

Structural Policy

While awaiting a CFP, the Commission put forward various ad hoc mechanisms to cope with immediate structural problems. The most important of these was the 'interim common measure for restructuring the inshore fishing industry and developing aquaculture'. This measure, adopted in 1978 and regularly renewed until 1983, provided for Community financial contributions to projects for modernizing or building inshore vessels and for developing aquaculture. The Commission also made grants for projects to improve processing and market installations. Community financial contributions ranged from 25%, to 50% in priority regions.

In the decade to 1982, the Community granted well over 100 million ECU's, ⁶⁾ from FEOGA, ⁷⁾ for the construction and modernization of inshore vessels. Almost 40% went to projects in the United Kingdom. Iceland, France and Italy were also major recipients.

When the Community's 200 mile fishery zone was established, two states, Ireland and Denmark, received financial contributions from the Community because of the vast sea areas falling within their jurisdiction. In the case of Ireland, this was extended to the beginning of 1985.

Another aspect of the Community's structural policy is the scrutinizing of state aids in the fishery sector to ensure their compatibility with the EEC Treaty. The Treaty prohibits aids which distort or threaten to distort competition. Notwithstanding, the Commission decided, in 1982, to investigate five cases of non-compliance. One was the long-standing French fuel subsidy which is still in effect.

It was not until October, 1983, some 10 months after the adoption of the CFP, that a comprehensive structures package was agreed upon.

The new package included three main sets of measures as described below:

i) Capacity Adjustment

This includes measures to adjust capacity in the fisheries sector (decommissioning grants and laying-up grants). EEC