

DG MARE

Ex-Post evaluation of the Financial Instrument
for Fisheries Guidance (FIFG) 2000-2006

Final report – Tome 1

March 2010

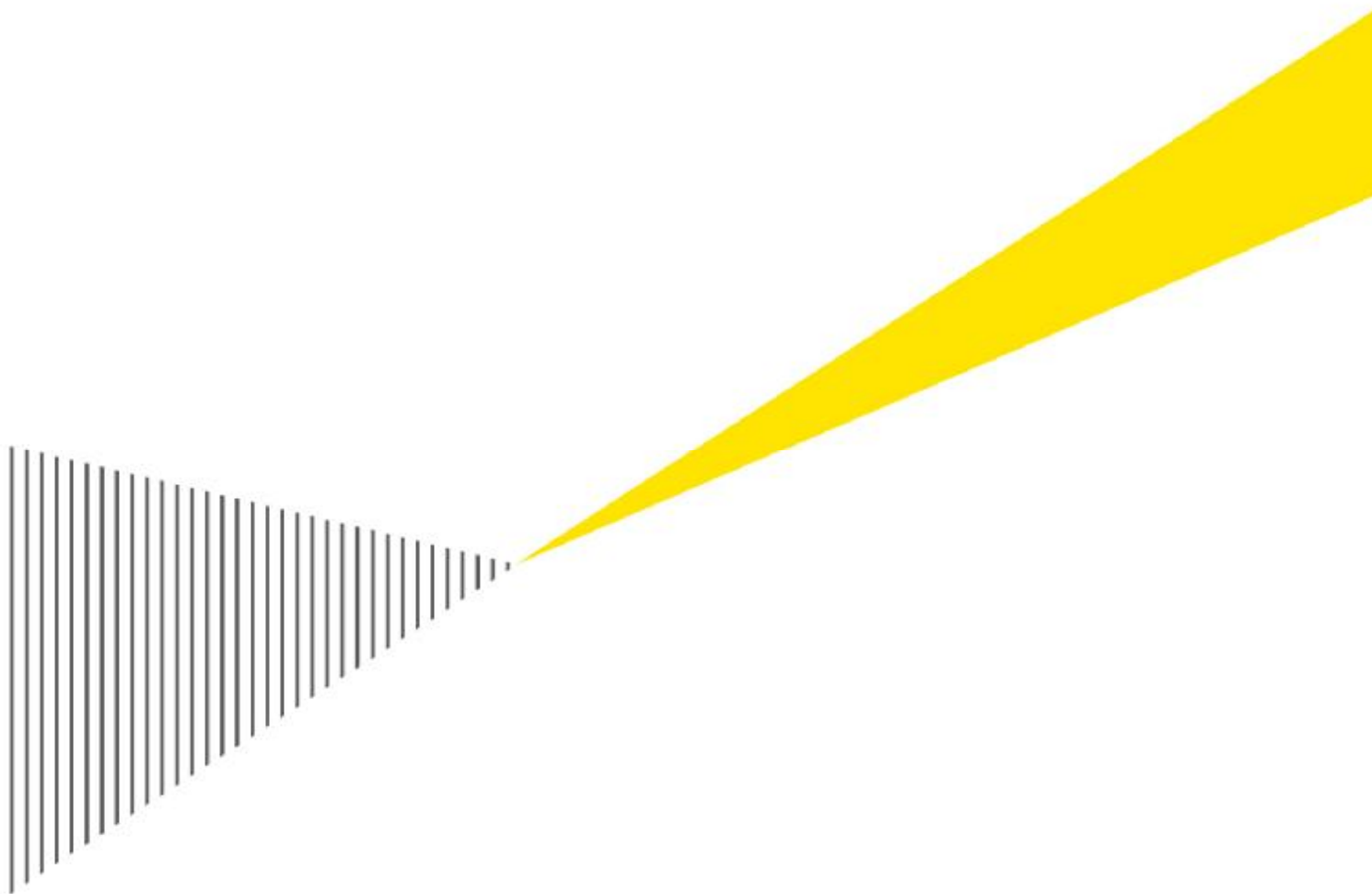


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1 Objectives, scope and approach of the evaluation

1.1 Evaluation objectives

In line with the requirements of Regulation 1260/1999, Article 43, the purpose of the ex-post evaluation of FIG 2000-2006 is to:

- ▶ Account for the utilisation of resources made available and to measure the relevance, effectiveness and efficiency of FIG and its impact;
- ▶ Learn lessons and provide recommendations for implementation of future programmes;
- ▶ Provide policy orientations for the ongoing reform of the Common Fisheries Policy (CFP), and contribute to designing the next generation of policy interventions after 2013;
- ▶ Learn lessons and provide guidance on the role of structural support to fisheries and aquaculture under broader EU structural policies in coastal and maritime regions.

1.2 Evaluation scope

The evaluation covers all sectors and geographical areas assisted by FIG during the 2000-2006 period

This includes 60 programmes in 24 Member States (one programme is transnational - United Kingdom and Ireland - and was approved under the PEACE II Community Initiative). These programmes entailed potential interventions via 20 different measures in the six FIG priority axes.

FIG concerns the fisheries sector as a whole, which is defined as the sector of the economy which includes all production, processing and marketing activities for fisheries and aquaculture products.

It covers the following 6 main areas of interventions, each of which is linked to one or more of the 20 measures. Analyses of the FIG 2000-2006 programming period are carried out according to these areas of intervention:

- ▶ Adjustment of the fishing effort, fleet renewal and modernisation: this area groups a large series of measures: 11 (scrapping), 12 (transfer to a third country/reassignment), 13 (joint enterprises), 21 (building new vessels), 22 (modernising existing vessels), 23 (withdrawing vessels - without public aid - in association with fleet renewal with public aid), 42 (social-economic measures), 45 (temporary cessation of activities and other financial compensation);
- ▶ Aquaculture (measure 32);
- ▶ Fishing port facilities (measure 33);
- ▶ Processing and marketing (measure 34: processing and marketing, and measure 43: promotion);
- ▶ Sector organisation (measure 44: operations by trade members);
- ▶ Innovation (measure 46: innovating measures).

Evaluative questions

The evaluation answers **12 main evaluative questions** related to 6 evaluation criteria organised in the following table. These 12 main questions address all 23 evaluative questions presented in the evaluation terms of reference (TOR). A table presented in appendix shows the correspondence between the following 12 main questions and the 23 TOR questions:

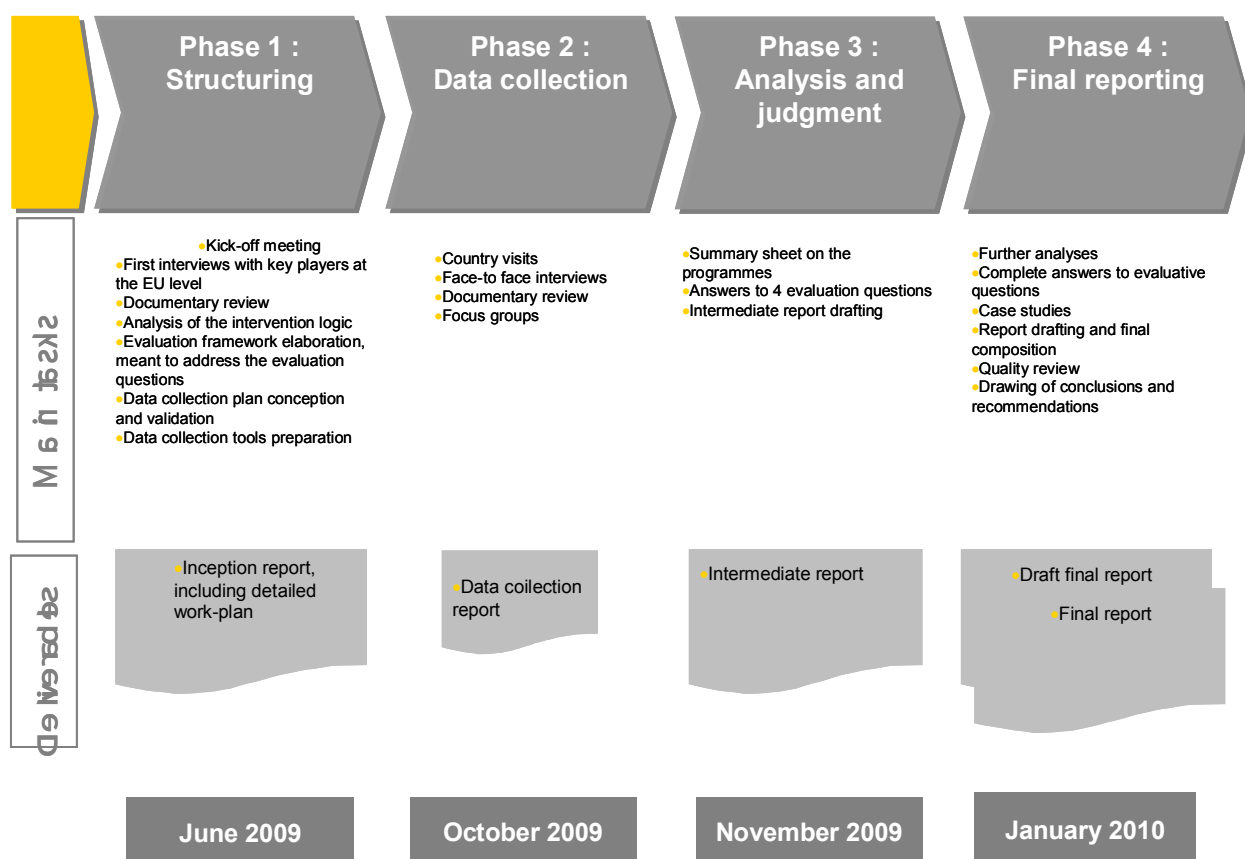
Criteria	Evaluative questions
Relevance	▶ Q1: Is FIG's intervention relevant to meet the needs of the fisheries sector at EU level?
External consistency	▶ Q2: Is FIG's intervention consistent with other existing interventions and programmes?
Effectiveness	▶ Q3: What are the outputs achieved by FIG and are they in line with expectations? Has FIG been implemented in an effective way as regards commitments and payments?
Implementation and efficiency	▶ Q4.1: How effective were the management and implementation systems?
	▶ Q4.2: Has FIG been implemented in an efficient way, as regards the cost of handling programmes and operations?
Impact	▶ Q5.1: What was the impact of FIG's fishing effort and fleet measures?
	▶ Q5.2: What was the impact of FIG in the aquaculture sector?
	▶ Q5.3: What was the impact of FIG in terms of fishing port facilities?
	▶ Q5.4: What was the impact of FIG on processing, marketing and promotion activities?
	▶ Q5.5: What was the impact of FIG on sector organisation?
	▶ Q5.6: What was the impact of FIG in terms of innovation?
Global impact and sustainability	▶ Q6: What was the global impact of FIG and is this sustainable?

All 23 evaluative questions presented in the evaluation reference terms are addressed by means of sub-questions included in the "implementation and efficiency" section (4 evaluative questions) and "impact" questions (15 evaluative questions).

1.3 Evaluation approach and limits

General approach

The evaluation followed a general approach consisting in 4 phases which are presented in the diagram below.



Contents of the final report

The final report is split into 2 sections.

- Section 1 contains:
 - Answers to all 12 evaluative questions,
 - Strategic and operational recommendations,
 - Some of the report's appendixes, i.e.: tables on financial achievements per programme and MS, table of correspondence of the 23 TOR evaluative questions, and the list of acronyms and table of figures.
- Section 2 contains:
 - Summary sheets presenting all relevant information on every FIFG programme. These include: a short presentation of the programme's management system, financial achievement per area and per measure, programming progress status and actual achievements,
 - The list of interviews carried out in the various MS through face-to-face and telephone interviews,
 - Case studies carried out to feed both efficiency and impact analysis.

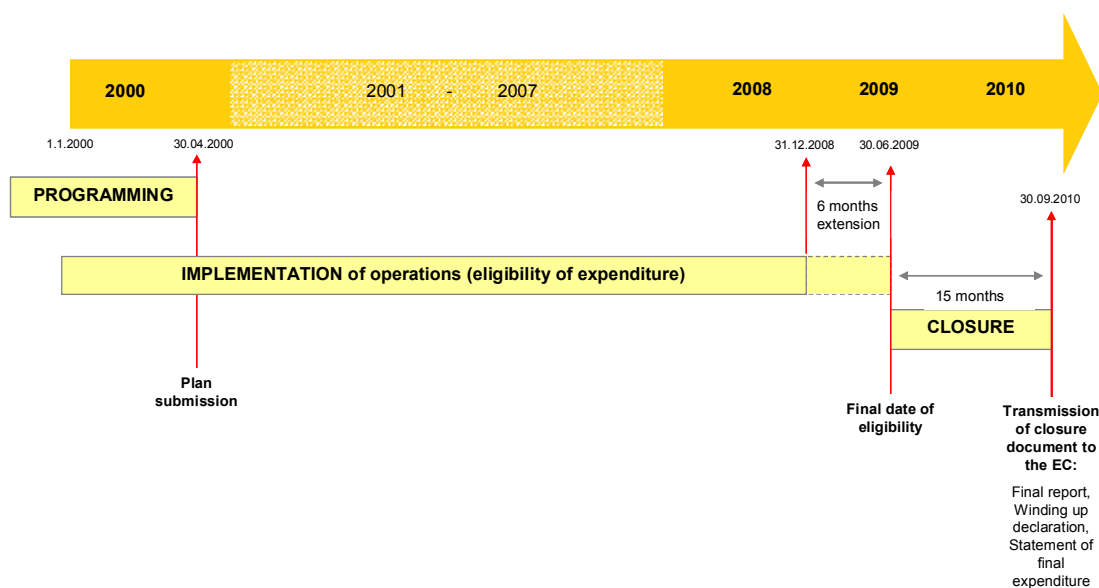
1.4 Limits and data gaps

Ongoing programmes at the date of the evaluation

Final date of eligibility of expenditure of most programmes has been extended from December 31, 2008 to June 30, 2009 following the European Commission's decision to allow such extension so as to give Member States more flexibility in their use of the structural funds. This decision was part of the European Economic Recovery Plan adopted as a response to the financial and economic crisis.

Operations can thus be implemented until June 30, 2009 while the administrative process of closure may last until September 30, 2010 as MS have 15 months to transmit their closure documents to the EC which is likely to improve achievement rates before closure.

Figure 1: Implementation calendar of FIFG 2000-2006



Monitoring data at EU level

Quantitative data mainly comes from the EU FIFG monitoring system Infosys database, of which the nomenclature is ruled by EC Regulation 366/2001. The database contains information on both financial and physical performances of each operation, and has enabled some consolidated queries per country, programme, measure and action. Information contained in the Infosys database is based in declaration made by beneficiaries and MS. This information has not been verified. It has not been used when the evaluator has considered that data is not sufficiently reliable (see specific limit below).

The analysis was carried out on the basis of the INFOSYS data at December 31, 2008. As the programmes continued after the aforementioned date, data will have evolved since then (new commitments and achievements). However, this would not have altered the conclusions of this evaluation.

Specific limits related to the Infosys database must be mentioned:

- Data concerning the PEACE II programme is missing (this is a minor programme which represents less than 1% of FIFG funding),
- Data concerning Sardinia/ Italy and Technical assistance/ Portugal programmes is incomplete for 2008,

- While indicators on fleet measures (priority axes 1 and 2) are used to analyse the impacts of fleet measures in this intermediary report, physical data concerning the operations under priority axes 3 and 4 are, on the contrary, not sufficiently reliable to be used in the evaluation (except for specific analyses when explicitly stipulated). Incorrect classifications under one measure or another exist, as well as inaccurate information on implementation indicators due to an erroneous interpretation of the indicators defined by Reg. 366/2001.

Data collection in the MS

Quantitative and qualitative data at MS level mainly come from the interviews carried out in the MS as well as the Annual reports. At the date of the evaluation, the latest reports are available for 2007. There is generally no report for 2008 since the MS are allowed to include 2008 data in the final report to be submitted at the closure of the programmes.

The following types of difficulties were encountered during field visits and account for data gaps:

- **General observations: staff turn-over within the administrations** in charge of FIG implementation and monitoring during the 2000-2006 programming period has led to some information gaps in certain MS. In particular, information on the first design of the FIG strategy and the initial programming process is not provided at equal levels for every MS, as the persons involved are not always still present.
- **Impact evaluation:**
 - The use of varied monitoring systems in the different MS which cannot account for homogenous results and impact data.
 - Obvious vagueness in the Axis IV operations, particularly measures 43, 44 and 46: these measures were not always correctly understood by Managing Authorities and were often mixed up. It is therefore difficult to create a typology for these collective and innovating projects and their sometimes multiform beneficiaries (cities, towns, provinces, regions, universities, research institutes, Chambers of Commerce, harbours, trade unions, federations and other types of organisations). In many cases the relevant projects have had a structuring effect but their real objectives are often unclear and their impact is very difficult to measure.
- **Efficiency evaluation:**
 - Estimation of administrative costs: data collected in the MS is heterogeneous. In some MS, it proved to be difficult to appreciate the time devoted to FIG-related activities in multifund programmes.
 - Estimation of transaction costs: it may be difficult to have a reliable view of transaction costs in beneficiary companies; companies often consider that the work related to grant application and management is a normal task for the relevant services and therefore they do not try to identify it, accordingly only very rough estimates can be drawn up (varying from 1 to 10).

2 FIGG relevance

Evaluative question Q1: Is FIGG's intervention relevant to meet the needs of the fisheries sector at EU level?

Synthesis

FIGG was relevant as a policy instrument and its measures were well suited to address the fisheries sector's needs. There was a satisfactory coverage of main EU needs in the fishery sector by the FIGG regulation and programme objectives during 2000-2006:

- Biological and environmental needs are covered by priority axis 1, and by some measures under priority axis 4;
- Needs related to production and supply for the EU market, i.e. supporting EU production and maintaining EU companies' competitiveness is covered by most priority axes 3 and 4 measures, as well as priority axis 2 for the fishing fleet division;
- Economic and social needs, i.e. supporting employment and fishery activities in regions that are dependant thereon are covered by most measures under priority axes 3 and 4.

Some needs were insufficiently covered:

- ▶ No measure focused on limiting the fishing effort (in spite of the fact that capacity reduction does not ensure catch reduction). These concerns are covered by other CFP pillars;
- ▶ Financial priority for aquaculture measures remained fairly low (only 9%) and this was also the case for sector organisation (only 5%);
- ▶ No specific action was forecast to achieve the objective of revitalising areas dependant on fisheries.

Moreover, some insufficiencies are related to the internal coherence of the FIGG intervention logic as it was pointed out that the link between FIGG general and operational objectives (measures) was not clear (large series of measures and potential actions lacking in clear-cut priorities). Measures under axis 4 were not well defined and could not be equally understood by the MS.

The 2002 reform took into account some weaknesses identified in the previous programming period when ending the construction of new vessels (measure 21). It has in particular considered the fact that efforts made to limit fishing effort were off set by productivity gains enabled by newly built vessels. However, specificities of the fleet in the new MS have not been taken into account as some would have needed stronger modernization (construction of new gears for instance) whose eligibility was canceled after 2004.

FIGG priorities as specified by FIGG financial programming are relevant:

- Focus on two fields that are priority areas at EU level: fleet restructuring (44%) and processing/marketing measures (24%)
- Evolution between first and final programming shows a decrease in fleet renewal and modernisation measures and an increase in fishing port facilities measures which is relevant considering some weaknesses identified in the 1994-1999 FIGG (fleet renewal led to productivity gains that have a damaging impact on the fishing effort) as well as the needs of some new MS regarding ports infrastructure.

The relevance question aims at measuring to what extent FIG objectives and measures met the needs of the fisheries sector during 2000-2006, taking account of FIG regulations modifications in 2002 subsequently to the CFP reform.

This question is addressed in three steps:

- ▶ *Firstly, fisheries sector needs are analysed in terms of the biological, environmental, social and economic situation at Community level including all fisheries sector fields (fleet, aquaculture, processing, etc.) and taking into consideration contextual evolutions in the fisheries sector during the 2000-2006 period;*
- ▶ *Secondly, FIG objectives (general, specific and operational, i.e. measures made available under FIG) are analysed with a view to defining its intervention logic and assessing its clearness and internal consistency;*
- ▶ *The last step consists in comparing both analyses and checking the adequacy of FIG objectives and measures with the fisheries sector needs.*

The evaluation does not assess strategies' relevance at individual programme level.

2.1 Diagnosis of the fisheries sector's needs

At EU level, the fisheries sector has little economic weight as it only represents 0.1% of the total EU gross domestic product (GDP) with a total income that amounted to EUR 10.9bn in 2005¹. The catching sector accounted for 36%, fish processing 42% and aquaculture 14% of total income (the remaining 8% is the result of ancillary activities). As regards MS, France, Italy, the United Kingdom, Spain and Greece account for 71% of the total income generated by the fisheries sector.

Although not very significant at EU level, fishery related activities play a major role in the economy of a number of EU regions, in the Atlantic and Mediterranean sea zones, which are more or less dependant on fisheries activities in terms of both income and employment. For instance, in regions such as the Highlands & Islands of the United-Kingdom, Algarve and Galicia in Spain, Voreio Aigaio and Ionia Nisia in Greece, both income and employment dependency exceeds 1.5 - 2%. Dependency often goes beyond the fishery activities (production, processing...) as it also impacts other sectors such as tourism and therefore numerous jobs in ancillary activities.

¹ Source: "Regional dependency on fisheries" study, Directorate General Internal Policies of the Union, European Parliament – October 2007

Some more recent figures are available regarding the income generated by the EU fishing fleet in the "2009 annual economic report on the European Fleet", but they do not include the income generated by the aquaculture production. EU fishing fleet income is estimated to amount to 7.6 billion Euros in 2007.

During the 2000-2006 period, EU fisheries were faced with many issues, most of which are still ongoing in 2009:

- ▶ The need to better adjust fleet capacity and fishing effort to the stocks in Community waters through fleet capacity reduction and preventing overexploitation;
- ▶ The need to ensure supply of the internal EU market with quality products despite the decreasing EU catches due to reduction of fishing stocks in EU waters;
- ▶ The need to strengthen economic and social cohesion by improving EU companies' competitiveness, maintaining employment, and diversifying economic activities in areas and regions that are dependant on the fisheries sector.
- ▶ The 2004 EU enlargement was another challenge as the fisheries sector in the new MS needed to adapt to EU requirements and strategy.

Therefore, the fisheries sector diagnosis relies on the following 3 main factors which are closely connected to each other:

- Biological and environmental needs that have been a CFP priority ever since its creation in 1983,
- Market and supply issues which stem from both the EU production decline and the increase in EU consumption of fishery and aquaculture products,
- Economic and social needs which stem from difficulties in maintaining EU competitiveness in certain segments which impact employment, particularly in areas dependent on fishery and aquaculture activities.

2.1.1 Biological and environmental needs

Declining fish stocks are a major concern for the CFP

Preservation and sustainable exploitation of fishery resources has been a growing concern for the CFP since its creation. Apart from structural measures implemented through the FIFG since 1993, specific measures were dedicated to the prevention of overfishing and the limitation of fishing activities' impact on the environment under one of the CFP's pillars together with the common market organisation (CMO), the regulatory framework and international agreements to ensure a regular supply of the EU market: these mainly consisted in the establishment of annual quotas, regulation of fleet activity (licenses, etc.) to manage the fishing effort, and technical preservation measures aiming at reducing juvenile catches.

Since its creation in 1993, FIFG was designed to complement these measures and contribute to the achievement of EU biological and environmental priorities for EU fisheries and aquaculture activities. EUR 2.5bn were spent over the 1993-1999 period on FIFG, of which EUR 585m were allocated to adjusting the fishing effort (24%). However, the situation remained critical after the first FIFG programming period (1994-1999). EU measures were not sufficient to prevent stocks from being depleted and many fish stocks have continued to decline.

During the 2000-2006 period, improving responsible fishing based on sustainability remained a priority in order to ensure the long-term viability of the fisheries sector despite the fact that the proportion of funds allocated to fishing fleet adjustment was slightly reduced in value to EUR 577m but more so in proportion (17% of the overall achieved FIFG) as FIFG also concentrated on other priorities.

Fleet overcapacity continued despite a moderate decrease since 1992

The EU fleet capacity decreased during the 1992-2000 period. When the 2000-2006 FIGG programmes were launched, the EU fleet counted 95,200 vessels. Its capacity represented 2 million GT (tonnage) and 7.6 million kW (engine power).

This trend was confirmed over the last FIGG programming period from 2000, as the size and capacity of the EU fishing fleet continued to follow a downward trend during the 2000-2007 period, with reductions in power (14% in old MS), tonnage (15% in old MS) and numbers (16% in old MS) in spite of EU enlargement in 2004.

Figure 2: Evolution of the fishing fleet 2000-2007

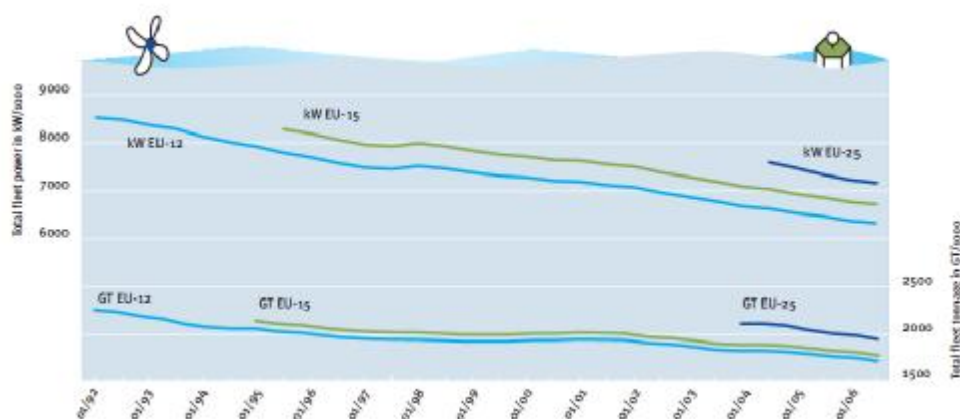
		2000	2005	2007	Evolution 00-07 %	Evolution 05-07 %
Number of vessels	All EU MS (UE-25)	95 200	89 666	85 524	<i>nr</i>	-5%
	Old MS	95 200	84 126	80 131	-16%	-5%
	New MS	<i>na</i>	5 540	5 393	<i>na</i>	-3%
Tonnage (millions of GT)	All EU MS (UE-25)	2	2,0	1,9	<i>nr</i>	-5%
	Old MS	2	1,8	1,7	-15%	-6%
	New MS	<i>na</i>	0,2	0,2	<i>na</i>	0%
Power (millions of kW)	All EU MS (UE-25)	7,6	7,3	7,0	<i>nr</i>	-4%
	Old MS	7,6	6,8	6,5	-14%	-4%
	New MS	<i>na</i>	0,5	0,5	<i>na</i>	0%

na: not available

nr: not relevant

Source: Eurostat – Facts and figures on the CFP – Edition 2006 & Edition 2008

Figure 3: Evolution of the fishing fleet 1992-2007



Source: Eurostat – Facts and figures on the CFP – Edition 2008

Despite the overall drop in size and capacity experienced by the EU fleet, overfishing continued to be an unsolved problem as no visible improvement in fish stocks has been recorded². Reduction of the fishing effort could not be achieved solely by reducing fleet capacity. The ex-post evaluation of the 1994-1999 FIGG points out that a large number of scrapped vessels were actually old vessels that were no longer used for catching activities; scrapping is not sufficient to reduce fishing activity.

² Green paper - Reform of the Common Fisheries Policy - COM(2009)163

Capacity reduction measures should therefore be adapted to limit windfall effects and focus on capacity reduction, targeting vessels that are still in activity.

Moreover fleet reduction is offset by productivity gains due to technological progress resulting from modernisation. Accordingly, it is necessary to control fleet investments as modernisation has a negative effect on the fishing effort and results in larger catch volumes per vessel.

Finally, other factors linked to insufficiencies of structural measures' implementation are underlined by the Commission in the 2009 Green Paper on the CFP reform. In spite of a certain amount of positive evolution to better adapt to national and local contexts, the Commission notes that the European policy for the fisheries sector did not satisfactorily achieve sustainable fisheries, and it considers that this is connected to 5 main structural failures, amongst which overcapacity is only one of the problems to be overcome in addition to the following difficulties:

- “Imprecise policy objectives resulting in insufficient guidance for decisions and implementation;
- A decision-making system that encourages short-term focus;
- A framework that does not give sufficient responsibility to the industry;
- Lack of political will to ensure compliance, and poor compliance by the industry”³.

2.1.2 Market and supply issues

Although EU production is declining, the EU fisheries sector has to better adjust to global trade and increase focus on added value

With a production of 6.5 million tons in 2007, the EU is one of the world's largest producers in the fishery and aquaculture sector. However, whereas the total world production of fisheries and aquaculture continued to rise between 2000 and 2007 (+15%), the EU-27 production for the same period dropped sharply (-20%) and the EU, which was the world's third largest producer in 2000, fell to 5th position in 2007. At the same time, the EU contribution to world production fell from 6.0% in 2000 to 4.2% in 2007⁴.

This decline is mainly due to a decrease in catches which dropped from 6.8 million tons in 2000 to 5.2 millions tons in 2007, while aquaculture production remained stable (1.3 million tons on average).

³ Source: COM(2009) 163 – Green Paper – Reform of the CFP

⁴ A growing part of world's production actually comes from EU fishing capital in third countries (enabled by joint ventures)

Figure 4: Main world producers (including catches and aquaculture)

1000 t	2000	2007	Rank 2000	Rank 2007
China	43 284	56 161	1	1
Indonesia	5 118	8 064	7	2
India	5 669	7 308	5	3
Peru	10 665	7 261	2	4
EU-27	8 212	6 544	3	5
Japan	6 467	5 596	4	6
USA	5 216	5 296	6	7
Chile	4 973	4 996	8	8
Philippines	3 000	4 717	12	9
Thailand	3 735	3 859	10	10
Russia	4 105	3 588	9	11
Norway	3 383	3 344	11	12
Other	32 544	39 638		
Total world	136 371	156 372		

Source: FAO

The EU contribution to world production fell from 6.0% in 2000 to 4.2% in 2007.

Figure 5: Evolution of EU contribution to world production

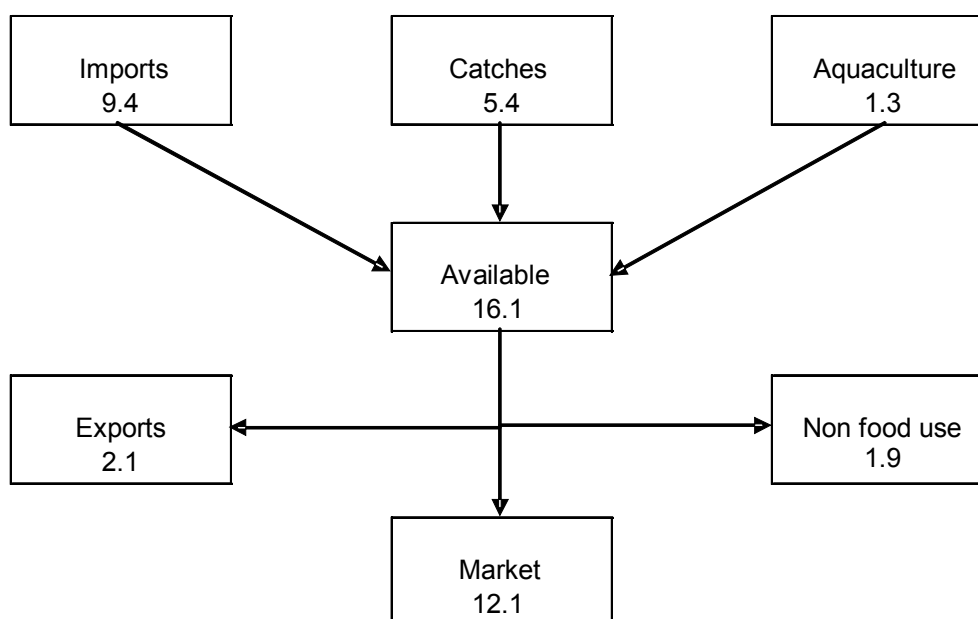
1000 t	Catches			Aquaculture			Total production		
	World	EU-27	% EU	World	EU-27	% EU	World	EU-27	% EU
2000	94 697	6 813	7,2%	41 674	1 397	3,4%	136 371	8 210	6,0%
2001	91 961	6 971	7,6%	44 247	1 384	3,1%	136 208	8 355	6,1%
2002	92 228	6 401	6,9%	47 270	1 271	2,7%	139 498	7 672	5,5%
2003	89 484	5 969	6,7%	50 216	1 341	2,7%	139 700	7 310	5,2%
2004	93 607	5 946	6,4%	54 495	1 309	2,4%	148 102	7 255	4,9%
2005	93 417	5 745	6,1%	57 319	1 258	2,2%	150 736	7 003	4,6%
2006	90 944	5 657	6,2%	61 317	1 281	2,1%	152 261	6 938	4,6%
2007	91 182	5 244	5,8%	65 190	1 300	2,0%	156 372	6 544	4,2%

Source: FAO-Fishstat

The EU fish market is growing rapidly and is increasingly dependent on imports

Although EU production has dropped, the EU market increased by nearly 2 million tons (equivalent live weight) between 1999 and 2007. The market increased mainly during the last two years, going up from 10.7 million tons in 2005 to 12.1 million tons in 2007 (approximately + 20%). The EU self-sufficiency rate fell from 56.9% to 39.6% during the same period and the coverage rate by imports increased from 58.8% to 77.4%. The EU increasingly resorts to imports.

Given the context marked by growing importations and increasing competition from third countries on EU markets, including due to the creation of joint enterprises controlled by European investors, improving EU competitiveness, in terms of fishing and breeding activities as well as marketing and processing, appeared as a priority during the 2000-2006 period.

Figure 6: EU-27 fish supply balance in 2007 (in millions of tons equivalent live weight)

Source: AIPCE

The EU has to deal with a huge trade deficit in fishery products

The EU is the world's biggest importer of fishery products; the trade deficit in the sector increased significantly during the period, rising from EUR 9.9bn in 2000 to EUR 13.6bn in 2007. But the EU also plays a major role as an exporter of high-value fish products. The growth rate of exports to third countries (+39%) is comparable to the growth rate of imports (+37%), which suggests an increased processing industry capacity to adapt to specific high value needs on external markets.

Figure 7: Evolution of external trade in fishery products

Millions €	Extra-EU trade		
	Imports	Extra-UE	Balance
2007	16 156	2 592	-13 564
2006	15 843	2 427	-13 416
2005	13 779	2 314	-11 465
2004	12 166	2 080	-10 086
2003	12 388	2 116	-10 272
2002	12 460	2 169	-10 291
2001	12 863	2 089	-10 774
2000	11 751	1 865	-9 886

Source : Eurostat/Comext

2.1.3 Economic and social needs

Nearly 400, 000 jobs in the EU, with regions that are more particularly dependant on fishery activities

Employment in the fisheries sector plays a significant role especially in coastal regions where employment alternatives are often scarce.

The study "Regional dependency on fisheries" counted 389,200 jobs in the entire sector (fisheries, aquaculture, processing, marketing, distribution) in 2005, 46% of which are catching activities.

Fishermen jobs are concentrated in southern MS: Spain, Italy, France, Greece and Portugal, and represent 50% of the total number of jobs, with 75% at sea. Employment in the processing segment is spread more widely across the Union. Unlike fin-fish, shellfish farming is a branch composed of numerous small family-size units; this explains that the two biggest mussel and oyster producers (Spain and France) concentrate 51% of all aquaculture jobs.

However, MS where the population employed in the fisheries sector represents the highest percentage of the overall economically active population are Estonia, Latvia, Malta and Greece.

Figure 8 Proportion of active population employed in the fisheries sector (2005)

<i>In thousands</i>	Employed in fisheries sector	Economically active population	% of economically active population	Scoring
EE	6,3	661	0,95%	+++
LV	11	1 126	0,98%	+++
MT	1,5	160	0,94%	+++
GR	43,9	4 734	0,93%	+++
PT	31,9	5 460	0,58%	++
IE	11,6	1 901	0,61%	++
DK	9,7	2 862	0,34%	++
ES	70	19 538	0,36%	++
LT	7,8	1 636	0,48%	++
CY	1,6	341	0,47%	++
IT	47,1	24 148	0,20%	++
FR	45,8	27 627	0,17%	+
PL	24,5	16 940	0,14%	+
UK	36,3	29 246	0,12%	+
NL	9,7	8 432	0,12%	+
FI	1,8	2 600	0,07%	+
SE	4,4	4 574	0,10%	+
SI	0,6	961	0,06%	+
SK	1,2	2 622	0,05%	+
CZ	4,3	5 100	0,08%	+
DE	13,7	39 821	0,03%	+
HU	1,7	4 166	0,04%	+
BE	2,3	4 433	0,05%	+
AT	0,5	3 963	0,01%	+
EU25	389,2	213 050	0,18%	

Source: Study on regional dependency on fisheries (employment figures)/ Eurostat and Facts and figures on the CFP 2008 edition (economically active population figures)

2.2 FIFG objectives and evolution during the 2000-2006 period

2.2.1 FIFG objectives and intervention logic

FIFG: financial instrument of the EU structural policy in the fisheries sector

From its creation in 1993 and until its recent replacement by the European Fisheries Fund (EFF) in 2007, FIFG was the major⁵ financial component of the CFP of which the general objective is to "provide for sustainable exploitation of living aquatic resources and aquaculture within a context of sustainable development, taking account of the environmental, economic and social aspects in a balanced manner" (*Council Reg. (EC) no.2371/2002*).

As defined in *Council Regulation (EC) no.1263/1999* establishing the FIFG framework for the 2000-2006 period, FIFG was meant to implement the Community structural policy in the fisheries sector by:

- "contributing to achieving a sustainable balance between resources and their exploitation;
- strengthening the competitiveness of structures and developing economically viable enterprises in the sector;
- improving market supply and the value added to fishery and aquaculture products;
- contributing to revitalising areas dependent on fisheries and aquaculture."

Operational implementation of structural measures funded by FIFG

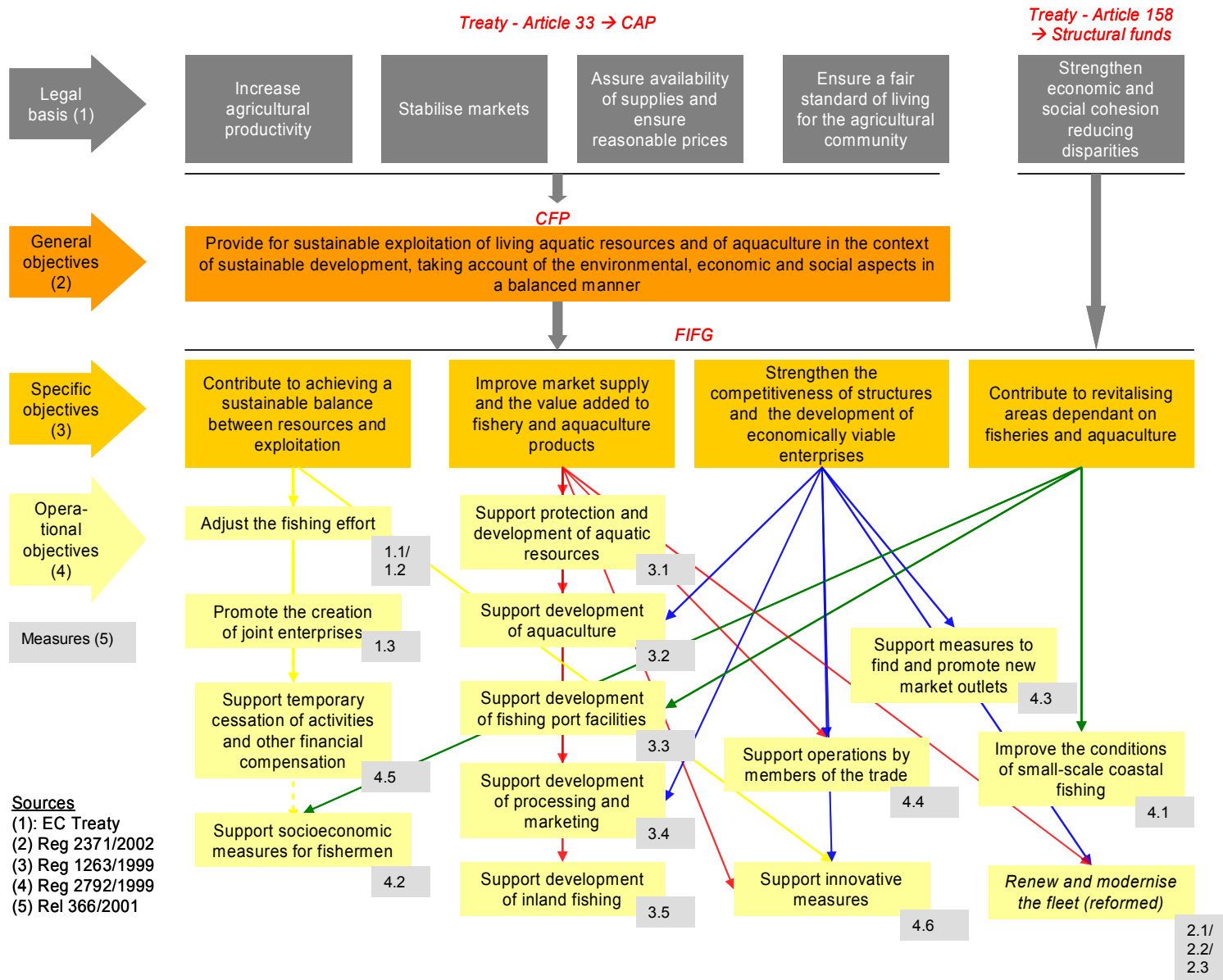
To achieve the aforementioned objectives, FIFG funding was allocated to supporting structural measures in fisheries and aquaculture as well as processing and marketing fishery and aquaculture products in all Community Member States (except Luxembourg), including new MS after their accession in 2004.

The types of measures and actions to be supported by FIFG are detailed in *Council Regulation (EC) no.2792/1999*, which lays down the detailed rules and provisions regarding Community structural assistance in the fisheries sector. In this respect, the structural measures for fisheries, aimed at guiding and facilitating industry restructuring, include:

- **Measures for fishing fleet renewal and modernisation**
 - Fleet renewal and modernisation of fishing vessels (Title II – article 6)
 - Adjustment of the fishing effort (Title II – article 7)
 - Joint enterprises (Title II – article 8)
- **Small-scale coastal fishing (Title II – article 11)**
- **Social-economic measures (Title II – article 12)**
- **Investment aid in several fields:** protection of marine resources in coastal waters, aquaculture, fishing port facilities, processing and marketing, inland fishing (Title III – article 13)
- **Other measures to encourage joint actions**

⁵ Other financial components include support to fisheries agreement with third countries, to fisheries control activities by the MS or to research activities.

Figure 9: FIG 2000-2006 objective tree



2.2.2 FIGG background and evolution during the 2000-2006 period

A tardy creation and incorporation within the CFP

Although the fisheries sector is indirectly mentioned in the Treaty which defines agriculture policy goals, the first specifically targeted measures only date back to 1970. At the time, it was explicitly decided to extend the EAGGF to support construction, modernisation, marketing and processing within the fisheries sector.

In 1983, the CFP was officially established by *Regulation (EC) no.170/1983*, replaced by *EC Regulation (EC) no.3760/1992* and later by *Regulation (EC) no.2371/2002*, in order to preserve fish stocks, protect the marine environment, ensure the economic viability of European fleets and provide quality food to consumers.

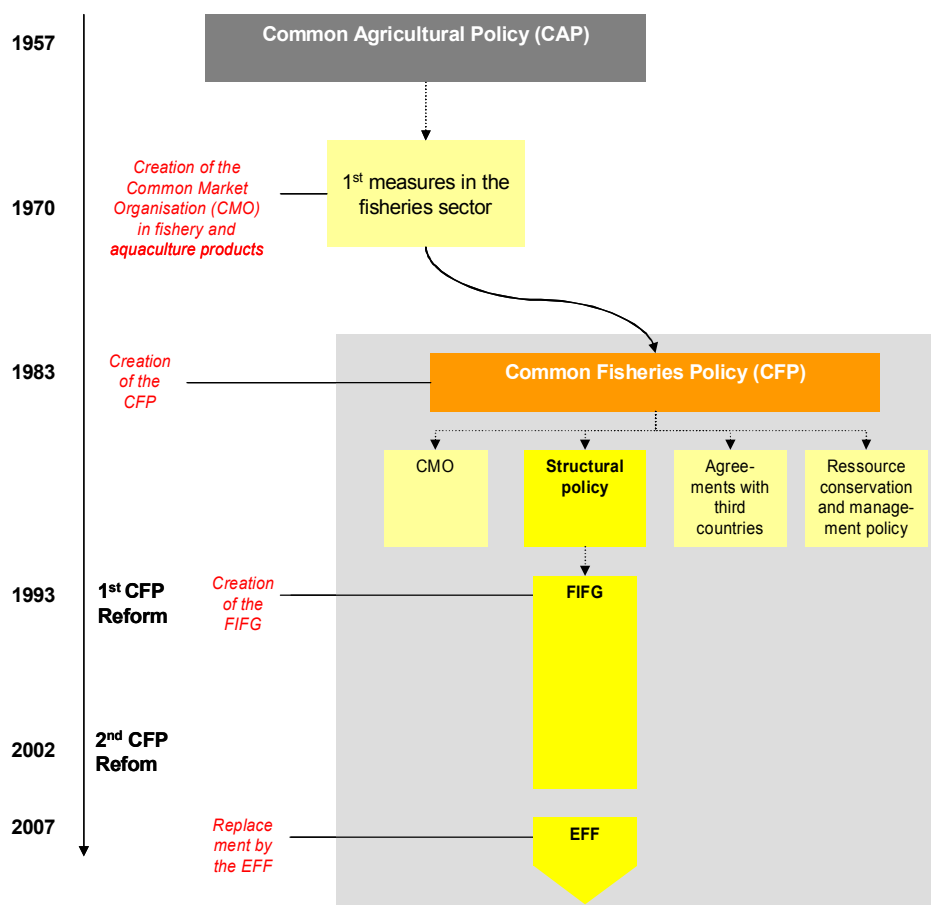
Since then, the CFP has been constituted of four main pillars which complement each other in order to reach Community objectives for the fisheries sector:

- ▶ 1. A common market organisation (CMO) to guarantee sustainable income for fishermen;
- ▶ **2. Structural measures on fisheries and aquaculture to achieve the objectives specified by article 158 of the Treaty: modernise the fleet, make it competitive and reorient the industry towards support and development of coastal regions which are heavily dependent on fisheries.**
- ▶ 3. A regulatory framework and international agreements to ensure a regular supply for the EU market at reasonable prices, for both processing companies and consumers.
- ▶ 4. Measures dedicated to the prevention of overfishing, and to limiting the impact of fishing activities on the environment.

Although a fleet supporting instrument was created in 1986 (*Regulation (EC) 4028/1986*), it was not until 1993 that the FIGG was adopted as a full-fledged structural policy. First established through *Regulation (EC) no.2080/93*, FIGG became the structural pillar of the CFP and therefore an essential component of the European strategy in the fisheries sector.

In 2007, FIGG was replaced by the European Fishery Fund (EFF), set up by *Council Regulation (EC) No. 1198/2006*, which will continue until 2013.

The diagram below presents this evolution of FIGG regulatory environment from the beginning.

Figure 10: Evolution of FIG regulatory environment 1957-2007

Source: Ernst & Young

Little change in structural policy objectives and instruments until 2002

Changes to the approach implemented by the EU structural policy remained limited until 2002, despite the establishment of a new FIG framework for the 2000-2006 period. This new FIG had to take account of the "Agenda 2000" requirements and the structural funds reform stipulated in *Regulation (EC) no.1260/1999*.

For the 2000-2006 programming period, FIG objectives, the types of measures and eligible actions remained globally unchanged compared to the 1994-1999 funding period. The specific objectives set forth by EC regulation 2080/1993 were simply completed by a fourth objective which aimed to revitalise areas dependent on fisheries and aquaculture as specified in EC regulation 1263/1999, although the focus was more on the protection and development of resources. No specific measures were set up to meet this fourth objective; all of the existing ones were supposed to contribute to this overall target.

The 2002 CFP reform: a questioning of policy objectives and instruments to take better account of environmental aspects and the necessity to diversify fishermen activities

In 2002, the general CFP reform introduced some new approaches to implementing the EU structural policy and better adjusting fleet capacity to potential catches in order to solve the overfishing issue, modernise the fleet, and make it competitive.

Indeed the CFP reform, based on *Council Regulation (EC) no.2371/2002 of 20 December 2002* relating to the preservation and sustainable exploitation of fisheries resources, aimed at an improved combination of the CFP with other Community policies, such as environment and employment; it also attempted to integrate the idea of a precautionary approach to the protection and preservation of live aquatic resources and to better ensure fisheries' preservation and sustainable exploitation.

As part of the CFP reform, *Regulations (EC) no.1263/1999* and *(EC) no.2792/1999* were amended by *Council Regulation (EC) no.2369/2002* and *no.1421/2004*.

In practical terms, these new regulations led to a simpler system for limiting fishing capacity and increased MS responsibility for managing their fleet, which can be summarised as follows:

- ▶ **A new policy for fleets, as detailed in *Council Regulation (EC) no. 2371/2002*;**
 - The end of the multi-annual guidance programme (MAGP) that started in 1983 to adjust the size of the fleet in the European MS and adapt the fishing effort to available resources, and the adoption of a long-term approach;
 - A review of conditions for granting public aid to the fleet, especially to limit public aid for fleet renewal and modernisation. It was only maintained under certain conditions: vessels must be at least 5 years old and the aid must be used for specific purposes such as more selective fishing methods, installation of satellite vessel monitoring systems (VMS), improved product processing and quality on board, improved working and safety conditions;
 - The end of support for vessel construction, exports to third countries and setting up joint ventures at the end of 2004;
 - Only indirect encouragement of MS to adjust fleets in relation to effort management regimes under recovery plans or reduction in fishing opportunities (TACs – Total allowable catch).
- ▶ **Improved application of rules;**
- ▶ **A stronger involvement of stakeholders' through** Regional Advisory Councils (RACs) that were created to enable them to work together to identify ways of achieving sustainable fisheries in the areas of interest for the relevant RAC.

2.3 Adequacy of FIFG objectives with the sector's needs

2.3.1 Coverage of the sector's needs by FIFG regulation and programme objectives

Globally, main needs were properly tackled by FIFG regulation

Main needs were well taken into account in FIFG regulations and programming. The 20 existing measures have targeted most existing needs, as shown in the following matrix:

Figure 11: Matrix of FIG measures' coverage of fishing sector's needs

		Priority axis 1: Adjustment of the fishing effort			Priority axis 2: Fleet renewal and modernisation		Priority axis 3: Protection and development of aquatic resources, aquaculture, fishing ports facilities, processing and marketing and inland fishing					Priority axis 4: Other measures					
		11: scrapping	12: transfer to a third country/ reassignment	13: joint enterprises	21: construction of new vessels	22: Modernisation of existing vessels	31: aquatic resources	32: aquaculture	33: fishing port facilities	34: processing and marketing	35: inland fishing	41: small-scale coastal fishing	42: socio-economic measures	43: promotion	44: operations by members of the trade	45: temporary cessation of activities	46: innovative measures
Biological and environmental needs	▶ Adjust fleet capacity to the stocks in Community waters	■															■
	▶ Adjust fishing effort to the stocks in Community waters	■		■								■			■		
	▶ Prevent overexploitation				▨												
	▶ Develop environmentally friendly practice (fishing and aquaculture)						■	■									■
Market supply	▶ Support EU production and ensure supply of EU internal market					■	■		■	■	■						
	▶ Support EU competitiveness				■	■		■	■	■	■		■	■			
Economic and social needs	▶ Secure jobs and companies											■					
	▶ Improve safety and working conditions						■	■			■			■			

Fully targeted need
 Partly targeted need
 Not targeted need (measure 21)

Main needs	Covering by FIGG
<p>Ecological and environmental needs:</p> <ul style="list-style-type: none"> ▶ Adjust fleet capacity to the stocks in Community waters ▶ Adjust fishing effort to the stocks in Community waters ▶ Prevent overexploitation ▶ Develop environmentally friendly practices (fishing and aquaculture) 	<ul style="list-style-type: none"> - Reduction of fleet capacity was covered by scrapping (measure 11), export (measure 12) and the creation of joint enterprises (measure 13). - Necessity to prevent overexploitation was taken into account by changes in priority axis 2 (measures 21 and 22) eligibility rules following the 2002 CFP Reform through the measure on ending the construction of new vessels - Some complementary measures indirectly contributed to the adjustment of the fishing effort under priority axis 1 and 4 by compensating cessation of activities, which constituted a potential incentive to restricting fishing activities - Measure 32 enabled investments for aquaculture proponents to develop environmentally friendly practices - Measure 46 innovating actions also allowed to test better fishing techniques (more selective)
<p>EU market supply needs</p> <ul style="list-style-type: none"> ▶ Ensure supply of EU internal market despite the decrease in EU catches and reduction of stocks in EU waters ▶ Increase aquaculture production ▶ Support EU competitiveness, i.e. improve the economic results and strengthen the position of EU companies on the market 	<ul style="list-style-type: none"> - As regards fishing activities, measures 21 and 22 supported modernisation/ construction investments to improve EU fleet competitiveness. These measures were adapted in accordance with the 2002 CFP reform to take better account of ecological objectives. - Measure 33 aimed at improving EU production and competitiveness through investments in fishing port facilities. - Measure 32 was dedicated to investments in the field of aquaculture that should contribute to the increase of aquaculture production capacity. - Measure 34 was dedicated to processing and marketing. - Most measures under priority axis 4, in particular measures 41, 43 and 44, were accompaniment measures that could indirectly contribute to strengthen the structures competitiveness.
<p>Economic and social needs</p> <ul style="list-style-type: none"> ▶ Revitalise fishery dependent areas by maintaining employment, i.e. securing jobs and companies ▶ Improve safety and working conditions 	<ul style="list-style-type: none"> - Safety and working condition improvements could be funded through all investment measures under priority axes 2 and 3, as well as under the development of coastal fishery (measure 41) - Other social needs in terms of employment, producer income and cohesion were indirectly covered via all FIGG measures.

Conflicting needs were partially addressed by FIG measures in 2000-2006

- ▶ Conflict between the need to increase community supply and the need to reduce fishing mortality was partially dealt with through export of capacity measures (which did not benefit so much to vessels operating in Community waters as vessels operating under fisheries agreements or in international waters).
- ▶ Modernisation of vessels and/or replacement of old vessels (withdrawn without aid) by newer vessels could allow substitution of labour (jobs) with capital (machines) even when contributing to improved security on board.

Most programmes were well designed although there was less relevance for some MS which lacked clear knowledge of sector needs

In most MS, the FIG operational programmes or SPDs were the products of extensive negotiations involving social partnership negotiations and the relevant stakeholders' participation to identify and take account of main needs and priorities.

The key to relevance is adequate consultation of all stakeholders in the upstream preparation of a programme. Many Member States involved trade unions, professional organisations, used roundtables as well as consulting to endeavour to determine the best policy for the sector. These consultations involved and raised interest mainly from the sector (short-term interest from potential FIG direct beneficiaries and long-term interest from indirect beneficiaries) but also from the society at large.

In Malta, this consultation was organised as early as 2001-2002; the authorities worked on a National Development Plan which resulted in a Single Programming Document. The SWOT analysis which was issued was the fruit of careful consideration and consultancies involving experts in each sector. The same type of involvement was used in Latvia around the National Development Plan.

Only in a few MS, programming documents appeared as defining a very general strategy which did not really target existing needs. This is more specifically the case in some new MS where knowledge of the sector was too incomplete and unclear to specify the relevant priorities. For instance, before Estonia joined the EU, there was no support for the fishery sector (with the exception of SAPARD pre-accession fund for aquaculture and processing industry) and defining priorities could not be based on previous experience.

Following table gives a rating of the involvement level of sector stakeholders during the programming phase. It highlights the strong link between achievement rates to the level of involvement of sector stakeholders: both Hungary and Poland, which have one of the weakest rates, involved these players very little in the programming and monitoring process while the other MS have consulted experts of the sector through meetings, informal exchanges, etc. have achieved better results.

Figure 12: Level of involvement of sector stakeholders in the different MS

Member State	Level of involvement	Achievement rate
HU	Low	75%
PL	Low	73%
BE	Medium	82%
FR	Medium	92%
SI	Medium	96%
DE	Medium	86%
ES	Medium	96%
FI	Medium	99%
IT	Medium	85%
LV	Medium	104%
NL	Medium	90%
PT	Medium	85%
SK	Medium	94%
SE	Good	84%
UK	Good	91%
IE	Good	107%
DK	Good	65%
EE	Good	91%
GR	Good	97%
LT	Good	100%
MT	Good	87%
AT	na	95%
CZ	na	92%

Rating:

- *Good: effective involvement of sector stakeholders and active participation to the programming phase through relevant means (written consultation, meetings, etc.)*
- *Medium: involvement of sector stakeholder that is however rather incomplete (not all players are involved)*
- *Low: no involvement of sector stakeholders*

Na: not available

*Source: Scoring made by the evaluators on the basis of the data collected through desk research and interviews.
Achievement rates: Infosys at 31/12/2008*

2.3.2 Coverage of the sector's needs by financial programming

FIFG initial programming shows that two areas are a priority at EU level

EU funding is mainly programmed for two priority areas:

- **Fleet measures** that represent 44% of final FIFG programming, including adjustment of the fishing effort measures (16% of final programming dedicated to scrapping), fleet renewal and modernisation (18% of final programming). Scrapping measures are particularly important in the new MS (i.e. mainly Poland) where priority axis 1 represents 34% instead of 13% in "old" MS. It should be noted that new MS have not benefited from priority axis 2 measures as they entered the FIFG 8 months prior to the end of FIFG funding for the construction of new vessels, in 2004.
- **Processing and marketing measures** that represent 24% of final programming and are important for both "old" MS and new MS.

Figure 13: Final FIGG programming per measure at EU level with distinction between old and new MS (in '000 €)

Measure		"Old" MS	%	New MS	%
11	Scrapping	425 068	13%	68 843	34%
12	Transfer to a third country/reassignment	27 451	1%	4 978	2%
13	Joint enterprises	33 199	1%	-	0%
21	Construction of new vessels	472 185	15%	-	0%
22	Modernisation of existing vessels	168 461	5%	6 409	3%
23	Withdrawal of vessel (without public aid) in association with fleet renewal with public aid	-	0%	-	0%
31	Protection and development of aquatic resources	52 154	2%	1 256	1%
32	Aquaculture	310 389	10%	13 619	7%
33	Fishing port facilities	328 285	10%	26 700	13%
34	Processing and marketing	650 606	20%	51 856	26%
35	Inland fishing	2 413	0%	107	0%
41	Small-scale coastal fishing	16 755	1%	716	0%
42	Socio-economic measures	34 442	1%	8 429	4%
43	Promotion	102 673	3%	4 423	2%
44	Operations by members of the trade	172 615	5%	558	0%
45	Temporary cessation of activities and other financial compensation	264 836	8%	5 867	3%
46	Innovative measures	147 202	5%	8 985	4%
51	Technical assistance	67	0%	3	0%
52		-	0%	1	0%
TOTAL		3 208 799	100%	202 750	100%

NB: Measure 23 does not involve any FIGG funding.

Source: National programming documents

However, the evolution of financial priorities between the first and last programming decisions evidences the clear adaptation of FIGG programmes to some new priorities

Some adaptations were made in the course of the programming period. Mainly due to the 2002 CFP reform, changes related to;

- A decrease in fleet renewal and modernisation measures, which is consistent with stopping all subsidies for building new fishing vessels;
- A growing importance of fishing port facilities measures.

Figure 14: Evolution between first programming and final programming per area of intervention (in '000 €)

Area of intervention	Measure	First programming (in k€)	Priority level	Last programming (in k€)	Priority level	Var.	
Adjustement of fishing effort, fleet renewal and modernisation	11	Scrapping	463 255	13%	493 911	14%	30 656
	12	Transfer to a third country/reassignment	26 981	1%	32 428	1%	5 447
	13	Joint enterprises	209 858	6%	33 199	1%	- 176 660
	21	Construction of new vessels	544 865	16%	472 088	14%	- 72 776
	22	Modernisation of existing vessels	269 185	8%	169 536	5%	- 99 649
	23	Withdrawal of vessel (without public aid) in association with fleet renewal with public aid	-	0%	-	0%	-
	42	Socio-economic measures	102 209	3%	42 869	1%	- 59 341
	45	Temporary cessation of activities and other financial compensation	160 518	5%	272 203	8%	111 685
	TOTAL	1 776 872	51%	1 516 234	44%	- 260 638	
Aquaculture	32	Aquaculture	277 667	8%	322 523	9%	
		TOTAL	277 667	8%	322 523	9%	44 856
Fishing port facilities	33	Fishing port facilities	206 291	6%	317 536	9%	111 245
		TOTAL	206 291	6%	317 536	9%	111 245
Processing and marketing	34	Processing and marketing	619 658	18%	728 802	21%	109 145
	43	Promotion	137 446	4%	106 888	3%	- 30 559
		TOTAL	757 104	22%	835 690	24%	78 586
Organisation of the sector	44	Operations by members of the trade	152 658	4%	171 885	5%	19 227
		TOTAL	152 658	4%	171 885	5%	19 227
Innovation	46	Innovative measures	106 262	3%	156 187	4%	49 925
		TOTAL	106 262	3%	156 187	4%	49 925
Other measures	31	Protection and development of aquatic resources	61 239	2%	54 756	2%	- 6 483
	35	Inland fishing	37 944	1%	19 082	1%	- 18 862
	41	Small-scale coastal fishing	47 239	1%	17 586	1%	- 29 653
	51	Technical assistance	70 365	2%	69 480	2%	- 885
	52		-	0%	595	0%	595
	61	Measures financed by the ERDF	-	0%	-	0%	-
	62	Measures financed by the ESF	-	0%	-	0%	-
	TOTAL	216 787	6%	161 499	5%	- 55 288	
TOTAL		3 493 642	100%	3 481 554	100%	- 12 088	

Source: National programming documents

Lack of prioritisation of the different measures at EU level, although programming stresses two priority areas

Despite a satisfactory coverage of EU needs and some priorities appearing in the programming, the FIG strategy lacks readability at first sight: the link between the different measures and FIG objectives is not easily understandable, and it is not clear how all priorities complement each other. As was already the case during the 1994-1999 programming, there is no clear connection between specific and operational objectives.

More specifically, the following observations result from an analysis of FIG intervention logic:

- ▶ Even though FIG regulations do not lack coherence, the high number of actions and the heterogeneous ways of classifying them, make it difficult to build up a clear overview of FIG operational objectives. For instance, measures are detailed under the 4 priority axes and 17 measures are detailed in *Reg. (EC) no.366/2001*; they are also presented in *Reg. (EC) no.2792/1999* under 3 titles and 14 articles. The link between both Regulations as regards the different FIG measures is not easy to identify.
- ▶ Although relevant, FIG measures, which are numerous and associated with a large number of actions and operations, **are not classified by order of priority at EU level**. In line with this observation, the recent Green Paper on the Reform of the Common Fisheries Policy (*COM 2009 (163)*) emphasises that, although the CFP Regulation states that the Common Fisheries Policy shall ensure "exploitation of living aquatic resources that provides sustainable economic, environmental and social conditions", **"no priority is set for these**

objectives and, while direct references are made to adopting a precautionary and ecosystem approach, it is not clear how this relates to economic and social conditions. There are no clear indicators or yardsticks that could provide more concrete guidance or enable the assessment of policy achievement".

2.3.3 Some insufficiently covered needs

Despite relevant adaptations to fleet measures from 2004, specific needs are still not sufficiently covered by FIG measures

Adjustments made on fleet measures in the course of the 2000-2006 programming period appeared relevant to solve some existing inconsistencies.

While at first, the new programming period continued the previous one, necessary adaptations to limit conflicting effects between axes 1 and 2 were undertaken subsequently to the 2002 CFP reform. Until then, it was clear that axis 2 measures, which were intended to renew the fleet as a means of improving competitiveness and working conditions, led to a productivity increase that in turn limited the impact of axis 1 measures aimed at reducing capacities - main leverage to alleviate pressure on fishing resources.

Accordingly, the 2002 Reform significantly improved the coherence of FIG measures under axes 1 and 2 to meet the objective of adjusting fleet capacity to stocks in Community waters.

The relevance of FIG strategy has remained limited in two ways:

- ▶ Firstly, despite these relevant adjustments, measures to adjust fishing efforts to the stocks in Community waters were not sufficient to ensure sustainable fishing activities: in point of fact, they mainly focused on fleet capacity reduction without any clear overall strategy involving other complementary measures. Even though the 2002 reform solved existing inconsistencies, fleet measures would still profit from improved integration and mutual coordination. As mentioned above, reducing fleet capacity is not sufficient to limit the impact of fishing activities on stocks and some action has to be taken to target the scrapping of operating vessels (and not only old vessels that are no longer used).
- ▶ Secondly, measures to adjust the fishing effort did not sufficiently take account of the specificities of new MS fleet structure where the overcapacity problem was compounded with a lack of competitiveness for old vessels (old engines, high fuel and oil consumption, low safety conditions, etc.). However the accession of the new Member States to the European Union in 2004 resulted in a belated FIG enforcement in these countries. Therefore, the said Member States could not resort to measure 12, construction of new vessels (including renewal of engines/ fishing equipment). For instance in Poland, the CFP reform was considered to be unfair as Polish fishermen did not enjoy the opportunity of having any new constructions funded. Yet this would have been an answer to the fleet's needs as it was over-aged due to the communist era. This led to a clear disadvantage for the Polish fleet's competitiveness as compared to the other Baltic sea fleets. Modernisation and scrapping measures were not sufficient to cover renewal needs and the lack of competitiveness (old vessels, old engines, high fuel and oil consumption, poor safety, working and hygiene conditions).

Apart from fleet measures, some major needs were not sufficiently covered by FIG measures in 2000-2006

- ▶ Although **aquaculture** is a key way of maintaining EU production, it does not appear as a priority from a financial point of view insofar as it only represents 9% of the final FIG

programming. Challenges are still very important (production, environment-friendly practices, EU companies' competitiveness, market supply, etc.);

- ▶ Measures aimed to organise the fisheries sector represent only 5%, although this kind of action is a major way of supporting fishermen in structuring their activities and adapting their production to market requirements through improved valorisation, it is complementary to CFP market measures;
- ▶ Revitalisation of areas dependant on fisheries was only dealt with in a transversal manner, as there were no specific measures for this general objective. As illustrated by the matrix above regarding coverage of the sector's needs by FIG regulation and programme objectives, FIG measures considered as adjusting the fishing effort to stocks in Community waters and preventing overexploitation, only partly took these objectives into account.

3 FIFG external coherence

Evaluative question Q2: Is FIFG's intervention consistent with other existing interventions and programmes?

Synthesis

FIFG's overall external consistency with the other CFP instruments and policies is ensured "conceptually" in the EU regulation, as they share the same general objectives.

Consistency with fleet and resources preservation policies was ensured via MAGP IV objectives until 2002 and subsequently through the ceiling for capacities and the entry-exit regime

- ▶ But still with a simplistic reasoning, assuming that the reduction of global fleet capacity would mechanically reduce the pressure on fish stocks
- ▶ With only indirect connections to the fish stock situation and renewal capacities (ineffective effort and fishery approaches)
- ▶ With difficulties for most MS to develop clear strategies for sustainable management of their fisheries

An indirect consistency with general COM objectives exists, but this is insufficient in view of the sectors need for adaptation

- ▶ The expected effects of FIFG support in favour of POs and their development projects appear as inadequate and unclear (axis 4 measures)
- ▶ The amount of FIFG subsidies dedicated to private investments probably strengthened most beneficiaries' competitiveness, sustained employment and revenues (but it is impossible to assess net FIFG effects)

No inconsistency has been identified between FIFG and other structural fund interventions

- ▶ even through FIFG consistency with ERDF for investments in ports has occasionally been tricky as regards eligibility criteria and/or the very low level of FIFG in some multi-funds programmes

The analysis concerning external consistency aims at determining how and to what extent:

- 1) *The FIFG forms a whole together with other EU strategic policies sharing similar or related objectives (environment, health and consumers, trade, competition and transport, the Lisbon agenda on competitiveness or Community objectives on gender equality).*
- 2) *The FIFG 2000-2006 national/regional programmes have been designed and implemented consistently with other instruments and policies of the Common Fisheries Policy, particularly the Resource preservation and fleet management Policy and the Common Organisation of Markets in fishery and aquaculture products. The evaluation will determine whether their actions all strove to meet the strategic and general objectives without overlapping and/or contradictory goals and rules.*
- 3) *FIFG mobilisation has been consistent with that of other structural funds (principally ERDF and ESF) implemented both in and beyond objective 1 regions, sometimes through multi-fund programmes, and with the same objectives of strengthening economic and social cohesion. In other words, the analysis will highlight how the FIFG was organised and how it interacted with*

other structural funds with the aim of protecting resources and the marine environment to guarantee sustainable fisheries, while ensuring the economic and social development of fishery dependent areas.

These different dimensions of external consistency require developing three complementary approaches and analysis:

- Consistency per construction, for 1 and 2 (design of programmes) sub-questions*
- Consistency per analysis (implementation strategies), for sub-question 2 (design) and 3*
- Consistency per management and monitoring, for sub questions 2 and 3 (implementation)*

3.1 Consistency with other interventions and programmes

The FIG objectives are consistent with those of other policies, by construction.

The CFP and FIG objectives were initially defined and modified in successive reforms of the Community strategies (Agenda 2000, Gothenburg, Lisbon...) in order to ensure the relevance and external consistency of joint policies.

The evaluators have not developed systematic and theoretical analyses (objective trees) on this issue, as no inconsistency has been identified between the different policies' general objectives and no specific issues were mentioned in previous evaluations (at both Community and national level).

3.2 Consistency with other CFP instruments and policies

3.2.1 Consistency with resource preservation and fleet policies

FIG consistency with fleet policies was ensured via MAGP IV⁶ objectives up to the end of 2002, and subsequently via entry-exit regimes.

During the first half of the programme, the main (and often only) "strategy" mentioned by national authorities for the mobilisation of FIG axis 1 measures was to match MAGP IV objectives. Therefore fleet adjustment was driven more by capacity objectives than by rational management of the fishing effort by the fishery industry. From January 2002, the ceiling level of national fleet capacities and the entry-exit regime (with the intervention of Measure 23) led some Member States to develop new strategies to adjust their fleets, mostly when the economic situation of certain fleet segments was critical (France, Ireland...) and more rarely via a prospective assessment of the sustainable equilibrium between the fishing effort and stock renewal capacities.

FIG intervention consistency as regards resource management in the various national programmes was not really ensured.

⁶ MAGP corresponds to the "Multi-Annual Guidance Programmes" for the fishing fleets for the period 1 January 1997 to 31 December 2001

No real consideration was given to the possible inconsistency of the various FIG national interventions as regards the objective of resource exploitation sustainability. The overall reasoning was that the global reduction of capacities should at least partly ensure a reduction of the pressure on fish stocks and catches that Member States themselves will define. The possible compensation via a productivity increase and/or effort by remaining vessels, and the possible displacement or transfer of vessels from other areas, were neither anticipated nor managed (for example through various eligibility criteria for the fleet measure depending on fish stock situations).

An overall difficulty for the authorities was to define a clear strategy for the adjustment of their fleets and management of the fishing effort.

After transferring the responsibility of managing the activity of their fleet activities to the MS (in particular after MAGP IV), the annual reports from the Commission to the European Parliament and Council on Member States' efforts to achieve a sustainable balance between fishing capacity and fishing opportunities, emphasised the overall lack of information regarding their strategies and how the latter intended to manage (and control) the fishing effort with respect to stock capacities. However, some MS have conducted prospective analyses, taking account of fisheries' trends and prospects, on which they have based their fleet policy (UK, Ireland...).

FIG consistency with the resources preservation policy has been almost exclusively ensured "by default" through overall fleet and capacity reduction

Rules for fleet measures' mobilisation was not based on fish stock capacity indicators, when some restrictions might have been introduced in order to prevent possible new investments in fisheries exploiting stocks within safety limits (such as in blue fin tuna fleets). The TAC and Quota instruments have probably caused changes to the fleet structure (through investment decisions regarding prospects for the various fisheries) but no coordination with FIG intervention was clearly defined by fisheries during the 2000-2006 programme (for example to prevent the transfer of fishing vessels from other areas)

3.2.2 Consistency with the common organisation of fisheries and aquaculture product markets

FIG consistency with the COM objective of sector structuring via support for Professionals Organisations setting up and operations was insufficient

The FIG contribution to setting up new POs and to their operations (Quality management plans) is unclear (no reliable information in Infosys). Inconsistency between the MS (some MS decided to fund such setting up of new POs but not others) and the effects on sector organisation are impossible to assess. Globally, the support measures of axis 4 for collective actions may have contributed to an improved coordination between fishing and aquaculture sector players, and even with downstream players. No clear coordinated strategy was yet identified during the evaluation work, even in France where POs are supposed to be the key partners for implementing the national fishery policy.

FIG was consistent with the objective of helping to modernise and enhance the sector's competitiveness

Support for production sector investment (fishing and aquaculture), for infrastructures (harbours and auction halls) and for downstream activities (processing and marketing) has contributed significantly

to restructuring fishing activities, particularly in the new MS. The FIG measures clearly helped actors to comply with new regulatory and market requirements, to develop new products (aquaculture and processing), and to modernise their facilities and production processes.

Even if the net FIG effects and impacts on competitiveness and revenues are difficult to assess, the contribution of some measures dedicated to investments in new facilities and/or the modernisation of existing equipment appear positive (see impact of FIG aids for aquaculture, processing and marketing, on beneficiaries' financial performances).

3.3 Consistency with other structural funds

FIG consistency with other structural funds was ensured when drawing up national and regional programmes.

According to answers from national and regional authorities, the design of FIG operational programmes or SPDs was undertaken in order to ensure optimal organisation between the various EU structural funds (as regards eligibility criteria and co-funding rates). Special attention was paid (as requested by the FIG Regulation) to ensuring their consistency and avoiding overlaps and/or double funding.

The FIG measure 33 "investments in fishing ports" is the main measure where structuring and overlapping with the ERDF was possible and potentially significant. In most programmes, the ERDF generally focused investments in large ports and infrastructures whereas FIG focused on "small-scale" investments dedicated either specifically or mainly to fishing activities and aimed to upgrade landing and carriage equipments, develop services for fishing vessels, and improve working conditions in ports.

In some cases, the limits between "large infrastructures" and specific equipments for fishing activities were difficult to define, but generally solved by management authorities. In order to avoid these problems, some MS have adopted "one measure – one fund" strategies, such as in Ireland where port investments were only funded by ERDF.

Despite these coordination issues, no real and major inconsistency was identified during the evaluation.

Considering the implementation strategies, the main findings of the evaluation are as follows:

- The risk of FIG inconsistency with other structural funds was less important during the 2000-2006 period than during the 1994-1999 period as there were less projects potentially funded by both FIG and ERDF (some MS understood lessons from the previous programme);
- Consistency and coordination were better ensured in multi-fund programmes, where management committees had a wide view of the community funded operations in their region;
- In other cases, the very small amount of FIG funding in large Objective 1 SPDs has limited consistency and coordination issues with other structural funds (ERDF mainly).

4 FIFG effectiveness

Evaluative question Q3: What are the outputs achieved by FIFG? Are they in line with what was expected? Has FIFG been implemented in an effective way as regards commitment and payment?

Synthesis

FIFG EUR 3.6bn were achieved as of December 2008 to implement a total of more than 84,000 operations, with EUR 3.4bn in “old” MS vs. EUR 212m in new MS; Spain alone represented 45% of the total achieved.

The achievement rate amounts 90% which is satisfactory considering that programmes are ongoing and that the approval of new projects before closure is likely to improve achievement rates. This rate stands by 91% in “old” MS against 79% in new MS (mainly Poland). It stands by 92% in objective 1 regions against 85% in non-objective 1 regions.

Achievement rates vary according to the different intervention areas:

- ▶ >100% for innovating measures
- ▶ 94% for fleet measures
- ▶ 91% for sector organisation
- ▶ 87% for processing and marketing measures
- ▶ 81% for aquaculture
- ▶ 78% for fishing port facilities

Some reasons explain the lack of efficiency in some MS and/ or measures, mainly:

- ▶ In some regions (non-objective 1 regions), FIFG co-financing rate was too low to act as a sufficient incentive for some categories of project holders.
- ▶ Limited national public co-financing (case in Denmark and in the Netherlands) also acted as a deterrent for some categories of project holders.
- ▶ Bad economic situation and ship owners' financial difficulties (new MS, Greece) have accounted for the failure of some projects during the implementation phase
- ▶ Some management difficulties and national authorities' lack of interest had a bad impact in the general implementation of FIFG.

Tables presenting all figures on achievements and operations per MS, programme and measure are presented in appendix 1.

The efficiency question aims to ensure that FIFG actions did actually meet the operational objectives which were specified for FIFG in terms of output for each measure.

*FIFG programme achievements are measured in terms of **financial outputs** taking into consideration the target objectives specified for each measure.*

The analysis provides a quantitative synopsis of FIFG outputs by way of identifying expected outputs' indicators in terms of programming and measuring outputs, i.e. amounts paid to the ultimate beneficiaries, and finally, comparing the programming level with the achievement rate.

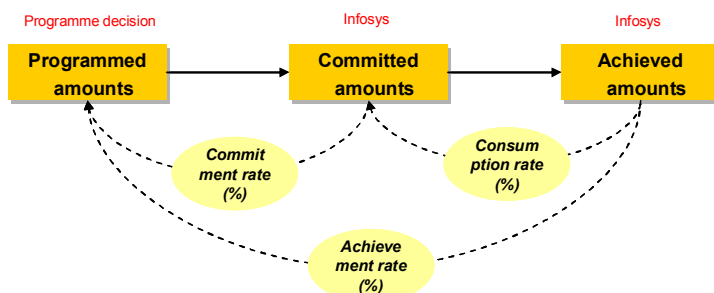
The analysis is undertaken on two different levels:

- At EU level through transversal analysis in the effectiveness evaluation question;
- At programme level through the summary sheets (see appendix in tome 2).

Definitions

The following key figures are used in this analysis:

- Programmed amounts (i.e. programming): amounts available for investments within each programme approved by the European Commission; generally, if not specified, programmed amounts correspond to the latest Decision;
- Committed amounts (i.e. commitments): amounts allocated to selected operations by the Managing Authority of each programme;
- Commitment rate (%): ratio that compares FIG committed amounts to FIG programming.
- Achieved amounts (i.e. achievements): amounts certified by the responsible authority of each programme and paid by the managing authority to the ultimate beneficiary⁷.
- Achievement rate (%): ratio that compares FIG achieved amounts to FIG programmed amounts. This allows check operation progress (operations still running or not even started). This ratio is mainly based on FIG programming amounts. When such figures were not available, the ratio was calculated on the basis of committed FIG funds.
- Consumption rate (%): ratio that compares FIG achieved amounts to FIG committed amounts.



Sources

The analysis is mainly based on the **Infosys database**. In line with EC Regulation 366/2001 (Article 1 and appendix 1), it collects information on FIG operations such as:

- administrative details on operations;
- operation expenditure forecasts in accordance with administrative decisions granting public aid addressed by the Managing Authority (offer letters);
- physical data on operations (classification and physical implementation);
- information concerning the operation's financial implementation— statement of eligible expenditure and corresponding public aid.

⁷ Achieved amounts correspond to expenditures claimed by beneficiaries and reimbursed by the national authorities. They may differ widely from the final FIG amount that will be paid by the European Commission to the MS after closure of the programmes: total payments to MS cannot exceed programming per priority axis, and co-financing rates cannot be overrun.

Limitations

► **Limitation n°1 on programming**

38 out of the 60 FIGG programmes do not present programmed amounts with breakdown per FIGG measure; analyses based on programming per measure are therefore restricted to the 22 programmes that allocated programmed amounts per measure.

The 38 programmes are mostly multifund programmes in objective 1 regions and their weight in the total programming is not very significant (EUR 461m, i.e. 12% of total final programming).

Programmes with allocation by measures			Programmes without allocation by measures		
MS	Programme	Programmin g (k€)	MS	Programme	Programmin g (k€)
Austria	Outside Objective 1	4 500	Austria	Burgenland	258
Belgium	Outside Objective 1	21 309	Belgium	Hainaut	1 556
Cyprus	Objective 1	3 419	Czech Republic	Objective 1	4 111
Denmark	Outside Objective 1	182 588	Estonia	Objective 1	12 469
Finland	Outside Objective 1	33 500	Finland	Est	6 238
France	Outside Objective 1	243 800		Nord	2 646
Germany	Objective 1	91 495	France	Corse	2 457
	Outside Objective 1	62 992		Guadeloupe	4 398
Greece	Objective 1	213 893		Guyane	5 422
Ireland	Border, Midland and Western	17 835		Martinique	7 196
	Southern-eastern	10 145		Réunion	14 369
Italy	Multiregional	122 136	Hungary	Objective 1	4 390
	Outside Objective 1	99 734	Ireland	Prod select	39 820
Netherlands	Outside Objective 1	32 755	Italy	Calabria	20 285
Poland	Objective 1	201 832		Campania	38 249
Portugal	Fisheries	183 726		Molise	758
	Technical assistance	51		Puglia	32 401
Spain	Objective 1	1 570 925		Sardegna	27 011
	Outside Objective 1	216 600		Sicilia	54 000
Sweden	Outside Objective 1	54 015	Latvia	Objective 1	24 335
United Kingdom	Highlands & Islands	25 390	Lithuania	Objective 1	12 117
	Outside Objective 1	88 914	Malta	Objective 1	2 838
Total		3 481 554	Netherlands	Flevoland	6 280
			PEACE II	Outside Objective 1	3 457
			Portugal	Alentejo	597
				Algarve	1 757
				Azores	30 041
				Centro	1 537
				Madeira	17 462
				Norte	1 647
			Slovakia	Objective 1	1 829
			Slovenia	Objective 1	1 781
			Sweden	Norra	4 801
				Södra	3 625
			United Kingdom	Corwall	16 995
				Merseyside	206
				Northern Ireland	29 000
				West Wales & the valleys	22 716
			Total		461 054

Source: National programming documents

► **Limitation n°2 on commitments and achievements (Infosys)**

Infosys data is dated December 2008. Several programmes have submitted new Infosys reports in the course of 2009, but these reports could not be taken into account for this evaluation.

Please note that information on the PEACE II programme is missing (This is of little consequence as it is a minor programme which represents less than 1% of FIGG funding) and the data on Sardinia/Italy is only dated December 2007.

► **Limitation n°3 on the number of projects (Infosys)**

The number of operations provided by the Infosys database generally corresponds to the actual number of single projects. However, it may overestimate it as it is the case for Spain.

Complete tables on programming, commitments and achievement per programme, MS and measure are presented in appendix 1.

4.1 Financial achievement per MS and programme

Reminder: in the following paragraphs, achievement rates are based on INFOSYS data at 31/12/2008. Some changes occurred during the year 2009 which could not be taken into account in the quantitative data; however, qualitative comments on these achievements endeavours to correct this.

Figure 15: Programming, commitment and achievement per type of programme (objective 1/ non-objective 1)

	Programming (K€)					Number of projects	Commitment (K€)			Commitment rate (on FIFG)	Achievement (K€)			Achievement rate (on FIFG)
	FIFG	National public funds	Private	Total	% FIFG		FIFG	Total	% FIFG		FIFG	Total	% FIFG	
Non-objective 1	1 044 126	921 625	2 091 270	4 057 020	26%	51 846	1 017 112	4 222 408	24%	97%	888 378	3 500 401	25%	85%
Objective 1	2 898 482	1 069 243	2 294 349	6 262 074	46%	32 962	3 255 879	7 145 161	46%	112%	2 677 286	5 986 786	45%	92%
Total	3 942 607	1 990 868	4 385 618	10 319 094	38%	84 808	4 272 991	11 367 570	38%	108%	3 565 665	9 487 188	38%	90%

Source: National programming documents and Infosys at 31/12/2008

Figure 16: Programming, commitment and achievement per type of MS (old/ new)

	Programming (K€)					Number of projects	Commitment (K€)			Commitment rate (on FIFG)	Achievement (K€)			Achievement rate (on FIFG)
	FIFG	National public funds	Private	Total	% FIFG		FIFG	Total	% FIFG		FIFG	Total	% FIFG	
"Old" MS	3 673 487	1 880 813	4 190 691	9 744 991	38%	79 346	4 013 160	10 860 094	37%	109%	3 353 765	9 094 532	37%	91%
New MS	269 121	110 055	194 927	574 103	47%	5 462	259 831	507 476	51%	97%	211 900	392 656	54%	79%
Total	3 942 607	1 990 868	4 385 618	10 319 094	38%	84 808	4 272 991	11 367 570	38%	108%	3 565 665	9 487 188	38%	90%

Source: National programming documents and Infosys at 31/12/2008

Figure 17: Commitment and achievement per area of intervention and measure

Area of intervention	Measure	Programming (K€)	Commitments (K€)			Achievement (K€)			Consumption rate (on FIFG)	Weight in total achievement
			FIFG	Total	% FIFG	FIFG	Total	% FIFG		
Adjustment of fishing effort, fleet renewal and modernisation	11 Scrapping		690 899	1 143 619	60%	546 737	884 625	62%	79%	15%
	12 Transfer to a third country/reassignment		33 042	69 330	50%	31 722	58 853	54%	96%	1%
	13 Joint enterprises		41 762	55 521	75%	35 858	47 888	75%	86%	1%
	21 Construction of new vessels		495 286	1 623 751	31%	459 149	1 493 156	31%	93%	13%
	22 Modernisation of existing vessels		184 037	788 940	24%	141 719	593 184	24%	77%	4%
	42 Socio-economic measures		51 248	139 818	37%	39 929	122 944	32%	78%	1%
	45 Temporary cessation of activities and other financial compensation		281 285	369 800	76%	280 252	366 472	76%	100%	8%
TOTAL		1 777 556	4 167 780	43%	1 535 375	3 567 120	43%	86%	43%	
Aquaculture	32 Aquaculture		413 878	1 427 126	29%	317 055	1 199 125	26%	77%	9%
	TOTAL		413 878	1 427 126	29%	317 055	1 199 125	26%	77%	9%
Fishing port facilities	33 Fishing port facilities		429 503	770 424	56%	357 330	649 568	55%	83%	10%
	TOTAL		429 503	770 424	56%	357 330	649 568	55%	83%	10%
Processing and marketing	34 Processing and marketing		832 971	3 581 164	23%	658 278	2 852 239	23%	79%	18%
	43 Promotion		138 593	241 682	57%	123 378	212 511	58%	89%	3%
	TOTAL		971 564	3 822 826	26%	781 656	3 064 750	26%	80%	22%
Organisation of the sector	44 Operations by members of the trade		253 388	506 318	50%	216 373	425 555	51%	85%	6%
	TOTAL		253 388	506 318	50%	216 373	425 555	51%	85%	6%
Innovation	46 Innovative measures		211 209	349 845	60%	186 984	309 733	60%	89%	5%
	TOTAL		211 209	349 845	60%	186 984	309 733	60%	89%	5%
Other measures	31 Protection and development of aquatic resources		65 722	106 181	62%	57 808	93 077	62%	88%	2%
	35 Inland fishing		3 658	19 769	19%	2 569	12 462	21%	70%	0%
	41 Small-scale coastal fishing		19 971	38 085	55%	15 870	28 170	56%	79%	0%
	51 Technical assistance		74 253	115 594	64%	64 430	100 733	64%	87%	2%
	52		781	875	89%	-	-	-	0%	0%
	61 Measures financed by the ERDF		53 045	66 846	80%	30 544	37 911	81%	55%	1%
	62 Measures financed by the ESF		217 430	345 251	63%	171 222	272 353	63%	79%	0%
	TOTAL		4 274 529	11 369 569	37%	3 565 996	9 488 204	37%	83%	100%

Source: Infosys at 31/12/2008

4.1.1 General overview of FIFG achievement

FIFG funded more than 84,000 operations during the 2000-2006 period, some of which are still ongoing on the evaluation date.

Operations were implemented in 24 MS (all EU-25 except Luxembourg), under 60 different programmes⁸ covering both objective 1 (48 programmes) and non-objective 1 regions (12 programmes). The 12 non-objective 1 programmes are single fund programmes implemented at national level in "old" MS, apart from Ireland and Portugal. In objective 1 regions from "old" MS, most FIG programmes are multifund and implemented at regional level (Italy, Portugal, UK, Ireland, Sweden, Finland, France) except in Spain and Germany where there are single fund Objective 1 programmes (plus 1 "multiregional" programme in Italy). In all objective 1 regions in new MS, all FIG programmes are implemented at national level.

The complex organisation of FIG programmes at EU level has to be taken into consideration when explaining FIG success and failure in terms of efficiency during the 2000-2006 programming period, in consistence with the evaluation of management and implementation systems.

A total of EUR 3,565m was achieved as of December 2008. As the programmed FIG amounted to EUR 3,943m, the achievement rate amounts to 90%. This rate is quite satisfactory considering the specific context of the 2000-2006 programming period, in particular the late FIG opening to the 10 new MS in 2004.

94% of FIG achievements (EUR 3,353m) were made in "old" MS, where the achievement rate reached 91% over 6 years, as compared to 79% in the new MS over 3 years. However, the lower achievement rate of new MS is only accounted for by Poland which was allocated with 75% of all new MS FIG funding (EUR 202m out of EUR 269m)

Objective 1 regions represent 75% of the total achieved FIG and reach a higher execution rate (92% as compared to 85% in non-objective 1 regions). This trend was also noted during the 1994-1999 programming period.

Overview per Member State

FIG funding was concentrated in 5 MS with Spain alone representing 45% of total programmed FIG. Except Poland (4% of programmed FIG), the new MS were each granted less than 1% of total FIG – this can be explained both by size (apart from Poland the NMS are relatively small States, with small fishing sectors) and the late launch of FIG programmes in these MS.

Amongst the main FIG beneficiaries, Ireland and Latvia obtain the best achievement rate. On the contrary, Portugal and Denmark are far behind the EU average as their achievement rates amount to 73% and 65% respectively⁹.

⁸ A synthetic presentation of programmes' characteristics and typology is presented in appendix

⁹ However, note that in the case of Denmark, EUR 30m of achievement on measure 33 are not registered in Infosys (although they should appear in Infosys at 31/12/2008). The actual achievement rate should be 82%.

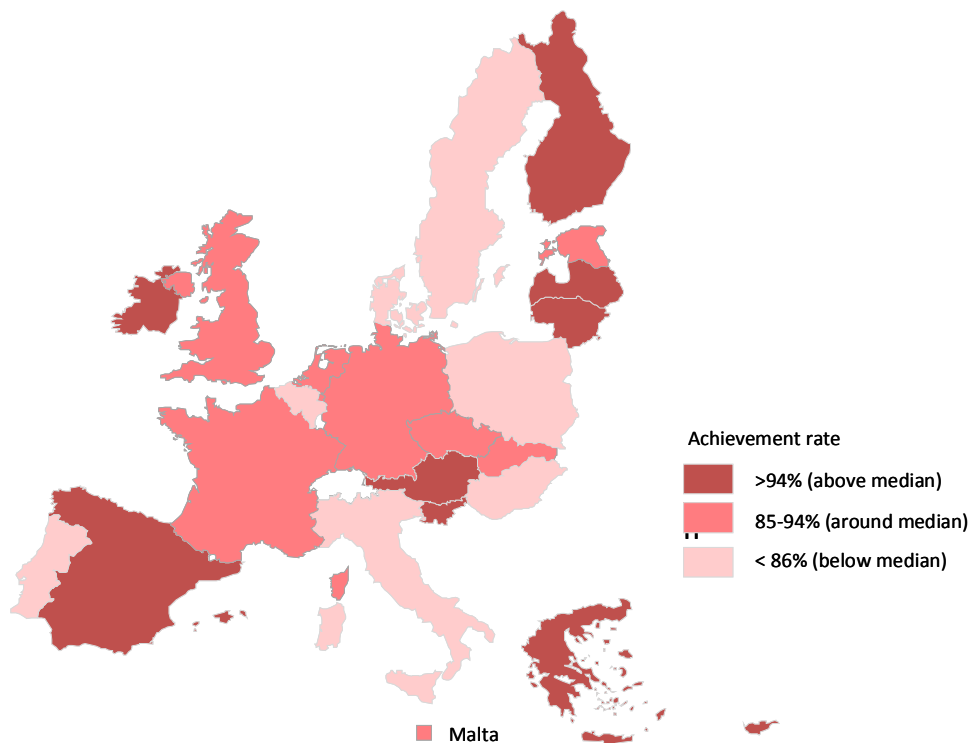
Figure 18: Achievement rate per MS

	Achievement (K€)	Achievement rate on programmed FIG
Ireland	72 849	107%
Latvia	25 239	104%
Lithuania	12 099	100%
Finland	41 823	99%
Greece	206 507	97%
Slovenia	1 708	96%
Spain	1 708 445	96%
Austria	4 537	95%
Cyprus	3 249	95%
Slovakia	1 725	94%
Czech Republic	3 763	92%
France	256 703	92%
Estonia	11 387	91%
United Kingdom	165 972	91%
Netherlands	34 946	90%
Malta	2 460	87%
Germany	132 254	86%
Italy	336 867	85%
Portugal	202 331	85%
Sweden	52 491	84%
Belgium	18 690	82%
Hungary	3 288	75%
Poland	146 982	73%
Denmark	119 350	65%
TOTAL	3 565 665	90%

→ Median
→ Average

Source: Infosys 2008 – data including all programmes by Member State

Figure 19: MS map according to the FIG 2000-2006 achievement rate on programmes



Budgets were reduced by EUR 31m between first and final programming, mainly due to decommitments

The difference between first and final programming is 1% (Taking into account the addition of the performance reserve, it amounts to some 6%).

Figure 20: Variation between first programming and final programming per MS

MS	First programming (in k€)	Last programming (in k€)	Var.	%
Austria	5 026	4 758	- 268	-5%
Belgium	37 035	22 866	- 14 170	-38%
Cyprus	3 419	3 419	-	0%
Czech Republic	7 252	4 111	- 3 141	-43%
Denmark	204 500	182 588	- 21 912	-11%
Estonia	12 469	12 469	-	0%
Finland	38 953	42 384	3 431	9%
France	274 481	277 642	3 161	1%
Germany	216 478	154 488	- 61 990	-29%
Greece	211 100	213 893	2 793	1%
Hungary	4 390	4 390	-	0%
Ireland	67 800	67 800	-	0%
Italy	385 923	394 574	8 651	2%
Latvia	24 335	24 335	-	0%
Lithuania	12 117	12 117	-	0%
Malta	2 838	2 838	-	0%
Netherlands	38 100	39 035	935	2%
PEACE II	3 460	3 457	- 3	0%
Poland	201 832	201 832	-	0%
Portugal	217 745	236 817	19 072	9%
Slovakia	1 829	1 829	-	0%
Slovenia	1 781	1 781	-	0%
Spain	1 712 100	1 787 525	75 425	4%
Sweden	74 067	62 441	- 11 627	-16%
United Kingdom	214 858	183 220	- 31 638	-15%
TOTAL	3 973 888	3 942 607	- 31 280	-1%

Source: National programming documents

Overall reduction (EUR - 31m) is mainly due to:

- ▶ Reprogramming which led to an increase in programming up to EUR 170m, mainly in Spain, Portugal and Italy. This increase is partly connected to the reserve mechanism. The performance reserve that represents 4% of each fund budget is an innovation in the 2000-2006 programming period which was introduced in the General Regulation 1260/1999 (Article 44) so as to provide greater emphasis for performance management of Structural Funds. After each programme's performance assessment, the Performance Reserve was allocated to successful programmes or priorities by the Commission in 2004 in close consultation with the MS. Regarding the FIGG, EUR 46.9m were allocated to programmes non-objective 1, mainly in France (EUR 10.1m), Spain (EUR 9.1m) and Denmark (EUR 8.8m).
- ▶ Automatic decommitments¹⁰, that reached a total of minus EUR 200m – this represents 5% of the original FIGG programming decommitments (Germany and Belgium in particular – see table below)

¹⁰ As stated in article 31.2 of Regulation 1260/1999, "the Commission shall automatically decommit any part of a commitment which has not been settled by the payment on account or for which it has not received an acceptable payment application (...) by the end of the second year following the year of commitment"

Figure 21: Decommitments per MS and per year

MS	Decommitment (k€)							% of first programming
	Total	2000	2001	2002	2003	2004	2005	
Germany	-63 493	0	-10 082	-22 962	-14 999	-9 015	-6 434	-29%
UK	-40 391	-13	-4 106	-9 855	-14 289	-7 825	-4 303	-19%
Denmark	-30 712	0	0	-6 748	-17 369	0	-6 595	-15%
Italy	-23 338	0	0	0	0	-1 245	-22 093	-6%
Belgium	-15 310	-88	-3 142	-5 399	-3 850	-566	-2 265	-41%
Sweden	-13 033	0	-168	-7 034	-1 872	-3 626	-334	-18%
Greece	-9 719	0	0	0	0	0	-9 719	-5%
Portugal	-2 184	0	0	0	0	0	-2 184	-1%
France	-772	0	0	-772	0	0	0	0%
Netherlands	-745	0	0	0	0	0	-745	-2%
Austria	-99	0	-94	-5	0	0	0	-2%
TOTAL	-199 795	-101	-17 591	-52 775	-52 378	-22 278	-54 673	-5%

Source: Infosys at 31/12/2008

4.1.2 Explanations for success or failure

Measures were taken to limit the negative impact of the 2008-09 financial crisis, including the extension of closure deadlines

At the end of 2008, the European Commission took some decisions in response to the financial and economic crisis. These measures aimed to provide MS with more flexibility in their use of the structural funds. The main measure was the extension of the final eligibility date for the 2000-2006 operational programmes (operations and payments) by six months to 30 June 2009 so as to ensure the maximum use of all funding. In February 2009, 10 out of the 18 single fund (FIG only) programmes requested extensions (Cyprus, Spain, Finland, France, Greece, Italy, Poland, and Portugal). This was also the case for most multifund programmes.

This flexibility enabled Member States and regions to implement and finalise more operations under the FIG and thus to improve their consumption rate of the FIG resources.

High FIG co-financing levels, and/or existing national co-financing, account for higher commitment and achievement rates

The average FIG co-financing rate for the overall programming period reached 38%. Together with available national funding, total public co-financing reaches 58% in average at EU level.

The gap between the different programmes as well as between the different measures is very high and the co-financing rate partly influenced the efficiency level of FIG programmes.

In non-objective 1 areas, the co-financing rate (25% instead of 45% in Objective 1 regions) is not an effective incentive to make projects worthwhile for potential applicants. Project holders tend more to apply for other existing funding resources. This is the case in north European MS such as Denmark and Germany where available FIG funding was not perceived as worth applying for due to excessive transaction costs as compared to expected benefits.

In addition to this, limited national public co-financing is an obstacle for the implementation of FIG projects in some MS and for some measures:

- ▶ In Denmark, the main limiting factor for programme effectiveness was therefore the lack of national Danish co-funding which was a clear political decision for measures other than scrapping. Moreover in some cases, the banks did not approve a beneficiary's project as they did not believe in its profitability or viability, which limited private co-financing possibilities.

- ▶ In the Netherlands, certain measures (priority axes 2, 3 and 4) also suffered from the limited co-financing possibilities, as the Dutch fisheries budget focused on fleet measures due to the obligation of complying with MAGP IV objectives.
- ▶ At measure level, public funding also appear as a significant incentive for the implementation of new projects as shows following table¹¹:

Figure 22: FIG and national co-financing rate per measure

Mesure	Achievement			FIFG Co-financing rate	Public (FIFG + National) fund co-financing rate
	FIFG	National	Total		
11	546 736 836	337 908 226	884 625 140	62%	100%
12	31 731 781	27 121 150	58 852 930	54%	100%
13	35 858 222	12 028 050	47 886 271	75%	100%
21	459 149 028	167 820 741	1 493 156 111	31%	42%
22	141 718 868	65 396 190	593 184 081	24%	35%
31	57 808 032	34 410 676	93 076 840	62%	99%
32	317 054 996	193 849 164	1 199 124 956	26%	43%
33	357 330 354	207 830 371	649 568 272	55%	87%
34	658 277 930	400 064 034	2 852 238 975	23%	37%
35	2 568 635	2 225 410	12 462 220	21%	38%
41	15 870 345	8 617 539	28 169 883	56%	87%
42	39 928 638	24 075 917	122 944 192	32%	52%
43	123 378 150	72 972 474	212 511 037	58%	92%
44	216 372 928	165 275 035	425 554 689	51%	90%
45	280 251 871	86 151 377	366 471 598	76%	100%
46	186 984 476	73 745 855	309 732 701	60%	84%
51	64 430 453	36 293 855	100 732 997	64%	100%
61	30 544 113	8 128 225	37 911 440	81%	102%
TOTAL	3 565 995 654	1 923 914 288	9 488 204 332	38%	58%

Source: Infosys at 31/12/2008

Finally, the deterioration of the economic situation, and financial difficulties faced by ship-owners in providing their personal contribution, played a significant role in slowing down the FIFG achievement pace insofar as numerous beneficiaries became reluctant to apply for FIFG or had to relinquish their project after it was accepted. This was more particularly the case in the new MS, but also in Greece where the financial crisis was preceded by a social crisis which paralysed the country for a few months.

In some cases underachievement is explained by management difficulties

In some MS, the low achievement rate is the result of management difficulties.

Such difficulties were especially encountered in the new MS (Poland) that had little experience in the implementation of EU funding and a certain degree of adaptation was required at the beginning of the programming period.

In old MS, some countries such as Belgium suffered from a lack of interest by the Managing Authority, while the organisation of the current management system led to conflicts between central authorities and intermediary bodies in countries such as Greece. There, allocating responsibilities between the Managing Authority and the end beneficiary (Ministry of Agriculture) led to a certain level of resentment due to what was considered as an unbalanced work load.

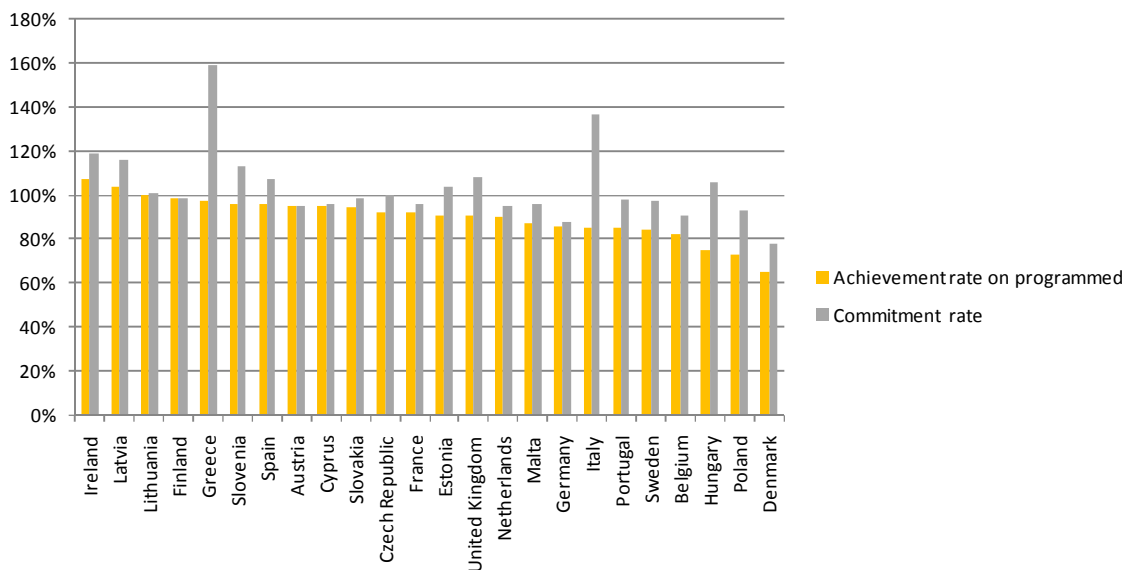
¹¹ Some more detailed analyses are made in chapters related to the impact of FIFG according to the different areas of intervention

In some MS, low achievement rates are explained by project failures during the implementation phase

In Greece, the satisfactory final achievement rate is explained by very high commitments (159%), although many projects failed during the implementation phase. On the contrary, despite a high commitment rate (137%), Italy has not succeeded in reaching a high achievement rate (85%).

In both countries, the final achievement differs from commitments due to project failures or withdrawals, or overestimated committed amounts. This was also the case in south European MS (Portugal, Italy) as well as in Hungary and Poland, but also in some cases in Scotland, where applicants waited until the last minute to call off their project in view of either external factors such as product purchase prices, or internal factors such as their financial situation (debt level) that may have changed due to the economic context.

Figure 23: Achievement and commitment rates per Member State



Source: National programming documents and Infosys at 31/12/2008

4.1.3 Explanations of success or failure per MS

The typology hereunder is based on the table in "Overview per MS" and following, which presents the achievement rate per Member State (achieved FIG / programmed FIG). It does not take the number of operations into account nor the invested FIG volume but simply the achievement level of programmed objectives. Explanations are based on a cross-analysis of data collected through documentary reviews and interviews performed in MS.

Figure 24: Explanation of achievement rates per MS

Achievement rate under average rate (< 86%)

Member States	Achievement rate	Key explanations for success or failure
Denmark	65% (82% with measure 33 achievement which has not been registered in the Infosys)	<p>In Denmark, scrapping was the most successful measure with three scrapping schemes.</p> <p>However, the lack of Danish co-funding and interest in most other measures, apart from scrapping, explains the low achievement rate.</p> <p>Moreover, certain banks refused to lend money for projects which they did not consider viable or profitable enough. The fleet sector has a particularly high debt level and therefore had limited access to funding.</p> <p>A few late projects attempted to minimise this poor result.</p>
Poland	73%	<p>The overall performance is average. Time was too short for correct implementation despite the series of information, communication campaigns and activities conducted by the administration, as well as the availability of and customised assistance from the main regional offices of the Implementing Body.</p> <p>It should be noted that the extended FIG implementation period favoured the achievement of financial and physical objectives specified in the programme which led to a much higher achievement.</p>
Hungary	75%	<p>The rather low achievement rate is due to 3 companies whose 8 applications were not eligible and to some projects which had to be withdrawn.</p> <p>Due to the programming difficulties in 2004-2005, and the low number of applications received, a reallocation amongst sub-measures was required to meet applicants' demands.</p>
Belgium	82%	<p>The programme was overfunded as compared to the sector's absorption potential which is very limited.</p> <p>There was complete lack of interest from the Wallonia Managing Authority.</p>
Sweden	84%	<p>The achievement rate is average because the programme was not correctly targeted and aimed at the wrong sectors. Generally, it did not really contribute to meeting FIG objectives.</p> <p>The achievement rates were higher in Norra.</p> <p>The lowest achievement rates in Sweden are in the southern regions (Södra).</p>
Portugal	85%	<p>The programme was well tailored as regards needs. However, there were some difficulties with larger projects such as innovating (one was dropped for lack of national co-funding).</p> <p>Aquaculture had one major project programmed in 2007 that was not yet finished at the time of the last Infosys report. However this last project was very successful (7,000t of turbot and 600 jobs).</p>

Member States	Achievement rate	Key explanations for success or failure
Italy	85%	<p>The non-objective 1 programme worked very well. Northern regions are used to working on large EU funded projects.</p> <p>Inland fishing and small coastal fleet measures were not very clearly defined and did not obtain such a good achievement rate.</p> <p>The multiregional programme managed fleet measures in the Southern regions which worked well due to a centralised system.</p> <p>The regional Objective 1 programme was less well managed.</p> <p>Measures 43, 44 and 46 were reallocated with some funds although when assessing the programme it appears that needs and beneficiaries were poorly identified.</p> <p>Some projects were clearly badly classified under the wrong measure.</p>

Average achievement rate (85% - 94%)

Member States	Achievement rate	Key explanations for success or failure
Germany	86%	<p>The programme was oversized as compared to needs – apart from this the programme achieved good impacts.</p> <p>In the objective 1 programme, 58% of the programme was spent on the new Sassnitz-Mukran port and processing facilities.</p> <p>Fleet measures were generally a failure and aquaculture was half a success.</p> <p>Innovation was particularly well funded with a variety of projects.</p>
Malta	87%	<p>Overall outputs are modest but proportional to the reduced size of the fisheries sector in Malta. The achievement rate was weighed down by the processing measure which did not meet with any interest. However, some further programming in 2009 managed to improve the achievement rate – it reached 95% in 2009.</p> <p>However, in view of the needs of the Malta sector, the programme was relatively well tailored.</p>
Netherlands	90%	<p>The size of the FIG programme was very limited. Programming and achievement figures were well tailored but all measures other than fleet reduction were frozen until 2002. This led to belated publicity and programming of other measures.</p> <p>Very high focus on fleet reduction measures (46% of FIG), limited national co-financing possibilities for other measures.</p> <p>Measure 22 was not used.</p>
United Kingdom	91%	<p>Overall FIG has been effective despite some differences between the 6 programmes (84% for out of objective 1 programme to >100% for Northern Ireland programme)</p> <ul style="list-style-type: none"> - Out of Objective 1 (84%): three large decommitment schemes had mitigated impacts but achieved effective reduction of the fleet. Processing industry is in overcapacity according to some professional organisations – however it has been allocated a large budget. - In Northern Ireland (105%) most objectives were met and the achievement rate is above average. - In Scotland (93%), FIG was very effective in aquaculture and harbour sectors. Diversification was only partly achieved. Modernisation of vessels and processing were underachieved because of the context and hesitance to invest. - In Wales (94%), the programme enhanced cooperation between stakeholders and raised private sector interest for EU funds. - The Cornish programme (91%) was overall effective particularly the modernisation of vessels and port projects. - The Merseyside programme (84%) was totally overfunded despite reallocation and reduction of budget.
Estonia	91%	<p>The achievement rate was high except for two measures:</p> <p>Fleet modernisation due to ship-owners' financial difficulties in providing their private contribution and the non eligibility of some aspects they considered as "the most important" such as engine and fishing equipment renewal.</p> <p>With respect to the processing measure, the main weakness was that some applicants changed their mind and reduced their investment. It must be underlined that this was a minor programme and any investment modification by the very few applicants had a significant impact on total rates.</p>

Member States	Achievement rate	Key explanations for success or failure
France	92%	<ul style="list-style-type: none"> - National programme: generally this was a success unlike the previous programming period. Axis 2 measures have underachieved mostly because of the end of the construction measure in 2004. - Corsica: high achievement rate - Guadeloupe: some difficulties were encountered for drawing up relevant needs estimates at programme launching. The overall amount was mainly decommitted due to overfunding (-29%) and the achievement rate was low despite efforts to organise the sector. Some success was obtained in fleet measures and first sales. - Guyana: the same type of difficulties led to decommitments (-29%). However the Managing Authority managed to reach a 94% achievement rate. - Martinique: the allocated funds were also partly decommitted (-20%) however the Managing Authority managed to reach a 100% achievement rate despite poor achievement rates for promotion, processing and marketing measures. - La Réunion: the programme was well run and results were satisfactory. The termination of the construction measure affected the overall result. However the local intermediary body (AGILE) was efficient in its effort to implement the programme.
Czech republic	92%	The programme worked well on the whole. Focus was set on aquaculture which was a success. There were more difficulties with the processing, marketing and promotion measures.
Slovakia	94%	The programme was well tailored to the needs with only two measures: aquaculture and processing and marketing.

Achievement rates above average (>94%)

Member States	Achievement rate	Key explanations for success or failure
Cyprus	95%	The size of the programme budget and management bodies were well tailored to the Cypriot fisheries sector's needs. Some minor lessons learnt will be implemented in the EFF programme.
Austria	95%	The programme achieved good results. It focused on aquaculture and met the sector's needs adequately.
Spain	96%	<p>The FIG was very successful in the Objective 1 regions. Some of the measures were not properly implemented (e.g. innovating measures); combined with the impossibility of offering support for new constructions and joint enterprises after 2004, this has affected the performance of programme execution. A very large share of the funding was devoted to investments in processing and marketing as well as temporary cessation whilst measure 12 was of low interest to ship-owners since the financing offered was much lower than the one for export in the framework of a joint enterprise (measure 13). As for withdrawal without aid (measure 23) it offered the advantage of the possibility to rebuild part of the withdrawn capacity with public aid. The uses of facilitators as well as good planning have allowed the managing authority to spend the entire allocated amount.</p> <p>The objectives specified for regions non-objective 1 have been achieved. Aquaculture, small coastal fishing and innovating measures have been used less in these regions. Aquaculture experienced problems caused by long delays when granting licenses to build new facilities or enlarge existing ones. Coastal fishing and innovating measures were not attractive enough for beneficiaries. Nevertheless, the experience acquired in previous planning has allowed a proper and more rational reallocation of funds to other measures.</p>
Slovenia	96%	The programme was partly successful but there was little demand due to the context. With the accession, the market was flooded with fish from other MS and prices dropped. Producers (aquaculture and processing plants) were unwilling to invest with a risk of not been able to sell at a fair price. No investment incentive. However, 71% of the total FIG budget was granted to measure 34 "Processing and Marketing", of which 79% (56% of the total FIG budget) went to the same investor. There is probably still an investment possibility.

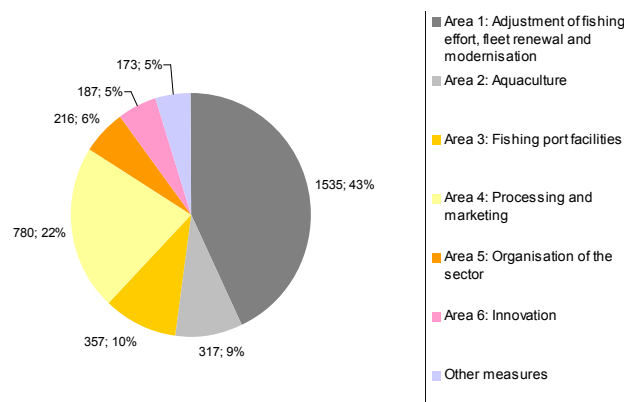
Member States	Achievement rate	Key explanations for success or failure
Greece	97%	The achievement rate is very satisfactory as it approaches 100%. This is due to a high level of commitments and efficient monitoring and coordination of the whole programme. Whereas it was very successful until 2007, the programme then started to face some difficulties due to the Greek economic and social context (social crisis, followed by the current international economic crisis) as well as some management (not open) conflicts between the MA and the end beneficiary (General Directorate for fisheries).
Finland	99%	Programming was well adapted to sector needs, 100% achievement rate. Objectives exceeded expectations in the processing sector, the volume of fish processed in Finland increased significantly during the period. Aquaculture sector objectives were harder to achieve because of the crisis in fish farming. Vessel owners would have liked more funds for the fleet. The effort covered aquaculture and processing.
Lithuania	100%	The Lithuanian programme was well adjusted to needs. It mainly consisted of scrapping schemes which corresponded to the main need. Modernisation, inland fishing and small scale fishing measures were not as well achieved, as the incentive was not high enough in terms of grant rates, and the measures' scope did not enable funding for useful items such as engines.
Latvia	104%	The programme was a success by helping to improve the balance of fish resources and their exploitation, increasing sector competitiveness, fish products quality and their added value. As a very large share of FIG funding was dedicated to scrapping and reassigning fishing vessels, good progress was achieved in balancing the fishing fleet capacity with available fish resources. Although there is gap between commitments and the achievement rates (respectively 116% and 104% at programme level), the programme can be considered as having a satisfactory commitment and achievement rate which exceeds the Community average.
Ireland	107%	<ul style="list-style-type: none"> - National programme: FIG is considered to be a success in Ireland. The available FIG funds were focused on some specific measures: fleet measures and "support measures" from axis 4 (investments in ports and the processing sector were supported by ERDF and/or funds from the national Exchequer). Most objectives were met and the achievement rate is at a maximum. The only (limited) failure concerns the "young skipper scheme". The "one measure-one fund" strategy and BIM (Irish board for fisheries and aquaculture) implementation are considered as key factors of this success. - Southern, Eastern, Border, Midland and Western regions: aquaculture was the only FIG measure implemented through the programme. FIG contributed to the consolidation of local aquaculture (less dependence on salmon and increase in overall value).

4.2 Financial achievement per area of intervention and measure

Reminder: analyses of achievement rates on programmed FIFG can only be based on the 22 programmes which had programming allocations per measure (see limitations)

FIFG financial achievements are distributed per area of intervention as shown in the figure below:

Figure 25: FIFG Achievement per area of intervention



Source: Infosys at 31/12/2008

Most measures show average achievement rates (between 85% and up to over 95%) apart from measures 35 (inland fishing), 41 (small scale coastal fishing), 22 (modernisation of existing vessels), 42 (social-economic measures) which are under average. On the other hand, measures 43 (promotion) and 46 (innovating measures), 45 (temporary cessation of activities) and 11 (scrapping) are successful measures with high achievement rates.

Area 1: Adjustment of fishing effort, fleet renewal and modernisation

- Adjustment of the fishing effort, fleet renewal and modernisation represent 43% of total achieved FIGG at December 2008. As the average achievement rate in this area amounts to 94%, fleet measures appear to be successful.

Figure 26: Achievement rates for fleet measures ('000 €)

Measure	Programming	% of EU funding	Commitments	Achievement	% of EU funding	Achievement rate
11 Scrapping	493 911	32%	634 456	491 319	34%	99%
12 Transfer to a third country/reassignment	32 428	2%	27 241	25 935	2%	80%
13 Joint enterprises	33 199	2%	41 027	35 124	2%	106%
21 Construction of new vessels	472 185	31%	471 314	438 691	31%	93%
22 Modernisation of existing vessels	174 870	12%	173 767	132 732	9%	76%
42 Socio-economic measures	42 871	3%	44 069	34 098	2%	80%
45 Temporary cessation of activities and other financial compensation	270 703	18%	277 170	276 149	19%	102%
TOTAL	1 520 167	100%	1 669 044	1 434 049	100%	94%

Source: Infosys- 22 programmes which singled out programmed amounts by measure

- Amongst these measures, adjustment of the fishing effort priority axis proved to be efficient, especially scrapping activities (measure 11 – 35% of total FIGG funding) which achieved a high performance level (104%) in most countries.

Figure 27: Achievement rates for fleet measures per MS

MS	Area 1: adjustment of the fishing effort, fleet renewal and modernisation				
	Programming	Commitment	Achievement	Consumption rate	Achievement rate
AT Outside Objective 1	-	-	-	na	na
AT – Burgenland	-	-	-	na	na
BE Outside Objective 1	7 723	7 165	6 675	93%	86%
BE – Hainaut	-	-	-	na	na
CY Objective 1	1 400	1 277	1 271	100%	91%
CZ	-	-	-	na	na
DE Objective 1 and out of Objective 1	10 083	6 198	6 198	100%	61%
DK Outside Objective 1	56 312	53 894	48 231	89%	86%
EE	nd	4 842	4 251	88%	na
ES Objective 1 and out of Objective 1	831 395	869 836	831 123	96%	100%
FI Outside Objective 1	4 717	3 873	3 867	100%	82%
FI – East and North	nd	32	32	100%	na
FR Outside Objective 1	99 870	89 063	86 454	97%	87%
FR – Corsica, Guadeloupe, Guyane, Martinique, Réunion	nd	9 726	8 320	86%	na
GR Objective 1	107 504	144 579	92 375	64%	86%
HU	-	-	-	na	na
IE Southern-eastern and Border, Midland and Western	-	-	-	na	na
IE – Prod. Inv.	nd	26 864	25 862	96%	na
IT Multiregional and outside Objective 1	161 707	274 060	143 363	52%	89%
IT – Calabria, Campania, Molise, Puglia, Sardegna, Sicilia	nd	4 083	2 788	68%	na
LT	nd	8 944	8 891	99%	na
LV	nd	16 450	15 934	97%	na
MT	nd	689	688	100%	na
NL Outside Objective 1	15 385	13 649	13 645	100%	89%
NL – Flevoland	nd	3 707	3 723	100%	na
PL Objective 1	93 127	80 707	80 357	100%	86%
PT Fisheries and technical assistance	95 873	89 962	87 599	97%	91%
PT – Alentejo, Algarve, Azores, Centro, Madeira, Norte	nd	16 297	14 869	91%	na
SE Outside Objective 1	12 736	12 896	11 510	89%	90%
SE – North and South	nd	747	659	88%	na
SI	nd	14	-	0%	na
SK	nd	-	-	na	na
UK Outside Objective 1 - Highlands and Islands	22 334	21 885	21 379	98%	96%
UK – Cornwall, Merseyside, Wales, Northern Ireland	nd	16 117	15 309	95%	95%
Subtotal Programmes with programmed amounts per measure	1 520 166	1 669 044	1 434 049	86%	94%
Subtotal Programmes without programmed amounts per measure	na	108 512	101 326	93%	na
TOTAL	na	1 777 556	1 535 375	86%	na

22 programmes which had budgeted their programme per measure and not overall

Source: Infosys at 31/12/2008

Area 2: Aquaculture

- ▶ The aquaculture measure (measure 32) represented 8% of total FIG funding and achieved only 89% of programming which is below average. While French, Irish and Austrian programmes were quite successful, the Spanish programmes' achievement - representing more than half of aquaculture investments - only reached a 76% achievement rate.
- ▶ In many MS such as Germany and the UK, applicants were very dependant on external factors, such as market prices and technical progress, to decide on investments value for money. This made it all the more difficult for the Managing Authorities to support them as they were faced with their own specific issues, in particular as regards the N+2 rule. In these two countries, the Managing Authorities encountered great problems with this rule as demand and competition was not very high as regards FIG. Managing authorities had to work hard to meet the allocated targets and reach an acceptable achievement rate.

Figure 28: Achievement rates for the aquaculture measure per MS

MS	Area 2: aquaculture				
	Programming	Commitment	Achievement	Consumption rate	Achievement rate
AT Outside Objective 1	2 180	2 376	2 376	100%	109%
AT – Burgenland	nd	200	200	100%	na
BE Outside Objective 1	759	810	737	91%	97%
BE – Hainaut	-	-	-	na	na
CY Objective 1	624	660	621	94%	100%
CZ	nd	2 912	2 756	95%	na
DE Objective 1 and out of Objective 1	12 025	10 061	9 205	91%	77%
DK Outside Objective 1	5 100	6 405	4 200	66%	82%
EE	nd	2 362	2 009	85%	na
ES Objective 1 and out of Objective 1	169 198	164 696	128 005	78%	76%
FI Outside Objective 1	1 239	1 146	1 146	100%	93%
FI – East and North	nd	2 220	2 220	100%	na
FR Outside Objective 1	19 500	19 443	19 082	98%	98%
FR – Corsica, Guadeloupe, Guyane, Martinique, Réunion	nd	2 482	2 234	90%	na
GR Objective 1	31 521	43 535	28 997	67%	92%
HU	nd	3 105	2 502	81%	na
IE Southern-eastern and Border, Midland and Western	27 980	33 330	28 318	85%	101%
IE – Prod. Inv.	-	-	-	na	na
IT Multiregional and outside Objective 1	9 252	11 038	8 013	73%	87%
IT – Calabria, Campania, Molise, Puglia, Sardegna, Sicilia	nd	44 993	28 881	64%	na
LT	nd	1 314	1 247	95%	na
LV	nd	1 442	1 115	77%	na
MT	nd	111	99	89%	na
NL Outside Objective 1	974	646	593	92%	61%
NL – Flevoland	-	-	-	na	na
PL Objective 1	12 995	14 097	9 717	69%	75%
PT Fisheries and technical assistance	18 842	18 842	11 183	59%	59%
PT – Alentejo, Algarve, Azores, Centro, Madeira, Norte	nd	1 475	1 248	85%	na
SE Outside Objective 1	1 474	807	594	74%	40%
SE – North and South	nd	1 474	1 126	76%	na
SI	nd	309	261	85%	na
SK	nd	1 014	951	94%	na
UK Outside Objective 1 - Highlands and Islands	10 345	10 732	8 869	83%	86%
UK – Cornwall, Merseyside, Wales, Northern Ireland	nd	9 841	8 547	87%	na
Subtotal Programmes with programmed amounts per measure	324 008	338 624	261 658	77%	81%
Subtotal Programmes without programmed amounts per measure	na	75 253	55 397	74%	na
TOTAL	na	413 878	317 055	77%	na

22 programmes which had budgeted their programme per measure and not overall

Source: Infos at 31/12/2008

Area 3: Fishing port facilities

- ▶ The fishing port facilities measure (measure 33) represented 10% of total FIGG investments. The achievement rate is fairly low (87%).
- ▶ Projects funded under this measure were often very large engineering projects involving careful planning and feasibility studies. The schedule specified in the FIGG grant system was not always compatible with these projects' lifespan. Some funding was lost for beneficiaries as costs were no longer eligible.

Figure 29: Achievement rates for fishing port facilities measure per MS

MS	Area 3: Fishing port facilities				
	Programming	Commitment	Achievement	Consumption rate	Achievement rate
AT Outside Objective 1	-	-	-	na	na
AT – Burgenland	-	-	-	na	na
BE Outside Objective 1	550	478	355	74%	65%
BE – Hainaut	-	-	-	na	na
CY Objective 1	889	947	947	100%	106%
CZ	-	-	-	na	na
DE Objective 1 and out of Objective 1	48 994	47 839	47 839	100%	98%
DK Outside Objective 1	41 603	41 500	31 700	76%	76%
EE	nd	2 077	2 002	96%	na
ES Objective 1 and out of Objective 1	129 206	133 536	113 696	85%	88%
FI Outside Objective 1	6 707	7 511	7 459	99%	111%
FI – East and North	nd	2 034	2 018	99%	99%
FR Outside Objective 1	30 000	29 322	29 252	100%	98%
FR – Corsica, Guadeloupe, Guyane, Martinique, Réunion	nd	7 687	7 328	95%	95%
GR Objective 1	14 533	19 917	10 876	55%	75%
HU	-	-	-	na	na
IE Southern-eastern and Border, Midland and Western	-	-	-	na	na
IE – Prod. Inv.	-	-	-	na	na
IT Multiregional and outside Objective 1	7 607	8 367	7 151	85%	94%
IT – Calabria, Campania, Molise, Puglia, Sardegna, Sicilia	nd	37 130	22 534	61%	na
LT	nd	1 227	1 227	100%	na
LV	nd	4 467	3 985	89%	na
MT	nd	1 597	1 573	98%	na
NL Outside Objective 1	-	-	-	na	na
NL – Flevoland	-	-	-	na	na
PL Objective 1	25 812	29 457	22 053	75%	85%
PT Fisheries and technical assistance	22 705	22 771	15 799	69%	70%
PT – Alentejo, Algarve, Azores, Centro, Madeira, Norte	nd	24 529	22 947	94%	na
SE Outside Objective 1	5 274	4 883	4 484	92%	85%
SE – North and South	nd	479	402	84%	na
SI	-	-	-	na	na
SK	-	-	-	na	na
UK Outside Objective 1 - Highlands and Islands	21 106	18 634	15 477	83%	73%
UK – Cornwall, Merseyside, Wales, Northern Ireland	nd	24 615	17 928	73%	na
Subtotal Programmes with programmed amounts per measure	354 986	365 162	307 088	84%	87%
Subtotal Programmes without programmed amounts per measure	na	105 842	81 942	77%	na
TOTAL	na	471 003	389 030	83%	na

22 programmes which had budgeted their programme per measure and not overall

Source: Danish 2007 annual FIGG report to the commission (For Denmark, Infosys data is not reliable for measure 33)

Source: Infosys at 31/12/2008

Area 4: Processing and marketing

- Processing and marketing is the second largest area of intervention as measures 34 and 43 account for 22% of FIFG funding. The achievement rate in this area is quite satisfactory, especially for the promotion measure (measure 43) (111%), even though measure 34 also reached a high achievement rate (95%).

Figure 30: Achievement rates for processing and marketing measures per MS

MS	Area 4: processing and marketing				
	Programming	Commitment	Achievement	Consumption rate	Achievement rate
AT Outside Objective 1	2 189	1 880	1 880	100%	86%
AT – Burgenland	-	-	-	na	na
BE Outside Objective 1	5 140	5 326	4 606	86%	90%
BE – Hainaut	nd	1 789	1 556	87%	na
CY Objective 1	421	410	410	100%	97%
CZ	nd	1 076	910	85%	na
DE Objective 1 and out of Objective 1	50 785	43 055	41 624	97%	82%
DK Outside Objective 1	41 953	45 814	33 198	72%	79%
EE	nd	3 050	2 698	88%	na
ES Objective 1 and out of Objective 1	454 236	506 520	421 602	83%	93%
FI Outside Objective 1	10 612	10 741	10 744	100%	101%
FI – East and North	nd	3 338	3 338	100%	na
FR Outside Objective 1	42 633	41 322	40 697	98%	95%
FR – Corsica, Guadeloupe, Guyane, Martinique, Réunion	nd	5 236	4 250	81%	na
GR Objective 1	43 063	55 521	33 469	60%	78%
HU	nd	1 242	690	56%	na
IE Southern-eastern and Border, Midland and Western	-	-	-	na	na
IE – Prod. Inv.	nd	2 276	2 159	95%	na
IT Multiregional and outside Objective 1	18 353	20 788	17 241	83%	94%
IT – Calabria, Campania, Molise, Puglia, Sardegna, Sicilia	nd	53 917	39 113	73%	na
LT	nd	421	411	97%	na
LV	nd	5 478	3 901	71%	na
MT	nd	339	101	30%	na
NL Outside Objective 1	1 550	1 551	1 156	75%	75%
NL – Flevoland	nd	1 791	1 648	92%	na
PL Objective 1	55 858	50 900	27 819	55%	50%
PT Fisheries and technical assistance	31 246	31 272	25 829	83%	83%
PT – Alentejo, Algarve, Azores, Centro, Madeira, Norte	nd	5 983	4 541	76%	na
SE Outside Objective 1	12 360	12 500	10 859	87%	88%
SE – North and South	nd	1 324	1 191	90%	na
SI	nd	1 447	1 214	84%	na
SK	nd	803	773	96%	na
UK Outside Objective 1 - Highlands and Islands	39 159	42 948	34 147	80%	87%
UK – Cornwall, Merseyside, Wales, Northern Ireland	nd	10 042	6 953	69%	na
Subtotal Programmes with programmed amounts per measure	809 558	870 548	705 282	81%	87%
Subtotal Programmes without programmed amounts per measure	na	99 552	75 447	76%	na
TOTAL	na	970 099	780 729	80%	na

22 programmes which had budgeted their programme per measure and not overall

Source: Infosys at 31/12/2008

Area 5: Sector organisation

- ▶ The sector organisation measure (measure 44) represented only 6% of total FIFG and reached a high achievement rate (119%).
- ▶ This measure allowed the Managing Authority to fund any project which benefited several entities. It was a flexible and easily manageable measure.

Figure 31: Achievement rates for the sector organisation measure per MS

MS	Area 5: organisation of the sector				
	Programming	Commitment	Achievement	Consumption rate	Achievement rate
AT Outside Objective 1	-	-	-	na	na
AT – Burgenland	-	-	-	na	na
BE Outside Objective 1	4 467	3 109	2 753	89%	62%
BE – Hainaut	-	-	-	na	na
CY Objective 1	-	-	-	na	na
CZ	nd	32	22	68%	na
DE Objective 1 and out of Objective 1	2 628	2 237	2 243	100%	85%
DK Outside Objective 1	18 950	18 796	17 714	94%	93%
EE	-	-	-	na	na
ES Objective 1 and out of Objective 1	57 287	64 362	55 232	86%	96%
FI Outside Objective 1	5 125	5 284	5 283	100%	103%
FI – East and North	nd	204	202	99%	99%
FR Outside Objective 1	41 977	39 960	39 360	98%	94%
FR – Corsica, Guadeloupe, Guyane, Martinique, Réunion	nd	5 042	4 190	83%	83%
GR Objective 1	4 805	7 186	1 773	25%	37%
HU	-	-	-	na	na
IE Southern-eastern and Border, Midland and Western	-	-	-	na	na
IE – Prod. Inv.	nd	13 233	11 964	90%	90%
IT Multiregional and outside Objective 1	5 982	6 354	5 785	91%	97%
IT – Calabria, Campania, Molise, Puglia, Sardegna, Sicilia	nd	37 494	28 852	77%	77%
LT	nd	109	52	48%	48%
LV	nd	14	14	100%	100%
MT	-	-	-	na	na
NL Outside Objective 1	10 465	10 234	8 878	87%	85%
NL – Flevoland	-	-	-	na	na
PL Objective 1	558	1 015	684	67%	123%
PT Fisheries and technical assistance	204	113	113	100%	55%
PT – Alentejo, Algarve, Azores, Centro, Madeira, Norte	nd	863	751	87%	nd
SE Outside Objective 1	5 509	5 390	4 351	81%	79%
SE – North and South	-	916	718	78%	78%
SI	-	-	-	na	na
SK	-	-	-	na	na
UK Outside Objective 1 - Highlands and Islands	15 216	17 271	13 832	80%	91%
UK – Cornwall, Merseyside, Wales, Northern Ireland	nd	14 172	11 607	82%	na
Subtotal Programmes with programmed amounts per measure	173 173	181 311	158 002	87%	91%
Subtotal Programmes without programmed amounts per measure	na	72 077	58 371	81%	na
TOTAL	na	253 388	216 373	85%	na

22 programmes which had budgeted their programme per measure and not overall

Source: Infos at 31/12/2008

Area 6: Innovation

- ▶ The innovating measure (measure 46) proved to be very effective as the achievement rate exceeded 100% according to figures available at December 2008. This can partly be accounted for by the fact that project holders were very often public bodies and accordingly much easier and manageable beneficiaries for national and regional administrations.

Figure 32: Achievement rates for innovating measure per MS

MS	Area 6: Innovation				
	Programming	Commitment	Achievement	Consumption rate	Achievement rate
AT Outside Objective 1	-	-	-	na	na
AT – Burgenland	-	-	-	na	na
BE Outside Objective 1	1 405	1 272	1 169	92%	83%
BE – Hainaut	-	-	-	na	na
CY Objective 1	-	-	-	na	na
CZ	-	-	-	na	na
DE Objective 1 and out of Objective 1	19 092	17 744	16 854	95%	88%
DK Outside Objective 1	16 555	16 804	15 267	91%	92%
EE	-	-	-	na	na
ES Objective 1 and out of Objective 1	74 037	102 274	95 071	93%	128%
FI Outside Objective 1	3 206	2 926	2 924	100%	91%
FI – East and North	nd	315	304	96%	na
FR Outside Objective 1	4 335	4 335	4 231	98%	98%
FR – Corsica, Guadeloupe, Guyane, Martinique, Réunion	nd	713	542	76%	na
GR Objective 1	3 593	7 632	3 788	50%	105%
HU	nd	296	95	32%	na
IE Southern-eastern and Border, Midland and Western	-	-	-	na	na
IE – Prod. Inv.	nd	3 956	3 326	84%	na
IT Multiregional and outside Objective 1	2 487	2 686	2 052	76%	82%
IT – Calabria, Campania, Molise, Puglia, Sardegna, Sicilia	nd	9 234	7 840	85%	na
LT	-	-	-	na	na
LV	-	-	-	na	na
MT	-	-	-	na	na
NL Outside Objective 1	3 556	4 370	4 274	98%	120%
NL – Flevoland	nd	277	277	100%	na
PL Objective 1	8 985	9 121	5 093	56%	57%
PT Fisheries and technical assistance	6 411	5 219	4 631	89%	72%
PT – Alentejo, Algarve, Azores, Centro, Madeira, Norte	nd	1 371	836	61%	na
SE Outside Objective 1	9 961	9 360	8 036	86%	81%
SE – North and South	nd	1 528	1 397	91%	na
SI	-	-	-	na	na
SK	-	-	-	na	na
UK Outside Objective 1 - Highlands and Islands	2 563	3 287	2 698	82%	105%
UK – Cornwall, Merseyside, Wales, Northern Ireland	nd	6 491	6 279	97%	na
Subtotal Programmes with programmed amounts per measure	156 186	187 028	166 089	89%	106%
Subtotal Programmes without programmed amounts per measure	na	24 181	20 896	86%	na
TOTAL	na	211 209	186 984	89%	na

22 programmes which had budgeted their programme per measure and not overall

Source: Infosys at 31/12/2008

5 FIFG Implementation and efficiency

Q4.1: How effective were the management and implementation systems?

Q4.2: Has FIFG been implemented in an efficient way, as regards the costs of handling the programmes and operations?

The effectiveness of FIFG implementation and management is diverse and depends on the existing system and procedures applied:

- ▶ Project selection procedures are quite transparent, but lack competitiveness due to the absence of clear selection criteria, especially for certain measures under priority axis 4. Insufficient communication on FIFG and a low level of technical assistance for potential beneficiaries are other reasons which explain a poor competitive process.
- ▶ Monitoring systems are very heterogeneous in terms of information quality and relevance across MS. Indicators established to assess interventions' sustainability are mostly non-existent.
- ▶ Payment procedures do not function properly in all MS, and many beneficiaries complained of delays. Delays are due to a high administrative workload that cannot be undertaken in time by available staff. They are also explained by the large number of intermediaries in the controlling and certification process prior to payments that lengthen the whole process.

Analyses of the different types of management and implementation systems (according to different criteria: national programmes vs. regional programmes, single fund vs. multifund, centralised vs. decentralised, and lastly with or without delegation to an intermediary body) do not clearly evidence that one management system operates better than another. However:

- ▶ National single fund programmes implemented with the support of regional bodies, as was the case in Spain, proved quite effective, with a good combination between national coordination, adaptation to local needs and proximity to end beneficiaries in the various regions.
- ▶ Regional programmes in objective 1 regions proved quite effective and adapted for creating synergies at local level. However, among MS with regional programmes, there were some successful systems such as in Portugal (where it costs 3€ in administrative costs to channel 100€ of FIFG support, compared to an EU average of 10€), but these are counterbalanced by much less successful systems such as in Italy (where administrative costs were estimated at 21€ for 100€ of FIFG support).
- ▶ Systems in the new MS proved very low cost (except in Cyprus). They were deemed insufficient for effective programme implementation, especially in the beginning of the programming period.

Generally speaking, conditions for correctly operating, efficient management and implementation systems rely on a few factors:

- In all cases, proximity and support for project holders is the key to success, although this can require quite a lot of administrative work; the idea is to find a balanced solution between the need to reduce administrative costs and the importance of facilitation. Support should be provided by sector experts rather than by administrative staff.
- Good cooperation within the steering / monitoring committee (regular meetings, strong leadership, etc.) as well as agreement on a joint strategy and joint priorities.
- When delegated to an intermediary body: efficient supervision and significant coordination between the Managing Authority and intermediary body.

- With respect to programming, project selection and monitoring, the involvement of sector experts through extensive consultation, as well as some of the main sector proponents (professional organisations of producers, processors, distributors).

5.1 Implementation and management of the FIFG

Different tasks are involved in FIFG management and implementation. At programme level, FIFG management and implementation requires programming, monitoring and control/ audit tasks. Responsible authorities also have to ensure the programme's promotion and visibility. At project level, Managing Authorities and their intermediary bodies (if any) have to organise project selection and monitoring, expenditure and payment control, and certification for end beneficiaries.

Programming and monitoring are performed in partnership with one or more committees (programming and/or monitoring committee composed of various actors such as ministries, professional organisations, non-profit making organisations, etc.)

The management and implementation system relates to the actors involved in these tasks, the distribution of their roles and responsibilities, how they interact and coordinate within each programme as a whole.

The following chapter is organised as follows:

- Presentation of management and implementation systems set up in MS. This preliminary section aims to establish a typology of the various systems and provide a general overview of FIFG functioning MS per MS.
- Analysis of project selection tasks
- Analysis of monitoring tasks (indicators used, existing information systems, monitoring data quality...)
- Analysis of payment procedures.

The principle of partnership and involvement of the committees are assessed in each section from a task point of view

5.1.1 The partnership principle, types of management and implementation systems

Management and implementation systems were aimed to adapt to the diversity of situations in Member States

The 24 Member States defined diverse management and implementation systems according to a series of criteria (size, level of experience (new MS/ old MS), sector needs, etc.).

- ▶ In large MS with long coastal barriers, the main challenge was to ensure coverage of local needs in the various regions and to adapt FIFG priorities to their specificities.
- ▶ In old MS, the challenge was to take account of experience from the previous programming period and apply recommendations expressed in previous evaluations. Existing systems had to solve some specific difficulties such as administrative workload, lack of coordination between the Managing Authority and the intermediary body, lack of understanding of local needs, insufficient support for project holders, etc.
- ▶ In new MS, managing structural funds was a new challenge; with no prior experience, they were confronted with the need to rapidly establish operating systems as of 2004.

Firstly, differences between MS are related to programme numbers and types. A simplified typology entails two types of MS:

- **MS with a simple FIG programming structure:** either one or two single national fund programmes (objective 1 and/or non-objective 1), as was the case in Austria, Germany, Spain, Greece, Cyprus and Denmark, or one single national multifund programme in MS under objective 1, as in all new MS (except Cyprus).
- **MS with a complex FIG programming structure:** one national single fund programme dedicated to the FIG, and one or more multifund programmes in several objective 1 regions: France, Italy, Finland, Sweden, Ireland, Netherlands, the UK and Belgium.

Differences are also based on the types of management systems at programme level. The main issue was to define the decentralisation level and scope to ensure operation consistency and efficiency in all events. Three country profiles emerge:

- **Centralised management systems** where the Managing Authority (very often the Ministry of Agriculture) manages the programme on a national scale: Denmark, the Netherlands and most new MS, with no support from local/ regional bodies,
- **Decentralised management** where Managing Authorities are present at the regional/ local level, impersonated by regional administration or local bodies: Germany, Spain, Austria, Ireland, the UK, Belgium,
- **Mixed system** where the Managing Authority is national, supported by regional and local authorities to implement certain tasks only, sometimes for FIG measures alone.

Finally in some MS, the Managing Authority does not directly implement the programme but delegates certain tasks to an intermediary body:

- **An agency**, which is commissioned to carry out most tasks (selection, monitoring, controls), although final responsibility for programming and implementing remains at Managing Authority level.
- **An end beneficiary**, generally a specific Directorate within the line Ministry, which organises the implementation of certain measures.

For instance, most new Member States opted for the delegation system where the Managing Authority runs the programme as a whole and coordinates the various funds, including FIG. Even Poland, which had a distinct FIG programme, chose to separate the managing and implementing authorities. These MS decided to favour coordinated and centralised management of all funds by a single Managing Authority, leaving implementation to an intermediary body.

As the implementation of structural funds was new to NMS administrations and required a certain degree of adaptation, and as the line ministries did not necessarily have the technical know-how from the start, a unique Management Authority for all structural funds (FIG) was suitable, only dealing with implementation and technical/legal issues, and separate intermediary bodies which implemented the various measures according to their relevant sector: Ministry of Agriculture and Fishing in the case of FIG.

The following table provides an overview of the organisation and authorities involved in the management of each FIG programme in the various MS:

		National / Regional Managing Authority	Delegated body	Regional bodies
Austria	Outside Objective 1	National authority/ MoA		Forderstelle in each Bundesland
Belgium	Outside Objective 1 Hainaut	Federal governments Federal government (Walloon region)		
Cyprus	Objective 1	National authority/ Planning Bureau	MoA	
Czech Republic	Objective 1	National authority/ MoA	State Agriculture Intervention Fund	
Denmark	Outside Objective 1	National authority/ MoA	Danish Food industry agency	
Estonia	Objective 1	National authority/ MoF	MoA/ Estonian Agricultural Registers and Information Board (ARIB).	
Finland	Est Nord Outside Objective 1	National authority/ MoA		TE-Centers
France	Corse Guadeloupe Guyane Martinique Outside Objective 1 Réunion	Regional authority Regional authority Regional authority Regional authority National authority/ MoA Regional authority		Regional authority
Germany	Objective 1 Outside Objective 1	Federal authority/ MoA + Länder authorities (MoA)	
Greece	Objective 1	National authority/ MoA	MOU (delegated body) + MoA (General Directorate for fisheries) as final beneficiary*	Prefectoral services*
Hungary	Objective 1	National authority/ MoA	Agency (ARDA)	
Ireland	Border, Midland and Western Region Prod select Southern-eastern	DCMNR (Department of Communication, Marine and Natural resources)	BIM	Local offices of BIM
Italy	Calabria Campania Molise Multi-regional Objective 1 Outside Objective 1 Puglia Sardegna Sicilia	Regional authority Regional authority Regional authority National authority/ MoA National authority/ MoA Regional authority Regional authority Regional authority		Regional authority Regional authority
Latvia	Objective 1	National authority/ MoF	MoA	Regional representation of Rural Support Service
Lithuania	Objective 1	National authority/ MoF	National Paying Agency & MoA	
Malta	Objective 1	National authority/ Office of the Prime Minister	Mo Rural Affairs	
Netherlands	Flevoland Outside Objective 1	National authority/ MoA National authority/ MoA	Bureau Bureau	Urk Commune*
Poland	Objective 1	National authority/ MoA	Agency (ARMA)	Regional agencies
Portugal	Alentejo Algarve Azores Centro Madeira Norte Pêche Technical assistance	Regional authority Regional authority Regional authority Regional authority Regional authority Regional authority National authority/ MoA	DGPA + Technical support structure	
Slovakia	Objective 1	National authority/ MoA	Agricultural Paying Agency	
Slovenia	Objective 1	National authority/ MoA	Agency for Agriculture and Rural Development	
Spain	Objective 1 Outside Objective 1	National authority/ MoA		Autonomous regional governments Autonomous regional governments
Sweden	Norra Outside Objective 1 Södra	Swedish board of fisheries		County boards
United Kingdom	Cornwall Highlands & Islands Merseyside Northern Ireland Outside Objective 1 West Wales & the Valleys	Regional authority/ MoA Regional authority/ MoA Regional authority/ MoA Regional authority/ MoA 3 MA for each sub-programme Regional authority/ MoA		Government office of the South West Agency (HIPP Ltd) Government office of the North West Agency (WEFO)

Legend

in bold Single fund programmes

MoA Ministry of Agriculture

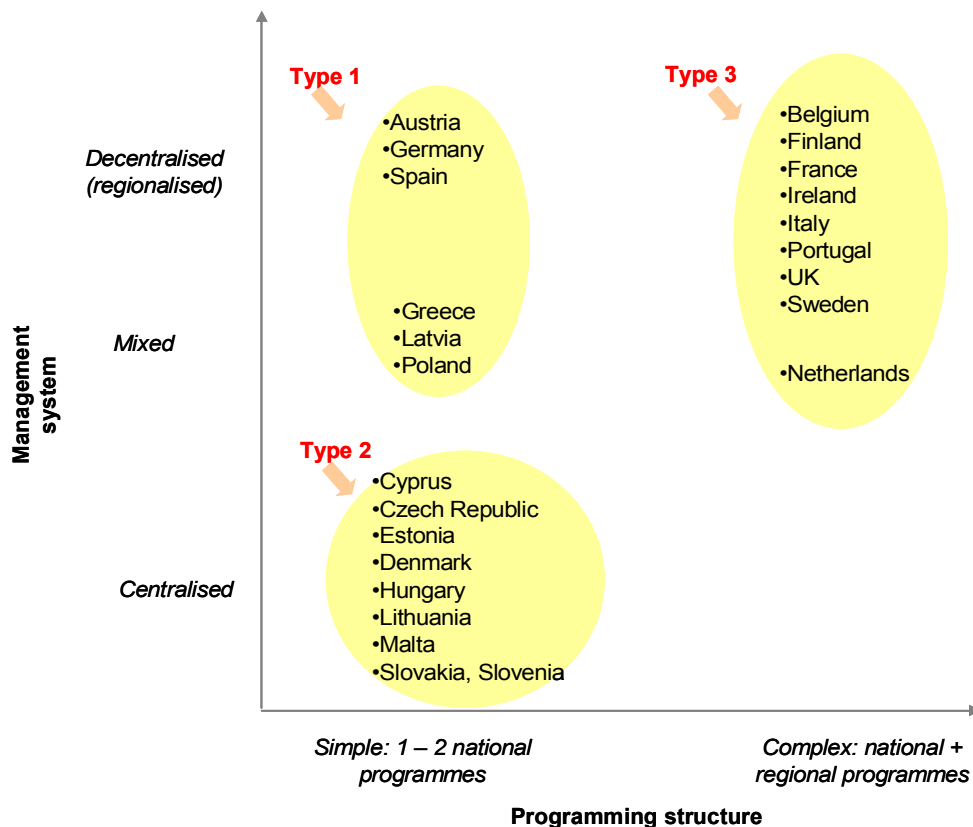
MoF Ministry of Finance

* For certain measures only

Three MS profiles can be defined:

- Type 1: MS with 1 or 2 programmes (single fund in old MS, multifund in most new MS) which opted for a more or less decentralised management system
- Type 2: MS with 1 or 2 programmes (single fund in old MS, multifund in most new MS) which opted for a centralised management system
- Type 3: MS with many programmes both at national and regional levels with a fairly important regionalisation level

Figure 33: Matrix of management types



Source: Ernst & Young data collected through desk research and interviews

The analysis of achievement rates according to the type of management system does not favour any type in particular

There is no clear connection between the type of management system and the efficiency of FIFG programmes at national level. Some very different results are noted for each type of organisation.

Figure 34: Comparison of achievement rates according to the management type

	Achievement rate
Type 1	
Austria	95%
Germany	86%
Spain	96%
Greece	97%
Latvia	104%
Poland	73%
Type 2	
Cyprus	95%
Czech Republic	92%
Estonia	91%
Denmark	65%
Hungary	75%
Lithuania	100%
Malta	87%
Slovakia	94%
Slovenia	96%
Type 3	
Belgium	82%
Finland	99%
France	92%
Ireland	107%
Italy	85%
Portugal	85%
UK	91%
Sweden	84%
Netherlands	90%

in bold: with delegation to an implementing body

Source: Infosys at 31/12/2008

In point of fact, closer analysis evidences that:

- ▶ All types have distinct justifications according to each Member State size, nature (Federation, centralised state, etc.), experience of structural funds (new Member States were beginners), programming choices (single programming document or operational programme; multi or mono-fund programme).
- ▶ Effective/ ineffective management does not rely on a specific type of management system. Each organisation has its own advantages and drawbacks (see coming chapters related to programming/ selection, monitoring and efficiency). The following table synthesises the pros and cons of the different types of management, including specific delegation advantages:

Figure 35: Pros and cons of each management type

Management type	Pros	Cons	Conclusion
Centralised types	<ul style="list-style-type: none"> • Good coordination and clear-cut programme overview • Consistency in programme implementation • Single contact person for DG MARE • Lower administrative costs (fewer FTE involved) 	<ul style="list-style-type: none"> • Less hands-on monitoring and controlling • Less help in applying administrative procedures • Potentially: distance from project holders 	→ Adapted to small MS with single programme / need for ad hoc regional offices or regional implementation authorities in order to come closer to the project holder
Decentralised types	<ul style="list-style-type: none"> • Proximity with stakeholders: identified contact person 	<ul style="list-style-type: none"> • Risk in programme consistency • High administrative costs 	→ Adapted to federal MS / need for coordination at national level
Mixed types	<ul style="list-style-type: none"> • Adaptation to specific conditions: remote regions (Azores, Réunion, etc.) • Subsidiarity: each programme/measure is managed at appropriate level 	<ul style="list-style-type: none"> • High administrative costs • Risk in consistency of all programmes 	→ Adapted to MS with several regional programmes / need for coordination at national level
Delegation to an implementation body	<ul style="list-style-type: none"> • Centralised know-how on structural funds • Good coordination and clear-cut programme overview 	<ul style="list-style-type: none"> • Complex coordination (1) • Risk of multiplied tasks if not well defined • Conflict between the MA and the intermediary body (if an end beneficiary) 	→ Adapted to NMS during first programming period / need for simplification of system between managing and implementing authority

(1) In Cyprus, the system was improved under EFF in order to clarify competences between the managing and intermediary implementing body. The Managing Authority no longer deals with any individual projects, but solely manages the programme from a global point of view.

5.1.2 Analysis of selection methods

The analysis of programming and selection relies on three main criteria: quality of communication to potential beneficiaries, smoothness of the application and approval procedures, and clearness and transparency of selection criteria.

Publicity and communication on the programmes has been well performed in most MS and has played a significant part in the number of applications received

Communication on programmes was effective in most MS, as shown by the table below which provides a communication scoring for the different MS¹². It shows that efficient promotion is necessary but not sufficient to reach good results in terms of programme achievement as poor communication quality resulted in weak achievement level, but as good communication did not always lead to high achievement rates. Poland for example is deemed to have communicated well on FIGG but only reached a 73% achievement rate¹³. Communication involved press releases in specialised media, information meetings, advertising on the Ministry website, etc.

Some MS proved to be particularly well organised. The most successful promotion method is certainly the use of facilitators; for example, the British Managing Authority hired 3 facilitators to tour the country and speak to potential applicants, explaining and supporting them in their applications for grants. Facilitators were a key factor of achievement in England; they enabled the Managing Authority to set up close contacts with beneficiaries despite the centralised nature of the non-objective 1 programme organisation. The measures' success or failure depended on the facilitator's work. For example, shellfish farms in coastal regions were targeted by the latter and some projects were presented, whereas finfish farms were not and therefore presented few or no demands.

On the contrary, in Sweden, a common issue was the lack of proper information for applicants, which affected by the project proposals received. Project selection was managed according to demand rather than objectives. This was especially the case concerning fishing port and processing facilities. As very few applications were received under these measures, they all filed funded projects without any insurance as regards their relevance in terms of meeting national priorities.

¹² Scoring is based on interviews in the MS

¹³ This statement has however to be qualified, as Poland reached a much better achievement rate in the last months of 2009 (this evaluation is based on Infosys data at 31/12/2008).

Figure 36: Quality of animation and communication on FIFG in the different MS

Member State	Level of communication	Achievement rate
HU	Low	75%
SE	Low	84%
BE	Medium	82%
FR	Medium	92%
SI	Medium	96%
UK	Medium	91%
IE	Good	107%
PL	Good	73%
DE	Good	86%
ES	Good	96%
FI	Good	99%
IT	Good	85%
LV	Good	104%
NL	Good	90%
PT	Good	85%
SK	Good	94%
DK	Good	65%
EE	Good	91%
GR	Good	97%
LT	Good	100%
MT	Good	87%
AT	na	95%
CZ	na	92%

Rating:

- *Good: large communication at national and local level and effective support to potential beneficiaries*
- *Medium: heterogeneous communication depending on the measures, or depending of the programme or region...*
- *Low: weak communication and absence of effective support to potential beneficiaries*

Na: not available

Source: Scoring made by the evaluators on the basis of the data collected through desk research and interviews. Achievement rates: Infosys at 31/12/2008

One major issue is to facilitate application procedures, simplify these and assist applicants

Progress has been made since the previous programming period in old MS with respect to application forms and approval procedures. For example:

- ▶ In the UK, applicants expressed their appreciation as regards the fact that application forms had been streamlined since the previous programme.
- ▶ In Flevoland, the Urk province actively assisted entrepreneurs when drafting their applications. The key to success of FIFG measures was to lessen the administrative workload as much as possible for entrepreneurs. In point of fact, entrepreneurs carefully assess administrative and transaction costs. If these are too high as compared to the potential aid, they do not hesitate to refuse it. Procedures should not become more important than the project itself.
- ▶ In Bremen, the level of facilitation was also very high. Administrative procedures underwent in-depth simplification in order to highlight incentives for applicants.

However, some problems remain, and low achievement rates were also occasionally due to difficulties encountered by applicants in filling in forms (as noted in Hungary for example). In some MS, beneficiaries also complained about the length of the selection process (in Greece for example).

Selection criteria did not allow a very competitive selection as most applicants were granted FIG.

Many programmes were selected on the basis of the first come, first served principle (the Netherlands, Latvia at first, Scotland, Northern Ireland...); as long as the applicant met the selection criteria, the latter received an FIG grant. An average scoring of the level of competitiveness on the whole, drawn up on the basis of collected data (interviews and documentary review) according to some criteria (appreciation by Managing Authorities, principles applied...) shows that most selection procedures were “not very competitive” (48%).

Figure 37: Level of competition of the project selection procedure

Level of competition	%
Low	48%
Medium	43%
High	10%

Source: Rating made by Ernst & Young on the basis of the data collected through desk research and interviews

Note: this information was collected Member State per Member State and does not differentiate between measures. For instance, it should be noted that although the selection procedure was not very competitive in the United Kingdom as a whole, measure 11 “Scrapping” was highly competitive and required a bidding system. This assessment has its limits but provides an overall appraisal of the competitive level of selection procedures.

The low competitiveness of the selection procedure can be explained by several reasons:

- Targets were often too ambitious and funds were only used with considerable effort from the Managing Authorities (Germany and the UK for instance);
- Stakeholders did not possess specific EU grant know-how and did not claim FIG in the first place;
- In NMS, many stakeholders had already invested prior to the accession in 2004 so as to meet the standards required by the “Community acquis”. They did not have sufficient private funds to invest once again at such short notice after joining.

Example of a scoring system

In Scotland, there were two different selection procedures:

- Processing and marketing measures: applications were submitted to a Project Assessment Committee, an independent paper was issued according to a risk scoring system, a decision was then taken and the Ministry announced the grants.
- All other measures: the initial assessment was led by the Managing Authority thanks to a scoring application; the summaries were sent to the fishing management group, a decision was then taken and the Ministry announced the grants.

The scoring system was very useful and transparent as it was presented in the guidance note addressed to applicants. Furthermore beneficiaries were published online. The Commission has adopted this practice under EFF.

5.1.2 Monitoring analysis

Monitoring analysis is based on two main criteria: quality of set indicators and quality of the developed IT system

Indicators were set up but judged to be partly irrelevant

Ad minima, the MS used the Infosys indicators provided by EC regulation 366/2001. However, these indicators were generally deemed to be unclear, except for fleet indicators which were quite straightforward. In Scotland for instance, fleet measure indicators are deemed reliable but processing and marketing are not.

Generally speaking, indicators were a challenging subject for FIG programme Managing Authorities. For example, measure 33 port facilities action 2 “modernisation of existing facilities”:

1. number of installations that benefited from improved sanitary conditions
2. number of installations that benefited from improved environmental conditions
3. number of installations that set up service improvement systems (quality, technological).

The regulation was unclear as to what Management Authorities should consider as an installation; in some cases, they counted a whole cold storage room, in other programmes they might have entered a series of air vents.

- In Poland, the Managing Authority also made use of indicators to identify modification needs to the existing policy. However, some measures which proved to be useful were closed by the time the indicators were filled in and drew conclusions. On the other hand, when a risk of not achieving the forecast results appeared, the responsible administrative bodies undertook corrective actions (reallocation of funding, information campaigns, etc.). Nonetheless, results were not always as expected.

Figure 38: Assessment of monitoring systems and data per MS

Old Member States

	AT	BE	DE	DK	ES	FI	FR	GR	IE	IT	NL	PT	SE	UK
Quality of Infosys data	nd	Medium	Good	Medium	Good	Low	Medium	Good	Medium	Good	Medium	Good	Good	Low
Relevance of indicators	nd	Medium	Low	Good	Good	Low	Low	Good	Good	Medium	Medium	Good	Good	Medium
Quality of monitoring system	nd	Low	Good	Good	Good	Medium	Good	nd	Good	Medium	Low	Good	Good	Medium
Frequency of monitoring reports	Yearly	Yearly	Trimestrial	Yearly	Yearly	Yearly	Yearly	Yearly	nd	Annual	Yearly	Monthly	Yearly	Yearly

New Member States

	CY	CZ	EE	HU	LT	LV	MT	PL	SI	SK
Quality of Infosys data	Good	nd	Good	Medium	Good	Medium	Good	Medium	Good	Good
Relevance of indicators	Low	nd	Good	Low	Medium	Medium	Good	Low	Medium	Good
Quality of monitoring system	Good	nd	Good	Medium	Good	Medium	Good	Low	Good	Good
Frequency of monitoring reports	Biannual	Yearly	Yearly	Yearly	Annual	Biannual	Trimestrial	Biannual	Yearly	Yearly

Source: Ernst & Young data collected through desk research and interviews

IT systems were developed and improved on an ad hoc basis

Most Member States developed ad hoc IT systems to monitor FIG, including relevant data for their Infosys reports and further indicators defined at national level. The most integrated systems enabled payment and administrative procedures to be followed-up on the same interface.

Some systems were accessible to all entities; others were specific to the implementing bodies and called for further reprocessing in order to report to Managing Authorities.

All systems evolved over time and considerable improvements were made. The lessons learnt in this programming period were taken into consideration for EFF 2007-2013 implementation.

- Example of Cyprus: the system was efficient and the Managing Authority encountered no difficulties in issuing expenditure declarations. However the very quick set-up of the Management Information System explained the database’s relative lack of user friendliness.

As regards indicators, these did not always appear to be the most relevant to enable programme fine tuning and monitoring. Some lessons were learnt in this respect. The database was modified under the EFF programme and made more user-friendly. An indicators' appraisal led to selecting a series of new and more relevant indicators.

5.1.3 Analysis of payment procedures

Written procedures exist in most cases

Procedures were nearly always specified in writing, except in the Netherlands.

There were no particular problems linked to payment procedures. Difficulties encountered by Managing Authorities were due to the significant efforts required to have project holders file all necessary documentation. This was easier in Member States which had intermediary bodies, or in small Member States, as these could better follow-up applications and repayment demands.

However the length of payment procedures varied greatly

The average payment term (between submitting payment request and actual payment to the beneficiary) varied greatly from one MS to another. Some MS performed payments within one month while others took one and a half years.

The average payment term for old Member States (excluding those for which we have received no information) is 147 days, whereas the average for new Member States is 40 days.

Prefinancing in new Member States was widely used to support beneficiaries

Most new Member States used a pre-financing system. This system created an incentive for applicants who did not have to resort to bank loans, insofar as they could privately fund part of their project.

In Malta for instance, projects were all pre-financed by the Managing Authority so there were no major issues for beneficiaries due to the payment procedure.

Public end recipients did not have to disburse any funds at all as the Fisheries division addressed checked invoices directly to the Treasury which paid 100% public funding to the end recipient.

5.2 Efficiency

Methodological note

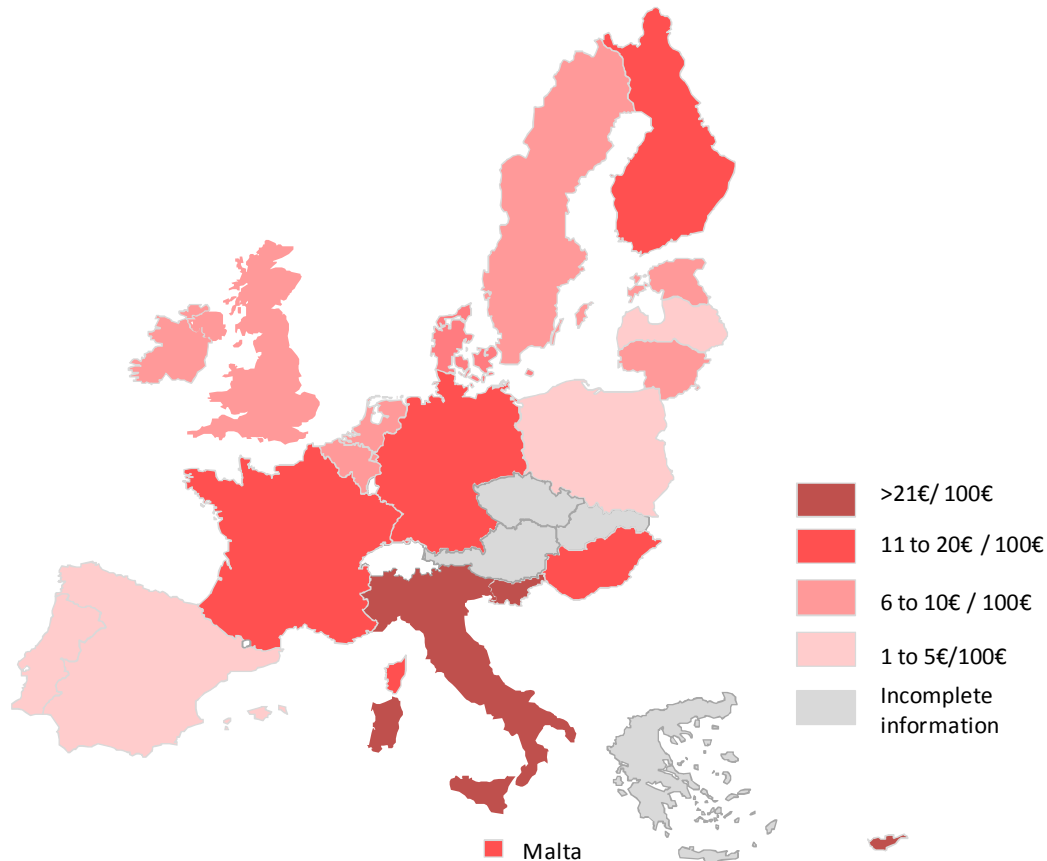
The calculation of administrative costs (EUR X of administration costs required to channel EUR 100 of FIG funds) is based on the following methodological rules and principles:

- Costs correspond to Human Resources expenses only, incurred by the different bodies involved in the management of FIG programmes in the MS (Managing Authority, intermediary body if any, regional body if any). They do not include other general costs such as rent, supplies, etc.*
- Costs have been estimated in different ways depending on information provided during interviews: either by using real staff costs (if available), or by using the average number of staff involved during the whole programming period multiplied by a standard cost per person (EUR 50,000).*
- Total staff costs have been divided by the total FIG achievement in the various MS. The evaluation was careful to take the same basis for FIG budget and staff costs: when total staff costs were available at national level (Germany), these were divided by the total FIG achievements at national level. When total staff costs were only available at regional/ local level (through case studies as in France-Cornouaille, Italy-Sicily, Spain-Andalucia, Sweden-non-objective 1 regions, and Netherlands-non-objective 1 regions), they were divided by total FIG achievements in the relevant region. A quantum of administrative costs incurred at national level was added to regional costs in proportion to the percentage of national FIG achievements spent by the relevant region or area.*
- The limits of this method are the following: the number of staff involved is an estimate made by the interviewees. These estimates may differ from actual staff costs during the 2000-2006 period as the interviewees do not necessarily have a comprehensive overview of the whole programming period. Most interviewees gave us an estimate of average full time equivalents over the period. When the costs were exposed on a yearly basis, the evaluators multiplied them by 4.5 for the new Member States and by 8 for the old Member States to take into account the length of the programming period actually covered.*

5.2.1 Administrative costs

On the basis of data collected in the framework of regional studies, administrative costs per EUR 100 FIG vary from EUR 1 to 42.

Figure 39: Map of administrative costs per EUR 100 FIG



Source: Ernst & Young data collected through desk research and interviews

For all MS, complete data could be gathered at national level except for the following countries:

- the data for France is based on a rationalisation of costs calculated for the Cornouaille region.
- the data for Italy is based on a rationalisation of costs calculated for Sicily.
- the data for Spain is based on a rationalisation of costs calculated for Andalucia.
- the data for Sweden is based on a rationalisation of costs calculated for the out of Objective 1 programme.
- the data for the Netherlands is based on a rationalisation of costs calculated for the out of Objective 1 programme.

Although there is no clear link between administrative costs and types of management systems, decentralised and/or complex systems with regional multifund programmes appear to be less efficient.

At first sight, analyses do not underline any organisation that is more efficient than another. However, it appears that costs are higher in complex structures with many regional multifund programmes as in Italy (type 3) and in decentralised systems such as in Germany (type 1).

Administrative costs are often, but not always, connected to management and implementation system efficiency.

- ▶ High costs in Germany also contributed to improving response to the need for support and proximity at local level. On the contrary, costs in Poland were very low (EUR 2 per EUR 100 FIG); however, they were considered to be insufficient for efficient programme implementation, especially in the primary phase, and also too scarce to favour applications' rapid processing. The lack of personnel and means allocated to implementation is one of the reasons for Poland's tardy implementation and poor achievement rate at 31/12/2008. Progress in 2009 illustrates the fact that a lengthy launch period was needed to get the programme into its stride.

Costs are generally higher in small MS, which seems to indicate that a need exists for a critical budget mass under which implementation becomes less efficient.

- ▶ As in other countries with a small FIG budget, FIG administrative requirements seem to have been too high in the Netherlands. This led to problems in fund implementation, with current procedures which were inadequate or not complied with. This was often due to a lack of administrative competence, motivation or resources. Scale economies which MS could benefit from due to larger budgets are not fruitful here; this led to an over representation of administrative costs as compared to the budget and a strain on the responsible administration's resources. As far as the Flevoland programme is concerned, the integration of the small FIG budget into a much larger multifund programme enabled FIG actions to benefit from current resources and knowledge to implement the overall programme. This mechanism no longer exists with the EFF.

5.2.2 Transaction costs

While collecting information for the case studies, evaluators asked the interviewed final beneficiaries for some information on the transaction costs attached to the projects were granted FIG for. This information was reprocessed and gives the following results.

Figure 40: Transaction costs per EUR 100 granted by the FIG

MS	€/100€	€/100€ ¹
Germany	1,3	1,3
Denmark	0,4	0,4
Spain	1,4	1,4
France	20,6	6,3
Latvia	12,0	12,0
Poland	0,7	0,7
UK	71,0	4,7
Average	15,3	3,8

Source: Ernst & Young data collected through desk research and interviews

¹ the second column shows the proportion of transaction costs in projects other than organisation by members of the trade or projects led by sector associations. See below for explanation.

Projects held by trade member associations had much higher transaction costs in proportion to their total grant because their main costs were administrative, and their point was not to make the investment directly worthwhile for the project holder but to generate improvements for members and represented stakeholders.

In Scotland for example, out of the 15 projects supported under measure 44, 5 were presented by the Sea Fish Industry Authority and Seafood Scotland.

Focus was on training and promotion (Seafood Scotland stand at the Brussels seafood show).

Focus was on training and promotion (Seafood Scotland stand at the Brussels seafood show).

- ▶ The training programme supported throughout the whole of the UK benefited more than 10,000 fishermen and was granted 100% public funding. The marine and fisheries agency made training mandatory. The number of fatal accidents dropped from approximately 30 in 2001 to less than 20 in 2008. These training sessions involved mainly administrative costs and very little other investments. However the impact was tremendous. The SFIA was awarded a total of £902,000 of which £800,000 were spent on administrative aspects.
- ▶ The quality and responsible fishing scheme supported by the Scottish Salmon Producers Organisation (SSPO) also mainly involved administrative costs (personnel to run the project) and was of great consequence as it became the "British standard responsible fishing scheme", a national UK programme involving more than 500 vessels.

Analysis of figures and results from interviews show that transaction costs were reduced in proportion with:

- Major projects;
- Large project holders;
- Applicants who were granted funds for several projects.

Small project holders encounter specific difficulties:

- They often do not possess grant application know-how and have difficulties in accurately reporting to the Managing Authority; they often lose part of their grant,
- They require proximity, an identified contact person and support from the Managing/ implementing authority.

The administrative workload is very often perceived as too heavy, especially by project holders who are applying for the first time. The time spent in collecting the necessary documents is the bulk of the work, as well as the effort of keeping original invoices. This was mostly the case in non-objective 1 regions where the FIG co-funding rate is quite low and where no other public funding is proposed to create an incentive for submitting new projects.

6 Impact of FIG fleet measures

Evaluation question Q5.1: What have been the impacts of the FIG's fleet measures?

Synthesis

- ▶ Approximately **11,530 vessels (1 488 000 kW)** were decommissioned as a result of the FIG's measures (7,366 vessels scrapped with measures 11, 12 and 13, plus 4,161 decommissioned and registered under measure 23 to be rebuilt with measure 21) from 2001 to 2009. Axis 1 measures (withdrawal with public financial support), represented 36 % of all vessels removed, 71% of the tonnage (GT) and 77% of the power (kW);
- ▶ Approximately **3 030 new vessels (510 000 kW)** received FIG support from 2001 to 2009 for their construction; representing 24% of all new vessels, 49% of the power and 46% of the tonnage;
- ▶ The “net” (entry-exit) result was the withdrawal of at least **9,423 vessels** (considering that although not registered in measure 23, a number of vessels were scrapped to allow construction of new vessels with measure 21 in some MS) representing **1.142 m kW**, i.e. 77 % of EU fleet capacity (kW) at the beginning of the programme
- ▶ FIG contributed to the **modernization of 7,900 vessels** (9,5% of the EU fleet, representing 34% of its tonnage in GT and 26% of its power in kW), which comprised primarily large units using active fishing gears

Regarding fleet renewal:

- ▶ A significant FIG incentive effect (and MAGPs) until 2004: entry-exit annual rhythm divided by two after 2004.
- ▶ The FIG has been partially effective in lowering the age of the EU fleet, but has clearly contributed to the reduction of the age of kW in Spain and Poland where its contribution to national fleet renewal has been greatest.

Regarding adjustment of the fishing effort:

- ▶ Potential effect of FIG 2000–06 on EU catches: decrease of 450 000 t (a third of overall catch reduction in the period), and two thirds (> 900 000 t), if measure 23 effects taken into consideration
- ▶ Net causal effects difficult to assess as the reduction in catches is mostly due to external factors, in particular the decrease in fish stocks and the resource policy (quotas).

Regarding the fleet's economic performances:

- ▶ At the EU level, average FIG support for fleet investments (axis 2) is low - EUR 1,375/vessel/year - but remains significant in some MSs and areas. Impacts on productivity and profitability of beneficiaries are likely to have occurred but cannot be precisely assessed.
- ▶ EU fleet economic performance increased during the period, but links with FIG support are difficult to establish (role played by FIG in productivity improvement).

Regarding employment:

- ▶ It is estimated that FIG support to fleet adjustment resulted in an employment reduction of about 14 000 FTE (30 000 with measure 23) in fishing, which would have nonetheless eventuated due to the decrease in fishing opportunities. Socio-economic measures (M42) supported 8 000 fishermen into retirement and/or for re-training (57% of the 14 000 FTE)
- ▶ At EU level, FIG grants for axes 2 and 4 measures represented EUR 1,250/year/ FTE in

the fishing sector (over EUR 2,000/year/FTE in 4 MS: BE, DK, ES, PL)

Regarding the overall lack of reliable information concerning the impacts of the “fleet measures” in INFOSYS and in most of the final reports, the analyses developed in this chapter are mainly based upon DG MARE data and statistics (INFOSYS, Fleet Register, EU fleet performances reports, EUROSTAT).

6.1 Different strategies for the mobilisation of the “fleet” measures within the EU

6.1.1 Changes in regulation and programming of the fleet measures

Programming and implementation of Axis 1 and Axis 2 measures were affected throughout the course of the 2000–06 programme by changes in EU fleet policy (end of POP IV late 2002 and introduction of the entry-exit regime in 2003) and through the phasing out of measures 12 (transfer), 13 (joint enterprises) and 21 (aid to construction of new vessels) at end 2004.

The following table presents the change in “fleet measures” programming (Axis 1 and Axis 2 plus support measures 42 and 45). It shows that most MS have significantly reduced the budget devoted to interventions in their fishing fleets. Although this was compounded by the impact of the oil crisis on the construction of new fishing vessels for which an administrative decision had been granted at the last minute. Moreover, in most of the MS, reprogramming only took place in 2006, which did not permit an effective reallocation of funds.

The overall final reduction in programmed FIFG funds was approximately 15% and €257m, of which more than half concerns Spain. Some MS, among the more historically involved in supporting their fleets (and still needing substantial reductions in their capacities), have on the contrary increased their budget (up 28% for Portugal, 20% for France and 7% for Greece). Italy, which is another MS faced with overcapacities, reduced the FIFG funds by only 2%.

Deprogramming of funds has been greatest in Germany, the UK, Sweden and Denmark, where the public strategy was more in favour of modernising the existing fleet than supporting the building of new vessels.

Figure 41: Change in programming of FIFG funds devoted to fleet measures: Axis 1 + Axis + 42 + 45 (in euros)

<i>in €</i>	First programming	Last programming	Change	%
Member States				
Belgium	10 760 000	7 723 460	-3 036 540	- 28
Cyprus	1 829 000	1 399 500	- 429 500	- 23
Denmark	89 000 000	56 312 020	- 32 687 980	- 37
Finland	6 220 000	4 717 436	- 1 502 564	- 24
France	83 500 000	99 869 653	16 369 653	20
Germany	42 066 000	6 150 402	- 35 915 598	- 85
Greece	100 188 998	107 503 865	7 314 867	7
Italy	165 061 000	161 706 790	- 3 354 210	- 2
Netherlands	19 470 000	15 384 732	- 4 085 268	- 21
Poland	126 976 182	93 126 839	- 33 849 343	- 27
Portugal	74 944 000	95 872 964	20 928 964	28
Spain	971 355 836	831 395 401	- 139 960 435	- 14
Sweden	24 000 000	12 736 394	- 11 263 606	- 47
United Kingdom	61 501 000	22 334 372	- 39 166 628	- 64
TOTAL	1 766 112 016	1 508 510 368	- 257 601 648	- 15

Sources: National programming documents

6.1.2 Final patterns in the use of the fleet measures

a) MS use of public resources for fleet measures

The following table presents the overall amount of public funds (FIG + national) allocated to the projects supported by FIG fleet measures in all Member States that have a fishing fleet. The table also states the amount of public funds mobilised in the framework of the "Morocco action" (Council Regulation (EC) No 2561/2001, which aims to promote the conversion of vessels and to support fishermen who were, up to 1999, dependent on the fishing agreement with Morocco)

At the EU level, priority axis 1 (scrapping + transfer + joint enterprises) takes precedence for public fund spending, with approximately 46% of "fleet measures". This significant weight of decommissioning measures is due to the 100% rate of public funding and in part to the context of fishing fleet management during the programme (matching MAGP IV objectives and suppression of public aids for building new vessels in 2004). Scrapping (measure 11) alone accounts for 40 % of total public spending related to FIG (FIG + national funds, including Morocco action). Construction of new vessels (measure 21) and modernisation (measure 22) follow with 25,5% and 8,5% respectively.

Finally, the Axis 4 support measures accounted for 20% of public funds in relation to the mobilisation of measure 45, compensating for the temporary closure of the anchovy fisheries in Spain, Portugal and France and the consequences of the sinking of the oil tanker *Prestige* in Spain (an extra EURO 30 mil was transferred from the Morocco action for this purpose).

Figure 42: Total public funds (FIG + national funds) allocated to projects subsidised by FIG fleet measures, per MS and measure (Final figures – in '000 €)

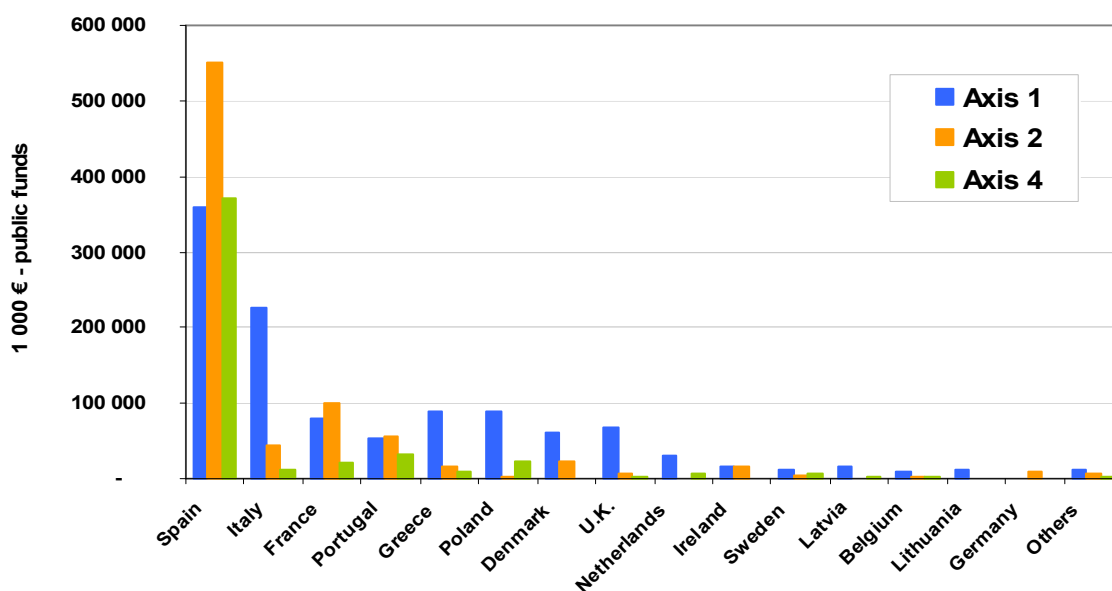
Member States	11	12	13	21	22	41	42	45	Total	
	Scrapping	Transfer & reassignment	Joint enterprises	Construction of new vessels	Modernisation of existing vessels	Small-scale coastal fishing	Socio-economic measures	Temporary cessation of activities		
Belgium	9 323	0	0	0	2 880	0	0	1 496	13 700	0,6%
Cyprus	1 897	398	0	0	328	0	0	0	2 623	0,1%
Denmark	58 935	2 353	0	6 388	16 987	0	0	0	84 662	3,4%
Estonia	968	3 255	0	431	1 563	0	440	0	6 657	0,3%
Finland	4 132	345		2 162	1 760	621	146	329	9 495	0,4%
France	70 060	7 522	1 133	66 002	33 291	2 906	9 118	8 993	199 024	8,1%
Germany	432	388	0	1 451	7 752	0	116	73	10 211	0,4%
Greece	87 150	1 003	400	7 513	8 848	96	8 527		113 537	4,6%
Ireland	15 967	0		12 017	4 112	7	163		32 266	1,3%
Italy	205 534	16 195	3 812	18 149	25 873	5 117	5 552	1 257	281 488	11,4%
Latvia	16 590	812	0	0	438	363	2 037	0	20 239	0,8%
Lithuania	11 393	112	0	0	0	0	350	0	11 855	0,5%
Malta	497	0	0	199	160	0	0	0	857	0,0%
Netherlands	11 430	19 756	0	0	0	0	1 117	4 868	37 170	1,5%
Poland	83 214	5 287	0	0	1 255	659	15 376	6 935	112 726	4,6%
Portugal	38 513	578	5 393	48 252	6 611	201	7 386	19 843	126 776	5,2%
Portugal (Morocco)	5 082	2 242	1 280	0	157	0	4 773	0	13 534	0,5%
Slovenia	0	0	0	0	0	311	0	0	311	0,0%
Spain	188 130	564	37 148	463 508	84 533	13 402	13 590	313 777	1 114 651	45,3%
Spain (Morocco)	91 589	599	40 600	0	2 943	0	31 229	0	166 960	6,8%
Sweden	11 923	284	0	899	3 324	756	89	5 399	22 674	0,9%
United Kingdom	68 559	0			7 400	50	0	3 434	79 443	3,2%
Total 20 MS	981 316	61 694	89 767	626 970	210 215	24 488	100 006	366 403	2 460 859	100%
	39,9%	2,5%	3,6%	25,5%	8,5%	1,0%	4,1%	14,9%		
	Axis 1 : 46 %			Axis 2 : 34%		Axis 4 measures : 20%				

Source: Infosys and final tables for the Morocco action

The table above and figure below highlight the final use of the measures by each MS and demonstrate a distinction between different patterns in FIG implementation. Of particular note is the importance of public resources dedicated

- in Spain, France and Portugal, to the construction of new vessels and modernisation. The public funds dedicated to Axis 2 were great than those for Axis 1 in these MS (Including Morocco action);
- In Spain, to compensation for temporary cessation of activity (the 300 m EUR dedicated to this measure in Spain are above the overall public spending for fleet in each other MS)
- in Italy, Greece, Poland, Denmark and the UK to scrapping, transfer-reassignment and joint enterprises. Axis 1 was also important in Spain (359 m EUR) and Portugal (53 m EUR), including Morocco action.

Figure 43 : Weight of the various axes in the “fleet” domain regarding public support (FIGF + national funds).



Sources: Infosys and Morocco action final tables

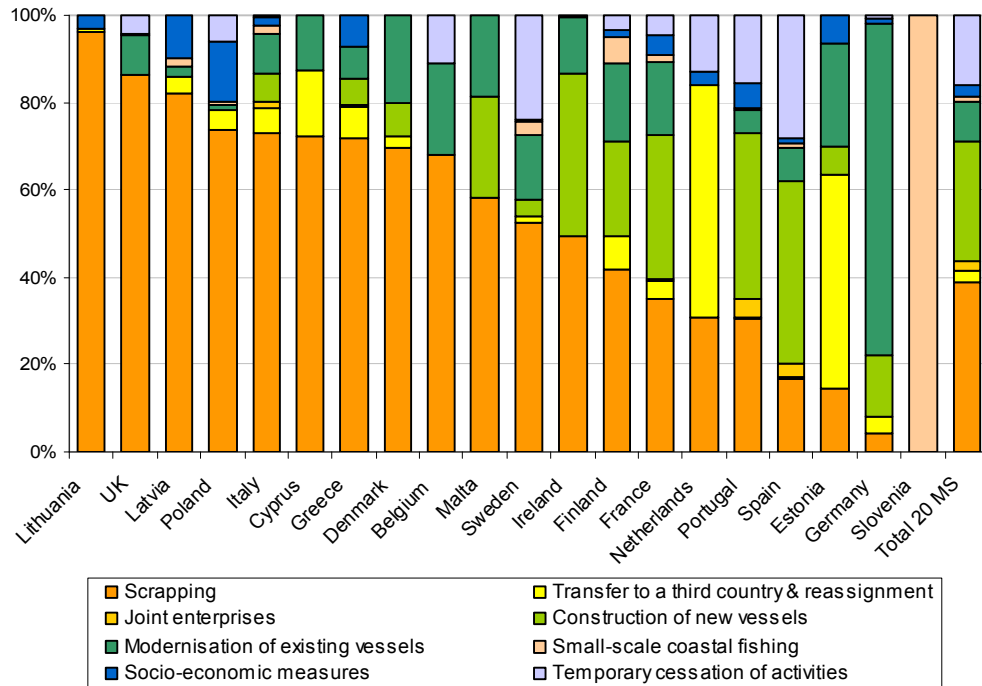
b) MS relative use of the different types of fleet measure (“fleet toolbox”)

In relative terms, the mobilisation of the FIGF “fleet toolbox” in the various MS appears to be contrasting (see figure 38, next page), with the following patterns:

- ▶ The decommissioning measures were mostly used in the new MS₂ faced with the necessity of restructuring their old and low competitive fleets (and because of their entry after the phasing out of measure 21, in 2004), and also in the UK, where the policy was clearly not in favour of heavy supports for investments in the fleet, but mostly intending to match the POP IV objectives, with the best “value for money” (the UK has deprogrammed 64% of FIGF funds initially devoted to fleet measures). Scrapping of numerous old vessels has been as great in Italy and Greece, Transfer and reassignment measures have been significantly undertaken in the Dutch and Estonian programmes;
- ▶ The “renewal” measure (21) was widely used to support construction of new vessels in most of the main fishing countries (Spain, France, Portugal, Italy, Ireland, etc.) excluding the UK (policy not in favour of supporting private investment).

- ▶ The “Modernisation” measure (22) was often of little importance in Germany, Estonia, Denmark, Sweden and Belgium, where fleets are mainly composed of industrial and large vessels, relatively easy to modernise.

Figure 44: Mobilisation of the various “fleet” measures by MS (FIG + national funds)



Source: Infosys at 31/12/2008

6.1.3 Co-funding rates effects

Scrapping (measure 11) alone accounts for 39% of total public spending related to FIG (FIG + national funds). Construction of new vessels (measure 21) and modernisation (measure 22) come next with 25% and 16% respectively.

Public co-funding rates were different depending on the measures in the FIG 2000–06 programme: with 100% of public funds for Axis 1 measures, for measure 42 (socioeconomic measures) and measure 45 (compensation for temporary cessation). Measures supporting private investment (Axis 2) were co-funded from 30% to 40% depending on the area (obj 1 / non obj 1) and the national authorities' choice.

The following table highlights the fact that co-funding rates are linked to achievement rates, with two main findings:

- ▶ For all the measures, achievement rates are higher in objective 1 programmes, even for Axis 1 measures that were 100% public funded;
- ▶ There is a link between high FIG co-financing rates and favourable achievement rates. This underlines both the leverage effect of FIG and the fact that the lack of national funds was a problem in many MSs.

Figure 45: Public co-funding and achievement rates per fleet measure and programme (excluding "Morocco action")

	Objective	Programming		Achievement		FIFG Co-financing rate	Public (FIFG + National) co-financing rate	Achievement rate
		FIFG	National	FIFG	Total			
M 11	Non-Objective 1	172 608 136	174 065 398	165 585 304	339 568 286	49%	100%	96%
	Objective 1	321 303 095	163 842 828	381 151 532	545 056 854	70%	100%	119%
M 12	Non-Objective 1	16 758 267	13 876 351	13 867 369	27 743 719	50%	100%	83%
	Objective 1	15 669 901	13 244 799	17 864 411	31 109 211	57%	100%	114%
M 13	Non-Objective 1	4 874 575	1 150 404	1 108 993	2 259 397	49%	100%	23%
	Objective 1	28 323 948	10 877 645	34 749 229	45 626 874	76%	100%	123%
M 21	Non-Objective 1	147 577 466	102 735 882	99 321 603	531 512 640	19%	38%	67%
	Objective 1	324 607 170	65 084 859	359 827 426	961 643 470	37%	44%	111%
M 22	Non-Objective 1	74 029 705	50 405 646	56 356 984	347 524 634	16%	31%	76%
	Objective 1	100 840 137	14 990 544	85 361 884	245 659 447	35%	41%	85%
M 41	Non-Objective 1	3 097 181	2 149 379	2 145 245	5 429 771	40%	79%	69%
	Objective 1	14 374 055	6 468 159	13 725 100	22 740 112	60%	89%	95%
M 42	Non-Objective 1	11 581 642	6 234 640	5 882 565	70 443 147	8%	17%	51%
	Objective 1	31 289 730	17 841 277	34 046 074	52 501 045	65%	99%	109%
M 45	Non-Objective 1	35 224 328	20 447 337	18 910 906	39 358 244	48%	100%	54%
	Objective 1	235 478 403	65 704 040	261 340 965	327 113 354	80%	100%	111%

Source: Infosys

6.2 Contribution of FIFG measure to fleet entry-exit balance

The following analyses are based on INFOSYS and EU Fleet Register data. Infosys indicators were not considered sufficiently reliable and homogeneous to detail the type of fleet that was impacted by FIFG. Therefore, beneficiaries of FIFG subsidies were identified in Infosys through their vessel registration numbers, which was then compared with Fleet Register data to retrieve vessel characteristics (length, capacity, age, main fishing equipment...). Yet, the data used in this analysis is not flawless and some discrepancies were found between the two sources. All limits on results' interpretation will be explicitly specified in the following analyses.

6.2.1 Impact of the FIFG on fleet exit

The decommissioning of fishing vessels with the support of the FIFG 2000–06 programme took place from 2000 to 2009 (according to fleet register information). Out of the 16,015 vessels recorded in the fleet register as scrapped over the period 2000–09, 6,798 (42%) vessels could be matched with Infosys for measure 11.¹⁴ We estimate that the margin of error resulting from the quality of data is around 2%. The capacity retired with the support of the FIFG 2000–06 programme is about 826,000 kW, corresponding to 307,000 GT.¹⁵

A significant number of vessels were decommissioned with the support of the FIFG 1994–99 programme in 2000, and at the beginning of 2001. During the 2001–07 period, when taking into account the vessels which were withdrawn without public aid but which were declared whenever decommissioned vessels representing 57% of the power (kW) and 49% of the gross tonnage (GT), associated to construction a vessel with public aid, the FIFG made grants to more than half of the

¹⁴ 54 vessels were not match between the two files because of discrepancies in the dates (48 of which were paid for according to Infosys); 356 vessels under M11 were recorded in the Fleet Register as "Change of activity - exit" but were never recorded as being scrapped (70 of which received money under M11); 1,690 vessels appear to be still in activity (seven of which were paid for under M11 according to Infosys).

¹⁵ Member States were not required to indicate the capacity in GT until 1997/98 and the transition in the recording requirements could have led to a slight underestimate of the measure in GT according to DG MARE.

a) Contribution of measure 11 to fleet exit

Figure 46: Contribution of measure 11 to the scrapping of fishing vessels (2000 to 2009) – (excluding Morocco action)

	Year of destruction	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Scrapping 2000-07
Scrapping without public support	Capacity (Gt)	450	18 077	40 600	16 444	28 345	42 693	38 791	26 314	7 793	596	220 102
	Capacity (kW)	188 700	98 560	97 831	112 876	88 735	88 377	57 716	62 720	145 484	33 321	974 319
	Fleet nb	2 064	1 052	844	942	884	999	824	567	788	253	9 217
	Age	29	30	30	30	31	32	33	33	31	31	31
Scrapping with FIG financial support	Capacity (Gt)	47 616	28 814	30 686	37 883	30 741	33 403	15 174	28 865	43 278	10 782	307 242
	Capacity (kW)	2 723	91 583	171 191	75 418	111 277	136 164	120 925	85 695	28 757	2 189	825 922
	Fleet nb	31	793	1 540	774	1 059	961	742	592	283	23	6 798
	Age	24	29	30	29	31	31	32	34	31	27	31
Total	Capacity (Gt)	48 066	46 891	71 286	54 327	59 086	76 096	53 965	55 179	51 071	11 378	527 344
	Capacity (kW)	191 423	190 143	269 022	188 294	200 012	224 541	178 641	148 415	174 241	35 509	1 800 241
	Fleet nb	2 095	1 845	2 384	1 716	1 943	1 960	1 566	1 159	1 071	276	16 015
	Age	30	30	30	31	32	32	33	33	31	31	31
	% FIG Gt	1%	39%	57%	30%	48%	56%	72%	48%	15%	5%	42%
	% FIG kW	1%	48%	64%	40%	56%	61%	68%	58%	17%	6%	46%
% FIG number	1%	43%	65%	45%	55%	49%	47%	51%	26%	8%	42%	

Source: Infosys and EU fleet register

When taking into consideration the projects granted through measure 11 of Morocco action, the overall contribution of M 11 to scrapping during 2000-09 is estimated to be 43% of the vessels, 49% of the power (kW) and 46% of the tonnage (GT).

The average age of vessels scrapped with FIG aid (31 years) appears no different from the age of vessels scrapped without public aid (no specific focus by the FIG on older fleets).

b) Contribution of measures 12 & 13 to fleet exit

The contribution of measures 12 (transfer or reassignment) and 13 (joint enterprises) to fleet exit appear to be significantly lower than those of measure 11 (figure 41), with 5,5% of the boats, 15,2% of the power (kW) and 20,4% of the tonnage withdrawn with the FIG's Axis 1 support.

Figure 47: Contribution of measures 11, 12 and 13 to fleet exit

Measures	Vessels	Power	Tonnage	Vessels	Power	Tonnage
	(number)	(kW)	(GT)			
M 11	6 798	825 922	220 102	92,3%	79,0%	72,1%
M11- Morocco action	167	60 083	22 592	2,3%	5,7%	7,4%
M 12	280	87 093	20 537	3,8%	8,3%	6,7%
M12- Morocco action	7	1 944	1 003	0,1%	0,2%	0,3%
M 13	51	47 076	27 442	0,7%	4,5%	9,0%
M13- Morocco action	63	23 387	13 520	0,9%	2,2%	4,4%
Total	7 366	1 045 504	305 197	100%	100%	100%

Source: Infosys and EU fleet register + final table for Morocco action

Measure 12 has been significantly used in some MS (NL, IT and FR) and 97 (85.1%) of the 114 vessels that benefited from measure 13 supports were Spanish (61 of which were granted through the Morocco action)

Another 26% of decommissioned vessels were registered under FIG measure 23 (withdrawal without public financial aid), 92% of which were registered in Spain. The Spanish authorities

demonstrated a solid understanding of the incentive effect of the measure which made it possible to make capacities quickly available (regarding the entry-exit regime) as a counterpart for the construction of new vessels and/or extension of capacities linked to modernisation projects. The other interest in using measure 23 rather than Axis 1 measures is that the capacities remained within the reference level of the MS (as not having benefited from public funds).

c) Contribution of measure 23 to fleet exit

To the fishing vessels decommissioned through measure 11, 12 and 13, one should add those which were decommissioned without any public support between 2000 and 2007, sometimes as counterpart for construction of new vessels (which should have been registered under Measure 23) or extension of capacity linked to modernisation of existing vessels, depending on the policy choices of the MS authorities (level of capacities regarding MAGP IV targets) and/or on the availability of public funds.

Figure 48: Contribution of measure 23 to decommissioning¹⁶

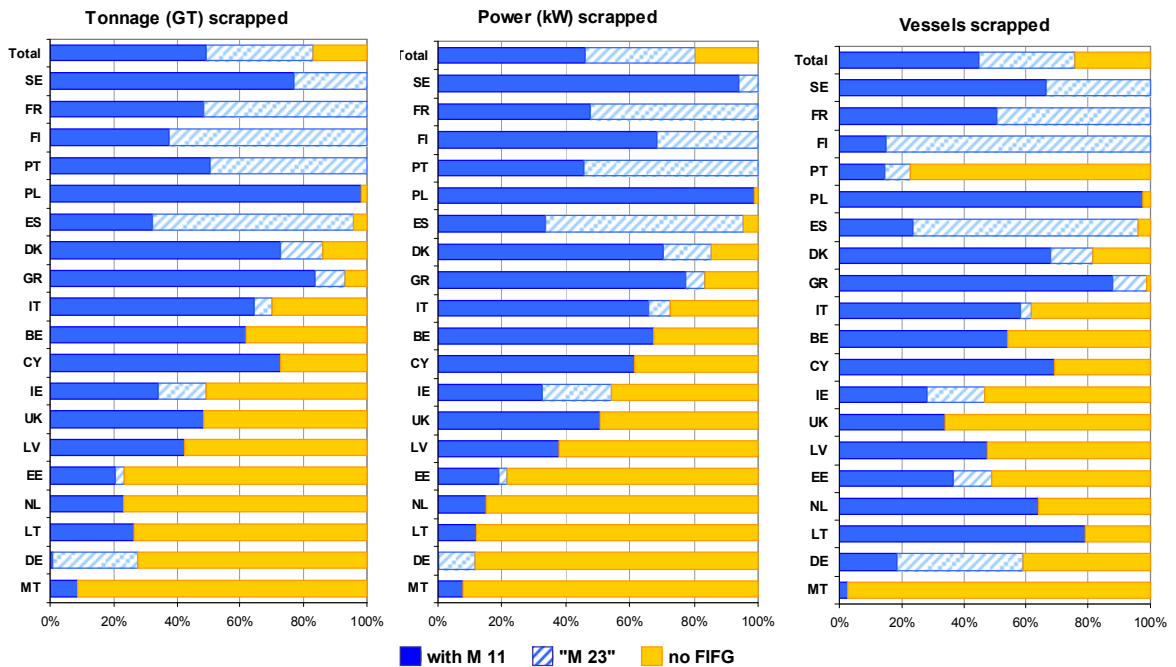
	Year of destruction	2 000	2 001	2 002	2 003	2 004	2 005	2 006	2 007	2 008	2 009	Total 2000-09
Decommissioning without public aid registered as M 23	Capacity (Gt)	21 562	18 642	17 023	18 359	21 307	13 988	9 488	10 838	6 575		137 783
	Capacity (kW)	68 142	56 670	57 098	58 066	63 598	44 883	35 877	31 592	27 013		442 940
	Fleet nb	752	466	458	514	479	540	442	255	255		4161
	Age	33	33	33	35	34	38	37	34	33		35
Total of vessels scrapped	Capacity (Gt)	48 066	46 891	71 286	54 327	59 086	76 096	53 965	55 179	51 071	11 378	527 344
	Capacity (kW)	191 423	190 143	269 022	188 294	200 012	224 541	178 641	148 415	174 241	35 509	1 800 241
	Fleet nb	2 095	1 845	2 384	1 716	1 943	1 960	1 566	1 159	1 071	276	16 015
	Age	30	30	30	31	32	32	33	33	31	31	31
% of projects registered as M 23	% FIGG GT	45%	40%	24%	34%	36%	18%	18%	20%	13%	0%	26%
	% FIGG kW	36%	30%	21%	31%	32%	20%	20%	21%	16%	0%	25%
	% FIGG number	36%	25%	19%	30%	25%	28%	28%	22%	24%	0%	26%

Source: Infosys and EU fleet register

Considering that only Spain properly and “completely” registered under M 23, the vessels scrapped without public aid, as counterpart of new capacities entered with public support (M 21 and/or M22) it is relevant to consider that (regarding the fleet policy rules) in other Member States the new capacities built with FIGG support have been counteracted by the withdrawn of equivalent capacities that should have been registered under M 23 (considering that all MS matched their fleet capacity targets). Using this rationale, the number of vessels and capacities built with FIGG aid (M 21) in each Member State may be considered as the theoretical minimum for “Measure 23” registration. On this basis, contributions of measure 11 and “measure 23” (theoretical) to decommissioning appear significantly different between MS (see figure below).

¹⁶ About half of the vessels that benefited from measure 23 were withdrawn but not scrapped.

Figure 49: FIFG contribution (measures 11 and M 23) to scrapping (in %, including Morocco action)



A particularly low contribution of measure 11 is observed in Spain, where only 24% of the vessels scrapped, including Morocco action, benefited from FIFG aid (average of 42% at EU level). This under-utilisation of measure 11 is counterbalanced by high adoption of measure 23, which is more efficient regarding the objective of making capacities quickly available for the construction of new vessels.

In some MS (FI, FR, PT, SE), the theoretical counterparts for M 21 added to M 11 results, are greater than the overall number of boats and capacities scrapped, so that it can be considered that FIFG contributed to more than 100 %. This is due to the fact that numerous vessels exited the fleet register during the programme, without being scrapped (registered as “change of activity –exit”) and providing available capacity for building new vessels.

d) Contribution of measure 11 by fleet segment

FIFG measure 11 has mostly supported the destruction of vessels using passive gears, which represented 65% of the vessels scrapped with FIFG aid, with capacities under the average of the fleet (32% of the kW and 23% of the GT).

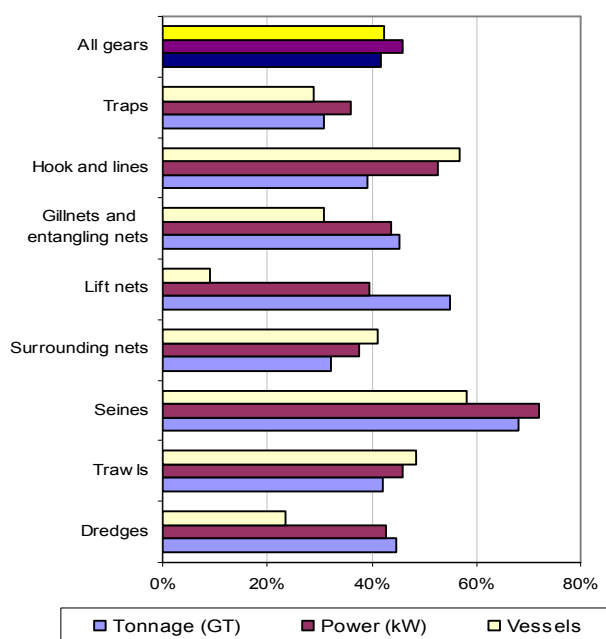
But, in term of capacity scrapped, trawlers account for 57% of the total power (kW) and for 68% of the tonnage (GT).

Figure 50: Contribution of measure 11 to scrapping, by segment (main gear registered) except Morocco action

Gear category	Measure 11			Total scrapping			% measure 11/total		
	Tonnage (GT)	Power (kW)	Vessels (number)	Tonnage (GT)	Power (kW)	Vessels (number)	Tonnage (GT)	Power (kW)	Vessels (number)
Dredges	1 861	9 171	40	4 178	21 429	171	45%	43%	23%
Trawls	149 733	469 990	1 759	356 248	1 024 551	3 631	42%	46%	48%
Seines	2 144	10 582	94	3 147	14 701	162	68%	72%	58%
Surrounding nets	15 296	73 458	501	47 518	195 549	1 216	32%	38%	41%
Lift nets	20	99	1	37	251	11	55%	39%	9%
Gillnets and entangling nets	22 709	115 178	1 875	50 168	263 275	6 085	45%	44%	31%
Hook and lines	20 873	119 673	2 301	53 100	227 013	4 042	39%	53%	57%
Traps	1 024	9 162	167	3 316	25 369	580	31%	36%	29%
Unknown	6 441	18 610	60	9 632	28 104	117	67%	66%	51%
Total	220 102	825 922	6 798	527 344	1 800 241	16 015	42%	46%	42%

Source: Infosys and EU fleet register

Figure 51: Contribution of FIGG to scrapping, by segment (% of measure 11 beneficiaries in total scrapped vessels, excluding Morocco action)



Source: Infosys and EU fleet register

Vessels operating with seines as main gears appear as having benefited significantly more from measure 11 support (58% of the vessels for 72% of the power), But it has to be remembered that the number of vessels in this segment is low. Contribution of measure 11 to the reduction in tonnage and power by scrapping is more balanced for the other segments,

6.2.2 Impact of the FIG on entry of new vessels

a) Contribution of measure 21 to the construction of new vessels

From 2000 to 2009, the FIG directly supported the construction of less than 25% of new EU fishing vessels

12,373 new vessels were registered in the EU Fleet Register between 2000 and 2009, of which 3,030 have been identified as beneficiaries of the FIG 2000-2006 programme (some measure 21 projects have no fleet number in INFOSYS). The average capacity of vessels subsidised by FIG appears to be superior to that of non-subsidised new vessels: **the total capacity entered with FIG 2000-2006 support is about 500,000 kW, which represents 36% of new capacities for the period** (for only 24% of vessels).

During the 2002–2006 period, about one third of new vessels and more than 50% of new capacities were directly supported by FIG funding. In addition, one should note that indirect aid was received by boat owners who were able to use an FIG grant received for withdrawing one of their vessels, to replace another of their vessels which they had withdrawn without public aid (see case studies for Poland and Denmark)..

Figure 52: Contribution of measure 21 to the building of new vessels (Infosys + Fleet register)

		Year of construction										Total 2000-09
		2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	
Construction without FIG	Capacity (kW)	210 489	145 699	108 875	68 137	82 473	58 143	65 985	56 645	72 462	19 338	888 246
	Number of vessels	1 552	1 355	1 115	997	937	846	777	781	756	227	9 343
Construction with M 21 aid	Capacity (kW)	12 887	28 288	70 822	81 778	105 336	92 998	69 623	38 469	9 280	290	509 771
	Number of vessels	69	207	342	423	515	711	479	210	69	5	3 030
Total construction	Capacity (kW)	223 376	173 987	179 698	149 915	187 809	151 141	135 608	95 113	81 742	19 628	1 398 017
	Number of vessels	1 621	1 562	1 457	1 420	1 452	1 557	1 256	991	825	232	12 373
	% FIG / kW	5,8%	16,3%	39,4%	54,5%	56,1%	61,5%	51,3%	40,4%	11,4%	1,5%	36%
	% FIG / number	4,3%	13,3%	23,5%	29,8%	35,5%	45,7%	38,1%	21,2%	8,4%	2,2%	24%

These results must be considered carefully in relation to the fact that entries take place between 1 and 5 years subsequently to adoption of the administrative decision. In the first years of the programme, entries were financed under FIG 1994-1999. The same was true at the end of the programming period, since entries financed under the 2000-2006 programmes took place until 2008.

Measure 21 has mostly benefited fleets of the old MS, particularly Spain, France and Portugal (figures below). Among the new MS, only Estonia has implemented the measure, with FIG support for 85% of vessels built during the period.

Figure 53: Contribution of measure 21 to construction of new fishing vessels

Old MS	Total power (kW)		kW build		% kW added from 2000	of which with M21
	2000	2007	With M 21	With no aid		
BE	63 453	60 620	-	8 544	14%	0%
DE	163 743	161 243	1 463	8 119	6%	1%
DK	386 136	263 855	10 720	40 664	19%	3%
ES	1 382 799	1 023 367	320 676	85 887	40%	23%
FI	203 557	169 813	10 205	9 721	12%	5%
FR	1 111 282	1 070 652	83 371	187 776	25%	8%
IE	208 759	195 838	6 380	61 132	34%	3%
IT	1 462 130	1 144 811	18 846	161 061	16%	1%
NL	503 640	343 943	-	66 159	19%	0%
PT	394 122	384 136	40 722	70 172	29%	10%
SE	236 269	208 198	5 462	24 780	15%	2%
UK	974 882	838 691	-	85 071	10%	0%
BE	63 453	60 620	-	8 544	14%	0%
Total Old MS	7 719 361	6 375 251	509 440	876 673	22%	7%
CY	53 034	49 241	-	252	0,5%	0,0%
EE	64 967	45 974	331	57	0,8%	0,5%
LT	80 680	59 765	-	22	0,0%	0,0%
LV	74 251	61 080	-	398	0,7%	0,0%
MT	99 058	85 277	-	6 620	7,8%	0,0%
PL	160 986	98 961	-	2 609	2,6%	0,0%
SI	10 974	10 653	-	61	0,6%	0,0%
Total New MS	543 949	410 952	331	10 020	2,6%	0,1%

Figure 54: Contribution of measure 21 to construction of new vessels (Infosys + EU register)



b) Contribution of measure 21 by fleet segment

Contribution of measure 21 to the entry of new vessels by type of gears is very similar to measure 11 (scrapping): Vessels using passive gears are predominant (65% of measure 21 beneficiaries) but their capacities account for only 36% of the power (kW) and 26% of the tonnage. In terms of new capacities entered, vessels using trawls and surrounding nets account respectively for 42% and 24% of the power (kW) and 49% and 29% of the tonnage (GT).

The contribution of measure 21 to the construction of new vessels has been greater in the trawls and surrounding nets segments.

About 40% of the new vessels using trawls and surrounding nets benefited from FIFG aid, against 24% on average for all segments.

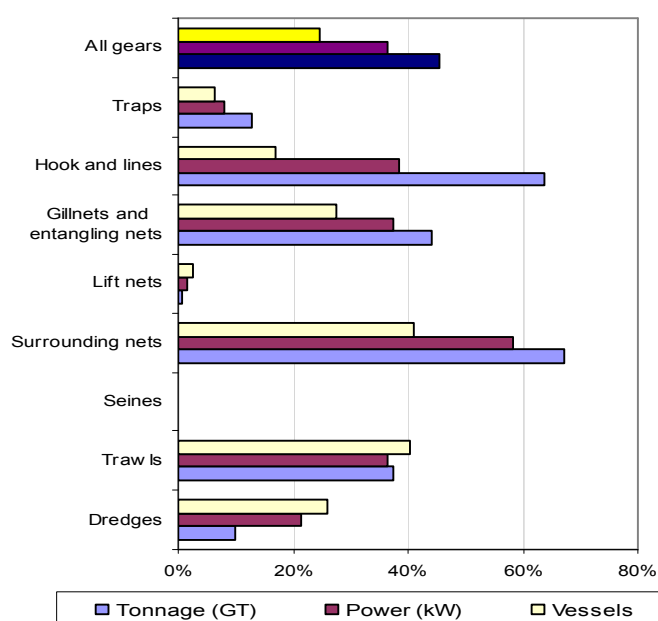
The contribution of measure 21 to the entry of large boats appears important for the “hook and lines” and the “surrounding net” segments where the tonnage built with FIFG support accounts for more than 60% of all the tonnage entered (including construction without public aid).

Figure 55: Contribution of measure 21 to construction of new fishing vessels, by segment

Gear Category	Measure 21			Total construction			% M21/total		
	Tonnage (GT)	Power (kW)	Vessels (number)	Tonnage (GT)	Power (kW)	Vessels (number)	Tonnage (GT)	Power (kW)	Vessels (number)
Dredges	918	6 983	57	9 122	32 560	219	10%	21%	26%
Trawls	101 652	216 566	749	272 500	594 789	1 855	37%	36%	40%
Seines	-	-	-	38	352	14	-	-	-
Surrounding nets	51 095	110 705	266	75 892	190 289	647	67%	58%	41%
Lift nets	10	73	1	1 300	4 659	41	1%	2%	2%
Gillnets and entangling nets	11 202	76 848	1 263	25 336	206 096	4 582	44%	37%	28%
Hook and lines	42 837	87 110	594	67 127	225 983	3 479	64%	39%	17%
Traps	678	11 228	97	5 256	139 691	1 500	13%	8%	6%
Unknown	26	258	3	705	3 599	36	4%	7%	8%
Total	208 418	509 771	3 030	457 276	1 398 017	12 373	46%	36%	24%

Source: Infosys and EU fleet register

Figure 56: relative contribution of measure 21 to construction of new vessels, per segment



6.2.3 Overall impact of axes 1 & 2 on EU fishing fleet capacity

The estimated net outputs of axes 1 and 2 were the exit of approximately 9 400 vessels, representing around 278 000 GT and 1,143 m kW.

The EU fishing fleet lost more than 20,400 vessels representing about 1.5 m kW and 395,000 GT from 2000 to 2009 (2004–09 for new MS). The balance between construction and destruction contributes only 18% of the decrease in the number of vessels and 27% of the power reduction (kW) (figure below). Other entries and exits (without construction or destruction mentioned in the fleet register) were mainly responsible for fleet reduction.

The following figure presents the contribution of each FIG measure to the change in the EU fishing fleet. Key observations are as follows:

- ▶ Axis 1 measures (Scrapping + M 12 and M 13) appear to account for more than a third (36%) of the reduction in the number of fishing vessels, 77% of the tonnage (GT) and 71% of the power (kW).
- ▶ Measure 21 supported the construction of only a quarter (24%) of new vessels built during the period, representing 46% of the tonnage (GT) and 36% of the power (kW).
- ▶ If measure 23 (not a financial aid, but only an indirect counterpart to new capacities entered) is taken into account, the overall contribution of the FIG to fleet reduction is far greater (46% of the vessels, 70% of the tonnage and 77% of the power).

Figure 57: Contribution of FIG to “entry-exit” balance (including Morocco action)

Overall evolution of the EU fleet	Vessels	GT	kW
1 - Destruction	- 16 013	- 527 287	- 1 800 017
2 - Construction	12 373	457 276	1 398 017
Balance construction - destruction (1 - 2)	- 3 640	- 70 011	- 402 000
3 - Overall fleet evolution (2000 - 2009) (*)	- 20 479	- 395 366	- 1 477 107
Fleet renewal (1 - 2) / 3	18%	18%	27%
FIFG intervention	Vessels	GT	kW
4 - Destruction with M11	- 6 965	- 242 695	- 886 005
5 - Construction with M21	3 030	208 418	509 771
Balance construction - destruction (5 - 4)	- 3 935	- 34 277	- 376 234
% Destruction with M11 (4 / 1)	43%	46%	49%
% Construction with M 21 (5 / 2)	24%	46%	36%
Exit with M12 and M13	- 401	- 62 503	- 159 500
6 - Total exit with Axis 1 (M11 + M12 + M13)	- 7 366	- 305 198	- 1 045 505
% Exit with Axis 1 (6 / 3)	36%	77%	71%
Exit with "M 23" (2)	- 5 087	- 181 639	- 607 238
7 - Total exit with FIFG (Axis 1 + M 23)	- 12 453	- 486 837	- 1 652 743
% total exit with FIFG (7 / 3)	78%	92%	92%
8 - Total entry-exit with FIFG (7 - 4)	- 9 423	- 278 419	- 1 142 972
Contribution of FIFG to fleet reduction (8 / 3)	46%	70%	77%

Source: Infosys and EU fleet register – (*) destruction / construction balance only explains a part of the evolution, many vessels entering and exiting the fleet register each year. (2) of which 4 161 registered under M 23 in Infosys.

A contrasting contribution by the FIG to fleet restructuring in the various Member States

The final balance in outputs of the various measures of the FIG 2000–06 programme is globally in favour of a reduction of national fleet power (figure below). However, the outputs appear contrasting between the MS, with:

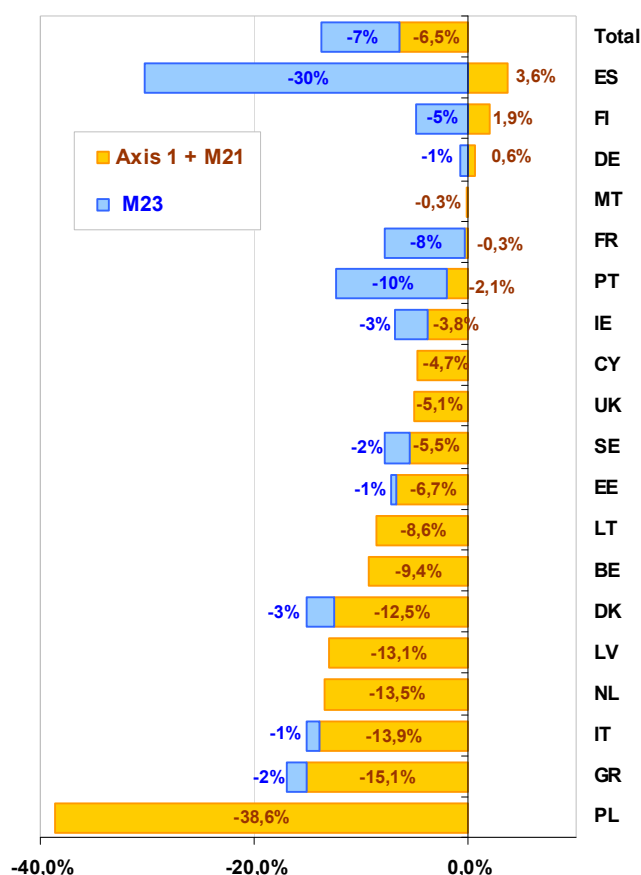
- ▶ A significant and positive net output of projects supported by the FIG in Spain, which contributed to the entry of approximately 50 000 kW, representing 3,6% of the capacity at the beginning of the programme (it has also to be considered that 418 000 kW were registered under FIG measure 23 in Spain, as counterpart of new capacities entered with Axis 2 financial support);
- ▶ Slightly positive balances in Finland and Germany (negative if M23 taken into consideration);
- ▶ A very significant contribution from the FIG to the reduction of the power of the Polish fishing fleet (down 39%);
- ▶ Significant (>10%) contribution to the reduction of fleet power in Greece, Italy, the Netherlands, Latvia and Denmark;
- ▶ France and Portugal obtained quite neutral outputs of FIG fleet measures regarding the overall power of their fleets.

Figure 58: Cumulative outputs of FIG measures on fleet power (kW) in the Member States (table in value and figure in % of the overall power)

Results of FIG on fleet power (kW)				
MS	Exit (1)	Entry (2)	Entry-exit	"M 23" (3)
BE	-7 584		-7 584	
CY	-2 515		-2 515	
DE	-445	1 463	1 018	-1 463
DK	-59 752	10 720	-49 032	-10 720
EE	-4 710	331	-4 378	-331
ES	-270 748	320 676	49 928	-418 144
FI	-6 426	10 205	3 780	-10 205
FR	-87 183	83 371	-3 812	-83 371
GR	-106 697	11 593	-95 103	-11 593
IE	-14 309	6 380	-7 928	-6 380
IT	-222 243	18 846	-203 397	-18 846
LT	-5 486		-5 486	
LV	-9 698		-9 698	
MT	-283		-283	
NL	-68 159		-68 159	
PL	-62 101		-62 101	
PT	-48 897	40 722	-8 174	-40 722
SE	-18 522	5 462	-13 060	-5 462
UK	-49 748		-49 748	
Total	-1 045 504	509 771	-535 733	-607 237

- (1) Exit supported with axis 1 measures (11, 12, 13)
- (2) Construction with M 21
- (3) KW exited as counterpart of M 21

Source: Infosys and EU fleet register



6.3 Impacts on fleet modernisation

Measure 22 significantly contributed to the modernisation of EU vessels, partly focused on the most powerful units

The 7 907 vessels, beneficiaries of measure 22 and identified in Infosys through their fleet register number, represented 9,5% of the EU fleet at the beginning of 2007 and 26% of its capacity. This underlines the fact that FIFG funded projects concerned vessels with a capacity higher than the average fleet capacity.

Figure 59: Measure 22 contribution to fleet modernisation (including Morocco action)

	FIFG results 2000-06	Fleet 2007	% FIFG
Number of vessels	7 907	83 230	10%
Tonnage (GT)	575 763	1 692 818	34%
Power (kW)	1 745 834	6 786 203	26%
Age	21	26	
FIFG achieved (k€)	210 215		
FIFG / vessel (k€)	27		

Source: Infosys and EU fleet register + final table for Morocco action

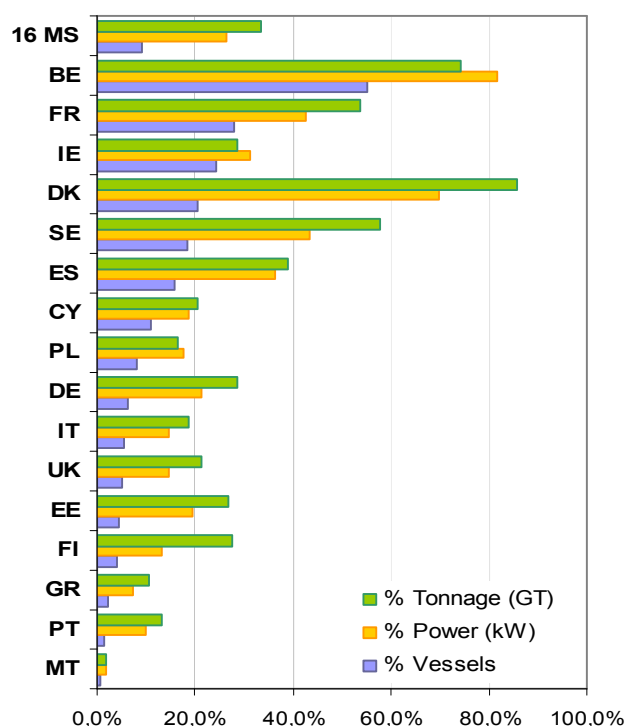
The FIFG contributed significantly to modernising the powerful fleets which operate in the north of the EU

Belgium and Denmark used Measure 22 extensively to support the modernisation of the more powerful segments of their fleets; subsidised vessels account for more than 70% of national capacities. **This confirms the relevance and effectiveness of support for modernising large units and, on the contrary, the greater difficulty in modernising small vessels.** In the Member States with numerous small fishing boats (Greece, Malta, Portugal, Italy, etc.) the FIFG intervention appears relatively low and concerns less than 15% of national capacities.

Figure 60: Vessels and capacities supported by measure 22 (modernisation)

MS	Fleet modernised with M22		
	Number	kW	GT
BE	59	49 221	14 887
CY	96	7 681	1 113
DE	123	32 987	17 639
DK	619	195 548	66 352
EE	43	10 260	5 594
ES	2 122	399 916	187 398
FI	126	22 248	4 511
FR	2 278	468 125	114 100
GR	387	38 161	9 926
IE	446	68 776	24 428
IT	766	174 850	38 889
MT	11	1 658	298
PL	71	17 701	5 271
PT	135	38 152	14 265
SE	286	94 394	25 301
UK	339	126 155	45 791
Total	7 850	1 745 834	575 764

Source: Infosys and EU fleet register



Measure 22 was mainly used to modernise vessels with active fishing gears

Trawlers are by far the fleet segment where FIG modernisation support was used most: 28% of EU trawlers received funds from Measure 22 during the programme. Dredgers and vessels operating with surrounding nets come next, with respectively 19 and 15% of the units modernised via FIG

The fact that Measure 22 projects focus on vessels with active fishing gears is correlated with the previous demonstration of its focus on more powerful units (obviously fishing with active gears).

Figure 61: Measure 22 contribution to modernising the EU fleet, by segment (main fishing gear)

Segment (main gear)	Measure 22							
	Tonnage (GT)	Power (kW)	Vessels (nb)	FIG (€)	FIG / vessel	FIG /kW	Fleet Nb (*)	% Fleet with M22
Dredges	8 300	53 544	434	1 919 927	4 424	36	2 287	19,0%
Trawls	364 393	1 024 834	3035	72 637 660	23 933	71	10 711	28,3%
Seines	4 560	14 162	56	878 084	15 680	62	789	7,1%
Surrounding nets	108 817	255 523	532	25 509 583	47 950	100	3 551	15,0%
Lift nets	97	360	2	8 241	4 121	23	35	5,7%
Gillnets, entangling nets	41 702	219 493	2245	13 093 755	5 832	60	39 990	5,6%
Hook and lines	32 626	110 886	1034	12 010 682	11 616	108	17 930	5,8%
Traps	4 115	45 165	512	1 372 581	2 681	30	9 485	5,4%
Total	564 610	1 723 968	7 850	127 430 513	16 233	74	84 778	9,3%

Source: Infosys at 31/12/2008 and EU fleet register at 1/1/2009 – excluding Morocco action

Figure 62: Measure 22 contribution to modernising the EU fleet, per main gear and size (excluding Morocco action)

Main gear	Length (m)	Vessels (Nb)	% segment	FIG/ vessel (€)
Dredges	< 12m	276	21%	1 666
	12 to 24m	145	18%	5 241
	> 24m	13	6%	40 720
Trawls	< 12m	413	16%	2 547
	12 to 24m	1 777	30%	12 740
	> 24m	845	36%	36 275
Seines	< 12m	6	1%	2 273
	12 to 24m	39	25%	10 895
	> 24m	11	42%	16 322
Surrounding nets	< 12m	41	2%	7 496
	12 to 24m	301	23%	14 574
	> 24m	190	52%	69 728
Lift nets	< 12m	1	3%	150
	12 to 24m	1	100%	4 265
	> 24m	-	-	-
Gillnets and entangling nets	< 12m	1 670	4%	2 673
	12 to 24m	524	30%	8 088
	> 24m	51	39%	24 037
Hook and lines	< 12m	746	5%	3 361
	12 to 24m	186	17%	14 981
	> 24m	102	27%	45 072
Traps	< 12m	486	5%	1 723
	12 to 24m	25	11%	13 592
	> 24m	1	8%	80 278

Source: Infosys and EU fleet register

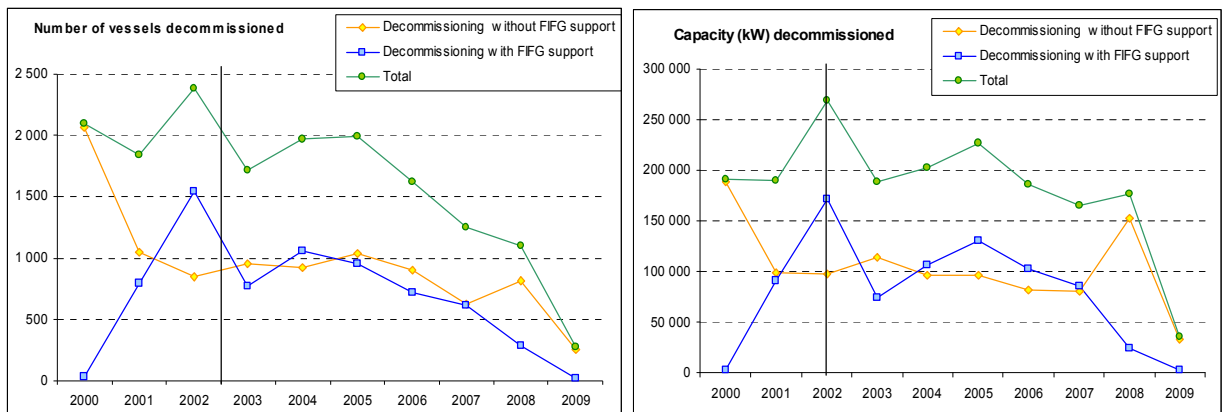
Cross-analysis per main fishing equipment and boat size (figure 56) confirms that **the largest units within each segment were often “targeted” by Measure 22** (and/or were the most relevant for modernisation). The only exception concerns dredges, where the proportion of M22 beneficiaries is higher for small vessels (> 12m).

6.4 Impact on fleet adjustment and restructuring

A significant incentive for fleet renewal up to 2004?

The dynamics for decommissioning and building new vessels both show downturns in the course of the programme. (figures below). Decommissioning reached a peak in 2002 with the end of MAGP IV, with a 2000-2005 trend of approximately 2,000 vessels and more than 200 000 kW decommissioned per year. A drop in the number of vessels retired from the fleet each year was noted between 2005 and 2008 (2009 is incomplete) where it reached almost half of the previous period (approximately 1,000 vessels decommissioned in 2008). Changes in the fleet policy, with replacement of capacity reduction targets by ceiling, are likely to be partially responsible for the downturn.

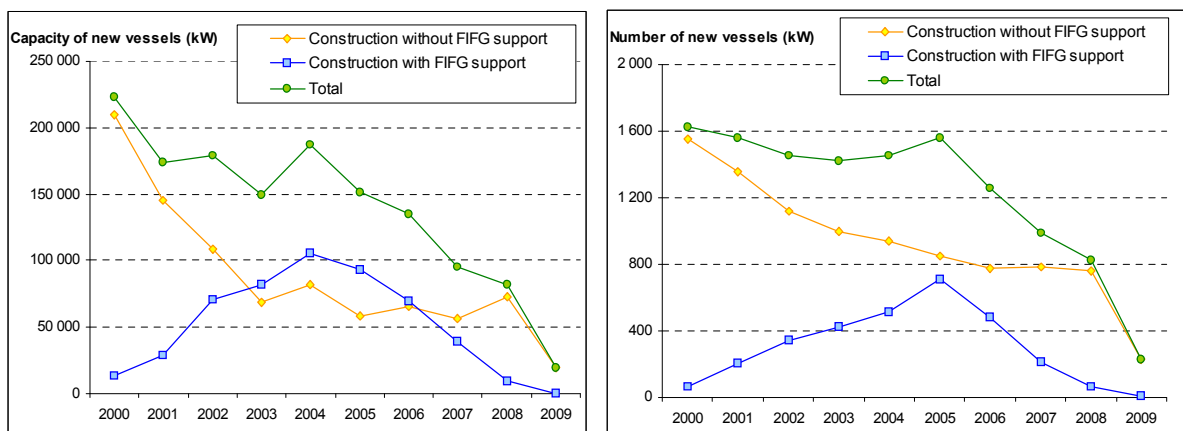
Figure 63: Number of vessels and capacities decommissioned during the 2000-2009 period



Source: Infosys and EU fleet register

The new vessel construction rhythm was about 1,600 per year from 2000 to 2005, for an annual added capacity of 170 -180,000 kW. After the closure of measure 21 in 2004, the number of new vessels entering the EU fleet decreased to half the previous trend at approximately 800 vessels per year. The trends are similar for capacities.

Figure 64: Number of new vessels and capacities entered during the 2000-2009 period



Source: Infosys and EU fleet register

Two main issues may explain the downturns in the decommissioning and construction trends from 2004:

- ▶ Modifications in fleet management strategy within the CFP: the suppression of MAGPs as incentives for FIG mobilisation in favour of national fleet adjustments, and the suppression of public aids for construction as a private investment incentive, likely sent negative signals to authorities and investors and led them to modify their strategies (delay in investment projects, investment modernisation postponement, entry of second-hand vessels, etc.).
- ▶ Crisis situation in the fishing sector: the oil crisis combined with poor fishing opportunities, led investors to postpone the renewal of their vessels. A significant group of applicants for Measure 21 in 2004 finally renounced and maintained their old vessels in operation (which explains the drop in the number of vessels decommissioned from this date).

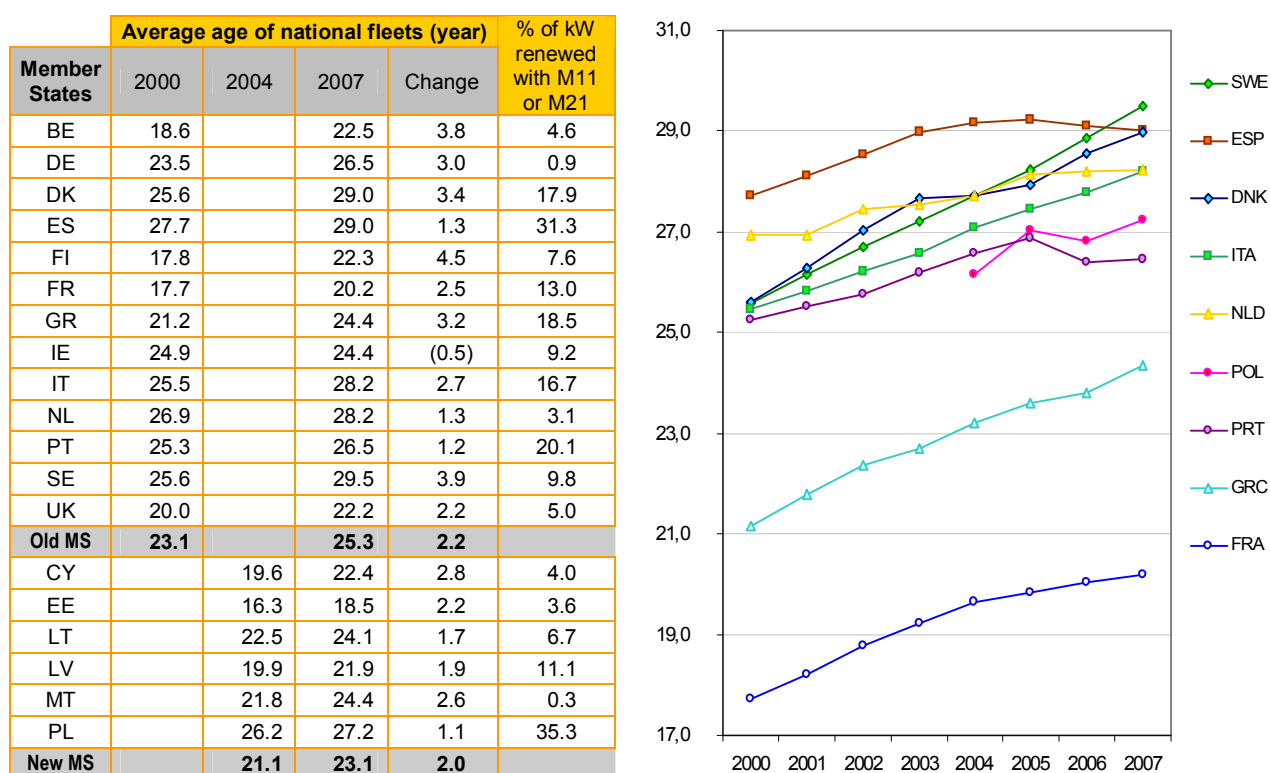
The FIG has been partially effective in fighting against the ageing of the EU fleets

The average age of EU fishing vessels has increased by about two years during the FIG 20–06 programme. Ireland is the only MS where the average age has decreased.

The ageing of the fleet appears to be reduced in the Member States where FIG supports from measures 11 (withdrawal of old vessels) and 21 (construction of new vessels) have concerned a significant share of the national capacities:

- Some Member States with strong renewal strategies for their fleets, such as Spain, Poland and Portugal, have succeeded in maintaining or reducing the ageing during the programme. It has to be stressed that these countries had among the oldest fleets of the EU and that it was relevant to support a renewal policy. The heavy FIG supports (>30% of the capacities scrapped or renewed in Spain and Poland) made it possible to stabilise the average age by the end of the programme. Portugal is in the same trend with a lower intensity of FIG financing;

Figure 65: Change in the average age of national fishing fleets and “intensity” of FIG aids for fleet renewal



Source: Infosys and EU fleet register

- Finland, Sweden, Belgium and Denmark have the highest rates of ageing for the period, in relation to aid strategies for modernising vessels rather than building new vessels.
- France, Greece and Italy, with mitigated strategies, did not succeed in preventing their fleets ageing.

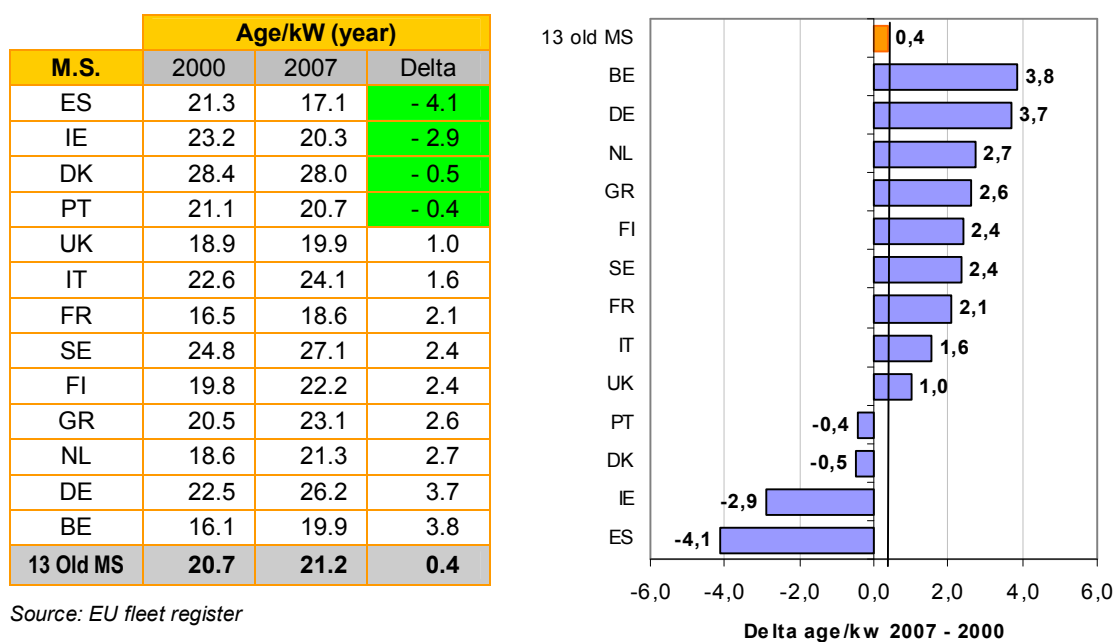
The FIFG has been effective in reducing the average kW age

Only analysing the trend in the average age of vessels is insufficient for assessing the ageing of the EU fishing fleets, as most of the small and medium-sized boats scrapped have been replaced by larger and more powerful ones.

Figure 64 (next page) presents the change in the average kW age in the old MS, from 2000 to 2007. The main findings are as follows:

- Overall, the kW ageing in the old MS fishing fleet has been only 0.4 years over seven years;
- In Spain, where the renewal of the fleet has been very intense over the period, the kW age has decreased by more than four years;
- The kW age has increased in the MS where modernisation of fishing vessels has been greater than renewal (BE, DE, NL, etc.).

Figure 66: Change in the average kW age for a number of major EU fleets (2000 to 2007)



Source: EU fleet register

The FIFG contribution to reduction of the kW age has been particularly important in Spain

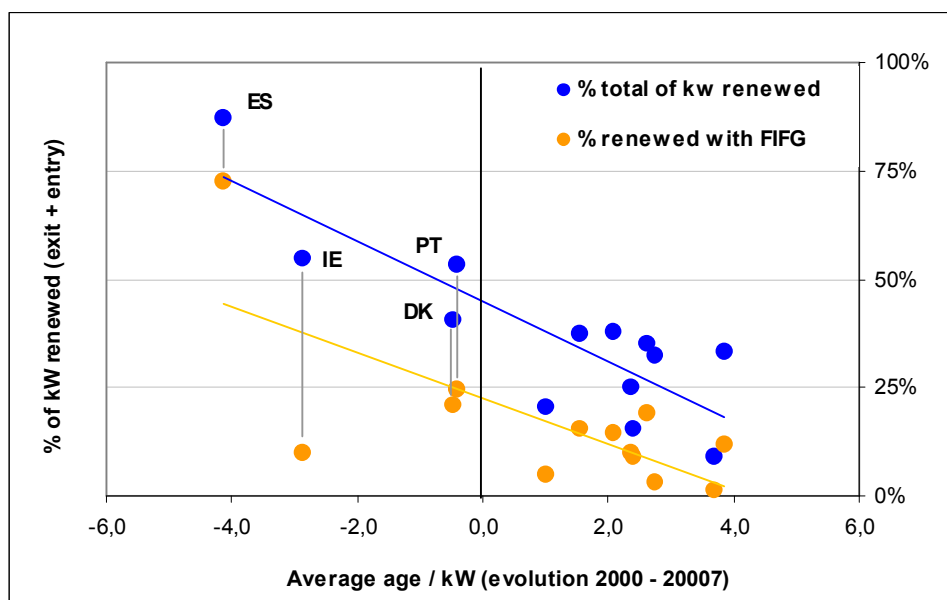
As illustrated in the following figure, the contribution of Axis 1 and Axis 2 measures to the entry-exit balance of power in the Spanish fleet is much greater than those of other EU fleets (about 75% of the total power have been renewed with FIFG support in Spain, including measure 23, against less than 25% in the other MS).

In Ireland and Portugal, where more than 50% of the power was renewed between 2000 and 2007, the contribution of FIFG measures was only 25% and 12% respectively.

The following figure demonstrates that the greater the proportion of the fleet capacity renewed, the greater the reduction of the age of the fleet (per kW).

The evolution of the average kW age appears correlated with the pace of renewal of the fleets (exit of old vessels and entry of new vessels). FIGG contributed to approximately half of the pace in most of the Member States, but acted as a strong incentive in Spain, where the average kW age has reduced most significantly.

Figure 67: Relationship between average kW age and entry + exit rates (with and without FIGG aid)



Source: Infosys and EU fleet register - % of power (kW) renewed is calculated by adding the kW decommissioned (exit of old vessels) to the kW entered (construction of new vessels) divided by the overall power of each national fleet in 2007.

The FIGG 2000–06 programme has transformed the age structure of the Spanish fleet

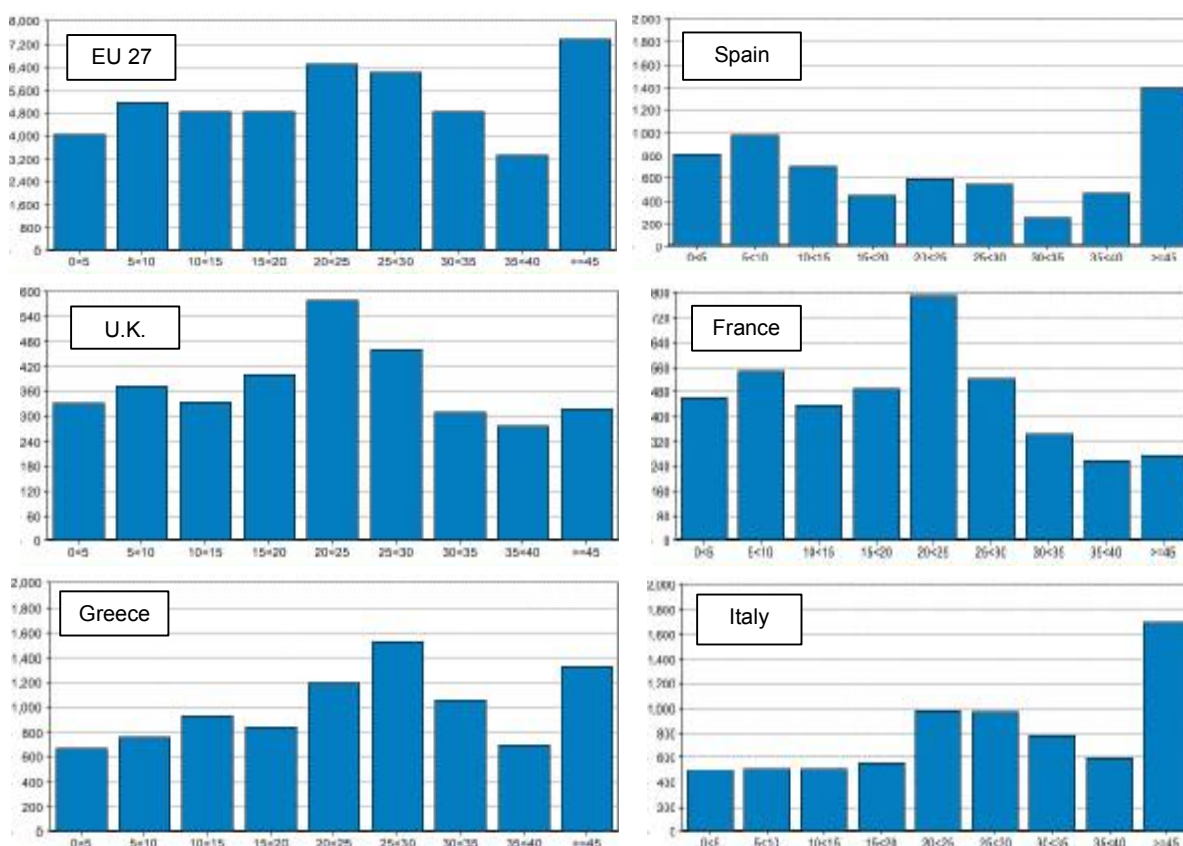
The distribution pattern of the EU fishing fleets by class of ages (figure below) was characterised, at end 2009, by a predominance of vessels aged over 45 years, and by a “mode” around 25 years for vessels aged less than 45 years.

The figure is somewhat different for Spain, where a bimodal distribution is observed, with still numerous very old vessels coexisting with a renewed fleet (the largest class is 5 to 10 years). This can be considered partly as a result of the FIGG, regarding the high mobilisation of funds for fleet restructuring in Spain.

Distribution patterns are more balanced in France and the UK, where the oldest vessels have been progressively removed, with a mode in the 20–25 year class.

In Italy and Greece, despite significant adoption of measure 11, the fishing fleets appear older than the EU average, with a mode around 25–30 years and a large share of boats older than 45 years.

Figure 68: Distribution of main EU fleets per class of age, after FIG intervention (2009)
(number of boats 2009)



6.5 Impact on exploitation of fish resources

6.5.1 Profitability of fishing activities

A significant reduction of catch of the EU fleet during the programme, mainly due to external factors

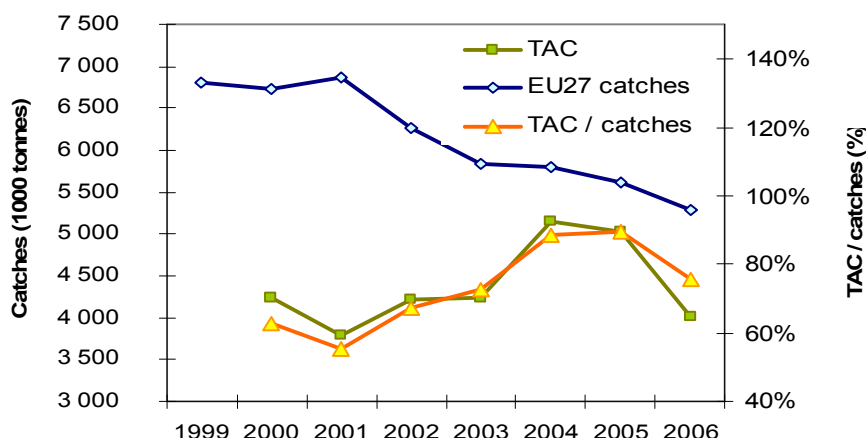
The production of the EU fleet has been declining for years, mostly because of the reduction in fish stocks. Between 2000 and 2006, the overall catch of the EU fleet lost about 1.4 million tonnes.

Most reduction in catches is not due to FIG intervention but to other factors, such as fleet reduction without public support, resource policy and productivity of the fleet.

Reductions in fish resources and management of fishing effort through TACs and quotas have led to a continuous reduction in the catch of EU fleets.

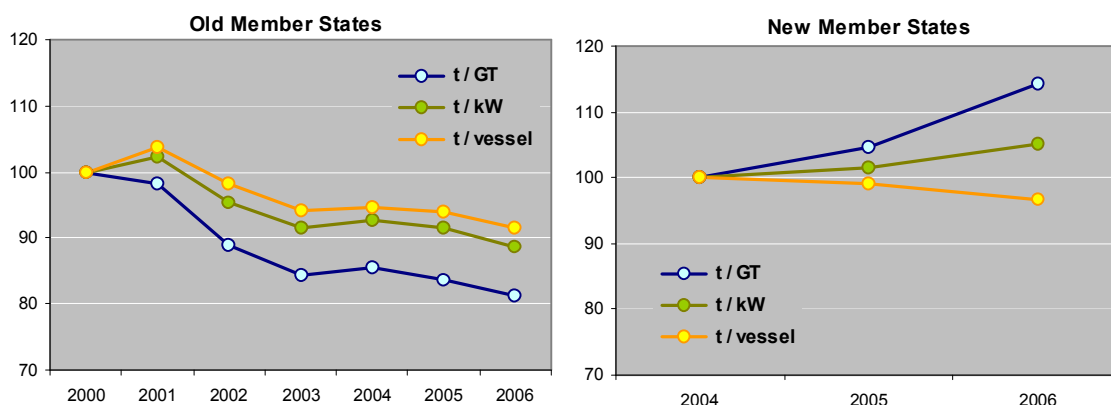
Main changes in the trend are observed from 2001, in relation to the increasing share of volumes of species subject to TAC and quotas regulation.

Figure 69: TACs and catches in the EU (source: DG MARE and Eurostat)



One current opinion is that, despite the reduction of the fleets' apparent capacity, the technological progress (estimated at 2–3% per year) finally leads to an expansion in real/effective capacity terms and in productivity. The analysis of trends in EU fleet productivity (following figures) does not confirm this. On the contrary, it shows an overall decrease in fishing yields in the old MS from 2001 to 2007, and a slight increase in the new MS.

Figure 70: Trends in productivity of the EU fleet (catch /vessel, /GT and /kW in index)



	Productivity	2000	2001	2002	2003	2004	2005	2006
Old MS	t / vessel	62,3	64,6	61,2	58,6	59,0	58,5	57,1
	t / GT	3,2	3,1	2,8	2,7	2,7	2,7	2,6
	t / kW	0,79	0,81	0,75	0,72	0,73	0,72	0,70
New MS	t / vessel	-	-	-	-	94,4	92,9	89,1
	t / GT	-	-	-	-	2,4	2,5	2,8
	t / kW	-	-	-	-	1,05	1,06	1,10

Source: Eurostat and EU fleet register

6.5.2 Effects of Fleet measures on catch

Strategies for adjustment of fishing fleet were not directly driven by resource issues

The strategies for the use of scrapping aid and other axis 1 measures were unclear in the FIG 2000-2006 programme, in all the Member States. Objectives and targets for decommissioning schemes rarely referred to management of fishing effort and resource issues, but instead referred exclusively to the economic consequences of the reduction of fish resources.

Several case studies highlight the strategies (or lack of strategy) in some main fishing dependent areas:

- In French Cornwall (Brittany), Pomorskie (Poland) and Denmark, no clear strategy or targets were defined for the mobilisation of Measure 11. The overall crisis situation in these areas, due to reduction of fishing opportunities led to financial support being provided to all enterprises facing economical difficulties, regardless of whether they received specific targets on resource or fleet segment criteria.
 - In Sicily (Mazare del Vallo), the oldest and least profitable vessels were targeted.
 - In Denmark and Poland, scrapping measures were used by some applicants, because of their simplicity (compared to modernizing and construction measure) to receive funds for re-investing in new boats or for modernisation;
- The effects of modernization and construction measures on selectivity are impossible to assess at the EU level. However, it is likely that a significant number of FIG granted projects impacted positively on fishing selectivity. In France, the updated mid-term evaluation estimated that 25% of beneficiaries of Axis 2 measures mention effects on selectivity.

Outputs of the FIG's fleet measures are likely to have contributed to a potential reduction in catches of about 440 000 to 460 000 tonnes (33% of the reduction over the period)

No relevant information is available on catch reductions due to vessel decommissioning and to "new catches" by vessels built with FIG support. Therefore, the effects of the FIG fleet measure are assessed through average catch ratios / kW for each national fleet. This method obviously induces some margins of error insofar as productivity differs from one vessel to another and from one year to another for the same vessel.

The following table presents the catch ratio calculation results and the potential reduction or increase in catches per each national fleet in relation to FIG axis 1 and Measure 21 projects. (Measure 22 impacts on fishing effectiveness are impossible to assess). On this basis, **the gross effect of FIG 2000-2006 on catches is an estimated reduction of some 450,000 tons/year.**

If considering the capacities withdrawn as counterparts of new capacities entered with Axis 2 support, another indirect catch reduction of some 455 000 tons/year may be attributed to FIG intervention (figure next page)

Figure 71: Assessment of the impact of FIFG fleet measures (including Morocco action) on potential catch.

MS	Fleet statistics (end of programme)			FIFG outputs	
	Catch	Capacity	Catch/kw	Delta kw	Catch
BE	22 520	60 190	0,37	-7 584	-2 806
CY	2 098	40 792	0,05	-2 515	-126
DE	279 040	155 619	1,79	1 018	1 822
DK	867 843	276 440	3,14	-49 032	-153 960
EE	86 508	53 060	1,63	-4 378	-7 137
ES	709 935	1 094 522	0,65	49 928	32 453
FI	146 045	169 522	0,86	3 780	3 251
FR	563 622	1 094 482	0,51	-3 812	-1 944
GR	96 695	526 222	0,18	-95 103	-17 119
IE	210 670	219 054	0,96	-7 928	-7 611
IT	312 047	1 194 990	0,26	-203 397	-52 883
LT	153 111	68 601	2,23	-5 486	-12 233
LV	140 389	61 395	2,29	-9 698	-22 209
MT	1 348	98 625	0,01	-283	-3
NL	433 235	384 046	1,13	-68 159	-77 020
PL	123 067	99 923	1,23	-62 101	-76 384
PT	229 095	381 884	0,6	-8 174	-4 905
SE	269 255	216 744	1,24	-13 060	-16 195
UK	615 781	865 569	0,71	-49 748	-35 321
Total	5 262 304	7 061 679	0,75	-535 733	-450 328
M 23 contribution			0,75	-607 237	-455 428

Source: Infosys, EU fleet register and Eurostat

Conversely, it is possible to consider that fleet and catch reductions are due to the continual reduction of fishing opportunities and that FIFG only accompanied the trend

6.6 Socioeconomic impacts

The two main socioeconomic impacts analysed concern the profitability of fishing activities and employment in the sector.

Considering the lack of socioeconomic data in FIG monitoring systems, the first step to assess the social-economic impacts of FIG fleet measures is to analyse whether their global financial contribution to sector economy (at least in some areas, sections...) is sufficient to probably produce some effects (under a threshold of funding per capita or per vessel, the probability of measuring effects is very low).

6.6.1 Profitability of fishing activities

A significant FIG 2000-2006 economic contribution to the fishing sector in some Member States

FIG financial inputs in the fishing sector vary considerably depending on Member State strategies for supporting their fleets:

- If axis 2 measures alone are taken into consideration (as direct aids to investment in the productive sector), FIG financial inputs are significant in 5 MS: Spain, Belgium, France, Denmark and Ireland where the average amount per vessel and per year exceeds EUR 1,200;
- If we consider that an important share of the funds allocated to scrapping are reinvested in the sector, then Poland, the Netherlands and Latvia are other MS where significant economic effects probably occurred.

Figure 72: Financial inputs of FIG fleet measure per vessel in MS (excluding Morocco action)

Code MS	Economic contribution of Axis 2			Economic contribution of Axis 2 & 1		
	€/vessel	€/vessel/year	€/kW	€/vessel	€/vessel/year	€/kW
BE	26 918	3 845	48	114 047	16 292	203
CY	376	54	8	3 008	430	64
DE	4 563	652	59	4 969	710	64
DK	8 686	1 241	85	31 461	4 494	306
ES	41 046	5 864	501	57 960	8 280	707
EE	2 008	287	38	6 261	894	117
FI	1 227	175	23	2 758	394	52
FR	12 183	1 740	91	21 884	3 126	163
GR	917	131	31	6 304	901	214
IE	8 742	1 249	74	17 396	2 485	147
IT	3 123	446	37	19 126	2 732	226
LT	1 640	234	6	66 814	9 545	260
LV	-	-	-	12 827	1 832	187
MT	255	36	4	607	87	9
NL	-	-	-	37 527	5 361	81
PL	1 419	203	13	101 533	14 505	898
PT	6 295	899	144	11 400	1 629	260
SI	-	-	-	-	-	-
SE	2 700	386	19	10 500	1 500	76
UK	1 095	156	9	11 240	1 606	88
Total	9 625	1 375	118	21 161	3 023	259

The five biggest contributions in yellow;

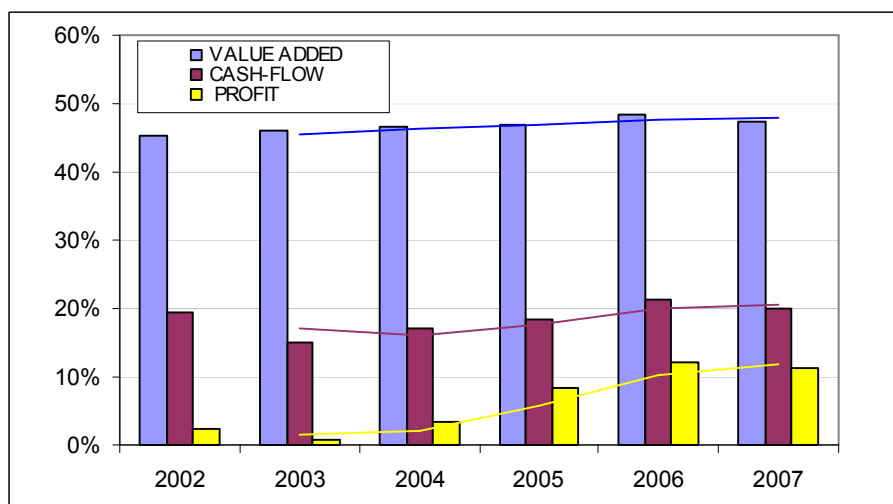
Source: Infosys, fleet register

Economic performances by the EU fleet increased during the programme

As noted in the EU fleet performance 2009 report:¹⁷ “Overall, the EU fishing fleet appears to be profitable; profitability, cash flow and added value appear to have improved between 2002 and 2006. Data suggests that there was a slight downturn in economic performance in 2007 compared to previous years, particularly in old MS.”

Figure below presents the evolution of GVA, Cash-Flow and Profit in % of Income. From 2003 to 2006 (2002 is not fully reliable), the trend is clearly a continuous improvement of fishing activity profitability.

Figure 73: Overall economic performances of the EU fishing fleet (definition of ratios is in footnote)



Source: DG MARE – EU Fleet performance 2007 – Report 2009¹⁸

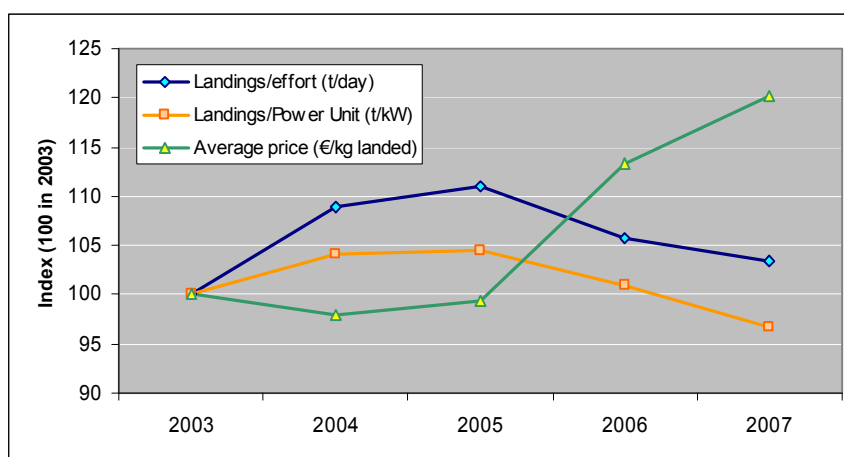
The fleet’s economic performances are partly due to improved productivity and an increase in prices at the end of the period.

The latest annual economic report on the EU fleet provides relevant indicators on fleet performances from 2003 to 2007, i.e. the second part of the FIG 2000-2006 programme which can be considered as the period where effects should begin to be noted. Overall EU fleet productivity appears to have increased from 2003 to 2005 by + 10% on landings per day at sea (Figure below). This productivity gain probably sustained fishing activity profitability (at least through reduced costs for a steady income), while average prices remained stable.

Between 2005 and 2007, productivity decreased slightly, while average fish prices increased by 20% in two years.

¹⁷ 2009 annual economic report on the European fishing fleet; STECF – JRC scientific and technical reports – 2009

¹⁸ Value added = Gross Value Added : Income minus all expenses except crew cost: = income – (fuel costs+ repair costs +variable cost +fixed costs); Cash-flow = income minus all operational costs, excluding capital costs: = income – (fuel costs + crew costs + repair costs +variable cost +fixed costs); Profit = income minus all costs, including capital costs: = income – (fuel costs + crew costs + repair costs +variable cost +fixed costs+ capital costs)

Figure 74: Evolution of EU fleet productivity and average price of landings

(Source: Prepared from DG MARE – EU Fleet performance 2007 – Report 2009)

There is no clear evidence of the impacts of the FIGG on the productivity and economic performance of fishing fleets

As it is impossible to compare the economic performance of vessels that benefit and do not benefit from FIGG support, an analysis has been developed for a few segments where FIGG intervention has been particularly great.

No significant differences are observed in the profitability of the different segments (main gear X size). The large trawlers and seiners, the main beneficiaries of fleet measures, do not show a better performance or trend compared to other segments (see detailed analysis in annexes).

It is likely that most of the investment in new vessels and modernizing exiting vessels led to gains in productivity and/or profitability. Case studies and national evaluations provide some evidence on the positive effects of FIGG fleet measures on profitability:

- In Galicia, a specific study demonstrated an increase in profitability for 80% of the beneficiaries of FIGG aid to modernisation, mostly linked to engine replacement (through reduced fuel consumption);
- In France, the updated mid-term evaluation of the FIGG programme, highlighted that around 50% of the beneficiaries of M21 and M22 mentioned an improvement in profitability as a direct result of the investment.

A significant contribution of measure 45 to the maintenance of fishing enterprises faced with a temporary restriction on fishing

The financial compensations offered by measure 45 for a temporary regulatory restriction on fishing are regarded as having been effective in maintaining fishing enterprises, particularly:

- For enterprises significantly dependent on anchovy fishing in Spain, Portugal and France (following the closure of the Atlantic fisheries) and for other species submitted to recovery plans (Cod, Hake...);
- For coastal activities affected by the sinking of the oil tanker *Prestige* in Spain (see case study).

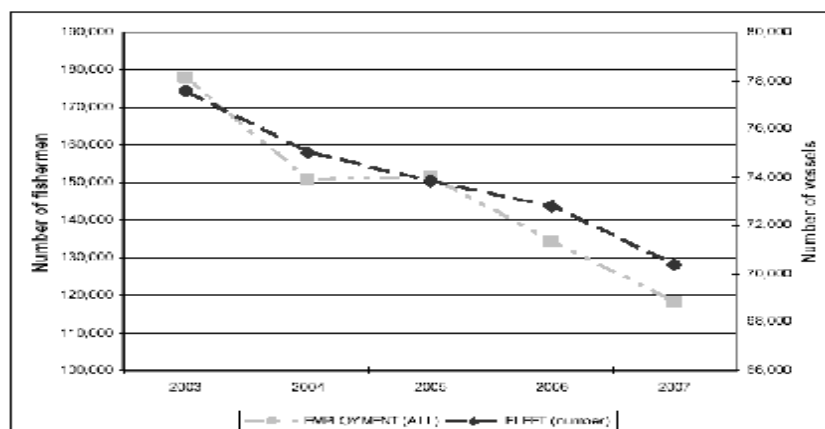


6.6.2 Employment

A significant but indirect contribution from the FIG 2000–06 programme to the reduction in employment in the fishing sector in some Member States

Change in employment in fishing is closely linked to the reduction in the EU fleet size (figure below). The reduction in the number of fishermen was about 15,000 per year between 2003 and 2006.

Figure 75: Trend in fleet size and employment in fishing



(Source: DG MARE – Annual Economic Report on the European fishing fleet 2009)

Figure 76: FIG financial inputs on employment in the MS

	Employment in fishing	Economic contribution of Axis 2 & 4		Economic contribution of all "fleet" measures	
		€/job	€/job/year	€/job	€/job/year
BE	666	18,323	2,618	20,570	6,857
CY	926	2,833	405	2,833	944
DE	1,972	5,083	726	5,178	1,726
DK	4,258	19,883	2,840	19,883	6,628
ES	53,849	14,371	2,053	20,700	6,900
EE	2,500	2,487	355	2,663	888
FI	900	9,794	1,399	11,011	3,670
FR	21,436	8,320	1,189	9,301	3,100
GR	30,196	3,724	532	4,009	1,336
IE	5,147	6,236	891	6,269	2,090
IT	38,157	7,065	1,009	7,377	2,459
LT	2,550	6,996	999	7,937	2,646
LV	3,670	3,135	448	3,230	1,077
MT	1,303	658	94	658	219
NL	2,547	12,244	1,749	14,594	4,865
PL	4,500	19,946	2,849	25,050	8,350
PT	20,457	4,856	694	6,197	2,066
SI	132	-	-	2,356	785
SE	1,912	8,589	1,227	11,855	3,952
UK	11,774	6,451	922	6,747	2,249
Total	208,852	8,780	1,254	10,958	3,653

The five biggest contributions in yellow; source: DG MARE survey on employment, Infosys

FIFG financial inputs in the fishing sector probably contributed to consolidating activities and related employment:

- If only axis 2 (as direct investment aids in the productive sector) and axis 4 measures (as economic support and compensation) are considered, the FIG financial input per job is significant in 4 MS: Spain, Poland, Belgium and Denmark where the average amount per FTE is over EUR 2,000/year;
- If all “fleet measures” (Axes 1, 2 & 4) are considered, the Netherlands, Sweden or Finland are MS where the financial intensity of FIG probably produced social-economic effects.

FIG fleet measures accompanied the “natural” trend of reduction of employment in the fishing sector

Very little relevant information is available on the effects of the FIG fleet measures on employment (except for Spain). Accordingly, this effect can be assessed through average employment ratios / kW for each national fleet.

This global method obviously induces important error margins considering that crew size varies from one vessel to another and that new vessels often require less fishermen than the vessels they replaced. Another issue is that no information is available on the exit-entry flow of fishermen in relation to the changes in fleet structure.

The following table proposes an assessment of the number of FTE theoretically created or suppressed in relation to the increase or decrease in national fleet capacities linked to FIG intervention. The employment/capacity ratio varies from 0.06 – 0.09 FTE/kW for the industrial fleets of Sweden, Denmark, the Netherlands and Belgium, and up to 0.05 FTE/kW in the more coastal fleets of Greece and Portugal.

Figure 77: FIG financial inputs on employment in the MS

MS	Employment in fishing	Fleet Capacity kW	Fisherman / kW	Entry-exit (kW) with FIG	Effect on employment
BE	615	67 090	0,009	-7 584	-68
CY	926	53 034	0,017	-2 515	-43
DE	2 473	158 484	0,016	1 018	16
DK	4 258	344 541	0,012	-49 032	-588
EE	2 500	64 967	0,038	-4 378	-166
ES	44 712	1 179 137	0,038	49 928	1 897
FI	900	188 211	0,005	3 780	19
FR	21 436	1 128 832	0,019	-3 812	-72
GR	30 208	566 244	0,053	-95 103	-5 040
IE	5 147	241 794	0,021	-7 928	-166
IT	38 157	1 268 710	0,030	-203 397	-6 102
LT	2 550	80 680	0,032	-5 486	-176
LV	3 670	74 251	0,049	-9 698	-475
MT	1 303	99 058	0,013	-283	-4
NL	2 547	459 002	0,006	-68 159	-409
PL	4 500	160 986	0,028	-62 101	-1 739
PT	20 457	391 390	0,052	-8 174	-425
SE	1 912	222 525	0,009	-13 060	-118
UK	11 774	912 649	0,013	-49 748	-647
TOTAL	200 045	7 661 584	0,026	-535 733	-14 306
		Measure 23 contribution	0,026	-607 237	-15 788

(Source: DG MARE survey on employment, Infosys, final tables of Morocco action)

On this basis, Spain and France appear to be the MS where FIG fleet measures supposedly contributed to the creation of new jobs (connected to significant support for building new vessels).

At EU level, the FIG fleet measures probably indirectly contributed to the suppression of about 14,000 FTE in the fishing sector (crews). If taking M 23 into consideration, the overall impact of FIG is estimated about 30 000 jobs lost as a result of fleet reduction. Spanish authorities assessed the relationship between job losses / job creation and the fleet measures (fig 65) and came to the conclusion that the net effect of FIG 2000-2006 in Spain was the creation of 708 FTE in the fishing sector. This result is very different from the assessment of 1 898 FTE created (previous figure). The Spanish authorities consider that the construction of some new vessels did not lead to the creation of new jobs due to crew transfers from decommissioned vessels.

Figure 78: Effects of fleet measures on employment in the fishing sector in Spain

Measures	Breakdown of projects / effect on employment				Employment (Number)		
	Total	Neutral	Creation	Suppression	Created	Suppressed	Balance
11	957	459	0	498	0	2 138	-2 138
12	1	1		0			
13	33	33					
21	1 842	1 314	527	1	2 920	2	2 918
22	3 492	3 480	3	9	8		8
41	225	225	0	0			
42	794	662	19	113	24	104	-80
45	7 693	7 692	1				
Total	15 037	13 866	550	621	2 952	2 244	708

(Source: Spanish final reports Obj 1 and outside Obj 1 programmes – excluding Morocco action)

The socioeconomic measures (measure 42) have been effective in assisting a reduction in employment in fishing

Socioeconomic measures have been mostly mobilised in the MS that have greatly reduced their fishing fleets: Spain, Poland, Greece, France, Portugal and Italy, etc. National authorities and sector players both consider that measure 42 has been useful and effective for the social acceptance of the need to reduce the EU fishing fleet capacity.

The table below depicts the use and outputs of the different socio-economic actions of measure 44. It shows that:

- Establishing aid for young fishermen achieved little success, except in France, where about 200 young skippers benefited from measure 42.4 grants;
- More than 8000 fishermen benefited from aid for retirement, cessation or re-training, mostly in Poland (31% of fishermen), Spain and Portugal (both 6% of fishermen, including Morocco action) and France (5,4%).

Figure 79: Outputs of socio-economic measures (M 42) – including Morocco action

Member State	42.1	42.2	42.3	42.4	Total M 42	Overall public subsidies FIFG + national	Average amount / fisherman	Employment in fishing (2003-2004)	% of beneficiaries of M 42
	Early retirement	Flat-rate individual cessation premium	Re-training	Setting up aid for young fishermen					
	Number of beneficiaries (fishermen)					in €		Fishermen	%
DE				5	5	116	23 200	1 972	0,3%
EE		44			44	440	10 000	2 500	1,8%
ES	165	724	45	10	944	13 590	14 396	53 849	1,8%
ES-Morocco ⁽¹⁾	118	2 039	166		2 323	31 229	13 443	53 849	4,3%
FI			6	1	7	146	20 857	900	0,8%
FR	814		118	196	1 128	9 118	8 083	21 436	5,3%
GR	426	268	22	5	721	8 527	11 827	30 208	2,4%
IT	31	6	124	4	165	5 552	33 648	38 157	0,4%
LT		42			42	350	8 333	2 550	1,6%
LV		198			198	2 037	10 288	3 670	5,4%
NL	50	1	1		52	1 117	21 481	2 547	2,0%
PL	87	1 316			1 403	15 376	10 959	4 500	31,2%
PT	806				806	7 386	9 164	20 457	3,9%
PT-Morocco ⁽¹⁾	415		5		420	4 773	11 364	20 457	2,1%
SE				7	7	89	12 714	1 912	0,4%
Total	2 912	4 638	487	228	8 265	99 846	12 081	178 274	4,6%
	35%	56%	6%	3%	100%				

Sources: Infosys and final table for Morocco action

7 Impact of FIG aquaculture measures

Evaluative question Q5.1: What have been the impacts of the FIG on the aquaculture sector?

This chapter analyses the FIG impact on the aquaculture area of intervention. It thus focuses on FIG measure 32.

Synthesis

In terms of production volume, FIG impact was fairly low:

- FIG did not prevent a global decrease in EU aquaculture production,
- FIG encouraged overproduction in some aquaculture segments (seabream).

In terms of modernisation, FIG had a positive impact:

- Significant aids were awarded to major innovating projects (cod, tilapia, barramundi),
- FIG aided investments consolidated EU leadership in turbot farming,
- Many companies were able to modernise their farming equipment,
- FIG accelerated the establishment of production improvement systems.

In terms of hygiene, FIG had a positive impact: FIG favoured the improvement of sanitary and environmental conditions.

In terms of profitability, FIG had a positive impact:

- FIG had an impact on strengthening the leading companies in Mediterranean aquaculture,
- FIG-aided companies show better economic and financial performances than non-aided companies.

In terms of employment, FIG had a positive impact (for instance, beneficiaries claimed they would create 800 jobs in Spain).

7.1 Main output analysis

Key facts

The measure represents 9% of total FIG achievements.

- ▶ The average achievement rate is 81%, which is in line with global FIG programmes. However it is particularly low in Portugal (16%) which is due the late launch of a large Pescanova/ Acuinova project (total cost: EUR 91.4m) whose implementation has just started at the end of the programming period.

- FIFG co-financing rate is lower for measure 32 than for most other measures (less than 30% in average at EU level). It is twice as high in objective 1 areas as in non-objective 1 areas. Together with national co-financing, total public cofinancing does not exceed 50%, even in objective 1 regions.

Figure 80: Co-financing and achievement rates for aquaculture projects (measure 32) per objective areas

Objective	Programming	Achievement			FIFG Co-financing rate	Public (FIFG + National) fund co-financing rate	Achievement rate
	FIFG	FIFG	National	Total			
Non-Objective 1	73 045 717	45 310 766	49 857 978	306 932 415	15%	31%	62%
Objective 1	250 962 402	216 347 489	98 756 239	633 465 769	34%	50%	86%
Grand Total	324 008 119	261 658 255	148 614 217	940 398 184	28%	44%	81%

Source: National programming documents and Infosys at 31/12/2008

NB; these figures only consider the 22 programmes with programming allocation per measure – see limitation n°1 on programming

- Two member states, Spain and Greece, account for 62% of overall FIFG achievements. The number of projects is very high in France (< 3 000) and Spain (approx. 2,300) and is related to the large number of family-size units in the traditional shellfish farming sector.

FIFG did not prevent a decrease in EU aquaculture production

In spite of a large number of projects aimed at “increasing aquaculture production capacity” (measure 32 action 1), the overall production of EU aquaculture decreased (-13% between 1999 and 2006).

Figure 81: Evolution of the EU aquaculture production

Year	Production (1000 t)
1999	1 432
2000	1 402
2001	1 389
2002	1 277
2003	1 347
2004	1 332
2005	1 272
2006	1 284

Source: Eurostat

Indeed, almost half (47%) of FIFG subsidies, amounting to EUR 151m, were allocated to building new aquaculture units and extending existing units (action 1), whereas 53% were awarded to modernisation projects without an increase in production capacity (action 2).

Figure 82: FIG grants to aquaculture

€	Total cost	MS	FIG
Measure 32 action 1	503 706 028	85 879 475	151 397 314
Measure 32 action 2	413 038 303	84 472 186	170 490 417
Total Measure 32	916 744 331	170 351 661	321 887 731

Source : INFOSYS (at 25.05.2009)

FIFG encouraged overproduction in some aquaculture segments

For some species (seabass/seabream), where farming was heavily aided by FIFG grants, the production increase was too rapid and significant to follow the progress in demand and led to a lack of balance between supply and demand.

After FIFG 1994-1999, the FIFG 2000-2006 programme played a major role in the rapid development of the seabass and seabream sector due to funding for new production capacities. Nevertheless, after a first price crisis in 2001-2002, the European Commission invited Member States to suspend financing projects which might entail a risk of creating surplus production capacities for seabass and seabream, in autumn 2002. But in spite of this invitation, many projects including new production capacities continued to be aided by FIFG grants for seabass and seabream.

For instance, between October 2002 and April 2007, 80 projects coming under measure 32 action 1 were accepted in Greece, of which 10 for seabass, 18 for mussels, 6 for hatchery-produced fry, 4 for trout, 3 for eels, 1 for oysters, 1 for carp, 0 for seabream ... and 37 for "other species" (of which Nireus, Selonda, Seafarm Ionian, Andromeda, Kephalaria Fisheries, TRIaina...).

The eligibility criteria, modified by the Commission to prevent overproduction, have been bypassed. Seabream production continued to increase rapidly after 2002, not only in Greece (+16% according to official statistics between 2002 and 2006, in reality much more), but also in Spain (+46%), Cyprus (+48%), Italy (+28%) and France (+32%). Investments in the seabream sector continued to be scheduled without monitoring market evolution and without effective planning and control of the sector's development.

FIFG favoured the improvement of sanitary and environmental conditions and accelerated setting up production improvement systems

Projects related to the modernisation of existing aquaculture units allowed to set up production improvement systems (quality, technological innovations) in more than 4,000 units (in the 9 programmes for which available and useful data could be gathered - see table below).

Many units also benefited from improved environmental and/or sanitary conditions.

Figure 83: Results of aquaculture unit modernisation in 5 Member States (9 programmes covered)

MS	Programme	Number of units that have benefited from improved sanitary conditions	Number of units that have benefited from improved environmental conditions	Number of units that have put in place production improvement systems
DE	Objective 1	4	4	24
DE	Outside objective 1	290	48	1 131
GR	National	28	29	179
IE	Border, Midland & Western	5	8	16
IE	Southern & Eastern	0	1	3
IT	DOCU P ESCA	89	78	150
IT	Puglia	6	7	11
SP	Objective 1	38	73	2 460
SP	Outside objective 1	6	3	75
Total 9 programmes		466	251	4 049

Source : Implementation reports 2007

The case study “Aquaculture in the Highlands and Islands” shows that FIFG had a positive impact on providing safe working conditions for employees, on improving the health and welfare of species, and in maintaining and improving the environment.

FIFG clearly contributed to improving the technical, sanitary and environmental situation in the aquaculture sector.

7.2 Impacts on market supply

FIFG did not secure a production development liable to prevent a boom in imported low-price farmed species

The table below presents the evolution of EU imports (extra-EU trade) for the main aquaculture species farmed in Europe. This table includes imports of freshwater fish from South-East Asia, mainly composed of farmed pangas and tilapias.

Figure 84: Evolution of EU-25 imports for the main species farmed in Europe (tons in equivalent live fish)

Species	1999	2000	2001	2002	2003	2004	2005	2006	2007
Eel	3 092	2 076	4 025	2 286	2 620	2 707	3 436	2 368	4 281
Seabass	3 990	3 403	4 250	7 424	7 976	9 894	12 061	12 569	15 425
Carp	424	405	424	380	285	222	133	1 101	446
Seabream	1 075	444	533	862	1 159	1 416	2 512	2 244	3 450
Oysters	85	48	102	115	118	225	405	221	229
Mussels, fresh	6 908	6 112	10 369	10 147	12 038	15 440	18 086	16 414	13 258
Mussels, processed	2 327	9 751	8 847	23 346	36 291	48 203	53 685	83 051	121 322
Salmon, w hole	260 196	267 315	260 197	296 456	342 645	350 630	366 534	389 601	403 453
Salmon, fillets	64 679	68 856	82 848	90 623	102 415	131 149	167 716	179 449	308 776
Trout	584	578	3 214	6 542	9 156	3 564	1 304	3 131	5 103
Freshwater fish	2 109	2 998	7 092	9 744	22 070	57 362	107 467	287 754	393 538
Total	345 469	361 986	381 901	447 925	536 773	620 812	733 339	977 903	1 269 281

* Freshwater fish from South-East Asia

Source: AND-International after Eurostat/COMEXT

Total imports of species farmed in Europe almost quadrupled during the programming period. In 2007 they equalled the total production of the EU aquaculture sector.

The biggest increases recorded between 1999 and 2007 are:

- freshwater fish (panga, tilapia): + 18,560% (multiplied by 187),
- mussels: + 1,357% (multiplied by 15),
- trout: + 774% (multiplied by 9),
- seabass: + 287%,
- seabream: + 221%,
- salmon: + 119%,
- eels: + 38%.

Salmon

EU salmon farm production decreased slightly during the programming period, rising from 147,000 t in 2000 to 173,000 t in 2004 and falling to 145,000 t in 2006. Scottish and Irish salmon aquaculture opted for a strategy completely different to the Norwegian strategy which focused on commodity mass production. EU farms developed quality strategies (organic, *Label Rouge* ...).

FIFG played its part in this strategic reorientation and subsidised small and medium-sized companies. The biggest salmon farming operators were not subsidised at all (Marine Harvest UK, Mainstream Scotland) or received only very limited grants (Scottish Sea Farms, Grieg Seafood Hjalmland UK).

Seabass and seabream

The production of both species increased strongly during the programming period:

- +37% from 2000 to 2006 for seabass,
- +24% for seabream.

However, production increased even quicker in third Mediterranean countries, especially Turkey, where production rose from 17,900 t in 2000 to 29,000 t in 2006 for seabass, and from 15,500 t to 33,500 t for seabream.

Almost all significant seabass and seabream farms received FIFG grants, starting with the major Greek companies listed on the Athens Stock Exchange.

The objective set for the increase in marine fish species production in the Greek Operational Programme was 8,000 t in 2006 (production 1999: 42,600 t, target 2006: 50,600 t). It was clearly exceeded (production 2006 seabass + seabream: 77,956 t, source: Eurostat), leading to oversupply and price crises.

Turbot: FIFG aided investments consolidated EU leadership in turbot farming

EU is the world leader in turbot farming and FIFG contributed to strengthening this industry, which uses costly land-based systems supplied with sea water.

The biggest subsidy granted for aquaculture in the 2000-2006 programme went to the Pescanova farming complex in Moira (Portugal), the largest turbot farming plant in the world (7,000 t/year in the initial phase). It is claimed that this plant (total investment: EUR 90m) should provide employment for 200 direct and (if completed by a processing plant) 600 indirect workers. The FIFG grant awarded in 2006 amounted to EUR 8.3m. In spite of its size, this investment comes under FIFG, and financing the major required infrastructure works (access road for instance) comes under ERDF.

Investments in other leading actors of the segment were also subsidised by FIFG: STOLT Seafarm received more than EUR 9m for 45 projects in Spain, the specialised Spanish sister company of Pescanova received more than EUR 2m for 11 projects in Spain (partly for seabass and seabream), and the French leader, France Turbot also had 4 investment projects subsidised (for EUR 214,000).

EU production, which rose from 4,785 t in 2000 to 7,633 t in 2006 (+60%), should double in the coming years due to the recent FIFG-granted investments in Portugal and Spain.

This production increase did not entail any drop in prices: the first sale price of EU farmed turbot remained stable at about EUR 9/kg for the years 2004-2008.

Eels

Production decreased during the programming period, from 10,510 t in 2000 to 8,292 t in 2006, in relation to the low availability of glass eels required for farming. As European demand is constant, imports increased and exports of farmed eels from China to the EU developed.

Some investments were granted by FIFG, particularly in Denmark (RDS Aquaculture), Spain (Valenciana de Acuicultura) or Germany. RDS increased its production capacity by 1,000 t and Valenciana de Acuicultura by 190 t due to FIFG-aided investments. These investments allowed EU production to meet EU demand.

Carp

FIFG contributed to the modernisation of extensive aquaculture in new Member States (127 modernisation projects in the Czech Republic, 157 in Poland).

The old Member States also used FIFG for this purpose: 997 projects in Bavaria alone.

FIFG contributed not only to sanitary, environmental and technological improvements, but also to preserving and improving heritage value in regions where fish farming activities in ponds are preserved.

New species: significant aids for major innovating projects

Not many projects focusing on new species were subsidised, but FIFG supplied grants to some major innovating investments, especially for cod and tilapia.

Cod

Only one cod farming company was established in the EU, NO CATCH, in the UK (Shetlands) and it was strongly supported by FIFG: three projects were subsidised (one of them was abandoned following partial implementation) for a total FIFG amount of EUR 1.3m. But this company experienced huge difficulties connected to mismanagement and went bankrupt at the beginning of 2008.

This investment, at the end of the programming period, could have been considered as a success if it not gone bankrupt due to mismanagement: 130 jobs were created and a new EU aquaculture product was on offer in supermarkets.

Tilapia

The big tilapia farm VITAFISH in Belgium (production target: 4 to 5,000 t/year, 50 jobs, total investment EUR 11m) received a EUR 1m grant in 2005 (but in the framework of measure 34 rather than measure 32, because the "Hainaut" programme only used measure 34 and not measure 32). The first products were marketed in 2008.

The British company UK TILAPIA also received a EUR 100,000 grant for a 300 t tilapia farm.

Barramundi

BARRAMUNDI FARM URK in the Netherlands was supported, but also under measure 34 (as the Flevoland Programme did not use measure 32).

Trout

The production of farmed trout dropped by more than 15% between 2000 and 2006, falling from 238,000 t to 201,000 T.

FIFG financial resources could not match the difficulties encountered by farmers in most Member States (licensing procedures, market competition with salmon, conflicts with recreational fishermen...). These difficulties were generic but were particularly acute for trout farmers. In all events, numerous projects concerning trout were subsidised by FIFG and led to an increase (or renewal) of trout production capacity, for instance:

- + 6,986 t in Italy (non-objective 1) – 25 projects,
- + 4,213 t in Denmark – 17 projects,
- + 2,048 t in Poland – 13 projects,
- + 1,197 t in Germany – 58 projects,
- + 312 t in France (non-objective 1) – 10 projects,
- + 287 t in Spain – 8 projects.

7.3 Impact on companies' economic results

FIFG had an impact on strengthening the leading companies in “Mediterranean” aquaculture

Important subsidies were provided for “Mediterranean” species: turbot, seabream and seabass.

If we look at the 16 leaders of EU aquaculture (according to the list “*Les 16 premières entreprises aquacoles*” published in the study on “Economic performance and competitiveness of aquaculture in the European Union”), only 2 did not receive any FIFG grant in the 2000-2006 programming period: both are sister companies of Norwegian groups involved in salmon farming. The “most subsidised” companies (7 of the top 16) received FIFG grants amounting to more than 2% of their yearly turnover – base 2006-2007) are specialised in one (or two) of the big 3 Southern species: seabass, seabream and turbot.

Turbot is the species that generated the biggest investments (Pescanova, Stolt Sea Farm), followed by seabass/seabream (Nireus, Selonda, Culmarex, Andromeda, Galaxidi).

Figure 85: Importance of FIFG grants for the 16 leaders of EU aquaculture

	Company	Location	Turnover (M€)	Year	Main species	Projects underway or completed on 31.12.2008			Projects with no expenditure declared on 31.12.2008		
						Number	FIFG (K€)	Date	Number	FIFG (K€)	Date
1	PESCANOVA	ES	270*	2007	Saumon**, crevette**, turbot	19	10 355		2	319	
	ACUINOVA	ES				7	240	2002-2007			
	INSUINA	ES				11	1 828	2001-2007	2	319	2008
	ACUINOVA Portugal	PT				1	8 287	2006			
2	NIREUS	GR	198	2007	Bar, dorade	29	4 763		4	836	
	NIREUS	GR				21	3 838		4	836	2007
	BLUEFIN TUNA	GR				1	161	2006			
	RED ANCHOR	GR				1	98	2002			
	SEAFARM IONIAN	GR				4	600	2003-2006			
	PREDOMAR	ES				2	66	2001-2004			
3	MARINE HARVEST SCOTLAND	UK	154	2006	Saumon	0	0		0	0	
4	SCOTTISH SEA FARMS	UK	100	2006	Saumon	2	384	2002-2004			
5	SELONDA	GR	85	2007	Bar, dorade	11	5 970				
	SELONDA	GR				10	803	2002-2005	3	530	2007
	SELONDA UK	UK				1	5 167	2006			
6	HELLENIC FISH FARMING	GR	64	2007	Bar, dorade	3	571	2003	3	909	2007
7	DIAS	GR	61	2007	Bar, dorade	3	536		1	154	
	DIAS	GR				1	213	2002			
	IPPOCAMPOS	GR							1	154	2007
	SPARFISH	GR				2	323	2002-2006			
8	GRIEG SEAFOOD HJALTLAND UK	UK	52	2007	Saumon	1	90	2006			
9	STOLT SEA FARM	ES	40	2007	Turbot	47	9 376		7	1 087	
	STOLT SEA FARM	ES				45	9 018	2001-2007	7	1 087	2008
	FERME MARINE DE L'ADOUR	FR				1	66	2003			
	STOLT SEA FARM	PT				1	292	2001			
10	MAINSTREAM SCOTLAND	UK	33	2006	Saumon	0	0		0	0	
11	CULMAREX	ES	32	2006	Bar, dorade	15	3 020		1	36	
	CULMAREX					1	701	2000			
	BASADEMAR					2	275	2001-2005			
	GRAMABASA					1	259	2000			
	PIAGUA					7	1 308	2001-2005	1	36	2006
	CULTIVOS DEL PONTO					2	408	2005			
	BLUE & GREEN					1	69	2005			
12	INTERFISH	GR	31	2007	Bar, dorade	2	281		3	820	
	INTERFISH	GR							3	820	2007
	TRIAINA	GR				2	281	2002			
13	ANDROMEDA	GR	30	2006	Bar, dorade	15	2 902	2002-2007	4	533	2007
14	AGRO ITTICA LOMBARDA	IT	24	2006	Esturgeon	3	198	2002-2006			
15	GALAXIDI	GR	22	2007	Bar, dorade	2	538	2002			
16	THAERON	FR	20	2006	Huître	13	212				
	THAERON	FR				12	137	2002-2006			
	OSTRACULTURA	PT				1	75	2005			

* turnover "aquaculture" only

**mainly outside Europe

Source : AND International after INFOSYS

Economic results: improved profitability for FIG-aided companies

Overall analysis

The comparison of economic and financial performances with usual profitability ratios (EBIT, EBITDA) for the first 100 companies¹⁹ clearly evidences improved profitability for FIG-aided companies as compared to non-aided companies.

For instance, EBIT is 14.4% of revenue for aided companies and only 9.5% for non-aided companies (weighted average) in 2006 (last year of the programming period). If we take the arithmetical average of ratios (thereby eliminating the effect of major companies' preponderant weight), the result is the same: the ratio is much higher for FIG-aided companies (9.4%) compared to non-aided companies (6.8%).

Figure 86: Financial results for the first 100 aquaculture companies in the EU: profitability ratios

FIG 2000-2006	# companies	CA 2006 (K€)	Weighted mean		Arithmetical mean	
			EBIT	EBITDA	EBIT	EBITDA
Yes	56	929 171	14,4%	18,3%	9,4%	14,1%
No	44	457 006	9,5%	14,6%	6,8%	11,0%
Total	100	1 386 177	12,8%	17,1%	8,1%	12,5%

Source : AND International after AMADEUS et INFOSYS

These results do not necessarily mean (or at least not only) that FIG grants contribute to improving profitability; they can also mean that the most profitable companies are the best managed, are better informed on available public subsidies, and are more efficient and better equipped to obtain them.

Analysis per segment

The analysis per segment evidences that the same facts can be established for every segment in which an adequate sample of companies is available: salmon farming, seabass/seabream/turbot farming, shellfish farming.

Figure 87: Financial results of salmon farming companies amongst the first 100 aquaculture companies in the EU: profitability ratios

FIG 2000-2006	# companies	CA 2006 (K€)	Weighted mean		Arithmetical mean	
			EBIT	EBITDA	EBIT	EBITDA
Yes	5	198 493	26,2%	30,4%	20,2%	26,7%
No	11	261 838	13,0%	18,0%	13,4%	18,1%
Total	16	460 331	18,7%	22,7%	15,6%	20,4%

Source : AND International after AMADEUS et INFOSYS

¹⁹ See list of companies in appendix

Figure 88: Financial results of the seabass/seabream farming companies amongst the first 100 aquaculture companies in the EU: profitability ratios

FIFG 2000-2006	# companies	CA 2006 (K€)	Weighted mean		Arithmetical mean	
			EBIT	EBITDA	EBIT	EBITDA
Yes	34	581 257	12,4%	16,9%	9,2%	15,2%
No	13	83 794	6,8%	14,9%	8,1%	15,0%
Total	47	665 051	11,7%	16,6%	8,9%	15,2%

Source : AND International after AMADEUS et INFOSYS

Figure 89: Financial results of the shellfish farming companies amongst the first 100 aquaculture companies in the EU: profitability ratios

FIFG 2000-2006	# companies	CA 2006 (K€)	Weighted mean		Arithmetical mean	
			EBIT	EBITDA	EBIT	EBITDA
Yes	7	51 362	4,0%	6,2%	5,1%	8,0%
No	11	45 274	1,3%	2,5%	1,3%	2,6%
Total	18	96 636	2,7%	4,5%	2,8%	4,7%

Source : AND International after AMADEUS et INFOSYS

Thinly spread assistance in some segments limited the measure's impact

The allocation of small grants to a large number of beneficiaries (shellfish farming in France, extensive carp aquaculture in Germany) had very limited economic effects and led to huge administrative costs.

In Bavaria, as already mentioned, 997 beneficiaries received a FIFG grant in the framework of measure 32 action 2 (modernising existing units) for an average amount of EUR 2,005. 370 beneficiaries received less than EUR 1,000.

In France, 407 shellfish farmers received under EUR 1,000 FIFG of aid.

7.4 Impacts on employment

According to data provided by FIFG beneficiaries in Spain, which concentrates 38% of all FIFG grants committed in the aquaculture sector, aquaculture projects created about 800 jobs, i.e. 0.38 jobs per project on average. However, as this information was provided by beneficiaries in their applications for support, and was often perceived as justifying the level of the grants, it would have to be confirmed once the projects have been realised.

Most projects (87% of the total) had no effect on employment, whereas the remaining 273 projects (at the end of 2007) led to creating jobs (3 jobs created per project on average).

Figure 90: Creation of jobs in FIFG-aided projects for the Spanish aquaculture sector

MS	Programme	Number of aquaculture projects				Jobs created
		total	of which :			
			neutral for employment	with creation of jobs	with destruction of jobs	
SP	Objective 1	2034	1 762	272	0	788
SP	Outside objective 1	46	45	1	0	6
	Total 2 programmes	2 080	1 807	273	0	794

Source : Implementation reports 2007

As mentioned above, the Pescanova turbot investment in Portugal should alone create 200 direct jobs.

If we apply the Spanish rate (13% of all projects give rise to job creations and 2.9 jobs per project with job creations) to the entire EU, the estimated number of jobs created due to FIG grants in the aquaculture sector would be:

- 13% of 9,360 projects giving rise to job creations: 1,217 projects with job creations,
- 2.9 jobs x 1,217 projects = 3,529 jobs created.

8 Impact of the FIG port facilities measure

Q5.3: What was the FIG impact in terms of fishing port facilities?

This chapter analyses the FIG impact on the fishing port area of intervention. It thus focuses on FIG measure 33.

Synthesis

► **Outputs linked to this measure have been significant.**

In old Member States, investments were noteworthy although **strategies were very different** from one MS to another: Portugal, Spain, Finland, France and Sweden funded numerous small projects; Germany, Lithuania, Malta, Poland and Estonia focused on a few bigger projects (budget in excess of EUR 500,000); finally, Italy, Latvia, Greece, the UK, Cyprus and Belgium supported an average number of projects for between EUR 200,000 to 500,000.

Outputs are even more significant in new Member States, where infrastructures were seriously out of date and had not yet benefited from FIG in the preceding programming period; upgrading was very significant for these ports.

► **The FIG had a positive impact on the modernisation of fishing port infrastructures and most actors believe that investments greatly benefited the sector.**

However, in some old MS, part of these efforts contributed to overinvesting in ports due to poor anticipation of the further decline in landings (for instance, in French and Spanish mainland ports) as well as local authorities' insistence on maintaining their infrastructures regardless of any overall regional reasoning. Rationalisation and reorganisation around a smaller number of ports is not achievable everywhere as this must be balanced by some support to the small-scale coastal fishing activities which contribute to the revitalisation of some regions. A regional plan would be a good solution for the application of a rational development plan and continued support for the small-scale coastal fishing branch.

► **In terms of volume, FIG had no impact on volume, but a positive impact on the value of landings as upgrading of landing and storage facilities led to improved quality and higher valued products. Although the amount of landed fish was reduced from 2000 to 2007 in most MS, the income of the producers was maintained at a stable level by an increase in fish prices which compensated the reduced amounts of fish.**

► **Hygiene and safety were both boosted considerably; many projects led to securing ports and berths, improving cold storage, ensuring refrigeration continuity and product quality.**

► **In terms of impact on employment, FIG port facilities' measure had no clear impact, although it is considered that it occasionally contributed to sustaining jobs with improved safety and working conditions.**

Achievements were all the more effective in ports **directly linked to downstream activities** such as processing. Boulogne (France), Bremerhaven, Sassnitz (Germany), etc: all these ports greatly benefited from FIG investments and managed to upgrade infrastructures in view of improving supply management for local processing industries. Port infrastructure modernisation **linked to tourist activities** also resulted in some interesting positive impacts.

8.1 Main output analysis

8.1.1 Overall achievement

Figure 91: Outputs of measure 33 – port facilities (in '000€)

	Program-ming		Commitment		Achievement		Co-financing rate	Consump-tion rate	Achieve-ment rate	Nb of projects ²	Average budget per project
	FIFG	FIFG	Total	FIFG	Total						
Spain	129 206	133 536	234 453	113 696	205 076	55%	85%	88%	1 260	163	
Germany	48 994	47 839	71 147	47 839	71 147	67%	100%	98%	38	1 872	
Portugal	na	47 300	74 108	38 746	59 692	65%	82%	na	334	179	
Italy	na	37 008	86 853	36 580	81 108	45%	99%	na	164	495	
UK	na	43 249	77 968	33 405	67 001	50%	77%	na	239	280	
Denmark*	41 603	41 500	99 300	31 700	72 200	44%	76%	76%	nd	nd	
France	na	45 498	100 351	29 684	65 807	45%	65%	na	485	136	
Poland	22 705	29 457	39 276	22 053	29 404	75%	75%	97%	54	545	
Greece	14 553	19 917	25 856	10 876	13 823	79%	55%	75%	46	301	
Finland	na	9 544	21 993	9 476	21 878	43%	99%	na	155	141	
Sweden	na	5 363	15 294	4 886	13 928	35%	91%	na	156	89	
Latvia	na	4 467	7 596	3 985	6 262	64%	89%	na	17	368	
Estonia	na	2 077	6 687	2 002	6 447	31%	96%	na	12	537	
Malta	na	1 597	2 130	1 573	2 097	75%	98%	na	2	1 049	
Lithuania	na	1 227	1 636	1 227	1 636	75%	100%	na	1	1 636	
Cyprus	889	947	1 893	947	1 893	50%	100%	107%	7	270	
Belgium	550	478	3 184	355	2 370	15%	74%	65%	10	237	
Total	nd	471 004	869 725	389 030	721 769	54%	83%	88%	2 975	218	

Source: National programming documents and Infosys at 31/12/2008

*Source: Danish 2007 annual FIFG report to the commission (For Denmark, Infosys data is not reliable for measure 33)

² Source: summary sheets – data extractions per programme

On average, the achievement rate is 88% which is slightly lower than for most other FIFG measures

At EU level, measure 33 reached an 88% average achievement rate (vs. 90% overall). Globally, the co-financing rate was quite high (55% compared to an overall 37% according to INFOSYS data at 31/12/2008).

Generally speaking, the actual use of FIFG funding for fishing port facilities was more successful in the new MS where the needs for restructuring and modernising ports facilities are much more important than in old MS.

For example, FIFG funding for fishing port facilities was more than fully committed in Poland where achievement reached 97%. Needs were significantly underestimated: out of 86 applications, 52 were granted co-financing and 17 were refused assistance due to lack of funding (7 did not meet the formal requirements).

High public co-financing (FIFG and national) encouraged new projects in MS such as France and Greece. In Denmark, port investments were supported at various levels ranging from 15% FIFG plus 5% national funding, to 50% FIFG plus 50% national funding. Following table shows that total public co-financing (FIFG + national) amounts to 85% in average which is much higher than on other measures, thus highlighting the strong commitment of national authorities in all regions (objective 1 and non-objective 1 areas). The achievement rate is yet much higher in Objective 1 regions than in the other regions, although national public co-financing has been made available to compensate the lower FIFG funding in non-objective 1 areas.

Figure 92: Co-financing and achievement rates for fishing port projects (measure 33) per objective areas

Objective	Programming	Achievement			FIFG Co-financing rate	Public (FIFG + National) fund co-financing rate	Achievement rate
	FIFG	FIFG	National	Total			
Non-Objective 1	164 703 635	90 951 468	102 100 552	229 754 427	40%	84%	55%
Objective 1	190 281 393	184 436 746	54 658 489	280 477 625	66%	85%	97%
Grand Total	354 985 028	275 388 214	156 759 041	510 232 052	54%	85%	78%

Source: National programming documents and Infosys at 31/12/2008

NB; these figures only consider the 22 programmes with programming allocation per measure – see limitation n°1 on programming

In many cases, rather disappointing achievement rates are explained by the fact that programmes were still ongoing at the end of 2008, and investments are still underway until programmes' closure, for instance in Greece and Denmark, which means that the aforementioned figures do not fully reflect the trend of the fishing port facilities measure. In addition, the following two factors did affect the achievement rate for this measure at least in some MS:

- ▶ Investments under this measure are generally for major and lengthy engineering projects; therefore, assessed costs can be overestimated as construction prices have evolved greatly over the period. To take this into account, a practice applied by some Managing Authorities was to engage more funding than would be expected (general practice in Greece).
- ▶ Another problem relates to the schedule for performing major projects and high investment levels. It sometimes appears, after a while, that projects will not be able to claim all costs as they were unable to meet the specified deadline. These funds can then be reallocated, but a great deal of time was lost as these funds were “frozen”, and could not be used to fund other projects in the meanwhile. This can lead to underachievement and sometimes even to decommitment. For example, the Brixham fish market project in the UK was supposed to finance refrigeration facilities for an overall amount of EUR 1.5m – there were delays and in the end FIFG only funded the foundations and basements for EUR 100,000. One of the solutions used in Northern Ireland was to cut the big port facility projects into several more manageable sections so as to comply with deadlines. This system allowed the project manager to pilot the project according to certain milestones. On the other hand, use of this solution increased the administrative load considerably as separate applications must be prepared and each project entails the same reporting and control work load.

8.1.2 Geographic distribution

EUR 389m FIFG were achieved for investments in fishing port facilities

EUR 389m were invested in port facilities projects (measure 33) in all coastal MS, except Ireland where fishing port investments were funded by ERDF alone, and the Netherlands where it was decided not to open this measure under the 2000-2006 programme as a large part of the former FIFG programme had already been dedicated to improving fishing port facilities.

Amongst all MS, seven account for to 85% of the allocated funds: Spain, Germany, Portugal, Italy, the UK, Denmark and France.

Achievements were mainly made along the Atlantic Ocean coast (43% of measure 33 funds), but also in the Baltic Sea and Mediterranean Sea (almost 25% of measure 33 funds respectively).

- ▶ The North-West of Spain, Western France, Portugal, the Canary and Acores islands which are situated along the Atlantic coast are among the main recipient regions. Projects in these regions were very numerous and of small proportion (EUR 92,000 is the average amount of FIFG funding per project).

- ▶ The Baltic coastline is the second main investment area (22% of allocated funds); these mainly supported projects in Mecklenburg-Vorpommern (Sassnitz) in Germany and the Northern regions of Poland. Measure 33 programming in these regions was characterised by fewer but larger projects, with strong support from the national government. The average FIG participation amounted to EUR 210,000.
- ▶ The Mediterranean coast infrastructure was also targeted by the various FIG measure 33 projects; 21% of total funds in this area were allocated to regions along this coast.

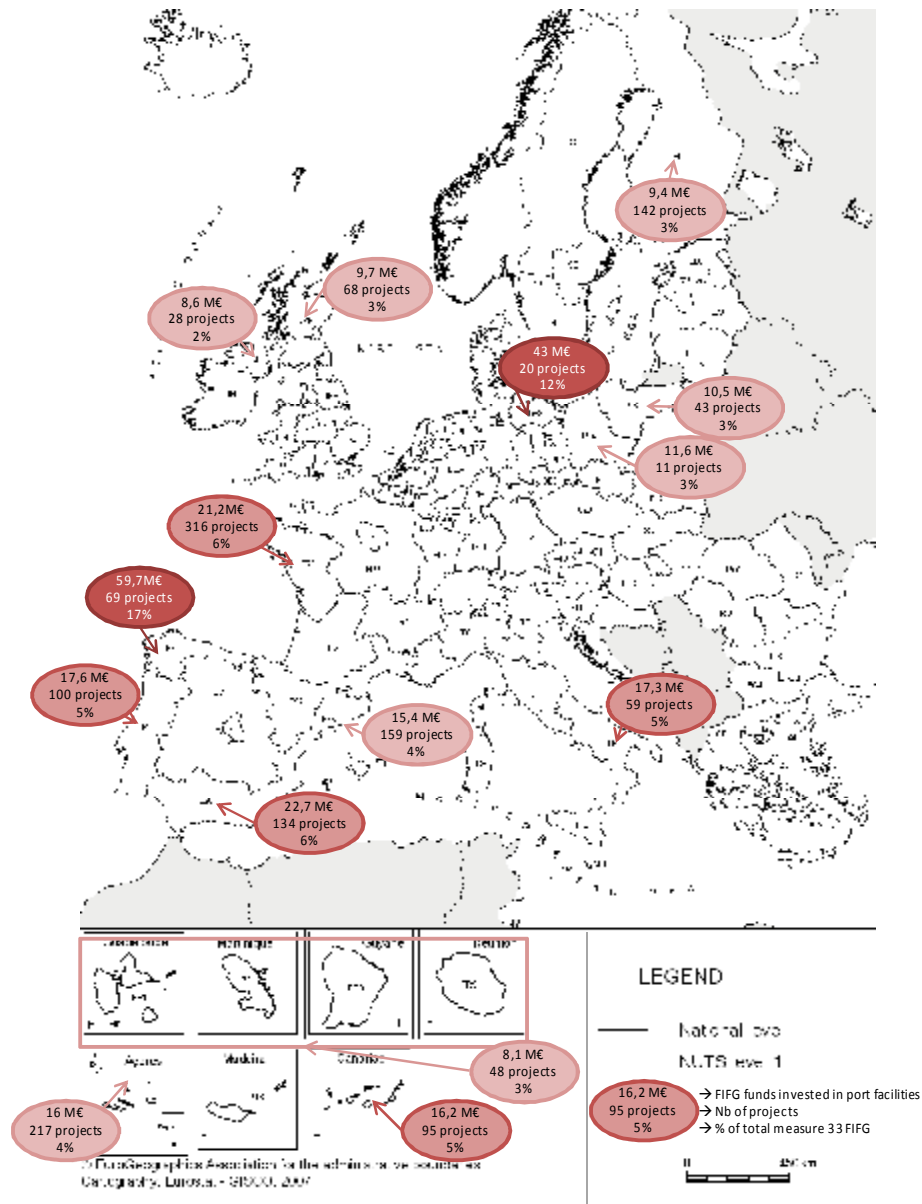
Figure 93: Distribution of measure 33 of FIG per coastline

Sea and ocean coast	FIG (K€)	% of total
Atlantic ocean	165 565	43%
Baltic sea	86 643	22%
Mediterranean sea	82 141	21%
North sea	19 510	5%
Other*	35 241	9%
Total	389 100	

* including Denmark

Source: Infosys and Ernst & Young

The main 15 regions which received FIG support to modernise or build new facilities (representing 80% of FIG funds under measure 33) are depicted in the map below.

Figure 94: Map of the main areas of measure 33 port facilities investment (Denmark excluded)

Different investment strategies

Strategies varied greatly according to the programme and/or the Member State and focused either on a few large-scale projects aimed at building new ports or modernising existing ones, or on many smaller projects aimed at extending port capacities or upgrading some equipment. In these cases, projects completed improvements which had already been undertaken during the previous programming period.

- ▶ Relatively speaking, Portugal, Spain, Finland, France and Sweden funded numerous projects with an average budget of under EUR 200,000. In France, FIFG supported numerous small projects in almost all of the landing ports along the coasts, especially in Brittany.
- ▶ Germany, Lithuania, Malta, Poland and Estonia focused on a few larger projects (budget over EUR 500,000). In Germany, for instance, one main project used most of the budget under this measure. There were only 38 projects and the average overall budget per project

was EUR 1.9m. Finland also opted for concentrated support of the main ports in its strategy, although this does not appear when analysing the figures.

- ▶ Apart from these two groups, Italy, Latvia, Greece, the UK, Cyprus and Belgium supported an average number of projects for between EUR 200,000 to 500,000.

In the light of these national strategies and of the needs analysed above, the relevance of these strategies can be questioned:

- ▶ The old continental MS financed small and numerous projects scattered along the coast, although some facilities are already in overcapacity. In Italy, there is reason to believe that investments were disseminated without an in-depth analysis of needs and a rational development plan. The old MS evidence a lack of strategic thinking and operational plans: in Cornouaille, a rationalisation took place in 2006 with the closing down of the Lesconil auction hall. However, this only occurred because it became obvious that the port pierced too few vessels. Each local authority is keen on supporting its own infrastructure even if it does not make sense at regional level.
- ▶ On the other hand, Germany (under the Objective 1 programme) and the new Member States, undertook vital constructions and infrastructure modernisation in order to maintain and increase competitiveness.

Fishing port facilities investments are of particular importance in NMS; they remain priorities in the old Member States despite decreasing landed volumes

Overall the funds allocated to measure 33 represented 13% of total FIGG in the new Member States and 10% in the old MS, underlining a greater weight of this measure in new MS.

The weight of measure 33 was significantly reinforced over the period as the allocated budget increased by 53%. All MS, apart from Germany and Belgium, increased the FIGG allocation to the port facilities measure. However, much of this increase is accounted for by French and Spanish programming: in France this evolution was due to a readjustment from measure 34 to measure 33.

The two new Member States which programmed per measure also increased the funds allocated to this measure, by 160% for Cyprus and 40% for Poland.

Figure 95: Measure 33 – first and last programming

<i>In K€</i>				
MS	1st programming	Last programming	Evolution	%
France	8 755	36 233	27 477	314%
Cyprus	342	889	547	160%
Greece	6 155	14 533	8 378	136%
United Kingdom	12 360	21 106	8 746	71%
Spain	76 408	129 206	52 798	69%
Finland	4 000	6 707	2 707	68%
Poland	17 957	25 812	7 855	44%
Italy	5 925	7 607	1 682	28%
Portugal	18 455	22 705	4 250	23%
Denmark	36 200	41 603	5 403	15%
Sweden	5 000	5 274	274	5%
Germany	18 559	11 545	- 7 013	-38%
Belgium	1 850	550	- 1 300	-70%
TOTAL	211 966	323 769	111 802	53%

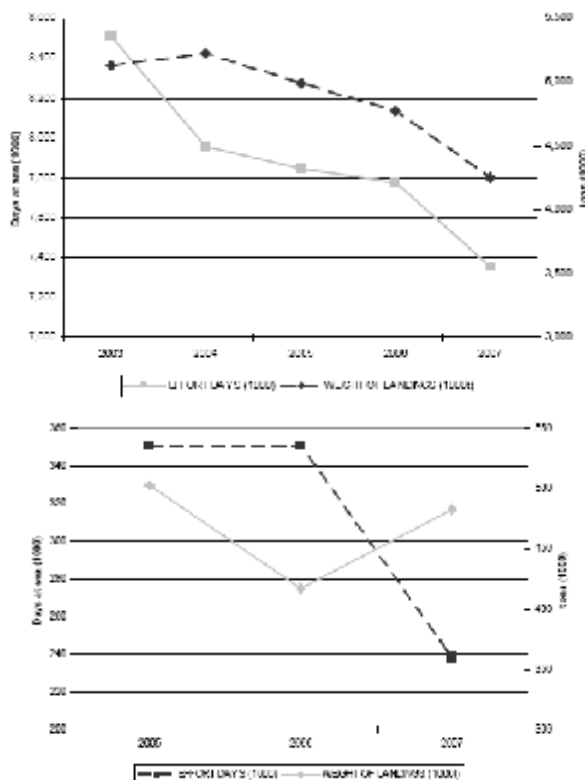
new Member States

Source: National programming documents

In the old Member States, as landings tended to decrease (as the table hereunder shows) ports' needs would appear to have lessened over the years. However, the Managing Authorities did not reduce their modernisation effort in ports. On the contrary, this measure tended to take up an increasing part of the FIGG budget in most Member States. In addition old MS had already widely

benefited from the previous FIG programming period; they received EUR 147m FIG and still received another EUR 357m for this programming period.

Figure 96: Evolution of landings in the old and new MS



Source: 2009 Annual Economic Report on the European Fishing Fleet – European Commission

Although achievement rates show that the take-up on this measure was quite high and projects were not at all scarce, one wonders whether all investments were necessary and whether FIG did not support overinvestment in regions where global strategy and regional development plans were lacking. In France, for instance, an example illustrates such lack of global strategy at regional level:

- In Brittany, sales in Lesconil stopped in 2008. Since 1995, landings in Lesconil never accounted for more than 1.6% of total landings in Cornouaille. There were 6 boats selling in Lesconil when sales stopped; 3 of the boats now land in Guilvinec, the 3 others still land in Lesconil and products are sent to Guilvinec by road.

On the other hand, landings increased in the new Member States from 2006 on, illustrating the positive impact of FIG on volumes and also the increased need for improved infrastructures.

8.1.3 Types of investments

Construction vs. modernisation

Most projects were new construction projects: 51% of port facilities projects were new buildings, representing 71% of FIG funds allocated to this measure. It is considerably more expensive to build new facilities than to modernise existing ones; the average FIG allocation for modernisation projects is EUR 70,000 whereas new constructions were allocated with an average amount of EUR 170,000.

Figure 97: Port facilities: new constructions / modernisation

K€	Construction of new facilities				Modernisation of existing facilities			
	Nb	FIFG	Total	% of total	Nb	FIFG	Total	% of total
Spain	486	77 180	256 905	68%	774	36 517	118 888	32%
Germany	16	44 340	116 697	91%	22	3 462	11 997	9%
Portugal	232	29 892	93 085	79%	102	8 854	25 236	21%
Italy	99	21 041	90 737	71%	65	8 643	36 812	29%
UK	157	19 268	75 883	63%	82	14 076	44 383	37%
France	250	22 970	94 793	61%	208	13 777	61 470	39%
Poland	15	12 074	32 196	55%	39	9 979	26 611	45%
Greece	43	10 164	25 651	94%	3	712	1 781	6%
Finland	111	8 484	39 457	90%	44	992	4 148	10%
Sweden	58	2 798	12 342	54%	98	2 088	10 701	46%
Latvia	17	3 985	11 613	100%		-	-	-
Estonia	3	102	484	5%	9	1 900	9 141	95%
Malta	2	1 573	4 195	100%		-	-	-
Lithuania	1	1 227	3 272	100%		-	-	-
Cyprus	7	947	3 787	100%		-	-	-
Belgium	10	355	3 020	100%		-	-	-
Total	1 507	256 399	864 116	71%	1 446	101 001	351 169	29%

Source: Infosys at 31/12/2008

Essentially, small and new Member States concentrated solely on construction projects.

Estonia is the only country which funded a majority of modernisation projects (95%). However the programme only supported 9 projects representing a total FIFG amount of EUR 2m.

Varied facilities in ports and auctions

This measure enabled to fund very **varied facilities** attached to port equipments that completed larger infrastructure investments, generally funded by the ERDF (see external consistency).

Regarding both construction and modernisation, investments led to:

- Building new quays,
- Providing cold stores, ice machines...
- Providing storage facilities, handling installations...
- Installing electricity and/or water or fuel supplies...
- And installing usable surfaces for first sales.

There are no exhaustive and sufficiently reliable figures which could provide a full overview of the types of investments funded by the FIFG during the 2000-2006 period.

Some examples of representative projects, or projects of particular interest, can be mentioned:

- In the German Objective 1 programme, one main project was funded in **Sassnitz Mukran** on the island of Rügen with the establishment of the Euro-Baltic fish processing centre, considered as one of the success stories in modern food processing: this is the major herring processing plant in the Baltic. German fishermen land all their herring and a variety of other species such as sprats and flounder at the plant pier. The idea was to process herrings fished by the German fleet in Germany so as to cash in on added value in a context of rising herring prices. Before the project, catches were transported by sea to Denmark. Sassnitz-Mukran was awarded EUR 40m to build the facilities from scratch. This amount represents 93% of the funds under the port facilities measure in the Objective 1 area in Germany. The new centre was awarded EUR 9m to equip the fish processing centre and the accompanying cold-store (56% of funds under the processing measure in Objective 1 area). A brand new harbour was built in Sassnitz with quay and storage facilities. The project started immediately in 2000 and was finished in 2007. This enormous project is part of the 'Land' policy for the fisheries sector which aims to connect the processing and catching sectors directly at local level. The plant is one of a kind in Germany. The original

14,000m² processing plant was opened in 2003 (construction started in 2001 and cost EUR 100m, with 55% of this capital coming from EU funding) and has enjoyed enormous success. The plant is now being expanded within its 12ha site to increase its herring processing capacity. In addition to this major project, eight other predominately smaller projects were supported. These contributed to the continuation and, to a large extent, completion of the extensive modernisation of ports in a number of locations which began in the previous phase.

- ▶ **France – Brittany**, funding was dispatched to all ports. The scattered settlement of seaports and sales in Cornouaille is a concern for all the people interviewed. For most of them, the 9 daily sales do not allow a good connection between offer and demand. Due to economic difficulties, the organisation of CCI (Chamber of Commerce and Industry) which was the direct beneficiary of this measure in the region, evolved in 2007-2008, with a reflection on distance sales, human resources and fishing equipment mobility.
- ▶ **Lithuania, FIGG funded the construction of the first ever auction hall in Baltic countries**: this was the only Lithuanian project funded under measure 33; it cost EUR 3.3m of which EUR 1.3m FIGG (37%). This project was conducted jointly with the establishment of a processing enterprise. The Klaipeda fishing port was not fully operational and a high investment level was required. Establishing the fish auction hall helped develop fishery product marketing and ensuring an income for fishermen. The new port lacked premises for first fish sales; first sale storage and control was not adequate. Fish were sold via separate agreements with primary wholesalers; producer organisations were not yet in place and therefore, there were no conditions for applying price support mechanisms. Investments in the fish auction hall construction were particularly significant, as due to concentrating demand this entity led to the establishment of fish sale prices.
- ▶ **Poland, 52 proposed projects were granted co-financing** (out of 86 applications). The vast majority of funds were quickly consumed by large infrastructure projects and the remaining projects were quite small in terms of cost and scope; many more were rejected due to lack of funding. 17 ports and 2 fish landing sites were modernised, thereby improving the quality of fish products along the entire Polish coast (improvements in sanitary conditions, vessel services, landing and stocking facilities; improvement in safety conditions through the installation of monitoring and telecommunication systems; improvement of transport facilities through the renewal of exit roads).
- ▶ **Malta, two large state projects were funded by the FIGG**:
 - A mobile crane and landing facilities, as well as a system to haul vessels onto land for winter maintenance, and slipways in Marsaxlokk harbour;
 - Modernisation of the Gozo cold store with two new freezers.
- ▶ **Cyprus**, it was initially planned to upgrade only the largest port, but the project failed because of political disagreement and project immaturity. In the end, a series of smaller projects were granted FIGG funding (seven fisheries shelters, which are the heart of the Cypriot fisheries sector). The fishermen use these shelters rather than ports to shelter from storms.

8.2 Impacts on volume and value

No figures provide us with an exact overview of FIGG impact on volume and value in EU ports. The following conclusions are based on some individual statistics which measure the evolution of landings and their value as sold on the pier or in sales, or on perceptions of the different actors interviewed during the data collection process.

FIFG contributed to upgrading equipments in fishing port infrastructures and to adapting these to sector evolution, including fleet structure

More than impacting volume, FIFG helped to enhance quality by improving landing and storage capacities.

In some old Member States, projects also aimed at adapting ports to an evolving fleet (more vessels over 100m); enabling them to pier larger ships, as was the case in Scotland. In Denmark, pelagic ports such as Esbjerg, Hirtshals and Skagen were specifically deepened because of the larger size of vessels.

- ▶ **Northern Ireland:** Over the last eight years, the NIFHA (Northern Ireland Fishery Harbour Authority), has delivered a strategically focused series of investments in the three main harbours in Northern Ireland (Kilkeel, Ardglass and Portovogie), which have linked improvements to the port's infrastructure and services, to improving safety, product quality and environmental performance. The purpose was to help improve and sustain operational safety and fishery products' quality available from the Northern Irish fleets. Investments exceed EUR 19m. The measure was highly relevant for Northern Ireland as the existing three harbours were out of date and required upgrading. The outputs and impacts are huge and the added value of FIFG funding is enormous as none of these projects would have been undertaken if the programme had not existed. Safety and landing quality has been very much improved thanks to an in-depth and complete programme of infrastructure upgrading. In future years, only a very big decommissioning scheme, which would severely reduce the Northern Irish fleet, would lead to overcapacity in the three harbours. At the moment, port facilities on offer meet sector needs and have answered the requirements for more safety and quality in handling products.

FIFG helped modernise auction systems

A fish auction in Lerwick (Shetlands) was a big success with electronic bidding and a website compatible with broadband connections.

Investments in port facilities had no impact on the volume of landings, this depends on other factors

The FIFG contribution to an improved capacity of landing, processing and storing in ports, did not lead to an increase in total landings which depends on other factors, mainly fishing stocks and quotas, which govern landing volumes for majors species (cod, herring, etc.).

- ▶ This observation is confirmed by Latvian investments (see case study no.10). In the two ports that benefited from FIFG funding, Roja and Salacgriva (Kuiviži port is part of it), the landing volume was affected by the reduction in catches, as well as by scrapping and reassigning fishing vessels. In Roja, the number of vessels was maintained and herring landings increased by 11% between 2005 and 2008. On the other hand, sprat landings decreased by 38%. In Salcgriva, landings for both species decreased over that period.

Investments in port facilities contributed to improving quality and thus helped increase fishery products' added value.

The contribution to production quality was been significant through improved landing, processing and storage conditions. Especially focused on cold storage, FIFG helped to ensure continuous refrigeration and improve supply quality for dependent processing plants.

FIFG investment in fishing ports improved fishing companies' profitability

FIFG contributed to better profitability and competitiveness via various means:

Improved quality generally implies higher prices, and in all events, improved supplies for the processing industry which is very competitive and is confronted with serious quality issues.

- ▶ In Denmark, the amount of landed fish declined from 2000 to 2007, but value was maintained at a stable level. This is partly due to an increase in fish prices which compensated the reduced amounts of fish. However, a survey evidences that a larger proportion of three selected fish species was sold as “E” quality (highest quality level). This is an indication that there was also a positive impact on higher quality products onboard and after landing.

The main positive FIG impact concerns quality and is the development of better technical services for fishermen, resulting in cost economies: transport, maintenance, supply.... Improved services and the introduction of technological innovations modernised fishing product loading and unloading.

- ▶ In Malta, the installation of these facilities greatly improved user conditions. Before the investments, fishermen had to go to Italy in the winter to have their vessels undergo basic maintenance procedures; now this can be done in the home port. The investments saved costs for fishermen and also increased safety conditions.
- ▶ The case study on measure 33 port facilities in Latvia is an illustration of FIG impact on volume and value aspects. Through the modernisation of the Klaipeda facilities, FIG had a positive impact on fish product quality and their added value. Measures allowed processors to find volumes and prices adapted to their needs and thus to work competitively and to maintain and further develop their activities. FIG improved the companies' competitiveness, supported the development of economically viable enterprises and contributed to employment and the economic activity of the fisheries sector and coastal regions in Latvia.

The most successful strategies were those which endeavoured to improve port facilities in view of gaining added value for downstream activities such as processing and marketing. This point was emphasised by producer associations in Denmark and Latvia for instance. Improving products' freshness and quality for the end consumer is achieved by developing better landing and storage facilities.

- ▶ Ports such as Boulogne (France), Bremerhaven (Germany), Vigo (Portugal), Las Palmas (Spain) made good use of the FIG port measure in order to ensure sufficient and quality supplies for processors.
- ▶ The case of Sassnitz (Germany) is also significant as the port infrastructure was closely connected to the construction of the herring processing plant.
- ▶ In the port of Esbjerg (Denmark), a deeper basin and a brand new quay were constructed with FIG support for the purpose of improving supplies to the processing industry. Also in 2006, the large pelagic factory and most of the large fishmeal plants were closed; this led to the pelagic activity's disappearance in the area and rendered the new facilities somewhat useless. However, the strategy was very consistent and it was impossible to foresee this evolution.

In the future, one development section for ports is to create closer links between tourism and related fishery port activities.

- ▶ In Germany, part of the effort will be put into restoring some old cutters for the tourist branch: it has been noted that harbours need to have a few old trawlers along the berth in order to satisfy tourists' expectations and therefore develop the port's tourist potential. In this respect, the EFF's **wider scope** is much appreciated because it enables to connect strictly fishery-oriented measures, subjects such as tourism and research, and environmental measures. In Germany, this is considered to be necessary more than ever.

Investments also had some negative effects

The old continental MS did not have a rational approach to port facilities:

- ▶ The Italian example evidences that sprinkling FIG via ice machines and improved quays in all ports was not particularly efficient.
- ▶ In La Réunion (France), infrastructures appear to be clearly over-dimensioned as compared to stakeholders' needs.

On the other hand, even if maintaining all ports afloat does not appear an economically rational solution; it does greatly contribute to supporting small-scale coastal fishing activities as shown by the example of small fishing ports in Cornouaille (Brittany – France).

A regional port strategy would enable a balanced approach to avoid funding and investing in the same infrastructure in all seven ports of Cornouaille, while sustaining support to the local fishing activity.

In new Member States, there were also some downsides:

- ▶ The auction hall created in Klaipeda (Lithuania) was supposed to attract boats from all three Baltic States. In fact, as passing through the auction hall is only a compulsory procedure for cod landings, many vessels continued to land their fish outside of the auction hall, mainly due to special arrangements with wholesalers. There is no incentive for fishermen to use the new facilities: the services offered do not outweigh the price to be paid (4% of landed value), while advantages in terms of hygiene do not appear sufficient in comparison. Although the need for this infrastructure is not disputed, fishermen still have to undergo a cultural change in order to accept this new sales system and its advantages.

8.3 Impact on hygiene, safety and employment

FIFG played a major role in improving hygiene and safety

Most programmes which endeavoured to improve port facilities were concerned with upgrading hygiene and safety conditions: these objectives were constantly put forward.

Feedback from all programmes shows that although it is hardly measurable, the impact was positive as concerns hygiene, as evidenced by the example of Danish products which sold at higher prices due to improved quality.

- ▶ The London Billingsgate market was supplied with new doors and a system to keep seagulls out of the market; this simple project greatly improved hygiene conditions and services to companies which sell on the market (less stock is lost).

As for safety, some projects attempted to keep piers and quays in working order and have these meet safety requirements; this has certainly been positive, even if, in many cases, progress is still needed. The diagnosis at the beginning of the programme showed that vital upgrades were required, such as the rusty pillars in Scottish ports. The infrastructure was ageing and in some places pillars even threatened to collapse; cathodic protection was applied to rusty pillars in many harbours.

However, the main achievements in terms of safety result from projects to modernise fishing vessels and joint projects that support the distribution of life jackets and other safety equipment.

On the whole, under this measure, FIFG helped to maintain or improve satisfactory working conditions such as in Malta, where maintenance facilities are now available. New cranes, ladders and slipways were small investments; however they certainly improved safety conditions in ports.

Although not systematic, some FIG projects targeting port facilities had a positive impact on employment at a local level, not only in the fishing activity but also in processing and beyond.

On the whole, this measure did not directly help to create many jobs, but it did contribute to revitalising certain areas:

In actual fact, port facilities projects had very different effects on employment

- ▶ A sustaining effect. In point of fact, although most projects did not result in creating new jobs; they helped to sustain existing ones and improved working conditions. Statistics show that the number of directly related jobs decreased slightly; FIG has helped maintain activity in many ports and most of all around these, as in Peniche in Portugal where the port is essential to preserve fish related activities in the entire surrounding region (canning industry, etc.).
- ▶ A positive impact on indirect employment due to support for surrounding activities, by developing fishing activities upstream, and mostly downstream. Indeed on a local scale some projects contributed to job creations, for instance:
 - In Sassnitz-Mukran: 150 direct jobs were created in a region where unemployment affects 20% of the active population.
 - The Madera example shows that the number of jobs linked to the fishing port went from 154 to 115. FIG efforts mainly helped to sustain activity and improved working conditions and safety; it did not create any jobs.

In Spain, which concentrated approximately 30% of all FIG grants used for investments in fishing port facilities in the EU, most projects (97%) had no impact on employment. As for the few which had an impact on employment (30 out of 1.062 at the end of 2007, i.e. approximately 3%) they led to the creation of an average of 7.9 jobs per project.

Figure 98: Creation of jobs in the FIG-aided projects in Spain under measure 33

MS	Programme	Number of fishing port projects			Jobs created	Jobs destroyed	
		Total	of which				
			neutral for employment	with creation of jobs			with destruction of jobs
SP	Objective 1	940	910	30	0	236	0
SP	Outside Objective 1	122	122	0	0	0	0
	Total 2 programme	1 062	1 032	30	0	236	0

Source: implementation report 2007

9 Impact of processing, marketing and promotion measures

Q5.4: What have been the impacts of FIG in the processing, marketing and promotion activities?

This chapter analyses the FIG impact on the processing and marketing area of intervention. It thus focuses on FIG measures 34 and 43.

Synthesis

In terms of modernisation and production volume, the FIG impact was positive:

- FIG contributed to the renewal and increase in production capacity (for instance, the Spanish processing capacity increased by 380,000 t for the production of fresh and chilled products, 297,000 t for the production of canned fish, 434,000 t for the production of frozen products and 247,000 t for the production of smoked, dried, salted and ready-cooked products),
- FIG accelerated setting up production improvement systems,
- FIG contributed to modernising numerous processing and marketing units.

In terms of hygiene, FIG had a positive impact:

- FIG favoured the improvement of sanitary conditions.

In terms of competitiveness and profitability...

- FIG prevented closures of outdated plants, contributed to their modernisation or replacements or relocation in a more suitable environment,
- FIG helped companies to better adapt to the needs and demands of modern distribution channels.

In terms of employment, the FIG impact was good: about 12,000 jobs were created.

FIG supported investments in new Member States sometimes accelerated the contraction of activities in other parts of the EU.

9.1 Main output analysis

Key facts

- ▶ The measure represents 31% of total FIG achievements.
- ▶ The average achievement rate is 76%. This is higher for the two modernisation actions (34.1 and 34.3) than for construction actions (34.2 and 34.4): 80% vs. 76.1% for processing and 75.6% vs. 72.9% for marketing.

Figure 99: Commitment/achievement per area for measure 34 (in €)

Action		FIFG committed	FIFG achieved	%achievement
34.1	Increase in processing capacity	478 417 417	363 897 720	76,1%
34.2	Modernisation of existing processing units*	147 320 412	117 813 183	80,0%
34.3	Construction of new marketing establishments	102 937 493	75 056 341	72,9%
34.4	Modernisation of new marketing establishments	73 027 402	55 216 719	75,6%
Total		801 702 723	611 983 962	76,3%

* with no increase in physical capacity

Source : INFOSYS

► Public co-financing is rather low for this area of intervention. The achievement rate is much higher in objective 1 areas.

Figure 100: Co-financing and achievement rates for processing, marketing and promotion projects (measures 34 and 43) per objective areas

Objective	Programming	Achievement			FIFG Co-financing rate	Public (FIFG + National) fund co-financing rate	Achievement rate
	FIFG	FIFG	National	Total			
Non-Objective 1	289 246 385	225 395 474	161 351 085	1 328 210 963	17%	29%	78%
Objective 1	520 312 013	479 886 291	252 819 086	1 515 249 189	32%	48%	92%
Grand Total	809 558 398	705 281 764	414 170 170	2 843 460 152	25%	39%	87%

Source: National programming documents and Infosys at 31/12/2008

NB; these figures only consider the 22 programmes with programming allocation per measure – see limitation n°1 on programming

► **Processing:**

- Spain received more than half of all FIFG grants awarded to processing investments (actions 34.1 and 34.2).
- 10 other MS received grants in excess of to EUR 10m.

Figure 101: FIFG grants awarded per MS in the processing sector (measure 34 actions 1 and 2)

34.1 - 34.2	FIFG (€)
Spain	251 556 150
Germany	38 235 288
UK	32 157 128
Denmark	23 964 216
Poland	23 096 079
Italy	22 753 287
Greece	22 089 237
Portugal	21 256 840
Sweden	10 589 225
Finland	10 289 138
Other MS	24 989 056
Total	480 975 646

Source : Infosys

► **Marketing:**

- Spain received 67% of all FIG grants awarded to marketing investments (actions 34.3 and 34.4).
- 4 other MS received grants in excess of EUR 5m.
- Unlike investments aided in the processing sector, which concerned both northern and southern MS, investments in the marketing sector were concentrated in the Mediterranean Basin. This is due to the biggest number of ports and landing points in the south and to the difference in consumption habits (importance of fresh unprocessed fish in Mediterranean countries).

Figure 102: FIG grants awarded per MS in the marketing sector (measure 34 actions 3 and 4)

34.3 - 34.4	FIG (€)
Spain	86 890 993
France	13 725 300
Italy	11 857 242
Greece	7 691 548
Other MS	10 107 976
Total	130 273 060

Source : Infosys

FIG contributed to the renewal and increase in production capacity

In the processing sector, 76% of FIG subsidies, amounting to EUR 482m, were allocated to constructing new processing units and extending existing units (action 1), whereas 24% were awarded to modernisation projects without an increase in physical capacity (action 2).

Spain, the biggest user of subsidies awarded in this sector, increased its production capacity considerably.

Figure 103: Increase in fish processing capacity linked to FIG-aided investments in Spain

Category	Processing capacity increase (t)		
	Obj. 1	Outside obj.1	Total
Production of fresh and chilled products	361 407	18 114	379 521
Production of canned products	276 916	19 924	296 840
Production of frozen products	398 726	35 352	434 078
Production of smoked, dried, salted, ready-cooked products	222 027	24 631	246 658

Source : MARM 20

These new capacities often replaced old and obsolete processing plants.

In the same way, in the marketing sector, 58% of FIG subsidies, amounting to EUR 130m, were allocated to constructing new marketing establishments (action 3), whereas 42% were awarded to modernising existing establishments (action 4).

Spain, Italy and Greece, the 3 biggest users of this sub measure 34.3, along with France (no available implementation data for France), increased the effective surface area of marketing establishments by 376,000 m².

Figure 104: Increase of effective surface area linked to FIFG-aided investments in some MS

MS	Programme	Effective surface area constructed (m ²)
Spain	Obj. 1	248 982
	Outside Obj. 1	55 248
Italy	Outside Obj. 1	26 383
	Calabria	2 504
	Campania	14 695
	Puglia	1 000
	Sicilia	1 348
Greece		25 564
Total 3 MS		375 724

Source : AER Spain, INFOSYS

FIFG contributed to modernising numerous processing and marketing units

EUR 118m of FIFG grants were dedicated to modernising the processing sector, 75% of which in four Member States: Spain, Germany, Denmark and Poland. These 4 MS subsidized 664 projects (average amount of FIFG grants: EUR 132,000).

Figure 105: FIFG grants awarded by MS for modernising the processing sector (measure 34 action 2)

34.2	FIFG (€)
Spain	49 858 151
Germany	14 708 572
Denmark	11 949 847
Poland	11 359 867
Portugal	7 075 224
France	5 214 078
Other MS	17 647 443
Total	117 813 183

Source : Infosys

Spain was again the main beneficiary of the measure dedicated to modernising the marketing sector and modernised 803 establishments (average amount of FIFG grants: EUR 47,000).

Figure 106: FIFG grants awarded per MS for modernising the marketing sector (measure 34 action 2)

34.4	FIFG (€)
Spain	37 735 600
France	5 510 630
Italy	5 867 312
Greece	2 797 943
Other MS	3 305 235
Total	55 216 719

Source : Infosys

FIFG favoured the improvement of sanitary and environmental conditions and accelerated setting up production improvement systems.

Projects related to modernising existing processing and marketing units allowed the set up of numerous production improvement systems (quality, technological innovations).

Many units also benefited from improved environmental conditions and/or sanitary conditions (implementation indicators used in INFOSYS and defined in Commission Regulation 366/2001).

Spain alone, which concentrated more than half the FIG grants allocated to modernising the processing and marketing sector, was therefore able (according to the 2007 – latest - annual execution reports) to:

- Improve sanitary conditions (i.e. conditions related to food safety: cleanliness of food contact surfaces, waste management, ...) in 1,616 units (814 processing units and 802 marketing units),
- Set up production improvement systems (quality, technological innovations) in 8,605 units (3,933 processing units and 4,672 marketing units),
- Improve environmental conditions in 301 units (216 processing units and 85 marketing units).

Germany, which is the second Member State beneficiary, was able (also according to 2007 annual implementation reports) to:

- Improve hygiene and sanitary conditions in 1,297 units,
- Set up production improvement systems (quality, technological innovations) in 335 units,
- Improve environmental conditions in 77 units.

FIG clearly contributed to improving the technical, sanitary and environmental situation in the processing and marketing sector.

9.2 Impacts on market supply

FIFG contributed to improving the market supply for processed products

The report on the EU fish processing industry, published in November 2009 by SGECA 09-03, is the first attempt to compile national statistics and provide an overview of sector performance. The data used in this report was collected within the framework of the Data Collection Regulation (DCR). The call for data requested data for the years 2006 and 2007 and does not allow a comparison of the sector's situation at the beginning and end of the FIG programming period.

Therefore we will use some national examples.

- ▶ In Spain, first MS beneficiary for the processing measure (34.1 and 34.2), canned fish production increased by 40% and exports by 47% (in volume) between 1999 and 2007. In the same period, the production capacity of the Spanish conserving industry was increased by 297,000 t due to FIG-aided investments.

Figure 107: Evolution of the Spanish production of canned fish during the programming period

Year	Production of canned fish		Export of canned fish	
	t	M€	t	M€
1999	240 652	752	96 267	308
2007	336 292	1 255	141 597	495

Source : ANFACO
(Asociación Nacional de Fabricantes de Conservas de Pescados y Mariscos de España)

- ▶ In Germany, second MS beneficiary of the measure, fish processing industry production rose by 5% in volume between 2001 and 2007, with very different evolutions according to industry segments.

- Production of smoked fish declined significantly (-37%) in connection to the takeover of the German market leader (Laschinger) by the Polish company Morpol, and the relocation of some other companies to Poland (Friedrichs).
- Production of frozen fish increased (+ 69,000 t between 2001 and 2007). This is related to the FIG-aided capacity increase by some leading companies in the frozen fish segment: ROYAL GREENLAND in Wilhelmshaven (+ 16,500 t), FROSTA in Bremerhaven (+ 11,500 t), FROZEN FISH INTERNATIONAL in Bremerhaven (+ 10,000 t), PICKENPACK-HUSSMANN & HAHN in Lüneburg (+ 5,000 t).

Figure 108: Evolution of the German production of processed fish during the programming period (t)

Product category	2001	2007
Frozen fish products	166 300	235 601
Prepared fish	180 600	170 200
Fish salads	31 700	24 469
Smoked fish	28 500	17 951
Prepared crustaceans & molluscs	5 900	8 888
Processed fresh fish	10 200	7 661
Other	28 125	9 069
Total production	451 325	473 839

Source : FIZ

FIFG contributed to the development of intra-EU exports of processed products

Between 1999 and 2007, intra-EU trade in processed fish products increased considerably: +39% in volume and +58% in value. Extra-EU trade also grew in value (also +58%) but did not increase in volume (-0.8%).

However, it is not possible to establish any direct causal connection between FIG-aided investments and export development. As evidenced by case studies, investments helped companies to modernise, extend or relocate their facilities and therefore to increase automation and improve quality standards. This allowed these companies to gain new customers on both domestic and export markets.

Figure 109: Evolution of EU trade of processed fish from 1999 to 2007

HS4	Quantity (t)				Value (1000 €)			
	Extra-EU		Intra-EU		Extra-EU		Intra-EU	
	1999	2007	1999	2007	1999	2007	1999	2007
03.05	24 997	30 102	160 009	187 144	82 625	132 572	850 494	1 389 598
16.04	154 869	139 375	456 304	675 478	221 224	332 019	1 359 313	2 206 776
16.05	9 095	18 034	116 353	159 407	47 147	87 764	654 709	923 282
Total	188 961	187 511	732 666	1 022 029	350 996	552 355	2 864 516	4 519 656

03.05 : dried, salted and smoked fish

16.04 : prepared or preserved fish

16.05 : prepared or preserved crustaceans and molluscs

Source : Comext

FIFG prevented the closure of outdated plants

Some plants were running a closure risk due to obsolete technology and low productivity. The investments supported by FIG subsidies resulted in maintaining plants (e.g. FROZEN FISH INTERNATIONAL plant in Bremerhaven).

FIFG helped companies to better adapt to the needs and demands of modern distribution channels

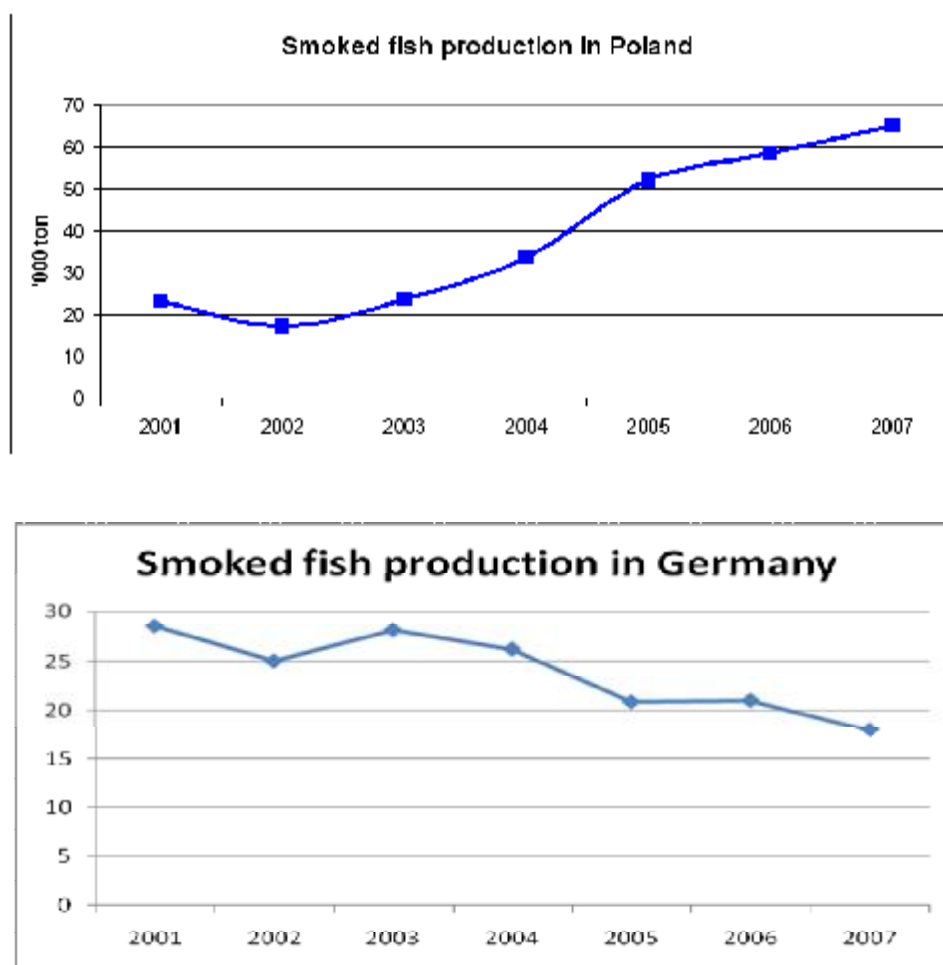
Case studies evidence that FIFG-aided investments helped companies to improve quality and develop their sales to supermarket chains.

For instance, in Sicily the competitiveness of the company ICONSITT improved and its economic viability was secured due to new contracts that the company was able to conclude with major retailing operators.

FIFG supported investments in new Member States accelerated the contraction of activities in other parts of the EU

The takeover of some German smoking facilities by Polish groups, and the relocation of German companies to Poland started before Poland joined the EU, as can be seen on the graphs below.

Figure 110: Evolution of smoked fish production in Germany and Poland



However FIFG subsidies awarded to the three leading Polish smokers (MORPOL, SUEMPOL, KORAL) increased this trend. N°1, MORPOL CAPITAL GROUP, benefited from grants for its two specialised sister companies Morpol in Ustka and Laurin Seafood in Lebork (total FIFG subsidy: EUR 0.9m. No. 2, GRAAL CAPITAL GROUP, received two grants for its company Koral in Tczew (one for a construction in 2005, one for a modernisation in 2007; total FIFG grant: EUR 0.5m). No. 3, SUEMPOL, also received a grant for the modernisation of its Bielsk Podlaski plant in 2007 (FIFG amount: EUR 0.7m).

The biggest part of the Polish smoked salmon production is dedicated to export to EU, above all to Germany.

Figure 111: Evolution and structure of Polish exports of smoked salmon

<i>t</i>	Total	Intra-EU	of which Germany	Extra-EU
2004	8 041	8 033	7 591	8
2005	17 015	17 002	13 019	13
2006	20 337	20 321	15 011	16
2007	23 112	23 047	18 692	65
2008	26 778	26 231	20 638	547

Source : Eurostat/Comext

Obviously FIG did not play the major role in the capacity transfer between Germany and Poland (some external factors, such as labour cost, are much more decisive for this labour-intensive industry) but EU funds contributed to securing of Polish leadership of the European smoked salmon branch.

9.3 Impacts on companies' economic results

FIFG-aided companies evidence higher profitability at the end of the programming period

The comparison of economic and financial performances with the usual profitability ratios (added value, EBIT, EBITDA) is made for the processing companies, i.e. companies of NACE 1020 ("processing and preserving of fish, crustaceans and mollusks"), using the AMADEUS database.

The sample used for the analysis includes 326 fish processing companies²¹.

Added value

The sample used for the added value analysis includes 185 companies for which both 2007 added value and sales are specified. The analysis shows better results for FIFG-aided companies compared to non-aided companies.

Added value is 15.6% of revenue for grant-aided companies and only 13.2% for non aided companies (weighted average) in 2007 (last year of the programming period). If we take the arithmetical average of ratios (thereby eliminating the effect of the preponderant weight of major companies), the result is the same: the ratio is much better for FIFG-aided companies (16.7%) compared to non-aided companies (11.6%).

²¹ See list of companies in appendix

Figure 112: Financial results of fish processing companies in the EU: value added

FIFG 2000-2006	# companies	Sales 2007 (K€)	Weighted mean	Arithmetical mean
Yes	116	6 414 102	15,6%	16,7%
No	69	2 928 668	13,2%	11,6%
Total	185	9 342 770	14,7%	14,8%

Source : AND International after AMADEUS et INFOSYS

EBIT-EBITDA

The analysis of EBIT and EBITDA ratios also shows better results for FIFG-aided companies but the conclusions are not so clear.

Figure 113: Financial results of fish processing companies in the EU: EBIT

FIFG 2000-2006	Sample # companies	Sales 2007 (K€)	Weighted mean	Arithmetical mean
Yes	156	8 089 576	3,0%	2,5%
No	100	4 089 417	1,9%	2,6%
Total	256	12 178 993	2,7%	2,5%

Source : AND International after AMADEUS et INFOSYS

Figure 114: Financial results of fish processing companies in the EU: EBITDA

FIFG 2000-2006	Sample # companies	Sales 2007 (K€)	Weighted mean	Arithmetical mean
Yes	137	7 592 072	5,1%	5,2%
No	85	3 866 337	3,5%	4,1%
Total	256	11 458 409	4,5%	4,7%

Source : AND International after AMADEUS et INFOSYS

And as we have already pointed out in the aquaculture chapter, these results do not necessarily mean (or at least not only) that FIFG grants contribute to the improvement of profitability, they may also mean that the most profitable companies are the best managed, are better informed on available public subsidies and more effective and better equipped to obtain them.

It has not been possible to use the same database for the fish marketing segment since most marketing companies are classified in NACE 4638 ("wholesale of other food, including fish, crustaceans and mollusks"), a hotchpotch category which includes, besides fish marketing companies, companies as different as METRO, ALDI, PAIN JACQUET or NOVARTIS PHARMA.

FIFG-aided companies also show a better turnover evolution, although results were not better for FIFG-aided companies over the period

If we now observe sales' progress during the programming period, we note that companies which received a FIFG subsidy recorded a higher increase in sales between 2000 and 2007.

Figure 115: Evolution of sales for fish processing companies between 2000 and 2007

FIFG 2000-2006	Sample # companies	Weighted mean	Arithmetical mean
Yes	102	+64,8%	+110,41%
No	62	+46,6%	+79,0%

Source : AND International after AMADEUS et INFOSYS

If we observe EBIT evolution (161 companies in the sample), we note that out of the 100 companies which received a FIFG subsidy, 60 increased their EBIT between 2000 and 2007, i.e. 60%. Out of the 61 companies which did not receive FIFG aids, 39 (i.e. 64%) increased their EBIT. The two figures are not significantly different.

9.4 Impacts on employment

Projects subsidised in Spain, which concentrates more than 55% of all FIFG grants committed in the processing and marketing sector in the EU, allowed the creation of nearly 7,000 jobs.

A lot of projects (67%) were neutral as regards employment, but the remaining 645 projects (at the end of 2007) led to the creation of 10.8 jobs per project on average. Only 8 projects resulted in job destruction (also about 10 jobs deleted per project).

Figure 116: Creation of jobs in the FIFG-aided projects for the Spanish processing and marketing sector

MS	Programme	Number of processing and marketing projects			Jobs created	Jobs destroyed	
		total	of which :				
			neutral for employment	with creation of jobs			with destruction of jobs
SP	Objective 1	1 438	898	532	8	5 562	78
SP	Outside objective 1	515	402	113	0	1 388	0
	Total 2 programmes	1 953	1 300	645	8	6 950	78

Source : Implementation reports 2007

If we consider the net creation of jobs ($6\,950 - 78 = 6\,872$) in Spain and the total amount of FIFG grants in the sector (EUR 338.4m), the average cost of one job is EUR 49,250.

If we apply this ratio to the entire EU, the estimated creation of jobs linked to FIFG grants in the processing and marketing sector would be 12,426 jobs²².

²² = $611\,983\,962 \text{ €} / 49\,250 \text{ €}$

10 Impacts of organisation of the sector measure

Q5.5: What have been the impacts of FIG in the organisation of the sector?

This chapter analyses the FIG impact on the sector organisation area of intervention. It thus focuses on FIG measure 44.

Synthesis

- ▶ **The sector organisation measure encompassed a wide variety of actions in terms of beneficiaries, size, implementation and areas of intervention.** The actions under this measure included the creation of producer organisations, quality improvement initiatives, research, promotion, training, etc...
- ▶ A general lack of strategy was noted for this measure, which was often used to fund projects that did not come under other measures.
- ▶ Nevertheless, some projects had positive impacts in terms of employment, sector organisation and/or competitiveness.

10.1 Main output analysis

Key facts

- ▶ Measure 44 represented 6% of total FIG commitments.
- ▶ Three MS (Spain, Italy and France) accounted for almost 2/3 of commitments.
- ▶ The average achievement rate was 77%, which is in line with the global FIG programmes, but it was particularly low in Greece (14%) and Lithuania (48%)

► Public co-financing is high for this area of intervention (more than 90%) with few differences between objective 1 and non-objective 1 areas (when considering both FIG and national funding).

Figure 117: Co-financing and achievement rates for sector organisation projects (measure 44) per objective areas

Objective	Programming	Achievement			FIG Co-financing rate	Public (FIG + National) fund co-financing rate	Achievement rate
	FIG	FIG	National	Total			
Non-Objective 1	118 325 116	106 584 019	113 302 382	245 570 888	43%	90%	90%
Objective 1	54 847 830	51 417 867	15 358 523	70 184 747	73%	95%	94%
Grand Total	173 172 946	158 001 886	128 660 905	315 755 635	50%	91%	91%

Source: National programming documents and Infosys at 31/12/2008

NB; these figures only consider the 22 programmes with programming allocation per measure – see limitation n°1 on programming

10.1.1 Overall achievement

Figure 118: Output of measures 44 – sector organisation (in '000 €)

	Commitment	Achievement			Achievement Rate %	Nb of projects	Average budget per project	
	FIG	FIG	Share of FIG	Total			FIG	Total
Spain	61 634	52 723	28%	83 544	86%	1 416	37	59
France	45 509	34 087	18%	74 080	75%	463	74	160
Italy	43 996	32 717	17%	70 992	74%	464	71	153
United Kingdom	31 402	21 502	11%	40 920	68%	220	98	186
Denmark	18 784	13 871	7%	27 784	74%	92	151	302
Netherlands	10 234	8 878	5%	25 856	87%	16	555	1 616
Ireland	10 556	8 818	5%	13 950	84%	90	98	155
Finland	5 660	5 085	3%	10 660	90%	130	39	82
Sweden	6 306	5 069	3%	11 808	80%	246	21	48
Belgium	3 109	2 753	1%	5 508	89%	17	162	324
Germany	2 237	2 243	1%	4 880	100%	61	37	80
Portugal	976	864	0%	1 160	89%	10	86	116
Greece	6 105	836	0%	1 104	14%	24	35	46
Poland	1 015	684	0%	1 400	67%	40	17	35
Lithuania	109	52	0%	166	48%	2	26	83
Czech Republic	32	22	0%	63	69%	3	7	21
Latvia	10	10	0%	12	100%	3	3	4
Total - Mesure 44	247 674	190 214	100%	372 561	77%	3 297	58	113

Source: National programming documents and Infosys at 31/12/2008

EUR 190m were spent on measure 44 for sector organisation (6% of total FIG commitments)

Measure 44 was designed to encourage professionals to group together and introduce joint tools, adapt to new market conditions for fishery products or develop an industry-wide approach. FIG provided support for various types of actions aimed at making trade activities more viable or rationalising them.

The first five MS (Spain, France, Italy, the United Kingdom and Denmark) represented 80% of the budget. The case of the Netherlands, which spent 28% of FIG on this measure is also worth

mentioning. Overall, this measure was mainly used by old MS. The NMS budget only represents 0.4% of the total and the spending on measure 44 in these countries amounts to between 0% and 1% of FIG spending.

Three actions were subsidised:

- ▶ **Aid for setting up producer organisations** recognised under Reg. (EEC) 3759/92, and created after 1 January 2000.
- ▶ **Aid for POs**, specifically recognised under Article 7a (1) of Reg. (EEC) 3759/92, to **assist their drive to improve quality**.
- ▶ **Encouragement for various short-term operations of joint interest, carried out with active contribution from trade members and/or other organisations recognised by Member States serving to attain CFP objectives.**

The lack of reliable data in Infosys does not allow a global analysis of projects' breakdown between the various actions (beneficiaries of action 1 "aid for setting up POs" and action 2 "aid for POs to assist their drive to improve quality" should be only POs, which is not the case²³). The analysis of outputs and impacts will therefore have to rely mostly on qualitative data and on results from the CMO evaluation²⁴, as far as the first two actions are concerned.

Overall, the following two figures illustrate a general lack of planning for this measure, which was confirmed during interviews and case studies.

Firstly, the lack of planning is shown by the great variations observed in all MS between the first and last programming.

Figure 119 : Evolution between first and last programming - Measure 44

<i>in €</i>	1st	Last	Evolution	%
MS	programming	programming		
Belgium	3 681 200	4 467 171	785 971	21%
Denmark	3 900 000	18 950 000	15 050 000	386%
Finland	2 800 000	5 124 644	2 324 644	83%
France	34 100 000	41 977 131	7 877 131	23%
Germany	5 051 000	1 339 798	- 3 711 202	-73%
Greece	3 971 133	4 805 198	834 065	21%
Italy	5 033 000	5 982 088	949 088	19%
Netherlands	6 020 000	10 465 000	4 445 000	74%
Poland	452 115	558 164	106 049	23%
Portugal	3 741 000	203 517	- 3 537 483	-95%
Spain	62 058 280	57 287 186	- 4 771 094	-8%
Sweden	4 100 000	5 508 674	1 408 674	34%
United Kingdom	17 750 000	15 215 981	- 2 534 019	-14%
TOTAL	152 657 728	171 884 552	19 226 824	13%

Source: National programming documents

Secondly, achievement rates are fairly low compared to the 86% overall achievement rate for FIG programmes. This could be partially explained by the fact that this measure was used in some MS

²³ For instance, for Action 1, the following beneficiaries were found: Federación Provincial de Cofradía de Pescadores de Asturias (SP); Normandie Fraîcheur Mer (FR)

²⁴ « Evaluation de l'Organisation Commune de Marché de produits de la pêche et de l'aquaculture », 2008

for actions that did not come under any other measure, or with lower financing conditions. According to Infosys, the total public financing rate for this measure reached over 90% in France-fisheries, Denmark, Spain-Objective 1, Italy-Sicilia, the first four programmes in terms of spending for measure 44²⁵.

10.1.2 Implementation

Overall, there is little visibility on the implementation of measure 44, which was often used as a hotchpotch measure.

Although Infosys data for **Action 44.1** is not reliable, we were able to check the beneficiaries against the list of POs created over the period to assess the actual amount of spending on this action:

- In Spain, 6 POs out of 14 created over the period received funding under Action 44.1, for a total amount of EUR 1m (2% of the total amount spent by Spain on measure 44)
- In France, 3 out of 4 new POs received FIG support under Action 1, for a total amount of EUR 1.3m (4% of measure 44)
- In Italy, only 6 out of 28 new POs seem to have received support under Action 1, for a total amount of about EUR 0.4m (1% of spending for measure 44)
- The UK and Denmark did not implement this action, but the sector was already highly structured at the beginning of the programme, with a ratio of producers belonging to a PO between 75% and 90%²⁶
- The action was used in NMS (six new POs were set up in Poland with financial support)

There is little visibility on the implementation of **Action 44.2**. According to Infosys data, it only represents 1% of measure 44 (slightly less than EUR 2m). One of the key tools under this action was supposed to be the implementation of comprehensive quality plans by POs, the Quality Improvement Plans under the Common Organisation of the Market. However, due to the complexity of the scheme, only 5 Pos applied and only 4 of them were accepted, 2 in Spain and 2 in Italy. One of the two Spanish POs went bankrupt after the implementation of the plan.

Hence, **Action 44.3** concentrates the majority of projects and funds committed. A first analysis of INFOSYS shows a huge diversity of projects (topics, size, duration...) and beneficiaries (POs, Inter-branch organisations, boards, cooperatives, research institutes, environmental associations, communes, private companies.....). The available data does not allow us to draw a precise typology, but the following information was collected during interviews:

- ▶ In Spain, measure 44 supported various kind of projects: quality, sanitation and safety; aquaculture activities that offered protection for the environment and an integrated management of coastal areas; activities regarding commercial innovation, the creation of fish-farm companies and related consultancy services; training and financial engineering.
- ▶ In Italy, the measure was treated within a pool of measures with measures 43 (promotion) and 46 (innovation), defined as "context operations". This implementation provided more flexibility for the Managing Authority to provide support under the measure that would best fit the project in terms of eligibility criteria and available funds. In the case of consortiums for halieutic restocking, this policy may have led to some abuse, as eligibility criteria were unclear and a same organisation could receive support from the three measures for the same projects. However, the measure was effective in funding collective research projects, especially studies on traceability and off-shore fish farming.

²⁶ Cf. « Evaluation de l'Organisation Commune de Marché des produits de la Pêche et de l'aquaculture », 2008.

- ▶ In France, there is no visibility on the nature of the projects at Ministry level. It seems that some of the support was allocated to the financing of PO offices to use up the budget towards the end of the programme.
- ▶ In the UK, implementation varied according to the Region. In Northern Ireland, eligibility criteria were very open, as any project involving several actors could be accepted. Part of the reason for this was to reallocate budgets from the fleet adjustment measures. In the UK as a whole, supported projects were very varied, involving safety equipment, research, training, networking, information technologies for commercial purposes, quality, traceability, and promotion. The Sea Fish Industry Authority played a major role as the main beneficiary of this measure.
- ▶ In Denmark, the strategy was to only support projects that would improve the development of the sector as a whole, at national or regional level, such as dissemination of knowledge (e.g.: “Maritime growth centre”), generic promotion (e.g.: “Taste of Northern Jutland), fish resource management, education and networking.
- ▶ In the Netherlands, the measure also grouped varied projects but two major projects were developed to support the knowledge of pelagic fish stocks off the coast of Mauritania as well as to improve local research capacities²⁷. In all around EUR 6m, or 2/3 of the budget was devoted to the pelagic industry. Another important project aimed at improving dialogue between the scientific community and fishermen on sustainable management of resources.

10.2 Impacts

The collected information evidences a few success stories and failures, overall the measure seems to have contributed to reinforcing sector organisation, but the impact cannot be measured.

Even though Infosys does not illustrate a strong link between FIG support and new POs, we can observe that the creation of POs significantly increased after 2000, when the measure was implemented. In all, 72 new POs were created in EU-27 since 2000 (41 disappeared). In Spain 14 POs were created in 7 years, compared to 9 in the previous 14 years (most of the POs were created in 1986 when Spain joined the EU), and 28 POs were created in Italy, particularly in shellfish farming.

In all, when taking PO dissolutions into account, the number of POs increased by 18%, from 177 POs in 2000 to 208 in 2007, with the greatest increases in the two countries which mobilised action 1 the most.

²⁷ These projects aimed at indirectly supporting the pelagic fleet operating off the West African Coast.

Figure 120: No of Producer Organisations by Member State

	2000	2007	Variation
Nb of PO by country			
Spain	37	44	7
France	35	34	-1
Italy	18	34	16
Germany	23	21	-2
United Kingdom	21	20	-1
Portugal	18	15	-3
Netherlands	10	11	1
Poland	5	6	1
Ireland	0	6	6
Denmark	4	5	1
Greece	3	4	1
Estonia	1	3	2
Lithuania	0	2	2
Latvia	0	2	2
Belgium	1	1	0
Finland	1	0	-1
Total	177	208	31

Other impacts are impossible to measure at global level but the collected information provides hints on potential impacts.

The fact that professional organisations and research institutes were key actors in implementing the projects (Sea Fish Authority in the UK, BIM in Ireland, POs and Cofradias in Spain, etc.) contributed to reinforcing their legitimacy as core actors of the sector. In that regard, we can consider that the measure had a positive impact on sector organisation, in addition to the creation of POs.

In terms of employment, the creation of new POs, as well as the development of new activities, contributed to the creation of new jobs in POs, research institutes and other professional organisations. New employment opportunities as a result of a general increase in activity are difficult to estimate and it would be impossible to distinguish the creation of jobs directly imputable to measure 44, independently of other measures such as innovation or promotion that could also be implemented by POs. However, a few projects under measure 44 had a direct impact in terms of employment. In Spain, ten such projects were identified. They led to the creation of 93 jobs²⁸.

Impacts on industry competitiveness can only be approached through examples.

► 1/ France – Cornouailles:

Three projects under measure 44 were implemented by Pesca Cornouailles Association:

- a website for job offers and demand on fishing boats
- the design of generic boat plans, linked to the renewal measure
- a study on sector organisation.

Out of the three projects, two were said to have been useful. The website project did not seem to match industry needs and was actually used neither by employers nor by workers. The association concluded that Internet was probably not the right tool to target fishermen, which shows a clear lack of strategy in this case. However, the design of generic boats allowed to save a significant amount

²⁸ Cf. Spanish update of mid-term evaluation

of money on the construction of new vessels (around EUR 1m for EUR 100,000 of FIG funding) and the study on sector organisation helped Norway lobster producers target their market correctly.

► 2/ Denmark

One of the projects under measure 44 was the development of a Danish codex for responsible fisheries, which would ensure sustainability of Danish fisheries operations in the same way as the MSC. The project started as an education process aimed at helping fishermen to grasp the fact that they had to act in a responsible way in the future. The project did not finalise a “Danish codex” as planned but it can still be considered as having started the process towards the present ongoing MSC certification of all Danish fisheries.

In general, it seems that there were positive impacts of the projects funded under measure 44. Nevertheless, the measure’s efficiency was undermined by the fact that it was often used at best as a hotchpotch measure that could fund any action that did not come under other measures, and at worst as a way to spend outstanding funds before the programme end. Out of the first five countries which used this measure, Denmark alone appears to have specified a strategy.

11 Impact of the FIG innovation measure

Q5.6: What was the FIG impact in terms of innovation?

Synthesis

The innovation measure was **not easy to implement**; most managing authorities found it difficult to grasp the scope of this measure. Its objectives were rather **unclear** to most MS and the distinction between measure 44 “sector organisation” and measure 46 “innovation” was not always understood. The MS used the two measures as toolboxes according to their desire to associate POs or other stakeholders in the programme.

New MS did not resort to measure 46, apart from Hungary and Poland.

Main concerns such as improving selectivity of fishing equipment and improving environmental conditions in the fishing business were present but not exceedingly widespread. The issue of fuel saving had not yet been raised in full at this period except for one project in the UK. A few projects were solely **market studies** and it is disputable whether these are really in tune with measure 46 requirements.

Transfer of innovations from the research stage to the implementation and dissemination phase is a **long-term** and ongoing process, which requires both time and resources. Scientific research also raises the problem of follow-up: projects are rarely completed within a short period and dissemination has to be controlled by the managing authority and/or the EU Commission in order to ensure that research project conclusions and results are implemented. Only control procedures can lessen the risk of FIG creating a windfall effect on research institutes.

To be carried out successfully, projects under this measure need **reliable partners** such as major research institutes and/or large fishermen associations. Projects have been known to fail because of unreliable partners and the difficulty of finding private funding (for example in Portugal).

11.1 Main output analysis

EUR 187m FIG were spent under measure 46, mainly in old MS

EUR 187m were spent on projects classified as “innovating measures” (measure 46) in 13 old MS (all 14 MS with FIG programmes except Austria) and in 2 new MS (Poland and Hungary). Spain alone represents 51% of the overall FIG expenditure in support of projects under measure 46.

Figure 121: Outputs of measure 46 – innovation

	Program-ming		Commitment		Achievement		Consump-tion rate	Achieve-ment rate	Nb of projects ²	Average budget per project
	FIFG	FIFG	Total	FIFG	Total					
Spain	74 037	102 274	143 977	95 071	134 218	93%	128%	256	524	
Germany	19 092	17 744	27 200	16 854	25 467	95%	88%	94	271	
Denmark	16 555	16 804	38 136	15 267	34 678	91%	92%	83	418	
Italy	na	11 921	24 374	9 892	21 351	83%	na	204	105	
Sweden	na	10 888	23 839	9 433	20 047	87%	na	85	236	
UK	na	9 777	16 331	8 976	14 379	92%	na	64	225	
Portugal	na	6 590	9 489	5 466	7 657	83%	na	19	403	
Poland	6 411	9 121	13 197	5 093	6 865	56%	79%	44	156	
France	na	5 048	10 397	4 774	9 798	95%	na	40	245	
Netherlands	3 623	4 646	11 780	4 551	11 758	98%	126%	300	39	
Greece	3 593	7 632	12 927	3 788	7 243	50%	105%	50	145	
Ireland	na	3 956	6 281	3 326	5 199	84%	na	27	193	
Finland	na	3 241	8 710	3 228	7 565	100%	na	90	84	
Belgium	1 405	1 272	2 689	1 169	3 319	92%	83%	5	664	
Hungary	na	296	516	95	188	32%	na	3	63	
Total	nd	211 209	349 845	186 984	309 733	89%	114%	1 364	227	

Source: Infosys at 31/12/2008 - ¹ Achievement rate is achieved vs. committed

² Source: summary sheets – data extractions per programme

The average achievement rate is very high, which can be explained by the fact that innovating projects were mostly led by state controlled entities such as research institutes. These are often more manageable projects in terms of reporting as the Managing Authorities tend to work in close collaboration with them.

Effectiveness has been very different according to MS; Spain and the Netherlands have very high achievement rates, to the contrary of Poland and Belgium. This may be linked to these two countries' specificities which have distributed numerous grants to ship owners (see below).

The achievement rate is much higher in objective 1 areas where FIFG co-financing rate exceed 70% (44% only in non-objective 1 areas).

Figure 122; Co-financing and achievement rates for innovation projects (measure 46) per objective areas

Objective	Program-ming	Achievement			FIFG Co-financing rate	Public (FIFG + National) fund co-financing rate	Achieve-ment rate
	FIFG	FIFG	National	Total			
Non-Objective 1	62 964 153	47 379 223	41 347 305	106 803 976	44%	83%	75%
Objective 1	93 223 009	118 709 676	20 643 426	166 629 032	71%	84%	127%
Grand Total	156 187 162	166 088 899	61 990 731	273 433 008	61%	83%	106%

Source: National programming documents and Infosys at 31/12/2008

NB; these figures only consider the 22 programmes with programming allocation per measure – see limitation n°1 on programming

Funded projects are very different in terms of size, objectives and contents

Innovating measures are new types of projects established for the 2000-2006 programming period. During the 1994-1999 period, the FIFG could finance: "studies, pilot projects and demonstration

projects, [...]”²⁹. However there was no specific mention of innovative measures as such and these kinds of operations were financed under the axis "other measures".

According to FIFG Regulation 2792/1999, eligible projects under measure 46 are "pilot projects", "carried out by an economic operator, a scientific or technical body or another competent body to test, in conditions approaching actual conditions in the industry, the technical reliability and/or financial viability of innovating technology with a view to acquiring and disseminating technical and/or financial knowledge on the technology undergoing tests". They can be "experimental fishing projects", provided that their aim is the preservation of fishery resources and they implement more selective techniques.

In practice, projects were extremely varied in terms of size, objectives and contents, and concerned very different topics.

Firstly, the average budget per project is extremely heterogeneous: while on average very large grants (over EUR 400,000) were allocated in Spain, Belgium, Denmark and Portugal, very small grants were mostly distributed in the Netherlands, Finland and Hungary.

Small grants were generally allocated to vessels/ ship owners for very limited scale actions, while large grants were used by public organisations or research bodies to implement more ambitious projects involving different partners (Producers organizations, etc.).

Through research works, studies (feasibility studies...), surveys, the development of technical innovations, in-situation testing of newly developed techniques, projects followed different objectives having either scientific/ technical or marketing aspects, as follows:

- ▶ Participation in fishing activity sustainability,
 - either through the development of more selective fishing method techniques, especially by implementing experimental fishing pilot projects,
 - or through diversification of production and search for new species, including fleet reassignments to new species, as in the UK: feasibility studies on fishing certain species (Red monnet), or on mitten crabs in the Thames estuary (conducted by the National History Museum), or research on shellfish farming in England (including strategy development, expertise on environmental issues, guidance for new entrants).

- ▶ Contribution to environmental improvements:
 - especially in the aquaculture production: recirculation of feeding in aquaculture (environmental research on bate worms for feed), modernisation of hatcheries, sustainable recycling of water linked to the halibut aquaculture project, research on the use of rag worms as bate, etc.
 - and in the fishing activity: fish waste turned into fertiliser for the agricultural sector, r research on the use of less fuel (lighter fishing equipment, better maintenance...), etc.

- ▶ Improve profitability and competitiveness of the fishing and aquaculture sector: new merchandising and value enhancement techniques, sometimes through market studies and consumer research surveys (child consumption survey, consumer attitude to resources sustainability), or cost cutting innovations.

²⁹ Article 17(2) – Reg 2792/1999

Although it is possible to provide a typology of projects based on the information collected in MS, it is however impossible to try and attribute figures in terms of FIG spent and numbers of projects per type of project.

Below is the presentation of main achievements in some Member States which used this measure.

Figure 123: Types of innovating measures implemented by a sample of MS

MS	Objective	Content		Size	Beneficiary	Nb. (approx)
Spain	Improve and diversify fishing activities/ Improve the profitability of the fishing fleet	Actions onboard fishing vessels: look for new species and fishing techniques	Considered as experimental fishing pilot project	Small	Vessels/ Ship-owners	>150
	Development of more selective fishing methods	Development of new fishing gear development and trials fishing	Scientific research	Medium/ Large	Public research institutions	nd
Germany	Development of more selective fishing methods	Several projects on experimental fishing methods.	Scientific research/ experimental pilot projects	Medium	Public research institutions	nd
	Improve environment-friendly aquaculture production	Pilot projects on aquaculture technology led by the Institute for Fisheries Research	Scientific research	Medium	Public research institutions	nd
	Improve and diversify fishing activities	Methods to improve herring catching		Medium	Vessels/ Ship-owners	30
Denmark	Develop more selective fishing methods	New fishing gear development and trials fishing	Scientific research	Large	Public research institutions	nd
	Improve environment-friendly aquaculture production	Develop innovative pilot aquaculture plants	Scientific research	Medium/ Large	Public research institutions	8
Sweden	Develop more selective fishing methods	New fishing gear development and trials fishing	Scientific research	Medium/ Large	Swedish Board of Fisheries (SBF)/ Public research institutions	nd
	Improve environment-friendly aquaculture production	Develop aquaculture: new species, breeding programmes, raw materials for fish feed, pollution on aquaculture	Scientific research	Medium/ Large	Universities/ Public research institutions	nd
UK	Improve sustainability of the fishing industry/ identify opportunities for future restructuring	Feasibility study on fishing certain specie (Red monnet), fish waste	Scientific research	Medium	Public research institutions	nd
	Improve environment-friendly aquaculture production	Recirculation of feeding in aquaculture (environmental research) bate worms for feed, modernisation of hatcheries, land catch natural selection	Scientific research	Medium	Public research institutions	nd
	Improving fishing activities profitability	Consumer research surveys		Small/ Medium		nd
Poland	Improving fishing activities profitability	Technological innovations and methods providing production and processing quality		Medium	Public research institutions	nd
	Protect fishery resources	Fish resources and environmental protection measures (including monitoring fish stocks)		Medium	Public research institutions	nd
France	Develop more selective fishing methods			Medium/ Large	Public research institutions	nd
	Improve environment-friendly aquaculture production			Medium	Public research institutions	nd
Netherlands	Develop more selective fishing methods	Development of 2 fishing gears	Scientific research	Large	Public research institutions	2
	Support the implementation of the cod recovery plan	Actions onboard fishing vessels: adaptation of a special cod escape device		Small	Vessels/ Ship-owners	>200

Legend

	Objective focused on sustainability
	Objective focused on environment
	Other

Different country profiles appear in terms of strategy:

- ▶ Some MS funded only a few big or medium scale scientific projects focused on environmental and sustainability issues, both in fishing and aquaculture (for example: Denmark where all projects in this measure had a scientific element and public research institutions were the main beneficiaries).
- ▶ A few MS also used FIG funding under measure 46 to support actions onboard fishing vessels by allocating small or medium grants to ship-owners. This mainly happened in two MS. In Spain, measure 46 was used to pay subsidies to ship-owners who applied for financial aid to look for new species and fishing techniques in order to improve fishing fleet profitability. In the Netherlands, measure 46 was used to support the implementation of the cod recovery plan where all active vessels received financial support for the adaptation of a special cod escape device.
- ▶ In some MS, FIG assistance for innovating measures focused on improving fishing activities profitability through technological innovations and methods providing production and processing quality (Poland), but also through marketing research and studies (UK).

- ▶ Finally in some MS, very few innovative projects were implemented. In Hungary, only 3 small projects were implemented (feeding with fish pond by-products, pike feeding with nutrient and pond in pond – wintering). Two were presented by the Research Institute for Fisheries, Aquaculture and Irrigation and one by Aranypony fishponds nature reserve. While successful in most MS where needs were large and innovation considered as a priority area, the measure did not encounter much demand. Whilst innovation and technological breakthroughs would certainly help the sector, the incentive was not strong enough to prompt stakeholders to invest in pilot projects which may potentially have negative results and lead to no increase in competitiveness or new markets.

11.2 Implementation of innovating measures

Measure 46 lacked clear definition in the EU regulation and Managing Authorities experienced difficulties in defining eligibility criteria

The objectives and contents of measure 46 projects were not easily understood by the various Managing Authorities, many of which complained of the unclear definition of what was expected under this measure.

Unclearness is not only related to the type of project, but also to the innovating part of the measure. There is no unique definition of innovating measures throughout Member States as this concept varies from one programme to another.

Neither clear nor homogeneous eligibility criteria were defined by the different programmes, which partly explains the large diversity of projects in MS.

For example, this lack of clear definition led to confusion and potentially irrelevant projects:

- ▶ In Spain, the large number of small/ medium projects implemented by single ship-owners was supposed to develop fishing for new species as well as new fishing techniques in order to improve fishing fleet profitability. 196 projects out of 360 in total concerned fishing activities, the majority of which were designed for experimental fishing concerning areas or species not exploited so far. However, these are small-scale projects that do not test any "innovative technology with a view to acquiring and disseminating technical and/or financial knowledge". They mostly do not comprise any scientific monitoring. Generally speaking, it might be considered as unusual that single vessels develop research actions/ pilot projects by themselves, as one would consider innovation initiatives as rather large scale and mostly long-term projects.
- ▶ In the UK, some projects were occasionally just market studies which had little to do with technical/ scientific innovations.
- ▶ The difference between innovating measures and collective actions is not clearly established. Especially in Belgium, France and Italy, there seems to have been some confusion between measure 44 and measure 46. Amongst Managing Authorities, reasons behind the decision to fund projects under Measure 44 or 46 were unclear.

In some MS, Managing Authorities also faced difficulties in selecting and monitoring the implementation of measure 46.

Not only did Managing Authorities encounter problems in understanding the principles behind innovating measures, but they also had to cope with the strong scientific and technical requirements to be expected from innovating projects.

In this respect, in Poland (79% achievement rate at the end of 2008 - the measure increased its achievements considerably over the six first months of 2009 – to finally reach 100%), some

difficulties were identified concerning eligibility criteria. Scientific and innovating projects were often complex and eligibility assessment was difficult.

In Sweden, the Swedish Board of Fisheries (SBF) was not capable of assessing proposals' potential and had to outsource evaluators to identify the best projects and undertake the technical evaluation.

In many cases, success stories relied on a strong involvement by both researchers and producers

As mentioned above, varied types of project holders applied for funds under innovating projects: universities and research institutes (Germany, Denmark and partly Italy), shipowners and fishing sector stakeholders (Netherlands, Spain), but also consortiums grouping both of these types of stakeholders (for instance, involving stakeholder representative associations in one branch of the sector such as the Sea Fish Industry Authority in the UK and Seafood Scotland).

Across the EU, most success stories under measure 46 were closely linked to the existence and scope of qualified fisheries research services. Projects under measure 46 are better implemented when they involve reliable partners such as big research institutes and/or large fishermen associations to be carried out successfully. Projects have been known to fail because of unreliable partners and the difficulty of finding private funding (for example in Portugal). In new MS, the cooperation of scientific bodies with the sector in the years previous to FIFG was very limited which partly explained some difficulties in drawing up projects at the beginning of the programme from 2004. This cooperation was developed during the 2004-2009 period.

Large partnerships involving public authorities, researchers and producers as well as quality cooperation between these parties are also key success factors. In particular, PO participation is crucial. Although support for research institutes is useful, the most decisive surge for innovation in the fishing sector is made by the fishermen and other downstream actors in a daily effort to improve their competitiveness. Their involvement ensures the relevance of studies and complementarities between the research results, their actual testing and applications as shown by some examples of projects funded during the 2000-2006 period:

- ▶ In France and the UK, several recent research projects aimed at improving fishing equipment selectivity (mainly trawlers) have significantly associated POs. Most fishermen are aware of the damage caused to stocks by certain fishing methods. In particular, juvenile fish catches in some fisheries (lobster and prawns) cause a significant level of fish mortality.
 - In France, lobster fishing in the Gulf of Biscay is one of the most important of the Atlantic in social economic terms. Traditional trawlers cause significant by-catches of young hake (up to 30% of volume). A research programme aimed at improving trawlers' selectivity in the Biscay Gulf (ASCGG) was launched in 2002 with financial support from the FIFG. It combines 10 ports, 6 local committees on fisheries and 6 maritime POs, research organisations and DPMA. POs participated in field trials with trawlers equipped with devices allowing hakes to escape. If the programme has not yet led to massive equipment of boats with these selective devices, this is the ultimate goal.
 - Similar approaches were conducted in the United Kingdom around the Marine Laboratory Aberdeen ("Necessity" and "Recovery" programmes co-financed by EU FAIR funds) and with the participation of the main Scottish POs for the development of selective trawlers which avoid catching juvenile haddock and cod.
- ▶ Beyond these ambitious programs involving several PO operators, POs have been known to participate in programmes concerning the selectivity of fishing equipment in Belgium, Ireland and the Netherlands.
- ▶ Finally, mention should be made of some POs' participation, like PROMA in France, in testing repulsion systems (pingers) which keep cetaceans away from pelagic vessels (PROCET Program, co-financed by the FIFG).

11.3 Impact on sector competitiveness and employment

Some impacts on competitiveness, although they cannot be measured in figures

Impacts of innovating measures can hardly be assessed. The most interesting impacts are related to sustainability, but they are long-term and cannot be perceived yet.

Other potential impacts related to competitiveness are;

- ▶ Cost-cutting techniques leading to higher profitability and/ or diversification of production activities. In Denmark, eight innovating pilot aquaculture plants (model 3) were supported by the innovating measures. The purpose was to reduce effluent levels (pollution) from the aquaculture plants by using new technology (recirculation systems). EUR 7-13m were used in farming systems alone. These projects proved that it is possible to reduce water consumption and the environmental impact, and simultaneously increase farm productivity.
- ▶ On a longer term, the positive impact that selective fishing methods can have on the stock of fishing resources will contribute to the sustainability of fishing activities. In the Netherlands, the 2 biggest projects focused on assisting the development of 2 fishing equipments. The first one was seen as a potential alternative fishing technique to beam trawling, i.e. the "pulskor". The second the "Twinson" aims to improve pelagic fishing selectivity. Both projects could not deliver adaptable results in time, meaning that findings implementation on the fleet could not happen during this FIG period. Amongst other reasons, this led to the non utilisation of measure 22.

Impacts on employment are limited

The impact on employment and competitiveness cannot, at this stage, be measured or even assessed. Research projects certainly contribute to financing staff costs within some research institutes and FIG supports them in their effort to contribute to improving fishing equipment and methods. However, long-term impacts on employment will only be ascertained in several years as the innovations spread and are implemented by stakeholders.

What is more, the fishing sector is constantly evolving and innovating in order to adapt to new conditions, quotas and prices; innovating measures are only the tip of the iceberg in terms of daily improvement in this sector.

Spanish figures can be used to illustrate this limited impact. The projects granted in Spain, which concentrates more than 51% of all FIG achievements for the innovating measure, did not have any impact on employment level; 100% of projects were assessed as neutral for employment.

Figure 124: Creation of jobs in the FIG-aided projects in the Spanish innovating measures

MS	Programme	Number of innovative projects			Jobs created	Jobs destroyed
		Total	of which			
			neutral for employment	with creation of jobs		
SP	Objective 1	203	203	0	0	0
SP	Outside Objective 1	44	44	0	0	0
	Total 2 programme	247	247	0	0	0

Source: implementation report 2007

MS	Programme	Number of innovative projects			Jobs created	Jobs destroyed
		Total	of which			
			neutral for employment	with creation of jobs		
SP	Objective 1	203	203	0	0	0
SP	Outside Objective 1	44	44	0	0	0
	Total 2 programme	247	247	0	0	0

Source: implementation report 2007

12 Global impact and sustainability

Q6: What have been the global impacts of the FIG and are these impacts sustainable?

12.1 Overall impacts of the execution of the FIG on its four objectives

An overall difficulty in assessing the final impacts of the FIG

It has to be stressed again, at the stage of this concluding question, that the tools and indicators generally required for any impact assessment are widely missing for the FIG 2000–06 programme, this despite the recommendations of the ex-post evaluation of the 1994–99 programme.

The Infosys indicators and those reported in some national monitoring systems are exclusively limited to outputs and results. Only the Spanish final reports mention some impact indicators regarding employment and environment.

More generally, the updates of mid-term evaluation do not provide any comparison of the situation (before/after or with/without FIG intervention) between beneficiaries and non-beneficiaries, which could only permit assessment of the net effects of the measures.

In such a context, most of the impacts have been assessed through specific analyses based on available at national and/or EU level.

The FIG's contribution to its main objectives

The role of EU structural policies is to adapt and manage the development of structures in the target sector. Concerning the FIG 2000–06 programme, the ways envisaged for adaptation and development were defined through four main objectives:

- ▶ Sustainable balance between fishery resources and their exploitation
- ▶ Competitiveness of structures and development of viable enterprises
- ▶ Market supply and value added to fishery and aquaculture products
- ▶ Revitalisation of areas dependent on fisheries and aquaculture

The following table provides a scoring of the contribution of the various measures (grouped by area of intervention) to the achievement of each four FIG objectives. The scoring goes from minus 1, i.e. negative impact, to 4, i.e. strong positive impact. Scoring is based on the evaluators' judgment based on the analyses undertaken during the evaluation.

The FIG 2000–06 programme was mostly focused on measures devoted to co-financing private investment (Axis 2 and Axis 3). These measures are very likely to have produced leverage effects on productivity, profitability (modernisation), investment capacities (co-funding) and value added to the products (innovation).

Figure 125: Scoring of the contribution level to achievement of the FIG objectives by area of intervention

FIFG Area of intervention	FIFG Priority	Sustainable balance between resources and their exploitation		Competitiveness and development of viable enterprises		Market supply and value added to FAP		Revitalisation of areas dependent on fisheries and aquaculture		Total	Total Weighted
		Score	Weighted score	Score	Weighted score	Score	Weighted score	Score	Weighted score		
	1. Fleet	2	0,904	3	1,356	1	0,452	-1	-0,452	5	2,260
	2. Aquaculture	0	0	2	0,186	2	0,186	3	0,279	7	0,651
	3. Fishing port facilities	0	0	2	0,21	3	0,315	4	0,42	9	0,945
	4. Processing & marketing	0	0	4	0,92	3,5	0,805	3	0,69	11	2,415
	5. Trade organisation	1	0,064	0,5	0,032	1	0,064	2	0,128	5	0,288
	6. Innovative measures	0,5	0,028	0	0	0,5	0,028	0	0	1	0,055
	Total	3,5	0,996	11,5	2,704	11	1,850	11	1,065		

Note: Scores range from minus 1 (negative) to 4 (very positive). Weighted scores are obtained by multiplying the score with the share (%) of spent budget per area of intervention

Added scores per main area of intervention show that:

- ▶ Supports to investment in processing and marketing, fishing ports and aquaculture have overall led to significant economic effects (competitiveness and value-added objectives). Total scores (gross and weighted) are above average, despite anecdotal contributions to sustainable balance between resource and exploitation;
- ▶ Fleet measures have a lower gross score, as they were partially devoted to social assistance rendered to the decline in fishing activities (Axis 1 and socioeconomic measures), which produced very low or negative effects on market supply and on activity of areas dependent on fishing. However, the overall impact of fleet measures is significant if weighted scores are considered (due to the huge amount of money devoted to fleet renewal and modernisation).
- ▶ Support measures (organisation of the sector and innovative measures) have low gross scores in relation to the wide type of projects that they supported, the low visibility on their results and their insufficient consistency with other policies within the CFP (resource and market). Weighted scores are even lower due to the small share of budget allocated to these measures.

Added scores per FIG objective show that:

- ▶ The FIG did not directly and significantly contribute to the sustainable balance between fishery resources and their exploitation. This, again, was because Axis 1 measures were mainly conceived as socioeconomic assistance tools provided in order to limit the impact of declining fishing activities (fleet reduction is mostly due to decreasing fishing opportunities and to fleet policy, rather than to decommissioning measures). It has to be stressed, however, that the FIG has made acceptable to fishermen the fleet reduction policy, through counterparts that it offered for cessation and/or reinvestment. Axis 4 measures (innovative measure and projects by members of the trade) were expected to have a greater impact on the development of sustainable fishing strategies (through actions of the POs and innovation in fishing techniques). Their use for funding very different projects, without clear links to the objective, has considerably lowered their impact.
- ▶ The FIG has significantly contributed to the strengthened competitiveness and viability of many enterprises in the sector, through support to private investment. It must nevertheless be stressed that the overall effects are mostly the addition of those of each individual project. Very few synergies were observed and consistency between investments along the supply chains and in different areas is unclear. In some cases, unwanted effects such as overinvestment (ports, aquaculture, etc.) or displacement effects (processing) were likely to occur.

- ▶ Nor has the FIG been effective in supporting the development of EU production, in particular aquaculture production, or in improving the demand/supply balance of the EU market. External factors, such as site availability and EU internal costs, have been heavier drivers for aquaculture development. Contribution to the value added to products is more significant, due to the amount of funds devoted to modernising enterprises' facilities along the entire supply chains, which obviously helped improve quality and develop new products.

12.2 Detailed impacts of the FIG on its four objectives

Impacts identified and sometimes assessed during the evaluation are developed in following table.

Figure 126: Impacts of the FIFG 2000-20-06

	Sustainable balance between fishery resources and their exploitation	Durability	Competitiveness of structures and development of economically viable enterprises in the sector	Durability
Adjustment of fishing effort, fleet renewal and modernisation	Significant impact : potential catch reduction of 330 000 tonnes (24% of the global catch reduction for E.U. fleet on the period)		Weak and in direct Neutral on profitability : no difference between the main beneficiary segments and the other ones Significant effects regarding gains of productivity	
Measure 11 : scrapping	Overall significant reduction of fleet capacity and landings (positive, in a context of overfishing on quite all the E.U. fisheries) Possible perverse effect : new vessels buildt with support of measure 21 are likely to have a higher productivity than vessels withdrawn with FIFG support	LT - Axis 1	Significant impacts : Reduction of the ageing of the fleet (less competitive vessels) Increase of the average available resources for remaining vessels Injection of funds in the sector (likely to be partly re-invested)	ST
Measure 12 : transfer to a third country / reassignment				
Measure 13 : joint enterprise				
Measure 21 : construction of new vessels		MT - M21	Significant impacts : Reduction of the ageing of the fleet Introduction of modern vessels, likely to be more competitive Reduction of needs for self-financing and loans	ST to MT
Measure 22 : modernisation of existing vessels	Potential increase of selectivity of gears and techniques for some projects (but impossible to assess) Possible pervers effect : higher productivity without selectivity	MT	Potential significative impacts on larger units of some MS fleets : but impossible to assess precisely	-
Measure 23 : withdrawal of vessel in association with fleet renewal with public aid	No direct impact (counterpart of new capacities entered with aids from M 21 or M 22)	-	No direct impacts	-
Measure 42 : socio-economic measures	No direct impact	-	No direct impacts	-
Measure 45 : temporary cessation of activities and other financial compensation	No direct impact (economic compensation of regulatory restrictions to fishing)	-	Significant impact on maintaining enterprises affected by temporary restriction to fishing or to marketing (recovery plans, Erika pollution in Spain...)	ST to MT
Fishing port facilities Measure 33	No significant impact identified (indirectly, improving the treatment of landed products is likely to reduce losses and wasting of natural resources)	-	Significant positive impacts : Upgrading equipments and working conditions Improved profitability and competitiveness of fishing companies : Better quality => better prices + better supplies for the processing industry Better technical services => cost savings Potential perverse impact : double investment and delays in rationalizing landing points	MT to LT
Aquaculture Measure 32	Extremely weak impacts : Contribution of aquaculture to total fisheries production increased from 17,1% in 2000 to 20,3% in 2007 But EU aquaculture production decreased by 6,7% during the period	MT	Significant positive impacts : EU Leadership in turbot farming secured Leading Mediterranean seabass and seabream companies strengthened Contribution to improvement of economic and financial performances of companies Modernisation of farming equipment and improvement of sanitary conditions in many companies	MT
Processing and marketing Measures 34 and 43	Impact : extremely weak, even negative EU processing capacity has been strongly extended and led to an increasing of potential need for raw materials	MT	Impact : positive Helped companies to better adapt to needs and demands of modern distribution channels Contributed to renovate the population of factories (replacement of outdated plants) Improvement of profitability of companies Some substitution effects : supported investments in new Member States connected with contraction of activities in the same sub-sector elsewhere	MT
Organisation of the sector Measure 44	Very weak and indirect: Potential long-term impacts of management measures taken by POs	-	Potential positive impacts, but difficult to assess: Few aids to setting up of new POs Wide range of projects likely to have consolidated professional organisations of the sector	MT to LT
Innovation Measure 46	Very weak Potential long-term impact of innovative projects concerning more selective fishing gears and the developpement of new sustainable fisheries.	-	Potential long-term impacts on profitability, through costs reduction in fishing (energy saving, efficiency and selectivity) and aquaculture (low impact process)	?

(ST: Short-term, MT: Mid-term, LT: Long-term)

	Market supply and value added to fishery and aquaculture products	Durability	Revitalisation of areas dependent on fisheries and aquaculture	Durability
Adjustment of fishing effort, fleet renewal and modernisation	Negative impact on supply in volume of the EU market Potential positive impact on value added on products		Significant negative impact => loss of 7 to 8 000 FTE, but linked to unsustainable exploitation of natural resources	
Measure 11 : scrapping	Significant negative impact : Reduction of the supply of the EU market Increase of the level of dependance on imported products	LT	Overall significant reduction of employment and income in most of the coastal areas. Effects in downstream sector likely proportional (3-4 jobs / 1 fisherman)	LT
Measure 12 : transfer to a third country / reassignment				
Measure 13 : joint enterprise				
Measure 21 : construction of new vessels	Potential positive impacts : Better treatment and quality of products; with better prices and added value	ST to MT		
Measure 22 : modernisation of existing vessels	Potential positive impacts : Better treatment and quality of products; with better prices and added value	ST to MT	No significant effect (probably a very limited impact on attractiveness of the sector)	ST to MT
Measure 23 : withdrawal of vessel in association with fleet renewal with public aid	No direct impacts	-	No impacts	-
Measure 42 : socio-economic measures	No impacts	-	Potential limited impact in some coastal areas (aids for reconversion and diversification)	MT
Measure 45 : temporary cessation of activities and other financial compensation	Temporary significant reduction of market supply, with positive expected at term (recovery of stocks and landings)	ST to MT	Temporary positive effect on maintaining fishing activities	ST to MT
Fishing port facilities Measure 33	Significant positive impacts Improved quality (improved conditions of landing, treatment and storing) Increase in value added at first sale	MT	Positive impact on employment in the downstream sector (maintain, more than creation) Indirect support to maintaining small scale coastal fishing activities	MT to LT
Aquaculture Measure 32	Poor impact on supply (in volume) and value added Impact (weak) on quality of supply Some perverse effects (seabass overproduction) : market oversupply	-	Limited impact in some remote areas Positive impacts on employment in some fisheries dependent areas	MT
Processing and marketing Measures 34 and 43	Impact : positive Improvement of market supply for processed products Renewal and increase of production capacity	MT	Impact : positive Numerous aided investments located in areas dependent on fisheries	MT
Organisation of the sector Measure 44	Expected positive impacts of strategies of professional organisations regarding adaptation of E.U. products to markets	?	Potential positive impact in the organization of coastal communities through support to their professional organisations (staff and projects)	MT to LT
Innovation Measure 46	No significant impacts. Some projects may conduce to change in marketing strategies and a better adaptation to market demand.	?	Neutral short-terms impacts on employment.	?

(ST: Short-term, MT: Mid-term, LT: Long-term)

12.3 Expected and final impacts

The expected impacts of the FIG 2000–06 programme were mostly qualitative and general.

► **Fleet measures**

Quantitative objectives were defined only for the fishing fleet, through conservation policy and fleet management tools (MAGP IV and entry-exit regime), but not specifically for the FIG. The fleet measures of the FIG 2000–06 programme have played a role in addressing two opposing needs:

- The adjustment of the EU fleet to ensure sustainable exploitation of fish stocks (i.e. a sharp reduction in the fleet in a global context of overfishing);
- The renewal and modernisation of the fleet in order to improve its selectivity and profitability.

Expected effects on fleet adjustment: FIG measures have clearly contributed to an increased rate of reduction of fleet capacity and a better acceptance by economic players in the sector of the necessity for this reduction – mostly before the closure of measure 21. Without FIG support, it is likely that fleet restructuring would have been more difficult and would have taken more time.

Unexpected effects: Deadweight effects are likely to have occurred in the MS where public aid to scrapping has been used intensively, as similar effects have been obtained without public support in the same MS and/or with reduced support in other MS.

Expected effects on fleet renewal and modernisation: FIG measures have clearly contributed to an increased rate of renewal of the fleet in the MS where measure 21 was implemented. Measure 22 has significantly contributed to modernisation of the existing fleet.

Unexpected effects: The abolition of measure 21 during the programme disadvantaged the new MS where support for fleet renewal was important. Given that most of the old MS have benefited from the measure, it can be considered that changes in the regulation have resulted in inequality between the MS. Moreover, application of the principle of subsidiarity has led to very different levels of national support without any clear relation to the needs of the national sectors. Heavy public financial support to the fleet in Spain is likely to have significantly improved its competitive position in comparison to other EU fleets.

In conclusion, **FIG fleet measures have primarily assisted the adjustment of the fleet capacity and more directly contributed to the renewal and modernisation** of fishing vessels.

► **Aquaculture measures**

The expected leverage effect on the development of European aquaculture has not been realised. While significant effects have been obtained regarding modernisation of aquaculture facilities and diversification of production, counterbalance the declining role of the fishing sector in market supply has not been offset by any development in aquaculture production.

► **Fishing port facility measures**

Modernisation of port infrastructure has been effective, but FIG support may have postponed the restructuring of ports in some areas.

► **Processing, marketing and promotion measures**

Support to investment in marketing and processing has had positive effects on modernisation and development of the downstream sector. **Some substitution effects may have occurred** in relation to the relocation of large processing investments in the new MS.

► **Organisation of the sector**

Expected impacts of Axis 4 measures on the sector organisation are difficult to assess, but it can be considered that the objective of re-inforcing support to POs (consistent with the CMO) has not been effective.

► **Innovative measures**

The impacts of innovative measures can hardly be assessed at this stage as they tend to have a long-term impact. These measures lacked a clear definition which prevented the MS from managing it effectively and encouraging applications from relevant stakeholders..

13 Conclusions and recommendations

13.1 Main conclusions and recommendations per evaluation criteria

13.1.1 FIG relevance

FIFG measures on the whole appropriately addressed the fisheries sector's needs, however some of them were not sufficiently targeted by the FIFG regulation and programme objectives. In addition the FIFG lacked internal coherence as it comprised a patchwork of measures, for which the role, objectives and expected complementarities were not clearly defined.

Analysis	Conclusions	Recommendations
<p>Fishery needs coverage by FIFG regulation</p> <p>2000-2006 FIFG regulation addressed main EU needs in the fishery sector (environmental, social and economic).</p> <p>No measure specifically focused on limiting the fishing effort.</p>	<p>FIFG 4 strategic objectives (sustainable exploitation, strengthening of competitiveness, improvement of market supply and revitalisation of areas dependent on fisheries and aquaculture) and 22 measures were relevant to address EU needs in the fishery sector, however they did not take account the necessity to limit fishing effort. This need is addressed by other CFP pillars, in particular the TAC measures.</p>	<ul style="list-style-type: none"> ▶ Better articulate fleet structural measures with other CFP measures to ensure effective complementarities and greater clarity.
<p>FIFG internal coherence</p> <p>FIFG is composed of 22 measures seeking to achieve 4 strategic objectives.</p> <p>There is no prioritisation of objectives or measures</p> <p>There is no quantification of FIFG objectives neither at a strategic nor a measures level.</p>	<p>FIFG regulation is considered as a toolbox of measures with no clear links, no hierarchy and an unclear definition.</p> <p>No specific measure was forecast to revitalise areas dependant on fisheries despite this being one of the FIFG's main objectives.</p>	<ul style="list-style-type: none"> ▶ Improve general coherence of FIFG instrument. ▶ Define priority and non-priority measures ▶ Quantify FIFG objectives ▶ Detail expected results and impacts of each measure, identifying the gaps, conflicts and/or synergies between these measures <p><i>A new priority axis has been defined within the EFF (2007-2013) to cover the need to revitalise areas dependant on fisheries.</i></p>
<p>FIFG priority areas</p> <p>FIFG programming stressed two priority areas: fleet restructuring (44%) and processing/ marketing measures (24%).</p>	<p>The aquaculture sector was apportioned only 9% of FIFG budget and sector organisation (collective actions) only 5% which is insufficient to address sector's needs.</p>	<ul style="list-style-type: none"> ▶ Establish a logical link between strategic/ operational priorities and financial weight of the different areas of intervention (fleet, aquaculture, processing)

Analysis	Conclusions	Recommendations
		or type of measures (investments, support measures).
<p>Relevance of national programmes</p> <p>Most programmes were well designed although there was less relevance for some MSs that lacked knowledge of sector needs.</p>	<p>Programme relevance is heavily reliant on strong and systematic partnership with sector players.</p>	<p>► Base programming on a solid partnership involving key stakeholders (external experts, professional organisations, regional authorities, etc.).</p>

13.1.2 External coherence

Coherence of FIFG intervention with other EU policies was good at conceptual and regulatory level. Concrete synergies were less clear and effective, particularly regarding resources and market policies within the CFP.

Analysis	Conclusions	Recommendations
<p>Overall coherence with other policies within the CFP</p> <p>FIFG's external coherence with the other policies is ensured conceptually in the EU regulation, through similar general objectives.</p>	<p>No "conceptual" inconsistency between objectives and instruments is observed.</p> <p>But concrete synergies between instruments and measures are often unclear.</p>	<p>► Better define the concrete articulation and synergies between the different CFP's instruments: specific action logic and additional effects of instruments.</p>
<p>Coherence with resource and fleet policy</p> <p>MAGP IV objectives defined a framework and targets for FIFG intervention. However, the only approach by fleet capacity hampered moving to more relevant strategies.</p> <p>No precautions were taken to ensure consistency between MS use of FIFG's fleet package and to prevent adverse effects (increase or displacement of fishing effort)</p>	<p>FIFG enabled to a large extent the reduction of the EU fleet capacity to the level defined by fleet policy.</p> <p>But there is little evidence that the vessels withdrawn with FIFG's aid were the most appropriate targets (regarding fish stocks situation).</p>	<p>► Define clear targets for structural intervention in the fleet; e.g. first by defining the maximum sustainable yield and fishing effort for each fishery, and then defining the targets for capacity withdrawal by segment and MS.</p>
<p>Coherence with the Common Organisation of the markets (COM) for fisheries and aquaculture products</p> <p>FIFG poorly contributed to the establishment of new Producers Organisations (PO). Distortions in the use of FIFG supports in the MS led to inequity and an unclear view of policy priorities.</p>	<p>Considering the central role given to PO's for the implementation of the COM, it is judged inconsistent having introduced an optional action in the FIFG.</p>	<p>► Allocate to each policy financial resources adapted to its objectives (the aid for the establishment of PO's should have been part of COM financial instruments).</p>
<p>Coherence with other structural funds</p> <p>FIFG's complementarities with other structural funds (ERDF and ESF) were overall good in national and regional programmes.</p>	<p>Synergy occurred between FIFG and other EU structural funds for supporting investments aimed at matching the objectives of the Lisbon agenda (competitiveness and employment)</p>	<p>► Encourage clear articulation and synergies between the different financial instruments (at EU and national level).</p>

13.1.3 FIFG effectiveness

The FIFG achievement rate is satisfactory and most Member States have improved their achievement rate since the previous programming period.

Analysis	Conclusions	Recommendations
<p>Overall achievement rate</p> <p>The achievement rate was 90% at the end of 2008 (programmes were ongoing at the time of the evaluation. The Final eligibility date is in June 2009 and programme closure is in September 2010).</p> <p>The extension of the eligibility date by six months will make it possible to maximise the achievement level and limit the impact of the financial and economic crisis.</p>	<p>The achievement rate is satisfactory. Most programmes for 2000-2006 are in a good position to reach a high achievement rate at the closure date.</p> <p>However, no final data could be analysed by the ex-post evaluation as programmes were ongoing at the date of data collection.</p>	<ul style="list-style-type: none"> ▶ Update the analyses made at EU level for the entire programming period. ▶ Analyse all closure reports and update the analyses at EU level on programme effectiveness, going beyond any national view and establishing a clear overview of FIFG outputs at EU level; ▶ Take advantage of the ex-post evaluation to organise exchanges between the Member States in order to capitalise on their experience and improve how they work within the framework of the new 2007-13 programmes (through platform (web-based or meetings))

13.1.4 FIFG implementation and efficiency

Management systems enabled fairly effective programming and implementation despite some disparities across the various Member States and room for improvement.

Analysis	Conclusions	Recommendations
<p>Types of management and implementation systems</p> <p>FIFG implementation was complex at the EU level, due to the variety of programmes (60 programmes, at both national and regional level, both multi-fund and single-fund). and the diversity of management systems in place (centralized, mixed or decentralized)</p>	<p>Due to this complexity, FIFG lacked clarity. The Infosys database, although useful and relevant, proved to be difficult to manage.</p>	<ul style="list-style-type: none"> ▶ Simplify the overall organisation of FIFG implementation in the different MSs to improve clarity and the evaluation of results and impact at EU level. <p><i>The EFF has already enabled improvements with the establishment of single-fund programmes that led to less complexity in management and a better strategic view on fisheries policy at national level.</i></p>
<p>Efficiency</p> <p>Complexity, i.e. a combination of single fund and multifund programmes on the whole tends to lead to higher overall administration costs despite some exceptions (Portugal). Conversely, the Spanish model (single fund programmes) proved effective and efficient.</p>	<p>At the MS level, single fund programmes were generally more efficient on average.</p>	

Analysis	Conclusions	Recommendations
<p>Selection method</p> <p>The success of the project selection process relied on quality communication with beneficiaries, the use of local facilitators, and simple application procedures.</p>	<p>Publicity and communication on the programmes has been performed effectively in most MSs and has contributed significantly to the number of applications received</p> <p>Decentralised systems with the involvement of technical expertise at local level ensured greater effectiveness of intervention by bringing relevant support to project holders.</p> <p>Application procedures were seen as rather complex and many applicants faced difficulties in filling in forms whilst other project holders complained about the length of the selection process.</p>	<p>► Foster extensive communication using various tools: specialised media, information meetings, advertising on Ministry website</p> <p>► Tailor communication to local context, and assist potential beneficiaries through local facilitators involved in preparing projects.</p> <p>► Draft clear application guidance, and simplify application forms in view of the extent to which all information required is actually used and necessary for the approval process</p>
<p>Monitoring</p> <p>The quality of monitoring was highly variable from one MS to the next.</p> <p>Some data lacked reliability, especially figures relating to EC indicators on priority Axes 3 and 4.</p> <p>Indicators were established at a national level but deemed to be partly irrelevant.</p> <p>IT systems were developed and improved only on an ad hoc basis.</p>	<p>Monitoring systems did not enable a reliable overview of FIG results and impacts at the EU level.</p>	<p>► Check the relevance of indicators and perform an in-depth assessment of the national monitoring systems at an early stage of the EFF programmes.</p> <p><i>This is all the more important given that Infosys t no longer exists within the EFF and data gathering at EU level will have to rely on common reliable indicators that are properly filled in.</i></p>
<p>Payment</p> <p>The duration of the payment process varied greatly from one MS to the next. It exceeded 1 year in some MSs where FIG underachieved.</p>	<p>The duration of the payment process is an obstacle to the smooth implementation of the programme as it is likely to discourage project holders from implementing new projects.</p>	<p>► Simplify the overall organisation of FIG implementation in the different MSs to achieve smoother processes.</p>

13.1.5 FIG fishing fleet measures

FIG significantly contributed to EU fishing fleet adjustment, renewal and modernisation, but with contrasting effects depending on the use of the fleet measure package by the MS. However, project-driven policies and the lack of clear priorities and targets are likely to have produced significant unexpected effects and resulted in low effectiveness.

Analysis	Conclusions	Recommendations
<p>Impacts on the renewal of the fleet:</p> <p>Very different patterns in the use of the FIG tool-box (Axis 1 and 2 + Morocco measure) by MS for the renewal of their fleets</p> <p><u>Overall impacts:</u></p> <ul style="list-style-type: none"> - Incentive effects on the renewal rhythm, up to 2004 (phasing out of M21 + crisis effects); - Stabilisation of the average age of the kW, at EU level; - Higher contribution to fleet size reduction than to renewal (construction) - M 21 supported mostly the construction of large vessels operating with active gears, replacing small-sized vessels. <p><u>Specific impacts:</u></p> <p>Intense use of FIG led to significant effects on Spanish fleet: creation of a very modern fleet (apart from a very old one, mostly comprising small coastal boats).</p> <p>Contrasting impacts in the other MSs depending on the patterns of use.</p>	<p>FIG intervention on EU fishing fleet was, on the whole, relatively effective both in :</p> <ul style="list-style-type: none"> - Accompanying the inevitable reduction of the fleet, with the reduction of fishing opportunities - Supporting the replacement of outdated vessels by more efficient and secure units (until the end of 2004) <p>If the strategy for the implementation of Axis 1 measures was clear (matching the goals of the EU fleet capacity policy) it was not the case for M 21. No real orientation was given regarding the type of vessel relevant to promote (more selective, with less impacts on environment...)</p> <p>Distortions in funding allocation in the MS are likely to affect the relative competitiveness of the national fleets at the end of the programme.</p> <p>Consistency between different national and/or regional “fleet strategies” is unclear.</p>	<p>EU fleet policy should define, in partnership with stakeholders, new orientations and objectives for the future. <u>A fishing effort management by fisheries should replace the current national fleet capacity management.</u></p> <p>Subsidising the decommissioning of fishing vessels should only be considered as a compensation/adaptation tool, to be used only in specific and exceptional contexts, e.g. :</p> <ul style="list-style-type: none"> - to cover permanent cessation(not temporary); - for accompanying the reduction of the fleets affected by regulatory recovery plans and with no way for re-orientation; - for accompanying the exit of fleets affected by significant changes in key drivers of their profitability (energy costs, prices....) <p>Subsidising individual construction of new fishing vessels without any orientation effect is not relevant (phasing out of M 21 was a good decision). Encouraging innovative and research projects aimed at designing the fishing vessels of the future achieves better alignment with the objective of a structural intervention.</p>

Analysis	Conclusions	Recommendations
<p>Modernization of the fleet</p> <p>M 22 significantly contributed to the modernisation of the most powerful vessels operating with active gears.</p> <p>Very little information is available on the type of investment co-financed by FIFG</p>	<p>Any new equipment is likely to improve working conditions. However the lack of a clear strategy and priorities regarding the type of investment to promote prevented the projects from addressing some key issues (energy, selectivity, safety).</p> <p>Complex administrative procedures acted as strong deterrent for small-scale fisheries.</p>	<p>Objectives of a structural Community intervention in supporting fleet modernisation should rely on both:</p> <ul style="list-style-type: none"> - clear objectives: improving safety, working conditions and selectivity, reducing energy consumption and impacts on environment,... - clear targets: small-scale fleets, oldest fleets... <p>Modernisation schemes by fisheries or fleet segment should define precisely the needs, the objectives and the added-value of public intervention.</p>
<p>Counterfactual analysis: what would have happened without FIFG regarding fleet evolution?</p> <p><u>Fleet reduction:</u> most MS complied with the targets of POP IV and with their reference levels from 2003.</p> <p>These results were obtained either without or with very minimal use of FIFG in some MS.</p> <p><u>Fleet renewal and modernisation :</u></p> <p>The average age of fishing fleets significantly decreased in Spain (with heavy FIFG intervention) and in Ireland and Denmark (with low FIFG intervention)</p> <p>The pace of fleet renewal increased with FIFG intervention (until the phasing out of M 21).</p> <p>There are no indicators available to assess how many vessels were modernised without FIFG support during the programme.</p>	<p>It is estimated that, <u>overall</u>, without the fleet measure package proposed by FIFG ;</p> <ul style="list-style-type: none"> - The acceptance of the fleet reduction policy by the sector would have been difficult - Private investment in fleet renewal and modernisation would have been lower (incentive and leverage effects clearly occurred) - The pace of fleet renewal would have been slower. <p>Considering the different patterns in the use of fleet measures (with a huge intervention in Spain and effectively nothing in some MSs), it is likely that :</p> <ul style="list-style-type: none"> - <u>Deadweight effects occurred</u> (scrapping) - FIFG led to distortions in the competitiveness of national fleets at the end of the programme. <p>These unexpected effects would not have occurred without FIFG.</p>	<ul style="list-style-type: none"> ▶ Better define the objectives and targets of withdrawal measures (cf point 1.2) in order to limit deadweight effects. ▶ Connect decommissioning schemes to clear analyses of the needs, regarding resources and competitiveness issues ▶ Maintain a structural intervention aimed at accompanying the modernisation of the fishing fleet, but more focused on clear objectives (monitoring systems focused on outcomes rather than realisations)
<p>Use and effects of phasing out M12 and M13</p> <p>Only implemented by some MSs.</p> <p>Perverse effects identified in FIFG 1994-1999 ex-post evaluation.</p>	<p>Phasing out of M12 and M13 was relevant regarding the identified risks of deadweight and displacement effects.</p>	
<p>Use and effects of phasing out M 21</p> <p>Contrasting use in the different MS, important use in some MS and effectively no use in others</p> <p>No possibility use of M 21 for most of the new Member States, with perverse effect on the use of M11 (scrapping of</p>	<p>Distortions in the use of M 21 support probably led to distortion in competitiveness of national fleets. Spanish fleet leadership was clearly reinforced by FIFG 2000-2006 intervention.</p> <p>Phasing out of M21 in 2004 suppressed distortions.</p>	<ul style="list-style-type: none"> ▶ Avoid changing rules in course of a programme, particularly when changes may induce “distortions” or “inequity of treatment” between MSs. ▶ Define a real strategy, with objectives and

Analysis	Conclusions	Recommendations
recent vessels aiming at getting money for construction)	Phasing out of M 21 disadvantaged new Member States that entered in 2004.	adequate tools for structural intervention within a more integrated CFP.
<p>Impacts on the adjustment and renewal of the fleet on fish resource</p> <p><u>Fishing effort :</u></p> <p>As noted in the relevance analysis, FIFG intervention <u>impacted on fleet capacity and not on fishing effort</u>. This is a key issue already emphasised by FIFG 1994-1999 evaluation and not solved.</p> <p><u>Selectivity :</u></p> <p>There is no reliable information on the outputs and effects of FIF M21 and M22 regarding selectivity of fishing.</p> <p>Articulation and synergies with innovative measures are unclear</p> <p><u>Perverse effects:</u></p> <p>FIFG subsidies are likely to have permitted some fishing enterprises to continue, despite low profitability and low fishing opportunities.</p> <p>Only accounting fishing capacities at a national level (approach by segment was a failure) did not prevent potential perverse effects, such as, increase in fishing effort, displacement effects...</p>	<p>Without the fleet measure package proposed by FIFG, the acceptance of the fleet reduction policy by the sector would have been difficult and likely to have taken more time.</p> <p>However orientations in terms of fishing effort and selectivity would probably have been the same. The structural fund is not a relevant tool for managing fishing effort as regulatory tools are far more adapted (TAC, quotas.)</p> <p>It is likely that fleet size and capacity reduction would have occurred without fleet policy and FIFG support (concentration of production means it is the same in all productive sectors and no inflexion in the "natural" trend is observed during the 2000-2006 period).</p> <p>In a market driven industry, concentration occurs through the disappearance of the weakest players. FIFG fleet package is likely to have had counterbalanced market pressures and so delayed the restructuring of the sector. Indirectly, assisting fishing vessels to continue in a context of depleting stocks runs the risk of "encouraging" maintaining fishing effort.</p>	<p>A structural fund in fisheries should not refer to fishing effort objectives.</p> <ul style="list-style-type: none"> ▶ Maintain a structural intervention should only aim at accompanying the adaptation of specific fishing fleet in the context of reduced fishing opportunities (regulatory recovery plans) and structural lack of competitiveness. ▶ From a middle-term perspective: move to more consistent and integrated fisheries management policies (sustainable fisheries), involving stakeholders, and implemented through sustainable management plans, by fisheries (RAC level and/or relevant territorial units). Subsidizing intervention in fishing fleet should be determined by robust analysis of their added value in establishing sustainable fishing activities <p>Pan European strong regulatory instruments should be preferred to financial incentives, with regards the crucial objective of recovering healthy fish stocks.</p>
<p>Impacts on fleet profitability</p> <p>Subsidies granted to fishing enterprises for investing are very significant in some MSs.</p> <p>There is no information or evidence that allows a conclusion to be drawn on the effects that fleet packages have on the profitability of fishing enterprises.</p> <p>Drivers of profitability during the period were yields (productivity) and fish prices (rather good on the period)</p> <p>Effects of M22 on profitability of fishing are unclear, both on costs reduction and income increase.</p>	<p>Reduction of the fleet size and capacity was counterbalanced by reduction of fish resources or fishing opportunities (TAC), so that productivity did not increase.</p> <p>Overall profitability of EU fishing fleet increased during the programme, due mainly to good prices at first sale (until 2008)</p> <p>Important amount of subsidies injected in the fishing sector are likely to have reduced the need for self-financing and bank-financing, with reduced weight of mortgages in costs.</p>	<ul style="list-style-type: none"> ▶ Subsidise investment on board fishing vessels aimed at enabling a better adaptation of products to market demand (selectivity, quality...), however, only when effects are monitored (proof evidence)

Analysis	Conclusions	Recommendations
<p>Impacts on health and safety on board</p> <p>Overall effects of FIG fleet package on health and safety are unclear (no indicators monitored)</p> <p>Clearly identified “safety equipment” schemes were implemented in some MS.</p>	<p>New vessels built and modernized are supposed to offer better safety and working conditions (but, some new vessels built with FIG support appeared to be insecure)</p> <p>Specific effects of FIG are unclear and likely to be low on orientating the projects. Most equipment renewal investments were subsidized.</p> <p>Effects of support to “safety schemes” are also unclear (when subsidising compulsory equipment).</p>	<p>► Subsidise investment on board fishing vessels aiming at better safety and working conditions, but only when effects are monitored (proof evidence) and when not compulsory.</p>
<p>Impacts on employment level :</p> <p>Reduction of employment in fishing is linked to the reduction of fishing opportunities and natural concentration of the sector.</p> <p>FIG only accompanied the restructuring of employment in fishing.</p> <p>Compensation for temporary cessation of fishing helped to maintain fishing enterprises.</p>	<p>New boats built with FIG support are likely to employ fewer fishermen than those of the boats they replaced.</p> <p>Compensations of temporary cessation of fishing helped maintaining employment</p>	<p>► Subsidise “labour-intensive” fisheries (small-scale fishing, passive techniques) rather than “capital intensive” ones.</p>
<p>Impacts on socio-economic diversification of coastal regions affected by fleet restructuring :</p> <p>FIG socio-economic measures were scarcely used in most of the MSs and more for early retirement than for conversion and re-training.</p>	<p>FIG fleet package did not focus on socio-economic diversification of fishing dependent areas but on fleet reduction.</p> <p>Articulation with other FIG measures (ports, aquaculture, processing, collective projects....) was unclear and poorly managed at a local level. Overinvestment in fishing ports occurred despite fleet reduction schemes.</p>	<p>► Better articulate intervention in fleet with other measures, in order to compensate reduction of fishing activities.</p> <p>► Middle-term : move to more territorial integrated projects, within which subsidies for fleet restructuring or modernising might be given, insofar as they clearly contribute to develop sustainable fisheries.</p>

13.1.6 FIFG aquaculture measures

FIFG did not enable an increase in the overall contribution of the EU aquaculture to the market supply. But some effects have been obtained regarding modernisation and equipment of aquaculture facilities.

Analysis	Conclusions	Recommendations
<p>Impact on market supply</p> <p>EU aquaculture production decreased during the programming period</p> <p>Total imports of species also farmed in Europe almost quadrupled during the programming period and equal the total production of the EU aquaculture sector in 2007</p>	<p>FIFG did not secure a production development liable to prevent a boom in imported low-price farmed species, which – for a large number of them – are not produced under social and environmental conditions comparable to those in force in the EU</p>	<ul style="list-style-type: none"> ▶ Make sure that EU fish farmers can compete on a level playing field with imported low-price farmed species (make sure that imported species follow the same rules that EU farmed species, notably on a social and environmental level, and that EU companies are given an equal ability to compete)
<p>Impact on hygiene and environment</p> <p>Many FIFG-aided modernisation investments included improvement of sanitary and environmental conditions and setting up of production improvement systems</p>	<p>Many aquaculture units have benefited from improved sanitary and environmental conditions and from production improvement systems</p>	
<p>Distortion and inconsistency</p> <p>Two member states, Spain and Greece, account for 62% of overall FIFG achievements</p> <p>Investments dedicated to some species have been aided without paying attention to the market capacity</p>	<p>FIFG subsidies lead to overproduction in some aquaculture segments</p>	<ul style="list-style-type: none"> ▶ Make sure that investments aided are not overconcentrated in a limited number of MSs and geographical areas ▶ Encourage effective planning and control of the sector's development ▶ Monitor overall EU production by species
<p>Efficiency</p> <p>In some segments (shellfish farming in France, Extensive carp aquaculture in Germany) a large number of beneficiaries have received very small FIFG grants.</p>	<p>This had very limited economic effects and led to significant administrative costs</p>	<ul style="list-style-type: none"> ▶ Set up a minimum level for aids (by measure) and/or better involve professional organisations in the management of investments

13.1.7 FIFG fishing port facilities measures

Investments in fishing port facilities enabled a modernisation of infrastructure that improved hygiene and safety, as well as the quality of fishing production. The lack of regional strategy had a negative effect in some regions where the FIFG led to overinvesting and building new infrastructures regardless of any regional reasoning.

Analysis	Conclusions	Recommendations
<p>Outputs</p> <p>Achievement rate is 88% and EUR 389m were thus achieved for</p>	<p>Achievement rate is slightly lower than for most other FIFG measures.</p> <p>Implementation of the measure</p>	<ul style="list-style-type: none"> ▶ Encourage development of regional plans to ensure coherent investments, in line with the prospects of

Analysis	Conclusions	Recommendations
<p>investments in fishing port, mainly along the Atlantic Ocean coast (43%)</p> <p>Investments were very diverse. Generally speaking, the old continental MSs financed in some regions small and numerous projects scattered along the coast, although some facilities are already in overcapacity (France, Italy). Conversely, the new Member States, as well as Germany undertook vital constructions and infrastructure modernisation in order to maintain and increase competitiveness.</p>	evidenced a lack of strategic thinking, especially in the old continental MS where investments were disseminated without an in-depth analysis of needs and a rational development plan.	fishing activities
<p>Impact on volume and value</p> <p>FIFG had no impact on volume and a positive impact on value and fishing companies' profitability.</p> <p>Impact on hygiene, safety and employment</p> <p>FIFG played a major role in improving hygiene and safety. Although not systematic, some FIFG projects targeting port facilities had a positive impact on employment at a local level, not only in the fishing activity but also in processing and beyond.</p>	The most successful strategies were those which endeavoured to improve port facilities in view of gaining added value for downstream activities such as processing and marketing.	► Encourage development of regional plans that take into account complementarities of ports' investments with downstream activities

13.1.8 FIFG processing, marketing and promotion measures

Supports to investment in marketing, processing and promotion had mostly positive effects on the modernisation and development of the downstream sector. Some substitution effects may have occurred in relation to the relocation of large investments in processing in the new Member States

Analysis	Conclusions	Recommendations
<p>Impact on competitiveness and profitability</p> <p>FIFG has contributed to modernising numerous processing and marketing units.</p>	FIFG helped companies to better adapt to the needs and demands of modern distribution channels and thus to improve their profitability and competitiveness.	► Continue helping investments needed by SMEs to better adapt to the demands of modern distribution
<p>FIFG has helped the creation of new capacities, which often replaced old and obsolete processing plants.</p>	FIFG prevented closures of outdated plants, contributed to their replacement or relocation in a more suitable environment and thus strengthened the position of the EU processing industry in the market.	
<p>Impact on employment</p> <p>FIFG-aided investments have in many cases contributed to the creation of new jobs.</p>	FIFG contributed to the safeguarding and to the creation of jobs in areas dependant on fisheries	► Favour processing investments in areas dependent on fisheries

Analysis	Conclusions	Recommendations
<p>Subsidiarity and distortion</p> <p>Spain received 52% of all FIFG grants awarded to processing investments and 67% of all FIFG grants awarded to marketing investments</p>	<p>The part of grants received by Spain for processing and marketing is superior to its real weight in the economy of the sector.</p>	<p>► Make sure at EU level that there is no inconsistency between needs of various MS and distribution of subsidies by MS.</p>
<p>Displacement effects</p> <p>FIFG contributed to the Polish leadership's securing of the EU smoked salmon branch, while Germany was experiencing a strong decrease of its production</p>	<p>FIFG supported investments in new Member States encouraged the contraction of activities in other parts of the EU</p>	<p>► Check possible substitution or displacement effects linked to subsidies.</p>

13.1.9 FIFG sector organisation measures

Expected impacts of the organisation of the sector's operations are difficult to assess due to the very vague measure definition, which resulted in a wide range of projects

Main findings	Conclusions	Recommendations
<p>Main types of supported operations</p> <p>Measures 44.1 (creation of POs) and 44.2 (Quality Improvement Plans) were very specific but represented a small share of measure 44 funding (very marginal indeed for measure 44.2). The main measure, 44.3, was very vague in its definition and resulted in a wide range of projects (research, innovation, quality...) but no typology can be drawn from available data.</p>	<p>Measure 44 appears to be a generalist measure that gave some flexibility to MSs to fund projects that didn't fall under other measures or with lower financing rate.</p>	<p>► MS should establish a clear strategy for the organisation of the sector, including the type of operations eligible for funding and targeted beneficiaries.</p>
<p>Impact on the sector organisation</p> <p>The number of POs has increased significantly in MS that have most mobilised measure 44.1. MS where the sector was the most structured didn't implement this measure.</p> <p>Research institutes and collective organisation (POs or other professional organisations) were key players in the implementation of measure 44.3</p>	<p>There is a diffuse positive impact of the measure but cannot be assessed precisely.</p> <p>There is no indication of a specific sector being better represented.</p>	<p>► Again, the measure should rely on a clear strategy by the MS including objectives that can be measured.</p>
<p>Impact on employment and competitiveness</p> <p>Measure 44.2 for Quality Improvement Plans has been barely used because of its complexity and gave mixed results when implemented.</p> <p>Case studies provided a few instances of successes and failures of measure 44.3 operations, some of which have led to jobs creation or increased competitiveness for the sector as a whole or for a small group of participants to the operation.</p>	<p>No general conclusion can be drawn from available data. However, interviews indicate positive impacts in some instances.</p>	

13.1.10 FIGG innovation measures

Impacts of innovation measures were neither well defined nor well understood by Managing Authorities, which led to the implementation of less innovative projects.

Main findings	Conclusions	Recommendations
<p>Outputs</p> <p>EUR 187m FIGG was spent under measure 46, mainly in old MSs. New MSs did not resort to measure 46, apart from Hungary and Poland.</p> <p>Main concerns (improving selectivity of fishing equipment and improving environmental conditions in the fishing business) were present but not widespread. A few projects were solely market studies and it is disputable whether these are really aligned with measure 46 requirements.</p> <p>Some projects have been known to fail because of unreliable partners and the difficulty of securing private funding.</p>	<p>Measure 46 lacked clear definition in the EU regulation and Managing Authorities experienced difficulties in defining eligibility criteria</p> <p>Success stories relied on a strong involvement by both researchers and producers.</p>	<ul style="list-style-type: none"> ▶ Clarify the projects expected under innovative measures (eligible objectives, beneficiary organisations, outputs, etc.) ▶ Ensure that projects under this measure involve reliable partners with sufficient technical or scientific expertise such as major research institutes.
<p>Impact on sector competitiveness and employment</p> <p>Measure 46 had some impacts on competitiveness, although they cannot be measured quantitatively. Impacts on employment were limited.</p>	<p>Impacts can only be long term, provided project results are disseminated. Projects are rarely completed within a short period. Transfer of innovations from the research stage to the implementation and dissemination phase is lengthy and ongoing process, which requires both time and resources.</p>	<ul style="list-style-type: none"> ▶ Control dissemination of project results to ensure that research project conclusions and results are implemented.

13.2 Recommendations on implementation of EFF

In 2007, the EFF replaced the FIGG, and will continue to provide financial support to the fishery sector until 2013. Whilst it operates on a similar basis, it has introduced several changes, such as the development of a National Strategic Plan (NSP) by MSs prior to commencing the programming process, as well as a less complex structure. The OP is now the only programming and management document at a national level that addresses strategic and operational elements. MSs have more flexibility when implementing measures because eligibility rules have been limited to what is strictly necessary at Community level. These changes are in line with some of the key findings of the ex-post evaluation in that the complexity of FIGG at the EU level (60 programmes, both national and regional, and both multi-funded and single-funded) impacted negatively on the clarity of FIGG strategies and did not encourage efficient management.

Drawing on the lessons learned from FIGG 2000-2006, several short term key recommendations can be made in relation to the management and implementation of the programmes:

- ▶ **Involve stakeholders:** with respect to programming, project selection and monitoring, the involvement of sector experts through extensive consultation, as well as some of the main sector stakeholders (professional organisations of producers, processors, distributors) is a key factor for success. Effective cooperation within the steering/monitoring committee (regular meetings, strong leadership, etc) as well as agreement on a joint strategy and joint priorities is key
- ▶ **Improve communication on FIGG:** the FIGG ex-post evaluation demonstrated that information and communication on the programmes is a key success factor but is not always

effectively applied. In implementing programmes it is therefore important to encourage extensive and open communication using various tools (specialised media, information meetings, advertising on Ministry website) and tailoring communications to the local context.

- ▶ **Provide technical assistance to project holders:** in all cases, proximity and support for project holders from local facilitators with a high level of expertise is a key to success, although can require significant administrative work. It is important to find a balance between the need to reduce administrative costs and the importance of facilitation.
- ▶ **Simplify application and selection procedures:** project holders often complained about unclear and complex procedures in applying for FIG funding. Clear application guidance should be drafted and application forms should be simplified in view of the extent to which all information required is actually used and necessary for the approval process.
- ▶ **Improve monitoring of programmes:** the same process was adopted for monitoring different MS. Most EU indicators were not filled in properly (with the exception of fleet measures). Some national indicators were established but judged to be partly irrelevant. IT systems were developed and improved on only an ad-hoc basis. It is thus important to check the relevance of indicators and perform an in-depth assessment of the national monitoring systems at an early stage of the EFF programmes. It is important to explain EU indicators as defined in the EFF regulation and how they are filled in and compiled. This is all the more important given that the Infosys database no longer exists.

13.3 Lessons learned for a future CFP and guidance on structural support to fisheries and aquaculture

The ex-post evaluation highlights that the FIG was overall relevant and useful in addressing the fishery sector's needs and accompanying the restructuring of the sector. There is good evidence of expected achievement and some impacts are already tangible in most areas. However lessons can be learned to strengthen the role of structural funds with a view to achieving the CFP objectives.

Impacts are yet still be significantly enhanced through an improvement of the general coherence of structural support, both internally (within the different measures) and externally (within the CFP). Some perverse effects could be avoided through better strategic thinking and development of stronger partnerships with stakeholders. The following general recommendations would thus need to be followed within the framework of the future CFP reform so as to address key weaknesses identified by the ex-post evaluation:

- ▶ **Improve the design and internal coherence of EU structural intervention**
 - The future policy for implementation of structural support to fisheries has to be revised with a view to guaranteeing greater consistency of its intervention logic. At this stage, structural support has merely comprised a patchwork of measures aimed at achieving very broad objectives as defined by the CFP. The specific role and objectives of the measures need to be explained and quantified.
 - The connections and complementarities between the different measures have to be developed. In particular, intervention in fleet area needs to be coordinated with other measures in order to compensate for the reduction of fishing activity. For instance, innovative and pilot projects should be encouraged as they aim to design the fishing vessels of the future, which is more consistent with the objective of a structural intervention.
- ▶ **Improve the consistency and complementarities of EU structural intervention with other CFP pillars**
 - The supporting and accompaniment role of structural support to fisheries and aquaculture has to be better integrated within the CFP so that it effectively complements the other CFP pillars. Concrete synergies between the different CFP's instruments, specific action logic and additional effects of instruments should be demonstrated.
- ▶ **Encourage strategic thinking and regional reasoning, particularly through the development of collective action at territorial level**

- The Commission has to foster territorial approaches (axis 4 of the EFF) and favour the development of collective projects with clear objectives and targets. To date, structural intervention could be considered as a plain resource envelope that led to dispersed results and even to negative effects. For instance, many investment projects in the aquaculture area as well as in fishing ports were implemented without regard to regional reasoning and anticipation of the future developments resulting from these investments such as overproduction (case for some aquaculture species). Effective planning and control of each sector's development should be encouraged provided they involve all relevant players, i.e. main stakeholders (institutions, professional organisations, experts, etc.) but also other players (experts and researchers).
- ▶ **Adjust the fleet policy orientations within the framework of a more integrated resource policy**
 - A clearer strategy should be defined, with objectives and adequate tools for structural intervention within a more integrated CFP, and move towards policy-driven projects. EU fleet policy should define, in partnership with stakeholders, new orientations and objectives for the future. A fishing effort management by fisheries (at relevant territorial level) should replace the current national fleet capacity management.
 - Subsidising the decommissioning of fishing vessels should be only considered as a compensation/adaptation tool that can be used only in specific and exceptional contexts.
 - Community structural intervention aiming at accompanying the modernisation of the fishing fleet can be maintained provided its objectives rely on clear objectives (improving safety, working conditions and selectivity, reducing energy consumption and impacts on environment, etc.) and targets (small-scale fleets). Modernisation schemes by fisheries or fleet segment should define precisely the needs, the objectives and the added-value of public intervention.

14 Appendixes

14.1 Appendix 1: General tables on effectiveness (data dated 31.12.2008)

Figure 127: Commitment / achievement by MS

MS	Programming				Number of projects	Commitment				Commitment rate	Achievement				Achievement rate
	FIFG	National public funds	Private	Total		FIFG	TOTAL	% of total	FIFG		TOTAL	% of total			
Austria	4 758	6 516	24 015	35 289	670	4 537	33 790	13%	95%	4 537	33 790	13%	95%		
Belgium	22 866	21 548	34 483	78 896	234	20 792	87 656	24%	91%	18 690	75 860	25%	82%		
Cyprus	3 419	4 324	4 588	12 332	142	3 294	12 479	26%	96%	3 249	11 886	27%	95%		
Czech Republic	4 111	1 746	5 659	11 516	201	4 106	11 637	35%	100%	3 763	10 684	35%	92%		
Denmark	182 588	132 388	386 290	701 265	3 400	142 478	625 527	23%	78%	119 350	489 893	24%	65%		
Estonia	12 469	6 282	14 227	32 979	275	12 962	34 440	38%	104%	11 387	30 025	38%	91%		
Finland	42 384	50 964	66 397	159 745	2 738	41 929	174 365	24%	99%	41 823	163 013	26%	99%		
France	277 642	267 603	525 526	1 070 771	10 490	266 346	1 107 678	24%	96%	256 703	1 010 481	25%	92%		
Germany	154 488	60 908	254 834	470 229	2 482	135 669	448 103	30%	88%	132 254	432 518	31%	86%		
Greece	213 893	69 836	137 298	421 027	5 574	341 155	620 366	55%	159%	206 507	381 717	54%	97%		
Hungary	4 390	1 341	5 731	11 462	51	4 642	12 193	38%	106%	3 288	8 777	37%	75%		
Ireland	67 800	17 415	98 763	183 978	1 051	80 902	190 351	43%	119%	72 849	166 065	44%	107%		
Italy	394 574	382 126	300 959	1 077 659	8 607	539 035	1 392 788	39%	137%	336 867	984 443	34%	85%		
Latvia	24 335	9 020	10 707	44 062	504	28 141	48 963	57%	116%	25 239	41 274	61%	104%		
Lithuania	12 117	5 071	2 264	19 451	129	12 286	19 759	62%	101%	12 099	19 272	63%	100%		
Malta	2 838	781	-	3 618	27	2 736	3 501	78%	96%	2 460	3 183	77%	87%		
Netherlands	39 035	42 105	47 188	128 327	666	36 975	115 208	32%	95%	34 946	102 906	34%	90%		
Poland	201 832	80 113	146 779	428 724	4 067	187 835	353 925	53%	93%	146 982	257 539	57%	73%		
Portugal	236 817	66 622	140 869	444 308	5 844	232 806	491 743	47%	98%	202 331	407 108	50%	85%		
Slovakia	1 829	784	2 613	5 226	20	1 817	5 193	35%	99%	1 725	4 928	35%	94%		
Slovenia	1 781	594	2 359	4 733	45	2 012	5 387	37%	113%	1 708	5 089	34%	96%		
Spain	1 787 525	650 746	1 776 080	4 214 351	33 751	1 911 300	4 759 919	40%	107%	1 708 445	4 169 306	41%	96%		
Sweden	62 441	41 071	104 210	207 721	1 904	60 618	207 529	29%	97%	52 491	176 834	30%	84%		
United Kingdom	183 220	69 813	293 779	546 813	1 934	198 619	605 073	33%	108%	165 972	500 598	33%	91%		
TOTAL	3 939 150	1 989 716	4 385 618	10 314 484	84 806	4 272 991	11 367 570	38%	108%	3 565 665	9 487 188	38%	90%		

Figure 128: Commitment / achievement by MS and by programme

K€	Programming				Number of projects	Commitment			Commitment rate	Achievement		
	FIFG	National public funds	Private	Total		FIFG	TOTAL	% of total		Private	Total	% of total
Spain	1 787 525	650 746	1 776 080	4 214 351	33 751	1 911 300	4 759 919	40%	107%	1 708 445	4 169 306	41%
Objective 1	1 570 925	463 500	1 327 899	3 362 324	25 872	1 694 490	3 834 867	44%	108%	1 509 572	3 345 098	45%
Outside Objective 1	216 600	187 245	448 181	852 026	7 879	216 810	925 052	23%	100%	198 873	824 207	24%
Italy	394 574	382 126	300 959	1 077 659	8 607	539 035	1 392 788	39%	137%	336 867	984 443	34%
Calabria	20 285	20 285	13 930	54 500	188	32 345	84 260	38%	159%	20 691	41 347	50%
Campania	38 249	38 249	19 125	95 623	251	40 262	104 709	38%	105%	34 139	87 233	39%
Molise	758	1 075	1 422	3 256	23	815	3 573	23%	108%	593	2 619	23%
Multiregional	122 136	89 024	66 223	277 383	3 409	190 383	421 307	45%	156%	104 629	326 386	32%
Outside Objective 1	99 734	123 891	126 205	349 830	4 000	149 074	493 641	30%	149%	93 238	229 037	41%
Puglia	32 401	38 410	24 703	95 514	278	44 312	96 950	46%	137%	27 363	80 680	34%
Sardegna	27 011	27 011	21 969	75 991	150	23 489	60 550	39%	87%	14 292	38 421	37%
Sicilia	54 000	44 181	27 382	125 562	308	58 355	127 797	46%	108%	41 921	178 719	23%
France	277 642	267 603	525 526	1 070 771	10 490	266 346	1 107 678	24%	96%	256 703	1 010 481	25%
Corse	2 457	1 441	1 680	5 578	180	2 455	12 364	20%	100%	2 351	12 057	20%
Guadeloupe	4 398	2 324	3 052	9 774	72	5 161	10 542	49%	117%	3 324	8 055	41%
Guyane	5 422	3 208	4 721	13 351	135	5 237	12 562	42%	97%	5 121	12 296	42%
Martinique	7 196	3 329	2 429	12 954	191	9 721	15 810	61%	135%	8 942	12 234	73%
Outside Objective 1	243 800	252 266	504 127	1 000 193	9 533	228 702	1 023 524	22%	94%	224 045	937 217	24%
Réunion	14 369	5 036	9 517	28 922	379	15 071	32 876	46%	105%	12 921	28 622	45%
Greece	213 893	69 836	137 298	421 027	5 574	341 155	620 366	55%	159%	206 507	381 717	54%
Objective 1	213 893	69 836	137 298	421 027	5 574	341 155	620 366	55%	159%	206 507	381 717	54%
Portugal	236 817	66 622	140 869	444 308	5 844	232 806	491 743	47%	98%	202 331	407 108	50%
Alentejo	597	199	57	853	10	617	835	74%	103%	507	594	85%
Algarve	1 757	586	125	2 468	30	1 726	2 417	71%	98%	1 616	2 250	72%
Azores	30 041	13 314	7 284	50 638	1 071	31 648	53 067	60%	105%	27 206	44 801	61%
Centro	1 537	512	149	2 198	22	1 678	2 494	67%	109%	1 536	2 294	67%
Madeira	17 462	5 609	1 299	24 370	154	18 601	26 664	70%	107%	17 573	25 020	70%
Norte	1 647	592	87	2 326	21	1 648	2 327	71%	100%	1 560	2 206	71%
Fisheries	183 726	45 794	131 868	361 388	4 515	176 836	403 871	44%	96%	152 307	329 908	46%
Technical assistance	51	17	-	68	21	51	68	75%	100%	27	36	75%

K€	Programming				Number of projects	Commitment			Commitment rate	Achievement			Commitment rate
	FIFG	National public funds	Private	Total		FIFG	TOTAL	% of total		Private	Total	% of total	
United Kingdom	183 220	69 813	293 779	546 813	1 934	198 619	605 073	33%	108%	165 972	500 598	33%	91%
Cornwall	16 995	5 101	11 467	33 563	317	17 686	29 878	59%	104%	15 528	26 171	59%	91%
Highlands & Islands	25 390	4 814	41 833	72 037	286	27 886	91 675	30%	110%	23 582	77 013	31%	93%
Merseyside	206	300	190	696	6	225	758	30%	109%	174	649	27%	84%
Northern Ireland	29 000	8 464	10 798	48 262	228	35 958	58 905	61%	124%	30 569	46 670	66%	105%
Outside Objective 1	88 914	47 573	204 614	341 101	1 053	88 378	371 269	24%	99%	74 855	305 127	25%	84%
West Wales & the vale	22 716	3 561	24 878	51 154	44	28 485	52 588	54%	125%	21 264	44 968	47%	94%
Poland	201 832	80 113	146 779	428 724	4 067	187 835	353 925	53%	93%	146 982	257 539	57%	73%
Objective 1	201 832	80 113	146 779	428 724	4 067	187 835	353 925	53%	93%	146 982	257 539	57%	73%
Germany	154 488	60 908	254 834	470 229	2 482	135 669	448 103	30%	88%	132 254	432 518	31%	86%
Objective 1	91 495	28 752	84 625	204 872	456	87 234	196 026	45%	95%	86 550	194 572	44%	95%
Outside Objective 1	62 992	32 156	170 209	265 357	2 026	48 435	252 076	19%	77%	45 703	237 947	19%	73%
Denmark	182 588	132 388	386 290	701 265	3 400	142 478	625 527	23%	78%	119 350	489 893	24%	65%
Outside Objective 1	182 588	132 388	386 290	701 265	3 400	142 478	625 527	23%	78%	119 350	489 893	24%	65%
Ireland	67 800	17 415	98 763	183 978	1 051	80 902	190 351	43%	119%	72 849	166 065	44%	107%
Border, Midland and W	17 835	3 655	30 506	51 995	94	21 899	59 798	37%	123%	17 768	46 648	38%	100%
Prod select	39 820	11 550	52 390	103 760	910	47 571	97 832	49%	119%	44 531	89 347	50%	112%
Southern-eastern	10 145	2 210	15 867	28 223	47	11 432	32 721	35%	113%	10 550	30 070	35%	104%
Sweden	62 441	41 071	104 210	207 721	1 904	60 618	207 529	29%	97%	52 491	176 834	30%	84%
Norra	4 801	2 211	4 483	11 495	213	4 869	10 650	46%	101%	4 316	9 253	47%	90%
Outside Objective 1	54 015	37 855	96 967	188 837	1 579	52 317	190 327	27%	97%	45 290	162 060	28%	84%
Södra	3 625	1 004	2 759	7 389	112	3 432	6 553	52%	95%	2 884	5 522	52%	80%
Finland	42 384	50 964	66 397	159 745	2 738	41 929	174 365	24%	99%	41 823	163 013	26%	99%
Södra	6 238	6 238	11 037	23 513	438	6 212	27 155	23%	100%	6 184	25 141	25%	99%
Norra	2 646	2 646	2 604	7 896	338	2 633	10 400	25%	99%	2 633	9 570	28%	99%
Outside Objective 1	33 500	42 080	52 756	128 336	1 962	33 084	136 810	24%	99%	33 007	128 302	26%	99%
Netherlands	39 035	42 105	47 188	128 327	666	36 975	115 208	32%	95%	34 946	102 906	34%	90%
Flevoland	6 280	6 580	3 900	16 760	164	5 775	27 382	21%	92%	5 648	23 292	24%	90%
Outside Objective 1	32 755	35 525	43 288	111 567	502	31 200	87 826	36%	95%	29 298	79 614	37%	89%

K€	Programming				Number of projects	Commitment			Commitment rate	Achievement			Commitment rate
	FIFG	National public funds	Private	Total		FIFG	TOTAL	% of total		Private	Total	% of total	
Latvia	24 335	9 020	10 707	44 062	504	28 141	48 963	57%	116%	25 239	41 274	61%	104%
Objective 1	24 335	9 020	10 707	44 062	504	28 141	48 963	57%	116%	25 239	41 274	61%	104%
Belgium	22 866	21 548	34 483	78 896	234	20 792	87 656	24%	91%	18 690	75 860	25%	82%
Hainaut	1 556	1 656	3 806	7 018	3	1 789	16 862	11%	115%	1 556	13 832	11%	100%
Outside Objective 1	21 309	19 891	30 677	71 878	231	19 003	70 794	27%	89%	17 134	62 028	28%	80%
Lithuania	12 117	5 071	2 264	19 451	129	12 286	19 759	62%	101%	12 099	19 272	63%	100%
Objective 1	12 117	5 071	2 264	19 451	129	12 286	19 759	62%	101%	12 099	19 272	63%	100%
Estonia	12 469	6 282	14 227	32 979	275	12 962	34 440	38%	104%	11 387	30 025	38%	91%
Objective 1	12 469	6 282	14 227	32 979	275	12 962	34 440	38%	104%	11 387	30 025	38%	91%
Austria	4 758	6 516	24 015	35 289	670	4 537	33 790	13%	95%	4 537	33 790	13%	95%
Burgenland	258	86	647	991	15	200	706	28%	78%	200	706	28%	78%
Outside Objective 1	4 500	6 430	23 368	34 298	655	4 337	33 084	13%	96%	4 337	33 084	13%	96%
Czech Republic	4 111	1 746	5 659	11 516	201	4 106	11 637	35%	100%	3 763	10 684	35%	92%
Objective 1	4 111	1 746	5 659	11 516	201	4 106	11 637	35%	100%	3 763	10 684	35%	92%
Hungary	4 390	1 341	5 731	11 462	51	4 642	12 193	38%	106%	3 288	8 777	37%	75%
Objective 1	4 390	1 341	5 731	11 462	51	4 642	12 193	38%	106%	3 288	8 777	37%	75%
Cyprus	3 419	4 324	4 588	12 332	142	3 294	12 479	26%	96%	3 249	11 886	27%	95%
Outside Objective 1	3 419	4 324	4 588	12 332	142	3 294	12 479	26%	96%	3 249	11 886	27%	95%
Malta	2 838	781	-	3 618	27	2 736	3 501	78%	96%	2 460	3 183	77%	87%
Objective 1	2 838	781	-	3 618	27	2 736	3 501	78%	96%	2 460	3 183	77%	87%
Slovakia	1 829	784	2 613	5 226	20	1 817	5 193	35%	99%	1 725	4 928	35%	94%
Objective 1	1 829	784	2 613	5 226	20	1 817	5 193	35%	99%	1 725	4 928	35%	94%
Slovenia	1 781	594	2 359	4 733	45	2 012	5 387	37%	113%	1 708	5 089	34%	96%
Objective 1	1 781	594	2 359	4 733	45	2 012	5 387	37%	113%	1 708	5 089	34%	96%
TOTAL	3 942 607	1 990 868	4 385 618	10 319 094	84 806	4 272 991	11 367 570	38%	108%	3 565 665	9 487 188	38%	90%

Figure 129: Commitment / achievement by area of intervention and measure on 22 programmes (see limitations in chapter 4)

Area of intervention	Measure	Programming (K€)			Commitments (K€)			Commitment rate (on FIG)	Achievement (K€)			Achievement rate (on FIG)	
		FIG	Total	% FIG	FIG	Total	% FIG		FIG	Total	% FIG		
Adjustement of fishing effort, fleet renewal and modernisation	11	Scrapping	493 911	788 307	63%	634 456	1 069 180	59%	128%	491 319	811 209	61%	99%
	12	Transfer to a third country/reassignment	32 428	58 508	55%	27 241	50 471	54%	84%	25 935	48 097	54%	80%
	13	Joint enterprises	33 199	45 089	74%	41 027	54 542	75%	124%	35 124	46 907	75%	106%
	21	Construction of new vessels	472 185	1 551 579	30%	471 314	1 560 033	30%	100%	438 691	1 437 102	31%	93%
	22	Modernisation of existing vessels	174 870	738 573	24%	173 767	736 278	24%	99%	132 732	566 592	23%	76%
	42	Socio-economic measures	42 871	112 479	38%	44 069	125 676	35%	103%	34 098	111 146	31%	80%
	45	Temporary cessation of activities and other financial compensation	270 703	359 020	75%	277 170	363 055	76%	102%	276 149	359 742	77%	102%
	TOTAL	1 520 167	3 653 555	42%	1 669 044	3 959 235	42%	110%	1 434 049	3 380 796	42%	94%	
Aquaculture	32	Aquaculture	324 008	1 075 842	30%	338 624	1 208 304	28%	105%	261 658	940 398	28%	81%
	TOTAL	324 008	1 075 842	30%	338 624	1 208 304	28%	105%	261 658	940 398	28%	81%	
Fishing port facilities	33	Fishing port facilities	354 986	656 369	54%	323 662	592 429	55%	91%	275 388	510 232	54%	78%
	TOTAL	354 986	656 369	54%	323 662	592 429	55%	91%	275 388	510 232	54%	78%	
Processing and marketing	34	Processing and marketing	702 462	2 816 028	25%	760 858	3 326 050	23%	108%	604 253	2 671 070	23%	86%
	43	Promotion	107 096	186 900	57%	109 690	188 312	58%	102%	101 029	172 390	59%	94%
	TOTAL	809 558	3 002 928	27%	870 548	3 514 362	25%	108%	705 282	2 843 460	25%	87%	
Organisation of the sector	44	Operations by members of the trade	173 173	352 902	49%	181 311	368 098	49%	105%	158 002	315 756	50%	91%
	TOTAL	173 173	352 902	49%	181 311	368 098	49%	105%	158 002	315 756	50%	91%	
Innovation	46	Innovative measures	156 186	281 199	56%	187 028	309 097	61%	120%	166 089	273 433	61%	106%
	TOTAL	156 186	281 199	56%	187 028	309 097	61%	120%	166 089	273 433	61%	106%	
Other measures	31	Protection and development of aquatic resources	53 410	83 344	64%	48 176	76 789	63%	90%	43 810	70 183	62%	82%
	35	Inland fishing	2 519	14 601	17%	2 391	14 740	16%	95%	1 506	8 331	18%	60%
	41	Small-scale coastal fishing	17 471	24 764	71%	16 300	24 996	65%	93%	13 247	19 353	68%	76%
	51	Technical assistance	69 480	109 945	63%	67 447	104 258	65%	97%	58 518	91 743	64%	84%
	52		595	750	79%	781	976	80%					
	61	Measures financed by the ERDF	-	8 864	0%	50 660	63 325	80%	na	28 223	35 278	80%	na
	62	Measures financed by the ESF	-	-	-	-	-	-	-	-	-	-	-
	TOTAL	143 475	242 268	59%	185 756	285 084	65%	129%	145 304	224 889	65%	101%	
TOTAL		3 481 553	9 265 063	38%	3 755 972	10 236 609	37%	108%	3 145 772	8 488 964	37%	90%	

14.2 Appendix 2: List of aquaculture companies

<i>Company</i>	<i>Activity</i>	<i>MS</i>	<i>Sales 2006 (K€)</i>
NIREUS AQUACULTURE S.A.	Bar, dorade, Turbot	GR	154 558
MARINE HARVEST (SCOTLAND) LIMITED	Saumon	UK	154 339
SCOTTISH SEA FARMS LIMITED	Saumon	UK	99 932
SELONDA AQUACULTURES S.A.	Bar, dorade, Turbot	GR	55 512
HJALTLAND SEAFARMS UK LIMITED	Saumon	UK	54 832
HELLENIC FISH FARMING S.A.	Bar, dorade, Turbot	GR	49 643
DIAS AQUACULTURE S.A.	Bar, dorade, Turbot	GR	38 091
MAINSTREAM SCOTLAND LIMITED	Saumon	UK	33 236
CULMAREX SA	Bar, dorade, Turbot	SP	32 132
ANDROMEDA S.A.	Bar, dorade, Turbot	GR	29 804
INTERFISH AQUACULTURE S.A.	Bar, dorade, Turbot	GR	23 994
AGRO ITTICA LOMBARDA S.P.A.	Esturgeon	IT	22 548
GALAXIDI MARINE FARM S.A.	Bar, dorade, Turbot	GR	21 296
STE THAERON FILS	Conchyliculture	FR	20 231
AQUACULTEUR LANDAIS	Truite	FR	19 333
LOCH DUART LIMITED	Saumon	GB	18 308
AQUANORD SA	Bar, dorade, Turbot	FR	17 779
SEAFARM IONIAN S.A.	Bar, dorade, Turbot	GR	16 353
SNAPTUN FISK EXPORT A/S	Saumon	DK	15 933
GRUP TUNA MED SOCIEDAD ANONIMA.	Thon	SP	15 923
FJORD SEAFOOD SCOTLAND FARMING LTD.	Saumon	UK	14 780
BLUEFIN TUNA HELLAS S.A.	Thon	GR	14 119
NEPTUNUS MARINE CULTURES S.A.	Bar, dorade, Turbot	GR	14 112
KORONIS AQUACULTURE S.A.	Bar, dorade, Turbot	GR	13 729
ROGERIO LUZ, LDA	Pisciculture	PT	12 563
FORKYS FISH FARMING S.A.	Bar, dorade, Turbot	GR	12 437
CEPHALONIAN FISHERIES S.A.	Bar, dorade, Turbot	GR	12 243
NEW EUROFISH S.R.L.	Thon	IT	12 089
HOGANESS SALMON LIMITED	Saumon	UK	11 922
ACQUA AZZURRA - S.P.A.	Bar, dorade, Turbot	IT	11 520
PANITTICA PUGLIESE	Bar, dorade, Turbot	IT	11 088
MEDFISH S.P.A.	Bar, dorade, Turbot	IT	10 743
SKANDIA OERREDEKSPORT A/S	Truite	DK	10 059
ETTRICK TROUT CO. LIMITED	Saumon	UK	9 629
BLATENSKA RYBA, S.R.O.	Carpe	CZ	9 566
BRADAN FANAD TEORANTA	Saumon	IE	9 488
VIVIERS DE SAINT-COLOMBAN	Conchyliculture	FR	9 300
LES HUITRES JACQUES CADORET	Conchyliculture	FR	9 069
VALLE CA' ZULIANI SOCIETA' AGRICOLA S.R.L.	Bar, dorade, Turbot	IT	8 826

<i>Company</i>	<i>Activity</i>	<i>MS</i>	<i>Sales 2006 (K€)</i>
DRUMBEG SALMON LIMITED	Saumon	UK	8 398
ORKNEY SEA FARMS LIMITED	Saumon	UK	7 916
KLEIDARAS, J., FAMILY S.A.	Bar, dorade, Turbot	GR	7 546
KERRERA FISHERIES LIMITED	Saumon	UK	7 396
ACUICOLA MARINA S.L.	Bar, dorade, Turbot	SP	7 364
NEW GABRIEL EUROPA	Truite	BE	6 618
CANNES AQUACULTURE	Bar, dorade, Turbot	FR	6 579
BITSAKOS, G. & P., AQUACULTURE S.A.	Bar, dorade, Turbot	GR	6 374
AQUAPRI DENMARK A/S	Truite	DK	6 209
LESVOS AQUACULTURE S.A.	Bar, dorade, Turbot	GR	6 189
BRÄNDÖ LAX AB	Truite	FI	6 096
STE ATLANTIQUE DE MARICULTURE	Conchyliculture	FR	6 019
COMPAGNIE ITTICHE RIUNITE	Bar, dorade, Turbot	IT	5 970
FERME MARINE DU DOUHET	Bar, dorade, Turbot	FR	5 578
ZANTE FISH FARMING LTD	Bar, dorade, Turbot	GR	5 569
LAKELAND SMOLT LIMITED	Saumon	UK	5 564
DIMOUDIS BROS S.A.	Conchyliculture	GR	5 235
WESTER ROSS HOLDINGS LIMITED	Saumon	UK	5 121
KASTELORIZO FISH CULTURE S.A.	Bar, dorade, Turbot	GR	4 853
AQUICULTURA BALEAR S.A.	Bar, dorade, Turbot	SP	4 706
MALESSINA FISHFARM S.A.	Bar, dorade, Turbot	GR	4 683
PISCIFACTORIAS ANDALUZAS SA	Truite	SP	4 623
PETALIOI ALIEVMATA S.A.	Bar, dorade, Turbot	GR	4 585
SOCIETA' COOPERATIVA PESCATORI ERIDANIA	Conchyliculture	IT	4 509
SIMONTORP SÄTERI AB	Conchyliculture	SE	4 396
TAIMEN OY	Truite	FI	4 309
COOPERATIVA PESCATORI DEL DELTA	Conchyliculture	IT	4 285
TIMAR (CULTURAS EM AGUA), LDA	Bar, dorade, Turbot	PT	4 270
ACUICULTURA DEL MEDITERRANEO SL	Bar, dorade, Turbot	SP	4 186
ASTERIAS S.A.	Bar, dorade, Turbot	GR	4 130
PETALAS BROS S.A.	Bar, dorade, Turbot	GR	4 093
ALIEIA S.A.	Bar, dorade, Turbot	GR	4 091
COOPERATIVA DEL MARE - SOCIETA' COOPERATIVA	Conchyliculture	IT	4 066
ACOMAR	Conchyliculture	FR	3 910
KLATOVSKÉ RYBARSTVÍ, A.S.	Carpe	CZ	3 817
VOIMALOHI OY	Truite	FI	3 758
COSA - SOCIETA' AGRICOLA A RESP. LIMITATA	Bar, dorade, Turbot	IT	3 744
MARIVA, MARIKULTURA D.O.O.	Bar, dorade, Turbot	SI	3 738
MIGDALE SMOLT LIMITED	Saumon	UK	3 537
RED ANCHOR S.A.	Bar, dorade, Turbot	GR	3 526
ECLOSERIE MARINE DE GRAVELINES	Bar, dorade, Turbot	FR	3 446
SPARFISH S.A.	Bar, dorade, Turbot	GR	3 410
ITTICA ALLEVAMENTI CA' PELLESTRINA S.R.L.	Conchyliculture	IT	3 401
THE BLUE & GREEN PISCIFACTORIA DEL SURESTE	Bar, dorade, Turbot	SP	3 393
CULTIVOS MARINOS DE GUARDAMAR S.L.	Bar, dorade, Turbot	SP	3 379
TELIA AQUA MARINE PUBLIC LIMITED	Bar, dorade, Turbot	CY	3 372
ETS JOGUET	Conchyliculture	FR	3 358
MITILICOLTORI SPEZZINI SOCIETA' COOPERATIVA	Conchyliculture	IT	3 358
PISCICULTURE D'AQUADIS	Truite	FR	3 306
HUITRES TAFFORET	Conchyliculture	FR	3 300
BASE VIVA S.L.	Bar, dorade, Turbot	SP	3 262
SARL MIQUEL JARNO	Conchyliculture	FR	3 223
GABRIEL LORRAINE	Truite	FR	3 154
LANGOSTINOS DE HUELVA S A	Bar, dorade, Turbot	SP	3 128
SOCIETA' AGRICOLA MANGILLI S.R.L.	Truite	IT	3 095
INDUSTRIAS PESQUERAS BALMAR SA	Bar, dorade, Turbot	SP	3 095
COOPERATIVA PESCATORI LA VELA	Conchyliculture	IT	3 063
TRUCHAS ERREKA SA	Truite	SP	2 974
COOPERATIVA PESCATORI PO	Conchyliculture	IT	2 958
GIGANTE S.R.L.	Conchyliculture	IT	2 955
EFFICIENT SYSTEM SERVICE S.L.	Bar, dorade, Turbot	SP	2 932

14.3 Appendix 3: List of fish processing companies

Company	Location	Member state
MARINE HARVEST PIETERS	BRUGGE	BE
GADUS	NIEUWPOORT	BE
MORUBEL	OOSTENDE	BE
INTERGARDEN	AALST	BE
MARINE HARVEST BELGIUM	OOSTENDE	BE
SOPRALEX ET VOSMARQUES-SOPRALEX EN UWMERKEN	BRUXELLES	BE
VANDERMAESEN	ZOLDER	BE
FOOD PARTNERS CO	HEPPIGNIES	BE
SALM INVEST	LAMBUSART	BE
DIAVENA OOD	SHUMEN	BG
FISH MARKET A. S.	TREBON	CZ
IGLO GMBH	HAMBURG	DE
FROZEN FISH INTERNATIONAL GMBH	BREMERHAVEN	DE
PICKENPACK - HUSSMANN & HAHN	LÜNEBURG	DE
ROYAL GREENLAND SEAFOOD GMBH	WILHELMSHAVEN	DE
LASCHINGER-GMBH	BISCHOFSSMAIS	DE
APPEL FEINKOST GMBH & CO. KG	CUXHAVEN	DE
NEUE RÜGEN FISCH GMBH & CO. FISCHWERKE KG	SASSNITZ	DE
FRIEDRICHS MECKLENBURG GMBH & CO. KG	WAREN	DE
EURO-BALTIC FISCHVERARBEITUNGS GMBH	SAßNITZ	DE
BÜSUMER FISCHEREI-GESELLSCHAFT MBH & CO. KG	BÜSUM	DE
HAWESTA-FEINKOST HANS WESTPHAL GMBH & CO.KG.	LÜBECK	DE
DOGGERBANK SEEFISCHEREI GMBH	BREMERHAVEN	DE
PRO.FFA GMBH	IHLOW	DE
FLAMINGO FISCH GMBH & CO. KG	BREMERHAVEN	DE
WECHSLER FEINFISCH GMBH	ERFTSTADT	DE
ROYAL GREENLAND SEAFOOD A/S	SVENSTRUP J	DK
FISKERNES FISKEINDUSTRI AMBA SKAGEN	SKAGEN	DK
JEH 53339 A/S	SKAGEN	DK
TRIPLENINE FISH PROTEIN A.M.B.A.	ESBJERG	DK
AKER SEAFOODS DENMARK A/S	GRENAA	DK
AKTIESELSKABET SÆBY FISKE-INDUSTRI	SÆBY	DK
JEKA FISH A/S	LEMVIG	DK
SKAGERAK SALMON A/S	HIRTSHALS	DK
SKAGERAK PELAGIC A/S	HIRTSHALS	DK
LAUNIS FISKEKONSERVEN A/S	ÅLBÆK	DK
HANSTHOLM FISKEMELSFABRIK A/S	HANSTHOLM	DK
MUSHOLM LAX A/S	GØRLEV	DK
SKAGERAK FISKEEKSPORT A/S	HIRTSHALS	DK
EUROPEAN FREEZE DRY APS	KIRKE HYLLINGE	DK
LARSEN DANISH SEAFOOD A/S	LØGSTØR	DK
NORLAX A/S	OUTRUP	DK
PELAGIC SKAGEN A/S	SKAGEN	DK
PALJASSAARE KALATÕOSTUS AS	TALLINN	EE
SUBLAND OÜ	TALLINN	EE
MASEKO AS	TALLINN	EE
VIRU RAND OÜ	IDA-VIRUMAA	EE
DAGOTAR AS	KÄRDLA	EE
FRINSA DEL NOROESTE SA	RIBEIRA	ES
JEALSA RIANXEIRA SA	BOIRO	ES
CONSERVAS GARAVILLA SA	MUNDAKA	ES
CALVO CONSERVAS S.L.	CARBALLO	ES
HIJOS DE CARLOS ALBO S.A.	VIGO	ES
CONSERVAS ISABEL DE GALICIA S.L.	O GROVE	ES
ULTRACONGELADOS ANTARTIDA SA	BURGOS	ES
BERNARDO ALFAGEME SA	VIGO	ES
SALICA INDUSTRIA ALIMENTARIA SA	BERMEO	ES
BERNARDO ALFAGEME S.A.	VIGO	ES
FRIGORIFICOS FANDINO SA	VIGO	ES
UBAGO GROUP MARE S.L.	MALAGA	ES
FRIVIPESCA CHAPELA SA	REDONDELA	ES
FANDICOSTA S.A.	MOAÑA	ES
FRINOVA SA	O PORRIÑO	ES
FRICATAMAR SL	GODELLA	ES
FROXA SA	CARTES	ES
ALFONSO GARCIA LOPEZ SA	POIO	ES
PITA HERMANOS SA	VILAGARCIA DE AROUSA	ES
CONSERVAS DEL NOROESTE SA	VILABOIA	ES
ANGEL LOPEZ SOTO SL	VIGO	ES

Company	Location	Member state
GAMBASTAR SL.	VALDORROS	ES
CONGALSA S.L.	POBRA DO CARAMIÑAL	ES
VENSY ESPANA SA	MALAGA	ES
PESCAFINA BACALAO S.A.	PATERNA	ES
GAMBAFRESH SL.	VALDORROS	ES
THENAISIE PROVOTE SA	MOS	ES
CLAVO CONGELADOS SA	CALDAS DE REIS	ES
COPESCO AND SEFRISA SA	SANT ESTEVE SESROVIRE	ES
IGNACIO GONZALEZ MONTES SA	RIBEIRA	ES
CONSERVAS FRISCOS SL	CATOIRA	ES
PAQUITO SL	BOIRO	ES
CONSERVAS ANTONIO ALONSO SA	VIGO	ES
ALIMENTOS FRIORIZADOS SA	BARBERA DEL VALLES	ES
AHUMADOS UBAGO S.L.	MALAGA	ES
FRANCISCO GIL COMES SL	VINAROS	ES
CONSERVERA DE ESTEIRO S.A.	MUROS	ES
ARTABRA SA	ARTEIXO	ES
PEZ AUSTRAL SA	VIGO	ES
CONSERVAS CERQUEIRA SA	VIGO	ES
UNION SALAZONERA ISLENA SA	ISLA-CRISTINA	ES
CONSORCIO ESPANOL CONSERVERO SA	SANTOÑA	ES
AHUMADOS DOMINGUEZ SA	ALCORCON	ES
MARISCOS CASTELLAR SL	CASTELLAR	ES
COCEDERO DE MARISCOS SA	BARCELONA	ES
OLISEFI SA	BARCELONA	ES
FRIGORIFICOS CORDOBESES SA	CORDOBA	ES
FRIGORIFICOS DE TUNIDOS S.A.	CARTAGENA	ES
FESBA SL	DODRO	ES
BACALAO EGUILLOR SA	ATEZ	ES
MODESTO CARRODEGUAS SL	CARIÑO	ES
MARIN PRODUCTS SA	MARIN	ES
BOYFOOD OY	RÖÖLÄ	FI
HÄTÄLÄ OY	OULU	FI
HEIMON KALA OY	RENKO	FI
AB SALMONFARM OY	KASNÄS	FI
SAARISTOMEREN KALA OY	UUSIKAUPUNKI	FI
AQUATIC FOOD PRODUCTS - SARDA OY		FI
KALASET OY	UUSIKAUPUNKI	FI
LABEYRIE	ST GEOURS DE MAREMNE	FR
SAUPIQUET	COURBEVOIE	FR
FINDUS FRANCE	NOISY LE GRAND	FR
DELPIERRE	BOULOGNE SUR MER	FR
CAPITAINE HOUAT	LORIENT	FR
MARINE HARVEST KRITSEN	LANDIVISIAU	FR
PICKENPACK GELMER	WIMILLE	FR
CRUSTA C	L ISLE JOURDAIN	FR
ESCAL-ESCARGOTS D'ALSACE	STRASBOURG	FR
ADRIMEX	ST AIGNAN GRANDLIEU	FR
MARINE HARVEST BOULOGNE	BOULOGNE SUR MER	FR
LEDUN PECHEURS D'ISLANDE	ST LEONARD	FR
SOCIETE AQUALANDE	ROQUEFORT	FR
CRUSTA D OC	L ISLE JOURDAIN	FR
DELPIERRE MER ET TRADITION	HESDIN L ABBE	FR
VIVIERS DE FRANCE	CASTETS	FR
FRAIS EMBAL	HONDSCHOOTE	FR
MARINE HARVEST RENNES	CHATEAUGIRON	FR
MOULIN DE LA MARCHE SA	CHATEAULIN	FR
KRUSTANORD	ST LAURENT DU VAR	FR
TRANSFORMATION COMMERCIALISATION DE CREVETTES	VITROLLES	FR
BRETAGNE SAUMON	CHATEAUNEUF DU FAOU	FR
STE CRUSTIMEX	MARSEILLE	FR
ANDRE LEDUN	SASSEVILLE	FR
ETS SENEGRUS	RUNGIS	FR
GENDREAU	ST GILLES CROIX DE VIE	FR
HALIEUTIS	LORIENT	FR
HALIOS	PENMARCH	FR
YOUNG'S SEAFOOD LIMITED	GRIMSBY	GB
ICELANDIC GROUP UK LIMITED	GRIMSBY	GB
CUMBRIAN HOLDINGS LIMITED	SEAHAM	GB
CUMBRIAN SEAFOODS LIMITED	SEAHAM	GB

Company	Location	Member state
LYONS SEAFOODS LIMITED	WARMINSTER	GB
F. SMALES & SON (FISH MERCHANTS) LIMITED	HULL	GB
FASTNET HOLDINGS LIMITED	HESSLE	GB
MACRAE FOODS LIMITED	FRASERBURGH	GB
FARNE SALMON & TROUT LIMITED	DUNS	GB
SHETLAND CATCH LIMITED	LERWICK	GB
STX REALISATIONS LIMITED	GLASGOW	GB
ERSKINE HOLDINGS LIMITED	EDINBURGH	GB
STRATHAIRD SALMON LIMITED	FRASERBURGH	GB
THE CROMER CRAB COMPANY LIMITED	GRIMSBY	GB
INTERFISH LIMITED	PLYMOUTH	GB
FIVE STAR FISH LIMITED	LONDON	GB
NOR-SEA FOODS LIMITED	ABERDEEN	GB
FJORD SEAFOOD SCOTLAND LTD.	PAISLEY	GB
ALEXANDER BUCHAN LIMITED	GLASGOW	GB
AQUA STAR (EUROPE) LLP	REDDITCH	GB
MORAY HOLDINGS LIMITED	BUCKIE	GB
BORDER LAIRD LIMITED	SEAHAM	GB
INTERNATIONAL FISH CANNERS (SCOTLAND) LIMITED	FRASERBURGH	GB
FOODVEST HOLDINGS LIMITED	GRIMSBY	GB
MAYBROOK ECOSSE LIMITED	EDINBURGH	GB
SIF PRIME FOODS LIMITED	WARMINSTER	GB
KALLIMANIS, G., S.A.	AIGIO	GR
FRESKOT KONTOVEROS S.A.	ASPROPYRGOS	GR
NORTH AEGEAN SEA CANNERIES S.A.	KILKIS	GR
AMASA HELLAS S.A.	SINDOS INDUSTRIAL AREA	GR
APOSTOLOU, G., S.A.	THERMI	GR
ANEMOTRATA SUPER FISH S.A.	IONIA	GR
KYRIAZIS, CHR., "PORTO-HELI" S.A.	ASPROPYRGOS	GR
KALLONI S.A.	XANTHI	GR
KILLYBEGS SEAFOODS LIMITED	KILLYBEGS	IE
EARAGAIL EISC TEORANTA	WEXFORD	IE
O'CATHAIN IASC TEORANTA	CO. CIARRAI	IE
ARCTIC FISH PROCESSING LIMITED	KILLYBEGS	IE
ATLANTIC DAWN	KILLYBEGS	IE
CELTIC SEA FOODS LIMITED	WEXFORD	IE
POLAR FISH LIMITED	KILLYBEGS	IE
FIORITAL S.R.L.	VENEZIA	IT
TRISSOLBIA S.P.A.	OLBIA	IT
NINO CASTIGLIONE S.R.L.	ERICE	IT
C.A.M. - CONSERVIFICIO ALLEVATORI MOLLUSCHI	15 CHIOGGIA	IT
IGINO MAZZOLA S.P.A.	50 MARANO LAGUNARE	IT
MEDITERRANEA PESCA S.P.A.	MUGNANO DI NAPOLI	IT
FORMEC BIFFI S.P.A.	21 MILANO	IT
CONSORZIO PESCATORI DI GORO	20 GORO	IT
DINON GROUP S.P.A.	PORTO VIRO	IT
ARBI DARIO S.P.A.	MONSUMMANO TERME	IT
GIACINTO CALLIPO CONSERVE ALIMENTARI S.P.A.	PIZZO	IT
P & A SEAFOOD S.R.L. - IN LIQUIDAZIONE	RIPATRANSONE	IT
SUD PESCA S.P.A.	ASPRA BAGHERIA	IT
SURGELSUD S.P.A.	MONOPOLI	IT
FJORD S.P.A.	BUSTO ARSIZIO	IT
DELICIOUS RIZZOLI S.P.A.	30S.POLO TORRILE	IT
GUERCI S.P.A.	20 DREZZO	IT
RIZZOLI EMANUELLI S.P.A.	00 PARMA	IT
VENETA PESCA S.R.L.	14 PORTO VIRO	IT
CO.AL.MA. -S.P.A.-	PALERMO	IT
APPETAIS ITALIA	63 GENOVA	IT
VIS INDUSTRIE ALIMENTARI S.P.A.	ANCONA	IT
RIVAMAR S.R.L.	TAGLIO DI PO	IT
LANZA SEA FOOD - S.R.L.	MAZARA DEL VALLO	IT
POLESANA PESCA S.R.L.	PORTO VIRO	IT
SANTA MARTA S.R.L.	MARTA	IT
ALLOGEL SRL	22 BREMBIO	IT
JOLLY FISH S.P.A.	49 SOMMA VESUVIANA	IT
ESCA S.R.L.	SAN BENEDETTO DEL TRONTO	IT
CONSERVIERA ADRIATICA S.P.A.	OFFIDA	IT
TARANPESCA SPA	00 TARANTO	IT
INTERTONNO - S.R.L.	PIZZO	IT
ARENA SURGELATI	47 ROMA	IT

Company	Location	Member state
SEA FISH S.P.A.	BOLLATE	IT
NUOVA AZZURRO S.R.L.	SAN MARTINO BUON ALBERGO	IT
UAB PLUNGES KOOPERATINE PREKYBA	PLUNGES M.	LT
LIETUVOS IR NORVEGIJOS UAB NORVELITA	GABSIU K.	LT
UAB VICIUNAI IR PARTNERIAI	PLUNGES M.	LT
UAB ESPERSEN LIETUVA	KLAIPEDOS M.	LT
UAB LIGNESA	TAURAGES M.	LT
UAB KRAITENE	MARIJAMPOLIS M.	LT
UAB MAKVELA	VILNIJUS M.	LT
UAB PLUNGES SALTIS	PLUNGES M.	LT
G. KANASEVICIAUS PI DESE	ZIEZMARIU M.	LT
GAMMA-A SIA	RIGA	LV
ZILA LAGUNA SIA	DAUGAVPILS RAJ.	LV
KARAVELA SIA	RIGA	LV
BRIVAIS VILNIS AS	SALACGRIVAS NOV.	LV
VENTSPILS ZIVIU KONSERVU KOMBINATS AS	VENTSPILS	LV
LICIS-93 SIA	TALSU RAJ.	LV
RONU 6 SIA	LIEPAJA	LV
UNDA SIA	TUKUMA RAJ.	LV
RANDA SIA	TALSU RAJ.	LV
MELNSILS SIA	TALSU RAJ.	LV
SABIEDRIBA IMS SIA	RIGA	LV
SAIVA 1 SIA	RIGA	LV
ULMES SIA	JURMALA	LV
CARNIKAVAS KONSERVI SIA	RIGAS RAJ.	LV
KURZEMES PARTIKA SIA	JURMALA	LV
SELGA SIA	JURMALA	LV
PLATVIS HOLLAND B.V.	EDAM	NL
LENGER SEAFOODS HARLINGEN B.V.	HARLINGEN	NL
PALING- EN ZALMFILLEERDERIJ J. FOPPEN JZN. B.V.	HARDERWIJK	NL
URK VIS B.V.	URK	NL
MORPOL S.A.	SZCZECIN	PL
ESPERSEN POLSKA SP. Z O.O.	KOSZALIN	PL
UNIQ LISNER SP. Z O.O.	POZNAN	PL
LAURIN SEAFOOD SP. Z O.O.	LEBORK	PL
FROSTA SP. Z O.O.	BYDGOSZCZ	PL
SUEMPOI SP. Z O.O.	BIELSK PODLASKI	PL
WILBO S.A.	GDYNIA	PL
POLINORD SP. Z O.O.	KROKOWA	PL
SEKO S.A.	CHOJNICE	PL
KORAL SP. Z O.O.	TCZEW	PL
ABRAMCZYK SP. Z O.O.	BYDGOSZCZ	PL
SONA SP. Z O.O.	KOZIEGLOWY	PL
LOSOS SP. Z O.O. PRZETWORSTWO RYBNE	SLUPSK	PL
SOLMAR SP. Z O.O. W UPADLOSCI	DARLOWO	PL
ALMAR SP. Z O.O.	KARTUZY	PL
SUPERFISH S.A.	USTRONIE MORSKIE	PL
TERNAEBEN - PL SP. Z O.O.	LEBA	PL
EXPORT - IMPORT NEPTUN S.J. PPHU	TORUN	PL
PPH MORFISH SP. Z O.O.	USTKA	PL
CHLONNIE BIELSKIE IGLOKRAK SP. Z O.O.	BIELSKO-BIALA	PL
PRORYB SP. Z O.O. PRZETWORSTWO RYB	RUMIA	PL
TASMAN FISH TRADING SP. Z O.O.	KRAKOW	PL
SEAMOR INTERNATIONAL LTD SP. Z O.O.	SZCZECIN	PL
PRZETWORSTWO RYB WARZYW PIATEK S.J.	SIEDLEC	PL
DEGA S.A. ZPCH	SIANOW	PL
NORDFISH - FOODMARK SP. Z O.O.	CHARZYNO	PL
SYRENA ROYAL SP. Z O.O.	GDYNIA	PL
BMC JERZY SZCZEPANKOWSKI PPHU	WLADYSLAWOWO	PL
SZKUNER SP. Z O.O.	WLADYSLAWOWO	PL
POMMERNFISCH SP. Z O.O.	TYCHOWO	PL
TERNAEBEN SP. Z O.O.	LEBA	PL
RIBERALVES	TURCIFALC	PT
RUI COSTA E SOUSA & IRMAO, S.A	TONDELA	PT
PASCOAL & FILHOS, S.A.	GAFANHA DA NAZARE	PT
COPACO-COMERCIAL E FABRIL DE CONSERVAS, S.A.	LISBOA	PT
COPACO ADORES, INDUSTRIA CONSERVAS, S.A.	LISBOA	PT
EUROPEAN SEAFOOD INVESTMENTS PORTUGAL, LDA	PENICHE	PT
GEL PEIXE ALIMENTOS CONGELADOS, S.A.	LOUPRESSETE	PT
COELHO & DIAS, S.A.	VISEUABRA	PT
CONSTANTINOS, S.A.	VENTOSA	PT
SCAGEL - SOCIEDADE DE ALIMENTOS CONGELADOS, S.A.	VARZEA	PT
MANUEL CARVALHO, S.A.	MATOSINHOS	PT
SUESTE-PRODUTOS ALIMENTARES, LDA	GAFANHA DA NAZARÉCALE DA VILA	PT
MAR-IBERICA-SOCIEDADE DE PRODUTOS ALIMENTARES, S.A.	SAO PEDRO DA TORRE	PT
IBERTEJO	ALENQUERCASA	PT
RAMIREZ & CIA.(FILHOS), S.A.	MATOSINHOS	PT
JOAO DOS SANTOS PIRES, S.A.	GAFANHA DA NAZARÉ	PT
SABAMAR - SOCIEDADE INDUSTRIAL DE PEIXE, LDA	SAMORA CORREIA	PT
REDAMAR	GAFANHA DA NAZARÉ	PT
GELDOURO-PRODUTOS CONGELADOS, S.A.	AVELEDA VCDZONA INDUSTRIAL	PT
COFISA-CONSERVAS DE PEIXE DA FIGUEIRA, S.A.	VILA NOVA DE GAIA	PT
NIGEL-CONGELADORA JOSE NICOLAU, LDA	PENICHE	PT
ESBAL - EMPRESA DE SECAGEM DE BACALHAU, S.A.	ILHAV	PT
ILHAMAR-COMERCIO E INDUSTRIA DE PEIXE CONGELADO, S.A.	CACIA	PT
NUTRIPLUS-PRODUTOS ALIMENTARES, LDA	LISBOA	PT
IMPORVENDA-PRODUTOS ALIMENTARES, S.A	GAFANHA DA NAZARE	PT
FRJOBEL-INDUSTRIA E COMERCIO ALIMENTAR, S.A.	PENELA	PT
PRALISA-PRODUTOS ALIMENTARES E PESCAS, SA	VILA NOVA DE CERVEIRA	PT
FRINA - FRIGORIFICOS NACIONAIS, S.A.	AGUALVA-CACEM	PT
LUGRADE - BACALHAU DE COIMBRA, S.A.	TAVEIRO	PT
OCEANUS	ERMIDAS-SADOERM	PT
COMIMBA-COMERCIO E INDUSTRIA DE BACALHAU, S.A.	MOITA	PT
FRIGORIFICOS DAS CARVALHAS	VILAR DE PINHEIRO	PT
NEGRO 2000 SRL	BUCURESTI	RO
TULCO SA	TULCEA	RO
ABBA SEAFOOD AB	GÖTEBORG	SE
LERÖY SMOGEN SEAFOOD AB	SMOGEN	SE
DOMSTEIN SVERIGE AB	KUNGSHAMN	SE
FRAM FOODS AB	LYSEKIL	SE
ASTRID FISKEXPORT AB	RÖNNÄNG	SE
VÄSTKUSTFILÉ AB	VARBERG	SE
KLÄDESHOLMEN SEAFOOD AB	KLÄDESHOLMEN	SE
DAVID NORDOVISTS FISKEXPORT AB	SÖLVESBORG	SE
MARITIM FOOD SWEDEN AB	DINGLE	SE
AB BERGFALK & CO	JOHANNESHOV	SE
RÅKOR & LAX GROSSISTEN GBG AB	GÖTEBORG	SE
GÄVLEFISK AB	GÄVLE	SE
NORDSJÖFISK AB	GÖTEBORG	SE
RYBA KOSICE, S.R.O.	KOSICE	SK
RYBA, S.R.O.	BRATISLAVA	SK
PARTNERS, S.R.O.	CASTKOVCE	SK
RYBA ZILINA, S.R.O.	ZILINA	SK

14.4 Appendix 4: Table of correspondence of the evaluative questions

The following table shows a correspondence between the evaluative questions described in the terms of reference and those which the evaluation addresses. Some evaluative questions have been grouped into one so as to reach a reasonable level of analysis.

Criteria	Evaluative questions	Evaluative questions from the TOR
Relevance	Q1: Is the FIG's intervention relevant to meet the needs of the fisheries sector at the EU level?	-Was the FIG relevant as a policy instrument? Were the measures chosen well suited to address the fisheries sector's needs? Did the 2002 reform take into account the evolution of these needs? (See page 10)
External coherence	Q2: Is the FIG's intervention coherent with other existing interventions and programmes?	- Was it relevant as regards other EU policies such as employment, environment, health and consumers, trade, competition and transport, the Lisbon strategy and the gender policy? (See page 32)
Effectiveness	Q3: What are the outputs achieved by the FIG and are they in line with what was expected? Has the FIG been implemented in an effective way, as regards commitments and payments?	-Did the FIG results (in physical and financial terms) meet the intended target levels? (See page 36)
Implementation and efficiency	Q4.1: How effective were the management and implementation systems?	<p>1. How effective were the monitoring systems in terms of the quality and relevance of information? How appropriate were the indicators used to assess the sustainability of the interventions? (see page 57)</p> <p>2. To what extent were the payment procedures functioning properly (lead times, implementing procedures, number of decision-making bodies)? (see page 57)</p> <p>3. To what extent were the project selection procedures transparent and competitive? (see page 57)</p> <p>4. How effective was the principle of partnership for the FIG implementation? In particular, how effective was the functioning of the Monitoring Committee? (see page 57)</p>
	Q4.2: Has the FIG been implemented in an efficient way, as regards the costs of handling the programmes and operations?	

Impact

Q5.1: What have been the impacts of the FIFG's fishing effort and fleet measures?

1. To what extent has the FIFG contributed to the renewal of the fleet and/or to its modernisation? What would have been the situation without fleet renewal, modernisation and/or decommissioning aid, and this for both the industry and the resources?
2. What have been the impacts of the fleet measures on:
 - Fish exploitation levels,
 - Fleet profitability,
 - Health and safety on board,
 - Employment levels and
 - The socio-economic diversification of coastal regions affected by fleet restructuring?
3. Have fleet measures generated positive (e.g. selectivity improvement) or perverse (e.g. capacity increases) effects on CFP conservation objectives?
4. Is it possible to identify specific patterns of use for certain measures across the Member States, in particular for measure 12, 13 and 21? What were the consequences of the stopping of the latter measures at the end of 2004?

Q5.2: What have been the impacts of the FIFG in the aquaculture sector?

1. What has been the impact of the FIFG on this sector in terms of modernisation, profitability, hygiene, production volume and value and employment?

Q5.3: What have been the impacts of the FIFG in terms of fishing port facilities?

1. What was the impact of the FIFG on the modernisation of fishing port infrastructure, e.g. in terms of volume and value of landings, hygiene and quality standards, etc? What was the impact on employment?

Q5.4: What have been the impacts of the FIFG in the processing, marketing and promotion activities?

1. What has been the impact of the FIFG on this sector in terms of modernisation, competitiveness, profitability, hygiene, production volume and value and employment (including the gender balance)?
2. To what extent has the promotion of fisheries products led to more consumption and/or higher price for those products? If it is the case, which sub-sector benefited from that increase in the price?
3. Were FIFG supported investment in the NMS

		connected with contraction of activities in the same sub-sector elsewhere in the EU?
	Q5.5: What have been the impacts of the FIG in the organisation of the sector?	<ol style="list-style-type: none">1. What main types of operations were undertaken under this measure?2. What impact did this measure have on the level of organisation of the sector? To what extent are different segments of the sector better represented?3. What impact did it have on employment and competitiveness of the sector?
	Q5.6: What have been the impacts of the FIG in terms of innovation?	<ol style="list-style-type: none">1. What main types of operations were undertaken under this measure?2. Under which fields was innovation most supported?3. What impact did it have on employment and competitiveness of the sector?
Global impact and sustainability	Q6: What have been the global impacts of the FIG and are these impacts sustainable? <ul style="list-style-type: none">•	<ol style="list-style-type: none">1. What was the impact of the execution of the FIG on the four objectives defined for this financial instrument (sustainable balance between fishery resources and their exploitation; competitiveness of structures and development of economically viable enterprises in the sector; market supply and added value to fishery and aquaculture products; revitalisation of areas dependent on fisheries and aquaculture)?2. Are these impacts sustainable?3. Are there big differences between expected impacts and final impacts? What are the key factors that can explain these differences?4. What was the level of integration of the policy intervention? To what extent can synergies be identified between measures targeting different sub-sectors?

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14.6 Appendix 6: Acronyms

General

AIPCE EU	Fish Processors and Traders Association
CAP	Common agriculture policy
CFP	Common Fisheries Policy
CMO (or COM)	Common Market Organisation
DG	Directorate General
EAGGF	European Agricultural Guidance and Guarantee Fund
EC	European Community
EFF	European Fisheries Fund
ERDF	European Regional Development Fund
ESF	European Social Fund
EU	European Union
FAO	Food and Agriculture Organisation
FAP	Fisheries and Aquaculture Products
FEAP	Federation of European Aquaculture Producers
FEFAC	European Feed manufacturer's Federation
FIFG	Financial Instrument for Fisheries Guidance
GDP	Gross Domestic Product
K€	Thousand Euros
M	Measure
M€	Million Euros
MAGP	Multi-Annual Guidance Programme
MS	Member State
N/A	Non available
NMS	New Member State
OP	Operational Programme
PEACE II	Programme for Peace and Reconciliation in Northern Ireland and the Border Region of Ireland
PO	Producers' organisation
RAC	Regional advisory council
SPD	Single Programming Document
TAC	Total Allowable Catch

Member States

AT	Austria
BE	Belgium
CZ	Czech Republic
DE	Germany
DK	Denmark
EE	Estonia
ES	Spain
FI	Finland
FR	France
GR	Greece
HU	Hungary
IE	Ireland
IT	Italy
LT	Lithuania
LV	Latvia
MT	Malta
NL	Netherlands
PL	Poland
PT	Portugal
SE	Sweden
SI	Slovenia
SK	Slovakia
UK	United-Kingdom