

## Brexit Adjustment Reserve

# Brexit Fisheries Co-operative Transition Scheme

## Scheme Description



### EUROPEAN UNION

This measure is part-financed  
by the European Maritime  
and Fisheries Fund



An Roinn Talmhaíochta,  
Bia agus Mara  
Department of Agriculture,  
Food and the Marine



Ireland's European Structural and  
Investment Funds Programmes  
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and the European Union

## Document Control

Version	Main changes	Approver	Approval/Effective Date (Initials & Date)
1.0	Initial draft	Director Corporate Services	FH 31 <sup>st</sup> Oct 23
1.1	Amendment to the Scheme Application Form Link	Director Corporate Services	

## Document Purpose

The purpose of this document is to provide information regarding the scheme to those who might be interested in applying.

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## Background

The Fisheries Co-operatives form an integral part of the Irish seafood sector. They provide an essential service for fishing vessels and provide significant employment in the coastal communities. The Co-operatives provide benefits for their member vessels, external vessels, and a myriad of Irish businesses which gain directly and indirectly from the catching and sale of fish through Irish Co-operatives.

As a result of Brexit, the Co-operatives have been directly and significantly impacted by the quota transfers under the Trade and Cooperation Agreement (TCA). Their sales have been and will continue to be impacted by the loss of quota available to their member vessels. Due to ongoing and necessary tie-up periods for the fleet and transformational changes across the seafood sector still being in progress in 2022, the Co-operatives continued to experience unusually high losses. Relative to the reference period (2019), there has been an overall reduction in collective revenue of around €10-12 million, translating to a loss in commission of almost €1 million in 2022.

## Scheme Objectives

The scheme objective is to provide an additional and final round of support for the Co-operatives covering 2022 losses. This will allow these organisations to transition, as other TCA related schemes targeted at other segments of the seafood industry begin to have the desired outcomes of transformational change in 2023. The impact of this transformation will provide new market opportunities and allow the Co-operatives to finalise the re-configuring and re-structuring of their businesses to the current post-Brexit trading environment.

## Scheme Description

The scheme will operate in 2023 only.

The main elements of the scheme are as follows:

1. The scheme would support the Co-operatives through the provision of short-term support aid, to offset the reductions in sales experienced in 2022.
2. The payments under the scheme would be calculated based on the reduction in fish sales for the Co-operative's boats for 2022 compared to the same period in 2019.
3. The payment would be based on 7.5% (Co-op Commission taken from landings) of the reduction in fish sales (i.e., turnover) for the Co-operative's boats compared to 2019. This will be verified by audited accounts.
4. Evidence to establish a causal link between the reduction in sales is directly linked to quota transfers under the TCA as well as evidence of the difficulties in market access and trading conditions. This will be verified through the provision of sales notes documentation by stocks.
5. A signed declaration by the directors of the Co-operative and an external accountant to verify that the business is commercially viable and not in financial difficulty.
6. A signed declaration that the Co-operative has no director or shadow director or other officer who has a conviction for an offence concerning professional misconduct, fraud, corruption, involvement in a criminal organisation, theft, money laundering or any other illegal activity where such illegal activity is detrimental to the European Union's financial interests.

7. Evidence that the directors of the Co-operative have not taken dividends/payments to deliberately reduce turnover.
8. A signed declaration that any payment received will not be distributed back to the member vessels but used solely for the operation of the Co-operative.
9. Payments are capped at a maximum of €250,000 per qualifying Co-operative.

## Who is Eligible?

This scheme is open to Fisheries Co-operatives, registered with the Registrar of Friendly Societies, whose premises are approved by the Sea-Fisheries Protection Authority under Regulation (EC) No 853 / 2004, and that are primarily focused on TCA quota stocks and are reliant on the commission earned from landings of their members' vessels for revenue. For the purposes of this scheme a co-operative is considered to be primarily focused on TCA quota stocks if the total of its members landings is comprised of 75% or more TCA quota stocks.

## Amounts Granted

The payments would be calculated by reference to sales information and audited accounts provided by the Co-operatives for 2022 compared to 2019. The payments would be based on 7.5% (i.e., the Co-operative commission taken from landings of the member vessels) of the reduction in fish sales for the Co-operative's boats for 2022 compared to the same period in 2019, capped at a maximum of €250,000 per beneficiary.

## Selection Process

Step	Description	Carried Out By
Call for proposals	BIM will invite applications from eligible fisheries co-operatives.	BIM
Eligibility Check and evaluation	To ensure compliance and eligibility.	BIM
Payment	BIM will issue letters of offer to successful applicants and applicants will be required to formally accept the offer. Participants will be paid following verification of compliance with the Terms & Conditions.	BIM

## How to Apply

Apply online here: <https://bim.flexigrant.com/startapplication.aspx?id=12075>

Assistance with your application can be found in the document “Guidelines for Applicants” on the scheme page of [www.bim.ie](http://www.bim.ie).