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**European Structural
and Investment Funds**



Llywodraeth Cymru
Welsh Government

Welsh Government – European Maritime and Fisheries Fund 2014-2020

Support for Investments on Board Fishing Vessels – Measure I.8 (Article 32: Health & Safety)

Standard Costs Scheme (SCS) Guidance Notes

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INTRODUCTION

1. These Guidance Notes explain the Support for Investments on Board Fishing Vessels – Measure I.8 (Article 32: Health & Safety) - and the Standard Costs Scheme (SCS) which enables you to apply for grant funding for certain eligible items. Please read these notes carefully. These items are listed in the accompanying guidance entitled ‘List of Eligible Items’ (<https://beta.gov.wales/fisheries-standard-costs-scheme-list-items-eligible-funding>).
2. If you consider yourself eligible for the SCS and want to apply for support, please read the ‘How to Apply Section’ of this Guidance Note and the accompanying guidance entitled ‘Using RPW Online to Apply’ (<https://beta.gov.wales/fisheries-standard-costs-scheme-using-rpw-online-apply>).
3. Grant aid is available under the EMFF programme 2014-2020. The programme shall contribute to the achievement of the following objectives:
 - promoting competitive, environmentally sustainable, economically viable and socially responsible fisheries;
 - fostering the implementation of the Common Fisheries Policy (CFP);
 - promoting a balanced and inclusive territorial development of fisheries areas;
 - fostering the development and implementation of the Union’s Integrated Maritime Policy (IMP) in a manner complementary to cohesion policy and to the CFP.
4. The pursuit of those objectives shall not result in an increase in fishing capacity of a vessel nor increase the ability of a vessel to find fish.
5. This guidance should be used for investments relating to investments on board vessels and individual items of equipment in order to improve hygiene, health, safety and working conditions. A full list of eligible investment items can be found in the accompanying guidance (<https://beta.gov.wales/fisheries-standard-costs-scheme-list-items-eligible-funding>).
6. This scheme is covered by the specific provisions of Commission Delegated Regulation (EU) 2015/531 Articles 2 to 6 inclusive.

7. The EMFF will support on board investments, provided these investments go beyond the requirements set out in Union or national law.
8. For an investment in individual equipment, support shall not be granted more than once during the programming period for the same type of equipment and for the same beneficiary. The same type of equipment means the same or similar item doing the same job.
9. For an on board investment, support shall not be granted more than once during the programming period for the same type of investment and for the same fishing vessel.
10. EMFF is important to the fishing industry and coastal communities as it will help businesses adapt to the reformed CFP and support the long term sustainability of the sector and economic growth of the area.
11. The focus for Wales is to develop a vibrant, competitive and sustainable fishing sector, facilitating CFP implementation, exploiting the potential of aquaculture and encouraging partnerships between fishermen and scientific institutions.
12. It is your responsibility to ensure that proposed investments are technically viable, comply with all relevant health and safety legislation and any other investment-specific safety requirements.
13. It is your responsibility to ensure that any equipment purchased with EMFF funding meets all necessary legal requirements. If equipment purchased subsequently becomes obsolete or illegal then this is at your own risk; there can be no refunds or claims against the scheme.
14. The owner of a fishing vessel that receives support shall not transfer that vessel outside of the European Union during at least the five years following the date of actual payment of that support to the beneficiary. If a vessel is transferred within that timeframe, sums unduly paid in respect of the investment shall be recovered by the Welsh Government, in an amount proportionate to the period during which the condition has not been fulfilled.
15. This is only an outline to the Programme and the way it is operated, the detailed rules for eligibility criteria may be subject to change.

STRATEGIC AND THEMATIC OBJECTIVES

16. The EMFF aims to support sustainable development in the fishing and aquaculture sectors and conservation of the marine environment, alongside supporting growth and jobs in coastal communities through:

- Promoting sustainable, resource efficient, innovative, competitive and knowledge based fisheries:
Focus on innovation and added value, promoting environmentally sustainable, resource efficient, competitive fisheries which are more selective, produce less discards and do less damage to marine ecosystems.
- Fostering sustainable, resource efficient, innovative, and competitive and knowledge based aquaculture:
For an aquaculture sector that is environmentally sustainable, resource efficient and competitive; to help such businesses to become economically viable and competitive.
- Fostering the implementation of the Common Fisheries Policy (CFP):
To support the implementation of the CFP through the collection and management of data to improve scientific knowledge. This also supports the monitoring, control and enforcement of fisheries legislations.
- Increasing employment and territorial cohesion:
To increase employment and promote economic growth and social inclusion in communities dependent on fishing through community-led local development (CLLD).
- Fostering marketing and processing:
To improve marketing and processing for fishery and aquaculture products.
- Fostering the implementation of the Integrated Maritime Policy:
To support a more coherent approach to maritime issues.

17. The main priorities for the EMFF in Wales include:

- facilitating CFP implementation, including the landing obligation;
- exploiting the potential of aquaculture;

- improving the safety of the fishing industry;
- encouraging partnerships between fishermen and scientific institutions;
- community-led local development;
- increasing added value of Welsh fish;
- encouraging the use of Information Technology within the industry.

18. All investments supported through the European Structural and Investment (ESI) Funds including EMFF must make a contribution towards the achievement of one or more strategic policy objectives or thematic objectives. Investments may contribute to several such objectives and progress in achieving those must be reported on when each grant claim is submitted.

19. Article 24 of Regulation (EU) No 508/2014 explains that Sustainable Development of Fisheries activity under EMFF shall contribute to the achievement of the specific objectives under the Union Priority set out in Article 6(1) of the same Regulation.

20. Article 6(1)(d) is relevant to Article 32 as it stipulates “Promoting environmentally sustainable, resource-efficient, innovative, competitive and knowledge-based fisheries by pursuing the following specific objectives – the enhancement of the competitiveness and viability of fisheries enterprises, including of small-scale coastal fleet, and the improvement of safety and working conditions.”

WHO CAN APPLY

21. Article 32 of Regulation (EU) No 508/2014 explains that support is to be granted to fishermen and / or owners of fishing vessels. Applications can therefore be submitted by fishermen and/or owners of fishing vessels that are on the European Union (EU) fishing fleet register and which are administered by the Welsh Government from a port in Wales.¹

¹ Vessels owned and operated outside of Wales should apply to their own country.

² Small-Scale Coastal Fishing (SSCF) means fishing carried out by fishing vessels of an overall length of 11.99 metres or less and not using towed fishing gear as listed in Table 3 of Annex I to Commission Regulation (EC) No 26/2004.

22. Support under the Standard Costs Scheme (SCS) will be restricted to small scale coastal fishermen² who do not use towed fishing gear, and those with vessels over 11.99 metres who do use towed fishing gear. Other businesses may apply through the EMFF full application process.
23. Support will be restricted to those owners of fishing vessels that have carried out fishing activity at sea for at least 60 days during the 2 calendar years preceding the date of submission of the application for support. Following receipt of your application the Welsh Government will check that you have met the fishing activity criteria. If checks confirm that you have not met the criteria we will request that you submit documentary proof to confirm that you have met the fishing activity requirement. Documents considered as proof are:
- Sales notes or buyers receipts
 - Shellfish Licence Catch Returns (MSAR)
 - Log Book Returns
 - Fishing Vessels 10m and under – Finfish Returns
 - Diaries
24. Support will be restricted to those applicants who have a business turnover of £200,000 or less. A letter from an accountant confirming this will be considered as proof.
25. Applications will not be accepted from organisations, businesses or individuals who have been convicted of fraud under either the European Fisheries Fund (EFF) or the EMFF.
26. Applications will not be accepted from organisations, businesses or individuals who have been convicted of an offence that the Welsh Government or EU consider to be a ‘serious infringement’ or fraud, in the 12 months before applying. Please see separate Guidance Notes on Serious Infringements and Fraud.

ELIGIBLE ACTIVITIES

27. Support under this scheme covers investments that are aimed at improving hygiene, health, safety and working conditions for fishermen on board

fishing vessels, provided that they go beyond Union or national law.

28. These activities are covered by the specific provisions of Commission Delegated Regulation (EU) 2015/531 Articles 2 to 6 inclusive.

ELIGIBLE COSTS

29. Items which are eligible for EMFF grant aid under the SCS have been selected in advance. These can be found in the accompanying guidance, 'List of Eligible Items' (<https://beta.gov.wales/fisheries-standard-costs-scheme-list-items-eligible-funding>), and can be selected on the online application form.

INELIGIBLE COSTS

30. Any investments or items of equipment not included in the 'List of Eligible Items'.

MAXIMUM GRANT RATE AND MAXIMUM GRANT THRESHOLD

31. The minimum grant that can be applied for is **£800.00**.

32. The maximum grant that can be applied for is **£24,000.00**

Grant Rates

33. Owners of vessels with an overall length of 11.99 meters or less will attract an 80% grant rate, and those vessels 11.99 meters (including those using towed fishing gear) will attract a 50% grant rate.

34. The grant rate is fixed per item and the grant amount is shown in the 'List of Eligible Items'.

STATE AID

35. All investments must comply with all eligibility rules of the scheme and State Aid rules to be deemed eligible for funding.

36. Articles 107, 108 and 109 TFEU do not apply to grants provided under this

scheme which are made pursuant to Regulation (EU) No 508/2014 of the European Parliament and of the Council on the European Maritime and Fisheries Fund, within the scope of Article 42 TFEU. However, investments must relate to the catching, production and / or processing of fisheries products. These are defined in:

- Annex I of the Treaty for the Functioning of the European Union (found in the Official Journal of the European Union under 2012/C 326/01) and
- Annex I & II of the Common Market Organisation Regulation EU 1379/2013.

37. If you feel that your investment does not meet these criteria then you should contact the Welsh Government to discuss your investment before making an application.

SELECTION

38. You are required to select standard cost items up to the maximum grant award (£24,000). The system will automatically calculate the applicant's score by totalling the number of points against each item. Each item will receive a score which does not change based on the quantity of the item applied for. This total score is divided by the total grant requested. The highest scoring applications will be selected.

39. The purpose of this scoring is to allow Welsh Government to rank the applications in priority order against available budget.

Results Indicators

40. In your application, you must select one or more of the below Result Indicators that are most suited for your project and provide the relevant information.

Result Indicator 1.3: Change in net profits

- Annual profit before the project
- Forecast annual profit after completion of the project

Result Indicator 1.5: Change in fuel efficiency of fish capture (in litres of fuel/tonnes of landed catch)

- Annual fuel consumption before the project
- Forecast annual fuel consumption after completion of the project
- Annual catch landed before the project
- Forecast annual catch landed after completion of the project

Result Indicator 1.8: Employment maintained (FTE) in the fisheries sector or complementary activities

- Number of jobs before the project
- Forecast number of jobs after completion of the project

Result Indicator 1.9a: Change in the number of work related injuries or accidents

- Annual number of injuries or accidents before the project
- Forecast annual number of injuries or accidents after completion of the project

41. Welsh Government will contact you after your project has been completed to determine the result achieved.

HOW TO APPLY

42. Applications for the SCS can be made through RPW Online. Applicants must first register for a Government Gateway account, and an RPW Online account. A guide for how to register can be found in the accompanying guidance, entitled 'RPW Online: Getting Started' (<https://beta.gov.wales/rpw-online-getting-started>).

43. A guide for how to complete the application form on RPW Online can be found in the accompanying guidance, entitled 'Standard Costs Scheme: Using RPW Online to Apply' (<https://beta.gov.wales/fisheries-standard-costs-scheme-using-rpw-online-apply>).

44. If successful, you will be offered a grant through your RPW Online account.

45. If successful, you must purchase and claim for **all** the items on their contract via your RPW Online account **120 calendar** days of the date of the contract offer.

46. If successful you must accept your contract within **30 calendar** days of the date of the contract offer. If you do not accept the contract within **30 calendar** days, the contract will be withdrawn.
47. Full details of when your contract must be accepted and when the items must be purchased and claimed for will be in the contract.
48. **You must not purchase the items in your contract until you have accepted it.**
49. Subject to the requirements of the Welsh Government's Code of Practice on Public Access to Information, the Freedom of Information Act 2000 and the Environmental Information Regulations 2004: **all information given to the Welsh Government will be treated in strict confidence. You should be aware that if successful, the Welsh Government, the UK Government and the EC reserve the right to publish the name of your company, the amount of grant you were awarded and a summary of your investment.**
50. You may use a consultant to prepare your application if you wish **but the application must be signed by you and not by the consultant. It is your responsibility to ensure that the application is correctly completed and that the information provided in support of your investment is accurate.**
51. There are three possible outcomes:
- (a) your application is not eligible for the grant. You will be informed of the reasons your application was rejected.
 - (b) your application is eligible for consideration but is not approved for an award. You will be informed of the reasons why your application was not successful. You may apply again within a different window **but only if you have not purchased the items applied for.**
 - (c) your application is eligible and is approved for an award. A contract will be issued online setting out the terms and conditions of the award which you will be asked to approve as agreement that you accept the terms and conditions therein. The contract will also provide you with the authority to purchase the items in your contract.

CONDITIONS OF GRANT

52. The EMFF Fund is subject to a range of relevant legislation. Both the Welsh Government and the applicant must act in accordance with that legislation.
53. The offer of an EMFF Fund grant is made subject to terms and conditions, including but not limited to those set out below. **Failure to meet the terms and conditions of the award could result in the cancellation of your award and/or the recovery of sums already paid, or a reduction of the amount of grant payable.**

Conditions:

1. Acceptance of the grant awarded must be made within thirty (30) calendar days of the date on which your approval letters and contracts are issued online.
2. The award is made on the basis of statements made by you or your representatives in the application and subsequent online correspondence.

False or misleading statements are an offence.

3. You must not purchase any items applied for before you have received a formal offer of grant from Welsh Government.
4. You cannot amend the items that you have selected after you have accepted the offer of grant.
5. You **MUST** purchase all the items selected.
6. You **MUST** make one claim for all the items at the same time.
7. You must meet any legal obligations imposed under EU and UK law, including hygiene legislation.
8. No alterations may be made to the investment without the written approval of Welsh Government.
9. No equipment purchased with grant aid must be disposed of, transferred or sold without the prior written consent of Welsh Government for five

years from when the investment is made. This includes indirect changes e.g. where a vessel changes ownership or where the location of any funded items changes.

10. It is your responsibility as the original applicant to inform the new owners of the funding obligations attached to the item. The new owners will be required to take on the terms and conditions of the funding for the time remaining up to 5 years from the date the original offer of funding was accepted.
11. If the new owner of the item or items does not accept the terms and conditions of the funding attached, then it is deemed that the item has not fulfilled its obligations to the scheme and therefore recovery proceedings may be started and funding recovered from you as the original applicant.
12. You must not transfer a fishing vessel outside the EU for at least 5 years after the payment of EMFF funding to the applicant; if you do this you must give back all or part of the EMFF money you received. The exact amount you have to pay back depends on when you transferred the vessel.
13. Claims must be submitted in the correct format and accompanied by all necessary documentation. If not, they will not be accepted and will be returned to the claimant.
14. You must confirm that none of the items covered by the application are replacements under an insurance claim.
15. You must provide confirmation that no other public funding (whether from EU or UK sources) has been sought.
16. Any publicity given to the investment must make reference to the part played by both the European Union and Welsh Government in funding it.
17. Records concerning the activity of the business and the delivery of the investment, including all original invoices and other related documents such as competitive tenders or quotes, must be retained until the end of six years after the last payment of financial assistance made to you in relation to the investment.

18. You must allow representatives of the Welsh Government, including the Auditor General for Wales, the Audit Commission and the European Court of Auditors to inspect the purchased items. On request, you must provide them with information and / or access to original documentation in relation to the investment.
19. The information provided in the application and any supporting documentation is subject to the requirements of the Welsh Government's Code of Practice on Public Access to Information, the Freedom of Information Act 2000 and the Environmental Information Regulations 2004.

You should be aware that if successful, Welsh Government and the EU reserve the right to publish the name of your business or company, the amount of grant you were awarded and a summary of your investment.

20. The information provided in the application and any supporting documentation is subject to the Privacy Notice available at <https://gov.wales/topics/environmentcountryside/marineandfisheries/european-maritime-fisheries-fund/?skip=1&lang=en>. The Privacy Notice explains the Welsh Government's processing and use of your personal data and your rights under the General Data Protection Regulation (GDPR).

PAYMENT OF GRANT

Claims

54. Guidance notes on how to claim will be issued when the award is confirmed and subsequently the claim is invited. Claims will only be paid when the Welsh Government is satisfied the relevant expenditure has taken place. Payment will be made by electronic transfer to your bank account.
55. You must purchase and claim for **all** the items on your contract via your RPW online account by **120 calendar** days of the date of the contract offer.
56. During the lifetime of the grant, when claims are submitted, they may be scrutinised to ensure expenditure is eligible and in line with that approved in the original application. On completion of the purchase, a detailed

assessment of the items may be undertaken. The information that will be required at the visit could include but not be limited to; original invoices; serial/plant numbers; Building Regulations completion certificate (where appropriate); Health & Safety system including risk analysis; Fire Risk Assessment documents in accordance with the Regulatory Reform (Fire Safety) Order 2005; Cleaning Regime records; Pest Control records and Quality Control records. The release of grant will be conditional upon adequate progress having been made.

Incorrect claims

- 57. You have a responsibility to make sure that the claim is on time.
- 58. If the claim is incorrect then your claim will be reduced to the amount that is eligible and the grant to be paid will be calculated accordingly.
- 59. If you have any doubts about the eligibility of any expenditure you must check **before you incur the costs**.

Offences

- 60. The European Maritime and Fisheries Fund (Grants) (Wales) Regulations 2016 No. 665 (W. 182) establishes criminal offences and penalties in relation to certain aspects of European Maritime and Fisheries Funding. Examples of offences include; knowingly or recklessly providing false or misleading information in relation to European Maritime and Fisheries Funding; obstructing an inspector or official; and refusing to provide information when requested to do so.

MONITORING OF INVESTMENTS

- 61. You must allow officials from Welsh Government and the European Commission, or their representatives, to inspect the items at any reasonable time within a five year period from the date of the grant offer.

APPEALS PROCEDURE

- 62. If an application is rejected, the reasons for rejection will be explained. We will be prepared to discuss any modifications which might be needed to make the application acceptable.

63. If an application is still rejected an appeals procedure will be established which will take the form of an oral or written submission to persons appointed by and independent of the Welsh Ministers.

COMPLAINTS PROCEDURE

64. If you consider that we have failed to follow the correct procedure in the handling of your request you may wish to make a complaint in accordance with Welsh Government's Complaints procedure which is available by post or via the website at: <https://gov.wales/how-make-complaint-about-welsh-government.html>