



AXIS 4

A START UP GUIDE FOR FISHERIES LOCAL ACTION GROUPS

Sustainable Development of
Fishery Dependent Areas



INTRODUCTION¹

Priority Axis 4 of the European Fisheries Fund (EFF) represents a new departure for structural aid in the fisheries sector. Unlike previous programmes Axis 4 focuses on the sustainable development of fisheries *areas*. This area-based approach was introduced into the EFF for the first time in the period 2007–2013 and reflects the complex and rapidly-changing forces affecting fisheries areas and communities. In many cases these cannot be dealt with by traditional policies and tools on their own.

Central to this area-based approach is the argument that the EU *“must be able to provide accompanying measures in conjunction with the conversion of areas affected by the restructuring of the fisheries sector”*. Axis 4 provides the EFF with such measures, while the area-based approach means that solutions can be adapted to the different situations and problems that exist in different parts of the country.

In some respects Axis 4 may appear similar to other initiatives and some of the actions carried out may prove similar to those implemented under other schemes. However, the crucial difference between Axis 4 and other elements of the EFF lies not so much in the individual actions undertaken but in the way in which these actions are implemented and linked together, both in the fisheries area and by the fishing communities themselves. In this respect Axis 4 is similar to the Leader ‘area-based approach’ to development in rural areas.

Axis 4 seeks to go beyond merely tackling the short term effects of the economic, social and environmental consequences of the depletion of fish stocks. Its purpose is to enable fisheries communities to create new and sustainable sources of income and to improve their quality of life. It does this by empowering local people, those who best understand both the problems and the aspirations of fisheries communities – providing them with the tools and resources to develop and adapt solutions to meet their real needs.

The central principles of the approach are driven by the diversity of fisheries areas and situations that exist throughout the EU as well as the principle of subsidiarity. This means empowering *local* people to become the drivers of *local* development. Assistance under Axis 4 is designed to form part of an integrated local approach centred on a local development strategy which is adapted to the local situation. *Its design and implementation will be as decentralised as possible, coordinated by a partnership of local actors from the public, private and community sectors that have come together to form a FLAG or, in some cases, a local committee.*

The overall approach can be characterised by three main and interlinked strands:

- a) the territory or area,
- b) the group or partnership, and
- c) the integrated local development strategy.

¹ Adapted from Farnet Guide 1 Area-based Development in EU Fisheries Areas. European Commission 2010

This territorial development approach fundamentally changes the way in which local areas, partnerships and strategies are perceived and defined. It is no longer enough merely to start from



fixed administrative boundaries, consider the needs or problems in deficit terms and look for someone (usually an outside agency) to fill the gap by distributing public funds. The cycle has to start with a positive vision and strategy for what the area could become in the future. This is backed up by an active alliance of local stakeholders working together to achieve shared goals.

The precise boundaries of the territory then depend on what they want to achieve and with whom. The territories that result are defined as functional and coherent areas, where people are bound by common or shared elements; they become “project-based regions” and the territory itself is seen as an active learning organisation.

THE LEADER APPROACH

Since it was launched in 1991, the Leader Community Initiative has been working to provide rural communities in the EU with a method for involving local partners in steering the future development of their areas. The Leader approach is based on the premise that, given the diversity of European rural areas, development strategies are more effective and efficient if decided and implemented at local level by local actors, accompanied by clear and transparent procedures, the support of the relevant public administrations and the necessary technical assistance for the transfer of good practice. Seven key features summarise the Leader approach:

- a) Local public-private partnerships or local action groups ;
- b) Area-based local development strategies ;
- c) Bottom-up elaboration and implementation of these local strategies ;
- d) Integrated and multi-sectoral actions;
- e) Innovation ;
- f) Networking ;
- g) Cooperation.

These key features will be central to the delivery of Axis 4 in Ireland.

RATIONALE

According to the 2002 Census, 18% of Ireland’s population live in rural, coastal areas. Census data for districts with fishing ports and aquaculture operations has been examined over a number of criteria (unemployment, migration, education, age dependency and employment) to compare these areas with national figures. The results of this analysis highlight the contribution of the seafood industry in coastal areas. For example, the Irish seafood sector currently has an annual estimated sales value of €700 million and employs 11,000 people mostly in peripheral coastal communities. While the sector faces major immediate challenges, the potential exists to capitalise on strong demand to increase revenue to €1 billion and employment to 14,000 full-time equivalent jobs by 2020 in sea fisheries and aquaculture, with a 78% increase in aquaculture volume production.

WHAT DOES FISHERIES “AREA” MEAN IN THE CONTEXT OF THE EFF?

Axis 4 of the European Fisheries Fund is different from the rest of the fund in that it targets fisheries *areas* rather than just the fisheries *sector*. This is reflected in its title ‘Sustainable development of fisheries Dependant Areas’ and article 43.3 of the EFF which specifies that areas selected for assistance should be *limited in size* but should also be *sufficiently coherent from a geographical, economic and social point of view*. In particular assistance should target areas with *low population density, areas where fishing is in decline, and small fisheries communities*.

In Ireland, we are keen to ensure that the benefits of Axis 4 are available to all fishing communities meeting the eligibility criteria of the EFF. So while towns and cities with a population in excess of 15,000 and projects located more than 10 kilometres from the sea are explicitly *excluded* under the terms of the regulation, the vast majority of our coastline is included.

Inclusion can be achieved through a structured approach to Axis 4 delivery. Central to this is the Fisheries Local Action Group, or FLAG: a local partnership or group involving key actors in the given local fisheries area brought together to develop and implement strategies at a local level. Prior experience – including Leader – has shown that when convening these groups it is essential to strike the correct balance between too fine a scale and too coarse a scale. Too fine and there is the risk of a multitude of FLAGs, spread along the coast, creating an unwieldy administrative overhead. Too coarse and the true sense of a local partnership may be lost.

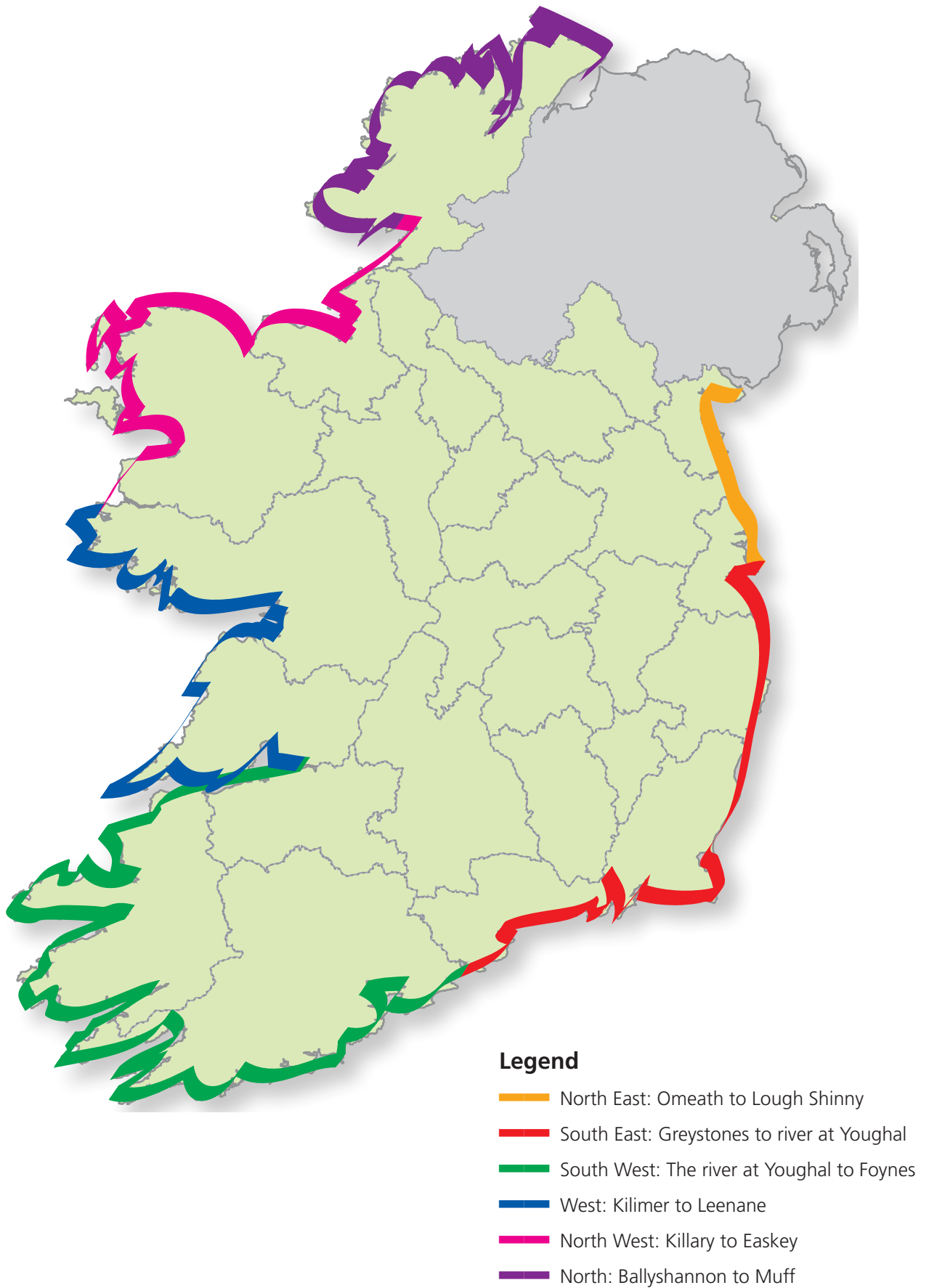
In Ireland Axis 4 will develop around 6 FLAGs chosen to reflect contiguous stretches of coastline with broadly similar backgrounds and local issues. For convenience these are referred to as regions:

Region	Boundaries
North East	Omeath to Loughshinny
South East	Greystones to the river at Youghal
South West	The River at Youghal to Foynes
West	Kilimer to Leenane
North West	Killary to Easkey
North	BallyShannon to Muff

To support the effective operation of Fisheries Local Action Groups, two other groups are included in Ireland’s strategy. The first of these is the National Implementation Board which is responsible for *inter alia* the co-ordination of FLAGs at a national as well as networking at a European level, approving integrated local strategies, and oversight of the Axis 4 process. The final group envisaged is the local committee. This will operate at a more local level than the FLAG – a priority sub area within a FLAG - and will be primarily responsible for project development and implementation.

Axis 4

Fisheries Local Action Groups



FLAGS: Function, Objectives & Composition

Fisheries Local Action Groups will be the main drivers of Axis 4. These are the groups that will

- develop and implement integrated local development strategies - *STRATEGY*
- approve or reject projects delivered under Axis 4 - *DECISION MAKING*
- provide the administrative support base for of Axis 4 delivery - *ADMINISTRATION*

Fisheries Local Action Group will aim to achieve the following objectives

1. To enhance the economic and social prosperity of the areas concerned and to add value to fisheries products;
2. To maintain and support job creation in the areas concerned through support for diversification and the economic and social restructuring of areas facing socio-economic difficulties as a result of changes in the fisheries sector;
3. To promote the quality of the coastal environment

Fisheries Local Action Group will consist of a Board, made up of public and private partners from the various local socio economic sectors, selected according to the principle of proportionality.

The precise composition of FLAGS will be decided, where necessary, on a case-by-case basis, bearing in mind local circumstances. In general the following guidelines will be taken into account:

- a) FLAGS will consist of a Chairman and a minimum of 10 ordinary members. The role of the Chairman is to provide leadership and guidance to the FLAG and to act as a 'driver of success'.
- b) In respect of decision making, the Chairman will at all times seek to establish consensus within the FLAG, but will, where necessary, accept a majority decision of the ordinary members, or in the event of a tied decision, exercise a casting vote.
- c) The balance of public to private members of the FLAG will be taken in to account and, in general, public representative should not occupy more than 40% of the ordinary positions.
- d) Gender balance will be respected by FLAGS and, in general, this balance will not be less than 30%.
- e) The representation of local, relevant, socio economic sectors is essential to the functioning of FLAGS and these representatives will be allocated not less than 60% of the ordinary positions.

FLAGS: Integrated Local Development Strategies

Assistance under Axis 4 is designed to form part of an integrated approach centred on a development *strategy*, adapted to the local situation. In every case, therefore, one of the first tasks of the FLAG is to oversee the production of an integrated local development strategy for its area. Strategies will be developed such that they are:

- a. *INTEGRATED*: Integrated and based on interaction between actors, sectors and operations and go beyond a mere collection of operations or a juxtaposition of sectoral measures.
- b. *CONSISTENT*: Consistent with the needs of the fisheries area particularly in socio-economic terms -
- c. *SUSTAINABLE*;
- d. *COMPLEMENTARY*: The must complement other interventions made in the area concerned.

Integrated Local Development Strategies are intended to draw from the regional priorities including the National Development Plan, CFP *etc.* They are also intended to address identified local needs, and should seek to consolidate and complement the existing activity of local groups and strategic partners. Thus the FLAG will, in the first instance, develop its strategy by calling for submissions from all interested actors within the Region. Finally the strategy should bring forward new means of achieving sustainable development by comparison with previous practice and mainstream programmes in the area.

FLAGS: Priority Areas & Local committees

If the central principle of Axis 4 is empowering *local* people to become the drivers of *local* development and if the cycle of development envisaged is to start with a positive vision and strategy for what an area could become in the future *then* the precise boundaries of the development “territory” will depend on what local people want to achieve and with whom. Indeed the territories that emerge when an integrated local development strategy is completed (and projects start coming forward for funding) may not be evident at the start of the process. But if we get the process right then these territories will be functional and coherent areas, where people are truly bound by common or shared elements. They become “project-based regions” and the territory itself becomes an active learning organisation.

As part of ensuring a truly integrated local delivery of Axis 4, FLAGS may identify specific sub-areas (Priority Areas) within their region wherein up to 70% of their operational budget may be concentrated. Overseeing project development and delivery at this level is the local committee.

- The local committee operates at a more local level than the FLAG - it operates at a priority sub area level *within a FLAG* and is primarily responsible for project development and implementation.
- The local committee is expected to bring forward integrated strategic plans for its area that will become essential elements of the strategic plan of the FLAG.
- The local committee may be represented on the FLAG and thus have a direct say in what projects are approved both in its direct area and the wider area covered by the flag.

Funding Axis 4 projects: Fisheries Local Development Measure

The Fisheries Local Development Measure is basis of all grant aid dispersed by FLAGs. While the European Fisheries Fund sets out the areas that may be funded through Axis 4, it is a matter for the FLAG, based on their integrated local development strategy, to determine the priorities for funding in their area. Each FLAG will do this by way of its Fisheries Local Development Measure. This is the brochure setting out the priorities, the terms and conditions, the selection criteria *etc* as well as the application form for operations financed within a region/priority area that give affect to the integrated local development strategy.

Article 44 of the EFF sets out the eligible measures where support for sustainable development of fisheries areas may be granted. These include (*inter alia*)

- a) Strengthening the competitiveness of fisheries areas.
- b) Restructuring and redirecting economic activities, in particular by promoting eco-tourism, provided that these activities do not result in an increase in the fishing effort.
- c) Diversifying activities through the promotion of multiple employment for fishers through the creation of additional jobs outside the fisheries sector.
- d) Adding value to fisheries products.
- e) Supporting small fisheries and tourism related infrastructure and services for the benefit of small coastal communities.
- f) Protecting the environment in fisheries areas to maintain its attractiveness, regenerating and developing coastal hamlets and villages with fisheries activities and protecting and enhancing the natural and architectural heritage.
- g) The EFF may also finance (up to a maximum of 15% of the priority axis involved) measures such as the promotion and improvement of professional skills, worker adaptability and access to employment, particularly in favour of women, provided that these measures are an integral part of a sustainable development strategy.

What exactly one allows – within the parameters of the EFF as well as any parameters agreed nationally – and the priority each has with respect to the rest are the basis of the Fisheries Local Development Measure. For example, beneficiaries of support provided for in points (b), (c) and (g) must be either workers in the fisheries sector or persons with a job linked to the sector.

National Implementation Board (NIB): Function, Objectives & Composition

The final body envisaged in Ireland's strategy for Axis 4 is the National Implementation Board (NIB). The most important role of NIB is to provide oversight and governance to the Axis 4 process. It will do this by providing a forum that brings together representatives of the FLAGs along with all the strategic partners involved in the process, including public and other national bodies. Because it looks across all of the FLAGs the NIB will ensure consistent implementation of Axis 4 by Fisheries Local Action Groups; it will facilitate and encourage the exchange of experience and best practice; it will stimulate co-operation between Groups and will disseminate information. More specifically the tasks set for the National Implementation Board are:

- To approve integrated local development strategies produced by FLAGs.
- To approve the priority areas selected by FLAGs as part of their integrated local development strategy.
- To approve the specific strategies for these priority areas.
- To approve the scope and priorities set out in the *Fisheries Local Development Measure* for each FLAG.
- To approve the scope and priorities for additional schemes, common to all FLAG's.
- To provide appeals mechanism to any disputed decision of a FLAG.
- To approve the annual budget of each FLAGs.
- To review progress reports from FLAGs.
- To co-ordinate representation of Ireland's FLAG's at European fora.

Composition of the National Implementation Board (NIB)

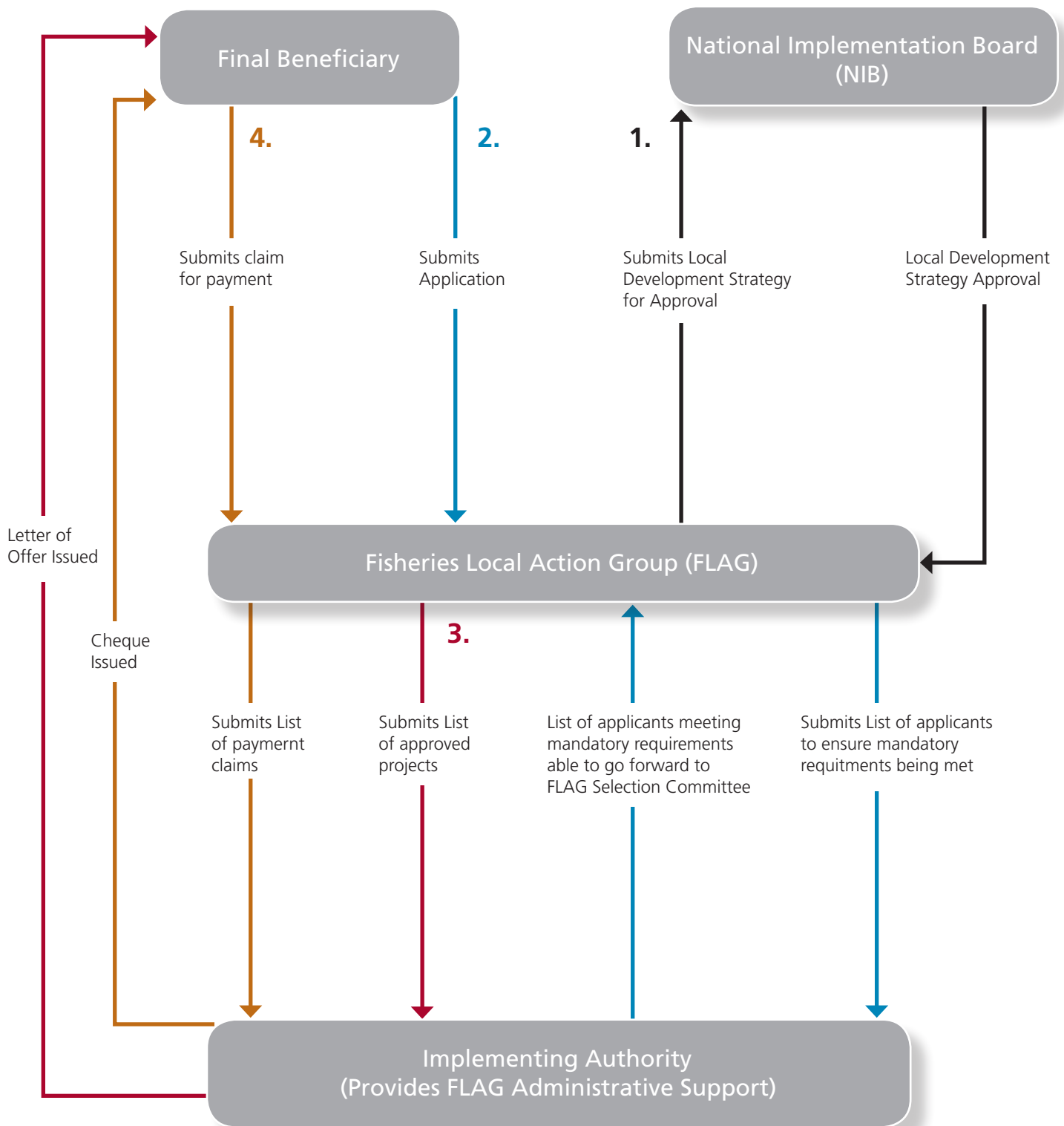
- a) The National Implementation Board will consist of a Chairman and a minimum of 10 ordinary members.
- b) In respect of decision making, the Chairman will at all times seek to establish consensus, but will, where necessary, accept a majority decision of the ordinary members, or in the event of a tied decision, exercise a casting vote.
- c) NIB will ensure an appropriate balance of public to private members.
- d) NIB will ensure appropriate gender balance.

Following approval by the Operational Programme Monitoring Committee, the first National Implementation Board was established on the 12th of March 2012. This Board will serve, in the first instance, for 1 year. At the end of this period private members of the Board will be replaced by nominees of the 6 regional FLAGs.

Role of BIM

BIM is the Implementing Authority for the European Fisheries Fund in Ireland. As such it retains responsibility for the overall administration of the Axis 4 programme. As such BIM will *inter alia*;

- Produce the procedures manual for financial management of the Programme.
- Manage the overall budget of the programme,
- Co-ordinating the formation of FLAGs and, as appropriate, serve as first interim chairman.
- Provide the secretariat to the National Implementation Board.
- Ensure that operations financed by FLAGs are consistent with integrated local development strategies.
- Process grant claims.
- Carrying out periodic audits on the programme.
- Report on the progress of the programme to the Monitoring Committee.



Stage 1 – Strategy Approval Process

Stage 2 – Application Process

Stage 3 – Approval Process

Stage 4 – Payment Process

