



**European Union**  
European Structural  
and Investment Funds

## **European Maritime and Fisheries Fund (EMFF) SUPPORT FOR FISHING VESSEL ENERGY IMPROVEMENTS AND RE-ENGINEERING GUIDANCE NOTE**

### **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 fisheries;
- b) fostering the implementation of the Common Fisheries Policy (CFP);
- c) promoting a balanced and inclusive territorial development of fisheries 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 GUIDANCE ON THE FISHING VESSEL ENERGY IMPROVEMENTS APPLICATION**

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. This is not the responsibility of the Marine Scotland.**

## **TYPES OF PROJECTS YOU CAN APPLY FOR**

The Support for Fishing Vessel Energy Improvements & re-engining Guidance Note should be used for projects relating to: investments in equipment or on board aimed at reducing the emission of pollutants of greenhouses gases and increasing energy efficiency; new fishing gear contributing to energy efficiency; engine replacements and modernisations; energy efficiency audits and schemes and studies to assess the contribution of alternative propulsion systems and hull designs. This includes;

**Investments in equipment or on board** aimed at reducing the emission of pollutants or greenhouse gases and increasing the energy efficiency of fishing vessels.

**Investment in new fishing gear that contributes to energy efficiency (for applications for fishing gear contributing to reduction of discards apply using Support for Investments on board fishing vessels application form)**, as long as it does not undermine the size or species selectivity of that fishing gear.

- We will not fund gear that is shown to be equally or less selective than the gear already being used.
- If the vessel is proposing to switch to a different fishery, we need to be satisfied that this would not be to the detriment of the new stock(s) and ecosystem.
- We will only fund gear that is highly selective in that fishery. Gear needs to minimise the negative impact of fishing on the ecosystem (including cetacean and seabird by-catch and seabed integrity).

**Replacing or modernising main or auxiliary engines** on fishing vessels up to 24m in overall length.

- If you are **replacing or modernising an engine** then your new or modernised engine must be a specific size in relation to your old engine. **Table A** below shows how much power your new or modernised engine can have, depending on the length of your vessel.
- The reduction of engine power referred to in **Table A** below for vessels 12-18m and 18-24m, may be achieved by a group of vessels for each category of vessel. If you intend to meet these requirements with a group of vessels then contact Marine Scotland for advice on how to complete the Support for Fishing Vessel Energy Improvements Application.
- We will fund the replacement of two engines where the vessel operates two main propulsion engines, e.g. a catamaran, and both are being replaced at the same time. If an application is received where only one engine is being replaced, a second application to the EMFF scheme at a later date, for the second engine will not be able to be considered. Engine replacement includes outboards where the outboard is the main propulsion engine of the vessel.

**Table A: Engine Power per Length of Vessel**

Length of Vessel	New or Modernised Engine
Up to 11.99	No more power in kilowatts than current engine
12-18m	At least 20% less power in kilowatts than current engine
18-24m	At least 30% less power in kilowatts than current engine

**Energy efficiency audits and schemes.**

**Studies to assess the contribution of alternative propulsion systems and hull designs to the energy efficiency of fishing vessels.**

The scheme is open to the owners of EU/UK registered fishing vessels where the vessel is registered to a Scottish port.

You should be aware that you will need to submit a new Certificate of Registry after completion of your project if your project relates to **engine improvements or engine replacements**. This should reflect the power of your new engine if this is applicable. Without this we will be unable to proceed with your claim for payment.

**Support will only be granted to owners/operators of fishing vessels.**

**Support will only be granted once for the same type of investment on the same vessel during the EMFF programming period.**

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

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

**To be eligible to receive funding under this part of EMFF your vessel must be registered in a fleet segment that is deemed to be 'in balance' by the UK authorities in agreement with the EC. For further details on whether you are part of a fleet segment that is 'in balance' contact Marine Scotland.**

## 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 Guidance and if you are still unsure contact Marine Scotland.

**Table B: Table of Eligible Costs**

Item/Area	Eligible Costs	Ineligible Costs
Support for the replacement or modernisation of main or ancillary engines	<p>for vessels up to 12 metres in overall length, provided that the new or modernised engine does not have more power in kW than the current engine;</p> <p>for vessels between 12 and 18 metres in overall length, provided that the power in kW of the new or modernised engine is at least 20 % lower than that of the current engine;</p> <p>for vessels between 18 and 24 metres in overall length, provided that the power in kW of the new or modernised engine is at least 30 % lower than that of the current engine.</p> <p>Where a vessel has more than 1 engine E.g. a catamaran both engines can be replaced, in this case the engines must be replaced at the same time on the same application.</p>	More than 1 grant for an engine replacement or modernisation on the same vessel during the EMFF funding period.
	Outboard engines are eligible for funding from the European Maritime and Fisheries Fund. If a vessel is equipped with 2 outboard engines and both used for propulsion then replacement of both engines is eligible.	De-rated engines of any type are not eligible for funding from the European Maritime and Fisheries Fund.
For operations that are aimed at improving the hydrodynamics of the hull of the vessel:	<p>Investments on stability mechanisms such as bilge keels and bulbous bows that contribute to improving sea-keeping and stability</p> <p>Costs related to the use of non-toxic antifouling such as copper coating in order to reduce friction.</p> <p>Tank testing in order to provide a basis for improving hydrodynamics.</p> <p>Energy efficient propellers including drive shafts.</p>	Costs relating to basic hull maintenance.
For operations that are aimed at improving the propulsion	<p>Catalysers.</p> <p>Energy efficient generators such as those using hydrogen, or natural gas.</p> <p>Renewable energy propulsion elements</p>	Investments that increase a vessels capacity to catch fish

system of the vessel, costs related to the purchase and, if necessary, the installation of the following items:	such as sails, kites, windmills, turbines, or solar panels.	
	Bow thrusters.	
	Conversion of engines to run on biofuels.	
	Econometers, fuel management systems and monitoring systems.	
	Investments in nozzles that improve the propulsion system.	
For investments in fishing gear and fishing equipment change from towed gear to alternative gear:	Changes from towed gear to alternative gear.	Investments that increase a vessels capacity to find fish
	Towed gear modifications.	
	Investments in towed gear monitoring equipment.	
For investments that are aimed at the reduction of electricity or thermal energy consumption:	Investments to improve the refrigeration, freezing, or insulation systems for vessels under 18 m.	Investments that increase the holding capacity of a vessel Investments that cause a vessel to become unstable or become dangerous to crew or others
	Investments to encourage the re-cycling of heat within the vessel involving the heat being recovered and re-used for other auxiliary operations within the vessel.	

Preventative or scheduled maintenance costs are not eligible for funding and only those costs necessary for and directly related to the installation of items as approved by Marine Scotland are eligible for support under the European Maritime and Fisheries Fund.

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

#### **To Note**

Engines being replaced should be disposed of responsibly and without detriment to the environment. The new engine must be installed before funding can be claimed and paid. The replaced engine must not be sold for profit, if it is known that this has occurred your claim may be reduced by the amount obtained or recovery proceedings instigated. The engine being replaced must be over 5 years old.

If you are the owner of a fishing vessel and have received funding from the European Maritime and Fisheries Fund you should not transfer or sell the vessel outside the European Union during at least the five years following the date of actual payment of that support to you. If you do transfer or sell your vessel outside of the European Union within the first five years, funding paid to you will be recovered by Marine Scotland, to an amount proportionate to the period of time remaining.

## INFORMATION REQUIRED TO COMPLETE THE APPLICATION

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 – if the total cost of your project is £25,000 or more, then you will need to write a business case using 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 £60,000.1 –

**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 Marine Scotland.
- **Fisheries areas** means an area with a sea, river or lake shore, including ponds or a river basin, with a significant level of employment in fisheries, that is functionally coherent in geographical, economic and social terms and is designated as such by a Member State.
- **Fisherman** means any person engaging in commercial fishing activities, as recognised by the Member State.
- **Inland fishing** means fishing activities carried out for commercial purposes in inland waters by vessels or other devices.

- **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 (20).
- **Vessels operating exclusively in inland waters** means vessels engaged in commercial fishing in inland waters and not included in the Union fishing fleet register.

The information provided in this Guidance Note must only be taken as a guide to the grants which are available. The legal basis for the grants is Article 41 of Council Regulation (EC) 508/2014, which can be found at <http://eur-lex.europa.eu/legal-content/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

<b>Article 41.1 Energy efficiency and mitigation of climate change , Energy efficiency audits &amp; schemes and studies, Fishing gear and equipment on board</b>				
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 (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	50 - 100	0- 50	0-50	0-50
2. Project has collective beneficiaries				
3. Project has innovative features (if applicable)				

<b>Article 41. 2 Engine replacements</b>				
Type of Applicant	Grant Rates as Percentages of Eligible Costs			
	Total public money %	EMFF %	National % (SG and Other)	Private %
Public	30	15	15	70
Private	30	15	15	70
Private (non-SME) – 20%	30	15	15	70
Private (SSCF) + 30%	30	15	15	70
Private (organisations of fishermen/collective) +10%	30	15	15	70
Private (POs) +25%	30	15	15	70
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	50 - 100	0- 50	0-50	0-50
2. Project has collective beneficiaries				
3. Project has innovative features (if applicable)				

### **Contact details**

Marine Scotland grants team  
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 Victoria Quay  
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