



Brussels, 25.7.2019
SWD(2019) 311 final

COMMISSION STAFF WORKING DOCUMENT

EVALUATION

**of the Entry/Exit scheme in accordance with Article 23(3) of Regulation (EU) No
1380/2013 of the European Parliament and of the Council on the Common Fisheries
Policy**

{SWD(2019) 312 final}

COMMISSION STAFF WORKING DOCUMENT

EVALUATION

of the Entry/Exit scheme in accordance with Article 23(3) of Regulation (EU) No 1380/2013 of the European Parliament and of the Council on the Common Fisheries Policy

1.	INTRODUCTION	4
2.	BACKGROUND TO THE INTERVENTION	4
3.	IMPLEMENTATION / STATE OF PLAY	8
3.1.	Description of the current situation	8
3.2.	Member States' rules implementing the Entry/Exit scheme.....	18
3.3.	State of play of the EES implementation.....	22
4.	METHOD	37
5.	ANALYSIS AND ANSWERS TO THE EVALUATION QUESTIONS	40
5.1.	Relevance	40
5.2.	Effectiveness.....	45
5.3.	Efficiency	48
5.4.	Coherence	49
5.5.	EU Added Value.....	52
6.	CONCLUSIONS.....	52
	ANNEX 1: PROCEDURAL INFORMATION.....	56
	ANNEX 2: STAKEHOLDER CONSULTATION.....	57
	ANNEX 3: EVALUATION QUESTION MATRIX.....	68
	ANNEX 4: METHODOLOGY AND RESULTS FOR ADMINISTRATIVE COSTS ASSESSMENT	72
	ANNEX 5: REFERENCE LIST OF MAIN REVIEWED LITERATURE	76

Abbreviations/Acronyms

<i>Term or acronym</i>	<i>Meaning or definition</i>
BS	Black Sea
CFP	Common Fisheries Policy
EES	Entry/Exit Scheme
EFF	European Fisheries Fund
EMFF	European Maritime and Fisheries Fund
EXT	External Waters
FIFG	Financial Instrument for Fisheries Guidance
F _{MSY}	Fishing mortality consistent with achieving Maximum Sustainable Yield (MSY)
GT	Gross Tonnage
ILO	International Labour Organisation
kW	kiloWattage (engine power)
LNG	liquified natural gas
LOA	Length overall
MAGPs	Multiannual Guidance Programmes
MED	Mediterranean Sea
MFL	Mainland fleet
MSY	Maximum Sustainable Yield
NEA	North East Atlantic (incl. Baltic Sea)
RFMO	Regional Fisheries Management Organisation
STECF	Scientific, Technical and Economic Committee for Fisheries
TAC	Total Allowable Catches

ISO2 Codes used to identify Member States, and their groupings based on dates of accession to the EU

ISO2 code	Member State	Grouping
BE	Belgium	EU 15
BG	Bulgaria	EU 27
CY	Cyprus	EU 25
DE	Germany	EU 15
DK	Denmark	EU 15
EE	Estonia	EU 25
ES	Spain	EU 15
EL	Greece	EU 15
FI	Finland	EU 15
FR	France	EU 15
HR	Croatia	EU 28
IE	Ireland	EU 15
IT	Italy	EU 15
LT	Lithuania	EU 25
LV	Latvia	EU 25
MT	Malta	EU 25
NL	Netherlands	EU 15
PL	Poland	EU 25
PT	Portugal	EU 15
RO	Romania	EU 27
SE	Sweden	EU 15
SI	Slovenia	EU 25
UK	United Kingdom	EU 15

1. INTRODUCTION

The purpose of the evaluation is to evaluate the Entry/Exit scheme set up under the Common Fisheries Policy (CFP) as a means to align the capacity of Union fishing vessels with available marine biological resources. This evaluation is required under Article 23, paragraph 3 of Regulation (EU) 1380/2013¹ which specifies that ‘*no later than 30 December 2018, the Commission shall evaluate the Entry/Exit scheme in the light of the evolving relationship between fleet capacity and prospected fishing opportunities, and propose, where appropriate, an amendment to that scheme*’.

The evaluation covers the 2003 – 2017 period and thus includes the Entry/Exit scheme introduced under the previous CFP Regulation² (hereafter: 2002 CFP Regulation) as well as the scheme developed under the current Regulation (EU) 1380/2013 (hereafter: 2013 CFP Regulation). It does not address other EU instruments available for the management of fishing capacities, in particular EU support for cessation measures under structural funds, that have already been subject to specific evaluations³.

After presenting information on the nature of the Entry/Exit scheme, describing the current state of play in the EU and the methodology used, the evaluation provides an analysis of the Entry/Exit scheme structured along the five key evaluation questions of relevance, effectiveness, efficiency, coherence and added value.

2. BACKGROUND TO THE INTERVENTION

Fisheries management depends on matching the intensity of fishing to the reproductive capacity of the fish stocks. Achieving this balance can be done in a variety of ways, e.g.

- a) Limiting the catches that can be taken from each stock by means of quota limits;
- b) Limiting the size or efficiency of fishing gear, particularly its effect on smaller fish;
- c) Limiting fishing effort, i.e. the time that vessels may spend at sea fishing;
- d) Limiting the areas or periods where vessels may fish through seasonal closures;
- e) Limiting or prohibiting the killing and discarding of unwanted fish during fishing operations;

1 Regulation (EU) No 1380/2013 of the European Parliament and of the Council of 11 December 2013 on the Common Fisheries Policy, amending Council Regulations (EC) No 1954/2003 and (EC) No 1224/2009 and repealing Council Regulations (EC) No 2371/2002 and (EC) No 639/2004 and Council Decision 2004/585/EC. OJ L 354, 28.12.2013, p. 22–61

2 Council Regulation (EC) No 2371/2002 of 20 December 2002 on the conservation and sustainable exploitation of fisheries resources under the Common Fisheries Policy. OJ L 358, 31.12.2002, p. 59–80

3 Ex post Evaluation of the European Fisheries Fund (2007-2013), Lot 2 : Retrospective and prospective evaluation on the common fisheries policy, excluding its international dimension, final report. <https://publications.europa.eu/en/publication-detail/-/publication/f0ab224d-f34c-11e6-8a35-01aa75ed71a1/language-en>

f) Limiting the size of the active fishing fleet.

All of these measures have been used under the CFP to ensure that fishing activities are environmentally sustainable in the long-term and are managed in a way that is consistent with the objectives of achieving economic, social and employment benefits, and of contributing to the availability of food supplies⁴. The Entry/Exit scheme is a part of the capacity limiting measures under f) above and should be considered in relation to the use of the other instruments.

A precise calculation of a vessel's ability to catch fish would be a complex exercise, taking into account many details of vessel construction, equipment and operation. A vessel's catching ability is determined by many factors, such as the volume of the vessel, its engine power, the use of technologies and the skill of the fishing master and crew. Taking into account all relevant factors for determining the capacity of fishing vessels would be unfeasible for regulatory purposes. Hence, it was agreed to use as proxies for the maximum fishing capacity that a vessel could develop: measures of vessel size and vessel power⁵. The logic is that larger and more powerful vessels can be equipped and operated to catch more fish than smaller and lower-powered vessels. However, it is known that continuous technological improvements to fishing vessels mean that the real capacity of vessels to catch fish increases at some 3% per year⁶ ('technological creep').

Initially capacity measures were implemented by a series of Multiannual Guidance Programmes (MAGPs). Four programmes fixing capacity objectives in kW and GT were adopted from 1983 to 2002 to limit and reduce overcapacity. The extent of fleet reductions was tailored by fleet segment⁷ according to the status of the main resources exploited, ranging from 36% down to 0% reduction for small scale fleets and under 12 m. vessels fishing with static gear.

The MAGPs were complex and not as effective as expected and were replaced in 2002 by a simpler system whereby Member States had a general obligation to adjust their fleet capacity to available fishing opportunities. The Entry/Exit scheme was introduced in 2002⁸ to regulate fleet movements in and out the fishing fleet. This reform transferred full responsibility for the adjustment of fleets to available resources to Member States. However, segment-based capacity management was introduced for the fleets in outermost regions of Spain, France and Portugal.

The new system devolved responsibility for the management of fleet capacity to Member States, subject to four safeguards:

4 Art 2.1 of Regulation (EU) No 1380/2013

5 See also: Commission Communication on improving fishing capacity and effort indicators under the common fisheries policy COM(2007) 39, 5.2.2007

6 European Court of Auditors. Have EU measures contributed to adapting the capacity of the fishing fleets to available fishing opportunities? Special Report No 12/2011

7 Combination of vessel size (above or below 12 m.), main fishing gear, main fishing area.

8 Article 13 of Council Regulation (EC) No 2371/2002 of 20 December 2002 on the conservation and sustainable exploitation of fisheries resources under the Common Fisheries Policy. OJ L 358, 31.12.2002, p. 59–80

- a) Member States may not increase their fleets above capacity ceilings (in terms of engine power (kW) and gross tonnage (GT)) specified in legislation (currently Annex II of Regulation 1380/2013).
- b) The capacity of any vessel entering the fishery must be balanced by the prior withdrawal of a vessel or vessels with the equivalent capacity (in practice, withdrawn kW and GT are held in a “pool” by Member States and there is not usually a vessel-for-vessel correspondence).
- c) While Member States could use public aid to reduce their fishing fleets, capacity so withdrawn must not be replaced (otherwise public money would be wasted). EU funding for decommissioning ceased on 31 December 2017.
- d) The yearly national fleet reports need to include an action plan for the fleet segments⁹ with identified structural overcapacity¹⁰. The action plan describes the adjustment targets and tools to achieve a balance and a clear time-frame for its implementation. The fleet reports and the assessment of the balance are prepared in accordance with common guidelines developed by the Commission¹¹.

Two elements adopted in 2002 were discontinued in 2013¹²:

- a) From 2002, it was permitted to allow capacity increases outside the Entry/Exit balance in vessels over 5 years old for modernisation and to improve safety, so long as such added capacity would not increase the ability of a vessel to catch fish.
- b) From 2003, entry of new capacity into the fleet with public aid had to be compensated by the prior withdrawal without public aid of at least the same amount of capacity (incremented by 35% for vessels over 100GT)¹³. This rule became unnecessary when public aid for vessel construction was discontinued in 2004 for mainland fleets and in 2006 for outermost regions.

⁹ A fleet segment is the combination of a particular fishing technique category and a vessel length category.

¹⁰ Regulation (EU) No 1380/2013 of the European Parliament and of the Council of 11 December 2013 on the Common Fisheries Policy, amending Council Regulations (EC) No 1954/2003 and (EC) No 1224/2009 and repealing Council Regulations (EC) No 2371/2002 and (EC) No 639/2004 and Council Decision 2004/585/EC. OJ L 354, 28.12.2013

¹¹ COM(2014)545, 2.9.2014 Communication from the Commission to the European Parliament and the Council - Guidelines for the analysis of the balance between fishing capacity and fishing opportunities according to Art 22 of Regulation (EU) No 1380/2013 of the European Parliament and the Council on the Common Fisheries Policy

¹² Article 22 Regulation (EU) No 1380/2013 of the European Parliament and of the Council of 11 December 2013 on the Common Fisheries Policy, amending Council Regulations (EC) No 1954/2003 and (EC) No 1224/2009 and repealing Council Regulations (EC) No 2371/2002 and (EC) No 639/2004 and Council Decision 2004/585/EC. OJ L 354, 28.12.2013

¹³ The 100 GT limit corresponds to vessels of approximately 24 m length

Regulation 2017/1130¹⁴ defines the two capacity indicators regulated through the Entry/Exit scheme:

- engine power (kW) is the total of the maximum continuous power which can be obtained at the flywheel of each engine and which can, by mechanical, electrical, hydraulic or other means, be applied to vessel propulsion. No deduction shall be made in respect of auxiliary machines driven by the engine
- the gross tonnage (GT) of fishing vessels with a length overall equal to, or greater than, 15 m is measured as specified in Annex I to the 1969 London Convention¹⁵. However, the gross tonnage of fishing vessels with a length overall of less than 15 m is measured in accordance with the formula set out in Annex I to the cited Regulation. Gross tonnage is a function of the volume of all vessel's enclosed spaces.

The power of the engine is measured by classification societies or by other accredited operators on a test-bench. The power measurement at test-bench state is used to issue the official power certificate and to prepare the model identification plate that will be fixed onto it. Tonnage is usually estimated according to the vessel's drawings and verified by authorised entities upon delivery of the vessel. However, for vessels of less than 15 m, tonnage is estimated according to a formulae function of the dimensions of the vessel (length, breadth and depth).

The management of fleet capacity, including the Entry/Exit scheme, depends on accurate and reliable recording of these two parameters. However, the outcomes of the power measurement depend on limitations to the rotational speed of the engine and fuel consumption that are imposed by software or mechanical means and can be circumvented with no great difficulty, especially if the concerned Member State is not vigilant. There is evidence that actual fleet kW can exceed declared engine power very substantially, mainly due to ineffective national control and verification procedures by Member States. The results of a recent study¹⁶ commissioned by the Commission on engine power verifications by Member States, showed widespread non-compliance in almost every Member State covered by the study and fleet segment tested as regards declared engine power¹⁷. The European Court of Auditors has moreover pointed to the insufficient verification by some Member States of their fleets' capacity in terms of gross tonnage as well as engine power¹⁸.

Intervention logic

In order to match the intensity of fishing to the reproductive capacity of the fish stocks a 'toolbox' of measures is needed. Not all measures are implemented at all times and, as

14 Regulation (EU) 2017/1130 of the European Parliament and of the Council of 14 June 2017 defining characteristics for fishing vessels. OJ L 169, 30.6.2017, p. 1–7

15 International Convention on Tonnage Measurement of Ships, signed in London on 23 June 1969

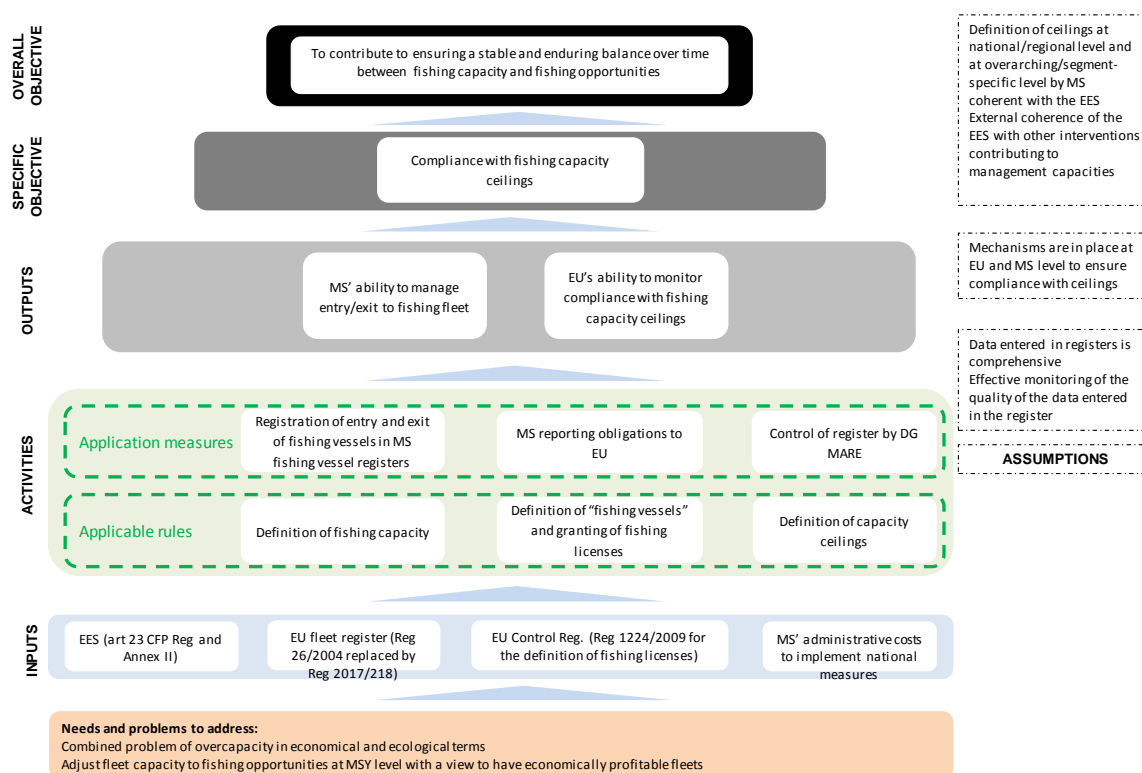
16 <https://publications.europa.eu/s/mopz>

17 Tests were conducted on 68 fishing vessels across 14 Member States.

18 Special Report No 08/2017: EU fisheries controls: more efforts needed

fishing conditions vary, it is not possible to predict which measure will actually be the one that will lead to the actual limitation of fishing. Fleet capacity measures such as the Entry/Exit scheme are part of this toolbox of measures. Figure 1 shows the place of fleet capacity policy among the measures limiting fishing with the aim of achieving the objectives of the Common Fisheries Policy.

Figure 1 – Intervention logic of fleet capacity policy



3. IMPLEMENTATION / STATE OF PLAY

3.1. Description of the current situation

Data on vessel entry, exit, and interim modifications are held in a central database known as the EU fishing fleet register¹⁹. This register is the main tool used by the Commission to monitor compliance with capacity limitations.

Data entry is the responsibility of Member States and the Commission implements automated coherence checks and requests clarifications and corrections from Member States as appropriate. As from February 2018 the Member States need to ensure that the data are updated in close to real-time²⁰. It should be noted however, that the present evaluation covers the period up to 1 January 2018.

¹⁹ <http://ec.europa.eu/fisheries/fleet/index.cfm>

²⁰ Commission Implementing Regulation (EU) 2017/218 of 6 February 2017 on the Union fishing fleet register, OJ L 34, 9.2.2017, p. 9–17

Overall development of capacity

The main capacity indicators for the Union fishing fleet (number of vessels, capacity in GT and in kW) on 1 January 2018 are displayed in table 1.

Table 1: Main capacity indicators for the Union fishing fleet (mainland fleet only) by length class and by fishing area²¹

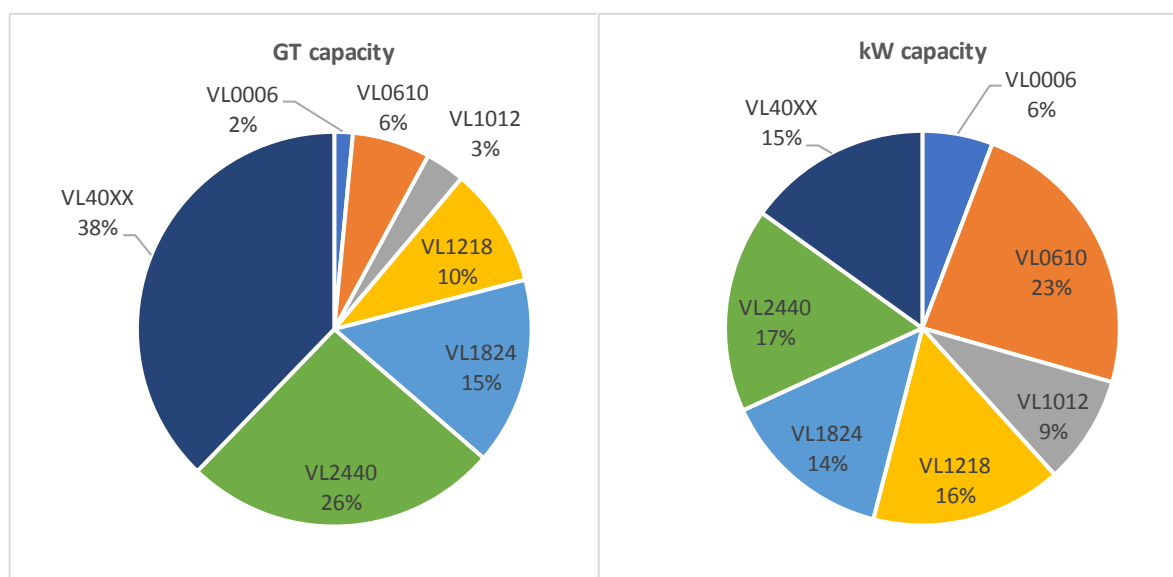
Fishing area	Loa class	Number	%of total	GT	%of total	kW	%of total
NEA	Less than 12 m	30 390	38.8%	90 193	6.1%	1 210 278	21%
NEA	More than 12 m	5 132	6.5%	754 722	50.8%	1 880 477	32.7%
MED	Less than 12 m	34 231	43.7%	72 280	4.9%	955 185	16.6%
MED	More than 12 m	6 194	7.9%	263 070	17.7%	1 218 153	21.2%
EXT	More than 12 m	396	0.5%	298 353	20.1%	427 241	7.4%
BS	Less than 12 m	1 920	2.5%	3 150	0.2%	38 613	0.7%
BS	More than 12 m	116	0.1%	4 340	0.3%	22 127	0.4%
Subtotal	Less than 12 m	66 541	84.9%	165 622	11.1%	2 204 076	38.3%
Subtotal	More than 12 m	11 838	15.1%	1 320 487	88.9%	3 547 999	61.7%
Total	All	78 379		1 486 109		5 752 075	

On 1st January 2018, the Union fishing fleet (EU-28) included 78 379 vessels of which 85% measure less than 12 m. Length Overall (LOA). In terms of capacity, the total tonnage was 1 486 109 GT of which only 11% were contained in the fleet of vessels of less than 12 m. length class and of 5 752 075 kW with 38% comprised in the fleet of vessels of less than 12 m.

As regards the medium and large scale vessels, vessels of 40m and more contribute alone 38% of total Union fleet capacity in GT, preceding vessels between 24 m. and 40 m. (26%) and vessels between 18 m. and 24 m. (15%). On aggregate, fishing vessels of more than 18 m. represent 79% of mainland fleet capacity in GT. Regarding capacity in kW, the situation is more balanced with vessels of 18 m. and more accounting for 46% of total capacity in kW with the share of larger vessels in kW comparatively lower than share in GT.

²¹ NEA: North-East Atlantic (incl. Baltic Sea), MED: Mediterranean, BS: Black Sea, EXT: External waters

Figure 2: Breakdown of mainland fleet capacity by length class on 01/01/2018.

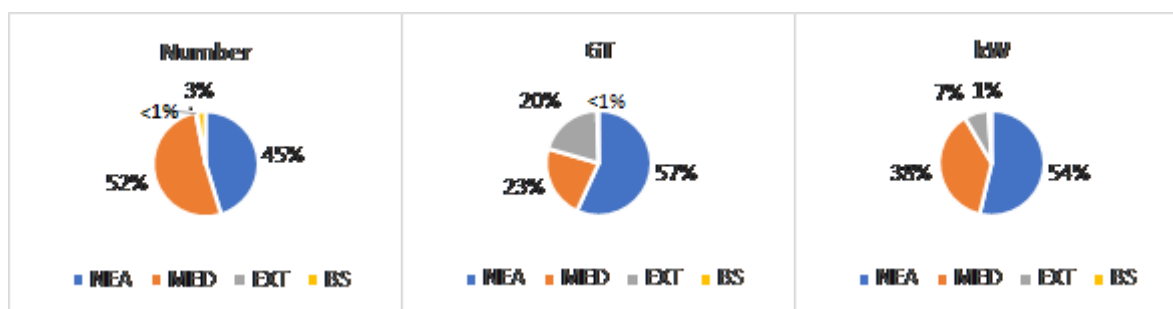


Note: VL0006: Vessels less than 6 m LOA, VL0610: Vessels between 6 and 10 m LOA etc. until VL40XX: vessels of 40 m LOA and more

By fishing area, data on the EU fishing fleet show that:

- The Mediterranean is the first fishing region with an estimated 52% of the total number of Union fishing vessels operating in this area, preceding the North East Atlantic where 45% of the number of Union fishing vessels are estimated to operate. By contrast, the proportion of vessels fishing in external waters is low (less than 1%), as is the proportion of Union vessels operating in the Black Sea (3% of total Union fleet).
- In tonnage (GT), the highest proportion of capacity is to be found in the North East Atlantic (57% of total Union fleet capacity in GT), preceding the Mediterranean Union fleet (23%) and the Union fleet operating in external waters (20% of total Union fleet capacity in GT). The proportion of capacity in GT contained in the Union vessels fishing in the Black Sea is low by comparison
- In power (kW), 54% of total Union fleet capacity in kW is contained in Union fishing vessels operating in the North-East Atlantic, 38% in the Mediterranean, 7% in the external fleet and 1% in the Black Sea.

Figure 3: Breakdown of Union fishing fleet numbers and capacity indicators by fishing area on 01/01/2018 for the mainland fleet all Member States



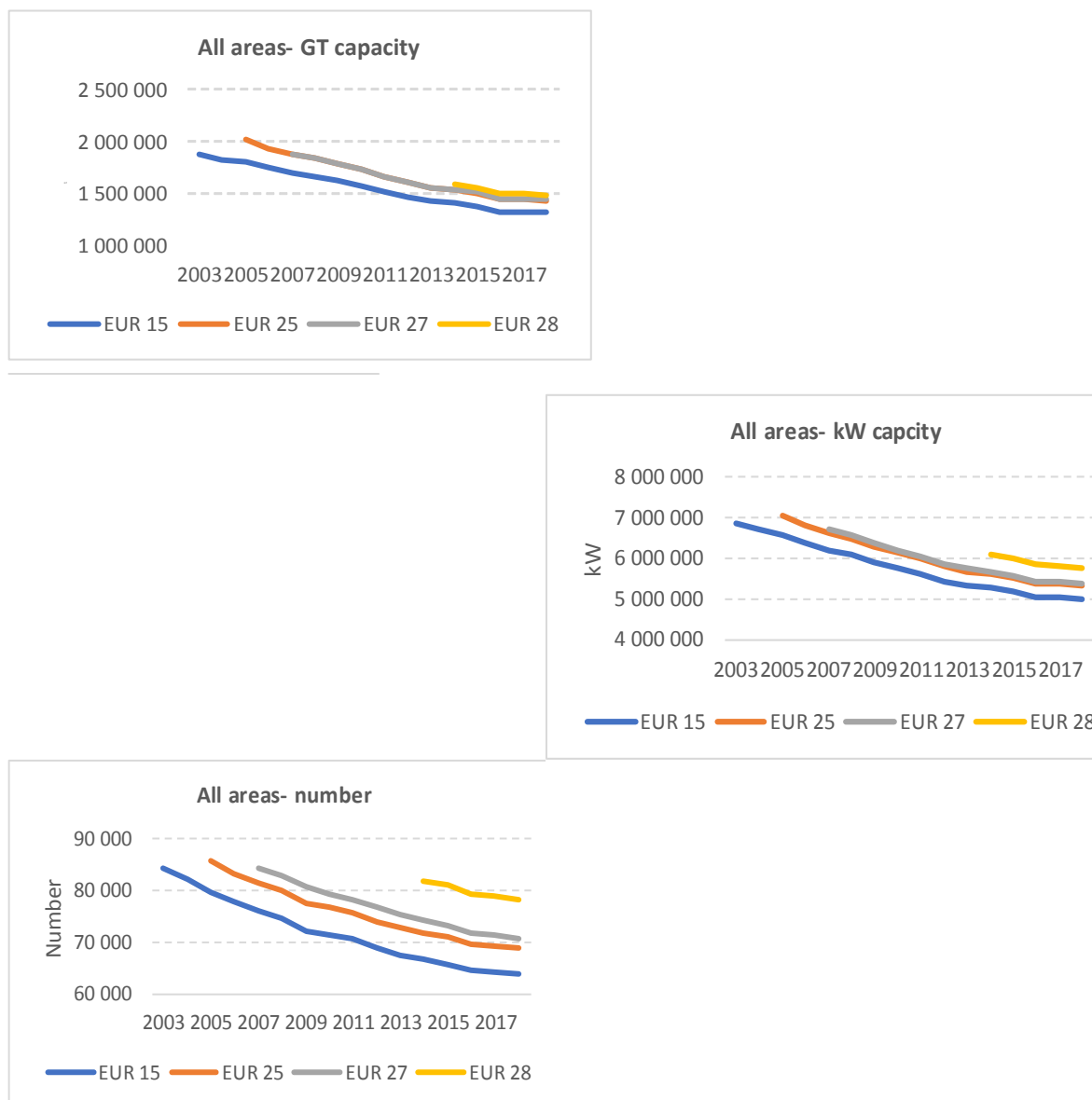
The different proportions of fishing capacity in the different fishing areas are explained by the types of fishing vessels concerned. The Union external fleet comprises few

vessels, but almost all vessels concerned are greater than 40m in length, with for each vessel, large amounts of capacity in GT.

Evolution of fishing capacity over time for mainland fleets - All fleet segments included

The following graphs show the evolution of the fishing capacity indicators and of the number of vessels between 2003 and 2018 taking into account the growing number of Member States over this period.

Figure 4: Evolution of capacity indicators and of the number of vessels for the Union fishing fleet (mainland fleet only)



Note: Situation on 1st January each year

The next table shows that the mainland fleet for EU 15 Member States decreased by 24% in number between 2003 and 2018, 30% for capacity in GT and 27% for capacity in kW. This represents an average annual decreasing rate over the period of respectively 1.6% (number), 2.0% (GT) and 1.8% (kW). At EU 25 level (i.e. since 2005), the decrease is 20% in number, 29% for capacity in GT and 25% for capacity in kW.

Table 2: Evolution of capacity indicators and of the number of vessels for the Union fishing fleet until 2018.

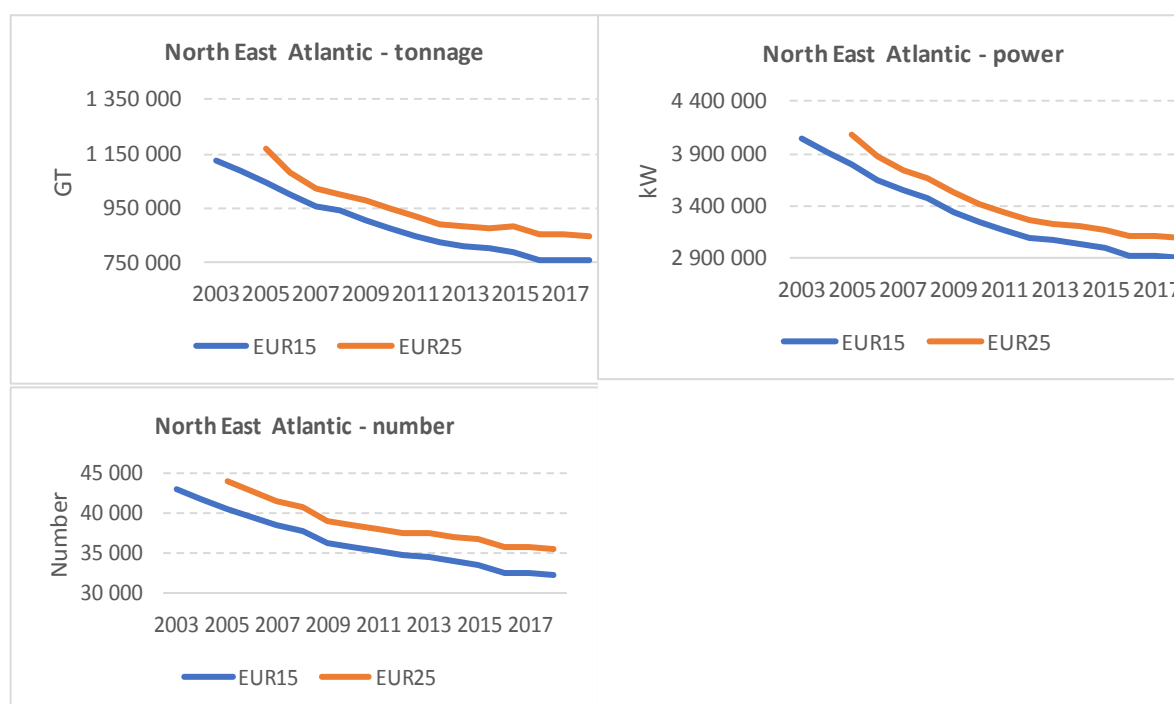
	Delta number	Delta GT	Delta kW	% number	% GT	% kW
EU 15	-20 610	-556 421	-1 881 668	-24%	-30%	-27%
EU 25	-16 912	-585 210	-1 737 685	-20%	-29%	-25%
EU 27	-13 634	-441 492	-1 321 497	-16%	-23%	-20%
EU 28	-3 490	-100 115	-333 842	-4%	-6%	-5%

Note: 2003-2017 evolution for EUR 15 Member States, 2005-2018 for EU 25 Member States, 2007-2018 for EUR 27 Member States and 2014-2018 for EU 28 Member States

Evolution of fishing capacity over time for mainland fleets - by fishing region

Concerning the Union fleet operating in the North East Atlantic (incl. the Baltic Sea), evolution of concerned fishing fleet capacity and of the number of vessels is shown in the figures below over the 2003-2017 period.

Figure 5: Evolution of capacity indicators and of the number of vessels for the Union fishing fleet operating in the North East Atlantic (mainland fleet only) until 1 January 2018.



Note: Situation on 1st January each year

The capacity indicators for the fishing fleet operating in the North East Atlantic consistently decreased over the 2003-2017 period (for EU 15 Member States) with 33% decrease in GT, 28% in kW and 25% for the number of vessels (i.e. average annual rate over this 15-year period of respectively 2.2% in GT, 1.9% in kW and 1.7% in number). At EU 25 level, the decrease between 2005 and 2018 is equivalent to 28% in GT, 24% in kW and 19% in number.

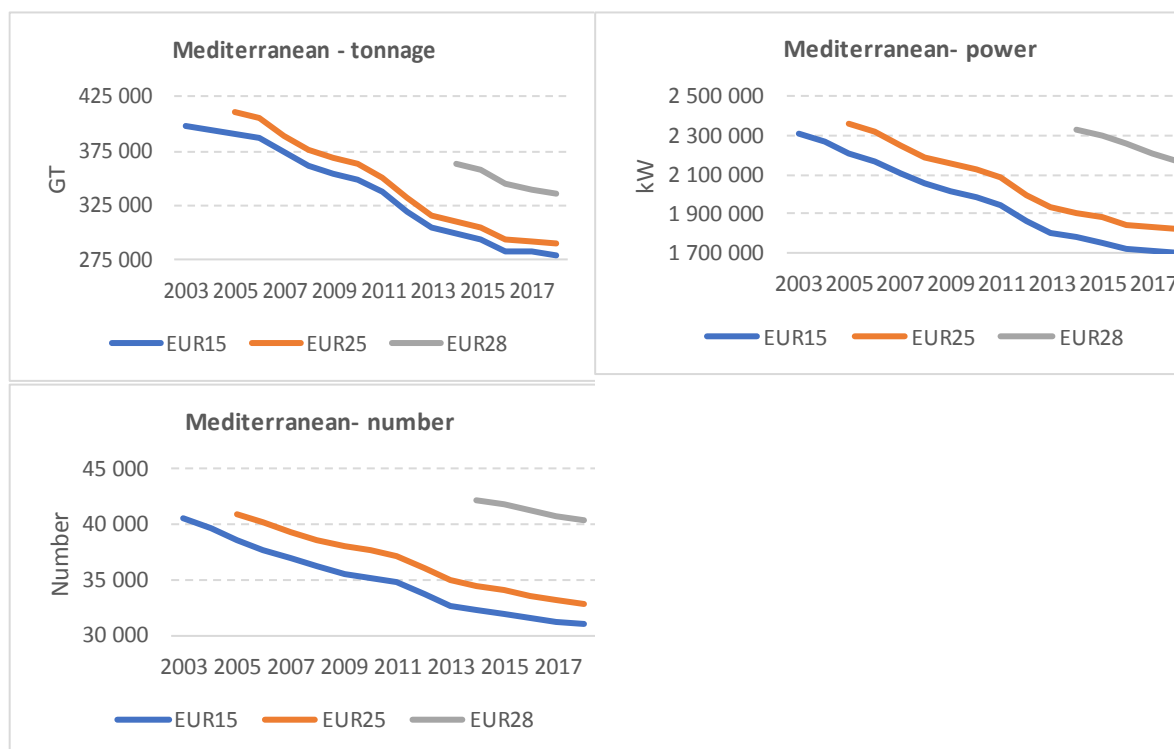
Table 3: Evolution of capacity indicators and of the number of vessels for the Union fishing fleet operating in the North East Atlantic (incl. the Baltic Sea) between 2003 and 2018

Evolution	number	GT	kW	% number	% GT	% kW
EU15	-10 791	-367 428	-1 136 625	-25%	-33%	-28%
EU25	-8 536	-324 589	-990 325	-19%	-28%	-24%

Note: 2003-2017 evolution for EU 15 Member States and 2005-2018 for EU 25 Member States

Concerning the Union fishing fleet operating in the Mediterranean, the evolution of fishing fleet capacity is broadly comparable to that of the North East Atlantic with a consistent decrease over time (see below).

Figure 6: Evolution of capacity indicators and of the number of vessels for the Union fishing fleet operating in the Mediterranean (mainland fleet only)



Note: Situation on 1st January each year

For EU-15 Member States, the 2003-2017 evolution of fishing capacity is slightly lower than that for the North East Atlantic with 30% decrease in GT (as opposed to 33% for the North East Atlantic) and 26% in kW (as opposed to 28%) and 24% as opposed to 25% , in number of vessels. For EU-15 Member States, the average annual reduction rate of fishing capacity deployed in the Mediterranean is respectively 2% in GT, 1.7% in kW and 1.6% in number.

Table 4: Evolution of capacity indicators and of the number of vessels for the Union fishing fleet operating in the Mediterranean (mainland fleet only) between 2003 and 2018

Evolution	number	GT	kW	number	%GT	% kW
EU15	-9 652	-119 534	-612 631	-24%	-30%	-26%
EU25	-8 145	-122 013	-542 736	-20%	-30%	-23%
EU28	-1 681	-28 865	-159 998	-4%	-8%	-7%

Note: 2003-2017 evolution for EU 15 Member States, 2005-2018 for EU 25 Member States and 2014-2018 for EU 28 Member States

Concerning Union fishing vessels operating in external waters for stocks not directly managed by the EU, evolution of capacity indicators indicates a 33% decrease in GT and a 34% decrease in kW between 2003-2017, with a 39% decrease in the number of external fleet Union vessels.

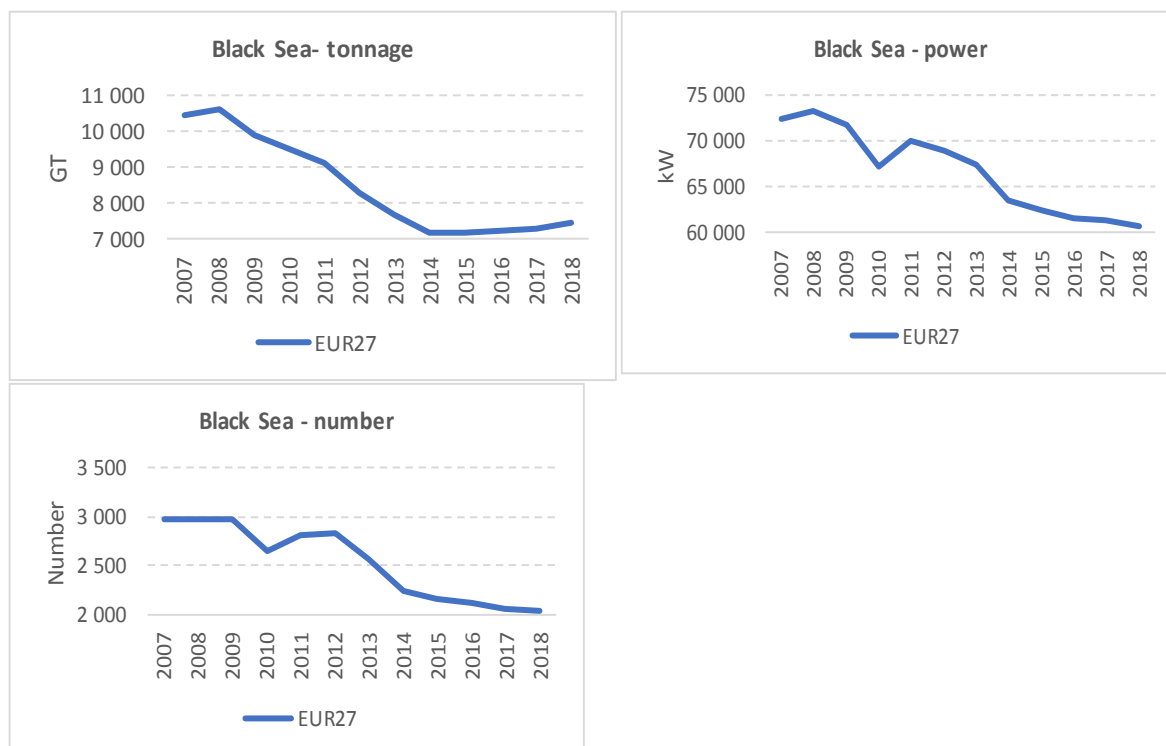
Table 5: Evolution of capacity indicators and of the number of vessels for the Union fishing fleet operating in external waters (mainland fleet only)

Evolution	number	GT	kW	% number	% GT	% kW
EU15	-168	-69 462	-132 516	-30%	-20%	-25%
EU25	-249	-167 218	-268 437	-39%	-33%	-34%

Note: 2003-2017 evolution for EU 15 Member States, 2005-2018 for EU 25 Member States

Finally, for Union vessels operating in the Black Sea (i.e. Bulgaria and Romania fleets since accession in 2007), the 2007-2018 evolution is a 28% decrease in GT, 16% in kW and 32% in number. Over this 11-year period, fishing capacity decreased at an average annual rate of respectively 2.5% (GT); 1.5% (kW) and 2.9% (number).

Figure 7: Evolution of capacity indicators and of the number of vessels for the Union fishing fleet operating in the Black Sea (mainland fleet only)

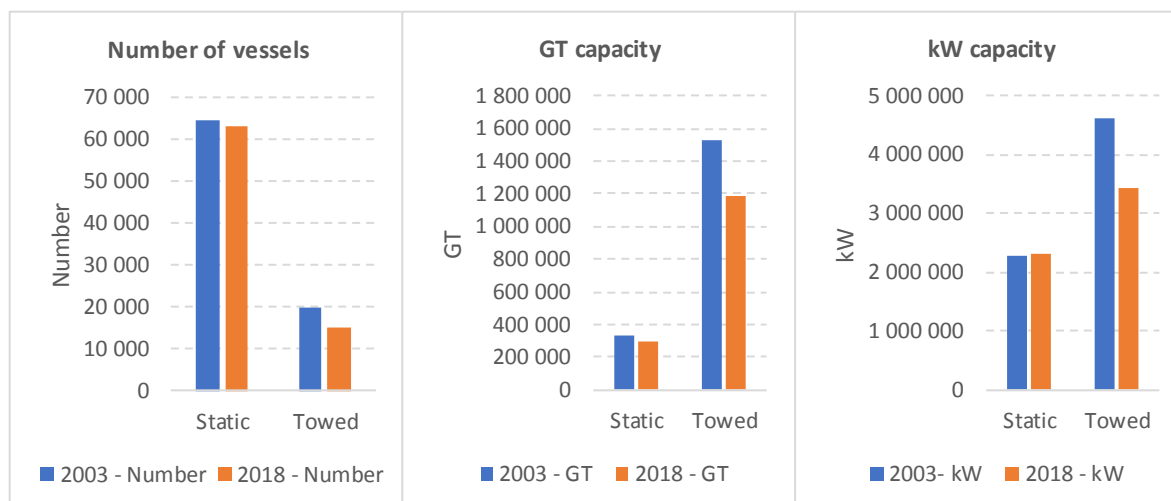


Source: own analysis of EU fishing fleet register

Note: Situation on 1st January each year

The figures below summarise the main evolution of the mainland fishing fleet by type of fishing gear between 1st January 2003 and 1st January 2018. For both reference years, the number of fishing vessels using static gears is considerably greater than the number of vessels using towed gears. However, capacity in GT is largely concentrated in the towed gear fishing vessels in both years (82% in 2003 and 80% on 1/1/2018), as is capacity in kW, although in lower proportions (67% in 2003 and 60% on 1/1/2018). In terms of evolution, the capacity contained in static gear fishing vessels decreased in GT (-11%) but increased in kW (+2%) and decreased in GT and in kW for capacity contained in towed gear fishing vessels (resp. -23% in GT and -25% in kW).

Figure 8: Number of vessels and capacity indicators by category of fishing gear (static or towed) in 2003 and 2018 (mainland fleet, all Member States included).



Note: Situation on 1st January each year

Outermost regions – number of vessels and capacity indicators

The next table presents the number of vessels and their capacity indicators for each outermost region fishing fleet segment on 1st January 2018. It shows the important heterogeneity between outermost regions fleets segments with the number of vessels varying between 0 (three French outermost regions regions) and 931 vessels (Martinique segment of less than 12 m), capacity in GT reaching a maximum of 18 569 GT (Canary Islands vessels of more than 12 m) and capacity in kW reaching a maximum of 126 528 kW (Guadeloupe vessels of less than 12 m). Certain individual outermost regions fleet segments contain more fishing capacity than all Union vessels operating in the Black Sea (7 490 GT and 60 741 kW on 1st January 2018)

Table 6 : Number of vessels and capacity indicators for each fishing fleet segment in the outermost regions on 01/01/2018.

outermost regions Fleet segment	Number	GT	kW
Réunion. Demersal and pelagic species. Length < 12 m	181	350	11 235
Réunion. Pelagic species. Length > 12 m	47	6 694	19 339
Mayotte Seinners	5	12	19 400
Mayotte mechanised longliners > 23 m	0	0	0
French Guiana. Demersal and pelagic species. Length < 12 m	130	680	9 503
French Guiana. Shrimp vessels.	19	2 104	6 090
French Guiana. Pelagic species. Offshore vessels.	0	0	0
Martinique. Demersal and pelagic species. Length < 12 m	931	1 734	92 203
Martinique. Pelagic species. Length > 12 m	5	274	1 403
Guadeloupe. Demersal and pelagic species. Length < 12 m	738	2 291	126 528
Guadeloupe. Pelagic species. Length > 12 m	0	0	0
Madeira. Demersal species. Length < 12 m	385	464	3 755
Madeira. Demersal and pelagic species. Length > 12 m	43	3 383	12 025
Madeira. Pelagic species. Length > 12 m	3	136	777
Azores. Demersal species. Length < 12 m	635	2 293	29 555
Azores. Demersal and pelagic species. Length > 12 m	123	7 791	24 561

Canary Islands. Length < 12 m. EU waters	656	1 571	15 225
Canary Islands. Length > 12 m. EU waters	74	2 488	8 975
Canary Islands. Length > 12 m. International and third country waters	44	18	27 261
		569	

Note: Mayotte small scale segment not included in the table

The 2003-2017 evolution of the number of vessels and of their capacity indicators is shown in the next table for each outermost regions fleet segment. While most fishing fleet segments decreased in number and in capacity (with the highest rate for the Canary Islands segment of vessels of more than 12 m fishing in international waters \approx -65% over the period) some segments could expand their fishing capacities over the period. Two examples are worthy of note, the Madeira fleet segment of vessels of less than 12 m and the Azores segment of vessels of less than 12 m. Although both segments decreased in number of vessels (resp. -9% and -57%), their capacity indicators increased, in particular in kW, which most likely reflects a general modernisation of the vessels concerned over the period. In this regard, it should be noted that public aid for construction of vessels was provided until 31 December 2006 in the outermost regions and the fleets were granted derogations exempting the concerned Member States from the compulsory withdrawal of capacities in case of entry until end of 2011²².

Table 7: Evolution of the number of vessels and of their capacity indicators over the 2003-2017 period for each fishing fleet segment in the outermost regions.

outermost regions Fleet segment	Delta number	Delta GT	Delta kW	% Number	% GT	% kW
Réunion. Demersal and pelagic species. Length < 12 m	-85	-12	-300	-32%	-3%	-3%
Réunion. Pelagic species. Length > 12 m	-1	2 373	5 290	-2%	55%	38%
French Guiana. Demersal and pelagic species. Length < 12 m	42	336	4 947	48%	98%	109%
French Guiana. Shrimp vessels.	-39	-4 486	-12 647	-67%	-68%	-67%
French Guiana. Pelagic species. Offshore vessels.	-7	-355	-1 429	-100%	-	-
					100%	100%
Martinique. Demersal and pelagic species. Length < 12 m	-222	-434	30 257	-19%	-20%	49%
Martinique. Pelagic species. Length > 12 m	-5	-687	-1 777	-50%	-71%	-56%
Guadeloupe. Demersal and pelagic species. Length < 12 m	-205	-261	26 891	-22%	-10%	27%
Guadeloupe. Pelagic species. Length > 12 m	-2	-124	-551	-100%	-	-
					100%	100%
Madeira. Demersal species. Length < 12 m	-38	53	935	-9%	13%	33%
Madeira. Demersal and pelagic species. Length > 12 m	-8	-244	-815	-16%	-7%	-6%
Madeira. Pelagic species. Length > 12 m	-2	-57	-229	-40%	-30%	-23%
Azores. Demersal species. Length < 12 m	-840	25	9 088	-57%	1%	44%
Azores. Demersal and pelagic species. Length > 12 m	8	-2 249	-5 097	7%	-22%	-17%
Canary Islands. Length < 12 m. EU waters	-427	-561	-1 186	-39%	-26%	-7%

22 Council Regulation (EC) No 639/2004 of 30 March 2004 on the management of fishing fleets registered in the Community outermost regions. OJ L 102, 7.4.2004

Canary Islands. Length > 12 m. EU waters	-29	-1 750	-6 316	-28%	-41%	-41%
Canary Islands. Length > 12 m. International and third country waters	-87	-27 426	-56 344	-66%	-60%	-67%

Note: Mayotte not included in the table

Outermost regions fleet capacity structure by type of gear

For Spain's outermost regions, the fleet is dominated by vessels using static gears. However, the large capacity in the segment of vessels of more than 12 m operating in international and third country waters means that most capacity in GT and in kW includes fishing vessels using towed gears (mostly trawlers). Due to the reduction of this segment, the capacity in towed gears decreased significantly between 2003 and 2018.

In France's outermost regions, fishing fleets are dominated by vessels using static gears. The capacity in GT of vessels using towed gears increased due to the inclusion in La Réunion and Mayotte fleets of large-scale tuna purse seiners having high individual capacity in GT.

In Portugal, the use of static gears is overwhelmingly dominant. No fishing vessels use towed gears in Azores, and only a few units use towed gears (e.g. purse seines) in Madeira.

3.2. Member States' rules implementing the Entry/Exit scheme

Member States determine themselves the implementing modalities of the Entry/Exit scheme, but all of them have transposed into their national framework the general principle that operators wishing to enter new capacities without public aid must submit evidence of prior withdrawal (without public aid) of equivalent fishing capacity.

Ownership of capacity entitlements

There are two different approaches in the Member States:

- In some Member States (BG, DE, DK, EE, ES, IE, HR, LT, NL, RO, SE and UK) the capacity withdrawn without public aid remains the property of the owner of the vessel withdrawn without public aid. The owners are free to use this withdrawn capacity to enter a new vessel with equivalent capacity, or to donate / sell their capacity entitlements entirely or in tranches to one or several other operators. In this case, there is a national private market for GT and kW which are no longer associated with the physical existence of a fishing vessel. Some Member States have defined time limits for ownership of capacity entitlements. Capacity entitlements can be kept during one year (ES, SE), two years (BG, HR, IE), three years (EE), five years (DK) or six years (NL). In DE, LT, RO, and UK, capacity entitlements are owned by operators with no limit in time. After this period (when applicable), unused capacities are returned to the national administration and put in a national capacity reserve. For Member States having implemented this mechanism, GT and kW are traded in a national private market by specialised brokers and by shipyards (ES).
- In other Member States (BE, CY, EL, FI, FR, LV, IT, MT, PL, PT and SI), the capacity withdrawn without public aid comes under the control of the Member

State. However, owners of the vessels withdrawn are given priority for using the corresponding amount of capacity in a new vessel. The main difference with Member States arrangements described in the previous paragraph is that capacity entitlements cannot be traded either entirely or in tranches, and there is no national market for GT and kW not associated with the physical existence of a vessel. As above, operators have a time limit to use their capacity entitlements to enter a new vessel after withdrawal of the vessel without public aid. It is one year (or three years in case of accident) in BE and IT, one year (CY and LV), two years (EL, FI and FR) and up to five years (PL). In MT or SI, there is no time limit set by the national legislation as usually available capacity is quickly used. After this time period, unused capacities are returned to the national administration and put in a national capacity reserve. In most cases, *force majeure* events²³ may justify an extension of the time limit.

The legislation on time limits for capacity entitlements has changed in the recent past in some Member States. In DE, it was two years, whereas now it is unlimited. In ES, the time limit was two years until 2012 with the possibility to use capacities withdrawn after 2003 to boost naval construction. A time limit of one year was set in 2016. In FR, the time limit was not sufficiently defined in the legislation which was revised in 2016 to firm up a two-year rule. In LT, a ruling of the national Council of Competition abolished the two-year limit previously set by the national legislation. In SE, the legislation is expected to change to extend the time limit from one to three years.

Member States authorising trading of capacity after withdrawal are often those authorising also trading of fishing opportunities (transferability of fishing rights, often as individual transferable quotas). The two notable exceptions are DE where quota shares are attached to a vessel capacity and IE where transferring fishing rights (% of quota) is not allowed.

Rules for entries of capacity

In Member States where there is a private market for GT and kW, in principle all capacity can be purchased from other operators, meaning that a vessel can enter the fleet with capacity in a reserve made of tranches of capacity previously withdrawn, with some restrictions according to Member States' policies. ES is an exception. Operators wishing to enter 100 GT capacity must demonstrate withdrawal of 90 GT capacity from one vessel and can purchase the remaining 10 GT on the market (previously, the rule was 70 GT from one vessel). For segments where there is an imbalance between fishing capacity and fishing opportunities, the rule is that 100 GT needs to be withdrawn for the entry of 100 GT. For vessels operating in external waters, there is no such requirement (net creation of vessels from capacity tranches is possible). The same rule applies for kW.

In other Member States, entering capacity can only be in replacement of physical capacity (i.e. no possibility to complement capacity requirements from a national private market for GT and kW). In case the operator wishes to increase the capacity of the new vessel, he/she must withdraw another vessel from the fleet, or apply for additional

²³ Covers different unexpected events that may affect the operator: sickness, changes in personal situation, financial problems, construction delays or difficulties to gather evidences and justifications required by the State.

capacity from the national reserve. If the operator chooses to withdraw another vessel, capacity withdrawn in excess of entering capacity is returned to the national administration and put in a national capacity reserve. The same occurs if the replacing vessel has capacity below exiting capacity. In PL, there are safeguard mechanisms in place since 2015 to prevent entries of several vessels in replacement of one vessel to avoid the so-called cloning effect (i.e. the capacity of one large vessel being used to build several small vessels).

Limitations on transfer of capacity between fleet segments

In most Member States, new fishing capacities can replace withdrawn capacity only in a same segment defined at national level (BE, EE, ES, IE, LV, IT and UK) or where capacity transfers between segments are limited (PL where distant water fishing vessel capacity cannot be used for other segments of the national fleet). In other Member States (DE, DK, FR, HR, LT, NL and PT), transfers of capacity between segments are possible in principle. However, in some of these Member States, entering vessels generally use the fishing authorisations available from the withdrawn vessels (e.g. FR, LT, PT). Opportunities for transfers of capacities between segments are therefore limited in practice. In FR, available capacity from the national reserve is allocated on a regional basis, making transfers of capacities between the North East Atlantic and the Mediterranean difficult for example. In Member States having implemented individual transferable fishing rights (e.g. DK, NL, SE and UK), transfers between segments are possible only if appropriate quotas can be purchased on the market. The legislation recently changed in some Member States. In DE and in LT, national capacity segments are no longer ring-fenced.

The national reserve

In almost all Member States, capacity withdrawn that has not been used by operators according to Member States' own rules (e.g. within the delay prescribed) is placed in a national reserve managed by the State. There are two groups of Member States with regard to the type of policy concerning the use of the national reserve:

- The Member States who consider that capacity withdrawn without public aid which has not been reactivated according to national rules shall be permanently removed (BE, ES, IE, IT, NL and SE). In these Member States, the national reserve is not intended for redistribution. However, some of these Member States are now revising this policy and are considering using this unused capacity under the control of the national administration to provide additional capacity to operators for safety reasons (BE and ES) or to support young fishermen or innovative projects (NL). DK has implemented a mechanism by which the capacity controlled by the national authority can be borrowed by young fishermen for a maximum period of 8 years, giving them the time to purchase the required amount of GT and kW on the national market.
- The Member States who consider that capacity withdrawn which has not been reactivated according to national rules may be redistributed to operators under certain conditions (BG, CY, DE, DK, EE, EL, FI, FR, LV, HR, MT, PL, PT, RO and SI). In these cases, the national reserve is used to provide additional capacity to operators wishing to increase the capacity of an existing or withdrawn vessel,

or to newcomers having no previous capacity entitlements, with priority given to young fishermen and/or small-scale operators (DE, DK, FR and PL).

LT does not manage a national capacity reserve. All unused GT and kW that were held by the national authority (473 GT and 1 067 kW) have been auctioned in 2015 and are now property of operators who can trade capacity with no limit in time. In the UK, all capacity entitlements are controlled by operators since the legislation sets no limit in time for the reactivation of capacity entitlements.

Member States point out that the national reserve intended for redistribution is generally insufficient to cover industry needs, in particular the last few years with the increased economic attractiveness of the fishing sector underpinned by improved stocks status. For most Member States, the national reserve is not equivalent to the difference between current fishing fleet capacity and capacity ceilings. The difference includes capacity entitlements still owned by operators after withdrawal of their vessels, or prior capacity commitments to operators having withdrawn a fishing vessel without public aid, but not yet replaced within the delay prescribed by national rules. For example, the capacity reserve managed by DE is only 93 GT and 206 kW whereas the gap between national fleet capacity and capacity ceiling is \approx 6 400 GT and 31 000 kW. For DK, the capacity reserve controlled by the State is \approx 1 600 GT and \approx 4 000 kW (gap is 20 200 GT and \approx 107 000 kW). In the case of FR, the national reserve is \approx 2 200 GT and 6 300 kW (gap is \approx 25 500 GT and \approx 68 000 kW) or \approx 100 GT and 80 kW in the case of PL (gap is \approx 10 000 GT and \approx 11 000 kW). In LT or in the UK, the gap is owned by operators.

Relationships with fisheries management

In most Member States, there is no connection between fisheries management and capacity allocations under the EES. The Member States do not verify if the operator / vessel entering the fleet in replacement of a withdrawn vessel has sufficient fishing opportunity (BE, CY, DK, EL, IE, IT, LT, MT, NL, PL, RO, SI and UK). The underpinning assumption is that it is the responsibility of the applicant to ensure that his/her project is economically viable. In most cases, fishing authorisations are transferred from the withdrawn vessel, and/or are purchased on the market in those Member States having implemented transferable fishing concession regimes. Member States ensure that fishing vessels have fishing authorisations corresponding to their activities and comply with applicable limits, but it is a different process, decoupled from the licencing mechanism implementing the EES.

There are a few exceptions. FR and LV verify availability of fishing opportunity when capacity is allocated from the national reserve. DE and ES verify that licence applicants have sufficient fishing opportunities, CY and EL distribute fishing capacity to applicants on the basis of public calls for interest which define the fleet segments where capacity may enter the fleet given fishing opportunities available and SE verifies that licence applicants have sufficient fishing opportunities.

Only few Member States reported a verification of the capacity situation of the fishing fleet segments as per Member States fleet reports referred to in Article 22 (2) of the 2013 CFP Regulation in the licencing mechanisms. When capacity is applied for from the national reserve, FR verifies that the new capacity will not enter an imbalanced fleet segment. EE also verifies that new capacities do not enter a fleet segment identified as imbalanced.

3.3. State of play of the EES implementation

Among EU 15 Member States that were concerned by the EES from 2003, only BE, DK, FI and FR slightly exceeded (less than 0.5%) their capacity ceilings in 2003 and 2004. After this period and following a technical adjustment due to the discontinuation of the MAGPs, these four Member States complied with their respective capacity ceilings. For the other Member States, capacity ceilings have been complied with throughout the 2003-2017 period. In most cases, the evolution of respective fleet capacity and capacity ceilings in GT and kW shows that the gap between fleet capacity and capacity ceilings tends to widen.

For EU 25, EU 27 and EU 28 Member States, capacity ceilings have been defined only as from January 2014 with the entry into force of the 2013 CFP Regulation, but the other EES rules applied as from the date of accession.

Some Member States exceeded their reference levels by small margins (less than 1%) mostly within the few months following accession (i.e. BG, HR, CY, EE, MT, RO and SI). For LV, LT and PL, reference levels have never been exceeded.

On 1st January 2018, the situation of Member States fishing fleet capacity vis-à-vis their respective capacity ceilings set out by the 2013 CFP Regulation was as shown in the following table.

Table 8: Situation of fleet capacity in Member States vis-a-vis their respective capacity ceilings on 01/01/2018 (mainland fleets only)

Member State	% Ceiling GT	GT	% Ceiling kW	kW
BE	72%	-5 250	87%	-6 535
BG	81%	-1 320	91%	-4 982
CY	33%	-7 073	90%	-4 030
DE	91%	-6 403	81%	-31 256
DK	77%	-20 209	90%	-107 246
EE	72%	-5 507	94%	-2 985
EL	89%	-8 356	94%	-28 410
ES	87%	-47 142	90%	-81 206
FI	90%	-1 840	95%	-8 831
FR	85%	-25 544	91%	-68 200
HR	91%	-4 545	86%	-56 082
IE	78%	-17 097	86%	-30 173
IT	95%	-9 098	95%	-51 957
LT	41%	-43 241	48%	-38 039
LV	60%	-18 373	84%	-9 021
MT	44%	-8 146	76%	-22 647
NL	70%	-50 368	74%	-91 297
PL	72%	-10 585	87%	-11 083
PT	71%	-27 221	81%	-57 934
RO	72%	-535	94%	-385
SE	59%	-17 947	71%	-61 989
SI	87%	-85	97%	-310
UK	81%	-44 938	84%	-149 374
Total		-380 823		-923 972

The above table shows seven Member States (EL, ES, FI, FR, HR, IT and SI) for which current fleet capacity is above 85% of the capacity ceilings both in GT and in kW. These countries are limited by their capacity ceilings in their fleet management policies, with IT being the most limited (current fleet capacity (both kW and GT for Italy is at 95% of the national capacity ceiling). For other countries such as DE, capacity ceiling in GT is the most limiting factor (91%), while for DK, EE, BG, CY and RO, it is the capacity ceiling in kW (at 90% or above). For the other Member States, current fleet capacity both in GT and in kW is around or below 85% of capacity ceilings with, at the end of the scale, LT being only at 41% (GT) and 48% (kW) of the national capacity ceiling.

In total, the difference between Member States fleet capacity and capacity ceilings is equivalent to 380 823 GT and 923 972 kW, representing 25.6% of the total EU mainland fleet capacity in GT and 16.1% in kW on 1st January 2018. The difference between current fishing fleet capacity and capacity ceilings represents some latent fishing capacity (i.e. a fishing capacity not accounted for in the active fleet statistics but that could be reactivated through entries into the fleet in compliance with the Entry/Exit scheme depending on Member States rules). However, account should be taken of the fact that the actual capacity limitation in each country went down in comparison to the ceiling set in the CFP Regulation due to scrapping of vessels with public aid²⁴. In that latter case,

²⁴ Between 1 January 2014 and 31 December 2017, 1260 fishing vessels were decommissioned or were going to be decommissioned with public support (including EMFF funding), SWD(2019)205, 7.6.2019, p.17

the capacity of the scrapped vessel could not be used for the introduction of a new vessel which led de facto to a lowering of the latent fishing capacity.

The situation of fishing fleet capacity compared to capacity ceilings at the end of 2013 (last year of implementation of the 2002 CFP Regulation) is shown in the next table. It shows that at EU level, the gap widened significantly both in GT and in kW, meaning that capacity withdrawn without public aid but not yet replaced according to the EES increased. Across all Member States, the gap increased by 29% in GT ($\approx + 85\,000$ GT) and by 40% in kW ($\approx + 262\,000$ kW) over four years.

Table 9: Comparison between the value of the gap between EU fishing fleet capacity and capacity ceilings at the end of 2013 and at the beginning of 2018 (mainland fleet only, all Member States included)

	Gap 2013	Gap 2018	Delta	% variation
GT	296 289	380 823	84 534	29%
kW	661 840	923 972	262 132	40%

Note: 2013: situation on 01/12/2013, 2018, situation on 01/01/2018

On aggregate, Mediterranean Member States appear to be closer to their capacity ceilings than their North East Atlantic counterparts, mainly due to less scrapping with public aid. By cumulating Entry/Exit statistics for Mediterranean Member States²⁵ (incl. the Black Sea) and for North-East Atlantic Member States²⁶ (incl. the Baltic Sea), but excluding ES and FR which have fishing active in both regions (plus significant amounts of capacity in external waters), Mediterranean Member States are cumulatively at 88% (GT) and 92% (kW) of the capacity ceilings, while North East Atlantic Member States are at 73% (GT) and 80% (kW) of the capacity ceilings.

Outermost regions

Entry/Exit statistics for each fleet segment of the outermost regions of FR, ES and PT are presented in table 10. Only one segment (Canary Islands. Length > 12 m. EU waters) exceeded its capacity ceiling for limited amounts of capacity between 2004 and 2007. All other outermost regions' fishing fleet segments complied with capacity ceilings.

On 1st January 2018, the situation of each outermost region fishing fleet capacity vis-à-vis their respective capacity ceilings was as shown in the following table.

25 Mediterranean and Black Sea Member States: BG, CY, EL, HR, IT, MT, RO and SI

26 North East Atlantic Member States: BE, DE, DK; EE, FI, IE, LT, LV, NL, PL, PT, SE and UK

Table 10: Situation of outermost regions segment fishing capacity vis-a-vis their respective capacity ceilings on 01/01/2018

Code segment	Segment name	% Ceiling GT	GT	% Ceiling kW	kW
4FC	Réunion. Demersal and pelagic species. Length < 12 m	33%	-697	58%	-8 085
4FD	Réunion. Pelagic species. Length > 12 m	67%	-3 308	61%	-12 126
4FF	French Guiana. Demersal and pelagic species. Length < 12 m	75%	-223	82%	-2 141
4FG	French Guiana. Shrimp vessels.	28%	-5 456	31%	-13 636
4FH	French Guiana. Pelagic species. Offshore vessels.	0%	-3 500	31%	-5 000
4FJ	Martinique. Demersal and pelagic species. Length < 12 m	32%	-3 675	65%	-49 913
4FK	Martinique. Pelagic species. Length > 12 m	26%	-772	43%	-1 891
4FL	Guadeloupe. Demersal and pelagic species. Length < 12 m	37%	-3 894	43%	-35 989
4FM	Guadeloupe. Pelagic species. Length > 12 m	0%	-500	0%	-1 750
4FN	Mayotte. Seiners	91%	-1 282	81%	-4 600
4FO	Mayotte. Mechanical long-liners < 23 m.	0%	-2 500	0%	-8 500
4FP	Mayotte. Demersal and pelagic species. Vessels < 10 m		Not relevant*		
4K6	Madeira. Demersal species. Length < 12 m	77%	-140	95%	-214
4K7	Madeira. Demersal and pelagic species. Length > 12 m	82%	-731	94%	-709
4K8	Madeira. Pelagic species. Length > 12 m	75%	-45	100%	0
4K9	Azores. Demersal species. Length < 12 m	88%	-324	99%	-315
4KA	Azores. Demersal and pelagic species. Length > 12 m	60%	-5 188	95%	-1 160
CA1	Canary Islands. Length < 12 m. EU waters	62%	-971	73%	-5 587
CA2	Canary Islands. Length > 12 m. EU waters	81%	-571	87%	-1 389
CA3	Canary Islands. Length > 12 m. International and third country waters	69%	-8 216	64%	-15 384

* Capacity ceiling for Mayotte segment 4FP to be defined no later than 31/12/2025

In total, the difference between capacity ceilings and current fishing fleet capacity across all outermost regions' segments is close to 42 000 GT et 168 400 kW, equivalent to as much as 66% of current outermost regions' current fleet capacity in GT and 41% of current outermost regions' current fleet capacity in kW. These relatively high percentages compared to mainland fleets are explained by the relative high level of capacity ceilings compared to current fleet capacity, in particular in the outermost regions of France. The reason for this is that capacity ceilings for French outermost regions have been defined taking into account fleet development plans for certain segments that did not fully materialise.

As opposed to mainland fishing fleet segments, the extent to which the current gaps between fishing fleet segment capacity and their respective capacity ceilings represent a latent capacity cannot be ascertained. For Spanish and Portuguese segments, this is

probably the case considering prior higher levels of fishing capacity. However, for some French segments, if the EES 1 to 1 capacity rule is fully applied, some fishing fleets segments will never increase their capacity, with the obvious case of Guadeloupe's segment of pelagic species length > 12 m and French Guiana's segment of pelagic species offshore vessels for which there are no fishing capacities available for withdrawal prior to entry into the fleet of equivalent capacity.

Among all outermost regions fishing fleet segments, only the Azores' segment for demersal species of length < 12 m can be assumed to be limited by its capacity ceiling in GT and in kW (current capacity at least 85% of capacity ceiling in both GT and kW). Four outermost regions' segments are limited by capacity ceilings in kW, but less by capacity ceilings in GT (Azores' demersal and pelagic species length > 12 m ; Madeira's demersal species length < 12 m; Madeira's demersal and pelagic species length > 12 m and Canary Islands' length > 12 m EU waters). One segment (Mayotte, seiners) is limited by capacity ceiling in GT but less by capacity ceiling in kW. All other outermost regions' fishing fleet segments are at less than 85% of their capacity ceilings both in GT and kW. Three outermost regions fleet segments (Mayotte's mechanical long-liners < 23 m; Guadeloupe's pelagic species length > 12 m and French Guiana's pelagic species offshore vessels) do not have any active fishing vessels registered on 1st January 2018.

Evolution of capacity ceilings

A key rule of the 2002 and 2013 CFP Regulations is that vessels withdrawn with public aid shall not be replaced. Accordingly, capacity withdrawn with public aid must be deducted from capacity ceilings. Under the 2002 CFP Regulation, the EES provided that 35% of capacity of vessels entering the fleet with public aid was also to be deducted from capacity ceilings (this rule was discontinued on 1 May 2004 with the arrival of new Member States). These rules largely explain the evolution of capacity ceilings over time, but not completely. Under the 2002 CFP Regulation, capacity ceilings in GT could be increased when the safety tonnage clause authorised capacity increases in GT for improvements of safety onboard, working conditions or product quality under certain conditions. This possibility has not been used extensively by Member States with the notable exception of Spain which introduced 3776 GT for safety reasons during the period 1 January 2003 – 31 December 2013. Other countries either did not make use of the possibility or enabled relatively low total capacity increases for safety reasons over that same period (for instance: Poland: 554 GT, Ireland: 239 GT, Netherlands: 218 GT, Portugal: 160 GT, Sweden: 124 GT, Italy: 23 GT, Germany: 13 GT).

Mainland fleets

The next figures display the evolution of capacity ceilings between 1st January 2003 and 1st January 2018 for mainland fleets.

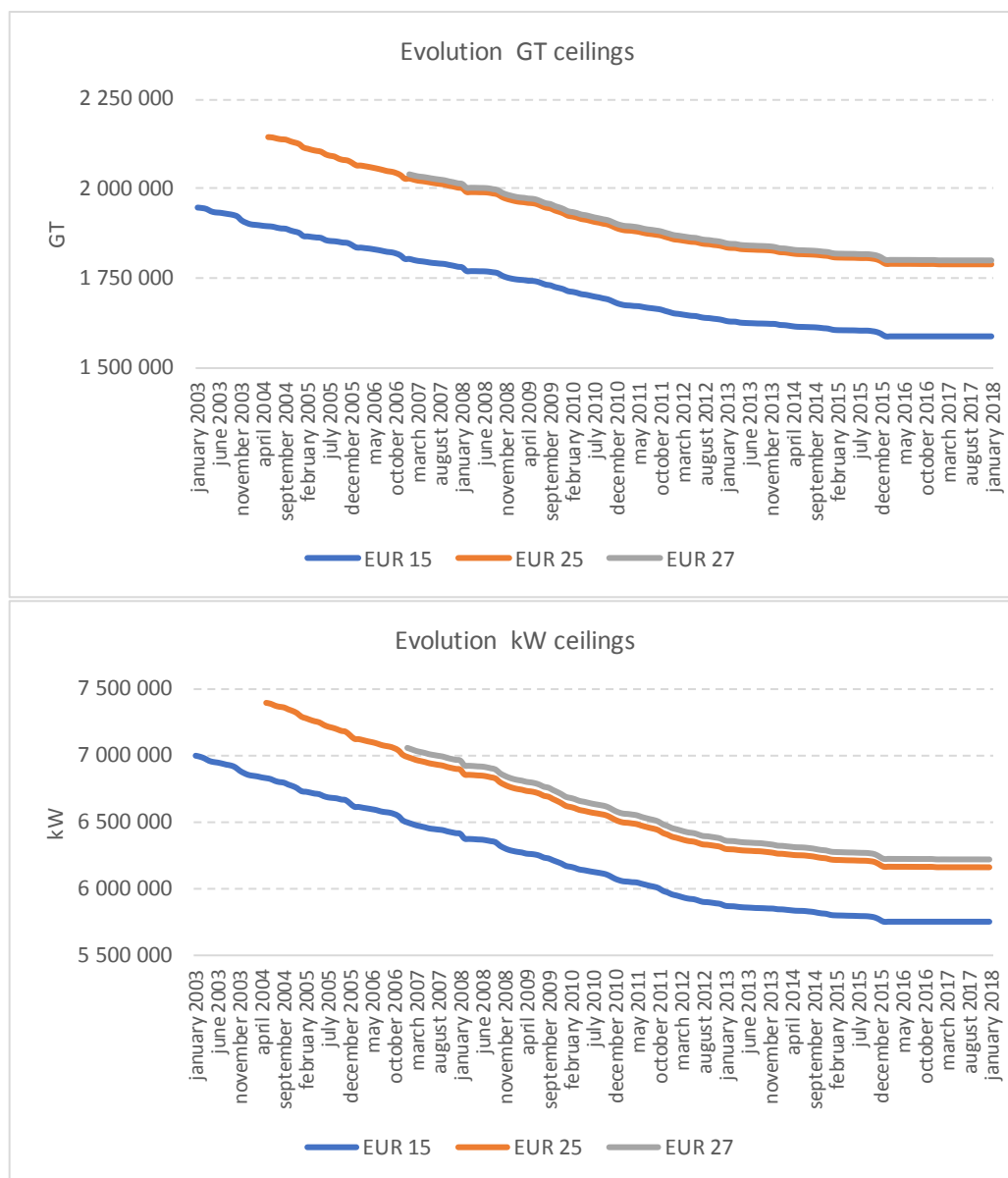


Figure 9: Evolution of capacity ceilings between 01/01/2003 and 01/01/2018

The permanent reduction of capacity ceilings for EU 15 Member States was equivalent to 361 061 GT and 1 248 070 kW on 1st January 2018, representing respectively a reduction of 19% in GT and 18% in kW of capacity ceilings values on 1st January 2003. Over the 15-year period, this represents a relatively modest 1.2% decrease per year on average. This should be put in perspective by the fact that technological improvements to fishing vessels mean that the real capacity of vessels to catch fish increases at some 3% per year²⁷ ('technological creep').

Taking into account all Member States, the capacity rules impacting capacity ceilings supported a permanent capacity reduction of 417 603 GT and 1 502 291 kW on 1st January 2018. The table below details the contribution of the different Member States grouped according to their accession date.

²⁷ European Court of Auditors. Have EU measures contributed to adapting the capacity of the fishing fleets to available fishing opportunities? Special Report No 12/2011

Table 11: Capacity ceilings reductions by Member State (grouped) achieved between EES implementation and 01/01/2018

MS groupings	GT	kW
EU 15 Member States	-361 061	-1 248 070
2004 Acceding States	-49 164	-224 857
2007 Acceding States	-3 869	-14 058
2013 Acceding State	-3 509	-15 306
Total	-417 603	-1 502 291

Notes: EU 15: Member States as of 01/01/2003

2004 Acceding States: EE, CY, LV, LT, MT, PL and SI as of 01/05/2004

2007 Acceding States: RO and BG as of 01/01/2007

2013 Acceding State: HR as of 01/07/2013

Capacity ceiling variations are strongly linked to the structural policy for fisheries, and in particular to the permanent cessation measures foreseen in the successive structural fund regulations and Member States' operational programmes in relation to these cessation measures. By comparing the evolution of capacity ceilings between the programming periods of the three structural fund regulations into force between 2003 and 2018, the next table shows a gradual decrease of capacity ceiling reduction rate over time, from 1.8% per year on average between 2003 and 2006 to \approx 0.5% per year on average since 2014 under the EMFF.

Table 12: Capacity ceilings evolution for EU 15 mainland fleets according to the relevant structural funds regulation programming periods

	2003-2006 end of FIFG		2007-2013 EFF		2014-2017 First half of EMFF	
	GT ceilings	kW ceilings	GT ceilings	kW ceilings	GT ceilings	kW ceilings
Reduction	-144 019	-501 252	-184 982	-653 163	-32 060	-93 655
% reduction	-7.4%	-7.2%	-10.3%	-10.1%	-2.0%	-1.6%
Average annual reduction rate	-1.8%	-1.8%	-1.5%	-1.4%	-0.5%	-0.4%

For the Member States having the largest fishing fleets, capacity ceiling reductions over the 2003-2017 period have been the most important for Spain (30% and more) and Italy (25% and more). By contrast, capacity ceiling reductions for the United Kingdom have been lower than average (less than 10% in 15 years), while they remained almost unaltered for Germany since 2003. The case of Slovenia (170 vessels registered on 1st January 2018) represents an interesting example of the impacts of permanent withdrawals with public aid on small fleets: the cessation measures applied by Slovenia to the two largest trawlers of the national fleet in 2012 had the consequence of reducing the national capacity ceiling by 36% in GT and almost 20% in kW.

Outermost regions

The next table shows the evolution of capacity ceilings set for each fishing fleet segment in the outermost regions between 1st January 2003 and 1st January 2018.

Table 13: Evolution of capacity ceilings for each fishing fleet segment in the outermost regions between 01/01/2003 and 01/01/2018.

Fleet segments*	2003		2018		% variation	
	GT ceiling	kW ceiling	GT ceiling	kW ceiling	% GT	% kW
Réunion. Demersal and pelagic species. Length < 12 m	1 050	19 320	1 047	19 320	0%	0%
Réunion. Pelagic species. Length > 12 m	10 002	31 465	10 002	31 465	0%	0%
French Guiana. Demersal and pelagic species. Length < 12 m	903	11 644	903	11 644	0%	0%
French Guiana. Shrimp vessels.	7 560	19 726	7 560	19 726	0%	0%
French Guiana. Pelagic species. Offshore vessels.	3 500	5 000	3 500	5 000	0%	0%
Martinique. Demersal and pelagic species. Length < 12 m	5 409	142	5 409	142	0%	0%
Martinique. Pelagic species. Length > 12 m	1 046	3 294	1 046	3 294	0%	0%
Guadeloupe. Demersal and pelagic species. Length < 12 m	6 188	167	6 188	167	0%	0%
Guadeloupe. Pelagic species. Length > 12 m	500	1 750	500	1 750	0%	0%
Madeira. Demersal species. Length < 12 m	674	4 574	604	3 969	-10%	-13%
Madeira. Demersal and pelagic species. Length > 12 m	5 354	17 414	4 114	12 734	-23%	-27%
Madeira. Pelagic species. Length > 12 m	253	1 170	181	777	-28%	-34%
Azores. Demersal species. Length < 12 m	2 721	30 910	2 617	29 870	-4%	-3%
Azores. Demersal and pelagic species. Length > 12 m	14 246	29 845	12 979	25 721	-9%	-14%
Canary Islands. Length < 12 m. EU waters	2 878	23 202	2 543	20 812	-12%	-10%
Canary Islands. Length > 12 m. EU waters	4 779	16 055	3 059	10 364	-36%	-35%
Canary Islands. Length > 12 m. International and third country waters	51 167	90 680	26 785	42 645	-48%	-53%

Note: * Mayotte is not included in the table due to its recent inclusion (2014) in the scope of the CFP. No permanent withdrawal of fishing capacity has occurred until now for Mayotte

None of the French outermost regions used permanent cessation measures since 2003 (or very marginally for La Réunion). The capacity ceilings of each segment did not change since that date, or only marginally for one Réunion fishing fleet segment. Concerning Portugal, capacity ceilings have been reduced in particular for Madeira but also for Azores although to a lesser extent. Concerning Spain, capacity ceilings for two segments have been dramatically reduced, in particular for the segment of vessels > 12 m fishing in international and third country waters which halved over the period. This fleet segment has been affected by the non-renewal of some key fishing opportunities under Union fishing agreements with West African countries triggering implementation of permanent cessation measures with public aid as foreseen under the European Fisheries Fund (EFF).

Fishing fleet segments concerned by the EES and entries-exits balances over the 2003-2017 period

Mainland fleets

The next tables show the evolution of GT and kW capacity in and out of the EU fishing fleet register with or without public aid, over the three periods covered by the successive structural fund regulations, all Member States included (mainland fleets). The 2003-2006

and 2007-2013 periods were covered by the 2002 CFP Regulation while the period 2014-2017 was covered by the 2013 CFP Regulation. According to EES rules:

- Entries into the fleet with public aid: 35% of GT and kW of vessels or more than 100 GT had to be permanently deducted from capacity ceilings (aids for renewal phased out end of 2004 for mainland fleets)
- Exits from the fleet without public aid: GT and kW withdrawn from the fleet without public aid may be replaced by equivalent amount of capacity without public aid
- Entries into the fleet without public aid shall replace equivalent capacities withdrawn without public aid

In addition, GT and kW of vessels withdrawn with public aid are permanently deducted from capacity ceilings according to the CFP Regulations.

Table 14: Results of the implementation of the Entry/Exit scheme in terms of capacity reductions (mainland fleets) in GT (upper table) and in kW (lower table) with or without public aid

GT capacity	2003-2006	2007-2013	2014-2017	2003-2017
a) Entries with public aid	132 913	18 251	0	151 164
b) Entries without public aid	206 688	423 852	257 179	887 719
c) Exits with public aid	175 782	223 362	39 459	438 603
d) Exits without public aid	402 351	583 541	321 583	1 307 475
<i>Capacity permanently withdrawn*</i>	<i>211 203</i>	<i>227 468</i>	<i>39 459</i>	<i>478 130</i>
<i>Capacity withdrawn not yet replaced**</i>	<i>62 750</i>	<i>141 437</i>	<i>64 404</i>	<i>268 592</i>

kW capacity	2003-2006	2007-2013	2014-2017	2003-2017
a) Entries with public aid	331 090	50 240	0	381 330
b) Entries without public aid	694 310	1 126 769	627 771	2 448 851
c) Exits with public aid	567 968	731 130	118 503	1 417 601
d) Exits without public aid	1 247 881	1 552 855	884 011	3 684 746
<i>Capacity permanently withdrawn*</i>	<i>623 868</i>	<i>737 554</i>	<i>118 503</i>	<i>1 479 925</i>
<i>Capacity withdrawn not yet replaced**</i>	<i>222 481</i>	<i>375 846</i>	<i>256 239</i>	<i>854 566</i>

Note: * Capacity permanently withdrawn takes into account exits with public aid (c) and 35% of capacity in the case of entries with public aid (a) for vessels equal or more than 100 GT²⁸

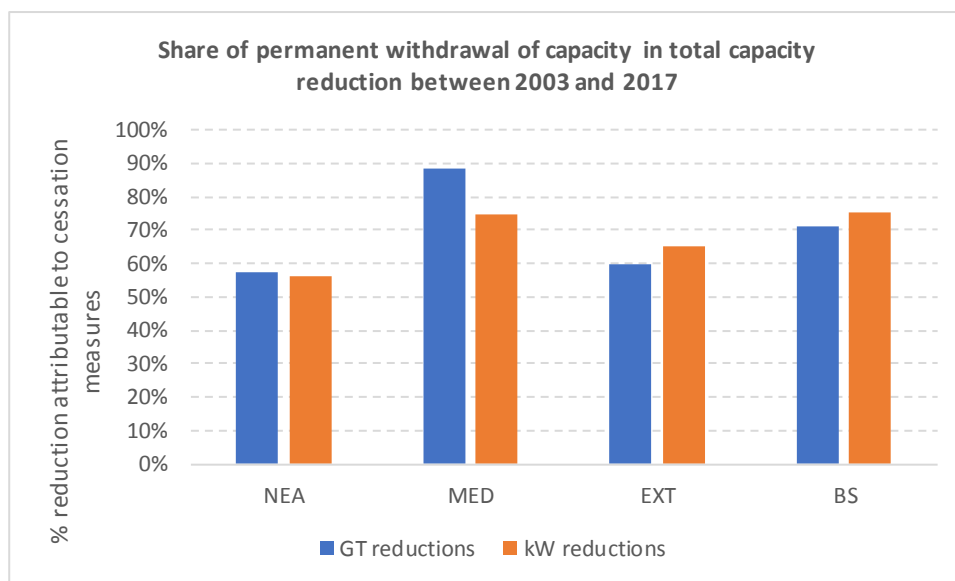
** Capacity withdrawn not yet replaced is the difference between exits from the fleet without public aid and entries into the fleet with and without public aid (d) – (b) – (a)

Capacity permanently withdrawn as a result of permanent cessation measures represent 64% in GT and 63% in kW of total fleet capacity reductions between 2003 and 2017. During the three periods considered, the share of capacity reduction attributable to permanent capacity reduction was the highest between 2002-2006 under the Financial Instrument for Fisheries Guidance (FIFG) (77% in GT and 74% in kW), preceding the 2007-2013 period corresponding to the EFF (62% in GT and 66% in kW). By contrast, capacity reduction between 2014 and 2017 under the EMFF are mostly attributable to capacity reductions without public intervention, with permanent capacity reductions as a result of public interventions representing only 38% in GT and 32% in kW of total capacity reductions.

²⁸ Relevant events concerning construction of new vessels (coding CST) of more than 100 GT have been identified in the EU fishing fleet to calculate the amount of capacity permanently withdrawn.

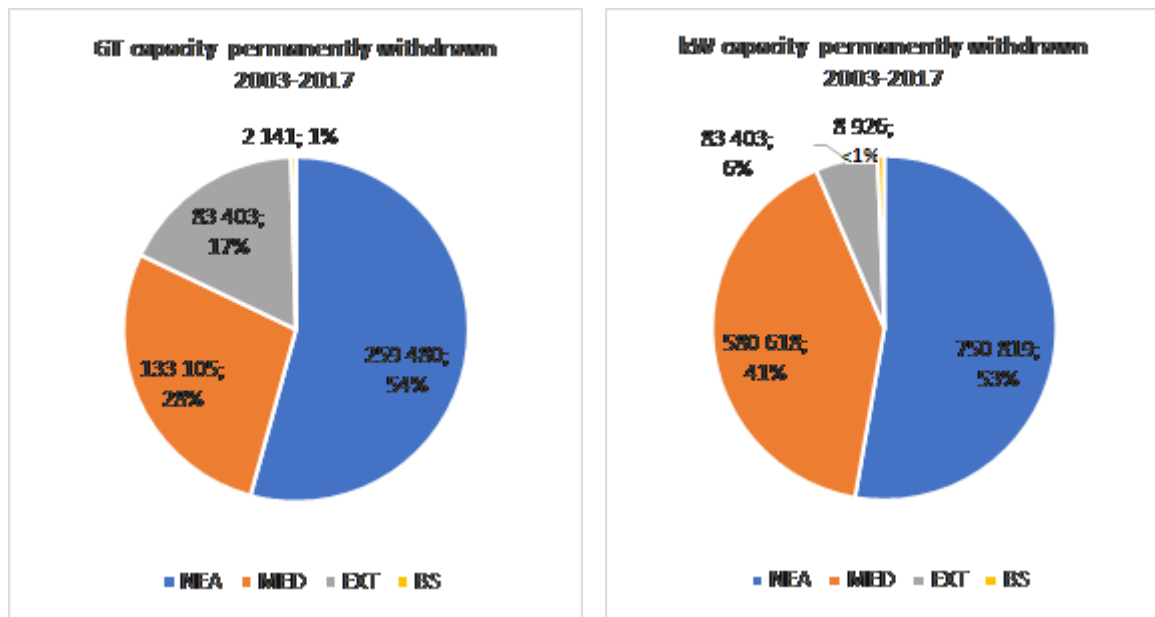
By fishing area, the extent to which permanent capacity reductions contributed to total capacity reductions varies. In the North East Atlantic, permanent reduction of fishing capacity represents 57% in GT and 56% in kW, meaning that a substantial part of capacity reduction achieved (i.e. 43% in GT and 44% in kW) is represented by capacity withdrawn by operators without public aid, but not yet replaced. In the Mediterranean, the situation is different. The majority of capacity reduction achieved over the 2003-2017 period is a result of permanent withdrawal of fishing capacity under structural fund interventions (88% in GT and 75% in kW), with less capacity withdrawn by operators without public aid but not yet replaced. A similar result is observed in the Black Sea (71% GT reduction and 76% kW reduction achieved through permanent withdrawal of fishing capacity). For the external fleet, most capacity reductions are permanent (60% in GT and 65% in kW), with 40% in GT and 35% in kW represented by capacity withdrawals by operators without public aid, but not yet replaced.

Figure 10: Share of permanent withdrawal of fishing capacity in total fishing capacity reductions achieved between 2003 and 2017 by fishing area



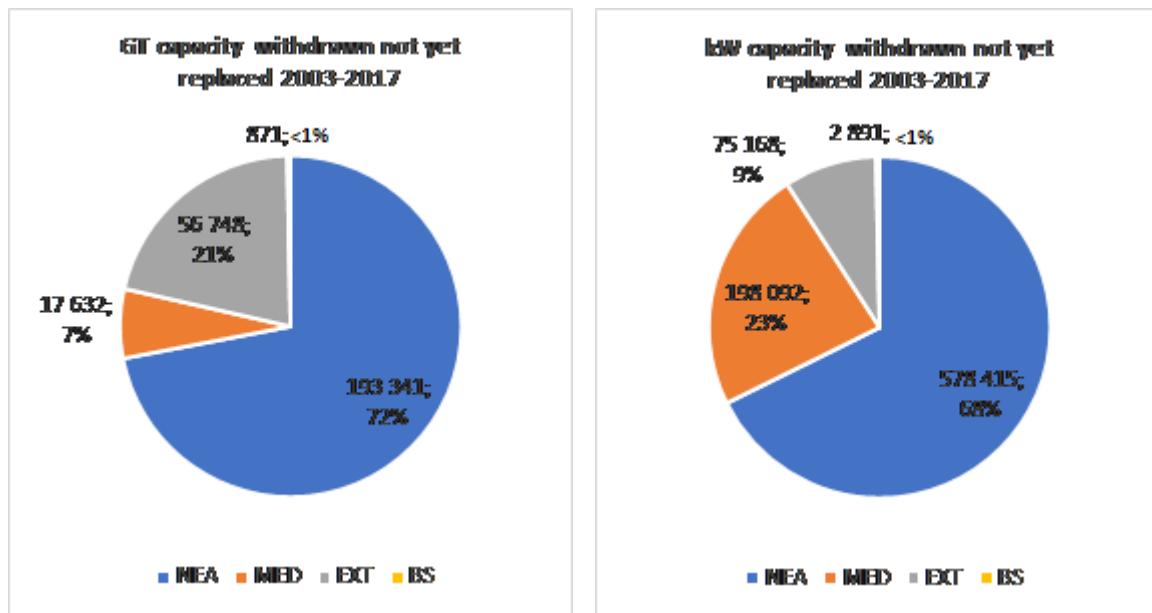
Capacity permanently withdrawn is broken down by fishing area as shown in the following figure. The majority of the capacity permanently withdrawn concerns fishing capacity active in the North East Atlantic (54% and 53% in GT and kW respectively), preceding the Mediterranean (28% in GT and 41% in kW), the external fleet (17% in GT and 6% in kW) and the Black Sea (1% and less for both indicators). These percentages are a proxy to assess the contribution of each maritime region to the decrease of capacity ceilings.

Figure 11: Breakdown of capacity permanently withdrawn by fishing region for mainland fleets



Concerning fishing capacity withdrawn but not yet replaced (i.e. exits without public aid minus entries without public aid), the breakdown by fishing region shows that the North East Atlantic represents 72% in GT and 68% in kW, preceding the Mediterranean (7% in GT and 23% in kW), the external fleet (21% in GT and 9% in kW) and the Black Sea (less than 1% for both indicators). According to the EES rules, these percentages do not mean that capacity will be replaced in the same segments. This will depend on Member States rules. For Member States having fleets active in two or more fishing areas, the EES rules do not set prescriptions for capacity replacement in other fishing areas. Yet some Member States use allocations per region (e.g. FR) or segment (e.g. ES).

Figure 12: Breakdown of capacity withdrawn but not yet replaced by fishing region for mainland fleets



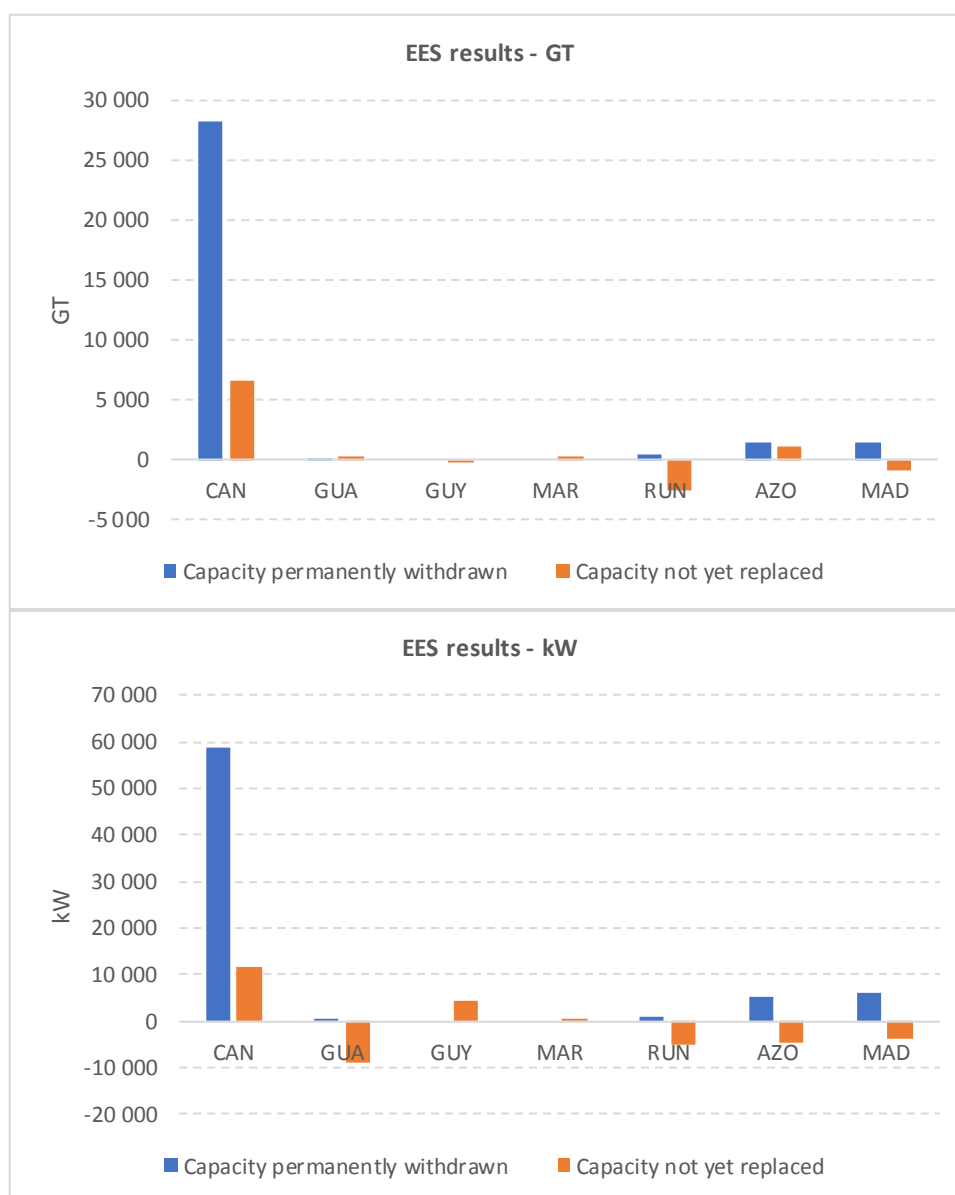
Outermost regions

For outermost regions, the impacts of the EES on capacity reduction are more difficult to identify. Under the 2002 CFP Regulation, outermost regions have been exempted from most EES rules with the possibility of introducing fishing capacity up to the capacity ceilings²⁹. However, outermost regions were not exempted from the rule concerning permanent withdrawal of capacities for exits supported with public aid. In addition, capacity ceilings of some outermost regions of France and Portugal have been significantly increased to support fleet development plans submitted by the concerned Member States. Mayotte, which is included in the scope of the CFP since 2014 is granted a derogation to the EES through Reg. (EU) 1385/2013 until 2025.

By outermost region, the following figures show that capacity permanently withdrawn is significant only in Canary Islands due in particular to the restructuring of the regional fleet operating in external waters between 2003 and 2006. Public interventions for permanent cessation have been exceptional in Portugal's outermost regions and virtually non-existent in the French outermost regions. For most outermost regions (except Canary Islands), entering fishing capacity with or without public aid has been greater than capacity withdrawn with or without public aid. The exemptions to EES rules under the 2002 CFP Regulation and extended availability of public support to fleet renewal up until end of 2016 explain the evolution of the ORs' fishing fleet capacity.

²⁹ Regulation. (EC) 636/2004

Figure 13: Fishing capacity permanently withdrawn and fishing capacity not yet replaced by outermost region between 2003 and 2017 in GT (upper graph) and in kW (lower graph), all regional fishing fleet segments included. CAN : Canary Islands, GUA: Guadeloupe, GUY: French Guyana, MAR: Martinique; RUN: Réunion, AZO: Azores and MAD: Madeira.



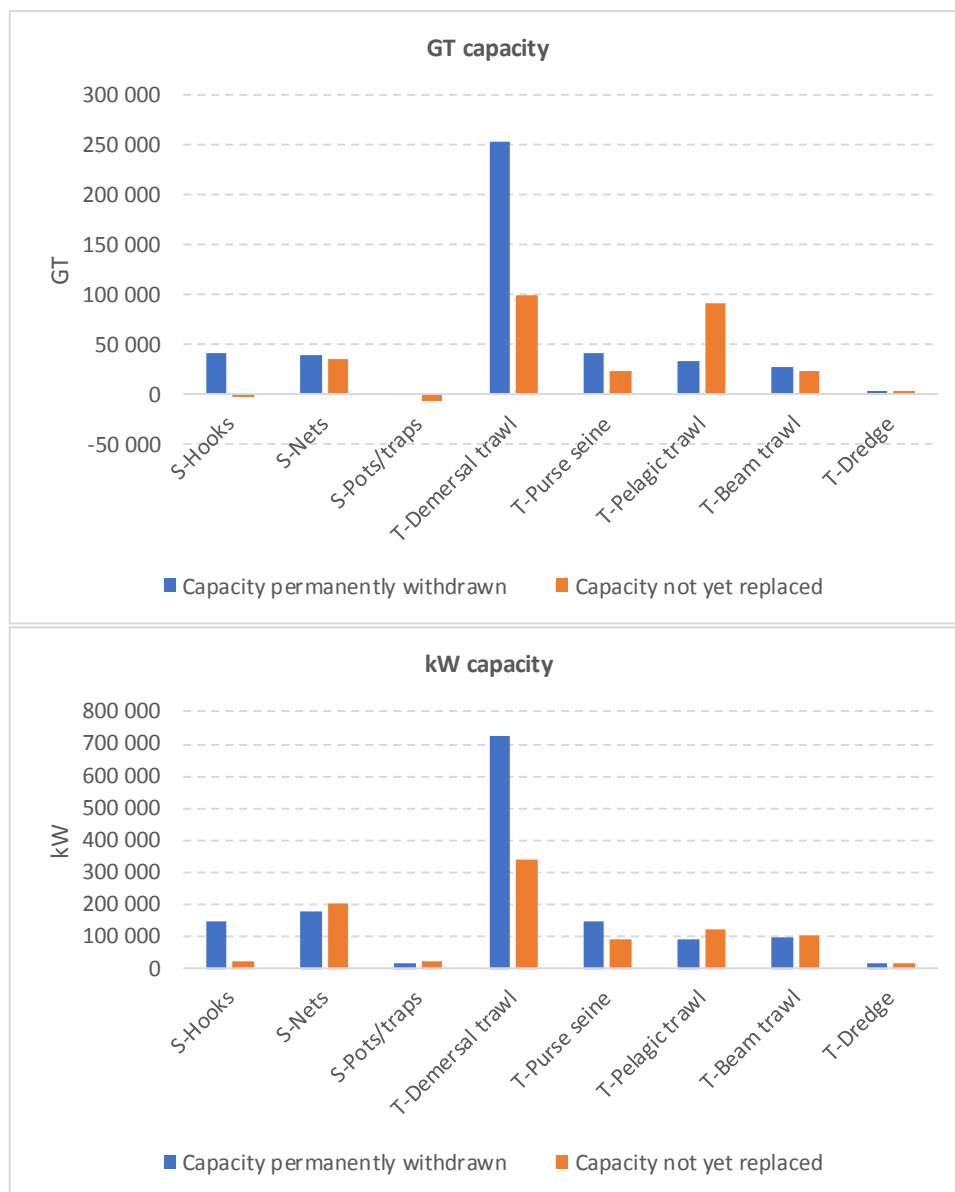
Capacity balance by type of fishing gear

The effects of the EES on the EU fishing fleet by gear can be appreciated by comparing the fishing capacity that has been permanently withdrawn with public aid and the capacity withdrawn but not yet replaced. The comparison can help to identify, by type of fishing gear, the extent to which exits from the fleet with public aid have been more targeted than Entry/Exit movements without public aid. The results are shown in the next figure for all EU mainland fleets over the 2003-2017 period. Note that capacity withdrawn but not yet replaced by fishing gear does not necessarily mean that equivalent capacity may be reintroduced for a same fishing gear. The EES does not prescribe a

particular system in this respect. Member States rules define the conditions governing capacity replacements by type of fishing activity.

The results show that for demersal trawls, fishing capacity permanently withdrawn is clearly in excess of capacity not yet replaced (≈ 2.5 times higher in GT and in kW). Comparatively, capacity balance for pelagic trawls is more a result of capacity movements without public aid than a result of public intervention for permanent cessation. Capacity balances for pelagic fisheries have been achieved mostly through individual concession schemes, transferable (i.e. DK, NL, SE and UK) or not (DE, IE).

Figure 14: Capacity permanently withdrawn, and capacity withdrawn but not yet replaced by types of fishing gears over the 2003-2017 period. Mainland fleets only, all Member States included – T: towed gears; S: static gears



Average age of fishing vessels withdrawn

Mainland fleet

The analysis of the age of vessels withdrawn show that overall, the average age at withdrawal tended to increase between the periods covered by the three structural fund regulations from ≈ 30 years old to 36 years old, although the variation between periods is not statistically different. The analysis also shows that the average age of vessels withdrawn without public aid is fairly close to the average age of vessels withdrawn with public aid, and in any case not statistically different. A difference between the two modalities is that the age distribution of vessels withdrawn without public aid is considerably greater than the age distribution with public aid, with a number of outliers over 70-year old at the time of withdrawal. Nevertheless, the average age, median age and first and third quartiles (25% and 75%) are broadly comparable across series.

Table 15 : Statistical indicators for age of vessels at withdrawal for MFL segment

Indicator ³⁰	Public aid	2003-2006	2007-2013	2014-2017
Mean	With public aid	30	32	36
	Without public aid	29	31	34
25% quartile	With public aid	21	22	23
	Without public aid	19	20	24
Median	With public aid	29	30	35
	Without public aid	27	30	33
75% quartile	With public aid	38	40	46
	Without public aid	37	40	42

By area, the analysis shows that there are no significant differences between ages at withdrawal with public aid and without public aid. For vessels operating in the North East Atlantic, average age at withdrawal is about 30 years old in both cases. For Mediterranean vessels, average age at withdrawal is higher ≈ 34 years old. Vessels from the external fleet tend to be withdrawn at younger age ≈ 25 years old reflecting probably a second career for withdrawn vessels under third country flags. Concerning Black sea vessels, age at withdrawal is lower than in any other case at ≈ 22 years old.

Outermost regions

For outermost regions, the analysis of age at withdrawal has been carried out by region with all regional segments aggregated, the reason being that there were very few movements for certain segments.

For the Canary Islands, the age at withdrawal without public aid is ≈ 44 years old on average, while it is ≈ 38 years old in case of public intervention. However, average ages at withdrawal with or without public aid are not statistically different.

³⁰ 25% quartile splits off the lowest 25% of data from the highest 75%; median cuts data set in half and 75% quartile splits off the highest 25% of data from the lowest 75%

For the French outermost regions, the results show that vessels withdrawn from the fleet in Guadeloupe are ≈ 16 years old, ≈ 20 years old in Martinique, ≈ 13 years old in French Guyana and ≈ 16 years old in La Réunion. Hardly any withdrawals from these fleets have been supported by public aid. Compared to the Canary Islands, Azores and Madeira, the average age of vessels withdrawn from the fleet in the French outermost regions is considerably lower.

For the Portuguese outermost regions of Azores and Madeira, the average age at withdrawal is ≈ 33 years old and ≈ 37 years old respectively. In general, public intervention for withdrawal involved a few vessels in each of these two regions.

4. METHOD

The evaluation framework included:

- The EES reconstructed intervention logic which identifies the components of the scheme and how they fit in a hierarchy of results (see figure 1 in section 2).
- A set of evaluation questions for each of the five mandated evaluation criteria (relevance, effectiveness, efficiency, coherence and EU added value). For each evaluation question the judgment criteria, the indicators supporting judgments and the sources of evidence were defined, see Annex 3.
- The data collection strategy implemented to gather evidence to answer the different evaluation questions according to the indicator list proposed and their respective sources of evidence.

Data collection strategy

The data collection strategy included three main components:

- i) the EU fishing fleet register
- ii) stakeholder consultations
- iii) review of available literature.

The EU fishing fleet register

The EU fishing fleet register³¹ identifies only the administrative segment in which each vessel is registered. Administrative segments are those identified by Annex II of the 2013 CFP regulation which consist of i) a single mainland fleet (MFL) segment for each Member State in which all vessels not registered in an outermost region are included irrespective of their characteristics or operational patterns; and ii) 20 specific administrative segments for vessels registered in the outermost regions of Spain, France and Portugal with segments being defined by the size of the vessels and their operational patterns. For the purpose of this evaluation, each vessel recorded in the EU fishing fleet register has been allocated a technical fishing fleet segment (combination of length class x fishing technique x fishing area).

Concerning vessels' movement in and out the EU fishing fleet register, the event codes contained in the EU fishing fleet register have been assumed to represent an entry or an exit from the EU fleet as shown in the table below:

³¹ <http://ec.europa.eu/fisheries/fleet/index.cfm>

Table 16: Assumed correspondence between EU fishing fleet register event coding and entry / exit movements

EU FFR event coding	Code description	Assumed capacity movement
CEN	Census	Entry (registration)
CHA	Change of activity (entry)	Entry
CST	New construction	Entry
DES	Destruction, wreck	Exit
EXP	Exportation, transfer	Exit
IMP	Importation, transfer	Entry
MOD	Modification	Neither an entry nor an exit from the fleet. Represent a change of value in the register. May concern change of GT or kW for the same vessel, among other changes (e.g. main gear, port etc.)
RET	Change of activity (exit)	Exit

Source: Event coding and code description as published on the EU fishing fleet register web page

Events administratively qualified as entries or exits for implementation of the EES cover different situations:

- For entries, events subject to the EES can relate to the introduction of newly constructed fishing vessels (CST), the import in the Member State fleet of vessels (IMP) from another Member State or from a third country (change of flag of an existing vessel) or changes of activities (CHA) for vessels switching to commercial fishing and previously used for other purposes (for example vessels previously used for aquaculture, support services or tourism activities) or returning into the Member State fleet register after temporary reflagging³².
- For exits, events subject to EES can be the voluntary or involuntary destruction of the fishing vessel (DES), the export of the vessel to another Member State or to a third country (EXP) or a change of activity (RET) for fishing vessels exploited for aquaculture, support services or tourism and no longer engaged in commercial fishing operations, or vessels temporarily reflagged to another country.

Finally, occurrence of a public aid intervention for entry or exit movements has been identified according to EU fishing fleet register coding with codes AC and AE representing fleet movement supported with public aid and code PA representing fleet movements not supported by public aid. When the public aid field was empty³³, it was assumed that the fleet movement concerned was not supported by public aid.

Annex 4 provides a description of the methodology and results for administrative costs assessment.

Stakeholder consultations

³² Temporary registry in third country registers was a relatively common practice for fishing vessels exploiting resources in third country waters to continue fishing activities when fishing opportunities granted to the EU are exhausted.

³³ This occurs frequently for entries into the fleet.

The methodology included interviews with different groups of stakeholders concerned with the EES:

- Commission's representatives in charge of policy making and concerned by the EES
- Member State authorities in charge of the implementation of the EES at national level
- Fishermen associations concerned by the implementation of the EES at EU and national levels.

Furthermore an open public consultation on the Entry/Exit scheme was organised between 4 June 2018 and 3 September 2018. A total of 15 contributions were submitted by respondents from 10 Member States³⁴.

In 13 Member States³⁵ face to face interviews were held with authorities in charge of the implementation of the EES. The interviews aimed at obtaining information from Member States on their rules and procedures for the EES implementation, the connection between the EES and fisheries management, identification of unexpected effects of the scheme, and possible way forward. The 13 Member States were selected to cover different situations in terms of number of vessels to be managed (large national fleets/small national fleets), in terms of area of operation of national vessels (North East Atlantic, Mediterranean, Black Sea and external waters) and in terms of date of accession to the EU.

The remaining 10 Member States³⁶ authorities provided written replies to a questionnaire dispatched in early June 2018.

Interviews with fishermen associations focused on their perception of the relevance and effectiveness of the scheme as implemented by their Member State, and on identification of perceived unexpected effects of the national implementation of the EES. In total, feedback was received from close to 30 fishermen associations across the EU, with additional feedback provided by the EU fishermen association (Europêche).

Literature review

EU Regulations and policy documents in relation to the management of fishing capacity over the 2002-2018 period have been reviewed and analysed to provide a descriptive analysis of the regulatory environment of the EES in the mainland and in the outermost regions. The review included, in particular, structural fund regulations and existing or proposed EU or RFMOs conservation and management instruments.

The literature review also included various evaluation reports commissioned by the Commission in policy areas having relationships with the EES, as well as relevant reports from the European Court of Auditors, various scientific reports and articles concerning

34 https://ec.europa.eu/info/consultations/public-consultation-evaluation-entry-exit-fleet-scheme_en

35 DE, DK, ES, FR, HR, IE, IT, NL, PL, PT, RO, SI and UK

36 BE, BG, CY, EE, EL, FI, LV, LT, MT and SE

fishing capacity management, including reports from the Scientific, Technical and Economic Committee for Fisheries (STECF).

Annex 5 contains the list of main consulted literature.

5. ANALYSIS AND ANSWERS TO THE EVALUATION QUESTIONS

5.1. Relevance

5.1.1. The extent to which there was a need to set up an Entry/Exit scheme

In 2001³⁷, the Commission estimated that the Common Fisheries Policy failed to deliver its commitments in terms of fleet management. Most stocks were exploited at unsustainable levels with the EU fishing fleet in overcapacity which underpinned the setting of Total Allowable Catches (TACs) higher than scientifically recommended. Overcapacity was also identified as a driver for non-compliance with CFP rules, in particular TACs and quotas as well as technical measures. Overcapacity was also estimated to have adverse economic effects on the profitability of the fleet.

The Multi-Annual Guidance Programmes (MAGPs) which ran until 2002 and imposed specific fleet reduction objectives by fishing fleet segment to be achieved by a combination of fleet adjustment and effort management were insufficiently effective in resolving overcapacity of the EU fishing fleet³⁸. The revised CFP Regulation adopted in 2002 introduced an in-depth reform of the management regime of fishing fleet capacity. Member States had a general obligation to adjust their fleet capacity to available fishing opportunities and keep it under capacity ceilings, defined at Member State level for mainland fleets and at fishing fleet segment level for the outermost regions. The setting up of the Entry/Exit scheme as a complementary safeguard mechanism was therefore needed to ensure that the EU fishing fleet capacity could not increase over time until Member States could implement the fisheries management measures required to fulfil their general obligation.

5.1.2. The extent to which the need for an Entry/Exit scheme continues to exist

According to the latest STECF report³⁹, a significant number of fleet segments (190 out of the 255 segments assessed) continue not to be in balance with their fishing opportunities⁴⁰. This suggests that there is still a need for further adjustments of the EU fishing fleet capacity, in particular for the EU fishing fleet segments not in balance with their fishing opportunities.

37 Green Paper on the future of the Common Fisheries Policy, COM (2001) 135 final, 20.03.2001

38 Id.

39 Cited in Commission staff working document accompanying the document Communication from the Commission on the State of Play of the Common Fisheries Policy and Consultation on the Fishing Opportunities for 2020, SWD (2019)205 final

40 See: <https://stecf.jrc.ec.europa.eu/reports/balance>

Regarding the progress made in the achievement of Fmsy, in the Northern Atlantic and adjacent areas the fishing pressure (F/Fmsy) shows an overall downward trend over the period 2003-2017, with the median fishing mortality stabilised around 1.0. The F/Fmsy indicator for Mediterranean and Black Seas has remained around 2.2, indicating that the stocks continue to be exploited on average at rates well above the Fmsy objective. In the Mediterranean Sea, 35 out of the 40 stocks assessed were exploited beyond sustainable levels in 2017. Recent data suggests that there is a decreasing trend of the average rate F/F_{MSY} since 2011, which could indicate a small improvement in exploitation⁴¹. In the Black Sea, 6 out of the 8 assessed shared stocks remain overfished, with the exception of sprat and rapa whelk.

Concerning the economic situation of the EU fishing fleet which is one of the indicators of the overcapacity situation of the fleet provided in the Commission guidelines⁴², it can be noted that the EU fleet overall registered record-high net profits of EUR 1.35 billion in 2017, up from 1.3 billion in 2016. Economic data indicate positive trends in a number of fleets that are exploiting healthy stocks. Fleets targeting stocks exploited sustainably (such as haddock, megrim and plaice in the Irish Sea, herring, Northern hake, sole in the Eastern and Western English Channel, anglerfish in the Bay of Biscay) tend to improve their profitability and salaries, and vice-versa, fleets targeting overexploited stocks tend to register poorer economic performance.

5.1.3. The extent to which the Entry/Exit scheme was appropriate to address the needs

The Entry/Exit scheme appropriately complemented the in-depth reform in EU fishing capacity management. It ensures the capping and limitation of nominal fleet capacity levels deployed on EU stocks, in particular where applicable EU and national conservation and management measures are not effective enough to limit the use of available fishing capacity.

While overall responding to the needs identified during the preparation process of the 2002 CFP Regulation, this innovative fleet management mechanism included in first instance (until 2013) some flexibility through exemptions to respond to particular needs. This included the need for modernisation of fishing vessels to improve safety onboard, working conditions, hygiene and product quality that could require increases of vessels volumes, and hence vessels tonnage (the “safety tonnage” clause). The ‘safety tonnage’ clause was however not extensively used and after 2013 part of the margin towards the actual capacity ceiling can be used for these purposes. The flexibility furthermore addressed the need for outermost regions to develop and modernise their regional fishing fleets in view of the specific challenges faced by these EU territories.

5.1.4. The extent to which the Entry/Exit scheme continues to be appropriate to respond to the current needs.

The extent to which the EES continues to respond to current needs is different according to the fishing areas considered:

41 This result is preliminary and subject to additional scientific monitoring for the years to come (source: STECF-Adhoc-19-01).

42 COM(2014) 545 final of 2.9.2014

In the North East Atlantic, the situation of stocks has significantly improved over the past few years with a 40% reduction in average fishing mortality between 2003 and 2016. Capacity reductions have been largely driven by the availability of fishing opportunities and Member State management measures to distribute them between participants. Among these Member State measures, implementation of individual transferable fishing concessions led to the concentration of quotas and a reduction of fishing capacity without public interventions as evidenced by the evolution of the fishing fleet capacity over time e.g. in DK, NL, SE and UK. Most professional associations and Member State authorities interviewed claimed that opportunities to deploy additional fishing capacity was primarily regulated by the availability of fishing opportunities (quotas and fishing authorisations in particular) and was not an issue of available fishing capacity.

However, there are still eco-regions in the North East Atlantic (e.g. Baltic Sea) in which stock status needs to be improved through further effort reductions, and no less than 103 out of 145 assessed fleet segments are still in an overcapacity situation according to the most recent STECF report⁴³.

In the Mediterranean and in the Black Sea, most stocks are overexploited with early signs of recovery for some of them. Arguably, conservation and management measures implemented by the EU, Member States and the General Fisheries Commission for the Mediterranean have not been very effective so far to decrease fishing mortality and to regulate access to fisheries. The lack of output control measures and the weak coverage of fishing effort regimes failed to limit the use of fishing capacity. As a consequence, capacity decreases in the Mediterranean and in the Black Sea have been largely driven by public interventions, and more are probably needed given the STECF 2017 recommendation to decrease fishing mortality by 50%. The recently adopted management framework in the Western Mediterranean⁴⁴ will take time to materialise. Given these considerations, the EES also remains relevant in the case of the Mediterranean and Black Sea fisheries to ensure that EU fishing fleet capacity cannot increase over time. None of the Mediterranean and Black Sea stakeholders interviewed challenged the relevance of the EES to limit fishing capacity.

In all outermost regions, the status of most coastal stocks exploited by the fishing fleet segments is largely unknown. As a consequence, conservation and management frameworks cannot be effective enough to regulate fishing mortality. The difficulties to establish an effective management framework are compounded by the multispecies nature of fishing activities. Also for these regions capacity ceilings remain relevant to prevent uncontrolled increases of fishing effort in conjunction with other measures. The EES serves as a safeguard measure to limit capacity increases for fishing fleet segments where there is little information on the status of exploited stocks (e.g. inshore stocks) and/or where the existing management framework of fishing opportunities is not effective.

For EU vessels operating in external waters, the relevance of the EES depends on the diverse regulations by the relevant RFMOs (see Table 17 below) and by the coastal

43 Based upon an assessment of the sustainable harvest indicator, see: <https://stecf.jrc.ec.europa.eu/reports/balance>

44 [Proposal for a regulation of the European Parliament and of the Council establishing a multi-annual plan for the fisheries exploiting demersal stocks in the western Mediterranean Sea, COM\(2018\) 115](#)

States as appropriate. The application of the EES, which is primarily a tool to regulate fishing capacity of fleets operating on stocks managed by the EU, does not apply to third country fishing fleets exploiting the same stocks. In the case of external waters, fishing capacity management measures should be applicable to all authorised vessels irrespective of their flags in order to be effective. It should also be noted that fishing capacity of third country vessels authorised to fish in EU waters (inter alia Norway, Iceland, Venezuela, Seychelles) is regulated in terms of number of vessels only without consideration of their capacity indicators in GT or in kW.

Table 17: Conservation instruments adopted by RFMOs that use the concept of capacity ceilings at fishery/stock levels.

RFMO Conservation instrument ⁴⁵	Use of capacity indicator
ICCAT convention area Rec. 2016-01 (tropical tuna) Rec. 14-04 (bluefin tuna)	Limits on maximum number of vessels targeting different tropical species (bluefin, albacore, bigeye) Capacity ceiling in GT for vessels targeting bluefin tuna based on 2007-2008 levels (not transposed in EU law)
Rec 16-06 N th Atl Albacore	Number of vessels limited to the average number over the period 1993-1995
Rec 17-05 Med Albacore	Number of vessels limited to the number of vessels authorised in 2017
Rec 16-05 Med Swordfish	Number of vessels limited to the average number over the period 2013-2016
IOTC convention area Res. 15-11	Limits on maximum number of vessels and maximum amount of GT for vessels targeting tropical tuna and swordfish / albacore
WCPFC convention area CMM 2009-03(SWO) CMM 2017-01 (tropical tuna)	Limits on maximum number of vessels targeting swordfish based on 2000-2006 levels Limits of maximum number of days fishing for tropical tuna in the high seas
GFCM convention area Rec. GFCM/37/2013/1	Capacity ceiling in GT and in kW for fleets targeting small pelagics in the Adriatic Sea based on 2013 capacity reference levels
Rec. GFCM/41/2017/4	Capacity ceiling or effort ceiling for vessels fishing for turbot in the Black Sea
Rec. GFCM/42/2018/1	Freeze capacity or effort for vessels targeting eels
Rec. GFCM/41/2017/5	Freeze capacity for vessels targeting red coral
Rec. GFCM/42/2018/4	Freeze capacity or effort at 2014-2017 levels for vessels targeting deep-water red shrimps in Ionian Sea.
Rec. GFCM/42/2018/3	Freeze capacity or effort at 2014-2017 levels for vessels targeting deep-water red shrimps in Levant Sea.

Whilst the EES is accepted by stakeholders in the Member States as a complementary safeguard tool to manage fishing capacity, almost all Member State authorities and

⁴⁵ ICCAT: International Convention for the Conservation of Atlantic Tunas, IOTC: Indian Ocean Tuna Commission, WCPFC: Western and Central Pacific Fisheries Commission, CMM: conservation and management measure, GFCM: General Fisheries Commission for the Mediterranean

fishermen associations raised that there was a need in relation to the modernisation of the fleet that should be accounted for. The average age of the EU fishing fleet is relatively high at 32 years old, not far from the average age at which vessels are withdrawn with or without public aid (\approx 36 years old). The EES does not prevent vessel or engine replacement as long as this does not increase fishing fleet capacity indicators measured in GT and kW beyond capacity ceilings set by the CFP Regulation. However, the modernisation needs raised by stakeholders suggest that the way the EES has been implemented by Member States creates some inflexibility to increase fishing vessel capacity indicators on an individual basis without increasing the vessel's ability to catch fish.

For small-scale vessels, kW is the most constraining factor as these vessels include in general few amounts of GT. The majority of Member State authorities and fishermen associations consulted, considered that there was a need to increase the power of small scale vessels to improve security at sea (general) and to be able to exploit offshore fishing grounds to alleviate the fishing pressure in inshore zones (e.g. Mediterranean incl. the Black Sea and outermost regions). Stakeholders consider that there is little relationship between engine power of the small-scale fleet using passive gears and fishing efficiency.

Member State authorities having joined the EU since 2004 reported that the fishing fleet capacity used to set reference levels upon accession included mostly old, under-motorised vessels that need increases in power to improve work and safety standards. These Member States recalled that unlike EU 15 Member States, they could not benefit from unconditional EU support for renewal of the fleet that was phased out at the moment of their accession. For some Member States (e.g. EE, RO), the problem originated from inadequate census of fishing vessels at the time of accession. This led to having to register additional vessels after accession and hence, imposed further restrictions on availability of capacity for existing vessels. Nevertheless, the fleet capacity of most of the Member States concerned is currently well below the capacity ceilings.

In the outermost regions, stakeholders raised the same problems as above stemming from the kW limitations (for Portugal in particular). For the French outermost regions, stakeholders underlined that the strict application of the EES 1 for 1 rule may preclude the development of some fishing fleet segments for which fishing opportunities may be available.

Finally, fishermen associations representing the large-scale sector (15m and more) and some Member States consulted stressed the need for increasing the tonnage of their vessels to build more efficient new vessels and to improve security at sea, product quality and working conditions onboard. This latter argument is the most cited, with examples given such as the need to protect the deck with shelters, more comfortable crew accommodation, or quality improvements such as refrigerated sea-water tanks to conserve small pelagics or moisturised holds to conserve crustaceans alive (e.g. nephrops). Fishermen associations also reported that switching to innovative motorisation (e.g. hybrid diesel electric engines or liquified natural gas - LNG) for larger vessels require larger engine rooms, and hence volume.

Stakeholders perceive that kW and GT are not the most relevant to measure the fishing efficiency of a fishing vessel, in particular for small-scale fishing vessels. They

furthermore consider that the way the EES is implemented by the Member States cannot satisfy the needs for individual additional amounts of capacity which do not increase the fishing capacity. Nevertheless, in most Member States additional capacity may already be found on the market and/or from the national reserve. The extent to which this capacity can be used for the purposes requested by the stakeholders, depends to a large extent on the national measures implementing the EES. Moreover, operators could decide to use existing vessel capacity for the needs they have expressed.

5.2. Effectiveness

5.2.1. The extent to which the EES specific objective was achieved.

The EES specific objective of ensuring compliance with capacity ceilings set by the EU for each Member State and for different fishing fleet segments in the outermost regions has been achieved. Only for some Member States capacity ceilings have not been entirely complied with during the first period following the implementation of the scheme or during the first few years following EU accession, due to delays in implementing the scheme in national legislation and clearing the MAGP licence backlog⁴⁶. Cases of non-compliance represented fairly small amounts of fishing capacity (e.g. less than 1% of capacity ceilings) and did not last more than a few months. One exception is Romania where capacity ceilings in kW have been significantly exceeded by 30% in 2011/2012 which according to Romanian authorities is attributable to wrongful registration of fishing vessels operating in freshwater.

Across all Member States, the current difference between fishing fleet capacity and capacity ceilings for mainland fleets is significant (overall 380 823 GT and 923 972 kW representing 26% in GT and 16% in kW of EU fleet capacity on 1st January 2018). Compared to the situation at the end 2013, the gap increased by 29% in GT and 40% in kW meaning that capacities withdrawn without public aid but not yet replaced according to the EES are on an upward trend under the 2013 CFP Regulation.

The assessment of the evolution in capacity should however be put in perspective by the increasing evidence of significant non-compliance in the reporting on engine power due to the lack of verification and control by Member States. A recent study⁴⁷ conducting physical engine power verifications onboard 68 fishing vessels across 14 Member States showed that misreporting of engine power is a widespread phenomenon within that sample.

5.2.2. The extent to which the overall objective of the Entry/Exit scheme has been achieved.

The overall objective of the EES is to contribute to reaching the balance between fishing capacities and fishing opportunity over time. In this context it should be noted that there are still a significant number of fishing fleet segments that are not in balance with their fishing opportunities. Among 255 fishing fleet segments for which the 2017 capacity

46 For example, Netherlands had to implement a buy-back programme in the early 2000 to clear a backlog of earlier capacity commitments

47 <https://publications.europa.eu/s/mopz>

situation could be assessed, 190 (74.5%) were evaluated as out of balance - of which 103 in the North East Atlantic and 84 in the Mediterranean and the Black Seas⁴⁸.

The assessment of EES effectiveness by sea basin shows that different conclusions may be drawn as regards its contribution to reaching the balance between fishing capacities and fishing opportunity over time.

In the North East Atlantic (incl. the Baltic Sea) 43% in GT and 44% in kW of capacity reduction achieved during this period is the result of capacity withdrawn by operators without public aid (i.e. capacity withdrawn but that could be replaced according to EES rules). Beside structural interventions for permanent cessation schemes, the main driver for capacity reduction over the 2003-2017 period has been the availability of fishing opportunities, and in particular the availability of quotas (output controls), and the effectiveness of Member State measures for the allocation of fishing opportunities between operators, in particular through individual transferable concession schemes in some cases. In the context of North East Atlantic fisheries are regulated by a range of effective, integrated management measures comprising input control (effort regime, technical measures) and output controls (quotas). In this ecoregion, the EES contribution to reaching a balance between fishing capacity and fishing opportunities is only indirectly demonstrable because of the presumably higher impact of these other measures (at EU and national level) even if the number of unbalanced fleet segments is still significant in this ecoregion.

In the Mediterranean and in the Black Sea, the majority of the regularly assessed stocks are overexploited. The fisheries management regime implemented so far to align fishing mortality with the MSY objective has been largely ineffective. Consequently, capacity reductions achieved between 2003 and 2017 mainly through structural measures (88% in GT and 75% in kW) and as a consequence of the EES to a lesser extent (12% in GT and 25% in kW) did not have visible effects on Mediterranean and Black Sea stock status indicators. A reason may be that the support for cessation measures may not have been sufficiently targeted on fleet segments having an impact on overexploited stocks. However, the EES played a positive role in capping and reducing the fishing fleet capacity of Mediterranean and Black Sea Member States. This positive contribution of the EES to capacity decreases is amplified in some Member States (i.e. ES and IT) who consider that capacity falling in the national reserve shall not be redistributed, and thus permanently neutralised. Without the EES and implementation measures adopted by Member States, the stock status situation might have been worse than it is today.

In the outermost regions, the situation of most stocks exploited is largely unknown, and as a result, conservation and management measures are generally minimal, in particular for those inshore stocks targeted by the majority of fishing vessels based in the outermost regions. For outermost region fishing fleet segments of Portugal and some segments of France (inshore fleet segments), it can be assumed that the EES provided some safeguard measures to regulate capacity increase through compliance with capacity ceilings and hence pressure on stocks, noting that outermost regions were exempted from the basic EES rule (i.e. 1 for 1 replacement) during the period covered by the 2002 CFP Regulation. For other outermost regions, capacity ceilings for certain fleet segments have

48 Commission staff working document accompanying the document Communication from the Commission on the State of Play of the Common Fisheries Policy and Consultation on the Fishing Opportunities for 2020, SWD (2019)xxx final

been set at relatively high levels in the perspective of fleet development plans that have not materialised so far. This is notably the case for the French outermost regions.

In external waters, it is likely that the EES had fewer contributions to the status of exploited stocks. The low impact of the EES for stock conservation in external waters is compounded by the fact that third-country fleets that exploit the same stocks are not subject to similar measures.

In conclusion it can be noted that the EES overall achieved its objective by containing and reducing capacity in the EU fleet thus contributing to reaching the balance between fishing capacities and fishing opportunity over time. It had the highest impact in sea-basins where the conservation and management framework is not effective enough to regulate fishing mortality through input and output control measures limiting the deployment of fishing capacity (i.e. Mediterranean and the Black Sea, outermost regions). In the North East Atlantic the contribution made by the EES in the resolution of overcapacity situations was more indirect, since a number of other CFP and Member States' effective instruments (output control measures, individual transferable concession schemes in some Member States) were implemented in that eco-region.

5.2.3. The extent to which the Entry/Exit scheme contributed to achieving the socio-economic objectives of the Common Fisheries Policy.

As regards the contribution of the EES to the economic objectives of the CFP (e.g. Article 2.5 (c) of the 2013 CFP Regulation), it can be noted that the EU fleet is generally more profitable than it was before, with improved economic performance in terms of gross value added and gross profit. The improvements of the economic situation of the EU fishing fleet are attributable to better environmental performance (and resulting enhanced fishing opportunities) but are also driven by lower stable fuel prices as from 2014 and lower fuel usage in recent years, and improvements in some first-sale fish prices. However, economic performance trends are better in the North-East Atlantic incl. Baltic fleets than those fleets fishing in the Mediterranean and Black Sea, although more recent economic data from STECF for the Baltic Sea suggest a poorer economic performance among certain fleets. The economic situation of certain small-scale coastal fleets, in particular in the Mediterranean, continues to be of concern. This contrasts with the overall improvement in the EU large-scale and distant-water fleets. It is likely that the EES contributed to some extent to the improvement of economic results in the North East Atlantic through its contribution to overcapacity reduction and prevented further deterioration of economic results for the Mediterranean and Black Sea fishing fleets – also probably for outermost regions fishing fleets.

The EES' contribution to the social objective of the CFP of a fair standard of living for those who depend on fishing activities, bearing in mind coastal fisheries and socio-economic aspects (Article 2.5 (f) of the 2013 CFP Regulation) is more difficult to establish in the absence of relevant indicators. However, according to representatives of the fishing sector and to some Member State authorities, the national rules implementing the EES had the unexpected result of hindering modernisation of the EU fishing fleet and hence, preventing the improvement of fishermen's living standards. This could also have a negative impact on the attractiveness of the sector.

5.3. Efficiency

5.3.1. The extent to which the Entry/Exit scheme has been cost-effective.

The EES does not have financial implications for the EU budget. Implementation of the EES by Member States is estimated⁴⁹ to represent an administrative cost of EUR 2.6 million per year for Member State authorities and EUR 1 million per year for operators. Administrative costs are the result of working time spent by the different entities concerned by EES implementation. Other costs such as IT costs could not be estimated. IT support to EES management is generally part of Member States' broader IT systems to meet the requirements of the Control Regulation in relation to data exchanges, and for which the EMFF provides financial support. The newly released IT tool (FLEET software) supporting almost real-time update of the EU fishing fleet register is likely to generate additional efficiency gains for Member State authorities while improving the quality of data on the EU fishing fleet.

Administrative costs are a result of Member States rules and procedures defined to implement the scheme in the absence of implementing rules defined by the EU. For some Member States managing a national capacity reserve intended for redistribution (e.g. CY, EL, FR or MT), administrative costs are not necessarily higher than for Member States having chosen to delegate management of available GT and kW to the private sector (e.g. DE, DK, IE or NL). In this latter case, Member State authorities report administrative costs to oversee the market for capacity.

With less than 2 000 Entry/Exit events per year on average at EU level, including the outermost regions, the EES represents a fairly modest flow of information by comparison with other information flows (e.g. logbooks, landing declarations, Vessel Monitoring System, traceability along the chain, illegal, unreported and unregulated fishing (IUU) catch certificates). EES administrative costs are difficult to benchmark in the absence of consistent comparison points. However, they appear largely insignificant compared to the public funding invested in permanent cessation measures (EU and Member States contributions), which amount to EUR 860 million between 2007 and 2013 under the EFF and to EUR 149 million as foreseen under EMFF Article 34 measure concerning support for permanent cessation.

The benefits of the EES cannot be monetised as the EES is expected to contribute (together with other conservation and management, and structural measures) to CFP general objectives. The previous sections show that the EES contributed to limit the levels of overcapacity in some eco-regions of the North East Atlantic, in the Mediterranean and in some outermost regions. The EES also contributed to increase the efficiency of permanent cessation measures implemented under the three successive structural fund regulations by providing a mechanism ensuring that the capacity withdrawn with public aid is not replaced.

5.3.2. The extent to which Member States have implemented the Entry-Exit scheme in an appropriate manner.

Member State authorities managing the EES did not report any technical difficulty in implementing the scheme. The transposition into national law of the 1 for 1 rule for

⁴⁹ See Annex 4

capacity replacement provided a sound and transparent guiding principle for regulating capacity movements in and out the fishing fleets. Only Member States having privatised capacity entitlements reported some potential difficulties to ensure traceability of GT and kW when capacity entitlements can be traded in tranches between operators, but this was the result of a national policy.

- 5.3.3. The extent to which there is scope for simplification of the Entry-Exit scheme design and operation.

There seems to be little scope or necessity for simplification of the scheme. Already at present, EU legislation does not prescribe implementation measures and imposes only minimum reporting requirements to Member States. EES implementation results can be readily extracted from information provided by Member States to the EU fishing fleet register. The only simplification that could be considered related to the CFP mandated fleet report template (Article 22.1 of the 2013 CFP Regulation) imposed until 2017 through Reg. (EC) 1013/2010. This template contains a section on the implementation of the EES which duplicates, to some extent, reporting obligations through the EU fishing fleet register. However, none of the Member States consulted considered this an unacceptable administrative burden. In fact, information contained in the EU fishing fleet register is directly used by Member States to complete the relevant section of the annual fleet report.

5.4. Coherence

- 5.4.1. The extent to which the Entry-Exit scheme has been internally coherent.

- 5.4.1.1. The extent to which national implementing measures have been coherent with the EES.

No incoherence between Member State measures and the EES could be identified. Member States translated into national law the basic EES 1 for 1 rule and adopted appropriate implementation mechanisms to ensure that entries into the fleet without public aid are compensated by prior withdrawal of equivalent amounts of capacity without public aid.

However, the way Member States implement the EES may not be fully coherent with the general objective of the scheme, and hence undermine its effectiveness. In particular, the EES national implementation is in almost all Member States clearly decoupled from fisheries management at national level. Only EE and FR ensure that, at the time of licencing, an entering vessel has sufficient fishing opportunities and does not enter a fishing fleet segment considered as imbalanced according to Member States national fleet reports referred to in Article 22 (2) of the 2013 CFP Regulation.

5.4.1.2. The extent to which the Entry/Exit scheme is coherent with other CFP instruments.

Structural measures

The EES is fully coherent with structural measures, in particular capacity adjustment measures foreseen under the CFP and under the successive related EU funds⁵⁰. The EES ensures that fishing capacity cannot increase beyond capacity ceilings adjusted according to public interventions concerning permanent cessation measures. Until 2004, the EES ensured that capacity entering the fleet with public aid was compensated by permanent prior withdrawal of increased capacity (35% in the case of vessels of more than 100 GT) to counter the effects of technological progress. Conditions for modernisation specified in Article 41 of EMFF Regulation ensure that associated capacity reductions are permanent.

Conservation and management measures

In cases where the fisheries management framework is not sufficiently effective to limit the use of fishing capacity (i.e. the Mediterranean and the Black Sea, and in some outermost regions), the EES proves to be a useful safeguard mechanism to ensure that fleet capacity cannot increase. Where conservation and management measures succeeded to establish fishing opportunities at levels likely to restore and to maintain stocks at MSY (i.e. most eco-regions of the North East Atlantic), the EES is likely to have a more indirect effect.

Control measures

The EES is coherent with the control measures as set out in the Control Regulation⁵¹ where the latter stipulates that Member States shall carry out the necessary checks to ensure that the total capacity corresponding to the licences issued in GT and kW respect the ceilings, in particular those set out in the CFP Regulation. This coherence is however undermined by the significant lack of compliance by Member States that do not generate reliable power figures for registration and certification purposes as evidenced by a recent Commission study⁵².

50 FIFG II, EFF, EMFF

51 Council Regulation (EC) No 1224/2009 of 20 November 2009 establishing a Community control system for ensuring compliance with the rules of the common fisheries policy, amending Regulations (EC) No 847/96, (EC) No 2371/2002, (EC) No 811/2004, (EC) No 768/2005, (EC) No 2115/2005, (EC) No 2166/2005, (EC) No 388/2006, (EC) No 509/2007, (EC) No 676/2007, (EC) No 1098/2007, (EC) No 1300/2008, (EC) No 1342/2008 and repealing Regulations (EEC) No 2847/93, (EC) No 1627/94 and (EC) No 1966/2006, *OJ L 343*, 22.12.2009, p. 1–50

52 <https://publications.europa.eu/s/mopz>

By preventing fleet capacity increases, the EES is coherent with the CFP objective of providing conditions for an economically viable fishing fleet. The improved economic results of the EU fishing fleet can be attributed to results obtained in terms of adjustments of fishing capacities to available fishing opportunities, but are also driven by lower stable fuel prices as from 2014 and lower fuel usage in recent years, and improvements in some first-sale fish prices. Some adverse effects of the EES on competitiveness are however outlined by operators of the external fleet who compete with third country vessels not subject to similar capacity restrictions.

Stakeholders claim some lack of coherence of the EES with the CFP social objective of contributing to a fair standard of living for those who depend on fishing activities. They argue that this is due to the EES' perceived lack of flexibility (as implemented through national rules) for individual capacity increases not related to increases in fishing efficiency but improving safety and working conditions on board. The EES as such does however not preclude the introduction of safer, modern vessels into the fleet nor the use of national capacity reserves for increasing safety and working conditions of existing vessels.

5.4.2. The extent to which the Entry/Exit scheme has been externally coherent.

The EES is coherent with the EU objective of achieving Good Environmental Status in European seas by 2020 and to minimising the negative impact of fishing activities on marine ecosystems. Through a contribution to the general objective of overcapacity reduction, the EES supports the achievement of relevant Good Environmental Status descriptors⁵³, in particular descriptor 3 (Populations of all commercially exploited fish and shellfish are within safe biological limits, exhibiting a population age and size distribution that is indicative of a healthy stock).

National implementation measures of the EES may not be fully coherent with EU objective of ensuring decent work, health and safety conditions onboard due to the perceived lack of flexibility in using GT for increasing safety and working conditions despite the fact that Member States in most cases are well below their capacity ceilings. The EU successfully transposed into EU law the agreement by EU social partners implementing the International Labour Organisation (ILO) Work in Fishing Convention C188⁵⁴. A large section of the convention is dedicated to improving living conditions onboard through the definition of minimal standards for crew accommodation. Some

53 The 11 qualitative descriptors are defined in Annex I of Directive 2008/56/EC. These are D1 – Biodiversity, D2 – Non-indigenous Species, D3 – Commercial fish and shellfish, D4 – Food webs, D5 – Eutrophication, D6 – Sea-floor integrity, D7 – Hydrographical changes, D8 – Contaminants, D9 – Contaminants in seafood, D10 – Litter, D11 – Energy, including underwater noise.

54 Council Directive (EU) 2017/159 of 19 December 2016 implementing the Agreement concerning the implementation of the Work in Fishing Convention, 2007 of the International Labour Organisation, concluded on 21 May 2012 between the General Confederation of Agricultural Cooperatives in the European Union (Cogeca), the European Transport Workers' Federation (ETF) and the Association of National Organisations of Fishing Enterprises in the European Union (Europêche), OJ L 25, 31.1.2017, p. 12–35

stakeholders shared their concern about the possibility to ensure conformity with these ILO standards.

The EES is coherent with Europe 2020 objectives. Among its objectives, Europe 2020 aims at reducing greenhouse gas emissions by 20% and to decrease EU dependence of fossil energy. The EU fishing industry could reduce by 16% its fuel consumption between 2009 and 2013, part of this result being achieved through capacity reductions supported by the EES. Provided national measures implementing the EES allow for capacity related to modernisation, further efforts could be achieved through the installation of alternative engines (i.e. hybrid electric-diesel, hydrogen or LNG).

In the case of outermost regions, stakeholders argue that the mere application of the 1 to 1 EES rule may preclude developments in fleet segments in which no or few capacities have been registered so far since there are no or insufficient capacities to withdraw prior to entries into the fleet. This concerns mostly the French outermost regions for which a potential to develop a large-scale fishing fleet is considered by certain local operators (i.e. French Guyana).

5.5. EU Added Value

The evaluation of the performance of the EES in terms of relevance and effectiveness show that the EU added-value may be assessed as positive for two main reasons:

- The EES is an effective safeguard mechanism to cap and reduce nominal fishing fleet capacity levels deployed on EU stocks, in particular where applicable EU and Member State conservation and management measures are not effective enough to limit the use of available fishing capacity through a series of input and output measures
- When relevant, the EES provided an adequate mechanism to ensure that entries into the fleet with public aid (including EU funding) were compensated by higher level of capacity withdrawals

However, according to almost all stakeholders consulted, the added-value of the EES is somewhat undermined by the perceived lack of flexibility of Member States' national implementing measures to allow individual capacity increases that do not increase the ability of the vessels to catch fish. Additionally, in outermost regions, the mere application of the EES 1 for 1 rule may prevent regional fleet developments in some cases, in turn also somewhat limiting EU added-value.

6. CONCLUSIONS

Relevance

As from 2003, the EES has been relevant to complement the in-depth reform of fishing fleet capacity management transferring to MS the responsibility for ensuring a stable and enduring balance between fleet capacity and fishing opportunity available.

Nevertheless, the current situation of fish stocks and the still significant number of unbalanced fleet segments in EU waters shows that overall, Member States have not yet fully reached their long-term objective of achieving a stable and enduring balance between their fishing fleet capacity and fishing opportunities available to them. The need remains for an instrument to ensure that EU fishing fleet capacity cannot increase.

However, the extent to which the EES is directly relevant is different according to sea-basins. In the North East Atlantic, the EES may appear as more indirectly relevant as fishing capacity is primarily regulated by EU and Member States' output control measures. In the Mediterranean, the Black Sea and in outermost regions, the EES remains directly relevant to ensure that fishing fleet capacity cannot increase over time, until EU and national conservation and management measures and national measures to allocate fishing opportunities between operators are effective enough to manage the use of fishing capacity. In the case of the external fleet, the relevance of the EES depends on the diverse regulations by the concerned RFMOs and by the coastal States as appropriate. Moreover, the EES, which is primarily a tool to regulate fishing capacity of fleets operating on stocks managed by the EU, does not apply to third country fishing fleets exploiting the same stocks.

The lack of compliance with declared engine power, as found by the recent Commission study⁵⁵ raises questions as regards the overall compliance of the Member States with the fishing capacity ceilings established by the CFP Regulation.

Effectiveness

The EES has been effective in relation to its specific objective of ensuring compliance with the capacity ceilings set by the respective CFP Regulations for mainland and outermost regions fishing fleets. The gap between actual EU fishing fleet capacity and capacity ceilings is significant and increased since the end of 2013. However, the results presented must be put into perspective given the mentioned lack of compliance with declared engine power, and the ineffective national control and verification procedures.

Overall, the EES is effective in relation to its general objective of making a contribution to achieving a balance between fishing fleet capacity and fishing opportunities, although this effectiveness depends on the impact of other fisheries measures in place. The EES played a supportive role in particular in sea-basins where the conservation and management framework is not effective enough to regulate fishing mortality through input and output control measures limiting the deployment of fishing capacity (e.g. Baltic Sea, Mediterranean, Black Sea, some outermost regions). In such situations, the role of the EES was a safeguard measure ensuring that nominal fishing capacity could not increase over time. Without the EES, the stock situation might have been significantly worse.

Through its contribution to overcapacity reduction, the EES has been effective in supporting the CFP's economic objectives. However, the way the EES has been implemented by the Member States is perceived by stakeholders as hindering fleet modernisation and limiting the possibilities to improve the standard of living onboard fishing vessels.

Efficiency

Administrative costs resulting from the implementation of the EES by Member States can be considered reasonable, in the region of EUR 2.6 million borne by national authorities and EUR 1 million borne by operators per year. The EES represents a relatively modest flow of information with \approx 2 000 entry, exit, or modification events per year for all EU. Member States' authorities did not report any specific technical problem

55 <https://publications.europa.eu/s/mopz>

with the implementation of the scheme. In addition, the EES contributes to increases in the effectiveness of permanent cessation schemes by providing a mechanism ensuring that the capacity withdrawn with public aid cannot be replaced.

Administrative costs are the result of Member States' rules and procedures for implementation of the scheme with no EU rule identified as creating unacceptable administrative burden. There are no significant areas for simplification of the EES at EU level.

Coherence

There is no contradiction, duplication or overlapping between the EES and national implementation measures of the scheme. Member States translated into national law the basic EES rule that ensures compliance with capacity ceilings. However, coherence of national EES implementation measures could be improved to support further the contribution of the scheme to overcapacity reduction.

The EES is coherent with other CFP instruments, in particular those implemented for structural interventions and for conservation and management of fisheries resources. The EES supports the CFP economic objective through its contribution to the resolution of overcapacity situations. However, the lack of flexibility of the scheme as implemented by Member States reportedly hinders the modernisation and competitiveness of the fleet.

As a result of its perceived limitations of vessels' volumes, the implementation of the EES as done at the national level may not be fully coherent with the EU Directive promoting improvements of living standards onboard fishing vessels according to international standards⁵⁶. In the case of the outermost regions, the mere application of the EES capacity replacement rule may limit the sustainable development of some regional offshore fishing fleet segments.

Coherence with fisheries control measures is undermined due to the lack of compliance by Member States that do not generate reliable power figures for registration and certification purposes as evidenced by a recent Commission study.

EU added-value

The evaluation of the performance of the EES in terms of relevance and effectiveness shows that the EU added-value may be assessed as positive since the EES is an effective safeguard mechanism to cap and reduce nominal fishing fleet capacity levels deployed on EU stocks in particular where applicable EU and national conservation and management measures are not effective enough to limit the use of available fishing capacity through a series of input and output measures. Moreover, when public support was available for fleet modernisation, the EES provided an adequate mechanism to ensure that entries into the fleet with public aid were compensated by higher level of capacity withdrawals.

56 Council Directive (EU) 2017/159 of 19 December 2016 implementing the Agreement concerning the implementation of the Work in Fishing Convention, 2007 of the International Labour Organisation, concluded on 21 May 2012 between the General Confederation of Agricultural Cooperatives in the European Union (Cogeca), the European Transport Workers' Federation (ETF) and the Association of National Organisations of Fishing Enterprises in the European Union (Europêche). OJ L 25, 31.1.2017, p. 12–35

Overall conclusion

Provided that Member States increase their efforts to ensure an accurate measurement, verification and reporting of the capacity indicators GT and kW and acknowledging that thus far no agreed alternatives for capacity indicators have been identified, the EES is fit for purpose as an instrument to prevent fishing capacity from increasing, in particular in contexts where conservation and management measures are not effective enough to regulate the use of fishing capacity through a series of enforceable input and output measures. In the case of the outermost regions, the development of some fleet segments may nevertheless have been negatively impacted by the EES, due to the absence of existing vessels in these segments to create spare capacity. For the external fleet, much of the relevance of the EES depends on the rules set by the organisations or third countries managing these waters.

While respecting the 1:1 basic rule of the EES, Member States have implemented the EES in various ways, in most cases not establishing a clear link with the availability of fishing opportunities. Moreover, the manner in which the EES has been implemented at national level has led to a perceived lack of flexibility as regards the possibility for capacity increases, not leading to the increase of fishing capacity, for modernisation or crew safety and working conditions.

ANNEX 1: PROCEDURAL INFORMATION

1. LEAD DG, DeCIDE PLANNING/CWP REFERENCES

Lead DG : Maritime Affairs and Fisheries DG

Planning reference: PLAN 2017 -1556

2. ORGANISATION AND TIMING

This evaluation has been steered by the Maritime Affairs and Fisheries DG since 16 March 2018 under the scrutiny of an inter-service group (ISG) comprising of representatives of SG, DG ENV and DG MARE.

The ISG met three times and was consulted at each stage of the evaluation process and reviewed each deliverable produced by the contractor as well as this Staff Working Document.

3. EXCEPTIONS TO THE BETTER REGULATION GUIDELINES

none

4. EVIDENCE, SOURCES AND QUALITY

External expertise: ‘Evaluation study on the entry-exit scheme of the European fishing fleet’, carried out by a consortium of consultants led by Coffey International Development during the period 19 March 2018 – 21 December 2018.

ANNEX 2: STAKEHOLDER CONSULTATION

The stakeholder consultation carried out for the evaluation consisted of targeted interviews with key stakeholders (see list at the end of this Annex), including face-to-face interviews in 13 Member States⁵⁷ with authorities in charge of the implementation of the EES. The remaining 10 Member States⁵⁸ authorities provided written replies to a questionnaire dispatched in early June 2018. The contractor furthermore held interviews with Commission staff including the principal adviser for policy development (DG MARE), Unit B3, C1, C2, C4 and D1 of DG MARE and unit C2 of DG ENV.

DG MARE launched an Open Public Consultation (OPC) on the EES on 4th June 2018. The OPC was closed on 3rd September 2018. The OPC included 18 questions, with 5 core questions and 13 additional technical questions for those wishing to contribute on more technical issues. Contributors were also invited to upload position papers as appropriate.

Participation

In total, 15 contributions from 10 different Member States have been submitted under the OPC, with 5 respondents reacting as individuals in their personal capacity and 10 respondents reacting in their professional capacity or on behalf of their organisations. The next table shows the breakdown of contributions submitted by Member State and by category of respondent.

	Individual	Professional capacity or on behalf on an organisation						Total
		NA	RA	PA	NGO	PE	Unsp.	
Belgium				1				1
Bulgaria		1						1
Croatia							1	1
Denmark	1							1
Greece	1							1
Ireland	1							1
Italy	1							1
Lithuania					1	1	1	3
Portugal			2					2
Spain	1		1					2
EU				1				1
Total	5	1	3	2	1	1	2	15

Note: NA: National Authority, RA: Regional Authority, PA: Professional association, NGO: Non-governmental organisation, PE: Private enterprise, Unsp.: Unspecified

A total of five position papers has been submitted in complement to answers provided to the different questions.

⁵⁷ DE, DK, ES, FR, HR, IE, IT, NL, PL, PT, RO, SI and UK

⁵⁸ BE, BG, CY, EE, EL, FI, LV, LT, MT and SE

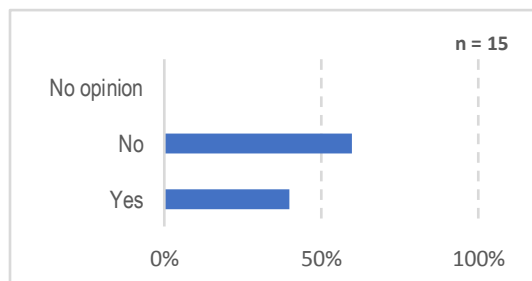
Answers to OPC questions

Overview of responses

- A majority of respondents thinks that fishing fleet capacity is not sustainable. While a short majority of respondents (53%) believes that capacity ceilings are an appropriate solution to manage the EU fishing fleet, opinions on the relevance of the EES as a tool to avoid fishing effort increases and to make fisheries more sustainable are balanced between relevant and not relevant. A large majority of respondents (80%) considers that the EES should be amended or replaced. Among the alternatives proposed, improvement of the fisheries management framework, specific consideration of small-scale sector and alternative capacity indicators have been cited.
- A majority of respondents believes that the EES has been properly implemented by Member States, but one-third do not share this view⁵⁹. A majority of respondents assess that the EES brought a positive contribution for safety at sea at EU level, but not necessarily at national level. The direction of change in the situation of EU fishing fleet after introducing the EU entry-exit scheme compared to 2014 is assessed as positive by a majority of respondents in relation to overcapacity and sustainability of EU fisheries. 50% of respondents assess that progress has been made in relation to the impact of the fishing fleet capacity on fishing opportunities at EU level between 2014 and 2017. However, a majority of respondents thinks that further improvements are needed in the sector of managing EU fishing fleet capacity.
- Most respondents agree that progress has been achieved at EU level in relation to overcapacity, fisheries sustainability, safety conditions onboard vessels and modernisation of the fleet. However, the same progress is not assessed to have been achieved at national levels in their home countries. For a majority of respondents, a balance between fishing fleet capacity and fishing opportunity is not ensured, both at EU and Member State levels.

Details of responses by OPC question following their order of presentation in the questionnaire

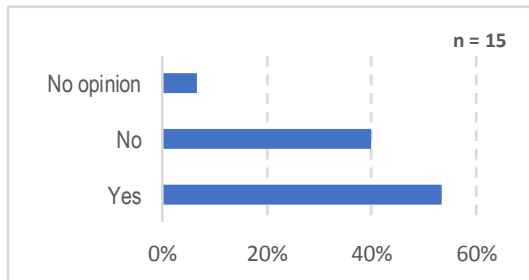
Do you think that the fleet fishing capacity of EU Member States is sustainable?



A majority of respondents (60%) thinks that the fleet fishing capacity of EU Member States is not sustainable.

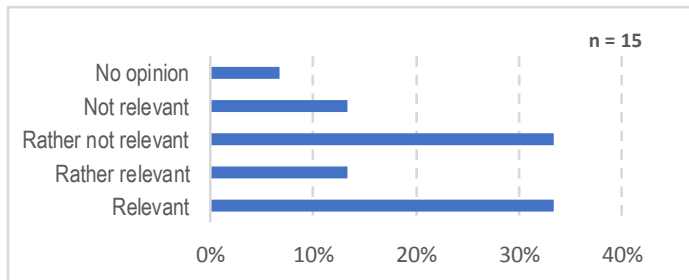
⁵⁹ Respondents from EL, ES and LT

Do you think that set up ceilings of fishing fleet capacity is an appropriate solution in order to manage the EU fishing fleet?



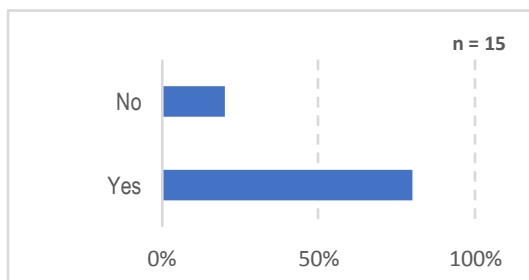
A majority of respondents (53%) thinks that capacity ceilings are an appropriate solution in order to manage the EU fishing fleet; 40% of respondents have a different view on this.

To which extent do you consider the entry exit fleet scheme as relevant tool in order to avoid the increasing of fishing efforts and make fisheries more sustainable?



Opinions on the relevance of the EES as tool to avoid increasing of fishing effort and make fisheries more sustainable are shared: 47% of respondents think that EES is relevant or rather relevant while 47% think that EES is not relevant or rather not relevant.

Do you consider that the entry exit fleet scheme should be amended or replaced by other alternatives?



There is a large majority of respondents (80%) considering that the EES should be amended or replaced by other alternatives.

Could you list an alternative measure and its usefulness?

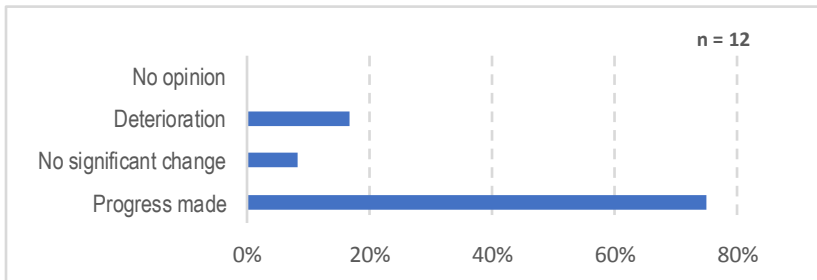
Relevant suggestions proposed by respondents in response to this question are as follows:

- Improved management measures including effort regimes, selective fishing gears, generalisation of output control measures such as quota with full documentation of fishing activities
- Flexibility: exemptions of vessels of less than 5 m or all small-scale fleet from EES, exemptions to authorise capacity indicators increase that do not increase fishing efficiency; re-installment of the safety tonnage clause, modifications to take into account the impacts of passive and active gears
- Change of approach for fishing capacity: GT and kW are irrelevant to measure impact of small-scale vessels on stocks
- Differentiated treatments for entries into the fleet: 10% additional reduction for vessels of less than 100 GT and 25% for more than 100 GT

- Reform of national systems: in at least two cases, transferability of capacity entitlements has led to excessive concentration in the hands of some powerful operators.

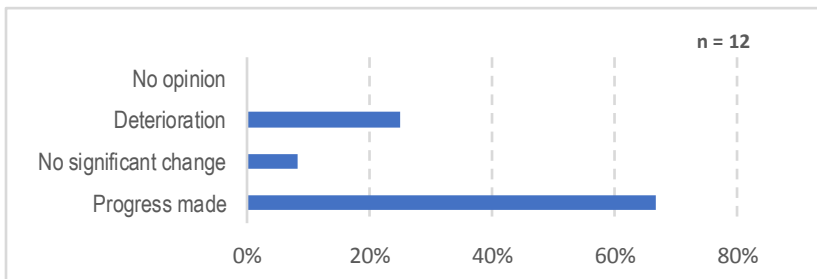
Specialised questions: at that stage of the questionnaire, contributors were asked if they wanted to answer more specialised questions. Twelve contributors out of the 15 answered yes (80%).

Please assess the progress achieved in terms of managing fishing capacities at EU level.



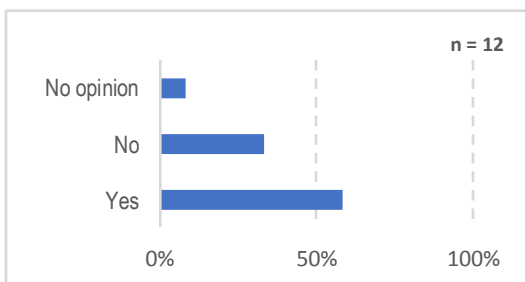
A majority of respondents assess that progress has been made (75%) while 17% assess that the management of fishing capacities deteriorated at EU level.

Please assess the progress achieved in terms of managing fishing capacities at national level in your country of residence.



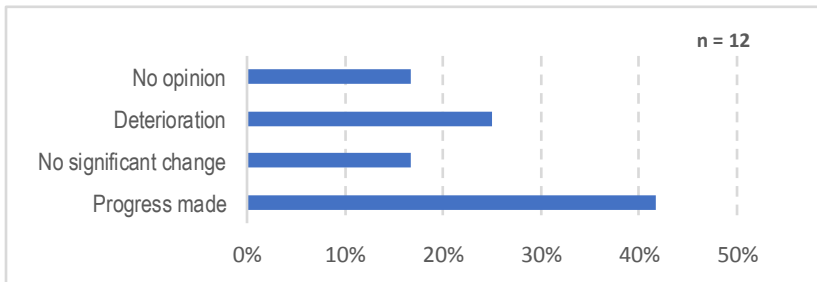
Assessments at national level are broadly similar than those at EU level. A majority of respondents assess that progress has been made in terms of managing fishing capacity at national level

Do you think that the EU entry-exit fleet scheme has been properly implemented by Member States?



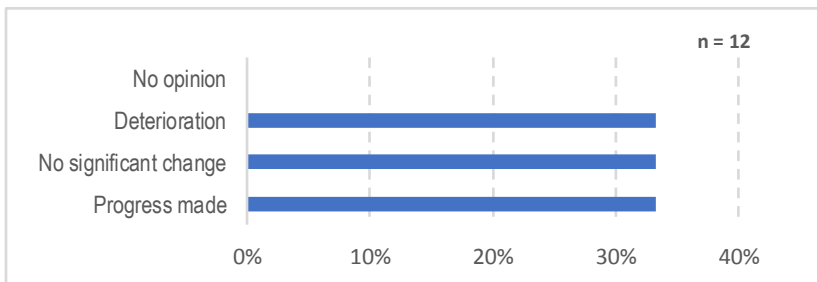
A majority of respondents (58%) think that that the EES has been properly implemented by Member States, but 33% have a different view

To what extent has the EU entry-exit scheme has contributed to enhance the safety conditions of EU fishing fleet in general?



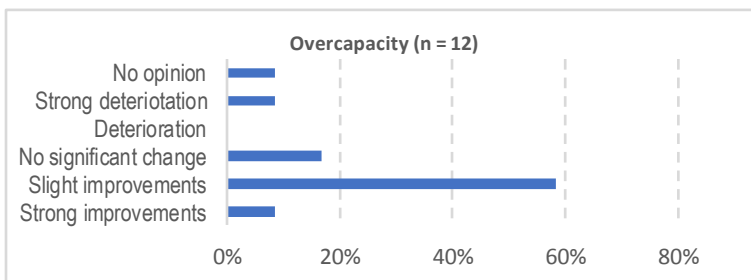
42% of respondents assess that the EES contributed to enhance the safety conditions of the EU fishing fleet in general, with 25% assessing that safety conditions deteriorated

To what extent has the EU entry-exit scheme has contributed to enhance the safety conditions of the fishing fleet in your country of residence?

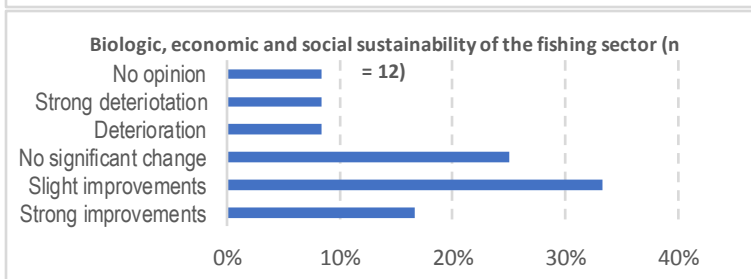


Assessments of contribution of EES to safety at sea in the country of residence are split between deterioration, no significant change and progress made (33% for each answer modality).

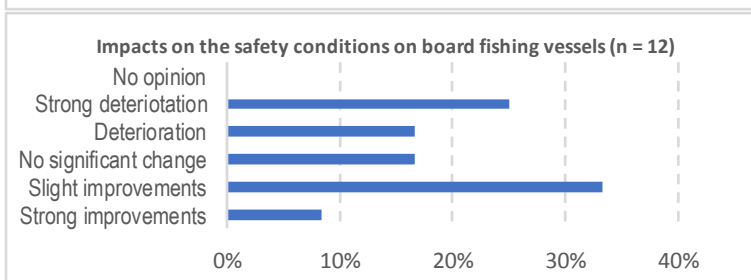
How do you see the direction of change in the situation of EU fishing fleet after introducing the EU entry-exit scheme compared to 2014?



Concerning **overcapacity**, a majority (67%) of respondents see slight or strong improvements of the situation after introducing the EES compared to 2014

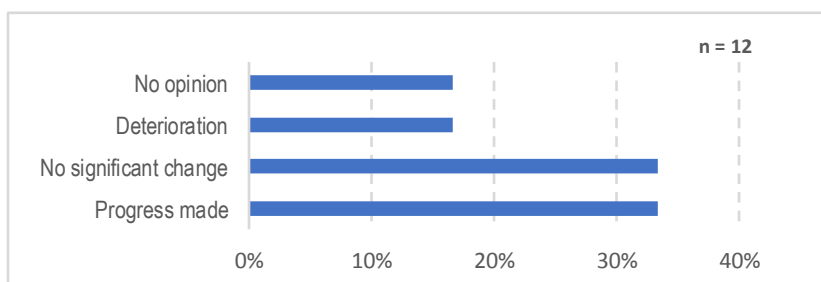


Concerning the **sustainability of the fishing sector**, 50% of respondents see slight or strong improvements, with 25% do not seeing significant changes after introducing the EES compared to 2014.



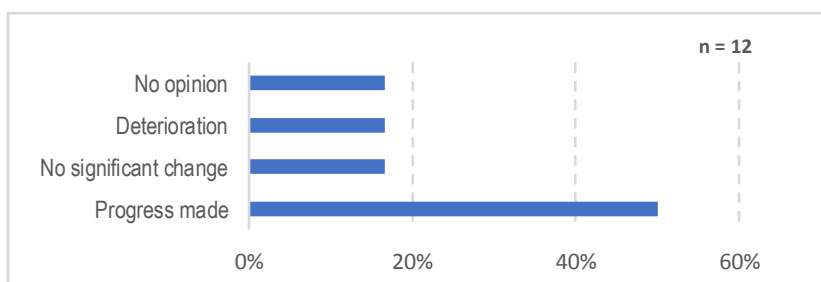
Concerning **impacts on the safety conditions on board fishing vessels**, 42% of respondents see slight or strong improvements, while 42% see deterioration or strong deterioration after introducing the EES compared to 2014

Please assess any progress on the impact of the fishing fleet capacity on the fishing opportunities at national level between 2014 and 2017.



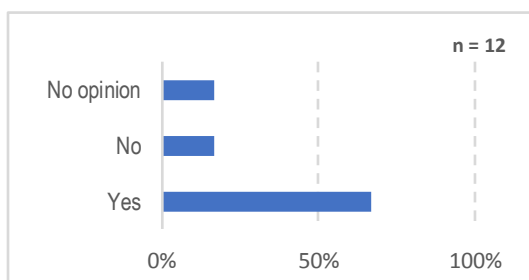
33% of respondents assess that progress has been made in relation to the impact of the fishing fleet capacity on fishing opportunities at national level, while 33% assess no significant change

Please assess any progress on the impact of the fishing fleet capacity on the fishing opportunities at EU level between 2014 and 2017



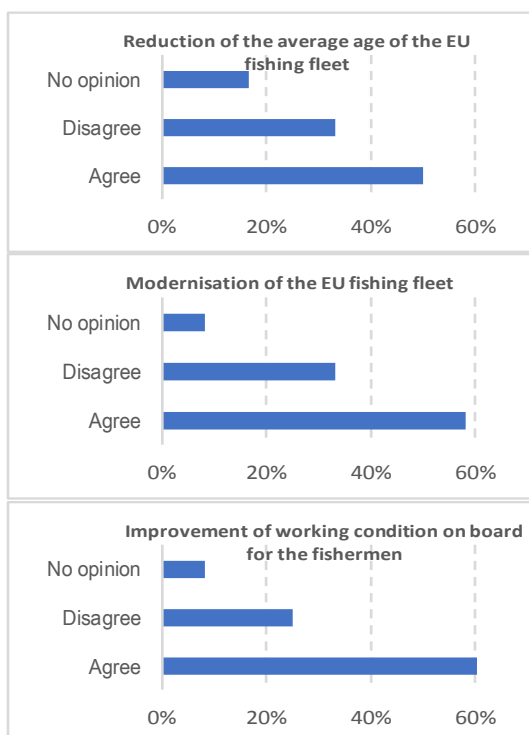
50% of respondents assess that progress has been made in relation to the impact of the fishing fleet capacity on fishing opportunities at EU level between 2014 and 2017.

Do you think that, besides the EU entry-exit scheme, further improvements are needed in the sector of managing EU fishing fleet capacity?



A majority of respondents (67%) thinks that further improvements are needed in the sector of managing EU fishing fleet capacity.

To what extent do you agree that the following main achievements have been met at EU level?

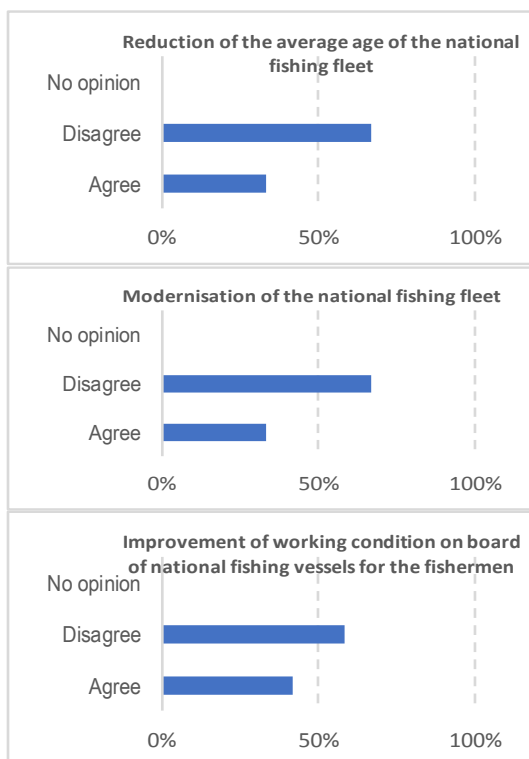


50% of the 12 respondents agreed that a reduction of average age of fishing vessels has been achieved at EU level, but 33% disagree

58% of the 12 respondents agreed that modernisation of the EU fishing fleet has been achieved at EU level, with 33% disagreeing with this statement.

60% of the 12 respondents agreed that improvement of working conditions on board for the fishermen has been achieved, with 25% disagreeing with this statement.

To what extent do you agree that the following main achievements have been met at national level in your country of residence?

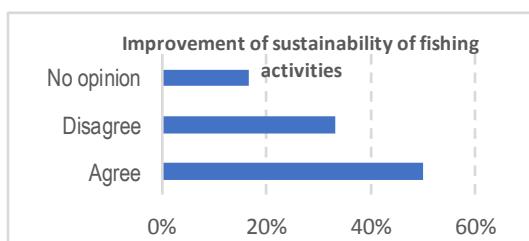


67% of the 12 respondents disagree that a reduction of average age of fishing vessels has been achieved at national level, while 33% agree

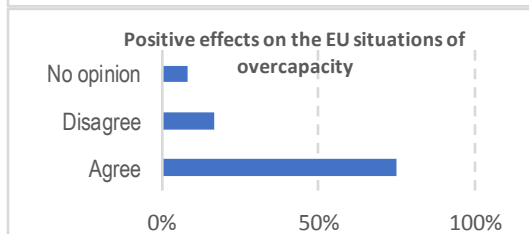
67% of the 12 respondents disagree that modernisation of the national fishing fleet has been achieved at EU level, while 33% agree.

58% of the 12 respondents disagree that improvement of working conditions on board national vessels for the fishermen has been achieved, with 42% agree.

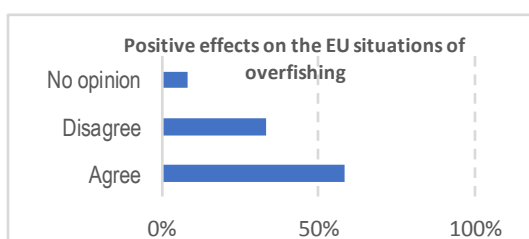
To what extent do you agree that the following main achievements have been met at EU level?



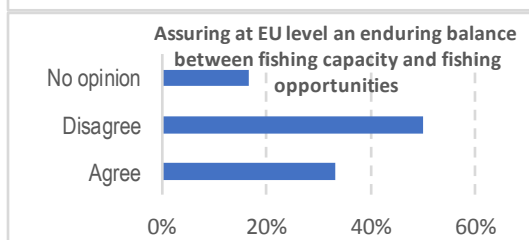
50% of the 12 respondents agree that the sustainability of fishing activities improved, 33% disagree.



75% of the 12 respondents agree that there have been positive effects on the EU situation of overcapacity, 17% disagree.

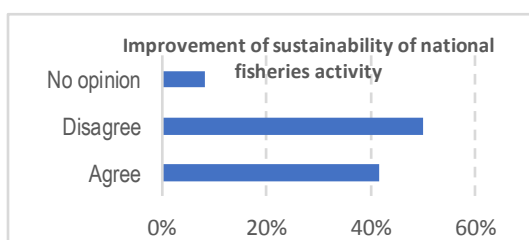


58% of the 12 respondents agree that there have been positive effects on the EU situations of overfishing, 33% disagree.

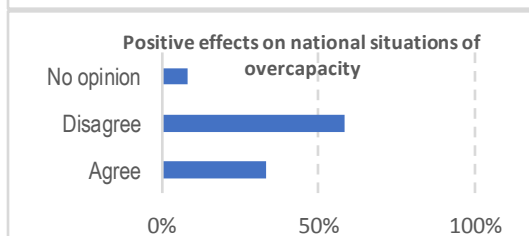


50% of the 12 respondents do not agree that an enduring balance between fishing fleet capacity and fishing opportunities is assured at EU level, 33% agree.

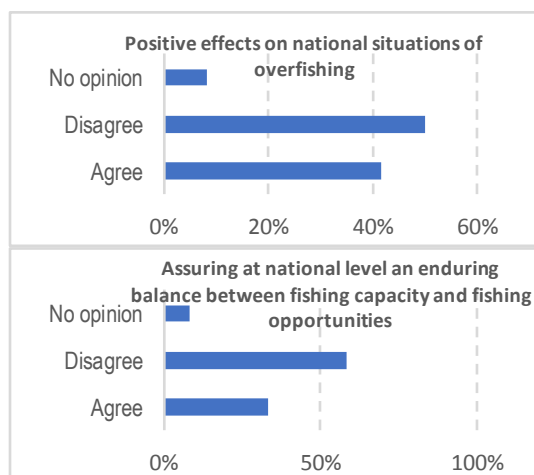
To what extent do you agree that the following main achievements have been met at national level in your Member State?



50% of the 12 respondents disagree that the sustainability of fishing activities improved at national level, 42% agree.



58% of the 12 respondents disagree that there have been positive effects on the national situations of overcapacity, 33% agree



50% of the 12 respondents disagree that there have been positive effects on national situations of overfishing, 42% agree.

58% of the 12 respondents do not agree that an enduring balance between fishing fleet capacity and fishing opportunities is assured at national level, 33% agree.

Summary of written contributions submitted

Five written contributions have been submitted in response to the open public consultation. They are summarised as follows:

- A contribution from Rederscentrale CV, a Belgium professional association in the fishing sector raised that the fleet needs to be modernised by entries of newly built vessels. EMFF interventions apply mostly on old vessels and are not efficient. EMFF should allow public support for fleet renewal under certain conditions, or authorise government or EU credit guarantee schemes.
- A contribution from the Executive Agency for Fisheries and Aquaculture of Bulgaria raised that the EES is effective and should be maintained. However, measures should be developed to eliminate dormant capacities and the small-scale sector should be excluded from the scope of the EES. Another suggestion is that penalty points imposed as a result of the control regulation should be considered when granting licences to applicants.
- A contribution from the Azores Government (Secretaria Regional do Mar Ciência e Tecnologia - Direção Regional das Pescas) pointed out that the EU fleet management regime should take into account the specificities of the outermost regions. It is estimated that kW and GT are broadly irrelevant to measure regional fishing fleet capacity and should be replaced by limits on the number of vessels and the gears they use. Additionally, Commission's proposal to allow state aids for the construction of new vessels should be approved and implemented.
- A contribution from Fundación Galicia Europa raised that GT increases for vessels using passive gears should be allowed to improve work conditions. The interpretation of imbalanced fleet status should also be improved as it is currently found unclear and non-objective with negative impacts on Galician fishing fleets (i.e. access to EMFF measures for modernisation or start-up aid for young fishermen).
- A contribution from Europêche, the Brussels based professional association representing the fishing sector, raised that various regulations lead to increase the GT capacity of the vessels: safety and comfort of crew, landing obligation. Consequently, the safety tonnage clause of Reg. (EC) 2371/2002 should be reinstated. In addition, the association challenges the relevance of GT and kW to measure fishing capacity and announces that a study is being carried out to identify alternative indicators.

Entities interviewed by the contractor

The below list contains the entities interviewed by the contractor in the context of the evaluation.

Type*	Entity	Member State
COM	DG ENV	European Commission
COM	DG MARE	European Commission
PA	Europêche	Belgium
MSA	Vlaanderen	Belgium
MSA	Ministry of Agriculture	Croatia
MSA	Department of Fisheries and Marine Research	Cyprus
MSA	Danish Fishery Agency	Denmark
PA	Danmarks Fiskeriforening	Denmark
MSA	Ministry Rural Affairs	Estonia
MSA	Ministère de l'Agriculture et de l'Alimentation	France
OTH	Cassiopée	France
PA	Comité National des Pêches	France
PA	Union des Armateurs à la Pêche de France	France
PA	OP PdB	France
PA	Armement La Houle	France
MSA	Bundesanstalt für Landwirtschaft und Ernährung	Germany
PA	German High Sea Fisheries Association	Germany
PA	Erzeugergemeinschaft der Nord	Germany
MSA	Ministry Fisheries	Ireland
PA	Killybegs Fishermans Organisation	Ireland
MSA	Ministry of Agricultural, Food and Forestry Policies	Italy
PA	FEDERCOPESCA	Italy
PA	FEDERPESCA	Italy
MSA	Permanent Representation	Malta
MSA	Dpt Fisheries and Aquaculture	Malta
MSA	Ministerie van Landbouw en Visserij	Netherlands
PA	VisNed	Netherlands
PA	Pelagic Freezer Association	Netherlands
PA	Sea Fisheries Union	Poland
MSA	Region Azores	Portugal
MSA	Direção Regional de Pescas Madeira	Portugal
MSA	Direcção Geral de Recursos Naturais, Segurança e Serviços Marítimos	Portugal
PA	CoopescaMadeira	Portugal
PA	Association Graciosa-Port Abrigo	Portugal
PA	OlhãoPesca	Portugal
PA	Associação de Defesa e Valorização do	Portugal

Património Cultural da Região de Alcobaça		
PA	Associação dos Armadores das Pescas Industriais	Portugal
PA	VianaPesca	Portugal
MSA	National Agency of Fisheries and Aquaculture	Romania
PA	Black Sea Fishermen Organisation	Romania
MSA	Fisheries Directorate	Slovenia
PA	Fisheries Research Inst.	Slovenia
MSA	Ministry of Agriculture, Fisheries and Food	Spain
PA	Confederación Española de Pesca	Spain
PA	Cooperativa de Armadores de Pesca del Puerto de Vigo	Spain
MSA	Swedish Agency for Marine Management	Sweden
MSA	Marine Management Organisation	United Kingdom
PA	National Federation of Fishermen's Organisations	United Kingdom
PA	Marine Scotland	United Kingdom
PA	Scottish White Fish Producers Association Ltd	United Kingdom

Note: Type: COM: European Commission, MSA: Member State Authority, PA: Professional Association, OTH: Other*

ANNEX 3: EVALUATION QUESTION MATRIX

Evaluation questions	Sub-questions	Judgement criteria	Indicators	Sources of evidence
RELEVANCE				
EQ1. To what extent is the EES needed to contribute to a balance between fishing opportunities and fishing capacity?	EQ 1.1 To what extent was there a need to set up the EES? EQ 1.2 To what extent does this need continue to exist?	The set-up of the EES responded to the needs and EU objectives at the time of adoption at EU and regional levels. The existence of the EES continues to respond to current needs and EU objectives at EU and regional levels.	Identification of the needs at the time of the set-up of the EES Identification of evolving challenges and changing needs <i>Looking at:</i> <ul style="list-style-type: none"> • <i>Consideration of capacity indicators in Council decisions on fishing opportunity</i> • <i>Established relationships between kW and GT and fishing mortality</i> • <i>Gross Value Added to Income and Gross Profit to income ratios for balanced and unbalanced fleets</i> • <i>Working conditions (time at sea)</i> 	<ul style="list-style-type: none"> • Feedback from stakeholders (Commission staff, Member States authorities, fishermen organisations) • Literature review
	EQ 1.3 To what extent was the EES appropriate to address the needs? EQ 1.4 To what extent does the EES continue to be appropriate to respond to the current needs	The design of the EES responded and continue to respond to the needs identified	Stakeholders views and documentary review confirm that the EES was and continues to be an appropriate instrument to address the needs identified	Summary of the above Feedback from stakeholders
EFFECTIVENESS and IMPACT				

Evaluation questions	Sub-questions	Judgement criteria	Indicators	Sources of evidence
EQ2. To what extent has the EES specific objective been achieved?		<p>Degree of compliance with capacity ceilings both in EU mainland and in ORs</p> <p>There are appropriate procedures for monitoring of compliance</p>	<p>MS fishing fleet capacity remained below capacity ceilings (with distinction between mainland and ORs): % MS fleet capacity / capacity ceiling</p> <p>Stakeholders views and documentary review document factors helping or hindering compliance, (with distinction between mainland and ORs)</p>	<ul style="list-style-type: none"> • Member State fleet reports • Analysis of EU Fleet Register Data • feedback from MS stakeholders
EQ3. To what extent has the EES overall objective been achieved (contribution to reaching the balance between fishing capacities and fishing opportunity)?		<p>EU fleet overcapacity level decreases in EU fisheries</p> <p>Most EU catches should be landed by EU fleets in a balanced situation</p> <p>EES has been instrumental in supporting stock conservation</p>	<ul style="list-style-type: none"> • Evolution of EU stocks status over time • Number of fishing fleet segments imbalanced over time • Number of EU conservation instruments utilising fishing capacity • Effectiveness of kW and GT in regulating fishing mortality • Number of EU regulations considering capacity restrictions • Number of regulations ring-fencing access to fisheries (inputs) and catches (outputs) • Stakeholders views and documentary review document success and failure factors 	<ul style="list-style-type: none"> • Data analysis • STECF reports of stock status • STECF Balance / Capacity reports, STECF fleet economic reports • Feedback from stakeholders on effectiveness of EES in relation to conservation objective and to resolving overcapacity
EQ4 - To what extent has the entry-exit scheme contributed to achieving the socio-economic objectives of the Common Fisheries Policy?		<p>EES could support economically viable EU fleets</p> <p>Structurally unprofitable fleets are subject to specific measures</p>	<ul style="list-style-type: none"> • Gross Value Added to Income and Gross Profit to income ratios • Average crew wage • Stakeholders views and 	<ul style="list-style-type: none"> • STECF Balance / Capacity reports, STECF fleet economic reports • Feedback from stakeholders on effectiveness of EES in relation to economic objective

		EES could support improved working conditions on EU fishing vessels	documentary review document success and failure factors	
• EFFICIENCY				
EQ5 - To what extent has the EES been cost-effective?	EQ 5.1 How can the implementation costs be disaggregated? What are the implementation costs for MS? What are the factors which have the most cost-generating impact?	The administrative burden is reasonable and not excessive The EES is cost-effective	Number of reporting obligations and qualitative description of reporting obligations Approximate amount of time/resources to deal with administrative and management procedures Feedback from implementing partners, project managers and key staff confirm the adequacy of administrative / management procedures	<ul style="list-style-type: none"> Review of EU legislation on EES Administrative costs Feedback from MS Authorities and stakeholders on admin procedures
EQ6 - To what extent Member States and the outermost regions have been applying the EES properly? What difficulties do they encounter in applying the scheme?		MS and ORs are implementing the EES correctly There are efficiency gains in the MS and ORs resulting from the application of the EES	Administrative procedures ensure prior withdrawal of equivalent capacity for entries into the fleet Compliance with capacity ceilings Stakeholders views document factors helping or hindering implementation	<ul style="list-style-type: none"> Feedback from MS Authorities and stakeholders on admin procedures EU fishing fleet register
EQ7 - Is there scope for simplification of the EES' design and operation?		There are areas of improvement in relation to administrative / management procedures	Documentary review and stakeholders' feedback confirm that there is a need to revise the EES	<ul style="list-style-type: none"> Feedback from MS Authorities and stakeholders on admin procedures
• COHERENCE				
EQ8 – To what extent has the EES been internally coherent?	EQ 8.1 To what extent have MS measures (implementing the EES and other relevant measures) been coherent with	There is no contradiction/duplication/overlapping and there are synergies between the EES and MS	Documentary review and stakeholders' feedback confirm that there are no contradictions but	<ul style="list-style-type: none"> Review of CFP measures Feedback from DG MARE units Feedback from stakeholders

	the EES? EQ 8.2 To what extent is the EES coherent with other CFP instruments?	implementation measures There is no contradiction/duplication/overlapping and there are synergies between the EES and other CFP instruments	synergies between the scheme as defined at the EU level and MS implementation measures Documentary review and stakeholders' feedback confirm that there is no contradiction but synergies between the EES and other CFP instruments	
EQ9 - To what extent has the EES been externally coherent	EQ 9.1 To what extent is the EES coherent with other EU initiatives (e.g. in the field of environment and climate change)	There is no contradiction/duplication/overlapping and there are synergies between the EES and other relevant EU initiatives	Documentary review and stakeholders' feedback confirm that there is no contradiction but synergies between the EES and other relevant EU initiatives	
• EU ADDED VALUE				
EQ10 - To what extent has the EES added value to the objective to create a better balance between capacity and resources?	Summative and forward-looking discussion on the EES, the evolution of needs and objectives, and recommendations for the future of the scheme <ul style="list-style-type: none"> - Summary of all of the above - Conclusion as to the continuation, revision or removal of the EES and the positive/negative consequences of each scenario - Discussion of alternatives in the event of the removal of the EES: could the objective be achieved solely by actions at MS level or by regional measures? 			

ANNEX 4: METHODOLOGY AND RESULTS FOR ADMINISTRATIVE COSTS ASSESSMENT

Data collection

Administrative costs stemming from the implementation of the EES have been estimated by assessing the amount of time devoted by Member States administrations for managing the scheme. Initially, it was anticipated to measure the average time needed to manage an entry-exit event, but all Member States representatives interviewed raised that this was not possible, some dossiers being quick to process, but others required more working time to resolve complex situations and/or to obtain the required administrative evidences from applicants. Some dossiers can be closed in an hour, while it can take up to the equivalent of two days for complex dossiers.

Relevant information has been obtained during face to face discussions organised with the 13 Member States selected for direct interviews. Member States consulted remotely by questionnaires have not been asked questions about administrative workload as it would have been impossible to validate and adjust estimates given, with the risk of including unreliable figures in our estimate.

During interviews, costs of IT developments to manage the EES have been asked. However, no Member State could provide an estimate. Fleet management is part of a general fisheries information system that Member States are developing to comply with the EU Control Regulation. IT costs for Member States are supported by EMFF.

Administrative costs borne by operators have been discussed during interviews. However, in most cases, it was difficult to provide estimates as the administrative time needed for a dossier is highly variable depending on Member States rules and on the type of fishing vessel concerned. A conservative estimate of 6 hours per event (in or out of the register) has been assumed in the calculations.

Estimates of administrative costs borne by Member States public administration

The method followed was:

- For each of the 13 Member State authorities interviewed face to face, the number of full time equivalents (FTEs) dedicated to EES management has been captured during discussions. The ratio number of movement in and out of the register / number of FTEs per Member State was then used to calculate an average number of movements / FTE taking into account all Member States. The average was used to estimate a number of FTEs for the 10 Member States concerned by the EES for which information has not been collected taking into account the number of vessels they manage at national level
- The costs of labour by Member State have been estimated by multiplying the average labour cost as provided by Eurostat⁶⁰ (a year is estimated to include 1 600 worked hours), and by taking a provision of 25% for overheads costs in consistence with similar estimates under other evaluation studies.

60 Eurostat database lc_lci_rev Administrative and support service activities – 2017 data.

Estimates of administrative costs borne by Member States private operators

The method followed was to multiply the assumed administrative time needed for one event (6 hours) by the average number of events by Member State. This provides an estimate of the number of hours spent by operators as a result of the EES in each Member State. Administrative costs have been estimated by multiplying the number of hours by the average cost of labour increased by 25% for overheads.

Administrative costs borne by Member States public administration

Table 1: Number of FTEs for EES implementation and average number of movements in and out the register by Member States

MS	FTE central	FTE regional	FTE total	Movements	Mov / FTEs
BE				5	
BG				131	
CY				130	
DE	1.00	3.00	4.00	126	31.42
DK	1.15	0.00	1.15	218	189.28
EE				65	
EL				383	
ES	2.00	10.50	12.50	257	20.56
FI				599	
FR	1.25	8.00	9.25	547	59.17
HR	1.00	4.00	5.00	2 030	406.00
IE	3.20	0.00	3.20	244	76.15
IT	1.00	2.00	3.00	280	93.33
LT				18	
LV				16	
MT				83	
NL	2.00	0.00	2.00	51	25.67
PL	2.00	0.00	2.00	28	13.83
PT	3.75	2.00	5.75	184	31.94
RO	0.75	1.25	2.00	40	19.83
SE				116	
SI	1.00	0.00	1.00	4	4.00
UK	2.33	4.75	7.08	398	56.21
Average					79.03

Source: Movements : average number of movements in and out the fishing fleet register per year (2015-2017) extracted from EU fishing fleet register

Note : Data presented only for Member States interviewed

Table 2: Administrative cost for implementation of the EES by Member State

MS	FTEs	Cost labour (EUR/hour)	Per year	25% overhead (EUR)	Total cost (EUR)
BE	<i>0.06</i>	32.8	52 480	65 600	<i>3 874</i>
BG	<i>1.68</i>	3.3	5 280	6 600	<i>10 968</i>
CY	<i>1.66</i>	9.5	15 200	19 000	<i>31 254</i>
DE	4.00	21.4	34 240	42 800	171 200
DK	1.15	35.1	56 160	70 200	80 730
EE	<i>0.83</i>	10.9	17 440	21 800	<i>17 838</i>
EL	<i>4.90</i>	9.5	15 200	19 000	<i>91 999</i>
ES	12.50	15	24 000	30 000	375 000
FI	<i>7.67</i>	22.6	36 160	45 200	<i>342 779</i>
FR	9.25	26	41 600	52 000	481 000
HR	5.00	6.4	10 240	12 800	64 000
IE	3.20	22.1	35 360	44 200	141 440
IT	3.00	19.1	30 560	38 200	114 600
LT	<i>0.23</i>	6.8	10 880	13 600	<i>3 155</i>
LV	<i>0.20</i>	6.8	10 880	13 600	<i>2 696</i>
MT	<i>1.07</i>	10.4	16 640	20 800	<i>21 933</i>
NL	2.00	22.5	36 000	45 000	90 000
PL	2.00	6.8	10 880	13 600	27 200
PT	5.75	8.1	12 960	16 200	93 150
RO	2.00	4.6	7 360	9 200	18 400
SE	<i>1.49</i>	31	49 600	62 000	<i>91 003</i>
SI	1.00	11.4	18 240	22 800	22 800
UK	7.08	20	32 000	40 000	283 200
					2 580 217

Source: Labour cost: EUROSTAT (lc_lci_rev database)

Note : *Italic : data extrapolated*

1 year ≈ 1 600 working hours

In total, the total administrative costs borne by Member States public administration is close to EUR 2.6 million for one year.

Administrative costs borne by Member States private operators

	Time (hours)	Average cost (EUR/hours)	Plus 25% overhead (EUR)	Total cost (EUR)
BE	28	30.1	37.625	1 054
BG	788	4.9	6.125	4 827
CY	780	17.5	21.875	17 063
DE	754	32.4	40.5	30 537
DK	1 306	40.3	50.375	65 790
EE	388	10.5	13.125	5 093
EL	2 296	15	18.75	43 050
ES	1 542	22.5	28.125	43 369
FI	3 596	31.2	39	140 244
FR	3 284	34.2	42.75	140 391
HR	12 180	10.7	13.375	162 908
IE	1 462	34.3	42.875	62 683
IT	1 680	31.9	39.875	66 990
LT	110	7.3	9.125	1 004
LV	94	6.9	8.625	811
MT	500	15.7	19.625	9 813
NL	308	37.4	46.75	14 399
PL	166	9.7	12.125	2 013
PT	1 102	16.1	20.125	22 178
RO	238	7.2	9	2 142
SE	696	33.8	42.25	29 406
SI	24	17.4	21.75	522
UK	2 388	27	33.75	80 595
Total				946 878

Source: Labour cost: EUROSTAT (lc_lci_rev database)

Note: Time: average number of entry-exit movement x 6 hours

Average administrative costs borne by private operators subject to EES is close to EUR 1 million for one year.

ANNEX 5: REFERENCE LIST OF MAIN REVIEWED LITERATURE

- Ackermann, R., Franceschelli, N., Sanz, M., *et al.* (2018) Research for PECH Committee – Training of Fishers. European Parliament, Policy Department for Structural and Cohesion Policies, Brussels. *IPOL_STU(2018)617484*, 286 p.
- Borges, L. (2018) Setting of total allowable catches in the 2013 EU common fisheries policy reform: possible impacts. *Marine Policy* **91**, 97-103.
<https://doi.org/10.1016/j.marpol.2018.01.026>.
- Coffey, ANDInternational, F&S (in press) Study on challenges of fleet renewal in the outermost regions of the EU. FWC EASME/EMFF/2016/029 SC.3.
- DEFRA (2018) Sustainable fisheries for future generations. White Paper. *cm9660*.
- EC (2008) Reflections on further reform of the Common Fisheries Policy. CFP Reform Watch.
- EC (2016) Facts and figures on the Common Fisheries Policy. Basic Statistical Data. *2014 Edition*.
- ECA (1993) The implementation of the measures for the restructuring, modernisation and adaptation of the capacities of the fishing fleets in the Community. *Special Report 3/93*.
- ECA (2011) Have EU measures contributed to adapting the capacity of the fishing fleets to available opportunities? *Special Report N°12/2011*.
- Eigaard, O.R., Marchal, P., Gislason, H., Rijnsdorp, A.D. (2014) Technological Development and Fisheries Management. *Reviews in Fisheries Science & Aquaculture* **22**, 156-174. [10.1080/23308249.2014.899557](https://doi.org/10.1080/23308249.2014.899557).
- EP (2017) The management of fishing fleet in the Outermost Regions. Research for the PECH Committee. *Ref. IPOL_STU(2016)585901_EN*.
- Ernst&Young, ANDInternational, Indemar, Eurofish (2010) Ex-Post evaluation of the Financial Instrument for Fisheries Guidance (FIFG) 2000-2006. DG MARE. 194 p.
- Guyader, O., Berthou, P., Daurès, F., Jézéquel, M., Thébaud, O. (2006) Marché des navires d'occasion et coût d'accès à la ressource : application à la Bretagne. Publications AMURE D-17-2006.
- Guyader, O., Berthou, P., Koutsikopoulos, C., *et al.* (2013) Small scale fisheries in Europe: A comparative analysis based on a selection of case studies. *Fisheries Research* **140**, 1-13. <https://doi.org/10.1016/j.fishres.2012.11.008>.

- Jafarzadeh, S., Paltrinieri, N., Utne, I.B., Ellingsen, H. (2017) LNG-fuelled fishing vessels: A systems engineering approach. *Transportation Research Part D: Transport and Environment* 50, 202-222.
<https://doi.org/10.1016/j.trd.2016.10.032>.
- Marchal, P., Andersen, B., Caillart, B., *et al.* (2007) Impact of technological creep on fishing effort and fishing mortality, for a selection of European fleets. *ICES Journal of Marine Science: Journal du Conseil* 64, 192-209.
 10.1093/icesjms/fsl014.
- MRAG, IFM, CEFAS, AZTI, PoEM (2009) An analysis of existing Rights Based Management (RBM) instruments in Member States and on setting up best practices in the EU. DG MARE. 117 p.
- MRAG, OCEANIC, ANDInternational, LAMANS (2016) Retrospective evaluation of the Mediterranean Regulation. Final Report. 230 p. (unpublished).
- MRAG, OCEANIC, COFFEY, POSEIDON, ANDInternational (2013) Retrospective evaluation of scrapping and temporary cessation measures in the EFF.
- MRAG, Oceanic, Poseidon (2014) A study in support of the development of a new technical conservation measures framework within a reformed CFP. DG MARE - Retrospective and prospective evaluation on the common fisheries policy, excluding its international dimension. 265 p.
- Penas-Lado, E. (2016) *The Common Fisheries Policy: The Quest for Sustainability*, John Wiley & Sons edn Vol.
- STECF (2017a) The 2017 Annual Economic Report on the EU Fishing Fleet (STECF-17-12). *Publications Office of the European Union, Luxembourg, 2017, ISBN 978-92-79-73426-7, doi:10.2760/36154*.
- STECF (2017b) Assessment of balance indicators for key fleet segments and review of national reports on Member States efforts to achieve balance between fleet capacity and fishing opportunities. *STECF-17-18*.
- STECF (2017c) Mediterranean Stock Assessments 2017. *STECF 17-15*.
- STECF (2018) Monitoring the performance of the Common Fisheries Policy. *STECF-Adhoc-18-01*.
- Villasante, S., Sumaila, U.R. (2010) Estimating the effects of technological efficiency on the European fishing fleet. *Marine Policy* 34, 720-722.
<https://doi.org/10.1016/j.marpol.2009.11.008>.