

## **Ordinance Nr. 97/2009 of November 27<sup>th</sup>**

This approves the Regulation of the Legal Support for Productive Investments in Aquaculture, under the Aquaculture Productive Investments Measure under the priority axis nr. 2 of the Fisheries Operational Programme 2007-2013.

### **Projects Typology**

The following types of project are eligible for obtaining support:

- a) Construction or modernization of aquaculture establishments;
- b) Construction or modernization of purification, packaging, packing or shipping units, when integrated in aquaculture establishments;
- c) Improvement of product quality by applying appropriate handling techniques and the introduction of new technologies;
- d) Introduction of systems or production processes that substantially reduce the negative impact or enhance the positive effects on the environment compared to customary practices in the sector;
- e) Installation of rational management of energy and energy systems based on renewable energy.

### **Promoters**

- 1 - Companies whose object is aquaculture can submit applications to the scheme.
- 2 - For the purpose of this Regulation, 'company' refers to any company or legal person, regardless of its legal form, that pursues an economic activity.

### **Conditions for admissibility of projects**

Without prejudice to the general conditions of admissibility of the project provided for in Article 5 of Decree-Law Nr. 81/2008 of May 16<sup>th</sup>, amended by Decree-Law Nr. 128/2009 of May 28<sup>th</sup>, the following are specific conditions of access to this scheme, to the date of application:

- a) Regarding the establishment:
  - i) Having made the request for authorization for installation to the services of fisheries and aquaculture of the Secretariat for the Environment and the Sea, in the case of construction of new establishments;
  - ii) Having an operating license in the case of modernization of existing establishments;
  - iii) Having authorization to change the establishment, for the changes that so require, in accordance with the legislation in force;

b) Prove ownership of the land and facilities or the right to use it for the period of the investment;

c) The eligible investment is equal to or greater than € 10,000.00 (ten thousand euros).

#### **Eligible expenditure**

1. For the purposes of granting support under this scheme, we consider the following to be eligible expenses, provided they are directly related to the activity being developed:

a) Construction, modernization or adaptation of buildings or facilities;

b) Acquisition of buildings or facilities, except the value corresponding to the land;

c) Fences, security systems and means, and protection;

d) Preparation of land;

e) Acquisition and installation of machinery and equipment;

f) Acquisition of equipment and means for internal movement;

g) Acquisition of specific containers for the transport of juveniles produced in breeding establishments;

h) Acquisition of equipment, and telematics and information systems;

i) Works of adaptation or improvement of water circulation;

j) Acquisition of automation systems;

l) Acquisition of equipment for the production and distribution of energy;

m) Acquisition of equipment and systems that address the collection, storage and processing of solid waste and liquid effluents, including the construction of stations for the pre-treatment of industrial waste water ("EPTARI") or stations for the treatment of waste water ("ETAR");

n) Facilities for a vigilant, as long as it lies within the area of the establishment and does not exceed a total of € 37,000.00 (thirty-seven thousand euros), or € 500.00 (five hundred euros) per square metre;

o) Acquisition of social facilities that the promoter is required to have as determined by law;

p) Acquisition of service vessels specific for aquaculture activities;

q) Training expenses directly related to the project objectives, under the terms and limits set by law;

r) Plans aimed at implementing quality control systems, certified in accordance with the principles of HACCP;

s) Purchase of vehicles approved and certified under the terms of the International Agreement for the Transport of Perishable Products under Directed Temperature ("ATP"), for the transport of aquaculture products in a refrigerated state;

t) Audits, studies and technical-economic projects, on maritime signage or environmental impact;

u) Supervision of works, if carried out by an entity external to the constructor;

v) Costs associated with the guarantees required by the Regional Coordinator in the implementation of the project.

2 - The amount of eligible expenditure provided for in point s) of nr. 1 may not exceed 20% of the eligible expenditure provided for in points a) and p).

3 - The total amount of eligible expenses in subparagraphs t) and v) of nr. 1 shall not exceed 8% of the eligible expenditure provided for in points a) and p).

#### **Ineligible expenditure**

Without prejudice to Article 6 of Decree-Law Nr. 81/2008 of May 16<sup>th</sup>, as amended by Decree-Law Nr. 128/2009 of May 28<sup>th</sup>, the following expenses are not considered as such, in the granting of support:

a) Regarding the purchase of mobile phones, office furniture and supplies, and systems or equipment assigned to non-productive areas;

b) To do with means of transport outside the establishment, other than those specified in subparagraph s) of the eligible expenditure;

c) To do with operating costs;

d) To do with assets whose amortization the tax law allows to be carried out in a single year;

e) To do with the purchase of eggs, larvae, juveniles or parents;

f) Of pre-financing, setting up of the loan process, and of working capital;

g) In premises and equipment financed through leasing contracts or long-term rental, unless the relevant contracts stipulate a purchase option and such is performed and paid for at the time of application for the payment of the amount of the support;

h) Costs to do with contracts for leasing or long-term rental in the part that exceeds the costs of acquiring the corresponding assets, in the case referred to in the preceding paragraph;

i) To do with the transformation, for reassignment, of fishing vessels;

j) That aim to comply with Community Regulations in force, after the date on which they become mandatory, with the exception of the installation or expansion of establishments.

### **Details and rates of the financial support**

- 1 - Public support for production investment projects in aquaculture takes the form of repayable grant.
- 2 - Without prejudice to the ceiling of the public support for the project being € 1,000,000.00 (one million euros), the rate of financial support is of 75% of the eligible expenditure.

### **Decree Nr. 109/2010 of December 9<sup>th</sup>**

This changes, within the scope of PROPECAS, the regulation of the aid scheme for investments in the processing and marketing of fishery and aquaculture products, approved by Decree Nr. 51/2008 of June 30<sup>th</sup>, as amended by Decree Nr. 81/2008 of September 24<sup>th</sup>, Decree Nr. 101/2009 of December 14<sup>th</sup> and Decree Nr. 70/2010 of July 23<sup>rd</sup>.

### **Projects Typology**

The following types of project are eligible for obtaining support:

- a) The construction, modernization or expansion of establishments in the industry of processing and marketing of fisheries and aquaculture products;
- b) The introduction of systems, processes and equipment in the establishments of processing and marketing of fish, which contribute to the improvement of product quality and improvement of facilities in terms of efficiency, economy and rationalization in the fields of energy, water, environment, logistics and management;
- c) The introduction of innovative technologies in fish processing establishments;
- d) The installation or upgrading of treatment facilities for waste products of fisheries and aquaculture;
- e) The installation of systems and equipment for industrial solid waste treatment and effluent water, integrated in the industrial units of fish processing;
- f) The development of innovative production methods, in partnership with entities and laboratories of the scientific and technological system;
- g) The introduction of systems and equipment that produce high levels of protection of life and human health and the prevention of accidents at work in addition to requirements already provided for in Community legislation, or the adaptation to new legal requirements.

### **Promoters**

- 1 - Companies whose object is the processing and marketing of fishery and aquaculture may submit their application to the scheme.

2 - For the purpose of this Regulation, 'company' refers to any company or legal person, regardless of its legal form, that pursues an economic activity.

### **Conditions for admissibility of Projects**

Without prejudice to the general conditions provided for in Article 5 of Decree-Law Nr. 81/2008 of May 16<sup>th</sup>, amended by Decree-Law Nr. 128/2009 of May 28<sup>th</sup> and Decree-Law Nr. 37/2010 of April 20<sup>th</sup>, the following are specific conditions of access to this scheme, to the date of application:

- a) Regarding the establishment and, whenever so required, under the legislation in force:
  - i) Have installation permission, in the case of construction of new facilities;
  - ii) Have a veterinary control number, in the case of modernization of existing facilities;
  - iii) Have authorization to make changes to the establishments, if such licensing is required.
- b) Check the ownership of the land and facilities or the right to use it at least for the duration of the project;
- c) Compliance with laws regarding wastewater and the environment, when applicable.
- d) Present eligible investment value of no less than € 10,000.00 (ten thousand euros).

### **Eligible expenditure**

1. For the purposes of granting support under this scheme, we consider the following to be eligible expenses, provided they are directly related to the activity being developed:
  - a) Construction, modernization or adaptation of buildings or facilities;
  - b) Acquisition of buildings or facilities, except the value corresponding to the land;
  - c) Fences and preparation of the land;
  - d) Systems and equipment necessary for the process of preparation, processing, treatment, conservation, packaging and packing, storage, marketing and traceability of fishery and aquaculture products;
  - e) Equipment and means for internal movement and weighing of fishery and aquaculture products;
  - f) Systems and equipment for the manufacture and silage of ice, for the exclusive use of the establishment's activity;
  - g) Systems and equipment for the verification, certification and quality control of fishery and aquaculture products;

- h) Systems or equipment intended for storage, processing and marketing of waste products of fisheries and aquaculture;
- i) Systems or equipment for the extraction of substances hazardous to human health, fish meal or fish oil, even if the final products are used for purposes other than human consumption;
- j) Systems and equipment for signage, security, fire fighting and detection, computerized management of production activities, as well as telematics equipment;
- l) Systems and equipment of clean water networks, sanitation, communications, electricity and fuels;
- m) The automation of existing systems or equipment on the premises;
- n) The construction of pre-treatment stations of wastewater (EPTAR's) or wastewater treatment plants (ETAR's), as well as the installation of their systems and equipment;
- o) Facilities and social amenities that the promoter is required to have, as determined by the law in force;
- p) Professional training directly related to the project objectives in the terms and limits set by law;
- q) Means of transport under directed temperature approved and certified under the terms of the International Agreement for Transport of Perishable Products under Directed Temperature (ATP);
- r) Audits, studies and technical-economic projects, or of environmental impact;
- s) Supervision of works, if carried out by an entity external to the constructor;
- t) Costs associated with the guarantees required by the managing authority within the scope of the project implementation.

2 - The amount of eligible expenditure for works of construction, modernization or adaptation of buildings, excluding networks of electricity, communications, water and sewer, cannot exceed 70% of the total eligible amount of the project.

3 - The amount of eligible expenditure provided for in paragraph p) of nr. 1 may not exceed 20% of the eligible costs mentioned in paragraphs a) and o).

4 - The total amount of eligible expenses in subparagraphs r) and t) of nr. 1 shall not exceed 12% of the eligible expenditure provided for in points a) and p).

### **Ineligible expenditure**

The expenditure provided for in Article 6 of Decree-Law Nr. 81/2008 of May 16<sup>th</sup> is not considered for the granting of support, as well as the following expenses:

- a) Acquisition of buildings, facilities or equipment financed through leasing contracts or long-term rental, unless their contracts stipulate a purchase option which is performed and paid for at the time of application for the amount of the support;
- b) Costs of contracts for leasing or long-term rental in the part that exceeds the costs of acquiring the corresponding goods in the cases referred to in the preceding paragraph;
- c) Purchase of mobile phones, office furniture and equipment, and systems or equipment assigned to non-productive areas, except those provided for in paragraphs o) and p) of the eligible costs;
- d) Acquisition of equipment and systems for administrative and accounting support;
- e) Costs of operation or consumables;
- f) Acquisition of assets whose depreciation, allowed by tax legislation, is equal to or less than one year;
- g) Generated by the productive activity of other food products, besides fishery and aquaculture products, in the proportionate share of those products;
- h) Acquisition of equipment or systems related to retail trade;
- i) Marketing, including advertising of the company and products;
- j) That aim to comply with EU standards for the modernization of existing establishments, after the date on which they are made compulsory, except for transactions related to the increase of capacity;
- l) Financial, banking and administrative charges, transfer of ownership of a company, establishment of working capital, tax payments, taxes and fees, notary, legal, judiciary or accounting expenses.

### **Details and rates of the financial support**

1 - Public support for investment projects in the area of processing and marketing of fishery and aquaculture products takes the form of repayable grant.

2 - Without prejudice to the ceiling of public support per project or set of projects, related to each unit of marketing or processing, being of € 3,750,000.00 (three million seven-hundred and fifty thousand euros) for each unit with less than 150 employees and of € 9,375,000.00 (nine million three-hundred and seventy-five thousand euros) for each unit with over 150 employees, the rate of financial support is of 75% of the amount of eligible expenditure.