EUROPEAN
COMMISSION

Brussels, 13.7.2017
SWD(2017) 274 final

COMMISSION STAFF WORKING DOCUMENT

EX POST EVALUATION OF THE EUROPEAN FISHERIES FUND 2007-2013

{SWD(2017) 276 final}

ACRONYMS[1]

AA	Audit Authority
AIR	Annual Implementation Report
CA	Certifying Authority
CFP	Common Fisheries Policy
CLLD	Community Led Local Development
DCF	Data Collection Framework
DG MARE	Directorate-General for Maritime Affairs and Fisheries
EARDF	European Agriculture and Rural Development Fund
EC	European Commission
EFF	European Fisheries Fund
EMFF	European Maritime and Fisheries Fund
ERDF	European Regional Development Fund
ESF	European Social Fund
ESI Funds	European Strategic Investment Funds
EU	European Union
EUMOFA	European Market Observatory for Fisheries and Aquaculture Products
FAME	Fisheries and Aquaculture Monitoring and Evaluation (support unit)
FARNET	European Fisheries Areas Network
FIFG	Financial Instrument for Fisheries Guidance
FLAG	Fisheries Local Action Group
FTE	Full Time Equivalent
GT	Gross Tonnage
IB	Intermediate Body
ITQ	Individual Transferable Quotas
kW	Kilo Watts

[1] Many specific terms are used in this document, for which an explanation can be found in the following glossaries:

- Fisheries and aquaculture: https://en.wikipedia.org/wiki/Glossary_of_fishery_terms#M
- Evaluation: http://enrd.ec.europa.eu/enrd-static/app_templates/enrd_assets/pdf/evaluation/glossary_2014.pdf

MA	Managing Authority
MPA	Marine Protected Area
MS	Member State (of the EU)
MSY	Maximum Sustainable Yield
NSP	National Strategic Plan
OECD	Organisation for Economic Cooperation and Development
OP	Operational Programme
PO	Producer Organisation
RAS	Recirculating Aquaculture Systems
SHI	Sustainable Harvest Indicator
SME	Small or Medium sized Enterprise
STECF	Scientific, Technical and Economic Committee for Fisheries
ToR	Terms of Reference

EU Member States country code	
Country Code	*Country Name*
AT	Austria
BE	Belgium
BG	Bulgaria
CY	Cyprus
CZ	Czech Republic
DE	Germany
DK	Denmark
EE	Estonia
GR	Greece
ES	Spain
FI	Finland
FR	France
HR	Croatia
HU	Hungary
IE	Ireland
IT	Italy
LT	Lithuania
LU	Luxembourg
LV	Latvia
MT	Malta
NL	Netherlands

PL	Poland
PT	Portugal
RO	Romania
SE	Sweden
SI	Slovenia
SK	Slovakia
UK	United Kingdom

TABLE OF CONTENTS

SECTION 1 INTRODUCTION 6

SECTION 2 BACKGROUND TO THE INITIATIVE 7

SECTION 3 EVALUATION QUESTIONS 10

SECTION 4 METHOD 11

SECTION 5 IMPLEMENTATION STATE OF PLAY 11

SECTION 6 ANSWERS TO THE EVALUATION QUESTIONS 15

1. EFFECTIVENESS 15

2. EFFICIENCY 23

3. RELEVANCE 25

4. COHERENCE 26

5. EU ADDED VALUE 27

6. SUSTAINABILITY 28

SECTION 7: CONCLUSIONS 29

ANNEX 1: PROCEDURAL INFORMATION 31

ANNEX 2: STAKEHOLDER CONSULTATION 32

ANNEX 3: METHODS AND ANALYTICAL MODELS USED 48

ANNEX 4: SUMMARY OF AUDITS CARRIED OUT IN 2015 54

Section 1 INTRODUCTION

The **purpose of the *ex post* evaluation** is to comply with the legal obligations established by Article 50 of the EFF Regulation[2], which specifies that it shall "*examine the degree of utilisation of resources, the effectiveness and efficiency of the operational programme and its impact in relation to the objectives set out in Article 4 and the guiding principles set out in Article 19. It shall identify the factors which contributed to the success or failure of the implementation of the operational programme, including from the point of view of sustainability, and best practice*."

The results of the ex post evaluation can be used by the Managing Authorities (MAs) and the Commission to improve the implementation of the current EMFF. It will also be used by the Commission as a key element of the impact assessment to be undertaken to assess the possibility to continue financial support for the fisheries sector post-2020. Other stakeholders such as other EU Institutions, Member States or local actors can also use the results for their own needs.

The **scope of the evaluation** is to evaluate the EU funding spent through the EFF during the 2007-2013 programming period. The remaining public funding, made available at national level to co-fund the EU allocations, has only been examined when relevant, for example to identify the leverage effect of the EU funds.

This evaluation covers 27 Operational Programmes[3] and assesses the 16 EFF measures proposed by the EFF Regulation (including technical assistance). However, this evaluation has reorganised these 16 measures within "spending categories" similar to the current European Maritime Fisheries Fund to ensure comparability between these two funds:

- Fisheries
- Aquaculture
- Processing
- Common interest
- Community development
- Technical assistance

The ex post evaluation of the EFF has undertaken the following tasks:

1. To quantify and qualify how the EFF resources have been spent;
2. To describe and assess results and the socio-economic impact of the EFF in relation to its objectives and guiding principles;
3. To identify the factors which contributed to the success or failure of the implementation of the operational programme, including from the point of view of sustainability;
4. To identify best practices of the above.

[2] Council Regulation (EC) No 1198/2006 of 27 July 2006, which was amended by Commission Delegated Regulation (EU) 2015/895 of 2 February 2015 supplementing Regulation (EU) No 508/2014 of the European Parliament and of the Council on the European Maritime and Fisheries Fund as regards transitional provisions, which established a new deadline for this ex post evaluation, to be delivered by 31/12/2016.

[3] For the 2007-2013 period, Luxembourg did not receive funding from the EFF, while Croatia only had an OP adopted in 2013.

A stakeholder consultation was also undertaken by the Commission and the results were included in the ex post evaluation. These are presented in Annex 2.

SECTION 2 BACKGROUND TO THE INITIATIVE

The European Fisheries Fund (EFF) is the financial instrument established to support the Common Fisheries Policy (CFP) in the programming period 2007-2013. The legal basis for the CFP is article 39 of the EC Treaty and its general objective until 2012 was to "provide for sustainable exploitation of living aquatic resources and of aquaculture in the context of sustainable development, taking account of the environmental, economic and social aspects in a balanced manner". The CFP aims to ensure that fishing and aquaculture are environmentally, economically and socially sustainable and that they provide a source of healthy food for EU citizens. Its goal is to foster a dynamic fishing industry and ensure a fair standard of living for fishing communities. Although it is important to maximise catches, there must be limits and fishing practices should not harm the ability of fish populations to reproduce. The CFP as reformed in 2013 maintains the above general objective and aims to ensure that exploitation of living marine biological resources restores and maintains populations of harvested species above levels which can produce the maximum sustainable yield (MSY). In order to do so it requires that the MSY exploitation rate shall be achieved by 2015 where possible and on a progressive, incremental basis at the latest by 2020 for all stocks. The CFP recognises the impact of human activity on all components of the ecosystem and seeks to make fishing fleets more selective in what they catch, and phase out the practice of discarding unwanted fish.

The EFF Regulation[4] was established as a follow-up to the Financial Instrument for Fisheries Guidance (FIFG) which was created in 1993, renewed in 1999 and adjusted to the CFP reform in 2002[5]. The FIFG was one of the Structural Funds and used to share its delivery mechanism with the other Funds (ERDF and ESF). For the 2007-2013 period, the EFF had a separate set of delivery mechanisms, which had to be established at the outset, leading to delays and other implementation issues.

The objectives of the EFF Regulation are specified in its Article 4:

(a) support the common fisheries policy so as to ensure exploitation of living aquatic resources and support aquaculture in order to provide sustainability in economic, environmental and social terms;
(b) promote a sustainable balance between resources and the fishing capacity of the Community fishing fleet;
(c) promote a sustainable development of inland fishing;
(d) strengthen the competitiveness of the operating structures and the development of economically viable enterprises in the fisheries sector;

[4] Commission Regulation (EC) No 1198/2006 of 27 July 2006 of the European Fisheries Fund and Commission Regulation (EC) No 498/2007 of 26 March 2007 laying down detailed rules for the implementation of Council Regulation (EC) No 1198/2006 on the European Fisheries Fund

[5] The Financial Instrument for Fisheries Guidance (FIFG) was created in 1993 as the specific financial instrument dedicated to fisheries structural policy. First established through Regulation (EC) No 2080/93, the FIFG became the structural pillar of the CFP and therefore an essential component of European strategy in the fisheries sector.

(e) foster the protection and the enhancement of the environment and natural resources where related to the fisheries sector;

(f) encourage sustainable development and the improvement of the quality of life in areas with activities in the fisheries sector;

(g) promote equality between men and women in the development of the fisheries sector and fisheries areas.

The EFF is implemented under shared management, and each Member State (MS) prepared an Operational Programme (OP), covering both the convergence and the non-convergence regions[6], and showing how the financial resources allocated would be used. These OPs were adopted by the Commission after a negotiation phase. The choice of measures proposed under the EFF was very similar to the FIFG, including measures targeting the fleet such as permanent and temporary cessation or investments on board, investments in aquaculture, processing and marketing facilities, ports and shelter, as well as an array of collective actions. New and innovative measures (compared with the FIFG) were introduced, including:

- Targeted support for fleet segments that were affected by Union conservation measures, notably by planning permanent and temporary cessation within fishing effort adjustment plans.
- Environmental measures such as more selective gear, aqua-environmental measures and measures for fuel efficiency.
- Specific measures supporting small-scale coastal fisheries and inland fishing.
- Support for the establishment of Fisheries Local Action Groups in charge of implementing local development strategies targeting small fisheries-dependent areas[7].
- Investments targeting small and medium-sized enterprises (SMEs).
- Promotion of equality between men and women in the development of the fisheries sector and fisheries areas.

The evaluation used a theory-based approach, and the evaluators developed the logic of the intervention on the basis of the work already done in the interim evaluation of the EFF carried out in 2011[8]. It reorganises the objectives of the EFF in a more structured way and shows how the financial support is expected to contribute to outputs, results, outcome and eventually impact.

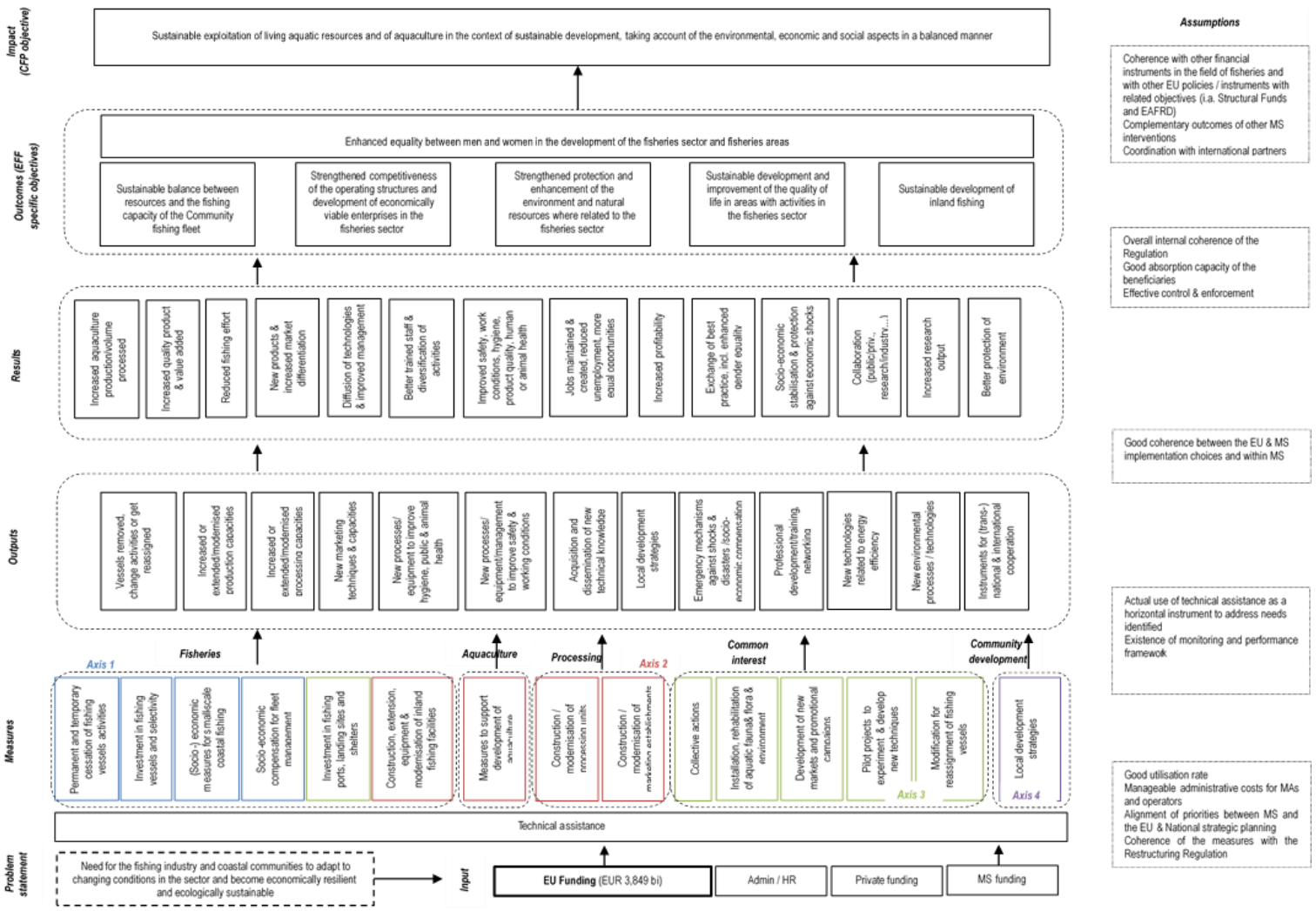
This exercise allowed the evaluators to undertake their analysis following "spending categories" corresponding to the new EMFF instead of the axis of the EFF. This was decided so that the results of the evaluation could lead to recommendations useful for the current period, and possibly feed into preparation of the future.

[6] Regions under the convergence objective are the least developed regions according to the Council Regulation (EC) No 1083/2006.

[7] This was inspired by the LEADER initiative supported by the EAFRD since the mid-1990s.

[8] https://ec.europa.eu/fisheries/sites/fisheries/files/docs/publications/eff_interim_evaluation_en.pdf

Figure 1: Intervention logic diagram:



Baseline:

The EFF aimed at addressing structural issues in the fisheries sector: dwindling fish stocks due to overfishing, dependence on import for fish consumption, degraded quality of life of communities dependent on fishing, safety for workers on board fishing vessels, etc. These issues created the needs that led to the policy choices made by the Commission and the Council before the adoption of Regulation (EC) 1198/2006. However, the EFF was designed and programmed in a period of economic growth, but was delivered in a period marked by growing pressure on the stocks, by the 2008 financial crisis, but also by an important rise of fuel prices.

The impact of the fuel crisis led to the adoption on 24 July 2008 of Council Regulation (EC) No 744/2008, which provided for a temporary specific action to promote the restructuring of the EU fishing fleets affected by the economic crisis. These measures constituted a temporary derogation from some provisions of the EFF and therefore resulted in a reprogramming effort for nine Member States.

SECTION 3 EVALUATION QUESTIONS

The ex post evaluation addressed the following evaluation questions[9]:

1. Effectiveness: To what extent were the EFF regulation's six specific objectives achieved?

2. Efficiency: To what extent were the desired effects of the EFF achieved at a reasonable cost? To what extent was the EFF delivered at a reasonable cost – delivery systems?

3. Relevance: To what extent does the EFF Regulation corresponds to the needs, problems and issues to be addressed?

4. Coherence: To what extent were there complementarities, synergies, overlaps, demarcation issues with other EU funding instruments?

5. EU-added value: What is the additional value resulting from the EFF, compared to what could be achieved by MS at national and/or regional level without any EU action?

6. Sustainability: Has the EFF contributed to the environmental and sustainability objectives that it set out to achieve?

[9] The Technical Specifications for the ex-post evaluation included a set of sub-questions, which are not repeated here as they are addressed in the text.

SECTION 4 METHOD

This ex post evaluation was conducted with the support of a team of external evaluators, who delivered the final report in November 2016.

A stakeholder consultation took place between February and May 2016[10], aiming at examining the general public opinion concerning the effectiveness and efficiency of the EFF.

A key issue was the poor quality of the monitoring data (in particular the lack of compulsory common result indicators), which was already identified in the interim evaluation of the EFF[11]: the MS were obliged to collect monitoring data but this data was not systematically transmitted to the Commission. Further, the absence of clear definitions of indicators and of the technical data to be transmitted on demand (see below) led to serious discrepancies between MS which had to be corrected manually.

This led the evaluation team to adopt a theory-based approach complemented by a detailed data collection strategy including a series of eight case-studies with a counterfactual dimension.

The EFF Implementing Regulation[12] foresees in its Article 40 that the MS should collect data on each operation selected for support, following a common template which can be found in annex to the Regulation. This information was not systematically send to the Commission and two data calls were undertaken to provide the evaluators with basic data. However, the data provided by the MS was not very robust and contained many mistakes[13]. The Annual Implementation Reports (AIR) provided data on results but the use of common result indicators was not compulsory, leading to inconsistencies in the reporting[14]. However, better information could be obtained from other sources such as official statistics, the Data Collection Framework (DCF[15]) or DG MARE's annual implementation reports.

Extensive data collection actions were carried out in order to mitigate the poor data availability, including eight case studies to provide in-depth understanding of the role played by the EFF in specific sub-sectors. Further details on the methodology are available in Annex 3.

SECTION 5 IMPLEMENTATION STATE OF PLAY

The total EU budget was 4,3 billion euros, covering the programming period 2007-2013. Commitments to new operations could be undertaken until the end of 2013, whilst payments to beneficiaries could be executed until the end of 2015. Payment claims to the Commission could be submitted until 31/3/2017, by which date the procedure for closure of the accounts started.

---

[10] http://ec.europa.eu/dgs/maritimeaffairs_fisheries/consultations/eff-post-evaluation/index_en.htm?subweb=347&lang=nl

[11] https://ec.europa.eu/fisheries/documentation/studies/eff_evaluation_en

[12] Commission Regulation (EC) 498/2007.

[13] See "Lessons learned" in Annex 3.

[14] These shortcomings were addressed in the EMFF.

[15] Since 2000, an EU framework for the collection and management of fisheries data is in place. This framework was reformed last in 2008 resulting in the Data Collection Framework (DCF). Under this framework the Member States (MS) collect, manage and make available a wide range of fisheries data needed for scientific advice. However, the DCF does not include data allowing the measurement of the net results or impact of the EFF.

The first half of the programming period led to important delays which were analysed in the interim evaluation[16]: only 37% of the EFF had been committed to operations by the end of 2010. Measures that already existed in the former period were easier to implement than measures that were new in the EFF such as Axis 4.

By the end of 2015, all OPs had been modified[17], mainly to re-allocate funds across Axis, reflecting the situation on the ground. Modifications were especially required to cope with the fuel and economic crises. Since the start of the programming period more than half of the MS de-committed EU funds for a total of 6% of the original EU budget[18].

The difficulty of providing matching funds, either public (co-financing) or private (aid intensity) explains partially these difficulties, a problem made more acute by the crisis. Measures with a high level of aid intensity (such as scrapping) were easier to implement.

Implementation took off in the second half of the programming period, as shown by the table below. At the end of 2015, commitments reached 102% of the funds originally programmed[19] and payments to beneficiaries reached 72% of the funds originally committed.

Table 1: EU funds programmed, committed and paid under the EFF, 31/12/2015[20]

EFF	Total
EU funds programmed (million euros)	4,305
EU funds committed (million euros)	4,396
% EU fund committed /Programmed	102%
EU funds paid (million euros)	3,077
% EU funds paid/ EU funds committed	72%

EU funds must be matched by **national public funds** (co-financing), in a proportion which can vary according to the type of operation supported and the type of area. By December 2015, a total of 5,277 million euros of public fund (EU + national public) had been spent under the EFF.

Many operations receive only a proportion of the total cost of the operation (aid intensity). The **total private contribution** in the same period was 1,865 million euros, bringing the total spent to 7,142 million euros. Therefore, each euro of EU funding leveraged 1.33 euros of national funding (private + public).

However, the application of the N+2 rule throughout the programming period led to some de-commitment, reducing the final amount of EU funds programmed to 4,056.754 million euros (94% of the initial amount of funds programmed). At the end of March 2017, MS sent to the

[16] http://ec.europa.eu/fisheries/documentation/studies/eff_evaluation_en_en

[17] With the exception of HR, which was only adopted in 2013

[18] The final amount of de-commitment will only be known at the end of March 2017, when the MS will submit their closure documents together with the final statement of expenditure.

[19] This can be explained by the fact that MS anticipated that not all projects will have been finalized at closure

[20] Source: Data sent by the MS, following a data call undertaken in May 2016, based on Art.40 of Regulation 498/2007 .

Commission their final statement of expenditure in the framework of the closure of the programming period. The tables below provide an overview of the final amount of EFF support declared by the MS as paid[21] at the closure of the period, by Axis and by MS.

	EFF programmed[22]	EFF paid	
Axis 1	1,142,342,506	1,041,219,833	91%
Axis 2	1,194,354,625	1,096,143,574	92%
Axis 3	1,101,807,669	984,311,919	89%
Axis 4	472,218,672	406,112,297	86%
Axis 5	146,030,563	122,527,447	84%
Total EFF	**4,056,754,035**	**3,650,315,071**	**90%**

	EFF programmed	EFF certified	
AT	5,249,497	5,230,890	100%
BE	26,261,648	25,269,166	96%
BG	62,783,169	60,285,938	96%
CY	19,724,418	19,484,777	99%
CZ	27,106,675	24,422,499	90%
DE	132,253,458	108,780,691	82%
DK	133,675,169	122,397,219	92%
EE	84,568,039	83,222,866	98%
ES	1,055,250,968	903,563,112	86%
FI	38,491,347	38,005,731	99%
FR	207,096,020	178,011,365	86%
GR	202,554,357	146,866,365	73%
HU	34,743,470	34,499,976	99%
IE	42,266,603	40,729,289	96%
IT	387,646,899	348,361,767	90%
LT	54,713,408	53,817,789	98%
LV	125,015,563	124,803,779	100%
MT	8,372,329	8,408,184	100%
NL	43,282,778	36,811,096	85%
PL	734,092,574	715,511,178	97%
PT	225,864,267	215,274,101	95%
RO	178,273,115	148,076,437	83%
SE	54,638,257	47,929,089	88%
SI	21,640,283	19,982,696	92%
SK	12,868,797	10,375,064	81%
UK	129,620,927	122,328,447	94%
HR	8,700,000	7,865,562	90%
Grand Total	**4,056,754,035**	**3,650,315,071**	**90%**

[21] Please note these figures must be used carefully since they are based on the amounts declared by the MS, which have not yet been verified by the Commission, nor audited.

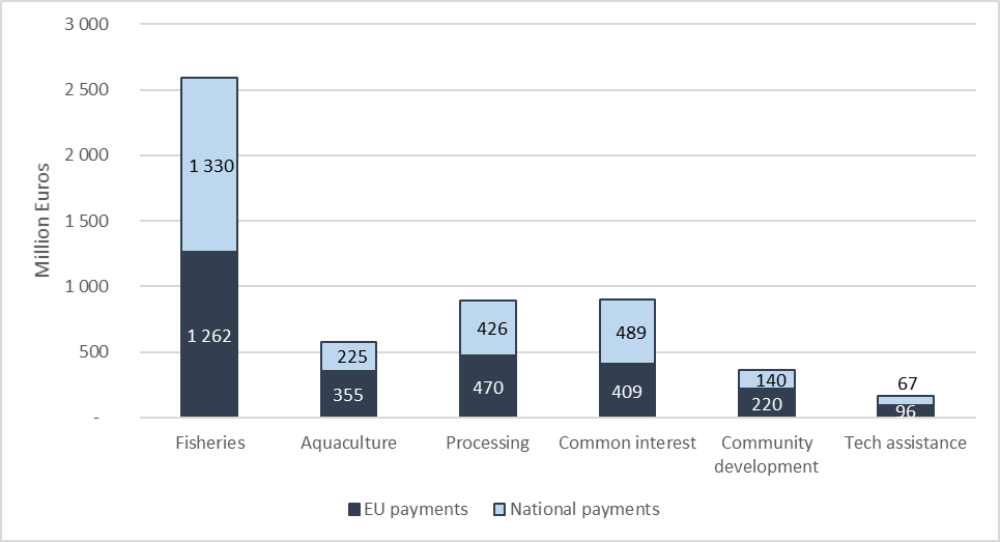
[22] Taking into account automatic decommitment following the N+2 rule.

Table 2: Total public funding paid under the EFF and private funding leveraged, 31/12/2015[23]

EFF source of total public finance paid	EUR million	%
EU contribution	3,077	58
National co-financing	2,220	42
Total public funding	5,297	100
Private funding	1,865	

47% of the public support was spent into fisheries (fleet measures and fishing ports), whilst 16% was spent on both fish processing and common interest measures. Aquaculture used 11%, whilst community led local development[24] represented 7%. The remaining 3% were spent on technical assistance.

Figure 2: EU and national payments (EUR million) by spending category, 31/5/2015[25]



[23] Source: Art.40 data as of 31 May 2016.

[24] Term used for the former "axis 4" (based on the LEADER principle) as of 2014.

[25] Source: Art.40 data as of 31 May 2015. Please note that the level of payments (total public) was overestimated by the MS when answering the data call issued in May 2015. The next data call undertaken in May 2016 provided more accurate data, which are reflected in Table 2. This discrepancy illustrates the weaknesses of the monitoring system of the EFF.

SECTION 6 ANSWERS TO THE EVALUATION QUESTIONS

1. Effectiveness

Evaluation question: To what extent were the EFF regulation's six specific objectives achieved?

Please note that the first objective stated in the EFF Regulation is the general objective of the Fisheries Fund [26], whilst the six other objectives are specific objectives contributing to this general objective, which will be analysed in more details in this section (see Figure 1 above: Intervention logic diagram).

Objective 1: Promote a sustainable balance between resources and the fishing capacity of the Community fishing fleet

During the programming period of the EFF the sustainable exploitation of fish resources progressively improved in some European fisheries. By 2014, fishing mortality did not exceed fishing mortality at MSY for 59% of assessed stocks, compared to less than 30% in 2008. Overall, the imbalances of the EU fishing fleet reduced over the EFF programming period despite imbalances still being evident for many fleet segments[27].

Although the extent of the impact of the EFF investment in the overall reduction is difficult to measure due to a lack of reliable result indicators, 18% of the EFF was spent on implementing **decommissioning schemes.** Between 2007 and 2015, the capacity of the EU fishing fleet decreased by 17.5% (in gross tonnage), of which more than half (53%) was removed with support from the European Fisheries Fund. Thus, nearly 10% of the EU fleet capacity was removed with the help of the EFF. This also resulted in a 9% decrease of engine power in the EU fishing fleet.

However, large proportions of the fleet are inactive in some MS (e.g. PT, SI, BG and RO) and this latent capacity has made decommissioning less effective than it could have been. Thus, in some instances EFF support was used to decommission vessels which would have been scrapped anyway, these were not necessarily the vessels having the biggest impact on resources.

The 2011 Special Report by the European Court of Auditors[28] highlighted several weaknesses of the permanent cessation system: inadequacy of indicators to reflect the ability of fishing vessels to catch fish, low restrictions related to ceilings, insufficiently clear rules for the treatment of fishing rights when fishing vessels are scrapped and weaknesses in the implementation of measures to balance fishing capacity with fishing opportunities.

The "Evaluation of scrapping and temporary cessation measures in the EFF" undertaken in 2013[29] found that 46% of scrapping beneficiaries with more than one vessel reinvested the monies to some extent. However 75% of beneficiaries scrapped their only vessel and

[26] Commission Regulation (EC) No 1198/2006. Article 4 (a) "support the common fisheries policy so as to ensure exploitation of living aquatic resources and support aquaculture in order to provide sustainability in economic, environmental and social terms;"

[27] STECF balance reports, 2015b

[28] ECA (2011) Special Report No 12/2011 – Have EU measures contributed to adapting the capacity of the fishing fleets to available fishing opportunities? European Court of Auditors, 2011

[29] https://ec.europa.eu/fisheries/sites/fisheries/files/docs/body/201312-cessation-report_en.pdf

therefore most did not reinvest in other vessels (22% invested in fishing with only 6% purchasing a new vessel). Only 12% of the vessel owners surveyed said they would have scrapped their vessel anyway, without any subsidy.

In conclusion, while the EFF decommissioning schemes did contribute to re-balancing capacity with resources, imbalances still exist, and the EFF has only been moderately effective in this regard. However, decommissioning could be an expensive tool to correct these imbalances (see efficiency section) and could have been better targeted at priority cases.

Only 6 MS funded **temporary cessation** with ES, PL and IT accounting for 90% of EU temporary cessation spending. In most instances it was applied when fishing activity was stopped by different fisheries management measures such as closures. Although the evaluation found that EFF support contributed to helping industry accept closures, it did not contribute to addressing structural imbalances of the fleet or reducing fishing effort overall.

Case Study: Socio-economic Measures

Measure 1.5 of the EFF contains a series of actions that can provide socio-economic **compensations for fishermen affected** by measures taken for the management of the fishing fleet. These include: diversification of activities, upgrading professional skills for young fishermen, retraining in occupations outside fishing, early departure from the sector and compensations for fishermen affected by the scrapping of their vessel.

By May 2015, **65.784 million euros were committed** for these types of actions (1,67% of the EFF). 19 MS partially implemented this measure, although five MS (ES, IT, PL, FR and LV) represented 94% of these commitments.

MS generally reported that the uptake of this measure was **significantly lower than expected**, as these actions did not correspond to the needs of the sector. Further, these were in competition with other measures (in particular under Axis 3: measures of common interest, and Axis 4: sustainable development of fisheries areas). Training was also supported under other financial schemes in particular under the European Social Fund (ESF) and the administrative burden was also seen as a key barrier. In Italy, the lack of coordination between national measures (scrapping) and regionalised measures (compensation) created further difficulties. For the future, these measures should be **better integrated in a strategic approach** to ensure coordination and complementarity with fleet management measures.

Objective 2: Promote a sustainable development of inland fishing.

The evaluation showed that the effectiveness of the EFF for the sustainable development of inland fisheries was limited at EU level. A clear correlation between the EFF intervention to support inland fishing and its development (volume and value of catches) was only identified in Finland, whilst results were more mixed in other MS such as Estonia or Romania.

Objective 3: Strengthen the competitiveness of the operating structures and the development of economically viable enterprises in the fisheries sector.

The EFF aimed to support the sustainable development of the EU fisheries industry on the whole: fishing, aquaculture and fish processing. This required strengthening the competitiveness of these three sectors through reduced production costs, improved quality of products and increased profitability.

The 2007-2013 programming period was marked by a significant strengthening of the competitiveness of the fishing fleet. As the EFF support represented about 20% of EU **fleet investment** during the 2007-2013 programming period it can be inferred that the EFF contributed to this strengthening by removing unprofitable vessels and supporting the modernisation of the remaining fleet (including by reducing fuel intensity) and of landing sites.

Case Study: Engine replacement

The EFF could be used to replace engines in fishing vessels (including inland fishing vessels) under certain conditions. This **aimed at** improving the fuel efficiency of fish capture, therefore improving the competitiveness of the fleet segments concerned.

By May 2015, **12,4 million euros were committed** to this type of action (0,31% of the total EFF); the main MS implementing this action were Belgium (which allocated over 16% of its budget), France (including Small-Scale Coastal Fishing (SSCF) vessels in Guadeloupe), Finland, Portugal and Cyprus. The aid intensity was low, as the average funding from the EFF reached only 24%.

Reasons for this low uptake were the competition from other fleet measures such as decommissioning, but also the fact that this measure could only be used for vessels if they reduced power by 20% (outside the SSCF segment). This target is difficult to achieve simply by a change of engine, but requires simultaneous change of fishing gear and fishing methods. It was the case in Belgium, leading to a fleet capacity reduction of over 26%. However, most MS preferred to use decommissioning to reduce the capacity of the fleet.

EU **aquaculture production** increased between 2007 and 2013, but substantially less than global aquaculture production: the weaknesses identified in the 2007 study on the economic performance of the EU aquaculture[30] continued to undermine the competitiveness of this industry. Only SMEs were eligible under the EFF, and there is a general consensus that the EFF contributed to the economic resilience of the beneficiaries, especially in the shellfish sector. However, the evaluation confirms that the impact of the EFF on the competitiveness of the EU aquaculture as a whole seems marginal and the main weaknesses identified in the beginning of the EFF remain, which undermined its effectiveness.

However, the evaluation confirms a widespread view amongst MAs and the industry that EFF funding was particularly important during the financial crisis from 2008, which reduced investment and capacity to borrow from banks in the aquaculture sector. Also, the impact of constructing new farms and modernising or extending existing farms on production generally appears several years after the interventions were funded. The evaluation confirmed that the EFF could have contributed to slowing down a trend of decreased employment and in some MS (BG, CY and ES) helped to create employment in the aquaculture sector. EFF intervention has contributed to improved animal welfare standards in the aquaculture sector to a small extent as beneficiaries have focused their applications to other actions. However, the few operations within this action had positive impacts; for instance, in DE, DK, RO and FR. Also, animal health measures could have been more effective if it was funding animal disease preventions and not only eradication plans.

[30] http://ec.europa.eu/fisheries/sites/fisheries/files/docs/publications/aquaculture_2008_fr.pdf

The EFF has therefore been moderately effective in the aquaculture sector as it helped the sector to survive despite the economic crisis.

Case Study: Aquaculture

At the global level, the contribution of aquaculture to the total fish production has reached 43.1 % (70.2 million tonnes) in 2013 and is steadily growing. The EU accounts for 1.5% of global aquaculture production with approximately 1.2 million tonnes in 2013, representing 4% of global value. Thus, public support for aquaculture became an important axis of the EFF, aiming at strengthening the competitiveness of enterprises whilst promoting protection and enhancement of the environment. By May 2015, **commitments reached just under 600 million euros** (14,2% of total EFF), supporting over 8,000 operations at an average total cost of around 200,000 Euros. Over 70% of funds were in freshwater aquaculture, whilst aqua-environmental measures remained marginal in most MS. Five MS (RO, PL, ES, BG and LV) represented 59% of the EFF committed.
There was a modest **7% rise in both volume and value of aquaculture production**, but this must be seen against a backdrop of overall stagnant aquaculture production in the EU (a drop of 16% between 2008 and 2014). Yet, the uptake was generally less important than foreseen, as an impact of the financial crisis, although the EFF has been widely credited with providing important increases in profitability and financial resilience that allowed businesses to survive over a difficult period.

The EFF was also expected to add value through a **diversification of species and systems** used. However, in those difficult times, businesses preferred to consolidate and possibly expand their existing production facilities.
Lastly, the EFF was supposed to contribute to **better environmental performance** of aquaculture. However, the difficult economic conditions limited the incentive for more innovative[31] but possibly risky investments (low impact traditional farming, organic or EMAS certifications). Traditional low impact aquaculture was more successful in Poland where small-scale fish farming is already part of a diverse rural economy and local connections could be built by FLAGs with tourism and regional food development.

The European Court of Auditors audit[32] undertaken in 2014 underlined the disconnection between the National Strategic Plans for Aquaculture and the funding instrument. **In the future,** the evaluators recommended a better connection between strategic plans and funding, a specific focus on innovative measures and a better awareness on the wider benefit of aqua-environmental measures, including resilience to climate change.

The EU fish **processing sector** is significantly larger than the fishing or the aquaculture industry. In 2012, the EU fish-processing sector generated almost twice the gross value added (GVA) of the fishing fleet, and five times that of aquaculture[33]. Fish processing employed almost as many people as the fish catching sector, and twice as many as the aquaculture industry. Gross profit margins stayed relatively stable during the programming period.

There were over 8,000 operations implemented with EFF funding across the EU by approximately 2,700 beneficiaries. Analyses by spending categories showed that competitiveness was the primary objective of these operations. However, the quantitative assessment of the EFF impacts on competitiveness is difficult to assess. Industry trends on production costs and GVA, and analyses on improvements in terms of product quality and innovation suggest that competitiveness of the processing and marketing sector did not

[31] A respondent underlined that banks were reluctant to recognise stocks in the water as collateral for loans.

[32] http://www.eca.europa.eu/Lists/ECADocuments/SR14_10/QJAB14010ENC.pdf

[33] http://bookshop.europa.eu/en/the-european-fisheries-fund-and-the-eu-fish-processing-industry-pbKL0416172/

improve significantly over the period but did not deteriorate either despite increasing competition from third countries. In this respect, the EFF has been effective in contributing maintaining the competitiveness of the sector.

Case Study: Small-Scale Coastal Fishing (SSCF)

The EFF supported SSCF through a specific measure (1.4), which allowed actions to: improve management and access of certain fishing areas; promote organisation of the production, processing and marketing chain; encourage voluntary steps to reduce fishing effort; encourage the use of technological innovations; and improve professional skills and safety training.

By May 2015, it was clear that the uptake of this measure was low, with **37 million euros committed** (less than 1% of the EFF committed). Aid intensity was high, the EFF covering on average 59% of the costs. Only 11 MS implemented this measure, with Poland, Estonia, Italy, Portugal and Cyprus representing over 95% of the funds committed.

The measure was considered as **unfocused and competing with other measures** such as decommissioning (measure 1.1), temporary cessation (1.2), and investments on board (1.3). SSCF were also often supported by FLAGs, directly under Axis 4 (see box below) or by facilitating access to the funds for small-scale fishers.

Further, a series of barriers limited the access to funds under 1.4: a lack of organisation of the SSCF sector; administrative burden, especially for small-scale fishers; a level of aid intensity considered as too low to be attractive; issues with the definition of the SSCF sector; and a lack of clarity on the eligibility of some actions.

For the future, it is necessary to address the lack of private funding through a higher level of aid intensity and to reduce the administrative burden. The role of FLAGs as facilitators should also be fostered.

Support for SSCF under Axis 4 of the EFF

A survey undertaken in 2017 by FARNET[34] on the support provided to SSCF showed that an estimated **2,682 projects were targeted at small scale coastal fisheries under Axis 4, this represents** around **23% of FLAG projects** of the 2007-2013 period. The level of total public support (EFF + national co-financing) channeled through the FLAGs in support of SSCF can be estimated at **around 135 million euros**, this represents close to **20% of the total public money** available to the FLAGs in the period 2007-2013. SSCF projects benefited from an average of **around 43,000 euros,** which is lower than the average project size under Axis 4, which stands at around 62,000 euros.

Preliminary estimates indicate that this trend will continue in the 2014-2020 period, and should even increase to **210 million euros.**

[34] The Fisheries Areas Network (FARNET) is a network linking the Fisheries Local Action Groups supported under Axis 4 of the EFF and UP4 of the EMFF. Networking is facilitated by the FARNET Support Unit, established under a contract with the European Commission.

Objective 4: Foster the protection and the enhancement of the environment and natural resources where related to the fisheries sector.

Several strands of EFF funding contributed to this objective, especially when looking at the alignment of fishing capacity with resources. In 2014 59% of assessed stocks were being fished consistently with MSY, up from under 30% in 2008 and 53% in 2012. The sustainable exploitation of fish resources has therefore progressively improved over the EFF programming period, which can to an extent be attributed to reductions in fishing mortality applied to each stock and more generally through the overall reduction in effort across EU fleets. That effort reduction has come about through management action, but also through the reduction in fleet capacity, to which the EFF contributed.

- Between 2007 and 2015, the capacity of the EU fishing fleet decreased by 17.5% (in gross tonnage), of which more than half (53%) was removed with support from the European Fisheries Fund. Thus, nearly 10% of the EU fleet capacity was removed with the help of the EFF. This also resulted in a 9% decrease of engine power in the EU fishing fleet. Towards the end of the period, the use of permanent cessation funding slowed down as MS considered that their fleets no longer suffered significantly from over-capacity and that permanent cessation is an expensive tool compared to effort controls.

- Temporary cessation was implemented in six MS and was associated with regulatory changes such as fishery closures and recovery plans. Temporary cessation did not by itself reduce fishing pressure or conserve biodiversity but the measure was used to make fishery closures more acceptable to the industry.

- Other fleet investments under the EFF did make a modest contribution to the protection and enhancement of the environment mainly through improved energy efficiency. The contribution to reducing by-catch levels was more limited due to a poor uptake of improved selectivity devices. Greater uptake of gear selectivity that was developed with EFF funded research is expected under the current EMFF due to the implementation of the landing obligation.

The EFF could also support collective or co-operative projects focusing on the **enhancement of environmental and natural resources** related to fisheries. However, biodiversity protection and conservation were not the main focus of the EFF OP's: with the exception of a few MS such as DE and SE, biodiversity protection under EFF was ad hoc rather than strategically implemented and only anecdotal evidence can be found in the ex post evaluation. Delivery against those objectives which are supported by the CFP and the Marine Strategy Framework Directive should be via a well-defined strategy, which would mostly be delivered via collective or co-operative projects rather than individual beneficiaries.

Case Study: Pilot operations

Article 41 of the EFF supported pilot projects for the **development of innovative answers to issues affecting fishing and aquaculture**. This measure supported a range of innovative technologies and improvements to fishing gear selectivity, benthic impact and fuel efficiency. It also supported innovative production techniques (including aquaculture), energy efficiency and various actions related to improving knowledge of the marine

environment. New management methods for water resources and fisheries could also be supported. In addition the measure sought to encourage the development of science/industry/MA partnerships.

By May 2015, **103 million euros had been committed** to these projects (2.61% of the EFF); the main MS implementing this type of support were DE, PL, PT, NL and ES, which represent together 67% of the commitments. Public co-financing was high at 83% of the eligible costs, of which the EFF provided 44%.
Implementation of this measure was influenced by external events:
- A large proportion of the projects (38%) aimed at developing and testing new fishing gear with improved selectivity. This was originally driven by the need to reduce cod bycatch in the framework of cod recovery plans. More recently, the landing obligation has led to trials focusing on the reduction of bycatch of undersized target species.
- The high cost of fuel led to research in innovations that could reduce fuel consumption: gear modifications, new propulsion systems (diesel/electric prototypes) and new hull design.
- The Eel Regulation[35] required to the development and implementation of better eel management plans, leading to innovations in management.
- Although the EFF seems to target this measure at fishing, the aquaculture sector rapidly identified innovation as a key for its development, leading to projects in that area.
For the future, it should be noted that innovation works **better when it is implemented in the framework of an innovation strategy**. The availability of the results for a broader audience is also an issue since innovation is seen as providing a competitive advantage that companies are not willing to share.

Objective 5: Encourage sustainable development and the improvement of the quality of life in areas with activities in the fisheries sector.

The EFF is estimated to have **created approximately 17,000 jobs and maintained many more** over the programming period. Although permanent cessation measures, by their nature, actually contributed to some job losses in fishing (the number is not known[36]), both temporary cessation and socio-economic compensation measures have contributed maintaining employment on a temporary basis, in the specific fleets where it was applied. The ex post evaluation estimated that the EFF contributed to the creation of approximatively 10,000 new jobs in the processing sector. The study on Axis 4, undertaken in 2013, estimated that approximately 6,760 jobs would have been created and 9,240 maintained as a result of projects supported under community led local development (Axis 4)[37].

The EFF also contributed to improve the quality of jobs, mainly through investments in equipment improving safety and working conditions (these represented the largest share of the investments on board), but also investments in aquaculture, processing and fishing ports and landing sites.

Objective 6: Promote equality between men and women in the development of the fisheries sector and fisheries areas.

[35] Council Regulation (EC) No 1100/2007 of 18 September 2007 establishing measures for the recovery of the stock of European eel

[36] It is difficult to provide a precise estimate given that some job losses can be attributed to retirements moving away from commercial fisheries into other activity or sectors, etc

[37] https://ec.europa.eu/fisheries/documentation/studies/axis-4_en. These figures were confirmed by a survey undertaken by the FARNET Support Unit in 2016.

The EFF contribution to gender equality is difficult to assess due to a lack of reliable and comprehensive data on the situation of women in fisheries in general, as well as on women's take up of EFF support.

The evaluation found that the EFF did little to promote gender equality directly. The main reason for this is that in their Operational Programmes, MS did not consider gender equality to be a priority for EFF support, and this is reflected in poor interest, lack of data and low uptake of funding.

Furthermore, most EFF funding is granted to companies not to individuals, making a gender dimension impossible to assess. Women could often not benefit from actions only eligible to fishers, given that in many countries, women cannot have the legal status of fisher.

Overall, the overall contribution of the EFF support to the gender equality objective has been neutral or very marginally positive, with the exception of Axis 4 where some FLAGs supported specific actions targeting women such as a network of women entrepreneurs in Andalousia or women setting-up enterprises to add value to local catches in Galicia[38].

Case Study: Gender

This case study looked at the way the EFF was implemented whilst **taking into account gender equality as a horizontal objective** as stated by the Regulation. However, only two marginal positive measures[39]) were targeting women and the analysis tried to assess how gender equality was mainstreamed in the implementation of the OPs. Although female participation levels in the catching sector are fairly low, women are **more active in the processing sector** (where they represent 54% of the workforce) **and in aquaculture** (around 25% of employment). They were also involved in the administration and management of the fishing business and in activities that add value to the catches or support diversification of the activity (tourism). Beyond these formal productive roles, women's multiple but informal responsibilities as cooks, drivers, community organisers and child carers are essential to the sustainable development of the fisheries sector and of their families and communities but are rarely recognised.

The **lack of data disaggregated by gender** makes any analysis of their role very difficult as it relies mostly on anecdotal evidence. The evaluators found some examples of gender-based selection criteria (ES, BG, CY, PT), although in some MS, including the criteria contradicts legislation on non-discrimination.

Barriers to implementation **were identified** as follows: lack of awareness of MA staff; traditional mentalities and division of labour; physical harshness of the work aboard fishing vessels or in aquaculture farms; support granted to enterprises instead of individuals; and lack of women's representation.

Recommendations for the future includes: undertaking gender analysis as part of the OPs preparation; ensuring data are collected and disaggregated by gender; including measures more relevant for women; and supporting organisation and representation of women, also through better communication and awareness raising activities.

[38] These examples can be found in the "good practices" section of the FARNET website https://webgate.ec.europa.eu/fpfis/cms/farnet/tools/good-practices

[39] Support for networking amongst organisations promoting equal opportunities (Art. 37.k) and support for women under Axis 4 (Art. 44.2)

2. Efficiency

Evaluation question: To what extent were the desired effects of the EFF achieved at a reasonable cost?

The quality of the monitoring data only permits an assessment of the cost of maintaining and creating jobs as well as the estimated cost for each GT removed. For other measures such as innovative pilot projects, developments of new markets and small scale coastal fishing, a qualitative assessment could be made based on interviews and a survey of the MA.

The estimated **cost for job** maintained/created in euros was[40]:

	Fishery	Aquaculture	Processing	CLLD
EUR / job maintained	10,019	8,113	5,592	/
EUR / job created	/	/	58,521	66,614

Comparatively, the cost per job created with CLLD is actually lower than the cost identified in the ex post evaluations of the different phases of the LEADER initiative[41].

The **cost per GT removed** was assessed in the cessation evaluation[42]. Significant differences between MS per GT or kW removed[43] were identified as well as in the proportion of EFF paid compared to the national contribution. These differences were largely depending on the structure of the fleet targeted: MS where small vessels were scrapped had a lower public spent than MS withdrawing larger-scale vessels. The lowest public cost per vessel and per GT was achieved by applying competitive bidding systems rather than a pre-determined premium (UK and EE).

With regards to aquaculture, the cost of achieving an additional tonne of **aquaculture production** or processed output varies considerably between MS (on average it was 40,000 euros/additional ton). These differences may in part relate to differences in the cultivation methods, but there are no figures on aquaculture production associated with EFF spend.

In the processing sector, the average cost of creating an additional tonne of production capacity is 732 euros, although there are important differences among MS (ranging from 13,000 euros in GR to 100 euros in BG, DK and EE).

The EFF also included funding for non-investment measures such as support for innovation ("pilot operations" under Article 41, see case study) or promotional campaign to support fish consumption (Article 40, see case-study). Based on information available, positive impacts

[40] These values were calculated by the contractor on the basis of the data call undertaken in May 2015 on the basis of Article 40 of Regulation 1196/2006. The figures represent the total public money spent.

[41] Leader I: https://ec.europa.eu/agriculture/evaluation/rural-development-reports/1999-leader1_en
Leader II: https://ec.europa.eu/agriculture/evaluation/rural-development-reports/2003-leader2_en
Leader +: https://cps.ceu.edu/publications/reports/evaluation-leader-plus-full

[42] https://ec.europa.eu/fisheries/sites/fisheries/files/docs/body/201312-cessation-report_en.pdf

[43] The average cost was 4,364 euros of public funds / GT removed

have been identified for most of the softer measures but some limitations or lack of information on results have also been highlighted.

Evaluation question: To what extent was the EFF delivered at a reasonable cost – delivery systems?

The ex post evaluation found that the **administrative burden** associated with the delivery of the programme was considered too high in several ways[44]. At the application stage, for potential beneficiaries, such as small-scale coastal fishing or for young fishermen, the administrative burden acted as a disincentive to application. At the outset of projects related to the development of fisheries areas, delays were observed that reflected the difficulty for beneficiaries to meet the EFF organisational requirements.

The delivery of supported projects was also considered too costly especially when a (large) network of partners was involved (e.g. for collective actions or pilot operations). Such projects assumed significant administrative and coordination capacity on the part of the beneficiaries, which was not always available. Implementation of these projects took longer than expected due to these challenges. Respondents having implemented fleet adaptation schemes observed that these schemes were very costly to implement, while other measures were available to reach the same results at a lower cost.

Difficulties specific to monitoring were also reported. Respondents considered the multiple changes and potential inconsistencies between different monitoring frameworks under the successive financial instruments as challenging and undermining the consolidation of institutional memory.

MS implemented a number of measures to mitigate the administrative burden and improve the uptake of the support. These included the simplification of the regulatory framework and the publication of guidelines for applicants (BG), the standardisation of procedures (FI), and twinning projects to train implementing administrations (HR). Support was also provided to applicants in a number of MS, by different organisations (paying agencies in LT, the intermediate body in LV, MT and IE).

Delays in project selection and payment procedures were already reported in the interim evaluation and were addressed to a certain extent by the MAs (20% reported that delays had been shortened). Multiple reasons were given to explain these delays: coordination issues between MAs and IBs, verification of invoices, cash-flow issues related to the economic crisis, increase in the number of applications, investigation in potential irregularities, etc.

The implementation of the EFF was also made more difficult by the administrative burden stemming from the EFF regulation but also by the "gold-plating" by MS which often added extra layers of complex and inflexible rules, creating additional administrative burden and further limiting absorption. This is despite the fact that some MS also implemented a number of measures to reduce the administrative burden.

[44] Please note that this assessment is based on qualitative interviews and case-studies. The poor quality of monitoring data prevented undertaking a more quantitative evaluation.

Overall, the EFF was delivered at an administrative cost which was sometimes considered too high by certain categories of stakeholders. Important obstacles included the administrative burden, for both national administrations and (potential) beneficiaries, delays in the selection process and payments, and difficulties for beneficiaries to access co-financing.

3. Relevance

Evaluation question: To what extent does the EFF Regulation corresponds to the needs, problems and issues to be addressed?

The principle objective of EFF was to support implementation of the CFP. The EFF was aligned to the CFP objectives, aiming for sustainable exploitation of living aquatic resources whilst providing sustainability in economic, environmental and social terms. The EFF regulation explicitly recognises the need to regulate the development of the Union's fishing fleet in line with the CFP's objectives of sustainable exploitation. Even though public support for permanent cessation slowed down during the EFF programme cycle, the need to continue the process of rebalancing the fleet remained relevant to CFP and EFF objectives.

The ex-post evaluation underlined that public support should respond to the needs identified in the SWOT analysis and reflected in the MS strategy for the sake of coherence and EU added value, however, this public support should also be focussed to ensure greater effectiveness and efficiency. This requirement has been implemented in the EMFF through a more detailed template for the Operational Programmes, which includes a SWOT analysis for each priority area (fisheries, aquaculture, processing, CLLD, etc.), the definition of needs on that basis and the description of a strategy to address those needs.

However, no EFF objectives were identified in relation to the specific CFP objective to 'progressively implement the ecosystem-based approach to fisheries management'. The objective of 'taking into account the interests of consumers' was partially covered by measures such as pilot operations, development of new markets and promotional campaigns.

Case Study: Development of new markets and promotional campaigns

Article 40 of the EFF belongs to its Axis 3 (measures of common interest) and supported three objectives: promotional campaigns to support fish consumption; development of new markets; and support for environmental certification.

These actions were mostly implemented directly by MAs or IBs (usually via public procurement). **By May 2015, 142.28 million euros were committed** (3,6% of the EFF) under this measure, with a high level of public co-financing (92% of the cost of operations, including 57% EFF). The five main MS (ES, IT, PL, FR and DK) represented 78% of the amounts committed.

The main actions were **large publicity campaigns**, focused either on specific product segments (aquaculture products) or on specific public (children for example were a regular target). **Other promotional tools** were also used (recipe books, participation in trade fairs, support for MSC certification, etc.).

Results are very difficult to assess since many external factors influence the consumption of fisheries products (price, consumer habits, existence of substitute products, etc.), but it is clear that **these campaigns would not have taken place without EFF support**.

In the future, it would be important to better focus the objectives on specific segments of the markets (identified ex-ante by a SWOT), and to monitor the results at the level of each operation.

For aquaculture and processing, competitiveness was the focus rather than environmental performance, although this was also partially achieved by reducing energy use and waste. The scale of uptake of processing measures suggests that these were highly relevant for the sector and the beneficiary survey confirmed this.

During the EFF implementation period, customers required more and more that the products they buy are produced in a sustainable way. This calls for measures that support the fisheries and aquaculture sector improving their environmental performance and undergoing the certification processes that will inform the market about this improved performance.

4. Coherence

Evaluation question: To what extent were there complementarities, synergies, overlaps, demarcation issues with other EU funding instruments?

The main areas of potential **complementarity or overlaps** between the EFF and the other EU funds can be roughly described as follows:

- EFF/ERDF: ERDF supported port infrastructures, port connectivity, accessibility and quality of services in ports, or other investments relating to tourism development or transport networks.
- EFF/EAFRD: Both funds supported the development of local communities (EAFRD through Leader and EFF through Axis 4). Another area of potential overlap was the EAFRD support to fish farming (aquaculture) and to the food processing industry.
- EFF/ESF: both funds supported training actions.
- EFF/LIFE: Some LIFE projects focused on the preservation of aquatic ecosystems and on the development of the Natura 2000 network.

The EFF was found to be coherent with other EU funds in that the demarcation lines between the different funds were clear. However, the evaluation concluded that the different funds could have **improved their synergies** and complementarity through better coordination mechanisms. Synergies mainly occurred in territorial approaches (Axis 4 and Leader, which in some cases included other sources of funding). A shared strategy encompassing the use of the different funds did not usually exist, although some complementarity on specific issues (e.g. common environmental objectives for the EARDF and the EFF in specific areas) was found.

Case Study: Port Infrastructure

Measure 3.3 of the EFF supported **investments in fishing ports, landing sites and shelters** with the aim of improving the competitiveness of the fleet, ensuring a fair standard of living and improving safety. Those objectives were achieved through the improvement of working conditions, compliance with health regulations and improved services to the private sector. 76% of investments took place in existing fishing ports and included improved cold storage, handling equipment, improvement in quay infrastructure, etc.

By May 2015, **443 million euros were committed** to this type of collective investments (11% of the EFF), implemented by public organisations in charge of ports. Public co-financing reached an average of 85% of the

costs, whilst MS implemented either a "structuring" strategy (small number of large operations) or a "modernisation" strategy (numerous smaller projects such as ice machines or storage space).
This measure was generally considered as successful, as it **brought the following results**:
- maintained or increased volume of fish landed by attracting more fishermen, fish exporters and non-EU fish landings;
- improved quality of the products thanks to temperature controlled storage and better landing conditions;
- increased value of fish landed, through improved auction systems and investments in traceability;
- better safety and working conditions.
However, there was no effect reported on discards and the measure helped maintaining existing jobs rather than creating new ones. Unintended positive effects on tourism were identified although tourists were not the primary target. There were no specific issue of demarcation with the ERDF.
For the future, these investments **should be better integrated within a territorial strategy** avoiding duplication of infrastructure and addressing the needs of different local beneficiaries.

5. EU added value

Evaluation question: What is the additional value resulting from the EFF, compared to what could be achieved by MS at national and/or regional level without any EU action?

As with the CAP, the CFP is a common EU policy, providing a common market, common environmental rules and common safety and sanitary rules, therefore requiring policy instruments at EU level.

EU added-value comes from the leverage of public and private financial support in the MS (see section 6). Small countries and land-locked countries might not have dedicated such substantial funds to the fisheries and aquaculture sector under a national policy. Other elements of EU added-value included the improvement of management and monitoring processes (in particular the enforcement of a more strategic and planned approach), the coherence with EU environmental policies and the incentive to focus investments on common objectives. The areas that have benefited the most from EU-level action are the fishing and processing sector as well as local fishing communities. In addition, horizontal objectives, such as ensuring a focus on SMEs, would not have occurred without an EFF intervention.

The ex post evaluation identified that key elements of the EU added-value are:

- The reduction of the fleet capacity, which could only be achieved to this extent with EU funding.
- The achievements of Axis 4 with regard to jobs and improvement of the quality of life in areas with fisheries activities. This type of community-led local development would not have existed at all in most MS without an EU policy. In the MS where this type of approach already existed, it was certainly boosted in coastal areas by the available funding under Axis 4 and the existence of an EU network.
- The focus on SMEs, which is clearly related to the EU Regulation.
- The relative streamlining of gender issues through increased awareness, selection criteria, etc.

- The improvement of environmental performance through selection criteria for the investment measures might have occurred in any case in some MS, but overall the EU intervention certainly encouraged it.

- The achievements of collective actions and pilot projects in line with the CFP, and in particular the focus of innovation projects on selectivity and the organisation of the sector through POs.

The only drawback mentioned regarding the EU support was the administrative burden which comes with EU funds and which could be avoided, or at least reduced under a purely national scheme. However, the "gold-plating" of EU rules by certain MS largely contributed to this administrative burden.

6. Sustainability

Evaluation question: Has the EFF contributed to the environmental and sustainability claims that it set out to achieve?

The previous sections have highlighted the different economic achievements of the EFF (job creation, improved competitiveness and innovation). However, several external factors may limit their sustainability, notably economic factors such as fuel prices, but also the biological state of fisheries stocks.

One of the key environmental achievements of the EFF has been the partial re-balancing of fishing capacity with resources. There is the concern that permanent cessation can only contribute to lasting reductions in fishing capacity if those schemes are operating alongside other fisheries management measures such as quota or effort management regimes. As many fisheries are subject to such controls, there is a low risk of this particular environmental achievement being eroded over time.

It must be noted that the Common Monitoring and Evaluation System attached to the EMFF foresees that the results of the operations supported must be validated after completion[45].

[45] Commission Implementing Regulation (EU) 1243/2014 establishes the rules on the information to be sent to the Commission by the MS. This information is collected for each operation supported by the EMFF and includes two fields in which results indicators must be recorded: firstly an estimate of results by the beneficiary, then a validated value when the operation is completed.

SECTION 7: CONCLUSIONS

The 2007-13 EFF OPs were implemented in a challenging context marked by the deep global economic and financial crisis, but also by the need to build the economy, infrastructure and administrative capacity of 13 new Member States joining from 2004 onwards and for whom this was the first full programming period.

The objectives of the EFF were achieved to a large extent in the following areas:

- Between 2007 and 2015, the capacity of the EU fishing fleet decreased by 17.5% (in gross tonnage), of which more than half (53%) was removed with support from the European Fisheries Fund. Thus, nearly 10% of the EU fleet capacity was removed with the help of the EFF. This also resulted in a 9% decrease of engine power in the EU fishing fleet.
- This reduction in fleet capacity contributed to the substantial progress noted in the sustainable exploitation of fisheries. During the programming period of the EFF the sustainable exploitation of fish resources progressively improved in some European fisheries. By 2014, fishing mortality did not exceed MSY for 59% of assessed stocks, compared to less than 30% in 2008. This is largely due to fisheries management measures, but the fleet capacity has now been brought closer to fishing opportunities thanks to the EFF. The evaluation recommends limiting the use of temporary cessation to operations linked to conservation measures or the adjustment of fishing capacity; these recommendations have been adopted in the framework of the EMFF.
- However, over-capacity remains in certain fleet segments and imbalances still exists, leaving some scope for further adjustment of the fleet, which could be finalised until the end of 2017, using funding under the EMFF.
- The EFF support represented about 20% of EU fleet investment during the 2007-2013 programming period, which contributed to improving competitiveness of the fleet. It improved the network of landing sites, whilst investments in marketing and processing helped to increase the added-value of catches, especially by fishermen organisations.
- Investments in processing and marketing led to maintaining and creating jobs, but also contributed to the modernisation of the industry.
- Investments in fishing ports, landing sites and shelters support the competitiveness of the fisheries sector. These investments contributed to the provision of better and safer working conditions, but also to a better quality of life for fishing communities who benefited from wider socio-economic gains by the development of tourism.
- Community-Led Local Development helped fisheries-dependent communities diversifying the economic basis of their area, which led to maintaining and creating jobs. The empowerment of those communities by the devolution of decision-making to the local level will be a key to their sustainable development, providing a better quality of life in fisheries-dependent areas. The continuation of this type of support in the 2014-2020 period should help providing the long-term support required to sustain this approach.

  The results obtained by the EFF were more mitigated in the following areas, where there is scope for improvement, which were taken into account in the Commission's proposal for the EMFF:

- The evaluation of the EFF confirmed that there was scope to improve the links between the EFF and the sustainable exploitation of fisheries given that this is also the result of

fisheries management measures. Similarly, the contribution of the EFF to broader conservation objectives such as protection and enhancement of the environment and natural resources when related to the fisheries sector were less visible. This has in large part been address with the EMFF in the 2014-2020 period, where the links with the objectives of the Common Fisheries Policy, including the sustainable exploitation of fisheries and minimizing the negative impacts on the marine environment are clearer.

- Inland fishing and small scale coastal fishing vessels (SSCF) were not sufficiently targeted by EFF investments. These should benefit from more attention in the 2014-2020 period, with a series of specific measures targeting these sub-sectors[46].
- Despite substantial investments in the aquaculture sector, the EU aquaculture production stagnated over the EFF period. This was due to the financial crisis which limited the purchasing power of customers but also to a lack of strategic targeting of the investments on new market potential. This has been addressed in the 2014-2020 period: to be eligible, this type of investment must be undertaken in conformity with a national aquaculture strategy.
- The contribution of the EFF to gender equality has been neutral or very marginally positive, although the lack of gender-based data has probably made the role of women in the sector invisible. This should be corrected in the 2014-2020 period, since the new monitoring system attached to the EMFF will collect gender sensitive data.
- A large part of the EFF investment was focused on the needs of the sector and implemented at the national level, regardless of local/regional specific features. A better focus on the territorial dimension of the funding and it impact would ensure a more coherent delivery by tailoring support to local/regional needs and ensuring better synergies with other funding sources.
- The administrative burden was considered as fairly high by the stakeholders, although the lack of monitoring data prevented further analysis. The inclusion of the EMFF under the Common Provision Regulation 1303/2013 (CPR) covering the European Structural and Investment Funds (ESIFs) should reduce this burden in the future by streamlining the EMFF delivery mechanism with the other Funds. The EMFF will benefit from the simplification efforts undertaken at the level of the ESIFs, in particular the modifications of the CPR currently being negotiated ("Omnibus regulation").
- A constant issue in the ex post evaluation was the lack of reliable data, due to the weaknesses of the monitoring system. Several corrective measures have been taken to fill data gaps for the ex-post evaluation; these are described in more details in Annex 3. To foster a result-orientation, the EMFF regulation includes a new Common Monitoring and Evaluation System (CMES), composed of sets of common indicators, reporting obligations at the level of each operation and an approach to evaluation which is captured in an Evaluation Plan attached to each OP.

[46] Article 44 of the EMFF Regulation opens most of the fisheries measures to inland fisheries, whilst SSCF benefits from a 30% increase of the aid intensity compared to other segments of the fleet.

ANNEX 1: PROCEDURAL INFORMATION

An inter-service steering group was set-up by DG MARE in February 2015 and was involved at all stages of the work. It included 12 members from four DGs (MARE, SG, AGRI and ENV) and was consulted regularly at all stages from the drafting of the ToR to the drafting of this SWD.

Composition:

- Elisa Roller (HoU MARE D3 - Chair)
- Valerie Natan (SG)
- Anna Karasszon (DG ENV)
- Andreas Lillig (DG AGRI)
- Dominique Duquennois (DG MARE)
- Alexander Hoehnke (DG MARE)
- Fredrik Tiger (DG MARE)
- Jean Pierre Vercruysse (DG MARE)
- Miguel Peña Castellot (DG MARE)
- Simkje Kruiderink (MARE A3)

Timeline:

- First meeting ISG to discuss ToR: March 2015
- Informed on the proposal by the contractor June 2015
- Roadmap submitted June 2015
- Kick-off meeting ISG + contractors: September 2015
- Meeting to discuss inception report: November 2015
- Public Consultation submitted to ISG in November 2015
- PC launched in February 2016
- ISG meeting to discuss interim report: May 2016
- ISG meeting to discuss draft final: September 2016
- Draft SWD submitted to ISG: December 2016
- Second version SWD submitted to ISG: April 2017
- ISC on draft SWD: May 2017

External expertise:

The ex post evaluation was undertaken by a team of external contractors under a framework contract.

ANNEX 2: STAKEHOLDER CONSULTATION [47]

Findings of the online public consultation

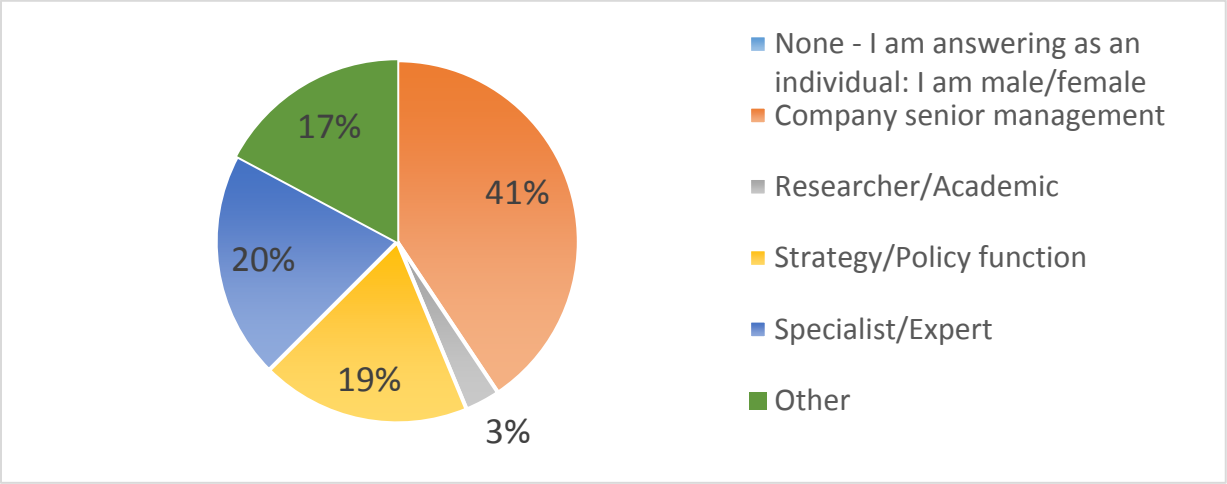
Respondents' profile

89 respondents participated in the online public consultation overall, but not all respondents systematically responded to all questions. Of these responses, 64 were on the behalf of organisations and 25 were from individuals. Respondents were also overwhelmingly male, with three male respondents (76%) for every female respondent. All participating respondents (N=89) were asked to indicate if they were registered with the Transparency Register. A third (32 %) were registered with the remaining respondents either not registered (50 %) or skipped the question (18 %).

The size of the sample (N-number) for each question is either indicated below the figures or alongside the presentation of the findings.

The below graph provides a breakdown of respondents per role in their organisation:

Figure 1: Respondents' roles in their organisations



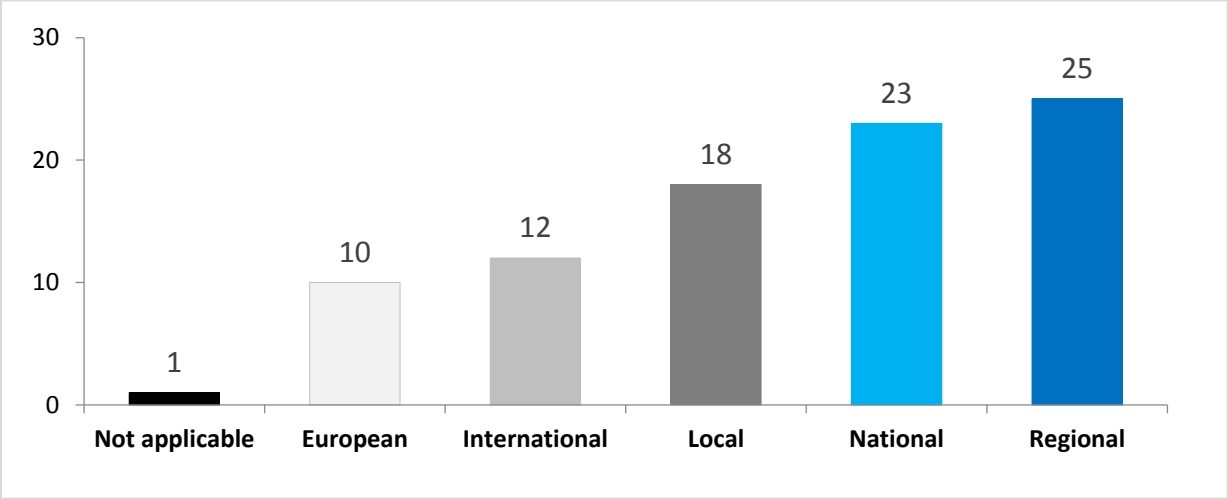
[47] The majority of respondents are male (76%) originating from organisations (72%) and 32% belonged to recognised lobbies. Please note that this stakeholder consultation represents only one of the forms of consultation undertaken by the evaluation team which also gathered data from:

- Eighty-seven people across the 27 MS with an EFF OP, including staff from the 27 national Managing Authorities and some Intermediate bodies (through meetings, face-to-face and phone interviews),
- Sixty-seven industry representatives and beneficiaries in eight MS through meetings, face-to-face and phone interviews (HR, FR, DE, IT, NL, PL, ES and the UK).
- Eighty-nine answers of vessel-owners, fish farmers and processing companies to the online survey.
- Thirty-five Producer Organisations (POs) through the email survey[47].
- Seventy respondents to the FARNET survey.

N=64

In terms of the position and occupation, 41% of respondents described themselves as managers. There was little representation (3%) of academics among respondents. The remaining categories were almost equally split with respondents listing their occupational roles as specialist/expert, strategy/policy or "other". Among the latter category, the open ended answers revealed that almost all respondents were made up of administrative or FLAG members, some way or the other involved in the administration of the EFF.

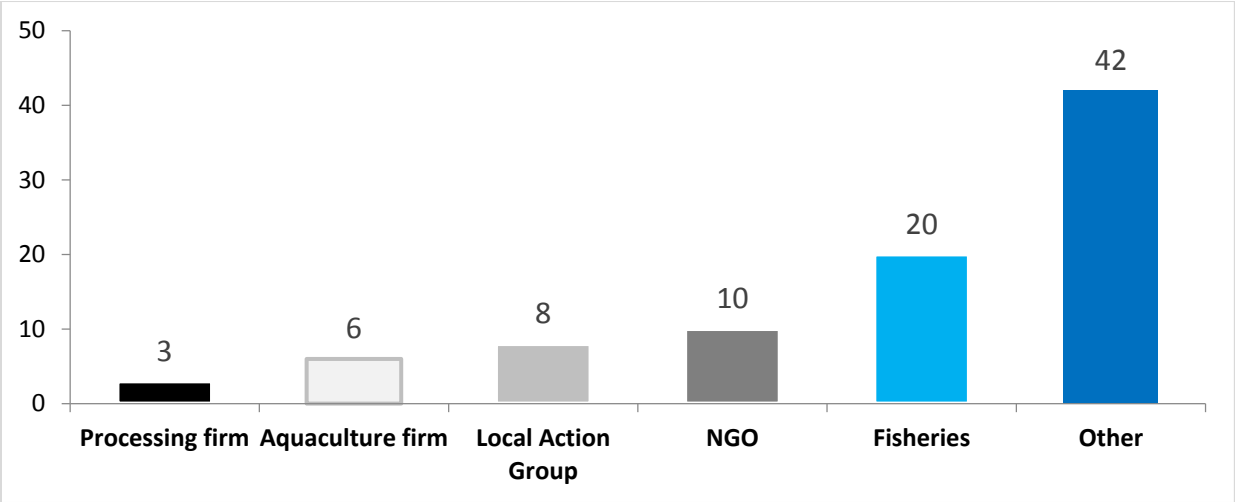
Figure 2: Most respondents have either a regional or a national reach



N=89

Respondents were also asked what their geographical area of activities was. Around half of the responses indicate either a regional (25 responses) or a national reach (23). Quite a few also stated to work on the local level with 18 responses. Least common was international or European geographical area of activity, but these still represented around every fourth respondent.

Figure 3: Respondents' types of activities



N=89

Respondents found it difficult to find a fitting category, with almost half identifying as part of the “Other” category. The second largest stakeholder group was identified as being active in fisheries (22 %) followed by half as many respondents in the NGO sector. Least represented in the public consultation were stakeholders from processing and aquaculture. A further breakdown of respondents shows the following:

Fishermen (N=20)

- A majority work full time (85 %) with a small share of part-time worker (15 %)
- Two out of three can be classified as small-scale fishermen, owning a vessel smaller than 12 meters. The remaining (35 %) own vessels larger than 12 meters.

Aquaculture (N=6)

- SME stakeholders made up the largest share (three out of six) with the remaining respondents categorising themselves as larger enterprises
- Most (five out of six) stakeholders from aquaculture were involved in freshwater or sea-based operations with only one indicated involvement in closed or open system aquaculture.

Processing sector (N=3)

Few respondents identified as working in the processing sector, with two out of three respondents coming from SMEs and the remaining person from a larger enterprise.

NGO sector (N=10)

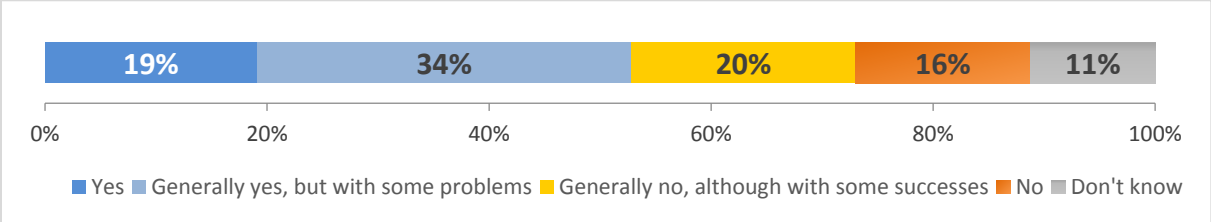
- Among NGO-respondents, a majority were involved in fisheries (seven out of ten)
- In terms of geographical area of activities, half of respondents were nationally based. Among the remaining five respondents, there was an almost equal spread between local, regional, European and international (two respondents) in terms of geographical scope.

FLAGs (N=8)

The relatively high number of FLAG respondents shows that the consultation was well promoted amongst this group of stakeholders.

Figure 4: Most respondents positive on EFF effectiveness but questions remain

Consultation question: Based on your experience has the implementation of the European Fisheries Fund (EFF) been effective in your region and/or sector of activity? Have the desired objectives of the EFF been achieved in your region and/or sector of activity?



N=89

A majority (53 %) are either positive or rather positive towards the effectiveness of EFF. Around a third of respondents (36 %) were more sceptical about the success of EFF.

Synergies between EFF and other European Funds

Respondents were asked to answer an open-ended question of what synergies they perceived with other European Funds[48]. Most respondents were either not aware or did not see direct synergies with other funds. Respondents also questioned the validity of having a specific fund focusing on one particular economic sector (e.g. fisheries and aquaculture) since there already perceived overlaps with other European Funds. Especially the added administrative costs to agree, plan, monitor and evaluate the projects supported were questioned. Particular issues raised included:

- Both ERDF and Cohesion Fund provide financial support to regional development irrespective of to what degree the region is characterised by fisheries or other economic activities. In particular, ERDF and EFF OPs were considered to have similar measures.
- INTERREG project such as Baltic Sea INTERREG focus on supporting marine areas but also carry "fisheries" related objectives.

Nevertheless, a number of in-depth comments highlighted particular synergies, which included:

- EFF Axis 4 allowed some Regional authorities to promote synergies between EFF and the EAFRD under the framework of (Fisheries) Local Action Groups and local development strategies.
- Pathways between EFF with RDP and Leader-initiatives such as the common administration of funds and coordination of actions.
- Some Member States were considered to have had more success in pooling funding to complement national programmes such as using ESF for skill development alongside capital investment in facilities from EFF.

[48] *Consultation question*: Which synergies do you think were present between the EFF and other European Funds such as European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Agricultural Fund for Rural Development?

- The ERDF has provisions for development of ports and combining fisheries with tourism.
- Cohesion Fund allows for the rehabilitation of waterways and removal of dams.

Suggestions to improve and boost synergies included:

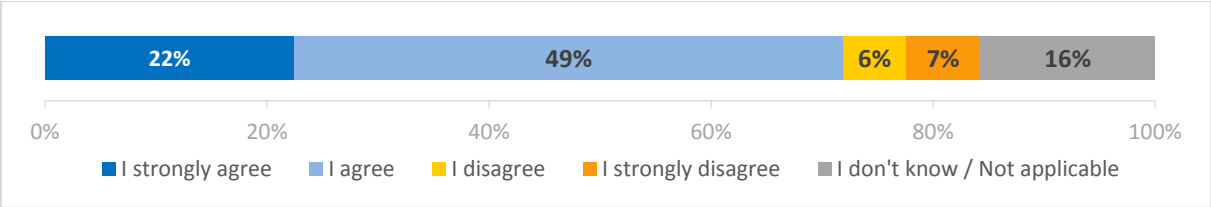
- Improve coordination with ERDF (interventions in favour of ports facilities, shipbuilding and naval repair shipyards, research and development, inter-regional cooperation) and with ESF (education and training of young people and job seekers).
- Explore the benefits of having one single integrated European funding programme for fisheries, aquaculture and marine activities or at least harmonising and streamlining funding allocation, reporting and monitoring
- Capitalise on the lessons learnt from 1994-2006 programming period where the ERDF and the Financial Instrument for Fisheries Guidance demonstrated effective synergies such as the development of harbour facilities.

Those respondents who were not awarded EFF support (around a third of respondents, N=29) were also asked about the reasons why they failed to secure the funding. Not counting ineligible respondents, several mentioned that they lacked knowledge of the requirements and the funding process. Others stated that the requirements were too "narrow" and that red tape and "bureaucracy" had acted as a disincentive to apply for funding.

A few respondents also used this question to voice their frustration about the level of compensation awarded. One fisherman noted how compensation had been "insultingly low" for nets destroyed by seals and insufficient to cover the actual capital destroyed. Another respondent from an NGO mentioned how they would normally not receive funding but that some groups would partner with local actors in the retrieval of ghost nets.

Figure 5: Majority agree EFF provides added value and covers otherwise marginalised areas

Consultation question: The EU financial support to the fisheries, aquaculture and processing sectors allowed providing support to groups or policy areas that could not have been sufficiently addressed by national programmes or policies.



N=89

More than 71% of the respondents considered that the EFF had provided added value to fisheries, aquaculture and processing sectors. The EFF was seen to provide support to policies and stakeholders that would not have been sufficiently addressed on a national level. Respondents were also asked to provide some examples of this EFF added value. In particular, smaller, more deprived and remote coastal areas were considered to have benefitted from EFF financial support, while there would not necessarily have been

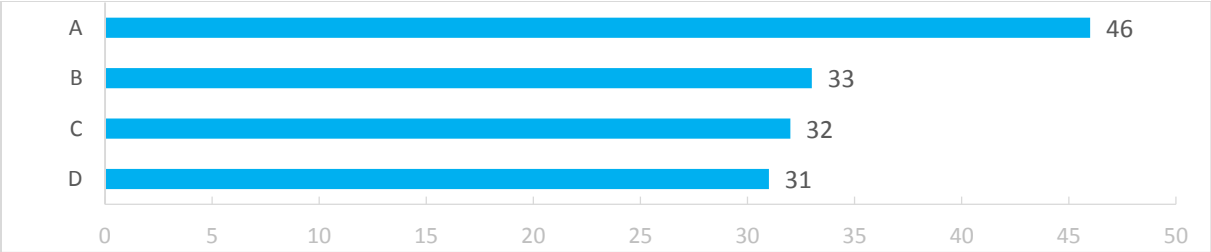
opportunities under national programmes. Furthermore, some respondents highlighted how there was a general lack of national grant programs and funding opportunities on a national level, partly as a result of EFF-funding being available. The EFF was credited with having boosted innovations within fisheries and provided support for FLAGs which did not have other funding streams available. Especially the way the EFF targets local communities under Axis 4, providing diversification opportunities, was considered as added-value. Other identified areas where EFF adds value included:

- Cross-border cooperation and exchange of best practice
- Occupational safety (considered to be an often overlooked area)
- Market channel development and product innovation
- Skills development among fishermen as well as other stakeholders
- Investment in full service facilities and upgrading of ports
- Investment on-board fishing vessels, credited with resulting in better quality and price of fish as well as increasing safety on board
- Support for information and coordination activities to stakeholders

More critical voices also argued that the EFF rules were too inflexible and that costs involved with the execution were high.

Figure 6: EFF seen as most efficient when supporting sustainable development of local economies

Consultation question: In which areas was the intervention of the European Fisheries Fund the most efficient (performing or functioning in the best possible manner with the least waste of time and effort) in terms of level and type of support? Please check all those that apply.



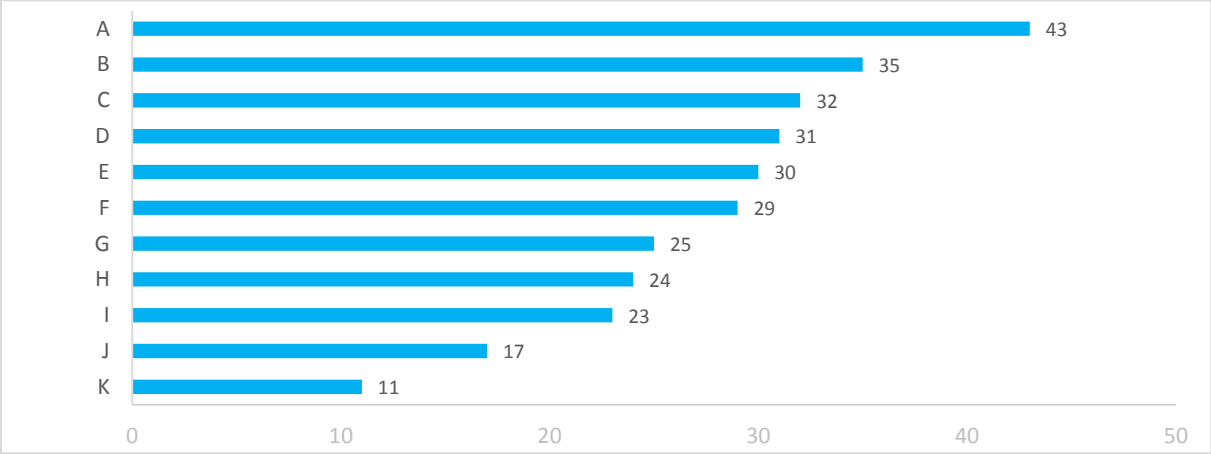
N=89

A	Sustainable development of fisheries areas (e.g. to support diversification of the local economy)
B	Aquaculture, processing and marketing, and inland fishing (e.g. to support the shift to more environmentally friendly production methods)
C	Adjustment of the fleet (e.g. to support scrapping of fishing vessels)
D	Measures of common interest (e.g. to improve product traceability or labelling)

A majority (53 %) of respondents agreed that the most efficient area of intervention of the EFF was in supporting the diversification of the local economy and sustainable development. The remaining areas were getting almost the same share of support.

Figure 7: Key achievements of EFF include sustainable development and protection of natural resources

Consultation question: What are the key achievements / strengths of the EFF in particular? Please check all those that apply.



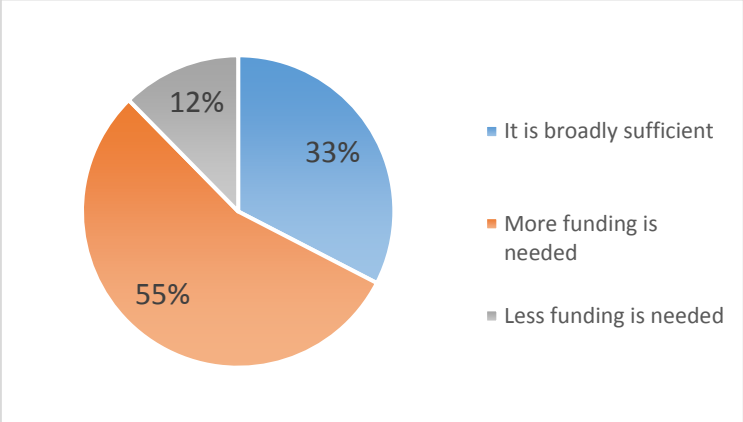
N=89

The EFF contributed to….	
A	encourage sustainable development and the improvement of the quality of life in areas with activities in the fisheries sector
B	fostering the protection and the enhancement of the environment and natural resources where related to the fisheries and aquaculture sectors, in particular the objectives of Common Fisheries Policy
C	supporting the EU fishing fleet through fleet measures such as decommissioning of vessels, replacement of engines and income support to fishermen in the temporary cessation of fishing activity
D	strengthening the competitiveness of the fisheries sector
E	creating and maintaining jobs in the fisheries, aquaculture and processing sectors
F	achieving a sustainable balance between marine resources and the fishing capacity of the EU fishing fleet
G	fostering diversification within the fisheries sector
H	supporting the small-scale coastal fisheries sector
I	creating jobs outside the fisheries sector
J	the sustainable development of inland fishing
K	promoting equality between men and women in the development of the fisheries sector and fisheries areas

On average, respondents identified 3 key achievements of the EFF. Sustainable development and the improvement of the quality of life in areas with activities in the fisheries sector ranked first for nearly half of the respondents. The other objectives ranked more or less evenly, although the promotion of gender equality clearly lagged behind.

Figure 8: Majority believe total EFF funding has not been sufficient

Consultation question: Has the total level of EU financial support (not per individual member state) for the fisheries, aquaculture and processing sectors been sufficient?



N=89

More than half of respondents considered that the EFF funding was not sufficient, whilst a third believed it was. Only one in ten argued that less funding was needed. Respondents were also asked to explain their answer.

Respondents who expressed support for more funding had varied reasons for this:

- Large number of applicants in relation to the budget envelope signals a large need.
- Scale of investments in fisheries is often large (e.g. processing), what had resulted in many projects going unfunded.
- Fisheries and aquaculture not well adapted to a new market, with little vertical integration and technological sophistication. The sector was seen as needing to adapt to new ways of marketing, selling and responding to new consumer demands.
- Extensive profitability problems in fishing and aquaculture make investment and adaptation to more environmentally friendly operations difficult.
- More investment in dredging smaller ports and harbour upgrades are very important for small-scale and coastal fisheries to survive.
- Point-based system for allocating funding resulted in some areas not receiving support.
- Funding needed to find a sustainable balance and reduce overexploitation of marine resources. This could include investments in the processing chain to increase the added value, as well as more resources devoted to diversification of the fishery sector.
- More resources towards scientific data collection and accurate statistics.
- Support for investment in new fishing vessels was emphasised by a couple of respondents. This was especially important for the outermost regions where financial capacity was limited, and fleets were in need of upgrading and replacement.
- Specific investments for selective gear and energy efficiency measures were also listed.

For those who believed funding was sufficient, main argument included:

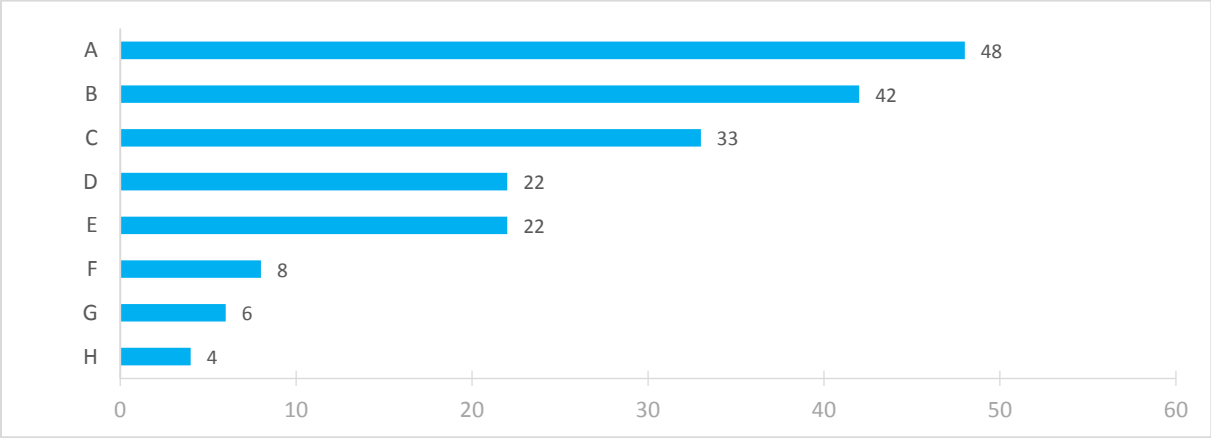
- Difficulties for some MS to spend allocation resulting in decommitment.
- Lack of rational distribution and control of funds resulting in projects and initiatives having questionable validity.
- Agency 'capture' of EFF funding rather than distribution based on management of resources, resulting, for example, in overcapacity because of more modernised fleets.
- Difficulties in absorbing funding due to financial crisis which encouraged risk-averse behaviour.

Among those who thought less funding should be allocated, main argument included:

- The need to phase out harmful subsidies that drive overfishing.
- Taxpayer's money should not be used to subsidise a sector that should be economically sustainable on its own.
- Grants distort competition and lead to 'unfair' advantages.
- Funding is not used for the purpose it was intended.
- Process to engage with governments regarding the national spending of EFF has been difficult to understand and a lack of transparency of information about the EFF.

Figure 9: Strong support for direct grants and indirect support among respondents

Consultation question: Which type of EU public support for the fisheries, aquaculture and processing sectors do you believe is the most efficient, effective and represents the most EU added value? Please check all those that apply.



N=89

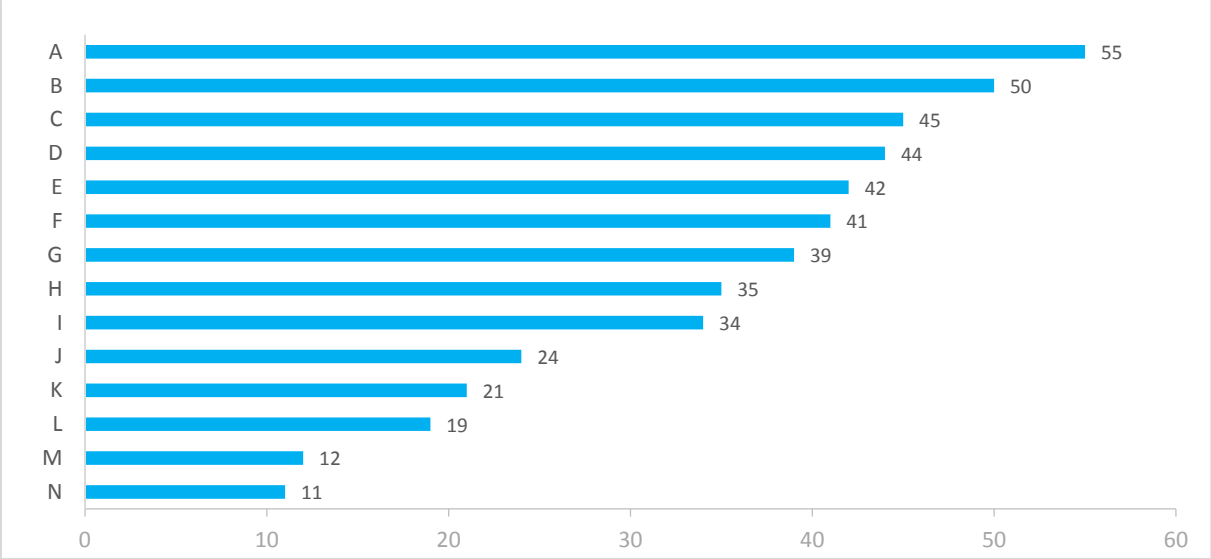
A	direct grants
B	indirect support to fishermen through general services (e.g. research, data collection, control)
C	direct support through a combination of grants and financial instruments such as loans or guarantees
D	indirect support though tax breaks (such as fuel tax concessions)
E	support to a local group having the right to decide on the allocation of grants
F	direct support through loans or guarantees instead of grants

G	other
H	no public support is necessary

Direct grants and indirect support to fishermen through general services (e.g. research, data collection, and control) were, according to the respondents, the most efficient and effective types of EU support in the sector and adding the most value. Respondents hardly elaborated on their preferences, but one emphasised the importance of raising awareness on sustainability and of training in that respect which could be supported indirectly as a general services.

Figure 10: Top priorities for EFF include supporting scientific data collection and maintaining jobs and quality of life

Consultation question: Based on your experience with the European Fisheries Fund, what should be the top priorities for any future public financial support and why? Please check all those that apply.



N=89

A	supporting scientific data collection;
B	creating and maintaining jobs in the fisheries, aquaculture and processing sectors;
C	encouraging sustainable development and the improvement of the quality of life in areas with activities in the fisheries sector;
D	strengthening the competitiveness of the fisheries sector;
E	supporting the small-scale coastal fisheries sector;
F	achieving a sustainable balance between marine resources and the fishing capacity of the EU fishing fleet;
H	fostering diversification within the fisheries sector
I	fostering the protection and the enhancement of the environment and natural resources where related to the fisheries and aquaculture sectors, in particular the objectives of Common Fisheries Policy;
J	supporting fisheries control and enforcement measures
K	supporting the development of the Integrated Maritime Policy as a potential source of blue growth in coastal communities across the EU.
L	supporting the sustainable development of inland fishing;
M	supporting the EU fishing fleet through fleet measures such as decommissioning of vessels, replacement

	of engines and income support to fishermen in the temporary cessation of fishing activity;
N	creating jobs outside fisheries
O	promoting equality between men and women in the development of the fisheries sector and fisheries areas.

As acknowledged by a large majority of respondents, support for scientific data collection and creating / maintaining jobs should be the two top priorities of the EFF. On average, each respondent identified 5 priorities. Two other blocs of priorities can be identified on the diagram:

- One ranging from environmental concerns to competitiveness and diversification,
- The other one from control and enforcement to fleet measures.

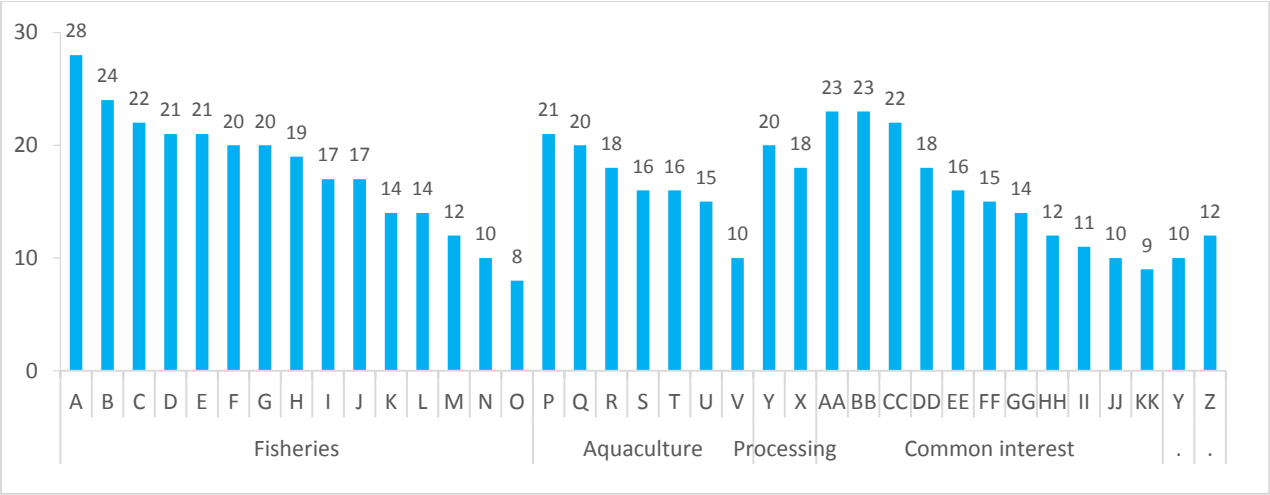
The reasons behind the priority choices included (the number of qualitative answers received is not representative):

- Enhanced consideration of the needs of the aquaculture sector
- Continued challenges to the sustainable exploitation of resources and the environmental consequences of the activities
- Need for enhanced economic certainty through diversification and valorisation of sub-sectors / skills e.g. as well as capacity building and innovation.

It is notable than the promotion of gender equality is again ranked last in the priorities identified.

Figure 11: Several EFF measures could have been financed by private sector

Consultation question: Which EFF measure should not have been financed with public support (could have been financed by the private sector)? Please check all those that apply.



N=89

Fisheries	A	permanent cessation
	B	replacement of engine
	C	re-asignation for creation of artificial reefs
	D	re-asignation outside fisheries
	E	replacement of gear
	F	temporary cessation
	G	socio economic compensation
	H	improving working conditions on board
	I	improving hygiene on board
	J	other investments on board
	K	improvement of energy efficiency
	L	small scale
	M	improvement of product quality
	N	investments on board and selectivity
	O	improvement of selectivity
Aquaculture	P	investment to increase production
	Q	inland fisheries
	R	public health
	S	increase hatchery-produced fry
	T	animal health
	U	investment for modernisation
	V	aqua-environment
Processing	Y	construction, extension, equipment and modernisation in processing
	X	increasing processing facilities
Common interest	AA	development of new markets and promotion campaigns
	BB	investment for reassignment of fishing vessels (historical, research, training etc)
	CC	construction of new marketing establishment
	DD	modernisation of existing marketing establishments
	EE	safety related investments for small fishing shelters
	FF	investments in fishing ports and shelters
	GG	pilot projects
	HH	collective actions
	II	safety related modernisation of small fishing shelters
	JJ	investments in restructuring and improving landing sites

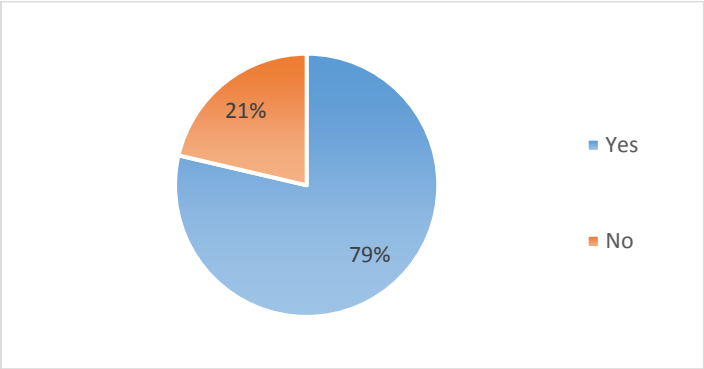
	KK	protection/development of aquatic fauna and flora
Y		Community development - Development of fisheries areas
Z		Technical assistance - Funding for the implementation of the EFF

Stakeholders' support for the different measures under the EFF varies and the distribution reveals that for each sector, the following two measures should be funded:

Fisheries	A	permanent cessation
	B	replacement of engine
Aquaculture	P	investment to increase production
	Q	inland fisheries
Common interest	AA	development of new markets and promotion campaigns
	BB	investment for reassignment of fishing vessels (historical, research, training etc)

Figure 12: Large agreement that sectors are in need of public support post-2020

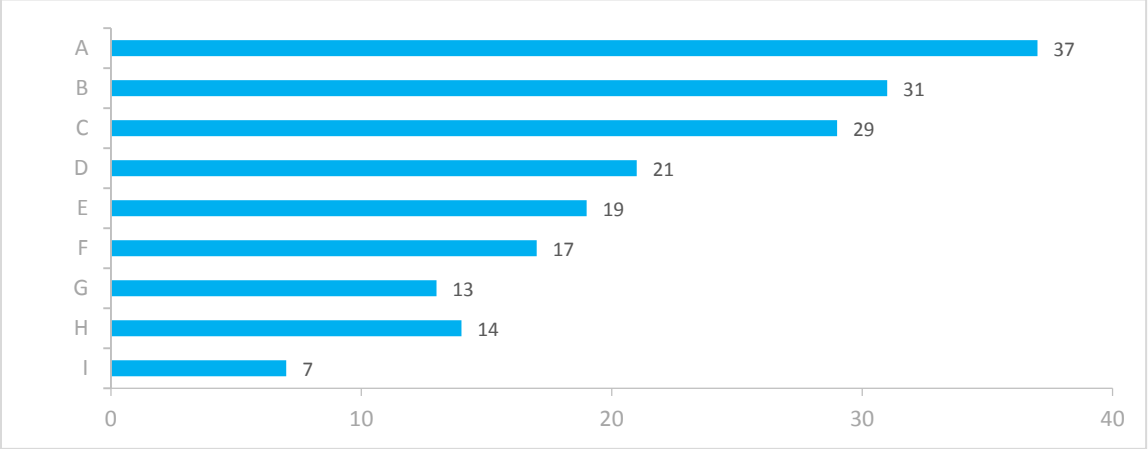
Consultation question: Based on your experience with the European Fisheries Fund, should public financial support be provided to private enterprises in the fisheries and aquaculture sector after 2020?



N=89

Figure 13: Most back direct grants supporting for innovation

Consultation question: What type (direct grants, loans, tax breaks) of public support should be provided? Please check all those that apply.



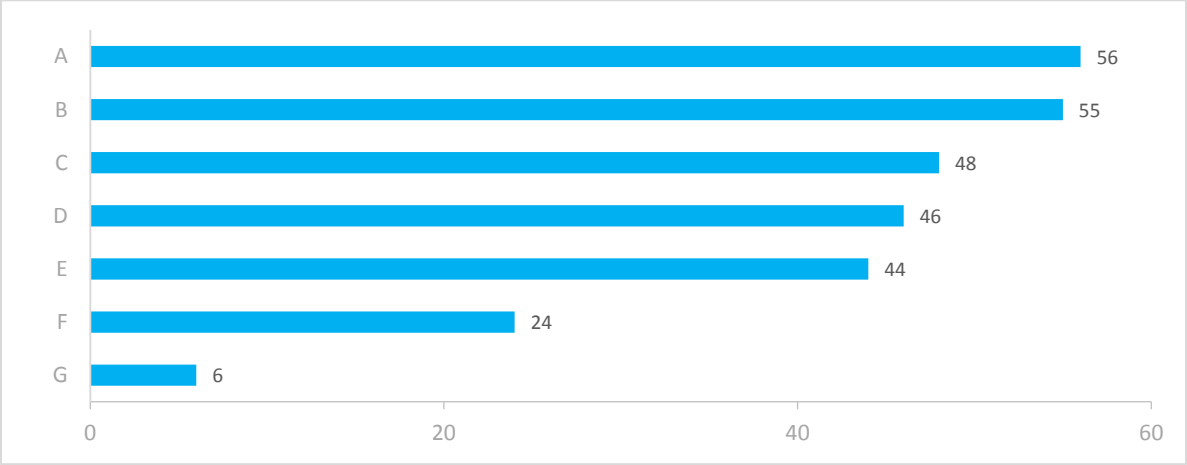
N=70 (respondents who answered "yes" to the previous question)

A	direct grants to fishers and/or aquaculture producers to reduce the cost of innovating,
B	indirect support to fishers and/or aquaculture producers through general services (eg research, data collection, control)
C	direct grants to fishers and/or aquaculture producers to reduce their operational costs,
D	indirect support though tax breaks (such as fuel tax concessions)
E	direct grants to fishers and/or aquaculture producers through supporting local communities,
F	direct grants to fishers and/or aquaculture producers through income support,
G	direct support through loans instead of grants,
H	all of the above
I	other

Much in line with the preferred instruments under the EFF, the majority of stakeholders would prefer support to be provided through direct grants. They also still favour indirect support through general services.

Figure 14: Measures in economic growth and environmental production most important priorities among stakeholders

Consultation question: If the fishing and aquaculture sector is to receive financial support, on which measures should the support focus? Please check all those that apply.



N=89

A	Create economic growth in the fisheries and aquaculture sector
B	Shift toward more environmentally friendly production methods
C	Improving the traceability of fisheries and aquaculture products
D	The creation of jobs in the fisheries and aquaculture sector
E	Support the diversification of local economies
F	Income support to fishermen who choose not to fish during a specific time
G	None of the above

A large majority of respondents would like the focus of the financial support in the next programming period to be put on the creation of sustainable economic growth. The paralleled concerns for the economic viability of the sectors and better consideration for the environmental consequences of the production methods are in line with answers given to previous questions.

Respondents clearly emphasise the need to focus on the potential for growth of particular methods / activities / sectors, indicating that EU support should take a more proactive stand with regard to socio-economic challenges and move away from a reactive approach. The viability of the sectors supported as well as their continued attractiveness will depend on this more decisive approach. That would also depend on the increased valorisation of activities, products and the whole value chain.

The evidence collected also points at raising levels of awareness of the environmental challenges facing the sectors. Respondents recognise that public subsidies should support the provision of public good, such as environment protection. While subsidies are criticised for being a driver for overfishing and the depletion of the stocks, stakeholders instead suggest to further engage in (re)training, awareness raising campaigns and better coordination between the support provided to fisheries and EU environmental measures to pursue this broader

objective. They also note that the protection of the environment depends on research capacity and data collection, as well as on control and enforcement in the sectors concerned.

Unrelated to the focus of the support, the open public consultation also provides anecdotal evidence that there is a need to rethink decision-making and implementation of the support. One respondent suggested adopting a new implementation approach, based on the Leader methodology, while another recommended aligning the procedures of the EMFF with those of other EU structural funds in a simplification effort.

ANNEX 3: METHODS AND ANALYTICAL MODELS USED

The ex post evaluation used a theory-based approach informed by a wide range of information and data collection methods. Going beyond the mere analysis of the implementation and financial execution in the different MS, the evaluation aimed at providing evidence that projects having benefited from EFF have indeed resulted in the desired effects.

A theory-based approach was considered appropriate given the limited scope for evaluating the impacts of the financial measures using control groups. However the approach was completed by some counterfactual elements involving surveys of non-beneficiaries and analysis of non-beneficiary data (engine replacement case study). The theory-based approach was based on a revised intervention logic, which allowed assessing how the EFF measures were intended to achieve the objectives, graphically illustrating how the funding was expected to lead to the desired outputs, results and impacts.

The evaluation was carried out in four phases:

- The inception phase included:
  - The analysis of the intervention logic, for the EFF as a whole and by spending category.
  - Preliminary data collection: Art. 40 data[49], Managing Authority email survey, literature review, desk officer survey and first interviews.
  - Refining the methodology for the case studies and the evaluation questions.
- The data collection phase included both primary and secondary data collection:
  - Managing Authority structured interviews in the 27 MS.
  - Collection of relevant national documents.
  - Field work in 8 MS including meetings and interviews with MAs and stakeholders (representatives of the sector and beneficiaries).
  - Meetings with DG MARE's desk officers and FARNET.
  - A beneficiary online survey targeting beneficiaries and non-beneficiaries among vessel-owners, fish farmers and processing companies.
  - An email survey targeting Producer Organisations.
  - An email survey coordinated by FARNET targeting Axis 4 beneficiaries.
  - Secondary data collation (STECF reports, Eurostat, EUMOFA, National sources…).

[49] Article 40 from Commission Regulation (EC) No 498/2007 defines the data on EFF operations to be communicated on request to the Commission.

- The analysis phase covered the following tasks:
    - Implementation of the EFF and financial execution.
    - Evaluation questions by spending category, with a focus on outputs and results.
    - Case studies on 8 topics (see below).
    - Transversal evaluation questions: effectiveness, efficiency, relevance, coherence, EU added value, sustainability.
    - Open public consultation.
- The judgement and recommendation phase.

Data collection

The limitations in the data available through the monitoring system led the evaluation team to rely on a range of data collection tools, as summarised in the table below.

Task	Sources and Tools
Implementation and financial execution	Analysis of national documents, Synthesis of Interim evaluation, MA interviews, desk officers, financial data
Evaluation questions by spending categories	Wide range of quantitative and qualitative sources: Analysis of national documents, MA interviews, Stakeholder interviews, Monitoring data (to the extent possible), Producer Organisation (PO) and beneficiary surveys, EU, national statistical sources and extrapolations based on available data and information when possible and relevant.
Case studies	Analysis of national documents, MA interviews, interviews with beneficiaries and representatives of the sector in 8 MS, Monitoring data (to the extent possible), specific focuses in the PO and beneficiary surveys for some case studies.
Evaluation questions	Analysis from previous tasks and contextualisation based on official statistics and information (at EU and national level)
Open public consultation	Open public consultation
Conclusions and recommendations	Previous tasks

The key data collection tools were:

- An analysis of available national documents: Operational Programmes (OPs), Annual Implementation Reports (AIR) and additional studies carried out in the MS.
- An online survey with the Managing Authorities conducted during the inception phase.

- At least two interviews with the Managing Authorities at national level and at regional level in some MS.

DG MARE provided the evaluators with the **compilation of financial data and output indicators sent by MS,** corresponding to the state of implementation of the EFF as of the 31st of May 2015.

A **three-day workshop**, was organised by the evaluators on DG MARE premises from the 26th to the 28th of January 2016. It consisted of presentations of the evaluation and of **individual meetings with all the desk officers** to go through a detailed list of questions.

Excel grids were developed to be used by country experts as support to information gathering from the different sources. The grid aimed to cover all the evaluation questions and all the measures. It was therefore fairly long and country experts were advised to focus on implementation of the most relevant measures/issues for the MS and impacts. Questions were translated into national languages for the MA interviews.

The analysis of national documents relied primarily on the annual implementation report 2014 which cover the whole programming period[50]. The following other sources had to be screened for complementary information:

- Minutes of the meetings with the MAs transmitted by desk officers.
- Ex-ante evaluations.
- Operational Programmes.
- Other documents provided by MAs during the inception phase.

Fieldwork in eight MS

Field work was conducted in eight MS to collect a range of information on the eight case studies. This allowed good coverage of all the spending categories, taking into account that Axis 4 – Community development - was covered by the Study on the implementation of Axis 4[51] and that Technical assistance was discussed primarily with MAs.

The countries selected and corresponding case study topics are presented in the table below.

[50] Article 68 of the EFF Regulation foresees that the Commission must forward annually to the other EU Institutions a report on the implementation of the EFF during the preceding year.

[51] https://ec.europa.eu/fisheries/documentation/studies/axis-4_en

Overview of the case study topics to be covered in selected Member States

Case study topic	ES	PL	IT	FR	UK	DE	NL	CZ
1. Engine replacement				■				
2. Small-scale fisheries		■	■					
3. Aquaculture		■		■				■
4. Socio-economic measures	■		■					
5. Promotion and development of new markets	■							■
6. Promotion of equal opportunities	■	■	■	■	■	■	■	■
7. Port Infrastructure		■			■			
8. Pilot operations						■	■	

<u>Beneficiary survey</u>

An online survey was used to gather feedback from both beneficiaries and non-beneficiaries of EFF support. Translations in Czech, French, German, Greek, Italian, Dutch, Polish, Portuguese and Spanish were provided to cover the case study countries and to facilitate data/information collection from fisheries stakeholders. The online survey was uploaded on surveymonkey.com, launched on 19 February 2016 and stayed opened until 15th April.

In total, the evaluation team gathered data from:

- Eighty-seven people across the 27 MS with an EFF OP, including staff from the 27 national Managing Authorities and some Intermediate bodies.
- Sixty-seven industry representatives and beneficiaries in eight MS (HR, FR, DE, IT, NL, PL, ES and the UK) through meetings and phone interviews.
- Eighty-nine answers of vessel-owners, fish farmers and processing companies to the online survey.
- Ten answers from NGOs.
- Thirty-five Producer Organisations (POs) through the email survey.
- Seventy respondents to the FARNET survey on Axis 4.

Lessons learned from the evaluation and the methodology used

The methodology was adapted to the specific challenges of the EFF ex post evaluation: the need to analyse a wide range of measures, different implementation, monitoring and control procedures among MS, multiple causal relationships between the measures and the objectives of the EFF, and the lack of reliable and complete quantitative data related to the projects implemented. The chosen methodology allowed gathering extensive qualitative information that partially compensated the lack of quantitative data.

During the data collection phase, country experts, including members of the core evaluation team, managed to:

- Obtain feedback from MAs and desk officers from all the 27 MS on implementation, outputs and results of the different measures, available quantitative data and perceived short-term and long-term impacts.

- Obtain feedback from the sector (representatives and direct beneficiaries) in order to cover the six spending categories and the eight case study topics.

The knowledge stayed within the administration and services that actually implemented the different measures; it was not centralised and dependent on the stability of the staff during the entire programming period.

Difficulties encountered

The main difficulties encountered came from the heterogeneity of the data and information available in MS and the difficulty in reaching stakeholders, and in particular beneficiaries.

The following paragraphs present the main difficulties encountered for each of the different information sources.

Monitoring ("Article 40") data

The EFF monitoring system was based on data collected by the MS but that was not reported to the Commission unless it was specifically requested (see Article 40 of the EFF Implementing Regulation (EC) n° 498/2007). When transmitted to the Commission, Article 40 data proved quite poor for several reasons:

- Discrepancies between data provided at measure level and action level in some MS;

- Unavailability of detailed data at project level, which prevented the evaluators from identifying errors, gaps and extreme values; and

- The reliability of indicators varies depending on the types of indicator and on the MS, and the complete table of Art. 40 output indicators aggregated at EU level was difficult to interpret.

Annual Implementation Reports (AIR)

Result indicators provided in the AIR 2014 were difficult to use because of inconsistencies in the indicators used, definitions and baseline references[52]. The most complete and reliable indicators were those obtained from other sources: changes in Gross Tonnage (GT) and kilowatts (kW) from permanent cessation and engine replacement were extracted from Art. 40 data indicators; overall changes in industry trends were obtained from official statistics and from EU sources that are already standardised and homogeneous. Other indicators varied from MS to MS and clear definitions are not always provided.

[52] Whilst a list of common result indicators was distributed informally by the Commission when the OPs were in preparation, these were not defined and no further criteria, source of information or calculation method provided. This led to the inclusion of data in AIR which were not comparable and could not be aggregated at the EU level. This limitation has been addressed in the EMFF, where the list of common indicators has been adopted as a Delegated Act, and definitions made available to the MS in a Working Paper developed by the FAME Support Unit (the technical assistance office that provides support for the implementation of the Common Monitoring and Evaluation System attached to the EMFF).

Despite the fact that a common template was provided, the AIRs are in fact structured very differently among MS, which presented challenges and difficulties for country experts in easily matching specific sections of the Excel grid to the AIR contents, and resulted in a time consuming exercise for the country experts.

Conclusion:

These factors were already identified in the interim evaluation of the EFF and the technical specifications for the ex post insisted on the need for an effective data collection strategy. Yet, the evaluators met with many difficulties to gather harmonised information across the MS.

These important limitations led the Commission to include in the EMFF detailed provisions for a reshuffled Common Monitoring and Evaluation System[53], which includes common indicators, annual reporting on implementation data at operation level, and setting-up a technical assistance facility to support both the Commission and the MS making this system operational. These were considered as necessary to support the result-orientation that characterises the 2014-2020 programming period for all ESIFs.

[53] Article 107 of Regulation 508/2014 (EMFF) establishes the CMES and defines its objectives, whilst the Commission Delegated Regulation 1014/2014 defines the seven components of the CMES as well as the list of common indicators applicable to each OPs. Article 97.1 (a) of the EMFF Regulation establishes the obligation for MAs to report annually on operations selected for funding; this is complemented by two Implementing Regulations (1242/2014 and 1243/2014) which specifies the technical requirement for the data to be transmitted. Finally, the Commission has established a technical assistance facility (FAME Support Unit) in order to facilitate the implementation of the CMEs and to build the capacity of both Commission and MAs in this regard.

ANNEX 4: SUMMARY OF AUDITS CARRIED OUT IN 2015

Article 68(3)(d) of the EFF Regulation foresees that the annual report by the Commission on the implementation of the Regulation, covering the final year of programming should include a summary of the audits on management and control systems set up by Member States carried out on the behalf of the Commission and of the outcome of audits on EFF assistance carried out by the Member States.

The final year of programming was 2015; however Article 3 of the Commission Delegated Regulation (EU) No 2015/895 foresees that in the year 2016 the Member States shall not be required to send an annual report covering 2015 since the information will be included in the final report due by the end of March 2017.

However, the two reports on the audits are included in this Staff Working Document in order to comply with the requirements of Article 68(3)(d) of the EFF Regulation.

1. European Commission audits in 2015 for EFF:

DG MARE's audits for EFF are one of the building blocks to provide assurance for its Director General and the Authorising Officers by Sub-delegation (AOSD) on the effective set-up and functioning of the management and control systems of the Member States.

In 2015, DG MARE's audit strategy for EFF consisted of 3 enquiries: 1) review of the work carried out by the Audit Authorities (AAs) in Member States; 2) audits on accounts of recoveries (kept by Certifying Authorities(CA); and 3) audits to bridge the assurance gap (BtAG) at Managing Authorities (MA) or their Intermediate Bodies (IBs), covering compliance of the MA or its IBs with certain key requirements[54].

The reliability of the AAs is assessed via modules, viz.:

Module 1 – the AA's set up and methodology;
Module 2 – review of the AA's working documents relating to systems audits, audits of operations, and the Annual Control Report
Module 3 – the Commission's reperformance of the AA's system audits;
Module 4 - the Commission's reperformance of the AA's audits of operations

There was also additional work carried out for Spain (preparation of the Annual Control Report); the Netherlands (resolution of the reservation in the 2013 and 2014 Annual Activity Reports); and Ireland (Article 73[55] monitoring). The results were satisfactory in all cases.

As shown in the table below, 4 audits were carried out in 2015 reviewing the work of the Audit Authorities, covering 4 Operational Programmes. As of the end of 2015, all Audit

[54] Key requirements of the Management and Control Systems as defined in agreement with the European Court of Auditors and communicated to the Member States by "Guidance note EFFC/27/2008 of 12/9/2008 on a common methodology for the assessment of management and control systems in the Member states (2007-2013 programming period)"

[55] Article 73 of Council Regulation (EC) No. 1198/2006 envisages a reduction in audit work on the part of the Commission if it considers an AA's opinion to be reliable.

Authorities, with the exception of Croatia, had been subject to a full modular audit since the start of the programming period. Croatia was covered separately via follow up of issues arising from the compliance assessment – with satisfactory results.

From these audits it could be concluded that reliance can be placed on the opinions of these Audit Authorities. 2 Audit Authorities were classified under category 1 (Works well; minor improvements are needed) and 2 were classified under category 2 (Works, but some improvements are needed). From the 2 audits on accounts of recoveries, the national systems were considered to be in category 1 for both Member States. The "Bridging the assurance gap" audits in 5 Member States led to the management and control systems of the audited bodies being categorised in category 2 in all cases.

Recommendations were addressed to the national Authorities concerned as necessary, requiring the implementation of corrective measures.

Table 1: Summary of the audits on management and control systems set up by the MS carried out on behalf of the Commission in 2015

Member State	Type	Assurance level
Czech Republic	Review AA (modules 1-4)	Cat.2
Cyprus	Review AA (modules 1-4)	Cat.1
Slovenia	Review AA (modules 1-4)	Cat.2
Malta	Review AA (modules 1-4)	Cat.1
Lithuania	BtAG (MA)	Cat.2
Spain (Cataluña)	BtAG (MA)	Cat.2
Poland	BtAG (MA)	Cat.2
Latvia	BtAG (MA)	Cat.2
Germany (Brandenburg)	BtAG (MA)	Cat.2
Croatia	Fact Finding (compliance assessment)	Cat.1
Czech Republic	Recoveries CA	Cat.1
Romania	Recoveries CA	Cat.1

2. Member States audits in 2015 for EFF:

In 2015, the Commission received 59 system audit reports submitted by Audit Authorities of 18 Member states (pursuant to Art.61(1) of Reg. (EC) n°1198/2006). The table below includes a summary of the authorities covered by these audits (Managing Authority, Certifying Authority or Intermediate Body), the assurance level provided by the assessment of the effectiveness of the key requirements and the overall audit opinion mentioned in the reports.

For all reports the assurance level was either in category 1, meaning that the audited system works well and only minor improvements would be needed, or in category 2, being that the system works but some improvements are needed, enabling payments to be made.
For 36 reports, an unqualified opinion was issued by the Audit authority; for 13 reports, its opinion was qualified. For the remaining reports, such an overall opinion was missing. The

results of DG MARE's analysis of these reports are taken into account for the overall assurance to be provided in the Annual Activity Report.

Table 2: Summary of the audits on EFF assistance carried out by the Member States in 2015[56]

Member State	Number of system audit reports received	Authority covered[57]			Assurance level				Audit opinion	
		MA	CA	IB	1	2	3	4	Unqualified	Qualified
Austria	0								N/A	
Belgium	2	X	X		X				X	
Bulgaria	2	X	X	X		X				X
Cyprus	0								N/A	
Croatia	1	X	X			X				X
Czech Republic	3	X	X	X	X	X				X
France	0								N/A	
Germany	11	X	X	X	X				X	
Greece	0								N/A	
Denmark	1			X	X				X	
Estonia	0								N/A	
Finland	0								N/A	
Hungary	1	X	X	X	X				X	
Ireland	0								N/A	
Italy	5	X	X	X		X				X
Lithuania[58]	1	X	X	X		X			X	
Latvia	3	X		X	X				X	
Malta	0								N/A	
Netherlands	2	X	X			X			X	
Poland	1	X	X	X	X	X				X
Portugal[59]	2			X	X	X			X	X
Romania	2	X	X			X			X	
Sweden	0								N/A	
Slovenia	1	X		X	X				X	
Slovakia	3		X		X					
Spain	11			X	X	X			X	
UK	7	X	X	X	X	X				
TOTAL	59							-		

[56] Based on national system audit reports transmitted by Member States via SFC in 2015

[57] MA= Managing authority; CA= Certifying authority; IB= Intermediate body

[58] Audit in Lithuania was focused on the implementation of Axis 4

[59] One audit report covered 2 intermediate bodies. The IB GAC Litoral Norte was originally classified in category 3 (upgraded to category 2 following the implementation of an action plan)