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# Fisheries Market Organisation Act

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Amended by the following acts

Passed	Published	Entry into force
11.06.2015	RT I, 30.06.2015, 4	01.09.2015, the words “Ministry of Agriculture” have been replaced by the words “Ministry of Rural Affairs” in the respective case form pursuant to subsection 107 <sup>4</sup> (2) of the Government of the Republic Act.
25.11.2015	RT I, 11.12.2015, 1	21.12.2015
14.06.2017	RT I, 01.07.2017, 1	01.09.2017
25.10.2017	RT I, 10.11.2017, 3	20.11.2017
12.12.2018	RT I, 28.12.2018, 2	01.01.2019
10.06.2020	RT I, 01.07.2020, 1	01.01.2021
17.06.2020	RT I, 10.07.2020, 2	01.01.2021
11.05.2021	RT I, 22.05.2021, 1	01.06.2021
19.05.2021	RT I, 02.06.2021, 2	01.07.2021

## Chapter 1 General Provisions

### § 1. Scope of application of Act

(1) This Act provides the measures for organisation of the fisheries market, the bases and procedure for application thereof, the bases for and extent of exercise of state supervision and liability for infringements of this Act.

(2) The provisions of the Administrative Procedure Act apply to the administrative procedure prescribed in the legislation of the European Union and this Act and the legislation established on the basis thereof, taking account of the specifications of the legislation of the European Union and this Act.

### § 2. Measures for fisheries market organisation and competent authority

(1) For the purposes of this Act, the measures for fisheries market organisation are:

- 1) aid co-financed under the European Maritime and Fisheries Fund established by Regulation (EU) No 508/2014 of the European Parliament and of the Council on the European Maritime and Fisheries Fund and repealing Council Regulations (EC) No 2328/2003, (EC) No 861/2006, (EC) No 1198/2006 and (EC) No 791/2007 and Regulation (EU) No 1255/2011 of the European Parliament and of the Council (OJ L 149, 20.05.2014, pp. 1-66) (hereinafter *Fund support*);
- 2) state aid to fisheries and *de minimis* aid to fisheries;
- 3) other aid to fisheries;
- 4) market organisation measures implemented on the basis and pursuant to the procedure established by Regulation (EU) No 1379/2013 of the European Parliament and of the Council on the common organisation of the markets in fishery and aquaculture products, amending Council Regulations (EC) No 1184/2006 and (EC) No 1224/2009 and repealing Council Regulation (EC) No 104/2000 (OJ L 354, 28.12.2013, pp. 1-21).

(2) The Government of the Republic or the minister responsible for the area may establish, within the limits of his or her competence, a regulation for implementation of measures for fisheries market organisation in matters, which a Member State has the right to decide pursuant to the legislation of the European Union.

(3) In order to implement measures for fisheries market organisation, the Government of the Republic may issue orders in the limits of its competence and the minister responsible for the area directives within the limits of his or her competence in matters, which a Member State has the right to decide pursuant to the legislation of the European Union.

(4) The competent authority for implementation of measures for fisheries market organisation is the Ministry of Rural Affairs, unless otherwise provided for in this Act.

### **§ 3. Fisheries council**

(1) In order to make proposals in the issues of implementation of measures for fisheries market organisation specified in this Act and discuss the issues relating to the field of production and processing, the minister responsible for the area shall form, by a directive, an advisory fisheries council and invite representatives of other concerned government agencies and of non-profit associations to participate therein.

(2) The minister responsible for the area shall communicate the proposals and conclusions of the fisheries council to the Government of the Republic so that the proposals and conclusions can be taken into account in drafting of the state budget, where applicable.

(3) The rules of procedure of the fisheries council and the procedure for submission of conclusions and proposals of the council shall be established by a directive of the minister responsible for the area.

### **§ 4. Competence of fisheries council**

The Fisheries Council shall:

- 1) analyse the results of the economic activity of the fisheries sector and the state of the fisheries market;
- 2) make proposals for the implementation of measures necessary to develop the production of fishery and aquaculture products;
- 3) make recommendations concerning the production of fishery and aquaculture products and the preferred direction of development during the following year and, on the basis thereof, on the need for specific types and amounts of support and other state aid to be granted to the fisheries sector;
- 4) make proposals for the improvement of the grant and use of support;
- 5) make other proposals relating to the development of fishing and the production and processing of fishery and aquaculture products;
- 6) assess the legislation in the field of fishing which is deliberated in the EU committees and working groups.

### **§ 5. Determination of support granted during each financial year and resources prescribed for support**

(1) The minister responsible for the area shall establish by a regulation the types of measures and, where applicable, activities supported by the European Maritime and Fisheries Fund for each financial year pursuant to the measures and activities of the operational programmes specified in Article 17(1) of Regulation (EU) No 508/2014 of the European Parliament and of the Council.

(2) The allocation of resources prescribed for the Fund support for each financial year by measures and, where applicable, activities shall be determined by a directive of the minister responsible for the area.

(3) The types of state aid to fisheries, *de minimis* aid to fisheries and other aid to fisheries for each financial year pursuant to the budget resources prescribed in the state budget for state aid to fisheries and *de minimis* aid and other aid to fisheries shall be established by a regulation of the minister responsible for the area.

(4) The allocation of the budget resources prescribed for state aid to fisheries, *de minimis* aid to fisheries and other aid to fisheries for each financial year by types of state aid to fisheries, *de minimis* aid and other aid to fisheries shall be decided by a directive of the minister responsible for the area.

(5) The right to apply for the Fund support, state aid to fisheries, *de minimis* aid to fisheries and other aid to fisheries shall not arise if the implementation of the appropriate measure is not prescribed for the financial year by a regulation established on the basis of subsection (1) or (3) of this section.

### **§ 6. Submission of applications**

(1) In the case of implementation of the measures for fisheries market organisation, an application, payment application and other notices prescribed pursuant to this Act shall be submitted in writing on paper or electronically.

(2) The minister responsible for the area may established by a regulation that applications, payment applications and other notices prescribed pursuant to this Act are submitted only electronically through the e-service environment.

(3) Applications, payment applications and other notices prescribed pursuant to this Act which are submitted electronically through the e-service environment shall be submitted in a secure manner allowing the unequivocal identification of a person.

(4) In the case of failure to submit an application during the time limit, the time limit shall not be restored unless otherwise provided for in the legislation of the European Union.

## **§ 7. Making and communication of decisions**

(1) In the case of implementation of measures for the fisheries market organisation, decisions are made electronically. Decisions can be made on paper, if decisions cannot be made electronically for technical reasons.

(2) If a decision is communicated to a person by means of delivery by electronic means in the case provided for in clauses 62 (2) 1) and 2) of the Administrative Procedure Act, the decision is deemed to be served on the person if the following has been sent to the e-mail address of the person:

- 1) the digitally signed decision or an extract from the decision with a digital stamp; or
- 2) a notice on the resolution of the decision made with respect to the person and the procedure for challenging, and the decision or an extract from the decision is electronically available through the e-service environment.

(3) If a person has not given his or her consent for delivery of a decision by electronic means, the decision is communicated to the person in the case provided for in clauses 62 (2) 1) and 2) of the Administrative Procedure Act by delivery of a paper copy of or paper extract from the decision by a registered letter or a registered letter with advice of delivery within ten working days as of the making of the decision, unless otherwise provided for in the legislation of the European Union.

(4) In the case provided for in subsections (2) and (3) of this section, a reference to the challengeable nature of a decision and reasoning of and resolution contained in the decision shall be delivered to a person together with an extract from the decision.

(5) If a decision made in the case of implementation of measures for fisheries market organisation approves an application of a person in full and the decision does not restrict the rights of third persons, information concerning the making of the decision shall be published on the website of the issuer of the decision. Upon publication of information concerning the making of a decision on the website, the decision is deemed to have been communicated to the person.

## **§ 8. Data processing**

(1) A holder of information is required to classify data concerning applicants and applications for the aid specified in clauses 2 (1) 1)-3) of this Act as information intended for internal use, unless otherwise provided for in this Act or the legislation of the European Union.

(2) In addition to the persons specified in subsection 38 (3) of the Public Information Act, persons who perform public administration functions pursuant to law, administrative legislation or contracts and experts engaged in the procedure have the right to access the information specified in subsection (1) of this section.

(3) In the case of grant of the Fund support, the Agricultural Registers and Information Board (hereinafter *ARIB*) shall disclose the information specified in Annex V.1 of Regulation (EU) No 508/2014 of the European Parliament and of the Council on its website after making the decision to approve an application.

(4) In the case of the measure specified in clause 2 (1) 1) of this Act, the information concerning the applicant and the application and the support received shall be entered in the Agricultural Support and Land Parcel Register which processing is prescribed in the legislation established on the basis of Article 125(8) of Regulation (EU) No 1303/2013 of the European Parliament and of the Council laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006 (OJ L 347, 20.12.2013, pp. 320-469) and Article 97(2) and Article 107(2) of Regulation (EU) No 508/2013 of the European Parliament and of the Council.

(5) The information on recipients of *de minimis* aid to fisheries is entered in the register of state aid and *de minimis* aid maintained on the basis of the Competition Act.

## **Chapter 2**

# Marketing Standards and Consumer Information

## § 9. Marketing standards

(1) Fishery products shall be in compliance with the marketing standards established by Council Regulation (EC) No 2406/96 laying down common marketing standards for certain fishery products (OJ L 334, 23.12.1996, pp. 1-15).

(2) The products for which common marketing standards have been established may be made available on the market in compliance with the requirements provided for in Article 34(1) and (2) of Regulation (EU) No 1379/2013 of the European Parliament and of the Council.

## § 10. Informing consumers

(1) For consumer information, fishery and aquaculture products are marked in compliance with the requirements provided for in Article 35 of Regulation (EU) No 1379/2013 of the European Parliament and of the Council.

(2) The list of commercial designations specified in Article 37 of Regulation (EU) No 1379/2013 of the European Parliament and of the Council shall be established by a regulation of the minister responsible for the area.

(3) Small quantities of products sold directly from fishing vessels to consumers and specified in Article 35(4) of Regulation (EU) No 1379/2013 of the European Parliament and of the Council to which the requirements specified in subsection (1) of this section do not apply are provided for in Article 58(8) of Council Regulation (EC) No 1224/2009, establishing a Community control system for ensuring compliance with the rules of the common fisheries policy, amending Regulations (EC) No 847/96, (EC) No 2371/2002, (EC) No 811/2004, (EC) No 768/2005, (EC) No 2115/2005, (EC) No 2166/2005, (EC) No 388/2006, (EC) No 509/2007, (EC) No 676/2007, (EC) No 1098/2007, (EC) No 1300/2008, (EC) No 1342/2008 and repealing Regulations (EEC) No 2847/93, (EC) No 1627/94 and (EC) No 1966/2006 (OJ L 343, 22.12.2009, pp. 1-50).

## Chapter 3 Producer Organisations

### § 11. Recognised producer organisation

In order to contribute to the objectives provided for in Article 7 of Regulation (EU) No 1379/2013 of the European Parliament and of the Council, the Ministry of Rural Affairs may recognise fishery producer organisations and aquaculture producer organisations.

### § 12. Requirements for recognition of producer organisations

(1) A commercial association may be recognised as a producer organisation if the economic activities of the commercial association and the members thereof are related to the production of economically important species, the commercial association has at least five members from one or more states engaged in production of fishery or aquaculture products and which complies with the requirements provided for in Article 14(1)(a) to (g) of Regulation (EU) No 1379/2013.

[RT I, 11.12.2015, 1 - entry into force 21.12.2015]

(1<sup>1</sup>) The list of economically important species specified in subsection (1) of this section shall be established by a regulation of the minister responsible for the area.

[RT I, 11.12.2015, 1 - entry into force 21.12.2015]

(2) Economic activities shall be deemed to be sufficient for the purposes of Article 14(1)(b) of Regulation (EU) No 1379/2013 of the European Parliament and of the Council if:

- 1) in the case of sprat and Baltic herring production, the commercial association and the members thereof have landed at least 15 per cent of the total catch of sprats and Baltic herring in Estonia;
- 2) in the case of production of other fishery products, the commercial association and the members thereof have handed at least 40 per cent of the total catch of the respective species in Estonia;
- 3) in the case of production of aquaculture products, the commercial association and the members thereof have produced and marketed at least 40 per cent of the total catch of the respective species in Estonia.

### § 13. Recognition of producers' organisations

(1) A commercial association which applies for recognition as a producer organisation shall submit an application to the Ministry of Rural Affairs together with the following documents:

- 1) the articles of association and list of the members of the commercial association;
- 2) the internal rules which ensure the internal functioning of the commercial association in accordance with Article 17 of Regulation (EU) No 1379/2013 of the European Parliament and of the Council;

3) in the case of production of aquaculture products, information on the aquaculture products produced and marketed by the commercial association and the members thereof during the year preceding the year of application, broken down by species.

(2) The Ministry of Rural Affairs makes a decision to recognise or refuse to recognise a producer organisation within three months as of receipt of a proper application and the documents appended thereto.

(3) The Ministry of Rural Affairs makes a decision to refuse to recognise a producer organisation if the commercial association has knowingly submitted false information or if the commercial association does not comply with the requirements for recognition of producer organisations.

(4) Producer organisations are granted recognition for an unspecified term.

(5) The Ministry of Rural Affairs withdraws the recognition of a producer organisation if the producer organisation is unable to comply with or infringes the requirements of this Act or if the producer organisation terminates its activities or submits a corresponding written application or has knowingly submitted false information.

#### **§ 14. Production and marketing plans of producer organisations**

(1) A producer organisation shall submit the production and marketing plan specified in Article 28(1) of Regulation (EU) No 1379/2013 of the European Parliament and of the Council and proposed amendments thereto to the Ministry of Rural Affairs for approval.

(2) A production and marketing plan is submitted within the time limit provided for in Article 2 of Commission Implementing Regulation (EU) No 1418/2013 concerning production and marketing plans pursuant to Regulation (EU) No 1379/2013 of the European Parliament and of the Council on the common organisation of the markets in fishery and aquaculture products (OJ L 353, 28.12.2013, pp. 40-42).

(3) A production and marketing plan of a producer organisation shall include the information provided for in Articles 28(2)(a) to (e) of Regulation (EU) No 1379/2013.

(4) The Ministry of Rural Affairs reviews production and marketing plans and proposed amendments thereto and decides to approve or refuse to approve them on the basis and pursuant to the procedure provided for in Commission Implementing Regulation (EU) No 1418/2013.

(5) A producer organisation submits an annual report of the production and marketing plan to the Ministry of Rural Affairs for approval within two months as of the beginning of the calendar year. The annual report of a production and marketing plan shall be reviewed by the Ministry of Rural Affairs, which decides to approve it or refuse to approve it within four months after the beginning of the calendar year.

#### **§ 15. Association of producer organisations**

(1) Two or more producer organisations recognised in one or more Member States may establish an association of producer organisations.

(2) The provisions of this Act applicable to producer organisations also apply to associations of producer organisations, unless otherwise provided for in this Act or the legislation of the European Union.

(3) Associations of producer organisations shall comply with the requirements provided for in Articles 10(1)(a) and (b) of Regulation (EU) No 1379/2013 of the European Parliament and of the Council.

## **Chapter 4**

### **Support from European Maritime and Fisheries Fund**

#### **§ 16. European Maritime and Fisheries Fund operational programme**

(1) The operational programme (hereinafter *operational programme*) specified in Article 17(1) of Regulation (EU) No 508/2014 of the European Parliament and of the Council is prepared by the Ministry of Rural Affairs.

(2) A draft operational programme is approved by the Government of the Republic by an order.

(3) If the legislation of the European Union prescribes a national sectoral plan for the implementation of an operational programme measure, the specified plan is prepared by the Ministry of Rural Affairs and approved by a directive of the minister responsible for the area.

## **§ 17. Authorities organising grant of Fund support**

(1) The Ministry of Rural Affairs performs the functions of the managing authority, certifying authority and audit authority specified in Article 123 of Regulation No (EU) No 1303/2013 of the European Parliament and of the Council for an operational programme, unless otherwise provided for in this Act or legislation established on the basis thereof.

(2) The ARIB and Agriculture and Food Board perform, as intermediate bodies, the functions of the managing authority and certifying authority which performance was imposed on them by this Act or a directive of the minister responsible for the area.

[RT I, 01.07.2020, 1 – entry into force 01.01.2021]

(3) The minister responsible for the area decides by a directive the administration and organisation of work between the authorities organising the grant of the Fund support.

## **§ 18. Monitoring committee**

The monitoring committee specified in Article 47(1) of Regulation No (EU) No 1303/2013 of the European Parliament and of the Council is formed and the rules of procedure thereof are determined by a directive of the minister responsible for the area.

## **§ 19. Eligibility criteria for measure**

(1) The conditions of and procedure for grant and use of the Fund support by measures or activities (hereinafter *conditions of measure*) are established by a regulation of the minister responsible for the area in accordance with the provisions of the operational programme.

(2) The conditions of a measure shall set out:

- 1) the activities supported;
  - 2) the types of eligible and non-eligible expenditure and, if necessary, other conditions for considering expenditure as eligible, including restrictions on grant of support in connection with generating the "net revenue" specified in Article 61 and Article 65(8) of the Regulation (EU) No 1303/2013 of the European Parliament and of the Council;
- [RT I, 11.12.2015, 1 - entry into force 21.12.2015]
- 3) the forms of the support;
  - 4) the requirements set for applicants for the support;
  - 5) the requirements set for applications for the support, including supporting documents subject to submission together with applications;
  - 6) the maximum amount of the support, where applicable;
  - 7) the minimum rate of self-financing, where applicable;
  - 8) the requirements for procurements relating to carrying out of the activities for the applicants for the support to whom the requirements provided for in the Public Procurement Act do not apply;
  - 9) the method, conditions of and procedure for proving reasonableness of expenditure;
  - 10) the conditions of and procedure for processing applications for support, including, in the case of assessment of applications, the criteria and procedure for assessment of applications, opportunities for giving preference to an application in the case of equal applications and the basis for approval of an application pursuant to the provisions of subsection 30 (4) of the Act;
  - 11) the conditions of and procedure for payment of support, including requirements for payment applications and conditions of and procedure for submission of payment applications and supporting documents;
  - 12) the bases and procedure for reduction of the support, where applicable;
  - 13) obligations of the beneficiary;
  - 14) the conditions for carrying out of supported activities, where applicable;
  - 15) the conditions of and procedure for submission of reports relating to the use of support, where applicable.

(3) The conditions set out in an operational programme may be specified and restricted in the conditions of a measure.

## **§ 20. Open application for Fund support**

In the case of open application for the Fund support, all persons who comply with the requirements provided for in the relevant legislation of the European Union, this Act and legislation established on the basis thereof may apply for the support.

## **§ 21. Limited application for Fund support**

(1) In the case of limited application for the Fund support, the person or authority of executive power or local government authority specified in a plan for use of the support approved by the minister responsible for the area may apply for the support. Limited application for the support may be prescribed in the case of significant public interest.

(2) In the case of limited application for the Fund support, the minister responsible for the area shall establish in the conditions of the measure, in addition to as provided in subsection 19 (2) of this Act, the conditions of

and procedure for preparation of a plan for use of the support, including the activities supported on the basis of the plan and the conditions of and procedure for election of a person or authority of executive power or local government authority eligible for support on the basis of the plan.

(3) The minister responsible for the area shall approve by a directive the plan for the use of support which prescribes:

- 1) the person or authority of executive power or local government agency eligible to apply for support on the basis of a plan;
- 2) the name, objective and time limit of carrying out of the activity supported on the basis of the plan;
- 3) estimated cost of the activity supported on the basis of the plan, maximum amount of the support and minimum rate of self-financing.

## **§ 22. Storage aid**

(1) Storage aid may be granted for carrying out of the activities specified in Article 67 of Regulation (EU) No 508/2014 of the European Parliament and of the Council.

(2) In the case of storage aid, the minister responsible for the area shall establish in the conditions of the measure, in addition to as provided for in subsection 19 (2) of this Act, the procedure for submission and communication of information concerning storage of fishery products.

## **§ 23. Financial instruments**

(1) The Fund support may be granted through the financial instruments specified in Article 37 of Regulation (EU) No 1303/2013 of the European Parliament and of the Council.

(2) The Ministry of Rural Affairs may enter into an administrative contract pursuant to the procedure provided for in the Administrative Co-operation Act for implementation of financial instruments with a state foundation established for supporting business in rural areas which founder rights are exercised by the Ministry of Rural Affairs.

(3) By an administrative contract specified in subsection (2) of this section, the conditions specified in Annex IV of Regulation (EU) No 1303/2013 of the European Parliament and of the Council shall be *inter alia* agreed upon in order to ensure proper implementation of financial instruments.

(4) The Fund support to financial instruments is paid on the basis of an administrative contract specified in subsection (2) of this section. The amount of the resources granted as the Fund support to financial instruments shall be decided by a directive of the minister responsible for the area.

(5) The provisions of §§ 27-33 of this Act do not apply to grant of the Fund support through financial instruments.

(6) The support given to financial instruments or the resources repaid to them or gains, profit or other earnings generated by them for the purposes of Article 44 of Regulation (EU) No 1303/2013 of the European Parliament and of the Council (hereinafter jointly *resources received back*) shall be used in the same financial instrument or other financial instruments in accordance with Article 43(2) and Article 44 of Regulation (EU) No 1303/2013 of the European Parliament and of the Council until 31 December 2023.

(7) As of 1 January 2024 until 31 December 2031, the minister responsible for the area shall decide by a directive the field of use of the resources received back, the objectives and results thereof and the agency responsible for the use of the resources in accordance with Article 45 of Regulation (EU) No 1303/2013 of the European Parliament and of the Council.

## **§ 24. Local action group and local development strategy**

(1) Community-led local development specified in Article 32 of Regulation (EU) No 1303/2013 of the European Parliament and of the Council shall be implemented on the basis of the local development strategy, which has been approved by the Ministry of Rural Affairs.

(2) The local development strategy shall be developed by non-profit associations which comply with the requirements established for local action groups in Chapter II of Title III of Part Two of Regulation (EU) No 1303/2013 of the European Parliament and of the Council and whose articles of association specify sustainable development of fisheries areas as their objective and who comply with the requirements established for fisheries local action groups (hereinafter *local action group*) in accordance with Article 33(1) of the same Regulation, Regulation (EU) No 508/2014 of the European Parliament and of the Council and the operational programme.

(3) Requirements for local action groups, including requirements for the articles of association, membership, management, period and area of operation of local action groups shall be established by a regulation of the minister responsible for the area.

(4) A person may participate in the general meeting of a local action group and vote as a representative of up to five members.

(5) The Ministry of Rural Affairs makes the decision to approve the local development strategy if the specified strategy complies with the requirements set for it and the minimum requirements of the assessment criteria and it was prepared by a local action group which is in compliance with the requirements provided for in subsections (2) and (3) of this section.

(6) The Ministry of Rural Affairs shall make a decision on refusal to approve the local development strategy if at least one of the following circumstances is established in the course of verification of conformity of the local development strategy:

- 1) the local action group does not comply with the requirements set to it;
- 2) the local development strategy does not comply with at least one of the requirements set for the strategy;
- 3) the local development strategy does not comply with the minimum requirements of the assessment criteria;
- 4) several local development strategies have been submitted concerning the territory of the local action group and the strategy of the local action group was not the best-ranked strategy;
- 5) false information has been submitted in the local development strategy or the local action group affects the processing of the local development strategy through fraud or threats or in any other illegal manner.

(7) The requirements for local development strategies, including more specific requirements for the strategy elements specified in Article 33(1) of Regulation (EU) No 1303/2013 of the European Parliament and of the Council, more specific procedure for submission, assessment and approval of local development strategies, and criteria for assessment of local development strategies shall be established by a regulation of the minister responsible for the area.

## **§ 25. Implementation of local development strategy**

(1) An approved local development strategy shall be implemented by a local action group which prepares a local development strategy implement plan for every calendar year (hereinafter *operational programme for strategy*). The operational programme for strategy shall be approved by the ARIB.

(2) The requirements for operational programmes for strategy, including requirements for the format thereof, and adoption, submission and approval of operational programmes for strategy shall be established by a regulation of the minister responsible for the area.

(3) The ARIB shall verify compliance of a local action group with the requirements provided for in the relevant legislation of the European Union and this Act and legislation established on the basis thereof.

(4) The ARIB makes a decision on approval of an operational programme for strategy if the operational programme for strategy complies with the requirements provided by the legislation established on the basis of subsection (2) of this section.

(5) The ARIB makes a decision on refusal to approve an operational programme for strategy if it is established in the course of verification of conformity with the requirements that the operational programme for strategy does not comply with the requirements provided by the legislation established on the basis of subsection (2) of this section.

(6) Upon implementation of local development strategies, local action groups perform the functions provided for in Article 34(3) of Regulation (EU) No 1303/2013 of the European Parliament and of the Council, including:

- 1) accept applications for project support;
- 2) verify compliance of the applicants, applications and supported activities with the local development strategies and operational programmes for strategy;
- 3) assess the applications on the basis of the assessment criteria;
- 4) make proposals to the ARIB for raking the applications;
- 5) make proposals to ARIB to approve or deny applications and the amount of financing of the applications and communicate the applications for support to the ARIB.

(7) Upon failure to submit all the information and documents required for performance of the function provided for in subsection (6) of this section together with the application for project support, the local action group shall request submission of the required information and documents.

(8) Upon failure to submit the information or documents required on the basis of subsection (7) of this section, the local action group shall refuse to assess the application for project support and communicate it to the ARIB with the comment that it was impossible to assess the application. The ARIB shall not review the application for project support without determining a time limit for elimination of deficiencies.

(9) The Fund support may be applied for during a budget year for the carrying out of the activities specified in Articles 35(1)(b) and (c) of Regulation (EU) No 1303/2013 of the European Parliament and of the Council



the supporting of which during the relevant year was prescribed by a local action group in an operational programme for strategy. The Fund support may be applied for to the extent of the resources prescribed for supporting relevant activities in the operational programme for strategy.  
[RT I, 11.12.2015, 1 - entry into force 21.12.2015]

(10) The allocation of the resources prescribed for support of community-led local development specified in Article 32 of Regulation (EU) No 1303/2013 of the European Parliament and of the Council for the period of 2015-2020 and for the period of 2021-2022 shall be decided by a directive of the minister responsible for the area, broken down by local action groups.  
[RT I, 22.05.2021, 1 - entry into force 01.06.2021]

(11) A local action group may transfer the resources prescribed for granting support in an operational programme for strategy and not used to the operation programme of the subsequent year for strategy until 2019. The allocation of resources which have not been used by the due date shall be decided by a directive of the minister responsible for the area by local action groups by 2020.

## **§ 26. Technical assistance and measures similar to technical assistance**

(1) Technical assistance support may be granted for the carrying out of the activities specified in Article 78(1) of Regulation (EU) No 508/2014 of the European Parliament and of the Council.

(2) Support may be granted for the carrying out of the activities specified in Article 76, 77 and 79 of Regulation (EU) No 508/2014 of the European Parliament and of the Council (hereinafter *measures similar to technical assistance*).

(3) In the case of technical assistance and measure similar to technical assistance, the minister responsible for the area shall establish, in the conditions of the measure in addition to the provisions of subsection 19 (2) of this Act, a person, authority of executive power or local government authority who may apply for support.

## **§ 27. Requirements for applicants and applications for Fund support**

(1) For the purposes of this Act, an applicant for the Fund support is a natural or legal person and an authority of executive power or a local government authority who has submitted an application for the Fund support.

(2) An application for the Fund support shall comply with the following requirements:

- 1) the applicant has the capacity specified in Article 125(3)(d) of Regulation (EU) No 1303/2013 for carrying out the activity;
- 2) in the case of applying for state aid or *de minimis* aid, the applicant is not an undertaking in difficulty;
- 3) the applicant has previously refunded the amounts received from state budget funds, resources of the European Union or resources of foreign aid which were subject to refunding;
- 4) the applicant does not receive money for compensation for such expense from the state budget funds, European Union funds or funds of foreign aid;
- 5) no liquidation or bankruptcy proceedings have been initiated with respect to the applicant or a person exercising dominant control over the applicant;
- 6) for the purposes of the Taxation Act, the permanent establishment of a resident applicant or non-resident applicant is or will be in Estonia after the carrying out of the activity;
- 7) the applicant who is an operator for the purposes of Article 2(2) of Commission Delegated Regulation (EU) 2015/288 supplementing Regulation (EU) No 508/2014 of the European Parliament and of the Council on the European Maritime and Fisheries Fund with regard to the period of time and the dates for the inadmissibility of applications (OJ L 51, 24.02.2015, p. 1-6), must meet the requirements laid down in the specified Regulation;  
[RT I, 22.05.2021, 1 - entry into force 01.06.2021]

<sup>7</sup><sub>1</sub>) the applicant who engages in commercial fishing on internal water bodies and who is not an operator for the purposes of Article 75(2) or (3) of Commission Delegated Regulation (EU) 2015/288, has no punishments in force for commission of any offence provided for in subsection 75 (2) or (3), subsection 85 (1) or (2) of the Fishing Act, or subsection 279 (1) or (2) of the Penal Code, which is considered as a serious infringement of the fishing requirements for the purposes of subsection 71 (1) of the Fishing Act;  
[RT I, 22.05.2021, 1 - entry into force 01.06.2021]

<sup>7</sup><sub>2</sub>) the applicant who engages in commercial fishing on internal water bodies and who is not an operator for the purposes of Article 2(2) of the Commission Delegated Regulation (EU) 2015/288, has no more than one punishment in force for commission of an offence provided for in subsection 77 (2) or (3) or subsection 81 (1) or (2) of the Fishing Act which is considered as a serious infringement of the fishing requirements for the purposes of subsection § 71 (1) of the Fishing Act;  
[RT I, 22.05.2021, 1 - entry into force 01.06.2021]

<sup>7</sup><sub>3</sub>) the applicant who engages in commercial fishing on internal water bodies and who is not an operator for the purposes of Article 2(2) of the Commission Delegated Regulation (EU) 2015/288, must meet the requirements provided for in Article 5 of the specified regulation;  
[RT I, 22.05.2021, 1 - entry into force 01.06.2021]

<sup>74</sup> the applicant has not committed any criminal offences provided for in subsection 280 (2) or (4), subsection 344 (1) or (2), subsection 345 (1) or (2) or § 361 of the Penal Code, in the case of commission of which the application for the Fund support is not suitable for 24 months after entry into force of a judgment of conviction; [RT I, 22.05.2021, 1 - entry into force 01.06.2021]

(3) The conditions of a measure may establish the following requirements for applicants for the Fund support:

- 1) the applicant has the qualification, experience and legal presumptions necessary for carrying out the activity;
- 2) no information concerning punishment has been entered in the criminal records database with respect to the applicant or a person exercising dominant control over the applicant for commission of an offence against environment;
- 3) the applicant has complied with a precept issued for infringement of environmental, safety or hygiene requirements during the 12 months immediately preceding the submission of the application;
- 4) requirements concerning the legal form of the applicant and the persons with holdings;
- 5) requirements concerning the time the applicant has operated in the relevant field;
- 6) the applicant shall demonstrate that the applicant is able to cover the fixed costs of further use of the property acquired, constructed or renovated on account of the support during the period of purposeful use.

(4) An application for the Fund support shall comply with the following requirements:

- 1) the application contains the information required in the conditions of the measure and the required documents are appended thereto;
- 2) the support is applied for the supported activity set out in the conditions of the measure;
- 3) the amount of the support applied for does not exceed the maximum amount of support provided for in the conditions of the measure;
- 4) the information presented in the application is complete and accurate.

(5) An applicant for the Fund support is required to:

- 1) permit monitoring of conformity of the application and the applicant to the requirements, in particular, an on-the-spot visit of inspection to be conducted;
- 2) notify the authority conducting the proceedings immediately of changes in the information presented in the application or of circumstances which have become evident and may affect the making of the decision on the application;
- 3) at the request of the authority conducting the proceedings, certify the existence of self-financing or other resources or documents prescribed in the conditions of the measure;
- 4) submit relevant information together with the application if the applicant applies for support for an activity at the same time from several measures or other state budget funds, resources of the European Union or resources of foreign aid;
- 5) demonstrate reasonableness of the costs in the manner provided for in the conditions of the measure;
- 6) at the request of the authority conducting proceedings of the application, submit additional information in order to demonstrate the circumstances required for deciding on grant of the support.

## **§ 28. Verification of conformity of application for Fund support**

(1) Applications for the Fund support are deemed to conform to with the requirements if the applicant, application as well as the supported activity comply with the requirements provided for in the relevant legislation of the European Union and this Act and legislation established on the basis thereof.

(2) The ARIB shall verify conformity of applications for the Fund support, unless otherwise provided for in this section.

(3) The Ministry of Rural Affairs verifies conformity of applications in the case of the measures provided for in Articles 67 and 76-79 of Regulation (EU) No 508/2014 of the European Parliament and of the Council. [RT I, 11.12.2015, 1 - entry into force 21.12.2015]

(4) In the case of storage aid, the Agriculture and Food Board verifies compliance of the products stored with the requirements provided for in Article 67 of Regulation (EU) No 508/2014 of the European Parliament and of the Council. [RT I, 01.07.2020, 1 – entry into force 01.01.2021]

(5) Conformity of applications for the Fund support is verified on the basis of the submitted applications and other documents and the documents certifying the information presented therein and databases and on-the-spot visits of inspection. Conformity of applications for the Fund support can also be verified at a third person relating to the applicant who is in possession of the information or documents relating to the receipt of the Fund support.

## **§ 29. Assessment of applications for Fund support**

(1) Applications for the Fund support which comply with the requirements are assessed by the Ministry of Rural Affairs, the ARIB or a local action group pursuant to the procedure and on the basis of the assessment criteria provided for in the conditions of the measure. In the case of assessments carried out by a local action group, the ranking is given by the ARIB, taking into consideration the ranking proposal submitted by the assessing authority. [RT I, 22.05.2021, 1 - entry into force 01.06.2021]

(2) The conditions of a measure may prescribe that no applications shall be assessed if all applications which comply with the requirements can be approved within the limits of the resources prescribed for funding of the measure or activities.

(3) The conditions of a measure may prescribe that in the case of the measure provided for in Articles 66, 67 and 76-79 of Regulation (EU) No 508/2014 of the European Parliament and of the Council, applications for the Fund support shall not be assessed.

[RT I, 11.12.2015, 1 - entry into force 21.12.2015]

(4) The conditions of a measure may prescribe that applications are assessed prior to determination of their conformity. In this case, conformity of at least such applications which are subject to approval according to their ranking is verified after the ranking.

(5) Disclosure of the name of the person involved in assessment of applications and the assessment given by him or her in a manner which allows associating his or her name with the assessment is prohibited.

### **§ 30. Approval and denial of applications for Fund support**

(1) The decision to approve an application for the Fund support (hereinafter *decision to approve an application*) in full or in part or a decision to deny an application is made by the ARIB, unless otherwise provided for in this section.

(2) In the case of the measure provided for in Articles 67 and 76-79 of Regulation of the (EU) No 508/2014 of the European Parliament and of the Council, the decision to approve or to deny an application shall be made by the Ministry of Rural Affairs.

[RT I, 11.12.2015, 1 - entry into force 21.12.2015]

(3) The decision to approve or deny an application for the Fund support is made within 90 working days as of the due date for submission of applications for support, unless the conditions of the measure provide a shorter time limit.

(4) In the case of assessment of applications for the Fund support, the following shall be approved pursuant to the provisions of the conditions of the measure within the limits of the resources prescribed for granting of support:

- 1) an application which is ranked first in the list of the applications made on the basis of the results of the evaluation;
- 2) the applications selected on the basis of the evaluation results and, where appropriate, ranked best in the ranking list;
- 3) all the applications in conformity with the minimum requirements of the assessment criteria, by reducing the amount of support *pro rata* per each applicant, where applicable.

(5) If the conditions of a measure do not prescribe assessment of applications for the Fund support provided for according to subsections 29 (2) and (3) of this Act, conforming applications shall be approved within the limits of the resources prescribed for funding of the measure or activities.

(6) In the case of the measure provided for in Articles 66, 67 and 76-79 of Regulation (EU) No 508/2014 of the European Parliament and of the Council, conforming applications shall be approved within the limits of the resources prescribed for grant of support by reducing the amount of support *pro rata* per each applicant, where applicable.

(7) The conditions of a measure may prescribe that if the approval of applications for the Fund support in full is not justified because the application contains ineligible costs, the amount of support may be reduced, provided that the objectives of the activity are achieved. If the applicant does not agree with reduction of the amount of support, a decision to deny the application shall be made. Reduction of the amount of support shall have no impact on the ranking of the applications for the Fund support if the ranking was made before the reduction of the amount of support.

(8) If a conforming application which is selected on the basis of assessment results and ranked, where applicable, cannot be approved in full because the amount of support applied for exceeds the balance of the resources prescribed for funding of the measure or activity of the same year, a decision to deny the application is made, unless the conditions of the measure provide otherwise.

(9) The decision to deny an application for the Fund support shall be made if:

- 1) the applicant, the application for the Fund support or the intended activity does not comply to at least one requirement set for applicants, applications or supported activities;
- 2) the applicant for support does not meet the obligations provided for in subsection 27 (5) of this Act;
- 3) the application contains false information or the applicant influences the processing of the application through fraud or threats or in any other illegal manner;

4) a conforming application is not subject to approval pursuant to subsection (4), (7) or (8) of this Act.

### **§ 31. Beneficiaries of Fund support and their obligations**

(1) For the purposes of this Act, a beneficiary of the Fund support is a natural person, legal person, authority of executive power or local government authority whose application for the Fund support has been approved.

(2) Expenditure incurred on account of the Fund support shall be incurred for the intended purpose and reasonably and in the most sustainable manner. All expenses subject to compensation from the support shall be eligible expenses.

(3) A beneficiary of the Fund support is required to:

1) carry out the supported activity within the time limit prescribed in the conditions of the measure, plan for use of support or administrative contract but not later than by 30 June 2023, and to submit all the expense receipts relating to the activities;

[RT I, 11.12.2015, 1 - entry into force 21.12.2015]

2) ensure compliance during the carrying out of the activity with the requirements provided for the application for support in subsection 27 (2) of this Act and the conditions of the measure;

3) use the property acquired, constructed or renovated on account of the support under the prescribed conditions, and to ensure preservation of the property acquired, constructed and renovated as a result of carrying out of the activity and use for its intended purposes;

4) ensure that the documents on the basis of which the support is paid are in compliance with the requirements and the expenditure is eligible;

5) submit the information concerning receipt and use of the support and reports within the prescribed time limit in the case provided for in the conditions of the measure;

6) apply for the amendment of the decision to approve the application in order to change the conditions of use of the support and continue the use of the support under the former conditions until the amendment of the decision to approve the application;

7) clearly distinguish in its accounting the expenses relating to the use of support and the payment documents and expense receipts reflecting such expenses from other payment documents and expense receipts;

8) upon making procurements relating to the activity, observe the requirements provided for in the Public Procurement Act if the beneficiary is a contracting authority for the purposes of the Public Procurement Act, or the requirements provided for in the conditions of the measure if the requirements provided for in the Public Procurement Act do not apply to the beneficiary;

9) enable audits, supervision and other inspections relating to receipt of support and render all possible assistance for that purpose, and allow entry to the immovable property, buildings and premises of the beneficiary and examine the documents and assets at the place;

10) submit the information and documents for audit, supervision or other inspection during the determined time limit which shall be at least three working days;

11) store the documents relating to carrying out of the activities pursuant to the provisions of § 34 of this Act;

12) indicate that the activity is carried out on account of the Fund support by using the symbols and information activities prescribed therefor;

13) inform the authority which made the decision to approve the application of any changes in the information indicated in the application or relating to the activity or circumstances which hinder the carrying out of the activity, including bankruptcy proceedings, liquidation proceedings, the activity becoming cheaper or more expensive and transfer of the property relating to the activity to another person or authority.

(4) The obligations provided for in clauses (3) 3), 5), 7), 9), 10), 12) and 13) of this section shall be complied with by an Fund support beneficiary during the time limit provided for in Article 71 of Regulation (EU) No 1303/2013 of the European Parliament and the Council, unless the European Union or national legislation provides a longer time limit.

(5) Subsection (2) and clauses (3) 3), 5)-8) and 12) of this section shall not apply to beneficiaries of storage aid. Clauses (3) 3), 5)-8) and 12) of this section do not apply to beneficiaries of production and marketing plan support.

(6) The conditions of and procedure for marking the objects of the Fund support and indicating the European Union's contribution shall be established by a regulation of the minister responsible for the area.

### **§ 32. Amendment and invalidation of decision to approve application for Fund support**

(1) The decision to approve an application for the Fund support may be amended on the initiative of the beneficiary in justified cases and provided that the activity is carried out to a significant extent and the objectives of the activity are achieved.

(2) If a beneficiary is a contracting authority for the purposes of the Public Procurement Act, the support granted to the beneficiary shall be reduced for infringements of the requirements provided for in the Public Procurement Act on the same bases and to the same extent of the financial correction to be applied to the Member State.

(3) The decision to approve an application for the Fund support is declared invalid if at least one of the following circumstances occurs:

- 1) circumstances become evident which preclude approval of the application;
- 2) the beneficiary has failed to carry out the activity during the prescribed time limit;
- 3) the activity cannot be carried out during the time limit prescribed for carrying out of the activity;
- 4) the beneficiary fails to comply with the obligations provided for in the legislation of the European Union or this Act or legislation established on the basis thereof;
- 5) the final recipient submits an application to declare the decision to approve the application invalid.

### **§ 33. Payment of Fund support**

(1) The Fund support is paid to a beneficiary on the basis of a payment decision and in an amount not exceeding the amount applied for.

(2) The decision to pay the Fund support or refuse to pay it is made by the ARIB, unless otherwise provided for in this section.

(3) In the case of the measure provided for in Articles 67 and 76-79 of Regulation (EU) No 508/2014 of the European Parliament and of the Council, the decision to pay the Fund support or refuse to pay it is made by the Ministry of Rural Affairs.

[RT I, 11.12.2015, 1 - entry into force 21.12.2015]

(4) The decision to refuse to pay support is made if the bases for denial to pay the support are established after approval of the application but before the payment thereof or if the beneficiary fails to comply with the obligations of the beneficiary.

### **§ 34. Preservation of documents**

(1) The authorities organising grant of the support specified in § 17 of this Act shall maintain the information received, documents created in the course of performance of their functions and other evidence pursuant to Article 140 of Regulation (EU) No 1303/2013 of the European Parliament and of the Council.

(2) Beneficiaries maintain the documents and other evidence certifying eligibility of expenditure for assistance for four years as of 31 December of the year during which the support was paid as at 30 June on the basis of all the expenditure deemed eligible for assistance in the project, unless a longer time limit is provided for in other legislation.

(3) The ARIB or the Ministry of Rural Affairs shall notify the beneficiary of the beginning and end of the time limit for maintaining documents and other evidence pursuant to subsection (2) of this section.

(4) The time limit for maintaining documents and other evidence shall be discontinued in the case specified in Article 140(1) of Regulation (EC) No 1303/2013 of the European Parliament and of the Council.

### **§ 35. Settlement of disputes relating to Fund support**

(1) Before filing an appeal with an administrative court, challenge proceedings shall be undertaken under the conditions and pursuant to the procedure provided by the Administrative Procedure Act.

(2) A challenge shall be adjudicated within 30 calendar days as of acceptance of the challenge. The time limit for adjudication of a challenge may be extended by up to 30 calendar days if this is required due to the complexity of an individual case or multiplicity of challenges filed at the same time by notifying the person who files the challenge thereof.

## **Chapter 5**

### **Financing of Activities prior to Incurring Expenditure**

### **§ 36. Financing of activity supported from Fund prior to incurring expenditure**

(1) In the cases specified in the conditions of a measure, the carrying out of a supported activity may be financed from the state budget funds after making a decision to approve the application for the Fund support and before payment for the work, services or acquisition of property, if the beneficiary is sufficiently reliable.

(2) Implementation of a supported activity may be financed pursuant to subsection (1) of this section if the beneficiary has provided a security pursuant to § 49 of this Act which covers the amount paid to the full extent of the amount. The provider of support may waive the requirement for provision of security and finance the implementation of a supported activity without requiring a security, if the final recipient is sufficiently reliable and:

- 1) the work or service has been completed or the property has been transferred and the beneficiary has received them and paid for them an amount of money which is at least equal to self-financing;
- 2) the carrying out of the activity specified in Article 35(1)d) and e) of Regulation (EU) No 1303/2013 of the European Parliament and of the Council is financed; or  
[RT I, 11.12.2015, 1 - entry into force 21.12.2015]
- 3) the carrying out of the activity specified in Articles 76-79 of Regulation (EU) No 508/2014 of the European Parliament and of the Council is financed.

(3) The money received pursuant to subsection (1) of this section may be used for the payment of eligible expenses of a relevant activity. The payment for the specified expenditure shall be made within the time limit specified in the conditions of the measure, but not later than by 1 July 2023.

(4) After payment for the eligible expenditure of a supported activity, the beneficiary shall submit the documents forming the basis for the payment of the Fund support to the provider of the support, and the provider of the support shall make a decision to pay or refuse to pay the Fund support.

(5) In the case the Fund support is paid, the amount paid to the beneficiary pursuant to subsection (1) of this section shall be deducted by set off from the amount paid pursuant to the payment decision. In the case a decision is made to refuse to pay the Fund support, the beneficiary shall refund the money received pursuant to subsection (1) of this section.

(6) If such circumstances become evident in the activities of the beneficiary which cast doubt on the ability of the beneficiary to use the money received pursuant to subsection (1) of this section purposefully and on time, the provider of the support may decide to provide financing in a smaller amount, to determine a time limit shorter than the time limit specified in subsection (3) of this section for incurring eligible expenditure or require provision of a sufficient security.

(7) The final recipient shall be deemed to be sufficiently reliable to finance the implementation of a supported activity without the obligation to provide a security if:

- 1) the beneficiary has no tax arrears with regard to state taxes;
- 2) no liquidation or bankruptcy proceedings have been initiated with respect to the final recipient or a person exercising dominant control over the final recipient;
- 3) the beneficiary has previously refunded the amounts received from state budget funds, resources of the European Union or resources of foreign aid which were subject to refunding;
- 4) the final recipient does not receive money for compensation for such expenses from the state budget funds, European Union funds or funds of foreign aid.

(8) The procedure for application for the assistance provided for in subsection (1) of this section and review of applications, requirements for applications and the rate and amount of assistance shall be established by a regulation of the minister responsible for the area.

## **Chapter 6**

### **State Aid to Fisheries**

#### **§ 37. Grant of state aid to fisheries**

(1) State aid to fisheries may be granted Pursuant to this Act by the state and a state foundation established for supporting business in rural areas (hereinafter *foundation*) by using, directly or indirectly, public funds for such purpose.

(2) State aid to fisheries may be granted if:

- 1) the European Commission has made a permitting decision with respect to a notice on state aid to fisheries submitted to it in accordance with the European Union Guidelines for State aid to fisheries (hereinafter *Guidelines for State aid*);
- 2) the European Commission has been submitted the summary information sheet (hereinafter *fisheries block exemption*) prescribed in the Commission Regulation (EU) No 1388/2014 declaring certain categories of aid to undertakings active in the production, processing and marketing of fishery and aquaculture products compatible with the internal market in application of Articles 107 and 108 of the Treaty on the Functioning of the European Union (OJ L 369, 24.12.2014, pp. 37-63);  
[RT I, 11.12.2015, 1 - entry into force 21.12.2015]

(3) State aid to fisheries shall be regarded as approved pursuant to Article 4(6) of the Council Regulation (EU) No 2015/1589 laying down detailed rules for the application of Article 108 of the EC Treaty (OJ L 248, 24.09.2015, pp. 9-29);  
[RT I, 10.11.2017, 3 - entry into force 20.11.2017]

(4) The Council of the European Union has decided pursuant to Article 108(2)(b) of the Treaty on the Functioning of the European Union that the State aid to fisheries is compatible with the internal market.  
[RT I, 10.11.2017, 3 - entry into force 20.11.2017]

(3) State aid to fisheries may be granted on the basis and pursuant to the procedure provided for in other Acts if a notice on state aid to fisheries has been submitted through the Ministry of Rural Affairs and the European Commission has made a permitting decision with respect to it, or a notice on fisheries block exemption, or if the state aid to fisheries is regarded as approved pursuant to Article 4(6) of Council Regulation (EU) No 2015/1589. [RT I, 10.11.2017, 3 - entry into force 20.11.2017]

### **§ 38. Submission of notice on state aid to fisheries**

(1) If state aid is granted by the state through the Ministry of Agriculture or the ARIB, a notice on state aid to fisheries is prepared by the Ministry of Agriculture in accordance with Commission Regulation (EC) No 794/2004 implementing Council Regulation (EU) No 2015/1589 laying down detailed rules for the application of Article 108 of the EC Treaty (OJ L 140, 30.04.2004, pp. 1-134), and in accordance with the Guidelines for State aid.

[RT I, 10.11.2017, 3 - entry into force 20.11.2017]

(2) If state aid to fisheries is granted by a foundation or it is granted on the basis and pursuant to the procedure provided for in other Acts, the grantor of state aid shall submit, in accordance with Commission Regulation (EC) No 794/2004 and in accordance with the Guidelines for State aid, a notice on state aid to fisheries together with the required information in writing through the web application prescribed by the European Commission to the Ministry of Rural Affairs for review.

(3) If a notice on state aid to fisheries complies with the requirements, the Ministry of Rural Affairs shall communicate it electronically together with necessary information through the web application prescribed by the European Commission to the Permanent Representation of the Republic of Estonia to the European Union, which shall communicate it to the European Commission.

(4) If the grantor of state aid specified in subsection (2) of this section fails to submit the information required in a notice on state aid to fisheries, the notice does not comply with the requirements or there are deficiencies in the notice or the information submitted together with it, the Ministry of Rural Affairs has the right, within 20 working days as of the receipt of the notice, to request additional information from the grantor of state aid or to make a proposal to supplement the notice.

(5) The grantor of state aid to fisheries shall submit the additional information requested by the European Commission in the course of processing a notice on state aid to fisheries electronically via the Ministry of Rural Affairs to the Permanent Representation of the Republic of Estonia to the European Union which shall communicate it to the European Commission.

(6) If the grantor of state aid decides to withdraw the notice on state aid to fisheries submitted to the European Commission, the grantor shall submit a respective application to the Ministry of Rural Affairs, which shall forward it to the Permanent Representation of the Republic of Estonia to the European Union, which shall forward it to the European Commission.

[RT I, 10.11.2017, 3 - entry into force 20.11.2017]

### **§ 39. Submission of notice on fisheries block exemption**

(1) For the purposes of this Act, state aid covered by block exemption shall be deemed to be the aid specified in Commission Regulation (EU) No 1388/2014.

[RT I, 11.12.2015, 1 - entry into force 21.12.2015]

(2) If state aid is granted by the state through the Ministry of Rural Affairs or the ARIB, the Ministry of Rural Affairs prepares a notice on fisheries block exemption and communicates it electronically together with the necessary information through the web application prescribed by the European Commission to the Permanent Representation of the Republic of Estonia to the European Union which shall communicate it to the European Commission.

(3) If state aid is granted by a foundation or it is granted on the basis and pursuant to the procedure prescribed by other acts, the grantor of state aid shall submit a notice on fisheries block exemption at the latest 30 working days before grant of state aid or implementation of a state aid scheme through the web application prescribed by the European Commission to the Ministry of Rural Affairs for review.

(4) If a notice on fisheries block exemption complies with the requirements, the Ministry of Rural Affairs shall communicate this electronically through the web application prescribed by the European Commission to the Permanent Representation of the Republic of Estonia to the European Union which shall communicate it to the European Commission.

(5) If the grantor of state aid specified in subsection (3) of this section fails to submit the information required in a notice on fisheries block exemption, the notice does not comply with the requirements or there are deficiencies in the notice or the information submitted together with it, the Ministry of Rural Affairs has the

right, within ten working days as of the receipt of the notice, to request additional information from the grantor of state aid or make a proposal to supplement the notice on fisheries block exemption.

#### **§ 40. Procedure for grant of state aid to fisheries granted through Ministry of Rural Affairs and ARIB**

(1) If state aid to fisheries is granted by the state through the Ministry of Rural Affairs or the ARIB, the minister responsible for the area shall establish by a regulation the requirements for obtaining the support and the procedure for submission and processing of applications for support.

(2) The following shall be established by the regulation specified in subsection (1) of this section:

- 1) the requirements for obtaining support;
- 2) the rate of support and amount of state aid;
- 3) the expenditure eligible for support;
- 4) the due date for submission of the application;
- 5) substantial and formal requirements for applications;
- 6) the procedure for review and verification of applications, including the assessment criteria and procedure for assessment of the applications, where applicable;  
[RT I, 11.12.2015, 1 - entry into force 21.12.2015]
- 7) the time-limits and procedure for grant and payment of support.

(3) A separate procedure for applying for and processing of applications may be established separately for each type of support.

(4) The decision to approve or deny an application for state aid to fisheries, decision on payment of aid and other decisions relating to grant of aid are made by the ARIB, unless otherwise provided for in this Act.

(4<sup>1</sup>) An application for state aid to fisheries shall be denied if:

- 1) the applicant, application for aid, intended activity or eligible expenditure do not comply with the requirements provided for in the legislation established on the basis of subsection (1) of this section or relevant legislation of the European Union;  
[RT I, 22.05.2021, 1 - entry into force 01.06.2021]
- 2) the application cannot be approved because the balance of the resources prescribed for grant of aid have been exhausted by approval of a better application selected on the basis of the assessment results; or
- 3) the application contains inaccurate information or the applicant influences the processing of the application through fraud or threats or in any other illegal manner.  
[RT I, 11.12.2015, 1 - entry into force 21.12.2015]

(4<sup>2</sup>) If the terms and conditions of grant of state aid to fisheries do not provide for evaluation of conforming applications, the conforming applications shall be satisfied within the limits of the budgetary resources prescribed for grant of this state aid, by reducing the amount of support *pro rata* per each applicant, where applicable.  
[RT I, 22.05.2021, 1 - entry into force 01.06.2021]

(5) If state aid to fisheries is granted by Ministry of Rural Affairs as individual aid outside aid schemes, the Ministry of Rural Affairs shall make a decision which is published on the website of the Ministry of Rural Affairs.

#### **§ 41. Grant of state aid to fisheries through foundation**

(1) A foundation may grant state aid to fisheries to undertakings engaged in production, processing and marketing of fishery and aquaculture products and non-profit associations representing them in the form of support, loan or security or in another form on the basis and pursuant to the procedure indicated in an administrative contract entered into between the Ministry of Rural Affairs and the foundation. A foundation may not grant any support which is granted through the Ministry of Rural Affairs or the ARIB in the form of state aid.

(2) If state aid to fisheries is granted by a foundation, the supervisory board of the foundation shall establish the requirements for obtaining state aid and the procedure for submission of applications for state aid which provide:

- 1) the requirements for obtaining state aid;
- 2) the rate and amount of state aid;
- 3) the eligible expenditure;
- 4) the due date for submission of the application for state aid;
- 5) the time-limits and procedure for grant and payment of state aid;
- 6) the bases and procedure for denial of applications for state aid.  
[RT I, 11.12.2015, 1 - entry into force 21.12.2015]

(3) If state aid to fisheries is granted by a foundation as individual aid outside aid schemes, the supervisory board of the foundation shall make a decision on grant of aid and enter into a contract with the relevant beneficiary of state aid in which the intended purpose for the use of the aid is determined.



(4) The requirements for obtaining the state aid specified in subsection (2) of this section and the procedure for submission of applications for state aid and processing of the applications shall be published on the website of the foundation.

(5) If state aid to fisheries is granted by a foundation, the foundation shall make a decision to approve or deny the application, decision on payment of aid and other decisions relating to the grant of the aid.

(6) The Foundation shall determine the intended purpose of support, loan or security in the contract for grant of support, loan or security, and the bases for and terms of recovery of support, loan or security which is not used purposefully. The Foundation shall monitor purposeful use of support, loan and securities which it grants.

#### **§ 42. Notification of grant of illegal state aid**

If the Commission of the European Communities or the European Court of Justice communicates a decision to the Republic of Estonia concerning recovery of illegal or misused state aid to fisheries from the recipient of the aid, the minister responsible for the area shall communicate such decision to the authority which granted the illegal or misused state aid. The grantor of state aid is required to demand recovery of the state aid pursuant to the decision of the European Commission or the European Court of Justice.

## **Chapter 7 De minimis Aid to Fisheries**

#### **§ 43. De minimis Aid to Fisheries**

(1) *De minimis* aid to fisheries may be granted if it conforms to the requirements provided for in Commission Regulation (EC) No 717/2014 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to *de minimis* aid in the fishery and aquaculture sector (OJ L 190, 28.06.2014 pp. 45-54).

(2) Submission of the notice on state aid to fisheries or notice on block exemption specified in §§ 38 and 39 of this Act to the European Commission is not required for grant of *de minimis* aid to fisheries.

(3) *De minimis* aid to fisheries may be granted on the bases and pursuant to the procedure provided for in the Competition Act if it complies with the requirements provided for in Commission Regulation (EC) No 1407/2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to *de minimis* aid (OJ L 352, 24.12.2013 pp. 1-8).

#### **§ 44. Procedure of grant of *de minimis* aid to fisheries granted through Ministry of Rural Affairs and ARIB**

(1) If *de minimis* aid is granted by the state through the Ministry of Rural Affairs or the ARIB, the requirements for obtaining *de minimis* aid to fisheries and the procedure for submission of applications for *de minimis* aid and processing of applications shall be established by a regulation of the minister responsible for the area.

(2) The following shall be established by the regulation specified in subsection (1) of this section:

- 1) the requirements for obtaining *de minimis* aid;
- 2) the rate and amount of *de minimis* aid;
- 3) the eligible expenditure;
- 4) the due date for submission of the application;
- 5) substantial and formal requirements for applications;
- 6) the procedure for review and verification of applications, including the assessment criteria and procedure for assessment of the applications, where applicable;  
[RT I, 11.12.2015, 1 - entry into force 21.12.2015]
- 7) the time-limits and procedure for grant and payment of *de minimis* aid.

(3) The decision to approve or deny an application for *de minimis* aid to fisheries, decision on payment of aid and other decisions relating to the grant of the aid are made by the ARIB, unless otherwise provided for in this Act.

(4) An application for *de minimis* aid to fisheries shall be denied if:

- 1) the applicant, application for aid, the intended activity or eligible expenditure thereof do not comply with the requirements provided for in the legislation established on the basis of subsection (1) of this Act;  
[RT I, 22.05.2021, 1 - entry into force 01.06.2021]
- 2) the application cannot be approved because the balance of the resources prescribed for grant of aid have been exhausted by approval of a better application selected on the basis of the assessment results; or
- 3) the application contains inaccurate information or the applicant influences the processing of the application through fraud or threats or in any other illegal manner.  
[RT I, 11.12.2015, 1 - entry into force 21.12.2015]

(5) If the terms and conditions of grant of *de minimis* aid to fisheries do not provide for evaluation of conforming applications, the conforming applications shall be satisfied within the limits of the budgetary resources prescribed for grant of this aid, by reducing the amount of support *pro rata* per each applicant, where applicable.

[RT I, 22.05.2021, 1 - entry into force 01.06.2021]

#### **§ 45. Grant of *de minimis* aid to fisheries through foundation**

(1) If *de minimis* aid to fisheries is granted by a foundation, the procedure for applying for and processing of applications for *de minimis* aid to fisheries and the format of the application is established by the management board of the foundation.

(2) The procedure specified in subsection (1) of this section prescribes the requirements for obtaining *de minimis* aid to fisheries, the due dates for submission of applications, time-limits for review and verification of applications, time-limits and procedure for grant and payment of aid and the bases and procedure for denial of applications for support granted in the form of *de minimis* aid to fisheries. The procedure shall be published on website of the Foundation.

(3) The decision to approve or deny an application for *de minimis* aid to fisheries, decision on payment of aid and other decisions relating to grant of the support, loans or securities with regard to the applicant shall be made by the foundation.

(4) If *de minimis* aid to fisheries is granted by a foundation as individual aid outside aid schemes, the supervisory board of the foundation shall make a decision on grant of the aid and enter into a contract with the relevant beneficiary in which the intended purpose for the use of the aid is determined.

(5) A foundation may grant *de minimis* aid to fisheries on the basis and pursuant to the procedure indicated in the administrative contract entered into between the Ministry of Rural Affairs and the foundation. Substantial and formal requirements for applications for *de minimis* aid to fisheries, procedure for review and verification of applications and the bases and procedure for denial of applications for support granted in the form of *de minimis* aid to fisheries shall be indicated in an administrative contract.

(6) The Foundation shall determine the intended purpose of support, loan or security in the contract for grant of support, loan or security, and the bases for and terms of recovery of support, loan or security which is not used purposefully. The Foundation shall monitor purposeful use of support, loan and securities which it grants.

#### **§ 46. Grant of *de minimis* aid to fisheries**

(1) If *de minimis* aid to fisheries is granted by the grantor of aid specified in § 37 of this Act or it is granted on the basis and pursuant to the procedure specified in other Acts, the grantor of aid shall notify the Ministry of Rural Affairs of the intention to grant aid and the amount of the aid in writing at least 30 days prior to granting the aid and the Ministry of Rural Affairs shall respond within ten working days as of becoming aware of the intention to grant aid whether the amount of the planned aid exceeds the ceiling of *de minimis* aid granted within three years and set out for to the state in Commission Regulation (EC) No 717/2014.

(2) The Ministry of Rural Affairs shall determine whether the amount of planned aid exceeds the ceiling set for the state, taking account of the amounts of *de minimis* aid already granted and of aid announced to the Board pursuant to subsection (1) of this section but not yet granted. A grantor may grant *de minimis* aid to fisheries to the extent of the difference between the amounts of aid already granted and planned and the ceiling set for the state but not more than announced in the intention to grant aid.

(3) A grantor of aid shall indicate in the intention to grant aid at least the name of the aid and the amount thereof broken down per one calendar year.

[RT I, 10.11.2017, 3 - entry into force 20.11.2017]

(3<sup>1</sup>) The Ministry of Rural Affairs shall submit the amount of the planned *de minimis* aid calculated pursuant to subsection (2) of this section to the register of state aid and *de minimis* aid.

[RT I, 10.11.2017, 3 - entry into force 20.11.2017]

(4) A grantor of *de minimis* aid to fisheries shall monitor that the grantor of such aid would not exceed in the case of granting a new *de minimis* aid to fisheries the ceiling of the aid set per undertaking in Commission Regulation (EC) No 717/2014.

## **Chapter 8**

## Reporting on State Aid to Fisheries and *de minimis* Aid to Fisheries

### § 47. Reporting on State Aid to Fisheries and *de minimis* Aid to Fisheries

(1) The Ministry of Rural Affairs shall prepare an annual report on state aid granted during the previous calendar year on the basis of a pre-completed reporting table on state aid to fisheries and *de minimis* aid to fisheries sent by the European Commission and communicate it electronically to the Permanent Representation of the Republic of Estonia to the European Union which shall communicate the report to the European Commission at the latest by 30 June or the due date established by the European Commission.

(2) The Ministry of Rural Affairs has the right to request information for preparation of the report specified in subsection (1) of this section from the grantor of state aid.

(3) The Ministry of Rural Affairs shall use the relevant data of the register of state aid and *de minimis* aid for maintaining records and reporting on grant of *de minimis* aid to fisheries.

[RT I, 10.11.2017, 3 - entry into force 20.11.2017]

### § 47<sup>1</sup>. Entry of data in register of state aid and *de minimis* aid

A grantor of aid shall submit the data of the *de minimis* aid to fisheries specified in subsection 43 (1) of this Act and granted through the grantor to the register of state aid and *de minimis* aid.

[RT I, 10.11.2017, 3 - entry into force 20.11.2017]

### § 47<sup>2</sup>. Compliance with requirement of transparency of state aid to fisheries

(1) In the case of grant of individual aid that exceeds the amount specified in Article 9(1)(c) and 9(2) of Commission Regulation (EU) No 1388/2014 and in the Guidelines for state aid, a grantor of state aid to fisheries shall enter the data specified in Annex III to the Commission Regulation (EU) No 1388/2014 to the relevant website of the European Commission within four calendar months after grant of the aid and in the case of aid in the form of tax advantages within ten calendar months from after the due date for submission of a tax return. A grantor of state aid to fisheries shall notify the Ministry of Rural Affairs immediately thereof.

(2) The Ministry of Rural Affairs shall verify the data entered by the grantor of aid and make these available to the public on the relevant website of the European Commission by the date provided for in Commission Regulation (EU) No 1388/2014.

(3) The Ministry of Rural Affairs shall have the right to request submission of additional data from the grantor of aid.

[RT I, 10.11.2017, 3 - entry into force 20.11.2017]

## Chapter 9 Other Aid to Fisheries

### § 48. Grant of other aid to fisheries

(1) Other aid to fisheries may be granted if this is necessary for ensuring competitiveness and sustainability of the fisheries sector and it is not state aid to fisheries or *de minimis* aid to fisheries.

(2) The conditions of and procedure for grant and use of other aid to fisheries shall be established by a regulation minister responsible for the area by types of aid.

(3) The following shall be established by the regulation specified in subsection (2) of this section:

- 1) the more specific objective of grant of aid;
- 2) the supported activities and eligible expenditure;
- 3) the maximum rate and amount of aid;
- 4) the requirements for applicants and applications for aid;
- 5) the conditions of and procedure for processing of applications, including the assessment criteria and the procedure for assessment of the applications, where applicable;
- 6) the conditions of and procedure for payment of aid;
- 7) obligations of the beneficiary.

(4) The decision to approve or deny an application for *de minimis* aid to fisheries, decision on payment of aid and other decisions relating to grant of the aid are made by the ARIB, unless otherwise provided for in this Act.

- (5) An application for other aid to fisheries shall be denied if:
- 1) the applicant, application for aid, the intended activity or eligible expenditure thereof do not comply with the requirements provided for in the legislation established on the basis of subsection (2) of this Act;  
[RT I, 22.05.2021, 1 - entry into force 01.06.2021005D]
  - 2) the application cannot be approved because the balance of the resources prescribed for grant of aid have been exhausted by approval of a better application selected on the basis of the assessment results; or
  - 3) the application contains inaccurate information or the applicant influences the processing of the application through fraud or threats or in any other illegal manner.
- (6) If the terms and conditions of grant of other aid to fisheries do not provide for evaluation of conforming applications, the conforming applications shall be satisfied within the limits of the budgetary resources prescribed for grant of this aid, by reducing the amount of support pro rata per each applicant, where applicable.  
[RT I, 22.05.2021, 1 - entry into force 01.06.2021]

## **Chapter 10 Security**

### **§ 49. Provision of security**

- (1) Upon implementation of measures for fisheries market organisation for which a security for guarantee of performance of obligations is prescribed by regulations of the European Union or this Act, such security shall be provided to the ARIB.
- (2) Security may be provided to the ARIB as:
- 1) a deposit to the bank account of the ARIB;
  - 2) a guarantee.
- (3) The minister responsible for the area shall establish by a regulation a more specific procedure for provision, use and release of security for implementation of measures for fisheries market organisation.

## **Chapter 11 State and administrative supervision**

### **§ 50. Authorities exercising state and administrative supervision**

- (1) State and administrative supervision over compliance with the requirements provided for in this Act and legislation established on the basis thereof and relevant legislation of the European Union is exercised by the ARIB, unless otherwise provided for in this section.
- (2) The Ministry of Rural Affairs exercises state and administrative supervision over compliance with the requirements provided for in this Act and legislation established on the basis thereof and relevant legislation of the European Union:
- 1) in the case of the measures provided for in Articles 67 and 76-79 of Regulation (EU) No 508/2014 of the European Parliament and of the Council;  
[RT I, 11.12.2015, 1 - entry into force 21.12.2015]
  - 2) in the case of other Fund support to the extent which is necessary for performance of the functions provided for in Articles 126 and 127(1) of Regulation (EU) No 1303/2013 of the European Parliament and of the Council.
- (3) The Ministry of Rural Affairs exercises state and administrative supervision over compliance with the requirements provided for in this Act and legislation established on the basis thereof and relevant legislation of the European Union, if the state grants state aid to fisheries or *de minimis* aid to fisheries through the Ministry of Rural Affairs.
- (4) The Ministry of Rural Affairs exercises state supervision over compliance with the requirements provided for in this Act and legislation established on the basis thereof and relevant legislation of the European Union for recognised producer organisations and the production and marketing plans thereof.
- (5) Administrative supervision over performance of an administrative contract entered into pursuant to subsection 23 (2) of this Act shall be exercised by the Ministry of Rural Affairs. If an administrative contract is terminated unilaterally or any other circumstances arise which prevent further performance of the administrative functions by the foundation, further implementation of the financial instrument shall be terminated.
- (6) The following shall exercise state supervision over compliance with the marketing standards and the requirements for consumer information specified in Chapter 2 of this Act:
- 1) the Agriculture and Food Board on the basis and pursuant to the procedure provided for in the Food Act;  
[RT I, 01.07.2020, 1 – entry into force 01.01.2021]
  - 2) the Environmental Board on the basis and pursuant to the procedure provided for in the Fishing Act.  
[RT I, 10.07.2020, 2 – entry into force 01.01.2021]

## **§ 51. Specific state supervision measures**

(1) In order to exercise the state supervision provided for in this Act, a law enforcement authority may apply the special measures for state supervision provided for in §§ 30, 32 and 49-53 of the Law Enforcement Act on the basis and pursuant to the procedure provided for in the Law Enforcement Act.

(2) If a dwelling is also used as business premises, a law enforcement authority may examine it during the business or opening hours thereof without the permission of an administrative court provided for in subsection 51 (2) of the Law Enforcement Act.

(3) A law enforcement authority may take samples during the examination of movables at the expense of the person. If a movable examined cannot be used as usual after the examination, the person shall not be compensated for the cost of the movable or the cost of restoring the movable for use as usual.

(4) Measures for state supervision may be applied without giving an advance notice to the person who received support therefrom. An advance notice on application of measures for state supervision may be given only in the case such advance notice does not jeopardise the achievement of the objective of the application of the measure.

## **§ 52. Specifications for administrative supervision upon verification of compliance of activities of local action groups with requirements**

(1) The ARIB shall verify compliance of local action groups and the activities thereof with the requirements provided for in the relevant legislation of the European Union, this Act and legislation established on the basis thereof and require performance of the obligations by local action group if:

- 1) the local action group does not comply with the requirements provided for in the relevant legislation;
- 2) the local action group has failed to submit the operational programme for strategy to the ARIB by the due date or the ARIB has not approved it;
- 3) the local action group does not comply with the local development strategy, operational programme for strategy or the rules of procedure established by it; or
- 4) the local action group hinders exercise of supervision over its activities.

(2) If a local action group does not comply with the obligations arising from this section or does not comply with the requirements established on the basis of § 24 of this Act or any other reason becomes evident which prevents the local action group from continuing the implementation of the local development strategy, the ARIB may suspend the right of the local action group to perform the functions specified in subsection 25 (6) of this Act.

(3) The local action group in the case of which the ARIB has suspended assessment of an application for project support may continue assessment of the application for project support as of the delivery of a relevant written consent of the ARIB. The ARIB grants consent if the local action group complies with all the relevant obligations.

(4) If a local action group has failed to comply, by the due date determined, with the obligations which performance the ARIB has required on the basis of subsection (1) of this section, the ARIB may suspend payment of the support specified in Article 35(1)(d) of Regulation (EU) No 1303/2013 of the European Parliament and of the Council.

# **Chapter 12**

## **Recovery of Support and State Aid**

### **§ 53. Recovery of support and aid**

(1) If it becomes evident after payment of the Fund support that the support was paid without basis due to non-compliance with the rules, including if it was not used purposefully, the support shall be recovered from the beneficiary in part or in full on the basis and at the dates provided for in Regulations (EU) No 1303/2013 and (EU) No 508/2014 of the European Parliament and of the Council and other relevant European Union regulations.

(2) State aid to fisheries, *de minimis* aid to fisheries and other aid to fisheries shall be recovered in part or in full if it becomes evident after payment of the aid that the beneficiary has knowingly submitted false information, has not complied with the requirements which constitute the basis for payment of aid, has unduly received aid in another manner or has not used it purposefully.

[RT I, 02.06.2021, 2 - entry into force 01.07.2021]

(3) Recovery of state aid to fisheries, *de minimis* aid to fisheries and other aid to fisheries may be waived if purposeful use of aid is impossible due to force majeure circumstances or other circumstances beyond the control of the beneficiary.

(4) The decision to recover the Fund support, state aid to fisheries, *de minimis* aid to fisheries and other aid to fisheries is made by the ARIB, unless otherwise provided for in this section.

(5) The Ministry of Rural Affairs makes the decision on recovery of support:

1) in the case of the measures provided for in Articles 67 and 76-79 of Regulation (EU) No 508/2014 of the European Parliament and of the Council;

[RT I, 11.12.2015, 1 - entry into force 21.12.2015]

2) in the case of state aid to fisheries, *de minimis* aid to fisheries or other aid to fisheries, if this is granted through the Ministry of Rural Affairs.

(6) If state aid to fisheries or *de minimis* aid to fisheries is granted through a foundation, the decision on recovery of aid shall be made by the foundation.

(7) The Fund support is not reclaimed from state agencies if the amount of reclaimed support without interest is less than 250 euros, unless the legislation of the European Union provides otherwise.

(8) The decision on recovery of the Fund support may be made at the latest on 31 December 2025. The decision on recovery of other support may be made within ten years as of payment of the support.

#### **§ 54. Refunding of support and aid**

(1) The Fund support, state aid to fisheries, *de minimis* aid to fisheries and other aid to fisheries shall be refunded within 60 calendar days as of the day of making the decision, unless the legislation of the European Union provides otherwise.

(2) Where appropriate, the grantor of aid may suspend payments of support to the beneficiary until refunding of the amount claimed or reduce the amount of subsequent support payments within the framework of the same activity to the extent of the amount not refunded.

(3) The grantor of aid may permit refunding of the support reclaimed in instalments, if the beneficiary submits an appropriate reasoned application and time schedule for refunding the support. In the case support is refunded in instalments, it shall be refunded within 12 months as of the day of making the decision on refunding in instalments. In the case the support is refunded in instalments, the grantor of aid has the right to require a security.

(4) If the person who received support fails to refund the support within the time limit determined or within the time limit prescribed in the repayment schedule in the case the support is refunded in instalments, the grantor of aid has the right to send the decision on recovery of support for compulsory execution pursuant to the procedure provided for in the Code of Execution Procedure.

(5) On account of the payments received upon refunding support, first the fines for delay shall be deemed paid, then the interest and finally the support refunded.

(6) A claim for refunding the support granted pursuant to this Act cannot be assigned by the beneficiary and the paid support shall not be subject to compulsory execution in a beneficiary's bank account.

#### **§ 55. Fine for delay and interest**

(1) Upon failure to refund support by the due date, the beneficiary shall pay a fine for delay at the rate of 0.1 per cent for each calendar day by which refunding of support is delayed.

(2) In the case support is refunded in instalments, the beneficiary shall pay interest as of the day following the due date provided for in subsection 54 (1) of this Act. The rate of interest on the balance of the support refunded is six-month Euribor plus three per cent per year. The six-month Euribor as at the banking day preceding the making of the decision shall be used. The basis for interest calculation is a period of 360 days.

(3) In the case of grant of illegal state aid or misused state aid, support shall be recovered together with interest as of the payment of support in accordance with Article 9 of Commission Regulation (EC) No 794/2004, the interest rate communicated to Member States on the basis of Article 10 of the same Regulation and the method for applying interest specified in Article 11 therein.

[RT I, 02.06.2021, 2 - entry into force 01.07.2021]

(4) No fine for delay or interest is required from state agencies, unless the European Commission requires payment of the fine for delay from the state. In this case, the state shall require fine for delay or interest to the extent of the amount of fine for delay paid to the European Commission.

(4<sup>1</sup>) Calculation of a fine for delay shall be terminated when the amount of the fine for delay exceeds the amount of the support reclaimed which constitutes the basis for the calculation thereof.

[RT I, 28.12.2018, 2 - entry into force 01.01.2019]

(5) The provisions of clause 23 1) of the State Liability Act shall not apply to implementation of measures for fisheries market organisation.

#### **§ 55<sup>1</sup>. Reclamation of illegal and misused state aid to fisheries**

Illegal or misused state aid to fisheries for the purposes of the Council Regulation (EU) 2015/1589 shall be reclaimed on the bases and pursuant to the procedure provided for in § 42 of the Competition Act, and in this case §§ 53 - 55 of this Act shall not apply to the reclamation.

[RT I, 02.06.2021, 2 - entry into force 01.07.2021]

## **Chapter 13 Liability**

#### **§ 56. Infringement of marketing standards for fishery products**

(1) Infringement of marketing standards for fishery products is punishable by a fine of up to 300 fine units.

(2) The same act, if committed by a legal entity, is punishable by a fine of up to 3200 euros.

#### **§ 57. Proceedings**

The Agriculture and Food Board or the Environmental Board within the limits of its competence is the extrajudicial body which conducts proceedings in matters of misdemeanours provided for in § 56 of this Act.

[RT I, 10.07.2020, 2 – entry into force 01.01.2021]

## **Chapter 14 Implementing Provisions**

#### **§ 58. Repeal**

(1) [Omitted from this text].

(2) The legislation issued on the basis of subsection 19<sup>4</sup>(1) and subsection 19<sup>8</sup>(4) of the Fisheries Market Organisation Act in force before 1 January 2015 shall be in force until 31 December 2025.

#### **§ 59. Authorities managing grant of support from European Fisheries Fund**

(1) The functions of the managing authority, certifying authority and audit authority specified in Article 58(1) of Council Regulation (EC) No 1198/2006 on the European Fisheries Fund (OJ L 223, 15.08.2006, pp. 1-44) are performed by the Ministry of Rural Affairs, unless otherwise provided for in this Chapter.

(2) The ARIB performs the functions of the managing authority and certifying authority specified in Article 58(1) of Council Regulation (EC) No 1198/2006 which performance has been assigned to it by this Act a directive of the minister responsible for the area.

(3) The functions of the monitoring committee specified in Article 63 of Council Regulation (EC) No 1198/2006 are performed by the monitoring committee formed on the basis of § 19<sup>3</sup> of the Fisheries Market Organisation Act in force before 1 January 2015.

#### **§ 60. Grant of support from European Fisheries Fund in 2015**

(1) The minister responsible for the area may established by a regulation the types of measures and activities of operational programmes (hereinafter *European Fisheries Fund operational programme*) specified in Article 17(1) of Council Regulation (EC) No 1198/2006 which are supported in 2015 on the basis and pursuant to the procedure of the European Fisheries Fund operational programme.

(2) In the case provided for in subsection (1) of this section, the allocation of resources prescribed for grant of support from the European Fisheries Fund by measures and, where applicable, by activities shall be decided by a directive of the minister responsible for the area.

(3) The right to apply for support from the European Fisheries Fund does not arise if supporting of the relevant measure or activity is not prescribed by the regulation established on the basis of subsection (1) of this section.

#### **§ 61. Applicants and applications for support from European Fisheries Fund**

(1) Support from the European Fisheries Fund may be applied by a natural person or a legal person and an authority of executive power or a local government authority which complies with the requirements provided for in this section, legislation in force on the basis of subsection 58 (2) of this Act and relevant legislation of the European Union.

(2) An applicant for the support of the European Fisheries Fund is required to:

- 1) at the request of the body conducting the proceedings of the application, submit additional information concerning the applicant and the application in the format and the manner and during the term provided for in the eligibility criteria for the measure;
- 2) permit monitoring of conformity of the application and the applicant to the requirements, in particular, an on-the-spot visit of inspection to be conducted;
- 3) notify the body conducting the proceedings immediately of changes in the information presented in the application for support or of circumstances which may affect the making of the decision on the application for support;
- 4) certify at the request of the body conducting the proceedings the existence of self-financing or other funds or documents prescribed in the eligibility criteria for the measure.

(3) An application for support of the European Fisheries Fund shall comply with the following requirements:

- 1) the application is prepared pursuant to the procedure provided for in the legislation in force on the basis of subsection 58 (2) of this Act;
- 2) the documents required in the legislation in force on the basis of subsection 58 (2) of this Act are appended to the application;
- 3) support is applied for the activities supported in the legislation in force on the basis of subsection 58 (2) of this Act;
- 4) the amount of the support applied for does not exceed the rate of support provided for in the legislation in force on the basis of subsection 58 (2) of this Act;
- 5) the budget of the project included in the application prescribes, inter alia, the required self-financing;
- 6) the project for the implementation of which support is applied is carried out by the due date provided for in the legislation in force on the basis of subsection 58 (2) of this Act but at the latest by 31 December 2015;
- 7) the information presented in the application is complete and accurate;
- 8) the application complies with the requirements provided for in the legislation in force on the basis of subsection 58 (2) of this Act.

#### **§ 62. Approval and denial of applications for support from European Fisheries Fund**

(1) Submission of applications for support from the European Fisheries Fund and processing thereof shall comply with the procedure provided for in the legislation in force on the basis of subsection 58 (2) of this Act.

(2) The decision to approve or deny an application for support from the European Fisheries Fund shall be made within 120 working days as of the due date for submission of applications for support, unless the legislation in force on the basis of subsection 58 (2) of this Act provides a shorter time limit.

(3) The decision to deny an application for support from the European Fisheries Fund shall be made if:

- 1) the applicant for the support does not comply with at least one of the requirements provided for in the legislation in force on the basis of § 61 of this Act or subsection 58 (2) of this Act or relevant legislation of the European Union;
- 2) the application for support does not comply with the requirements provided for in subsection 61 (3) of this Act;
- 3) the application which complies with the requirements cannot be approved because the balance of the resources prescribed for funding of the measure or activity have been exhausted by approval of a better application selected on the basis of the assessment results.

(4) The decision to approve or deny an application for support from the European Fisheries Fund shall be made by the ARIB, with the exception of the technical assistance support specified in Article 46 of Council Regulation (EC) No 1198/2006. The decision to approve or deny an application for technical assistance shall be made by the Ministry of Rural Affairs.

#### **§ 63. Obligations of beneficiary of support from the European Fisheries Fund**

(1) Natural or legal persons or authorities of executive power or local government authorities which received support from the European Fisheries Fund on the basis of the Fisheries Market Organisation Act in force until 1 January 2015 or § 62 of this Act (hereinafter jointly *beneficiary of support from the European Fisheries Fund*) are obligated to comply with the requirements provided for in this section, legislation in force on the basis of subsection 58 (2) of this Act and relevant legislation of the European Union.



(2) Unless the legislation in force on the basis of subsection 58 (2) of this Act prescribes a longer time limit, a beneficiary of support from the European Fisheries Fund is obligated, within five years as of the payment of the last part of support, to:

- 1) ensure the preservation and use for the intended purposes of the property acquired or constructed as a result of the project, and avoid making such substantial changes which affect the nature of the project or conditions for the implementation thereof or give undue advantages to certain undertakings or public law bodies or result from changes in ownership in a certain part of infrastructure or cessation or relocation of a productive activity;
- 2) notify the ARIB immediately of the circumstances which endanger the preservation and use for the intended purposes of the property acquired or constructed;
- 3) enable audits or state and administrative supervision and render all possible assistance for that purpose and enable, for verification of the correctness of submitted information, authorised persons to enter the premises and territory which are connected with the use of the support and belong to the final recipient and the persons participating in the project and perform on-site checks of documents and property;
- 4) give the information and documents required by an authorised person into the use of such person within the time limit set by the authorised person which shall be not less than three working days;
- 5) clearly distinguish in its accounting the expenses/costs relating to the use of support and the payment documents and expense receipts reflecting such expenses/costs from other payment documents and expense receipts and ensure that the persons participating in the project would do the same in their accounting;
- 6) demonstrate that it is a project carried out on account of the support from the European Fisheries Fund by using the symbols and information activities prescribed by the legislation in force on the basis of subsection 58 (2) of this Act;
- 7) submit the information concerning the receipt and use of the support and reports within the prescribed time limit.

(3) Beneficiaries of support from the European Fisheries Fund whose project is not yet carried out by 1 January 2015 shall comply with the following obligations in addition to the obligations provided for in subsection (2) of this section:

- 1) ensure that self-financing is provided at the rate provided for in the decision to approve the application;
- 2) use the support on the conditions prescribed;
- 3) ensure that the documents on the basis of which the support is paid are in compliance with the requirements and the expenditure is eligible;
- 4) upon making procurements relating to the project, observe the requirements provided for in the Public Procurement Act if the beneficiary is a contracting authority for the purposes of the Public Procurement Act, or the requirements provided for in the legislation in force on the basis of subsection 58 (2) of this Act if the requirements provided for in the Public Procurement Act do not apply to the beneficiary;  
[RT I, 01.07.2017, 1 - entry into force 01.09.2017]
- 5) carry out the project by the due date provided for in the legislation in force on the basis of subsection 58 (2) of this Act but at the latest by 31 December 2015.

(4) Beneficiaries of support from the European Fisheries Fund are obligated to preserve the documents relating to the implementation of the project at least until 31 December 2025.

#### **§ 64. Payments of support from European Fisheries Fund**

The ARIB shall make the decision to pay support from the European Fisheries Fund or refuse to make payments, except in the case of technical assistance. The Ministry of Rural Affairs shall make the decision to pay or refuse to pay technical assistance.

#### **§ 65. Revocation of decision to approve application for support from European Fisheries Fund**

The ARIB may revoke a decision to approve an application for support from the European Fisheries Fund if at least one of the following circumstances occurs:

- 1) circumstances become evident which preclude approval of the application;
- 2) the final recipient has not begun to use the support during the term set out in the decision to approve the application;
- 3) the final recipient fails to comply with the provisions of the decision to approve the application or to use the support under the prescribed conditions;
- 4) the implementation of the project cannot be completed by the due date provided for in clause 61 (3) 6) of this Act;
- 5) the final recipient submits an application to declare the decision to approve the application invalid.

#### **§ 66. Implementation of financial engineering instruments**

(1) Administrative contracts entered into on the basis of subsection 19<sup>2</sup>(4) of the Fisheries Market Organisation Act in force until 1 January 2015 shall be in force until the date provided for in the contract, if the specified contract is in force at the time of entry into force of this Act.

(2) If the administrative contract specified in subsection (1) of this section is terminated unilaterally or other circumstances arise which prevent further performance of the administrative functions by the foundation, further implementation of the financial engineering instruments shall be terminated.

(3) The minister responsible for the area may decide in 2015 by a directive on grant to a foundation of budgetary resources for implementation of financial engineering instruments and the amount thereof on the basis of the budgetary resources prescribed in the state budget for support from the European Fisheries Fund.

#### **§ 67. State and administrative supervision**

(1) State and administrative supervision over compliance of with the requirements for use of support from the European Fisheries Fund and the property acquired or constructed on account thereof shall be exercised by the ARIB, unless otherwise provided for in this section.

(2) The Ministry of Rural Affairs exercises state and administrative supervision over compliance with the requirements for use of support from the European Fisheries Fund and the property acquired or constructed on account thereof:

- 1) in the case of the support specified in Article 46 of Council Regulation (EC) No 1198/2006;
- 2) in the case of other support to the extent which is necessary for performance of the functions provided for in Articles 61(1)(b) of Council Regulation (EC) No 1198/2006.

(3) Administrative supervision over performance of the administrative contract specified in subsection 66 (1) of this Act shall be exercised by the Ministry of Rural Affairs.

(4) In order to exercise state supervision, a law enforcement authority may apply the special measures provided for in subsection 51 (1) of this Act with the specifications provided for in subsections (2) and (3) of the same section.

#### **§ 68. Recovery of European Fisheries Fund support**

(1) The ARIB shall reclaim the European Fisheries Fund support, with the exception of technical assistance, in full or in part, if it becomes evident after payment of the support that:

- 1) the information affecting the decision to approve the application or the calculation of the amount of the support is inaccurate;
- 2) the assistance has been used to cover non-eligible expenditure.

(2) In addition to the bases specified in subsection (1) of this section, the ARIB may require complete or partial repayment of the European Fisheries Fund support, with the exception of the technical assistance, if:

- 1) circumstances become evident which preclude approval of the application;
- 2) use the assistance and the property acquired, constructed or renovated with the aid of support does not comply with the prescribed conditions;
- 3) liquidation proceedings have been commenced against the final recipient or the final recipient is declared bankrupt;
- 4) it becomes evident that the objectives of the project cannot be achieved or that the time limits for the activities of the project have not been adhered to;
- 5) the decision to approve the application has been repealed;
- 6) precept of a law enforcement authority has not been complied with by the due date;
- 7) the final recipient has not complied with the obligations imposed thereon.

(3) Technical assistance is reclaimed by the Ministry of Rural Affairs on the bases provided for in this section.

(4) The decision on reclamation of the European Fisheries Fund support may be made at the latest on 31 December 2025.

(5) Where appropriate, the ARIB may suspend the payments of other support to the beneficiary until refunding of the amount reclaimed or reduce the amount of the subsequent support payment within the framework of the same project to the extent of the amount not refunded.

(6) The ARIB may permit refunding of the support reclaimed in instalments, if the beneficiary submits an appropriate reasoned application and time schedule for refunding the support. In the case the support is refunded in instalments, the support shall be refunded within at least 12 months as of the day of making the decision on refunding in instalments. In the case the support is refunded in instalments, the ARIB has the right to require a security.

(7) If the beneficiary of support from the European Fisheries Fund fails to refund the support within the time limit determined or within the time limit prescribed in the repayment schedule in the case the support is refunded in instalments, the ARIB has the right to send the decision on recovery of support for compulsory execution pursuant to the procedure provided for in the Code of Execution Procedure.

(8) The payments made for refunding the support shall be deemed to have been made in the following order: first the fines for delay shall be deemed paid, then the interest amounts according to their chronological order starting from the earliest, and last the support or the parts thereof starting from the earliest arrears.

## **§ 69. Interest and fine for delay**

(1) In the case of recovery of the European Fisheries Fund support, interest is claimed on the balance of the amount of support refunded. The interest rate on the amount of support refunded is one-year Euribor plus five per cent per year. Authorities of executive power are not required to pay interest.

(2) Interest shall be calculated from the date on which the decision on reclamation of the fisheries market support is made. If a criminal offence was committed upon application for or use of the fisheries market support, interest shall be calculated from the date of payment of the fisheries market support. Interest calculation shall be based on the applicable interest rate.

(3) Interest shall be calculated until the date of repayment of the fisheries market support. Interest calculation shall be suspended upon declaration of bankruptcy of the final recipient.

(4) If the fisheries market support was not refunded by the due date, the beneficiary shall pay a fine for delay at the rate of 0.1 per cent for each calendar day by which refunding of the support is delayed on the balance of the support amount subject to refunding in the currency in which the support was paid. The calculation of the fine for delay shall be suspended upon declaration of final recipient's bankruptcy.

(5) Authorities of executive power are not required to pay the fine for delay on the funds allocated for support or self-financing. If the European Commission demands the payment of a fine for delay from the state, the authority of executive power shall pay the fine for delay to the extent of the amount of the fine for delay which the state paid to the European Commission.

## **§ 70. Decision relating to support from European Fisheries Fund**

The provisions of § 7 of this Act apply to decisions relating to support from the European Fisheries Fund and delivery thereof.

## **§ 71. Resolution of disputes related to support of European Fisheries Fund**

(1) In the case of disputes relating to support from the European Fisheries Fund, challenge proceedings shall be undertaken under the conditions and pursuant to the procedure provided for in the Administrative Procedure Act before filing an appeal with an administrative court.

(2) A challenge shall be adjudicated within 30 calendar days as of acceptance of the challenge.

## **§ 72. Establishment of eligibility criteria for measure before approval of operational programme**

(1) The minister responsible for the area may establish conditions of measures before approval of the operational programme by the European Commission but not earlier than two months after submission of a draft operational programme to the European Commission. In the case of the measures provided for in Articles 66, 67 and 76-79 of Regulation (EU) No 508/2014 of the European Parliament and of the Council, the conditions of the measure may be established immediately after entry into force of this Act.

(2) No decision to approve an application for the Fund support shall be made before the European Commission has approved the operational programme.

(3) If the draft operational programme differs from the operational programme, the conditions of the measure established before the approval of the operational programme may be amended in the part in which the conditions of the measure contradict the operational programme.

(4) If the conditions of measures are amended pursuant to subsection (3) of this section, a time limit shall be determined for the applicant to make the application comply with the conditions of the measure. If the applicant does not agree to amendment of the application or does not amend the application during the determined term, a decision to deny the application shall be made.

(5) If an application for the Fund support is submitted more than 60 working days before the approval of the operational programme by the European Commission, the decision to approve or deny an application for the Fund support is made within 30 working days as of the approval of the operational programme.

## **§ 73. Recognised producer organisation**

(1) Producer organisations recognised on the basis of subsection 17 (1) of the Fisheries Market Organisation Act in force before 1 January 2015 are deemed to be producer organisations recognised pursuant to this Act.

(2) Producer organisations engaged in the production of fishery products and aquaculture producer organisations recognised on the basis of subsection 17 (1) of the Fisheries Market Organisation Act in force until

1 January 2015 shall achieve compliance with the requirements provided for in clauses 12 (2) 2) or 3) of this Act during 2015.

#### **§ 74. Fisheries council**

The fisheries council formed on the basis subsection 66 (1) of the Fisheries Market Organisation Act in force before 1 January 2015 shall perform the functions provided for in § 4 of this Act until the formation of a fisheries council pursuant to § 3 of this Act.

#### **§ 75. Data processing**

Processing of the data entered in the register of agricultural support and agricultural parcels on the basis of 8<sup>1</sup>(6) of the Fisheries Market Organisation Act in force before 1 January 2015 shall be continued in the specified register until 31 December 2025.

#### **§ 76. Transmission of data of *de minimis* aid to fisheries**

The data registered in the register of agricultural support and agricultural parcels as of 1 January 2009 about beneficiaries of *de minimis* aid to fisheries and the amount of aid granted to the beneficiaries shall be transmitted to the register of state aid and *de minimis* aid during one month as of the entry into force of this Act.

#### **§ 76<sup>1</sup>. Implementation of § 55<sup>1</sup> of this Act**

(1) § 55<sup>1</sup> of this Act applies in the cases of identification of grant of illegal state aid or misused state aid, provided the state aid to fisheries is granted as of 1 July 2021.

(2) The wording of the Fisheries Market Organisation Act in force up to 30 June 2021 shall apply to the state aid granted before 1 July 2021, on which reclamation decisions shall be made as of 1 July 2021.  
[RT I, 02.06.2021, 2 - entry into force 01.07.2021]

#### **§ 77. Amendment of Criminal Records Database Act**

[Omitted from this text.]

#### **§ 78. Entry into Force of Act**

This Act enters into force on 1 January 2015.