

Committee on Trade and Environment

GATT/WTO RULES ON SUBSIDIES AND AIDS GRANTED IN THE FISHING INDUSTRY

Note by the Secretariat

Addendum

A. INTRODUCTION

1. This Note has been prepared in response to a request by the Committee on Trade and Environment under item 6 of its work programme. It is an update of Section IV of document WT/CTE/W/80, dated 9 March 1998, which presented an overview of possible subsidies relating to the fishing industry, which were notified under Article 25 of the Agreement on Subsidies and Countervailing Measures (SCM Agreement).

2. The subsidies listed below were notified between March 1998 August 1999. It is useful to repeat here that this list is not exhaustive and is not meant to interpret the notifications. It is therefore recommended to consult the original document for a complete description of the subsidy programmes in question. Moreover, the classification may be arbitrary in some instances: this is due to the fact that the information provided in the notifications does not always permit the nature of the subsidy to be identified.

3. This list is without prejudice to the compatibility of the subsidy in question with the rules of the SCM Agreement, its effect under the Agreement or the nature of the measure. Similarly, this list is not meant to pass any judgement on the effects of those subsidies on fishing resources. The purpose of this compilation is merely to illustrate the types of subsidies notified by WTO Members and to show that the notification mechanism of the SCM Agreement represents a source of transparency in this sector.

B. NOTIFICATIONS OF FISHERIES RELATED SUBSIDIES

1. To the harvesting sector

- "Fisheries Alternative Programme (FAP)": grants and contribution toward eligible costs, loan insurance and interest buy-downs, the objective of which is to "provide financial assistance to projects or activities which lead to the long-term diversification of affected fishery-dependent communities and/or to employments for workers displaced by the downturn in the fishing industry." The assistance may cover activities including "the establishment of new business, expansion or modernization of existing ones, development of new products or services, and the development of business infrastructure to achieve economic diversification or economic expansion in affected fishery-dependent areas of Atlantic Canada." (G/SCM/N/38/CAN)
- "Coastal Quebec": the assistance takes the form of repayable or non-repayable contributions which aim at "speed[ing] up the adjustment and long-term economic development of the

fishing communities most affected by the decline of bottom-living fish stocks." (G/SCM/N/38/CAN)

- Support for costs from damages caused by wild animals: grant paid to support farmers and fishermen for costs connected with the prohibition by law to hunt certain animals. (G/SCM/N/25/EEC, notified by Sweden)
- "Aid for fleet renewal and modernization of fishing vessels": grant allocated to fishing enterprises in order to "strengthen the structure and to develop economically viable enterprises in the sector." Expenditure eligible for aid includes selective gear, RSW tanks, safety equipment, etc. (G/SCM/N/25/EEC, G/SCM/N/38/EEC/Add.14, notified by Sweden)
- "Aid for adjustment of fishing effort": grant whose policy objective is "to achieve a sustainable balance between resources and their exploitation." It is available to fishing enterprises and includes expenditures for "scrapping" and "permanent transfer to third country." (G/SCM/N/25/EEC, G/SCM/N/38/EEC/Add.14, notified by Sweden)
- "Investment aid to fishing port facilities": grant whose policy objective is to "improve and adapt structure in the fisheries sector." The recipients are: local authorities and other public bodies; fishermen and fish processing enterprises connected to harbour; fishing harbour associations. The expenditure eligible for aid are: investments to improve the conditions under which fishery products are landed, handled and stored; investments to support fishing vessels activities; investments to improve the safety during the landing or loading of products. (G/SCM/N/25/EEC, G/SCM/N/38/EEC/Add.14, notified by Sweden)
- "State aid for temporary cessation of fishing activity": grant whose policy objective is "to achieve a sustainable balance between resources and their exploitation." The recipients are fishing enterprises, which can be compensated for "the loss of income associated with a temporary cessation measure introduced as a result of unforeseen and non-recurring circumstances attributable to biological causes." (G/SCM/N/25/EEC, G/SCM/N/38/EEC/Add.14, notified by Sweden)
- "Payment of compensation to producers' organizations": grant whose policy objective is to provide "financial compensation to producers' organizations for losses when fish has been withdrawn from the market." (G/SCM/N/25/EEC, G/SCM/N/38/EEC/Add.14, notified by Sweden)
- "State aid to promote the exports": grant "to promote the exports of fish and fishery products", given in priority to: (i) measures to improve the competence (assess market opportunities, seminars, etc); (ii) common activities abroad, like participation in trade fairs, sales promotion activities; (iii) individual investments within groups of products given special priority (for instance, promotion of products originating from underutilized fish resources). (G/SCM/N/25/EEC, notified by Sweden)
- "State aid for damages to fishing gear": grant, taking the form of an "insurance system", whose policy objectives are, firstly, to provide aid in case of damages caused by severe weather conditions, and, secondly, to provide aid to SMEs. The recipients are fishing enterprises, which can be compensated up to a maximum of 60 per cent of the damage or loss. The expenditure eligible for aid includes "fixed fishing gear used in the salmon or eel fisheries", and, as of August 1994, aquaculture installations. (G/SCM/N/25/EEC, notified by Sweden)

- State aid for re-stocking of fish: grant aimed at increasing stocks of eel and salmonids "for the commercial fisheries in coastal and inland waters." (G/SCM/N/25/EEC, G/SCM/N/38/EEC/Add.14, notified by Sweden)
- "Fishing vessels – permanent cessation": grant given for the decommissioning of fishing vessels, whose policy objective is to help achieve a balance between fleet size and fishing possibilities." (G/SCM/N/25/EEC, G/SCM/N/38/EEC/Add.3, notified by Denmark)
- "Subsidies to small fishing scale coastal on the Northern coast of Western Jutland"(sic): grant given "to secure the fishing possibilities from beaches on the North coast of Western Jutland by maintaining hauling-up winches for vessels." It is allocated to local associations of fishermen. (G/SCM/N/25/EEC, notified by Denmark)
- "Support to the fishing from beaches of Western Jutland": grant given to "secure the fishing possibilities from beaches on the North coast of Western Jutland by maintaining hauling-up winches for vessels." It is allocated "for the hiring of fishing consultants in order to give technical and economic advice to the fishermen." (G/SCM/N/38/EEC/Add.3, notified by Denmark)
- Modernization of facilities in fishing harbours: grant aiming at modernizing and developing facilities for the handling of fish in fishing harbours. (G/SCM/N/25/EEC, G/SCM/N/38/EEC/Add.3, notified by Denmark)
- "Loans to young fishermen": loans granted to young fishermen who buy a fishing vessel for the first time, in order to help them "get started in the fishing sector." (G/SCM/N/25/EEC, G/SCM/N/38/EEC/Add.3, notified by Denmark)
- Supplementary cessation aid for fishermen: grant whose policy objective is to "facilitate retirement from active fishing for owners of and workers on fishing vessels which are decommissioned with governmental assistance." (G/SCM/N/25/EEC, G/SCM/N/38/EEC/Add.3, notified by Denmark)
- "Interest subsidy for investment in the construction of vessels with a length up to 9 metres" – "Interest subsidy for investment in the construction of vessels with a length of 9 to 33 metres": the purpose of these subsidies is "to promote investment in production units in the fishing sector." (G/SCM/N/38/EEC/Add.12/Rev.1, notified by Portugal)
- "Interest subsidy for investment in the transformation or improvement of vessels with a length of less than 9 metres" – "Interest subsidy for investment in the transformation or improvement of vessels with a length of 9-33 metres": the purpose is to "promote investment in production units in the fishing sector." (G/SCM/N/38/EEC/Add.12/Rev.1, notified by Portugal)
- "Interest subsidy for the purchase of machines and other equipment for fishing vessels": the purpose is to "promote the development of the fishing sector." (G/SCM/N/38/EEC/Add.12/Rev.1, notified by Portugal)
- "Interest subsidy for the purchase of fishing devices and tools": the aid is available in cases where the specifications of the devices were reoriented or modified. It does, however, not cover the regular replacement of fishing devices and tools. For the same vessel and the same type of device, only one project can be subsidized in each three-year period. (G/SCM/N/38/EEC/Add.12/Rev.1, notified by Portugal)

- "Interest subsidy for the purchase of second-hand vessels": the policy purpose is to "prevent vessels in good condition from being left idle." The aid is subject to some conditions, *inter alia*: (i) the purchase is accompanied by the modernization or the conversion of the vessel amounting to at least 15 per cent of the vessel's value and intended for: - catching less heavily fished species; - improving fishing operations; - improving the preservation of the catch; - saving energy; (ii) the vessel is the first purchase of a buyer more than 40 years old having the skills necessary to command the vessel and at least three years professional experience; (iii) only one transaction can be subsidized in each seven-year period. (G/SCM/N/38/EEC/Add.12/Rev.1, notified by Portugal)
- "Interest subsidy for the construction or purchase of fishing vessels": the policy objective is to "provide the region [of Azores] with more modern, better equipped and safer vessels with improved working conditions." (G/SCM/N/38/EEC/Add.12/Rev.1, notified by Portugal)
- "Interest subsidy for the modification of fishing vessels": the purpose is to provide the region [of Azores] with more modern, better equipped and safer vessels with improved working conditions." (G/SCM/N/38/EEC/Add.12/Rev.1, notified by Portugal)
- "Interest subsidy for the purchase of machines, fishing devices and tools intended for fishing vessels": the purpose is to provide the region [of Azores] with more modern, better equipped and safer vessels with improved working conditions." (G/SCM/N/38/EEC/Add.12/Rev.1, notified by Portugal)
- "Interest subsidy for investment in the construction, purchase, transformation or conversion of fishing vessels": the policy objective is to "promote investment in production units in the fishing sector" in the Autonomous Region of Madeira. (G/SCM/N/38/EEC/Add.12/Rev.1, notified by Portugal)
- "New support measures for the fishing sector": the policy objective is to promote investment in production units in the fishing sector." (G/SCM/N/38/EEC/Add.12/Rev.1, notified by Portugal)
- Notification of various types of aid granted in the fisheries sector: (i) individual compensatory premiums; (ii) subsidies for the improvement of fishing; (iii) promotion of aquaculture; (iv) marine cultivation plants; (v) reorganization and renovation of the fishing fleet, including building, modernization, definitive stoppage, definitive stoppage in the Basque Country, transfers to Autonomous Regions, temporary stoppage; (vi) conversion of the fishing fleet; (vii) compensatory early retirement as a result of the reorganization of the fishing fleet. (G/SCM/N/38/EEC/Add.13, notified by Spain)
- "Special aid to shipowners and crews affected by the stoppage of fishing": the aid is granted "to owners and crews of fishing vessels fishing cephalopods and trawling for black hake in the Moroccan fishing grounds, under the fishing agreement between the European Union and the Kingdom of Morocco, on account of the biological halt to fishing during March and April 1997." (G/SCM/N/38/EEC/Add.13, notified by Spain)
- "Highland Opportunity Limited": Fishing vessel, fish processing and fish farming loans: discretionary reduced interest loans linked to free technical and business advice, the purpose of which is to "assist the limited financial capacity of SMEs trading as fishing vessels, fish processing and fish farms, thereby improving sustainable regional development opportunities and related employment, particularly in peripheral locations (G/SCM/N/38/EEC/Add.15, notified by the United Kingdom)."

- "Aid to Highlands and Islands fishermen": grants and loans allocated to vessels and/or port infrastructures, in order to "maintain and increase employment and incomes in fragile areas." (G/SCM/N/38/EEC/Add.15, notified by the United Kingdom)
- "Safety improvements of fishing vessels": grants (the amount varies with the size of the vessel) whose purpose is to "enable applicants to make essential improvements in order to obtain Department of Transport Safety Certificate." (G/SCM/N/38/EEC/Add.15, notified by the United Kingdom)
- "The Fish Producer's Organization (Formation Grants) Scheme": grant whose purpose is to "encourage the development of recognised Fish Producers' organizations in the UK and facilitate their operation in the early years." (G/SCM/N/38/EEC/Add.15, notified by the United Kingdom)
- "Relief from excise duty on mineral oil used on commercial marine voyages": "Heavy Oil may be shipped duty-free direct from warehouse to entitled vessel or repayment of excise duty may be claimed on all mineral oil used as fuel on board entitled vessel." (G/SCM/N/38/EEC/Add.15, notified by the United Kingdom)
- "Sea fishing – Repayment of hydrocarbon oil and LPG excise duty in the case of sea fishing": the purpose of the subsidy, which is paid to sea-fishermen, is to "assist the sea-fishing industry." (G/SCM/N/38/EEC/Add.8, notified by Ireland)
- "Financial Instrument of Fisheries Guidance (FIFG) – structural measures in the fisheries and aquaculture sector -, and PESCA – Community Initiative concerning the Restructuring of the Fisheries Sector": The objectives of these instruments are: (i) to contribute to achieving a sustainable balance between fishery resources and their exploitation; (ii) to strengthen the competitiveness of structures and the development of economically viable enterprises in the sector; (iii) to improve market supply and the value added to fisheries and aquaculture products; (iv) to contribute to the revitalization of areas that depend on fisheries. The aid goes to shipowners, enterprises, producer organizations, public and private bodies, professional organizations, cooperatives and fishermen. As for the trade effects, the notification indicates that "[t]he Community has a shortfall in fishery and aquaculture products and is a major importer of those products from non-Community countries. The structural aid has only a very small influence on this situation." (G/SCM/N/38/EEC)
- "Vocation training in the fishing industry": grants available to all domestic fish processing companies. The policy objective of the programme is to "promote the quality awareness and the quality of the working life within the industry with the aim to create better products and make the workers more pleased." (G/SCM/N/48/ISL; see also G/SCM/N/25/ISL - G/SCM/N/38/ISL)
- "Common Organization of the Market in Fishery and Aquaculture Products": the objective is to "stabilize the market, ensure a regular supply of high-quality products, guarantee reasonable consumer prices and support fishermen's incomes." Various mechanisms are used for this purpose: financial compensation, carry-over aid, autonomous withdrawal and carry-over, private storage aid, compensatory payment for tuna supplied to the industry. The beneficiaries are fishermen belonging to producers' organizations." (G/SCM/N/38/EEC)
- "Additional depreciation of fishing boats": tax deferral can be provided to SMEs which meet the following conditions: (i) membership of fishing cooperatives whose plans for structural improvement of small-and medium-sized fishing enterprises are approved by the Minister of

Agriculture, Forestry and Fisheries and (ii) engaging in certain fishing business. The policy objective is "structural improvement of fishing industry." (G/SCM/N/38/JAP)

- "Resource propagation programme for salmon": governmental assistance is granted to "develop hatching and breeding facilities of the Fisheries Cooperatives and the Fishery Production Cooperatives and to promote public activities for preventing illegal fishing, etc ..." The purpose of the programme is to achieve a stable maintenance of salmon resources. (G/SCM/N/38/JAP)
- "Fisheries modernization fund interest subsidy": interest subsidy is allocated in order to facilitate fishermen to make investment for advanced fishery management. The purpose is to "contribute to modernization of fisheries' management." (G/SCM/N/38/JAP)
- "Fisheries trust fund subsidy": the purpose is to "contribute to the management of natural disaster compensation system for fisheries" by covering "part of expenses borne by the Agriculture, Forestry and Fisheries Trust Fund which is necessary for activities of fisheries mutual release associations." (G/SCM/N/38/JAP)
- "Support for the Development of Deep-Sea Fishery": loans are granted to "support the management of deep-sea fishery business" and to provide financial assistance for fishery negotiations such as technical cooperation with foreign countries." Beneficiaries of the support are deep-sea fishermen and the loan is provided "for fishing in foreign territorial waters." (G/SCM/N/48/KOR; see also G/SCM/N/38/KOR)
- "Fund for Supporting Fishing Activities": loans, covering between 20 to 100 per cent of the business operation costs according to the business scale, are granted to coastal and off-shore fishermen, inland and deep-sea business owners. The purpose of the assistance is to "support stable fishing business operation by providing loans at low interest rates as the financial need arises." (G/SCM/N/48/KOR; see also G/SCM/N/38/KOR)
- "Transport support": grant distributed to sales organizations and whose policy purpose is to support transport in order to facilitate implementation of fisheries activities in specific regions. (G/SCM/N/38/NOR)
- "Support for specific fisheries": grant paid to sales organizations and given to "specific fisheries for the purpose of converting to more profitable operations." (G/SCM/N/38/NOR)
- "Interest rate subsidies for fishing vessels for domestic deliveries: long term financing and construction loans": the subsidy takes the form of an interest rate and construction loan. It is paid to ship owners or to yards and its policy objective is the "modernization of fishing vessels." (G/SCM/N/38/NOR)
- "Support to fishing vessels for domestic delivery: contract subsidies and construction loan subsidies": a grant is allocated to the ship owner. The purpose is the "modernization of the fishing fleet." (G/SCM/N/38/NOR)
- "Grant for building or purchase of vessels to the County of Finnmark": grant can be paid to buyers of builders of fishing vessels in Finnmark. (G/SCM/N/38/NOR)
- "Support to long-line baiting facilities": members of organized long-line baiting facilities can receive grants, the purpose of which is to ensure "structural support to the fisheries sector in certain regions." (G/SCM/N/38/NOR)

- Financial support for interest on bank loans for business entities active in the agriculture and food sector, in particular those entities engaged in the "purchase and storage of produce and sea fish." (G/SCM/N/25/POL)
- "Support for Special Economic Zones – Special Economic Zone of Słupsk": entrepreneur having permission to operate in this zone may benefit from various forms of assistance, in particular the full or partial exemption of income tax. The purpose of the programme is to create jobs and make use of "non-used natural resources with maintaining environmental balance and use of the existing assets and economic infrastructure." The notification specifies that "[t]aking into account the specific features of the region, where plants on low process level prevail, development of new technologies for food processing, particularly fish, and development of furniture production are preferred. [...]" (G/SCM/N/38/POL)
- "Decree 97/2 of the Money-Credit and Coordination Council": export subsidy aiming at developing Turkey's export potential in agricultural products. The subsidies are given to "producers/exporters or exporters by deducting their debts (taxes, social insurance premium costs, energy costs, telecommunication costs) to the public corporations from the subsidy amounts they acquire." Prepared or preserved fish are eligible to receive the subsidy. (G/SCM/N/38/TUR/Suppl.1/Rev1; see also G/SCM/N/16/TUR – G/SCM/N/25/TUR)
- "Commercial fishing exemption from deficits reduction rate component of excise tax on motor fuels": the aid takes the form of an exemption from otherwise applicable deficit reduction excise tax rate on motor fuels. It is paid to commercial fishermen, who can purchase untaxed diesel fuel or can receive a refund or any taxes paid on gasoline used in commercial fishing boats. The purpose is to "treat fishermen comparably to farmers in the provision of a partial exemption from the motor fuel excise tax for fuel consumed in the course of business." (G/SCM/N/25/USA; G/SCM/N/3/USA/Suppl.1, G/SCM/N/16/USA/Suppl. 1, G/SCM/N/25/USA/Suppl. 1, G/SCM/N/38/USA)
- "Commercial Fishing Vessels Fuels": state-level measure (Hawaii) which is an income tax credit paid to operators of commercial fishing vessels. (G/SCM/N/3/USA/Suppl.1, G/SCM/N/16/USA/Suppl. 1, G/SCM/N/25/USA/Suppl. 1, G/SCM/N/38/USA)
- "Industrial Machinery and Equipment": state-level measure (North Carolina) taking the form of a tax exemption (state sales and use taxes) for commercial fishing. (G/SCM/N/3/USA/Suppl.1, G/SCM/N/16/USA/Suppl. 1, G/SCM/N/25/USA/Suppl. 1, G/SCM/N/38/USA)
- "Business Retention Service": state-level measure which takes the form of technical assistance and grants (for feasibility studies) and which is granted by preference to firms in forestry and fishing. (G/SCM/N/3/USA/Suppl.1, G/SCM/N/16/USA/Suppl. 1, G/SCM/N/25/USA/Suppl. 1, G/SCM/N/38/USA)

2. To the shipbuilding industry

- "Aid to shipbuilding": the aid takes the form of a direct subsidy, interest subsidy or guarantees, and is paid in particular for fishing boats. (G/SCM/N/38/EEC/Add.2, notified by Belgium)
- "Reduction in Local Taxation on Building and Acquisition of Vessels for Deep-Sea Fishery": the aid takes the form of a tax concession provided to builders or importers of (i) international line vessels run by maritime transportation or ship lease corporations, and (ii) licensed ocean

fishery vessels. Its policy objective is to "decrease transportation costs and to lower prices of importing and exporting goods." (G/SCM/N/38/KOR)

- "Local Tax Reduction for Building and Acquisition of Deep-Sea Fishing Vessels": the assistance takes the form of a tax reduction, the policy objective of which is to "reduce the tax burden on building and acquisition of international line vessels." (G/SCM/N/48/KOR)

3. To the industry engaged in processing and/or sale of wild-harvested fish

- "Investment aid for processing and marketing": grant available to the processing industry in order to "improve the structure and to develop economically viable enterprises in the sector and to improve market supply and value added to aquaculture and fisheries products." It covers: the construction and acquisition of buildings and installation; the acquisition of new equipment needed for processing and marketing; the application of new technology; investments to improve product quality and to reduce pollution. (G/SCM/N/25/EEC, G/SCM/N/38/EEC/Add.3, notified by Sweden)
- "Aid to promote development of agricultural and fishery products": grant aiming at promoting the development of activity in primary agriculture and the manufacturing sectors of agriculture and fisheries. It is given to support the development of processed products in the agricultural and fishing industry as well as the marketing of products from the primary agricultural sector and the agricultural and fishery sector. (G/SCM/N/25/EEC, G/SCM/N/38/EEC/Add.14, notified by Denmark)
- "Modernization and new construction of fishing vessels": subsidy (grant) given in relation to relevant capital investment. Its purpose is to "modernize the fishing fleet, and thereby improve the efficiency, quality and utilization of resources in the fisheries sector." (G/SCM/N/25/EEC, G/SCM/N/38/EEC/Add.3, notified by Denmark)
- "Structural aid to fish-processing industry": grant aiming at "improving the efficiency, quality and utilization of resources in plants dealing with the processing and storage of fish and fishery products for direct human consumption." (G/SCM/N/25/EEC, G/SCM/N/38/EEC/Add.3, notified by Denmark)
- "Highland Prospect Limited: Fish processing and fish farming loans": the subsidy takes the form of a discretionary reduced interest loans linked to free technical and business advice and its purpose is to "assist the limited financial capacity of SMEs trading as fish processing and fish farms, thereby supporting sustainable regional development opportunities and related employment, particularly in peripheral locations." (G/SCM/N/38/EEC/Add.15, notified by the United Kingdom)
- "Support for Fish Products Processing Development": grants or loans are allocated to companies engaged in constructing facilities for handling, storing and processing fish, in order to "develop new fishery products, increase the production of fishery products and modernize the storage and processing facilities." (G/SCM/N/48/KOR; see also G/SCM/N/38/KOR)

4. Other subsidies related to the fishing industry (R&D, marketing, aquaculture, for instance)

- "Investment aid to aquaculture enterprises": grant whose purpose is to "improve the structure and to develop economically viable enterprises in the sector [of aquaculture]."

Expenditure eligible for aid include: "the construction, modernization and acquisition of buildings; investments to improve the product quality and to reduce pollution; the acquisition of new plant and machinery." (G/SCM/N/25/EEC, G/SCM/N/38/EEC/Add.14, notified by Sweden)

- "Investment for protection of coastal waters": grant whose recipients are "public institutions or bodies designated for that purpose." The purpose is to "achieve a sustainable balance between resources and their exploitation." The grant is eligible for "investments to improve water circulation" and for "restocking of species of importance for the coastal fishing." (G/SCM/N/25/EEC, notified by Sweden)
- "Aid for promotion/marketing": grant "to improve market supply and the value added to fisheries and aquaculture products." It is available to public bodies, fisheries interests associations and private contractors and covers expenditure for "consumers surveys and markets studies, promotion campaigns, organization of and participation in trade fairs, consumption advice, services and advice to wholesalers and retailers." (G/SCM/N/25/EEC, G/SCM/N/38/EEC/Add.14, notified by Sweden)
- "Aid to studies and pilot projects": grant available to universities, public and private institutions and enterprises, whose policy objective is to "improve and adapt structures in the fisheries and aquaculture sector." The result of the study or the pilot project should be of value for the Industry and must be published and made accessible to the public. (G/SCM/N/25/EEC, G/SCM/N/38/EEC/Add.14, notified by Sweden)
- "Aid to measures undertaken within the Community Initiative Pesca": aid granted in order to further the objectives for the Community Initiative Pesca, as they are stipulated in the Commission's notice to Member States (94/C 180/01). The expenditures eligible for aid include "diversification of activities in eligible areas, business services, maintenance and creation of jobs, specific project of a general and/or transnational nature in the fisheries sectors." (G/SCM/N/25/EEC, G/SCM/N/38/EEC/Add.14, notified by Sweden)
- "Aid to research and development within the fishing sector": grant to "develop fishing gear with improved selectivity and to improve techniques for the processing of herring and develop new products of herring." The aid is given to basic research and development. Moreover, the research and development results must be published and be accessible to the public and frequent co-operation with a research institute is a prerequisite. (G/SCM/N/25/EEC, G/SCM/N/38/EEC/Add.14, notified by Sweden)
- "Public Agricultural and Fisheries Research Institutions": funding of these institutions on a permanent basis. Among them, the Institute of Agricultural and Fisheries Economics, which conduct research on agricultural and fisheries economic conditions, and the Danish Institute for Fishing Research, which "conduct research of importance to the Fisheries sector." (G/SCM/N/25/EEC, notified by Denmark)
- "Subsidies for consultant activity for fishermen and aquaculture producers": grant which allows associations of fishermen and aquaculture producers to hire consultants who can give them technical and economic advice. (G/SCM/N/25/EEC, G/SCM/N/38/EEC/Add.3, notified by Denmark)
- "New building schemes for fishing vessels": grants providing a subsidy of 30 per cent of the investment cost, whose policy purpose is to "secure a competitive renewal of the fishing fleet." (G/SCM/N/38/EEC/Add.3, notified by Denmark)

- "Development of the aquaculture industry": grant given in relation to relevant capital investments, aiming at the modernization and development of aquaculture plants. (G/SCM/N/25/EEC, G/SCM/N/38/EEC/Add.3, notified by Denmark)
- "Market promotion for fishery and aquaculture products": grant allocated to projects regarding for instance "research of the market for fishery and aquaculture products", with the objective of promoting "new markets outlets" for those products. (G/SCM/N/25/EEC, G/SCM/N/38/EEC/Add.3, notified by Denmark)
- "PESCA": grants are allocated, co-financed with the EEC, with the aim of "modernizing and restructuring the fisheries sector and to develop other sectors in regions dependant of the fisheries sector." (*sic*) (G/SCM/N/38/EEC/Add.3, notified by Denmark)
- "Grants towards fish farming (Northern Ireland)": the purpose of the subsidy is to "encourage the establishment of fish farms and hatcheries which supply fish for the table. The scheme assists the trout and salmon farming industry and encourages the development of mariculture, e.g. oysters and mussels." (G/SCM/N/38/EEC/Add.15, notified by the United Kingdom)
- "Aid to Highlands and Islands fish farmers and processors": grants and loans whose aim is to "maintain and increase employment and incomes in fragile areas." (G/SCM/N/38/EEC/Add.15, notified by the United Kingdom)
- "The Borders Enterprise Fisheries Aid Programme": grants and loans are allocated to various projects, such as: (i) schemes which will improve the quality of all aspects of the fish industry, including fish handling, grading, selling and processing; (ii) finding new markets for fish products, the fish processing industry and services provided by ancillary trades; (iii) studies into the opportunities for the fishing of new species, the potential for increasing shellfish production, the future prospects of the fishing industry, etc.; (iv) support schemes for trade promotions, marketing, exhibition and events, etc.; (v) educational initiatives aimed at maintaining the supply of the labour forces and increasing the awareness of the opportunity for employment in the fishing industry in the context of enterprise awareness training; (vi) support to assist firms in accessing the capital market for investment purposes; (vii) small scale infrastructure projects in support of the fishing sector. (G/SCM/N/38/EEC/Add.15, notified by the United Kingdom)
- "Support for R&D in marine aquaculture": grants are awarded in order to "enhance scientific knowledge in marine aquaculture." (G/SCM/N/48/ISL)
- "Support for developing Aquaculture Fishery": loans are granted to fishermen engaged in aquaculture. The purpose of this assistance is to (i) promote the development of aquaculture fishing to ensure stable supply of fishery products and develop income sources of fishermen in response to changes in fishing environment, such as the fishery agreement between Japan and Korea, and (ii) to develop near-sea fisheries into aquafarms of high productivity and thus increase fishermen's income." (G/SCM/N/48/KOR; see also G/SCM/N/38/KOR)
- "Research fishery": grants can be allocated to the fishing fleet and to research institutions. The primary objective of this assistance is research in fishery; the secondary objective is the "development of fishing gear of better selective characteristics." (G/SCM/N/38/NOR)

C. ADDITIONAL INFORMATION

4. Under Article 25.8 of the SCM Agreement, a Member can, at any time, request in writing information on the nature and extent of a subsidy granted or maintained by another Member, or for the reason for which a specific measure has not been notified. Additional information on fishery-related subsidies can be found in the written answers submitted pursuant to this procedure (doc. series G/SCM/Q2/...).

- Doc. G/SCM/Q2/EEC/16 contains additional information on various notifications made by the European Community and its Member States.
 - Docs. G/SCM/Q2/KOR/18 and G/SCM/N/Q2/KOR/20 contain additional information on notifications made by Korea in document G/SCM/N/38/KOR. In document G/SCM/Q2/KOR/20, Korea notes in particular that: "[S]ome argue that subsidies provided across the fishing and forestry industries are specific. However, according to the UN industry classification scheme, fishing and forestry industries are separate industries independent of agricultural or manufacturing industry and subsidies that benefit an entire industry should not be considered to be specific. [...]."
 - Doc. G/SCM/N/Q2/JPN provides additional information on the notifications presented by Japan in document G/SCM/N/3/JPN/Rev.12.
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