

Maritime and Fisheries Fund (MFF) (England) – Investment in training and Research

Overview

On the 10 December 2018, the Environment Secretary announced £37.2 million of extra funding to boost the UK fishing industry (£14.7 million for England). This is in addition to the £2 million (£700,000 for England) announced in the Budget on 29 October 2018 for fishing safety projects. The Marine Management Organisation is administering this funding as one £15.4 million programme for England under the Grants for Fishing and Aquaculture Industries Regulation 2015. Applicants will apply for funding for the demand led elements of the programme. Northern Ireland, Scotland and Wales are each running their own programmes to utilise the remainder of the announced funding.

We previously notified this scheme under the Fisheries Block Exemption Regulation (FBER) EU 1388/2014 however we have identified the need to slightly expand the scope of our funding to include funding for training (Article 31) and research and development (Article 30) under the General Block Exemption Regulation (GBER) EU 651/2014.

Title of Aid Measure

Maritime and Fisheries Fund (MFF) (England)

Aims and objectives

This funding scheme is broadly similar to the European Maritime Fisheries Fund (EMFF) through aiming to provide targeted financial support to the seafood sector in England and will be funded entirely by UK (national) funds. As this scheme is not co-funded it will require state aid approval.

The main objectives of this notification is to focus on the delivery of the European Maritime and Fisheries Fund Union Priority 1.

1 - Promoting environmentally sustainable, resource efficient, innovative, and competitive and knowledge based fisheries.

In addition we notified this scheme in October 2019 under the FBER (EC regulation 1388/2014 as amended by EC Regulation 1084 2017), as it was funded by UK (national) funds. The scheme number for this notification is [SA 55624](#). The full scheme will continue to deliver UP1, UP2 and UP5 of EMFF;

2 - Fostering environmentally sustainable, resource efficient, innovative, competitive and knowledge based aquaculture.

5 - Fostering marketing and processing.

Use of GBER

The General Block Exemption Regulation (EC Regulation 651/2014) as amended by EC Regulation 2017 1084) will be used in parallel with the FBER regulation (EC regulation 1388/2014) to deliver state aid compliant funding.

Type of beneficiaries

It is a demand led scheme. Beneficiaries will be known once applications have been received and approved. The notification process will be explained on a public website and when individual measures are to take place details on how to apply will be placed on that website.

National Legal Basis

['Grants for Fishing and Aquaculture Industries Regulation 2015'](#)

"4.—(1) The Marine Management Organisation may pay grants for any of the purposes specified in Title V of the EMFF Regulation."

State Aid

The scheme will operate in accordance with EC Regulation 651/2014 as amended by EC Regulation 2017 (1084).

Measure Type

An aid scheme.

Duration

9th March to 31 March 2022.

Size of Enterprise

This is a demand led scheme, we are expecting applications to include public bodies.

Member State

United Kingdom

Region

England.

Aid Instrument

Grant.

Total Annual Budget for full MFF scheme

2019/20 - £1.55 million, 2020/21 - £7.65 million and 2021/22 – £6.2 million.

Total Budget expected for training and R&D

- Aid for training - £1.5m over three years
- Research and Development – £1.5m over three years

Grant Authority

Marine Management Organisation

Lancaster House

Hampshire Court

Newcastle upon Tyne NE4 7YJ

England

United Kingdom

Objective of the Aid

The scheme is operated in full compliance with the [EC regulation 651/2014](#) and utilises the following articles within that Regulation:

Article 30 – Aid for research and development in the fisheries and aquaculture sector

Article 31 – Aid for training

Aid intensity

The aid intensity for each article differs as below;

Article 30 - The aid intensity shall not exceed 100 % of the eligible costs.

Article 31 - The aid intensity shall not exceed 50 % of the eligible costs. It may be increased, up to a maximum aid intensity of 70 % in specified circumstances.

Article 31 (5) - Where the aid is granted in the maritime transport sector, the aid intensity may be increased to 100 % of the eligible costs provided that the following conditions are met:

- (a) the trainees are not active members of the crew but are supernumerary on board; and
- (b) the training is carried out on board of ships entered in Union registers.

Justification for focus on Union Priorities 1

The total EMFF budget for England is currently £82 million. To the end of December 2019, the European Grants Team (EGT) have committed a total of £79.2million EMFF (97%) has been committed to 1546 projects, with spend of £46.2million (58%) certified for 1173 projects. Of this funding £28.6m is under UP1.

Due to the high demand leading to a lack of available budget, this is where England will be focussing the additional funding. There are a number of areas of the scheme within Union Priorities 1 where a particular focus will be applied. These are;

- Training
- Research and development

Union Priority 1 - Promoting environmentally sustainable, resource efficient, innovative, competitive and knowledge based fisheries

Aid for training (Article 31)

We are keen to ensure that the important health and safety programmes continue within England to ensure that the industry continue to learn and encourage change in behaviours. We envisage that aid for training under GBER will be delivered as a grant to Seafish who run a large number of health and safety training courses in England.

We will also consider other forms of training to public bodies in the fishing and aquaculture sector if there is budget remaining for training

Aid for research and development (Article 30)

Research and studies are an important aspect in ensuring that the industry continues to grow and develop. We want to ensure that public bodies can continue to access funding for research and development purposes.

The eligible costs for article 30 are set out in Article 25 (3)

Notification threshold

This Regulation shall not apply to aid which exceeds the following thresholds:

(n) for **training** aid: EUR 2 million per training project

(i) for aid for research and development:

(i) if the project is predominantly fundamental research: EUR 40 million per undertaking, per project; that is the case where more than half of the eligible costs of the project are incurred through activities which fall within the category of fundamental research;

(ii) if the project is predominantly industrial research: EUR 20 million per undertaking, per project; that is the case where more than half of the eligible costs of the project are incurred through activities which fall within the category of industrial research or within the categories of industrial research and fundamental research taken together;

We anticipate that £1.5m over three years will be spent on training.

We anticipate that over three years £1.5m will be spent on R&D.

Definitions

The definitions as set out in Article 2 of EC regulation 651/2014 will be applied.

Common Fisheries Policy

The beneficiaries of the aid shall comply with the rules of the Common Fisheries Policy (EU 1380/2013) as required under the national legal basis in [‘Grants for Fishing and Aquaculture Industries Regulation 2015’](#)

Transparency of Aid

Aid will be transparent as set out in Article 5 of EC Regulation 651/2014 and provided in the form of grants.

Cumulation

Aid will comply with the cumulation requirements as set out in Article 8 of EC Regulation 651/2014.

Application process

An IT system will be used to submit and process applications. This mirrors the system under EMFF. For applicants this will appear identical to the system used for EMFF and applications will be processed in line with the same principles as under EMFF. Details on MFF, including the application form and accompanying guidance, can be found here:

<https://www.gov.uk/guidance/maritime-and-fisheries-fund-mff-before-you-apply>

Publication and information

The requirements under Article 9 will be complied with through publication of the required information on a website within the timescales set out and in the required format.

Reporting and monitoring

The reporting and monitoring requirements as set out under Articles 11 and 12 of EC Regulation 651/2014 will be applied. This includes provision of an annual report in respect of each whole year or each part of the year of the scheme

Detailed records with the information and supporting documentation necessary to establish that all the conditions laid down in this Regulation are fulfilled will also be maintained. Such records shall be kept for 10 years from the date on which the last aid was granted under the scheme. When requested, the Commission will be provided within a period of 20 working days or such longer period as may be fixed in the request, with all the information and supporting documentation which the Commission considers necessary to monitor the application of this Regulation.

De Minimis

If a project is received that would not comply with this notification and its value is under €30,000, fisheries De Minimis could be used and the Commission would not need to be notified.

Prepared on 03 March 2020 – Defra and Marine Management Organisation.