FINAL REPORT

Measurement data and analysis

as specified in the specific contracts 5&6 on Modules 3&4

under the Framework Contract n° ENTR/06/61

Report on the Fisheries Priority Area

EU PROJECT ON BASELINE MEASUREMENT AND REDUCTION OF ADMINISTRATIVE COSTS

5th March 2009

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Executive Summary

The European Commission has embarked on an ambitious 'Better Regulation' exercise aimed at a reduction of the administrative burden for European business by 25% by 2012. A key part of its Action Programme consists of measuring the administrative cost for business of meeting obligations to provide information under selected items of the EU legislation and the relevant national implementing legislation. A Consortium consisting of Capgemini, Deloitte and Ramboll Management was engaged by the European Commission to carry out the measurement.

The Standard Cost Model (SCM) that was used for this measurement is a method for determining the administrative costs for business imposed by regulation. The SCM method is a way of breaking down regulation into a range of manageable components that can be measured. The SCM neither addresses nor questions the policy objectives of each piece of regulation. As such, the measurement and analysis focus only on the administrative activities that must be undertaken in order to comply with regulation, not on the benefits that accrue from the legislation.

This document is the Final Report on the measurement of the Fisheries Priority Area. Its results are based on measurements conducted in six Member States (MS), namely France, Greece, Ireland, Poland, Portugal and Spain, together with existing data from three Member States – Denmark, the Netherlands and the United Kingdom that have previously conducted baseline measurements. Data from the remaining countries have been extrapolated from the conducted and existing measurements. This report presents:

- the results of the measurement;
- cost data for all 27 Member States[1] as input for the prioritisation and analysis of future simplification work;
- analysis of the measurement data;

[1] The legislation in scope is, in practice, for this Priority Area relevant in only 22 of 27 Member States.

- first suggestions collected during interviews and workshops on how to reduce the administrative burden for business arising from the Information Obligations identified[2].

The legislation in scope for this Priority Area is:

Fisheries
Council Regulation (EEC) No 2847/93 of 12 October 1993 establishing a control system applicable to the Common Fisheries Policy.

The Regulation in scope constitutes the main piece of the legislative framework for the current Common Fisheries Policy (CFP) control system, constituting an important, yet non-exhaustive part of CFP. As identified by both the European Commission[3] and the European Court of Auditors (ECA)[4], the fisheries control system suffers from substantial shortcomings and is currently under review. The purpose of the review and proposed reforms is to modernise and reform the control system.

DG MARE has conducted an impact assessment to assess the effectiveness of the proposed new measures and the impact on operators and administrations. It recognises that the cost-benefit ratio of enforcement measures must be improved and therefore a reduction of the administrative burden and administrative cost is implicitly part of the overall objective of the reform proposals[5].

More specifically in terms of reducing administrative costs, the reform will extend the use of:

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[2] During the interviews and workshops with business and experts, several initial simplification ideas were collected. A structured and detailed analysis of possible reduction measures is being conducted as part of Module 5. Thus, this report only contains a summary of the suggestions gathered during the measurement phase and does not represent a final list of simplification suggestions.

[3] Source: COM(2007)167 final.

[4] Source: Special Report No 7/2007.

[5] Source: http://ec.europa.eu/fisheries/cfp/control_enforcement/reform_control_en.htm

- Electronic Reporting Systems (ERS), replacing the paper format of the logbook and of the landing declaration by an electronic, partly[6] automated process for certain vessels;
- Electronic transmission of the information required to the authorities, mostly by way of mobile or satellite data transmission tools;
- Electronic completion and submission of sales notes by registered buyers.

The extensive use of modern technologies mentioned above would help to considerably reduce the administrative burden of the three most burdensome IOs of the Regulation in scope, which together represent more than 85% of the total administrative burden of the Fisheries Priority Area.

Main findings in the Fisheries Priority Area

- On the basis of Regulation 2847/93/EC, a total of 12 EU Information Obligations (IOs) and Possibilities[7] have been identified.
- The implementation of the 11 EU IOs and the implementation of one Possibility Stated in the EU Regulation resulted in 244 national IOs across 22 Member States which are relevant for a discussion of fisheries.
- 242 IOs stem directly from Regulation concerned, one Possibility (in Spain and in France) is stated in the EU Regulation and 16 Possibilities are not stated in the EU Regulation.
- The total administrative cost of these 244 IOs and 16 National Obligations going beyond EU Requirements is estimated at a total of €79.70 million EU-wide.

[6] A partly automated process refers to the fact that pre-registered fields on the screen would allow the user to save time by not filling them every time.

[7] 'EU Information Obligations" (IOs) are requirements imposed on Member States by the legislative acts; 'Some EU legislative acts also mention the possibility for Member States to ask for additional information (i.e. "...Member States may ... require the inclusion of other statements in the annual accounts in addition to the documents referred to in the first sub-paragraph ..."). Such Possibilities Stated in the EU Legal Act were documented by the Consortium as they often pave the way for additional legislative requirements introduced at national level.

- Of the €79.70 million of administrative costs, 91.08% (€72.59 million) stem from EU IOs, whereas 8.9% (€7.11 million) is due to national obligations going beyond EU Requirements.
- Of the €79.70 million due to EU IOs, 92.7% (€73.86 million) have been classified as administrative burden[8]
- Two IOs — "Potential audit requiring fishermen to keep an operations logbook" and "Submission of landing declaration" — alone accounts for €58.02 million in administrative costs, representing 73% of the total administrative cost caused by EU IOs.

The Table below shows the total administrative costs of the six most burdensome EU IOs divided by EU Requirements and National obligations going beyond EU Requirements.

[8] A distinction is made between information that would be collected and processed by businesses even in the absence of the legislation and information that is solely collected because of a legal obligation. The former are called business-as-usual costs, the latter administrative burdens. Added together the administrative burdens and business-as-usual costs are the administrative costs

Table 1: Total Administrative Cost of top six EU Requirements by EU Requirements and National obligations going beyond EU Requirements

			EU Requirement	National Obligations going beyond EU Requirements[9]		Total Admin. Burden		Total Admin. Cost
				Possibility stated in the EU Act[10]	Possibility not stated in the EU Act			
			Admin. Cost (€ x 1,000)	Admin. Cost (€ x 1,000)	Admin. Cost (€ x 1,000)	Admin. Burden (€ x 1,000)	Share of Admin. Cost (%)	Admin. Cost (€ x 1,000)
EU Requirement	Legislation	Article No.						
1. Potential audit requiring fishermen to keep an operations logbook	Council Regulation (EEC) No 2847/93 of 12 October 1993 establishing a control system applicable to the Common Fisheries Policy	Art. 6, par.1; Art. 6, par. 2; Art. 6, par. 3; Art. 19 point (e)	39,137.50	0	873.8	38,298.20	95.72	40,011.20
2. Submission of a landing declaration	Council Regulation (EEC) No 2847/93 of 12 October 1993 establishing a control system applicable to the Common Fisheries Policy	Art. 8, par. 1	12,264.50	0	5,743.6	15,252.30	84.7	18,008.10
3. Submission of a sales note for first marketing of fishery products	Council Regulation (EEC) No 2847/93 of 12 October 1993 establishing a control system applicable to the Common Fisheries Policy	Art. 9, par. 1	11,670.30	0	0	10,644.50	91.21	11,670.30
4. Submission of (a copy of) the transport document	Council Regulation (EEC) No 2847/93 of 12 October 1993 establishing a control system applicable to the Common Fisheries Policy	Art. 9, par. 5; Art. 13, par. 1; Art. 13, par. 2	3,516.30	0	18.5	3,534.80	100	3,534.80
5. Cooperation with inspections	Council Regulation (EEC) No 2847/93 of 12 October 1993 establishing a control system applicable to the Common Fisheries Policy	Art. 4, par. 2	3,116.30	0	0	2,777.80	89.14	3,116.30
6. Notification of the geographical position	Council Regulation (EEC) No 2847/93 of 12 October 1993 establishing a control system applicable to the Common Fisheries Policy	Art. 3, par. 5	2,297.30	0	374.5	2,671.80	100	2,671.80

This Table is based on data compiled by the Consortium.

[9] National Obligations going beyond EU Requirements have been measured in all Member States.

[10] Although Possibilities that are stated in the Regulation in scope do not have a relationship with the most burdensome IOs included here, this column was kept as a matter of consistency with the following descriptions and Tables in the report.

The six most burdensome IOs shown in the Table above account for 98.9% of the total costs for the Priority Area and the top three account for more than 85%. These are thoroughly analysed in this report.

The IO "Potential audit requiring fishermen to keep an operations logbook" has the highest cost (50.2% of the total), while "Submission of landing declaration" represents the second highest cost in the above list (22.6% of the total).

Of the total administrative costs for fisheries, 71% are incurred in France, Italy, Spain and the United Kingdom. Such a concentration among four countries can explained by the fact that the total costs arising from the Regulation in scope are closely linked to the high number of vessels above 10 metres in length in the fishing fleet, which in turn generates by comparison a high level of activity in selling fishery products.

The IOs identified and measured here do not differ greatly from one another in terms of requirements on a local level. Implementation and processes are similar for all countries.

Additional or supplementary EU Regulations were taken into account in specific cases as they expand or restrict the targets of certain IOs. For example, in the Baltic Sea IOs related to keeping an operations logbook and to submitting a landing declaration have been extended to Masters of Vessels between eight and ten metres in length, whereas in the Mediterranean Masters of Vessels are not required to submit a fishing effort report.

At a cross-national level, differences in measured costs are present predominantly in relation to geographical specificities, as well as in different levels of government assistance to help businesses comply with the Regulation. The different costs in the Measurement Countries derive to a large extent from influences such as how stringent the authorities are with regards to inspections and, in cases of non-compliance, penalties, the level of assistance provided through guidelines and accurate information, and the development of solutions helping fishermen and auction centres in landing and selling fishery products.

The baseline data provided in this report and the analysis of the business processes and different ways of handling the IOs across Member States make this report a good basis for increasing understanding of Administrative Costs and Administrative Burden in the Fisheries Priority Area.

1. Introduction

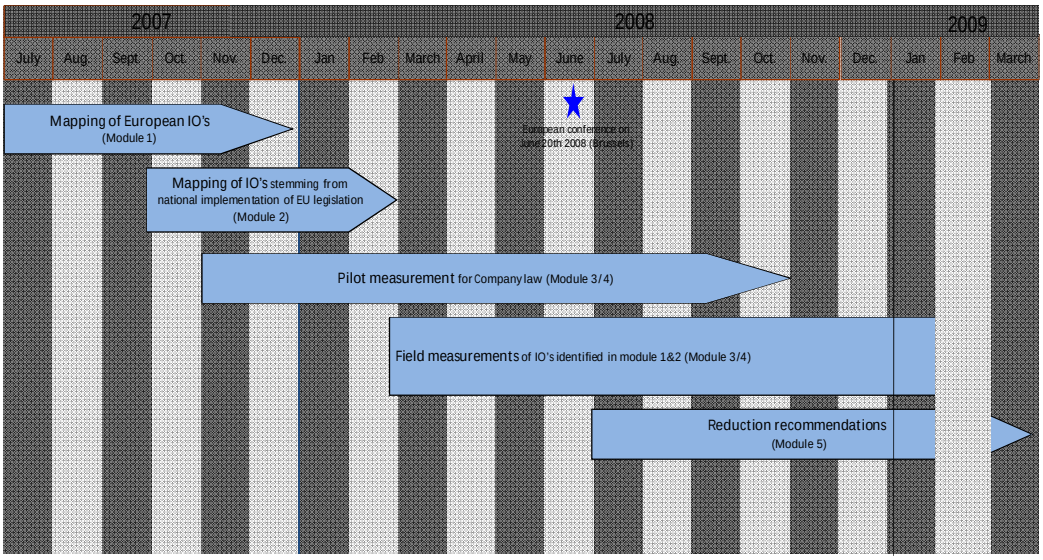
The "EU Project on baseline measurement and reduction of administrative costs" covers Information Obligations (IOs) stemming from 42 Community legislative acts[11] and from the related national transposition acts, grouped into 13 Priority Areas (PAs):

- Agriculture and Agricultural Subsidies
- Annual Accounts/Company Law
- Cohesion Policy
- Environment
- Financial Services
- Fisheries
- Food Safety
- Pharmaceutical Legislation
- Public Procurement
- Statistics
- Tax Law (VAT)
- Transport
- Working Environment/Employment Relations.

The project uses the EU Standard Cost Model (SCM) methodology and is structured in five modules, as shown in the following Figure.

[11] See http://ec.europa.eu/enterprise/admin-burdens-reduction/docs/42_LegislativeActs.pdf.

Figure 1: Project structure and timelines



By Capgemini/Deloitte/Ramboll Management.

As the Figure above shows, the first step was to map the Information Obligations (IOs) (Modules 1 & 2). The focus was both on the IOs stemming directly from EU legislation and on those stemming from the national implementation of EU legislation. Moreover, the "over-implementation" (or "gold-plating") of an EU Legal Act at national level, in terms of additional IOs or procedural requirements, amended frequency, or population (i.e. coverage) – the so-called national obligations going beyond EU Requirements – was also documented, as it could lead to an increase in administrative costs linked to the provisions of the EU legislation.

The next phase was to determine the administrative costs resulting from the EU IOs and national obligations going beyond EU Requirements (Modules 3 & 4 respectively) through interviews and workshops, along with estimates made by experts. Data was collected in a sample of businesses in six Member States (the 'Measurement Countries') and supplemented by existing data from Member States having already undertaken SCM measurements (the 'Baseline Countries')[12]. Based upon this dataset, the administrative cost for the remaining EU Member States (the 'Extrapolation Countries') was estimated

[12] European Commission Communication, 24 January 2007, Action Programme for Reducing Administrative Burdens in the European Union – COM (2007)23 final.

through extrapolation. National obligations going beyond EU requirements were measured in all countries where they occur as they are specific to each Member State (MS).

The current work within this project focuses on the development of reduction proposals to reach the European Commission's goal of a 25% reduction in administrative burdens by 2012 (Module 5).

This report covers the results of the work undertaken for Modules 3 and 4 for the Fisheries Priority Area. More specifically, it contains:

- In Section 2: an overview of the Fisheries Priority Area framework. This section presents the focus of the Priority Area, the chosen measurement approach as well as the high-level findings of the mapping and measurement phase;
- In Section 3: an analysis of the legal acts and the most burdensome IOs in scope;
- In Section 4: an outlook towards the next phase;
- Annex: a listing of methodological challenges faced in this Priority Area.

It does not include a detailed description of the Action Programme for Reducing Administrative Burdens in the European Union or of the underlying methodology followed by the Consortium. The Main Report on the Measurement data and analysis as specified in the specific contracts 5&6 on Modules 3&4 under the Framework Contract n° ENTR/06/61 presents both of these together with the overall results of 13 mainstream Priority Areas

2. Fisheries Priority Area Framework

This section sets the scene for the detailed presentation of the results of the data collection in the sections which follow. This section contains:

- an introduction to the Regulation in scope;
- a summary of the general methodological concept and the measurement approach chosen in the Priority Area, and
- an overview of the high-level findings of the mapping phase and the measurement results.

2.1 Focus of the Priority Area

The Directorate General for Fisheries and Maritime Affairs is responsible, on behalf of the Commission, for the management of the CFP in order to provide the basis for sustainable fisheries within and beyond Community waters[13], taking into account environmental, economic and social aspects and applying good governance principles.

Council Regulation (EEC) 2847/1993 of 12 October 1993 in scope constitutes the main piece of the legislative framework for the current CFP control system. The purpose of this Regulation is to establish a control system in order to comply with resource conservation measures and to collect information for setting quotas for every Member State. It establishes the responsibilities of the Member States and the Commission.

Although this has been identified as the main piece of legislation for the establishment of a control system for the CFP, the meaning of some IOs identified as well as their applicability to and/or exemptions in specific regions are set by other pieces of legislation, which include among others:

[13] The scope of the CFP policy is defined in article 1 of Council Regulation (EC) N° 2371/2002: "...where such activities are practised on the territory of Member States or in Community waters or by Community fishing vessels or, without prejudice to the primary responsibility of the flag State, nationals of Member States."

- Council Regulation (EC) No 2371/2002 on the conservation and sustainable exploitation of fisheries resources under the Common Fisheries Policy;
- Council Regulation (EC) No 1098/2007 establishing a multiannual plan for the cod stocks in the Baltic Sea and the fisheries exploiting those stocks, amending Regulation (EEC) No 2847/93 and repealing Regulation (EC) No 779/97;
- Council Regulation (EC) No 1967/2006 concerning management measures for the sustainable exploitation of fishery resources in the Mediterranean Sea, amending Regulation (EEC) No 2847/93 and repealing Regulation (EC) No 1626/94;
- Council Regulation (EC) No 1954/2003 on the management of the fishing effort relating to certain Community fishing areas and resources and modifying Regulation (EC) No 2847/93 and repealing Regulations (EC) No 685/95 and (EC) No 2027/95;
- Commission Regulation (EC) No 2092/98 concerning the declaration of fishing effort relating to certain Community fishing areas and resources;
- Commission Regulation (EC) No 1449/98 laying down detailed rules for the application of Council Regulation (EEC) No 2847/93 as regards effort reports;
- Commission Regulation (EC) No 1489/97 laying down detailed rules for the application of Council Regulation (EEC) No 2847/93 as regards satellite-based vessel monitoring systems;
- Commission Regulation (EC) No 2737/1999 of 21 December 1999 amending Regulation (EEC) No 2807/83 laying down detailed rules for recording information on Member States' catches of fish.

The Regulations above are mentioned as a sample of the entire CFP which set the ground rules for the application of the Regulation in scope. They have been consulted as such.

The control mechanisms include:

- Monitoring fishing vessels and their activities, and verifying among others quota uptakes, technical measures, fishing efforts and other legal dispositions;
- These monitoring activities include onshore and offshore inspections (applicable to all fishing vessels), satellite tracking (Vessel Monitoring System (VMS)) - applicable

for all vessels exceeding 15 metres in length), vessel sightings, landing controls, notifications of gear that will be used in an effort regime etc.;

- Fishing effort monitoring (days at sea assigned to specific vessels);
- Monitoring fishing gear and minimum landing sizes against a set of technical conservation regulations applicable to various species, fishing methods and fishing zones;
- Monitoring third country vessels, when landing in Community ports and when fishing inside Community waters;
- Monitoring quota uptake by the fishing vessels by logbooks, landing declarations and sales notes[14].

The fisheries control system has recently been under review as will be outlined further in chapter 4. The control system suffers from substantial shortcomings identified by both the Commission[15] and the European Court of Auditors (ECA)[16]. The purpose of this review is to modernise and reform the control system of the CFP. This review led to a reform proposal, by the Commission in mid-November 2008, on the entire Fisheries Control System, focussing on encouraging a culture of compliance and creating a level playing field for Europe's fishermen[17].

EU fishery production for 2003 was 7.3 million tonnes.[18] This fell to 6.9 million tonnes for 2005[19]. These include fisheries and aquaculture[20] in the EU, representing 4-5% of world

[14] The equivalent of an invoice.

[15] Source: COM(2007)167 final.

[16] Source: Special Report No 7/2007.

[17] Further information is available via the following link: http://ec.europa.eu/fisheries/cfp/control_enforcement/reform_control_en.htm.

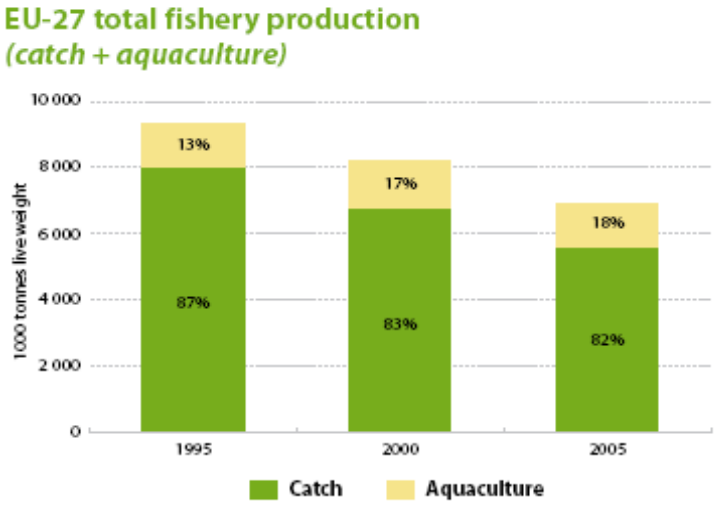
[18] Source: Trends in European Fisheries and Aquaculture Research – EFARO – May 2006.

[19] Source: Figures published by DG MARE and Eurostat Pocketbook: Fishery Statistics – Data 1990-2006 (ISSN 1830-5075).

[20] Aquaculture is the farming of freshwater and saltwater organisms including molluscs, crustaceans and aquatic plants. Unlike fishing, aquaculture implies the cultivation of aquatic populations under controlled conditions.

seafood production. The figures below show the decreasing trend in total EU fishery production during the last decade.

Figure 2: Overview of total fishery production in the European Union

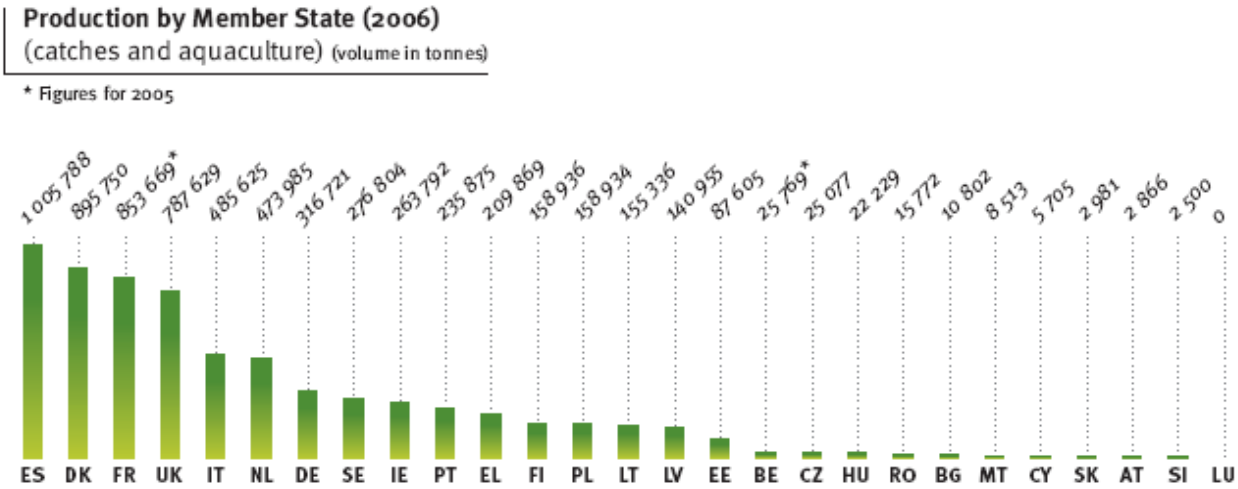


Source: Eurostat Pocketbook: Fisheries Statistics.

One of the objectives of the CFP is to guarantee the sustainable exploitation of the resources based on solid scientific criteria and the precautionary principle. As a result, measures have increasingly been taken to control and adapt fishery production to the fishery resources available by limiting over-exploitation and protecting specific maritime areas.

In 2006, at Member State (MS) level, Spain had the highest total level of catches (including aquaculture) in terms of volume with approximately one million tonnes of live weight, followed by Denmark with 0.9 million tonnes of live weight. France and the UK each have total fishery productions of around 0.8 million tonnes of live weight. The live weight tonnages for the EU-27 are given in the next Figure.

Figure 3: Overview of total fishery production per Member State in tonnes of live weight21



Source: Eurostat Pocketbook: Fishery Statistics[22]

The current state of fish stocks inside EU waters demonstrates that the levels of exploitation have been too high for many stocks, which are now outside safe biological limits. As over-exploitation is a direct result of over-fishing in comparison with the available resource, the EU, by decreasing the number of vessels, their power and their size, has adopted policies to reduce the fleet capacity. As a result, the Common Fisheries Policy, by imposing specific quotas on specific species and on total catches, has been focusing on monitoring the activities of the operations related to catches and to landings. This is represented by annual Total Allowable Catches (TACs), which are set by the EU Council of Fisheries Ministers each December for more than 130 fish stocks[23]. When setting TACs, consideration is given to various factors, which include the latest scientific advice on the condition of the stocks.

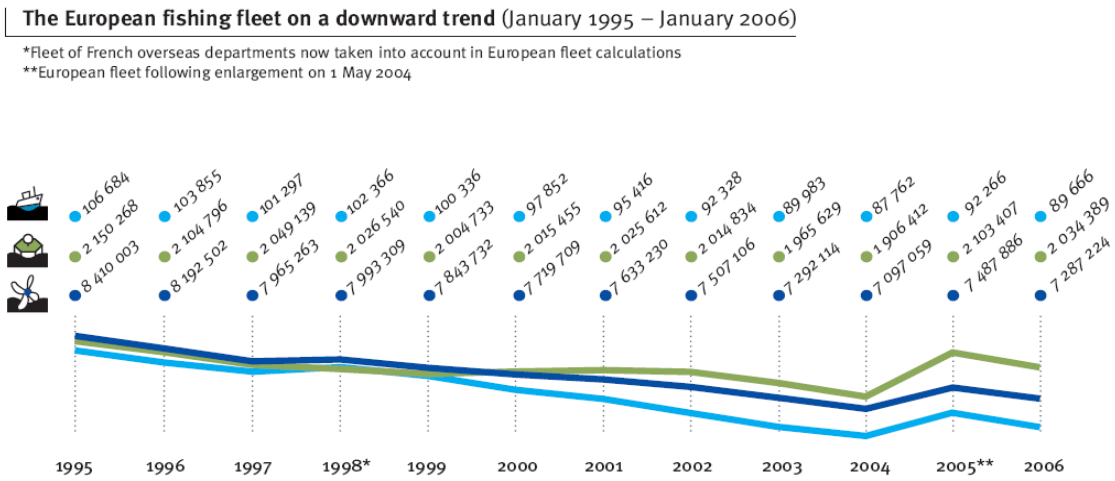
[21] Source: http://ec.europa.eu/fisheries/publications/facts/pcp06_en.pdf

[22] Production by Member State includes catches of marine fish as well as freshwater fish. DG MARE's activities are limited to marine fishery production.

[23] TACs are set at EC level for the whole EC. They are not country specific. For instance, there is only one TAC for cod in the North Sea applicable to all Member States entitled to fish on that stock. The TACs are split into national quotas by the Council meetings of December according to well established allocation keys following a principle of relative stability.

The trend is illustrated in the Figure below.

Figure 4: The evolution of the EU fleet capacity



Source: Eurostat: Facts and Figures on the CFP - Basic data on the Common Fisheries Policy – 2006[24]

2.2 Measurement approach

The methodology used during this project is based on the adapted EU SCM Manual submitted as part of the Module 1 Final Report in mid-February 2008. A short introduction to the main characteristics of the general measurement approach as well as the approach chosen within the Fisheries Priority Area is given below. For more information on the methodology, please see the Main Report and/or the adapted EU SCM Manual.

2.2.1 General methodological concepts

The EU Standard Cost Model (EU SCM) breaks down administrative costs imposed by legal acts into components that can be assessed with reasonable accuracy[25]. Thanks to this analytical approach, it is possible to:

a) locate the most costly obligations and the greatest reduction opportunities;

b) formulate reduction proposals; and

c) determine at which level reduction measures should be adopted.

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[24] This publication is available at the following address: http://ec.europa.eu/fisheries/publications/facts/pcp06_en.pdf.

[25] The SCM does not aim at producing statistically valid results, but rather estimates (i.e. figures based on relatively small samples or expert judgment). Considering the level of detail and the number of parameters involved, conducting statistical measurements would not be cost-efficient.

The EU SCM methodology neither addresses nor questions the policy objectives of each piece of legislation. As such, the measurement focuses only on the administrative activities that must be undertaken in order to comply with legislation and not on whether the legislation itself is reasonable or not.

While the methodology may also be applied to civil society and the public and private sectors, this project focuses exclusively on the administrative costs for business.

Thus, administrative costs are defined as the costs incurred by enterprises in meeting legal Information Obligations. An Information Obligation (IO) is a legal obligation placed on businesses to provide information on their activity or production, either to public authorities or to private parties[26]. Every IO has attributes that describe the:

- content of the data required or "data requirement" (what must be provided),
- target group (who must provide it), and
- frequency (when it must be provided).

IOs stemming from EU legislation are labelled EU IOs, while IOs stemming from national implementation are called national IOs.

Some EU legislative acts also mention the possibility for Member States to ask for additional information (i.e. "...Member States may ... require the inclusion of other statements in the annual accounts in addition to the documents referred to in the first sub-paragraph ..."). Such Possibilities stated in the EU Legal Act are not to be understood as EU Requirements insofar as Member States are not obliged to ask for that information. Nevertheless such Possibilities stated in the EU Legal Act were documented by the Consortium as they often pave the way for additional legislative requirements introduced at national level.

[26] These private parties are usually consumers and/or other businesses.

In many cases the possibility for Member States to ask for additional information also exists even though it is not stated in the EU legal text[27]. Listing such Possibilities Not stated in the EU Legal Act as part of the description of EU legal texts would be fastidious and inefficient. Documenting cases of national obligations going beyond what the EU requires has, however, been part of the screening of national IOs.

Together, the Possibilities stated in the EU Legal Act and the Possibilities not stated in the EU Legal Act are called "National obligations going beyond EU Requirements".

When analysing the administrative costs, a distinction should be made between information that would be collected and processed by businesses even in the absence of the legislation and information that is solely collected because of a legal obligation. The former are called "business-as-usual" (BAU) costs[28], the latter administrative burdens. Added together the administrative burdens and business-as-usual costs constitute the administrative costs. Having quantitative figures on the business-as-usual costs is of crucial importance for the Commission in the light of its reduction target, which is expressed in terms of administrative burdens (not administrative costs).

The objective of Modules 1 and 2 was to carry out a preparatory analysis of the EU and national legislation to form the foundation for the field measurements of administrative costs. Within Module 1 and 2, the IOs stemming directly from EU legislation in scope as well as any national obligations going beyond the EU Requirements in scope of this project were identified and registered[29].

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[27] As a general principle, Member States have the right to legislate on any issues as long as "Possibilities not Stated in the EU Legal Act" do not contradict EU law.

[28] A description on how the BAU costs were calculated can be found in chapter 5.2. of the Main Report on measurement data and analysis as specified in the specific contracts 5&6 on Modules 3&4 under the Framework Contract n° ENTR/06/61

[29] For more information on Module 1 and 2, please see first edition of the adapted EU SCM manual and the Final Report for Module 1 and 2.

In Module 3 and 4 different approaches were used to collect and calculate the information needed to determine the administrative costs at the EU level as well as at the national level. The remainder of this section presents a brief overview of these approaches and the underlying rationales.

Experience from all previous SCM measurements shows that the top 20% most burdensome IOs in any given area will represent 80% of the costs. Following this principle, an initial assessment of population and cost parameters was conducted and an estimation produced of the expected administrative costs for each EU IO.

To prioritise the EU IOs, an assessment of the following aspects was conducted:

- Expected number of businesses concerned/number of occurrences
- Complexity of the business process that businesses implement to comply with the IO (time spent).

The purpose of the prioritisation was to select those IOs which had the highest estimated cost. The position on the priority list, i.e. if the IOs belonged to the top 20% or the remaining 80% of estimated costs, determined the manner in which data was collected. The 20% most burdensome IOs within each Priority Area were designated as Prioritised IOs and earmarked for in-depth measurement. The remaining 80% for each Priority Area were marked as Non-prioritised IOs and were therefore subject to less rigorous measurement. The Prioritised IOs were analysed and measured through workshops and interviews, whereas IOs with lower estimated costs were costed through telephone interviews and expert assessments, or similar less intensive methods. In this way, the resources were predominantly concentrated on collecting data on the most costly IOs.[30] The demarcation between Prioritised IOs and Non-prioritised IOs was made at Priority Area level only and not at overall project level, as to have done the latter would have led to some of the less burdensome Priority Areas having only Non-prioritised IOs.

[30] In a few cases the data collection showed that non-prioritised IOs were more cost intensive than prioritised IOs. Due to the iterative process in the project and the time and resource constraints, this had to be accepted without changing the data collection approach.

The IOs selected for interviews and workshops were clustered in groups that could logically be covered by interviews at about the same time, most often because they involved the same target group and administrative tasks that the same employee type usually performs. The result was a list of several groups of IOs known as campaigns.

EU IOs were measured in a sample of six Member States. The data collected in the six Measurement Countries supplemented with data from existing measurements on the EU IOs from the Baseline Countries were extrapolated to similar IOs in the other countries and aggregated to the EU level. However, for the national obligations going beyond EU Requirements, data was collected in each country where they were identified. Obviously, extrapolation cannot apply to these as they are peculiar to the specific country.

The extrapolation exercise consisted of predicting cost and can basically be understood as generating the best estimates of the administrative activities conducted by businesses in a country where data has not been collected, based on data from other countries where data was collected. Further details are given in section 2.4.3.4 and in Annex of the present report. The SCM does not aim at producing statistically valid results, but rather estimates (i.e. Figures based on relatively small samples or expert judgment). Considering the level of detail and the number of parameters involved, conducting statistical measurements would not have been cost-efficient.

The selection of Member States for measuring the prioritised IOs was based on the following criteria:

- Population of the countries
- Spread of geographic location
- Duration of EU Membership
- If/when legislation is applicable
- Implementation of Possibilities Stated in the EU Legal Acts.

The purpose of using the selection criteria was to guarantee that the results represented different population/country sizes within the EU. Furthermore, it ensured that the data collection covered different geographical regions (geographically and in terms of the

historical development of the EU). Lastly, the selection criteria were designed to ensure that the Member States chosen for data collection had transposed the legislation. Combined the selection criteria ensured a sound foundation for the extrapolation.

One of the requirements of the EU project on baseline measurement and reduction of administrative costs was to follow a 'full Member State coverage measurement approach'. Thus Member States which were relatively less important in terms of size were also part of the measurement. As a result, the sample selected is not always representative for each Priority Area. Further studies would be needed to achieve fully representative results.

When data collection was carried out, the results were summarised for each business interviewed. These empirical results were then standardised with the objective of providing a single estimate of what would be required for a normally efficient business to complete each administrative activity in order to comply with a given national IO.

By combining the data collected from the workshops, face-to-face interviews and telephone interviews, a qualitative assessment was made of the resources a business devotes to each cost parameter related to fulfilling an IO. More specifically, an assessment was conducted on internal time spent and employee type per activity, consultancy costs, and costs of equipment. The goal of the standardisation is not to average the cost data obtained through the workshops and interviews, but to get a plausible result for a normally efficient business for each IO. The normally efficient business is defined as a business within the target group that performs administrative activities required by the IO neither better nor worse than may reasonably be expected.

2.2.2 Measurement approach chosen for the Fisheries Priority Area

The sections below will present in further detail:

- The Measurement Countries
- The target group/segmentation/campaigns
- The data collection method.

Countries measured

We conducted interviews, workshops and expert assessments in a selection of six Member States - France, Greece, Ireland, Poland, Portugal and Spain (hereinafter called "Measurement Countries").

Besides collecting new data, existing data from Member States which had already conducted baseline SCM measurements over the past years (Denmark, the Netherlands, and the United Kingdom) were used (hereinafter called the "Baseline Countries"). Two other countries have also conducted general baseline SCM measurements but are not included in the Fisheries Priority Area, these are:

- Austria is a landlocked country and is therefore not concerned by the Regulation in scope;
- Germany has not conducted SCM measurement on the control system applicable to the Common Fisheries Policy. It is therefore included in this study as an Extrapolation Country and not as a Baseline Country.

The selection criteria for the Measurement Countries have been mentioned previously. Particular attention was made to the range in geography in order to reflect any distinctions between operations in different waters.

The measurements in Greece, France and Spain have allowed an understanding of the way businesses in the Mediterranean region comply with the Information Obligations. The target group in this area consist mainly of small vessels of less than 24 metres in length and most businesses are family owned.

The measurement in Poland gave clear indications of the obligations imposed on Masters of Vessels in the Baltic Sea. Council Regulation (EC) No 1098/2007 regulates access to the Baltic and describes in more detail the management of fishing efforts in the Baltic Sea. The measurements also gave an insight into the impact the Regulation may have on the newest Member States of the European Union.

The measurements in France, Ireland, Portugal and Spain provided detailed information on fishery operations in the Atlantic Ocean and the North Sea.

Furthermore, as stated previously, in tonnes live weight, the total fishery production of Spain and France represent the highest and third highest in the EU, respectively, as stated previously. Three others in the top five are Denmark, the Netherlands and the United Kingdom, which are included in our study as Baseline Countries.

Similarly, four of the selected countries' fishing fleets are among the five largest fleets in the EU. These are France, Greece, Portugal and Spain[31].

Therefore, our selection of Measurement Countries not only covers a geographical range, but also gives accurate insight into the largest Member States of the EU in terms of fisheries, production and fleet size.

Target group, segmentation and campaigns

The following Information Obligations were prioritised for measurement. The prioritisation of each IO was based on the expected number of entities concerned, cost level and complexity:

- "Potential audit requiring fishermen to keep an operations logbook"
- "Cooperation with inspections"
- "Submission of a landing declaration"
- "Submission of a sales note or take-over declaration for first marketing of fishery products".

The target group affected by Regulation (EEC) No 2847/93 involves businesses participating in fishing, transhipment, landing, fish processing organisations or take-over buyers, marketing, transport and storage of fishery products. Other target groups are businesses involved in recording the landing and sales of fishery products, such as auction centres. However, most obligations in the Regulation are imposed on Masters of Community vessels fishing for a stock or group of stocks.

[31] The remaining country among the five largest fleets in Europe that was not selected for this measurement is Italy.

Where a significantly different way of handling the IOs was expected, the IOs were segmented.

The IO "Cooperation with inspections" was segmented as follows:

- Logbook inspections – mainly including offshore and landing inspections, which predominantly concern the fishermen or the Masters of Vessels;
- Sales inspections –mainly concerning onshore inspections at the point of sale, which predominantly affect the first buyer of the fishery products or the auction centre at first marketing.

The three IOs "Potential audit requiring fishermen to keep an operations logbook", "Provision of landing information (...to the specific port scheme)" and "Submission of a landing declaration" were segmented as follows:

- Masters of Community vessels between 8 and 10 metres in length (only Baltic Sea);
- Masters of Community vessels equal to or more than 10 metres in length.

The reason for the segmentation was to enable the inclusion of specific conditions that apply only to vessels fishing in the Baltic Sea. These conditions stem from Council Regulation (EC) No 1098/2007 establishing a multiannual plan for the cod stocks in the Baltic Sea and the fisheries exploiting those stocks, amending Regulation (EEC) No 2847/93 and repealing Regulation (EC) No 779/97.

The remaining IOs have been considered as non-segmented IOs; they concern specific targets from the Regulation, whose costs are not expected to vary across different categories in the target groups. As an example, the IO "Submission of an effort report" is an obligation that has to be completed by Masters of Vessels that operate on demersal activities (Masters of Vessels in the Mediterranean are excluded from this IO). No segments between these Masters have been considered as having processes that are different from normal situations.

Based on the considerations above, five campaigns, i.e. the logical groupings of IOs that could be covered by one interview or workshop, were devised. The Table below shows the campaigns together with the complete list of IOs covered under the various campaigns.

Table 2: Campaigns within the Fisheries Priority Area

Campaigns	
Campaign 1: Logbook and inspections - masters, owners or agents of Community vessels between 8 and 10 metres in length (only applicable in the Baltic Sea: Sweden, Finland, Estonia, Latvia, Lithuania, Poland, Germany, Denmark)[32]	
2	**Cooperation with inspections (off-shore)
3	***Potential audit requiring fishermen to keep an operations logbook
Campaign 2: Logbook and inspections - masters, owners or agents of Community vessels equal to or more than 10 metres in length	
2	**Cooperation with inspections (off-shore)
3	***Potential audit requiring fishermen to keep an operations logbook
12	**POSSIBILITY: Application for financial support
1	**Notification of the geographical position (vessels exceeding 15 metres)
11	*Drawing up a stowage plan
Campaign 3: Landing of fish - masters, owners or agents of Community vessels (equal to or more than 10 metres)	
6	***Submission of a landing declaration
4	**Provision of landing information (port scheme)
5	**Provision of landing information (following the Community regime)
Campaign 4: Sales notes and inspections for transporters and take-over buyers, auction centres, registered buyers	
2	**Cooperation with inspections (on-shore)
7	***Submission of a sales note or take-over declaration for first marketing of fishery products
9	**Submission of a copy of the transport document
Campaign 5: Effort report – vessels smaller than 15 metres in length	
8	*Provision of a sampling plan and transhipment details (only vessels that don't operate VMS)
10	*Submission of an effort report

This Table is based on data compiled by the Consortium.

Note:

- The prioritisation of each IO was based on the expected number of entities, their cost level and the complexity of the IO. All the IOs with high priority and some of the IOs with medium priority were addressed specifically in the interviews and workshops with businesses. For the other IOs, the administrative costs were assessed by holding interviews with experts. *** indicates high priority; ** indicates medium priority; * indicates low priority.
- The numbers in the first column correspond with the numbers in the mapping conducted under Module 1 of the project.

[32] This segment arises from Council Regulation (EC) No 1098/2007, which extends the identified IOs to Masters of Community Vessels between 8 and 10 metres in length in the Baltic Sea).

As a summary of the prioritisation process for Fisheries, the following main criteria that were decisive in ranking the identified IOs by order of importance in terms of Administrative Burden are:

- The number of entities affected on a yearly basis,
- The frequency with which the entities need to comply with the IO on a yearly basis,
- The relative importance of the IO within the legal framework of the present study,
- The relative time needed to comply with the IO, in relation to the previous criteria,
- The relatively more burdensome activities that are related to the IO, as identified through expert assessments.

Following the above mentioned elements, the IOs relating to landings, transport documents and sales notes are expected to have comparatively very high population, as they are largely linked to the day-to-day activities of fishermen and all landings are concerned by these. IOs in relation to the logbook need to be fulfilled at least within every 24 hours of a trip. The IO related to the Geographical position was not prioritised although it has a very high frequency (every two hours of a fishing trip), since there is a satellite-based Vessel Monitoring System that fulfils the IO by automatically embedding the position within its functions[33], and therefore is not expected to be a source either of particular administrative burden or of administrative simplification. IOs in relation to inspections are considered as crucial, with regard to the control system, and have therefore been prioritised. Finally, the remaining IOs (*) have not been prioritised as they refer to occasional situations, and are not expected to generate high administrative costs for fishermen.

Data Collection Method

As noted, data was collected through face-to-face interviews and workshops. The face-to-face interviews were mainly chosen due to their flexibility, and the strategy of measuring as many IOs as possible in the same interview, depending on the experience of

[33] Geographical data are sent automatically via VMS to the control authorities. Fishermen do not even have the right to interfere with this. The transmission as such can therefore not create any administrative burden (except for the fact that in some Member States fishermen have to pay for the transmission and that such burdens are possible in case of the failure of the VMS system)

the interviewee. In addition, the face-to-face interviews allowed for the collection of in-depth information regarding the business's handling of the IOs. In some cases, workshops were also used to collect data.

2.3 High-level findings of the EU and national mapping in the Fisheries Priority Area

The following section summarises the main findings of the EU and national mapping in the Fisheries Priority Area which resulted from the work done during Module 1 on the identification and classification of EU IOs and Possibilities stated in the EU Legal Act, followed by the identification of national IOs transposing EU legislation as well as the linking of EU IOs and national IOs in Module 2. The full results of this were presented in the final reports on Modules 1 and 2 of the EU project on baseline measurement and reduction of administrative costs[34].

2.3.1 Main results of the EU mapping

As noted, 11 IOs and one Possibility were identified in the Fisheries Priority Area. All stem from Regulation 2847/93 establishing a control system applicable to the Common Fisheries Policy. These are shown in the Table below.

[34] For the details of the mapping please refer to the reports on Modules 1 and 2.

Table 3: EU Requirements and 'Possibilities' identified in the Fisheries Priority Area

EU Legislation name	EU Requirement
Regulation (EEC) No 2847/93 - control system applicable to the Common Fisheries Policy	Notification of the geographical position
Regulation (EEC) No 2847/93 - control system applicable to the Common Fisheries Policy	Application for financial support (Possibility)
Regulation (EEC) No 2847/93 - control system applicable to the Common Fisheries Policy	Cooperation with inspections
Regulation (EEC) No 2847/93 - control system applicable to the Common Fisheries Policy	Potential audit requiring fishermen to keep an operations logbook
Regulation (EEC) No 2847/93 - control system applicable to the Common Fisheries Policy	Provision of landing information (...to the specific port scheme)
Regulation (EEC) No 2847/93 - control system applicable to the Common Fisheries Policy	Provision of landing information (....to the Community regime)
Regulation (EEC) No 2847/93 - control system applicable to the Common Fisheries Policy	Submission of a landing declaration
Regulation (EEC) No 2847/93 - control system applicable to the Common Fisheries Policy	Submission of a sales note for first marketing of fishery products
Regulation (EEC) No 2847/93 - control system applicable to the Common Fisheries Policy	Submission of (a copy of) the transport document
Regulation (EEC) No 2847/93 - control system applicable to the Common Fisheries Policy	Provision of a sampling plan and transhipment details
Regulation (EEC) No 2847/93 - control system applicable to the Common Fisheries Policy	Submission of an effort report
Regulation (EEC) No 2847/93 - control system applicable to the Common Fisheries Policy	Drawing up a stowage plan

This Table is based on data compiled by the Consortium.

As stated previously, there is one single Regulation in scope for the Fisheries Priority Area. It is, however, linked to several other Regulations concerning the Common Fisheries Policy, which have been consulted within the limits of the Regulation in scope (see pages 20 and 21).

2.3.2 Main results of the national mapping

The main results of the national mapping are illustrated in the next Table.

Table 4: Main results of the national mapping

Countries	EU Requirements Identified	EU Requirements (excl. Possibilities)	Possibility stated in the EU Act	National Obligations going beyond EU Requirements	TOTAL
AT	12	0			0

Countries	EU Requirements Identified	EU Requirements (excl. Possibilities)	Possibility stated in the EU Act	National Obligations going beyond EU Requirements	TOTAL
BE	12	11		1	12
BG	12	11		3	14
CY	12	11			11
CZ	12	0			0
DK	12	11			11
EE	12	11			11
FI	12	11			11
FR	12	11	1	3	15
DE	12	11			11
EL	12	11		1	12
HU	12	0			0
IE	12	11			11
IT	12	11			11
LV	12	11		3	14
LT	12	11			11
LU	12	0			0
MT	12	11			11
NL	12	11			11
PL	12	11		1	12
PT	12	11			11
RO	12	11			11
SK	12	0			0
SI	12	11			11
ES	12	11	1	4	16
SE	12	11			11
UK	12	11			11
Total		242	2	16	260

This Table is based on data compiled by the Consortium.

Notes: As landlocked countries, Austria, the Czech Republic, Hungary, Luxembourg and Slovakia have no national mapping

As can be seen from the Table, the implementation of the EU IOs at national level corresponds exactly to the IOs of the Regulation. Therefore, a total of 11 EU IOs were identified in all the Member States where national mapping was conducted.

Possibilities stated and not stated in the EU Regulation are explained in the sections below.

2.3.2.1 Description of Possibilities stated in the EU Regulation

The Possibility "Application for financial support" was identified during the first modules of the project as an administrative burden for businesses in the legislation of five Member

States, namely France, Greece, Malta, Poland and Spain[35]. In these Member States, businesses are (or were) offered the opportunity to apply for financial support for the acquisition of a Vessel Monitoring System (VMS). However, the measurement conducted has shown this Possibility to be applicable in only two countries, France and Spain.

A VMS provides reports of the location of a vessel and tracks its movement, speed and course. Electronic devices or "blue boxes" are installed on board the vessel and transmit the information via satellite to the appropriate Fisheries Monitoring Centre (FMC). VMS is mandatory for vessels over 15 metres overall length as of the 1st of July 2011.

As a general rule, Member States may receive Community funding for up to 50% of the eligible expenditure on fisheries control projects. Authorities can purchase the equipment for businesses or offer financial support for businesses themselves to purchase the VMS.

During the interviews and workshops with businesses and authorities, it was indicated that possibilities to apply for financial support consisted in administrative costs only in France and Spain. In most other Member States, the VMS is state-owned and installed by public authorities. The VMS is free of charge for businesses in these Member States.

In Greece the possibility of applying for financial support is no longer applicable. The existing fleet received the VMS free of charge from the government. In 2006, one year after the implementation of the VMS in Greece, the Greek Ministry of Agriculture stopped the entrance of new vessels onto the market, in order to protect the existing fleet.

In Malta, professional fishing operations are carried out by full-time and part-time Masters of Vessels. The authorities provide, install and maintain the VMS, free of charge. Only private individual fishermen plying vessels over 12 metres in length involved in tuna fishing are required to pay for the VMS. These Masters of Vessels are no longer offered the possibility of applying for financial support.

[35] All Member States apply for the financial support referred to in article 3,4 of the legislation in scope ; the first modules consisted in identifying in which Member States this application results in administrative burden for businesses.

Similarly, in Poland, the possibility of applying for financial support has been identified as not being applicable any more.

2.3.2.2 Description of Possibilities not stated in the EU Regulation

Seven Member States have identified 16 national obligations that are not stated in the EU Regulation.

In Belgium, one national IO not stated in the EU Regulation concerns the "Notification of the geographical position". The owner of the vessel must submit a certificate of reliability and a certificate of good installation to the authorities annually. These documents must be re-submitted if the VMS is repaired or replaced.

In Bulgaria, three national obligations were identified that are not stated in the EU Regulation. Additional requirements have been imposed on businesses on the IO "Potential audit requiring fishermen to keep an operations logbook". Specific documents should be submitted to the authorities in the case of damage or loss of the logbook. In addition, businesses are required to register each catch in the logbook regardless of whether or not the total catch exceeds 50 kg of live weight. All vessels are required to keep an operations logbook regardless of whether or not they are equal to or more than 10 metres in length. All Masters of Vessels are required to submit a landing declaration as an additional requirement to the IO "Submission of a landing declaration". With regard to the IO "Notification of the geographical position", Bulgarian fishermen must communicate their geographical position every hour although the EU Regulation states every two hours.

In France, three national obligations were identified that are not stated in the EU Regulation. As in Bulgaria, Masters of Vessels in France are also required to communicate their geographical position to the Fishing Monitoring Centre (FMC) at least every hour[36]. Landing declarations must be sent to the French authorities even when the landing does

[36] Such an obligation may arise from Article 8 of EU Regulation 2244/2003 that foresees reporting frequency once every hour and may be once every 2 hours in case vessels have a polling capacity. The Country SPOC has identified it however as a national requirement.

not take place in France. Another additional requirement was identified during the interviews and workshops conducted with fishermen. Masters of vessels less than 10 metres in length indicate that they are required to submit a monthly report to the authorities. The report must indicate the species caught, the location of the catch and other requirements similar to the operations logbook. A similar IO was identified during the interviews with Polish Masters of Vessels.

In Greece, an additional requirement was added to the IO "Notification of the geographical position". If the VMS is not functioning, Masters of Vessels are required to indicate their geographical position by fax, phone or radio. This is aligned with the provisions in Regulation 2847/93. However, our information is that VMS devices often malfunction and that the information transmitted is therefore not reliable. For this reason, fishermen in Greece made an agreement with the FMC to contact the FMC each week to verify whether the transmitted coordinates are correct. Where this is the case, the Masters of Vessels can reset the VMS and if that fails, the malfunctioning VMS should be officially reported to the FMC. Masters of Vessels are required to retain a copy of the formal report on board the vessel for inspection purposes.

Although this requirement is an implementation by the Member State of Articles 11 and 12 of EU Regulation 2244/2003, it has been stressed as an important burden for Greek fishermen in relation to notifying the geographical position (this information was gathered through a workshop). It was estimated in Greece that a VMS device malfunctioned every two years. However, the last VMS half-yearly report received from the Greek authorities does not include any single repeated technical failure during the second half of 2007 on any Greek vessel. Whatever the case, the administrative burden that is related to this IO, within or beyond EU Requirements, is expected to disappear given that this technology is gradually gaining the trust of the fishermen.

In Latvia, three additional requirements were initially identified in national law. The first requirement is related to the IO "Submission of a (copy of a) transport document". Transporters of fisheries products must submit a copy of the landing declaration (as a prerequisite to transport documents) to the authorities prior to conducting any

transportation of fishery products. The requirement is applicable to all transport in the fisheries sector and not only to transport to third countries. In addition, two requirements were added to the IO "Potential audit requiring fishermen to keep an operations logbook". Masters of vessels are required to register information on their catch of marked or rare species. Although not specified in the Latvian law per se[37], Masters of Vessels communicate with the Latvian Fish Resources Agency and agree what action is to be taken. In this case, they may send a photograph or any other proof of identification of the species to the Latvian Fish Resources Agency, in order to fully comply with the Agency's demands. Owners and managers of fishing companies that have several vessels in the fleet are also required to submit a monthly report to the authorities indicating the number of catches, location and species caught per vessel. This overlaps with the information in the submitted operations logbooks. In most cases the information in the monthly report is extracted from the operations logbook.

In Spain, four additional requirements were identified in relation to target or frequency. The first relates to the IO "Notification of the geographical position", where only the following are included as targets for this IO: Masters of vessels exceeding 15 metres in length (IO#1), trawler vessels (IO#2) and all fishing vessels regardless of their length (IO#3). The last two groups mentioned are therefore considered as additional targets for this IO, whereas the first restricts the existing target. Finally, and most importantly, in regards to the "submission of landing declaration", the IO is extended to all Masters of Vessels, or their representatives, regardless of their length.

In Poland, a monthly report is required from Masters of Vessels less than 8 metres in length. As in France, requirements similar to that of the operations logbook, such as the species caught, the location of the catch and other details on the vessel and on the catches need to be reported to the authorities on a monthly basis.

[37] Although the Latvian legislation does not state the IO, it empowers the Latvian fishery resources agency to request this information. Such a requirement constitutes an administrative burden on a national level and has been mapped as such.

2.4 High-level findings of the measurement in the Fisheries Priority Area

The following section presents the total administrative costs and administrative burdens in the Fisheries Priority Area. This is followed by a differentiated analysis by Legal Act and by Member State as well as an overview of the most burdensome IOs. This will form the basis for the detailed analysis in the next Chapter.

The total administrative cost for the Fisheries Priority Area is €79.70 million. The administrative burden amounts to €73.86 million for this Priority Area.

It should be noted that while it is possible to calculate an indicative total administrative cost and indicative total administrative burden for the IOs under this Priority Area, the measurement covers only a selection of all EU legislation relevant to the Priority Area. Therefore, additional administrative cost and burden exists that has not been covered by the measurement.

2.4.1 Administrative costs and administrative burdens per item of EU legislation

The 42 pieces of legislation in the 13 Priority Areas chosen for the measurement exercise within the Action Programme are believed to account for over 80% of the administrative burden of EU origin[38]. Yet, as expected, within this group large differences were found in the costs per Legal Act. We provide below an analysis of the administrative costs and burdens stemming from the Legal Acts in scope of the Fisheries Priority Area.

As shown in Table 5 below, the costs of the Fisheries Priority Area stem from Regulation (EC) No 2847/93, which is the only piece of legislation in scope.

[38] Commission Working Document, 30 January 2008, COM(2008) 35 final, Reducing administrative burdens in the European Union 2007 progress report and 2008 outlook, p. 3.

Table 5: Total Administrative Cost stemming from Regulation 2847/1993 by EU Requirements and National Obligations going beyond EU Requirements

	EU Requirement	National obligations going beyond EU Requirements[39]		Total Admin. Burden		Total Admin. Cost
		Possibilities stated in the EU Act	Possibilities not stated in the EU Act			
Legislation	Admin. Cost (€ x 1,000)	Admin. Cost (€ x 1,000)	Admin. Cost (€ x 1,000)	Admin. Burdens (€ x 1,000)	Share of total (%)	Admin. Cost (€ x 1,000)
Council Regulation (EEC) No 2847/93	72,582.6	5.4	7,108.4	73,863.4	92.68	79,696.4

This Table is based on data compiled by the Consortium.

The total administrative costs for the Fisheries Priority Area are €79.70 million - all costs stem from Regulation (EEC) No 2847/93. The national Possibilities that are not stated in the EU Act account for 8.9% of the total administrative costs and, as developed further, 80.8% of the costs of Possibilities not stated in the EU Act concerns additional requirements related to the IO "Submission of a landing declaration".

It should be noted that the level of business-as-usual cost is relatively low, indicating that this Priority Area is dominated by IOs that would not be performed if the legislation were not in place.

2.4.2 Administrative costs stemming from EU IOs of International Origin

A number of the IOs identified in the EU legislation stem ultimately from international regulation, which has been transposed in EU legislation by the Directives and Regulations in scope of the project. Each EU IO was analysed in relation to any relevant international regulation. In cases where legally binding international regulation had a similar or analogous content to the EU IO, the EU IO was categorised as an EU IO of International Origin. However, for the Fisheries Priority Area there are no IOs stemming from international origin.

[39] National obligations going beyond EU Requirements were measured in all Member States.

2.4.3 Administrative costs and administrative burdens per Member State

One of the outcomes of the EU project on baseline measurement and reduction in administrative costs is the opportunity to identify differences in transposing and administering IOs at national level and to thus obtain an insight into factors determining the level of administrative costs. This is important in identifying good practice and in learning how the costs can be reduced for businesses. The next section presents a first overview of the administrative costs and burdens per Member State.

2.4.3.1 Different methodological approaches

When comparing costs at national level it is essential to recall that the data were collected in three different ways within this project:

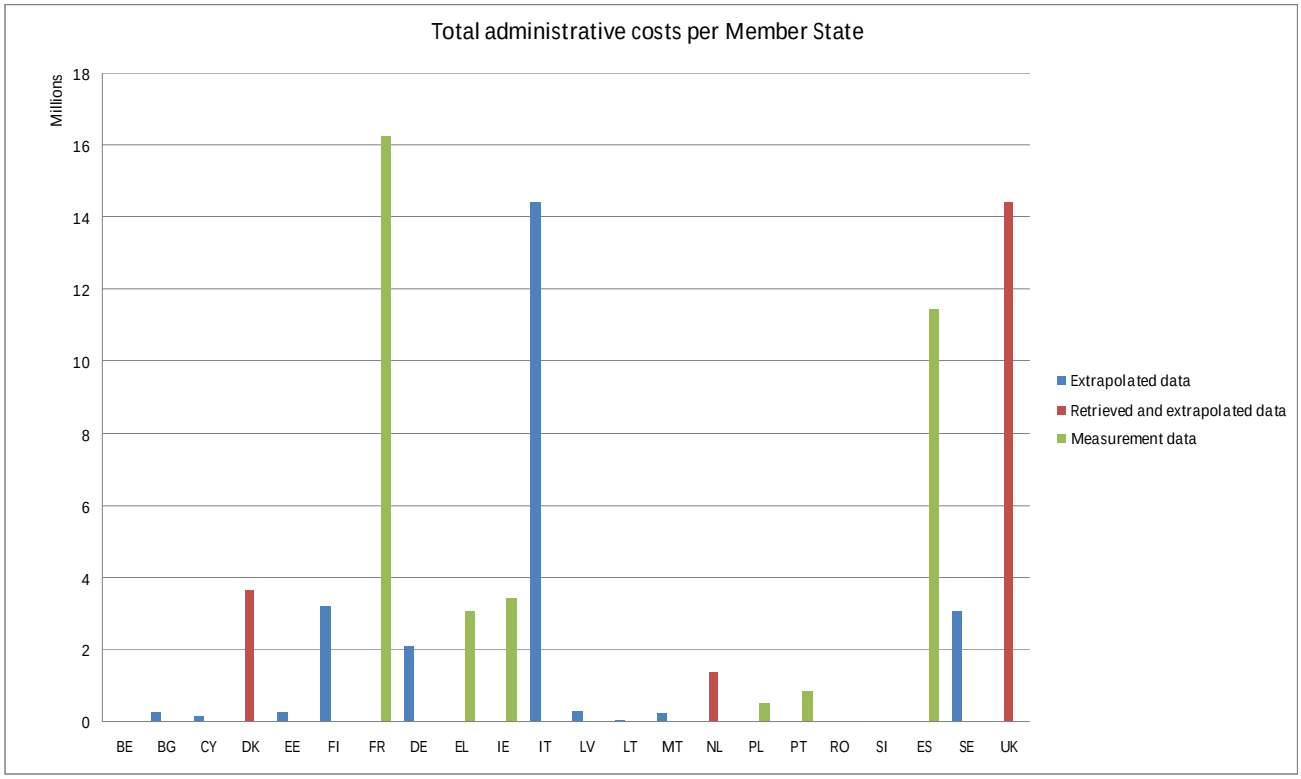
- measurement in six Measurement Countries;
- reuse of existing data in the so-called Baseline Countries;
- extrapolation to other Member States of the cost data collected (Extrapolation Countries).

The combination of these three different approaches within the project creates special challenges when comparing data, i.e. Baseline Countries which have conducted measurements in the past have chosen different methodological approaches. This reduces the comparability of their results. This has to be borne in mind when reading the following data comparisons.

The extrapolated costs are naturally less precise and less detailed than the measured costs. Analyses of specific legislative requirements should therefore only be based on data from countries that were measured. However, the indicative total impact of EC legislation can be assessed using the extrapolated costs.

The Figure below shows an overview of the total administrative cost by Member State.

Figure 5: Total Administrative Cost per Member State



By Capgemini/Deloitte/Ramboll Management.

From the Figure above, it can be seen that France, Italy, the United Kingdom and Spain are the countries where the administrative costs are highest. The administrative cost for these four countries was measured at €56.5 million, which is equal to 70.9% of the total cost. It should be mentioned that two of these countries, France and Spain, are Measurement Countries, the United Kingdom is a Baseline Country and the data collected for Italy arises from extrapolation[40]. As a first remark, these four countries have the largest fishing fleets in Europe of vessels that are equal to, or more than, 10 metres in length, the size of their administrative costs follows this pattern[41].

[40] In Italy the high cost is due to high reported populations in the size of the fishing fleet. Most of the IOs depend on the size of the fishing fleet above 10 metres in length. Italy has the largest number of vessels in that case. Results will be analysed accordingly.

[41] Countries such as Greece or Portugal are not included in this top ranking, given that their fleet is mostly composed of small-sized vessels (below 10 metres in length).

On a global level, it is possible to differentiate three different categories of Member States in terms of total administrative burdens :

- The high cost category made up of the countries mentioned above. The high costs identified are mostly due to the high number of vessels over 10 metres in length, which are the main targets by the Regulation in scope, as well as high levels of fishery production;
- The medium cost category includes countries that have a considerable fleet of large-sized vessels (vessels over 10 metres in length), yet not as substantial as those mentioned above. These are Denmark, Finland, Greece, Ireland and Sweden. They account for 21% of the total administrative costs of the Priority Area;
- The lowest cost category includes countries with much smaller fleet sizes and where administrative costs are minimal in comparison to the two previous categories.

Two of the Measurement Countries selected, France and Spain, belong to the first category, two Measurement Countries (Greece and Ireland) belong to the medium category, and two of the Measurement Countries, Poland and Portugal, belong to the last. The spread across the three categories enabled us to have a picture of the structure and drivers of the administrative burden in fisheries across these categories.

Information about the administrative costs and administrative burden for all countries can be found below.

Table 6: Administrative Cost for the Member States for the Fisheries Priority Area

Country	EU Requirements		National obligation going beyond EU Requirements[42]				Total Admin. Cost	Total Admin. Burden	
			Possibility stated in the EU Act		Possibility not stated in the EU Act				
	No. of Req.	Admin. Cost (€ x 1,000)	No. of stated possibilities directly implemented	Admin. Cost (€ x 1,000)	No. of stated possibilities not directly implemented	Admin. Cost (€ x 1,000)	Admin. Cost (€ x 1,000)	Admin. Burden (€ x 1,000)	Share of Administrative Cost (%)
BE Extrapolated data	11	471.1	0	0	1	8.0	479.0	457.8	95.58
BG Extrapolated data	11	28.7	0	0	3	255.1	283.8	281.7	99.25
CY Extrapolated data	11	175.8	0	0	0	0	175.8	163.3	92.87
DE Extrapolated data	11	2,110.1	0	0	0	0	2,110.1	2,052.4	97.27
DK Retrieved and extrapolated measurement data	11	3,638.6	0	0	0	0	3,638.6	3,477.4	95.57
EE Extrapolated data	11	284.5	0	0	0	0	284.5	279.2	98.15
EL Measurement data	11	2,999.2	0	0	1	59.7	3,058.9	2,906.3	95.01
ES Measurement data	11	7,922.9	1	4.9	4	3,530.4	11,458.2	11,142.7	97.25
FI Extrapolated data	11	3,209.1	0	0	0	0	3,209.1	3,165.9	98.65
FR Measurement data	11	13,173.9	1	0.5	3	3,064.1	16,238.5	15,550.7	95.76
IE Measurement data	11	3,426.8	0	0	0	0	3,426.8	3,332.6	97.25

[42] National obligations going beyond EU Requirements were measured in all Member States.

Country	EU Requirements		National obligation going beyond EU Requirements[42]				Total Admin. Cost	Total Admin. Burden	
			Possibility stated in the EU Act		Possibility not stated in the EU Act				
	No. of Req.	Admin. Cost (€ x 1,000)	No. of stated possibilities directly implemented	Admin. Cost (€ x 1,000)	No. of stated possibilities not directly implemented	Admin. Cost (€ x 1,000)	Admin. Cost (€ x 1,000)	Admin. Burden (€ x 1,000)	Share of Administrative Cost (%)
IT Extrapolated data	11	14,416.2	0	0	0	0	14,416.2	13,725.0	95.21
LT Extrapolated data	11	55.9	0	0	0	0	55.9	54.0	96.66
LV Extrapolated data	11	119.3	0	0	3	184.9	304.3	301.4	99.05
MT Extrapolated data	11	247.9	0	0	0	0	247.9	235.8	95.11
NL Retrieved and extrapolated measurement data	11	1,388.5	0	0	0	0	1,388.5	1,388.5	100.00
PL Measurement data	11	518.2	0	0	1	6.2	524.4	515.9	98.38
PT Measurement data	11	868.7	0	0	0	0	868.7	847.3	97.54
RO Extrapolated data	11	10.0	0	0	0	0	10.0	9.6	95.24
SE Extrapolated data	11	3,049.0	0	0	0	0	3,049.0	2,974.4	97.55
SI Extrapolated data	11	40.4	0	0	0	0	40.4	38.5	95.21
UK Retrieved and extrapolated measurement data	11	14,427.7	0	0	0	0	14,427.7	10,962.9	75.99
Grand Total	242	72,582.6	2	5.4	16	7,108.4	79,696.4	73,863.4	92.68

This Table is based on data compiled by the Consortium.

Note: Zero values - "0" – indicate that costs or obligations are too minimal to merit taking into account.

As stated previously, the main administrative costs have been identified in four main countries, France, Italy, Spain and the United Kingdom. These four countries account for 71% of the total administrative costs. This concentration can be underlined by the differences in the sizes of the fishing fleet that are targeted by the Regulation in scope. These four Member States account for 64% of the EU fishing fleet of vessels above 10 metres in length, which are the main target of the Regulation in scope. For example, requirements related to the operation's logbook, as well as to the landings of fishery products are required to be fulfilled for every vessel above 10 metres in length.

Possibilities that are not stated in the EU Regulation account for 9% of the total administrative costs of the Priority Area. Four countries show relatively high levels of administrative costs arising from Possibilities not stated in the EU Regulation. These are Bulgaria, France, Latvia and Spain, which account for 99% of the total administrative costs arising from Possibilities not stated in the EU Regulation for the Fisheries Priority Area.

More specifically, the costs arising from national requirements are concentrated in two countries, Spain and France:

- In Spanish legislation, obligations arising specifically from national requirements represent an administrative cost of 30.8% of the total administrative costs in Spain, equivalent to almost 50% of the total Possibilities not stated in the EU Regulation across Member States.
- France's Possibilities not stated in the EU Regulation account for 18.9% of its total administrative costs and for 43% of the total Possibilities not stated in the EU Regulation across Member States.

Bulgaria and Latvia's Possibilities not stated in the EU Regulation are not numerous compared to Spain or France, but they do have the characteristic of accounting for a large part of their total administrative costs. In fact, they account for 89% and 61% respectively, of their total administrative costs for the Fisheries Priority Area, for the reason that fishermen have additional activities and requirements (in Latvia) or that the requirements of this Regulation were extended to all fishermen (in Bulgaria).

2.4.3.2 Measurement Countries

The measurement of the IOs took place in six preselected Member States. As stated in Section 2.2. Member States chosen for measuring the prioritised IOs in the Fisheries Priority Area were:

- France
- Greece
- Ireland
- Poland
- Portugal
- Spain.

The Table below details the administrative cost for the Measurement Countries.

Table 7: Administrative Cost for the six Measurement Countries – measurement data

Country	EU Requirement	National obligation going beyond EU Requirements[43]		Total Admin. Cost	Total Admin. Burden	
		Possibility stated in the EU Act	Possibility not stated in the EU Act			
	Admin. Cost (€ x 1,000)	Admin. Cost (€ x 1,000)	Admin. Cost (€ x 1,000)	Admin. Cost (€ x 1,000)	Admin. Burden (€ x 1,000)	Share of Admin. Cost (%)
FR	13,173.9	0.5	3,064.1	16,238.5	15,550.7	95.76
EL	2,999.2	0	59.7	3,058.9	2,906.3	95.01
IE	3,426.8	0	0	3,426.8	3,332.6	97.25
PL	518.2	0	6.2	524.4	515.9	98.38
PT	868.7	0	0	868.7	847.3	97.54
ES	7,922.9	4.9	3,530.4	11,458.2	11,142.7	97.25
Total	28,909.8	5.4	6,660.4	35,575.6	34,295.6	96.40

This Table is based on data compiled by the Consortium.

Note: Zero values - "0" – indicate that costs are too minimal to merit taking into account.

Administrative costs of the Measurement Countries account for 45% of the total Priority Areas costs. As stated previously, these countries have been selected as a representative

[43] National obligations going beyond EU Requirements were measured in all Member States.

sample of the Priority Area. Given that these Measurement Countries represent almost 50% of the EU fishing fleet above 10 metres in length, it shows that the costs are more or less in line with the weighting of these countries in fisheries across Europe.

Of the total cost of €36.7 million in the Measurement Countries, €16.2 million or 46% of the total administrative cost in these six countries comes from France, while Spain is ranked second with €11.5 million or 32% of the total cost in the Measurement Countries. Together they amount to almost 80% of the total administrative costs in the Measurement Countries.

If however, we perform an intuitive check on the basis of the number of vessels above 10 metres in length (which are the main targets of this Regulation), we can see that France is first with an average administrative cost per vessel almost double that of Spain and that Ireland ranks second and comes between them. Countries such as Greece and Poland fall below the average of the Measurement Countries and Portugal is the Measurement Country where the burden is the least by far in terms of average costs per vessel. These calculations are shown in the Table below.

Table 8: Average Administrative Cost for the six Measurement Countries – measurement data[44]

Country	FR	EL	IE	PL	PT	ES	Total
Total Administrative Costs (€ x 1,000)	16,238.50	3,058.90	3,426.80	524.4	868.7	11,458.20	35,575.60
Number of Vessels above 10 metres in length	2,329	1,789	623	340	1,141	4206	10,428
Average yearly administrative cost per vessel (€ x 1,000)	6.97	1.71	5.50	1.54	0.76	2.72	3.41

This Table is based on data compiled by the Consortium.

[44] This Table presents a calculation based on the total number of vessels above 10 metres in length. The perimeter of the Priority Area has, however, been extended for some IOs to smaller vessels; this Table serves therefore as a comparison of first results that are thoroughly assessed in section 3 of the present report.

For France, the vast majority of the administrative cost is related to the operations logbook and the sales notes for the first marketing of products (see section 3 for more detailed analysis on IO level). It is worth noting that, of the Measurement Countries, France has the highest number of sales notes as well as the second highest number after Spain of landing declarations and operations logbooks. But most importantly, the processes in relation to the IOs identified in connection with the Regulation seem to require more time and effort than in the other measurement countries. Further analysis on the IO level will allow us to identify the structures and conditions that have led to this.

Spain has the largest fleet of vessels exceeding 10 metres in length and, of the Measurement Countries, accounts for 40% of all the operations logbooks and landing declarations, with France and Greece ranked second and third. The level of administrative costs per registered Spanish vessel above 10 metres in length is close to the average of the Measurement Countries. It seems therefore that the high administrative costs in Spain arise from a high number of vessels that are covered by this Regulation rather than from a particularly higher burden per vessel (in comparison to the other Measurement Countries).

Ireland, with a total cost of €3.4 million, comes third among Measurement Countries, mainly due to the large number of sales notes submitted (third among the Measurement Countries). As stated previously, the average administrative costs incurred by an Irish vessel over 10 metres in length are much higher than the average of the other Measurement Countries and place Ireland into second position after France and ahead of Spain in terms of average costs per vessel. Indeed, considering that there are 623 vessels above 10 metres in length in Ireland, leading to a gross average of €5,500 in terms of administrative costs per vessel, Ireland falls between France with an average of €7,000 of administrative costs per vessel and Spain that has an average of €2,700[45].

Many factors explain this statement. It should first be noted that Ireland has the highest wage rate among Measurement Countries for this Priority Area (i.e. €22 hourly compared to €12 in Spain). Furthermore, the time spent by fishermen and other stakeholders to

[45] Calculation is provided in Table 8 of the present report.

comply with the Regulation is higher than most countries, which is mainly due to the thoroughness of the controls carried out by the Irish authorities. Again, the analysis on the IO level in the following chapters will give a better insight.

As stated previously, this weighted average aims to provide a sensitive check on the relative weight of the Regulation at a national level. The Regulation also includes IOs related to the first sale of a fishery product and to its transport, where Masters of Vessels are less involved. In reality, the higher costs in France and Ireland are partly explained by the fact that they have more sales and transport activities than in comparison to other countries. This does, however, provide an indicator allowing comparative analysis across countries.

With a total cost of €3.1 million, Greece ranks fourth among the Measurement Countries. Greece has the largest fishing fleet in Europe. However, a very large part of the fleet consists of small family-owned vessels under 10 metres in length, that are not directly affected by this Regulation. As will be explained further in section 3, IOs are often complied with by professionals rather than fishermen in Greece, which is usually not the case in other countries. Therefore, the hourly tariff is considerably higher than for the other Measurement Countries, though the time spent on the IOs is often among the lowest.

Portugal and Poland, with costs of €0.9 and €0.5 million respectively, represent together only 4% of the total administrative cost among the Measurement Countries. These are countries with rather small fishing fleets (of vessels above 10 metres in length) as well as a low average sales activity and they show comparatively lower administrative costs per fishing vessel.

Of the total administrative costs in the Measurement Countries, 19% stem from national obligations going beyond EU Requirements.

Spain's national obligations represent almost 31% of its total administrative burden with regard to this Regulation and 53% of the total Possibilities that are not stated in the EU Regulation among the Measurement Countries. Similarly, Spain's total Possibilities that are

not stated in the EU Regulation represent 50% of the total administrative costs of the possibilities not stated in the EU act for the entire Priority area. This is mostly due to the fact that for specific IOs, such as the "submission of landing declaration", the target group is extended to all Masters of Vessels, or their representatives, regardless of the size of vessel. The population is, in this case at least double that of the other Member States.

France's national obligations represent almost 20% of its total administrative burden with regard to this Regulation and 46% of the total Possibilities not stated in the EU Regulation among the Measurement Countries. France's total Possibilities that are not stated in the EU Regulation represent 43% of the total administrative costs of the Possibilities not stated in the EU Regulation across Member States . The main reason for this is that the target groups have been extended to all Masters of Community Vessels for both IOs concerned: "Potential audit requiring fishermen to keep an operations logbook" and "Submission of a landing declaration". In addition, landing declarations need to be sent to the French authorities even when the landing does not take place in France.

From the interviews conducted, it was ascertained that the level of administrative burden is more than 95%. This Figure shows that a very large part of the IOs identified are completed only for the purpose of complying with the legislation, and are therefore not perceived as being integrated into the fishermen's or other stakeholders' day-to-day activities per se. Generally, such high levels of burden in relation to costs are an indication that there is a specific need for understanding, communication and training on the purpose of the Regulation in scope, in order to avoid high levels of irritation towards the Regulation.

2.4.3.3 Baseline Countries

A central aspiration of the project was to learn from measurements which had already been undertaken in Member States. These measurements were an important input as they constitute the current "state of play" in those countries already having done work in the SCM field[46]. Existing measurements were reused whenever possible and efficient. This was

[46] Wherever possible, data from the national baseline measurements was reused. However, where no comparable data was available the administrative costs were extrapolated. More specific information

mainly the case when complete baseline measurements of a Priority Area were available and where the methodology used in the Baseline Countries was comparable enough to the EU SCM not to distort the extrapolation approach.

The Member States that have already conducted measurements on the IOs identified in the Fisheries Priority Area are:

- Denmark
- the Netherlands
- the United Kingdom.

From a methodological point of view, when existing data was available, it was assessed in order to make sure that the existing data is comparable to the conducted measurement (mostly content-wise). After these checks, the data were either be used to constitute a basis for the extrapolation of costs in remaining countries, or be used as such, but not provide a basis for extrapolation (when differences in the measurement in terms of content as well as in methods of collection are expected to create an inaccurate distortion in the extrapolation model, they would either be used as such but not as a basis for extrapolation purposes or launched for extrapolation along with the rest of the Extrapolation Countries).

In the Fisheries Priority Area, data on certain IOs from Denmark and from the Netherlands were used as such and provided a basis for extrapolation. For example, Denmark's existing measurement gave significant insight into three IOs:

- "Cooperation with inspections"
- "Potential audit requiring fishermen to keep an operations logbook"
- "Submission of a sales notes for first marketing of fishery products".

For these IOs, data has been thoroughly examined and adjusted to the scope of the existing project (in terms of content as well as targeted populations), so that it could serve as a basis for comparison and for extrapolation.

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on the reuse of data from national baseline measurements is provided in the Annex 'Challenges and constraints of reusing existing data from previous baseline measurements'.

Similarly, existing measurement data from the Netherlands gave significant insight into seven IOs, which served as a basis for extrapolation.

Data from the United Kingdom was kept as such, but unexplained distortions in total costs in comparison to the Measurement Countries in relation to certain IOs such as "cooperation with inspections", led the consultant not to include it as a basis for the extrapolation model. These distortions will be explained in more detail below.

The Figure which follows gives an overview of the administrative costs in the Baseline Countries.

Table 9: Administrative Cost for the Baseline Countries – existing and extrapolated data

		National obligation going beyond EU Requirements				
	EU Requirement	Possibility stated in the EU Act	Possibility not stated in the EU Act	Total Admin. Cost	Total Admin. Burden	
Country	Admin. Cost (€ x 1,000)	Admin. Cost (€ x 1,000)	Admin. Cost (€ x 1,000)	Admin. Cost (€ x 1,000)	Admin. Burden (€ x 1,000)	Share of Admin. Cost (%)
DK	3,638.6	0	0	3,638.6	3,477.4	95.57
NL	1,388.5	0	0	1,388.5	1,388.5	100.00
UK	14,427.7	0	0	14,427.7	10,962.9	75.99
Total	19,454.7	0.0	0.0	19,454.7	15,828.8	81.36

This Table is based on data compiled by the Consortium.

Note: Zero values - "0" – indicate costs that are too minimal to merit taking into account.

It can be ascertained that the administrative cost arising from the three Baseline Countries is responsible for almost 25% of the total Priority Area costs (including all 22 Member States). Among the Baseline Countries, the United Kingdom accounts for 74% of the total administrative cost. More importantly, the United Kingdom accounts for 18% of all administrative costs arising from the Regulation in scope across the 22 Member States. Denmark's costs account for 5% of the total cost of this Priority Area and the Netherlands for 2%.

Table 10: Average Administrative Cost for the Baseline Countries – existing and extrapolated data[47]

Country	DK	NL	UK	Total
Total Administrative Costs (€ x 1,000)	3638.6	1388.5	14,427.70	19,454.70
Number of Vessels above 10 metres	767	551	1,560.00	2,878.00
Average yearly administrative cost per vessel (€ x 1,000)	4.74	2.52	9.25	6.76

This Table is based on data compiled by the Consortium.

As for the Measurement Countries above, if we perform an intuitive check on the basis of the number of vessels above 10 metres in length, we can see that the average administrative cost per vessel in the United Kingdom is the highest in Europe with more than €9,000[48], whereas Denmark and the Netherlands respectively, rank slightly above and below the average of the 22 Member States[49].

Much of the explanation for the relatively high cost in the United Kingdom lies with the methodological choices used and specifically with the reuse of existing data. As an example, the number of inspections conducted in the UK as part of the UK system of controls on fisheries activities is much higher than in any other country. It was, however, unclear if these concerned only logbook and sales inspections. They could equally relate to inspections on working environment or health. Further investigation was not able to clarify whether or not these inspections related to out of scope activities or not. It was, therefore, been decided to keep the measured values as such for the UK, but not to use it as a basis for extrapolation.

Similarly, the methodology used in the Baseline Countries for measurement and calculation for the IO "Potential audit requiring fishermen to keep an operations logbook" differs slightly from the methodology used in the current project, showing results that are

[47] This Table presents a calculation based on the total number of vessels above 10 metres in length. The perimeter of the Priority Area is however, extended for some IOs to smaller vessels. This Table serves as a first comparison of results.

[48] It is important to remember that this indicator serves as a comparative tool and does not mean that the Regulation costs UK fishermen €9,000; IOs stemming from the Regulation also include burdensome processes that are related to sales and to transport of fishery products.

[49] The calculation resulted in an average of €3,553 of yearly administrative costs per vessel above 10 metres.

somewhat higher than those collected and calculated in the Measurement Countries. As a result, the average administrative cost per vessel exceeding 10 metres in length is the highest among the Member States.

Methodological and calculation differentials are not the only factors explaining the UK's high costs. Discussions with experts and authorities have shown that, along with Ireland, there is a significant amount of effort invested by fishermen in complying with the Regulation. This is mostly the result of the strict requirements and high level of sanctions imposed by the authorities. The administrative costs are then directly affected and are higher in comparison to other countries.

In the case of Denmark, approximately €1.4 million is connected to the completion and submission of the operations logbook (42% of the total national cost) and approximately €0.9 million (26% of the total national cost) concerns the IO "Submission of a sales note for first marketing of fishery products". Denmark's administrative costs per fishing vessel are comparatively higher than the average for EU Member States. It should be borne in mind in relation to the IOs mentioned above, Denmark has the second highest fishery production in Europe (hence a high number of logbook records and a very high number of sales notes). Furthermore, the hourly fees in Denmark are one of the highest in Europe, increasing the total costs per IO for the Fisheries Priority Area.

For the Netherlands, the administrative costs seem to be more aligned with the parameters of the measurement that was carried out in the context of this project[50]. In the Netherlands, the costs amount to €1.2 million, with an average cost per vessel exceeding 10 metres in length that is slightly below the average from Measurement Countries. This is perceived to be normal, as no additional costs, or particular irritations due to additional requirements, specificities or malfunctions were notified in the description of the processes that arose from the Regulation were notified, and as some good practice could be identified (particularly concerning the submission of sales notes or the usage of sophisticated IT systems on board. These will be explained in section 3.3).

[50] Such a statement is made on the basis that elements such as IOs descriptions, segments and business processes could be assimilated to the ones that were identified in the current project.

As in the Measurement Countries, the level of business-as-usual costs is particularly low. The Netherlands have identified all their costs as a burden and in Denmark 95% of the costs are perceived as a burden. The United Kingdom is the only country of the 22 Member States which has identified a considerable level of business-as-usual costs (24%). However data from the UK arises from different methodological choices than those chosen in this measurement.

2.4.3.4 Extrapolation Countries

As indicated above, the measurement was only conducted in a sample of six Member States. Consequently, there were data gaps in the model in the remaining Member States. The results from the Measurement Countries and the Baseline Countries were used to estimate the costs in countries where no measurement was undertaken [51]. This extrapolation process provided the indicative total costs for European businesses of complying with EU legislation.

The Table below shows the administrative costs for the Extrapolation Countries.

Whenever the extrapolation model gave rise to results that were not consistent with what might have been anticipated based on economic analysis, this was further discussed with DG Enterprise, with whom a basis for manual extrapolation was agreed.

Table 11: Administrative Cost for the 13 Extrapolation Countries – extrapolated data

Country	EU Requirement	National obligation going beyond EU Requirements[52]		Total Admin.Cost	Total Admin. Burden	
		Possibility stated in the EU Act	Possibility not stated in the EU Act			
	Admin. Cost (€ x 1,000)	Admin. Cost (€ x 1,000)	Admin. Cost (€ x 1,000)	Admin. Cost (€ x 1,000)	Admin. Burden (€ x 1,000)	Share of Admin.Cost (%)
BE	471.1	0	8.0	479.0	457.8	95.58
BG	28.7	0	255.1	283.8	281.7	99.25

[51] The Consortium did however collect population data for all IOs for all relevant Member States.

[52] National obligations going beyond EU Requirements were measured in all Member States.

Country	EU Requirement	National obligation going beyond EU Requirements[52]		Total Admin.Cost	Total Admin. Burden	
		Possibility stated in the EU Act	Possibility not stated in the EU Act			
	Admin. Cost (€ x 1,000)	Admin. Cost (€ x 1,000)	Admin. Cost (€ x 1,000)	Admin. Cost (€ x 1,000)	Admin. Burden (€ x 1,000)	Share of Admin.Cost (%)
CY	175.8	0	0	175.8	163.3	92.87
EE	284.5	0	0	284.5	279.2	98.15
FI	3,209.1	0	0	3,209.1	3,165.9	98.65
DE	2,110.1	0	0	2,110.1	2,052.4	97.27
IT	14,416.2	0	0	14,416.2	13,725.0	95.21
LV	119.3	0	184.9	304.3	301.4	99.05
LT	55.9	0	0	55.9	54.0	96.66
MT	247.9	0	0	247.9	235.8	95.11
RO	10.0	0	0	10.0	9.6	95.24
SI	40.4	0	0	40.4	38.5	95.21
SE	3,049.0	0	0	3,049.0	2,974.4	97.55
Total	24,218.0	0	448.0	24,666.1	23,739.0	96.24

This Table is based on data compiled by the Consortium.

Note: Zero values - "0" – indicate costs that are too minimal to merit taking into account.

The exercise of predicting cost through statistical modelling results in cost data with a different level of accuracy when compared to the data collected through interviews. The extrapolated costs are for these reasons less precise and less detailed than the measured costs. Analyses of specific requirements should therefore only be based on data from countries that have been measured, whereas the total impact of EC legislation and of changes in legislation can be assessed using the extrapolated costs.

In the Fisheries Priority Area, the main explanatory variable that was used in the extrapolation model was the productivity ratio. Productivity in this sense represents the GDP in Purchasing Power Standards (PPS) per person employed relative to EU-25[53]. Further details may be found in the Annex of the present report as well as on the Main Report.

[53] The data that served as a basis for the extrapolation was retrieved from Eurostat and is presented in the Main Report of the current project.

The administrative cost arising from the Extrapolation Countries accounts for almost 30% of the total Priority Area cost. The total cost of €24.7 million for the Extrapolation Countries is dominated by the predicted amount of cost attributed to Italy (€14.4 million, which is equal to 18% of the total Priority Area cost across the 22 Member States). As already mentioned, this cost is mainly due to the fact that the Italian fishing fleet is one of the largest in Europe, having the largest fishing fleet of vessels above 10 metres in length in the EU. Considering the fact that Italy accounts for more than 20% of the fishing fleet (above 10 metres in length) of the EU Member States, it can be concluded that the administrative costs attributed to Italy are not particularly high. Based on an intuitive check, Italy's average costs per vessel exceeding ten metres in length amount to €2,640. This is close to the average presented above.

As mentioned previously, there is a need to assess this data with caution, taking into account the limited level of accuracy such a statistical model may have[54]. However, it is worth mentioning and explaining the figures of certain countries, which may at first sight be considered as outliers.

High extrapolated costs in Finland and Sweden are mostly due to the fact that these countries have hourly tariffs that are the highest in Europe[55], as well as having productivity ratios which are among the highest in the EU. The ratios for these countries are 114 and 113, thus explaining the higher costs generated by the model explained previously.

There is as well a remarkably large difference between Malta and Romania in terms of administrative costs for the Fisheries Priority Area. Indeed, the Table above shows that Malta has a much higher level of administrative costs than Romania. There are three main reasons. Firstly, the productivity ratio is fairly close to the average of all Member States,

[54] Since the extrapolation was based on the productivity ratio, performing an intuitive comparison based on the number of vessels above 10 metres in length, as in the previous sections, has limited accuracy, which is the reason why it is not used in this section.

[55] All tariffs per category and per country can be found in Annex of the Main Report of the current project.

whereas Romania has one the lowest productivity ratios (the 2008 figure for Romania was 40, as opposed to 90 for Malta). Secondly, and most importantly, Malta has a fishing fleet of 160 vessels above 10 metres in length, which is 2.7 times the number of equivalent vessels in Romania. Indeed, Romania has the second smallest fishing fleet, consisting of 59 vessels above 10 metres in length[56]. Thirdly, and last but not least, there is a significant difference in the hourly tariffs that are attributed to both countries.

The costs for Bulgaria and Latvia are dominated by the high proportion of costs related to the additional requirements imposed by national legislation. As stated in section 2.4.2.1, they account for 89% and 61% respectively of their total administrative costs for the Fisheries Priority Area and are mainly related to specific obligations regarding the completion of the operations logbook, the submission of a landing declaration and its extended application to vessels less than 10 metres in length.

As in the Measurement Countries and Baseline Countries, the level of business-as-usual costs is particularly low; the proportion between the administrative burden and administrative costs for all of the Extrapolation Countries range from 95% to 100%. Such Figures show that fishermen conduct specific activities towards complying with the Regulation in scope and do not consider these activities as part of their business, which is to be expected since the Regulation focuses on the control system that is applied to the fishery sector.

2.4.4 Administrative Costs related to irritation potential of most burdensome EU IOs

The overall objective of the Action Programme is to achieve a reduction in administrative burdens of 25% by 2012. Previous SCM projects at national level have proved that reduction efforts will be seen as especially successful if the public authorities manage to lower the perceived burdens for businesses. Thus, two dimensions should be taken into account when analysing how burdensome an IO is:

[56] Slovenia has the smallest fishing fleet of vessels above 10 metres with 3 vessels, but has a productivity ratio of 88 and hourly tariffs that are considerably higher than Romania's.

1. Level of administrative burden
2. Level of irritation for businesses.

The following paragraphs highlight some findings about the level of irritation based on the qualitative information gathered during the field measurements and expert interviews. The Main Report on the measurement data and analysis as specified in the specific contracts 5&6 on Modules 3&4 under the Framework Contract n° ENTR/06/61 contains a high level overview of the irritation levels of all PAs. It includes a thorough analysis of the total dataset.

Most interviewees did not identify the IOs as particularly irritating. However, as seen in previous sections, the Regulation in scope has a rather low level of business-as-usual costs; it establishes particular obligations for the fishermen, obligations that are seen as a burden during their daily activity. From that perspective, the level of irritation could be characterised as rather low, as it shows that fishermen generally seem to understand the reasons for existence of such IOs. However they would like to have assistance in complying with them.

The IO "Potential audit requiring fishermen to keep an operations logbook" has the highest cost (50.2% of the total), while at the same time also having a high score in terms of the level of irritation it causes the fishing community. The main reason for that is that it requires Masters of Vessels to register information on their location and their catches. This is in most cases done by approximations and estimates of the species caught, which may be subject to inspections. In these cases, there is a level of uncertainty that leads to irritation. The completion of an operations logbook has a tolerance margin in weighing the fish that cannot be exceeded by Masters of Vessels (some countries have introduced severe penalties for this). The penalties are perceived as extremely high and the tolerance margins rather low. The combination of both makes this IO highly irritating.

Businesses also mention that the IO "Cooperation with inspections" is a source of some irritation. It involves long waiting times. This holds up fishing operations in most cases and thus reduces productivity. This irritates the fishing community.

The irritation related to the IO “Notification of geographical position” is mainly due to the fact that there is a level of uncertainty about new technology. The high frequency of VMS failure over recent years means that Masters of Vessels have to ensure that the system actually works each time they need to communicate their geographical position and in cases of failure, to file an error report.

3. Legal acts and the most burdensome IOs

As a general rule, a relatively small number of IOs represent the major part of the cost in any Priority Area and it is therefore worthwhile focusing on these. This section does that, relating each IO to the Legal Act from which it stems. The Table below shows the indicative total administrative cost for all EU IOs arising from Council Regulation (EEC) No 2847/93 of 12 October 1993 and the cost of the corresponding national obligations going beyond EU Requirements

Table 12: Total Administrative Cost of EU IOs by EU Requirements and National Obligations going beyond EU Requirements

			EU Requirements	National Obligations going beyond EU Requirements		Total Admin. Burden		Total Admin. Cost
				Possibility stated in the EU Act	Possibility not stated in the EU Act			
EU Requirement	Legislation	Article No.	Admin. Cost (€ x 1,000)	Admin. Cost (€ x 1,000)	Admin. Cost (€ x 1,000)	Admin. Burden (€ x 1,000)	Share of Admin. Cost (%)	Admin. Cost (€ x 1,000)
1. Potential audit requiring fishermen to keep an operations logbook	Council Regulation (EEC) No 2847/93 of 12 October 1993	Art. 6 par.1; Art. 6 par. 2; Art. 6 par. 3; Art. 19 point (e)	39,137.50	0	873.8	38,298.20	95.72	40,011.2
2. Submission of a landing declaration	Council Regulation (EEC) No 2847/93 of 12 October 1993	Art. 8 par. 1	12,264.5	0	5,743.6	15,252.30	84.7	18,008.1
3. Submission of a sales note for first marketing of fishery products	Council Regulation (EEC) No 2847/93 of 12 October 1993	Art. 9 par. 1	11,670.3	0	0	10,644.5	91.21	11,670.3
4. Submission of (a copy of) the transport document	Council Regulation (EEC) No 2847/93 of 12 October 1993	Art. 9 par. 5; Art. 13 par. 1; Art. 13 par. 2	3,516.3	0	18.5	3,534.8	100	3,534.8
5. Cooperation with inspections	Council Regulation (EEC) No 2847/93 of 12 October 1993	Art. 4 par. 2	3,116.3	0	0	2,777.8	89.14	3,116.3
6. Notification of the geographical position	Council Regulation (EEC) No 2847/93 of 12 October 1993	Art. 3 par. 5	2,297.3	0	374.5	2,671.8	100	2,671.8
7. Provision of a sampling plan and transhipment details	Council Regulation (EEC) No 2847/93 of 12 October 1993	Art. 12	271.8	0	38.4	310.1	100	310.1

			EU Requirements	National Obligations going beyond EU Requirements		Total Admin. Burden		Total Admin. Cost
				Possibility stated in the EU Act	Possibility not stated in the EU Act			
EU Requirement	Legislation	Article No.	Admin. Cost (€ x 1,000)	Admin. Cost (€ x 1,000)	Admin. Cost (€ x 1,000)	Admin. Burden (€ x 1,000)	Share of Admin. Cost (%)	Admin. Cost (€ x 1,000)
8. Submission of an effort report	Council Regulation (EEC) No 2847/93 of 12 October 1993	Art. 19 point (b); Art. 19 point (c)	169.4	0	59.7	229.1	100	229.1
9. Provision of landing information (....to the Community regime)	Council Regulation (EEC) No 2847/93 of 12 October 1993	Art. 7 par.1	57.7	0	0	57.7	100	57.7
10. Provision of landing information (...to the specific port scheme)	Council Regulation (EEC) No 2847/93 of 12 October 1993	Art. 7 par.1	53	0	0	53	100	53
11. Drawing up a stowage plan	Council Regulation (EEC) No 2847/93 of 12 October 1993	Art. 20 par. 2	28.5	0	0	28.5	100	28.5
12. Application for financial support	Council Regulation (EEC) No 2847/93 of 12 October 1993	Art. 3 par. 4	0	5.4	0	5.4	100	5.4

This Table is based on data compiled by the Consortium.

Note: Zero values - "0" – indicate costs that are too minimal to merit taking into account.

As can be seen from the Table above, three main IOs are considered as the most burdensome for the Fisheries Priority Area. These are the IOs:

- "Potential audit requiring fishermen to keep an operations logbook"
- "Submission of a landing declaration"
- "Submission of a sales note for first marketing of fishery products".

Together, they represent €69 million of administrative costs, corresponding to 86% of the administrative costs of the entire Priority Area, and will, therefore, constitute the focal point of our further analysis.

Another set of three IOs can be identified as generating a lower but certain amount of burden arising from the legislation in scope. These are the following:

- "Submission of (a copy of) the transport document"
- "Cooperation with inspections"
- "Notification of the geographical position".

They account for 11.7% of the burden for this Priority Area, and their content will also be developed further here, as they are closely linked to the process related to the previously mentioned most burdensome IOs, or as they may provide insight into the compliance with the Regulation and the impact of modern technologies.

In terms of IOs, as has already been outlined, the most burdensome IO is "Potential audit requiring the fishermen to keep an operations logbook". It constitutes 50.2% of the total administrative cost of the Priority Area. The high costs related to this IO can mostly be explained by the high frequency associated with it, as well as the high levels of population that are targeted by it. All Masters of Vessels exceeding 10 metres in length (or 8 metres in the Baltic Region) may need to comply with filling in a logbook on each day of the trip, providing information on every catch exceeding 50 kg of live weight (or 15 kg in the Mediterranean), for different fish species, on the use of different gears and on every time they enter or exit a specific zone.

The IO “Submission of landing declaration” is ranked second in the most costly IOs and it requires Masters of Vessels to submit specific information on their catches to the authorities for every landing. Again, there is a high frequency associated with it as, for monitoring purposes, it needs to be done for every landing.

The IO “Submission of a sales note for first marketing of fishery products” is ranked third among the most burdensome IOs in Fisheries. This IO targets a completely different group than the aforementioned IOs as it requires the first buyers of fishery products to submit specific information on the fishery products as well as on the vessel that performed the catch. However, first marketing of fishery products is directly related to landings and also has a considerably higher occurrence.

The IO “Submission of (a copy of) the transport document” is ranked fourth as it is subject to a considerable amount of occurrences. It refers to the number of transport documents that are submitted on a yearly basis. As shown in section 3.1.5, this IO is calculated as being part of the logbook or of the landing declaration, and is calculated as if it were performed on every landing and may concern the submission of a specific transport document or a copy of the logbook or of the landing declaration.

As for the remaining IOs, the IO “Cooperation with Inspections” is ranked fifth in the above list, since it requires a high amount of time from fishermen in being present and assisting inspectors on their tasks when an inspection occurs. The IO “Notification of the geographical position” refers to a daily activity that needs to be performed by Masters of Vessels over 15 metres in length.

Further details on the IOs mentioned can be found in the following sections.

No external costs, in relation to equipment or to acquisition, have been identified across the measurement or the Baseline Countries, as the IOs identified do not require external services, such as the services of an expert or the purchase of specific equipment for use solely in complying with the IO. Other costs such as transmission costs and “small”

expenses are out of scope from a methodological point of view and are not included in the measurement.

As the total administrative costs and burdens are indicative because they include extrapolated data, the most burdensome IOs are analysed on the basis of the detailed data collected in the six Measurement Countries only. In the section below, each of these IOs is described in detail in relation to the following topics:

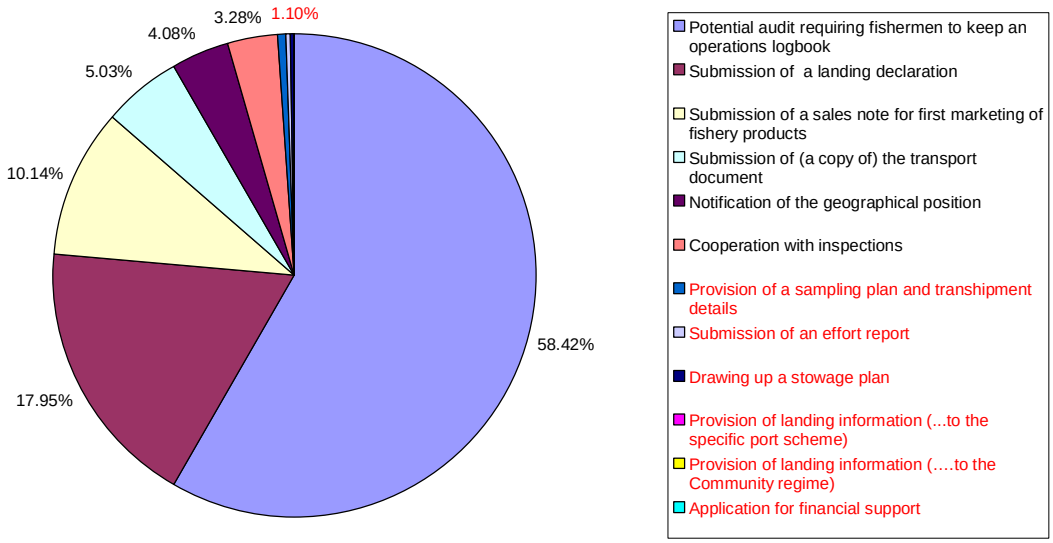
- Explanation of the legal aspects of the IO;
- Underlying steps in the business process;
- Overview of the cost parameters;
- Reasons why the IO is burdensome/irritating;
- Segmentation (if applicable);
- Data requirements (if applicable);
- Demarcation between the burdensome IO and closely related IOs (if applicable);
- Business-as-usual costs;
- Potential reduction measures.

3.1 Regulation 2847/93

Businesses that are required to comply with the IOs in Regulation (EEC) 2847/93 are masters or owners of Community vessels, authorised persons, transporters, take-over buyers, auction centres and other businesses involved in the first marketing of fishery products. The targets tend to differ depending on the IO that is identified within the Regulation. As previously stated, the Regulation in scope offers a legal control framework, in order to cover the fishery products from catch to plate. Thus, at different stages of this chain, different players are involved, by complying with specific IOs.

The proportions of administrative costs per EU IO arising from Regulation (EEC) 2847/93 are presented in the Table below.

Figure 6: Administrative Cost per EU IO in the Measurement Countries arising from Regulation 2847/93 (%)



By Capgemini/Deloitte/Ramboll Management.

This Figure illustrates the relative cost share of each IO arising from the Regulation in scope in the Measurement Countries and differentiates those that will be the focal point of the present analysis with a view to reducing administrative burden (sections 3.1.1 to 3.1.6). The most burdensome IOs are marked in black (first six IOs in the legend), whereas less burdensome IOs are marked in red (last six IOs in the legend). As shown, the six IOs identified as the most burdensome account for 98.9% of the total costs for the Priority Area, with the top three accounting for more than 85%. These will be thoroughly analysed in the following sections, as the work on the reduction of administrative burden in Module 5 will have to focus particularly on simplifying the processes arising from them.

3.1.1 IO1 "Potential audit requiring fishermen to keep an operations logbook", Art. 6 par.1; Art. 6 par. 2; Art. 6 par. 3; Art. 19 point (e)

3.1.1.1 Characteristics of the IO

This IO actually relates to filling in the logbook, keeping it updated for potential audit and, if requested, submitting it to the authorities.

The Masters of Community Vessels fishing for a stock or group of stocks must keep a logbook of their operations, indicating, in particular, the quantities of each species caught and kept on board, the date and location (ICES[57] statistical rectangle) of such catches and the type of gear used.

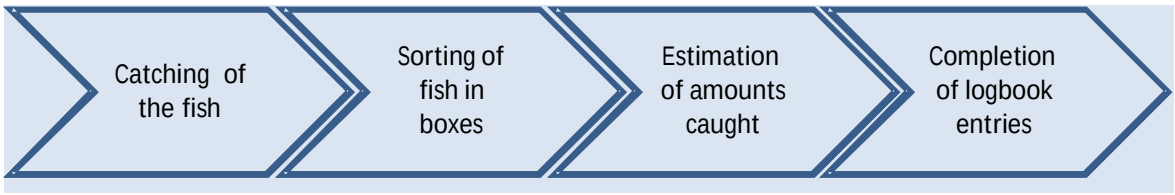
Masters or owners of Community vessels or authorised persons are those required to comply with the IO.

The logbook is mandatory for vessels equal to or more than, 10 metres in length and for an amount greater than 50 kg of live weight equivalent of any species retained on board, in areas other than the Mediterranean, where any amount greater than 15 kg of live weight equivalent of any species must be recorded. In the Baltic Sea Masters of Vessels between eight and 10 metres in length are also required to keep an operations logbook, with the same conditions as mentioned above.

3.1.1.2 Process for complying with IO

A simplified business process can be depicted as follows:

Figure 7: Business process for EU Requirement "Potential audit requiring fishermen to keep an operations logbook"



By Capgemini/Deloitte/Ramboll Management.

Note: The catching and sorting of the fish are not included in the time to comply with the IO.

[57] The International Council for the Exploration of the Sea (ICES) coordinates and promotes marine research in the North Atlantic. This includes adjacent seas such as the Baltic Sea and North Sea. ICES sets fishing quota for each ICES zone on a yearly basis.

Estimation of amounts caught and completion of logbook entries:

Catching and sorting the fish is carried out by fishermen assisting the Master of the Vessel and is not considered as an administrative task. The estimate of the amount caught (or their actual weight where available) and the completion of the logbook, including signing the logbook, is generally carried out at sea by the Master of the Vessel.

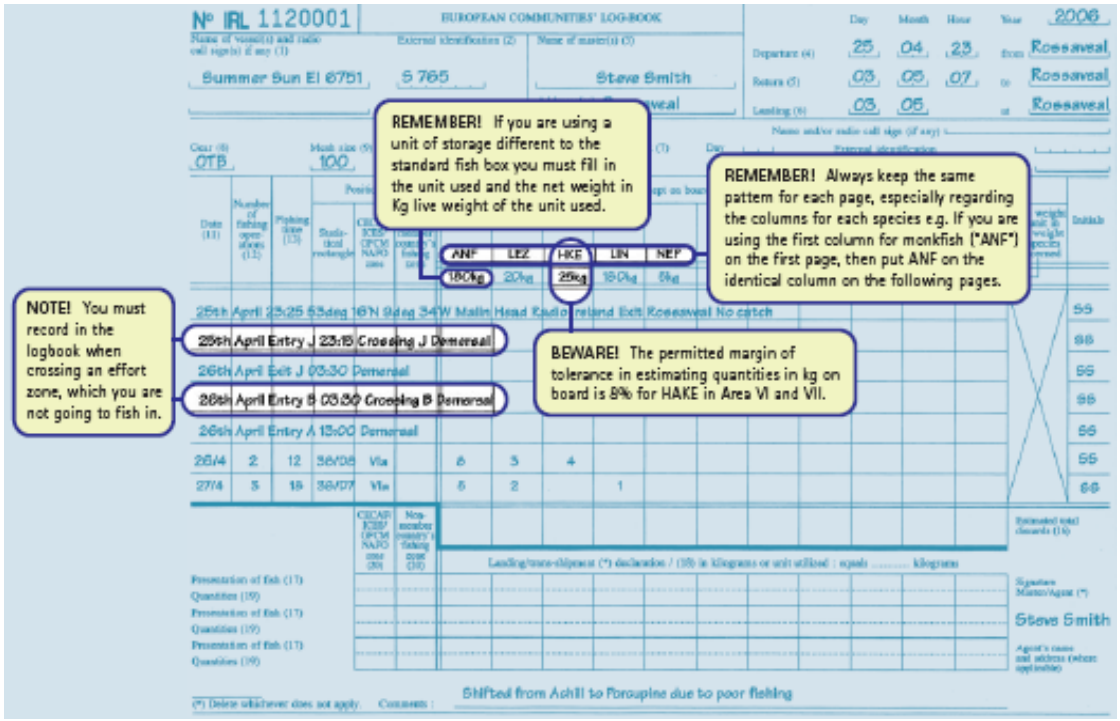
Regulation (EEC) No 2847/93 indicates that the logbook should be completed at least at the end of each day, ultimately at midnight[58]. The administrative costs for complying with it are based on:

- The number of vessels equal to or more than 10 metres in length;
- The time it takes to fill in the logbook;
- The average number of days at sea;
- The hourly wage rate of skilled fishery workers per specific Member State.

On average, a logbook consists of 50 pages. For each page, there is one sheet (original) and three copies. In most Member States, the logbook is provided free of charge by the authorities. Masters of Vessels use a preformatted logbook template prescribed by the Commission. An example of a logbook can be found below.

[58] Experts confirm that 200 days is an accepted average number of annual days at sea in the Community.

Figure 8: Example of Irish fishery logbook



Once the logbook sheet is completed, the Master of the Vessel must sign or stamp it in order for it to be valid.

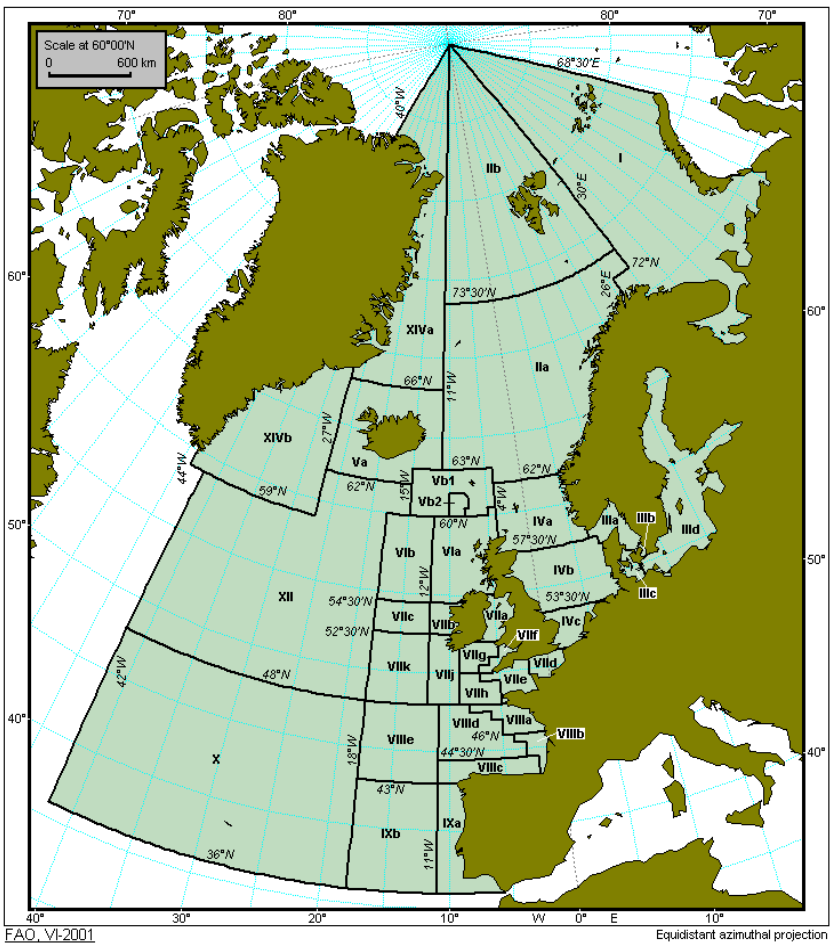
The time it takes to complete the logbook depends on the variety of species caught and the location. Small vessels, such as whelk vessels, normally go out to sea for one day only. The logbook is not that burdensome to this type of whelk vessel's business as they only fish for one species and usually stay within one ICES zone for the day. These masters usually complete the logbook on their return. A similar situation occurs in the Mediterranean, which consists mostly of small, traditional vessels. However, Mediterranean vessels usually catch many species simultaneously they usually need to sort them and complete different lines in the logbook for each species caught. Experts estimate that on average seven to eight different species can be caught in the Mediterranean Sea, whereas in the Baltic or the Western Seas, the number of species per catch would be closer to two.

All fishermen use the paper logbook they received from the authorities and most of them proceed as previously described. There are also few vessels which have a weighing machine on the boat used among others to precisely fill the logbook. However,

participating interviewees have stated that this type of machine is very expensive and is presently only found on large vessels. In the Netherlands, it has been identified that some newer vessels exceeding 24 metres in length have such equipment, where the weighing machine is directly related to a computer, which enables both the filling of a logbook in an electronic format, and the labelling on the fishery products to be landed.

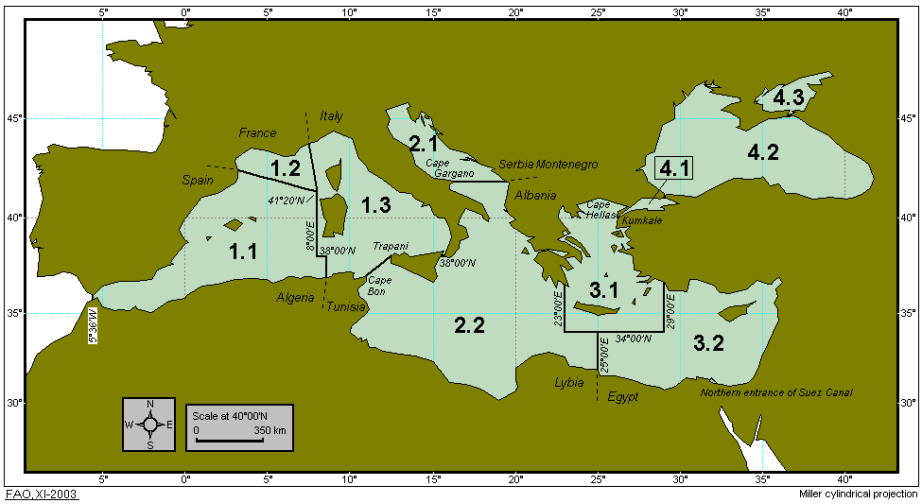
Masters of Vessels are also required to complete specific logbook entries when they cross an ICES zone border. This is necessary since specific quotas are allocated per ICES zone.

Figure 9: Map indicating ICES zones in the Northeast Atlantic[59]



[59] Source: http://www.fao.org/fishery/area/Area27

Figure 10: Map indicating Fishing zones in the Mediterranean and Black Seas[60]



If fish are caught in Biologically Sensitive Areas (BSA) a separate entry must be created in the logbook. BSAs are established by the European Commission in important juvenile fish nursery areas. The Commission establishes specific fishing effort regimes inside the BSA and outside the BSA for specific species that need protection[61].

In 2003, the Commission established a BSA off the south west coast of Ireland. A similar area of approximately 40,000 km^2 has been established off the Dutch and Danish coasts.

The majority of Masters of Vessels in Ireland operate in an area covering two ICES zones and close to the BSA. This requires more logbook entries and therefore more time to complete the logbook. Masters of beam trawlers in particular indicated that they spend significant time completing the logbook because of the different species they catch and the number of times they cross ICES zones. On average they stay at sea for six days and complete the logbook after each trip. This explains the higher than average costs for the IO for Ireland.

[60] Source: http://epp.eurostat.ec.europa.eu/cache/ITY_SDDS/Annexes/fish_aq_sm1_an1.pdf

[61] See also Council Regulation (EC) No 850/98 for the conservation of fishery resources through technical measures for the protection of juveniles of marine organisms.

Although the keeping of an operations logbook is also mandatory for the fleet in the Mediterranean, some cases of non-compliance have been identified. Masters of vessels indicate that the estimation of catches is especially difficult as they do not have the right equipment onboard and the tolerance margins are seen as rather tight.

In Greece, Masters of Vessels are usually attentive when they are required to complete the logbook if they catch tuna or swordfish as specific quotas have been set for these species.

In Portugal, Masters of Vessels do not always estimate the weight of catches when they are on sea. In many cases the fish is offloaded on-shore, weighed and only then the actual figures are recorded in the logbook.

3.1.1.3 Costs and explanatory variables

The administrative cost and the administrative burden for the six Measurement Countries are given in the next Table.

Table 13: Administrative Cost and Administrative Burden of "Potential audit requiring fishermen to keep an operations logbook"

Potential audit requiring fishermen to keep an operations logbook, Council Regulation (EEC) No 2847/93 of 12 October 1993 establishing a control system applicable to the Common Fisheries Policy, Art. 6 par.1; Art. 6 par. 2; Art. 6 par. 3; Art. 19 point (e)							
		Measurement Countries					
		FR	EL	IE	PL	PT	ES
Internal time per occurrence (minutes)	Masters of Community Vessels between 8 and 10 metres (only Baltic sea)	0	0	0	30	0	0
	Masters of Community Vessels equal to or longer than 10 metres	45	10	55	30	22	30
Average hourly tariff (€)	Masters of Community Vessels between 8 and 10 metres (only Baltic sea)	0	0	0	4.00	0	0
	Masters of Community Vessels equal to or longer than 10 metres	21.00	21.00	22.00	4.00	6.00	12.00

Table 13: Administrative Cost and Administrative Burden of "Potential audit requiring fishermen to keep an operations logbook"

Potential audit requiring fishermen to keep an operations logbook, Council Regulation (EEC) No 2847/93 of 12 October 1993 establishing a control system applicable to the Common Fisheries Policy, Art. 6 par.1; Art. 6 par. 2; Art. 6 par. 3; Art. 19 point (e)							
		Measurement Countries					
		FR	EL	IE	PL	PT	ES
Dominant employee type[62]	Masters of Community Vessels between 8 and 10 metres (only Baltic sea)	0	0	0	skilled agricultural/fishery workers	0	0
	Masters of Community Vessels equal to or longer than 10 metres	skilled agricultural/fishery workers	professionals	skilled agricultural/fishery workers	skilled agricultural/fishery workers	skilled agricultural/fishery workers	skilled agricultural/fishery workers
Number of occurrences	Masters of Community Vessels between 8 and 10 metres (only Baltic sea)	0	0	0	53,000	0	0
	Masters of Community Vessels equal to or longer than 10 metres	465,800	357,800	124,600	68,400	228,200	841,200
Total administrative costs per occurrence (€)	Masters of Community Vessels between 8 and 10 metres (only Baltic sea)	0	0	0	2.00	0	0
	Masters of Community Vessels equal to or longer than 10 metres	15.75	3.50	20.17	2.00	2.20	6.00
Total administrative burden per occurrence (€)	Masters of Community Vessels between 8 and 10 metres (only Baltic sea)	0	0	0	2.00	0	0
	Masters of Community Vessels equal to or longer than 10 metres	15.75	3.50	20.17	2.00	2.20	6.00
Total costs	Masters of Community Vessels between 8 and 10 metres (only Baltic sea)	0.00	0.00	0.00	106,000.00	0.00	0.00
	Masters of Community Vessels equal to or longer than 10 metres	7,336.350.00	1,252.300.00	2,512.766.67	136,800.00	502,040.00	5,047.200.00
Total cost for all segments combined		7,336.350.00	1,252.300.00	2,512.766.67	242,800.00	502,040.00	5,047.200.00

[62] The dominant employee type is the employee type which spends the most time in complying to the IO (e.g. if a fisherman spends 20 minutes and a manager 10 minutes, the fisherman would be the most dominant employee type)

This Table is based on data compiled by the Consortium.

Notes:

- Collection of data for this IO was based on segments. The total cost per occurrence presented in this Table is calculated as: (sum of total costs across segments)/(sum of number of occurrences across segments).
- A zero value ("0") indicate that values for costs, minutes, occurrences and/or populations are too minimal to merit taking into account.

Prior to proceeding to the analysis of the costs, it is appropriate to explain some of the figures in the Table.

- Internal time per occurrence represents the time that a normally efficient business in the Measurement Country spends on complying with the previously described process. The country teams carried out the standardisation in relation to the interviews they conducted. The time that was collected here represents the average time per day a vessel is expected to spend on filling the logbook, including estimating the weight of fish caught;
- Number of occurrences for this IO refers to the number of vessels equal to or more than 10 metres in length, or in the case of Poland (Baltic Sea) the number of vessels between 8 and 10 metres in length as well[63]. (This was part of the segments used for the conduction of collection campaigns as described previously.);
- Frequency of compliance is estimated at 200 occurrences per vessel, equivalent to the average of 200 days spent at sea by fishermen.

At a general level, the total administrative cost for this IO for the Measurement Countries is approximately €17 million and accounts for 43% of all administrative costs for this IO, which is in line with the fact that, together, the Measurement Countries represent 46% of the EU Fishing Fleet exceeding 10 metres in length (including vessels between 8 and 10 metres in the Baltic Sea).

[63] Both segments are included in this Table in different lines:

Masters of Community vessels between 8 and 10 metres (only Baltic Sea);

Masters of Community vessels equal to or longer than 10 metres.

The IO "Potential audit requiring fishermen to keep an operations logbook" accounts for 58.42% of the Priority Area's costs in the Measurement Countries and is by far the most burdensome IO arising from this Regulation, requiring frequent activity from fishermen.

The results of the measurement show that the Measurement Country with the highest total costs is France with €7.3 million, while Spain has the second highest cost with €5 million. Ireland follows with €2.5 million, while Greece, Portugal and Poland have total costs of €1.3, €0.5 and €0.2 million respectively.

France and Spain are therefore responsible for 73% of the administrative cost of the Measurement Countries, mainly due to the high amount of entities involved (they aggregately account for 61% of the fishing fleet of the Measurement Countries) and comparably high internal times to complete the operations logbook. It must be noted that Ireland has the highest internal time per occurrence. However, it is ranked third among Measurement Countries due to the comparatively small size of its fishing fleet.

As can be seen from Table 10 the internal time spent by the business ranges between 10 minutes in Greece and 55 minutes in Ireland. This difference can be attributed to the amount of information that needs to be inserted in logbooks and it is connected to the amount and diversity of fish caught, as well as to the average daily frequency with which the borders of ICES zones are crossed during one trip. The amount of catches per trip and the duration of trips are usually higher for western European countries, such as Ireland and France, as well as the number of borders of ICES zones crossed (in Greece, for example, there are only two applicable zones and they are not usually crossed within the same trip).

Gathering data to register in the logbook generally requires between 5 and 20 minutes. Higher minutes in this case generally relate to an increased complexity of the catch (as identified in France and Spain). In general, in France, Spain and the Mediterranean Sea, various fishery species are caught within a single catch, whereas in other seas catches are mainly of a single species.

Generally, the time spent to enter the data into the logbook is 10 minutes. Greece and Ireland are exceptions. In Greece, a certain level of flexibility in relation to the logbook allows fishermen to register the data at the end of the day, so that this activity is in practice generally carried out by professionals rather by the fishermen themselves. It therefore takes less time to register data in the logbook (even if more species are usually registered in it), but the hourly tariff is considerably higher than for the other Measurement Countries (where the IO is mostly fulfilled by fishermen). In Ireland, the zone crossing and the thoroughness of inspections oblige the fishermen to pay much more attention to what is registered in the logbook.

Other activities related to the IO involve archiving the logbook as well as familiarisation with the Regulation's requirements.

From a qualitative point of view, Masters of Vessels have shown some level of irritation in relation to the information required in the logbook itself, but also as regards the frequency of the information required and the levels of (in)tolerance in relation to it. One interviewee in Ireland illustrated this problem by explaining that, on the first day of a trip, the proportion of monkfish, for example, or of by-catch may exceed what is allowed due to the area in which he began fishing. However as the trip continues, these proportions will decrease as he catches other fish. Having to fill in the logbook in case of inspection at midday will indicate that the Master of the Vessel is exceeding his quota whereas filling it in at midnight may not. Similarly, filling in the logbook at midnight on the first day of a trip may indicate that a master of a vessel is exceeding quota, but by the end of a six-day trip he may not be. Therefore, in such cases, fishermen are forced to reject part of their catch, which exceed quotas on Total Allowable Catches, in order not to find themselves in breach of the rules. It is not well understood by fishermen if this is the intention of the Regulation or if the Regulation is simply not tailored for beam trawlers making trips of up to a week or more at a time.

As in most other Member States where measurement took place, the fact that fishermen are being inspected on estimated figures that have to be indicated in the logbook at sea is irritating to Masters of Vessels. Small vessels, in particular, do not have the right

equipment to define accurate numbers and are irritated by the fines they might get by exceeding them. The tolerance margins are set to 20% and for some species to 8%. This means that estimations do not need to be 100% accurate. However, if inspectors note that the threshold of 20% or 8% has been surpassed, high fines usually result.

As an example of the weight estimation activity, fishermen in Poland have indicated that the estimation on the weight is generally performed on the basis of number of boxes of caught fish, which may lead to certain distortions in comparison to actual figures. Poland is also the only Measurement Country of which Masters of Vessels between 8 and 10 metres in length are concerned by this IO. Conducted interviews showed that the process to comply with the IO is identical to that previously mentioned. As a result, the minutes spent per occurrence in complying with this IO are identical to the ones identified for the Masters of Vessels larger than 10 metres in length.

In addition, the logbook is perceived as irritating by fishermen, since considerable effort is invested in completing it, especially when different species are involved and fishing is being carried out in different zones. It can be seen that there are no business-as-usual costs involved, meaning that in the absence of such legislation obligation, fishermen would not need to complete a logbook to conduct their operations in an efficient way.

3.1.1.4 Interviewees' initial suggestions

During the interviews and workshops with businesses and experts, several initial simplification ideas were collected. A structured and detailed collection and analysis of possible reduction measures has been conducted for Module 5. Thus, this section only contains a summary of the suggestions voiced in the interviews and does not represent a final list of simplification suggestions.

It is important to mention that these suggestions represent the views of the industry, collected through the interviews we conducted and do not take into account the consultants' assessment or the views of the Commission or of the authorities in each country.

Module 5.2 is where overall reduction proposals are addressed and made.

Electronic logbook and online submission

Only large vessels (fishing in waters of third countries) see the interest in the generalisation of an electronic logbook because the high number of radio transmissions costs them a great deal of time and money (including a full-time technician)[64]. According to experts, a pilot project for of e-logbook has, however, already been launched in the Mussel Catch Vessels, with a high level of success. In other cases, for example some vessels exceeding 24 metres in length in the Netherlands, there are fully integrated systems that are designed to take charge of a large amount of the administrative tasks related to a trip and/or catch. Weighing machines, along with VMS systems are connected to a computer that automatically registers data and where the fishermen's input is minimal. This computer is also connected to a special printer that issues labels for the boxes.

For smaller vessels, there is a perception that an electronic logbook would be very expensive, as it is often (wrongly) associated with equipment such as that mentioned previously. The price of the equipment seems to differ from country to country, as well as the needs and the costs that are associated with it. According to experts, the acquisition cost of the entire equipment could amount to €10,000[65] per vessel and maintenance costs would also be quite high because of the fragility of such a system. On the other hand, according to the EU Commission, Danish ERS[66] equipment for large vessels which fulfils EU IOs costs around €2,500 (one-off investment) and has annual maintenance costs of

[64] The e-logbook is only targeted at Masters of Vessels exceeding 24 metres in length in 2010, and vessels exceeding 15 metres in 2011. The e-logbook Regulation, Council Regulation (EC) No 1966/2006 on electronic recording and reporting of fishing activities and on means of remote sensing, has been adopted and will come into force in 2010. This will allow the use of automated systems for keeping a logbook, thus enabling fishermen to spend less time on complying with this IO, as there will be pre-registered fields and automatic transmissions systems.

[65] This amount has been given as an upper estimate of the implementation costs, including the weighing machine, the ERS system and all other elements allowing the fully automatic reporting.

[66] The ERS (Electronic reporting System) is a system of recording, reporting, processing, storage and transmission of fisheries data (catch, landing, sales and transhipment). The key elements of the ERS are the electronic logbook and the online sales notes.

around €700. These costs are expected to be lower for smaller boats. The submission of an electronic logbook does not however require the purchase or the use of a weighing machine.

There is therefore a significant gap in the understanding and in the perception of such equipment and technology, as well as in the costs they generate across countries. This shows above all a real need to target fishermen with accurate about the use of the electronic format.

The suggestion of an electronic logbook was generally not well received by the Masters of Vessels as this would result in even lower tolerances for the issues relating to proportionality and by-catch.

Any online application for the operations logbook that would require fishermen to submit data online and from within their vessels has to be assessed thoroughly with ex-ante impact assessments, bearing in mind the potential effects on small vessels and the fishing community in general. This would, for example, be extremely important for Greece where approximately 90% of the vessels are small boats. That being said, vessels below 10 metres in length are not and will not be concerned in the near future. Vessels between 10-15 metres in length could be concerned in the mid-term future. There are already Community rules which foresee implementation of the e-logbook (from 1 January 2010 for vessels above 24m in length and from 1 July 2011 for vessels above 15m in length[67]).

Content and frequency of submission

During the interviews, it was suggested that the threshold for filling the logbook could be based not on the length of the vessels but rather on the method of fishing. For example, small Polish vessels less than 12 metres in length usually use hooks and the amount of fish that can be caught using this method is limited. Therefore, the amount of administrative burden for this type of vessel should be reduced accordingly, for example to the monthly effort report. It could result in a cost reduction amounting to the

[67] Op. cit.

approximately half an hour per trip needed presently to fill in the logbook and submit it to the authorities. The same could apply to the catch limits of some species as this segment of fishermen does not contribute as heavily to the depletion of the fish stocks. However this idea seems to contradict the CFP objectives, since it could provide an opportunity to bypass the law by allowing transhipments from large vessels to smaller vessels and avoid registering the catch. Indeed, a small boat can easily take on board 0.5 to 2 tonnes of fish caught by another fishing vessel. If the authorities do not have enough instruments to check on the fishermen, they would not be able to ensure that the CFP rules are respected.

One other suggestion concerned the reduction of the data required in the logbook, e.g. for vessels with VMS, it may not be necessary to have to indicate their geographical position in the logbook, and the adoption of a less detailed template would increase the frequency of submission as well as the completeness of the logbooks. This logbook has however been set up among others to allow for cross-checking of specific information.

Finally, the frequency at which vessels must fill in the logbook was seen to be excessive when boats are fishing for a large number of species over a number of areas over several days. If there were a way to minimise the information which needs to be recorded in the logbook, for example by filling it out when crossing an ICES zone or at midnight on the day on which an ICES zone is crossed, then this could reduce the burden on the Master of the Vessel. This again is entirely an expression of the views of the industry and the Consortium will submit this to thorough review.

Moment of submitting

The obligation to have the logbook filled in just before entering the port or after landing would be seen as easing the burden, as conditions are safer closer to the shore. This solution would, however, not result in a significant cost reduction.

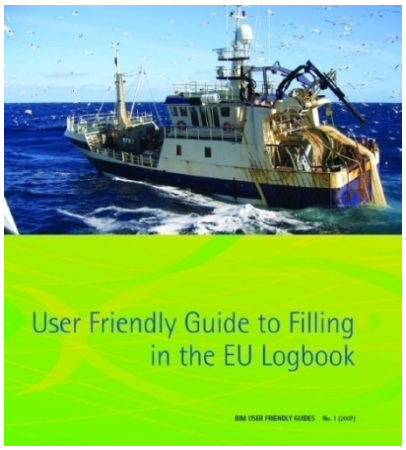
Understanding how to complete the logbook

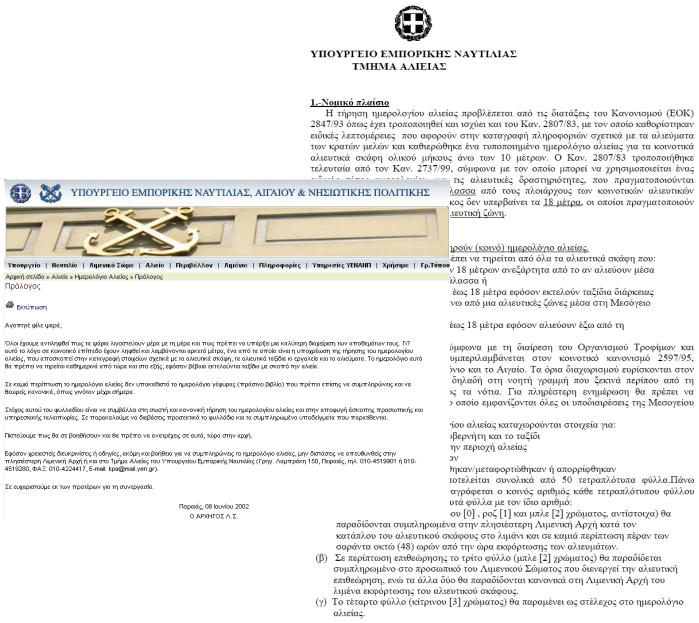
One of the issues that came up during interviews was that some businesses have difficulty understanding the forms that are necessary in order to comply with the IO. For that reason the Irish Fisheries Development Division, Bord Iascaigh Mhara (BIM), has developed clear

guidelines for Masters of Vessels explaining how the logbook should be filled in. This document is called “User friendly guide to filling in the EU logbook”. The guide summarises the obligations of Irish Masters of Vessels under EU Regulations.

A similar guide to filling in the operations logbook was issued by the Greek Ministry of Mercantile Marine. It was issued in the form of a circular and was uploaded to the website of the Ministry in a user-friendly printable version.

Figure 11: Best practice in guidelines on the operations logbook[68]




ΥΠΟΥΡΓΕΙΟ ΕΜΠΟΡΙΚΗΣ ΝΑΥΤΙΛΙΑΣ
ΤΜΗΜΑ ΑΛΙΕΙΑΣ

1.-Νομικό πλαίσιο

Η τήρηση ημερολογίου αλιείας προβλέπεται από τις διατάξεις του Κανονισμού (ΕΟΚ) 2847/93 όπως έχει τροποποιηθεί και ισχύει και του Καν. 2807/83, με τον οποίο καθορίστηκαν ειδικές λεπτομέρειες που αφορούν στην καταγραφή πληροφοριών σχετικά με τα αλιεύματα των κρατών μελών και καθιερώθηκε ένα τυποποιημένο ημερολόγιο αλιείας για τα κοινοτικά αλιευτικά σκάφη ολικού μήκους άνω των 10 μέτρων. Ο Καν. 2807/83 τροποποιήθηκε τελευταία από τον Καν. 2737/99, σύμφωνα με τον οποίο μπορεί να χρησιμοποιείται ένας

ΥΠΟΥΡΓΕΙΟ ΕΜΠΟΡΙΚΗΣ ΝΑΥΤΙΛΙΑΣ, ΑΙΓΑΙΟΥ & ΝΗΣΙΩΤΙΚΗΣ ΠΟΛΙΤΙΚΗΣ

Υπουργείο | Θεσπιλία | Λιμενικά Ταμεία | Αλιείο | Περιβάλλον | Δημόσιο | Πληροφορίες | Υπηρεσίες ΥΕΝΑΜΠ | Χρήσιμα | Εφ.Τύπου

Αρχική σελίδα » Αλιείς » Ημερολόγιο Αλιείας » Πρόλογος

Πρόλογος

Εκτύπωση

Αγαπητέ φίλε ψαρά,

Παροικιές, 08 Ιουνίου 2002
Ο ΑΡΧΗΓΟΣ Λ.Σ.

Source: Bord Iascaigh Mhara

A study conducted by Sissenwine and Symes for DG MARE, Reflections on the Common Fisheries Policy recommended more transparency in relation to the CFP in general and suggested further operationalisation of the CFP through guidelines and protocols to help with interpretation[69].

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[68] Sources:

http://www.bim.ie/uploads/reports/LOGBOOK%20SECTION%201.pdf

http://www.yen.gr

[69] Reflections on the Common Fisheries Policy – Michael Sissenwine, David Symes – July 2007, http://www.seas-at-risk.org/1mages/Mid%20term%20review%20Sissenwine%20and%20Symes%202007.pdf

3.1.2 IO2 “Submission of a landing declaration”, Art. 8, par. 1

3.1.2.1 Characteristics of the IO

After each trip and within 48 hours of landing, Masters of Community Vessels equal to or more than, 10 metres in length or their representatives must submit a landing declaration to the competent authorities of the Member State where landing takes place.

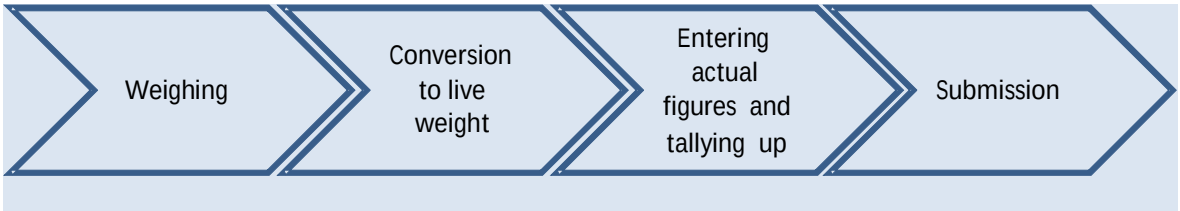
The declaration must indicate as a minimum the species caught, the live weight of the species caught and the area in which they were caught.

In most Member States, the landing declaration is at the bottom of the logbook sheet and must be delivered to special mailboxes in the port. Under the European Union permit scheme landing must take place in designated ports.

3.1.2.2 Process for complying with IO

A simplified business process can be depicted as follows.

Figure 12: Business process for IO “Submission of a landing declaration”



By Capgemini/Deloitte/Ramboll Management.

- Weighing

The business process starts with weighing the fish[70]. Once the fish has been weighed, the processed weight or landed weight is converted into live weight. This part is usually performed in auction centres or by the take-over buyer of the landed fishery products.

[70] This part of the business process is considered to be “business as usual”, as fishermen would weigh their fish anyway.

The weight is then communicated to the Master of the Vessel who proceeds with completing the landing declaration[71].

- Conversion to live weight

Since fish quotas are based upon live weight, conversion factors are a fundamental tool in this part of the business process. Indeed, EU legislation requires that the weights declared in the landing declarations are live weights. This requires a conversion of the catches onboard fishing vessels with a specific conversion factor, communicated by the Member State under whose flag the vessel is operating. The Commission provides conversion factors by species and by Member State[72].

- Entering actual figures and tallying up

After conversion, the actual amounts are completed in the landing declaration. Fishermen indicate that numerous catches on a trip result in additional time tallying up the figures for all the different species of fish.

- Submission

The landing declaration is handed over personally to the port authorities or delivered to special mailboxes in the port.

3.1.2.3 Costs and explanatory variables

The details of the administrative cost and the administrative burden for the six Measurement Countries are given in the next Table.

[71] Weighing is mostly done in order to sell the fishery products and as such is not included in this IO as an administrative activity.

[72] Source: http://ec.europa.eu/fisheries/cfp/control_enforcement/conversionfactors_en.htm.

Table 14: Administrative Cost and Administrative Burden of "Submission of a landing declaration"

Submission of a landing declaration, Council Regulation (EEC) No 2847/93 of 12 October 1993 establishing a control system applicable to the Common Fisheries Policy, Art. 8 par. 1							
		Measurement Countries					
		FR	EL	IE	PL	PT	ES
Internal time per occurrence (minutes)	Masters of Community Vessels between 8 and 10 metres (only Baltic sea)	0	0	0	20	0	0
	Masters of Community Vessels equal to or longer than 10 metres	35	13	22	20	10	20
Average hourly tariff (€)	Masters of Community Vessels between 8 and 10 metres (only Baltic sea)	0	0	0	4.00	0	0
	Masters of Community Vessels equal to or longer than 10 metres	27.00	21.00	22.00	4.00	6.00	12.00
Dominant employee type	Masters of Community Vessels between 8 and 10 metres (only Baltic sea)	0	0	0	skilled agricultural/fishery workers	0	0
	Masters of Community Vessels equal to or longer than 10 metres	technicians, associate professionals	professionals	skilled agricultural/fishery workers	skilled agricultural/fishery workers	skilled agricultural/fishery workers	skilled agricultural/fishery workers
Number of occurrences	Masters of Community Vessels between 8 and 10 metres (only Baltic sea)	0	0	0	51,800	0	0
	Masters of Community Vessels equal to or longer than 10 metres	174,675	134,175	46,725	25,500	85,575	315,450
Total administrative costs per occurrence (€)	Masters of Community Vessels between 8 and 10 metres (only Baltic sea)	0	0	0	1.33	0	0
	Masters of Community Vessels equal to or longer than 10 metres	15.75	4.55	8.07	1.33	1.00	4.00
Total administrative burden per occurrence (€)	Masters of Community Vessels between 8 and 10 metres (only Baltic sea)	0	0	0	1.33	0	0
	Masters of Community Vessels equal to or longer than 10 metres	11.81	3.41	6.05	1.00	0.75	3.00
Total costs	Masters of Community Vessels between 8 and 10 metres (only Baltic sea)	0.00	0.00	0.00	69,066.67	0.00	0.00
	Masters of Community Vessels equal to or longer than 10 metres	2,751,131.25	610,496.25	376,915.00	34,000.00	85,575.00	1,261,800.00
Total cost for all segments combined		2,751,131.25	610,496.25	376,915.00	103,066.67	85,575.00	1,261,800.00

This Table is based on data compiled by the Consortium.

Notes:

- Collection of data for this IO was based on segments. The total cost per occurrence presented in this Table is calculated as: (sum of total costs across segments)/(sum of number of occurrences across segments).
- A zero value ("0") indicates that values for costs, minutes, occurrences and/or populations are too minimal to merit taking into account.

Prior to proceeding to the analysis of the costs, it is appropriate to explain some of the Figures in the Table:

- Internal time per occurrence represents the time that a normally efficient business in the Measurement Country spends on complying with the previously described process. The country teams performed the standardisation in relation to the interviews they conducted. The time that was collected here represents the time spent by a normally efficient business when submitting a landing declaration;
- Number of occurrences for this IO refers to the total number of landings performed by all vessels equal to or more than 10 metres in length, or in the case of Poland (Baltic Sea) by all vessels between 8 and 10 metres (This was one of the segments used when conducting the data collection campaigns as indicated previously). These are the main target of this IO. When the number of landings was not available, it was estimated at 75 landings per vessel exceeding 10 metres in length per year, corresponding to an estimation of 75 trips conducted per year (on average). For vessels between 8 and 10 metres in length, in the Baltic Sea, the average of daily trips and landings per year was estimated at 200, considering their smaller size. The average number of landings was then multiplied by the number of vessels of the MS;
- Similarly, the total cost per occurrence refers to the total cost per landing for a single vessel.
- This IO is not perceived as regular and occurs only on occasion. In this case, the frequency value is one and the occurrence refers to number of times this IO is fulfilled over a year for all fishermen in the specific Measurement Country

Assumptions had to be made in relation to declarations because few of the 22 Member States concerned by this Regulation could give an estimate of the yearly number.

Extrapolation of the remaining populations thus required a specific approximation based on expert assessments.

The IO "Submission of a landing declaration" accounts for 17.95% of the costs for this Priority Area in the Measurement Countries and is the second most burdensome IO arising from the Regulation in scope.

The highest administrative cost among Measurement Countries is in France with €2.8 million (53% of the Measurement Countries). The second highest cost is found in Spain with €1.3 million (24% of the Measurement Countries). The main factor explaining the difference in costs between the Measurement Countries is the difference in population figures (number of vessels required to submit a landing declaration).

The time involved in submitting the landing declaration does not seem to vary significantly among countries. With the exception of France, a small amount of time is generally spent on entering and adjusting existing data (data that had already been collected for the logbook), and corrected after the actual landing is weighed. Filling in the landing declaration requires the same amount of time in every Measurement Country, regardless of its format (as part of the logbook or as a separate sheet). Submission times may vary from one country to another, but only to a minor extent. The differences can be explained by whether the submission was made to the office of the relevant authorities or to the mailbox in the port.

The fact that France has the highest administrative cost is partly due to the high internal time per occurrence and the second highest applicable tariff. The landing declaration consists of the bottom section of the logbook where exact weights are entered. The process of identifying the live weight depends on whether the vessel possesses a weighing machine or whether it delivers the fishery products to an auction centre, in which case they fill in the landing declaration based on the receipt from the auction centre. In France, there is also a considerable amount of time spent weighing and converting the actual weight into live weight, particularly when the port does not have a weighing machine, which is perceived to be a significant source of additional burden and irritation for French

fishermen, although this has to be done in every Member State. The conducted interviews identified the fact that the French authorities are particularly exigent on demanding that a calculation of the weighed fish be made to convert it to live weight. This is perceived by fishermen and other professionals as complex and somewhat burdensome. One other factor that contributes to France's higher costs is that fishermen often use a professional to complete and submit the landing declaration so that they are able to pursue their fishing activity. This represents higher costs than in the other Measurement Countries, where this particular IO is usually fulfilled by the fishermen themselves.

The remaining countries are very much aligned and differences in their total administrative costs are due to different sizes of fishing fleets, as well as different internal hourly wage rates. The only exception to this is Greece, where fishermen often use professionals to comply with this IO, as they quickly return to their fishing activities. As a result, the hourly tariff is increased in comparison to the remaining countries. However the process for submitting the landing declaration is similar to the other Measurement Countries.

The segment of Masters of Vessels between 8 and 10 metres in length affects only Poland, as the only country (of the Measurement Countries) where fishermen conduct fishing activities in the Baltic Sea. However the process and the time required to comply with the IO has been identified as being similar to that of the other segments. The structure of administrative costs is therefore the same. The population affected is increased and the higher frequency for this segment is due to one-day trips.

On a more qualitative aspect, there are some crucial differences. In Greece, for example, fishermen (or professionals in their name) are particularly attentive to the process related to submitting a landing declaration if they catch specific species, such as tuna and swordfish, as this is linked with specific quotas. The landing declaration in Greece is part of the logbook. However it must be filled in with actual data (on the weight of fish caught). The landing declaration is usually submitted every five to ten days. For every species caught, fishermen or professionals submit a logbook to the competent authorities to be stamped in order to declare the landing and obtain permission for the next trip.

In Poland and Spain, if Masters of Vessels land their catch in smaller fishing villages where there are no designated port mailboxes, fishermen are required to send the declaration by registered post. This requires a specific activity of physically going to a post office to send the required document.

In Poland, the weighing can take place at the auction centre in the presence of the Master of the Vessel. As for the other measurement countries the time it takes to weigh the fish is not included in the administrative costs as this activity is judged to be performed for selling purposes rather than for completing the administrative documents. Registration of actual figures on catches is also perceived by interviewees as "business-as-usual". Therefore the main burden related to this IO relates to registration of other fields within the landing declaration and submitting it to the local competent authorities (as described in the previous paragraph).

3.1.2.4 Interviewees' initial simplification suggestions

The following suggestions were collected during the interview process.[73]

- Since the submission of the landing declaration is closely linked to the completion of the operations logbook, any reduction proposal must take into consideration the amount of information to be processed in order for the landing declaration to be ready to be submitted to the competent authorities.
- It was advocated that the frequency of submitting the landing declaration could be reduced to weekly. Interviewees expressed the view that the information that is kept by the auction centres contains the required information for the relevant authorities to check up on the fishing operations.
- It was also suggested that the threshold that applies for filling out the landing declaration, similar to the logbook, should not be based on the length of the vessels, but on the method of fishing used. For example, the amount of fish that can be caught using hooks is rather limited, so the amount of administrative

[73] As stated in Section 3.1.1.4, the following suggestions represent only the views of industry, collected through the interviews and do not take into account either the views of the Commission or the local competent authorities, or indeed the consultants' assessment.

burden for this type of vessel is proportionally higher and could be reduced, for example, by means of a monthly effort report.

- Since the real weighing of the fish is usually done in auction centres, it has been suggested that the auction centres could be included in the process in a more formal way, providing the weighing information for the logbook and the subsequent landing declaration. In France auction centres have already begun to complete the landing declaration by giving a specific document to the fisherman with all the information about his catches. In fact, they are the most relevant organisations to fill in the part of the logbook which constitutes the landing declaration.
- In Belgium and the Netherlands, following this particular logic, national legislation or agreements between federations and authorities insist that all landings go through an auction centre. However, such a provision needs to be examined more closely in countries where coastal activity is much more dispersed and where smaller ports are active in terms of landings.

3.1.3 IO 3 "Submission of a sales note for first marketing of fishery products"

3.1.3.1 Characteristics of the IO

The IO "Submission of a sales note for first marketing of fishery products" is a prioritised IO in Council Regulation (EEC) No 2847/93 of 12 October 1993 for establishing a control system applicable to the Common Fisheries Policy. It deals with the completion and submission of a sales note to the competent authorities of the Member State in which the first marketing of fishery products takes place.

A sales note must in general include the following elements

- The relevant name of each species, the individual size or weight and their geographical area of origin;
- Their grade and freshness (quality of the fish sold);
- The name of the seller and buyer;
- The place and date of sale;
- The name of the fishing vessel landing the fish sold, as well as the name of the vessel owner or master;

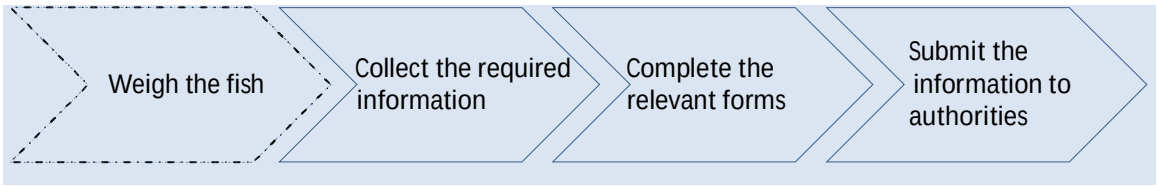
- The port and date of landing;
- Where applicable, reference to a transport document or take-over declaration.

Sales notes for first sales of fish must be submitted within 48 hours of sale by the registered seller (the person selling the fishery products at an auction centre). However, the buyer of the fishery products is responsible for submitting it when the first sales do not take place in an auction centre.

3.1.3.2 Process for complying with IO

The main steps of a simplified process for the submission of the sales note are given below.

Figure 13: Business process for EU Requirement "Submission of a sales note for first marketing of fishery products"



By Capgemini/Deloitte/Ramboll Management.

One prior activity, at the point of sale, is weighing the fishery products that are to be sold. This activity is classed as a business-as-usual activity and contributes indirectly to the IO "Submission of a sales note for first marketing of fishery products"; The main objective is the sale of the products, for which the weight of the fishery products for sale is the selling unit and the weighing is performed in order to complete the sale rather than to fill in a sales note. It is therefore not included as an administrative activity within this IO.

Once the weighing is done and the sale is concluded, the registered seller, buyer or the auction centre needs to compile different sets of information related to the sold product, the fishing vessel and the catch.

Once the information is filled in on the sales note, this concludes the sale. A copy of this document is then submitted to the authorities.

However, the application of the process above in each Measurement Country differs in accordance with the equipment used by the auction centres and the level of automation involved in the selling process. Taking into account the major differences across these countries, a concise description of each system of registration of a sales note seems appropriate:

- In France:

In 2005, France published a decree which states how the rules on transmission of sales notes are to be applied. At the time of the research, it was still too early to register the consequences of this decree.

Today, all the auction centres transfer all information about their sales to the "Office National Interprofessionnel des Produits de la Mer et de l'Aquaculture" (OFIMER) – the National Office of Fisheries Products or to the Centre National de Traitement Statistique (the National Statistics Processing Centre) in Lorient. They often have software that can do this. Seventy per cent of sales of fishery products in France are concentrated in auction centres, with strong disparities between areas (40% in the Mediterranean for instance and 90% in the North Sea).

As a first step, buyers usually fill in paper copies of the sales notes (some have begun to dematerialise the process) and submit them to the auction centre. Then the auction centre compiles the sales notes and transmits the information to the OFIMER. Most of the auction centres use software called Réseau Inter-criées (RIC) or "Inter auction centre network", while others use other software and full-time employees to manage the upload of the information.

OFIMER compiles the information from all auction centres and compares the information with what has been obtained from the operations logbooks. The results are then

transmitted to the Ministry, which also receives information from the Direction for Maritime Affairs and Seafarers[74].

- In Spain:

In Spain most of this type of work is carried out by the fishermen themselves, in order to control and keep a record of their catches. After sorting the fish and delivering the landing to the auction centre, the auction is held. Each box, already prepared by the fishermen, is weighed and put on sale at the same time.

While the box is on the weighbridge, the auction centre communicates the name of the vessel and the type of fish. Once the sale is completed, the weighbridge is automatically connected to an electronic system that produces the sales note.

A copy of the sales note is kept by the auction centre, another is kept for the buyer and a third is sent electronically to the competent authority, no longer than 48 hours after the sale.

- In Ireland:

In Ireland, an online system was set up for the submission of sales notes by the take-over buyers and they can only be submitted online. It should be noted that fish is mostly exported rather than sold at auction centres within Ireland.

Compliance with the sales note requirement was found to be rather low. The difficulty for these operations is in the sales note system, the level of detail of information required, the frequency of submission and the time limit for the submission of sales notes.

As fish is mostly exported, prices cannot be determined until up to a week after the fish has been handed over by the fishermen. The take-over organisations are required to

[74] The Maritime Affairs Directorate is an arm of the French Ministry of Ecology, Energy, Sustainable Development and Land Management (http://www.mer.gouv.fr)

complete sales notes before any price has been determined for the fish. An organisation operating such a process cannot complete sales notes and transport documents on time, as the information is not available to them.

In addition, the general consensus on the online system was that it is not user-friendly. The system does not store information which businesses have to repeatedly submit on numerous occasions, nor does it allow for the creation of useful templates, which would save time in submitting the information. According to interviews, the system often times out before a sales note can be completed. Furthermore, sales notes for vessels less than 10 metres in length cannot be registered online, as it requires a logbook number, which a vessel less than 10 metres in length does not usually have, since it is not obliged to.

- In Portugal:

In Portugal, the whole process is automated. After weighing and sorting of the fish, the information is entered into a computer. When ready for the auction, the batch information is displayed on a monitor and the authorised take-over buyers place their bids. At the end of the batch, the winning buyer goes to the office of the auction centre, presents their licence number, pays and receives the invoice.

In such a case, the sales note, invoice and transport certificate are combined into one document. This is done by including detailed information about the weight and number of boxes bought and the selling price. If the fish is going to be transported, the invoice has two additional fields to be filled in by the transporter, indicating the destination of the fish and the licence number of the vehicle that is going to transport the fish.

- In Greece

In Greece, fish are taken to the auction centre by the fisherman or an authorised agent who is allowed to enter the auction centre and participate in the first marketing of the products.

No additional sales form is used and in practice the combination of dispatch notes (fisherman to authorised agent) and invoices (from the authorised agent or the producer to the end buyer) are used to justify the selling of fish.

The main weighing of the fish is carried out inside the auction centre before the fish go to the buyer. At that point, the invoice is completed in paper form with the exact weights per species and the price paid.

As they enter the auction centre, the agent or the fisherman submit copies of the dispatch notes to the auction centre, while the buyer also submits copies of the invoices on leaving the auction centre. These documents are then processed by the auction centres, which then report to ETANAL (a public company currently owned by the Ministry of Agriculture), from which the Ministry retrieves customised information about transactions at the auction centres.

- In Poland:

In Poland, the process of completing the document of first sale is shared between the fishermen and the auction centre employees. The process starts with weighing the fish and ends with the completion and submission of the sales note to the authorities as described in the general process above. No particularities were observed.

3.1.3.3 Costs and explanatory variables

The details of the administrative cost and the administrative burden for the six Measurement Countries are given in the next Table.

Table 15: Administrative Cost and Administrative Burden of "Submission of a sales note for first marketing of fishery products"

Submission of a sales note for first marketing of fishery products, Council Regulation (EEC) No 2847/93 of 12 October 1993 establishing a control system applicable to the Common Fisheries Policy , Art. 9 par. 1							
		Measurement Countries					
		FR	EL	IE	PL	PT	ES
Internal time per occurrence (minutes)	non-segmented EU Requirement	25	16	10	20	18	10
Average hourly tariff (€)	non-segmented EU Requirement	20.00	11.00	25.00	4.00	6.00	12.00
Dominant employee type	non-segmented EU Requirement	service workers, shop/market sales workers	skilled agricultural/fishery workers	clerks	skilled agricultural/fishery workers	skilled agricultural/fishery workers	service workers, shop/market sales workers
Number of occurrences	non-segmented EU Requirement	174,675	134,175	46,725	77,300	85,575	315,450
Total administrative costs per occurrence (€)	non-segmented EU Requirement	8.33	2.93	4.17	1.33	1.80	2.00
Total administrative burden per occurrence (€)	non-segmented EU Requirement	8.33	2.93	4.17	1.33	1.80	2.00
Total costs	non-segmented EU Requirement	1,455.625.00	393,580.00	194,687.50	103,066.67	154,035.00	630,900.00
Total cost for all segments combined		1,455.625.00	393,580.00	194,687.50	103,066.67	154,035.00	630,900.00

This Table is based on data compiled by the Consortium.

Notes:

- A zero value ("0") indicates that the values for costs, minutes, occurrences and/or populations are too minimal to merit taking into account.

Prior to proceeding to the analysis of the costs, it is appropriate to explain some of the figures in the Table.

- Internal time per occurrence represents the time that a normally efficient business in the Measurement Country spends on complying with the previously described process. The country teams carried out the standardisation in relation to the interviews which were conducted. The time collected here represents that spent by a normally efficient business when filling in and submitting a sales note;
- Number of occurrences for this IO refers to the number of sales notes that are issued and submitted on an annual basis;

- This IO is not perceived as regular and occurs only on occasion. In this case, the frequency value is one and the occurrence refers to the number of times this IO is complied with over a year for all fishermen in the specific Measurement Country.

Given the fact that few countries of the 22 Member States affected by this Regulation could give an estimate of the number of sales notes submitted each year, extrapolation was based on the assumption that one landing generally leads to one sale or set of sales. This assumption arises from expert interviews, in which it was pointed out that generally all catches within a single landing are sold together and then redistributed by the auction centres or the first buyers of fishery products. Population was then equivalent to the number of registered landings.

The total administrative cost for this IO for the Measurement Countries is approximately €2.9 million and accounts for 24.8% of the total administrative costs of this IO. It also accounts for 10.14% of the costs of this Priority Area in the Measurement Countries and is the third most burdensome IO arising from the Regulation in scope.

The highest cost within the Measurement Countries was calculated for France with €1.5 million. This corresponds to 50% of the cost for Measurement Countries.

Different employee categories were identified in the Measurement Countries in the process of complying with this IO. In France and Spain, sales market employees are closely involved in the process, whereas in Greece, Ireland and Poland, fishery workers are the ones that fill in and submit the sales notes. On the other hand, Ireland has identified clerks as the employees with the most involvement. This arises directly from the situation (culture and organisation) of the selling process in each country and consequently affects the hourly tariffs used in this measurement.

In terms of internal time, France represents the highest value per occurrence and this can be attributed partly to the two different channels of transmission (Maritime Affairs Directorate and Auction Centres).

Ireland and Spain have the lowest internal time per occurrence for the submission of the sales note and this is considered to be the result firstly of the increased role that is played by auction centres[75], and secondly the automated selling process and the use of online systems in completing and submitting the sales notes.

Slight differences that may result in cost savings have been identified in gathering and filling in the information required as well as submitting the sales note. This is where the automated process brings its added value as it allows the user to use pre-completed forms based on their own identity (in most cases, although some mistakes were identified in Ireland), as well as to proceed electronically and instantly to the submission to the authorities.

3.1.3.4 Interviewees' initial simplification suggestions

The following suggestions were collected through the conducted interviews[76]:

Characteristics of the sales note

Recommendations collected in Greece showed that the characteristics of the sales note should be reconsidered, since the objective of its existence is already fulfilled with the combination of the dispatch notes and invoices. The data from the auction centres are recorded in the ETANAL system and there does not seem to be any particular need for additional documentation in the selling process. Although the ETANAL electronic system consolidates the information from all auction centres, the data input is carried out manually by the public servants of the auction centres from copies of the invoices. A proposal to directly upload the quantities per species sold into the system immediately after the sale, as is the case in Spain, could reduce the cost by approximately 30%. However, this must be assessed in conjunction with any installation costs that would be

[75] There are no auction centers that are categorised as such in Ireland. There are however fishery cooperatives as well as other private companies such as « Union Hall Fish Auction » that function as auction center.

[76] As stated in section 3.1.1.4, the following suggestions represent only the views of industry, collected through the conducted interviews and do not take into account either the views of the Commission or the local authorities, or indeed the consultant's assessment.

required within the auction centres, as well as the required interoperability with the Information Systems in place.

User friendly online system for the submission of sales notes

- According to the businesses interviewed, the cost-effectiveness of an online system could be possible. It would require however a particular consideration on the issue of paper-based versions of sales notes, which may be requested upon inspection.
- In Ireland, the online system for the submission of sales notes has not been redesigned and it was noted that this system should be made more user-friendly. It could automatically store certain details about the companies so they do not have to re-enter their information each time. It could also allow for the creation of useful templates so that it reduces the amount of time spent submitting the information.

3.1.4 IO 4 "Submission of (a copy of) the transport document", Art. 9, par. 5; Art. 13, par. 1; Art. 13, par. 2

3.1.4.1 Characteristics of the IO

The "Submission of (a copy of) the transport document" is a non-prioritised IO in Council Regulation (EEC) No 2847/93 of 12 October 1993 for establishing a control system applicable to the Common Fisheries Policy. It concerns the completion of the transport document and its submission by the transporter to the authorities of the Member States that are responsible for the first marketing of the products.

While the IO "Submission of (a copy of) the transport document" was characterised as a non-prioritised IO, the measurement exercise showed a cost of €3.5 million (4.43% of total Priority Area costs). In the light of the significant amount arising as costs for this IO, it was decided to include it in the present analysis.

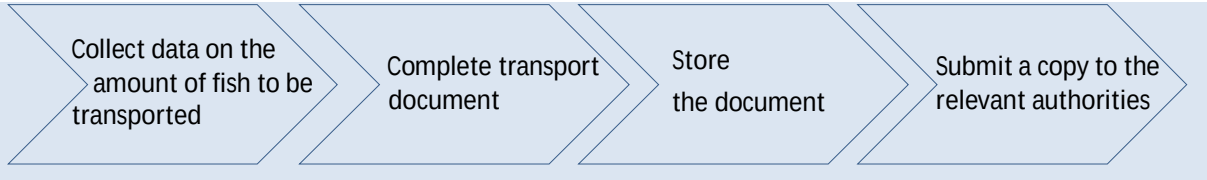
3.1.4.2 Process for complying with IO

The main activities of the underlying process include the collection of relevant data, the completion of the transport document, its storage throughout the trip (in case of inspection) and the submission of a copy of it to the place of first marketing.

The information in the transport document usually includes the name of the take-over company, the details of the vessel, the take-over vehicle and destination.

A simplified business process can be depicted as follows.

Figure 14: Business process for EU Requirement "Submission of (a copy of) the transport document"



By Capgemini/Deloitte/Ramboll Management.

Although the generic process can be identified as previously mentioned, the principle that lies beneath this IO varies from one country to another. Some authorities, such as in Greece, require a specific document, others consider it an integrated part of the landing declaration. Further description on these specificities will be contained in the following section.

3.1.4.3 Costs and explanatory variables

Of the Measurement Countries, France, Greece and Spain represent 92% of the cost among Measurement Countries, as illustrated in the Table below.

Table 16: Administrative Cost and Administrative Burden of "Submission of (a copy of) the transport document"

"Submission of (a copy of) the transport document", Council Regulation (EEC) No 2847/93 of 12 October 1993 establishing a control system applicable to the Common Fisheries Policy, Art. 9 par. 5; Art. 13 par. 1; Art. 13 par. 2							
		Measurement Countries					
		FR	EL	IE	PL	PT	ES
Internal time per occurrence (minutes)	non-segmented EU Requirement	5	12	5	7	5	5
Average hourly tariff (€)	non-segmented EU Requirement	27.00	21.00	25.00	4.00	7.00	12.00
Dominant employee type	non-segmented EU Requirement	technicians, associate professionals	professionals	clerks	skilled agricultural/fishery workers	plant/machine operators, assemblers	skilled agricultural/fishery workers
Number of occurrences	non-segmented EU Requirement	174,675	134,175	46,725	77,300	85,575	315,450
Total administrative costs per occurrence (€)	non-segmented EU Requirement	2.25	4.20	2.08	0.47	0.58	1.00
Total administrative burden per occurrence (€)	non-segmented EU Requirement	2.25	4.20	2.08	0.47	0.58	1.00
Total costs	non-segmented EU Requirement	393,018.75	563,535.00	97,343.75	36,073.33	49,918.75	315,450.00
Total cost for all segments combined		393,018.75	563,535.00	97,343.75	36,073.33	49,918.75	315,450.00

This Table is based on data compiled by the Consortium.

Notes:

- A zero value ("0") indicates that the values for costs, minutes, occurrences and/or populations are too minimal to merit taking into account.

Prior to proceeding to the analysis of the costs, it is appropriate to explain some of the figures in the Table:

- Internal time per occurrence represents the time that a normally efficient business in the Measurement Country spends on complying with the previously described process. The country teams carried out the standardisation in relation to the interviews they conducted. The time that is recorded here on the basis of the data collection represents that spent by a normally efficient business when submitting a transport document;
- Number of occurrences for this IO refers to the number of transport documents that are carried out on an annual basis;

- This IO is not perceived as regular and occurs only on occasion. In this case, the frequency value is one and the occurrence refers to number of times this IO is fulfilled over a year for all fishermen in the specific Measurement Country.

Given the fact that few of the 22 Member States concerned by this Regulation could give an estimation of the annual number of submitted transport documents, extrapolation was carried out on the assumption that all landings require a transport document, regardless of its form[77]. In reality, Article 13 of Regulation (EEC) 2847/1993 requires a transport document to be drawn up if there is no sales note or take-over declaration. Practical aspects of the compliance with the Regulation have shown, however, that prior to selling the landed fishery products to an auction centre or to the first buyer, particular attention is paid to having a document that complies with the transport conditions as set out by the Regulation. As shown below, in many cases the landing declaration may serve the purpose of the transport document. A transport document as such is used rarely and then mainly when no sales note or take-over declaration is available.

The main cost driver and the reason for this IO being among the most burdensome ones for this Priority Area, is the number of landings. As to the submission of landing declarations, this IO has a very large population because it requires the completion of a transport document on every landing. The minutes spent on this IO are however rather low.

It can be seen that Greece with €0.5 million accounts for 42% of the total administrative cost among the Measurement Countries, while France and Spain are ranked second and third with €0.4 and €0.3 million respectively.

[77] Collected (qualitative) information from the interviews have shown that the transport document is very often part of the logbook and of the landing declaration. Considering the unavailability of data with regards to the number of transport documents that were submitted and in order to have the closest estimation from the available data, the consortium has chosen to identify the time spent specifically on this task when filling the logbook or the landing declaration and that for each time a landing was performed.

The amount of time involved ranges from 5 to 12 minutes, with Greece showing the highest internal time spent on this IO. This is mainly a function of the time it takes to submit the copy of the transport document (dispatch note) to the auction centres as the auction centres request this upon arrival of the landing and a copy is made at the entrance to support the recording of activities being performed within the auction centres. These last steps of the business process are responsible for the increased amount of time involved in comparison to the other countries. These steps are usually performed by professionals (transporters) who are in charge of transporting the landed fishery products from the landing port to the specific auction centre. In contrast with other Measurement Countries, a specific transport document is filled in on practically every landing.

France, Greece and Spain have the highest number of transport documents submitted, in line with the high number of landings that are being performed, according to our extrapolation method on populations. The difference in the registered minutes is due to the fact that in all Measurement Countries besides Greece, the transport document is part of the landing declaration and does not require the completion of an additional form. In this case, the consortium has chosen to identify the time spent specifically on this task when filling the landing declaration and that for each time a landing was performed.

3.1.4.4 Interviewees' initial simplification suggestions

The suggestions outlined below have been collected through the interviews conducted.[78]

The suggestions arising for the measurement of this specific IO have to do with the potential extended use of these transport documents. This is linked with the issuing of sales notes from auction centres (IO "Submission of a sales note for first marketing of fishery products"). A proposal has been made by Greece that is actually reducing the need to issue a sales note, as long as the information included in the dispatch notes (transport documents) and the invoices after the sale are comprehensive enough for the authorities

[78] As stated in section 3.1.1.4, the following suggestions represent only the views of industry, collected through the conducted interviews and do not take into account either the views of the Commission or the local authorities, or indeed the consultant's assessment.

to receive the information they require without the introduction of another document in the selling process.

However, the benefits of the proposal must be assessed in light of the use of the sales notes, especially in countries where the whole process is carried out automatically with the use of efficient equipment (e.g. Portugal, Spain).

3.1.5 IO 5 "Cooperation with inspections"

3.1.5.1 Characteristics of the IO

The "Cooperation with inspections" is a prioritised IO in Council Regulation (EEC) No 2847/93 of 12 October 1993 for establishing a control system applicable to the Common Fisheries Policy.

It concerns the inspection of the activities carried out by the fishing vessels, the transport vehicles and operations, or the activities carried out at an auction centre.

Two main segments have been identified for this IO:

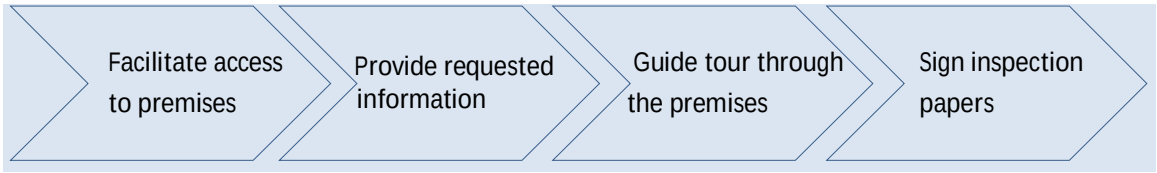
- Logbook inspections – mostly off-shore and landing inspections, that mainly concern the fishermen or Masters of Vessels
- Sales inspections – mostly concerning on-shore inspections at the point of sale, that mainly affect the first buyer or main player in the fishery products chain at first marketing.

Further analysis will focus partly on the existence of substantial differences in the inspections relating to the two segments.

3.1.5.2 Process for complying with IO

As stated above, inspections are carried out either at sea (vessel inspections) or on shore (inspections at auction centres). The main activities of a simplified inspections process regarding this Requirement are given below.

Figure 15: Business process for EU Requirement "Cooperation with inspections"



By Capgemini/Deloitte/Ramboll Management.

In general, the process relating to Inspection IOs is both simple and generic. However, the inspection system actually differs across all countries, for cultural, historical and contextual reasons. It is appropriate, therefore, once again, to present a specific description of processes and organisations of inspections for every Measurement Country.

- In France:

In France, the frequency of inspections at sea concentrates on checking the operations logbook (70% of inspections), while the remainder are focused on checking the size of the fish catch and security checks.

Inspections at sea are usually led by the vessels of the Maritime Affairs Directorate and focus on checking the logbook, inspecting the nets and the security features of the vessel. French experts stated that there are 36 people in charge of conducting the inspections, who can be police officers (including harbour police), customs officers or military personnel. Personnel are assigned to specific regions in France, covering the fishing activity geographically .

The inspection time depends highly on the kind of vessels (netters, dredgers and large dredgers) and the severity of the inspectors, with some inspections lasting up to seven hours.

The time spent on inspections also depends on the number of zones in which the vessel is fishing. If the vessel only operates in a single zone (like most netters), inspections take no more than 40 minutes. It should be noted that inspections in the North Sea are more frequent than in the Mediterranean Sea because of the quotas which apply in that area.

Offshore inspections are led by the Maritime Affairs Directorate and the focus is on checking sizes and weight of catches, while a number of inspections are also performed on invoices and sales notes.

- In Spain:

Most inspections in Spain are now either carried out by helicopter or at the landing place. This means that the time spent by the fishermen in accommodating the inspectors is quite low. The aim of the inspection by helicopter is to check that the fishing zones are respected and prevent illegal catches.

The objectives of the inspections at the port are to control the size of the fish, the size of the net used and for administrative requirements, such as licences and logbooks. During the inspection, masters usually continue with their activities and leave the inspectors to walk freely through the vessel. Masters only present the licence and the logbook, which are then signed by the inspectors, when they are asked to.

On the other hand, the auction centres interviewed claimed to receive many inspections, from regional administration, health and safety services and food safety. The highest number of inspections is carried out by the Sanitary Services (who usually give the highest fines) that want to ensure the application of health standards in the treatment of goods (no smoking within the facilities, use of gloves, ensuring fish do not touch the ground...) and to control undersized fishing.

- In Poland:

In Poland, the process for inspections is similar regardless of whether it is carried out at sea or onshore. The only difference is that inspectors inform the Masters of Vessels beforehand about the intention to inspect the vessel at sea. Inspection at ports is carried out without prior notification to the Master of Vessel.

Inspections at auction centres or warehouses focus mainly on checking the compatibility of the documents available in the premises with the stock of fish. Typically the process takes longer than the inspection at sea, as the quantity of stock and the number of documents to be inspected is greater. However, there is evidence that the number of inspections in warehouses is rather limited.

- In Greece:

In Greece, most inspections at sea are performed by the port authorities and concern either the safety measures (small size vessels under 10 metres in length) or crew document inspection (medium size vessels 15-24 metres in length) to check for stowaways. Inspections for safety measures and undersized fish are also typical.

Most of the inspections involve checking the vessel documentation, although there is evidence that the operations logbook is rarely inspected, since Masters of Vessels always complete it after their trip.

Net inspections are rare (approximately 10% of inspections) and are usually carried out when a vessel is fishing in new areas and the inspectors do not know the vessel. When nets are inspected, the process takes approximately two hours, while in the meantime no fishing is allowed. During that period, the master has to pull up the nets, let them be examined and after the inspection throw them back into the sea.

The Ministry of Agriculture has offices within all auction centres and carries out routine surveillance on a daily basis. If the inspector (as he checks a fish sample) has evidence that a particular batch of fish does not meet the specified quality requirements, the batch will be blocked and subject to in-depth analysis. However, only a small number of cases result in a batch problem, approximately 10-20 cases per year for all auction centres and most often in periods close to public holidays.

Other inspections can be carried out on the spot by the Ministry of Finance (SDOE – for checking invoices) and the Port Authorities (for market inspection, undersized fish etc).

Interviews in Portugal and in Ireland did not identify specific country-related methods that are related to the inspections carried out by the authorities, above and beyond the description of the business processes above.

3.1.5.3 Costs and explanatory variables

The details of the administrative cost and the administrative burden for the six Measurement Countries are given in the next Table.

Table 17: Administrative Cost and Administrative Burden of "Cooperation with inspections"

Cooperation with inspections, Council Regulation (EEC) No 2847/93 of 12 October 1993 establishing a control system applicable to the Common Fisheries Policy, Art. 4 par. 2							
		Measurement Countries					
		FR	EL	IE	PL	PT	ES
Internal time per occurrence (minutes)	logbook inspections	125	34	70	60	72	45
	sales inspections	50	24	180	90	25	30
Average hourly tariff (€)	logbook inspections	47.00	11.00	22.00	4.00	6.00	12.00
	sales inspections	51.00	11.00	22.00	4.00	7.00	12.00
Dominant employee type	logbook inspections	professionals	skilled agricultural/fishery workers	skilled agricultural/fishery workers	skilled agricultural/fishery workers	skilled agricultural/fishery workers	skilled agricultural/fishery workers
	sales inspections	legislators, senior officials, managers	skilled agricultural/fishery workers	skilled agricultural/fishery workers	skilled agricultural/fishery workers	plant/machine operators, assemblers	skilled agricultural/fishery workers
Number of occurrences	logbook inspections	5,540	4,000	1,595	3,859	1,504	5,513
	sales inspections	3,500	4,500	1,064	240	1,003	3,675
Total administrative costs per occurrence (€)	logbook inspections	97.92	6.23	25.67	4.00	7.20	9.00
	sales inspections	42.50	4.40	66.00	6.00	2.92	6.00
Total administrative burden per occurrence (€)	logbook inspections	97.92	6.23	25.67	4.00	7.20	9.00
	sales inspections	42.50	4.40	66.00	6.00	2.92	6.00
Total costs	logbook inspections	542,458.33	24,933.33	40,938.33	15,436.00	10,828.80	49,617.00
	sales inspections	148,750.00	19,800.00	70,224.00	1,440.00	2,925.42	22,050.00
Total cost for all segments combined		691,208.33	44,733.33	111,162.33	16,876.00	13,754.22	71,667.00

This Table is based on data compiled by the Consortium.

Notes:

- Collection of data for this IO was based on segments. The total cost per occurrence presented in this Table is calculated as: (sum of total costs across segments)/(sum of number of occurrences across segments).

- A zero value ("0") indicates that the values for costs, minutes, occurrences and/or populations are too minimal to merit taking into account.

Prior to proceeding to the analysis of the costs is an overview of some of the Table's figures:

- Internal time per occurrence represents the time that a normally efficient business in the Measurement Country spends on complying with the previously described process. Standardisation has been performed by the country teams in relation to the interviews conducted. The time that was collected here represents that spent by a normally efficient business when inspected;
- Number of occurrences for this IO refers to the number of inspections that are carried out on an annual basis;
- The IO is measured on the yearly number of inspections. There is therefore no frequency associated to it.

Given the fact that few countries among the 22 Member States concerned by this Regulation could give an estimation of the annual number of inspections, extrapolation was performed on the basis of the number of vessels that are more likely to be subject to inspection. These are the same as those who are required to keep a logbook, vessels over 10 metres in length. The data collected data has shown that there are on average 4.27 inspections per vessel each year. Where there is no data available, an extrapolation was carried out based using this figure as an assumption.

The total administrative cost for this IO for the Measurement Countries is approximately €0,9 million, with France facing the highest cost, €0.7 million. This corresponds to 73% of the cost for Measurement Countries. As we can see, the time related to inspections between the two segments identified differs from one country to another. In France, Greece, Portugal and Spain, the time spent on logbook inspections is higher than on sales inspections. In Ireland and Poland, on the other hand, specific emphasis is placed on sales inspections, as they are perceived as essential in ensuring that fishing activity is accurately measured. Such difference depends directly on the emphasis that is given by authorities on every kind of inspection and on its objectives. A particular focus may be placed on the fishing activity on sea, on landing or at the selling activity at an auction centre depending on the inspector's particular focus and on the market's history (inspections at sea may

occur more frequently where illegal fishing is conducted whereas inspections at an auction centre may occur where selling (incl. Food Safety) issues may be of a higher importance.

The amount of time involved for inspections depends on the thoroughness of the inspection. France shows the highest internal time per activity affected (125 minutes per off-shore inspection), mainly due to the detailed inspection of the operations logbook and its complexity (it takes, on average, 45 minutes to fill in the logbook). Inspections are also almost solely performed with the Master of the Vessel or with the fleet manager. Individual costs per inspection are, therefore, considerably higher due to higher tariffs of the persons involved in the process.

Ireland ranks second again due to the complexity of the logbook, but also due to a certain level of thoroughness of the part of the inspectors. Indeed, Ireland has a sanctions system that is perceived to be particularly stringent. Hence, the time spent on inspections is a measure of the increased importance attached to it, by officials as well as by fishermen and by salespeople.

For Poland, inspections at auction centres are the most time-consuming, while interviews in Portugal showed a high level of thoroughness in the inspections at sea.

It is worth nothing that a great majority of costs have been identified as burden, since clearly almost every activity related to an inspection at sea or on-shore adds no value to the fishing activity or the selling of fish and is considered by fishermen interviewed as highly burdensome for the fishing community.

3.1.5.4 Interviewees' initial simplification suggestions

The following suggestions have been collected through the interviews[79]:

[79] As stated in section 3.1.1.4, the following suggestions represent only the views of industry, collected through the conducted interviews and do not take into account either the views of the Commission or the local competent authorities, or indeed the consultants' assessment.

- Although cooperation with inspections is considered necessary for effective fisheries control, better coordination between national authorities (coastguards) and between national and foreign authorities could prevent repetitive inspections of the same vessels (unless an offence has been recorded), in order to ensure that all vessels (or the high risk vessels) are inspected.
- Similarly, there has been a particular point of irritation in relation to cross-country inspections. When a vessel of a particular Member State is inspected by the authorities of another Member State, inspections are perceived to be more time-consuming, stricter, and as often resulting in heavy sanctions. The main reason for that seems to be the difference in the understanding, on the part of the different Member State authorities, of the importance of the Regulation's provisions and the flexibility that can be allowed. As an example, specific logbook records are not required by French authorities, they are however heavily inspected by Irish authorities. There is, therefore, a need for harmonisation of the inspection content between different Member States.
- It has also been noted that, since inspections at the landing point are less burdensome for the fishermen, they should be given priority, at least for inspected parameters that can be controlled after the landing of the vessel, for example the logbook. According to DG MARE, this is one of the suggestions in the reform, increasing the focus of inspections in ports, on landings, as well as applying a risk management based approach to ensure rationalisation of the inspections.

3.1.6 IO 6 "Notification of the geographical position", Art. 3, par. 5 (and Reg.2244/2003)

While the IO "Notification of the geographical position" was characterised as a non-prioritised IO, the measurement exercise showed a cost of €1.2 million (4.08% of total Priority Area costs for the Measurement Countries). In the light of the significant amount arising as costs for this IO, it was decided to include it in the present analysis.

3.1.6.1 Characteristics of the IO

The characteristics relate to the amount of time spent by the Masters of Vessels over 15 metres in length in order to notify the authorities of their geographical position. The workshops conducted did not identify this IO as a prioritised one because vessels over 15

metres in length have a Vessel Monitoring System (VMS)[80] that automatically notifies the geographical position of the vessel through satellite transmission. As this system is automatic, no particular costs were anticipated as burdensome for the Masters of Vessels.

A complementary Regulation to the Regulation in scope has extended the implementation of an on-board Vessel Monitoring System (VMS) to all vessels over 15 metres in length[81]. Thus, this IO is fulfilled automatically without the involvement of the Master of the Vessel.

However, the purpose of this project is to identify the administrative cost (and burden) a standard company would incur in order to comply with this IO. Expert assessment has shown that, although a fully digitised system is in place and the technique is well-established, it is still quite new and fishermen are unsure about it. Such systems, in the beginning of their implementation phase, tended to malfunction on occasion, obliging fishermen to manually transmit their position to the authorities through telex, fax, email or any other means possible. There is still concern from the Masters of Vessels to ensure that the VMS device is ready to submit the data on the geographical position of the vessel.

In most countries, vessel owners are required to pay a monthly fee for the transmission of coordinates through the satellite system. In other states such as Denmark or the Netherlands, the state pays the transmission costs. However, these are external costs (beyond equipment and consultancy) and are not included in the current study.

3.1.6.2 Process for complying with IO

Prior to presenting the process that is related to this IO, it is important to stress the steps linked to using a VMS device; The process related to the usage of a VMS device starts every time a vessel, which is over 15 metres in length, starts a fishing trip. The Master of the Vessel turns on the device and waits to see the signal that the device is operating

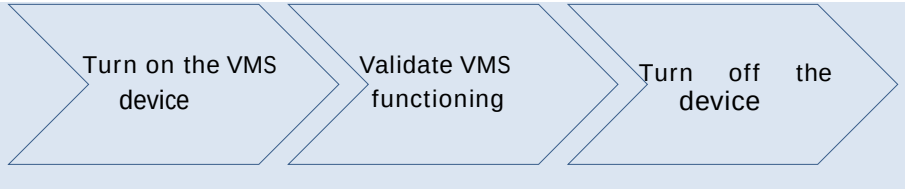
[80] EU Regulation 2244/2003 details the provisions regarding satellite-based Vessel Monitoring Systems in place currently.

[81] EU Regulation 2244/2003 details the provisions regarding satellite-based Vessel Monitoring Systems in place currently.

correctly, making sure that the communication with the FMC[82] is established. After the end of the trip, the Master of the Vessel shuts off the VMS device.

A simplified business process applicable to VMS functioning can be depicted as follows.

Figure 16: Business process for EU Requirements "Notification of geographical position – VMS is functioning"



By Capgemini/Deloitte/Ramboll Management.

As stated previously, since the introduction of the VMS, the IO should not represent administrative costs and burden for the fishermen or the Masters of Vessels. However, the fact that the VMS is a relatively new technology, and that VMS devices have in the past malfunctioned on a fairly regular basis, means there is still some suspicion with regard to relying on it entirely and fishermen would rather spend time ensuring that it is transmitting the signal as it should. This is the principle of the administrative costs that are measured here.

These costs are expected to drop to a zero value over the coming years. VMS systems are now a well established technology that does not fail at the same rate as it used to. Fishermen are expected to gradually gain confidence in the technology, which would result in a non-burdensome IO.

The interviews from the Measurement Countries showed that the former high frequency of VMS device malfunction is still influencing the fishermen's behaviour towards their compliance with the Regulation. For example, a workshop conducted in Greece stated that VMS devices tend to malfunction at least once every two years – especially due to problems with the aerials, requiring fishermen to take steps to repair it immediately and at

[82] Fisheries Monitoring Center

the same time be sure to communicate their geographical position every four hours during a fishing trip[83].

Estimates and discussions with the European Commission showed that there are in the EU on average VMS failures on 3%[84] of the fleet of any given country in a Member State. Moreover, a fishing vessel over 15 metres in length is not allowed to leave port without a functioning VMS device. As the number of VMS failures is not available at national level, and these failures apply to very particular situations that are unrelated to standard fishing activities in terms of efficiency in compliance, it was decided to measure the exact costs of a normally efficient business in order to comply with the IO and, in this case, in order to make sure that there is full compliance.

3.1.6.3 Costs and explanatory variables

The underlying costs for the specific IO were measured on the basis of the frequency of the normal (standard) process (when the VMS is functioning). It has been considered as an IO since the masters of the vessels above 15 metres in length pay attention to verifying that the device is functioning (including switching it on and off) and because the only purpose is to comply with the Regulation in scope.

The measurement does not include the costs related to cases where a VMS device malfunctions. As stated above, these cases are not yet quantifiable on a country basis and do not represent a normally efficient business.

The details of the administrative cost and the administrative burden for the six Measurement Countries are given in the next Table.

[83] This process has not been measured within this IO. However, as VMS devices often malfunction in Greece, a National obligation going beyond EU Requirements has been mapped, in order to evaluate the impact on the administrative burden incurred by Greek fishermen.

[84] Although such an estimation is not currently available, experts have validated it as an estimate of yearly VMS failures.

Table 18: Administrative Cost and Administrative Burden of "Notification of the geographical position"

"Notification of the geographical position", Council Regulation (EEC) No 2847/93 of 12 October 1993 establishing a control system applicable to the Common Fisheries Policy, Art. 3 par. 5							
		Measurement Countries					
		FR	EL	IE	PL	PT	ES
Internal time per occurrence (minutes)	non-segmented EU Requirement	5	5	5	5	5	5
Average hourly tariff (€)	non-segmented EU Requirement	21.00	11.00	22.00	4.00	6.00	12.00
Dominant employee type	non-segmented EU Requirement	skilled agricultural/fishery workers	skilled agricultural/fishery workers	skilled agricultural/fishery workers	skilled agricultural/fishery workers	skilled agricultural/fishery workers	skilled agricultural/fishery workers
Number of occurrences	non-segmented EU Requirement	208,800	136,600	58,200	43,000	111,400	511,400
Total administrative costs per occurrence (€)	non-segmented EU Requirement	1.75	0.92	1.83	0.33	0.50	1.00
Total administrative burden per occurrence (€)	non-segmented EU Requirement	1.75	0.92	1.83	0.33	0.50	1.00
Total costs	non-segmented EU Requirement	365,400.00	125,216.67	106,700.00	14,333.33	55,700.00	511,400.00
Total cost for all segments combined		365,400.00	125,216.67	106,700.00	14,333.33	55,700.00	511,400.00

This Table is based on data compiled by the Consortium.

Notes:

- A zero value ("0") indicates that values for costs, minutes, occurrences and/or populations are too minimal to merit taking into account.

Prior to proceeding to the analysis of the costs, some of the figures in the Table should be explained:

- Internal time per occurrence represents the time that a normally efficient business in the Measurement Country spends on complying with the previously described process. Standardisation has been performed by the country teams in relation to the interviews they conducted. The time that was collected here represents that spent per day of trip by a normally efficient business ensuring that the VMS is functioning;
- Number of occurrences for this IO refers to the number of vessels equal to or longer than 15 metres in length, as they all have a VMS system fitted;

- Frequency of compliance is estimated at 200 occurrences per vessel, equivalent to the average 200 days spent at sea by fishermen[85].

The main cost driver, and the reason why this IO represents 4% of the total administrative costs of this Priority Area and is ranked among the most burdensome IOs, is the number of occurrences per fishing vessel. It is a very frequent IO that does not require much time and effort, as it only requires making sure that the device is functioning correctly.

Of the Measurement Countries, Spain is ranked first with €0.5 million and France is ranked second with €0.4 million. Together they account for 74% of the administrative costs, as the number of affected vessels is significantly higher than that of other countries. France and Spain account for 73% of the vessels affected, explaining the high cost proportion of both countries for this IO.

A common point among all countries is that the administrative burden accounts for 100% of the total cost, indicating that the time invested by the fishing community in complying with the specific obligation is spent entirely for compliance purposes. This is due to the fact that the specific requirement does not add value to the productive activity of the fishermen and that without the legal obligation, fishermen would not record their whereabouts.

3.1.6.4 Interviewees' initial simplification suggestions

The following suggestions have been collected through the interviews[86]:

[85] The frequency of compliance with Regulation N° 2244/2003 concerning the frequency of notifying the geographical position (through a VMS) is every two hours; such a transmission is not burdensome to the fishermen, since the VMS is automated and they are not allowed to interfere with this transmission. The time measured in this IO concerns the time actually spent on a daily basis (of a trip) in making sure that the VMS device functions correctly, as a normally efficient business that seeks to ensure that it is compliant with the existing legislation.

[86] As stated in section 3.1.1.4, the following suggestions represent only the views of industry, collected through the conducted interviews and do not take into account either the views of the Commission or the local authorities, or indeed the consultant's assessment.

Firstly, despite the fact that the fishing community understands the objective of the legislation, they feel that the installation and maintenance of VMS devices should be coordinated in a more efficient way that would result in less disruption to their productive activities.

Couple the VMS and electronic logbook

The improvement of technical specifications was raised as a significant suggestion for minimising the frequency of malfunctioning. Relevant to the application of VMS devices is the suggestion that the acquisition/subscription costs be reduced, although these are not identified as administrative costs. In the case of large vessels, it might be theoretically possible to couple the VMS and the electronic logbook. However, the specifications of such equipment and its cost-effectiveness would have to be assessed carefully.

Avoiding malfunctioning VMS devices

A workshop in Greece indicated that the frequency of VMS malfunctioning is a usual and irritating occurrence (once every two years)[87], which means the master or owner of the vessel has to communicate with the authorities and with the equipment provider in order to schedule a meeting with a technician. In most cases, the underlying costs are covered by the owner of the vessel and this could mean paying approximately €1,500 for a new aerial, plus the service cost. This cost was not included in this study as an administrative cost.

Provide clarity on ownership of the device and specifications of the maintenance process

Clear ownership of the device that would involve maintenance obligations and clear specifications of the maintenance process can be considered as a suggestion for defining roles and responsibilities and should minimise the manual involvement of the Master of the Vessel in communicating the geographical position of the vessel.

[87] Although this occurrence seems rather high, it has been collected from a conducted panel and still represents a very high irritation point.

3.1.7 Other IOs

The remaining six IOs arising from the Regulation in scope relate to:

- the "Provision of a sampling plan and transhipment details";
- the "Submission of an effort report";
- the "Provision of landing information (...to the specific port scheme)";
- the "Drawing up of a stowage plan";
- the "Provision of landing information (....to the Community regime)";
- the "Application for financial support".

All are Non-prioritised IOs in Council Regulation (EEC) No 2847/93 of 12 October 1993 for establishing a control system applicable to the CFP. Together, they represent 1.1% of the total costs of the Measurement Countries in the Fisheries Priority Area, and 0.9% of the total costs of all 22 Member States for the Fisheries Priority Area and do not result in particularly high administrative costs.

- The IO "Provision of a sampling plan and transhipment details" relates only to the provision of transhipment details when the transhipment or landing is to take place more than 15 days after the catch (the sampling plan needs to be provided by the Member State and is not a matter for the fishermen). This is a rather rare situation, which only affects very large vessels.
- The IO "Submission of an effort report" applies only to Community fishing vessels authorised to carry out fishing activities directed at demurral species and does not apply to vessels in the Mediterranean Sea. It relates to communicating existing information (mostly from the logbook) to the authorities, which does not require much time and effort.
- The IO "Provision of Landing information..." is split between providing information to the specific port scheme or to the Community regime. Both cases apply to rare situations where a landing is performed in a Member State other than the flag Member State of the vessel.
- The IO "Drawing up of a stowage plan" is an indirect IO that requires the master of a vessel to keep a plan of their vessel in order to identify where catches and fishing gear are located within the vessel. It is indirect as there is no legal requirement for it and yet the Regulation indicates its use. The Masters of Vessels have identified it

as an obligation that needs to be updated on average every five years, without any substantial costs whatsoever.

- The Possibility regarding the "Application of financial support" was found only still to be applicable only in Spain and France. The underlying costs are not considered to be significant and thus it has not been developed in this report.

As stated in section 3.1.6, the IOs "Submission of (a copy of) the transport document" and "Notification of the geographical position" were characterised as a Non-prioritised IOs as well, but considering the significant amount of costs arising from these IOs, it was decided to include them in our analysis. While these two IOs belong to the top six most costly IOs, they still only account for 7.8% or €6.2 million of total administrative cost for the Fisheries Priority Area.

4. Conclusion and Outlook

4.1 General Conclusions on the conducted measurement

In total the Administrative Cost resulting from the legislation in scope of the Fisheries Priority Area amounts to €79.70 million. Of the total for the Priority Area, 92.7% (€73.86 million) has been classified as Administrative Burden, while €7.11 million stems from National Obligations going beyond EU Requirements

Six IOs within Council Regulation (EEC) No 2847/93 of 12 October 1993 establishing a control system applicable to the Common Fisheries Policy account for 98.9% of the total cost for the Priority Area, with the top three accounting for more than 85%.

The IO "Potential audit requiring fishermen to keep an operations logbook" has the highest associated costs (50.1% of the total), while "Submission of landing declaration" represents the second highest cost in the list (22.5% of the total). Both of these IOs are related to daily obligations for the Masters of Vessels above 10 metres in length (or 8 metres for Masters of Vessels in the Baltic Sea).

Seventy-one percent of the total administrative costs for Fisheries are incurred in France, Italy, Spain and the United Kingdom. The heavy concentration in four Member States is due to the fact that the total costs arising from the Regulation in scope are closely linked to the size of the fishing fleet of vessels above 10 metres in length (or 8 metres in the Baltic Sea) and to the activity of selling fishery products. These countries have the largest fishing fleets and the largest fishery production in the EU.

The IOs identified and measured do not really differ from one another in terms of requirements on a local level. Implementation and processes are similar from one country to the other.

On a national level, differences in costs measured are explained mainly by geographical and sectoral specificities, as well as by different levels of government assistance to help businesses comply with the Regulation. The varying costs of the Measurement Countries

depend highly on factors such as how strict the authorities are (in inspections and penalties), the level of assistance provided (through guidelines and accurate information) and the development of solutions helping fishermen and auction centres in the landing and selling process of fishery products.

We note as examples:

- The comparatively higher amount of time spent in Ireland, which is related to the stringency of the inspection authorities with regard to compliance with the Regulation, and
- A high amount of time spent by French Masters of Vessels in complying with the IOs, as less assistance is available with filling in landing declarations and operations logbooks.

4.2 Upcoming activities: Module 5

The first part of Module 5 was launched in parallel to the measurement work presented in this report and focused on conducting national events in all Member States as well as a large SCM event at EU level, the Cutting Red Tape for Europe Conference[88]. The events were conducted to:

- Disseminate the early results of this project;
- Involve and activate further national and EU stakeholders;
- Collect input into the analysis of the simplification suggestions.

To further maintain and develop the positive results of these activities, an e-magazine on important SCM news is produced quarterly and DG Enterprise's Administrative Burdens Reduction website was restructured and editorial input provided.

The Module 5 work is building further on the results from Modules 3 and 4 to deliver reduction recommendations for the Priority Areas in this project based on a specially developed reduction methodology. This methodology is currently being used to identify and distinguish changes to EU legislation (IOs stemming from EU legislation), from

[88] Held in Brussels on June 20th 2008; see www.cuttingredtape.eu.

changes to implementing/transposition measures adopted by the Member States (better practice, including possible elimination of additional requirements). Furthermore, a monetary evaluation of the reduction recommendations will be conducted along with an analysis of their implementability. In addition to the input stemming from this project, additional input from best-practice countries, EU level experts within and across Priority Areas, and existing reduction recommendations and strategies are being used. At the time of writing, the results of this work are expected by the end of March 2009.

4.3 The recent evolution of CFP and the Control reform

Control is a cornerstone of the CFP. An inefficient control system calls into question the entire system of Total Allowed Catches and quotas (Council Regulation (EC) No 40/2008) and fishing effort management. The major efforts undertaken in recent years to achieve sustainable exploitation and long-term management of stocks simply cannot bear fruit without an effective control system.

The fisheries control system has been recently under review as it suffers from substantial shortcomings identified by both the Commission[89] and the European Court of Auditors (ECA)[90]. The purpose of this review is to modernise and reform the control system of the CFP. This review led to a reform proposal by the Commission in mid-November 2008 on the entire Fisheries Control System, focussing on encouraging a culture of compliance and creating a level playing field for Europe's fishermen[91].

The main improvements it suggests are:

- simplifying the legal framework by setting common standards for all CFP rules;
- broadening the scope for control, addressing neglected fields and newly arisen fields;

[89] Source: COM(2007)167 final

[90] Source: Special Report No 7/2007

[91] Further information is available on the following link:
http://ec.europa.eu/fisheries/cfp/control_enforcement/reform_control_en.htm

- establishing a level playing field for control, ensuring fair treatment for fishermen by establishing harmonised and deterrent penalty systems among others;
- rationalising the approach to control and inspection, by the use of systematic risk management tools to concentrate control resources on high risk activities;
- applying the CFP rules more effectively, by a macro-management approach from the Commission ensuring a stronger and quicker reaction to infringements;
- reducing the administrative burden in order to render the new system more accurate, quicker and less expensive.

Prior to the submission of the proposal, DG MARE conducted an impact assessment to assess the effectiveness of the proposed new measures and the impact on operators and administrations. The cost-benefit ratio of enforcement measures must be improved, and thus the reduction of the administrative burden and administrative costs is part of the overall objective of the reform proposal. At the same time, this will provide an opportunity to achieve more efficiency. Accordingly, there is a focus in the reform proposal on those control policies which are truly effective and absolutely necessary, while also establishing savings through the use of modern technologies and better alignment of control methods between Member States, further supporting the specific objective of standardisation of control.

More specifically in terms of reducing administrative costs, the reform will extend the use of:

- Electronic Reporting Systems (ERS) to vessels above 10 metres in length, replacing the paper format of the logbook and of the landing declaration by an electronic, partly[92] automated process;
- Electronic transmission of the required information to the authorities, mostly through mobile or satellite data transmission tools;
- Electronic completion and submission of sales notes by registered buyers.

[92] A partly automated process refers to the fact that pre-registered fields on the screen would allow the user to save time by not having to fill them in each time.

The abovementioned extensive use of modern technologies would make a considerable reduction of the administrative burden possible for the three most burdensome IOs of the Regulation in scope (by way of, they represent together more than 85% of the total administrative burden of the Fisheries Priority Area).

The extension of Electronic Reporting Systems (ERS) to vessels above 10 metres in length would make it possible considerably to reduce the time spent by Masters of Vessels in filling in the logbook, as basic information on the vessel on the date of the catch would be entered automatically. Pre-filled lists would allow masters to choose specific types of fish as well as geographical position (zone), where this is not done automatically by satellite-operated systems such as VMS. Masters of Vessels would then be able to focus mostly on entering the weight of the catch per types of fish caught.

As well electronic transmission of the required information to the authorities, the reform covers the submission of the landing declaration (which includes data already registered in the logbook). This would become automatic through an automated process within the ERS, as no paper format would be needed and all data would be instantly transmitted in an electronic format.

The impact of the reform in terms of administrative burden not only targets fishermen and Masters of Vessels, but also the main players involved in the fishery products sales process. Automated processes in the process of filling in and submitting sales notes on first marketing of fishery products would allow auction centres and other registered buyers to save a considerable amount of time currently spent on copying required data (from the logbook and the landing declaration) by having the required fields filled in automatically, such as basic information on the auction centre, as well as choosing specific items in prefilled lists.

Furthermore, the administrative burden would be reduced by more indirect actions such as the consolidation and the simplification of the legislative framework, a common culture of compliance, particularly in terms of inspection processes, and the tools for a more harmonised, organised and effective approach to inspection and control.

5. Annex

5.1 Methodological challenges in the Fisheries Priority Area

The sections below address:

- Recruitment of companies
- Data collection, including remarks on the collection of Qs
- Standardisation
- Reuse of existing data.

5.1.1 Recruitment of companies

Overall, the identification and recruitment of companies was successful, but with country–specific challenges.

The target groups that were identified and which were applicable for the specific Priority Area comprise the following categories:

- Masters of vessels between 8 and 10 metres in length (only for the countries having fishery activities in the Baltic Sea). These represented the main target group for campaign 1;
- Masters of vessels equal to or greater than 10 metres in length. These represented the main target group for campaigns 2 and 3;
- Vessels exceeding 15 metres in length between perpendiculars. These represented the main target group for the IO “Notification of the geographical position” in campaign 2;
- Transporters of fishery products. These represented the main target group for campaign 4;
- Fishery operations, such as auction centres and places for first marketing. These represented the part of the target group for campaign 4;
- Masters of vessels smaller than 15 metres between perpendiculars. These represented the main target group for campaign 5.

The major constraint in the recruitment of businesses was the availability of the fishermen. As expected, most of them were out at sea during the day and contacting them was a challenge. The approach that was used in many cases was to visit landing areas or auction centre areas, where fishermen can be found after their trips.

Although most of these places are dispersed around the Member States, the time required to reach these locations was usually offset later on, as in some cases, these destinations provided the necessary synergies to interview both fishermen and other individuals such as take-over buyers, auction centre employees or even inspectors.

In addition to the above, a number of interviews were conducted with representatives of professional fisheries organisations that were able to provide the national teams with useful information about the business process required to comply with the IOs, as well as their assessment of the underlying costs.

In some Member States, the authorities provided the country teams with contact lists of fishermen, professional groups and auction centres, which were a good starting point for recruiting.

Nevertheless, the actual recruitment of companies for the interviews proved somewhat challenging in some of the Member States. The reluctance to participate was mainly due to a general scepticism about being interviewed as this was considered as another control imposed upon the fishing community. For some of the countries, such scepticism slowed down the entire process considerably, while in most cases, careful identification of the rationale behind this project proved valuable, as it secured a high level of commitment from the interviewee. This was more visible to Masters of Vessels above 10 metres in length, who are obliged to carry out most of the administrative obligations such as the completion of the operations logbook, and the facilitation of inspections to their vessels.

5.1.2 Data collection

The major challenge in the actual data collection was to keep the focus on the specific IOs of the Regulation in scope. Apart from administrative costs, the fishing community faces other business risks, such as the rising fuel prices, especially for dredgers which have very

high fuel consumption. Other risks are related to fishing quotas, the high cost of maintenance and competition from third countries, which reduce their profit margins.

Although the intention was to focus on the measurement of the specific IOs, the points above proved valuable to initiate discussions and steadily introduce the interviewee to the specific subjects. In most cases, this approach extended the duration of the interviews, but it proved valuable to the success of the endeavour.

In general, all country teams performed the necessary desk research to familiarise themselves with the specific challenges of the specific area. The desk research involved, inter alia, becoming familiar with the background information, including reading through the legislation, the operations logbook, the "standard" business processes, and the short Priority Area profile.

Preparatory work also involved the collection of relevant material from the Member State authorities, such as guidelines on the completion of the logbook, in order to understand the underlying demands. In addition, explorative interviews were conducted with government officials to gain insight into the area and how it was designed in the individual Member State.

The desk research thus meant that before starting the actual data collection, the country teams had a thorough understanding of the area, which also allowed them to specify and reformulate questions to the interviewees.

During interviews, an effort was made to standardise the collection of data through the respective interview guide in terms of standard activities and business processes. Although this could be achieved in countries with a higher level of exposure to the European Commission (in terms of catches), with other countries, the interview guide was only used as a checklist to steer the interview. The operations logbook was also used to help steer the discussion.

The main source of populations (number of affected entities) was the Member State authorities. All Member States were asked to provide data on the prioritised and non-prioritised IOs. The Q collection began in late 2007/early 2008, which meant that complete data existed only for 2006, which was also the most recent full year before the baseline date of this measurement[93]. However, during the collection of the populations, data for 2007 also became available in some Member States. The general experience is that Qs for the specific IOs do not fluctuate significantly over the years.

The data provided by the Member States constitutes the core for the extrapolation of the population data. However, it is important to note that although measurement of costs at country level captures the actual costs to the businesses, the extrapolation assumes full compliance in terms of costs per activity and also population. The SCM assumes that all businesses concerned are following the rules completely. It is not the actual number of businesses that observe a rule that is counted. The factor captured is how many businesses are affected and the costs these businesses would have, if they all followed the rule as required.

More on the details of the extrapolation exercise can be found in the Annex of the Main Report

5.1.3 Standardisation

The standardisation of the data collected was one of the biggest challenges for the country teams. Although the legislation in question is a Regulation, the business processes behind the implementation of some of the IOs were not identical. For example, the completion of the operations logbook was carried out either during the trip or after landing, and the submission of the sales note varied among the countries questioned.

The main objective was to have a clear view of the underlying business process involved and to standardise values on the same activities. In some cases, this meant additional interviews had to be carried out to clarify the business process and allocate the costs to the correct activities.

[93] For this measurement, the baseline date was set at end of July 2006.

It should also be stressed that, in general, the time estimates for the non-prioritised IOs are based on standardisation carried out partly at national level and partly based on the assessment of experts engaged at EU level.

5.1.4 Reuse of existing data

In the past, measurements of specific IOs of Regulation (EEC) No 2847/93 had been made in Denmark, the Netherlands and the UK.

From the existing measurements on Baseline Countries, those corresponding to the United Kingdom are considered as outlier, producing relatively high amounts of administrative costs compared to the Measurement Countries. Where no explanation was available which allowed the consortium to have clear indication whether the data available for an IO was comparable to those measured, data was kept as such, but was excluded from the extrapolation basis.

The data from the Netherlands and Denmark are more aligned with the measurements carried out in the context of this project.

It was suggested that in order to use the results from the Baseline Countries effectively, it was necessary to identify the underlying process of the IOs that are considered as outliers and single out the sub-costs that have the same parameters at the activities identified in the Measurement Countries. For the rest of the costs that correspond to activities that were measured in the Baseline Countries, the extrapolation method used for the rest of the Member States was applied.

Another suggestion that helped streamline the data of the Baseline Countries was to clearly assess the populations and frequencies incorporated in order to calculate the costs for the IOs measured.

The suggestions above required insight into the parameters of the measurements that were made in the Baseline Countries. Existing measurement was therefore thoroughly discussed and assessed, and decisions were taken accordingly:

- When data for an IO was perceived to be comparable as such, it was kept and contributed as a basis for extrapolation;
- When population, frequencies and/or registered times were different but the contents of the measured IO were similar to the IOs that were identified in this measurement, data was re-adjusted so that it would become comparable to the consortium's measurement. Hence populations, times and/or frequencies were adjusted, keeping the identical amount of total measured costs. Data could then contribute as a basis for extrapolation;
- When costs on IOs arising from existing measurements could not be considered as comparable to those conducted (due to lack of information on the IO, out of scope measurements, etc.), data was deleted and extrapolated, as it was for the Extrapolation Countries.

As a result, 25% of the data from Denmark was considered comparable and was kept as such. Sixty-three percent of the data arising from the measurement conducted in the Netherlands has also been used as an extrapolation basis. As previously mentioned, 50% of the data arising from the measurement in the United Kingdom was kept as such, but certain distortions relative to the measurement conducted by the Consortium meant it could not constitute a basis for extrapolation.

5.2 Collection and extrapolation of population data

A detailed description of the process of population data collection and extrapolation can be found in the Main Report on the measurement data and analysis as specified in the specific contracts 5&6 on Modules 3&4 under the Framework Contract n° ENTR/06/61 covering all Priority Areas.[94] This Annex covers only this specific Priority Area and describes the efforts that were made to obtain population data and quality assurance.

[94] The extrapolation model as well as the process of population data collection and extrapolation is further described in the Annex of the Main Report on the measurement data and analysis as specified in the specific contracts 5&6 on Modules 3&4 under the Framework Contract n° ENTR/06/61

For the Fisheries Priority Area, the Consortium collected in total ~88% of the data points for all Information Obligations. For the 11 Information Obligations in this Priority Area (of which five are segmented), ~14 data points were collected on average per Member State[95] (but the so-called Baseline Countries excluded from that). In addition, ~12% of the data points were extrapolated. Additional and supplemental information was obtained via desk research and from database queries on the Eurostat homepage as well as interviews with the respective authorities. Most of the data on vessels could be obtained from the DG MARE fleet register.

Some problems arose in the data collection in this Priority Area. In some of the Member States there was a different understanding of the questions that were sent out. Some figures represented the number of inspections carried out per year but not the number of inspected logbooks. A different approach was chosen by using data from the fleet register and expert assessments in relation to frequencies as no detailed statistics are available. Data for Information Obligations that could not be based on the number of vessels was checked for outliers and confirmed or amended after discussion with the country teams.

For the Fisheries Priority Area, environment variables were set up to extrapolate the missing data points on an IO-specific basis. These have been described within the description of the costs that are related to the relevant IO.

The quality assurance for this Priority Area was integrated in the process of data collection and extrapolation. After extrapolation, the plausibility of the figures was again checked by expert assessment and by comparing the extrapolation results to the output of the desk research and to the results of the Baseline Countries.

[95] The sources for individual data points can be found in the database.