



FISHING VESSELS (FINANCIAL ASSISTANCE) SCHEME 2000

Approved by Tynwald on 20 June 2000

Coming into operation on 1 July 2000

Citation, commencement and revocation

1. This Scheme may be cited as the Fishing Vessels (Financial Assistance) Scheme 2000 and shall come into operation on 1 July 2000.
2. The Fishing Vessels (Financial Assistance) Scheme 1990(a) shall not operate in respect of applications for financial assistance made after the commencement of this Scheme.

Interpretation

3. (1) In this Scheme -
“Department” means the Department of Agriculture, Fisheries and Forestry;
“eligible person” has the meaning given by Schedule 1.
(2) The Interpretation Act 1976(b) shall apply for the interpretation of this Scheme as it applies for the interpretation of an Act of Tynwald.

Financial Assistance

4. (1) The Department may, subject to the approval of the Treasury, provide financial assistance to eligible persons in accordance with the provisions of this Scheme.
(2) Financial assistance may be provided in respect of -
 - (a) the purchase of fishing vessels;
 - (b) building fishing vessels;

(a) G.C. No. 30/90: as amended by G.C. No. 216/91, G.C. No. 41/96 and G.C. No. 14/98
(b) 1976 c.20

- (c) the purchase of any fishing licence necessary to permit a fishing vessel in respect of which financial assistance is given under this Scheme to gain access to any commercial fishery;
- (d) the planned replacement of an engine or winch,

if such purchase, building or replacement has been approved by the Department before being undertaken.

(3) The level of financial assistance which may be given under this Scheme in respect of the category of applicant as set out in column 1 of Parts I and II of Schedule 2 shall be the percentage as set out in column 2 of the Parts of the Schedule of the costs approved by the Department.

Applications

5. An application for assistance under this Scheme shall be made in writing to the Department in such form as it shall require and the application shall include -

- (a) a full description of the fishing vessel concerned;
- (b) in a case where assistance is being sought in respect of the building of a vessel, details of the builders, full specifications of the vessel and the expected completion date;
- (c) in a case where assistance is being sought in respect of the purchase of a fishing licence, a full description of the licence concerned, the Licensing Authority and the statutory powers under which the licence is granted;
- (d) in a case where assistance is being sought in respect of the replacement of an engine or winch, full particulars for the reason for replacement and, in the case of an engine, confirmation that all necessary regulations concerning engine power and vessel capacity units can be met;
- (e) the amount of grant and loan for which application is made;
- (f) the source of the balance of the cost and any conditions which may apply in respect of that finance;
- (g) details of any mortgages or liens on the vessel;
- (h) in the case of the purchase of a fishing vessel, a survey report from an independent Chartered Marine Surveyor containing such information as the Department may require;
- (i) in the case of the replacement of an engine or winch, the Department may require a report by a suitably qualified engineer as to the condition of the unit to be replaced;
- (j) such other information as the Department may require.

Factors to be considered by the Department

6. The Department shall take the following factors into account when considering an application under this Scheme -

- (a) the needs and interests of the fishing industry in general or the section of the industry to which the application relates;
- (b) whether the benefits likely to be derived from the purchase or building proposed by the applicant are sufficient to warrant expenditure;
- (c) whether the purchase or building proposed by the applicant is likely to contribute to increased efficiency and economy of operation in one of the following matters -
 - (i) the catching of fish;
 - (ii) the handling, processing or storage of fish;
 - (iii) the working conditions of crew;
- (d) whether the vessel conforms to the constructional standards laid down by the Sea Fish Industry Authority or equivalent;
- (e) the ability of the applicant to repay any loan;
- (f) the ability of the applicant to operate the vessel successfully.

Terms of assistance

7. (1) A loan under this Scheme shall -

- (a) bear interest at a rate to be determined from time to time by the Treasury after consultation with the Department;
- (b) be repayable over a period not exceeding 20 years by way of 6 monthly repayments of principal and interest, such payments to commence not later than 12 months from the date on which the loan (or the first part-payment) was paid to the applicant; and
- (c) be scheduled for repayment in full before the applicant reaches the age of 65 years.

(2) The vessel shall be registered in the Island, and a registered mortgage on the vessel shall be passed in favour of the Treasury in security for the loan together with such other security as the Treasury may, in any particular case, require.

(3) In the event of the applicant selling or otherwise disposing of the vessel or the vessel becomes a total loss within the period of a loan, the outstanding balance shall, except where the Treasury otherwise agrees, be immediately repayable in full.

(4) Where the vessel is sold or otherwise disposed of or becomes a total loss the applicant shall, except where the Treasury otherwise agrees, repay to the Treasury -

- (a) within 10 years of the date of payment of assistance, or the date on which the final payment is made if interim payments have been made, the full amount of the grant;
- (b) if after a period of 10 years but before a period of 15 years from the date of payment of assistance, or the date on which the final payment is made if interim payments have been made, the full amount of the grant less 20% for each full year which shall have expired after the period of 10 years.

(5) The applicant shall give an undertaking that the vessel which is the subject of financial assistance under this Scheme will, to the satisfaction of the Department -

- (a) be used to the fullest extent in fishing;
- (b) be crewed by persons who are normally resident in the Island; and
- (c) operate from and land to Manx ports whenever feasible.

(6) The vessel will during any period in which moneys are or may become due to the Treasury under the terms of financial assistance under this Scheme be kept in proper repair and condition to the satisfaction of the Department.

(7) The applicant will agree to permit any person authorised in writing by the Department for the purpose to inspect the vessel at all reasonable times for the purpose of ensuring compliance with sub-paragraph (6).

(8) If the applicant fails to comply with sub-paragraph (6) the Treasury may require the applicant -

- (a) to repay the outstanding balance of a loan in full; and -
- (b) where grant assistance has been paid under the provisions of sub-paragraph 4(2) -
 - (i) within 10 years of the date of payment of assistance, or the date on which the final payment is made if interim payments have been made, to repay the full amount of the grant;
 - (ii) if after a period of 10 years but before a period of 15 years from the date of payment of assistance, or the date on which the final payment is made if interim payments have been made, to repay the full amount of the grant less 20% for each full year which shall have expired after the period of 10 years.

(9) In the event of the applicant ceasing to hold a fishing licence in respect of which financial assistance is given under this Scheme, the outstanding balance shall, except where the Treasury otherwise agrees, be immediately repayable in full.

(10) A grant or loan shall be taken up within a period of 3 months from the date of acceptance by the applicant of an offer made by Treasury. If any applicant fails to take up a grant or loan within a period of 3 months from the date of acceptance of an offer made by Treasury, the applicant shall notify the Department in writing forthwith and approval shall be withdrawn unless the applicant can justify an extension, notification of which shall be given by the Department in writing.

8. (1) The vessel shall be insured and kept insured to its full value against all risks in the joint names of the applicant and the Treasury with an Insurance Company or Insurance Underwriters approved by the Treasury until such time as the loan has been repaid in full or, unless the grant has been repaid, until 15 years have elapsed from the date of payment of the grant, whichever is the later.

(2) The insurance policy shall be deposited with the Treasury and the premium receipts shall be produced to it within 30 days of the due date of payment.

(3) In the event of the applicant failing to comply with the requirements of sub-paragraphs (1) and (2), the Treasury may -

- (a) insure the vessel for port risks only and instruct the applicant that the vessel must be detained in port; or
- (b) require repayment of the outstanding balance of the loan; and
- (c) where grant assistance has been paid under the provisions of sub-paragraph 4(2) -
 - (i) within 10 years of the date of payment of assistance, or the date on which the final payment is made if interim payments have been made, require repayment of the full amount of the grant;
 - (ii) if after a period of 10 years but before a period of 15 years from date of payment of assistance, or the date on which the final payment is made if interim payments have been made, require repayment of the full amount of the grant less 20% for each full year which shall have expired after the period of 10 years,

or both.

(4) If the vessel is insured by the Treasury pursuant to sub-paragraph 3(a) the cost thereof shall be recoverable in full from the applicant.

ELIGIBLE PERSONS

Individuals

1. An individual is an eligible person if he -
 - (a) has been ordinarily resident in the Island for 10 consecutive years immediately preceding the date of application; and
 - (b) has a minimum of 5 years continuous experience on a fishing vessel operating from the Island.

Partnerships

2. An application may be made in the name of more than one individual provided that all satisfy the requirements of paragraph 1(a) and at least one satisfies the requirements of paragraph 1(b).

Bodies corporate

3. A body corporate is not an eligible person if the Department is not satisfied that the Company, its Directors and Owners have a genuine connection with the Island.

LEVELS OF FINANCIAL ASSISTANCE

For the purposes of this Schedule, "first time applicant" means an applicant who has not previously received assistance under this Scheme or under any other Scheme of the Department towards -

- (a) the purchase of a fishing vessel;
- (b) the building of a fishing vessels;
- (c) the purchase of any fishing licence necessary to permit a fishing vessel in respect of which financial assistance is given under this Scheme to gain access to any commercial fishery; or
- (d) in respect of Part II, the replacement of an engine or winch.

PART I

ASSISTANCE TOWARDS THE PURCHASE OR BUILDING OF A VESSEL AND PURCHASE OF AN ASSOCIATED FISHING LICENCE

Column 1 CATEGORY OF APPLICANT	Column 2 LEVEL OF ASSISTANCE
A first time applicant who does not own, or has not owned, an existing fishing vessel and licence	GRANT : 50% LOAN : 40%
A first time applicant who owns an existing fishing vessel and/or licence which has/have not been subject to assistance under any Department Scheme	GRANT : 25% LOAN : 50%
An applicant who has received previous assistance in respect of the purchase or building of a fishing vessel	GRANT : NIL LOAN : 50%

PART II

ASSISTANCE TOWARDS THE PLANNED REPLACEMENT OF AN ENGINE OR WINCH

A first time applicant who owns an existing fishing vessel and/or licence which has/have not been subject to assistance under any Department Scheme	GRANT : 25% LOAN : 50%
An applicant who has received previous assistance in respect of the purchase or building of a fishing vessel or the replacement of a unit for which assistance is being sought.	GRANT : NIL LOAN : 50%

Alex F Downie

Minister for Agriculture, Fisheries and Forestry

EXPLANATORY NOTE

(This note is not part of the Scheme)

The Scheme replaces the existing Scheme which has been in operation since 1990.

The Scheme replaces the former sliding scale of assistance up to a maximum amount with set levels of support. The set levels are based on the status of the applicant vis à vis previous applications, if any, for assistance.

The Scheme provides for assistance in respect of -

- the purchase of an existing vessel or the building of a new vessel (and associated licences); and
- the planned replacement of an engine or winch.