

European Maritime and Fisheries Fund (EMFF)

THIS GUIDANCE NOTE SHOULD BE READ IN CONJUNCTION WITH THE SUPPORT FOR AQUACULTURE, PROCESSING AND MARKETING APPLICATION FORM

SUMMARY

Grant aid is available under the European Maritime and Fisheries Fund (EMFF) programme 2014-2020. The programme shall contribute to the achievement of the following objectives:

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

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

This Guidance Note is subject to change. The date of the latest revision is shown in the footer of this document. The general guidance note & business case template mentioned in this guidance will be available in due course.

USE THIS DOCUMENT FOR DETAILED GUIDANCE ON HOW TO COMPLETE THE SUPPORT FOR AQUACULTURE, PROCESSING AND MARKETING APPLICATION FORM

You must also read the General Summary as this contains information for all EMFF applications.

We want to give your project the best possible chance at succeeding and have produced a range of resources and guidance which you might find useful. Links to additional guidance and where to go for further information have been included throughout this guidance.

It is essential that the scheme delivers value for money and that applicants are open and honest when making applications under the scheme.

It is a criminal offence to supply information in the application knowing it to be false or not believing it to be true, and you may be liable for a fine or imprisonment if you do so.

Marine Scotland will scrutinise your application and may from time to time conduct random checks upon your application and the supporting documents, including contacting proposed suppliers and in the event of irregularities may in its absolute discretion refuse applications.

In the event that false or inaccurate information is discovered, Marine Scotland will give consideration to investigating the matter further and may take such enforcement action, including criminal prosecution as it considers appropriate. In such circumstances Marine Scotland may also seek to recover any grant paid.

You are reminded that if your project is approved and grant offered, specific conditions will apply which will be set out in the Offer Letter.

Any breach of these conditions may lead to recovery of any grant paid, and if necessary Marine Scotland may seek recovery through appropriate criminal or civil action.

If the grant is not used for the purpose for which it was granted Marine Scotland may seek recovery of any grant paid through appropriate criminal or civil action.

Projects that have been physically completed or fully implemented prior to receiving a written acknowledgement from Marine Scotland even though they may meet the scheme objectives and priorities, cannot be funded.

Projects can commence after receiving a written acknowledgement from Marine Scotland.

In exceptional circumstances, costs incurred prior to submission of your application to Marine Scotland and can be considered eligible for reimbursement at the funding rate applied, providing they are directly related to your project you are applying for and essential to bringing the application to submission stage. The eligibility of these costs are at Marine Scotland discretion and are not guaranteed and are subject to the approval of the full project and are undertaken entirely at the applicant's own risk. Contact Marine Scotland for more details.

It is the responsibility of you as the applicant to ensure that the project which is the subject of this application is technically viable, complies with all relevant health and safety legislation and any other project specific safety requirements. It is not the responsibility of Marine Scotland.

TYPES OF PROJECTS YOU CAN APPLY FOR

Unless otherwise stated, support will be limited to aquaculture enterprises.

The Support For Aquaculture, Processing and Marketing Application Form should be used for projects relating to: innovation in aquaculture; productive investments in aquaculture; investments in aquaculture; management, relief and advisory services for aquaculture farms; promotion of aquaculture human capital, networking, training and education: increasing the potential of aquaculture sites; encouraging new aquaculture farmers practising sustainable aquaculture; aquaculture providing environmental services; animal health and welfare measures; marketing measures; and processing products. This includes:

Innovation in aquaculture.

This includes;

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

Support for these projects must be carried out by, or in collaboration with, public or private scientific or technical bodies, recognised by Marine Scotland, who must validate the results of your project.

Productive investments in aquaculture.

Aquaculture is the farming of aquatic organisms in inland and marine waters.

And there must be;

- intervention in the rearing process to enhance production and
- individual or corporate ownership of the stock being cultivated

Productive investments in aquaculture includes;

- productive investments in aquaculture;
- diversification of aquaculture production and species cultured;
- the modernisation of aquaculture units, including the improvement in working and safety conditions of aquaculture workers;
- improvements and modernisation related to animal health and welfare, including the purchase of equipment aiming at protecting the farms from wild predators;
- investments reducing the negative impact or enhancing the positive effects on the environment and increasing resource efficiency;
- investments in enhancing the quality of, or in adding value to, aquaculture products;

- the restoration of existing aquaculture ponds or lagoons through the removal of silt, or investments aimed at the prevention of silt deposits;
- the diversification of the income of aquaculture enterprises through the development of complementary activities (support shall only be granted to aquaculture enterprises if the complementary activities relate to the core aquaculture business of the enterprise, including angling tourism, environmental services related to aquaculture or educational activities concerning aquaculture);
- investments resulting in a substantial reduction in the impact of aquaculture enterprises on water usage and quality, in particular through reducing the amount of water or chemicals, antibiotics and other medicines used, or through improving the output water quality, including through the deployment of multi-trophic aquaculture systems;
- the promotion of closed aquaculture systems where aquaculture products are farmed in closed recirculation systems, thereby minimising water use; and
- investments increasing energy efficiency and promoting the conversion of aquaculture enterprises to renewable sources of energy.

Support may be granted for the increase in production and/or modernisation of existing aquaculture enterprises, or for the construction of new ones, provided that the development is consistent with the multiannual national strategic plan, which can be found here: www.gov.uk/government/publications/sustainable-aquaculture-the-united-kingdom-multiannual-national-plan-manp

Management, relief and advisory services for aquaculture farms. This includes;

- the setting-up of management, relief and advisory services for aquaculture farms (support shall only be granted to public law bodies or other entities selected by Marine Scotland to set up the farm advisory services); and
- the purchase of farm advisory services of a technical, scientific, legal, environmental or economic nature.

Support for purchase of advisory services shall only be granted to aquaculture SMEs or aquaculture organisations, including aquaculture Producer Organisations and associations of aquaculture Producer Organisations.

The advisory services purchased referred to above shall cover the management needs to enable aquaculture farms to comply with Union and national environmental legislation, as well as with maritime spatial planning requirements; environmental impact assessment as referred to in the Habitats Directive and the Birds Directive; the management needs to enable aquaculture farms to comply with Union and national aquatic Processing and welfare or public health legislation; health and safety standards based on Union and national legislation and marketing and business strategies. You will not receive support more than once per year for each category of advisory services.

The advisory services will be provided by scientific or technical bodies, as well as by entities providing legal or economic advice with the required competences as recognised by the Marine Scotland.

Promotion of human capital and networking in aquaculture.

Support shall be granted to public or semi-public organisations and to other organisations recognised by Marine Scotland.

Support shall also be granted to spouses of self-employed aquaculture farmers or, where and in so far as they are recognised by national law, to the life partners of self-employed aquaculture farmers, who are not employees or business partners and regularly, under the conditions laid down by national law, participate in the activities of the self-employed worker and perform the same task or accompanying tasks.

The EMFF may support:

- professional training, lifelong learning, the dissemination of scientific and technical knowledge and innovative practices, the acquisition of new professional skills in aquaculture and with regard to the reduction of the environmental impact of aquaculture operations (support shall not be granted to large aquaculture enterprises, unless they are engaged in knowledge-sharing with SMEs);
- the improvement of working conditions and the promotion of occupational safety; and
- networking and exchange of experiences and best practices among aquaculture enterprises or professional organisations and other stakeholders, including scientific and technical bodies or those promoting equal opportunities between men and women.

Increasing the potential of aquaculture sites.

Support for these projects will only be granted to public law bodies or private bodies authorised to do so by Marine Scotland.

This includes;

- the identification and mapping of the most suitable areas for developing aquaculture, taking into account, where applicable, spatial planning processes, and the identification and mapping of areas where aquaculture should be excluded in order to maintain the role of such areas in the functioning of the ecosystem;
- the improvement and development of support facilities and infrastructures required to increase the potential of aquaculture sites and to reduce the negative environmental impact of aquaculture, including investments in land consolidation, energy supply or water management;
- action taken and implemented by competent authorities under Article 9(1) of the Birds Directive or Article 16(1) of the Habitats Directive, with the aim of preventing serious damage to aquaculture; and
- action taken and implemented by competent authorities following the detection of increased mortalities or diseases as provided for in Article 10 of the Processing requirements for aquaculture animals and products thereof and on the prevention and control of certain diseases in aquatic animals regulation. Those actions may cover the adoption of shellfish action plans aimed at the protection, restoration and management, including support to shellfish producers for the maintenance, of natural shellfish banks and catchment

areas.

Encouraging new aquaculture farmers practising sustainable aquaculture.

Eligible projects can;

- Set up sustainable aquaculture enterprises by new aquaculture farmers. This is only for new aquaculture farmers entering the sector who possess adequate skills and competence; are setting up for the first time an aquaculture micro or small enterprise as managers of that enterprise and they submit a business case for the development of the aquaculture activities.
- In order to acquire adequate specialist skills as outlined above, a new aquaculture farmer could apply on this form for 'Human capital and networking' as this covers training before applying to set up an aquaculture enterprise.

Aquaculture providing environmental services. This includes;

- aquaculture methods compatible with specific environmental needs and subject to specific management requirements resulting from the areas in accordance with the implementation of the Habitats and Birds Directives. (Support shall take the form of annual compensation for the additional costs incurred and/or income foregone as a result of management requirements in the areas concerned);
- participation, in terms of costs directly related thereto, in ex-situ conservation and reproduction of aquatic animals, within the framework of conservation and biodiversity restoration programmes developed by government organisations, or under their supervision; and
- aquaculture operations which include conservation and improvement of the environment and of biodiversity, and management of the landscape and traditional features of aquaculture zones. (Support shall be granted only to applicants who commit themselves for a minimum period of five years to aqua-environmental requirements that go beyond the mere application of Union and national law. The environmental benefits of the operation shall be demonstrated by a prior assessment conducted by competent bodies designated by Marine Scotland, unless the environmental benefits of that operation are already recognised. Contact the Marine Scotland Grants Team for more information.

Support for animal health and welfare measures, inter alia, in terms of prevention and biosecurity. This includes:

- costs of control and eradication of diseases in aquaculture in accordance with Council Decision 2009/470/EC;
- the development of general and species-specific best practices or codes of conduct on bio-security or on animal health and welfare needs in aquaculture;
- initiatives aimed at reducing the dependence of aquaculture on veterinary medicine;
- veterinary or pharmaceutical studies and dissemination and exchange of information and best practices regarding veterinary diseases in aquaculture, with the aim of promoting an appropriate use of veterinary medicine – support shall not cover the purchase of veterinary medicines and results of the studies

financed shall be adequately reported and publicised by the member State in accordance with Article 119;

- the establishment and operation of health protection groups in the aquaculture sector as recognised by Member States;
- compensation to mollusc farmers for the temporary suspension of their activities due to exceptional mass mortality, if the mortality rate exceeds 20% or if the loss resulting from the suspension of the activity amounts to more than 35% of the annual turnover of the business concerned, calculated on the basis of the average turnover of that business over the three calendar years preceding the year in which the activities were suspended.

Support may also be granted to public law bodies.

Support for marketing measures. This includes:

- creating Producer Organisations, associations of Producer Organisations or Inter-Branch Organisations to be recognised in accordance with Section II of Chapter II of the common organisation of the markets in fishery and aquaculture products, regulation (EU) No. 1379/2013;
- finding new markets and improving conditions for the placing on the market fishery and aquaculture species with marketing potential;
- finding new markets and improving conditions for placing on the market unwanted catches landed from commercial stocks in accordance with technical measures in the landing obligation (Article 15 of the Common Fisheries Policy and Article 8(2)(b) of the common organisation of the markets in fishery and aquaculture products regulation;
- finding new markets and improving conditions for placing on the market fishery and aquaculture products obtained using methods with low impact on the environment, or organic aquaculture products produced combining best environmental practices, a high level of biodiversity, the preservation of natural resources, the application of high animal welfare standards and a production method in line with the preference of certain consumers for products produced using natural substances and processes.
- promoting quality and value added of fishery and aquaculture products by facilitating the application for registration of a given product and the adaptation of concerned operators to the relevant compliance and certification requirements in accordance with quality schemes for [agricultural products] and foodstuffs regulations (Regulation (EU) No 1151/2012);
- facilitating the certification and the promotion of sustainable fishery & aquaculture products, including products from small-scale coastal fishing;
- facilitating the certification and promotion of environmentally-friendly processing methods;
- facilitating the direct marketing of fishery products by small-scale coastal fishermen;
- facilitating the direct marketing of fishery products by on-foot fishermen;
- facilitating the presentation and packaging of products;
- contributing to the transparency of production and the markets;
- conducting market surveys and studies on the dependence of the European Union on imports;

- contributing to the traceability of fishery and aquaculture products;
- contributing to the development of an eco-label for fishery and aquaculture products providing clear information on the ecological sustainability of such products as referred to in point 22 of the common organisation of the markets in fishery and aquaculture products regulation;
- drawing up standard contracts for SMEs, which are compatible with Union law; and
- conducting regional, national or transnational communication and promotional campaigns, to raise public awareness of sustainable fishery & aquaculture products. **These projects will not be aimed at commercial brands.**
- **The projects referred to above may include the production, processing and marketing activities along the supply chain.**

Processing of fishery and aquaculture products.

Eligible projects can;

- contribute to energy saving;
- reduce the impact on the environment, including waste treatment;
- improve safety, hygiene, health and working conditions;
- support the processing of catches of commercial fish that cannot be destined for human consumption;
- relate to the processing of by-products resulting from main processing activities;
- relate to the processing of organic aquaculture products pursuant to Articles 6 and 7 (Specific principles applicable to the processing of organic food and feed) of Regulation (EC) No 834/2007;
- measures to lead to new or improved products;
- measures to lead to new or improved processes; and
- measures to lead to new or improved management and organisation systems.

Applicants must comply with all relevant legal requirements of their projects.

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

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

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

It is the responsibility of the beneficiary to ensure that equipment purchased with EMFF funding meets all necessary legal requirements. If equipment purchased subsequently becomes obsolete or illegal then this is at the beneficiary's own risk there can be no refunds or claims against the scheme.

ELIGIBLE COSTS

Please note this table is for guidance only and is not exhaustive or binding. If you are unsure whether an item is eligible please check the General Summary and if you are still unsure contact Marine Scotland.

Scheduled or preventive maintenance costs of any piece of equipment which keeps a device in working order shall not be eligible for support.

Only those costs necessary for and directly related to the installation of items shall be eligible for support.

Table A: Table of Eligible Costs

Item/Area	Eligible Costs	Ineligible Costs
All	Equipment purchases	Applicants own labour costs
	Publicity costs	Working capital
	Delivery and fitting costs	Exploratory fishing
	Building work	
Productive Investments in Aquaculture	Diversification activities	Retail – including premises and vehicles related to retail businesses.
	Health and safety investments	The purchase and modernisation of Marketing vessels
	Restoration of ponds and lagoons including removal of silt	The construction of new aquaculture enterprises, where the development is not consistent with the multiannual national strategic plan
Management, relief and advisory services for aquaculture farms.	The setting-up of management, relief and advisory services for aquaculture farms (support shall only be granted to public law bodies or other entities selected by the Marine Scotland to set up the farm advisory services);	The construction of new fishing vessels or the importation of fishing vessels including those used exclusively for Marketing
	The purchase of farm advisory services of a technical, scientific, legal, environmental or economic nature	Direct restocking, unless explicitly provided for as a conservation measure by a European Union legal act or in the case of experimental

		restocking – Contact Marine Scotland for details
Increasing the potential of aquaculture sites.	Mapping of suitable areas for developing aquaculture – public law bodies or private bodies entrusted by the Member state only. For advice on eligible applicants please contact Marine Scotland.	Anyone who is not a public body or authorised by Marine Scotland
	Improvement and development of support facilities and infrastructure to increase potential of aquaculture sites - public law bodies or private bodies entrusted by the Member state only. For advice on eligible applicants please contact Marine Scotland.	Equipment that is detrimental to stocks and ecosystems
	land consolidation	
	Energy supply or water management improvements	
Encouraging new aquaculture farmers practising sustainable aquaculture	Support shall be granted to aquaculture farmers entering the sector provided that they: (a) possess adequate professional skills and competence; (b) set up for the first time an aquaculture micro or small enterprise, as managers of that enterprise; and (c) submit a business plan for the development of their aquaculture activities	

Processing of fishery & aquaculture products is limited to businesses which are classified as SME's, please see guidance & the user guide - http://ec.europa.eu/growth/smes/business-friendly-environment/sme-definition/index_en.htm

See the General Summary for a list of ineligible costs for all EMFF projects.

INFORMATION REQUIRED TO COMPLETE THE FORM

Before you proceed with creating an application you may wish to have the following items at hand or be aware that they will be necessary to accompany your application when it is submitted.

- A business case – You **must** submit a business case for any projects relating to

support for new aquaculture farmers or if you are an **entrepreneur entering the sector** regardless of the cost of your project. In all other instances you should only provide a business case if the total cost of your project is £25,000 or more. Use the template provided in the Business Case Template document.

- Financial information - current and expected turnover and balance sheets.
- Quotes for costs to be incurred
 - If the eligible cost quote is over £0 and up to £1,500 – At least one quote must be provided.
 - If the eligible cost quote is £1,500.01 and up to £5,000 – At least two quotes must be provided. If at least two quotes have not been provided, then a comment must be entered explaining why.
 - If the eligible cost quote is £5,000.01 and up to £60,000 – At least three quotes must be provided. If at least three quotes have not been provided, then a comment must be entered explaining why.
 - If any single eligible cost quote is equal to or over £60,000.01 –
Public applicants – A formal tender is required, you can contact us for advice on this before you go to tender. Evidence must be provided that a tender has taken place, including evidence of the evaluation system used, details of the chosen tender and scoring. The tendering must follow EU procurement rules.
Private applicants - 3 quotes or evidence of tender including evidence of the evaluation system used, details of the chosen tender and scoring.
- Company/charity and Value Added Tax (VAT) Registration numbers if applicable to your circumstances.
- Organisation headcount numbers if applicable to your circumstances.

DEFINITIONS

In these notes:

- **You** means the applicant. You can employ an agent or consultant to help you complete your application form but you must sign the form. You will be responsible for ensuring that all of the terms and conditions for grant are fulfilled. Responsibility for the content of the application and any supporting information and documentation rests with you and cannot be transferred to your consultants. In particular, this means that you will be expected to retain ownership of the work which is being grant aided.
- **We** means the Marine Scotland.
- **A public law body** is an organisation financed, managed or supervised by the government.

The information provided in this Guidance Note must only be taken as a guide to the grants available. The legal basis for the grants is Articles 46, 47, 48, 49, 50, 51, 54, 56, 68 and 69 of Council Regulation (EC) 508/2014, which can be found at <http://eurlex.europa.eu/legaccontent/EN/TXT/PDF/?uri=CELEX:32014R0508&from=EN>

Grant Rates

Total public money in the tables below is the maximum grant rate for each category, the grant rate is variable up to this maximum and there is no guarantee of assistance. The next columns are for information and show how the maximum grant is split between European funds and national funds. The Private column shows the minimum amount of private money applicants will have to contribute to the project.

Most commercial projects will be eligible for a maximum of 50% grant support; the exceptions are detailed in the table below. Also some projects which can show they meet all 3 criteria in the last row may be eligible for higher rates of assistance, again these are maximums and there are no guarantees.

Some projects may have other national funding from bodies such as local authorities, coastal communities fund, enterprise companies. This is encouraged and must be entered on applications.

Grant Rates Key:

SSCF – Small scale coastal Fishing – vessels 11.99m or less not using towed gear

PO – Producer Organisation

SME – Micros, small and medium enterprises – see General Guidance note for further advice

Article 47 Innovation Article 50 Promotion of human capital and networking Article 51 Increasing the potential of aquaculture sites Article 54 Aquaculture providing environmental services Article 56 Animal health and welfare measures Article 68 Marketing measures				
Type of Applicant	Grant Rates as Percentages of Eligible Costs			
	Total public money %	EMFF %	National % (SG and/or Other)	Private %
Public	100	75	25	0
Private	50	37.5	12.5	50
Private (non-SME) – 20%	30	22.5	7.5	70
Private (organisations of fishermen/collective) +10%	60	45	15	40
Private (POs) +25%	75	56.25	18.75	25
If any of the types of applicant above has a project in the category below, the grant rates above will be superseded by the rates below;				

Projects which meet all the following three criteria – see General Guidance for details; 1. Project has collective interests 2. Project has collective beneficiaries 3. Project has innovative features (if applicable)	50 - 100	0- 50	0-50	0-50
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Article 48 Productive investments in aquaculture Article 49 Management, relief and advisory services for aquaculture farms – Purchasing the services				
Type of Applicant	Grant Rates as Percentages of Eligible Costs			
	Total public money %	EMFF %	National % (SG and/or Other)	Private %
Private	50	37.5	12.5	50
Private (non-SME) – 20%	30	22.5	7.5	70
Private (organisations of fishermen/collective) +10%	60	45	15	40
Private (POs) +25%	75	56.25	18.75	25
If any of the types of applicant above has a project in the category below, the grant rates above will be superseded by the rates below;				
Projects which meet all the following three criteria – see General Guidance for details; 1. Project has collective interests 2. Project has collective beneficiaries 3. Project has innovative features (if applicable)	50 - 100	0- 50	0-50	0-50

Article 49 Management, relief and advisory services for aquaculture farms – Setting up of services				
Type of Applicant	Grant Rates as Percentages of Eligible Costs			
	Total public money %	EMFF %	National % (SG and/or Other)	Private %
Public	100	75	25	0
If any of the types of applicant above has a project in the category below, the grant rates above will be superseded by the rates below;				
Projects which meet all the following three criteria – see General Guidance for details; 1. Project has collective interests 2. Project has collective beneficiaries 3. Project has innovative features (if applicable)	50 - 100	0- 50	0-50	0-50

Article 69 Processing of fisheries and aquaculture products				
Type of Applicant	Grant Rates as Percentages of Eligible Costs			
	Total public money %	EMFF %	National % (SG and/or Other)	Private %
Public	100	75	25	0
Private	50	37.5	12.5	50
Private (SSCF) + 30%	80	60	20	20
Private (organisations of fishermen/collective) +10%	60	45	15	40
Private (POs) +25%	75	56.25	18.75	25
If any of the types of applicant above has a project in the category below, the grant rates above will be superseded by the rates below;				
Projects which meet all the following three criteria – see General Guidance for details; 1. Project has collective interests 2. Project has collective beneficiaries 3. Project has innovative features (if applicable)	50 - 100	0- 50	0-50	0-50

Contact details

Marine Scotland grants team, Area 1B North, Victoria Quay, EH6 6QQ

Web: www.gov.scot/EMFF

Email: EMFF@gov.scot

Phone: 0131 244 6089