Geographical map: Denmark

1. Context in which Axis 4 is being developed and main challenges faced.

Denmark´s position on the Jutland peninsula and its numerous islands result in a coastline of over 7 300 km and access to both the Baltic and North Seas.

However, with a population of around 5.5 million inhabitants and a fisheries products consumption per capita of 25kg/year, close to the EU average of 21kg per/year, Denmark is a small market at EU level for fisheries and aquaculture products.

And yet, Denmark has a highly developed fishing industry which, before the decline of industrialised fisheries, was landing a total catch of over 1.7M tonnes a year, more than any other EU country.

Following a serious decline over the last 10 years, Denmark is currently the fourth EU country in terms of fish production with a total catch and harvest of almost 700 000 tonnes in 2007[1]. Marine fisheries accounts for almost 95% of this production with aquaculture and inland fisheries making up only around 5% and 0.01% respectively. A particular feature of Denmark´s fisheries production is that around 70% of landings are species used for fish meal and fish oil and not intended for human consumption[2]. As such species command a lower than average first sale price, Denmark ranks only 7th in the EU in terms of the value of its production.

Employment in the fisheries sector makes up about 0.5% of overall employment, counting some 11 000 jobs in 2008. These are found overwhelmingly in the processing sector and trade links of the chain (70%)[3]. Primary production and aquaculture accounted for around 24% and 6% of employment respectively, between them counting 3 000 FTE in 2008[4].

Most of the Danish fleet is located on the north western coast of Jutland (70% of landings[5]) with pockets of fisheries activities found on the middle island of Fyn and Sealand and Bornholm to the east. Its main fishing grounds are the North Sea, the Skagerrak/Kattegat Straight and the Baltic Sea.

The fleet includes 15-20 extremely large vessels (pelagic trawlers and/or purse seiners) some of which are capable of catching more than 2 000 tonnes of fish in one outing. Together, these vessels account for some 70% of the volume of Denmark´s catch and most of Denmark´s "industrial catch", (i.e. not destined for human consumption). Main species caught by the pelagic fleet are herring and mackerel for food use, while sand eel, Norwegian pout, horse mackerel and sprat are the most important species destined for fishmeal/oil production.

The rest of the Danish fleet (some 2 800 vessels) accounts for around 30% of the total catch in volume and is made up of a variety of small and large boats ranging from just below 50 metres to small units of under 6 metres, using a wide variety of fishing gears[6].

In terms of aquaculture, the main species farmed in Denmark is trout. Denmark is a pioneer of trout culture in Europe and has often led development in this sector. Trout farms all over the country are currently moving away from traditional flow through systems to the use of recirculation technologies.

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1 Eurostat 2008

2 Danish fisheries statistics yearbook 2008

3 This figure from the Danish fisheries statistics yearbook 2008 includes jobs in processing plants, smokehouses, fish auctions and wholesalers and fishmongers.

4 Danish fisheries statistics yearbook 2008

5 Danish OP

6 Danish fisheries statistics yearbook 2008

The Danish fish-processing sector is one of the main suppliers of fish and fish products in Europe. Its turnover of over EUR 1.3 billion[7] by far outstrips the turnover of fisheries and aquaculture primary production put together (EUR 400M in 2008). Denmark is seen as the gateway to the EU for most Nordic products (from Greenland, the Faeroe islands, Iceland, and Norway) and, according to the Danish fish processing industries and exporters association, its processing industry is dependent of imports for 70% of its raw material. However, the pelagic processing industry has undergone heavy concentration in the recent years and is nowadays mostly located in northern Jutland, closer to the Nordic fishing grounds. This move has left scars in the more southerly located communities (Esbjerg e.g.) which have seen their harbors deserted by the pelagic fleet.

2. The national response in terms of Axis 4

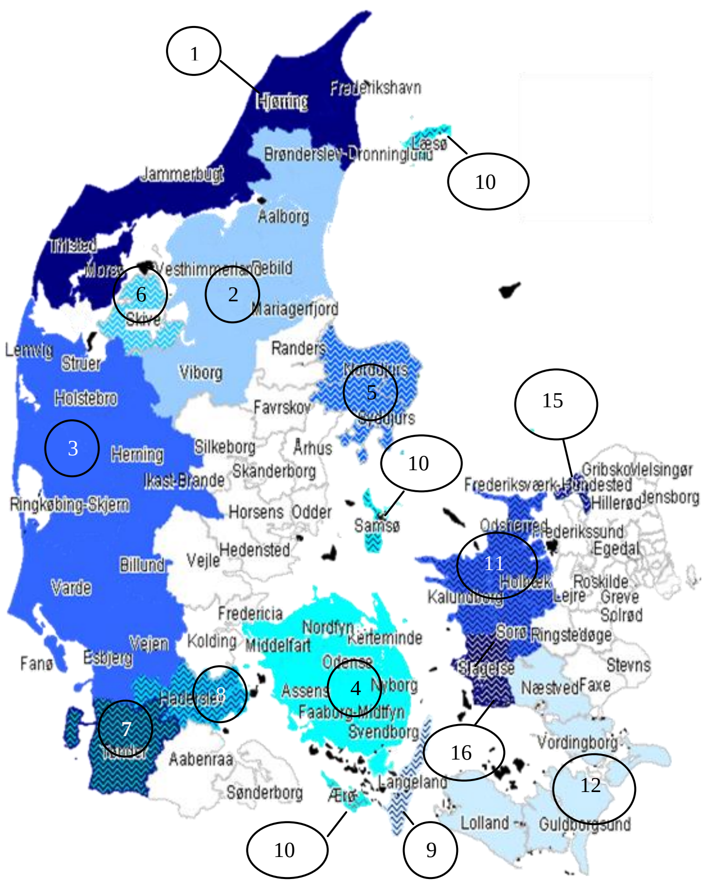
Thriving and attractive local areas with good conditions for residential and commercial development form part of the government's rural development policy. The development of fisheries areas is seen in this context, and therefore also in the context of the problems that are characteristic of many rural and peripheral areas. As such, the activities under Axis 4 are designed to help avoid population decline and ensure the presence of an attractive and diverse local economy around the port which offers alternatives to fishing, while at the same time ensuring that fishing remains an attractive occupation for young people and an integral part of the community.

3. The areas: Ultimately defined by FLAGS the bottom up principle

Given the country´s impressive coastline and the fact that nowhere in Denmark is further than 55 km from the nearest shore, the whole country was considered eligible for Axis 4.

The country was originally divided into 7 "fisheries regions" within which one or two FLAGs could in theory be established, following the borders of the municipalities (though several municipalities could be merged). Exceptions could be made in certain socio-economic circumstances (e.g. small islands territories) or if a fisheries local action group (FLAG) wanted to be set up around an existing rural group (LAG).

It was then the local stakeholders who specified, in their expressions for interest, the areas that their local development strategy should cover, thus ensuring a "bottom-up" approach to defining the areas. The Managing Authority then evaluated and took the final decision on the proposed areas.



FLAG 13 is on Bornholm, an island located in the Baltic sea and not shown on the map.
FLAG 14 is the small islands group. It includes small islands from all around Denmark.

Based on the specifications in the regulation and the needs of the areas presented by the local actors, 16 groups were finally selected to cover the following areas. They range from sparsely populated areas which relied heavily on industrial fisheries and account for the vast majority of landings (North Sea coast) to more densely populated area facing strong touristic and residential pressure and which only harbour small to medium size fishing ports (Fyn, Sealand). A number of the small islands have cooperated to create their own FLAG to deal with the specific problems these isolated and small territories face.

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7 In 2008, Danish fisheries statistics yearbook 2008

Fisheries area	Surface area (Km²)	Population
1. Fiskeri LAG Nord	3 920	236 469
2. FiskeriLAG Midt-Nord	5 318	432 451
3. LAG Vestjylland Fiskeri	8 513	520 417
4. Fiskeri LAG Fyn	3 104	461 957
5. LAG Djursland	1 418	79 862
6. LAG Skive	691	48 356
7. LAG Tønder	1 252	40 367
8. LAG Haderslev	813	56 414
9. LAG Langeland	291	13 741
10. LAG Læsø, Ærø og Samsø	319	6 712
11. Udvikling Nordvestsjælland	1 848	181 062
12. Fiskeriaktionsgruppen	3 100	239 047
13. LAG Bornholm	588	42 817
14. Småøernes Aktionsgruppe	196	5 059
15. LAG Halsnæs	121	30 824
16. Landudvikling Slagelse	567	77 457

4. The selection process. When and how the groups have been selected.

In total, around 10 information sessions were spread over each of the “fisheries regions” during the summer 2007 to provide information on the EFF and Axis 4 measures and also on the “bottom up” approach. Local stakeholders were then encouraged to step forward and discuss the need for local development in relation with Axis 4.
If local stakeholders agreed on a need and had the resources to establish a FLAG they could reply to the Ministry´s call for expression of interest, published in June 2007. This call solicited expressions of interest from local actors along with an outline of their proposed development strategy. Two deadlines for application were set within this call which allowed the Managing Authority to complete the selection of LEADER groups and FLAGs simultaneously in the first selection round followed by a second round for the remaining FLAGs. The first application deadline was set for November 2007, the second for April 2008.

Municipalities and other relevant local players wishing to participate in the call would first have to publish an invitation to an inaugural general meeting for the local group in the newspapers present in the forecasted group´s territory. This meeting was to be open to all residents of the area. All attendees received one vote. A subsequent general assembly elected the board and the Chairman of the board as well as adopting the Articles of association (based on the standard Articles of association detailed in the national regulation). The board then developed an outline of the development strategy which described the information on and the establishment of the group as well as the main priorities for the group’s work.

The Managing Authority then screened applications. It checked the eligibility of the proposals, including the board composition and the Articles of association as well as assessing the outline of the development strategy. This “prior approval” process was expected to ensure that the conditions for effective strategy implementation were present.

The groups approved in the prior approval phase then received a grant to help them develop their full strategies, along with technical support from the National Network Unit in the form of bilateral meetings and the provision of technical documents such as a handbook for strategy development.

The strategies were to be submitted by February 2008 for the first round and September 2008 for the second. No groups were officially rejected but some applicants dropped out of the application process due to the requirements for information that they deemed to be too demanding. In total 16 groups and final strategies were approved.

5. The strategies of the groups

The Danish strategies focus on a range of measures aimed at diversifying economic activities within fisheries areas; making the areas more attractive for commercial and residential development (while respecting nature and local values); as well as industry specific measures to increase the value added in the fisheries and aquaculture sector of the area.

As such, activities that FLAG strategies look to promote range from fostering co-operation on market information, customer requirements and product development on the one hand to promoting tourism on the other.

Promoting a broader range of seafood products within the retail sector for example is seen as key to consolidating local markets, while making better use of local products and services is seen as a way of creating more and better employment opportunities.

A difficulty that sometimes arose in the development of the strategies was the lack of statistics to document specific characteristics of the area (e.g. employment levels within the fisheries sector) as FLAG areas would not always fit within boundaries used for statistics collection. The definition of measurable targets through the use of quantitative indicators also proved to be particularly challenging for most of the groups. In addition, due to a desire to keep the range of allowed actions as wide as possible, there was a tendency for some of the strategies not to focus enough on specific and necessary areas of intervention.

However, the Danish FLAGS are already supporting an interesting range projects selected under their strategies. These range from door to door fish box deliveries, a coastal theme park and sailing centres to support for water taxis and water buses.

6. The groups: strong integration with LEADER LAG's

FLAG's must be organized as associations with open and free membership. Board members are elected for a term of 2 years at the annual general assembly and must represent the interests of the four major socio-economic groups of the local society: local citizens; local enterprises and trade organisations; local nature, environment, cultural, citizen and leisure associations; and public authorities. Public authorities cannot represent more than 30% of membership. On average they represent 26% of members while enterprise and trade organisations make up 32% of the board, local associations another 35% while citizens account for a mere 6%. An attempt should also be made to achieve an even gender distribution and an even age distribution of the board.

Boards must be made up of an odd number of members (at least 7) who work on a voluntary basis. The average size of FLAG board is around 12 members but they range from 7 to 21. Typical positions on the board include the Chairman, Vice Chairman, Treasurer, Secretary and ordinary members. Board members, depending on their role, can expect to spend a minimum of 40 hours annually on board work. Most of the activities linked with board work are focused on the development of the strategy, project evaluation and selection, transfer of knowledge to their local area and participation in FLAG open events.

A large majority of the groups have appointed a coordinator, which for budgetary reasons, generally works just part time for the group. He/she, as well as coordinating the FLAG´s regional and local activities on a day to day basis, heads the secretariat of the FLAG and advises potential beneficiaries in connection with project initiation and implementation, in line with the local development strategy. The coordinator also monitors project applications, approval and implementation.

In 2009, there were 16 FLAGs up and running in Denmark. 5 groups were specific fisheries areas groups while 11 were integrated with LEADER groups, sharing a manager and board but with separate budgets, strategies and objectives. The board of the LEADER groups would have to be adapted to ensure representation of the fisheries sector and specific sessions for Axis 4 projects would be held within the meetings and assemblies of the group.

7. Key features of administrative and financial systems

The Danish Food Industry Agency, has currently approved budgets for the FLAGs for the period of 2007-09, the budget for 2010 onwards will be decided at a later date. Due to integration with LEADER groups, budgets are relatively low in Denmark, ranging from approximately €75,000 per year for the smaller FLAGs to about €470,000 per year for some of the larger FLAGs that operate as stand alone organisations. These figures do not include potential regional or local public funds which have increased the FLAGs' budgets by 20 % on average over the years 2007-2009.

EFF budget 2007-2013 at national level

% of EFF Budget on Axis 4	EFF Budget on Axis 4 / €	National Funding /€	Total Budget / €	Average Budget per group / €	Number of groups
9.32	12 461 279	12 466 279	24 922 558	1 557 660	16

(EFF funding 50%, National funding 50%)

- Local actors (potential beneficiaries) present projects to the FLAG.
- Board of FLAG considers and selects projects.
- FLAG recommends projects to the Danish Food Industry Agency.
- Danish Food Industry Agency accepts or rejects projects on legal grounds only.
- The Danish Food Industry Agency makes payment to beneficiary for approved projects.
- The Danish Food Industry Agency assumes overall responsibility for coordinating and monitoring Axis 4 operations.

8. Networking and capacity building.

A "National Network Unit (NNU)" based in Copenhagen is the national contact point for both fisheries and rural local action groups. It is also the national link to the other Member State networks and the FARNET Support Unit. The NNU is, furthermore, a contact point for all other stakeholders and potential beneficiaries related to the Fisheries Programme and the Rural Development Programme. Its responsibilities include developing tools (website, publications, training sessions…) to increase the exchange of information between rural LAGs, FLAGs and other stakeholders; arranging conferences, seminars, study trips and hosting the secretariat for the monitoring committee; and providing guidelines and overseeing the general management of the local action groups.

9. Points to watch out for. Any resource or idea that may be of interest to other countries.

Denmark was one of the first EU countries to start with the implementation of Axis 4 while in addition its FLAG's are very much integrated with LEADER LAGs. These two elements should make Danish FLAGs stand out as partners of choice for collaboration projects with less advanced FLAGs from other EU countries. The Danish NNU is very knowledgeable and open to collaboration requests.

Danish FLAG's have, to date, selected over 70 projects which range from support to local fish processing companies to expand their range of production to a coastal theme park aimed at providing information on coastal environment and communities in a lively and "hands on" way to tourists and residents alike. Other activities have involved the valorisation of fisheries and coastal communities' heritage through exhibitions, publications and events, and also the development and rehabilitation of small harbour facilities ensuring harmonious relations between different users (professional and recreational fishermen, pleasure craft sailors and tourist operators). Inspiration is therefore at hand through collaboration with Danish FLAGs.

10. Contacts and links

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