

## CZECH REPUBLIC

In the Czech Republic, these subsidies can be divided into three parts:

- structural subsidies granted under the special SAPARD Programme;
- government subsidies;
- the Operational Programme: Rural Development and Multifunctional Agriculture (which can be said to be “a successor” to the SAPARD Programme mentioned above).

### **1. Structural subsidies granted under the special SAPARD Programme**

- SAPARD – Special Accession Programme for Agriculture and Rural Development

This programme was begun in May 2002, and contracts for 15 fish-processing projects had been reported by the end of 2003, for a total of EUR 1 533 804 in public co-funding by the European Union and the State budget. At the end of 2003, a total of 9 fish-processing projects had been implemented and applicants had been paid a total of EUR 876 291 in connection with these 9 projects (public co-funding by the European Union and the State budget; these figures are for the end of 2003).

#### ***Improvement of the processing and marketing of agricultural and aquaculture products***

##### *Modernisation of technological processes*

These subsidies are aimed at the modernisation of the technological processes used in processing fish and fish products.

There will be no further projects supported by this SAPARD Programme. The projects that are being implemented will be terminated.

### **2. Government subsidies**

These are rational, subsidiary programmes that must be used to support the rebuilding of the Czech agricultural sector. These programmes must also promote measures to raise competitiveness in this sector, which includes pond-based fish farming and breeding.

Some of these programmes were abolished when the Czech Republic entered the European Union (within the framework of the whole agricultural sector). The other programmes compatible with EU legislation will be maintained and will continue to be subsidised.

### ***Subsidies in the field of fish farming/aquaculture***

In the Czech Republic, the subsidies provided in this field are as follows:

- a) support aimed at maintaining and improving the genetic potential of fish, including monitoring of the fish yield (subsidy granted in 2003: CZK 4 179 700);
- b) support aimed at conserving and promoting the genetic resources of fish (subsidy granted in 2003: CZK 3 000 000);
- c) support for broader and easier access to information and key concepts from the scientific sphere and research (subsidy granted in 2003: CZK 105 000);
- d) support for education programmes to improve conditions in organisations providing practical training to pupils (subsidy granted in 2003: CZK 1 140 000);
- e) support for pond functions not related to fish production (such as flood prevention, environmental protection, aquacultural functions, recreation, protection of vegetation, game and birds); this support is granted as part of general support provided to Czech regions. The main functions of the pond-based aquaculture industry can be said to be water storage, a means of keeping water in regions and improvement of water quality (subsidy granted in 2003: CZK 71 000 000).

### ***Operational Programme: Rural Development and Multifunctional Agriculture***

- The Czech operational programme mentioned above is a means of distributing funds from EAGGF and FIGG
- EAGGF European Agricultural Guidance and Guarantee Fund
- FIGG Financial Instrument for Fisheries Guidance
- The Czech operational programme for agriculture is divided into three priorities, seven measures and 14 sub-measures. This programme includes agriculture, the food industry, silviculture, regional development, vocational training in agriculture and silviculture, fisheries/aquaculture and technical assistance.

### ***Fish processing, markets and marketing of fish products***

Under this sub-section, the following are eligible for subsidies: construction of new processing facilities or the renovation of existing ones, and the modernisation or purchase of new fish-processing plants; facilities and plants must comply with EU health and sanitation standards.

### ***Fish farms – aquaculture/fish farming***

Under this sub-section, the following are eligible for subsidies: projects to increase the production capacity of aquaculture (construction of production units or modernisation or expansion of existing units).

### ***Activities performed by fishery specialists and promotional advertising measures***

Under this sub-section, the following are eligible for subsidies: new producer organisations, activities aimed at eliminating pathological risks in fish farming, and work aimed at eliminating parasites in ponds. The following also qualify for support: market studies, introduction of e-commerce, research on new

market opportunities, participation in fairs and expositions, and regular campaigns to promote fish products.

### **3. Operational programme: Rural Development and Multifunctional Agriculture**

#### ***Technical assistance***

Under this sub-section, the following are eligible for support: studies, and exchanges of information and experience about partners, final consumers and the public.

In the Czech Republic, fisheries and aquaculture/fish farming are placed under the supervision of the Ministry of Agriculture. This ministry is the authority that manages the operational programme for agriculture. The State's Agricultural Intervention Fund has become an intermediary and a payment unit for this operational programme.

The initial applications for subsidies in the fishery/aquaculture field are expected to be received in July and August 2004.

FIFG co-funding for an amount of EUR 7 251 689 has been decided for the 2004-2006 period. This amount will be supplemented by EUR 3 079 712 of national funding.

**Table 1. Fishery Budget (2004-2006)**

EUR

	<b>Section 2</b>	<b>Section 3</b>	<b>Total</b>
FIFG	6 956 058	295 631	7 251 689
National budget	2 981 168	98 544	3 079 712
<b>TOTAL</b>	<b>9 937 226</b>	<b>394 175</b>	<b>10 331 401</b>

The social, economic and environmental repercussions of these subsidies are as follows:

- Social repercussions: to maintain employment, especially in regions where other industries are less developed.
- Economic repercussions: to support investment in companies. These investments must maintain or increase the earnings of companies, which will help raise the population's standard of living.
- Environmental repercussions: to promote sustainable development of the environment in regions, conserve the variety of fish species, ensure water quality and protect plants and animals.