



COMMISSION OF THE EUROPEAN COMMUNITIES

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Proposal for a

COUNCIL REGULATION

**on the conservation and sustainable exploitation of fisheries resources under the
Common Fisheries Policy**

(presented by the Commission)

EXPLANATORY MEMORANDUM

Introduction

The attached proposal is intended as a new framework Regulation for the Common Fisheries policy which will replace Council Regulations 3760/92 and 101/76.

The “Communication on reform of the Common Fisheries Policy (“Roadmap”)”, which accompanies this proposal, indicates the background to and main objectives of the CFP reform process.

Chapter I Scope and Objectives

The Common Fisheries Policy (CFP) should cover all activities which exploit fish, crustaceans and molluscs (referred to in the proposal as living aquatic resources). Measures under the policy should include the conservation and management of resources, conditions of access to waters and resources, structural policy and fleet management, control and enforcement, aquaculture, markets and international relations.

In this proposal, however, the topics of structural policy (other than measures affecting the fleet) , aquaculture, markets and international relations are not further developed. These will either be taken up at a later date by further Commission initiatives in the context of reform (aquaculture and international relations) or are already the subject of Community legislation which in the Commission’s view should not be subject to review at this stage (the common market organisation for fisheries products and non-fleet structural measures). This proposal concentrates on the conservation of fish stocks and the limitation of the environmental impact of fishing associated measures to adjust fishing capacity and to control and enforce the rules of the CFP; it also addresses procedures for decision-making and consultation.

The underlying objective of the CFP is to ensure exploitation of living aquatic resources that provides sustainable environmental, economic and social conditions.

The Community needs a new framework which provides a basis for coherent fisheries management measures based on the precautionary principle. This framework should be clear as to responsibilities at Community, national and local level, should provide for decision-making processes based on sound scientific advice, should facilitate widespread involvement of stakeholders and should ensure coherence with other Community policies.

Chapter II Conservation and sustainability

The principal factor involved in the conservation and sustainable exploitation of aquatic marine resources which can be controlled by management is the fishing mortality rate, which is the proportion of a fish population which is removed each year by the fisheries which exploit it. Other important factors are to a greater or lesser extent predictable but are uncontrollable by fisheries managers. The conservation of exploited populations and their sustainable development is, therefore, achieved by control of fishing mortality rate.

A second management objective is to minimise the impact of fishing activities on marine ecosystems, and in particular non-target species and sensitive habitats.

There are a number of ways to achieve these objectives. These encompass limitations on catches (i.e. limiting the output of fisheries production), limitations on fishing effort (i.e. limitation of input of fisheries production) and various measures intended to protect young fish or non-target species (usually referred to as technical measures). In support of these basic elements, it is desirable to establish scientifically-based targets for fishing mortality rates and population size, to fix the number and types of fishing vessels authorised to fish and, wherever possible, to establish incentives to promote fishing practices which avoid the capture of young fish or non-target species. The Commission proposes that all of these elements be used in the Community's approach.

In addition, the Commission proposes that the Community move away from the current practice of deciding on the management of fish stocks on an annual basis. This process has not led to reduction of fishing mortality rates to the degree required and has allowed deterioration of many fish stocks.

The Commission proposes that fish stocks should be managed strategically on a multi-annual basis and in such a way that, where required, stocks are rebuilt to sustainable levels and thereafter maintained at those levels. This approach would be mandatory for stocks outside safe biological limits. Multi-annual management plans must incorporate targets, which take account of scientific advice and against which the state of stocks can be measured. They should also incorporate defined harvesting strategies that will pre-determine the method to be used for setting catch and fishing effort limits.

The Commission proposes that the strategic elements of multi-annual management plans should be decided by the Council and that, after the first year of application, their further implementation, which will be based essentially on technical criteria, should be decided by the Commission assisted by a Management Committee.

Limitations on fishing effort (that is, the time spent at sea by a fishing vessel of a given engine power) should be considered alongside catch limits and technical measures as an essential component of multi-annual management.

A number of changes are also proposed in respect of emergency measures and national measures within the 12-mile zone:

- A procedure by which the Commission may decide on emergency measures is necessary to allow for immediate action in the event of serious threat to the conservation of resources. This proposal modifies the time limits foreseen in Regulation No 3760/1992 for the duration of such measures (one year instead of six months), in order to allow enough time for the adoption of more definitive Community measures and provides for consultation of the Member States if such action is taken at the request of a Member State.
- It is proposed that a Member State be authorised to adopt non-discriminatory conservation and management measures within the 12-mile zone applicable to all vessels fishing in the area. Procedural safeguards are foreseen whereby other Member States and the relevant Regional Advisory Councils (see Chapter VI) may comment if the measures are to apply to the vessels of other Member States to the Commission. The Council may take a different decision within 20 working days.

- It is proposed that Member States be authorised to take emergency measures applicable to all vessels, for no longer than three months, in waters under their jurisdiction, provided that there is a serious and unpredicted threat to the resources and that any delay would result in damage that would be difficult to repair. This provision is intended to replace Article 45 (2) of Council Regulation 850/98, a similar provision but which foresees no time limit. Procedural safeguards are proposed whereby Member States and the relevant Regional Advisory Councils may comment to the Commission. The Council may take a different decision within 20 working days.

Chapter III

Adjustment of fishing capacity

The Commission has repeatedly underlined the weaknesses of the Community's fleet policy. Ineffective programmes to manage fleet capacity as well as inappropriate aid schemes have led to over-capacity and hence to dwindling stocks. These policies have to be overhauled.

Two types of new measures are proposed that will affect fleet structure:

a) measures directly affecting the size of the fleet:

- fishing effort limitations, fixed under the multi-annual management plans, will inevitably induce reductions in fleet capacity;
- the fixing of reference fleet levels, Member State by Member State, based on MAGP IV objectives, accompanied by an entry/exit ratio of 1 to 1, will prevent an overall increase in capacity in the fleet.

b) accompanying financial measures:

- severely restricting public aid for investment in fishing vessels and to eliminate aid for the transfer of Community over-capacity to third countries would inhibit further growth in fishing effort;
- the provision to Member States of higher scrapping premiums, and where necessary, extra Community co-funding, for the vessels most affected by the multi-annual management plans will encourage additional decommissioning of vessels.

The attached proposal covers the measures indicated under (a); other proposals addressing the financial measures mentioned under (b) are presented separately.

Where the setting of fishing mortality targets under multi-annual management plans translates into mandatory limitations of fishing effort, many Member States will need to reduce capacity to comply with these limitations. As is already the case, any capacity withdrawn with public aid will be deducted from fleet reference levels that will be fixed for each Member State. With this system in place, national fleets will progressively decrease in size.

The proposal also provides for the possibility of setting new parameters for fleet capacity, based on the type of fishing gear rather than the tonnage and power of fishing vessels. For more transparency, it provides for an improvement of fleet monitoring through a revision of

the Community fishing fleet register and the setting up of a regular dialogue on fleet policy, through “peer review” involving both Member States and the Commission.

Chapter IV

Access to waters and resources

The Commission proposes that current restrictions on the right to fish within the 12-mile limit, which limit access to vessels from adjacent ports or to vessels from other Member States which enjoy historical rights codified in Council Regulation 3760/92, should continue beyond 31 December 2002. These provisions have reduced fishing pressure in the most biologically-sensitive areas of the sea and provided economic stability for small-scale fishing activity; there is widespread support for their continuation.

In all other Community waters, the Commission proposes that Member States should have equal access to fisheries resources, subject to measures decided by the Council or, under provisional emergency procedures, by the Commission or a Member State.

The Commission proposes a review of the compatibility of access rules other than those related to the 12-mile zones of Member States with conservation and sustainable exploitation objectives before the end of 2003.

The Commission proposes that the allocation of Community fishing opportunities among the Member States, based on the principle of maintaining relative stability of fishing activity, should be maintained. It is proposed, however, that a method of allocation for each stock be decided by the Council in order to make the application of this principle more transparent. This decision should also take account of any special conditions for allocation, such as the so-called Hague Preferences. As indicated in the accompanying “Communication on reform of the Common Fisheries Policy”, the Commission considers that progress towards more normal economic conditions in the fisheries sector would permit a revision of these arrangements in the longer term.

The Commission reminds the European Parliament and the Council that Article 14 (2) of Council Regulation 3760/92 establishing a Community system for fisheries and aquaculture provides that the Council shall decide before 31 December 2002 on the provisions which could follow the arrangements referred to in Article 6 of that Regulation (that is, arrangements for fishing access to the 12-mile zone).

Chapter V

A Community control and enforcement system

Compliance with the regulatory measures applicable to the exploitation of fish stocks must be effectively enforced. Current arrangements are far too weak. Chapter V therefore provides for a new legal framework for a Community control and enforcement system.

This system is designed to ensure that access to and exploitation of fish stocks is controlled throughout the whole fisheries chain and that compliance with the rules of the CFP, including structural and market policies, is enforced. The responsibilities of the Member States and the Commission are clarified, as well as the conditions for engaging in fishing activities and associated activities. Furthermore, the system lays down the control and enforcement

instruments and the conditions for co-operation and co-ordination between Member States. Implementing measures shall be adopted as appropriate by the Council and the Commission.

To this end it is appropriate to insert in this Regulation the main provisions governing control, inspection and enforcement of the rules of the Common Fisheries Policy, part of which are already contained in Regulation (EEC) No 2847/93 of 12 October 1993 establishing a control system applicable to the Common Fisheries Policy. That Regulation has to remain in force until all the necessary implementing rules have been adopted. Within this system Member States are responsible for the execution of control and enforcement. In the case where a Member State fails to comply with its Community obligations, it may be required to compensate the Community for any damage or loss; all or part of the compensation may be allocated to Member States which have suffered prejudice.

The Commission is responsible for monitoring control and enforcement by Member States and for facilitating co-ordination and co-operation between Member States. The Commission should be able to take immediate preventive action when possible violation of Community rules by Member States jeopardises conservation of stocks.

Operators may not engage in fishing activities or associated activities unless they comply with their obligations to provide information on their activities and, where appropriate, to accept and co-operate with observers and inspectors. Each Member State must establish a single authority responsible for the collection and the verification of information on fishing activities.

To increase the effectiveness of follow-up of infringements it is proposed that, in the case where serious infringements have been detected, measures are immediately adopted by Member States to prevent vessels continuing an illegal activity. Furthermore, it is proposed that the Council decide on the level of sanctions for serious infringements.

Co-operation and co-ordination are to be strengthened by defining the responsibilities of Member States and by adopting more far-reaching measures.

Control of the implementation of the CFP by Member States should be reinforced. The Commission may proceed to audits, inquiries, verifications and inspections concerning the application of the rules of the CFP. The Commission proposes enhanced powers for its inspectors and the designation of Community inspectors by the Member States. These Community inspectors report to their Member State, but have the right to carry out inspections in Community waters and on Community fishing vessels. For the purpose of establishing facts, Member States shall give the same value to inspection reports drawn up by Community inspectors, Commission inspectors and inspectors of another Member State as they give to their own inspection reports.

Chapter VI

Decision-making and Consultation

This part of the proposal contains a number of new elements:

- The Commission proposes speedier implementation of international recommendations, through the use of a management committee procedure. In the case of a measure adopted within a regional fisheries organisation, for example, which will become binding on the Community after the expiration of the deadline

foreseen for lodging an objection, the Community has no other choice but to implement such a measure. The Commission proposes that such measures should be implemented by the regulatory committee procedure.

- It is proposed to establish Regional Advisory Councils (RACs) to ensure greater stakeholder involvement in the development of fisheries management at regional and local level.

RACs should be composed of representatives of all parties with an interest in fisheries management in a given sea area or fishing zone and shall be transnational in nature. They should advise the Commission and, where appropriate, Member States, on fisheries management in the area and may conduct any other activities that are necessary to fulfil their core functions.. A procedure is proposed for the establishment of each RAC following the request of two or more Member States on the basis of a Council Decision.

The Advisory Committee for Fisheries and Aquaculture (ACFA), set up under the auspices of the Commission, will continue to advise the Commission on horizontal fisheries policy matters.

- The Commission proposes to broaden the remit of the Scientific, Technical and Economic Committee for Fisheries (STECF) to cover advice on all aspects of fisheries management, including, for example, environmental and social issues. The Commission intends to come forward in the coming months with a Communication on the improvement of scientific advice for Community fisheries management.

Finally, a review of the provisions of chapters II and III is foreseen for the year 2008.

Proposal for a

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**on the conservation and sustainable exploitation of fisheries resources under the
Common Fisheries Policy**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 37 thereof,

Having regard to the proposal from the Commission¹,

Having regard to the opinion of the European Parliament²,

Whereas:

- (1) Council Regulation (EEC) N° 3760/92 of 20 December 1992 established a Community system for fisheries and aquaculture³. According to that Regulation, the Council has to decide on any necessary adjustments by 31 December 2002.
- (2) Given that many fish stocks continue to decline, the Common Fisheries Policy must be improved to ensure the long-term viability of the fisheries sector through sustainable exploitation of living aquatic resources based on sound scientific advice and on the precautionary principle.
- (3) The objective of the Common Fisheries Policy should therefore be to provide for sustainable exploitation of living aquatic resources and of aquaculture in the context of sustainable development, taking account of the environmental, economic and social aspects in a balanced manner.
- (4) It is important that the management of the Common Fisheries Policy is guided by the principle of good governance and that the measures taken are mutually compatible and consistent with other Community policies.
- (5) The objective of sustainable exploitation will be more effectively achieved through a multi-annual approach to fisheries management, involving multi-annual management plans for stocks; for stocks considered to be outside safe biological limits, the adoption of a multi-annual management plan is an absolute priority. In line with scientific advice, substantial reductions in fishing efforts may be required for these stocks.

¹ OJ C , , p. .

² OJ C , , p. .

³ OJ L 389, 31/12/1992 p. 1

- (6) These multi-annual management plans should establish targets for sustainable exploitation of the stocks concerned, contain harvesting rules laying down the manner in which annual catch and fishing effort limits are to be calculated and provide for other specific management measures, taking account also of the effect on other species.
- (7) Sustainable exploitation of stocks for which no multi-annual management plan has been established should be ensured by setting catch and/or effort limits.
- (8) Provision should be made for the adoption of emergency measures by the Member States or by the Commission in the event of a serious threat to the conservation of resources, or to the ecosystem resulting from fishing activities, and requiring immediate action.
- (9) In their 12 nautical mile zone, Member States should be allowed to adopt conservation and management measures applicable to all fishing vessels, provided that, where such measures apply to fishing vessels from other Member States, the measures adopted are non-discriminatory and prior consultation has taken place, and that the Community has not adopted measures specifically addressing conservation and management within this area.
- (10) The Community fleet should be reduced to bring it into line with available resources and specific measures should be set up in order to attain that objective, including the fixing of reference levels for fishing capacity which may not be exceeded, a special Community facility to promote scrapping of fishing vessels and national entry/exit schemes.
- (11) Each Member State should maintain a national register of fishing vessels which should be made available to the Commission for the purposes of monitoring the size of the Member States' fleets.
- (12) Rules in place since 1983 restricting access to resources within the 12-nautical mile zones of Member States have operated satisfactorily and should continue to apply on a permanent basis.
- (13) Although other access restrictions contained in Community legislation should be maintained for the time being they should be reviewed in order to evaluate whether they are necessary to ensure sustainable fisheries.
- (14) In view of the precarious economic state of the fishing industry and the dependence of certain coastal communities on fishing, it is necessary to ensure relative stability of fishing activities by the allocation of fishing opportunities between the Member States, based upon a predictable share of the stocks for each Member State.
- (15) In order to ensure effective implementation of the Common Fisheries Policy, the Community control and enforcement system for fisheries should be reinforced and the division of responsibilities between the Member States' authorities and the Commission should be further clarified. To this end it is appropriate to insert in this Regulation the main provisions governing control, inspection and enforcement of the rules of the Common Fisheries Policy, part of which are already contained in Regulation (EEC) No 2847/93 of 12 October 1993 establishing a control system

applicable to the Common Fisheries Policy. That Regulation has to remain in force until all the necessary implementing rules have been adopted.

- (16) Provisions on control, inspection and enforcement concern, on the one hand, obligations for the masters of fishing vessels and operators in the marketing chain and, on the other hand, spell out the different responsibilities for the Member States and the Commission.
- (17) The Community should be able to seek reparation in the form of quota deductions from Member States when the rules of the Common Fisheries Policy have been violated resulting in losses to the common resource. Where such a quota deduction is not possible, the compensation may take the form of a quota equivalent value. Where it is established that another Member State has suffered prejudice as a result of the violation of the rules, part or all of the reparation or compensation should be allocated to that Member State.
- (18) Member States should be obliged to adopt immediate measures to prevent the continuation of serious infringements as defined in Council Regulation (EC) 1447/1999 of 24 June 1999 establishing a list of types of behaviour which seriously infringe the rules of the Common Fisheries Policy⁴ detected *in flagrante delicto*. Moreover there is a need to ensure that such serious infringements are sanctioned with the same effectiveness by all Member States.
- (19) The Commission should be able to take immediate measures to prevent any failure to comply with the rules of the common fisheries policy from resulting in damage to living aquatic resources.
- (20) The Commission should be provided with appropriate powers to carry out its obligation to control and evaluate the implementation of the Common Fisheries Policy by the Member States.
- (21) It is necessary to intensify co-operation and co-ordination between all relevant authorities in order to achieve compliance with the rules of the Common Fisheries Policy, in particular through the exchange of national inspectors, by requiring Member States to give the same value to inspection reports drawn up by Community inspectors, inspectors of another Member State or Commission inspectors as to their own inspection reports for the purpose of establishing the facts.
- (22) A simplified procedure should be introduced for the implementation of measures adopted in the context of international agreements which become binding on the Community if it does not object.
- (23) Since the measures necessary for the implementation of this Regulation are management measures or measures of general scope within the meaning of Article 2 of Council Decision 1999/468/EC of 28 June 1999 laying down the procedures for the exercise of implementing powers conferred on the Commission⁵ they should be adopted by use of the management procedure provided for in Article 4 or the regulatory procedure provided for in Article 5 of that Decision.

⁴ OJ L 167, 02/07/1999 p. 5

⁵ OJ L 184 , 17/07/1999 p. 23

- (24) To contribute to the achievement of the objectives of the Common Fisheries Policy, Regional Advisory Councils should be established to enable the Common Fisheries Policy to benefit from the knowledge and experience of stakeholders and to take into account the diverse conditions throughout Community waters.
- (25) To ensure that the Common Fisheries Policy benefits from the best scientific, technical and economic advice, the Commission should be assisted by an appropriate committee.
- (26) In accordance with the principle of proportionality, it is necessary and appropriate for the achievement of the basic objective of the sustainable exploitation of living aquatic resources to lay down rules on the conservation and exploitation of those resources. This Regulation does not go beyond what is necessary in order to achieve the objectives pursued in accordance with the third paragraph of Article 5 of the Treaty.
- (27) By reason of the number and importance of the amendments to be made Council Regulation (EEC) No 3760/92 should be repealed. Council Regulation (EEC) No 101/76 of 19 January 1976 laying down a common structural policy for the fishing industry⁶ being voided from all substantial provisions should also be repealed.

HAS ADOPTED THIS REGULATION:

Chapter I

Scope and objectives

Article 1 *Scope*

The Common Fisheries Policy shall cover conservation and exploitation activities involving living aquatic resources, and aquaculture, and the processing and marketing of fishery and aquaculture products where such activities are practised on the territory of Member States or in Community waters or by Community fishing vessels or nationals of Member States.

Within this scope, the Common Fisheries Policy shall provide for coherent measures concerning the conservation and management of living aquatic resources and limitation of the environmental impact of fishing, conditions of access to waters and resources, structural policy and the management of the capacity of the fleet, control and enforcement, aquaculture, common organisation of the markets, and international relations.

Article 2 *Objectives*

1. The Common Fisheries Policy shall ensure exploitation of living aquatic resources that provides sustainable environmental, economic and social conditions.

⁶ OJ L 20, 28/01/1976 p. 19

For this purpose, the Community shall apply the precautionary principle in taking measures designed to protect and conserve living aquatic resources, to provide for their sustainable exploitation and to minimise the impact of fishing activities on marine eco-systems. It shall aim at a progressive implementation of an eco-system-based approach to fisheries management. It shall aim to contribute to efficient fishing activities within an economically viable and competitive fisheries and aquaculture industry, providing a fair standard of living for those who depend on fishing activities and taking account of the interest of consumers.

2. The Common Fisheries Policy shall be guided by the following principles of good governance :
 - a) a clear definition of responsibilities at the Community, national and local levels;
 - b) a decision making process based on sound scientific advice and delivering timely results;
 - c) broad involvement of stakeholders at all stages of the policy from conception to implementation;
 - d) coherence with other Community policies, in particular with environmental, social, regional, development, health and consumer protection policies.

Article 3 *Definitions*

For the purpose of this Regulation the following definitions shall apply:

- (a) 'Community waters' means the waters under the sovereignty or jurisdiction of the Member States;
- (b) 'fishing vessel' means any vessel equipped for and licensed to carry out commercial exploitation of living aquatic resources including exploratory or experimental fishing;
- (c) 'Community fishing vessel' means a fishing vessel flying the flag of a Member State and registered in the Community;
- (d) 'sustainable exploitation' means the exploitation of a stock in such a way that it is unlikely that future benefits from the stock will be prejudiced and that it does not have negative impacts on the marine eco-systems;
- (e) 'fishing mortality rate' means the catches of a stock over a given period as a proportion of the average stock available to the fishery in that period;
- (f) 'stock' means a living aquatic resource that occurs in a given management area;
- (g) 'fishing effort' means the product of the capacity and the activity of a fishing vessel; for a group of vessels it is the sum of fishing effort exerted by each vessel of the group;

- (h) 'safe biological limits' means indicators of a state of a stock or of its exploitation above which there is a low risk of transgressing certain limit reference points;
- (i) 'reference points' means estimated values derived through an agreed scientific procedure, which correspond to the state of the resource and of the fishery and which can be used as a guide for fisheries management;
- (j) 'precautionary approach to fisheries management' means management action based on the principle that absence of adequate scientific information should not be used as a reason for postponing or failing to take measures to conserve target species, associated or dependent species and non-target species and their environment.
- (k) conservation reference points set boundaries which are intended to constrain harvesting within safe biological limits.
- (l) 'catch limit' means a quantitative limit on landings of a stock or group of stocks in a given period of time;
- (m) 'fishing capacity' means a vessel's tonnage in GT and its power in kW, as defined in Council Regulation (EC) N° 2930/86. For certain types of fishing activity, capacity may be defined in terms of the amount and/or the size of a vessel's fishing gear;
- (n) 'exit from the fleet' means the removal of a vessel from the fishing fleet register of a Member State . As long as a vessel continues to fly the flag of a Member State, it shall not be considered as an exit from the fleet ;
- (o) 'entry into the fleet' means the registration in the fishing fleet register of a Member State of a vessel which has a licence to fish for commercial purposes;
- (p) 'fishing opportunity' means a quantified legal entitlement to fish;
- (q) 'Community fishing opportunity' means the fishing opportunities available to the Community in Community waters, plus the total Community fishing opportunities outside the Community waters, less the Community fishing opportunities allocated to third countries.

Chapter II

Conservation and sustainability

Article 4

Types of measures

1. To achieve the objectives mentioned in Article 2, the Council shall establish Community measures governing access to waters and resources and the sustainable pursuit of fishing activities.
2. The measures referred to in paragraph 1 shall be drawn up on the basis of the available scientific and technical advice and in particular of the reports drawn up by the Committee established under Article 34. They may, in particular, include

measures for each stock to limit fishing mortality and the environmental impact of fishing activities by:

- (a) adopting multi-annual management plans under Article 5;
- (b) establishing targets for the sustainable exploitation of stocks;
- (c) limiting catches;
- (d) fixing the number and type of fishing vessels authorised to fish;
- (e) limiting fishing effort;
- (f) adopting technical measures, including
 - (i) measures regarding the structure of fishing gears, their methods of use and the composition of catches that may be retained on board when fishing with such gears;
 - (ii) zones and/or periods in which fishing activities are prohibited or restricted;
 - (iii) minimum size of individuals that may be retained on board and/or landed;
 - (iv) specific measures to reduce the impact of fishing activities on marine eco-systems and non-target species;
- (g) establishing incentives, including those of an economic nature, to promote more selective fishing.

Article 5

Multi-annual management plans

1. The Council shall adopt multi-annual management plans for the sustainable exploitation of stocks, and as a priority, of stocks which are estimated to be outside safe biological limits. These plans shall take into account the impact of exploiting these stocks on other species.
2. Multi-annual management plans shall:
 - a) for stocks outside safe biological limits, ensure their rapid return within those limits;
 - b) for stocks at or within safe biological limits, maintain them within those limits;
 - c) in the cases referred to in points a and b ensure that the impact of fishing activities on ecosystems is kept at levels compatible with the sustainability of such ecosystems.
3. The multi-annual plans shall be drawn up on the basis of the precautionary approach to fisheries management. They shall be based on conservation reference points recommended by relevant scientific bodies.

4. The multi-annual plans shall include targets against which the recovery of stocks to within safe biological limits or the maintenance of stocks within such limits shall be assessed. The targets shall be expressed in terms of
 - (a) population size and/or
 - (b) long-term yields, and/or
 - (c) fishing mortality rate and/or
 - (d) stability of catches.

The plans shall specify the priorities for achieving these targets and shall, where appropriate, include targets relating to other living aquatic resources and the maintenance or improvement of the conservation status of ecosystems.
5. The multi-annual management plans shall include harvesting rules which consist of a predetermined set of biological parameters to govern catch limits and may include any measure referred to in Article 4 (2) (b) - (g).
6. The Commission shall report on the effectiveness of the multi-annual management plan in achieving the targets.

Article 6
Fixing of catch and fishing effort limits

1. For stocks for which a multi-annual management plan has been adopted, the Council shall decide on catch and/or fishing effort limits as well as the conditions associated to those limits for the first year of fishing under the plan. For the following years, catch and/or fishing effort limits shall be decided by the Commission in accordance with Article 31 (2), in accordance with the harvesting rules set out in the multi-annual management plan.
2. For stocks not subject to a multi-annual management plan the Council, acting by qualified majority on a proposal from the Commission, shall decide on catch and/or fishing effort limits as well as the conditions associated to those limits.

Article 7
Commission emergency measures

1. In the event of a serious threat to the conservation of living aquatic resources, or to the ecosystem resulting from fishing activities, which requires immediate action, the Commission, at the substantiated request of a Member State or on its own initiative, may decide on emergency measures which shall last not more than one year.
2. The Member State shall communicate the request referred to in paragraph 1 at the same time to the Commission and to the Member States as well as to the Regional Advisory Councils concerned, which may submit their written comments to the Commission within five working days of their receipt of the request.

The Commission shall take a decision on the matter at any time within 15 working days of its receipt of the substantiated request.

3. The emergency measures shall have immediate effect. They shall be notified to the Member States concerned, and published in the Official Journal.
4. The Member States concerned may refer the Commission decision mentioned in the second subparagraph of paragraph 2 to the Council within 10 working days of their receipt of the notification referred to in paragraph 3.
5. The Council acting by a qualified majority may take a different decision within 20 working days of the date of receipt of the referral mentioned in paragraph 4.

Article 8

Member State emergency measures

1. In the event of a serious and unforeseen threat to the conservation of resources, or to the ecosystem resulting from fishing activities, in waters falling under its sovereignty or jurisdiction where any undue delay would result in damage that would be difficult to repair, a Member State may take emergency measures the duration of which shall not exceed three months.
2. Member States intending to take emergency measures shall notify the Commission, the Member States as well as the Regional Advisory Councils concerned of their intention by sending a draft of those measures, together with an explanatory memorandum, before adopting them.
3. The Member States as well as Regional Advisory Councils concerned may submit their written comments to the Commission within 5 working days of the date of notification. The Commission shall confirm the measure or require its cancellation or amendment at any time within 15 working days of the date of notification.
4. The decision shall be notified to the Member States concerned. It shall be published in the Official Journal of the European Communities.
5. The Member States concerned may refer the Commission decision mentioned in the second subparagraph of paragraph 3 to the Council within 10 working days of notification of the decision referred to in paragraph 4.
6. The Council acting by a qualified majority may take a different decision within 20 working days of the date of receipt of the referral mentioned in paragraph 5.

Article 9

Member State measures within the 12 nautical mile zone

1. A Member State may take non-discriminatory measures for the conservation and management of fisheries resources and to minimise the effect of fishing on the conservation of marine eco-systems within 12 nautical miles of its baselines provided that the Community has not adopted measures specifically addressing conservation and management within this area. The Member State measures shall be compatible

with the objectives set out in Article 2 and no less stringent than Community legislation.

When Member State measures affect vessels of another Member State they may be taken only after consultation on a draft of the measures, accompanied by an explanatory memorandum, with the Commission, Member States and the Regional Advisory Councils concerned has taken place.

2. Measures applying to fishing vessels from other Member States shall be subject to the procedures laid down in Article 8 (3) to (6).

Chapter III

Adjustment of fishing capacity

Article 10

Fishing capacity reduction

1. Member States shall put in place measures to reduce the fishing capacity of their fleets in order to achieve a stable and enduring balance between such fishing capacity and Community fishing opportunities and taking into account the measures adopted pursuant to Article 6.
2. Member States shall ensure that the reference levels for fishing capacity referred to in Article 11 and paragraph 4 of this Article are not exceeded.
3. No exit from the fleet supported by public aid shall be permitted unless preceded by the withdrawal of the fishing licence as defined in Regulation 3690/93 and, where provided for, the fishing authorisations as defined in relevant regulations. The capacity corresponding to the license, and where necessary to the fishing authorisations for the fisheries concerned, cannot be replaced.
4. Where public aid is granted for the withdrawal of fishing capacity that goes beyond the capacity reduction necessary to comply with the reference levels under Article 11(1), the amount of the capacity withdrawn shall be automatically deducted from the reference levels. The reference levels thus obtained shall become the new reference levels.

Article 11

Reference levels for fishing fleets

1. The Commission shall establish for each Member State reference levels for the total fishing capacity of the Community fishing vessels flying the flag of that Member State in accordance with the provisions of Article 31 (2).

The reference levels shall be the sum of the objectives of the Multiannual Guidance Programme 1997-2002 (hereinafter "MAGP IV") for each segment as fixed for 31 December 2002 pursuant to Council Decision 97/413/EC.

2. Reference levels for fishing capacity expressed in terms other than kW and GT may be fixed by the Council.

Article 12
Entry/Exit scheme

In order to prevent any overall increase in fishing capacity Member States shall manage entries into the fleet and exits from the fleet in such a way that, at any time, the total fishing capacity of entries into the fleet shall not exceed the total fishing capacity of exits from the fleet.

Article 13
Implementing rules

Rules for the control of the execution of the obligations under Article 11 and 12 may be adopted in accordance with the procedure laid down in Article 31(2).

Article 14
Exchanges of information

The Commission and the Member States shall regularly exchange information on the state of the fleet and its evolution in relation to the objectives and the measures adopted under this regulation. Detailed rules for these exchanges shall be adopted in accordance with the procedure laid down in Article 31 (2).

Article 15
Fishing fleet registers

1. Each Member State shall establish a register of Community fishing vessels flying its flag which shall include the minimum amount of information on vessel characteristics and activity that is necessary for the management of measures established at Community level.
2. Each Member State shall make available to the Commission the minimum information referred to in paragraph 1.
3. The Commission shall set up a Community fishing fleet register containing the information that it receives under paragraph 2 and shall make it available to Member States.
4. The minimum information referred to in paragraph 1 and the procedures for its transmission referred to in paragraphs 2 and 3 shall be determined in accordance with the procedure laid down in Article 31 (2).

Article 16
Suspension of Community contributions

Without prejudice to Article 23 (4), the Commission may suspend Community financial assistance under Council Regulations (EC) No 2792/1999 and (EC) N°XXXX/2002

establishing an emergency Community measure for scrapping fishing vessels or may reduce the allocation of fishing opportunities or fishing effort for the Member State concerned as long as a Member State fails to comply with Articles 10, 12 and 15, or fails to provide the information required under Council Regulation (EC) No 2792/99 and Commission Regulation (EC) No 366/2001.

Chapter IV

Rules on access to waters and resources

Article 17 *General Rules*

1. Community fishing vessels shall have equal access to waters and resources in all Community waters other than those referred to in paragraph 2, subject to the measures adopted under Chapter II.
2. Member States shall be authorised to restrict fishing in the waters up to 12 nautical miles from baselines under their sovereignty or jurisdiction to fishing vessels that traditionally fish in those waters from ports on the adjacent coast, without prejudice to the arrangements for Community fishing vessels flying the flag of other Member States under existing neighbourhood relations between Member States and the arrangements contained in Annex I, fixing for each Member State the geographical zones within the coastal bands of other Member States where fishing activities are pursued and the species concerned.

Article 18 *Particular rules (Shetland Box)*

1. In the region defined in Annex II, fishing activity by Community fishing vessels of a length between the perpendiculars of not less than 26 metres, for demersal species other than Norway pout and blue whiting, shall be governed by a system of prior authorisation in accordance with the conditions laid down in this Regulation and, in particular, in Annex II.
2. Detailed rules of application and procedures for the implementation of paragraph 1 may be adopted in accordance with the procedure laid down in Article 31 (2).

Article 19 *Review of access rules*

1. By 31 December 2003 the Commission shall present to the European Parliament and the Council a report on the rules concerning access to resources laid down in Community legislation other than those referred to in Article 17 (2), assessing the justification for these rules in terms of conservation and sustainable exploitation objectives.

2. On the basis of the report referred to in paragraph 1 and having regard to the principle established in Article 17 (1), the Council shall decide by 31 December 2004 on any adjustments to be made to these rules.

Article 20

Allocation of fishing opportunities and fishing effort

1. The Council shall decide on a method of allocation for the distribution among Member States of the Community fishing opportunities for each stock that ensures each Member State a share of those fishing opportunities and/or of the fishing effort to be distributed, having regard to the need to assure each Member State as to relative stability of fishing activities.
2. When the Community establishes new fishing opportunities the Council shall decide on the method of allocating those opportunities, taking into account the interests of each Member State.
3. Each Member State shall decide, for vessels flying its flag, on the method of allocating the fishing opportunities assigned to that Member State. It shall inform the Commission of the allocation method.
4. The Council shall establish the fishing opportunities available to third countries in Community waters and allocate those opportunities to each third country.
5. Member States may, after notifying the Commission, exchange all or part of the fishing opportunities allocated to them.

Chapter V

Community control and enforcement system

Article 21

Objectives

Under the Community control and enforcement system access to waters and resources and the pursuit of activities within the scope of the Common Fisheries Policy as set out in Article 1 shall be controlled and compliance with the rules of the Common Fisheries Policy shall be enforced.

Article 22

Conditions for access to waters and resources and for marketing of fisheries products

1. It shall be prohibited to engage in activities within the scope of the Common Fisheries Policy, unless the following obligations are respected:
 - a) a vessel shall carry on board its licence and, where provided for, its authorisations for fishing;
 - b) a vessel shall have installed on board a functioning system which allows detection and identification of that vessel by remote monitoring systems;

- c) the master shall without undue delay record and report information on fishing activities, including landings and transshipments, in a manner which allows such records to be transmitted electronically. Copies of the records shall be made available to the authorities;
- d) the master shall accept inspectors on board and co-operate with them; and where an observer scheme applies, the master shall also accept observers on board and co-operate with them;
- e) the master shall respect conditions and restrictions relating to landings, transshipments, joint fishing operations, fishing gear, nets and the marking and identification of vessels.

2. The marketing of fisheries products shall be subject to the following obligations:

- a) the master shall only sell fisheries products to a registered buyer or at a registered auction;
- b) the buyer of fisheries products shall be registered with the authorities;
- c) the buyer of fisheries products shall submit invoices or sales notes to the authorities, unless the sale takes place at a registered auction which is itself obliged to submit invoices or sales notes to the authorities;
- d) all fisheries products landed in or imported into the Community for which neither invoices nor sales notes have been submitted to the authorities and which are transported to a place other than that of landing or import shall be accompanied by a document drawn up by the transporter until the first sale has taken place;
- e) the persons responsible for premises or transport vehicles shall accept inspectors and co-operate with them.
- f) where a minimum size has been fixed for a given species, operators responsible for selling, stocking or transporting must be able to prove the geographical origin of the products.

3. For the implementation of paragraphs 1 and 2, detailed rules may be adopted following the procedure laid down in Article 31(2).

These rules may cover, in particular, documentation, recording, reporting and information obligations of Member States, masters, and legal and natural persons engaged in activities falling within the scope of the Common Fisheries Policy.

The rules may also provide exemptions from obligations for certain groups of fishing vessels, where they may be justified by the negligible impact on living aquatic resources of these vessels' activity, or by the disproportionate burden the obligations would create compared to the economic importance of the vessels' activity.

Article 23
Responsibilities of Member States

1. Unless otherwise provided for in Community law, Member States shall ensure effective control, inspection and enforcement of the rules of the Common Fisheries Policy.
2. Member States shall control the activities carried out within the scope of the Common Fisheries Policy on their territory or in the waters subject to their sovereignty or jurisdiction. They shall also control access to waters and resources and fishing activities outside Community waters by Community fishing vessels flying their flag and of their nationals.
3. Member States shall adopt the measures, allocate the financial and human resources and set up the administrative and technical structure necessary for ensuring effective control, inspection and enforcement, including satellite based monitoring systems. Member States shall also set up a means of remote sensing by 2004. In each Member State, a single authority shall be responsible for collecting and verifying information on fishing activities, including placing observers on board of fishing vessels, and for taking appropriate decisions, including the prohibition of fishing activities, and for reporting to and co-operating with the Commission.
4. Any loss to the common living aquatic resources resulting from a violation of the rules of the Common Fisheries Policy attributable to any activity or omission by the Member State shall be made good by the Member State. The reparation shall take the form of a deduction in the quota allocated to the Member State. This deduction may be made during the year in which the prejudice occurred or in the succeeding year or years. If a quota deduction is not possible, the Commission shall establish the quota equivalent value as compensation by the Member State.

Decisions shall be taken by the Commission in accordance with Article 31(2). The Commission may decide that the measures imposed on the Member State be accompanied by the reallocation of the quota, or quota equivalent value in question to the Member States which it has been established have suffered prejudice due to the loss to the common resources. These Member States shall use the quota or quota equivalent value allocated to them for the benefit of the fishing industry which has suffered prejudice due to the loss to the common resources caused by the violation of the rules of the Common Fisheries Policy.

If no specific Member State has suffered prejudice, the quota equivalent value shall be an assigned revenue of the Community under Article 4 of the Financial Regulation⁷, to be used for the strengthening of control and enforcement measures in the Common Fisheries Policy.

5. Implementing rules for this article may be adopted in accordance with the procedure laid down in Article 31(2), including for the accreditation by the Member States of the authority referred to in paragraph 3.

⁷ Financial Regulation of 21 December 1977 applicable to the general budget of the European Communities, as amended, OJ L 356, 31.12.1977, p. 1

Article 24
Inspection and Enforcement

Member States shall take the inspection and enforcement measures necessary to ensure compliance with the rules of the Common Fisheries Policy on their territory or in the waters subject to their sovereignty or jurisdiction. They shall also take enforcement measures relating to the fishing activities outside Community waters of Community fishing vessels flying their flag and of their nationals.

Such measures shall include,

- a) spot checks and inspections on fishing vessels, the premises of businesses and other bodies with activities relating to the Common Fisheries Policy;
- b) sightings of fishing vessels;
- c) investigation, legal pursuit of infringements and sanctions in accordance with Article 25;
- d) preventive measures in accordance with Article 25(4).

The measures taken shall be properly documented. They shall be effective, dissuasive and proportionate.

Implementing rules for this Article may be adopted in accordance with the procedure laid down in Article 31 (3).

Article 25
Follow-up of infringements

1. Member States shall ensure that the appropriate measures be taken, including administrative action or criminal proceedings in conformity with their national law, against the natural or legal persons responsible where the rules of the Common Fisheries Policy have not been respected.
2. The proceedings initiated pursuant to paragraph 1 shall be capable, in accordance with the relevant provisions of national law, of effectively depriving those responsible of the economic benefit of the infringements and of producing results proportionate to the seriousness of such infringements, effectively discouraging further offences of the same kind.
3. The sanctions arising from the proceedings referred to in paragraph 2 shall include, in particular, depending on the gravity of the offence:
 - (a) fines;
 - (b) seizure of prohibited fishing gear and catches;
 - (c) sequestration of the vessel;
 - (d) temporary immobilisation of the vessel;
 - (e) suspension of the licence;

- (f) withdrawal of the licence.
- 4. Without prejudice to the obligations referred to in paragraphs 1, 2 and 3, the Council shall decide on the level of sanctions to be applied by the Member States for behaviour which constitutes a serious infringement, as defined in Regulation (EC) No 1447/1999.
- 5. Member States shall adopt immediate measures to prevent vessels, natural or legal persons found *in flagrante delicto* to be committing a serious infringement, as defined in Council Regulation (EC) No 1447/1999, from continuing to do so.

Article 26
Responsibilities of the Commission

- 1. Without prejudice to the responsibilities of the Commission under the Treaty, the Commission shall evaluate and control the application of the rules of the Common Fisheries Policy by the Member States, and facilitate co-ordination and co-operation between them.
- 2. If the Commission finds that there are indications that rules on conservation, control, inspection or enforcement under the Common Fisheries Policy are not being complied with and that this may have a negative impact on living aquatic resources or the effective operation of the Community control and enforcement system necessitating urgent action, it shall set the Member State concerned a deadline of no less than 10 working days to demonstrate compliance and to give its comments.
- 3. If, after the deadline referred to in paragraph 2 has expired, the Commission finds that doubts as to compliance remain, it shall suspend, in whole or in part, fishing activities or landings of catches by certain categories of vessel or in certain ports, regions or areas. The decision shall be proportionate to the risk which non-compliance with the rules would bring for the conservation of living aquatic resources.

The Commission shall lift the suspension within 10 working days of the Member State's demonstrating that no doubts as to compliance remain.

- 4. In the event of a Member State's quota, allocation or available share being deemed to be exhausted, the Commission may take immediate action.
- 5. Notwithstanding Article 23(2) the Commission shall control fishing activities in Community waters by vessels flying the flag of a third country where this is provided for in Community law. To this end, the Commission and the relevant Member States shall co-operate and co-ordinate their actions.
- 6. Detailed rules for the application of this Article may be adopted in accordance with the procedure laid down in Article 31(2).

Article 27
Evaluation and inspections by the Commission

1. The Commission may, of its own accord and by its own means, initiate and carry out audits, inquiries, verifications and inspections concerning the application of the rules of the Common Fisheries Policy. It may in particular control:
 - a) the implementation and application of those rules by Member States and their competent authorities;
 - b) the conformity of national administrative practices and inspection and surveillance activities with the rules;
 - c) the existence of the required documents and their concordance with the applicable rules;
 - d) the circumstances in which control and enforcement activities are carried out by Member States.

For these purposes, the Commission may carry out inspections on vessels as well as on the premises of businesses and other bodies with activities relating to the Common Fisheries Policy and shall have access to all information and documents needed to exercise its control.

Member States shall afford the Commission such assistance as it needs to fulfil these tasks.

2. Detailed rules for the application of this Article may be adopted in accordance with the procedure laid down in Article 31(2).
3. Every three years the Commission shall draw up an evaluation report on the application of the Common Fisheries Policy rules by the Member States to be submitted to the European Parliament and the Council.

Article 28
Co-operation and co-ordination

1. Member States shall co-operate with each other and with third countries to ensure compliance with the rules of the Common Fisheries Policy. To this end, the Member States shall afford other Member States and third countries the assistance needed to ensure compliance with those rules.
2. In the case of control and inspection of transboundary fishing activities, Member States shall ensure that their actions under this Chapter are co-ordinated. To this end, Member States shall exchange inspectors.
3. Member States shall authorise each other's inspectors, inspection vessels and inspection aircraft to carry out inspections in accordance with the rules of the Common Fisheries Policy relating to fishing activities in the waters subject to their sovereignty or jurisdiction and in international waters on Community fishing vessels flying their flag.

4. On the basis of appointments by Member States communicated to the Commission, the Commission shall establish, in accordance with the procedure laid down in Article 31 (2), a list of Community inspectors, inspection vessels and inspection aircraft authorised to carry out inspections under this Chapter in Community waters and on Community fishing vessels.
5. Inspection and surveillance reports drawn up by Community inspectors or inspectors of another Member State or Commission inspectors shall constitute admissible evidence in administrative or judicial proceedings of any Member State. They shall have the same value for establishing facts as inspection and surveillance reports of the Member States.
6. Detailed rules for the application of this Article may be drawn up in accordance with the procedure laid down in Article 31(2).

Chapter VI

Decision-making and Consultation

Article 29 *Decision-making procedure*

Except where otherwise provided for in this regulation, the Council shall act in accordance with the procedure laid down in Article 37 of the Treaty.

Article 30 *International relations*

Measures adopted under international agreements to which the Community is a party and which become binding on the Community shall be implemented in Community law in accordance with the procedure laid down in Article 31 (3).

Where such measures concern the allocation of fishing opportunities, the first paragraph shall apply after the Council has adopted the measures provided for in Article 20.

Article 31 *Committee for fisheries and aquaculture*

1. The Commission shall be assisted by a Committee for Fisheries and Aquaculture, (hereinafter referred to as “the Committee”).
2. Where reference is made to this paragraph, Articles 4 and 7 of Decision 1999/468/EC⁸ shall apply. The period referred to in Article 4 (3) of Decision 1999/468/EC shall be set at 20 working days.

⁸ OJ L 184, 17.7.1999, p. 23

3. Where reference is made to this paragraph, Articles 5 and 7 of Decision 1999/468/EC shall apply. The period provided for in Article 5(6) of Decision 1999/468/EC shall be set at 60 working days.

Article 32
Regional Advisory Councils

1. Regional Advisory Councils shall be established to contribute to the achievement of the objectives of Article 2 (1) and in particular to advise the Commission on matters of fisheries management in respect of certain sea areas or fishing zones.
2. Regional Advisory Councils shall be composed of representatives of the fisheries and aquaculture sectors, environmental protection and consumer interests, national and/or regional administrations and scientific experts from all Member States whose fishing vessels operate in the sea area or fishing zone concerned. The Commission may be present at their meetings.
3. Regional Advisory Councils may be consulted by the Commission in respect of proposals for measures to be adopted on the basis of Article 37 of the Treaty that it intends to present and that relate specifically to fish stocks in the area concerned. They may also be consulted by the Commission and by the Member States in respect of other measures.
4. Regional Advisory Councils may
 - (a) submit recommendations and suggestions, of their own accord or at the request of the Commission or a Member State, on matters relating to fisheries management to the Commission or the Member State concerned;
 - (b) inform the Commission or the Member State concerned about problems relating to the implementation of Community rules in the area they cover and submit recommendations and suggestions addressing such problems to the Commission or the Member State concerned;
 - (c) conduct any other activities necessary to fulfil their functions.

Article 33
Procedure for the establishment of Regional Advisory Councils

2. The Council shall decide on the establishment of a Regional Advisory Council. A Regional Advisory Council shall cover sea areas falling under the jurisdiction of at least two Member States.

Article 34
Scientific, Technical and Economic Committee for Fisheries

1. A Scientific, Technical and Economic Committee for Fisheries (STECF) shall be established. The STECF shall be consulted as necessary on matters pertaining to the conservation and management of living aquatic resources, including biological, economic, environmental, social and technical considerations.

2. The Commission shall take into account the advice from the STECF when presenting proposals on fisheries management under this Regulation.

Chapter VII

Final provisions

Article 35

Repeal

1. Council Regulations (EEC) No 3760/92 and (EEC) No 101/76 are hereby repealed.
2. References to the provisions of the Regulations repealed under paragraph 1 shall be construed as references to the corresponding provisions of this Regulation.

Article 36

Review

The provisions of chapters II and III shall be reviewed before the end of the year 2008

Article 37

Entry into force

This Regulation shall enter into force 1 January 2003.

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

Done at Brussels,

For the Council

The President

ANNEX I⁹

ACCESS TO COASTAL WATERS WITHIN THE MEANING OF ARTICLE 17(2)

1. COASTAL WATERS OF THE UNITED KINGDOM

A. ACCESS FOR FRANCE

Geographical area	Species	Importance or particular characteristics
United Kingdom coast (6 to 12 nautical miles)		
1. Berwick-upon-Tweed east Coquet Island east	Herring	Unlimited
2. Flamborough Head east Spurn Head east	Herring	Unlimited
3. Lowestoft east Lymle Regis south	All species	Unlimited
4. Lyme Regis south Eddystone south	Demersal	Unlimited
5. Eddystone south Longships south-west	Demersal Scallops Lobster Crawfish	Unlimited Unlimited Unlimited Unlimited
6. Longships south-west Hartland Point north-west	Demersal Crawfish Lobster	Unlimited Unlimited Unlimited
7. Hartland Point to a line from the north of Lundy Island	Demersal	Unlimited
8. From a line due west Lundy Island to Cardigan Harbour	All species	Unlimited
9. Point Lynas North Morecambe Light Vessel east	All species	Unlimited
10. County Down	Demersal	Unlimited
11. New Island north-east ¹⁰ Sanda Island south-west	All species	Unlimited
12. Port Stewart north Barra Head west	All species	Unlimited
13. Latitude 57°40'N Butt of Lewis west	All species Except shellfish	Unlimited
14. St Kilda, Flannan Islands	All species	Unlimited
15. West of the line joining Butt of Lewis lighthouse to the point 59°30'N-5°45'W	All species	Unlimited

⁹ All limits are calculated from their baselines, as they existed at the time Regulation (EEC) No 170/83 was adopted and, for the States that acceded to the Community after this date, at the time of their accession.

¹⁰ Corrigendum, OJ No L 73, 19.3.1983, p. 42

B. ACCESS FOR IRELAND

Geographical area	Species	Importance or particular characteristics
United Kingdom coast (6 to 12 nautical miles)		
1. Point Lynas north Mull of Galloway south	Demersal Nephrops	Unlimited Unlimited
2. Mull of Oa west Barra Head west	Demersal Nephrops	Unlimited Unlimited

C. ACCESS FOR GERMANY

Geographical area	Species	Importance or particular characteristics
United Kingdom coast (6 to 12 nautical miles)		
1. East of Shetlands and Fair Isle between lines drawn due south-east from Sumburgh Head lighthouse due north-east from Skroo lighthouse and due south-west from Skadan lighthouse	Herring	Unlimited
2. Berwick-upon-Tweed east Whitby High lighthouse east	Herring	Unlimited
3. North Foreland lighthouse east Dungeness new lighthouse south	Herring	Unlimited
4. Zone around St Kilda	Herring Mackerel	Unlimited Unlimited
5. Butt of Lewis lighthouse west to the line joining Butt of Lewis lighthouse and the point 59°30'N-5°45'W	Herring	Unlimited
6. Zone around North Rona and Sulisker (Sulasgeir)	Herring	Unlimited

D. ACCESS FOR THE NETHERLANDS

Geographical area	Species	Importance or particular characteristics
United Kingdom coast (6 to nautical 12 miles)		
1. East of Shetlands and Fair Isle between lines drawn due south-east from Sumburgh Head lighthouse due north-east from Skroo lighthouse and due south-west from Skadan lighthouse	Herring	Unlimited
2. Berwick upon Tweed east Flamborough Head east	Herring	Unlimited
3. North Foreland east Dungeness new lighthouse south	Herring	Unlimited

E. ACCESS FOR BELGIUM

Geographical area	Species	Importance or particular characteristics
United Kingdom coast (6 to nautical 12 miles)		
1. Berwick upon Tweed east Coquer Island east	Herring	Unlimited
2. Cromer north North Foreland east	Demersal	Unlimited
3. North Foreland east Dungeness new lighthouse south	Demersal Herring	Unlimited Unlimited
4. Dungeness new lighthouse south Selsey Bill south	Demersal	Unlimited
5. Straight Point south-east South Bishop north-west	Demersal	Unlimited

2. COASTAL WATERS OF IRELAND

A. ACCESS FOR FRANCE

Geographical area	Species	Importance or particular characteristics
Irish coast (6 to 12 nautical miles)		
1. Erris Head north-west Sybil Point west	Demersal Nephrops	Unlimited Unlimited
2. Mizen Head south Stags south	Demersal Nephrops Mackerel	Unlimited Unlimited Unlimited
3. Stags south Cork south	Demersal Nephrops Mackerel Herring	Unlimited Unlimited Unlimited Unlimited
4. Cork south Carnsore Point south	All species	Unlimited
5. Carnsore Point south Haulbowline south-east	All species, except Shellfish	Unlimited

B. ACCESS FOR THE UNITED KINGDOM

Geographical area	Species	Importance or particular characteristics
Irish coast (6 to 12 nautical miles)		
1. Mine Head south Hook Point	Demersal Herring Mackerel	Unlimited Unlimited Unlimited
2. Hook Point Carlingford Lough	Demersal Herring Mackerel Nephrops Scallops	Unlimited Unlimited Unlimited Unlimited Unlimited

C. ACCESS FOR THE NETHERLANDS

Geographical area	Species	Importance or particular characteristics
Irish coast (6 to 12 miles)		
1. Stags south Carnsore Point south	Herring Mackerel	Unlimited Unlimited

D. ACCESS FOR GERMANY

Geographical area	Species	Importance or particular characteristics
Irish coast (6 to 12 nautical miles)		
1. Old Head of Kinsale south Carnsore Point south	Herring	Unlimited
2. Cork south Carnsore Point south	Mackerel	Unlimited

E. ACCESS FOR BELGIUM

Geographical area	Species	Importance or particular characteristics
Irish coast (6 to 12 nautical miles)		
1. Cork south Carnsore Point south	Demersal	Unlimited
2. Wicklow Head east Carlingford Lough south-east	Demersal	Unlimited

3. COASTAL WATERS OF BELGIUM

Geographical area	Member State	Species	Importance or particular characteristics
6 to 12 nautical miles	Netherlands France	All species Herring	Unlimited Unlimited

4. COASTAL WATERS OF DENMARK

Geographical areas	Member State	Species	Importance or particular characteristics
North Sea coast (Danish/German frontier to Hanstholm) (6 to 12 nautical miles)	Germany	Flatfish Shrimps and Prawns	Unlimited Unlimited
	Netherlands	Flatfish	Unlimited
Danish/German frontier to Blåvands Huk	Belgium	Roundfish Cod	Unlimited Unlimited only during June and July
	Belgium	Haddock	Unlimited only during June and July
Blåvands Huk to Bovbjerg	Germany	Flatfish	Unlimited
	Netherlands	Plaice Sole	Unlimited Unlimited
Thyborøn to Hanstholm	Belgium	Whiting	Unlimited only during June and July
	Belgium	Plaice	Unlimited only during June and July
	Germany	Flatfish Sprat Cod Saithe Haddock Mackerel Herring Whiting	Unlimited Unlimited Unlimited Unlimited Unlimited Unlimited Unlimited Unlimited
	Netherlands	Cod Plaice Sole	Unlimited Unlimited Unlimited
Skagerrak (Hanstholm to Skagen) (4 to 12 nautical miles)	Belgium	Plaice	Unlimited only during June and July
	Germany	Flatfish Sprat Cod Saithe Haddock Mackerel Herring Whiting	Unlimited Unlimited Unlimited Unlimited Unlimited Unlimited Unlimited Unlimited
Kattegat	Netherlands	Cod Plaice Sole	Unlimited Unlimited Unlimited
	Germany	Cod Flatfish Nephrops Herring	Unlimited Unlimited Unlimited Unlimited
Baltic Sea (including Belts, Sound, Bornholm) 3 to 12 nautical miles	Germany	Flatfish Cod Herring Sprat Eel Salmon Whiting Mackerel	Unlimited Unlimited Unlimited Unlimited Unlimited Unlimited Unlimited Unlimited Unlimited

5. COASTAL WATERS OF GERMANY

Geographical area	Member State	Species	Importance or particular characteristics
North Sea coast (3 to 12 nautical miles) all coasts	Denmark	Demersal Sprat Sand-eel	Unlimited Unlimited Unlimited
	Netherlands	Demersal Shrimps and Prawns	Unlimited Unlimited
Danish/German frontier to the northern tip of Amrum at 54°43'N	Denmark	Shrimps and Prawns	Unlimited
Zone around Helgoland	United Kingdom	Cod Plaice	Unlimited Unlimited
Baltic coast	Denmark	Cod Plaice Herring Sprat Eel Whiting Mackerel	Unlimited Unlimited Unlimited Unlimited Unlimited Unlimited Unlimited

6. COASTAL WATERS OF FRANCE AND THE OVERSEAS DEPARTMENTS

Geographical area	Member State	Species	Importance or particular characteristics
North-east Atlantic coast (6 to 12 nautical miles) Belgian/French frontier to east of Departement Manche (Vire-Grandcamp les Bains estuary 49°23'30"N-1°2'WNNE) Dunkerque (2°20'E) to Cap d'Antifer (0°10'E) Belgian/French frontier to Cap d'Alprech west (50°42'30"N – 1°33'30"E)	Belgium	Demersal	Unlimited
	Netherlands	Scallops All species	Unlimited Unlimited
	Germany	Herring	Unlimited only during October to December
	United Kingdom	All species	Unlimited
Atlantic Coast (6 to 12 nautical miles) Spanish/French frontier to 46°08'N	Spain	Anchovies	- Directed fishing, Unlimited only from 1 March to 30 June, - Fishing for live bait from 1 July to 31 October only.
		Sardines	- Unlimited only from 1 January to 28 February and from 1 July to 31 December, - In addition, activities relating to the above-mentioned species must be pursued in accordance with and within the limits of the activities pursued during 1984
Mediterranean coast (6 to 12 nautical miles) Spanish frontier Cap Leucate	Spain	All species	Unlimited ¹¹

7. COASTAL WATERS OF SPAIN

Geographical area	Member State	Species	Importance or particular characteristics
Atlantic coast (6 to 12 nautical miles) French/Spanish frontier to Cap Mayor lighthouse (3°47'W)	France	Pelagic	Unlimited in accordance with and within the limits of the activities pursued during 1984
Mediterranean coast (6 to 12 nautical miles) French frontier/Cap Creus	France	All species	Unlimited ¹²

¹¹ Act of Accession of 1985.

¹² Act of Accession of 1985.

8. COASTAL WATERS OF THE NETHERLANDS

Geographical area	Member State	Species	Importance or particular characteristics
(3 to 12 nautical miles) whole coast	Belgium Denmark	All species Demersal Sprat Sand-eel Horse-mackerel	Unlimited Unlimited Unlimited Unlimited Unlimited
(6 to 12 nautical miles) whole coast	Germany	Cod Shrimps and Prawns	Unlimited Unlimited
(6 to 12 nautical miles) whole coast	France	All species	
(6 to 12 nautical miles) whole coast	United Kingdom	Demersal	Unlimited Unlimited
Texel south point, west to the Netherlands/ German frontier			

ANNEX II

SHETLAND BOX

A. Geographical limits

From the point on the west coast of Scotland in latitude 58°30' N to 59°30' N- 6°15' W

From 58°30' N – 6°15' W to 59°30' N – 5°45' W

From 59°30' N – 5°45' W to 59°30' N – 3°45' W

along the 12 nautical miles line north of the Orkneys

From 59°30' N – 3°00' W to 61°00' N – 3°00' W

From 61°00' N – 3°00' W to 61°00' N – 0°00' W

along the 12 nautical miles line north of the Shetlands

From 61°00' N – 0°00' W to 59°30' N – 0°00' W

From 59°30' N – 0°00' W to 59°30' N – 1°00' W

From 59°30' N – 1°00' W to 59°00' N – 1°00' W

From 59°00' N – 1°00' W to 59°00' N – 2°00' W

From 59°00' N – 2°00' W to 58°30' N – 2°00' W

From 58°30' N – 2°00' W to 58°30' N – 3°00' W

From 58°30' N – 3°00' W to the east coast of Scotland in latitude 58°30' N.

B. Fishing effort authorised

Maximum number of vessels with a length between perpendiculars of not less than 26 metres¹³ authorised to fish for demersal species, other than Norway pout and blue whiting¹⁴:

Member State	Number of fishing vessels authorised
France	52
United Kingdom	62
Germany	12
Belgium	2

¹³ Length between perpendiculars as laid down by Commission Regulation (EEC) No 2930/86 (OJ L 274, 25.9.1986, p. 1).

¹⁴ Vessels fishing for Norway pout and blue whiting may be subject to specific monitoring measures concerning the keeping on board of fishing gear and species other than those referred to above.

LEGISLATIVE FINANCIAL STATEMENT

Policy area(s): FISHERIES

Activit(y/ies):

110402 - Inspection and surveillance of fishing activities in waters inside and outside the Community

110403 - Closer dialogue with the fishing industry and those affected by the Common Fisheries Policy

110405 (proposed for PDB 2003) – Improving scientific advice for the management of fisheries resources

110610 – Community measure for scrapping of fishing vessels

TITLE OF ACTION:

CONSERVATION AND SUSTAINABLE EXPLOITATION OF FISHERIES RESOURCES UNDER THE COMMON FISHERIES POLICY

1. BUDGET LINE(S) + HEADING(S)

Chapter B2-90, article B2-902

Chapter B2-90, article B2-903

Chapter B2-90, article B2-904 (as proposed for the PDB 2003)

Chapter B2-2xx (mobilisation of flexibility instrument in 2003)

2. OVERALL FIGURES

2.1. Total allocation for action (Part B): 51,2 € million for commitment

2.2. Period of application:

2003-2006

2.3. Overall multiannual estimate of expenditure:

(a) Schedule of commitment appropriations/payment appropriations (financial intervention) (*see point 6.1.1*)

€ million (*to three decimal places*)

	Year 2003	2004	2005	2006	2007	2008 and subs. Years	Total
Commitments	37,4	4,5		0	-	-	51,2
Payments	13,4	25,5	5,6	6,7		-	51,2

(b) Technical and administrative assistance and support expenditure (see point 6.1.2)

Commitments	-	-	-	-	-	-	-
Payments	-	-	-	-	-	-	-

Subtotal a+b							
Commitments	37,4	4,5	4,6	4,7	-	-	51,2
Payments	13,4	25,5	5,6	6,7		-	51,2

(c) Overall financial impact of human resources and other administrative expenditure (see points 7.2 and 7.3)

Commitments/ payments	1,165	1,165	1,165	1,165	-	-	4,66
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TOTAL a+b+c							
Commitments	38,565	5,665	5,765	5,865	-	-	55,86
Payments	14,565	26,665	6,765	7,865		-	55,86

2.4. Compatibility with financial programming and financial perspective

Proposal is compatible with existing financial programming.

[X] Proposal will entail reprogramming of the relevant heading in the financial perspective.

[X] Proposal may require application of the provisions of the Interinstitutional Agreement.

2.5. Financial impact on revenue:¹⁵

[X] Proposal has no financial implications (involves technical aspects regarding implementation of a measure)

OR

Proposal has financial impact – the effect on revenue is as follows:

(NB All details and observations relating to the method of calculating the effect on revenue should be shown in a separate annex.)

¹⁵ For further information, see separate explanatory note.

(€ million to one decimal place)

		Prior to action [Year n-1]	Situation following action					
Budget line	Revenue		[Year n]	[n+1]	[n+2]	[n+3]	[n+4]	[n+5]
	<i>a) Revenue in absolute terms</i>							
	<i>b) Change in revenue</i>	Δ						

(Please specify each budget line involved, adding the appropriate number of rows to the table if there is an effect on more than one budget line.)

3. BUDGET CHARACTERISTICS

Type of expenditure		New	EFTA contribution	Contributions from applicant countries	Heading in financial perspective
Non-comp	Diff	YES	NO	NO	No 3 and 2

4. LEGAL BASIS

Article 37 of the Treaty

5. DESCRIPTION AND GROUNDS

5.1. Need for Community intervention

5.1.1. Objectives pursued

Council Regulation (EEC) No 3760/92 of 20.12.1992 foresees the review of the Common Fisheries Policy (CFP) in the course of 2002.

The CFP faces many important challenges and shortcomings. The state of many fish stocks is alarming. Stock sizes and landings have declined dramatically over the last 25 years. For many commercially important demersal stocks, such as cod and hake, the numbers of mature fish were about twice as high in the early 1970's than in the late 1990's.

The fishing capacity of the Community fleets far exceeds that required to harvest the available fishery resources in a sustainable manner. The most recent scientific advice from ICES suggests that the level of fishing mortality of the main Community fish stocks needs to be reduced by between one-third and one-half, depending on the type of fishery and area concerned, in order to ensure sustainable fishing. Ineffective programmes to manage fleet capacity as well as inappropriate aid schemes have led to over-capacity and hence to dwindling stocks.

Most of the Community fisheries sector faces economic fragility, poor financial profitability and steadily declining employment. Over the period 1990-1998, there has been a loss of

66000 jobs in the catching sector, an overall decrease of 22%. Over the same period, employment in the processing sector has declined by 14%.

Current control and enforcement arrangements have been insufficient to ensure a level-playing field across the Union undermining the credibility of the policy.

Stakeholders have not been sufficiently involved in policy shaping. This lack of involvement undermines support for and compliance with the conservation measures adopted.

There are significant gaps and weaknesses in scientific advice and information. Mechanisms to cover advice on all aspects of fisheries management, including, for example, environmental and social issues need to be strengthened.

The attached proposal is intended as a new framework Regulation for the CFP which will replace Council Regulations No 3760/92 and 101/76.

The Community needs a new framework which provides a basis for coherent multi-annual fisheries management measures moving away from the current practice of deciding on the management of fish stocks on annual basis. The new framework also foresees a set of measures to help the adjustment of fishing capacity with a view to ensure a better balance between Member State's fishing fleets and Community fishing opportunities. This framework should be clear as to responsibilities at Community, national and local level, should provide for decision-making processes based on sound scientific advice, should facilitate widespread involvement of stakeholders and should ensure coherence with other Community policies. Finally, a new legal framework for a Community control and enforcement system is foreseen with a view to ensure better control of and compliance with the CFP rules, backed by a system of sanctions.

5.1.2. Measures taken in connection with ex ante evaluation

The current shortcomings of the CFP, described under 5.1.1, have been established on the basis of the following documents, reports and studies:

- Green Paper on the future of the CFP, COM(2001) 135 final, 20.3.2001
- Report on the fisheries situation in the Community, SEC(2001) 418, 419, 420, 20.3.2001. This report contains a report on the implementation of the Community system for fisheries and aquaculture over the period 1993-2002, a report on the economic and social situation of coastal regions and a report on the state of the resources and their expected development.

These reports have been based on a number of studies such as:

- MacAllister Elliot and Partners, "Forward study of Community aquaculture", European Commission, Directorate General for Fisheries, December 1999.
- Annual report 2000 "Economic performance of selected European fishing fleets", established under the framework of concerted Action FAIR PL97-3541.
- "Regional socio-economic studies on employment and the level of dependency on fishing", European Commission, Directorate General for Fisheries, 2000.

- Report from the Commission to the Council, "Preparation for a mid-term review of the Multi-annual Guidance Programmes (MAGP), COM(2000) 272final, 10.5.2000
- Report from the Commission on the regional meetings arranged by the Commission in 1998-1999 on the Common Fisheries Policy after 2002, COM(2000) 14 final, 24.01.2000
- Report of the ICES Advisory Committee on Fisheries Management, 2001, No 246.
- Communication from the Commission to the Council and the European Parliament, "Behaviour which seriously infringed the rules of the Common Fisheries Policy in 2000", COM(2001) 650 final, 12.11.2001.
- Report from the Commission on the Monitoring of the implementation of the Common Fisheries Policy, Synthesis of the implementation of the control system applicable to the Common Fisheries Policy by Member States, COM(2001)526 final, 28.09.2001.

5.2. Action envisaged and budget intervention arrangements

The adoption of the proposed new framework regulation for the CFP will imply that a number of concrete actions will have to be launched to achieve the objectives described under 5.1.1.

These are

- (1) Preparatory work leading to the establishment, by mid-2004 of a Community Joint Inspection Structure providing for pooling of national and Community means of inspection and surveillance, with a view to strengthen co-operation and co-ordination in the field of control and enforcement. The objective is to improve compliance by fishermen with CFP rules and ensure a level-playing field across the Union.
- (2) Progressive establishment of Regional Advisory Councils (RACs) to ensure greater stakeholder involvement in the development of fisheries management at regional and local level. The interests concerned are representatives of the fisheries and aquaculture sectors, environmental protection and consumer interests, national and/or regional administrations and scientific experts. The geographic areas concerned cannot be established at this stage of the proposal. It will be for the interested Member States to come out with a request for the setting-up of a RAC in a given sea area. The overall objective is to ensure that local knowledge and experience are taken into account in policy shaping which in turn will lead to better decisions and better compliance by fishermen.
- (3) Actions to improve the quality and timeliness of scientific advice to fisheries managers. These will include support for scientific work in scientific advisory bodies, the reinforcement of Community structures for scientific advice, such as the STECF, and the development of scientific networks. Better scientific advice will lead to better management of fishery resources. It is also a prerequisite for the successful implementation of multi-annual management into the CFP.
- (4) Community measure for scrapping fishing vessels: This is an emergency measure aimed at balancing the widening gap between fleet size and available resources as quickly as possible. It is intended to provide additional funding for scrapping in 2003 and to ensure that, after re-programming initially of the FIFG and later of the other

Structural Funds, sufficient financial aid will be mobilised to meet the needs of more rapid decommissioning of fishing vessels.

The target beneficiaries are first and foremost shipowners/fishermen affected by multi-annual management plans (to be decided for certain fisheries), but also others who fulfil the conditions of eligibility.

The immediate output is the uptake of the measure leading in a net reduction of the capacity of the fleet(s).

5.3. Methods of implementation

- (1) The first action described under 5.2 will be implemented through externalisation. (Establishment of a Joint Inspection Structure). A separate proposal on this action will follow in the course of 2002.
- (2) Community direct financing and subsidies will be involved in the implementation of the second action described under 5.2.
- (3) The implementation of the third action described under 5.2 will involve Community subsidy. A separate proposal will follow.
- (4) Member States wishing to receive the additional financial contribution available in 2003 will present to the Commission a plan of the decommissioning expenditure for which they are seeking extra money. On the basis of this information the Commission will then proceed with the commitment of the amount available.

Member States shall submit their application for payment of assistance by 30 June 2004. On the basis of the applications, the Commission shall decide on the Community contribution to be paid to each Member State.

For 2004 to 2006, funds to cover the remaining requirements will be found by reprogramming within the structural funds following the mid-term review.

6. FINANCIAL IMPACT

6.1. Total financial impact on Part B - (over the entire programming period)

(The method of calculating the total amounts set out in the table below must be explained by the breakdown in Table 6.2.)

6.1.1. Financial intervention

Commitments (in € million to three decimal places)

Breakdown	2003	2004	2005	2006	2007	2008 and subs. Years	Total
Action 1 – Joint inspection structure	1,000	Autonomous body	Autonomous body	Autonomous body	Autonomous body	Autonomous body	1,000
Action 2 – Regional Advisory Councils	0,400	0,500	0,600	0,700	-	-	2,200
Action 3 – Improvement of scientific advice	4,000	4,000	4,000	4,000	-	-	16,000
Action 4 – Fleet scrapping	32,000	-	-	-	-	-	32,000
TOTAL	37,400	14,500	14,600	4,700	-	-	51,200

6.1.2. Technical and administrative assistance, support expenditure and IT expenditure (commitment appropriations)

	2003	2004	2005	2006	2007	2008 and subs. years	Total
1) Technical and administrative assistance							
a) Technical assistance offices							
b) Other technical and administrative assistance: - intra muros: - extra muros: <i>of which for construction and maintenance of computerised management systems</i>							
Subtotal 1							
2) Support expenditure							
a) Studies							
b) Meetings of experts							
c) Information and publications							

Subtotal 2							
TOTAL							

6.2. Calculation of costs by measure envisaged in Part B (over the entire programming period)¹⁶

(Where there is more than one action, give sufficient detail of the specific measures to be taken for each one to allow the volume and costs of the outputs to be estimated.)

Commitments (in € million to three decimal places)

Breakdown	Type of outputs (projects, files)	Number of outputs (total for years 1...n)	Average unit cost	Total cost (total for years 1...n)
	1	2	3	4=(2X3)
<u>Action 1</u>				
- Joint Inspection Structure	Preparatory work and study	1	1,000	1,000
<u>Action 2</u>				
- Regional Advisory Councils	Consultative bodies	4	0,100	2,2
<u>Action 3</u>				
- Contributions to consultative bodies				16,000
- use of independent scientists				
- ad-hoc expert groups				
- group of scientific advisers attached to the Commission				
<u>Action 4</u>				
- scrapping of vessels	See attached table for overall needs			32,000
TOTAL COST				51,200

If necessary explain the method of calculation

Action 4:

Calculation of costs

The starting-point for the calculating the cost of the necessary capacity reductions was to look at the recommended reductions in fishing effort. The number of vessels that would be affected by such reductions in fishing effort can be calculated approximately, using the fishing fleet register. By using estimates of how many of these vessels will seek scrapping aid, total

¹⁶ For further information, see separate explanatory note.

demand for scrapping premiums in each Member State can be calculated. The difference between this figure and the amount already programmed for scrapping aid in each national FIFG programme indicates the need for additional financial resources. The calculations are laid out below:

- The total number of vessels that would need to be removed from fishing in order to achieve the reduction in fishing mortality to be proposed in multi-annual management plans is estimated at 8,592.
- The total tonnage of these vessels is 351,791 Gross Tonnes.
- Estimating an uptake of 80% of this figure (some vessels may survive with temporary laying-up) gives 281,433 Gross Tonnes that need to be scrapped.
- The cost of scrapping 281,433 GT will be € 1,376m.
- The EU would need to contribute €712m.
- Currently available from FIFG programming is €663m.
- The requirements Member State by Member State show that some would not require any extra financing (i.e. Spain has €319m allocated but would require only €171m => net requirement € -148m) whereas others would (i.e. UK has € 63m but would require €124m => net requirement €61m). It will not be possible, however, to transfer FIFG funds between Member States.
- Considering these calculations per Member State the Commission therefore estimates that the additional budget required for decommissioning for those vessels likely to be severely affected by multi-annual management plans would amount to €271,6m.
- The amount provided for 2003 represents the estimated need for extra funding before the mid-term review and reprogramming can take place to cover the remainder.

For the purpose of this calculation it has been assumed that the oldest vessels will be scrapped first. On the basis of the premiums payable to the oldest vessels in each segment, up to the level of the tonnage to be removed, a calculation of the total cost of scrapping aid can be calculated.

7. IMPACT ON STAFF AND ADMINISTRATIVE EXPENDITURE

7.1. Impact on human resources

Types of post		Staff to be assigned to management of the action using existing and/or additional resources		Total	Description of tasks deriving from the action
		Number of permanent posts	Number of temporary posts		
Officials or temporary staff	A B	7		7	<ul style="list-style-type: none"> - <i>preparation of the Joint Inspection Structure</i> - <i>setting up of the Regional Councils</i> - <i>following up the Scientific advice</i>

	C	1		1	structures - Implementation of the Fleet Scrapping Measure - Fishing effort monitoring
Other human resources					
Total		8		8	

7.2. Overall financial impact of human resources

Type of human resources	Amount (€)	Method of calculation *
Officials Temporary staff	860.000	Based on approximate cost/year for equivalent auxiliary staff (A= 100.00 € / B= 60.000 €)
Other human resources (specify budget line)		
Total	860.000	

The amounts are total expenditure for twelve months.

7.3. Other administrative expenditure deriving from the action

Budget line (number and heading)	Amount €	Method of calculation
Overall allocation (Title A7)		
A0701 – Missions	85.000	
A07030 – Meetings	20.000	
A07031 – Compulsory committees ¹		
A07032 – Non-compulsory committees ¹		
A07040 – Conferences		
A0705 – Studies and consultations		
Other expenditure (specify)		
Information systems (A-5001/A-4300)	200.000	Development of a fishing effort database
Other expenditure - Part A (specify)		
Total	305.000	

The amounts are total expenditure for twelve months.

¹ Specify the type of committee and the group to which it belongs.

I.	Annual total (7.2 + 7.3)	1.165.000 €
II.	Duration of action	4 years
III.	Total cost of action (I x II)	4.660.000 €

(In the estimate of human and administrative resources required for the action, DGs/Services must take into account the decisions taken by the Commission in its orientation/APS debate)

and when adopting the preliminary draft budget (PDB). This means that DGs must show that human resources can be covered by the indicative pre-allocation made when the PDB was adopted.

Exceptional cases (i.e. those where the action concerned could not be foreseen when the PDB was being prepared) will have to be referred to the Commission for a decision on whether and how (by means of an amendment of the indicative pre-allocation, an ad hoc redeployment exercise, a supplementary/amending budget or a letter of amendment to the draft budget) implementation of the proposed action can be accommodated.)

8. FOLLOW-UP AND EVALUATION

8.1. Follow-up arrangements

Action 3: the Commission analyses the scientific information available for each proposal concerning management of the fisheries resources.

Action 4 : the progress of the scrapping fund will be monitored based on selected indicators set against the envisaged requirements of reduction in capacity within the same framework of FIFG monitoring

8.2. Arrangements and schedule for the planned evaluation

Action 2: Annual activity reports

9. ANTI-FRAUD MEASURES

Action 2: Commission staff organise on the spot controls

Action 3: ex-ante and ex-post audits

Action 4: The anti-fraud measures are those applied in the Basic Regulation on Structural Funds 1260/99 and FIFG Regulation N° 2792/99.

Annex for item 6.2 ACTION 4

1	2	3	4	5	6	7	8
Member State	Total number of vessels affected	Total tonnage of vessels affected GT	Tonnage assumed to be removed (80% of column 3) GT	Global scrapping contributions required to remove Tonnage from column 4, m€	EU contribution that would be required for Global Scrapping premiums, m€ (5)	Total money currently available for Adjustment of fishing effort, m€ (FIFG programming 2000-2006:)	Difference 6-7 (where positive), m€
BEL	54	7.319	5.855	25	11		10,6
DEU	184	11.026	8.821	40	20	7.8	12.2
DNK	736	33.361	26.689	140	58	16.8	41.4
ESP	1.326	69.505	55.604	274	171	319.9	
FIN	92	6.145	4.916	24	10	2.5	7.6
FRA	962	42.365	33.892	179	74	35.9	38.4
GRC	355	2.473	1.979	20	12	48.8	
IRL	411	15.335	12.268	65	41	4.8	35.8
ITA	2.986	23.715	18.972	133	78	116.1	
NLD	180	25.186	20.149	82	38	13.3	24.2
PRT	287	11.677	9.342	53	33	28.6	4.8
SWE	305	30.366	24.293	100	42	6.2	35.3
UK	714	73.317	58.653	239	124	63.2	61.3
	8.592	351.791	281.433	1.376	712	663.9	271.6
Column 2 = Fishing effort exerted by these vessels corresponds to the desired long term reduction in fishing mortality by segments.							
Column 4 = assuming that 80% of eligible tonnage would be scrapped over a 4 years period. (2003-2006)							
Columns 5,6 = FIFG rates based on estimations of status of MS (Objective 1 or outside Objective 1)							
Column 7 = FIFG programming (PO and DOCUP adopted by the Commission).							
Column 8 = Special fund needs before FIFG. This quantity is underestimated, since it has been calculated without taking into account the amounts already spent							