

Draft Minutes Meeting of the Expert group on the European Maritime and Fisheries Fund (EMFF)

21 April 2021 (virtual meeting)

1. Adoption of the agenda

The agenda was approved.

2. Adoption of the minutes of previous meeting

The draft minutes of the previous meeting held on 24 February 2021 were approved.

3. List of points discussed

FAME presentation of the Working paper on the MEF, Working paper on EMFAF programme template and Infosys 2020 reports

FAME presented the updated Working Paper (WP) on the Monitoring and Evaluation Framework (MEF), which includes comments submitted by MS following the 27th EMFF expert group on 24 February 2021. The WP, to be finalised with the publication of the CPR and EMFAF 2021-2027 regulations, includes 5 annexes on Specific objectives (SOs), the list of types of interventions, Result indicators (RI), the Infosys structure and the list of types of operations. The WP is meant to enable MS to prepare and implement their programme by providing examples and ideas, and not to give any legal or compulsory interpretation of the regulation.

FAME also presented the Working Paper (WP) on the EMFAF programme template, including an introduction, a methodology, the CPR Annex V programme template with comments and an annex with FAME methodological suggestions for all sections. Purpose of the WP, which is expected to take on board comments to be received from MS, is to assist MS in the development of their programmes and help DG MARE ensure coherence among all programmes. The structure of the programme template is based on the template provided in the draft CPR Annex V¹. Section 2 is repeated for each selected specific objective and refers to types of actions, target groups, actions safeguarding equality, inclusion and non-discrimination, specific territories targeted, interregional, cross-border and transnational actions, financial instruments, indicators and types of interventions.

With regard to Infosys 2020 reports, whose submission were being received, FAME explained that there had been an overall smooth submission process as MAs adapted well to the COVID-19 impact. The quality

¹ It features **Section 1** on ‘Programme strategy, main development challenges and policy responses’, **Section 2** on ‘Priorities’ (2.A and 2.B), **Section 3** on ‘Financial plan’, **Section 4** on ‘Horizontal Enabling conditions’, **Section 5** on ‘Programme authorities’, **Section 6** on ‘Partnership’, **Section 7** on ‘Communication and visibility’, **Section 8** on the ‘Use of unit costs, lump sums, flat rates and financing not linked to costs’ and the **Appendixes**, of which Appendix 1 and 2 are meant for SCOs at COM>MS level.

of reports is said to continue to improve, with almost no errors in Annex 1 and 2, some errors in Annex 3 and still some issues in Annex 4 on indicators, as FAME Infosys validation tool continued to be used quite considerably, accommodating changes introduced in Infosys due to the response to the COVID-19 crisis. The total number of operations in 2020 reached 68 000, representing a budget of EUR 4.03 billion (or 70.9% of the total allocation), while EMFF implementation commitments were at EUR 4.03 billion (or 70.9% of the total allocation), which is overall a steady performance. The EMFF implementation in terms of expenditure is set at EUR 2.37 billion (or 41.7% of total allocation), which represents almost the same amount as last year.

O&A

PL asked FAME and the Commission whether MS were required to include the intervention logic in their draft programme. FAME clarified that since there is not predefined intervention logic in the regulation, the WP includes an example just to illustrate how the different elements work with each other, noting that there is no need to include it in the draft programme.

EE asked for further clarifications as to why Section 8 on SCOs (COM>MS level) could not apply to SCOs at MS>beneficiary level. The Commission clarified that Section 8 is exclusively dedicated to SCOs at COM>MS level and that the methodology according to which MS pay beneficiary should not be included in the programme, being these two different levels in the CPR. However, MS are free to use the same methodology. FAME added that, in their understanding, Annex 8 is not about the methodology but rather a template to present the way SCOs are set-up (e.g. including information on types of operations where SCOs are applied, unit cost of reference, etc.).

NL informed the Commission that they would send technical questions on the MEF WP in writing.

In relation to the programme template, SE suggested that in table 11A, specific conditions and relevant articles of the regulation could be indicated for rows SOs 1.1.1 and 1.1.2. With reference to section 2.A.1.1.1, SE asked the Commission to clarify the rationale behind the non-use of financial instruments for each SO, as the corresponding section in the CPR only refers to the use of financial instruments. The Commission explained they had split the financial plan into SO 1.1.1 and SO 1.1.2 because there is a financial capping for certain articles which needs to be monitored. On FIs, there is a need for the Commission to have a clear understanding of the justification as to why MS have considered not to use these tools.

Following up on their previous question, PL asked for further clarifications on the illustration showing the intervention logic, which MS are not required to show but whose elements are to be included. The Commission explained that the programme template itself represents the intervention logic, where all necessary elements are included (i.e. selection of priorities, SOs, types of interventions, indicators, etc.), as summarized by FAME in one single chart to give an overview.

With reference to the section on communication, DK asked if in addition to FAME guidelines the Commission would like to see concrete targets and envisaged communication activities. FAME clarified that the template is supposed to be as short as possible to reflect the content of the regulation and suggested to deal with these more detailed elements of the communication strategy in context of their peer review channel.

With reference to the positive numbers shown in the Infosys reports, the Commission pointed to the two years left until the end of the 2014-2020 programming period, thus encouraging further improvements in the implementation of the EMFF.

INFORM EU communication network

The Commission (DG MARE, Unit E2 - Inter-institutional Matters, Strategic Programming and Communication) made a presentation on INFORM EU, the communication network launched by DG REGIO and applicable to the new EMFAF. The idea behind INFORM EU is to ensure better visibility on EU funding, in compliance with the new CPR provisions on communication, as well as to underline the added value of EU funding and its positive impact on beneficiaries. The network also aims at fostering the communication capabilities and expertise at MS level, ensuring a simplified cooperation approach between MS and the Commission to guarantee a seamless flow of information on EU funding with the use of an increased number of communication tools and channels.

DG MARE has been communicating on the EMFF quite intensively through several channels, such as Euronews Ocean (thematic monthly episodes), a newsletter sharing success stories compiled by FAME and FARNET, and social media, channelling the most relevant stories of the month. The core concept behind communicating the EMFF, with the support of FAME and FARNET, has been to focus on concrete results of EU funding and how the financed projects have improved the life of beneficiaries and their communities. With INFORM EU, success stories, within a general narrative of sustainability, thriving coastal communities, post-COVID-19 recovery, will also be collected by programme communication officers at MS level.

INFORM EU is a network of 1000+ communication professionals, organised under the initiative of DG REGIO and DG EMPL and based on the previous model of INFORM INIO. DG REGIO maintains the organization and secretarial tasks of the network, which covers seven funds acting as a single rule book for communication, while other DGs or MS will take partial responsibility. Legal basis of INFORM EU is the CPR 2021-2027 related to communication and visibility, which maintains that main responsibility for communicating about EU funding is shared between MS and EU institutions. Within this network, DG MARE is a relatively small player, contributing to 5% of the annual budget. INFORM EU has a multi-layered structure (i.e. *network of networks*) and is made up by communication professionals operating in different architectures.² With reference to **INFORM MARITIME, the specific tool for EMFAF currently being set up** under the Article 43(3) CPR, the Commission will run a network comprising communication coordinators, programme communication officers and Commission representatives to exchange information on visibility, transparency and communication activities. The idea behind this network is to ensure a two-way flow of information between all parties involved at EU and MS level, whereby activities would take a hybrid form, combining yearly physical meetings, foreseen in the post-COVID-19 phase, and exchanges through a digital platform (i.e. MS Teams) on a dedicated channel. This

² These are: i) an INFORM EU plenary, taking place twice a year, which is represented by EC staff of participating DGs (i.e. REGIO, EMPL, MARE, and HOME), 27 National Coordinators (for all CPR Funds, one per MS), 1 Coordinator for INTERREG and around 1000 programme communication officers (for all programmes, in proportion of the MS population); ii) an INFORM EU Expert group, taking place twice a year, which has the same configuration as the plenary; iii) 27 INFORM Country Teams, meeting between 2 and 4 times a year, which are composed of country desk officers of the various DGs, 1 DG REGIO country coordinator, 1 National coordinator, 1 Coordinator for INTERREG and programme communication officers that are fund specific; iv) 4 INFORM Fund networks, meeting between 2 and 4 times a year, along with their continuative activity on digital platforms (e.g. EMFAF: INFORM MARITIME), which are composed of 1 Representative of DG MARE, 27 national coordinators (one per MS), 1 Coordinator for INTERREG and 27 EMFAF programme communication officers; v) 27 National INFORM networks, taking place at national level with no representation from the Commission, which are made up by 1 National coordinator for the European Commission and Parliament in MS (Representations, EP Liaison Offices and Europe Direct Centres), Programme communication officers (all programmes) and others stakeholders (e.g. research institutions, communication officers from directly managed funds); and finally vi) 4 DG internal networks, still to be set up at the level of DG MARE and composed of a communication unit, a geographical unit and other units as relevant.

platform will ensure an immediate and steady flow of information on EMFAF projects/success stories and will act as a hub for exchanging on best communication practices and fostering competences and skills of programme communication officers. In this respect, INFORM MARITIME will offer on-line trainings and workshop opportunities (accessible through the platform), while DG MARE will ensure the animation, everyday-management and maintenance of the platform, where stories about the EMFAF will be shared, with a focus on their contribution to improving the life of beneficiaries and their communities.

DG MARE have increased many-fold the visibility of the success stories based on both the EMFF and EU funding. INFORM EU would add to the already existing channels being used for communicating on EMFAF through the action of programme communication officers based in MS, so that the EU will be able to communicate with audiences in their home-country and their language. At the same time, the network will offer many opportunities for collaboration and synergies, thanks to the action of programme communication officers in promoting success stories to larger European audiences, setting examples of best practices available at EU level.

Q&A

In reply to DK, who pointed to the seemingly demanding engagement by MS with regard to their participation in the network, the Commission clarified that not all elements of INFORM EU have been completed yet and that activities will be held mainly online in a continuous flow of information and open dialogue managed with a decentralized approach.

FR asked whether it was an obligation to have programme officers per MS and they had to include INFORM EU in the communication section of their draft programme. The Commission replied that MS should indicate a programme officers per MS and confirmed that FR had already nominated one.

SI enquired whether communication officers to be nominated at programme level would have to be communication professionals. The Commission clarified that there would be the possibility for these professionals to build on their communication skills through INFORM EU itself, thus encouraging those MS contact points who had already received the link to join the network.

BE noted that care should be taken not to put on MS nor beneficiaries any additional administrative burden.

Smart Specialization Strategies (S3) and EMFAF by REGIO

The Commission (DG REGIO, Unit G1 - Smart and Sustainable Growth) delivered a presentation on the Smart Specialization Strategies (S3) and their potential synergies and complementarities with the EMFAF. Smart Specialization has been integrated into Cohesion Policy (2014-2020) as an ex-ante conditionality for the European Regional Development Fund (ERDF) to finance R&I projects to bridge the persisting innovation gap (East-West and North-South) between European regions and MS when it comes to their innovation performance. Parts of the EU are still falling behind or standing still compared to high productivity frontier regions, who invest more in R&I and innovation systems, with non-capital regions diverging even more greatly. However, the reply on how to boost investments in R&I to enhance productivity of EU regions is place-specific, hence the concept of Smart Specialisation which is embedded in local economy and focuses on sectors with a competitive advantage at EU and international level.

The Commission did not want this to happen with a top-down approach so they introduced the concept of Smart Specialisation 1.0 as a dynamic entrepreneurial discovery process, uniting key stakeholders around a shared vision (i.e. **triple/quadruple helix**, with mobilisation across different departments and governance levels), to identify the strategic sectors in which to invest and concentrate resources on key priorities. As a

result, the Commission invested over EUR 65 billion in projects to finance R&I in 2014-2020, with **over 185 smart specialisation strategies (S3)**. Looking at the new period, some important challenges remain, namely: i) a continuing innovation divide; ii) the new growth strategy of the European Green Deal requiring investments in R&I to reach the targets; and iii) the digital divide, which has been clearly shown during the COVID-19 pandemic, and iv) overall economic crisis following the lockdown period, whereby some regions with sectors relying heavily on services have suffered the most. In light of this, the Commission decided to look at Smart Specialisation as a strategy for smart and economic transformation, introducing new criteria as enabling conditions for investments **under the ERDF post-2020** to match these challenges.³

From an interregional point of view, DG REGIO has introduced with other DGs (GROW, AGRI, ENER, JRC) thematic S3 Platforms (on industrial specialization, agri-food and energy), whereby regions can form partnerships based on their common identified priorities (189 regions and 35 partnerships). The principle behind these platforms is to identify common interest investment projects, with the ultimate aim of creating interregional value chains, aligning public and private investments. The way these partnerships operate is based on the principles of “*learn and connect*”, where regions come together and share information, and “*demonstrate, commercialize and scale-up*”, where regions look for opportunities to develop investment projects on innovative solutions, draw a business plan and financing mix as well as define a portfolio of complementary value chain investments. For regions it is particularly difficult to move from networking to investment activities since innovation projects are risky, very costly and difficult to coordinate between stakeholders working within different legal, financial and geographical frameworks.

Therefore, the Commission started in 2017 a pilot project on interregional innovation, launching with a call for proposals 8 partnerships aimed at attracting private business investors for promising innovation projects and exploring synergies between different EU instruments (i.e. ESI funds, EFSI, Horizon 2020, and COSME). To close the gap between networking and investments, the Commission has introduced a new instruments in the new ERDF post-2020, namely “**interregional innovation investments**” to help partnerships develop and scale-up innovation projects for the development of European value chains, incorporating all parts of the quadruple helix ecosystems.⁴

In principle, interregional innovation investments will have two strands: Strand 1) ‘financial and advisory support for investments in interregional innovation projects’ for partnerships/regions who have already developed a certain level of maturity to develop a portfolio of projects, and connect or make complementary use of testing and demonstration facilities, thus helping companies accelerate market uptake and scale-up of innovation solutions in shared S3 priority areas (*various calls, joint or standalone*); and Strand 2) ‘financial and advisory support to the development of value chains in less developed regions’ for less developed partnerships/regions to increase the capacity of regional innovation eco-systems to participate in global value chains and partnerships with other regions, creating linkages with lead regions via simplified investments projects and focus both on foreign direct investment-driven value chains and other emerging sectors (*regular calls*). The Commission is currently working at the development of the first Work Programme for this instrument and has recently launched a call asking MS to submit applications for being

³ These are: i) robust governance of the process of the S3; ii) interactive and inclusive entrepreneurial discovery process uniting key stakeholders around a shared vision (i.e. *quadruple helix*); iii) robust monitoring and evaluation tools to measure progress of the S3; iv) reforms of research and innovation systems, where cooperation between the different actors is lacking; v) innovation diffusion to bridge the divide in the development of new products and services; vi) industrial transition for traditional sectors and digitalization of industries; and vii) interregional cooperation to ensure dialogue between regions as well as their potential synergies and complementarities.

⁴ This is an instrument managed by the Commission with the support of an executive agency and a budget of EUR 570 million (ERDF Art.13).

part of the expert working group made up of representatives of EU institutions and members of the different regions (representing all stakeholders of the quadruple helix).

Looking at the database on Smart Specialization, **more than 40 regions had identified S3 priorities linked to blue economy**, in sectors such as fisheries, aquaculture, blue renewable energy, marine biotechnology, marine and coastal tourism, shipbuilding, ship repair, and transport and logistics, which is testimony of the big potential to establish new S3 partnerships and enhanced opportunities in research and innovation cooperation. Some already-established partnerships revolve around blue economy, e.g. one on **Marine Renewable Energy (MRE)** led by the Basque country and Scotland, with 16 participating regions that joined forces to identify and address key industrial challenges in the sector and were financed both by the EMFF (2017-2019) and by the ERDF TA (2018-2019).⁵ In addition, there is a significant potential to build on other partnerships active in blue economy sectors (e.g. tourism and development of coastal areas, sustainable food and bio-economy, etc.).

The Commission (DG MARE, Unit A2 - Blue Economy Sectors, Aquaculture and Maritime Spatial Planning) reiterated that they are willing to explore whether there is space for developing synergies with the new EMFAF, as in 2014-2020 there was a substantial number of EU regions that had included fisheries and aquaculture in their S3. As a follow up, DG MARE is planning, in coordination with DG REGIO, an **event on S3 for Blue economy in June 2021**, whose agenda will include a dedicated session with those MS who had identified fisheries and aquaculture in their S3 to see if there is potential for developing partnerships and value chains.

Q&A

DG MARE Unit D3 asked DG REGIO to elaborate on the link between S3 and the Recovery and Resilience Facility (RRF), as the former touches upon topics of great interest for MS in their recovery plans, as well as on the coherence between the two processes. DG REGIO explained that, although S3 is not a conditionality for RRF, investments financed under PO1 ERDF (e.g. R&I, digitalization, support to SME and scale-development) are very similar to those investments that are going to be financed under the RRF (especially digitalization elements). As such, it has been established in principle that the RRF will deal with smart specialization of the public administration and ‘hard’ investments, whereas the ERDF S3 will focus on smart specialization of the industry (where this is no other EU instrument available). In this respect, REGIO geographical units are involved with units working on the RRF at regional/operational level to make sure that investments are as much complementary as possible on a case by case basis.

DG MARE Unit D3 noted that, under the EMFAF, MS will have only one programme at national level so S3 would have to be adapted to this specific context. DG REGIO explained that they had experience of S3 also being implemented at national level because as MS have dual structures (regional and national ones) in place.

FARNET asked DG REGIO if they had knowledge of whether regions happen to link S3 to the local level as there might be scope for FLAGs to get linked up to regions for the implementation of their strategies. DG REGIO confirmed that FLAGs can and should be part of the stakeholders that are involved in discussions as part of the *quadruple helix* in all those regions that have identified S3 priorities in blue economy sectors.

⁵ Projects focused on **4 areas of interest**: corrosion in MRE technologies, manufacturing large scale components for MRE technologies, sensing and remote monitoring for MRE, and reducing costs of operation & maintenance.

Tour de table on state of play of EMFAF programming

Representatives from the Member States were invited to give a brief update on their national programming process and expected timeline for submission of their EMFAF programme.

AT had conducted stakeholders and public consultations on their draft EMFAF programme in late 2020 and submitted a second draft of their programme to the Commission for informal comments in late March 2021, on which there are awaiting feedback. A political agreement on EMFAF at national level is planned before summer, which should allow for a formal submission of the programme as soon as the EMFAF Regulation enters into force and the partnership agreement is ready. The SEA was conducted in 2020, including a public consultation, and is now almost finalised.

BE explained that the work on the Brexit Adjustment Reserve (BAR) had put a lot of additional pressure on the activities of their MA. The programming process is however well advanced, and parts of the programme have already been sent to the Commission for comments in April 2021. The main bottleneck is the SEA since it will only be finalised by the end of 2021 at the earliest. BE expect the submission of their EMFAF programme for early 2022.

BG carried out in 2020 a public consultation to complete their Aquaculture National Strategic Plan and drafted their sectoral SWOT analysis. BG indicated that an ex-ante evaluation on the use of financial instruments (FIs) was ongoing and that it should be finalised by the end of May 2021. A first draft of the EMFAF programme had already been sent to the Commission in mid-March 2021. BG reported to be in the process of addressing comments received, while the SEA had been contracted and should be finalised by the end of the summer 2021.

CY have prepared a first draft of their programme, including the strategy, SWOT analysis, identification of needs, justification part, types of actions and allocation of funds. This first draft has been sent informally to the Commission for comments, while both public consultation and SEA process are ongoing.

CZ sent the third version of the draft EMFAF programme to the Commission in February 2021 and are now working to address the comments received. CZ expected to send the Commission a first complete version of their draft programme in the second half of April 2021, while a final version is expected to be formally submitted in September after completion of the SEA.

DE have sent a first informal draft of their EMFAF programme to the Commission in April 2021. The next step concerns the distribution of the funds among types of actions. DE explained that the national EMFAF envelope has to be distributed among Landers, which manage the funds independently. They hoped that an agreement on the sharing of the Fund would be found quickly in order to move fast with the drafting of the programme.

DK reported to be in the process of addressing comments received from the Commission after the submission of some sections of their draft programme. DK have started drafting section 2 of the programme and are in parallel working on the Partnership Agreement (PA) with other relevant national authorities. DK aim to organise a public consultation on the SEA and draft EMFAF programme during the autumn, and send formally their programme at the beginning of 2022. DK explained that the many files currently dealt with by the DK managing authority – including the BAR – had caused delays to the timeline initially foreseen.

EE indicated that they aim at finalising the first version of their SWOT and need analysis, as well as justification part for submission to the Commission for informal consultation at the beginning of May 2021. Delay on the initial planning is expected due to COVID-19.

ES have finalised their SWOT analysis, identification of needs and justification part, on which informal comments were received from the Commission following submission of a first draft programme. The justification part is the most challenging for ES. In parallel, they have been launching a public consultation. ES is currently working on the intervention logic, financial plan and indicators. They aim to have a final version of the programme ready during the first half of 2021 and a final version of the programme submitted to the Commission at the beginning of 2022, after completion of the ongoing SEA.

FI have finalised their SWOT analysis, identification of needs and justification part, and are currently working on types of intervention. The next step is the description of the SCOs methodology, allocation of budget and definition of indicators. The SEA process is also ongoing. FI hope to be able to start the informal discussion with the Commission in May 2021 in order to have the EMFAF programme adopted by the end of 2021 or beginning of 2022.

FR have sent the Commission in January 2021 a first draft of their SWOT analysis, needs identification and justification part. An almost complete draft programme has been submitted in April 2021 to the Commission, although some sections need to be consolidated and validated by the MA and intermediate bodies. Local consultations were being organised within regions and with the sector and the intervention logic as well as Infosys data had been defined. A formal version of the programme is expected to be submitted by the end of the summer or beginning of autumn 2021.

GR have received first comments from the Commission on their SWOT analysis in the framework of the ongoing informal consultations and are preparing a public consultation to feed in the draft programme. GR indicated that the SEA would be assigned to a contractor as soon as the draft programme is completed. The Aquaculture National Strategic Plan is currently under consultation with stakeholders. GR explained that the important workload for the MA had caused delays in the programming process.

HR have sent their first partial draft to the Commission for informal consultation in December 2021, which they are now updating taking into account the observations received. HR hope to be able to submit the second draft of the programme to the Commission in May 2021, while the SEA is being carried out simultaneously. HR are experiencing difficulties linked to COVID-19, but this should not have serious consequences on the timeline for adoption of the programme.

HU carried out a public consultation on the draft EMFAF programme and SEA process at the beginning of 2021, following which relevant comments were taken into consideration. HU explained that the Prime Minister's Office would be responsible for finalising the justification of the fulfilment of the HECs. HU also indicated that technical assistance would come into a separate national programme. HU have already submitted three drafts of their EMFAF programme to the Commission and is currently looking at addressing them in a revised version. HU hope to have their EMFAF programme formally submitted during the summer of 2021.

IE expected to send soon to the Commission their finalised version of the SWOT analysis, identification of needs and justification part. IE underlined the difficulties that national experts have to understand how the SWOT analysis should be structured and that managing the existing EMFF programme continues to be time consuming. Ongoing work on COVID, Brexit and the Aquaculture National Strategic Plan requires extra resources. IE aim to have their national programme submitted by the end of 2021.

IT drafted section 1 of the programme template based on comments received by the Commission, while the drafting of section 2 has already started. IT is currently working on the financial allocation of resources and financial plan. IT said it would aim to complete the indicator set and the drafting of missing sections by the end of April 2021, while also indicating that they would be waiting for the adoption of the CPR to

complete section 4 on the HECs. IT have shared with the Commission an updated version of their roadmap for programme drafting, while they intend to have their programme formally submitted in June 2021.

LV have worked to improve their programme based on the comments received from the Commission following submission of a first draft and taking into account the final version of the EMFAF Regulation. An updated draft programme has been sent to the Commission in March 2021, while the SEA was expected to be finalised at the end of April 2021. LV indicated their intention to present the updated draft programme to the Monitoring Committee at the beginning of May 2021 and to submit the final version of the programme as soon as the EMFAF Regulation enters into force.

LT have prepared a first draft of their programme, without values for indicators, which was sent to the Commission in April 2021. A public consultation with stakeholders is ongoing. LT indicated that they would be submitting a second updated draft in June, before formal submission of the programme foreseen in September 2021.

MT have been working on the programming of the fund since late 2019, taking into account the main EU policy development and key priorities. MT indicated that a first draft of the EMFAF programme was currently being discussed with the MA, and that it was expected to be submitted soon to the Commission for informal consultations.

NL indicated that a public consultation of the draft programme and the SEA were being carried out simultaneously, and reported to be able to provide the Commission with an updated draft of the programme in May or early June 2021. They aim at a formal submission around July 2021 in order to have their EMFAF programme adopted by the end of 2021.

PL have corrected their SWOT analysis, identification of needs and justification part following informal comments received from the Commission after submission of a first draft. The drafting of the justification part as well as intervention logic were said to be the most challenging for PL, while the first draft of the SEA had been received from the consultants contracted for this purpose.

RO sent a second informal draft of its EMFAF programme to the Commission in February 2021, excluding the financial allocation and targets for indicators. Thanks to the comments received, RO hope to be able to send a more mature draft in the upcoming weeks. The drafting of the Aquaculture National Strategic Plan and SEA process are both ongoing, and the latter should be finalised by September 2021 at the latest.

SE stressed the limited time available to prepare for the new programming period given the focus on the BAR and other ongoing discussions. Informal discussions with the Commission are ongoing with the objective of submitting a first draft before the summer of 2021. SE hope to have their programme formally submitted in SCF in September for adoption in December 2021. SE warned that this timeline might be subject to delays.

SI have redrafted their SWOT analysis, identification of needs and justification part following comments received from the Commission after submission of a second informal draft. SI indicated their intention to send a third draft by the end of May 2021 and to have the programme adopted by the end of 2021. In parallel, SI have launched the SEA process. Consultations with the sector, bodies and ministries are ongoing.

O&A

HU asked if the Commission could already provide the EMFAF template in an editable format. The Commission explained that the template is part of the CPR, which is currently under legal revision and that

the numbering might be affected. Member States were invited to use the version which the FAME paper and programme template are based on, bearing in mind that this may be subject to minor changes. The Commission will circulate the final version of the programme template once available, but Member States should note that the filling of applicable sections will take place directly in SCF.

LV, SE and SI asked the Commission to indicate when MAs would be able to use SCF 2021-2027 and to provide guidance on how it should be used, notably in relation to technical assistance. ***The Commission provided the following written answer: The objective is to have SFC2021 ready for June, most likely the end of June 2021. The EMFAF programme should be ready for testing at the beginning of June, in PROD at the end of June/beginning of July (with limited validation rules) and at the end of August/beginning of September with most of validations rules incorporated.***

The Commission (DG MARE, Unit D3 – CFP and structural support, policy development and coordination) said to be concerned about the delays experienced by some Member States in the preparation of their EMFAF programme, indicating that internal procedures and timeline for adoption of the programmes should be respected. Member States were invited to reach out to their respective desk officer in DG MARE geographical units (C2/D2) in order to ask for support should they find it useful.

The Commission (DG MARE, Unit C2 – Structural Support Atlantic, North Sea, Baltic and Outermost Regions) voiced their concerns in relation to potential delays of the programming process and recalled the importance of a ‘staggered approach’ for developing high-quality programmes in cooperation with Member States. Dialogue with the Commission is key in this respect so to identify structural problems from the starting point and avoid knock-on effects on the programme development and implementation. Member States that had not consulted yet the Commission with a first draft of their programme were encouraged to do so as soon as possible. The Commission also stressed the need to have a clear strategy as to what Member States would like to achieve with their programme. The programme should explain how it would deliver on the objectives of the CFP, European Green Deal, resilience and recovery, green and digital transition and optimal use of funds.

The Commission (DG MARE, Unit D2 – Structural Support Mediterranean, Black Sea and landlocked Member States) insisted that Member States should not wait to have a final draft before they consult DG MARE and invited them to engage in a dialogue to try to optimise the process despite all identified hurdles. The Commission recalled that with the new EMFAF Regulation, Member States are expected to maximise the contribution of the fund and address to new key policy objectives and priorities, all of which should be clearly reflected in national programmes.

MS payment forecast accuracy

The Commission (DG MARE, Unit E1 – Budget, Audit and Public Procurement) briefly presented the purpose and procedures for payment forecasts, which ensures that cash needs are correctly managed and the right amounts are credited to the Commission’s bank accounts according to the needs of Member States. The Commission central accounting unit noted that DG MARE forecasts continue to be largely inaccurate, which does not allow making sure cash is available when it is needed. A table reporting the forecasting of the last 3 years for EMFF and other funds and corresponding levels of accuracy was presented to Member States. It showed that the level of forecast accuracy for EMFF was about 87% in 2019 – it even dropped to 79% in 2020 – in comparison to an almost 100% forecast accuracy for other funds. EMFF fund managers were therefore called upon for improving their forecast figures.

The Commission indicated that they would be monitoring improvement and come back to Member States from which further action was needed in this respect. DG MARE have drawn the forecast for different Member States for the past four years and will write letters to the Member States where the payment forecast is not sufficiently accurate (those where the forecast accuracy is less than 90%). These letters will include individual statistics and invitation to undertake action.

Q&A

SI explained that the EMFF is a fund that is very much dependent on natural persons coming from the private sector, and that the latter had to deal with much bigger economic difficulties stemming from COVID-19 than the public sector.

EE stated that COVID-19 has had as a consequence to postpone many investments. EE indicated that there is no requirement for the beneficiaries to report on their payment forecast outside the initial timetable provided at the beginning of the projects. The Commission clarified that proper planning is necessary to deal with such situations. Member States were invited to include in the agreements made with beneficiaries sufficient provisions to ensure that the information on which they are dependent for making accurate payment forecasts is communicated to them.

BE confirmed that for most projects, no updated figures on the financial planning are provided over the course of the project in such way that MAs do not have a system that allows for an accurate forecasting of payment needs. BE asked the Commission if they could provide guidelines or a common forecasting system that could be used to improve the forecast accuracy. The Commission clarified that MAs have not yet put in place a system that would allow for the provision of accurate forecasts. Member States were therefore invited to work towards such system together with their national certifying authority and to regularly follow-up on payments forecasts with beneficiaries.

MT invited the Commission to consider the question of forecast accuracy not just from the point of view of planning, stressing that the level of expenditure claims sent to the Commission also depends on the results or number of verifications that the MA does on the expenditure. MT asked the Commission to precise the acceptable margin of error for payment forecasts and if any guidelines were to be distributed in this regard.

Invited by EE to comment on the methodology used by EASME for having accurate payments forecasts for projects under direct management, the Commission explained that EASME very often goes to the beneficiaries in order to ask them to plan for their budget and report on their needs.

EE and BE and SI invited the Commission and FAME to reflect on the possibility to develop a common tool to help Member States make accurate payment forecast based on the Infosys data accumulated from the two previous programming periods. FAME explained that such tool would have limited added value in the current programming period. The Commission will assess the feasibility and benefits of having such system in place under the next programming period.

The new EMFAF 2021-2027 – secondary legislation

1. Draft Implementing Act on Infosys

The Commission (DG MARE, Unit D3 – CFP and structural support, policy development and coordination) presented a draft of the Implementing Regulation laying down rules specifying the operation-level

implementation data, also known as ‘Infosys Act’. The draft has been summarised in the FAME paper presented under point 3 of the agenda.

Article 37 of the EMFAF Regulation – notwithstanding possible renumbering – provides that, twice a year, Member States should submit operational level implementation data including key characteristics of each beneficiary and operation. The EMFAF Regulation empowers the Commission to adopt an Implementing Regulation to specify the exact operation-level implementation data that should be submitted and how it should be presented. The draft act carries the same logic but provides for a simplified approach compared to the 2014-2020 period. The objective is also to seek synergies with the CPR reporting. Annex I provides the template for submitting operational level implementation data that Member States will have to transmit twice a year. It includes 36 different fields and indicates how Member States are expected to present their data, using the codes available in Annex II.

The Commission indicated that the act would have to be approved by the EMFAF Committee once established following the entry into force of the Regulation and further invited Member States to comment on the draft presented.

Q&A

EE and DK pointed to the need to align the fields included in the draft act for forms of support with the CPR articles. The Commission confirmed that the draft would be adjusted as necessary to be fully aligned with the CPR

EE and DK sought guidance on how codes for indicating the state of progress of the operations as laid out in Annex II should be used. They suggested that the number of codes be reduced since many of them were found unused during the 2014-2020 period. This applies especially to code 1 (i.e. *operation interrupted following partial implementation*), code 2 (i.e. *operation abandoned following partial implementation*) and code 4 (i.e. *operation fully implemented but for which all expenses have not necessarily been paid to the beneficiary*). EE and DK insisted that the differences between code 1 and code 2 and between code 4 and code 5 are not clear and that this could entail practical challenges. Therefore, they suggested merging them, which is a simplification also backed by SE, provided that similar data can already be retrieved from Infosys. On the contrary, BE suggested keeping them as these could prove useful to MAs facing such situation during project implementation.

The Commission underlined that it is important that the act encompasses all possible situations, even though MAs have not experienced those so far, otherwise Member States might get blocked in the reporting process. With this system, the status of the operation will be linked to its physical implementation progress and will give a more accurate picture of the reality of the project implementation on the ground. FAME stressed the importance of distinguishing different statuses of implementation in the context of Article 37 reporting since EMFAF output indicators are set at the level of operations. It therefore provides for flexibility in reporting, which allows Member States to meet their milestones at the level of output indicators without being dependent on final payment claims from beneficiaries.

Member States were invited to provide their written comments on the draft Act by 5 May 2021, cob.

2. Draft Implementing Act on engine replacement

The Commission (DG MARE, Unit D3 – CFP and structural support, policy development and coordination) presented a revised fiche on the draft implementing act on engine replacement following the first discussion that took place during the EMFF Expert Group meeting held in February 2021. The EMFAF Regulation

empowers the Commission to adopt an Implementing Regulation to provide implementation details of Article 16a regarding the replacement or modernisation of main or ancillary engines.

Preliminary comments from Member States indicated that new type approved or certified engines using standard technologies could also prove to be more energy efficient. The Commission confirmed that in most instances, such situations would be covered by Article 16a, which provides that EMFAF support can be granted where relevant information certified by the manufacturer of the engines indicates that the new engine emits 20% less CO₂ than the engine being replaced. Other comments pointed to the fact that the draft fiche only referred to fuel types as fuel-efficient technologies. In cases where engines certified based on the Non-Road mobile machinery Regulation are placed on board of fishing vessels, the Commission suggested that they are considered an energy efficient technology in the sense of the EMFAF, provided that the engine replaced is at least 7 years old.

The Commission also clarified that at sea verification is not indispensable to check compliance with Article 16a requirements. However, both the EMFAF and Control Regulations set out a requirement for physical engine verification, meaning that a physical check of the new engine and the one being replaced needs to be carried out. The updated fiche includes a draft of the Implementing Regulation and sets out provisions on both energy-efficient technologies and methodology to determine the normal fishing effort in the meaning of Article 16a(5). In this respect, the Commission explained that no one-size fits all solution can be used to determine a normal fishing effort, given that the methodology has to take into account the specificities of the concerned vessel in terms of fishing patterns, types of gear used and trips made.

Q&A

DK suggested to remove biofuels from the list of energy-efficient technologies and to look instead at fuel-specific engine consumption to determine energy efficiency. The Commission clarified that, when properly used, biofuels can lead to a reduction in CO₂ emissions. Removing biofuels from the list would cut short any possibilities to use such technologies in the context of Article 16a of the EMFAF.

EE asked the Commission to explain how the two physical verifications referred to in the EMFAF Regulation and Control Regulation relate to each other. The Commission clarified that these two verifications both need to be carried out physically, which could help in identifying the best way to do it. Nevertheless, both verifications are different in nature since the purpose of the verification under the Control Regulation is to check engine power, not energy efficiency.

Member States were invited to provide their written comments on the draft Act by 5 May 2021, cob.

3. Fiche on inadmissibility of operators

The Commission (DG MARE, Unit D3 – CFP and structural support, policy development and coordination) presented a fiche setting out its approach to the new Delegated Act with regard to the period of time and dates for the inadmissibility of applications for EMFAF support by operators. Article 11 of the EMFAF Regulation empowers the Commission to adopt a Delegated Act defining the threshold of serious infringements, environmental offences or fraud triggering the inadmissibility of operators, the length of the period of inadmissibility, the starting and ending dates of this period, and the conditions for the reduction of this inadmissibility period.

The Commission briefly reminded Member States of the current system applicable to serious infringements as laid out in Delegated Regulation (EU) No 2015/288. The general rules provide that an operator committing a serious infringement becomes ineligible for EMFF support for a period of 12 months. As to ensure proportionality in relation to infringements not causing a serious prejudice to the fishing resources

and the marine environment and those linked to policies in need of further implementation, a derogation was introduced for 3 specific serious infringements to make sure that committing them would not trigger an immediate inadmissibility. In these cases, the regulation provides that the inadmissibility is triggered when 9 points are accumulated in respect of a fishing vessel for these 3 serious infringements.

With the point system in place since 2012 and the landing obligation under full implementation since 2019, the Commission see an opportunity to come up with a simplified and easy-to-implement system fully in line with the EU policy context. The suggested approach seeks a full alignment with the point system under the Control Regulation, as to ensure simplification and a better level playing field between operators. Another key objective of the Commission is to ensure proportionality by making sure that committing one serious infringement associated with a low number of points (3 or 4) does not immediately trigger the inadmissibility, while at the same time introducing more flexibility in relation to the reduction of the inadmissibility period.

In the new system, points for all serious infringements would be taken into account for determining the admissibility of applications. For all serious infringements subject to the point system, the inadmissibility would be triggered when a threshold of 5 points is reached, meaning that for serious infringements associated with 3 or 4 points, two serious infringements would need to be committed before the inadmissibility is triggered. The 5-point threshold aims to make sure that serious infringements committed with bad intention continue to trigger an immediate inadmissibility of applications. Any other serious infringement committed during the inadmissibility period would lead to 12 additional months of inadmissibility. Rules in relation to serious infringements not subject to the point system would not change, meaning that the inadmissibility would be triggered when one serious infringement is committed.

Member States were invited to react on the fiche orally during the meeting (or in written form by 5 May 2021, cob) and to share their experience dealing with admissibility rules and the point system.

Q&A

ES drew the attention of the Commission to the fact that article 11 of the EMFAF had always referred to serious infringements in plural, and that it was part of the understanding of ES during the negotiations that committing a single serious infringement would not lead to the inadmissibility of applications for EMFAF support by operators. ES underlined that there is now little room in the Commission's draft to apply this plural and that this could lead to legal interpretation issues with beneficiaries, which may challenge in national courts inadmissibility decisions taken by MAs. The Commission explained that the plural in Article 11 EMFAF had always been thought and presented as a way to ensure proportionality in order to avoid the immediate inadmissibility of operators committing "least serious" infringements (with 3 or 4 points). In the same time, it seems appropriate that "more serious" infringements are deterred in a way that prevents operators in serious breach with the CFP rules from receiving EU money. The Commission further indicated that for most cases, one infringement would still not be sufficient to trigger the inadmissibility, as infringements most commonly committed are associated with less than 5 points.

EE asked the Commission to explain what "*more far-reaching national rules as agreed in the Partnership Agreement*" as mentioned in Article 12.3 EMFAF could be since the inadmissibility period in case of fraud already covers the whole programming period as well as to indicate how this could fit into the Partnership Agreement. ***The Commission provided the following written answer: Nothing prevents a Member State from having stricter rules at national level, such as for instance the rejection of any application by an operator who committed fraud. Having these rules enshrined in the Partnership Agreement would ensure that they prevail over those laid down in the Delegated Regulation, and would give the Commission the opportunity to agree on them.***

DK asked the Commission to confirm whether the rule regarding owners of more than one fishing vessel would change and if the term “operator” would be replaced to cover only owners of fishing vessels. The Commission confirmed that rules in relation to owners of more than one fishing vessels would remain unchanged. As far as the second part of the question is concerned, ***the Commission provided the following written answer: The intention of the Commission is to do a rollover of rules applicable under the EMFF. The term “operator” used in the context of operators owning more than one fishing vessel will not be replaced by “owners of fishing vessels” as an operator owning more than one fishing vessel might commit serious infringements not related to fishing activities but to other activities. The term operator has to be understood as defined in the CFP Regulation 1380/2013, Article 4(30): “operator means the natural or legal person who operates or holds any undertaking carrying out any of the activities related to any stage of production, processing, marketing, distribution and retail chains of fisheries and aquaculture products”.***

SE questioned the level playing field between operators committing serious infringements during the programming period (thus declared inadmissible for a minimum of 12 months) and operators having to comply with admissibility rules 5 years after the final payment. The Commission reminded that these are two different systems: in the first case, the Commission want to check if operators are admissible to EMFAF support before it is granted, while in the second case, the Commission wants to ensure that an operator continues to comply with CFP rules after having received the funds.

SE also asked the Commission to indicate the exact date that has to be taken into account as the starting date of the inadmissibility period. ***Commission provided the following written answer: the starting date of the inadmissibility period shall be the date of the first official decision by a competent authority determining that the serious infringement was committed.***

Member States were invited to provide their written comments on the fiche by 5 May 2021, cob.

AOB

1. Eligibility rules under CPR 2021-2027 (D3)

The Commission (DG MARE, Unit D3 – CFP and structural support, policy development and coordination) recalled the questions raised by EE at the Council Working Party on 11 March 2021 on eligibility rules for operations under the future CPR that apply before the entry into force of the legal framework.

Although not adopted yet, the EMFAF Regulation provides that expenditure is eligible as of 1 January 2021. While grant decisions signed before the approval of the programme are not legally binding as regard the CPR and EMFAF, Member States can already carry out the necessary preparatory work with beneficiaries before the entry into force of the Regulation and adoption of the programme. The Commission reminded that any selection of operations and signature of grant decision remains under the sole responsibility of the Member States, without prejudice to their legal validity under EU law. The Commission reminded Member States also that the final confirmation of support would be still subject to a formal approval of the selection criteria in the monitoring committee and selection of the operation by the MA once the programme is adopted. Any contractual arrangements taken before the programme is adopted and project selected based on the approved selection criteria is therefore considered at Member States’ risk and would need to be re-contracted afterwards.

The Commission confirmed that according to Article 57(2) of the CPR, the starting date for eligibility is the date of submission of the programme to the Commission or 1 January 2021, whichever date is earlier. In addition, operations cannot be selected if they have been physically completed or fully implemented before the submission of the application for funding. The Commission also clarified that since the EMFAF Regulation is not yet into force, there is currently no legal basis to consider any possible expenditure made available under the State aid exemption described in Article 11 of the EMFAF.

The Commission invited Member States to make use of the stable draft EMFAF and CPR Regulations to start implementing their programmes, although all agreements signed in this timeframe will not be legally binding until the Regulation is adopted.

Q&A

DK asked the Commission whether it was possible to use existing selection criteria in order to start selecting and implementing data collection and fisheries control operations, while EE asked whether it was possible not to use selection criteria for data collection and fisheries control operations given that the CPR allows MAs to use non-competitive procedures to select operations. The Commission stressed that operations should be selected in a way that maximises the contribution of EU funding to the achievement of the objectives of the programme. Therefore, there needs to be some selection criteria approved by the monitoring committee (or shadow monitoring committee, if before the adoption of the programme).

Asked by DK about the timeline for adoption of the regulations, the Commission indicated that the new CPR would be adopted in mid-June, while the EMFAF would be adopted at the European Parliament's plenary session in July.

Member States were invited to provide their written comments by 5 May 2021, cob.

List of participants

See annex.