Scheme made by the Minister of Agriculture, Fisheries and Food and the Secretaries of State respectively concerned with fisheries in Scotland and Wales, laid before Parliament under section 31(6) of the Fisheries Act 1981, for approval by resolution of each House of Parliament within forty days beginning with the day on which the Scheme was made, subject to extension for periods of dissolution, prorogation or adjournment for more than four days.

STATUTORY INSTRUMENTS

1987 No. 1134

FISHERIES

FISH FARMING

The Fish Farming (Financial Assistance) Scheme 1987

Made	1st July 1987
Laid before Parliament	3rd July 1987
Coming into force	4th July 1987

The Minister of Agriculture, Fisheries and Food and the Secretaries of State respectively concerned with fisheries in Scotland and Wales, in exercise of the powers conferred on them by section 31(1), (3), (4) and (5) of the Fisheries Act 1981(1) and of all other powers enabling them in that behalf, with the approval of the Treasury in accordance with the said section 31(1), hereby make the following Scheme:

Title, extent and commencement

1. This Scheme, which may be cited as the Fish Farming (Financial Assistance) Scheme 1987, shall apply to Great Britain, and shall come into force on 4th July 1987.

Interpretation

2. In this Scheme, unless the context otherwise requires—

"applicant", in relation to the approval of expenditure for the purposes of a grant, means the person who is making or has made the application for that approval;

"the appropriate Minister" means-

- (a) in relation to England, the Minister of Agriculture, Fisheries and Food,
- (b) in relation to Scotland, the Secretary of State for Scotland,
- (c) in relation to Wales, the Secretary of State for Wales;

"approved" means approved for the purposes of a grant under this Scheme by the appropriate Minister in writing, and "approve" and "approval" shall be construed accordingly;

"the Commission" means the Commission of the European Communities;

"Community aid" means financial aid from European Economic Community funds;

"the Council" means the Council of the European Communities;

"the Council Regulation" means the Council Regulation (EEC) No 4028/86 on Community measures to improve and adapt structures in the fisheries and aquaculture sector(2).

Grants for fish farming projects

3.—(1) The appropriate Minister may make to any person a grant towards expenditure incurred, or to be incurred, in connection with a project for fish farming, if such grant appears to him—

- (a) to be desirable for the purpose of the reorganisation, development or promotion of fish farming in England, Scotland or Wales, as the case may be, and
- (b) to be requisite for the purpose of enabling the person to benefit from Community aid for a fish farming project covered by Title IV of the Council Regulation.

(2) The appropriate Minister shall not make such a grant unless—

- (a) he has approved the expenditure, and
- (b) a decision that the project shall receive Community aid has been taken, and notified to the Unitied Kingdom, under article 35 of the Council Regulation.

(3) The appropriate Minister may approve the expenditure in whole or in part for the purposes of a grant under this Scheme and any such approval may be given subject to such conditions as the appropriate Minister thinks fit.

(4) Any approval of expenditure for the purposes of a grant under this Scheme may be varied or withdrawn by the appropriate Minister with the applicant's written consent.

(5) Any payment by way of a grant under this Scheme may be made at such time, or by such instalments at such intervals or times, as the appropriate Minister may determine.

(6) Any application for approval of expenditure for the purposes of a grant under this Scheme shall be made in such form and manner and at such time as the appropriate Minister may from time to time determine; and the applicant shall furnish all such information relating to the application as the appropriate Minister shall require.

Amount of grant

4.—(1) The amount of grant which may be paid under this Scheme shall not exceed 10 per cent of such expenditure incurred, or to be incurred, for the purposes of the project as is approved by the Commission in deciding the amount of Community aid under the Council Regulation which the project shall receive.

(2) Where the expenditure referred to in sub-paragraph (1) of this paragraph has been approved for the purposes of any grant out of United Kingdom public funds other than a grant under this Scheme, and that other grant is insufficient to enable the project to receive the amount of Community aid decided by the Commission, the amount of grant which may be paid under this Scheme shall not exceed such amount as is sufficient, when added to that other grant, to enable the project to receive that amount of Community aid.

⁽²⁾ OJ No L376, 31.12.86, P.7.

(3) A grant is a grant out of United Kingdom public funds for the purposes of sub-paragraph (2) of this paragraph if, and only if, it constitutes a financial contribution of the United Kingdom to the total investment for the purposes of article 12(1) and annex III of the Council Regulation.

Revocation of approval and recovery of grant

5. If after the appropriate Minister has approved any expenditure for the purposes of a grant under this Scheme it appears to that Minister—

- (a) that any condition subject to which the approval was given has not been complied with, or
- (b) that any work in respect of expenditure for which the approval was given has been badly done, or has been or is being unreasonably delayed, or is unlikely to be completed, or
- (c) that the person by whom the application for that approval or for the making of any payment was made gave information on any matter relevant to the giving of the approval or the making of the payment which was false or misleading in a material respect, or
- (d) that the Commission has decided under article 44(1) of the Council Regulation to suspend, reduce or discontinue Community aid and to recover any sums paid,

the appropriate Minister may revoke the approval in respect of the whole or part of the expenditure and, where any payment has been made by way of grant, may, unless a period exceeding six years has elapsed since the payment, on demand recover an amount equal to the payment which has been so made or such part thereof as the appropriate Minister may specify; but before revoking an approval in whole or in part under subparagraph (a), (b) or (c) of this paragraph the appropriate Minister—

- (i) shall give to the person to whom any payment by way of grant would be payable, or from whom any such amount would be recoverable, a written notification of the reasons for the action proposed to be taken by the appropriate Minister,
- (ii) shall afford that person an opportunity of appearing before and being heard by a person appointed for the purpose by the appropriate Minister, and
- (iii) shall consider the report by a person so appointed and supply a copy of the report to the person mentioned in subparagraph (i) above.

Amendment of the Fish Farming (Financial Assistance) Scheme 1984

6. The Fish Farming (Financial Assistance) Scheme 1984(3) is hereby amended by substituting for the definition of "the new Council Regulation" in paragraph 2 thereof (interpretation) the following definition—

""the new Council Regulation" means Council Regulation (EEC) No 2908/83 on a common measure for restructuring, modernising and developing the fishing industry and for developing aquaculture(4), as amended by Council Regulation (EEC) No 3733/85(5).".

⁽**3**) S.I.1984/341.

⁽⁴⁾ OJ No L290, 22.10.83, p.1.

⁽⁵⁾ OJ No L361, 31.12.85, p.78.

In Witness whereof the Official Seal of the Minister of Agriculture, Fisheries and Food is hereunto affixed on 24th June 1987.

L.S.

John MacGregor Minister of Agriculture, Fisheries and Food

24th June 1987

Sanderson of Bowden Minister of State, Scottish Office

Secretary of State for Wales

Peter Walker

18th June 1987

We approve,

Tony Durant Mark Lennox-Boyd Two of the Lords Commissioners of Her Majesty's Treasury

1st July 1987

EXPLANATORY NOTE

(This note is not part of the Scheme)

This Scheme, which applies to Great Britain, provides for the making of grants for fish farming projects, if such grants appear to Ministers—

- (a) to be desirable for the purpose of the reorganisation, development or promotion of fish farming in Great Britain, and
- (b) to be requisite for the purpose of enabling a person to qualify for financial aid from the European Economic Community for a fish farming project under Title IV of Council Regulation (EEC) No 4028/86, which relates to the development of aquaculture and structural works in coastal waters (paragraph 3).

Fish Farming is defined in section 31 of the Fisheries Act 1981, under which the Scheme is made, as the breeding, rearing or cultivating of fish (including shellfish) for the purpose of producing food for human consumption.

The maximum amount of grant under this Scheme is 10% of the investment. If the expenditure has been approved for the purpose of any other grant out of United Kingdom public funds, the maximum amount of grant is reduced proportionately (paragraph 4).

In specified circumstances approval of expenditure may be revoked and grant may be recovered (paragraph 5).

Section 31(8) of the Fisheries Act 1981 provides for the application of certain offences in respect of fraudulent applications for grant, for which there is a maximum penalty of $\pounds 2,000$.

The Scheme amends the definition of "the new Council Regulation" in The Fish Farming (Financial Assistance) Scheme 1984 to provide for the inclusion in that definition of Council Regulation (EEC) No 3733/85, which amended Council Regulation (EEC) No 2908/83 (paragraph 6).