



**COUNCIL OF
THE EUROPEAN UNION**

Brussels, 29 October 2012

15458/12

**Interinstitutional File:
2011/0380 (COD)**

**PECHE 428
CADREFIN 438
CODEC 2485**

NOTE

from: General Secretariat of the Council
to: Delegations

No. prev. doc.: 14439/12 PECHE 384 CADREFIN 415 CODEC 2271
14439/1/12 REV 1 PECHE 384 CADREFIN 415 CODEC 2271
DS 1177/12, DS 1709/12

No. Cion prop.: 17870/11 PECHE 368 CADREFIN 162 CODEC 2255 - COM(2011) 804 final

Subject: Proposal for a Regulation of the European Parliament and of the Council on the European Maritime and Fisheries Fund [repealing Council Regulation (EC) No 1198/2006 and Council Regulation(EC) No 861/2006 and Council Regulation No XXX/2011 on integrated maritime policy]

At its meeting on 23 October 2012, the "Agriculture and Fisheries" Council reached a partial general approach on the above proposal, as it appears in the Annex. Recitals and definitions will be further examined at a later stage, as well as text in brackets and the correct choice of the implementation procedure (delegated act/implementing act).

TITLE I OBJECTIVES

CHAPTER I 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 areas and inland fishing,
- (d) and the Integrated Maritime Policy (IMP).

Article 2

Geographical scope

This Regulation shall apply to operations carried out in the territory of the Union unless otherwise expressly provided for in this Regulation.

Article 3

Definitions¹

¹ **This text does not contain the definitions as these will be discussed at the end of the process to ensure consistency.**

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 following objectives:

- (a) promoting fisheries and aquaculture **which are competitive, economically viable, socially and environmentally sustainable**;
- (b) **fostering the implementation of the CFP**;
- (c) **promoting a balanced and inclusive territorial development of fisheries areas**;
- (d) fostering the development and implementation of the Union's Integrated Maritime Policy in a complementary manner to cohesion policy and to the Common Fisheries Policy.

Article 6
Union priorities

The EMFF shall contribute to the Europe 2020 strategy for smart, sustainable and inclusive **growth and to the implementation of CFP**. It shall pursue the following Union priorities **for fisheries and aquaculture**, which translate the relevant Thematic Objectives of the Common Strategic Framework (hereinafter CSF):

- (1) Promoting a sustainable and resource efficient fisheries **and aquaculture including related processing** through the focus on the following **specific objectives**:
 - (a) reduction of the impact of fisheries on the **marine** environment;
 - (b) **protection and restoration of aquatic biodiversity and ecosystems**;
 - (c) enhancement of ecosystems related to aquaculture and promotion of resource efficient aquaculture;
 - (d) promotion of aquaculture with high level of environmental protection and of animal health and welfare and of public health and safety.

- (2) Fostering innovative, competitive and knowledge based fisheries **and aquaculture including related processing** through the focus on the following **specific objectives**:
 - (a) support to strengthening technological development, innovation and knowledge transfer;
 - (b) enhancement of the competitiveness and viability of fisheries **and aquaculture enterprises, including, in fisheries**, of small scale coastal fleet and improvement of safety or working conditions **and, in aquaculture, of SMEs in particular**;
 - (c) development of new professional skills and lifelong learning;
 - (d) improved market organisation for fishery **and aquaculture** products;

- (3) Fostering the implementation of the CFP through **the following specific objectives:**
- (a) the supply of scientific knowledge and collection of data;
 - (b) the support to control and enforcement, enhancing institutional capacity and an efficient public administration.
- (4) **Increasing employment and territorial cohesion through the following specific objectives:**
- (a) **promotion of economic growth, social inclusion, creation of jobs and supporting labour mobility in coastal and inland communities depending on fishing and aquaculture;**
 - (b) **diversification of activities within fisheries and into other sectors of maritime economy.**
- (5) **Fostering the implementation of the Integrated Maritime Policy.**

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 Member States and the Union and under the common rules laid down by the [Regulation (EU) No [...] laying down Common Provisions].²
2. Measures covered by Title VI shall be financed by the EMFF in accordance with the principle of direct management.

² OJ L, p..

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 of the Treaty shall apply to aid granted by the Member States to enterprises in fisheries and aquaculture.
2. However Articles 107, 108 and 109 of the Treaty shall not apply to payments made by Member States pursuant to, and in conformity with, this Regulation within the scope of Article 42 of the Treaty.
3. National provisions setting up public financing going beyond the provisions of this Regulation concerning financial contributions, as provided for in paragraph 2, shall be treated as a whole on the basis of paragraph 1.

Article 9

Partnership

By derogation to Article 5(4) of the [Regulation (EU) No [...] laying down Common Provisions] the Commission shall consult at least twice during the programming period the organisations which represent the partners at Union level on the implementation of support from the EMFF.

Article 10

Coordination

[DELETED]

Article 11

Ex ante conditionalities

The *ex ante* conditionalities referred to in Annex III of this Regulation shall apply to the EMFF where applicable. The general *ex ante* conditionalities set out in Annex IV of the [Regulation (EU) No [...] laying down Common Provisions] shall not apply to the EMFF.

CHAPTER IV

Admissibility of applications and ineligible operations

Article 12

Admissibility of applications

1. Applications submitted by operators shall not be admissible for support from the EMFF for an identified period of time **laid out pursuant to paragraph 3 of this article, if it has been determined by the competent authority of the MS that the concerned operators³:**
 - (a) have committed a serious infringement under **Article 42** of the Regulation (EC) No 1005/2008 or Article 90(1) of the Regulation (EC) No 1224/2009;
 - (b) **are** 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 the Regulation (EC) No 1005/2008;
 - (c) committed **serious infringements** of the CFP identified as such in other legislation adopted by the European Parliament and the Council.

³ The term operator has to be understood as set out in article 44 of Regulation 1224/2009.

2. Applications submitted by operators **for which the competent authority of the MS has determined that they have committed a fraud, as defined in article 1 of the Convention on the protection of the European Communities financial interest⁴** under the EFF or the EMFF shall not be admissible for an identified period of time.
- 2a. **In cases of operators being under investigation of having committed a serious infringement under paragraph 1, any payments under the EMFF to the operators concerned shall be suspended. Should an operator be found to have committed a serious infringement under paragraph 1, the application of the operators concerned shall be considered inadmissible.**
3. [The Commission shall be empowered to adopt **implementing** act in accordance with **the examination procedure referred to in Article 151(3)** concerning:
 - (a) the identification of the period of time referred to in paragraphs 1 and 2 which shall be proportionate to the seriousness or to the repetition of the infringement or non-compliance;
 - (b) the relevant starting or ending dates of the period referred to in paragraph 1;
4. 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 and have not committed **a fraud** under the EFF or the EMFF as referred to in paragraph 2. Member States shall verify, the veracity of the statement before the approval of the operation, **based on the information available according to the national register of infringements as set out in article 93 of Regulation (EC) No 1224/2009, or other available data.**

⁴ OJ C316/1995 p. 48

Article 13

Ineligible operations

The following operations shall not be eligible under the EMFF:

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

TITLE III

FINANCIAL FRAMEWORK

Article 14

Budget implementation

1. The Union budget allocated to the EMFF under Title V shall be implemented within the framework of shared management according to Article 4 of [Regulation (EU) No [...] laying down Common Provisions].
2. The Union budget allocated to the EMFF under Title VI shall be implemented directly by the Commission in accordance with Article 55(1)(a) of the [new Financial Regulation].
3. The Commission shall cancel all or part of the budget commitment under direct management in accordance with the [new Financial Regulation] and in accordance with Article 147 of this Regulation.
4. The principle of sound financial management shall be applied in accordance with Articles 27 and 50 of the [new Financial Regulation].

Article 15

Budgetary resources under shared management

1. The resources available for commitments from the EMFF for the period 2014 to 2020 under shared management shall be [EUR 5 520 000 000] in current prices in accordance with the annual breakdown set out in Annex II.
2. EUR [4 535 000 000] of the resources referred to in paragraph (1) shall be allocated to the sustainable development of fisheries, aquaculture and fisheries areas under Chapters I, II, III, **IV and VII** of Title V **excluding Article 70**.

3. **A minimum of** EUR [477 000 000] of the resources referred to in paragraph (1) shall be allocated to control and enforcement measures referred to in Article 78.
4. **A minimum of** EUR [358 000 000] of the resources referred to in paragraph (1) shall be allocated to measures on data collection referred to in Article 79.
5. The resources allocated to compensation of outermost regions under Chapter V of Title V, shall not exceed per year:
 - [EUR 4 300 000] for the Azores and Madeira;
 - [EUR 5 800 000] for the Canary Islands;
 - [EUR 4 900 000] for the French **outermost regions covered by Article 349 of TFEU**.
6. **A maximum of** EUR [45 000 000] of the resources referred to in paragraph (1) **may** be allocated to the storage aid referred to in Article 70 from 2014 to 2018 included.
7. **A maximum of 20% of the resources referred to in Article 16 shall be allocated to measures on integrated maritime policy referred to in Chapter VIII of Title V.**

Article 16

Budgetary resources under direct management

An amount of EUR [1 047 000 000] of the EMFF shall be allocated to measures under direct management as specified in Chapter I and II of Title VI. This amount includes technical assistance under Article 91.

Financial distribution for shared management

1. The resources available for commitments by Member States referred to in Article 15 (2) to (7) for the period 2014 to 2020 as set out in the table in Annex II are determined on the basis of the following objective criteria:
 - (a) As regards Title V:
 - (i) the level of employment in fisheries and aquaculture **sectors, including employment in related processing**⁶,
 - (ii) the level of production in fisheries and aquaculture sectors, including **related processing**, and
 - (iii) the share of small scale coastal fishing fleet in the fishing fleet;
 - (b) As regards Article 78 and Article 79:
 - (i) the extent of the control tasks of the Member state concerned approximated by the size of the national fishing fleet, the amount of 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, whereby available means are approximated by number of controls conducted at sea and of landing inspections;
 - (iii) the extent of data collections tasks of the Member State concerned, approximated by the size of the national fishing fleet, the amount of landings, the amount of scientific monitoring activities at sea and the number of surveys the Member State is taking part in, and

⁵ **The Presidency recalls that comments on Article 17 received to this date remain on the table, including on the issues of reference to fresh water aquaculture, processing, historical allocation and consumption, small scale fleet, approximation of control obligations and the size of the exclusive economic zone.**

⁶ Employment in the processing sector can only be taken into account to a very limited extent in order to reflect its relation to and dependency on EU fisheries and aquaculture production.

(iv) the available data collection resources compared to the extent of the data collection tasks of the Member State, where available means are approximated to the number of observers at sea and the amount of human resources and technical means needed to implement the national sampling programme for data collection.

(c) As regards all measures, the historical allocations **and consumption of funds** under Council Regulation (EC) No 1198/2006 **in the period 2007-2013** and the historical consumption under Council Regulation (EC) No 861/2006.

2. The Commission shall adopt a decision, by means of implementing act, setting out the annual breakdown of the global resources by Member State.]

TITLE IV PROGRAMMING

CHAPTER I

Programming for measures financed under shared management

Article 18

Preparation of operational programmes

1. Each Member State shall draw up a single operational programme to implement the Union priorities **for fisheries and aquaculture** to be co-financed by the EMFF.
2. The operational programme shall be established by the Member State following close co-operation with the partners referred to in Article 5 of the [Regulation (EU) No [...] laying down Common Provisions].

3. For the section of the operational programme referred to in Article 20(1)(n) the Commission shall adopt by means of implementing act the priorities of the Union for enforcement and control policy by 31 May 2013 at the latest. **[These implementing acts shall be adopted in accordance with the examination procedure referred to in Article 151(3).]**
4. The section of the operational programme referred to in Article 20(1)(o) covering the part of the multiannual programme referred to in Article 37(5) of the [Regulation on Common Fisheries Policy] for the year 2014 shall be transmitted by 31 October 2013 at the latest.

Article 19

Guiding principles for the operational programme

[DELETED]

Article 20

Content of the operational programme

1. In addition to the elements referred to in Article 24 of the [Regulation (EU) No [...] laying down Common Provisions], the operational programme shall include:

- (b) an analysis of the situation in terms of **the strengths, weaknesses, opportunities and threats (hereinafter SWOT)** and identification of the needs that have to be addressed in the geographical area covered by the programme;

The analysis shall be structured around the **relevant Union priorities and where applicable be consistent with the Multiannual National Strategic Plan for Aquaculture referred to in Article 43 of the [Regulation on Common Fisheries Policy]**. Specific needs concerning **the environment**, climate change mitigation and adaptation and innovation shall be assessed across Union priorities, in view of identifying relevant responses in these areas at the level of each priority;

- (c) **A description of the strategy within the meaning of Article 24 of the [Regulation (EU) No [...] laying down Common Provisions], which shall demonstrate that:**

- (i) **appropriate targets are set for each Union priority included in the programme, on the basis of common result indicators referred to in Article 133 and where necessary, of programme result indicators;**
- (ii) **the selection of relevant main 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 (b). As regards the measures for the permanent cessation of fishing activities under Article 33B, such description shall include the targets for the reduction of the fishing capacity in accordance with Article 35 of the CFP Regulation. A description of the method for the calculation of the premium to be granted under Articles 33A and 33B 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;**
 - (iv) **there is complementarity with other CSF Funds.**
- (d) the assessment of the *ex ante* conditionalities **for the purpose of Article 11 and Annex III** and, where required, the actions referred to in Article 17(3) of the [Regulation (EU) No [...] laying down Common Provisions];
 - (dd) **a description of the performance framework within the meaning of Article 19 of Regulation(EU) No [...] laying down Common Provisions];**
 - (f) **a description of the principles for adopting the criteria applied for selecting the fisheries areas under Chapter III of Title V;**
 - (g) a description of **the principles for the setting of** selection criteria for local development strategies under Chapter III of Title V;
 - (i) **the** evaluation requirements and the evaluation plan referred to in Article 49 of the [Regulation (EU) No [...] laying down Common Provisions] **and actions to be taken to** address the identified needs;
 - (j) a financing plan to be designed taking into account Articles 18 and 20 of the [Regulation (EU) No [...] laying down Common Provisions] and in accordance with the Commission's decision referred to in Article 17(2), 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 for the objectives under the Union priorities of Article 6 and the technical assistance. Where applicable, this table shall indicate separately the EMFF resources and the co-financing rates which apply by way of derogation to the general rule of Article 94(1) for support referred to in Article 70, Article 73, Article 78(2)(a) to (d) and (f) to (j), Article 78(2)(e) and Article 79.

- (l) programme implementing arrangements including:
- (i)⁷ the designation by the Member State of all authorities referred to in Article 107 and, for information, a summary description of the management and control structure;
 - (ii) a clear description of the respective roles of the FLAG, the managing authority/designated body for all implementation tasks relating to the strategy;**
 - (ii) a description of the monitoring and evaluation procedures, as well as the **general** composition of the Monitoring Committee;
 - (iii) the provisions to ensure that the programme is publicised in accordance with Article 143.
- (m) **a list** of the partners referred to in Article 5 of the [Regulation (EU) No [...] laying down Common Provisions] and the results of the consultation of the partners;
- (n) for the objective of increased compliance through control referred in under Article 6(3b) and in accordance with article 18 (3):
- (i) a list of 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, **the major** equipment available in particular the number of vessels, aircraft and helicopters;
 - (ii) overall objectives of the control measures to be implemented using common indicators to be set in accordance with Article 133;
 - (iii) specific objectives to be achieved in line with the Union priorities of Article 6 **and an indicative breakdown by category of** over the entire programming period;

⁷ **Statement from Germany on the designation of authorities: Germany will indicate in its operational programme how it will apply the content of Article 20 (1) litra l) (i) in conjunction with Article 107, in accordance with its constitutional system. The European Commission confirms this understanding**

(o) For the objective of collection of data for sustainable fisheries management referred in under Articles 6(3a) and 18(4) and in accordance with the multiannual Union programme referred to in Article 37(5) of the [Regulation on Common Fisheries Policy]:

(i) a description of activities of data collection:

(iii) a **description** of the capability to achieve sound financial and administrative management **under the activities in point i) and ii).**

This section of the operational programme shall be supplemented by Article 23.

2. The operational programme shall include the methods for the calculation of simplified costs, additional costs or income foregone in accordance with Article 103, or method to calculate compensation according to relevant criteria identified for each of the activities deployed under Article 38(1). **Where relevant, information on advance payments to FLAGs under article 63, should also be included.**

[4. The Commission shall lay down, by means of implementing acts, rules for the presentation of the elements described in paragraphs 1 **and** 2. These implementing acts shall be adopted in accordance with the **examination** procedure referred to in Article 151(3)]

Article 21

Approval of the Operational Programme

1. **Subject to Article 25 of the [Regulation on (EU) No [...] laying down Common provisions]** the Commission shall approve the operational programme by means of implementing act.

1bis For that purpose, the Commission shall examine whether measures referred to in Article 20(1)(c)(ii) are likely, in the light of scientific advice, to effectively remove the overcapacity identified.

Article 22

Amendment of the Operational Programme

1. The Commission shall approve the amendment of an operational programme by means of implementing acts.
2. The Commission, **in order to adapt to the evolving needs of control, may** adopt a decision **every two years**, by means of implementing act, detailing **any** changes in the priorities of the Union in the enforcement and control policy mentioned in Article 18(3) and the corresponding eligible operations to be prioritised.

If needed, MS shall submit an amendment to their operational programme, taking into account the new priorities laid down in the decision mentioned in the **first** sub-paragraph of this paragraph.

3. In line with the principle of proportionality, the programmes amendments referred to in paragraph 2 shall benefit from a simplified procedure adopted in line with Article 24.

Article 23

Annual work plan for data collection

1. For the purpose of application of Article 20(1)(o), **and starting from 2013**, Member States shall submit to the Commission an annual work plan before 31 October each year, **unless the work plan of the previous year still applies, in which case they shall notify the Commission thereof**. Annual work plans shall contain a description of the procedures and methods to be used in collecting and analysing data and in estimating their accuracy and precision.
2. Member States shall submit each annual work plan by electronic means.
3. The Commission shall approve, by means of implementing act, the annual work plan for each year by 31 December of each year, **unless the Commission has been notified that the work plan of the previous year still applies**.

Article 24

Rules on procedures and timetables

1. The Commission may adopt, by means of implementing acts, rules on procedures, format and timetables for:
 - the approval of operational programmes;
 - the submission and approval of proposals for amendments to operational programmes, including their entry into force and frequency of submission during the programming period;
 - the submission and approval of proposals for amendments referred to in paragraph 2 of Article 22;
 - the submission of annual workplans for data collection.
2. The procedures and timetables shall be simplified in case of amendments to operational programmes concerning:
 - (a) a transfer of funds between Union's priorities **that do not exceed 20% of the amount allocated to the Union priority**;
 - (b) introduction or withdrawal of **main** measures or types of operations and related **information and indicators**;
 - (d) amendments referred to in Article 22(2) as well as further amendments of the programme of the section referred to in Article 20(1)(n).
3. **Paragraph 2 shall not apply to measures referred to in Articles 33A, 33B and 39(2).**
4. [These implementing acts shall be adopted in accordance with the **examination** procedure referred to in Article 151(3).]

CHAPTER II

Programming for measures financed under direct management

Article 25

Annual work programme

1. To implement Chapters I and II of Title VI and Article **91**, the Commission shall, by means of implementing acts, adopt annual work programme in accordance with objectives set out in those Chapters. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 151(3).
2. The annual work programme shall set out the objectives pursued, the expected results, the method of implementation and its total amount. It shall also contain a description of the activities to be financed, an indication of the amount allocated to each activity, an indicative implementation timetable, as well as information on their implementation. It shall include for grants the priorities, the essential evaluation criteria and the maximum rate of co-financing.

TITLE V

MEASURES FINANCED UNDER SHARED MANAGEMENT

CHAPTER I

Sustainable development of fisheries

Article 26

Specific Objectives

Support under this Chapter shall contribute to the achievement of the Union priorities identified in Article 6(1) and (2).

Article 27

General conditions

1. The owner of a fishing vessel having received support under Articles 32(1)(b), 37, or 39(1)(a) of this Regulation shall not transfer that vessel to **an operator established in a third country** outside the Union during at least 5 years following the date of actual payment of **such support to the beneficiary. Should a vessel be transferred within this timeframe sums unduly paid in respect of the operation shall be recovered by the Member State in proportion to the period for which the requirements have not been fulfilled.**
2. Operating costs are not eligible unless otherwise expressly provided for in this Chapter.
3. **The total financial contribution from the EMFF to the measures referred to in Article 33A, Article 33B and the replacement or modernisation of main or ancillary engines referred to in Article 39 shall not exceed the higher of the following two thresholds; EUR 6 million or 15 % of the Union financial assistance allocated by the Member State to the Union priorities 1 and 2.**

4. **Financial assistance to vessel owners received under Article 33A shall be deducted from premiums granted to owners under Article 33B for the same vessel.**

Article 28

Innovation

1. In order to stimulate innovation in fisheries, the EMFF may support projects aiming at developing or introducing new or substantially improved **fisheries** products, new or improved processes **and techniques**, 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 which shall validate the results of such operations.
3. The results of operations financed under this Article shall be subject to adequate publicity by the Member State according to Article 143.

Article 29

Advisory services

1. In order to improve the overall performance and competitiveness of operators **and to promote sustainable fisheries**, the EMFF may support:
 - (a) feasibility studies assessing the viability of projects;
 - (b) the provision of professional advice on business and marketing strategies;
 - (c) **the provision of professional advice on environmental sustainability.**
2. The feasibility studies and advice referred to **under** paragraph 1 shall be provided by scientific or technical bodies **or entities providing economic advice** with 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 4000 EUR, the beneficiary may be selected through an accelerated procedure.**

Article 30

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 a network composed by one or more independent scientific bodies and fishermen or one or more organisations of fishermen. **Technical bodies may participate in a network;**
 - (b) the activities carried out by a network as referred in point (a).
2. Activities referred to in paragraph 1(b) may cover data collection activities, studies, **pilot projects**, dissemination of knowledge , **including seminars**, and best practices.
3. The support referred to in paragraph 1 may be granted to public law bodies, fishermen, organisations of fishermen, **FLAGS as defined under Article 62**, and non-governmental organisations.

Article 31

Promoting human capital and social dialogue

1. In order to promote human capital and social dialogue, the EMFF may support:
 - (a) lifelong learning, dissemination of knowledge **of economic, technical, regulatory or scientific nature** and innovative practices, and acquisition of new professional skills in particular linked to the sustainable management of marine ecosystems, **safety**, activities in the maritime sector, innovation and entrepreneurship;

- (b) networking and exchange of experience and best practice between stakeholders including among organisations promoting equal opportunities between men and women;
 - (c) promoting the social dialogue at national, regional or local level involving fishermen and other relevant stakeholders.
2. The support referred to in paragraph 1 shall also be granted to spouses of self-employed fishermen or, when and in so far as recognised by national law, the life partners of self-employed fishermen, not being employees or business partners, where they habitually, under the conditions laid down by national law participate in the activities of the self-employed fishermen or perform ancillary tasks **as laid down in Article 2 point (b) of Directive 2010/41/EU**.

Article 32

Facilitating diversification and job creation

1. In order to facilitate diversification and job creation outside fishing, the EMFF may support:
- (a) business start-ups outside **commercial** fishing;
 - (b) retrofitting of small scale coastal fishing vessels in order to reassign them for activities outside **commercial** fishing;
 - (c) **retraining activities required for business start-ups under (a)**.
2. Support under paragraph 1 (a) **and (c)** shall be granted to fishermen who:
- (a) submit a business plan for the development of their new activities;
 - (b) possess adequate professional skills **or acquire these through retraining financed under (1)(c) of this Article**.

3. Support under paragraph 1(b) shall be granted to small scale coastal fishermen owning a Union fishing vessel registered as active and which have carried out fishing activities at sea at least 60 days during the two **calendar** years preceding the date-of submission of the application. The fishing licence associated with the fishing vessel shall be permanently withdrawn.
4. Beneficiaries of the support referred to in paragraph 1 shall not **receive income from commercial fishing during** the five years following the reception of the last payment of the support.
5. Eligible costs under paragraph 1(b) shall be **those incurred for the modifications of the vessel and costs directly associated with its reassignment.**
6. The amount of financial assistance granted under paragraph 1 (a) shall not exceed 50% of the budget foreseen in the business plan and shall not exceed a maximum amount of **100 000** EUR for each **beneficiary**.

Article 32a

New forms of income

1. **In order to foster entrepreneurship in fisheries, the EMFF may support investments on board contributing to diversification of the income of fishermen through the development of complementary activities outside fisheries, such as environmental services, educational activities or tourism.**
2. **Support under paragraph 1 shall be granted only to fishermen and only provided that the complementary activities are outside fisheries. The support referred to in paragraph 1 shall only be granted to fishermen or fishermen who are owners of Union fishing vessels where such vessels have carried out a fishing activity for at least 60 days at sea during the two calendar years preceding the date of submission of the application.**

Article 32b⁸
Start-up support for young fishermen

1. The EMFF may provide support for the business start-up to young fishermen.
2. The support under this Article may be granted only in respect of the first acquisition of a fishing vessel:
 - a) whose overall length is less than 24 meters,
 - b) which is equipped for sea fishing,
 - c) whose age is between 5 and 30 years, and
 - d) which belongs to a fleet segment for which the capacity report, referred to in article 35 of the [Regulation on Common Fisheries Policy], has shown a balance with fishing opportunities available to that segment.
3. For the purpose of this Article, "young fishermen" shall mean natural persons who want to acquire for the first time a fishing vessel and who, at the moment of submitting the application, are less than 40 years of age and have worked at least five years as fishermen or have acquired equivalent vocational training. Member States may define further objective criteria for young fishermen in order to be eligible for the support under this Article.
4. The aid under this article shall not exceed 15% of the acquisition cost of the fishing vessel shall in any event not be higher than EUR 50 000 per young fisherman.

⁸ The presidency proposes to include the following new recital “-The creation and development of new economic activity in the fisheries sector by young fishermen is financially challenging and constitutes an element that should be considered in the allocation and targeting of funds under the EMFF. This development is essential for the competitiveness of the fisheries sector in the Union and, for that reason, a support to young fishermen starting up their fisheries activities should be established in order to facilitate the initial establishment of young fishermen. In order to ensure the viability of new economic activities supported under this measure, support should be made conditional upon acquisition of necessary skills and competencies. Support for business start up should only contribute to the acquisition of the first fishing vessel.”

5. [In order to guarantee the protection of the rights of beneficiaries and to avoid discrimination, the Commission shall be empowered to adopt delegated acts concerning the conditions under which a legal person may be considered eligible for receiving support under this Article.]

Article 33

Health and safety

1. In order to improve working conditions for fishermen **related to health, safety and hygiene** the EMFF may support investments on board or in **safety equipments for individuals** provided that these investments go beyond **requirements** under Union law.
2. The support shall be granted to fishermen or owners of fishing vessels.
3. When the operation consists in an investment on board, the support shall not be granted more than once **for the same type of investment** during the programming period for the same fishing vessel. When the operation consists of an investment **in safety equipments for individuals** the support shall not be granted more than once **for the same type of equipment** during the programming period for the same beneficiary.
- [4. The Commission shall be empowered to adopt delegated acts in accordance with Article 150 in order to identify the types of operations eligible under paragraph 1.]

Article 33A
Temporary cessation of fishing activities

- 1. The EMFF may contribute to the financing of measures for temporary cessation of fishing activities:**
 - a) in the case of implementation of emergency measures referred to in Article 13 of the [Regulation on Common Fisheries Policy],**
 - b) in the case of non-renewal of fisheries partnership agreements or protocols thereto.**
 - c) in the case where the temporary cessation is foreseen in a management plan adopted according to Reg. (CE) n. 1967/06 or a multiannual plan adopted under Articles 9 and 11 of the Regulation on Common Fisheries Policy where reductions of fishing effort are needed in order to achieve the objectives in accordance with Articles 2(2) and 2(4)(a) of the [Regulation on Common Fisheries Policy] based on scientific advice.**
- 2. The EMFF may contribute to the financing of aid measures under paragraph 1 for the temporary cessation of fishing activities for fishers and the owners of fishing vessels for a maximum duration of 6 months per vessel during the period 2014 to 2020.**
- 3. 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 at least 120 days during the last two calendar years preceding the date of submission of the application, or**
 - (b) fishermen who have worked at sea on board of a Union fishing vessel concerned by the temporary cessation for at least 120 days during the last two calendar years preceding the date of submission of the application.**

4. **All fishing activities carried out by the fishing vessel concerned 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.**

Article 33B

Permanent cessation of fishing activities

1. **The EMFF may contribute to the financing of measures for permanent cessation of fishing activities only through scrapping of fishing vessels provided that:**
 - a. **It is included in the operational programme as established in Article 20; and**
 - b. **the permanent cessation is foreseen as a tool of the action plan referred to in article 35 of the [Regulation on Common Fisheries Policy] indicating that the fleet segment is not effectively balanced with 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 at least 60 days per year during the last two calendar years preceding the date of submission of the application, or**
 - (b) **fishermen who have worked at sea on board of a Union fishing vessel concerned by the permanent cessation for at least 60 days per year during the last two calendar years preceding the date of submission of the application.**

3. **The fisherman concerned shall effectively cease all fishing activities. The proof of the effective cessation of fishing activities shall be provided to the competent national authority by the beneficiaries of such aid. The compensation shall be refunded on a pro rata temporis basis where a fisherman returns to a fishing activity within a period of less than one year from the date of submission of the application.**
4. **Public aid 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 vessel register and the fishing licenses and authorizations have been also permanently removed. The beneficiary of such aid cannot register a new fishing vessel within five years following the receipt of such aid.**
The decrease in capacity shall result in the permanent equivalent reduction of the capacity ceiling of the fleet segment.

Article 34

Support to systems of transferable fishing concessions of the CFP or new systems adapting fishing activities to fishing opportunities

1. In order to establish or modify systems of transferable fishing concessions under Article 27 of the [Regulation on the CFP], the EMFF may support:
 - (a) the design and development of technical and administrative means necessary for the creation or functioning of a transferable fishing concessions system;
 - (b) stakeholder participation in designing and developing transferable fishing concessions systems;
 - (c) the monitoring and evaluation of transferable fishing concessions systems;
 - (d) the management of transferable concessions systems.

2. **In order to adapt the fishing activities to the fishing opportunities the EMFF may support the design and development of new systems allocating the fishing opportunities under Article 28 of the [Regulation on the CFP].**
3. Support under paragraph 1 (c) **of this article** shall only be granted to public authorities. Support under paragraph 1 (a), (b) (d) **and paragraph 2** of this Article shall be granted to public authorities, legal or natural persons or **organisations of fishermen, recognised by the Member State including** recognized producer organizations involved in collective management of pooled transferable fishing concessions.

Article 35

Support to the implementation of conservation measures under the CFP, and fishery related conservations measures under NATURA 2000 and Marin Strategy Framework Directive

1. In order to ensure efficient implementation of conservation measures under Articles **12 and 17** of the [Regulation on Common Fisheries Policy] the EMFF may support:
 - (a) the design, development **and monitoring** of technical and administrative means necessary for the **development and** implementation of conservation measures in the meaning of Articles **12 and 17** of the [Regulation on Common Fisheries Policy];
 - (b) stakeholder participation in designing and implementing conservation measures in the meaning of Articles **12 and 17** of the [Regulation on Common Fisheries Policy];
2. **The EMFF may support direct restocking under paragraph 1 only when it is foreseen as a conservation measure by a Union legal act.**

Article 36

Innovation linked to the conservation of marine biological resources

1. The EMFF may support projects aiming at developing or introducing new technical or organisational knowledge, **including improved fishing techniques and gear selectivity**, reducing impacts of fishing activities on the environment or achieving a more sustainable use of marine biological resources.
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 the subject to adequate publicity by the Member State according to Article 143.
4. Fishing vessels involved in projects financed under this Article shall not exceed 5% of the vessels of the national fleet or 5% of the national fleet tonnage in gross tonnage, calculated at the time of submission of the application. **In duly justified circumstances and by the request of a Member State and on the basis of a recommendation from the STECF the Commission may approve projects exceeding the limit set out in this paragraph.**
5. Operations **which cannot be qualified as fishing for scientific purposes in accordance with article 33 of Council regulation 1224/2009 and which are** consisting of testing new fishing gear or techniques shall be carried out within the limits of the fishing opportunities allocated to the Member State.
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 55 of the [Common Provision Regulation]**.
7. [The Commission shall be empowered to adopt delegated act in accordance with Article 150 in order to specify the calculation of net revenue referred to in paragraph 6 linked to a relevant period of time.]

Article 37

Limiting the impact of fishing on the marine environment and adapting fishing to the protection of species

1. In order to reduce the impact of fishing on the marine environment, **support** the **gradual** elimination of discards and facilitate the transition **that ensures that** exploitation of living marine biological resources that restores and maintains populations of harvested species **at least at** levels which can produce the **Maximum Sustainable Yield (MSY) by 2015, where possible, and by 2020 for all stocks at the latest**, the EMFF may support investments:
 - (a) **in equipment** improving size selectivity or species selectivity of fishing gear;
 - (b) **in equipment** limiting the physical and biological impacts of fishing on the ecosystem or the sea bed;
 - (c) **in equipment** reducing unwanted catches of commercial stocks or other by-catches;
 - (d) **on board or in equipment dealing with unwanted catches to be landed in accordance with Article 15 of the [Regulation on Common Fisheries Policy].**
 - (e) **protecting gear and catches from mammals and birds protected by the Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild fauna and flora or Council and European Parliament Directive 2009/147/EC of 30 November 2009 on the conservation of wild birds, 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. Support shall only be granted when the gear or other equipment referred under paragraph 1 has demonstrably better size-selection or lower impact on non-target species than the standard gear or other equipment permitted under Union law or relevant national law of Member States adopted in the context of regionalisation as referred to in the [Regulation on the CFP].

3. Support shall be granted to:
- (a) owners of Union fishing vessels whose vessels are registered as active vessels and which have carried a fishing activity of at least 60 days at sea during the two **calendar** years preceding the date of submission of the application;
 - (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 year of submission of the application;
 - (c) organisations of fishermen recognised by the Member State.

Article 38

Protection and restoration of marine biodiversity and ecosystems 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, the EMFF may support the following operations:
- (a) collection of waste **by fishermen** from the sea such as the removal of lost fishing gears and marine litter;
 - (b) the construction, ~~or~~ installation **or modernisation** of static or movable facilities intended to protect and enhance marine fauna and flora **including their scientific preparation, and evaluation**;
 - (c) the contribution to a better management or conservation of **marine biological** resources;
 - (d) **preparation including studies, drawing-up, monitoring and updating protection, and management plans for fishery related activities relating to NATURA 2000 sites and spatial protected areas referred to in Directive 2008/56/EC and in other special habitats**;

- (e) management, restoration and monitoring NATURA 2000 sites in accordance with Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild fauna and flora⁹ and Council and European Parliament Directive 2009/147/EC of 30 November 2009 on the conservation of wild birds¹⁰, in accordance with prioritised action frameworks established pursuant to Council Directive 92/43/EEC;
- (f) management, restoration and monitoring of marine protected areas in view of the implementation of the spatial protection measures referred to in Article 13(4) of the European Parliament and Council Directive 2008/56/EC;
- (g) 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;**
- (h) **environmental awareness involving fishermen on protection and restoration of marine biodiversity.**

2. Operations under this Article shall be implemented by public law bodies, **scientific or technical bodies**, fishermen or organisations of fishermen, recognised by the Member State, or non-governmental organisation in partnership with organisations of fishermen or FLAGs as defined under Article 62.

⁹ OJ L 206 , 22.7.1992 p.7.

¹⁰ OJ L 20, 26.1.2010, p. 7.

Article 39

Mitigation of climate change

1. In order to mitigate the effects of climate change the EMFF may support:
 - (a) investments **in equipment or** on board aimed at reducing the emission of pollutants or green-house gases and increasing energy efficiency of fishing vessels. **Investments in fishing gear are eligible provided that they do not undermine the selectivity of that fishing gear;**
 - (b) energy efficiency audits and schemes.
2. Support **under paragraph 1 (a) for** the replacement or modernisation of main or ancillary engines **may only be granted to vessels belonging to a fleet segment for which the capacity report, referred to in article 35 of the [Regulation on Common Fisheries Policy], has shown a balance with fishing opportunities available to that segment.**

Support **for** the replacement or modernisation of main or ancillary engines **may be granted to vessels**

- a) **of small scale coastal fishing, up to 12 metres in overall length which do not use towed gear, provided the new engine has the same power as the old one or less; or**
 - b) **for vessels up to 24 metres in overall length other than those to in point (a), provided that the power of the new engine is at least 20 % smaller than that of the engine replaced;**
- 2a. **Support under paragraph 1 and 2 shall only be granted for the replacement or modernization of main or auxiliary engines which have been officially certified in accordance with Article 40 (2) of Council Regulation (EC) No. 1224/2009.**

- 2b. For fishing vessels not subject to a certification of engine power, support under paragraphs 1 and 2 shall only be granted for the replacement or modernization of main or auxiliary engines in respect of which the consistency of engine power has been verified in accordance with Article 41 of Council Regulation (EC) No. 1224/2009 and physically inspected to ensure that the engine power does not exceed the one established in the fishing licenses.**
- 3. Support under paragraph 1 (a) shall only be granted to owners of fishing vessels and not more than once for the same type of investment during the programming period for the same fishing vessel.**
- 3a. Without prejudice to Article 27(3), the financial contribution from the EMFF to the measures referred to in paragraph 2 regarding engine replacement or modernisation shall not exceed the higher of the following two thresholds: EUR 1,5 million or 3 % of the Union financial assistance allocated by the Member State to Union priorities 1 and 2.**
- [4. The Commission shall be empowered to adopt delegated acts in accordance with Article 150 in order to define the investments eligible under paragraph 1(a).]

Article 40

Added Value and product quality

1. In order to improve the **added value or quality** of the fish caught the EMFF may support:
- (a) investments adding value to fisheries products, in particular by allowing the fishermen to carry out the processing, marketing and direct sale of their own catches;**
 - (b) innovative investments on board improving the quality of the fisheries products.**
2. The support referred to in paragraph 1 b shall only be granted to owners of Union fishing vessels whose vessels have carried **out** a fishing activity for at least 60 days at sea during the two **calendar** years preceding the date of submission of the application.

Article 41

Fishing ports, landing sites and shelters

1. For the purpose of increasing the quality of the product landed, increasing energy efficiency, contributing to environmental protection or improving safety and working conditions, the EMFF may support investments improving fishing port infrastructure or landing sites, including investments in facilities for waste and marine litter collection.
2. **The EMFF may support investments in fishing ports, landing sites and shelters in order to facilitate:**
 - a) **compliance with the obligation to land all catches pursuant to Article 15 of the [Regulation on Common Fisheries Policy] and point b) of Article 8(2) of the [Regulation (EU) No on the common organisation of the markets in fishery and aquaculture products] and adding value to under-used components of the catch.**
 - b) **control and traceability of fishery and aquaculture products, as defined in Art. 58 of Council Regulation (EC) No 1224/2009.**
3. In order to improve the safety of fishermen, the EMFF may support investments for the construction or modernisation of shelters.
4. Support shall not cover the construction of new ports, new landing sites or new auction halls.

Inland Fishing and *inland* aquatic fauna and flora

1. In order to reduce the impact of inland fishing on the environment, increase energy efficiency, increase the value or quality of fish landed, or to improve safety or working conditions, the EMFF may support the following investments:
 - (a) on board or in individual equipment as referred to in Article 33 and under the conditions set out in that Article;
 - (b) in equipment as referred to in Article 37 and under the conditions set out in that Article;
 - (c) on board and energy efficiency audits and schemes as foreseen in Article 39 and under the same conditions set out in that Article;
 - (d) on **fishing** ports, **shelters** and landing sites as referred to in Article 41 and under the conditions set out in that Article.
 - (e) **on investments improving the value or quality of the fish caught as referred to in Article 40 and under the conditions set out in that Article.**

1bis. The EMFF may provide support for investments relating to start-up for young fishermen as referred to in Article 32b and under the same conditions as set out in that Article except for the requirement under Article 32b (2)(b).

2. For the purposes of paragraph 1:
 - (a) References made in Articles 33, 37, 39 **and 40** to fishing vessels shall be understood as references to vessels operating exclusively in inland water;
 - (b) References made in Article 37 to the marine environment shall be understood as references to the environment in which the inland fishing vessel operates.

3. In order to sustain diversification by inland fishermen, the EMFF may support the **diversification of inland fishing activities** to other activities outside fishing under the conditions of Articles 32 **and 32a** of this Regulation.
4. For the purposes of paragraph 3, references made in Articles 32 **and 32a** to fishing vessels shall be understood as references to vessels operating exclusively in inland water.
5. **In order to stimulate innovativeness, competitiveness and environmental sustainability of inland fishing, the EMFF may support the development and facilitation of new innovations under the conditions of Articles 28 and 36 of this Regulation and the advisory services in inland fishing under the conditions of Article 29 of this Regulation. Furthermore, the EMFF may support the networking between scientist and fishermen and promoting of human capital and social dialogue under the conditions of Article 30 and 31 of this regulation, respectively.**
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 line with Directive 60/2000/EU, including spawning grounds and migration routes for migratory species, without prejudice of Article 38(1)(d);**
 - b) **the construction, modernization 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 43

Specific objectives

Support under this Chapter shall contribute to achieving the Union priorities identified in Article 6(1) and (2).

Article 44

General conditions

- 1. Support under this Chapter shall, unless otherwise expressly established, be granted to aquaculture enterprises, including entrepreneurs entering the sector as stipulated in paragraph 2.**
- 2. Entrepreneurs entering the sector for the purpose of this Article shall provide a business plan and, where the cost of investments is more than 50,000 euros a feasibility study.**
3. Where operations consist of investments in equipment or infrastructure ensuring compliance with requirements on the environment, human or animal health, hygiene or animal welfare under Union law, **support** may be granted until the date on which the standards become mandatory for the enterprises.

Article 45

Innovation

1. In order to stimulate innovation in aquaculture, the EMFF may support **projects aiming at:**
 - (a) **developing technical innovation** or knowledge in aquaculture **which in particular reduces the impact on the environment**, fosters a more sustainable use of resources, **improves animal welfare, facilitates new sustainable production methods;**
 - (b) developing or introducing in the market new or substantially improved products, **new aquaculture species with good market potential**, new or improved processes, new or improved management and organisation systems
 - (c) **exploring the technical or economic feasibility of innovations, products or processes.**
2. Operations under this Article **shall** be carried out **by or** in collaboration **with public or private** scientific or technical bodies as recognised by the national law of each Member State which shall validate the results of such operations.
3. The results of operations receiving support shall be subject to adequate publicity by the Member State according to Article 143.

Article 46

Productive investments in aquaculture

1. **The EMFF may support:**
 - a) **productive investments in aquaculture;**
 - b) **diversification of aquaculture production and species cultured;**
 - c) **modernization of aquaculture units including improvement in working and safety conditions of aquaculture workers;**

- d) **improvements and modernization related to animal health and welfare including the purchase of equipment aiming at protecting the farms from wild predators;**
- e) **reducing negative impact or enhancing positive effects on the environment and increasing resource efficiency;**
- f) **investments in enhancing quality of aquaculture product;**
- g) **restoration of existing aquaculture ponds or lagoons through removal of silt, or possible measures aimed at the prevention of silt deposit;**

2. **Support under paragraph 1 may be given for the increase in production and or modernization of existing aquaculture enterprizes or the construction of new ones provided that the development is consistent with the multi annual national strategic plan for the development of Aquaculture .**

3. [The Commission shall be empowered to adopt **implementing acts** in accordance with Article **151(3)** in order to identify the type of eligible costs.]

Article 47

New forms of income and added value

1. In order to foster entrepreneurship in aquaculture, the EMFF may support investments contributing to:
 - (a) adding value to aquaculture products, **such as supporting** the aquaculture enterprise to carry out the processing, marketing and direct sale of **primarily** its own aquaculture production;
 - (b) diversification of the income of aquaculture enterprises through the development of complementary activities outside aquaculture.

2. Support under paragraph 1(c) shall be granted only to aquaculture enterprises provided that the complementary activities outside aquaculture relate to the core aquaculture business of enterprise, **including** angling tourism, aquaculture environmental services or educational activities on aquaculture.

Article 48

Management, relief and advisory services for aquaculture farms

1. In order to improve the overall performance and competitiveness of aquaculture farms, the EMFF may support:
 - (a) the setting up management, relief and advisory services for aquaculture farms;
 - (b) the provision of farm advisory services of technical, scientific, legal or economic nature.
2. Advisory services under paragraph 1(b) shall cover:
 - (a) the management needs for aquaculture to comply with Union and national environmental protection legislation as well as Maritime Spatial Planning requirements;
 - (b) Environmental Impact Assessment **as referred to in Directives 2001/42 and 92/43**;
 - (c) the management needs for aquaculture to comply with **national and** Union 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.
- 2a. **The advice referred to in paragraph 1(b) shall be provided by scientific or technical bodies as well as entities providing legal or economic advice with the required competence as recognised by each Member State.**

3. Support under paragraph (1)(a) shall be granted to public law bodies **or other entities**, selected **by the Member State** to set up the farm advisory services. Support under paragraph (1)(b) shall only be granted to aquaculture SMEs or **aquaculture organisations including** aquaculture producer's organisations.
- 3a. When the support does not exceed the amount of 4000 EUR, the beneficiary may selected through an accelerated procedure.**
4. Aquaculture farms shall not receive support for the advisory services more than once **per year** for each category of services covered under paragraph 2 (a) to (e).

Article 49

Promoting human capital and networking

1. In order to promote human capital and networking in aquaculture, the EMFF may support:
 - (a) lifelong learning, dissemination of scientific **and technical** knowledge and innovative practices and acquisition of new professional skills in aquaculture;
 - (b) networking and exchange of experience and best practice 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 paragraph 1(a) shall not be given to large aquaculture enterprises **unless engaged in knowledge sharing with SMEs**.
3. **By derogation from Article 44, support shall also be granted to public or semi public organisations and other organisations recognized by the Member state.**

4. **The support referred to in paragraph 1 shall also be granted to spouses of self-employed aquaculture farmers or, when and in so far as recognised by national law, the life partners of self-employed aquaculture farmers, not being employees or business partners, where they habitually, under the conditions laid down by national law participate in the activities of the self-employed aquaculture farmers or perform ancillary tasks as laid down in Article 2 point (b) of Directive 2010/41/EU.**

Article 50

Increasing the potential of aquaculture sites

1. In order to contribute to the development of the aquaculture *sites* and infrastructures, the EMFF may support:
- (a) identification and mapping of most suitable areas for developing aquaculture, and where applicable, taking into account spatial planning processes;
 - (b) **improvement and development of support facilities and infrastructures required to increase the potential of aquaculture sites** including **investments in** land consolidation, energy supply or water management;
 - (c) action taken and implemented by competent authorities under of Article 9(1) of Directive 2009/147/EC or Article 16(1) of Directive 92/43/EC with the aim of preventing serious damages to aquaculture.
2. Beneficiaries of support under this Article shall only be public law bodies *or private bodies entrusted by the Member State with the above-mentioned tasks.*

Article 51

Encouraging new aquaculture farmers

[DELETED]

Article 52

Promotion of aquaculture with high level of environmental protection

[DELETED]

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) conversion of conventional aquaculture production methods into organic aquaculture within the meaning of 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 and according to 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;
 - (b) the participation in the Union eco-management and audit schemes established by 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).
2. Support shall only be granted to beneficiaries who commit themselves for a minimum of 3 years to participate in the EMAS or for a minimum of 5 years to comply with the requirements of organic production.
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 scheme.

4. **By derogation from article 57 of the [Regulation (EU) No [...] laying down Common provisions]**, Member States shall calculate the 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 paragraph 1(a) of this Article **and/or**
 - (b) the additional costs resulting from the application and preparation to the participation in EMAS in the case of operations eligible under paragraph 1(b).

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 Council Directive 92/43/EEC and Council and European Parliament Directive 2009/147/EC;
 - (b) **the cost directly associated with** the participation in conservation and reproduction of aquatic animals, within the framework of conservation and biodiversity restoration programmes developed by public authorities, or under their supervision;
 - (c) forms of extensive aquaculture including conservation and improvement of the environment, biodiversity, and management of the landscape and traditional features of aquaculture zones.
2. Support under paragraph 1 (a) shall take the form of annual compensation for the additional costs incurred **and/or** income foregone resulting from management requirements in the areas concerned, related to the implementation of Council Directive 92/43/EEC or Council and European Parliament Directive 2009/147/EC.

3. Support under paragraph 1 (c) shall be granted only where beneficiaries commit themselves for a minimum 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 a given operation are already recognised.
4. **By derogation from article 57 of the [Regulation (EU) No [...] laying down Common provisions],** support provided under paragraph 1 (c) shall take the form of annual compensation for the additional costs incurred.
5. The results of operations receiving support under this Article shall be subject to adequate publicity by the Member State according to Article 143.

Article 55

Public health measures

1. The EMFF **may** support compensation to mollusc farmers for the temporary suspension of harvesting of farmed molluscs exclusively for reasons of public health.
2. Support may only be granted where the suspension of harvesting due to contamination of molluscs is the result of the proliferation of toxin-producing plankton or the presence of plankton containing biotoxins, and when:
 - (a) it lasts for more than four months consecutively; or
 - (b) the loss, resulting from the suspension of the harvest, amounts to more than 35 % of the annual turnover of the business concerned, calculated on the basis of the average turnover of the business over the preceding three years.
3. The duration for which compensation may be granted shall be of maximum 12 months over the entire programming period.

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:
 - (a) **costs for the control and eradication of diseases in aquaculture under the terms of Council Decision 2009/470/EC on expenditure in the veterinary field including the operational cost necessary to fulfil the obligations in an eradication plan;**
 - (b) the development of general and species specific best practices or codes of conducts on bio-security or on animal welfare needs in aquaculture;
 - (c) studies with the aim of increasing the availability of veterinary medicines for its use in aquaculture and promoting appropriate use of such medicines through the commissioning of pharmaceutical studies and the dissemination and exchange of information.
2. Support under paragraph 1(c) shall not cover the purchase of veterinary medicines.
3. The results of the studies financed under paragraph 1(c) shall be the subject to adequate reporting and publicity by the Member State according to Article 143.
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 support the contribution to an aquaculture stock insurance which shall cover the losses due to **at least one of the following**:
 - (a) natural disasters;
 - (b) adverse climatic events;
 - (c) sudden water quality 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 an adverse climatic event or the outbreak of disease 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 such formal recognition shall be deemed to be granted.
4. Support shall only be granted for aquaculture stock insurance contracts which cover economic losses under paragraph 1 exceeding 30% of the average annual **turnover** of the aquaculture farmer.

TITLE V

MEASURES FINANCED UNDER SHARED MANAGEMENT

CHAPTER III

Sustainable development of fisheries areas

SECTION 1

SCOPE AND OBJECTIVES

Article 58

Scope

The EMFF **may** support the sustainable development of fisheries areas following a community-led local development approach as set out in Article 28 of the [Regulation (EU) No [...] laying down Common Provisions].

Article 59

Specific Objectives

Financial support under this Chapter shall contribute to the achievement of the Union priorities identified in Article 6(**1,2 and 4**).

Section 2

Fisheries areas, local partnerships and local development strategies

*Article 60*¹¹

Fisheries areas

[DELETED]

Article 61

Integrated local development strategies

1. In order to contribute to the achievement of the objectives referred to in Article 59 local development strategies shall:
 - (a) maximise the participation of the fisheries and aquaculture sectors in the sustainable development of coastal and inland fisheries areas;
 - (b) ensure that local communities fully exploit and benefit from the opportunities offered by maritime, coastal **and inland water** development.
2. The strategy must be coherent with the opportunities and needs identified in the area and the Union priorities for the EMFF. Strategies may range from those which focus on fisheries to broader strategies directed at the diversification of fisheries areas. The strategy shall go beyond a mere collection of operations or juxtaposition of sectoral measures.

¹¹ *The Presidency proposes by deleting Article 60, to amend the definition of fisheries area in Article 3 to: (5) 'fisheries area' means an area with sea or lake shore or including ponds, a river or a river estuary with a significant level of employment in fisheries or aquaculture, that is functionally coherent in geographical, economic and social terms and designated as such by the Member State;*

3. [The Commission shall be empowered to adopt **implementing acts** in accordance with **the examination procedure referred to in Article 151(3)** concerning the content of the action plan referred to in Article 29(1)(e) of the [Regulation (EU) No [...] laying down Common Provisions].]

Article 62

Fisheries local action groups

1. For the purposes of the EMFF the local action groups referred to in Article 28(2)(b) of [Regulation (EU) No [...] laying down Common Provisions] shall be designated as Fisheries Local Action Groups (hereinafter "FLAGs")
2. **The FLAGs shall propose an integrated local development strategy based at least on the elements set out in Article 61 and 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 fisheries and/or aquaculture sectors.
4. If the local development strategy is supported by other Funds in addition to the EMFF the selection body **of the FLAGs** for EMFF supported projects **shall fulfill the requirements** of paragraph (3).
5. FLAGs may also carry out additional tasks **going beyond the minimum tasks of Article 30(3) of the [Regulation (EU) No [...] laying down Common Provisions]** when these are **delegated to them** by the managing authority [**designated body**].

SECTION 3

ELIGIBLE OPERATIONS

Article 63

Support from the EMFF for integrated local development

1. The operations **and costs** eligible under this Section are set out in Article 31 of the [Regulation (EU) No [...] laying down Common Provisions].
2. Local action groups may request the payment of an advance from the competent [**designated body**] 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**.

Article 64

Preparatory support

[DELETED]

Article 65

Implementation of local development strategies

1. Support for the implementation of local development strategies may be granted for the following objectives:
 - (a) adding value, creating jobs, and promoting innovation at all stages of the fisheries and aquaculture supply chain;
 - (b) supporting diversification **inside or outside commercial fisheries, lifelong learning and job creation in fisheries areas**;

- (c) enhancing and capitalising on the environmental assets of the fisheries areas including operations to mitigate climate change ;
 - (d) promoting social well being and cultural heritage in fisheries 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 given may include measures provided for **in** Chapters I, II **and IV** of this Title, **except Articles 69 and 70**, provided there is a clear rationale for their management at local level. When assistance is granted for operations corresponding to these 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 66

Cooperation activities

1. Support referred to in Article 31(c) of the [Regulation (EU) No [...] laying down Common Provisions] may be granted to:
- (a) inter-territorial or transnational cooperation projects ;
 - (b) preparatory technical support for inter-territorial and transnational cooperation projects, on condition that local action groups can demonstrate that they are preparing the implementation of a project.
- “Inter-territorial cooperation” means cooperation within a Member State. “Transnational cooperation” means cooperation between territories in several Member States and/or with territories in third countries .
2. **For the purpose 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 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.
4. **The administrative decisions on** 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 134**.

Article 67

Running costs and animation

[DELETED]

CHAPTER IV

Marketing and processing related measures

Article 68

Specific Objectives

Support under this Chapter shall contribute to achieving **the Union priorities identified in Article 6 (1) and (2)**.

Article 69

Production and Marketing Plans

1. The EMFF may support the preparation and implementation of production and marketing plans referred to in Article 32 of [Regulation (EU) No. ... on the common organisation of the markets in fishery and aquaculture products].
2. Expenditure related to production and marketing plans shall be eligible for a contribution under the EMFF only after approval by the competent authorities in each Member State of the annual report referred to in Article 32(5) of [Regulation (EU) No. ... on the common organisation of the markets in fishery and aquaculture products].
3. Support granted per year under this Article shall not exceed 3 % of the average annual value of the production **placed on the market** of each producer organisation **during the preceeding 3 calendar years**. For any newly recognised producer organisation, the support granted per year shall not exceed 3 % of the average annual value of the production **placed on the market** of their members **during the preceeding 3 calendar years**.

4. The Member State concerned may grant an advance of 50% of the financial assistance after approval of the production and marketing plan in conformity with Article 32(3) of [Regulation (EU) No on the common organisation of the markets in fishery and aquaculture products].
5. The support referred to in paragraph 1 shall be granted to producer organisations and associations of producers organisations.

Article 70

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 of Regulation No. [on the common organisation of the market in fishery and aquaculture products], provided that the products are stored in conformity with Articles 35 and 36 of Regulation No ...[on the common organisation of the markets in fishery and aquaculture products]:
 - (a) the amount of the storage aid shall 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 shall not exceed 15 % of the annual quantities of the products concerned put up for sale by the producer organisation;
 - (c) the financial assistance per year shall not exceed the following percentages of the average annual value of the production **placed on the market** of the members of producer organisation in the period 2009-2011. In the case that members of producer organisation did not have any production **placed on the market** in 2009-2011, the average annual value of production **placed on the market** in the first three years of production of such member shall be taken into account:
 - 1 % in 2014;
 - 0,8 % in 2015;

- 0,6 % in 2016;
 - 0,4 % in 2017;
 - 0,2 % in 2018.
2. By 2019 support referred to in paragraph 1 shall be phased out.
 3. The support 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 for stabilisation and storage;
 - (b) financial costs shall be calculated each year using the interest rate set annually in each Member State;
 - (c) 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 these inspection arrangements, 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 71

Marketing measures

1. The EMFF may support marketing measures for fishery and aquaculture products which aim at:
 - (a) creating producers' organisations, associations of producer organisations or inter-branch organisations recognised under Chapter II, Section II of Regulation [on the Common Organisation of the markets in fisheries and aquaculture products];
 - (b) improving the conditions for the placing on the market of:
 - (i) surplus or underexploited species;
 - (ii) unwanted catches landed in conformity with Article 15 of [Regulation on the Common Fisheries Policy] and **point (b)** of Article 8 **(2)** of the [Regulation (EU) No on the common organisation of the markets in fishery and aquaculture products];
 - (iii) **fishery and aquaculture** products obtained using methods with low impact on the environment or organic aquaculture products as defined in Council Regulation(EC) No 834/2007 on organic production.
 - (c) promoting the quality **and value added** by facilitating:
 - (i) the application for registration of a given product under the terms of Council Regulation (EC) No 510/2006 of 20 March 2006 on the protection of geographical indications and designations of origin for agricultural products and foodstuffs;
 - (ii) certification and promotion including of sustainable fishery and aquaculture products and of environmentally friendly processing methods.
 - (d) contributing to the transparency of production and the markets and conducting market surveys;

- (e) **Contributing to traceability of fishery or ~~and~~ aquaculture products;**
 - (f) **Drawing up standard contracts for SMEs** which are compatible with Union law;
 - (g) conducting regional, national or transnational promotional campaigns for fishery and aquaculture products **and other communication campaigns improving the public awareness of the fishery and aquaculture sector.**
2. Operations under paragraph (1) may include the production, processing and marketing activities of the supply chain.
 3. **Operations under para 1 (g) must not be aimed at commercial brands or make reference to specific countries or geographical regions except in case of products recognized under the terms of Council Regulation (EC) No 510/2006 of 20 March 2006 on the protection of geographical indications and designations of origin for agricultural products and foodstuffs.**

Article 72

Processing of fisheries and aquaculture products

1. The EMFF may support investments in the processing of fisheries and aquaculture products:
 - (a) contributing to energy saving or reducing the impact on the environment, including waste treatment;
 - (b) for the processing of **surplus and underexploited species**;
 - (c) for the processing of by-products resulting from main processing activities;
 - (d) for the processing of organic aquaculture products as regulated in Article 6 and 7 of Council Regulation(EC) No 834/2007;
 - (e) **which lead to new or improved products, new or improved processes, or new or improved management and organisation systems.**

CHAPTER V

Compensation for additional costs in outermost regions for fishery and aquaculture products

Article 73

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 Azores, Madeira, the Canary Islands, French **outermost regions covered by Article 349 of 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 the compensation.
3. When establishing the list and the quantities referred to in paragraph 2, Member States shall take into account all the relevant factors, in particular the need to ensure that the compensation is fully compatible with the rules of the CFP.
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. Paragraph 4 (b) of this Article shall not apply if the existing capacity of the processing industry in the outermost region concerned exceeds the quantity of raw material supplied according to the rules laid down in this Article.

6. **The compensation may be paid to the following operators who incur additional costs in the marketing of fishery products:**
- (a) **any natural or legal person using means of productions to obtain fishery or aquaculture products with a view to their placing on the market;**
 - (b) **the owners or operators of vessels registered in the ports of the regions referred to in Paragraph 1 and operating therein or associations of such operators;**
 - (c) **the operators in the processing and marketing sector or associations of such operators.**

Article 74

Calculation of the compensation

1. The compensation shall be paid to the operators carrying out activities in the concerned regions 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 75

Compensation plan

1. The Member States concerned shall submit to the Commission a compensation plan for each region concerned including the list and quantities **and the type of operators** referred to in Article 73, the level of compensation referred to in Article 74 and the competent authority as laid down in Article 108.
2. **Member states may amend the content of the compensation plan referred to in paragraph 1. Such amendments shall be submitted to the Commission.**

- [2. The Commission shall be empowered to adopt **implementing** acts in accordance to **the examination procedure referred to in Article 151(3)** in order to define the content of the compensation plan, including the criteria for the calculation of the additional costs resulting from the specific handicaps of the regions concerned.]

CHAPTER VI

Accompanying measures for the Common Fisheries Policy under shared management

Article 76

Geographical scope

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

Article 77

Specific Objectives

Support under this Chapter shall contribute to achieving the Union priorities identified in Article 6 (3).

Article 78

Control and Enforcement

1. The EMFF may support the implementation of a Union control, inspection and enforcement system as provided for in Article 46 of the [Regulation on the Common Fisheries Policy] and specified in Council Regulation (EC) No 1224/2009 of 20 November 2009 establishing a Union control system for ensuring compliance with the rules of the Common Fisheries Policy (¹²).
2. In particular, the following types of operations shall be eligible:
 - (a) purchase **and/or** development of technology, including hardware and software, vessel detection systems (VDS), CCTV systems, and IT networks enabling the gathering, administration, validation, analysis, **risk management, presentation (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 hardware and software** necessary to ensure data transmission from actors involved in fishing and the marketing of fishery products to the relevant Member State and EU 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 hardware and software** necessary to ensure traceability of fishery and aquaculture products, as defined in Art. 58 of Council Regulation (EC) No 1224/2009;
 - (d) implementation of programs aiming at exchanging and analysing data between Member States;

¹² OJ L 343, 22.12.2009, p. 1

- (e) modernisation and purchase of patrol vessels, aircrafts and helicopters, provided they are used **for fisheries control** for at least 60% of **the total time of the use of the equipment, calculated on an annual basis**;
- (f) purchase of other control means, including devices to enable the measurement of engine power and weighing equipment;
- (g) **development of innovative control systems and** implementation of pilot projects related to fisheries control, including fish DNA analysis or the development of web-sites related to control;
- (h) training and exchange programmes, including between Member States, of personnel responsible for monitoring, control and surveillance of fisheries activities;
- (i) cost/benefit analysis as well as assessment 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 both among fishermen and other players such as inspectors, public prosecutors and judges, and among the general public of the need to fight illegal, unreported and unregulated fishing and on the implementation of the CFP rules;-
- (k) **operational costs incurred in delivering strengthened control for stocks subject to specific control and inspection programmes established in accordance with Article 95 Council Regulation (EC) No 1224/2009.**

3. The measures listed in points (h), (i) and (j) of paragraph 2 of this Article shall only be eligible for support if they relate to control activities carried out by a public authority.

4. In case of the measures listed in points (d) and (h) of paragraph 2 of this Article, only one of the Member States involved shall be designated as [**designated body**].

Article 79

Data Collection

1. The EMFF shall support the collection and management and use of primary biological, technical, environmental and socioeconomic data as in the multiannual Union programme referred to in Article 37(5) of the [Regulation on the Common Fisheries Policy]¹³.
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 CFP implementation;
 - (b) national **and cross national** multi-annual sampling programmes;
 - (c) at-sea monitoring of commercial and recreational fisheries, **including monitoring of bycatch of marine organisms such as marine animals and birds**;
 - (d) research surveys-at-sea;
 - (e) the participation of Member States' representatives in regional coordination meetings as referred to in Article 37(4) of the [Regulation on the Common Fisheries Policy], meetings of regional fisheries management organisations of which the EU is a contracting partner or an observer or meetings of international bodies in charge of providing scientific advice.
 - (f) **Improvement of systems for data collection and data management and the implementation of pilot studies aiming at improving existing systems for data collection and data management.**

¹³ **The Council and the Commission agree that the words "related to marine species" in Article 37(5) d) of the Basic Regulation should be deleted so that fresh water aquaculture is also covered.**

CHAPTER VII

Technical assistance at the initiative of the Member States

Article 79bis

Technical assistance at the initiative of the Member States

- 1. The EMFF may support, at the initiative of a Member State, subject to a ceiling of 6 % of the total amount of the operational programme:
 - (a) the measures of technical assistance referred to in Article 52(1) of the [Regulation (EU) No [...] laying down Common Provisions];**
 - (b) the establishment of national networks aiming at disseminating information, capacity building, exchanging best practice and supporting cooperation between the FLAGS in their territory.****
- 2. Exceptionally, and in duly justified circumstances, the threshold referred to in paragraph 1 may be exceeded.**
- 3. Costs of [certification body /audit authority] shall not be eligible under paragraph 1.**
- [4. The Commission shall be empowered to adopt delegated acts in accordance with Article 150 concerning the definition of the activities to be carried out by national networks mentioned in paragraph 1.]**

CHAPTER VIII

Measures concerning integrated maritime policy financed under shared management

Article 79 ter

Specific objectives

- 1. Measures under this Chapter shall support the development and implementation of the Integrated Maritime Policy including:**
 - (a) Integrating Maritime Surveillance (IMS) and in particular the development of the Common Information Sharing Environment (CISE) for the surveillance of the EU maritime domain,**
 - (b) the promotion of the protection of the marine environment, in particular its biodiversity and marine protected areas such as Natura 2000 sites, beyond what is established in Article 35, 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 particular in the framework of the Marine Strategy Framework Directive.**
- 2. Any amendment of the Operational Programme shall not result in an increase of the total financial allocation referred to in Article 15 (7).**

Article 79 quarter
Eligible operations

1. **The EMFF may support operations in accordance with the objectives set out in Article 79 ter such as:**
 - (a) **actions allowing to contribute achieving the objectives of Integrated Maritime Surveillance and in particular to fulfill the CISE objectives;**
 - (b) **the protection of the marine environment, in particular its biodiversity and marine protected areas such as Natura 2000 sites in line with the obligations established in the Directives 92/43 and 2009/14;**
 - (c) **the improvement of the knowledge on the state of the marine environment with a view to establish the monitoring programmes and the programmes of measures foreseen in the Marine Strategy Framework Directive in line with the obligations established in this Directive.**

2. **Salary costs of personnel of national administrations shall not be considered as eligible operating costs.**

TITLE VI

MEASURES FINANCED UNDER DIRECT MANAGEMENT

CHAPTER I

Integrated Maritime Policy

Article 80

Geographical scope

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

Article 81

Scope and objectives

Support under this Chapter shall contribute to *further* development and implementation of the Union's Integrated Maritime Policy. 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;
 - (ii) promoting dialogue and cooperation with and among 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 specificities of the sea basins and sub-sea basins, and of 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) promoting the exchange of best practices and dialogue at international level, including bilateral dialogue with third countries, **taking into account the United Nations Convention on the Law of the Sea (UNCLOS) and the relevant existing international conventions based on UNCLOS**, without prejudice to other agreements or arrangements which may exist between the EU and the third countries concerned. **Such dialogue shall include, as appropriate, effective discussion on the ratification and implementation of UNCLOS;**
 - (v) 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 as¹⁴:
- (i) integrated maritime surveillance **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**;

¹⁴ ***The Presidency proposes to handle the question of cooperation between coastguard functions by introducing the following new recital text:*** In the light of the CISE experience, actions and mechanisms targeting improved cooperation amongst Member States may include cross-border and cross-sectoral cooperation between maritime functionalities, for example activities within the framework of the European Coastguard Functions Forum, to promote exchange of experiences and best practices in order to achieve effectiveness and coherence, within the framework of existing relevant EU legislation.

- (iii) the progressive development of a comprehensive and publicly accessible high quality marine **data and** knowledge base which shall facilitate sharing, re-use and dissemination of these data and knowledge among various user groups, **thus avoiding duplication of efforts; for this purpose, the best use shall be made of existing Union and Member State programmes.**
- (c) Supporting sustainable economic growth, employment, innovation and new technologies within-maritime sectors **as well as** in coastal, **insular and outermost** regions **in the Union**, in complementarity with established sectoral and national activities.
- (d) promoting 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 particular in the framework of the Marine Strategy Framework Directive.

Article 82

Eligible operations

1. The EMFF may support operations in accordance with the objectives set out in Article 81, such as:
 - (a) studies;
 - (b) projects, including test projects and cooperation projects;
 - (c) **conferences, seminars, fora and workshops;**
 - (d) public information and sharing best practice, awareness raising campaigns and associated communication and dissemination activities such as publicity campaigns, events, the development and maintenance of websites, stakeholder platforms;
 - (f) exchange of best practices, coordination activities, including information sharing networks and **support to the development of** sea basin strategies;
 - (g) **collection, pooling, monitoring, visualisation and public access to data, best practices and databases, including for the protection of the marine environment in the frame work of monitoring programmes and measures;**

2. In order to achieve the specific objective of developing **cross-border and** cross-sectoral operations set out in Article 81 b), the EMFF may support:
- (a) the development and implementation of technical tools for integrated maritime surveillance, in particular for supporting the deployment, operation and maintenance of a decentralised system for exchange of information in the maritime domain (CISE) **with a view to promoting cross-sectoral and cross-border surveillance information exchange 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 among Member States 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 aiming at building capacity for Member States to implement maritime spatial planning;
 - (c) the technical tools for setting up and running of an operational European Marine Observation and Data Network aiming to facilitate the collection, **acquisition**, assembling, quality control, re-use and distribution of marine data **and knowledge** through cooperation between the Member states institutions involved in the network.

CHAPTER II

Accompanying measures for the Common Fisheries Policy and the Integrated Maritime Policy under direct management

Article 83

Geographical scope

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

Article 84

Specific Objectives

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

- (a) scientific advice under CFP;
- (b) specific control and enforcement measures under CFP;
- (c) voluntary contributions to international organisations;
- (d) Advisory Councils;
- (e) market intelligence;
- (f) Common Fisheries Policy and Integrated Maritime Policy communication activities.

Article 85

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 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 on alternative types of sustainable fishing management techniques;
 - (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;
 - (c) the participation of experts in the meetings on fisheries scientific and technical issues and expert working groups, **such as the Scientific, Technical and Economic Committee for Fisheries (STECF)**, as well as in international advisory bodies and in meetings where contribution of fisheries experts will be required;
 - (d) expenditure incurred by the Commission for services related to 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, to the preparatory work aiming at delivering scientific opinions and advice;
 - (e) cooperation activities between the Member States in the field of data collection, including the setting-up and running of regionalized databases for storage, management and use of data which will benefit regional cooperation and improve data collection and management activities as well as the scientific expertise in support of fisheries management.

Article 86

Control and enforcement

1. The EMFF may support the implementation of a Union control, inspection and enforcement system as stipulated in Article 46 of [Regulation on the Common Fisheries Policy] and specified in Council Regulation (EC) No 1224/2009 of 20 November 2009 establishing a Union control system for ensuring compliance with the rules of the Common Fisheries Policy.

2. In particular, the following types of operations shall be eligible:
 - (a) joint purchase by several Member States belonging to the same geographical area, of patrol vessels, aircrafts and helicopters, provided they are used **for fisheries control** for at least 60% of the **total time, calculated on an annual basis**;
 - (b) expenditure relating to the assessment and development of new control technologies;
 - (c) all operational expenditure related to inspection, by Commission inspectors, of the implementation of the CFP by the Member States, and in particular inspection missions, safety equipment and training of inspectors, the organization of or participation at meetings and the charter or purchase by the Commission of inspection means as specified in Title X of Council Regulation (EC) No 1224/2009 of 20 November 2009.
3. In case of the measure listed in point (a) of paragraph 2, only one of the Member States involved shall be designated as the beneficiary.

Article 87

Voluntary contributions to international organisations

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

- (a) voluntary funding 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) voluntary financial contributions to preparations for new international organisations or preparation of new international treaties which are of interest to the European Union;
- (c) voluntary financial contributions to work or programmes carried out by international organisations which are of special interest to the European Union;

- (d) financial contributions to any activity (including working, informal or extraordinary meetings of contracting parties) which upholds the interests of the European Union in international organisations and strengthens cooperation with its partners in these organisations. In this connection, when the presence of representatives of third countries in negotiations and meetings within international forums and organisations becomes necessary for the European Union interests, the EMFF shall bear the costs of their participation.

Article 88

Advisory Councils

1. The EMFF **shall** support operating costs of the Advisory Councils as set up by Article **26a** of [Regulation on Common Fisheries Policy].
2. An Advisory Council having legal personality may apply for Union support as a body pursuing an aim of general European interest.

Article 89

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 49 of [Regulation (EU) No on the common organisation of the markets in fishery and aquaculture products].

Article 90

Common Fisheries Policy and Integrated Maritime Policy communication activities

The EMFF may support:

1. costs for information and communication activities linked to the Common Fisheries Policy and to the Integrated Maritime Policy, including:
 - (a) costs for production, translation and dissemination of material tailored to the specific needs of the different target groups in written, audiovisual and electronic format;

- (b) costs for preparation and organisation of events and meetings to inform or collect the views of the different parties concerned by the Common Fisheries Policy and the Integrated Maritime Policy.
- 2. travelling and accommodation costs of experts and stakeholder representatives invited by the Commission to meetings.
- 3. costs of the corporate communication of the political priorities of the European Union as far as they are related to the general objectives of this Regulation.

CHAPTER III

Technical assistance

Article 91

Technical assistance at the initiative of the Commission

The EMFF may support, at the initiative of the Commission, subject to the ceiling of 1.1 % of this fund:

- (a) the measures of technical assistance specified in Article 51(1) of the [Regulation (EU) No [...] laying down Common Provisions] for the implementation of this Regulation ;
- (b) the **preparation, follow-up and evaluation** of sustainable fisheries agreements and the Union participation in regional fisheries management organisations; **the measures concerned are studies, meetings, experts interventions, expenditure for temporary staff, information activities and any other administrative, scientific or technical assistance expenditure that the Commission may incur.**

- (c) the setting up of a European network of FLAGs aiming at capacity building, disseminating information, exchanging experience and best practice and supporting cooperation between the local partnerships. This network shall cooperate with the networking and technical support bodies for local development set up by the EFRD, the ESF and the EAFRD as regards their local development activities and transnational co-operation.

Article 92

Technical assistance at the initiative of the Member States

[Moved to Article 79bis]

Article 94

Determination of co-financing rates

1. The decision of the Commission approving the operational programme 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 each of the objectives defined under the Union priorities for EMFF, as referred to in Article 6. The maximum EMFF contribution rate shall be 75% of the eligible public expenditure.

The minimum EMFF contribution rate shall be 20%.

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 70;
 - (b) 100 % of the eligible public expenditure for the compensation regime referred to in Article 73;

- (c) 50 % of the eligible public expenditure for the support referred to in Articles **33 A, 33B, 39(2) and 78(2)(e)**;
- (d) 80 % of the eligible public expenditure for the support referred to in Article 78(2)(a) to (d) and (f) to (j);
- (e) 65 % of the eligible expenditure for the support referred to in Article 79.
- (f) **75 % of the eligible expenditure for the support referred to in Article 79 ter.**

TITLE VII

IMPLEMENTATION UNDER SHARED MANAGEMENT

CHAPTER II

Delivery mechanism

SECTION 1

SUPPORT FROM THE EMFF

Article 95

Intensity of public aid

1. Member States **may** 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;
 - (b) the operation is related to the storage aid referred to in Article 70;
 - (c) the operation is related to the compensation regime referred to in Article 73;
 - (d) the operation is related to the data collection referred to in Article 79.
 - (e) **the operation is related to premiums under Article 33A, or Article 33B and compensations under Article 53, 54 or 55.**
 - (f) **the operation is related to the integrated maritime policy measures referred to in Article 79 ter.**

- 3. By way of derogation from paragraph 1, Member States may apply an intensity of public aid between 50% and maximum 100% of the total eligible expenditure when the operation is implemented under Chapter I, II and IV of Title V and fulfils all of the following criteria:**
- (a) collective interest; and**
 - (b) public access to the results of the operation according to Article 143.**
- 3a.** 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 when the operation is implemented under Chapter III of Title V and fulfills one of the following criteria:
- (a) collective interest;
 - (b) collective beneficiary;
 - (c) public access to the results of the operation;
 - (d) innovative features at the project at the local level.
- 4.** By way of derogation from paragraph 1, additional percentage points of public aid intensity as set out in Annex I shall apply.
- 5.** The Commission shall establish by means of implementing acts adopted in accordance with the examination procedure referred to in Article 151(3) how the different percentage points of public aid intensity shall apply in the case where several conditions of Annex I are fulfilled.

(PM: Article 143 and Annex IV to be revised to make a reference to Article 95)

New Article 153a

The Regulation 850/1998 for the conservation of fishery resources through technical measures for the protection of juveniles of marine organisms shall be amended as follows:

1. In Article 31a(1), the four indents shall be replaced by a single indent as follows:

"south of 55° North"

2. Article 31 a (2) (a) shall read as follows:

"no more than 10% of the beam trawler fleet by Member States use the electric pulse trawl".

ANNEX I
Specific aid intensity

Type of operations	Percentage points
Related to small scale coastal fisheries may benefit from an increase by	25
Located in the remote Greek Islands ¹⁵ may benefit from an increase by	35
Located in the outermost regions may benefit from an increase by	35
Implemented by organisation of fishermen or other collective beneficiaries outside Chapter III of Title V may benefit from an increase by	10
Implemented by producer organisation or associations of producer organisations may benefit from an increase by	20
Under Article 78 on control and enforcement may benefit from an increase by	30
Under Article 78 on control and enforcement related to small scale coastal fisheries may benefit from an increase by	40
<i>Under article 39.2, replacement of engines shall be reduced by</i>	20
Implemented by enterprises that fall outside the definition of SMEs shall be reduced by	20

¹⁵ The words "and in the Croatian islands Dugi otok, Vis, Mljet and Lastovo" shall be included if the present Regulation is adopted after Croatia has become a Member of the European Union. Otherwise, the procedure under Article 50 of the Act of Accession of Croatia to the European Union shall be used for the adaptation of the EMFF to the Croatian Accession.

ANNEX III

Specific Ex ante conditionalities

1. PRIORITIES-LINKED CONDITIONALITIES

<i>Specific objective in EU priority for EMFF/ CSF Thematic Objective (TO)</i>	<i>Ex ante conditionality</i>	<i>Criteria for fulfilment</i>
<p>EMFF priority:</p> <p><i>1. Promoting sustainable and resource efficient fisheries and aquaculture including related processing.</i></p> <p><i>Specific objective: (c), (d)</i></p> <p><i>2. Fostering innovative, competitive and knowledgebased fisheries and aquaculture included related processing</i></p> <p><i>Specific objectives: (a), (b).</i></p> <p>TO 6: protecting the environment and promoting resource efficiency</p>	<p>The establishment of a multiannual national strategic plan on aquaculture as referred in Article 43 of the [Regulation on the Common Fisheries Policy] by 2014;</p>	<ul style="list-style-type: none"> - A multiannual national strategic plan on aquaculture is transmitted to the Commission at the latest by the day of transmission of the OP - The OP includes information on the complementarities with the multiannual national strategic plan on aquaculture
<p>EMFF Priority:</p> <p>3 Fostering the implementation of the CFP</p> <p>Specific objective (a)</p> <p>TO 6: 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 37 of the [Regulation on the CFP]</p>	<ul style="list-style-type: none"> - A description of the administrative capacity to prepare and apply a multi-annual programme for data collection, to be reviewed by STECF and accepted by the Commission - A description of the administrative capacity to prepare and implement an annual work plan for data collection, to be reviewed by STECF and accepted by the Commission - A description of the-capacity in human resources allocation to undertake bilateral or multilateral agreements with other MS if work to implement the data collection obligations is shared

<p>EMFF Priority:</p> <p>3-Fostering the implementation of the CFP</p> <p>Specific objective (a)</p> <p>TO 6: 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 stipulated in Article 46 of the [Regulation on the CFP] and further specified in Council Regulation (EC) No 1224/2009.</p>	<p>The specific actions include:</p> <ul style="list-style-type: none"> - A description of the administrative capacity-to prepare and implement the <u>section of the OP pertaining to</u> 2014-2020 national control <u>financing</u> program as referred to in Article 20(1) (n) - A description of the administrative capacity to prepare and implement the national control action programme for multiannual plans (Art 46 Control Regulation) - A description of the administrative capacity to prepare and implement a common control program that may be developed with other Member States (art 94 CR) - A description of the administrative capacity to prepare and implement the Specific Control and Inspection Programmes (art 95 CR). - A description of the administrative capacity to apply a system of effective, proportionate and dissuasive sanctions for serious infringements (art 90 CR) - A description of the administrative capacity to apply the point system for serious infringements (art 92 CR)
<p><i>EMFF Priority 1:</i></p> <p><i>Promoting a sustainable and resource efficient fisheries and aquaculture</i></p> <p><i>Specific objectives: (a) and (b)</i></p> <p><i>TO 6: protecting the environment and promoting resource efficiency</i></p>	<p><i>Capacity report has been submitted in accordance with Article 35 of the [Regulation on the CFP].</i></p>	<p>- <i>The report is done in accordance with common guidelines issued by the Commission</i></p>