as to the financial execution, outputs and results of the operational programme and applicable to each operational programme shall be specified in the monitoring and evaluation system provided for in Article 107 to allow for aggregation of data at Union level.

2. The common indicators shall be linked to the milestones and targets established in the operational programmes in accordance with the Union priorities set out in Article 6. Those common indicators shall be used for the performance review referred to in Article 21(1) of Regulation (EU) No 1303/2013, and shall allow assessment of the progress, efficiency and effectiveness of policy implementation against objectives and targets at Union and programme level.

*Article 110***Electronic information system****▼C1**

1. Key information on the implementation of the operational programme, on each operation selected for funding, as well as on completed operations, needed for monitoring and evaluation, including the key characteristics of the beneficiary and the operation, shall be recorded and maintained electronically.

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2. The Commission shall ensure that there is an appropriate secure electronic system to record, maintain and manage key information and report on monitoring and evaluation.

*Article 111***Provision of information**

Beneficiaries of support under EMFF, including FLAGS, shall undertake to provide to the managing authority and/or to appointed evaluators or other bodies to which the performance of functions on its behalf is delegated, all the data and information necessary to permit monitoring and evaluation of the operational programme, in particular in relation to meeting specific objectives and priorities.



Section 3 Monitoring

Article 112

Monitoring procedures

1. The managing authority referred to in Article 97 of this Regulation and the monitoring committee referred to in Article 47 of Regulation (EU) No 1303/2013 shall monitor the quality of programme implementation.
2. The managing authority and the monitoring committee shall carry out monitoring of the operational programme by means of financial, output and result indicators.

Article 113

Functions of the monitoring committee

In addition to the functions provided for in Article 49 of Regulation (EU) No 1303/2013, the monitoring committee shall verify the performance of the operational programme and the effectiveness of its implementation. For that purpose, the monitoring committee shall:

- (a) be consulted and shall approve, within six months of the decision approving the programme, the selection criteria for the financed operations; the selection criteria shall be revised in accordance with programming needs;
- (b) examine the activities and outputs related to the evaluation plan of the programme;
- (c) examine actions in the programme relating to the fulfilment of specific *ex ante* conditionalities;
- (d) examine and approve the annual implementation reports before they are sent to the Commission;
- (e) examine actions to promote equality between men and women, equal opportunities, and non-discrimination, including accessibility for disabled persons.

The monitoring committee shall not be consulted on the work plans for data collection referred to in Article 21.

Article 114

Annual implementation report

1. By 31 May 2016, and by 31 May of each subsequent year up to and including 2023, Member States shall submit to the Commission an annual implementation report on the implementation of the operational programme in the previous calendar year. The report submitted in 2016 shall cover the calendar years 2014 and 2015.
2. In addition to the provisions of Article 50 of Regulation (EU) No 1303/2013, annual implementation reports shall include:

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- (a) information on financial commitments and expenditure by measure;
- (b) a summary of the activities undertaken in relation to the evaluation plan;
- (c) information on the actions taken in cases of serious infringements as referred to in Article 10(1) of this Regulation, and of non-respect of the conditions laid down in Article 10(2) of this Regulation, as well as on remedy actions;

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- (d) information on actions taken to comply with Article 41(8) of this Regulation;

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- (e) information on the actions taken to ensure the publication of beneficiaries in accordance with Annex V to this Regulation, for natural persons in accordance with national law, including any applicable threshold.

3. The Commission shall adopt implementing acts laying down rules concerning the format and presentation of the annual implementation reports. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 127(3).

Section 4

Evaluation*Article 115***General provisions**

1. The Commission shall adopt implementing acts laying down the elements to be contained in *ex ante* evaluation reports referred to in Article 55 of Regulation (EU) No 1303/2013 and establishing the minimum requirements for the evaluation plan referred to in Article 56 of that Regulation. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 127(3) of this Regulation.

2. Member States shall ensure that the evaluations conform to the common monitoring and evaluation system agreed in accordance with Article 107, shall organise the production and gathering of the necessary data, and shall supply the various pieces of information provided by the monitoring system to the evaluators.

3. The evaluation reports shall be made available by Member States on the internet and by the Commission on the Union website.

*Article 116***Ex ante evaluation**

Member States shall ensure that the *ex ante* evaluator is involved from an early stage in the process of development of the operational programme, including the development of the analysis referred to in point (a) of Article 18(1), the design of the programme's intervention logic and the establishment of the programme's targets.

*Article 117***Ex post evaluation**

In accordance with Article 57 of Regulation (EU) No 1303/2013, an *ex post* evaluation report shall be prepared by the Commission in close cooperation with Member States.

*Article 118***Synthesis of evaluations**

A synthesis at Union level of the *ex ante* evaluation reports shall be undertaken under the responsibility of the Commission. The synthesis of the evaluation reports shall be completed at the latest by 31 December of the year following the submission of the relevant evaluations.

Section 5**Information and communication***Article 119***Information and publicity**

1. The managing authority shall be responsible in accordance with point (b) of Article 97(1) for:

- (a) ensuring the establishment of a single website or a single website portal providing information on, and access to, the operational programme in the Member State;
- (b) informing potential beneficiaries about funding opportunities under the operational programme;
- (c) publicising to Union citizens the role and achievements of the EMFF through information and communication actions on the results and impact of partnership agreements, operational programmes and operations;
- (d) ensuring that a summary of measures designed to ensure compliance with the CFP rules, including cases of non-compliance by Member States or beneficiaries, as well as of remedy actions such as financial corrections taken, is made publicly available.

2. In order to ensure transparency concerning the support from the EMFF, Member States shall maintain a list of operations in CSV or XML format which shall be accessible through the single website or the single website portal, providing a list of operations and a summary of the operational programme.

The list of operations shall be updated at least every six months.

The minimum information to be set out in the list of operations, including specific information concerning operations under Articles 26, 39, 47, 54 and 56, is laid down in Annex V.

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3. Detailed rules concerning the information and publicity measures for the public and information measures for applicants and beneficiaries are laid down in Annex V.

4. The Commission shall adopt implementing acts laying down the technical characteristics of information and publicity measures for the operation, instructions for creating the emblem and a definition of the standard colours. Those implementing acts shall be adopted in accordance with the advisory procedure referred to Article 127(2).

TITLE VIII

IMPLEMENTATION UNDER DIRECT MANAGEMENT

CHAPTER I

General provisions*Article 120***Scope**

This Title shall apply to measures financed under direct management as set out in Title VI.

CHAPTER II

Control*Article 121***Protection of Union financial interests**

1. The Commission shall take appropriate measures to ensure that, when operations financed under this Regulation are implemented, the financial interests of the Union are protected by the application of preventive measures against fraud, corruption and any other illegal activities, by effective checks and, if irregularities are detected, by the recovery of the amounts wrongly paid and, where appropriate, by effective proportionate and dissuasive penalties.

2. The Commission or its representatives and the Court of Auditors shall have the power of audit, both on the basis of documents and on-the-spot checks, over all beneficiaries, contractors and sub-contractors who have received Union funds.

The European Anti-Fraud Office (OLAF) may carry out on-the-spot checks and inspections on economic operators concerned directly or indirectly by Union funding, in accordance with the procedures laid down in Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council⁽¹⁾ and in Regulation (Euratom, EC) No 2185/96, with a view to establishing whether fraud, corruption or

⁽¹⁾ Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council of 11 September 2013 concerning investigations conducted by the European Anti-Fraud Office (OLAF) and repealing Regulation (EC) No 1073/1999 of the European Parliament and of the Council and Council Regulation (Euratom) No 1074/1999 (OJ L 248, 18.9.2013, p. 1).

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any other illegal activity has occurred affecting the financial interests of the Union in connection with a grant agreement, grant decision or a contract concerning Union funding.

3. Without prejudice to paragraphs 1 and 2, cooperation agreements with third countries and international organisations, grant agreements, grant decisions and contracts resulting from the implementation of this Regulation shall contain provisions expressly empowering the Commission, the Court of Auditors and OLAF to conduct the audits, on-the-spot checks and inspections referred to in those paragraphs, in accordance with their respective competences.

*Article 122***Audits**

1. Officials of the Commission and of the Court of Auditors, or their representatives, may carry out on-the-spot audits on operations financed by this Regulation at any time with a notice of at least ten working days, except in urgent cases, for a period of up to three years after the final payment made by the Commission.

2. Officials of the Commission and of the Court of Auditors, or their representatives, duly empowered to carry out on-the-spot audits, shall have access to the books and all other documents, including documents and metadata drawn-up or received and recorded in an electronic format relating to expenditure financed under this Regulation.

3. The powers of audit referred to in paragraph 2 shall not affect the application of national provisions which reserve certain acts for agents specifically designated by national legislation. Officials of the Commission and of the Court of Auditors, or their representatives, shall not take part, inter alia, in home visits or the formal questioning of persons within the framework of the national legislation of the Member State concerned. However, they shall have access to information thereby obtained.

4. If any Union financial support granted under this Regulation is subsequently allocated to a third party as a final beneficiary, the initial beneficiary, being the recipient of the Union financial support, shall provide the Commission with all relevant information regarding the identity of that final beneficiary.

*Article 123***Suspension of payments, reduction and cancellation of the financial contribution**

1. If the Commission considers that Union funds have not been used in accordance with the conditions laid down in this Regulation or in any other applicable Union legal act, it shall notify the beneficiaries who shall have one month from the date of such notification to provide the Commission with their observations.

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2. If the beneficiaries do not reply within the period referred to in paragraph 1 of this Article or if their observations are not considered satisfactory, the Commission shall reduce or cancel the financial contribution granted or suspend the payments. Any amount unduly paid shall be repaid to the general budget of the Union. Interest shall be added to any sums not repaid in due time under the conditions laid down in Regulation (EU, Euratom) No 966/2012.

*CHAPTER III****Evaluation and reporting****Article 124***Evaluation**

1. Operations financed under this Regulation shall be monitored regularly in order to follow their implementation.
2. The Commission shall ensure the regular, independent, external evaluation of the operations financed.

*Article 125***Reporting**

The Commission shall submit to the European Parliament and the Council:

- **C1** (a) in accordance with Article 15, an interim evaluation report on ◀ the results obtained and the qualitative and quantitative aspects of the implementation of the operations financed under this Regulation;
- (b) by 31 August 2018, a communication on the continuation of the operations financed under this Regulation.

TITLE IX

PROCEDURAL PROVISIONS*Article 126***Exercise of delegation**

1. The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this Article.
2. The power to adopt delegated acts referred to in Articles 10, 14, 32, 40, 41, 72, 102, 105, 107 and 129 shall be conferred until 31 December 2020.
3. The delegation of power referred to in Articles 10, 14, 32, 40, 41, 72, 102, 105, 107 and 129 may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the powers specified in that decision. It shall take effect the day following the publication of the decision in the *Official Journal of the European Union* or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.

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4. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.

5. A delegated act adopted pursuant to Articles 10, 14, 32, 40, 41, 72, 102, 105, 107 and 129 shall enter into force only if no objection has been expressed either by the European Parliament or the Council within a period of two months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or the Council.

*Article 127***Committee procedure**

1. The Commission shall be assisted by a Committee for the European Maritime and Fisheries Fund. That committee shall be a committee within the meaning of Regulation (EU) No 182/2011.

2. Where reference is made to this paragraph, Article 4 of Regulation (EU) No 182/2011 shall apply.

3. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.

Where the committee delivers no opinion on a draft implementing act to be adopted pursuant to Article 95(5) of this Regulation, the Commission shall not adopt the draft implementing act and the third subparagraph of Article 5(4) of Regulation (EU) No 182/2011 shall apply.

TITLE X

FINAL PROVISIONS*Article 128***Repeal**

1. Without prejudice to the provisions of Article 129(2), Regulations (EC) No 2328/2003, (EC) No 861/2006, (EC) No 1198/2006, (EC) No 791/2007, (EU) No 1255/2011 and Article 103 of Regulation (EC) No 1224/2009 are repealed with effect from 1 January 2014.

2. References to the repealed Regulations shall be construed as references to this Regulation.

*Article 129***Transitional provisions**

1. In order to facilitate the transition from the support schemes established by Regulations (EC) No 861/2006, (EC) No 1198/2006, (EC) No 791/2007 and (EU) No 1255/2011 to the scheme established by this Regulation, the Commission shall be empowered to adopt delegated acts, in accordance with Article 126, laying down the conditions under which support approved by the Commission under those Regulations may be integrated into support provided for under this Regulation, including for technical assistance and for the *ex post* evaluations.

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2. This Regulation shall not affect the continuation or modification, including the total or partial cancellation, of the projects concerned, until their closure, or of assistance approved by the Commission on the basis of Regulations (EC) No 2328/2003, (EC) No 861/2006, (EC) No 1198/2006, (EC) No 791/2007 and (EU) No 1255/2011 and Article 103 of Regulation (EC) No 1224/2009 or any other legislation applying to that assistance on 31 December 2013, which shall continue to apply to such projects or assistance.

3. Applications made under Regulation (EC) No 1198/2006 shall remain valid.

*Article 130***Entry into force and date of application**

This Regulation shall enter into force on the day following that of its publication in the *Official Journal of the European Union*.

This Regulation shall apply from 1 January 2014.

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



ANNEX I

SPECIFIC AID INTENSITY

| Type of operations | Percentage points |
|---|-------------------|
| Operations related to small-scale coastal fisheries may benefit from an increase by | 30 |
| Operations located in the remote Greek Islands and in the Croatian islands of Dugi Otok, Vis, Mljet and Lastovo may benefit from an increase by | 35 |
| Operations located in the outermost regions may benefit from an increase by | 35 |
| Operations implemented by organisations of fishermen or other collective beneficiaries outside Chapter III of Title V may benefit from an increase by | 10 |
| Operations implemented by producer organisations, associations of producer organisations or interbranch organisations may benefit from an increase by | 25 |
| Operations under Article 76 on control and enforcement may benefit from an increase by | 30 |
| Operations under Article 76 on control and enforcement related to small-scale coastal fisheries may benefit from an increase by | 40 |
| Operations under Article 41(2) concerning replacement or modernisation of main or ancillary engines shall be reduced by | 20 |
| Operations implemented by enterprises that fall outside the definition of SMEs shall be reduced by | 20 |

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ANNEX II

ANNUAL BREAKDOWN OF COMMITMENT APPROPRIATIONS FOR 2014 TO 2020

| Description | Period | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | Total |
|------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|---------------|
| EMFF shared management | (2014-2020) | 788 060 689 | 798 128 031 | 805 423 852 | 818 478 098 | 837 523 233 | 843 250 018 | 858 467 679 | 5 749 331 600 |

▼ M1*ANNEX III***INDICATIVE DISTRIBUTION OF FUNDS UNDER CHAPTERS I AND II OF TITLE VI AMONG THE OBJECTIVES SET OUT IN ARTICLES 82 AND 85 ⁽¹⁾**

Objectives set out in Article 82:

1. Development and implementation of an integrated governance of maritime and coastal affairs – 6 %
2. Development of cross-sectorial initiatives – 24 %
3. Support for sustainable economic growth, employment, innovation and new technologies – 17 %
4. Promotion of the protection of the marine environment – 5 %

Objectives set out in Article 85:

1. Collection, management and dissemination of scientific advice under the CFP – 11 %
2. Specific control and enforcement measures under the CFP – 11 %
3. Voluntary contributions to international organisations – 13 %
4. Advisory Councils and communication activities under the CFP and the IMP – 7 %
5. Market intelligence, including the establishment of electronic markets – 6 %

⁽¹⁾ The percentages apply to the amount set out in Article 14 excluding the allocation under Article 92.

ANNEX IV

SPECIFIC EX ANTE CONDITIONALITIES

| Specific objective under the Union priority for EMFF/thematic objective (TO) | Ex ante conditionality | Criteria for fulfilment |
|--|--|---|
| <p>EMFF priority:</p> <p>1. Promoting environmentally sustainable, resource efficient, innovative, competitive and knowledge-based fisheries.</p> <p>Specific objectives: (a) - (f).</p> <p>TO 3: enhancing the competitiveness of SMEs, of the agricultural sector (for the EAFRD) and of the fishery and aquaculture sector (for the EMFF);</p> <p>TO 6: preserving and protecting the environment and promoting resource efficiency;</p> <p>TO 8: promoting sustainable and quality employment and supporting labour mobility.</p> | <p>Report on fishing capacity has been submitted in accordance with Article 22(2) of Regulation (EU) No 1380/2013.</p> | <p>The report is made in accordance with common guidelines issued by the Commission</p> <p>Fishing capacity does not exceed the fishing capacity ceiling set up in Annex II to Regulation (EU) No 1380/2013</p> |
| <p>EMFF priority:</p> <p>2. Fostering environmentally sustainable, resource efficient, innovative, competitive and knowledge-based aquaculture.</p> <p>Specific objectives: (a), (b) and (c).</p> <p>TO 3: enhancing the competitiveness of SMEs, of the agricultural sector (for the EAFRD) and of the fishery and aquaculture sector (for the EMFF);</p> <p>TO 6: preserving and protecting the environment and promoting resource efficiency;</p> <p>TO 8: promoting sustainable and quality employment and supporting labour mobility.</p> | <p>The establishment of a multiannual national strategic plan on aquaculture, as referred to in Article 34 of Regulation (EU) No 1380/2013, by 2014.</p> | <p>A multiannual national strategic plan on aquaculture is transmitted to the Commission at the latest by the day of transmission of the operational programme</p> <p>The operational programme includes information on the complementarities with the multiannual national strategic plan on aquaculture</p> |

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| Specific objective under the Union priority for EMFF/thematic objective (TO) | Ex ante conditionality | Criteria for fulfilment |
|---|---|--|
| <p>EMFF priority:</p> <p>3. Fostering the implementation of the CFP.</p> <p>Specific objective (a).</p> <p>TO 6: preserving and protecting the environment and promoting resource efficiency.</p> | <p>Administrative capacity: administrative capacity is available to comply with the data requirements for fisheries management set out in Article 25 of Regulation (EU) No 1380/2013 and Article 4 of Regulation (EC) No 199/2008.</p> | <p>A description of the administrative capacity to prepare and apply a multiannual programme for data collection, to be reviewed by STECF and accepted by the Commission</p> <p>A description of the administrative capacity to prepare and implement work plans for data collection, to be reviewed by STECF and accepted by the Commission</p> <p>A description of the capacity in human resources allocation to undertake bilateral or multilateral agreements with other Member States if the work to implement the data collection obligations is shared</p> |
| <p>EMFF priority:</p> <p>3. Fostering the implementation of the CFP.</p> <p>Specific objective (b).</p> <p>TO 6: preserving and protecting the environment and promoting resource efficiency.</p> | <p>Administrative capacity: administrative capacity is available to comply with the implementation of a Union control, inspection and enforcement system as provided for in Article 36 of Regulation (EU) No 1380/2013 and further specified in Regulation (EC) No 1224/2009.</p> | <p>The specific actions include:</p> <p>A description of the administrative capacity to prepare and implement the section of the operational programme pertaining to the 2014-2020 national control financing programme as referred to in point (o) of Article 18(1)</p> <p>A description of the administrative capacity to prepare and implement the national control action programme for multiannual plans, as provided for in Article 46 of Regulation (EC) No 1224/2009</p> <p>A description of the administrative capacity to prepare and implement a common control programme that may be developed with other Member States, as provided for in Article 94 of Regulation (EC) No 1224/2009</p> |
| | | <p>A description of the administrative capacity to prepare and implement the specific control and inspection programmes, as provided for in Article 95 of Regulation (EC) No 1224/2009</p> |

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| Specific objective under the Union priority for EMFF/thematic objective (TO) | Ex ante conditionality | Criteria for fulfilment |
|--|------------------------|--|
| | | <p>A description of the administrative capacity to apply a system of effective, proportionate and dissuasive sanctions for serious infringements, as provided for in Article 90 of Regulation (EC) No 1224/2009</p> <p>A description of the administrative capacity to apply the point system for serious infringements, as provided for in Article 92 of Regulation (EC) No 1224/2009</p> |

*ANNEX V***INFORMATION AND COMMUNICATION ON SUPPORT FROM THE EMFF**

1. List of operations

The list of operations referred to in Article 119 shall contain, in at least one of the official languages of the Member State, the following data fields:

- beneficiary name (only legal entities and natural persons in accordance with national law);
- Community fleet register (CFR) identification number as referred to in Article 10 of Regulation (EC) No 26/2004 (to be completed only where the operation is linked to a fishing vessel);
- operation name;
- operation summary;
- operation start date;
- operation end date (expected date for physical completion or full implementation of the operation);
- total eligible expenditure;
- amount of Union contribution;
- operation postcode;
- country;
- name of Union priority;
- date of the last update of the list of operations.

2. Information and publicity measures for the public

1. The Member State shall ensure that the information and publicity measures aim at the widest possible media coverage using various forms and methods of communication at the appropriate level.
2. The Member State shall be responsible for organising at least the following information and publicity measures:
 - (a) a major information activity publicising the launch of the operational programme;
 - (b) at least twice during the programming period major information activity which promotes the funding opportunities and the strategies pursued and presents the achievements of the operational programme;
 - (c) displaying the flag or emblem, as appropriate, of the Union in front of, or at a place visible to the public, at the premises of each managing authority;
 - (d) publishing electronically the list of operations in accordance with section 1;
 - (e) giving examples of operations, by operational programme, on the single website or on the operational programme's website that is accessible through the single website portal; the examples should be in a widely spoken official language of the Union other than the official language or languages of the Member State concerned;

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- (f) ensuring that a specific section of the single website is dedicated to give a short summary of innovation and eco-innovation operations;
 - (g) updating information about the operational programme's implementation, including its main achievements, on the single website or on the operational programme's website that is accessible through the single website portal;
 - (h) ensuring that a summary of measures designed to ensure compliance with the CFP rules, including cases of non-compliance by Member States or beneficiaries, as well as of remedy actions such as financial corrections taken, is made publicly available.
3. The managing authority shall involve in information and publicity measures, in accordance with national laws and practices, the following bodies:
- (a) the partners referred to in Article 5 of Regulation (EU) No 1303/2013;
 - (b) information centres on Europe, as well as Commission representation offices in Member States;
 - (c) educational and research institutions.

Those bodies shall widely disseminate the information referred to in points (a) and (b) of Article 119(1).

3. Information measures for potential beneficiaries and beneficiaries

3.1. Information measures for potential beneficiaries

1. The managing authority shall ensure that the operational programme's objectives and funding opportunities offered by the EMFF are disseminated widely to potential beneficiaries and all interested parties.
2. The managing authority shall ensure that potential beneficiaries are informed of at least the following:
 - (a) the conditions of eligibility of expenditure to be met in order to qualify for support under an operational programme;
 - (b) a description of the admissibility conditions for applications, procedures for examining applications for funding and of the time periods involved;
 - (c) the criteria for selecting the operations to be supported;
 - (d) the contacts at national, regional or local level that are able to provide information on the operational programmes;
 - (e) that applications should propose communication activities, proportionate to the size of the operation, in order to inform the public about the operation's aims and the Union support to the operation.

3.2. Information measures for beneficiaries

The managing authority shall inform beneficiaries that acceptance of funding constitutes an acceptance of their inclusion in the list of operations published in accordance with Article 119(2).