



European
Commission



Maritime Affairs
& Fisheries

8th COM Report on EFF implementation (2014)

8th EMFF expert
group meeting



Introduction

- This is the 8th and last Commission annual report on EFF implementation. It presents an assessment of EFF implementation during 2014 and up to 31 May 2015.
- It shows the state of play less than one year before the end of the eligibility period (31/12/2015).
- From 1/1/2007 to 31/5/2015, investments in the fishery and aquaculture sector totalled EUR 9.27 billion: 42.14% from the EFF, 26.33% from national public contributions and 31.52 % from private funding.
- EUR 1 of EFF support committed generates EUR 1.37 of national support of which EUR 0.75 of national private funding and EUR 0.62 of national public contribution (+2.2% compared to 31 May 2014).

Budget implementation

- Annual payments 2014: EUR 567.25 million; 83.8% in convergence and 16.2% in non-convergence.
- State of play 31/5/2015:
 - level of commitments = 90.83%.
 - Over 9% of EFF initial allocation (EUR 394 million) not committed yet.
- By 31/12/2014 EUR 257 million de-committed: 6% of initial allocation.
- By 31/12/2015, certified payments amounted to 71% of the EFF original amount.

Number of EFF operations

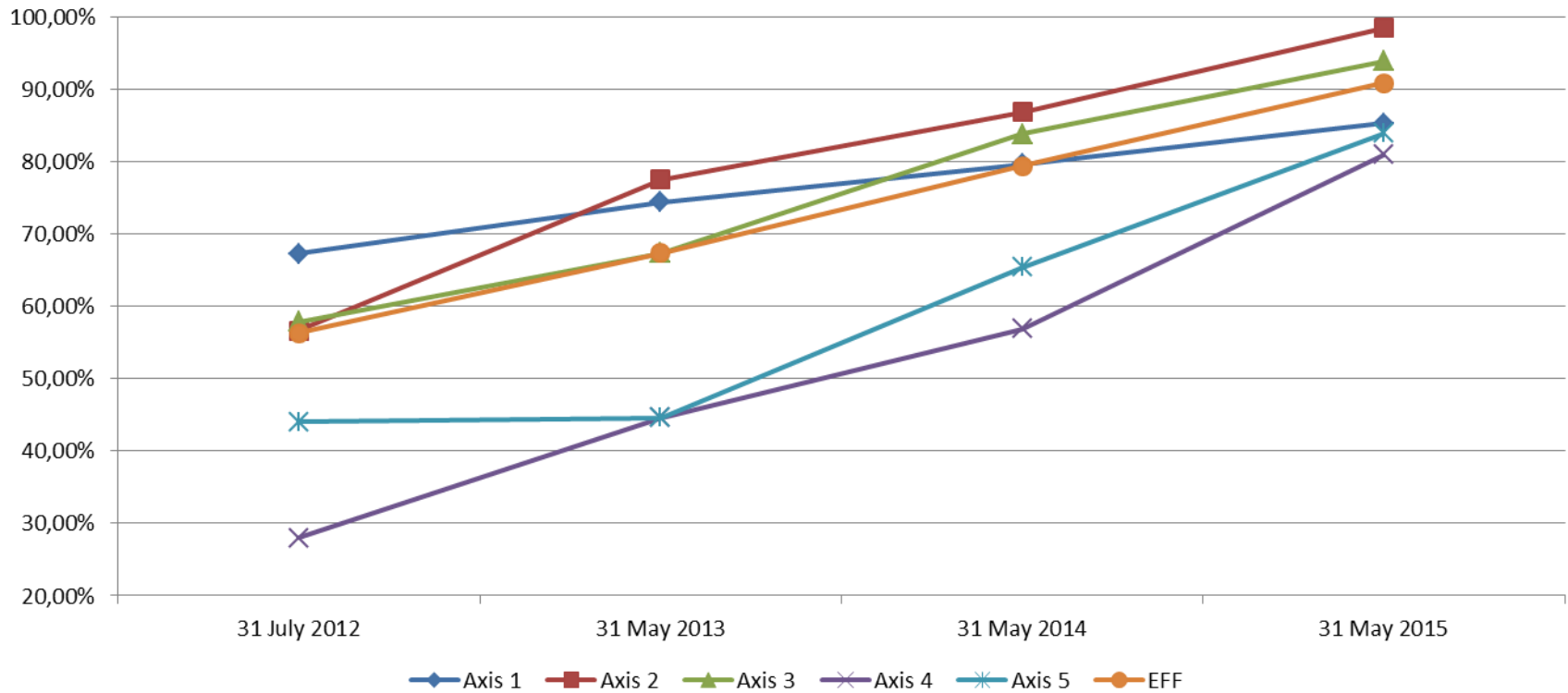
EFF operations	Operations	July 2012 = 100	Δ% year/year
31 July 2012	84,489	100	
31 May 2013	104,848	124	+24%
31 May 2014	121,073	143	+15.5%
31 May 2015	136,489	161.5	+12.7%

The average total cost per operation is **EUR 68k** of which **EUR 46.5k** is total public support. The average EFF contribution to the public part is **EUR 28.6k**. The private contribution amounts to **EUR 21.4k** (30% of the total eligible costs). These amounts represent a small increase (+1.5%) over 31/5/2014.

Main trends July 2012- May 2015

- Axis 1: Gradual, steep decline of EFF commitments. Now lags behind most other axes (85%).
- Axes 2 & 3 most advanced in terms of commitments (98.5% for Axis 2, almost 94% for Axis 3).
- Axis 4 (+188%) fastest progress, but still 10 point below average
- Average commitments +61% for the whole of the EFF.

Evolution of the rate of commitments per axis July 2012 – May 2015



Total commitments per priority axis from July 2012 to May 2015

Priority Axis	31 July 2012	31 May 2013	31 May 2014	31 May 2015
Axis 1	33.05 %	30.42 %	27.77 %	25.72%
Axis 2	28.96 %	32.64 %	31.44 %	32.3%
Axis 3	27.59 %	27.38 %	28.46 %	27.26%
Axis 4	7.1 %	7.2 %	9.25 %	11.47%
Axis 5	3.29 %	2.42 %	3.07 %	3.25%

5 Main EFF measures

31 July 2012	31 May 2013	31 May 2014	31 May 2015
<i>Permanent cessation</i> 19.61%	<u>Processing</u> 17.41%	<u>Processing</u> 16.65%	<u>Processing</u> 17.53%
Aquaculture 12.98%	<i>Permanent cessation</i> 17.25%	<i>Permanent cessation</i> 15.44 %	Aquaculture 14.33%
<u>Processing</u> 12.79 %	Aquaculture 14.83 %	Aquaculture 14.43 %	<i>Permanent cessation</i> 13.98%
Fishing ports 10.89%	Fishing ports 11.46%	Fishing ports 11.61%	Development of fisheries areas 11.47%
Temporary cessation 7.67%	Temporary cessation 7.40%	Development of fisheries areas 9.25%	Fishing ports 11.15%

Main areas of intervention: trends in level of commitments

- Traditional fleet measures such as permanent and temporary cessation, are steadily decreasing in importance.
- Processing and aquaculture account for more than 30% of total commitments, overtaking axis 1 in general and fleet measures in particular.
- Axis 4 increased over time, and is slowly catching up.
- These 5 measures together account for 68.46% of EFF commitments.

Operational conclusions

- The 2015 Annual Implementation Report confirms the trends in previous reports.
- Comparison of the situation at the end of May of 2015 and 2014 shows that for many measures (particularly aquaculture, processing, pilot projects and marketing measures) the average national public contribution per operation increases faster than the EFF contribution.
- In addition given the relative decrease in state aid schemes (at least until 2014), it could be argued that national support is being directed towards co-financing EFF measures rather than granting state aid.
- There is evidence of an increase of the private contribution per operation. This could be explained by a decrease in the aid intensity of EFF supported operations, particularly in profitable sectors of activity.

And some concerns....

- Level of commitments below 100%
- Significant amounts de-committed; and
- Relatively low level of certified payments

The crisis together with the delayed start of EFF implementation could explain the concerns above. This stresses the urgency for a quick start of the implementation of the EMFF.