



ABSTRACT

Fisheries Department - Diversification of trawl fishing boats from Palk Bay into Deep Sea fishing boats under Central Sector on Blue Revolution scheme – Guidelines – Orders – Issued.

Animal Husbandry, Dairying and Fisheries (FS-4) Department

G.O(Ms)No.139

Dated.14.7.2017

Thiruvalluvar Aandu-2048
Aani-30

Read:

1. G.O(Ms)No.115, Animal Husbandry, Dairying and Fisheries (FS-4) Department, dated:23.5.2017
 2. From the Director of Fisheries, letter Rc.No.12506/R1/2016, dated 30.6.2017
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ORDER:

In the Government order first read above, the Government have accorded administrative approval and financial sanction for a sum of Rs.286 crore (i.e., Rs.200 crore as Government of India share and Rs.86 crore as Government of Tamil Nadu share including contingency) to implement the scheme of diversification of 500 trawl fishing boats from Palk Bay into Deep Sea Fishing boats in the first phase.

2. The Director of Fisheries in his letter second read above has furnished the guidelines for approval of the Government so as to ensure the smooth implementation of the scheme of diversification of trawl fishing boats from Palk Bay into Deep Sea fishing boats under Central Sector on Blue Revolution scheme.

(P.T.O)

3. The Government, after careful examination, approve the guidelines furnished by the Director of Fisheries and permit him to implement the above scheme based on the guidelines annexed to this order.

4. This order issues with the concurrence of the Finance Department vide its U.O.No.226/S(E)/2017, dated.5.7.2017

(BY ORDER OF THE GOVERNOR)

GAGANDEEP SINGH BEDI
PRINCIPAL SECRETARY TO GOVERNMENT

To

The Director of Fisheries, Chennai-6.
The Additional Director of Fisheries, Ramanadhapuram.
The Pay and Accounts officer, Chennai (18/18) (By Name)
The Principal Accountant General, Chennai-35.
The Resident Audit Officer,
Office of the Principal Accountant General, Chennai-9.

Copy to:

The Finance (AH&F) Department, Chennai-9.
The Special Personal Assistant to the Honb'le Minister (Fisheries, Finance, P&AR), Chennai-9.
The Personal Secretary to the Principal Secretary to Government, Animal Husbandry, Dairying & Fisheries Department, Chennai-9.
Stock File/Spare Copy.

//Forwarded By Order//

S. Thirupathi
Section Officer
Sd/-
14/7/17

**Annexure to the G.O(MS) No.139, Animal Husbandry,
Dairying and Fisheries (FS4) Department, dated 14.7.2017.**

Guidelines

I. Preamble

Fishing by bottom trawlers in the Palk Bay has been receiving high level of attention as Tamil Nadu fishermen are often arrested while fishing in their traditional waters by Sri Lankan Navy. The prolonged incarceration of our fishermen and their fishing boats by the Sri Lankan Government causing a sense of anxiety and insecurity among the fishermen community of Tamil Nadu as whole. As desired by our fishermen during the Fishermen level talks, the Government vide G.O Ms. No.115, Animal Husbandry Dairying and Fisheries (FS4) Department dated:23.5.2017 issued orders to diversify 2000 trawlers from Palk Bay into deep sea fishing Tuna long liner cum Gill netter boats in a phased manner over a period of three years with funding assistance from the Government of India and Government of Tamil Nadu. The scheme will be implemented exclusively in the Districts of Tamil Nadu covering the Palk Bay area. The Guidelines for implementing the scheme are as follows: -

II. Pattern of Assistance

The estimated unit cost of the new tuna long liner cum gill netter for deep sea fishing is Rs 80 lakh / boat. The Scheme will be implemented with the following funding pattern and subsidy assistance.

Sl No	Funding By	Percentage (%)	Amount (Rs.in Lakhs)
1.	Government of India	50%	40
2	Government of Tamil Nadu (including insurance cover for the boat)	20%	16
3	Beneficiary contribution	10%	8
4	Institutional finance	20%	16
Total		100%	80

1. The subsidy assistance, proportionate institutional funding and beneficiary contribution shall be released in 3 stages to the designated bank account for the subsequent release of funds directly to the Boat building Yard/ Engine/ Equipment Suppliers.
2. For the release of 2nd stage subsidy amount, the beneficiary shall deposit his contribution of Rs. 8 lakh or 10% equivalent to total value of new boat, whichever is higher.
3. The beneficiary has to either scrap or dispose of his trawler outside Palk Bay for the release of 2nd stage subsidy.
4. The boat owner shall submit the list of crew members with their bank details at the time of applying for the scheme.
5. The Assistant Director of Fisheries of the area shall conduct necessary verification of the crew members.
6. A maximum of 7 fishermen families including owner of the boats who were eking out the livelihood with the trawler boat scraped shall be provided with the Subsistence Allowance of Rs.5,000/- per family for the last 3 months period of boat construction by the Government of Tamil Nadu.
7. The 20% subsidy assistance provided by the Government of Tamil Nadu is inclusive of the insurance coverage for the new deep sea fishing boats.

III. Eligibility norms for beneficiaries to avail subsidy assistance

- The beneficiaries should be,
1. Owner / Joint owners of an existing trawler having a minimum Overall Length of 12m and above.
 2. The trawler for replacement should be registered under uniform online registration of fishing vessels in the Palk Bay districts and operating in the Palk Bay districts.
 3. The trawler for replacement should be with valid fishing license and seaworthy.
 4. The trawler should have been physically verified by the Fisheries Department during the recent 'Physical verification of fishing crafts'.
 5. Owner / Joint owners of the existing trawlers otherwise eligible as above, can form a group of upto 6 and jointly avail the subsidy assistance for a single boat.

IV. Order of Priority

The Priority for replacement of the existing trawler will be given in the following order

- i. The boats that are apprehended by Sri Lanka and are still under its custody
- ii. The boats that were damaged beyond salvage in Sri Lankan custody
- iii. The boats that are apprehended by Sri Lanka and released subsequently.
- iv. Joint owners proposing for single new deep sea fishing boat with number of replacements.
- v. Individual fishermen with replacement of Trawler

V. Technical details/ requirements for the newly constructed deep sea tuna longliner cum gill netter fishing boats

1. The deep sea fishing boats shall be constructed with **standard Marine grade Wood/FRP/Steel with suitable sea worthiness/ deck layout to carry out deep sea Long line and Gill net fishing.**
2. The boat constructed availing the subsidy assistance under this scheme shall be used Gulf of Mannar or Bay of Bengal or Indian Ocean and NOT be used for fishing in the Palk Bay
3. The boat constructed availing the subsidy assistance under this scheme shall NOT be converted into 'Trawler' thereafter. i.e Tuna Long Liner cum Gill Netter shall be a dedicated deep sea fishing boat. In this regard an indemnity bond has to be executed by the beneficiary. Any breach of this provision shall lead up to cancellation of registration and fishing licence of the vessel and initiation of suitable legal proceedings as well.
4. The Regional Scrutiny and Monitoring Committee (RSMC) will develop a common design/ set of designs for the proposed deep sea fishing boats in consultation with the stakeholders, Naval Architects and experts. These designs will be approved by the State Level Technical Committee (SLTC).
5. The beneficiary who chooses to construct the boat based on his own requirements, should submit the design of the proposed boat that is prepared by the certified Naval Architect. The individual design needs to be approved by the State Level Technical Committee (SLTC).

6. The subsidy assistance shall encompass the following major mandatory components:-

Sl. No.	Mandatory Components	Minimum Requirements
1.	Hull	Hull with an OAL upto 20 Meter constructed with Standard Marine Grade Wood/FRP/Steel with suitable Deck Layout having the wheelhouse placed as per design approved by the SLTC.
2	Main Engine with Accessories	150 HP
3.	Machinery and Equipment	
a)	Refrigerated Sea Water/ Slurry Ice unit	Cooling coils, Compressor for 2 MT capacity.
	And	
b)	Refrigerated Fish Hold/Chilled Storage	20-30 M ³ with the provision for maintaining 250 Kg bait
c)	Auxiliary Engine /Generator	Upto 25 HP/ 15 KVA
d)	Hauling Drum / Line hauler and Power Roller	Hydraulic for long lining cum gill netting
4.	Fishing Implements	Gill net 2000 kg)
		Long line 1000 hooks
5.	Life saving appliances	Life buoy / Life jacket for 10 people
6.	Navigation and Communication Equipment and other equipment	Navigational charts, Magnetic Compass, Global Positioning System (GPS)/ VMS/ AIS, Very High Frequency (VHF)/ High Frequency (HF) set ,Echo sounder and Distress Alert Transmitter(DAT), etc.,

VI. Submission of Application

1. The applicant should submit the applications with the mandatory enclosures to the Assistant Director of Fisheries concerned either by Registered Post or in person. The received applications will be assigned with overall registration number. The department will

not be responsible for any postal delays. An acknowledgement for receipt of application along with the registration number shall be provided to the applicant.

2. The applications should contain the details of the standard design that is to be approved by the Fisheries Department or the beneficiary should choose a design from a set of designs that is to be approved by the Fisheries Department. If the beneficiary prefers to construct the new boat under his/her own requirements, the design which is duly certified by qualified/ authorized Naval Architect / Similar Competent Person should be submitted along with the application.

VII. Committees constituted for implementing this scheme.

The received applications will be processed by the following 3 committees constituted. The composition of the committee and its responsibilities are as follows.

(i) State Level Administrative Committee (SLAC)

1	Commissioner/ Director of Fisheries	Chairman
2	Additional Director of Fisheries (Ramanathapuram)	Member Convener
3	Additional Director of Fisheries (Marine)	Member
4	Additional Director of Fisheries (Inland)	Member
5	Financial Advisor and Chief Accounts Officer	Member
6	Under Secretary to Government (Fisheries), Animal Husbandry, Dairying and Fisheries Department, Chennai	Member
7	Representative, Department of AHD & F, MOA & FW, GOI	Member
8	Representative, Mercantile Marine Department, Ministry of Shipping, GOI	Member
9	Representative, State Level Bankers Committee (SLBC), Chennai	Member
10	Deputy Director of Fisheries (Marine)	Member

- The SLAC meeting will be convened as and when sufficient numbers of applications are kept ready for its approval.

- The quorum for the meeting should be Six members including Chairman.

Responsibilities:

1. Scrutinizing the proposal as received from the RSMC and SLTC for release of subsidy.
2. Approval of the eligible subsidy amount based on the inspection and recommendations of RSMC.
3. Reviewing the progress as received from the RSMC for the construction of boats then and there.

(ii) State Level Technical Committee (SLTC):

1	Additional Director of Fisheries (Ramanathapuram)	Chairman
2	Additional Director of Fisheries (Marine)	Member
3	Additional Director of Fisheries, (Inland)	Member
4	The General Manager, Tamil Nadu Fisheries Development Corporation (TNFDC), Chennai	Member
5	Representative, Department of AHD & F, MOA & FW, GOI	Member
6	Representative from Central Institute of Fisheries Nautical Engineering and Training (CIFNET), Chennai	Member
7	Representative from Mercantile Marine Department (MMD), Chennai	Member
8	Representative from Central Institute of Fisheries Technology (CIFT), Cochin	Member
9	Chief Engineer (Fishing Harbour)	Member
10	Deputy Director of Fisheries (Marine),	Member Convener
11	Representative from Tamil Nadu Fisheries University	Member

- The SLTC meeting will be convened as and when sufficient numbers of applications are kept ready for approval.
- The quorum for the meeting should be six members including Chairman. Of which, at least two external members should be present.

Responsibilities:

1. Approving the standard Fishing boat design/ set of designs that is proposed by the RSMC.

2. Approval of the design proposed by the individual beneficiary prior to construction of the fishing craft, if any.
3. Deciding the items under mandatory components.
4. Prescribing technical specifications of each items of the mandatory components.

(iii) Regional Scrutiny and Monitoring Committee (RSMC):

1	Joint / Deputy Director of Fisheries (Regional) concerned	Chairman
2	Representative, District Lead Bank	Member
3	An Expert from Tamil Nadu Fisheries University	Member
4	Assistant Director of Fisheries concerned	Member Convener
5	Respective Inspector of Fisheries concerned	Member
6	Marine Foreman concerned	Member

Responsibilities:

1. To develop a common / set of deep sea tuna long liner cum gill netter boat designs based on the requirements of the regional stakeholders and inputs of the experts.
2. To receive and scrutinize the applications based on the guidelines.
3. Issuing work order based on the order of priority and seniority under intimation to the Commissioner/ Director of Fisheries.
4. Creation of necessary individual/joint bank account for each boat/beneficiary
5. Recommending for sanction of eligible subsidy to each stage to the State Level Administrative Committees.
6. Monitoring the construction of the boat at various stages as per the approved design.
7. To ensure the quality of the components utilized.
8. To develop and update the list of Deep Sea Fishing boat owners who are willing to impart training to the fishermen of Palk Bay.

9. Organizing and imparting skill training to fishermen on deep sea fishing and Navigation.
10. Reporting the stage wise monthly progress of the work to SLAC .
11. Documentation.

VIII. Processing of Applications

1. The application received by the Assistant Director of Fisheries concerned, by the RSMC concerned.
2. If the application is not in order, the RSMC will return the same/call additional particulars stating the reasons thereof to the beneficiary for rectification and resubmission in prescribed format. In this regard, the acknowledgement should be obtained from the applicant for having received the defective application.
3. The applicant shall resubmit the application/ particulars called for within 10 days from the date of receipt of intimation. If the beneficiary has not responded within the stipulated time, the seniority of the beneficiary will be lost. If the rectified application is not received within 30 days from the date of receipt of intimation, application will be rejected.
4. Necessary approval of Additional Director of Fisheries, Ramanathapuram shall be obtained for list of eligible beneficiaries by the RSMC concerned.
5. The eligible applicants will be issued with Decision to Enroll for Replacement (DER) along with the empaneled list of boat building Yards, Engine/Equipment Suppliers and Insurance Agency.
6. On receipt of the **DER**, the beneficiary shall finalise the loan component with a bank of his choice, choose a boat building Yard and an Engine Supplier of his choice and communicate to the RSMC.
7. The RSMC shall facilitate the processing of Institutional Financing from the Bank.

8. The Bank shall issue of Letter of Intent for providing institutional financing.
9. Based on the letter of intent and choice of the beneficiary, the RSMC shall issue the work order to the boat building Yard and the Engine Supplier.
10. The Assistant Director of Fisheries/Authorised Officer concerned, Beneficiary and boat building Yard/ the Engine Supplier shall enter into a Tripartite Agreement for the construction of Deep Sea Fishing Boat.
11. The SLTC will approve the design and fix the reasonable eligible cost for the items of the mandatory components.
12. The stipulated time limit for the entire process is 90 days between the last date for receipt of application and issue of work order.

IX. Release of Subsidy Assistance

1. The subsidy assistance is extended upto 70% of the total eligible cost approved by the SLTC subject to a maximum of **Rs.56 lakh/ boat** for all the eligible components as a whole.
2. The State Level Technical Committee (SLTC) is the competent authority to fix reasonable prices eligible for each mandatory component.
3. The subsidy assistance will be provided as '**Milestone based subsidy**' and released in **Three** Stages as follows.

Stages	Progress of Work	Eligible subsidy
Stage 1	On 50% physical completion of hull construction as defined by SLTC	Rs.15 lakhs only
Stage 2	On completion of hull construction, refrigerated fish hold, Scraping of the existing Trawler and deposit of beneficiary contribution	70% of actual eligible cost of the Hull subject to maximum of Rs.35 lakhs (inclusive of Stage I) only.

Stage 3	a) On Commissioning of the engines, erection of equipment / machinery	70% of actual cost subject to maximum of Rs.15 lakhs only for the Stage III.
Completion	Procurement of fishing gears including gill net & long line, Navigational & Communicational equipment, safety equipment, Insurance and on Registration of the craft with completion certificate issued by RSMC	Balance due amount out of the Total eligible subsidy (70% of actual cost) subject to a maximum of Rs.56 lakhs only.

4. Every stage payment will be released by the State Level Administrative Committee (SLAC) based on the verification and recommendation of the Regional Scrutinizing and Monitoring Committee (RSMC).
5. The Fishermen shall form a group of upto 6 for single boat or multiple boats of upto 6 and avail institutional finance on joint liability from bank of their choice.
6. On approval by the SLAC, the stage wise subsidy assistance will be credited directly to Savings Bank account created for the purpose of construction of the fishing boat and the same will be intimated to the beneficiary and the bank concerned.
7. The Bank shall release the subsidy amount along with the corresponding institutional fund and beneficiary contribution to the vendor on obtaining required authority from the Additional Director of Fisheries (Ramanathapuram).
8. The Additional Director Fisheries, Ramanathapuram shall be the authority for redressal of any dispute that arises between the parties concerned and his decision shall be final. If any violations are found, the Additional Director of Fisheries shall stop the payment to any entity involved in this scheme with reasons to be recorded in writing.
9. The SLAC shall be appellate authority for any matter concerned with this scheme.

IX. Time Line for Execution

1. The Boat Building yard should initiate the construction of the boat within 15 days from the date of receipt of the work order. If the work is not taken up during the first inspection of the RSMC on the 15th day from the issue of work order, a show cause notice will be issued to state the reasons for not commencing the work within 7 days. If no reply is received, the work order shall be terminated without any further notice.
2. The RSMC may extend another one week time to start the work, if the reason for not commencing the construction is justifiable. But the penalty clause for overall time limitation will be applicable.
3. In case of termination of the work order, the RSMC shall issue the work order to another boat building yard with the concurrence of the beneficiary.
4. The time limit for completion of the COMMISSIONING of deep sea fishing boat is NINE MONTHS FROM THE DATE OF RECEIPT OF THE WORK ORDER. If the construction of the boat and procurement of the gears etc., is not completed within the stipulated period the following penalty will be levied on the Boat building yard.
 - 10th Month – Rs.50,000/-
 - 11th month – Rs.1,00,000/-
 - 12th month – Rs.2,00,000/-
5. The SLAC can modify the subsidy reduction based on the justifiable reasons if any given by the beneficiary.

X. Monitoring and Reporting

1. The first inspection of the RSMC should be conducted on the 15th day from the date of issue of work order and intimate the commencement and progress of the work to the SLAC/ Commissioner of Fisheries to release the 1st Stage subsidy.

2. On completion of each stage of the work as detailed above, the beneficiary/Boat Building Yard should intimate the same to the RSMC for inspection.
3. The RSMC will inspect the construction of the boat periodically.
4. The Committee should monitor the progress of the work in accordance with the design approved by the SLTC. If any deviation is noticed, the RSMC should incorporate the same in the inspection report with documentary evidence.
5. The RSMC should forward the proposal along with inspection report, stage completion report with the documentary evidences and specific recommendations to the SLAC for release of stage wise eligible subsidy assistance.
6. Based on the recommendations/ inspection report, completion certificates, photographs of various stages of boat construction and Specific recommendations, the SLAC will verify the report of RSMC and release of stage payment as front ended subsidy assistance.
7. The SLAC may depute the special team to conduct the Super check of the Boat construction and design etc., and verify the documents if need be.

XI. Capacity Building

1. The beneficiary of this scheme or his representative shall be imparted with the skill training on Deep Sea Fishing and Deep Sea Navigation well in advance of the completion of construction of the new Deep Sea fishing boat.
2. The trawler owners / the crew duly recommended by the boat owner shall be imparted with the skill training on Deep Sea Fishing and Deep Sea Navigation.
3. The training shall either be imparted at CIFNET or in a deep sea fishing boats already operating in Tamil Nadu.

4. The list of Deep Sea Fishing boat owners who are willing to impart training to the fishermen of Palk Bay shall be made available.
5. Based on the voyage pattern and on the preference of the trainee fisherman, the trainees shall be deputed either to CIFNET or to the deepsea fishing boats of our fishermen.

XII. Empaneling Boat Building Yards/ Engine/Equipment Suppliers

1. The boat building Yards, Engine and Equipment Suppliers for the construction of the boats under this scheme shall be empaneled.
2. The Director/Commissioner of Fisheries shall constitute a Committee under his chairmanship consisting of experts for formulating the eligibility criteria/ specifications / experience /capacity standards/Insurance available.
3. Based on the eligibility criteria/ specifications/ standards formulated, the committee shall empanel the Boat Building Yards, Engine and Equipment Suppliers.
4. The beneficiaries shall enjoy the freedom of choosing their Boat Building Yard, Engine and Equipment Supplier from the empaneled list.

XIII. Selection of Insurance Agency.

The insurance agency/ agencies for the purpose of this scheme shall be finalized by the Director/Commissioner of Fisheries following the due procedures.

XIV. Procedure for Scrapping/Disposing the Boat

1. The beneficiary shall scrap his existing Trawler in the presence of a panel of members constituted by the Additional Director of Fisheries (Ramanathapuram) or dispose it to the fishermen in Districts other than Palk Bay.

2. The proceeds from scraping/ sale shall be remitted into the account created for the construction of Deep Sea Fishing Boat for the respective beneficiary.
3. The Assistant Director of Fisheries / Authorized officer concerned shall ensure that the scrapped/ Disposed trawler is not used for fishing in Palk Bay by anyone.
4. The Registration Certificate of the scrapped trawler shall be cancelled at once. In the case of sale, the registry shall be transferred to the District concerned outside Palk Bay

XV. Other Conditions

- 1) The New deep sea fishing boats should be constructed only at the empaneled Boat building yards.
- 2) If at any circumstances, the intended beneficiary was not in a position to make his contribution on completion of the second stage, the SLAC shall take appropriate decision to allot the boat to another eligible beneficiary
- 3) The Tuna Long liner boats which are funded through this scheme **ARE STRICTLY NOT PERMITTED TO CARRY OUT THE TRAWLING OPERATION.**
- 4) The Trawler disposed off to and moved out of Palk Bay District under this scheme, **shall not in any manner engaged in fishing in the Palk Bay.** If found engaged in fishing in Palk Bay, the Authorized Officer concerned shall impound the said trawler and scrap it. Necessary notarized affidavit from the beneficiary and the person who buy the boats shall be obtained by the Authorised Officer concerned at the time of transfer of registry.
- 5) The beneficiary should provide the catch data to the Assistant Director of Fisheries / Authorized Officer under the TNMFR Act, 1983 in the prescribed format on return of every fishing trip so that the Department can evaluate the impact of the scheme.
- 6) Applicable local, National and International statutory (IOTC) requirements should be adhered.

- 7) If any fishermen availed the subsidy based on the false information wantonly given, they would lose the eligibility to avail any assistance under other welfare schemes including STOPPING THE SUPPLY OF TAX FREE FUEL as token of punishment and also a separate action will be initiated to recover the subsidy under the Revenue Recovery Act/any other mode from the individual/ groups and simultaneously appropriate criminal legal proceeding will be initiated.
- 8) The beneficiary should not sell the deep sea fishing boat constructed under this scheme **for a MINIMUM PERIOD OF 5 YEARS from the date of commission.**
- 9) The Authorized officer should make entries of subsidy particulars and the components in the Master Register exclusively to be opened and RC book of the constructed craft.
- 10) The vessel should be sufficiently insured.
- 11) The newly constructed fishing vessel should be registered under uniform online registration.
- 12) The boat constructed under this scheme shall be permitted to berth, land the catch and load the critical inputs required for deep sea Tuna fishing in all the fishing harbours of the State.
- 13) The RSMC shall recommend necessary onshore infrastructure required for handling the Deep Sea Catches to the SLAC for further action.
- 14) The RSMC shall form Fisheries Marketing Cooperative Societies with the beneficiaries benefitted under this scheme.
- 15) The RSMC shall arrange through Fisheries Marketing Cooperative Societies for the marketing of Deep sea catches brought by the Deep Sea fishing boats created under this scheme.
- 16) The Fisheries Marketing Cooperative Societies shall ensure the repayment of the loan amount due to the Banks by its members.

- 17) The Commissioner / Director of Fisheries is competent to modify these guidelines in consultation with Secretary, Animal Husbandry, Dairying and Fisheries Dept, during the implementation of the scheme without any prior notice.

GAGANDEEP SINGH BEDI
PRICIPAL SECRETARY TO GOVERNMENT

//True Copy//

S. Thawar 14/7/2017.
Section Officer