Introduction

This is the Norwegian contribution to the OECD Committee for Fisheries project “Fisheries Subsidies and Sustainable Development”.

The definition currently used by the OECD Committee for Fisheries government financial transfers (GFTs) is “the monetary value of government interventions associated with fisheries policies” and includes transfers from central, regional and local governments. The definition was developed for the study on Transitions to Responsible Fisheries and has since been used in the annual collection of GFT data undertaken as part of the Review of Fisheries.

The objective of the OECD study, which this inventory is a part of, is to analyse fisheries subsidies within the sustainable development paradigm, focusing in particular on the linkages between subsidies and fisheries management regimes in analysing the environmental, economic and social effects of subsidies [AGR/FI(2003)4]. The Committee decided that the scope of the study would include the harvesting, aquaculture and processing sectors.

As agreed, the study is being undertaken in a number of stages:

1. Improvement of transfers data and database (i.e., the inventory);
2. Analysis of economic effects of subsidies
3. Analysis of environmental effects of subsidies
4. Analysis of social effects of subsidies and
5. Synthesis of the main findings.

Once in place, country inventories will provide an information base which will enable detailed analysis of the economic, environmental and social effects of the range of transfer programs. It will also increase the transparency of transfer programs and improve the comparability across Member countries.
Table 1. Summary Table and Comments

<table>
<thead>
<tr>
<th>Types of transfers</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management, research and enforcement</td>
<td>38.4</td>
<td>35.4</td>
<td>25.0</td>
<td>21.1</td>
</tr>
<tr>
<td>Fisheries infrastructure expenditure</td>
<td>3.0</td>
<td>3.0</td>
<td>3.0</td>
<td>0.5</td>
</tr>
<tr>
<td>Payments for access to other countries’ waters</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Payments for vessel dec. and license retirement</td>
<td>13.9</td>
<td>11.7</td>
<td>13.4</td>
<td>35.0</td>
</tr>
<tr>
<td>Investment and modernisation schemes</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other cost reducing transfers</td>
<td>47.6</td>
<td>39.7</td>
<td>57.1</td>
<td>29.1</td>
</tr>
<tr>
<td>Income support and unemployment insurance</td>
<td>7.9</td>
<td>8.1</td>
<td>9.9</td>
<td>11.0</td>
</tr>
<tr>
<td>Other transfers</td>
<td>15.0</td>
<td>15.0</td>
<td>16.6</td>
<td>9.0</td>
</tr>
<tr>
<td>Scheme for various types of transfers</td>
<td>23.5</td>
<td>21.8</td>
<td>30.9</td>
<td>13.0</td>
</tr>
<tr>
<td>Total transfers</td>
<td>149.3</td>
<td>134.7</td>
<td>155.9</td>
<td>118.7</td>
</tr>
<tr>
<td>Estimated administrative costs</td>
<td>4.1</td>
<td>3.4</td>
<td>3.2</td>
<td>2.4</td>
</tr>
<tr>
<td>Grand total</td>
<td>153.4</td>
<td>138.1</td>
<td>159.1</td>
<td>121.1</td>
</tr>
</tbody>
</table>

¹ Budget  
.  Figures not yet available

Comments:

- The figures reported here cannot be added or in any other sense be compared to the “Government Financial Transfers” as reported in the Review, since the figures reported here represent programs in aquaculture, the capture fisheries and coastal administration, whilst GFTs in the Review only covers management and programs related to the capture fisheries. We have chosen to limit our reporting to programs that are explicitly expressed in government budgets and exclude other administrative expenses.

- Scheme for various types of transfers is “General Agreement – Reserve Fund”.

- NOK 13.3 million are deducted from the 2003 payment on “Payments for vessel decommissioning etc. since they represent user payments”.

- For most of the listed programs an administrative cost is reported. These costs are the estimated costs related to the specific program, and are not intended to be added up and represent the total administrative costs of “Norwegian programs”. The costs of fisheries management, where the above mentioned costs are included, are reported in the Norwegian contribution to the annual Review of Fisheries.

- In the Norwegian society the parity principle is important. The government provides a wide range of services, which is making the public sector the biggest party to the Norwegian economy. Health care systems, unemployment and retirement insurances etc. are extensive in Norway. These services are financed by income tax, VAT and to a limited extent by fees and duties. User payments are less common with this system, but are gradually being more accepted in the Norwegian society.

- Regional policy programs, tax exemptions and infrastructure that are not fisheries industry specific are not included.
Income Guarantee Compensation (minimum wage scheme)

Objective(s) of the program

The scheme was established to assure a minimum income for fishermen during periods when fisheries fail, either partly or entirely.

Forms of support

Grant. The support is given as direct payments with weekly rates of NOK 2 200 after a qualifying period of 13 weeks (2001 – 2003).

Category of transfer

Income support and unemployment insurance

Cost recovery or offsetting charges

The scheme is financed under the General Agreement between the Norwegian Government and the Fishermen’s Association. The administrative costs are covered by the scheme budget; more efficient administration yields more funds as payments to fishermen.

Recipient fishery, fisheries or sector(s)

Applies nationwide.

Rules and conditions

Potential receivers are all fishers aged 15 years or more registered to have fishing as the main occupation and working on vessels more than 6 meters that are registered in the Norwegian Register of Fishing Vessels.

Budget and expenditure

All figures are in NOK million. The figures relates to payments executed the specified year.

Table 2. Budget for Norwegian Fisheries under Income Compensation Guarantee, 2001-2004

<table>
<thead>
<tr>
<th></th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payments</td>
<td>7.9</td>
<td>8.1</td>
<td>9.9</td>
<td>11.0</td>
</tr>
<tr>
<td>Administrative cost</td>
<td>2.9</td>
<td>1.9</td>
<td>1.7</td>
<td>1.2</td>
</tr>
<tr>
<td>Total</td>
<td>10.8</td>
<td>10.0</td>
<td>11.6</td>
<td>12.2</td>
</tr>
</tbody>
</table>

Duration

Funds to the scheme are negotiated annually through the General Agreement.

The scheme was established in 1936 and is on-going. The scheme was continued in 2004 and will continue in 2005 despite that the General Agreement is being terminated 1 January 2005.
Table 3. Number of Recipients

<table>
<thead>
<tr>
<th></th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of applications</td>
<td>689</td>
<td>532</td>
<td>572</td>
</tr>
</tbody>
</table>

Not all applications result in payments, but are expected to generate equivalent administrative costs.

*Other relevant information*

This support item under the General Agreement may have the nature of welfare goods that are provided to other industries through the Norwegian Social Insurance Scheme.

The scheme is considered marginal to the Norwegian fishing industry.
Loan Scheme under the Income Guarantee Compensation Scheme

Objective(s) of the program

To allow vessels with short-term liquidity problems to participate in the fisheries, since most costs of fishing must be covered before income is generated.

Forms of support

The scheme represents a soft loan (no minimum income requirements). The loan is calculated as 3 times the current amount on the Income Guarantee Compensation scheme, which is NOK 8,800 per fisher (2002 and 2003). If the fishery fails, and the fisher is entitled the minimum wage according to the Income Guarantee Compensation scheme, the entitled amount will be deducted from any outstanding debt on the scheme.

Category of transfer

Cost reducing transfer.

Cost recovery or offsetting charges

The scheme is financed under the General Agreement between the Norwegian Government and the Fishermen’s Association. The administrative costs are covered by the scheme budget; more efficient administration yields more funds as loans to fishermen.

Recipient fishery, fisheries or sector(s)

Applies nationwide.

Rules and conditions

Vessel owner with crew or sole fisherman may apply for loan. The fisher must be aged 15 years or more, be registered to have fishing as the main occupation and working on vessels more than 6 meters that are registered in the Norwegian Register of Fishing Vessels.

Budget and expenditure

All figures are in NOK million. The administrative costs of the Income Guarantee Compensation scheme also cover this scheme.

Table 4. Budget for Norwegian Fisheries under Loan Scheme under Income Guarantee Compensation Scheme, 2001-2004

<table>
<thead>
<tr>
<th></th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payments</td>
<td>1.8</td>
<td>1.6</td>
<td>2.5</td>
<td>0.0</td>
</tr>
<tr>
<td>Admin cost</td>
<td>n.a.</td>
<td>n.a.</td>
<td>n.a.</td>
<td>0.0</td>
</tr>
<tr>
<td>Total</td>
<td>1.8</td>
<td>1.6</td>
<td>2.5</td>
<td>0.0</td>
</tr>
</tbody>
</table>

Duration

Funds to the scheme are negotiated annually through the General Agreement.
The scheme was established in the early 1970’s and ended 1 January 2004.

Table 5. Number of Loan Recipients under Income Guarantee Compensation Scheme

<table>
<thead>
<tr>
<th></th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of loans</td>
<td>148</td>
<td>117</td>
<td>132</td>
</tr>
<tr>
<td>Avg. amount per loan (NOK)</td>
<td>12 432</td>
<td>14 920</td>
<td>15 330</td>
</tr>
</tbody>
</table>

Other relevant information

The scheme was terminated due to low demand.
Transportation Support

Objective(s) of the program

Transportation support is established to reduce cost disadvantages caused by geographical or structural conditions. The support item is important to maintain a differentiated fishing fleet, and to secure supplies to the processing industry in vulnerable regions. The scheme provides support for transportation of fish from areas with excess supply to excess demand and from areas where there are no landing facilities or production facilities to areas where such exist.

Forms of support

Provided as a direct financial transfer through the Sales Organizations (organizes the Transport Support arrangements).

Category of transfer

Cost reducing transfer (regional policy rationale)

Cost recovery or offsetting charges

The scheme is financed under the General Agreement, and covers only parts of the transportation costs. The land based industry and the fishers agree on a price of fish that includes the remaining transportation costs. The cost of the Government is however not recovered. The administrative costs of the scheme are covered by the sales organizations.

Recipient fishery, fisheries or sector(s)

Applies nationwide.

Rules and conditions

Each sales organization predicts the size of transportation support needed in their area. Based on the sales organizations predictions, the Fishermen’s Organization negotiates the total size of the transportation support with The Ministry of Fisheries during the annual General Agreement negotiations. The agreed total will be distributed according to the relative need of each sales organization. The sales organizations then ask for the Ministry’s approval of their suggested transportation arrangements, scope, support rate per kilo of fish and level of own risk. The arrangements are in effect for up to one calendar year.

Budget and expenditure

All figures are in NOK million.
Table 6. Budget for Norwegian Fisheries under Transportation Support

<table>
<thead>
<tr>
<th></th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payments</td>
<td>32.4</td>
<td>26.4</td>
<td>42.2</td>
<td>25.0</td>
</tr>
<tr>
<td>Administrative cost¹</td>
<td>n.a.</td>
<td>n.a.</td>
<td>n.a.</td>
<td>n.a.</td>
</tr>
<tr>
<td>Total</td>
<td>32.4</td>
<td>26.4</td>
<td>42.2</td>
<td>25.0</td>
</tr>
</tbody>
</table>

¹ Only a negligible share of the administrative costs is covered by the Government. The sales organizations, whose administrative costs are funded by a levy on the value of landings, cover the rest.

² Budget

**Duration**

Funds to the scheme are negotiated annually through the General Agreement. The General Agreement is terminated as of 1 January 2005. The future of this scheme is not yet decided.

**Number of recipients**

The sales organizations are responsible for the distribution of the transport support to the fishing industry. The transport support is given to the following sales organizations:

- Norway’s Raw Fish Organization
- Fish Sales Association for Sunnmøre og Romsdal
- Fish Sales Association for Western Norway
- Fish Sales Association for Rogaland County
- Fish Sales Organization for the Skagerrak Coast
- Norway's Herring Sales Association

Norway’s Raw Fish Organization and the Herring Sales Association have the majority of the funds. The amount of support is marginal compared to the value of landings.
Support to Long-line Baiting Centers

**Objective(s) of the program**

Support to long-line baiting centres is established to stimulate increased efficiency in long-line baiting in order to extend the vessels’ operating time and thereby strengthen the economy for each vessel.

**Forms of support**

A cost reducing transfer. The grant is given as payments of NOK 11 per 100 baited hooks (2001 - 2003).

**Category of transfer**

Other cost reducing transfers.

**Cost recovery or offsetting charges**

The scheme is financed under the General Agreement between the Norwegian Government and the Fishermen’s Association. The administrative costs are covered by the scheme budget; more efficient administration yields more funds as payments to fishermen.

**Recipient fishery, fisheries or sector(s)**

Applies only to long-line fishing where lines are baited manually. The coastal fleet in the northernmost counties is the main beneficiary.

**Rules and conditions**

Registered vessels that bait long-lines manually, and are part of a long-line baiting centre/station. Main owner of the fishing vessel must be registered to have fishing as the main occupation.

**Budget and expenditure**

All figures are in NOK million. The figures relates to payments executed the specified year.

**Table 7. Budget for Norwegian Fisheries under Support to Long-line Baiting Centers**

<table>
<thead>
<tr>
<th></th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payments</td>
<td>12.3</td>
<td>10.9</td>
<td>10.4</td>
<td>2.1</td>
</tr>
<tr>
<td>Administrative cost</td>
<td>0.2</td>
<td>0.5</td>
<td>0.4</td>
<td>0.1</td>
</tr>
<tr>
<td>Total</td>
<td>12.5</td>
<td>11.4</td>
<td>10.8</td>
<td>2.2</td>
</tr>
</tbody>
</table>

¹Preliminary figures.

**Duration**

Funds to the scheme are negotiated annually through the General Agreement. No funds allocated to this scheme in 2004. The General Agreement is terminated as of 1 January 2005. This scheme will not be continued.
Table 8. Number of Recipients under Support to Long-line Baiting Centers

<table>
<thead>
<tr>
<th>Number of applications</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of applications</td>
<td>1,134</td>
<td>1,085</td>
<td>1,004</td>
<td>0</td>
</tr>
</tbody>
</table>

Not all applications result in payments, but are expected to generate equivalent administrative costs.

**Other relevant information**

For 2004 the scheme was replaced by a system of “bait quotas”. Certain quantities of the Norwegian TAC of mackerel, herring and saithe were reserved for this purpose. The quantity was then caught in the cheapest possible way. Low-price bait should then be available to all long-line fishers, also those that bait their hooks automatically. This is to stimulate technological development and more efficient means of baiting hooks.

There is no level of subsidy to this new system since the quantities are deducted from the Norwegian TAC.
Decommissioning Schemes

Objective(s) of the program

Decommissioning grants is given to reduce fleet capacity in order to adjust the fishing fleet to the available resources, and thereby contribute to a sustainable fisheries management and a profitable fishing fleet.

Forms of support

Grant

Category of transfer

Payments for vessel decommissioning and license retirement.

Cost recovery or offsetting charges

The decommissioning scheme for vessels less than 15 meters established 1 July 2003 is partly industry financed (about 50% of the total payments).

Recipient fishery, fisheries or sector(s)

Applies nationwide. Since 2001 decommissioning schemes have only been available to coastal vessels (vessels less than 28 meters). Since 2003, The Structural Fund is the only active scheme and available to vessels less than 15 meters holding annual permits.

Rules and conditions

Vessels to be decommissioned must hold license or licenses in access regulated fishery/ies. The permit/s were withdrawn and redistributed to the remaining vessels in the vessel group (there are two groups; vessels 10 – 15 meters and vessels less than 10 meters).

Budget and expenditure

All figures are in NOK millions.

Table 9. Budget for Norwegian Fisheries under Decommissioning Schemes

<table>
<thead>
<tr>
<th></th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payments</td>
<td>13.9</td>
<td>11.7</td>
<td>26.7</td>
<td>70.0</td>
</tr>
<tr>
<td>Administrative cost¹</td>
<td>0.4</td>
<td>0.4</td>
<td>0.5</td>
<td>0.5</td>
</tr>
<tr>
<td>Total</td>
<td>14.3</td>
<td>12.1</td>
<td>27.2</td>
<td>70.5</td>
</tr>
</tbody>
</table>

¹ Administrative costs are estimated to 1.3 man-labor years.
² About 50% of these are industry contribution, hence only NOK 13.4 mill. (2003) and NOK 35 million (2004) is government support.

Duration

Payments in 2001 and 2002 relates to a scheme in place from 1998 to 2002. The Structural Fund was established 1 July 2003. The scheme will be evaluated in 2006, and may be continued until 2008.
Table 10. Number of Recipients of Decommissioning Schemes

<table>
<thead>
<tr>
<th></th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of applications</td>
<td>36</td>
<td>25</td>
<td>136</td>
</tr>
<tr>
<td>Decommissioned vessels</td>
<td>26</td>
<td>17</td>
<td>70</td>
</tr>
</tbody>
</table>
Research Fisheries

Objective(s) of the program

Primary objective is research in fisheries, e.g. the development of fishing gears with better selective characteristics. It also includes the retrieval of lost fishing gear.

Forms of support

Grant

Category of transfer

Management, research and enforcement expenditure.

Cost recovery or offsetting charges

Activities like testing selectivity gear in fishing generate income when catch is sold. These incomes serve as financing for other projects.

Recipient fishery, fisheries or sector(s)

Applies nationwide and all sectors.

Rules and conditions

Projects carried out by fishing vessels and research institutes that promote sustainable, efficient and profitable fisheries. Projects related to the retrieval of lost fishing gear have priority from 2003.

Budget and expenditure

All figures are in NOK million.

Table 11. Budget for Norwegian Fisheries under Research Fisheries

<table>
<thead>
<tr>
<th></th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004(^1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Govt. support</td>
<td>3.8</td>
<td>3.0</td>
<td>2.5</td>
<td>1.0</td>
</tr>
<tr>
<td>Administrative cost(^2)</td>
<td>0.4</td>
<td>0.4</td>
<td>0.4</td>
<td>0.4</td>
</tr>
<tr>
<td>Total</td>
<td>4.2</td>
<td>3.4</td>
<td>2.9</td>
<td>1.4</td>
</tr>
<tr>
<td>From other sources</td>
<td>6.8</td>
<td>2.9</td>
<td>2.3</td>
<td>..</td>
</tr>
</tbody>
</table>

\(^1\) Budget

\(^2\) The administrative costs are estimated to 1.3 man-labor years.

Duration

The current scheme was established in December 1993 (based on a previous scheme). Funds are allocated to the scheme annually through the General Agreement. The General Agreement is terminated as of 1 January 2005. The future of this scheme is not yet decided.
**Number of recipients**

Number of projects supported in 2001 – 2003 was about 15 annually.
Fisheries General Agreement – Reserve fund

Objective(s) of the program

The Reserve fund was established to serve as a buffer for the schemes covered by the General Agreement, and to provide financial help to fisheries related projects. The Reserve also allows a better control of spending on the other schemes covered by the Agreement and hence contributes to reduce total need of government funding to the fisheries sector.

Forms of support

Grants and cost reducing transfers.

Category of transfer

The scheme covers various sets of transfers, as it serves as a buffer for the schemes covered by the General Agreement. Some transfers are related to research activities, there are cost reducing transfers and when there is a deficit on the minimum wage scheme, it’s covered by the Reserve Fund. Transfers to the sealing industry (support to 3 – 5 seal hunting vessels hunting mainly in the Greenland/Jan Mayen area) are also covered by this scheme, and represents more than 50 per cent of the total transfers in the period.

Cost recovery or offsetting charges

Costs related to this scheme are rarely recovered.

Recipient fishery, fisheries or sector(s)

Applies nationwide.

Rules and conditions

The Ministry of Fisheries administers the scheme with approval from the Fishermen's Association. The scheme is open for anyone to apply. All applications are subject to individual evaluation.

Budget and expenditure

All figures are in NOK millions.

Table 12. Budget for Norwegian Fisheries under Fisheries General Agreement – Reserve Fund

<table>
<thead>
<tr>
<th></th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payments</td>
<td>23.5</td>
<td>21.8</td>
<td>30.9</td>
<td>13.0</td>
</tr>
<tr>
<td>Administrative cost(^1)</td>
<td>0.1</td>
<td>0.1</td>
<td>0.1</td>
<td>0.1</td>
</tr>
<tr>
<td>Total</td>
<td>23.6</td>
<td>21.9</td>
<td>31.0</td>
<td>13.1</td>
</tr>
</tbody>
</table>

\(^1\) Budget

\(^1\) The administrative costs are estimated to 1/3 of one man-labor year.
**Duration**

The scheme was established in 1979 under the General Agreement. Funds are allocated through annual negotiations. The General Agreement is terminated as of 1 January 2005. Support to the seal hunting vessels will continue as an independent program.

**Number of recipients**

N.a.
Minke Whales DNA-register

Objective(s) of the program

The DNA-register covers all of Norway’s Minke whale captures in the year 1997 and forward. The DNA-register will ensure the necessary safety and control when exporting Minke whale products. Export activity is important for the future of the Norwegian small-scale whaling industry and liable resource management.

Forms of support

Cost offset payments (provision of a research service free of charge).

Category of transfer

Management, research and enforcement expenditure.

Cost recovery or offsetting charges

None.

Recipient fishery, fisheries or sector(s)

The Norwegian Whaling Industry, currently 33 vessels and approximately 175 fishers plus land based industry.

Rules and conditions

N.a.

Budget and expenditure

All figures are in NOK million.

Table 13. Budget for Norwegian Fisheries under Minke Whales DNA-Register

<table>
<thead>
<tr>
<th></th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payments</td>
<td>1.8</td>
<td>3.1</td>
<td>2.8</td>
<td>01</td>
</tr>
<tr>
<td>Administrative cost²</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>1.8</td>
<td>3.1</td>
<td>2.8</td>
<td>0</td>
</tr>
</tbody>
</table>

¹ Budget
² The administrative costs of this scheme are negligible.

Duration

Established 1997. On-going. There was not allocated funds to this scheme in 2004 due to remaining funds from previous allocations.
*Number of recipients*

N.a.
Educational Program – Skills and Resource Centre for the Norwegian Fisheries Industry

Objective(s) of the program

The main objectives of Skills and Resource Centre for the Norwegian Fisheries Industry are further development of competence and management, equal opportunities for women and men in the fisheries industry and recruitment of young people to education and a future career in the fisheries industry; harvesting, fish farming and processing sectors.

Forms of support

Grant

Category of transfer

Education costs are considered a Management, Research and Enforcement Expenditure.

Cost recovery or offsetting charges

Costs are not recovered, but cover only parts of the total costs of the education work.

Recipient fishery, fisheries or sector(s)

Applies to educational institutions nationwide. All fisheries and aquaculture included.

Rules and conditions

The scheme is open for anyone to apply. All applications are subject to individual evaluation.

Budget and expenditure

All figures are in NOK million.

Table 14. Budget for Norwegian Fisheries under the Educational Program -- Skills and Resource Centre

<table>
<thead>
<tr>
<th></th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payments</td>
<td>13.2</td>
<td>9.6</td>
<td>-</td>
<td>0.0</td>
</tr>
<tr>
<td>Administrative cost(^a)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0.0</td>
</tr>
<tr>
<td>Total</td>
<td>13.2</td>
<td>9.6</td>
<td>-</td>
<td>0.0</td>
</tr>
</tbody>
</table>

\(^a\) NOK 1.5 million provided from the General Agreement Reserve Fund scheme.
\(^b\) The administrative costs of this scheme are negligible.

Duration

The scheme ended 31 December 2003.
Number of recipients

N.a.
Welfare Measures – Support to Welfare Stations

Objective(s) of the program

Partly finance welfare stations run by the Fishermen’s Association.

Forms of support

Grant

Category of transfer

Fisheries Infrastructure expenditure.

Cost recovery or offsetting charges

Costs are not recovered, but cover only parts of the total costs of the welfare stations.

Recipient fishery, fisheries or sector(s)

Applies nationwide.

Rules and conditions

Stations must provide welfare services to fishers.

Budget and expenditure

All figures are in NOK million.

<table>
<thead>
<tr>
<th>Table 15. Budget for Norwegian Fisheries under Welfare Measures -- Support to Welfare Stations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payments</td>
</tr>
<tr>
<td>Administrative cost</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

1 The administrative costs of this scheme are negligible.

Duration

Support to welfare measures dates back a long time. The current scheme was established in 1968. The scheme is on-going.

Number of recipients

There are currently 24 welfare stations along Norway’s coastline. They are open to all fishers.
Safety Education for Fishers

Objective(s) of the program

Provide safety education for fishers to prevent accidents. The education is mandatory for Norwegian fishers. The education program consists of a basic course and a brush up course.

Forms of support

Cost offset payments

Category of transfer

Other transfers not elsewhere classified (?)

Cost recovery or offsetting charges

Until 2001, both the basic course and brush up courses were 100 per cent government financed. From 2001 fishers must pay NOK 2 200 to participate in the brush up courses. In 2004 the Parliament set the support at NOK 9 million after a government proposal to remove the support.

Recipient fishery, fisheries or sector(s)

Applies to fishers nationwide.

Rules and Conditions

The courses are mandatory for all Norwegian fishers.

Budget and expenditure

All figures are in NOK million.

Table 16. Budget for Norwegian Fisheries under Safety Education for Fishers

<table>
<thead>
<tr>
<th></th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payments</td>
<td>15.0</td>
<td>15.0</td>
<td>16.6</td>
<td>9.0†</td>
</tr>
<tr>
<td>Administrative cost‡</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>15.0</td>
<td>15.0</td>
<td>16.6</td>
<td>9.0†</td>
</tr>
</tbody>
</table>

† Budget
‡ Most administrative costs are included in payments.

Duration

As mentioned above, the government suggested in their proposal for the fiscal budget for 2004 to remove the support to safety education. The rationale for this is that support is not provided to other industries were similar education is required. However, the Parliament voted against this proposal and the support continues.
Number of recipients

Number of participants varies with the recruitment rate to the fishing industry.

Table 17. Number of Participants in Safety Education

<table>
<thead>
<tr>
<th>Number of participants</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic course</td>
<td>1170</td>
<td>1308</td>
<td>..</td>
</tr>
<tr>
<td>Brush up course</td>
<td>380</td>
<td>500</td>
<td>..</td>
</tr>
</tbody>
</table>
Compensations

Objective(s) of the program

The objective of the measure is to reduce the fishing fleet financial expenses when waiting for financial compensation in case of damage to fishing gear, damage caused by oil-related industry, when landing non oil-industry trash and the loss of fishing grounds.

Forms of support

Grant.

Category of transfer

Cost reducing transfer.

Cost recovery or offsetting charges

None.

Recipient fishery, fisheries or sector(s)

Applies nationwide.

Rules and conditions

The recipient must be able to document financial expenses caused by incidents covered by the scheme. The Ministry of Fisheries decides the appropriation based on recommendations from The Directorate of Fisheries. Potential recipients file their applications to The Directorate of Fisheries documenting their financial expenses related to any incident covered by the scheme. The Directorate of Fisheries executes payments.

Budget and expenditure

All figures are in NOK million.

<table>
<thead>
<tr>
<th></th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payments</td>
<td>1.1</td>
<td>0.6</td>
<td>2.0(^1)</td>
<td>2.1(^1)</td>
</tr>
<tr>
<td>Administrative cost(^2)</td>
<td>0.1</td>
<td>0.1</td>
<td>0.1</td>
<td>0.1</td>
</tr>
<tr>
<td>Total</td>
<td>1.2</td>
<td>0.7</td>
<td>2.1</td>
<td>2.2</td>
</tr>
</tbody>
</table>

\(^1\) Budget.
\(^2\) The administrative costs are estimated to 1/3 of one man-labor year.

Duration


Lighthouses and Navigation Marks
**Objective(s) of the program**

To ensure safe sea traffic.

**Forms of support**

Cost offset payments

**Category of transfer**

Categorized as “Fisheries infrastructure expenditure” since fishing vessels has been exempt from the general coastal fee in the report period.

**Cost recovery or offsetting charges**

Until 1 January 2004 fishing vessels were exempt the general coastal fee, a fee that covers approx. 30% of the annual costs of lighthouses and navigation marks. From 2004, any vessel, including fishing vessels, larger than 500 GT must pay to contribute to the 30% private sector share of these costs. The fee varies depending on vessel size (GT). The fee is NOK 14 per GT per year or NOK 4 per GT per quarter, alternatively NOK 0.2 per GT per call and applies only to vessels more than 500 GT.

**Recipient fishery, fisheries or sector(s)**

All sea-going traffic. Fishers are expected to benefit marginally since most have extensive navigation equipment on board and know the areas they traffic.

**Rules and conditions**

None. All vessels benefit from lighthouses and navigation marks.

**Budget and expenditure**

Costs of lighthouses and navigation marks are 30 per cent user financed. Fishing vessels are estimated to contribute to about 6 per cent of the user payments. The estimate is based on number of vessels, average vessel size and an estimated number of annual, per quarter and per call payments and represents the level of activity caused by the fishing vessels covered by the fee. In the Norwegian fishing fleet this is typically a vessel of about 40 meters or more. The payment is estimated to NOK 3.8 million of NOK 60 million total user payments in 2004. We estimate this as the level of support to the fishing industry in 2001 – 2003 since the fishing fleet was exempt from this fee during those years.

**Duration**

On-going

**Number of recipients**

N.a.
The Research Council of Norway (activities related to capture fisheries)

Objective(s) of the program

The objective of the research activities is to increase the economic output from the capture fisheries in a sustainable manner. (E.g. obtain more effective, yet less harmful fishing gear and better processing techniques).

Forms of support

Reduces costs in the catching sector. (Cost offset payments?)

Category of transfer

Management, research and enforcement expenditure

Cost recovery or offsetting charges

The research program is partly financed by the “Export Levy” on fish and fish products paid by the exporter; hence some of the research costs of this program are paid by the industry.

Recipient fishery, fisheries or sector(s)

Applies to the capture fisheries sector

Rules and conditions

N.a.

Budget and expenditure

All figures are in NOK million.

Table 19. Budget for Norwegian Fisheries under the Research Council of Norway (activities related to capture fisheries)

<table>
<thead>
<tr>
<th></th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payments</td>
<td>19.6</td>
<td>19.7</td>
<td>19.7</td>
<td>20.1</td>
</tr>
</tbody>
</table>

¹Budget

Duration

On-going

Number of recipients

Applies to the industry in general.