



OUTLINE STRATEGY FOR  
FUTURE MARINE AND  
FISHERIES SUPPORT 2023-  
2028



NOVEMBER 2022

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## 1. INTRODUCTION

With the United Kingdom's access to European Funding having ended, the UK Government has committed to replacing such Programmes with nationally funded schemes. Within Northern Ireland (NI), most commercial fisheries stakeholder grant funding has, for the past 6 years, been provided through the European Maritime and Fisheries Fund (EMFF) and which provided around £3m per annum for investment in eligible operations.

In recent years, support provided through DAERA and its Agencies for other marine stakeholders was delivered through funding programmes such as the Environmental Fund and the Environmental Challenge Fund. These resources were additional to the funding secured by the Directorate through the NI Block Grant process and the £500k ring-fenced by the European Commission within EMFF that was to be used for proposals that progressed the concept of Integrated Maritime Policy development. These two latter sources of funding were primarily utilised by the Department for data collection, restoration and research purposes.

EMFF financial support was provided for stakeholders to invest in proposals that were consistent with, and eligible under, the EU Funding and Fisheries Regulations which, for fisheries purposes, focused on the implementation and delivery of the Common Fisheries Policy (CFP) and, for environmental projects, focused on the delivery or progressing of Good Environmental Status for NI waters. While the aims and objectives of the CFP and GES remain relevant, without EMFF funding regulations, NI, as well as the other 3 UK fisheries administrations, now require to develop and deliver their own strategic funding proposals for marine and fisheries sectors investment over the next few years. Within NI, the replacement European fisheries funding will be known as the Maritime and Fisheries Fund (Northern Ireland), or MFF (NI), with other funding being provided under the Banner of "Green Growth" from within the Department's Green Growth budgetary allocation.

The recent increased focus on green growth (which incorporates both the blue and circular economies) means enhanced opportunities and potential to invest in proposals and initiatives where the outcomes from the investment positively impact on climate action, net zero, GES, blue carbon, biodiversity, and the eco-system. Such opportunities will be available to stakeholders across the marine and fisheries sectors. Given the current focus on assessing investment proposals against anticipated and specified outcomes rather than generic output based criteria, it is essential that this future funding strategy covers all marine and fisheries interests, given the high integration and cross-cutting nature of sectors, as well as the shared objectives regarding the 3 pillars of sustainability – environmental, economic and social.

This document serves as a high-level consultation summary of DAERA's funding proposals for marine and fisheries stakeholders over the next 5 years and provides a resource for stakeholders to express their initial views on the proposals contained within. Several questions are posed at the end of this document for consideration and response. We foresee early engagement with stakeholders through the development of this funding programme

## 2. BACKGROUND

### 2.1 Previous Funding for NI Stakeholders

#### ***European Maritime and Fisheries Fund***

On 1 January 2014, the European Maritime and Fisheries Fund (EMFF) replaced the 2007-2013 European Fisheries Fund (EFF), as the primary means of providing support to NI fisheries stakeholders, namely: -

- The sea fisheries sector
- Commercial inland fisheries (Lough Neagh)
- Aquaculture undertakings
- Fish processing operations
- Fishing communities
- Port authorities

EMFF's overall objective was to promote 'smart sustainable and inclusive growth', as set out in the Europe 2020 Strategy. In addition to the 'core' grant-making portion of the fund, there were also separate "ring-fenced" budgets for fisheries management, data collection, Integrated Maritime Policy, and Technical Assistance.

EMFF targeted six "Union Priority" objectives: -

- Promoting sustainable, resource efficient, innovative, and competitive, knowledge-based fisheries.
- Fostering sustainable, resource efficient, innovative, and competitive, knowledge-based aquaculture.
- Fostering the implementation of the Common Fisheries Policy (CFP).
- Increasing employment and territorial cohesion
- Fostering marketing and processing; and
- Fostering the implementation of the Integrated Maritime Policy (IMP).

#### ***Covid-19 related Support Schemes***

In addition to EMFF funding, the industry was further assisted during 2020/21 with sectoral support necessitate because of the Covid-19 Pandemic. A total of five support schemes were delivered through DAERA as well as a UK-wide Seafood Response Fund in the first quarter of 2021.

#### ***Coastal Communities Fund***

Other than through the Community-led Local Development theme within EMFF (which was only available to local communities in and around the 3 villages of Ardglass, Kilkeel and

Portavogie) the only other source of funding available to coastal communities through Marine and Fisheries Division during the past 5 years was (Rounds 4 & 5) of the UK Coastal Communities Fund, which provided a total of £1.422m financial assistance to 17 NI stakeholder groups, This programme ended in 2019 and is unlikely to re-open.

### ***Environment Fund 2019-2022***

The Environment Fund (2019-2022) was the key mechanism for NIEA and EMFG to deliver against legislative and environmental targets. Projects had be strategic and delivered at a province-wide or sub-regional scale, or on DAERA-owned sites.

The fund delivered against 4 Environmental Impact Priority areas: -

- National, EU and International commitments and draft Programme for Government
- Evidence and Coordination actions
- Outdoor Recreation actions
- Northern Ireland wide projects/strategic environmental engagement

The strategic environmental outcomes were derived from several sources including the New Decade, New Approach; draft Programme for Government (particularly Outcome 2 - We live and work sustainably – protecting the environment), the Green Growth Strategy, draft Environment and Peatland Strategies and DAERA business and action plans.

There were 3 strands to the fund: -

- Multi-year Strategic Environment Fund – this strand addressed environmental outcomes related to designated sites (including marine and coastal) and was structured to facilitate 3-year projects, with a possible extension to 4 years, to allow for continuity of delivery of outcomes.
- In-year Environment Fund – which focused primarily on the “Ulster Way”, NIEA properties and land purchases.
- Environmental Challenge Competition – this strand, which was resource dependent, provided awards of up to £30k and focused on the 2 key themes of Nature Recovery and Connecting People with nature

Over the past three years, the Environmental Fund has provided approximately £2.6m funding per annum and which has levered in around £2.5m in match funding; £4 million in volunteer time; and 50,000 days of environmental activity.

The funding for the Scheme was provided from the proceeds of the Carrier Bag Levy.

### ***Other Funding***

The Special EU Programmes Body (SEUPB), through its INTERREG Va Programme, provided support to organisations through the Marine Protected Areas and Species thematic area of the Programme. Going forward, this funding stream will be replaced with PEACE + funding, with DAERA being the accountable department in Northern Ireland for the Marine and Coastal Management thematic area. This potential funding stream will be used to complement, rather than replace, the funding themes contained within this marine and fisheries funding strategy.

## **2.2 Overview of NI Marine and Fishing Stakeholders**

### ***2.2.1 DAERA Marine and Fisheries Division (MFD)***

MFD's remit covers a wide range of interests. In terms of fisheries, the roles include the development of sea fisheries policy; delivery of financial assistance grant schemes; inland fisheries policy; and, both aquaculture and fish health policies. In addition, the Directorate has responsibility for the control and enforcement of fisheries related activities.

The marine responsibilities of MFD straddles several key areas for developing and implementing policy relating to the protection and restoration of marine environments. Various branches within MFD have a range of roles including the delivery of a marine strategy, marine licencing, marine planning & co-ordination, marine conservation & reporting and, marine monitoring and assessment.

### ***2.2.2 Sea Fisheries***

The NI fleet landed (in 2021) some 46kt of fish worth £52 million- representing 5.9% of the UK total value. Shellfish (e.g., Nephrops, scallops, lobsters) accounted for 50% of the value of fish landed by NI vessels, pelagic (e.g., herring, mackerel) landings were 44% and demersal (e.g., haddock, cod) landings 6%.

The NI fleet comprises some 288 vessels, with approx. 160 based in Kilkeel, Portavogie and Ardglass. The remainder, mainly 10m and under are based in small ports and harbours around the coastline. The vast majority of landings by UK Vessels within NI takes place in the three Co. Down fishing villages of Ardglass, Kilkeel and Portavogie. In 2021, 18% of the total value of catches was landed into Ardglass, while Kilkeel and Portavogie accounted for 28% and 20% respectively. Landings into other ports accounted for 34% of the total value. Ardglass is the main centre for processing pelagic fish in NI.

The fleet is generally comprised of older vessels. As of 31 December 2021, there were 61 vessels aged 20 years and under, and 214 vessels (2) over 21 years old. This high age profile continues to raise some concerns over future issues which may impact the fleet such as ongoing seaworthiness, maintenance costs, health and safety and fuel efficiency in light of rising fuel costs.

The majority of the Northern Ireland fleet are active in the Irish Sea, with only a few vessels targeting stocks in the North Sea, or Celtic Seas.

In general, and linked to long term stock development, there has been an ongoing decline in the number of vessels specifically targeting whitefish, and most (over 10m) vessels now target Nephrops. Nephrops continues to be the main fishery for a large part of the NI fleet; there are



now 50 vessels, featuring a mixture of single and multiple trawl vessels, fishing exclusively for Nephrops.

The pelagic sector targets mainly mackerel and herring mostly in the Irish Sea, West of Scotland, and in the case of the largest vessel further afield into the Atlantic. These are profitable fisheries and are generally considered to be fished at sustainable levels.

The remainder of the fleet mainly fishes for shellfish in the Irish Sea and along the north coast, and ranges from over 12m scallopers to 10m and under vessels fishing for lobster and crab. This sector is considered reasonably stable and profitable.

Fish Management plans are under development for a number of both quota and non-quota stocks.

### ***2.2.3 Inland Fisheries***

The main commercial inland fishery is the Lough Neagh and Lower River Bann eel fishery. It is the largest wild eel fishery in Europe and has an output of yellow and silver eels averaging around 450 tonnes p.a., worth about £3.2 m to the NI rural economy, producing 16% of total EU landings and supplying 3.6% of the entire EU market. The coarse fishing industry on the Lough averages approx. 400-600 tonnes p.a.

The fishery is maintained and managed by the Lough Neagh Fishermen's Co-operative Society Ltd (LNFCS). The LNFCS manages a permitting system not only for commercial eel fishing but also for the commercial fishing of scale fish (i.e., coarse fish and brown trout). The permitting system is a means of ensuring that the fishery is managed on a sustainable basis. Currently 121 boats are authorised (through licencing and permits) to fish commercially on the Lough (of which 61 boats are exclusively eel fishing vessels).

The Lough Neagh eel has Protected Geographical Indication status recognising and protecting this species as a unique regional food product. The Pollan has also been awarded the Product Designation of Origin status recognising and protecting this species as a unique regional food product.

Common ownership, by the fishing community, and combined management of glass eel (through an extensive restocking programme), yellow eel and silver eel phases permits a management system with long-term sustainability as its main aim. The co-operative organisation is an arrangement linking fishery management to the long-term interests of fishermen and their families, a fundamental driver for sustainable management.

### ***2.2.4 Aquaculture***

Aquaculture in Northern Ireland takes place mainly in, in-shore coastal areas but also occurs inland in freshwater and in land-based recirculation systems. It is currently a small but

valuable niche market. The sector consists of several viable, often small, but profitable businesses, supporting rural economies. It provides a vital source of employment and economic activity that contributes to the preservation of viable rural communities on a year-round basis.

At the time of writing there are 86 licensed aquaculture sites, 54 of which, are licensed for the cultivation of shellfish and 32 for the cultivation of finfish. Of these, 28 are fully active, employing some 133 people (91 full time and 42 part time).

The main shellfish species cultivated are mussels and Pacific oysters, although a small quantity of Native oysters and clams are also grown. The main finfish species cultivated are salmon, rainbow trout and brown trout.

In 2020, the aquaculture sector in NI produced 1,075 tonnes of finfish worth £7.118m and 1,546 tonnes of shellfish valued at £3.643m.

### **2.2.5 Port Authorities**

The Northern Ireland Fishery Harbour Authority was established in 1973 with a statutory obligation is to improve, manage and maintain the 3 fisheries harbours of Ardglass, Kilkeel and Portavogie.

Over the last six years NIFHA, through the provision of EMFF funding, has delivered, or is delivering, 19 strategically focused series of investments around these ports costing £5.73m, which have linked improvements to the port's infrastructure and services, All this has been aimed at helping improve and sustain the operational safety and the excellent fishery produce available from the Northern Ireland fleets.

In addition to NI's three primary fishing ports, a significant proportion of the under 10m or inshore fleet operates from other ports around the Northern Ireland coastline. Under EMFF, DAERA has provided financial assistance totalling £317.6k to local councils and others to upgrade 9 ports and landing facilities with a total cost of £484.6k. Seven of these harbours were located along the County Antrim coast.

The prospective development of a Common Control Programme for fish landings within Northern Ireland may result in additional landings into one of the 7 currently designated landing ports (such as Lisahally). Should this materialise, additional investment in such ports may be required.

The relatively recent Fisheries Seafood Development Plan has recommended significant investment in the 3 County Down fishing ports of Ardglass, Kilkeel and Portavogie and which totals more than £100m. This investment is additional to the proposed port infrastructure investment within this strategy.

### **2.2.6 Fish Processing**

Most NI processing businesses operate exclusively as either Nephrops, demersal or pelagic processors, with around 8 of the 32 registered processors being classified as “mixed-fish” processors. The sector has a combined annual gross turnover of £92.6m in 2019, an increase from £89.2m in 2018 and from £76.1m in 2013 which represents a 3.8% and 21.7% increase on the 2018 and 2013 figures respectively. Great Britain is the main market outlet accounting for 47.9% (up from 35% in 2013). The home market accounts for 17.5% of sales with the remainder in EU countries around 32.6%.

White fish processors source less of their white fish locally although some raw material is imported primarily from the Republic of Ireland and Scotland. The prawn and mixed processors source most of their raw material locally. In total, Northern Ireland fish processors and merchants employed 624 staff in 2019, with 75% of the processing businesses based in and around the three South Down ports of Kilkeel, Ardglass and Portavogie.

Investment, or capital employed (being the combined value of capital shares, reserves and total borrowings) in the sector was £41.7m in 2019, an increase of 23.6% from the 2013 figure of £33.7m

### **2.2.7 Support Sector**

A significant and essential support sector (including net making, ice supply, marine engineering, vessel maintenance, training providers and ship chandlery) complements Northern Ireland’s sea fisheries industry and is vital in sustaining the socio-economic well-being of Northern Ireland’s rural fishing dependent communities.

The same infrastructure may also provide prospective support services for other marine sectors and co-location ventures, such as offshore wind farm development alongside algae-culture operations. Such services may be required to allow Northern Ireland to achieve its objectives and targets for future renewable energy production as contained in the December 2021 Energy Strategy for Northern Ireland.

Due to the location of the harbours and associated vessel numbers, the majority of these support services are in close proximity to County Down’s 3 commercial fishing ports, but moving forward, additional services may be required at other ports and harbours.

Seafish UK is also a major provider of support services to the NI fisheries and aquaculture sectors. Through its NI Regional Manager, Seafish provides marketing, training and research support to NI Stakeholders with the aim of promoting the industry and its products to local consumers, and thus increasing UK seafood consumption as a healthy and quality option.

Under the Community-led Local Development Theme of the EMFF Programme, 16 applications for support from organisations that associated themselves with the provision of support goods and services to the fishing industry were successful. The combined value of EMFF financial support provided was £322.6k and enabled total investment through these operations of £670k.

### ***2.2.8 Community Development***

Community-led Local Development (CLLD) was a key element within both the 2007-13 European Fisheries Fund (EFF) and the 2014-2020 EMFF programmes. Under EMFF, the CLLD funding strategy, was delivered by the South-East Area Fisheries Local Action Group (SEAFLAG) and focused on those areas of Northern Ireland which retained, or had in relatively recent years, a strong economic link to “fishing” for the financial well-being of the wider community.

Under EMFF, 39 applications were supported through offers of £1.58m financial assistance to councils, businesses, voluntary sector and other groups to deliver investments totalling £2.39m. This was similar in magnitude to the support that was provided to the South Down communities through the earlier EFF Programme.

The type of projects supported included private sector support businesses; Coastal and Port Environmental Improvement schemes; training and marketing initiatives; and maritime heritage projects.

### ***2.2.9 Other Marine Activities***

There are other marine activities which may impact on the sustainability of commercial fishing operations and the environment, such as recreational sea angling.

At this time, DAERA hold little information on sea angling, with information mainly derived from regular telephone-based surveys, and the ongoing completion of sea angling diaries, which has been undertaken by AFBI as part of the wider UK survey programme. Consistent with the emerging UK Joint Fisheries Statement, DAERA will, over the next period, gather information on such sectors to develop the understanding of their impact on stocks and the environment. This will enable DAERA to explore what support initiatives could be delivered to grasp any sustainable development opportunities that may be identified.

### 3. NI GOVERNMENT'S STRATEGIC PRIORITIES

With no EU regulations nor policies to base future funding on, DAERA's proposals for future support must now have sound legislative and policy bases on which to develop proposals and support industry stakeholders over the short to medium term.

As a result, any new funding strategy MUST pay regard and complement other key strategic policies that are in place or in development, with the key ones being: -

#### International

- United Nations (UN) Sustainable Development Goals
- UN Convention on Biological Diversity
- UN Framework Convention on Climate Change

#### UK Level

- UK Joint Fisheries Statement
- UK Marine Strategy
- UK Marine Policy Statement

#### Northern Ireland Level

- Draft Programme for Government
- NI Energy Strategy
- NI Environment Strategy
- NI Draft Marine Plan
- NI Climate Action Plan
- Green Growth
- The Blue Economy
- Circular Economy
- NI Biodiversity Strategy
- NI Marine Protected Area Strategy
- NI Blue Carbon Action Plan

#### Departmental

- DAERA Business Plan
- NI Food Strategy Framework

#### **3.1 *United Nations Sustainable Development Goals***

The United Nations Sustainable Development Goals (SDGs) are a call for action by all countries to promote prosperity while protecting the planet. They recognize that ending poverty must go hand-in-hand with strategies that build economic growth and address a range of social needs including education, health, social protection, and job opportunities, while tackling climate

change and protecting the environment. The Environment Strategy aims to link each set of proposed actions and targets to improve our environment to the relevant SDGs. The SDGs most appropriate to fisheries stakeholders are: -

SDG 8	Decent Work and Economic Growth (Economy)
SDG 9	Industry, Innovation and Infrastructure (Economy)
SDG 11	Sustainable Cities and Communities (Society)
SDG 12	Responsible Consumption and Production (Economy)
SDG 13	Climate action (Biosphere)
SDG 14	Life below water (Biosphere)

### **3.2 UN Convention on Biological Diversity**

The strategic context for biodiversity work comes from the Convention on Biological Diversity (CBD). The UK is a signatory to the CBD and in 2010 it adopted a new 2050 vision. This commits the UK to currently 21 targets which include ecosystem restoration and connectivity ensuring that at least 30% globally of land areas and of sea areas, especially areas of particular importance for biodiversity and its contributions to people, are conserved through effectively and equitably managed, ecologically representative and well-connected systems of protected areas and other effective area based conservation measures (OECMs), and integrated into the wider landscapes and seascapes.

The UN Leaders' Pledge for Nature commits signatories, including the UK, to putting nature and biodiversity on a path to recovery by 2030 - making us 'nature positive' by 2030 and living in harmony with nature by 2050.

The Post-2020 Global Biodiversity Framework builds on the Strategic Plan for Biodiversity 2011-2020 and sets out an ambitious plan to implement broad-based action to bring about a transformation in society's relationship with biodiversity, ensuring that by 2050 the shared vision of 'living in harmony with nature' is fulfilled.

The initial focus is to reverse biodiversity loss and create a nature-positive world by 2030, with the emphasis of this decade being on ecological restoration. In September 2022 in the lead up to COP15 the first drafts of the goals and targets for the Post-2020 Global Biodiversity Framework were published. The new goals for nature over the next decade are to be agreed in December 2022 at COP15. These targets will be incorporated into a new Biodiversity Strategy for Northern Ireland.

### **3.3 UN Framework Convention on Climate Change**

The United Nations Framework Convention on Climate Change (UNFCCC) established an international environmental treaty to combat "dangerous human interference with the climate system", in part by stabilising greenhouse gas concentrations in the atmosphere. The treaty called for ongoing scientific research and regular meetings, negotiations, and future policy agreements designed to allow ecosystems to adapt naturally to climate change, to ensure that food production is not threatened and to enable economic development to proceed in a

sustainable manner. As a signatory, the UK is required to adopt national policies and take corresponding measures on the mitigation of climate change by limiting anthropogenic emissions of greenhouse gases with the aim of returning to 1990 emissions levels. The United Nations Climate Change Conference are yearly conferences held in the framework of the UNFCCC. They serve as the formal meeting of the UNFCCC Parties (Conferences of the Parties) (COP) to assess progress in dealing with climate change. COP26 was held in Glasgow in November 2021.

### **3.4 UK Joint Fisheries Statement (JFS)**

The Fisheries Act 2020 requires the UK's fisheries policy authorities (including DAERA) to prepare and publish a Joint Fisheries Statement (JFS) that:

- sets out the policies of the fisheries policy authorities for achieving, or contributing to the achievement of, the fisheries objectives in the Fisheries Act 2020.
- contains a statement explaining how the fisheries policy authorities propose to make use of fisheries management plans in order to achieve, or contribute to the achievement of, the fisheries objectives.
- includes a statement explaining how the fisheries objectives have been interpreted and proportionately applied in formulating policies and proposals.

The JFS forms part of the UK Fisheries Management and Support Framework (the Fisheries Framework) and sets out the ambition of the UK to continue delivering sustainable management of fisheries in line with the fisheries objectives in the Act. In doing so, it: -

- recognises the importance of fishing to the UK and many of its coastal communities.
- identifies and supports changes to mitigate and reduce emissions across the fishing industry to support decarbonisation.
- recognises the importance of protecting and restoring blue carbon habitats to support resilience to climate change.
- recognises that a healthy and resilient marine environment is the foundation for a prosperous seafood sector and thriving coastal communities.
- recognises that the sustainable use and conservation of the seas is central to the fisheries management approach.
- commits to working with industry to reduce, and where possible, eliminate bycatch and entanglement of sensitive species and
- informs the UK's international work to ensure that it acts as a global leader in international sustainable fisheries management.

Any application for funding associated with the Future Marine and Fisheries Support Strategy (2023-2028) will require to clearly demonstrate the extent to which the proposal achieves, or contributes to the achievement of, the fisheries objectives in the Fisheries Act 2020.

The UK's first JFS will be published in November 2022. It will be reviewed by the fisheries policy authorities whenever it is considered appropriate to do so, but not later than 6 years after its publication.

### **3.5 UK Marine Strategy**

Northern Ireland's marine area is 6,819km<sup>2</sup> and represents approximately one third of our natural environment. The coast, and the seas around it, include highly productive and biologically diverse ecosystems. Our marine environment supports fishing, aquaculture, tourism and other marine industries that make up the 'blue economy'.

Northern Ireland works with the other UK administrations to develop and implement the UK Marine Strategy to achieve good environmental status (GES) in our seas. Achieving GES is about protecting the marine environment, preventing its deterioration, and restoring it where practical, while allowing sustainable use of marine resources.

The Strategic Environmental Outcomes across the UK are: -

- Excellent air, water, land & neighbourhood quality.
- Healthy & accessible environment & landscapes everyone can connect with & enjoy. Thriving, resilient & connected nature and wildlife.
- Sustainable production & consumption on land and at sea.
- Zero waste & highly developed circular economy.
- Fair contribution to UK net zero greenhouse gas emissions
- improved climate resilience and adaptability

DAERA's vision is for a healthy NI marine area which is managed sustainably for the economic, environmental and social prosperity of present and future generations.

We aim to achieve this by managing and protecting the marine environment, preventing its deterioration and restoring it where practical, while allowing sustainable use of marine resources, and ensuring it is resilient and adaptable to climate change. DAERA will utilise funding provided through this Future Funding Strategy to progress this objective with the key objective being the achievement of Good Environmental Status of our seas and a thriving blue economy.

### **3.6 UK Marine Policy Statement**

The UK Marine Policy Statement (MPS) is the framework for preparing Marine Plans and taking decisions affecting the marine environment. It will contribute to the achievement of sustainable development in the United Kingdom marine area. The MPS will facilitate and support the



formulation of Marine Plans, ensuring that marine resources are used in a sustainable way in line with the high-level marine objectives and thereby:-

- Promote sustainable economic development.
- Enable the UK's move towards a low-carbon economy, in order to mitigate the causes of climate change and ocean acidification and adapt to their effects.
- Ensure a sustainable marine environment which promotes healthy, functioning marine ecosystems and protects marine habitats, species and our heritage assets.
- Contribute to the societal benefits of the marine area, including the sustainable use of marine resources to address local social and economic issues.

### **3.7 Programme for Government**

The Executive intends to develop an outcomes-based Programme for Government (PfG) that is focused on achieving outcomes of societal wellbeing and delivering real and positive change in people's lives which, taken together, will help tackle disadvantage and drive economic growth. The draft Framework contains several strategic Outcomes which sets a clear direction of travel for the NI Executive and provide a vision for the future of all citizens.

The outcomes directly associated with the future support of marine stakeholders are: -

- Outcome 2 Protecting the environment (we live and work sustainably)
- Outcome 5 Giving people the chance to do well in life (everyone can fulfil their potential)
- Outcome 6 Having a good economy (globally competitive, regionally balanced & carbon neutral)
- Outcome 9 Living, working and visiting here (Northern Ireland to be a place where people want to live, work and visit).

Future funding policies and strategies will need to reflect, and positively contribute to, the above outcomes.

### **3.8 NI Energy Strategy - 'Path to Net Zero Energy'**

This strategy sets out an action plan for energy until 2030 that will mobilise the skills, technologies and behaviours needed to take us towards our vision of net zero carbon and affordable energy by 2050. The strategy will primarily be delivered by the Department for the Economy. While the strategy is not a marine-focused plan, it contains, under green growth, a number of key objectives that will be relevant to the marine sectors: -

- People are informed, empowered, supported and protected to enable them to transition to decarbonised solutions for all their energy needs
- Double the size of our low carbon and renewable energy economy to more than £2bn turnover by 2030
- Northern Ireland to become a leading low-carbon innovation hub

- Deliver energy savings of 25% from buildings and industry by 2030
- Support the transition to low and zero carbon fuels for vehicles
- Develop markets and infrastructure that integrate low carbon sources and meet our energy needs in a secure and cost-effective way.

The potential funding available through the Green Growth Pillar of the Future Marine and Fisheries Support 2023-2038 proposal will complement and positively impact on the aims and objectives of the NI Energy Strategy

### **3.9 NI Environment Strategy**

Northern Ireland faces a range of local environmental challenges including habitat and species loss, greenhouse gas emissions, climate change, waste management, the development of a circular economy, soil quality, air quality, waste crime, etc. The United Kingdom’s withdrawal from the European Union also provides new environmental opportunities and, as a result, there is a clear need to deliver on the first long-term, over-arching Environment Strategy for Northern Ireland.

As part of the NI Executive’s Green Growth strategy, DAERA is currently progressing a new Environmental Strategy, which will form the basis for a coherent and effective set of interventions that can deliver real improvements in the quality of the environment and thereby improve the health and well-being of all who live and work here; create opportunities to develop our economy; elevate Northern Ireland to being an environmental leader; and, enable us to play our part in protecting the global environment for many decades to come.

This basis is fully consistent with the aims and objectives that are associated with our proposed future funding of the maritime and fisheries sectors.

### **3.10 NI Draft Marine Plan**

DAERA is required by Section 61 of the Marine and Coastal Access Act 2009 to prepare a report on the Marine Plan process in Northern Ireland. A first report on progress with the Marine Plan was laid before the NI Assembly on 21 October 2015. The next six-yearly report, for the period 2015 to 2021, was laid on 5 November 2021.

The Marine Plan is being developed within the framework of the UK Marine Policy Statement (UK MPS) to facilitate the sustainable development of the marine area.

The Northern Ireland marine area is made up of an inshore and an offshore region. The marine area comprises all marine waters including seabed, subsoil, sea loughs and tidal rivers, so far as the tide flows at Mean High Water Spring Tide and extends from the Mean High Water Spring Tide mark out to, at most, 12 nautical miles (nm) and includes tidal rivers and sea loughs. The offshore region is the area that extends south-eastwardly from the 12nm territorial limit to the outer boundary of the Northern Ireland marine area (31nm at the farthest point).

The Marine Plan will primarily be used by public authorities taking decisions which affect or might affect the marine area. It will also be used by anyone who has an interest in the marine area including those bringing forward proposals and stakeholders who wish to comment on such proposals.

The Marine Plan's Objectives are: -

- To promote the sustainable development of productive activities, which support employment at all skill levels while fully considering the requirements of other marine interests.
- To help realise the potential of energy resources and energy storage within the marine area, while fully considering the requirements of other marine interests.
- To promote the development of vibrant, accessible and sustainable coastal communities.
- To promote the marine resource, its recreational value and its wider economic, environmental and social benefits to all.
- To promote the preservation and enjoyment of marine related heritage assets.
- To promote a healthy, resilient and adaptable marine ecosystem and an ecologically coherent network of Marine Protected Areas.
- To contribute towards climate change mitigation and adaptation measures.
- To continue to develop a sound marine evidence base in a co-ordinated manner, to increase understanding and to support the development, monitoring and review of marine plans.

The UK Government and the Devolved Administrations have agreed a set of High Level Marine Objectives establishing the building blocks for the UK's approach to the sustainable development of the marine area. These are: -

- Achieving a sustainable marine economy,
- Ensuring a strong, healthy and just society,
- Living within environmental limits,
- Promoting good governance, and
- Using sound science responsibly.

Our funding proposals for the next five years are fully consistent with the objectives of the Marine Plan and UK Government's high-level objectives for sustainable development.

### **3.11 NI Climate Action Plan**

In order to mitigate the impact of climate change in Northern Ireland, the Climate Change Act (Northern Ireland) 2022 establishes a legally binding net-zero carbon target for Northern Ireland. It also provides for the establishment and powers of the Northern Ireland Climate Commissioner and Northern Ireland Climate Office and guarantees existing environmental and climate protections.

Northern Ireland departments must ensure that the net Northern Ireland emissions account for the year 2050 is at least 100% lower than the baseline. This includes emissions such as carbon dioxide and methane, with the baseline year being 1990 for both emissions. Targets for 2030 and 2040 must be in line with the targets associated with 2050.

The Climate Change Act has placed a new duty on DAERA to develop a plan for how the fisheries sector will contribute to the achievement of the net zero targets. This sectoral plan must include proposals and policies for sea fisheries and the inland fisheries industry. We anticipate future funding schemes to support projects that contribute positively to addressing the impacts of climate change and the delivery of the Fisheries Sectoral Plan.

In January 2022 the UK's Third Climate Change Risk Assessment (CCRA3) was published, recognising the unprecedented challenge of ensuring the UK is resilient to climate change. This five-year assessment, delivered under the Climate Change Act 2008 was informed by an independent statutory assessment of the risks from climate change to the UK which was published by the CCC in 2021. The CCRA3 considered the risks that climate change poses to multiple parts of our society and economy. This assessment presents strong evidence that even under low warming scenarios the UK will be subject to a range of significant and costly impacts, unless significant further action is taken now.

Departments are now required under section 60 of the Climate Change Act 2008 to lay a programme (i.e. the Northern Ireland Climate Change Adaptation Programme) before the Assembly which sets out the policies and proposals to address the objectives in relation to climate adaptation. The policies and proposals to address the risks identified in CCRA3 will be included in the third Northern Ireland Climate Change Adaptation Programme (NICCAP3) which is to be laid in the Assembly by September 2024 and which would cover the period 2024-2029. We anticipate future funding schemes to support projects that contribute to climate change adaptation.

### **3.12 Green Growth**

The Green Growth Strategy is the Northern Ireland Executive's multi-decade strategy, balancing climate, environment and the economy in Northern Ireland. It sets out the long-term vision and a solid framework for tackling the climate crisis in the right way

On behalf of the NI Executive, DAERA is leading in developing an over-arching Green Growth Strategy, the aim of which is to transform our society by protecting and enhancing the environment; transitioning to a more sustainable economy which is fair and just; and, making our contribution to UK 'net zero' greenhouse gas emissions by 2050.

The Green Growth Strategy forms the Executive's multi-decade plan for balancing climate, the environment and our economy. It will involve all parts of government and wider society

working in collaboration from policy development to delivery. The Environment Strategy will be one of the main strategies underpinning Green Growth. While other strategies will contribute more to the Green Growth aim regarding net zero carbon and a sustainable economy, the Environment Strategy provides the focus for conserving and enhancing our natural environment for the coming decades. The Environment Strategy and Green Growth Strategy are aligned and complementary. In tackling climate change, the Executive is adopting a Green Growth approach - this means looking at climate action more holistically and considering it in the context of jobs and the environment. It means using the move from a high to a low greenhouse gas emissions economy to also improve people's quality of life through green jobs and a clean environment.

This funding strategy will provide significant resources to support proposals consistent with the NI Executive's Green Growth Strategy and its commitments on net zero.

### ***3.13 The Blue Economy***

It is estimated that the blue economy, encompassing all economic ocean and sea activities directly employs over 4 million people within Europe and accounted for 1.3 % of the European Union's GDP.

The marine environment offers a rich source of natural resources which provide acknowledged and potential food and energy supplies. The issues facing the marine environment and shared use of the assets are well documented and create significant challenges regarding the carrying capacity of the marine environment which also provides important transport and other logistical benefits. Care needs to be taken to avoid unnecessary congestion of the resource.

It is important to recognise that the marine environment represents an importance source of employment across a wide range of industrial sectors. It also has important implications for coastal-based communities and settlements through offering a range of opportunities for different groups. Increasingly, the marine environment offers valuable spaces for technological innovation, particularly around renewable energy. Our proposals, we believe, reflect this recognition.

### ***3.13 Circular Economy***

The Circular Economy will complement and support the NI Executive's Programme for Government, focusing on innovation, investment and inclusive growth with measurable outcomes whilst promoting NI as a best practice example on a global stage working to meet UN Sustainable Developments Goals and contribute to climate change mitigation.

A Circular Economy is an alternative to a traditional linear economy (take, make, use, dispose) and aims to keep resources in use for as long as possible, extract the maximum value from them

whilst in use, then recover and regenerate products and materials at the end of each service life.

A strategic policy options framework for the Circular Economy (CE) in Northern Ireland is being developed through the sponsoring Department of DfE who had set an action in the draft Industrial Strategy to work with DAERA to develop a Circular Economy Strategy for NI that will include: -

- Increased collaboration and partnership working amongst CE stakeholders
- More joined-up activity between Government Departments, local government and the private sector on CE issues
- Enhanced understanding of the Northern Ireland CE ecosystem
- A clear vision and ambition set out in the framework to inform a future CE Strategy
- A stronger evidence-base to support the challenges and opportunities for CE in Northern Ireland
- A central repository for CE activities to provide information and advice.

### **3.15 DAERA Business Plan**

DAERA's Business Plan frames the Department's work for the year ahead. First and foremost, it serves to support the outcomes set out in the draft Programme for Government as well as key commitments under 'New Decade, New Approach'. DAERA's purpose is: 'Sustainability at the heart of a living, working, active landscape valued by everyone.'

The Department promotes taking a partnership approach to sustainability, with communities and industry and supporting them to look after the environment and to be its custodians for future generations. This sustainable approach aims to deliver a healthy environment to live in, food security and enhanced profitability and economic well-being for the wider food production, forestry and fishing industries and rural communities.

### **3.16 NI Food Strategy Framework**

There is growing international acceptance of the interconnectedness between food, health and the environment. There is also an expectation that a food system should ensure environmental, social and economic sustainability and a growing interest in the concept of sustainable healthy diets. The proposed Northern Ireland Food Strategy Framework recognises this interconnectedness and uses an innovative food systems approach to set a long-term vision, high level principles and areas for strategic focus, which will seek to optimise cross departmental working on food matters to deliver Programme for Government and departmental objectives.

The Food Strategy Framework signals a significant change in approach. Reflecting the different strategic drivers anticipated during the coming decades, the Framework seeks to

build a food system that will address economic, environmental, and social sustainability. It places a significant focus on the changing values and behaviours of consumers to enable Northern Ireland to be a world-class food region, recognised for the quality, nutrition, safety and integrity of its food and its knowledge-based approach. Central to this ambition are our use of sustainable production systems, the award-winning quality of our products, the highest ethical and animal welfare standards, respect for the environment and everyone who works in the sector.

The Food Strategy contains 6 strategic priorities: -

- Priority One: Building connections between health / wellbeing and food.
- Priority Two: Building Sustainable Economic Prosperity.
- Priority Three: Building a Food Culture and Food Conscious Society.
- Priority Four: Protecting and Enhancing our Natural Resources.
- Priority Five: Building Healthy Lives through Food Education.
- Priority Six: Building & maintaining appropriate Emergency Contingency plans.

We believe the proposals within this draft marine and fisheries funding strategy are consistent with the priorities within the Food Strategy and the support to be provided to stakeholders will positively impact on the six priorities listed above.

## 4. FUTURE FUNDING POLICY

Due to the lack of the regulatory direction (and constraints) associated with previous EU funding programmes, a new, perhaps more radical, future funding strategy for stakeholder assistance over the next 5 years is required.

The emerging strategy will need to complement the pan-UK focus on Green-growth, net zero, blue-economy and (economic, environmental and social) sustainability, with all successful applications requiring to demonstrate a quantifiable impact on at least one of these areas of focus.

In addition, the NI funding strategy needs to provide potential for addressing NI stakeholder specific issues, such as an ageing fleet; lack of investment in technological assets in fish-farms, processing plants and ports; industry carbon footprint; efficiency of operations; succession planning/employment; and the potential to grasp increased market opportunities should they become available by 2026.

In recent years, there has been a pan-UK move from providing support on an “output” focused basis to one where support is provided where an investment will generate meaningful “outcomes” associated with the wider strategic aims and objectives of the UK government, NI Executive and the four UK fisheries management administrations. This shift in focus means the assessment of any investment proposal now involves the completion of an appraisal using the “The Five Case Model” and which is now applicable to all policies, strategies and programmes of investment. The Model requires consideration of the strategic, economic, commercial, financial and management benefits associated with any proposal and will, in the assessment of applications received, increase focus on what the baseline data is for the operation and the outcomes it will achieve if support is provided. Hence, future awards will be made only where an applicant can demonstrate a positive impact on relevant baseline data.



## 5. VISION STATEMENT

As a vision statement for the provision of future fisheries support, we feel that DAERA's previously used ***"Healthy Seas ... Sustainable Fisheries ... Viable Industry"*** remains mostly appropriate and relevant to the strategic policies in place and reflective of the objectives associated with the provision of financial assistance in future years.

However, we propose to amend the vision statement to reflect the current focus on the marine environment, green growth and net zero to the following: -

***"Healthy Seas ... Sustainability ... Viable Industry"***

The above vision is reflective of the objective within the Joint Fisheries Statement, namely: -

***"Clean, healthy, safe, productive, and biologically diverse oceans and seas"***

## 6. ASSOCIATED AIMS AND OBJECTIVES OF FUTURE FUNDING

In addition to making a positive contribution to the strategic plans policies and priorities referred to above, our high-level aims and objectives associated with future fisheries (sea and inland) and aquaculture funding are to:-

- Support industry expand, restructure, diversify and develop (subject to any constraints in place) in a sustainable manner
- Make a meaningful and positive contribution to marine decarbonisation
- Encourage the entire supply chain to become more integrated in order to fully grasp the opportunities available through green-growth, blue and circular economies.
- Enhance information gathering and databases for decision making
- Encourage both stakeholder innovation and “ownership” of the funding strategy
- Support complementary marine industries, tourism and heritage.
- Develop an ecologically coherent & well managed MPA network by 2030
- Appropriate management, monitoring and control of all activities, including protected species.
- Address marine bio-diversity loss, including Blue Carbon
- Deliver on the high-level objectives within the emerging UK Joint Fisheries Statement.

## **7. PROPOSED STRUCTURE FOR STAKEHOLDER SUPPORT**

The Department proposes to offer all support that is provided to achieve the aims and objectives listed in section 6 above under 6 over-arching Pillars, as follows: -

PILLAR 1 INDUSTRY VIABILITY AND INVESTMENT

PILLAR 2 GREEN GROWTH & CLIMATE ACTION

PILLAR 3 STOCK SUSTAINABILITY AND ENHANCEMENT

PILLAR 4 INNOVATIVE AND TIME-BOUND OPPORTUNITIES

PILLAR 5 MARINE COMMUNITY INITIATIVES

PILLAR 6 DCF, FISHERIES & PROGRAMME MANAGEMENT

Pillar 6 relates to the delivery of funding provided by both UK Government and NI Executive, and which has been “ring-fenced” specifically for the delivery against mandatory and control requirements relating to data collection, monitoring of fisheries activities and the delivery of public funding support programmes. Pillar 6 therefore will not be opened for applications from external stakeholders.

## 8. PROPOSED THEMES FOR SUPPORT UNDER EACH PILLAR

Initial, informal discussions with stakeholders, based on what was supported under previous funding Programmes and future industry needs and opportunities, have identified a number of themes for future support that appear consistent with departmental policies and priorities and with the objectives of the potential funding streams that may be utilised to provide support over the next 5 years.

As a result, the Department has developed an outline thematic proposal for future support over the next 5 years and had identified themes under which support may be provided within each of the 5 pillars for which applications can be submitted: -

### **PILLAR 1: INDUSTRY VIABILITY AND INVESTMENT**

#### ***Theme 1 Business Development, Investment and Diversification***

***This theme will offer business owners the opportunity to invest in the capital assets of their operations***, including vessel owners, fishermen, fish processing and aquaculture operations. Revenue costs will not be supported unless there are directly related to the capital investment proposed, time-limited and inescapable and, where eligible, will be limited to a maximum of 10% of the approved project costs. This will NOT cover the salary and wage related costs of existing staff employed by, or the overheads of, the applicant organisation as this input will be considered as evidence of commitment, and ability, to deliver the proposal by an applicant. Subject to formal consultation, ***DAERA is proposing to introduce a £1,000 minimum cost for individual pieces of equipment on the basis that items under £1,000 would not be included in an undertakings capital asset register*** (that is, they would not be capitalised for accounting purposes).

We do not, at this time, wish to be prescriptive on the type of asset that can be supported under Theme 1 and will consider each application on a case by case and needs-basis.

New and more technically advanced assets will be eligible for consideration for support. ***We do not intend to offer support for projects that could be considered as like-for-like replacement, or refurbishment necessitated through a similar asset having reached its useful economic life or appear to be more maintenance related*** (for example, replacement ice-making machinery, electrical re-wiring or re-plumbing of buildings or vessels or replacement of mechanical equipment such as processing lines, winches, net-drums, pot haulers that are already owned and utilised by an operation, VHF radios, trestles, oyster bags).

Examples of proposals that may be supported under Theme 1 are:-

- Investment in additional automated processing of catches and aquaculture produce (ashore & on-board)

- Expansion and/or diversification of existing businesses operations
- Adding value to existing operations through investment or change of working practices
- Ice-machines and freezing-at-sea equipment
- New marine-business start-up (must be an integral part of the supply chain)

<b>Rates of Financial Assistance</b>	
All Private Sector Applicants	Up to 50% of eligible project costs
<b>Application Timeframe</b>	Open for applications throughout the period

*Please note that applications for financial assistance for proposals that have a direct, positive outcome on reducing emissions, fuel consumption, alternative propulsion systems, greener energy etc will be supported under Pillar 2 (Green Growth and Climate Action) Theme 2 (Contributing to Net Zero) rather than Pillar 1 Theme 1.*

## **Theme 2 Port Infrastructure**

The provision and upgrading of ports and facilities remains a key requirement for the industry and DAERA at this time. The provision of financial assistance for investments in ports, landing sites and shelters was, financially, the largest measure supported under the previous EMFF Programme and is likely to remain one of the largest areas for investment over the next five years.

While traditionally, most port investment has focused on the three primary fishing ports of Ardglass, Kilkeel and Portavogie on the County Down coastline, EMFF support was extended to include “non-NIFHA” ports, to reflect the importance of small-scale fishing fleets along the coastline. This is anticipated to continue over the next five years where a commensurate level of commercial fishing activity justifies the investment. **Applicants must provide evidence that the fishing industry is the primary or exclusive beneficiaries from the proposed investment.** The support will not be available to privately-owned structures nor individual fishermen,

Rates of grant available will range from 50% to 100% dependent on the scale of the proposed investment, with the maximum level of support provisionally for investments that are exclusive to sea fishing operations. The actual rate in any award letter will reflect benefits to other port users, such as resident recreational craft, visiting recreational boats or other non-commercial port users. For non-NIFHA ports a minimum of 25% of the approved project costs will be required to be provided by the port authority applying for the financial assistance.

Under the Fishing and Seafood Development Programme (FSDP), significant long-term investment may be provided for Kilkeel, Ardglass and Portavogie ports. This investment is to be secured from sources out-with those reflected within this funding strategy. Even with potential investment in excess of £100m across these 3 ports, funding support along the lines of that previously provided will be required over the next few years until the FSDP investment is completed.

Examples of proposals that may be supported under Theme 4 are:-

- Provision of quayside facilities for commercial fishers (including water, electricity, landing Davits and laddering)
- Upgrading of fishing, landing and storage facilities
- Enhancing the structural integrity of “commercial fishing operations” at ports for continuity of operations purposes.

<b>Rates of Financial Assistance</b>	
Designated Commercial Fisheries Harbours	Up to 100% of eligible project costs
All other Port Authorities	Up to 75% of eligible project costs
<b>Application Timeframe</b>	Open for applications throughout the period

### ***Theme 3 Marketing and Promotion***

***Funding will be available to support proposals aimed at marketing and promoting Northern Ireland’s quality seafood at local, national and international levels where appropriate.*** Due to restrictions and trade rules, we are not permitted to offer support to promote the produce offered for sale by any one operation and therefore any marketing and promotion initiative that will be supported must promote Northern Ireland seafood as a single product. It is anticipated that grant rates of between 50% and 90% of eligible project costs will be available.

There was little early uptake in the small EMFF budget available to promote NI seafood. While there were a number of conditions associated with the utilisation of such support (for example, the project had to be sectoral and not support investment in any individual processing or aquaculture establishment), we believe that there are opportunities for future collective action by stakeholders to promote the quality and sustainability of commercial fisheries and NI aquaculture production to increase local consumption. We will seek early engagement with stakeholders to explore support for a meaningful promotional campaign, to promote the quality and sustainability of NI’s high quality fish and products. Possible proposals would therefore be:-

- Promoting the quality of species landed by our fleet and harvested at aquaculture sites.
- Promoting the sustainability of our operations
- Incentives to promote the consumption of local produce by Northern Ireland consumers through education and events.

<b>Rates of Financial Assistance</b>	
Representative or Sectoral Groups	Up to 90% of eligible project costs
<b>Application Timeframe</b>	One call for applications per year

## **Theme 4 Training, Life-long Learning**

Over the past decade, DAERA has contributed to Seafish UK delivery of fishing-related training to NI Stakeholders. This included deckhand and skipper qualifications, engineering qualifications and refresher “sea-going” training. It is likely that this arrangement will continue through the MFF (NI) funding period when the current EMFF cover ends on 31 December 2022.

As well as the above, DAERA also supported industry and stakeholder delivery of localised safety initiatives and promotional events. It is proposed that this will continue into future years with the remit extended to greater participation by the aquaculture and processing sectors.

Before December 2022, DAERA would propose to engage with industry stakeholders to identify a programme of training/life-long learning support that could be assisted through MFF (NI) or other funding. ***Opportunities that will be discussed include new entrant attracting and training, shore-side training, professional and business qualifications, new-skills (fishing, aquaculture production and diversification), training for aquaculture establishments in health and welfare, biosecurity and husbandry practices and promotion of “fishing” as a rewarding career opportunity both at sea and on-shore.***

Examples of proposals that may be supported under Theme 6 are: -

- Support towards the acquisition of professional/accredited qualifications
- Provision of **non-mandatory** safety training
- Development of a Programme of support for aquaculture & fish-processing operations.
- Development of a career advisory & training package to encourage new industry entrants

<b>Rates of Financial Assistance</b>	
Private Sector Companies	Up to 50% of eligible project costs
Individuals and/or representative bodies	Up to 90% of eligible project costs
<b>Application Timeframe</b>	Open for applications throughout the period

## **Theme 5 Promoting and Enhancing Safety**

It remains a primary objective of DAERA to promote, encourage and support non-mandatory investments that maximise the safety of fishing operations and vessels as well as within aquaculture and fish processing establishments.

Support will continue to be provided for meaningful investments by fishing vessel and aquaculture establishment owners and individual fishers/workers in both physical safety

enhancements, revision of operations, and also in promoting and provision of training associated with enhancing safety in what remains one of the world’s most dangerous occupations (through Pillar 1 Theme 4 above).

In addition to the above financial support, the department will also be seeking to encourage stakeholders to take more personal and collective responsibility for their own safety, with or without financial assistance being provided. **Therefore, it is likely that future funding will encourage vessel owners to deliver safety investments which at vessel/business level cost less than £1,000 without financial assistance and £250 at individual level.** We believe this minimum threshold will mean that stakeholders will better utilise, maintain and replace smaller safety items without reliance on financial assistance being available. We earnestly believe that fishermen and vessel owners must be encouraged to take full responsibility for enhancing safety on-board and invest in this critical aspect of operations with or without grant support being available.

NI was one of the first UK regions to establish a multi-stakeholder Fishing Safety Forum and DAERA would propose to continue to engage regularly with this Forum to offer support towards the delivery of forum-identified safety initiatives and to ensure we remain fully aware and up to date with the safety needs of, and opportunities for, each of our key sectors.

Examples of proposals that may be supported under Theme 5 are: -

- Provision of navigational equipment (such as radars) for fishing vessels
- Investments in wheelhouse, on-deck and on-site safety equipment (non-like-for-like replacement nor general maintenance work)
- Safety promotional events and campaigns

<b>Rates of Financial Assistance</b>	
Private Sector Applicants	Up to 50% of eligible project costs
Industry Representative Groups (Promotional Events and Campaigns)	Up to 90% of eligible project costs
<b>Application Timeframe</b>	Open for applications throughout the period

## ***PILLAR 2: GREEN GROWTH & CLIMATE ACTION***

### ***Theme 1 Innovation & Research***

In order to mitigate the impact of climate change in Northern Ireland, the Climate Change Act (Northern Ireland) 2022 establishes a legally binding net-zero carbon target for Northern Ireland. Northern Ireland departments must ensure that the net Northern Ireland emissions



account for the year 2050 is at least 100% lower than the 1990 baseline. Targets for 2030 and 2040 must be in line with the targets associated with 2050.

The Climate Change Act (Northern Ireland) 2022 has placed a new duty on DAERA to develop a plan for how the fisheries sector will contribute to the achievement of the net zero targets. This sectoral plan must include proposals and policies for sea fisheries and the inland fisheries industry.

As a result, ***significant focus will be applied through the future MFF (NI) funding strategy to ensure that the potentially available funding makes a significant impact on the key targets associated with “Green Growth” and “Net-Zero”.***

Under Pillar 2 - Theme 1, we expect to support projects that contribute positively to addressing the impacts of climate change. However, it is recognised that many of the desired technologies (such as the replacement of diesel propulsion units on-board fishing vessels) are not yet sufficiently researched or developed to enable business owners to make costly capital investments in such equipment at this time. ***The support of further innovation and research is required to identify or expand the practical options available across our maritime industries and also to expedite their delivery on the ground.***

The Green Growth Strategy aims to balance climatic, environmental and economic requirements in Northern Ireland and provides a long-term vision and framework for tackling the climate crisis appropriately. DAERA is leading in developing an over-arching Green Growth Strategy, the aim of which is to transform our society by protecting and enhancing the environment; transitioning to a more sustainable economy which is fair and just; and, making our contribution to UK ‘net zero’ greenhouse gas emissions by 2050.

This will involve all parts of government and wider society working in collaboration from policy development to delivery. In tackling climate change, the Executive’s approach is to look at climate action more holistically and considering it in the context of jobs and the environment. It means using the move from a high to a low greenhouse gas emissions economy to also improve people’s quality of life through green jobs and a clean environment.

This funding strategy will provide significant resources to support proposals consistent with the NI Executive’s Green Growth Strategy and its commitments on net zero. ***Through this Theme, funding will encourage and support applications from all key marine stakeholders that addresses gaps, or opportunities, in the current data and knowledge base that are required to be considered to allow proper and best management decisions and actions be taken that maximise our contribution to our commitments.***

Examples of areas that could be supported under these themes are: -

- Design of Net Zero Fishing Vessels
- Energy Audits of businesses

- Research and collection of baseline data
- Pilot initiatives and testing of on-board catch-handling
- Enhancing Selectivity and Reducing By-catches
- Cross-Stakeholder Scientific Partnership working
- Design of Optimal “Green” Fishing vessel
- Use of alternative technologies within fish processing and aquaculture operations

Funding support, like that which was available under the previous EMFF Programme will continue to be provided for projects that take an innovative approach to addressing strategic-level issues and opportunities, rather than at individual business level. Applications will be considered across all marine and fisheries sectors within Northern Ireland provided they are genuinely innovative and provide data and information that is meaningful, currently unavailable and will add to the decision-making process. This theme will support proposals that generate industry-wide benefits. Support for similar projects that only benefit one undertaking may be available to individual businesses under Theme 2 of this proposal.

For proposals that have no direct financial benefit to an individual operation or undertaking, the rate of support will be up to 100% of approved project costs if an applicant organisation satisfies the following 4 criteria: -

- The proposal provides no direct financial benefit to the applicant organisation
- The application is supported by a number of similar but unlinked stakeholders
- The project has the potential to benefit a range of stakeholders/entire sector and the applicant is committed to sharing **all results** from project delivery with other stakeholders
- The project is fully innovative in its approach to addressing an identified issue.

<b>Rates of Financial Assistance</b>	
Private Sector Applicants	Up to 50% of eligible project costs
Other Applicants/Collective Bodies	Up to 100% of eligible project costs
<b>Application Timeframe</b>	One call for applications per year

## ***Theme 2 Contributing to Net Zero (adaption of existing operations)***

While Theme 1 above relates to research, testing and data-gathering, ***Theme 2 will focus on providing financial assistance to operatives to invest in tried-and tested capital equipment within existing operations and processes where it can be evidenced that the investment will make a significant and positive contribution towards the achievement of Northern Ireland’s Net-Zero targets for 2030, 2040 and 2050.*** To secure financial support, **applicants will be required to quantify the benefits from an established base line position and demonstrate that the benefits are measurable and achievable.**

Examples of projects that could be supported under Theme 2 are: -

- “Greening” of the provision of energy, fuel and other resources at and around ports
- Investments in Kort Nozzles, Catalytic converters, Exhaust Systems
- Fuel monitoring systems
- Investments in alternative electricity production

<b>Rates of Financial Assistance</b>	
Private Sector Applicants	Up to 50% of eligible project costs
<b>Application Timeframe</b>	Open for applications throughout the period

### ***Theme 3 Fleet Renewal***

Despite investment in more modern fishing vessels by a number of fishermen in recent years, there remains within the NI trawling fleet a significant number of outdated and inefficient vessels. Most of these older vessels cannot, due to age, size and structure, adapt to this environment which provides a better economic return for vessel owners and crew members.

It is unlikely that the “modernisation” of such vessels would generate measurable or significant benefits associated with the objectives of the Green Growth Strategy and the NI Executive’s “Net Zero” targets. In the main, they are not suitable for the replacement of existing diesel engines with alternative power sources nor are they suitable for investing in, for example, nozzles and other investments that would reduce the carbon footprint of our fleet. They are also, we believe, not generally suitable for the deployment of new technologies that are now emerging relating to the more automated on-board catch handling and freezing at sea opportunities - investments that, among other things, reduce the hours associated with processing catches on-board and increase the economic returns for vessel owners (and therefore crews), whilst concurrently making a significant positive impact on fuel and carbon emissions.

While International/world-wide fisheries agreements mean that the construction of new fishing vessels cannot be supported through public funding, the Department proposes to engage with sea fisheries interests to develop a policy that would be delivered later in this five-year cycle to enable stakeholders to invest in newer, more energy efficient vessels with funding being provided not for the purchase of the vessel itself but for the fitting out of these vessels with modern systems, facilities and technologies that would be necessary to deliver a more dynamic, energy efficient fleet that is fully adaptable to the dynamic environment in which fishing vessels now have to operate.

International rules also mean that any fleet renewal proposal should not result in an increase in any nation’s capacity to catch fish in order to ensure that key stocks are not, or have the potential to be, overfished but continue to be prosecuted at sustainable levels. Therefore, to attract such support as outlined above, any vessel ear-marked for “replacement by a more

modern vessel” will require to be permanently removed from the fleet. The Department is also receptive to investigating how public funding could also contribute to such a requirement.

It is most probable that a “state-aid related” approval will be required to deliver a fleet renewal scheme as a result of World Trade Organisation and Free-Trade Agreements conditions. To have any chance of securing such approval, the submission will need to clearly evidence that the proposal will not result in an increase the NI fleet capacity to fish. The submission will require, as a minimum, to be based on the fact the target sector is restricted by annual TACs and that the environmental and societal benefits from the proposal are at least as significant as the improved economic returns that a fishing vessel may realise. As a result, and also due to the anticipated funding required to deliver such a scheme, it is likely that this initiative will only be introduced for those vessels that harvest quota species and be limited to one vessel per fishing undertaking – where an undertaking (or a director) has more than one vessel, only one of these vessels would be allowed to be replaced through the potential financial assistance.

In terms of succession planning and economic sustainability, we see this theme as a means of progressing stakeholders from investing in the future only where public funding is available to do so to a future where enhanced economic returns (income from catches plus reduced operational costs) make future, large scale investments viable without public intervention.

DAERA proposes to use the consultation process associated with the new future funding proposal to identify and agree eligibility criteria associated with such a scheme, including a minimum age for a vessel that is to be replaced (for example, 30 years) and a maximum age for a purchased replacement vessel (for example, 10 years)

Examples of proposals that may be supported under Theme 4 are:-

- Removal of oldest, least carbon-friendly sea fishing vessels from the NI fleet
- Modernisation of the electrical wiring and pipework of a replacement fishing vessel
- Fit out of modern crew and sanitary facilities
- Replacement of traditional power systems with alternative, greener systems
- Re-alignment of vessel hull to accommodate automated processing, icing and freezing at sea equipment
- Upgrade of electronic, wheelhouse equipment
- Provision of ice-making and on-board processing and freezing machinery.

<b>Rates of Financial Assistance</b>	
Costs of permanently removing vessel from fishing operations	100% of eligible costs (to a maximum of £100k per vessel)
Adaptation of Replacement vessels	Up to 50% of eligible project costs (to a maximum of £200k per vessel)
<b>Application Timeframe</b>	Two calls for applications during the period

## ***Theme 4 Investment in the Blue Economy***

It is estimated that the blue economy, encompassing all economic ocean and sea activities directly employs over 4 million people within Europe. The marine environment offers a rich source of natural resources which provide, among other things, acknowledged and potential food and energy supplies. The issues facing the marine environment and shared use of the assets are well documented and create significant challenges regarding the carrying capacity of the marine environment which also provides important transport and other logistical benefits.

The global blue economy – from shipping through to renewable energy – is a vast and almost completely untapped well of economic and social potential, estimated to grow to a value of £3.2 trillion by 2030. It is set to power an expanding global ambition to create jobs and economic growth by bringing together expertise and technology across a range of traditional and emerging industries. The eight key Blue Economy sectors identified by the OECD (Organisation for Economic Co-operation and Development) as of particular interest are broken down into two categories. There are existing sectors: offshore oil and gas, shipping, fisheries and tourism. Then there are emerging/Blue Growth sectors: aquaculture, algae culture, marine energy (wind, wave, tide and thermal), biotechnologies and seabed mining. Common to the future of all of these sectors are marine science, international maritime law, marine governance and marine planning.

Of course the Blue Economy can only be sustainable if it has a strong interconnectivity with the Green Economy, the creation of a sustainable economy on land. That is, an economy that restores, protects and maintains diverse, productive and resilient ecosystems – and one that is based on clean technologies, renewable energy and active recycling and repurposing of materials.

Potential projects for consideration under this theme may include: -

- Research and development into alternative sources of seed mussel and operations to ensure sustainability of mussel seed stocks
- Research and development of non-traditional/novel aquaculture and algae-culture operations
- Adaption of commercial, registered vessels for part-time diversification from existing operations
- Researching socio-economic implications of shared waters, including coastal adaption
- Enhancing Information for decision making
- Developing databases of NI Eco-systems and Natural Capital

Through discussions with stakeholders, ***DAERA will develop an initiative that will invite applications for financial support that identifies and delivers opportunities for our***

*primary stakeholders to enter into and/or develop the NI Blue Economy outside of those practices that an operation is currently active within. Sustainable diversification will be the key objective of any support that may emerge.*

<b>Rates of Financial Assistance</b>	
Private Sector Applicants	Up to 50% of eligible project costs
Representative Bodies	Up to 100% of eligible project costs
<b>Application Timeframe</b>	One call for applications per year

## ***Theme 5 Investment in the Circular Economy***

The Circular Economy will complement and support the NI Executive’s Programme for Government, focusing on innovation, investment and inclusive growth with measurable outcomes whilst promoting NI as a best practice example to meet UN Sustainable Developments Goals and contribute to climate change mitigation.

A Circular Economy is an alternative to a traditional linear economy (take, make, use, dispose) and aims to keep resources in use for as long as possible, extract the maximum value from them whilst in use, then recover and regenerate products and materials at the end of each service life.

A strategic policy options framework for the Circular Economy (CE) in Northern Ireland is being developed through the sponsoring Department of DfE who had set an action in the draft Industrial Strategy to work with DAERA to develop a Circular Economy Strategy for NI. Increased collaboration and partnership working amongst CE stakeholders will be paramount to the successful delivery of the CE Strategy.

In terms of the marine environment, a number of circular economy related proposals have already been identified as potential avenues of support under this future funding strategy: -

- Decommissioning of end of use fishing vessels
- Decommissioning of end-of-life fishing gears
- Expansion of Fishing for Litter Initiatives.

**We propose to include a specific measure within this strategy to support proposals that focus on either maintaining resources in use for as long as possible and maximises the value accruing from them or projects that address the effective removal of “assets” which have reached the end of their useful life. This theme will focus on the physical delivery of projects associated with the aims and objectives of the circular economy, with research and development proposals on this matter being supported under Pillar 2 Theme 1 (Innovation & Research).**

Examples of proposals that may be supported under Theme 5 are: -

- Provision of resources for the Recycling of nets, ropes, oyster trestles/bands, plastics and other material
- Expansion or redevelopment Fishing for Litter Initiatives
- Facilities for the disposal of end-of-life vessels (fishing, recreational and other)
- Services for the disposal of end-of-life vessels (fishing, recreational and other)

<b>Rates of Financial Assistance</b>	
Private Sector Applicants	Up to 50% of eligible project costs
Other applicants	Up to 90% of eligible project costs
<b>Application Timeframe</b>	One call for applications per year

## ***Theme 6 Blue Carbon and Natural Capital***

The marine and coastal environment can be considered in terms of the stocks of natural assets, which delivers flows of ecosystem service and provide societal benefits. One of the Green Growth principles is to *Respect our planet – by restoring and protecting our natural capital. Future human wellbeing depends on a healthy and resilient natural world.*

Coastal ecosystems are some of the most productive on Earth. They provide us with essential ecosystem services, such as coastal protection from storms and nursery grounds for fish. We also know that they provide another integral service - sequestering and storing "blue" carbon from the atmosphere and oceans and hence are an essential piece of the solution to global climate change and improving human well-being.

These ecosystems remove carbon from the atmosphere and oceans, storing it in plants and sediment. They are also one of the most threatened and, once they are degraded or destroyed, their blue carbon stores are released as carbon dioxide and contribute to global climate change.

Blue carbon is the term for carbon captured by the world's ocean and coastal ecosystems. The oceans have a huge role to play in tackling climate change, they absorb 20-35% of human-made carbon emissions every year. Carbon is part of the entire marine ecosystem, stored in both the living (e.g., animals and plants), and non-living (e.g., shells, skeletons and sediment) material. Some of these stores can lock carbon away for thousands of years like in the calcium carbonate shells of bivalves. Other stores are shorter-term, for instance on a monthly basis like in kelp forests.

Given the importance of "blue carbon" to ecosystem health, DAERA is proposing to support projects that research the potential to develop and/or restore blue carbon resources within our marine environment, as well as supporting other natural capital proposals that positively contribute to the protection and restoration of coastal and marine ecosystems. DAERA is also

proposing to support projects that will inform and deliver climate change adaptation measures for marine and coastal ecosystems.

<b>Rates of Financial Assistance</b>	
Representative Groups	Up to 100% of eligible project costs
<b>Application Timeframe</b>	One call for applications per year

### **PILLAR 3: STOCK SUSTAINABILITY AND ENHANCEMENT**

#### ***Theme 1 Research, Data Collection and Sustainability Initiatives***

Consistent with DAERA and UK Fisheries Administration’s policies and legislation (e.g., Fisheries Act 2020), ***the Department will continue to encourage and promote applications from representative bodies that focus on enhancing sustainability and selectivity at sea and on-land operations.***

While grant for a private sector applicant will be set at a maximum of 50% of eligible project costs where the benefits of delivery fall significantly to that organisation or individual, for “collective” proposals that have no direct financial benefit to an individual operation or undertaking, the rate of support will be up to 100% of approved, eligible project costs if an applicant organisation can satisfy the following 4 criteria: -

- The proposal provides no direct financial benefit to the applicant organisation
- The application is supported by a number of similar but unlinked stakeholders
- The project has the potential to benefit a range of stakeholders/entire sector and the applicant is committed to fully sharing all the results from the project delivery with other stakeholders
- The project is fully innovative in its approach to addressing the identified issue.

***If an applicant wishes to seek support for a project that enhances sustainability and selectivity at operational rather than strategic level, such applications will be accepted under Pillar 2 Theme 2 above.***

Examples of proposals that may be supported under Pillar 3 Theme 1 are: -

- Implementation of Lobster V-notching programmes
- Adaptation and trialling of new and amended fishing gears
- Re-stocking Programmes
- Research and delivery of new conservation measures for both pressure and non-pressure stocks
- Pilot trials to improve sustainability of aquaculture production/practices.



<b>Rates of Financial Assistance</b>	
Representative Groups	Up to 90% of eligible project costs (where individual members do not benefit financially from the project's delivery)
<b>Application Timeframe</b>	One call for applications per year

#### **PILLAR 4: INNOVATIVE AND TIME-BOUND OPPORTUNITIES**

One of the issues associated with previous funding programmes was the length of time required to submit a fully completed (including adherence to procurement requirements) application form for financial assistance and the time required to process successful applications to an award. In some cases, the length of time required to comply with the due process of accountability and control resulted in the opportunity for delivering the proposal being lost due to timescale pressures.

As part of the new funding strategy, DAERA proposes to offer “fast-track” awards under Pillar 4 where there are related time and resource pressures associated with delivery of the proposal. It is anticipated that the fast-track process will be offered to proposals where a maximum of £30k financial assistance is required and where the project can be delivered within a maximum window of 12 months. This Pillar is only for proposals that, for practical reasons such as timing and being only a single means of delivery, are not possible to support under Pillars 1 -3.

It is most likely that applications, to be successful through this Pillar will require to have a focus on one of the following 4 themes: -

- Theme 1      Innovative Research and Data Collection
- Theme 2      Pilot Projects
- Theme 3      Establishment of Baseline information and data
- Theme 4      Integration of NI stakeholders with UK-based groupings
- Theme 5      NI Representation at pending and relevant events

We feel these themes will enable DAERA and applicants to ‘experiment’ with pilot projects and “quick- win” proposals of a non-competitive or financial nature and which will provide the flexibility to meet business objective needs.

<b>Rates of Financial Assistance</b>	
Representative Groups	Up to 90% of eligible project costs
Public Sector Groups	Up to 100% of eligible project costs
<b>Application Timeframe</b>	Open for applications throughout the period

## **PILLAR 5: MARINE COMMUNITY INITIATIVES**

The two previous EU fisheries funding programmes have provided in access of £4m financial assistance towards community-led local development (CLLD) projects in and around the 3 County Down fishing ports of Ardglass, Kilkeel and Portavogie. This is additional to earlier “community initiatives” that were delivered within these areas, including the EU PESCA Programme, DAERA/IFI Fishing Villages Initiative and Strategic Investment Board’s Fisheries Integrated Development Fund.

While funding under the EMFF and EFF Programmes was intended to support projects that were directly and significantly linked to the fishing industry in and around these 3 key fishing ports, the Department has concerns that a number of the projects supported were not directly associated with the fishing industry and were “made to fit” the support strategy and, while meritorious proposals on their own, were not directly linked to addressing a need or opportunity unique to the local fishing sectors or communities.

A strategic review of the previous two “CLLD” programmes is required to quantify the benefits to the maritime and complementary industries realised from the previous investment. This review will be used to inform the need for, and shape of, any future “Community-led support initiative”. It will include consideration of the current geographical limitations associated with CLLD support to date and also how any future scheme should be designed to ensure that any beneficiary’s operations are directly and exclusively linked to the fishing activities within their area of operation, as well as current NI Executive priorities.

Currently, DAERA is of the opinion that support for CLLD projects should continue but must be based on a new, more focused and tailored strategy that does not replicate other financial support measures available to operations within the defined catchment area. The review will also include an assessment of the most effective means of delivering CLLD and what eligibility criteria are required to ensure maximum benefits accrue to targeted stakeholders.

Examples of proposals that may be supported under Pillar 5 are: -

- Industrial workspace at fishing ports
- Seafood and Maritime promotional festivals
- Marine Support Sector Expansion, Diversification and Start-up
- Regional Maritime Tourism Integration
- Promotion of Maritime Heritage

The following 3 themes under Pillar 5 are being considered: -

Theme 1	Marine Industry Support Programme
Theme 2	Promotion of Maritime Tourism and Heritage
Theme 3	Marine Careers Initiative

<b>Rates of Financial Assistance</b>	
Private Sector Applicants	Up to 50% of eligible project costs
Public Sector & other Representative Groups	Up to 90% of eligible project costs
<b>Application Timeframe</b>	One call for applications in Year 2 and Year 4

## 9. INDICATIVE SECTORAL SUPPORT MEASURES

Until the pending consultation concludes and feedback considered, it is not possible to produce a definitive list of the themes that may be supported under the above 5 pillars. However, the following list is an (non-exhaustive) illustrative example of the types of themes that may be supported under this proposed initiative.

### Sea Fisheries Sector

- Enhancing safety
- Training, re-training and skills development
- Fleet modernisation
- Adding value to the catch
- Sustainability and selectivity
- Accreditation of fisheries
- Port improvements
- New Entrant Support Package Development
- Enhancing efficiency through technological advancements
- De-carbonisation of operations (e.g., alternative propulsion)
- Diversification – into non-fishing operations
- Enhanced science/data for decision making

### Inland Fisheries

- Enhancing safety
- Training, re-training and skills development
- Adding value to the catch
- Sustainability and selectivity
- Accreditation of fisheries
- Enhancing efficiency through technological advancements
- De-carbonisation of operations (e.g., alternative propulsion)
- Enhanced science/data for decision making

### **Aquaculture**

- Reducing the environmental impacts of farming
- Investing in new, sustainable production methods
- Productive investments (business expansion and modernisation)
- Diversification of species cultivated
- Improved aquatic health and welfare practices/conditions
- Improved working and safety conditions
- Improved resource efficiency
- Advisory and professional services

### **Processing**

- Reducing the environmental impacts of farming
- Investing in new, sustainable production methods
- Productive investments (business expansion and modernisation)
- Diversification of species cultivated/processing of by-products
- Improved working and safety conditions
- Improved resource efficiency
- Advisory and professional services

### **Community-led Local Development**

- Provision of supporting services to the fisheries sector
- Seafood and Maritime promotional festivals
- Regional Maritime Tourism Integration
- Promotion of Maritime Heritage
- Environmental improvements of fishery harbour estates
- Cottage-based processing initiatives

### **Other Stakeholders**

- Promotion/protection of the marine environment
- Sustainable use of marine/coastal resources
- Improving knowledge on state of the marine environment
- Promoting actions/dialogue to develop, introduce or implement integrated maritime governance and planning.
- Blue Carbon Restoration
- Coastal adaption



## 10. POTENTIAL FUNDING LEVELS (3 - 5 YEARS)

During the past two decades, there has effectively been only one funding source for supporting fishing stakeholders in any one year. However, over the next few years, there is potential for support to be provided through a number of funding streams as follows: -

**National Funding to Replace EU Funding Programmes (MFF(NI))** – the current Government’s manifesto pledged support to fisheries stakeholders similar to the level of support provided under the previous EMFF Programme. This has since been confirmed as £3.1m for the 3 financial years commencing 2022/23 and up to and including 2024/25. The £3.1m includes £1.1m to cover the costs of data collection (by AFBI) and costs associated with fisheries management controls. This leaves around £2.0m per annum over the next 2 years for supporting grant applications from industry stakeholders and is relatively consistent with annual spend under the EMFF Programme in recent years.

**UK Seafood Fund (UKSF)** – this “additional” support is being provided by HM Treasury to enable the UK industry to adapt to the post-Brexit landscape and to position itself to ensure the opportunities that may become available to all sectors by 2026 (when the UK takes back full control of its territorial waters) can be grasped. The funding covers three pillars: -

Pillar 1	Science & Innovation	(£25 million)
Pillar 2	Infrastructure	(£65 million)
Pillar 3	Skills and Training	(£10 million)

Based on the share of UK funding received under the previous EMFF Programme, it is anticipated that NI could secure around £8-10m from the UKSF across the 3 pillars, provided that good and eligible applications are submitted by NI stakeholders. This total funding, at present, is available for spend across the 2022/23, 2023/24 and 2024/25 financial years.

It should be noted that the UKSF is a UK-wide scheme which will be administered by Defra and its appointed delivery bodies (such as CEFAS and the Marine Management Organisation) and applications will be submitted to those authorities rather than DAERA.

**Green Growth Funding** – Marine and Fisheries Division proposes to seek to secure a proportion of the DAERA Green Growth budget allocation for investment in fisheries projects over the next 5 years. Within our current state-aid allowances, we believe there may be opportunities to invest a further £2.0 - £2.5m per annum in fisheries sectors over the next 5 years.

In conclusion, there will be at least 3 different strands of funding available to stakeholders over the next 3 years. The delivery of funding across all available strands will require close and continual monitoring by DAERA, in partnership with stakeholder bodies, to ensure the maximum benefits from all available funding are realised for NI industry and, where necessary, approvals to exceed state-aid ceilings are sought in a timely manner.

As a result, it is likely that we will establish an advisory “Fisheries Funding Steering Group” to assist in this process in order that DAERA can be informed of current and future industry needs; project applications submitted directly by final beneficiaries to any theme within UK level schemes; and to be advised of any pipe-line proposals that may be emanating from industry stakeholders. This forum will also serve to update sectoral representatives of the funding opportunities available to them and the timescales associated with delivery. Effectively, for NI purposes, the above forum will replace the previous accountability and scrutiny role delivered by the UK EMFF Programme Monitoring Committee.

There are also other potential avenues of funding that marine and fisheries stakeholders may be able to secure resources to deliver projects, with the two main initiatives as follows:-

**Shared Island Fund** – this fund aims to address strategic challenges across the island of Ireland that develop an all-island economy and build a consensus on a shared future. It is anticipated that funding may be provided to support joined-up approaches to environmental issues impacting north and south of the border, including climate breakdown and the biodiversity crisis with the aim of enhancing, development and deepening all aspects of north-south co-operation and the all-island economy.

**Peace Plus** - Peace Plus aims to contribute positively to the economy through building prosperity and adjusting to the new environment and challenges. Funding for marine stakeholders may be accessible under Peace Plus Theme 5 “supporting a sustainable and better-connected future” for proposals focusing on Biodiversity and Nature, recovery and resilience as well as Marine and coastal management initiatives.

However, as these 2 Programmes are out-with the direct control of the Department, this marine and Fisheries Strategy does not make any assumptions or provision for support of marine and fisheries stakeholders at this time as any awards under the Shared Island Fund and/or Peace Plus will be additional to, or complement, the proposed funding themes contained within this document.

## 11. LIMITATIONS ON PROPOSALS

- **State-aid rules**

There is potential that the amount of funding that could be available to industry over the next five years could exceed the level of investment permitted in any one year or five-year rolling period. However, it is probable that not all grant awards will be reportable as “state-aid” – especially those of research and/or environmental nature where there are no direct financial benefits to individual business operations and which are undertaken primarily for environmental, selectivity, sustainability or conservation reasons.

Where it appears that set limits may be exceeded, it may be possible to manage the timing of project investments and which organisation delivers a project to help ensure that limits are not breached. Where it still appears that limits may be exceeded, the Department can seek approval from the European Commission, via UK government, to increase the overall limits through a formal notification process. This process can take up to 18 months to deliver and there is no guarantee that such a request will be successful.

- **Timescales**

There are a number of different timescales associated with the five pillars of potential support that may be available over the next 3-year period and indeed with the delivery of some of the themes within this high-level strategic proposal. There also appears to be a lack of “End-Year Flexibility” associated with MFF (NI) funding, meaning that projects must be completed within the year that funding was provided for the investment rather than extended into another financial year which was possible under EMFF. It is critical therefore that potential applicants liaise with DAERA early in the process to ensure that applications are received at an appropriate time (and to the required standard of completeness, quality and supporting evidence) to maximise the time available for delivery within any one year to ensure that the project can meet its objectives.

As a result of this new requirement, there is a risk that projects that cannot be delivered as proposed in an application and award letter will require additional funding from the applicant to deliver the project and cover any public funding awarded that may be lost due to later than anticipated delivery. Therefore, applicants will be required to apply more focus and adherence on timing deadlines for spend that was previously required under previous Programmes.

As indicated previously, it is likely, depending on interest and uptake, that some themes (such as fleet renewal) will require international (as a result of WTO and UK Free Trade Agreements) approval before it can be delivered. This process can take up to 18 months to complete.



- **Funding availability**

The only “confirmed” funding at this time is the £3.1m per annum for 2022/23 to 2024/25 inclusive under MFF (NI). With “levelling-up” a key objective of the UKSF Programme, it is probable that, subject to strong and eligible proposals being submitted by NI stakeholders, NI will benefit from £10m (or 10%) of the available UKSF funding provided projects can be delivered before 31 March 2025.

There has not, as yet, been any confirmation on the potential level of “Green Growth” funding that may be provided for fisheries sectoral support. In due course, DAERA will require to submit a bid to DoF for such funding and this will be undertaken when the quantifiable need, and justification, for such funding has been established over the next few months as part of the formal consultation process on our future funding proposals.

- **Change in Funding Focus**

While this funding proposal indicates that most of what could be supported under EMFF would still be available to stakeholders in future years, in other ways, this proposal is rather radical due to the need to address NI specific issues associated with the fishing industry but also as a result in the recent change in public sector focus to reflect that support should be prioritised for proposals that positively impact on the achievement of “Net Zero” targets and which focus on grasping opportunities available under the banners of Green Growth, Blue Economy and the circular economy.

As an example, we propose to encourage vessel owners to invest in alternative or enhanced propulsion systems for their vessels, should such systems be identified and practical. If this is to be delivered on the basis that it contributes to Net Zero Targets and merits for support as a “Green Growth” project, then it may be that funding for replacement “diesel” engines is no longer considered eligible for financial assistance. Similarly, if extensive funding is to be provided later in the period for fleet renewal, there are questions on the appropriateness of providing modernisation support grants to vessel owners for vessels that are among the oldest in the fleet where the investment is required (for example, re-wiring or re-plumbing a vessel) as a result of the age of the vessel and which could be considered as routine “maintenance” costs.

## 12. INDICATIVE FINANCIAL PLAN

While funding has not as yet been confirmed (other than MFF (NI) for 2022/23 to 2024/25), it is possible, that the funding within the table below could be available over the next five financial years:-

	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>TOTAL</b>
MFF(NI)	£2.00m	£2.00m	£2.00m	£2.00m	£2.00m	£10.00m
Green Growth	£2.00m	£2.00m	£2.00m	£4.00m	£1.00m	£11.00m
UKSF	£4.00m	£4.00m	-	-	-	£8.00m
<b>TOTAL</b>	<b>£8.00m</b>	<b>£8.00m</b>	<b>£4.00m</b>	<b>£6.00m</b>	<b>£3.00m</b>	<b>£29.00m</b>

*\* The above figures exclude MFF (NI) funding ring-fenced for Data Collection and Fisheries Management activities up to 31 March 2025 and which equates to £1,1m per year*

### 13. INDICATIVE BUDGETS BY PILLAR AND THEME

Should the potential funding be secured, indicative Pillar and Theme budgets are proposed as follows:-

Pillar & Theme	Indicative Budget (£m)					Total (£m)
	2023/24	2024/25	2025/26	2026/27	2027/28	
Pillar 1 Theme 1	£0.500	£0.600	£0.600	£0.600	£0.600	£2.900
Pillar 1 Theme 2	£0.400	£0.400	£0.400	£0.400	£0.400	£2.000
Pillar 1 Theme 3	£0.100	£0.100	£0.100	£0.100	£0.100	£0.500
Pillar 1 Theme 4	£0.100	£0.100	£0.100	£0.100	£0.100	£0.500
Pillar 1 Theme 5	£0.200	£0.200	£0.200	£0.200	£0.200	£1.000
<b>TOTAL PILLAR 1</b>	<b>£1.300</b>	<b>£1.400</b>	<b>£1.400</b>	<b>£1.400</b>	<b>£1.400</b>	<b>£6.900</b>
Pillar 2 Theme 1	£0.100	£0.200	£0.200	£0.200	£0.100	£0.800
Pillar 2 Theme 2	£0.100	£0.100	£0.200	£0.200	£0.200	£0.800
Pillar 2 Theme 3	£0	£0	£0	£3.500	£3.500	£7.000
Pillar 2 Theme 4	£0.100	£0.200	£0.100	£0.100	£0.100	£0.600
Pillar 2 Theme 5	£0.250	£0.250	£0.100	£0.100	£0.100	£0.800
Pillar 2 Theme 6	£0.050	£0.100	£0.100	£0.100	£0.100	£0.450
<b>TOTAL PILLAR 2</b>	<b>£0.600</b>	<b>£0.850</b>	<b>£0.700</b>	<b>£4.200</b>	<b>£4.100</b>	<b>£10.450</b>
Pillar 3 Theme 1	£0.400	£0.400	£0.400	£0.400	£0.400	£2.000
<b>TOTAL PILLAR 3</b>	<b>£0.400</b>	<b>£0.400</b>	<b>£0.400</b>	<b>£0.400</b>	<b>£0.400</b>	<b>£2.000</b>
Pillar 4 Theme 1	£0.100	£0.100	£0.100	£0.100	£0.100	£0.500
<b>TOTAL PILLAR 4</b>	<b>£0.100</b>	<b>£0.100</b>	<b>£0.100</b>	<b>£0.100</b>	<b>£0.100</b>	<b>£0.500</b>
Pillar 5 Theme 1	£0	£0.500	£0	£0.500	£0	£1.000
<b>TOTAL PILLAR 5</b>	<b>£0</b>	<b>£0.500</b>	<b>£0</b>	<b>£0.500</b>	<b>£0</b>	<b>£1.000</b>
<i>Technical Assistance</i>	£0.040	£0.040	£0.040	£0.040	£0.040	£0.200
<b>TOTAL</b>	<b>£2.440m</b>	<b>£3.290m</b>	<b>£2.640m</b>	<b>£6.640m</b>	<b>£6.040m</b>	<b>£21,050m</b>

- *The above table excludes the potential £8m that may be available to NI stakeholders through the UK Seafood Fund, and which would, most likely, support projects that are consistent with Pillar 1 of this funding proposal (for example, port infrastructure, training facilities)*

## 14. PROPOSED DELIVERY MECHANISM

As indicated earlier, UKSF is a UK-wide scheme that will be overseen and managed by DEFRA and administered and delivered by DEFRA-appointed bodies rather than DAERA. This means that applications from Northern Ireland stakeholders will be made to either CEFAS or the MMO directly and not to DAERA.

However, for MFF (NI) and Green Growth Funding support, we propose to deliver this support using a similar structure that was applicable to the EMFF Programme and the current MFF (NI) process for 2021/22 and 2022/23 support, with grant applications being submitted to, and processed, by a Marine and Fisheries Grants Unit.

While a new application system and process will be required for future funding, the information requirements and eligibility criteria will broadly be in line with those in place for the EMFF and MFF (NI) 2021/22 process, with the same procurement requirements in place and which must strictly be adhered to in full.

Due to the increased focus on the positive impacts financial assistance will have on achievement of Net Zero by 2050 and how it promotes Green Growth, it is likely that more detailed baseline information on the current status and detail on the targets/outputs/benefits associated with the proposal will be required from applicants to ensure better and more evidential-based monitoring can be undertaken at project and strategic levels. The application process will require project targets to be SMART (Specific, measurable, achievable, realistic and time-bound) with an appropriate means of measurement of progress and achievement provided with the application. As a result of this new focus, a new scoring framework will be required in the assessment process, and which takes account the impacts on Net-zero and Green Growth in the decision-making process.

It is envisaged that the rates of financial support will be similar to those in place under EMFF and MFF(NI) with a maximum of 50% for private-sector or financially focused applications. Higher rates of financial assistance may be available for proposals from non-private sector applicants where the benefits of project delivery are not financial and do no benefit only the applicant organisation.

## 15. CONSULTATION QUESTIONS

To help the Department develop a more detailed strategic plan we would be grateful for some feedback on this outline draft proposal.

Therefore, it would be helpful if stakeholders could respond to the number of questions as indicated below. Please note that, at this time, we are not seeking detail at individual project level nor the detail (for example, application form design, eligibility criteria (other than listed in this document, or supporting information requirements) but just on the strategic context for support and the broad themes proposed under the new funding strategy.

- Question 1 Are all key stakeholder interest groups included in this document or are there any sectors that have been omitted?
- Question 2 Are all the key UK and NI Executive Strategies covered in respect of shaping the future of funding support?
- Question 3 Is the vision statement of “*Healthy Seas ... Sustainable Fisheries ... Viable Industry*” appropriate?
- Question 4 Are the proposed high-level aims and objectives for future funding appropriate and are there any missing?
- Question 5 Are the proposed themes for support appropriate and required? Are there any themes currently omitted?
- Question 6 Do you feel it would be appropriate to deliver the funding programme through a dedicated Grants Support Unit within the Department’s Environment, Marine and Fisheries Directorate?
- Questions 7 Do you foresee any limitations regarding the delivery of the proposed strategy that have not been referred to in the document?
- Question 8 Is a review/evaluation of the previous Community-led Local Development schemes required to ensure that such funding is targeted towards appropriate stakeholders and geographical regions within Northern Ireland?
- Question 9 Do you feel that a NI Stakeholder Strategic Steering Group is required in order to assist in maximising the benefits from available funding across all stakeholders?

Question 10 Are there any other comments the Department should consider when finalising its five-year future funding strategy?