Special Report

The effectiveness of European Fisheries Fund support for aquaculture
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(pursuant to Article 287(4), second subparagraph, TFEU)
Paragraph

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The Commission’s review of national strategic plans and operational programmes did not systematically ensure that they were designed to maximise the effectiveness of aquaculture policy

The Commission did not provide comprehensive aquaculture-related guidance on environmental matters

The Commission did not sufficiently ensure the comparability of data on the overall progress towards the aquaculture policy objectives

There were few relevant audits and evaluations by the Commission, and limited monitoring

Results of publicly funded innovative and research projects were not fully exploited

Measures to support the sustainable development of aquaculture have not been well designed and implemented by the Member States

There was a lack of initiatives to support aquaculture in the Member States audited

There were weak spatial planning and licensing procedures
The financial and economic crisis had a significant impact on the aquacultural sector

National strategic plans did not provide clear objectives for aquaculture

Operational programmes had various weaknesses

Member States gave insufficient consideration to environmental and health policies

There were serious inaccuracies in the reporting of results by some Member States

The EFF measures have not delivered sufficient value for money to date in support of the sustainable development of aquaculture

The overall objectives at EU level were not met

The objectives at Member State level were not met

A significant number of projects audited were unlikely to contribute cost-effectively to objectives

There was limited support for sustainable development and poor targeting

Anticipated project results were not achieved or not verified

Insufficient value for money was obtained to date

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Reply of the Commission
Aquaculture: Aquaculture refers to all forms of rearing or cultivation of aquatic organisms using techniques designed to increase the production of the organisms in question beyond the natural capacity of the environment; the organisms remain the property of a natural or legal person throughout the rearing and cultivation stage, up to and including harvesting.

CFP: Common fisheries policy. This report deals with the CFP in the period up to 2013.

Convergence Objective: Regional objective for the development of EU regions with less than 75 % of the average EU gross domestic product per capita.

Deadweight: A situation where a subsidised operation would have been wholly or partly undertaken without the grant aid.

EFF: European Fisheries Fund

EMAS: The EU Eco-Management and Audit Scheme (EMAS) is a management instrument developed by the European Commission for companies and other organisations to evaluate, report and improve their environmental performance (http://ec.europa.eu/environment/emas/).

EMFF: European Maritime and Fisheries Fund

FAO: Food and Agriculture Organisation of the United Nations

Fish: For the purpose of this report, fish is defined as finfish, crustaceans and molluscs.

FP: Framework Programme

Integrated coastal zone management: Aims to coordinate the application of different policies (such as aquaculture, tourism and wind energy) in coastal areas, so as to contribute to sustainable coastal development.

LIFE: L’Instrument Financier pour l’Environnement (Financial Instrument for the Environment)

NSP: National strategic plan

OP: Operational programme

STECF: Scientific, Technical and Economic Committee for Fisheries

SWOT: Strengths/weaknesses/opportunities/threats

Spatial planning, and marine spatial planning in particular, is a public process for analysing and planning the spatial and temporal distribution of human activities in sea areas to achieve economic, environmental and social objectives. It has a key role to play in providing guidance and reliable data for the location of an economic activity — including aquaculture — giving certainty to investors, avoiding conflicts and finding synergies between activities and environments with the ultimate aim of sustainable development.
Executive summary

I
Each year the EU produces about 1.3 million tonnes of fish from aquaculture, and the sector has a turnover of 4 billion euro. One of the aims of the common fisheries policy (CFP) in the period up to 2013, and its funding instrument, the European Fisheries Fund (EFF), was to encourage the sustainable development of aquaculture. Consequently, by May 2013, the EFF provided over 400 million euro to fund measures for productive investments in aquaculture, as well as environmental and health measures.

II
The Court examined whether EFF measures were well designed and implemented, and whether they delivered value for money. This entailed an audit of the Commission’s and Member States’ design and implementation of support measures, and projects in Member States.

III
Overall, the Court found that the EFF did not offer effective support for the sustainable development of aquaculture.

IV
The Court found that at EU level, measures to support the sustainable development of aquaculture have not been well designed and monitored. The CFP and EFF did not provide a sufficiently clear framework for the development of aquaculture in the period up to 2013. Concerning guidance on environmental sustainability, the Court found that sufficient guidance was given for Natura 2000 but not for issues related to the water framework directive, the marine strategy framework directive and the environment impact assessment directive. This contributed to the lack of actions taken by Member States to address this important issue. There was insufficient comparability between data on aquaculture from different EU sources, which makes the results of aquaculture measures difficult to assess. The EFF monitoring committees did not play a significant role in monitoring aquaculture, management information was deficient, and the results of relevant publicly funded research projects were not fully exploited.

V
At the level of the Member States, measures to support the sustainable development of aquaculture have not been well designed and implemented. Member States’ national strategic plans and operational programmes did not provide a sufficiently clear basis for the support of aquaculture, and there was no coherent strategy for the sector. The lack of appropriate spatial planning, coupled with complicated licensing procedures, acted as a brake on sustainable development. There were also significant inaccuracies and methodological weaknesses in the production data of some annual implementation reports.

VI
The Court found that the main objectives for growth of the aquaculture sector have not been met to date, and the sector has stagnated for many years. The financial and economic crisis undoubtedly contributed significantly to this stagnation at least in the main producing Member States. The Court also found that the projects audited in the Member States visited were often poorly selected. With some exceptions, audited projects often did not provide the expected results, or value for money, and contributed little to growth and employment.

VII
In conclusion, for the period up to 2013, there was an inadequate framework at EU and Member State level to translate the EU’s objectives for the sustainable development of aquaculture into reality and the measures actually taken did not provide sufficient results.

VIII
The Court therefore recommends that the Commission, in its implementation of measures to support aquaculture under the new European Maritime and Fisheries Fund:

(a) when approving Member States’ operational programmes, consider whether objectives for the sustainable development of aquaculture are realistic and appropriate, and whether support is targeted at measures which are likely to address those objectives;
Executive summary

(b) establish guidelines for the consideration of relevant environmental factors when determining public funding;

(c) ensure, where relevant, that Member States’ operational programmes are only approved if appropriate national strategies for the development of the aquaculture sector are prepared;

(d) encourage Member States to implement relevant spatial planning and to simplify the licensing and administrative procedures to support the development of the aquaculture sector;

(e) improve the comparability of the statistical data on aquaculture compiled from its different sources, in order to enhance its accuracy and completeness.

The Court recommends that the Member States, in their implementation of measures to support aquaculture under the new European Maritime and Fisheries Fund:

(a) prepare and apply coherent national strategies for the development of the aquaculture sector;

(b) implement relevant spatial planning, and simplify the licencing and administrative procedures to support the development of the aquaculture sector;

(c) ensure that public funding is prioritised towards projects which best contribute to the sustainable development of aquaculture and provide value for money;

(d) monitor project results more closely by setting and applying relevant indicators.

Source: ECA.
Aquaculture in the European Union

Aquaculture refers to all forms of rearing or cultivation of aquatic organisms using techniques designed to increase the production of the organisms in question beyond the natural capacity of the environment; the organisms remain the property of a natural or legal person throughout the rearing or culture stage, up to and including harvesting.\(^1\)

Aquaculture is one component activity of fish production, the other being the capture of wild fish. For 2011, the most recent year for which information is available, the EU produced approximately 6 million tonnes of fish, of which 1.3 million tonnes came from aquaculture. As shown by Figure 1, annual fish production in the EU has been in decline for many years, due to a decline in fish captures coupled with the stagnation of aquaculture. 65% of the fish consumed in the EU is imported.

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2. In this report ‘fish production’ is used to designate the production of finfish, crustaceans and molluscs.

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Figure 1: EU fish production (tonnes)

Source: Eurostat.
Introduction

03 Finfish account for three quarters of EU aquaculture production in value\(^3\). The sector supports approximately 80,000 jobs with an annual turnover of 4 billion euro\(^4\). In Europe, consumer attitudes to farmed fish vary from country to country, with many consumers having a preference for captured fish which command a premium market price.

04 Although many species are farmed in the EU, just a few make up the bulk of aquaculture production. The main producing countries are France, the UK, Greece, Spain and Italy, which together represent 77% of turnover value, as shown in Table 1.

05 In contrast with the stagnation of aquaculture in the EU, world aquaculture production has been increasing for many years. Between 2000 and 2011, global production almost doubled from 32 million to 63 million tonnes (see Figure 2), with almost 90% of production now based in Asia. Aquaculture already provides around 40% of the world supply of fish for human consumption\(^5\).

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Table 1

<table>
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<tr>
<th>Turnover value (million euro) 2011</th>
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<td>Member State</td>
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<td>Other Member States</td>
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Worldwide trend in aquaculture production

EU compared with world aquaculture production (1998 = 100 %)

Source: Eurostat (EU-27); FAO (world).
Introduction

EU aquaculture policy

Aquaculture and the common fisheries policy (CFP)

06 Council Regulation (EC) No 2371/2002 set out the objectives of the CFP for the period 2002–13. The main objective of the CFP, which also applies to aquaculture, is stated in Article 2 of the regulation. It is to ‘ensure exploitation of living aquatic resources that provides sustainable economic, environmental and social conditions’. 

The Commission’s aquaculture strategy

07 In September 2002 the Commission published a strategy for the sustainable development of European aquaculture. The strategy had three main objectives:

(a) To create secure long-term employment and sustainable growth.
(b) To provide good quality products to consumers and promote high animal health and welfare standards.
(c) To ensure an environmentally sound industry.

08 In 2009, the Commission recognised that EU aquaculture production had stagnated since 2002, in stark contrast with the high growth rate in the rest of the world, and that important actions were needed in order to improve competitiveness and encourage sustainable growth and governance. It revised its strategy, but retained similar objectives to those of 2002:

(a) To encourage economic viability.
(b) To guarantee food safety, animal health and welfare.
(c) To address the environmental effects of aquaculture.

The European Fisheries Fund

09 The European Fisheries Fund (EFF) was the financial instrument of the CFP for 2007–13. The EFF had five priority axes and a total budget of 4.3 billion euro. Each axis comprised several measures. Funding was available from the EFF as follows:

- Priority Axis 1: adapting the Community fleet (1.2 billion euro).
- Priority Axis 2: aquaculture, inland fishing, processing and marketing of products (1.2 billion euro).
- Priority Axis 3: measures of common interest (1.1 billion euro).
- Priority Axis 4: sustainable development of fisheries areas (0.6 billion euro).
- Priority Axis 5: technical assistance (0.2 billion euro).
Thus, there is not a dedicated axis specifically for aquaculture. However, axes 2 and 3 provided some funds for aquaculture and within Axis 2, the aquaculture measure (measure 2.1) specifically targeted the economic, environmental and social sustainability of the sector and could also be used to support competitiveness. Annex I indicates planned expenditure for Axis 2, and an amount of 438 million euro of EFF commitments on measure 2.1 (aquaculture) up to end of May of 2013 for 5,826 projects of measure 2.1, based on data submitted by the Member States to the Commission.

The maximum EFF contribution to an approved project was 75 % of total public expenditure in convergence regions\(^\text{10}\), and 50 % elsewhere. So EU funds had to be complemented by other public funding by the Member States. The percentage of the public (EU and Member States') contribution to micro, small and medium-sized enterprises in the relevant sectors could attain 60 % of the investment cost for regions covered by the convergence objective, and 40 % for regions not covered by the convergence objective\(^\text{11}\).

The aquaculture measures provided EFF support for the following actions\(^\text{12}\):

- (a) measures for productive investments in aquaculture;
- (b) aqua-environmental measures;
- (c) public health measures;
- (d) animal health measures.

For the EFF as a whole the priorities of axes and measures were defined by Member States in national strategic plans, after a process of dialogue and consultation with the Commission. National operational programmes based on these plans were then submitted by the Member States to the Commission for examination and approval in the form of a Commission decision. For each operational programme a Monitoring Committee is established to monitor implementation of the programme.

Member States were also required by the EFF implementing regulation to record the following statistics in relation to aquaculture supported from Axis 2:

- Tonnage produced by aquaculture, processing and inland fisheries;
- Percentage of projects with environmentally-friendly production (reduction of negative impacts or enhancement of positive effects);
- Increase in turnover (million euro).

\(^{10}\) Regions with less than 75 % of the average EU GDP per capita.


Audit scope and approach

15 The objective of the audit was to answer the question ‘Did the European Fisheries Fund offer effective support for the sustainable development of aquaculture?’ This was done by addressing sub-questions relating to the design and implementation of EU measures to support aquaculture, and the results of public funding:

(a) Have EFF measures, in supporting the sustainable development of aquaculture, been well designed and monitored at EU level? In order to answer this question, the Court examined how the measures were designed, and the Commission’s role in their implementation.

(b) Have EFF measures, in supporting the sustainable development of aquaculture, been well designed and implemented by the Member States? In order to answer this question, the Court examined Member States’ national strategic plans, operational programmes and related issues (including spatial planning and licensing), and how measures were implemented.

(c) Has the EFF delivered value for money and supported the sustainable development of aquaculture? In order to answer this question, the Court considered whether overall objectives have been achieved; examined the contribution of selected projects to sustainable development and how they were targeted; considered growth, employment and actual results; and examined evidence for value for money.

16 The audit focused on projects funded between 2007 and 2011. It was performed at the relevant Commission departments and in six Member States (Spain, France, Italy, Poland, Portugal and Romania) accounting for over 50% of aquaculture production and related EFF budgetary support in the EU, as shown in Annex I.

17 Documentation relating to 60 projects was examined in the Member States (see Annex II), and 31 of these were visited in the field. Project selection procedures and actual project results were examined and compared against the EFF objectives. Particular attention was given to Member States’ procedures to ensure value for money in the use of public funds and the sustainable development of aquaculture.
Measures to support the sustainable development of aquaculture have not always been well designed and monitored at EU level

The CFP and the EFF did not provide sufficient details on the content of measures in support of the sustainable development of aquaculture

The Treaty gives the EU exclusive competence for fisheries policy, but not specifically for aquaculture. Nevertheless, one of the aims of the CFP is to provide coherent measures to support aquaculture. The EFF aimed ‘to support the common fisheries policy so as to ensure exploitation of living aquatic resources and support aquaculture in order to provide sustainability in economic, environmental and social terms’. Priority Axis 2 of the EFF provided a funding envelope for aquaculture, inland fishing and processing and marketing of fishery and aquaculture products.

Neither these regulations nor the national strategic plans and operational programmes discussed below (see paragraphs 43 to 48) set out a sufficiently clear framework for the sustainable development of aquaculture in the period up to 2013.

The Commission’s review of national strategic plans and operational programmes did not systematically ensure that they were designed to maximise the effectiveness of aquaculture policy

The NSPs cover the entire fisheries sector and contain a summary description of all aspects of the common fisheries policy, including priorities and objectives. NSPs are therefore required to contain, where relevant to the Member State, the priorities, objectives and estimated public financial resources required with particular regard to the strategy for sustainable development of the aquaculture sector. The Commission was required to appraise the Member States’ proposed operational programmes (OPs) to determine whether they were consistent with the NSPs and the requirements of the EFF, including with regard to aquaculture.

The Court found that the Commission made an extensive assessment of the consistency between OPs, NSPs and the EFF requirements — including the requirements for aquaculture. In general this assessment was thorough and served as a basis for negotiations with Member States leading to the final adoption of OPs.
22 However, the Court’s audit findings in Member States found weaknesses with the design of NSPs and OPs (see paragraphs 43 to 47). While the Court acknowledges that, under shared management, the Commission and the Member States have specific responsibilities, the Commission’s review of NSPs and OPs did not sufficiently address these weaknesses, partly due to the generic nature of NSPs.

23 Environmental sustainability is one of the objectives of EFF funding of aquaculture measures, and it is also an objective of the Commission’s aquaculture strategy. Aqua-environmental measures are listed as an action eligible for EFF funding (see paragraph 12). In addition to the CFP and EFF, the environmental sustainability of measures to support aquaculture is measured by compliance with EU environmental policy. The main relevant policy areas are set out in the EU’s water framework directive\(^{17}\), marine strategy framework directive\(^{18}\), environmental impact assessment directive\(^{19}\) and habitats (‘Natura 2000’) directive\(^{20}\). In the context of such wide-ranging EU legislation, guidance to Member States and industry from the Commission would be important.

24 For example, Member States are required by the habitats directive to take appropriate steps to avoid, at Natura 2000 special areas of conservation, the deterioration of natural and species-specific habitats, as well as disturbance of the species for which the areas have been designated.

25 The Court found that the Commission had indeed prepared guidelines for use by Member States for the support of aquaculture on Natura 2000 sites. However, similar guidelines were not developed for any of the other directives mentioned in paragraph 23. In addition, the Commission did not give specific guidance on aqua-environmental measures in the EFF. This lack of guidance was not consistent with the EFF’s environmental sustainability objective, and furthermore the audit found that the EFF did not provide significant support for environmental sustainability in practice (see paragraphs 50 and 51).

26 Member States are required to send annual aquaculture production statistics (volumes and values) to the Commission\(^{21}\). Statistics on the structure of the aquaculture sector are sent every 3 years. These statistics are collated and checked by Eurostat. The Commission monitors, rather than validates, these statistics.
The Commission considers the production statistics to be generally reliable. However, there are inconsistencies in the data reported by some Member States on the structure of the aquaculture sector. The total size of facilities is reported in hectares and cubic metres. According to Eurostat, the need to report in cubic metres causes difficulties in some countries and may limit the comparability of statistics expressed in this unit. For example, the two main aquaculture producers in terms of volume, France and Spain, reported that the total size of their aquaculture facilities in 2011 was 2,532 m$^3$ and 10,611 m$^3$ respectively, and reported volumes of turnover (see Annex I) as 283 and 277 thousand tonnes respectively. Portugal, with a turnover of eight thousand tonnes, reported a total size of 22,529 m$^3$.

Member States are required to send the Commission an annual methodological report on data collection. The Court noted that most Member States did not send these reports each year. This delays the validation of statistical information by Eurostat and creates uncertainty about the quality of the underlying statistics. In addition, three Member States provided data for 2011 with 3 to 5 months delay after the deadline of 31 December 2012.

Some Member States qualify aquaculture production data by specific fish species as ‘confidential’, due to the concentration of the aquaculture sector and the possibility of identifying market-sensitive information for specific producers. The following table shows that eight Member States had provided aquaculture production data (nurseries and hatcheries excluded) in confidential form for the year 2011 and some Member States had not yet provided data. This situation prevents Eurostat from publishing aggregate data for the EU-27 and thus reduces the publicly available information on trends and developments in the sector (see Table 2).
## Value of aquaculture production in the EU

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Source: Eurostat.
### Table 2 - Value of aquaculture production in the EU – UPDATED AT NOVEMBER 2014

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<td>34 063 945</td>
<td>47 264 269</td>
<td>58 278 930</td>
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<td>42 442 468</td>
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<td>678 531 220</td>
<td>540 760 168</td>
<td>590 768 334</td>
<td>739 685 060</td>
</tr>
</tbody>
</table>

Source: Eurostat.

Note: This table has been updated to take account of Eurostat data available at November 2014.
In addition to Eurostat, the Scientific, Technical and Economic Committee on Fisheries (STECF) also examines data on aquaculture based on the Data Collection Framework in which Member States collect socioeconomic information on aquaculture companies. There are significant differences between the Eurostat and STECF data on aquaculture production. This is shown by Table 3, which compares the amounts reported for 2009 for the Member States audited. These differences may be explained by different methodological approaches required by the different sets of legislation for the collection of data but have not been fully reconciled by Eurostat or STECF.

**Table 3**

Comparison of Eurostat and STECF data for 2009

<table>
<thead>
<tr>
<th></th>
<th>Eurostat 000 euro</th>
<th>STECF Report 000 euro</th>
<th>Difference 000 euro</th>
<th>Difference %</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>tonnes</td>
<td>tonnes</td>
<td>tonnes</td>
<td></td>
</tr>
<tr>
<td>Spain</td>
<td>396 337</td>
<td>268 457</td>
<td>-43 691</td>
<td>-11 %</td>
</tr>
<tr>
<td></td>
<td></td>
<td>440 028</td>
<td>-143</td>
<td>0 %</td>
</tr>
<tr>
<td>France</td>
<td>697 965</td>
<td>236 439</td>
<td>-42 102</td>
<td>-9 %</td>
</tr>
<tr>
<td></td>
<td></td>
<td>760 067</td>
<td>-28 960</td>
<td>-12 %</td>
</tr>
<tr>
<td>Italy</td>
<td>474 863</td>
<td>162 325</td>
<td>860</td>
<td>0 %</td>
</tr>
<tr>
<td></td>
<td></td>
<td>474 003</td>
<td>0</td>
<td>0 %</td>
</tr>
<tr>
<td>Poland</td>
<td>76 373</td>
<td>36 503</td>
<td>-11 983</td>
<td>-16 %</td>
</tr>
<tr>
<td></td>
<td></td>
<td>88 356</td>
<td>-2 351</td>
<td>-6 %</td>
</tr>
<tr>
<td>Portugal</td>
<td>34 064</td>
<td>6 727</td>
<td>-3 186</td>
<td>-9 %</td>
</tr>
<tr>
<td></td>
<td></td>
<td>37 250</td>
<td>519</td>
<td>8 %</td>
</tr>
<tr>
<td>Romania</td>
<td>16 990</td>
<td>13 131</td>
<td>3 094</td>
<td>18 %</td>
</tr>
<tr>
<td></td>
<td></td>
<td>13 896</td>
<td>5 839</td>
<td>44 %</td>
</tr>
</tbody>
</table>

There were few relevant audits and evaluations by the Commission, and limited monitoring

31 The EFF regulation required Member States to send interim evaluations of their OPs to the Commission. These evaluations could provide useful information on the implementation of aquaculture measures and enable corrective action to be taken. However, the Court’s audit found that in practice, the level of information provided specifically for aquaculture was low.

32 By the time of the Court’s audit, a total of only seven aquaculture projects had been included in the Commission’s on-the-spot audits required by the EFF regulation. This low level of sampling does not enable conclusions to be drawn at Member State or EU level regarding the effective functioning of systems. These audits were of a compliance nature and were not intended to provide information on the impact of EU support on the sustainable development of aquaculture.

33 The Member States’ interim evaluations of their OPs were forwarded to the Commission, which hired an expert to produce a consolidated summary. While these interim evaluations and the consolidated summary refer to aquaculture, the Commission made no further assessment of the evaluations in order to determine whether the measures to support aquaculture were appropriate.

34 A representative of the Commission participates in the work of Member States’ EFF monitoring committees in an advisory capacity. However, these committees were able to devote little time to aquaculture matters.

Results of publicly funded innovative and research projects were not fully exploited

35 Part 3.1 of the Commission’s 2009 aquaculture strategy noted that sustainable development of aquaculture should be supported by excellence in research and innovation, and that it was essential to continue and reinforce such support.

36 While significant allocation of funds were dedicated to LIFE and research actions, as illustrated in Box 1, the audit found that the Commission has not sufficiently exploited their results to prepare objectives and guidelines in relation to aquaculture (on matters such as the discharge of effluents and chemicals, the siting of farms and the impact of fish escapes) (see paragraphs 23 to 25).

28 LIFE is the EU’s financial instrument for the environment. Under direct management by the Commission, it finances demonstrative environmental projects in diverse sectors of activity, it also finances nature protection.
Observations

Relevant research and LIFE projects

The Court noted that 14 million euro had been disbursed for 18 LIFE projects in the field of aquaculture. The main topics concerned were management of coastal zones, ecosystems, Natura 2000 sites and sustainable marine aquaculture.

The Court also noted that 77 research projects relating to aquaculture had received 158 million euro from the sixth framework programme (FP). Here the main topics were disease prevention, fish nutrition, selective breeding, fish welfare, the biological potential for new candidate species, the safety and quality of aquaculture products, and environmental protection.

Projects dealing with spatial planning for aquaculture

One LIFE project concerned spatial planning via a GIS-based system (350 000 euro funding). One FP-funded project also dealt with this issue (705 000 euro funding), specifically in relation to deep sea aquaculture.

Projects dealing with control and eradication of diseases in aquaculture

Eight FP projects examined this issue (total funding 12 million euro). The main focus of these projects was pathogen and parasite control and disease prevention.

Projects dealing with environment monitoring systems and aqua-environmental measures

Two LIFE projects targeted this area (total funding 584 000 euro), with a focus on the establishment of recommendations for water management, development of aquaculture and reducing the impacts of aquaculture. Eight FP projects (total funding 5 million euro) studied problems caused by intensive farming, water protection and clearing and habitat degradation.
Observations

Measures to support the sustainable development of aquaculture have not been well designed and implemented by the Member States

There was a lack of initiatives to support aquaculture in the Member States audited

37 The Commission’s communication on building a sustainable future for aquaculture has recognised that Member States should take measures to facilitate business development and reduce the administrative burden imposed by national provisions, mainly by simplifying licensing procedures for aquaculture.

38 The Court checked whether the Member States visited had established a strategy for the development of aquaculture which considered such measures. In all the Member States visited, the Court found that a coherent strategy for development of the aquaculture sector was lacking. Development was also hindered by complex administrative procedures at Member State level, including the involvement of multiple authorities in licensing and supervision of the sector (for example, in France and Italy). However, there were also examples of good practice, as illustrated in Box 2.

Examples of different administrative practices concerning spatial planning and licensing

In Italy, a slow and complicated licensing process, and imprecise criteria for granting new concessions, constrain the development of aquaculture. As a result, the procedure for granting maritime concessions and other authorisations for aquaculture in Sicily should take 150 days but can last several years in practice, and actually took 5 years for two of the projects audited. A general problem with access to maritime concessions resulted in the Commission starting an infraction procedure against Italy on the grounds that existing holders of concessions had an unfair advantage over new applicants.

In France, due to the complexity of the preparation of files, times required for decisions are very long. For the projects included in the sample, decisions took more than 1 year, and up to 2 years for one of the cases.

A shellfish farming zone in Portugal was only partially used, as, in the absence of any condition to the contrary, the licence holders maintained their licences without actually exploiting the concessions. This prevented the development of such zones.

In Andalusia (Spain), the authorities had created a ‘one-stop shop’ for aquaculture businesses. Project promoters were accompanied through the process of applying for EFF funding and obtaining licences from the various national and local agencies. For the projects included in the sample, decisions took on average 5 months.

29 Section 5.2 of COM(2009) 162 final.
Observations

There were weak spatial planning and licensing procedures

Aquaculture takes place in coastal and inland waters throughout the EU. Typically, public authorities own these waters and allocate concessions or licences to aquaculture operators. There is very often competition for the use of these water areas with other users — for example, the tourist industry and the traditional capture fisheries sector. Analysing and planning the use of sea areas is essential to achieve economic, environmental and social objectives. The issue of appropriate spatial planning and licensing, which are Member State responsibilities, is therefore a key factor in the sustainable development of aquaculture and also in the effectiveness of the EFF spending to support that development. The Commission recognised this in its 2009 aquaculture strategy and its strategic guidelines30 for the sustainable development of aquaculture and invited Member States to develop marine spatial planning systems in which they fully recognised the strategic importance of aquaculture. Systems of this kind would help potential promoters to develop their projects. Licences granted by Member State authorities to aquaculture operators specify key parameters such as:

- the water area concerned;
- the duration and beneficiary of the licence;
- what kind of aquaculture activity is allowed (species of fish, type of installation);
- environmental and public health restrictions (maximum stocking density, restrictions on feeding and veterinary treatments, water quality requirements).

Generally, the Court found that the spatial planning necessary for aquaculture was insufficient in the Member States and regions visited at the time of the audit. Maritime spatial planning to support aquaculture was not performed in Romania and Poland, and was still being developed in Galicia (Spain) and Portugal. The absence of planning for access to space leads to reduced business development opportunities for the aquaculture sector and does nothing to resolve conflicts with other activities. Poor spatial planning, especially when combined with complicated licensing procedures, hinders the sustainable development of aquaculture. Box 2 illustrated some of the consequences.

Observations

The financial and economic crisis had a significant impact on the aquaculture sector

41 Member States’ national strategic plans and operational programmes were drafted before the financial and economic crisis started to seriously affect the European business environment. As with other business activities, (based on the reports from the authorities and project promoters) the crisis has had a significant impact on investment and financing decisions in the aquaculture sector. Since potential beneficiaries of the EFF are often small businesses and have to furnish between 40% and 60% of the total investment cost, the difficulties in accessing finance and bank guarantees have complicated the development of projects (from the Member States selected for the audit, Spain, Portugal and Romania in particular have been affected). One characteristic of the aquaculture sector creates additional need for finance: there is usually a high demand for working capital to fund the acquisition of young fish stock and the subsequent costs of feeding and maintenance before the fish attain a marketable size.

42 The financial crisis may have exacerbated the tendency of Member States to direct EFF aid towards existing aquaculture businesses and at projects which were operational before the aid decision was made (for example, in Italy and Poland) (see paragraph 62). Such projects have a greater chance of success, which minimises the risk of decommitment of EU funding for the Member State concerned. However, this practice provided restricted funding for new or innovative projects.

National strategic plans did not provide clear objectives for aquaculture

43 Member States’ national strategic plans (NSPs) set out the priorities and objectives of the EFF for the implementation of CFP policy. Each NSP should estimate the public financial resources required or expected for those objectives, which include sustainable development of the aquaculture sector. In the Court’s view, NSPs with clear objectives and an indication of required financial resources would provide a good basis for measures to support aquaculture.

44 However none of the audited NSPs estimated how much public financial resources were necessary for measures to support aquaculture.
The Court found that the NSPs included a description of the national aquaculture sector and set objectives for the development of the sector. These objectives varied by Member State, but were general in nature and covered such objectives as diversification and increased production, environmental and public health protection, and market development. The combination of non-specific objectives and the absence of an estimate of the necessary public resources resulted in a lack of clarity in the audited NSPs’ strategies for aquaculture.

Operational programmes had various weaknesses

Member States’ operational programmes allocated the financial resources available from the EFF among the priority axes and outlined (in greater detail than the NSPs) what measures were to be taken to achieve the objectives. Targets were set, including specific goals for the development of the aquaculture sector. Member States could propose revisions to OPs in order to adapt objectives in the light of changing circumstances facing the fishing or aquaculture sector (see paragraph 58 for problems found with these targets).

Although the OPs provided a framework for the overall implementation of the EFF, the Court found weaknesses in all Member States visited relating to actions to support aquaculture, as illustrated in Box 3.

Examples of weaknesses in operational programmes in relation to aquaculture

In Romania, marine aquaculture was not addressed in the implementation of the OP, even though it was identified as a priority in the NSP. Thus, although problems with marine aquaculture were known before the OP was drawn up, they were not addressed during the programming period. In addition, there was a lack of prioritisation between measures to support aquaculture.

Although the Italian NSP and OP identified important obstacles to the development of aquaculture (including a lack of coastal management plans and uncertainty regarding concessions), the OP did not specify actions with which to address them. There are no targets for improving the quality of products in terms of environment, food safety and trade, such as environmental certification and EMAS registration, promoting new market outlets, and facilitating the consolidation and development of micro and small companies.

In Poland, although the OP was revised in 2011, the indicators were not changed. However, it was known that none of the objectives set in the OP for aquaculture had been achieved, but the OP was not modified to adapt the over-optimistic estimates to reality.
While there were specific objectives for employment and production, other objectives of the EFF were sometimes not addressed. Moreover, there was little attempt to prioritise spending, or to ensure value for money at the project level. Systems for monitoring effects of the spending and correcting any negative trends were minimal. Sometimes the principal financial measure was simply that funds had been distributed.

Member States gave insufficient consideration to environmental and health policies

Aquaculture involves the risk of animal diseases and infections and interaction with the marine environment. Fish kept in confined areas need to be fed, and this can result in certain discharges of excess feed, and effluent. The fact that fish are kept in relatively close proximity to each other increases the prevalence of infections and disease and the need for veterinary treatments. The spread of infections or disease can cause losses to farmed fish stock while also endangering wild fish. Losses to farmed fish stock can also occur when fish escape; and subsequent breeding with wild fish causes a transfer of genetic composition which may alter the characteristics of the wild population.

In order for aquaculture to be developed in a sustainable way while safeguarding the marine environment, these risks need to be assessed and managed. There are detailed legislative requirements governing the veterinary control of aquaculture activities. While the EFF could provide funding for the protection of the environment and of public and animal health, apart from Poland none of the Member States visited had approved projects in these areas. Moreover, there is a lack of guidance on environmental matters (see paragraphs 23 to 25).

Member States are required by the EFF implementing regulation to record the percentage of projects with environmentally friendly production (reduction of negative impacts or enhancement of positive effects). The Court found that EFF-funded aquaculture measures in the Member States visited did not show sufficient consideration for these aspects. The bulk of funding was directed at measures to maintain production. Little use was made of selection criteria regarding environmental and health risks in order to be eligible for funding. Furthermore, there were insufficient measurable indicators (relating, for example, to the discharge of effluents and chemicals, siting of farms and impact of fish escapes) based on reliable data for the impact of specific aquaculture practices on the aquatic environment.

Consequently, it was not possible to determine whether environmental impacts were real and significant relative to the public investment concerned, as illustrated in Box 4.
Observations

There were serious inaccuracies in the reporting of results by some Member States

53
The annual EFF implementation reports prepared by Member States were to include monitoring statistics and to be discussed and approved by the monitoring committee before being submitted to the Commission. They contained the latest financial data on project implementation and, typically, indicators for production and employment. To obtain an accurate picture of the results of EFF aquaculture support measures at Member State and EU level, it was essential that these reports be accurate.

54
The Court found significant inaccuracies and methodological weaknesses in some annual implementation reports, which prevented the implementation of EFF support for aquaculture from being reliably assessed, as shown in Box 5.

Examples of lack of focus on environmental issues

According to the Spanish EFF implementation report for 2011, only four of the 604 projects approved under measure 2.1 were applying certified environmental management systems. Environmental impact studies, or simply declarations of no impact, had been prepared by the promoters and examined by the competent authorities. However, given the low number of applications, environmental management was not used as a selection criterion for EFF funding decisions.

The Court found significant inaccuracies and methodological weaknesses in some annual implementation reports, which prevented the implementation of EFF support for aquaculture from being reliably assessed, as shown in Box 5.

In Romania, only three points out of 100 were awarded for the environmental criterion at the selection stage. 32.5% of EFF-funded projects were considered to have environmentally friendly production. However, there was no definition of an ‘environmentally friendly’ project. Projects applying ‘the usual good aquaculture practice’ were also considered environmentally friendly. In addition, with the exception of projects from organic producers, no projects had applied for environmental certification.

35 Article 59(i) of Regulation (EC) No 1198/2006.
Inaccuracies and methodological weaknesses in annual implementation reports and other statistical sources

In France, the authorities focus on the rate of reply of aquaculture businesses to aquaculture statistical surveys (60 %) without ensuring that these businesses represent at least 90 % of the total production in volume as foreseen by the relevant regulation. This affected the accuracy of the annual production indicators. The main indicator used by the French authorities for the implementation of aquaculture support measures was the use of budget allocations rather than results achieved.

In Spain and Romania, the aquaculture production presented in annual implementation reports were based on beneficiaries’ forecasts at the time of the initial aid applications. The amounts reported as being actual output figures were not in fact based on any real measure of production and were therefore unreliable.

In Italy, actual figures were included for the first time in the Annual Implementation Report (AIR) only for 2012. In addition, there were very significant differences between the annual aquaculture production reported in EFF implementation reports and by Eurostat. For example, for 2011, aquaculture production was reported in the AIR as 424 905 tonnes, and by Eurostat as 164 127 tonnes.

In Poland, result indicators included by beneficiaries in the final project implementation reports were not monitored by the national authorities. The result indicators for aquaculture presented in the EFF annual implementation reports were therefore not sufficiently verified.

Observations

The EFF measures have not delivered sufficient value for money to date in support of the sustainable development of aquaculture

The overall objectives at EU level were not met

55
The Commission strategy of 2002\textsuperscript{37} aimed to create secure long-term employment (an additional 8 000 to 10 000 jobs) over the period 2003 to 2008, in particular in fisheries-dependent areas. This objective had four main components: increasing the EU’s aquaculture production growth rate to 4 % per year, improving spatial planning, promoting market development and improving governance.

56
The Court found that these objectives had largely not been achieved by 2012. EU production has remained at around 1.3 million tonnes for many years, while worldwide aquaculture production has continued to grow (see Figure 2). Accurate employment figures are not available, but these are also assessed by the Commission as stable\textsuperscript{38}. While there were no quantified objectives concerning spatial planning and governance, the audit in the Member States found significant problems with both areas (see paragraphs 37 to 40).

The objectives at Member State level were not met

57
The OPs of the Member States visited all set specific objectives in terms of production and jobs, and more general objectives in terms of environmental protection, animal health, diversification, etc.\textsuperscript{39} The Court found that the main objectives for aquaculture in the Member States visited were not met and that very high targets had been set without a sound basis. The Commission’s impact assessment of 2009 also identified growth targets as one of the weaknesses of the strategy for aquaculture\textsuperscript{40}.

58
In the six Member States audited, the total interim\textsuperscript{41} production target was 683 000 tonnes. However, according to the annual implementation reports (AIR), and notwithstanding the problems with data accuracy (see paragraph 54) actual production at the interim stage was reported to be only 485 000 tonnes. As with other sectors, the financial crisis had a significant impact on aquaculture (see paragraphs 41 and 42) and contributed to lower production than planned. However, while operational programmes were revised by the Member States, targets were not updated to reflect actual decreases in production since the preparation of the operational programme. Production targets are compared with actual results in Box 6.

41 Member States set interim production targets for 2010 or 2011.
### Risk that operational programme objectives will not be achieved

<table>
<thead>
<tr>
<th>Member State</th>
<th>Baseline production</th>
<th>Reference year</th>
<th>Planned production</th>
<th>Actual interim production</th>
<th>Reference year</th>
<th>Difference between planned and actual</th>
<th>Production planned at end of EFF programme</th>
</tr>
</thead>
<tbody>
<tr>
<td>France</td>
<td>242</td>
<td>2007</td>
<td>253</td>
<td>209</td>
<td>2010</td>
<td>-44</td>
<td>264</td>
</tr>
<tr>
<td>Italy</td>
<td>242</td>
<td>2006</td>
<td>254</td>
<td>165</td>
<td>2011</td>
<td>-89</td>
<td>278</td>
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<tr>
<td>Poland</td>
<td>35</td>
<td>2006</td>
<td>43</td>
<td>29</td>
<td>2010</td>
<td>-14</td>
<td>52</td>
</tr>
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<td>Portugal</td>
<td>7</td>
<td>2005</td>
<td>10</td>
<td>9</td>
<td>2010</td>
<td>-1</td>
<td>15</td>
</tr>
<tr>
<td>Romania</td>
<td>7</td>
<td>2005</td>
<td>10</td>
<td>9</td>
<td>2010</td>
<td>-1</td>
<td>14</td>
</tr>
<tr>
<td>Spain</td>
<td>63</td>
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<td>113</td>
<td>64</td>
<td>2010</td>
<td>-49</td>
<td>80</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>596</strong></td>
<td><strong>683</strong></td>
<td><strong>485</strong></td>
<td></td>
<td></td>
<td><strong>-198</strong></td>
<td><strong>703</strong></td>
</tr>
</tbody>
</table>

*Source: Operational Programmes, Annual Implementation Reports, Eurostat.*

French production includes oysters. The OP estimated that oyster production would increase from 115 000 tonnes at the start of the programme to 121 000 tonnes by 2010, and 127 000 tonnes by the end of the programme. The production of oysters had fallen to 84 000 tonnes in 2010 due to a mortality crisis. The OP was last revised in 2012, but the production target for oysters was not revised although by then it was unrealistic.

When revised in 2011, the Italian OP maintained a production target of 278 000 tonnes for the end of the programme, although by that time actual production was 165 000 tonnes according to Eurostat.

When last revised in 2011, the Polish OP maintained a production target of 52 000 tonnes for the end of the programme, although actual production was only 29 000 tonnes in 2010.

The Portuguese targets for aquaculture production at the end of the programme were also unrealistic. The OP estimated that production would increase from 7 000 tonnes in 2005 to 15 000 tonnes in 2013 (+214 %). However, actual reported production for 2011 was only 9 000 tonnes.

When last revised in 2012, the Romanian OP increased the production target to over 14 000 tonnes for the end of the programme, although actual production for 2010 was only 9 000 tonnes.

The Spanish OP’s production targets for the end of the programme were unrealistic. They were reduced in 2012 from 113 000 tonnes to 80 000 tonnes (excluding mussels), compared to actual reported production for 2010 of 64 000 tonnes.
Observations

A significant number of projects audited were unlikely to contribute cost-effectively to objectives

59 During the period 2007–13, the EFF provided over 400 million euro for approximately 5 800 projects under measure 2.1 for the sustainable development of aquaculture. The audit examined whether the selected projects contributed effectively to this objective. This involved considering whether projects were selected to deliver sustainable development and well targeted, especially on achieving growth and employment; whether planned results were actually achieved; and whether value for money was obtained.

There was limited support for sustainable development and poor targeting

60 The EFF regulation set a number of objectives for the funding of aquaculture projects. Funding could be provided for projects for traditional aquaculture activities or which improved the environment, for diversification to species with good market prospects, and for the sustainable development of employment and the market.

61 In practice, existing and traditional aquaculture activities received the bulk of funding. This was facilitated by the selection criteria set in Member States’ operational programmes and national rules, and by controls on access to sites suitable for aquaculture. The result was that only limited funding was provided for new or innovative projects which might lead to high added value or increase overall production targeting the sustainable development of aquaculture, as illustrated by Box 7.

Examples of limitations on the sustainable development of aquaculture

In Galicia (Spain), no new concessions have been granted for access to marine sites to develop aquaculture since 1985, despite demand from applicants. While at the time of the audit, marine spatial planning did not exist and the Galician authorities had requested a survey on the suitability of other marine sites for the development of aquaculture, in practice the possibility of new entrances gaining access has been very limited.

In Italy, the deadlines for submitting tenders, combined with the length of the licensing process and the specific points awarded in the selection process for existing projects, resulted in a predominance of aid for existing aquaculture businesses.
Observations

The selection of good projects requires the prioritisation of eligible projects using selection criteria which focus on the objectives of the operational programme. The Court found that the projects audited in the Member States visited were often poorly selected, and aid was granted for projects which had already commenced at the time of the selection, as described in Box 8. About one third of the 60 projects examined showed weaknesses that suggest they were poorly targeted.

Examples of poor targeting

In Spain (Andalusia and Galicia) and France, as the available budget for measures to support aquaculture was greater than the total value of the applications received, all projects which met the basic eligibility criteria were awarded funding. Thus there was no prioritisation of projects, increasing the risk that value for money is not achieved. The audit found that six of the 10 projects examined in Spain showed weaknesses that suggested they were poorly selected. For example, five of these cases refer to the acquisition of service vessels without improvements in production or employment.

In Poland, while selection criteria were established, they were not related to the objectives of the aquaculture support measure. In practice, as long as the basic eligibility criteria were met, including the provision of a 3-year business plan, applications for funding were approved on a ‘first-come, first-served’ basis. As a result aid did not necessarily flow to the best projects, and projects submitted later in the programming period were rejected out of hand because the budget had been exhausted. The audit found that three of the 10 projects examined were poorly selected.

In Romania, the selection criteria referring to the objectives set in the EFF regulation had a low weighting, were not sufficiently assessed, and partly overlapped. The audit found that several of the 10 projects examined were poorly selected.

In Poland, Portugal and Italy, the selection procedure did not take into account the degree of project implementation at the date of application, and some projects were already completed when the aid decision was made. This did not provide sufficient controls against project deadweight. The audit found that about one third of the 30 projects audited in these Member States showed weaknesses that suggested that they were poorly selected.
The Court found that, while the operational programmes targeted increased production, the selection procedures in the Member States visited often did not give the necessary priority to achieving those targets, as illustrated in Box 9.

**Anticipated project results were not achieved or not verified**

In order to contribute effectively to the impact of the funded measures, projects should largely meet the targets set when approved for aid. The competent authorities should monitor project implementation and results and take corrective action where appropriate (see also paragraphs 53 and 54).

**Examples of projects not targeting growth**

In Spain, France and Poland, selected projects did not specifically target increases in employment or production but mostly aimed at modernising existing activities, which was considered by the Member States to have a beneficial effect on employment and production. However, due to the lack of targeting, projects did not focus on achieving growth, as demonstrated in paragraph 66.

In Sicily (Italy), projects were selected on the basis of weighted selection criteria. This score included a maximum of 20 points for maintaining employment, 10 points for increasing employment per employee hired with a maximum of 30 points, and 10 points for hiring at least one woman. The audit found that project promoters often declared the minimum required in order to optimise the selection score. For example, one project promoter declared that the project would mean taking on a female employee, thus increasing the size of the workforce from 90 to 91, through the hiring of a woman, and consequently received 20 points (10+10) for this action and a further 20 points for maintaining two jobs.
Observations

Of the 31 projects audited on the spot, and 25% of which that were foreseen to increase employment and/or production, at the time of the audit there was evidence that only three had achieved their objectives (see Annex III). Even though a number of projects are still ongoing, the rate of achievement is low. This is illustrated in Box 10.

Insufficient value for money was obtained to date

Public funds spent on aquaculture projects should provide value for money. This implies that public funding should be proportional to the expected results, and that funding for excessive investment and project deadweight is avoided. Furthermore, the funds should provide a real incentive for the investment, and the granting of aid to investments which would have been implemented without public funding should be avoided.

Some of the audited projects showed real potential and indicated good practice ...

The Court identified three successful projects which contributed to the sustainable development of aquaculture, as illustrated in Box 11.

Out of these 25 cases, 11 did not specifically target increases as part of the project selection procedure.

Examples of project results not achieved or not verified

In Poland, despite the fact that all five beneficiaries visited during the audit reported in their final project implementation reports to the national authorities that they had achieved the quantified production targets, four confirmed to the Court that in reality the objectives had not been met. Beneficiaries reported significant stock losses (sometimes approaching 80%) due to predation.

In France, all beneficiaries visited reported that quantified production targets had not been met. Anomalies in the reported amounts had not been checked by the competent authorities.

Italy started monitoring activities in 2012 and reporting on their results in 2013.
Examples of success stories

In Poland, a project costing 7.8 million euro received EFF funding of 3.4 million euro for the creation of a sustainable tilapia farm in a closed system of fish tanks using technologies which protected the surrounding environment. The project aimed at producing 200 tonnes of fish per year and creating 13 jobs. However on completion, the project was producing 1,000 tonnes annually and had created 19 jobs.

In Spain, a project received EFF funding of 742,000 euro for the construction of ponds to rear sea bass and sea bream in an area covering 600 ha. The beneficiary had significant expertise in the aquaculture sector, with access to finance and working capital. The entire area has now been developed through several EU-financed projects. The ponds were stocked with small fish in 2011 and, given a growth period of 3 years, full production of around 600 tonnes was expected to occur from 2014. The beneficiary’s ability to finance the significant working capital entailed by this long growth period (over 5 million euro) was crucial to the success of the project. Employment was projected to increase from 30 to 50 by 2014, but had already reached 52 in 2013.

In Portugal, a project received EFF funding of 35,000 euro for the modernisation and expansion of an oyster farm. The project manager had a university diploma in oyster farming. The project aimed to increase production from 120 tonnes in 2011 to 150 tonnes in 2013, to reduce oyster mortality, and to increase the workforce from four to nine. At the time of the Court’s visit in 2013, the project had not yet been fully completed, but production had already increased to 135 tonnes, and eight people were employed at the farm.

Source: ECA.
Observations

... but many did not

Of the 31 projects visited, the audit identified 16 cases where there was insufficient evidence that value for money was achieved.

— In 11 cases, all in Italy and Poland, the beneficiary started the investment before the aid decision was granted. In these Member States, most of the investments associated with EFF projects had already been carried out by the beneficiaries before the funding was approved. This reduced the real investment incentive provided by the funds and demonstrates that public money was granted to beneficiaries who did not need it. In addition, the estimated investment costs to be co-financed were not justified by reference to expected project results.

— In five cases the scale of public funding compared to results was not well justified and there was insufficient evidence of value for money, as illustrated in Box 12.

Examples of EFF-funded projects which represented poor value for money

In Andalusia (Spain), a project to farm prawns using heated water provided by a local power company received EFF funding of 358 000 euro. While the project was expected to create eight new jobs, the competent authorities did not take into account the fact that a similar number of jobs were lost when the beneficiary transferred activities from two other sites to the project site.

In France, EFF funding of 108 000 euro was paid for a project for the construction of a two-storey building to develop a shellfish business. One of the floors of the building was not used for the planned activity, but for tourist-related services.

In Portugal, EFF funding of 838 000 euro was paid for a project to capture, keep and feed fish, including tuna, for subsequent sale. By the time of the audit, while tuna had been captured and sold, there was insufficient evidence they had been kept in the facility and fed before being sold. The process was therefore closer to a form of capture-based fishing rather than aquaculture.
In December 2013, the European Parliament and the Council adopted a regulation\(^ {46} \) to reform the common fisheries policy from 1 January 2014. Unlike the CFP regulation for the period ending 2013, this new regulation contains a specific section on aquaculture, and requires Member States to prepare multiannual national strategic plans, based on EU strategic guidelines, with the aim of removing administrative barriers (e.g. in relation to licensing), facilitating access to waters and space and applying environmental, social and economic indicators for aquaculture. Operational programmes will have to be consistent with these strategic plans. A new Aquaculture Advisory Council will be established to give advice on management of the sector.

The new aquaculture policy will be implemented through the European Maritime and Fisheries Fund (EMFF)\(^ {47} \). Unlike the EFF, the EMFF has a specific section defining how funding would be used to support the sustainable development of aquaculture. It provides a clearer framework than the EFF for funding aquaculture, including the possibility to fund environmental and health measures, the development of spatial planning, business innovation, entrepreneurship, and stock insurance. Funding will be consistent with Member States’ multiannual national strategic plans.
Conclusions and recommendations

In the context of declining EU production from traditional capture fisheries, and the example of significant worldwide growth of aquaculture production, the reformed CFP intends to further develop measures to support aquaculture from 2014. The Court examined whether the funding provided by the EFF for the previous period offered effective support for the sustainable development of aquaculture, so that lessons can be learned for the new measures.

The audit considered whether measures to support aquaculture had been well designed and implemented at EU and Member State level, and whether the EFF delivered value for money and supported the sustainable development of aquaculture.

Overall, the Court found that the EFF did not offer effective support for the sustainable development of aquaculture. At EU level, measures to support the sustainable development of aquaculture have not been well designed and monitored. The CFP and the EFF did not provide an adequate framework for the sustainable development of aquaculture up to 2013 (paragraphs 18 to 19), and the Commission’s review of Member States’ NSPs and OPs did not correct certain design problems (paragraphs 20 to 22). Environmental sustainability of aquaculture development is an objective of the EFF. The Court found sufficient guidance was given for Natura 2000 but not for issues related to the water framework directive, the marine strategy framework directive and the environment impact assessment directive (paragraphs 23 to 25).

There were problems with the completeness and reliability of data on aquaculture production reported by Member States and collated at EU level (paragraphs 26 to 30), which makes the results of aquaculture measures difficult to assess. The EFF monitoring committees and interim evaluations, and the Commission’s inspections, had little impact (paragraphs 31 to 34) in terms of the implementation of aquaculture measures. The results of publicly funded research and LIFE projects were not fully exploited (paragraphs 35 to 36).

At the level of the Member States, measures to support the sustainable development of aquaculture have not been well designed and implemented. There were significant problems with spatial planning and complicated licensing requirements (paragraphs 39 and 40), and the financial crisis had a significant impact (paragraphs 41 and 42). For the Member States visited, national strategic plans and operational programmes, required by the EFF, generally did not provide a sufficiently clear basis for the sustainable development of aquaculture (paragraphs 43 to 48). Furthermore, the Member States did not implement a coherent strategy for the development of the aquaculture sector (paragraphs 37 and 38). In particular, there was insufficient consideration given to environmental and health policies (paragraphs 49 to 52). There were inaccuracies and methodological weaknesses in the annual reporting of production data (paragraphs 53 and 54).
Conclusions and recommendations

76 In terms of the value for money provided by EFF support for aquaculture, the Court noted that the objectives for the sustainable development of aquaculture were not achieved at EU nor at Member State level (paragraphs 55 to 58).

77 The Court found that many EFF-financed projects did not deliver value for money or support the sustainable development of aquaculture. Projects were often poorly targeted, contributed little to growth and employment, and did not achieve expected results (paragraphs 59 to 66). While the audit found some success stories, there was also significant evidence of project deadweight and poor value for money, underfunding of new developments and low return on public investment (paragraphs 67 to 69).

78 In conclusion, for the period up to 2013, there was an inadequate framework at EU and Member State level to translate the EU’s objectives for the sustainable development of aquaculture into reality and the measures actually taken did not provide sufficient results. In light of this, the reform of the CFP and the introduction of the EMFF from 2014 (paragraphs 70 to 71), the Court makes the following recommendations.

**Recommendation 1**

In its implementation of measures to support aquaculture under the European Maritime and Fisheries Fund, the Commission should:

(a) when approving Member States’ operational programmes, consider whether objectives for the sustainable development of aquaculture are realistic and appropriate, and whether support is targeted at measures which are likely to meet those objectives;

(b) establish guidelines for the consideration of relevant environmental factors when determining public funding;

(c) ensure, where relevant, that Member States’ operational programmes are only approved if appropriate national strategies for the development of the aquaculture sector are prepared;

(d) encourage Member States to implement relevant spatial planning and to simplify the licensing and administrative procedures to support the development of the aquaculture sector;

(e) improve the comparability of the statistical data on aquaculture compiled from its different sources, in order to enhance its accuracy and completeness.
Conclusions and recommendations

Recommendation 2

In their implementation of measures to support aquaculture under the European Maritime and Fisheries Fund, Member States should:

(a) prepare and apply coherent national strategies for the development of the aquaculture sector;

(b) implement relevant spatial planning, and simplify the licensing and administrative procedures to support the development of the aquaculture sector;

(c) ensure that public funding is prioritised towards projects which best contribute to the sustainable development of aquaculture and provide value for money;

(d) monitor project results more closely by setting and applying relevant indicators.

This report was adopted by Chamber I, headed by Ms Rasa BUDBERGYTĖ, Member of the Court of Auditors, in Luxembourg at its meeting of 14 May 2014.

For the Court of Auditors

Vítor Manuel da SILVA CALDEIRA
President
## Annex I

### Aquaculture turnover and EFF support

<table>
<thead>
<tr>
<th>Member State</th>
<th>Turnover (2011)</th>
<th>EFF support (million euro)</th>
<th>Number of Measure 2.1 projects</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Value (million euro)</td>
<td>Volume (000 tonnes)</td>
<td>EFF Axis 2 (planned)</td>
</tr>
<tr>
<td>Belgium</td>
<td>0,2</td>
<td>0,0</td>
<td>1,3</td>
</tr>
<tr>
<td>Bulgaria</td>
<td>10,0</td>
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<td>36,0</td>
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<td>21,0</td>
<td>14,5</td>
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<tr>
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<td>37,6</td>
</tr>
<tr>
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<td>85,9</td>
<td>39,1</td>
<td>54,9</td>
</tr>
<tr>
<td>Estonia</td>
<td>1,6</td>
<td>0,4</td>
<td>24,6</td>
</tr>
<tr>
<td>Ireland</td>
<td>128,5</td>
<td>44,8</td>
<td>0,0</td>
</tr>
<tr>
<td>Greece</td>
<td>523,3</td>
<td>121,8</td>
<td>59,7</td>
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<tr>
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<td>276,9</td>
<td>307,1</td>
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<tr>
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<td>898,5</td>
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<tr>
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<td>3 967,4</td>
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**Sources:**
- EFF Axis 2 (planned): approved Operational Programmes.
- ‘EFF Measure 2.1 (actual): information up to May 2013, and July 2012 for Member States indicated with *, provided by Commission services.’
- ‘Number of Projects: information up to May 2013, and July 2012 for Member States indicated with *, provided by Commission services.’
## Sample of projects audited

<table>
<thead>
<tr>
<th>Member State</th>
<th>Region</th>
<th>Project description</th>
<th>Type of production</th>
<th>Audited on the spot</th>
<th>Eligible project cost (000 euros)</th>
<th>Total public contribution (000 euros)</th>
<th>Total EFF contribution (000 euros)</th>
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<tr>
<td>Spain</td>
<td>Galicia</td>
<td>Installation of rafts and modernisation of service vessels</td>
<td>Mussels</td>
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<td>989</td>
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<td>Total public contribution (000 euros)</td>
<td>Total EFF contribution (000 euros)</td>
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<tr>
<td>Italy</td>
<td>Provincia autonoma di Trento</td>
<td>Installation of hatchery and tanks</td>
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<td>Emilia Romagna</td>
<td>Purchase of service vessels (clams repopulation) and purchase of a service dock/platform</td>
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<td>Masovia</td>
<td>Modernisation of breeding ponds</td>
<td>Carp</td>
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31 84 986 45 353 33 274
## Results of audited projects

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- **Spain**: 5 employees, 570 members of cooperative
- **France**: 5 employees, 570 members of cooperative
- **Italy**: 5 employees, 570 members of cooperative
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<th>Member State</th>
<th>Type</th>
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<th>Employment before the project</th>
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- **Poland**:
  - **Modernisation**: 0 tonne before, 40 tonne planned, 2 tonnes before, 4 tonnes planned, objectives not achieved.
  - **Reconstruction**: 0 tonne before, 10 tonne planned, 1 tonnes before, 1 tonnes planned.
  - **New**: 0 tonne before, 200 tonne before, 1000 tonnes planned, objectives achieved.
  - **New**: 0 tonne before, 32 tonne planned, 0 tonnes before, 1 tonne planned.
  - **Modernisation**: 5 tonnes before, 7 tonnes planned, 5 tonnes before, 10 tonnes planned.

- **Portugal**:
  - **Modernisation**: 120 tonne before, 150 tonne planned, 135 tonnes planned, 4 tonnes before, 9 tonnes planned, objectives achieved.
  - **Modernisation**: 120 tonne before, 392 tonne planned, 20 tonnes planned, 7 tonnes before, 9 tonnes planned, objectives achieved.
  - **New**: 0 tonne before, 1555 tonnes planned, 0 tonnes planned, 3 tonnes planned.
  - **New**: 0 tonne before, 2380 tonnes planned, 10 tonnes planned, 0 tonnes before, 16 tonnes planned.
  - **Modernisation**: 175 tonne before, 810 tonnes planned, 50 tonnes planned, 6 tonnes before, 6 tonnes planned.

- **Romania**:
  - **New**: 0 tonne before, 150 tonnes planned, 2 tonnes planned.
  - **Modernisation**: 112 tonne before, 467 tonnes planned, 400 tonnes planned, objectives achieved.
  - **Modernisation**: 100 tonne before, 428 tonnes planned, objectives achieved.
  - **Modernisation**: 6 tonne before, 132 tonnes planned, 2 tonnes planned.
  - **Organic**: NA tonnes before, NA tonnes planned.

- **Legend**:
  - Red: Planned increase not achieved
  - Green: Objectives achieved
  - Grey: No increase in production or employment planned
Executive Summary

I
Member States will be able to spend EFF funds until the end of 2015. Thus, the final overall allocation of EFF funds to aquaculture measures for the 2007–13 is not yet known.

III
The Commission recognises that, up to the end of 2013, EFF support to the sustainable development of aquaculture may not have necessarily achieved all the expected or desired results. However, despite the financial and economic crisis the Commission would like to underline that production has been stable in terms of volume and has recorded a slight increase in terms of value. Employment level has been maintained in the sector. The lessons learned from the 2007–13 period have been incorporated in the new European Maritime and Fisheries Fund (EMFF) for the 2014–20 period.

IV
The Commission is of the view that some, but not all measures financed by the EFF to support the sustainable development of aquaculture have been well designed and monitored notwithstanding the difficulty to assess the effectiveness of these measures.

The Commission recognises that the CFP did not provide a sufficiently clear framework for the development of aquaculture in the previous programming period. This has been addressed with the adoption of the reformed common fisheries policy and new strategic guidelines on aquaculture in 2013.

However, the onset of first the fuel crisis in 2008, and then a global economic and financial crisis, meant that aquaculture firms faced entirely new challenges that could not have been foreseen at the onset of the 2007–13 programming period. This had a profound effect on the targets and objectives set for EFF-funded aquaculture measures at the start of the programming period.

The Commission produced a comprehensive vademecum and guidance on monitoring and in particular the use of indicators in the EFF: (http://ec.europa.eu/fisheries/cfp/eff/official_documents/updated_eff_workingpaper_on_indicators_en.pdf). At no stage have Member States indicated a lack of guidance from the Commission.

The Commission takes note that there was insufficient comparability between data on aquaculture from different EU sources. This was partly due to the fact that aquaculture data come from different sources at EU level responding to different uses (production trends and socioeconomic performance). These databases are essentially aligned but differences do occur due to different coverage, missing data or confidentiality reasons. The upcoming revision of the Data Collection Framework will provide the Commission with the opportunity to address these data shortcomings.

The Monitoring Committee, in which the Commission only has an observer status, follows the implementation of the whole Operational Programme (OP) and not just for aquaculture. It should be recalled that the OPs included 16 measures, and aquaculture was not the most important in terms of EFF resources. The Commission considers that the time devoted by the Monitoring Committees to aquaculture was proportionate to the importance of these measures.

V
For the future, the Commission has established an open method of coordination, in the context of the CFP reform, with the objective of supporting Member States’ efforts to develop sustainable aquaculture and to strongly encourage them to reinforce the link between policy objectives and funding priorities. Under the EMFF and the new CFP, each Member State must adopt a multiannual national strategy for aquaculture to be able to support aquaculture within the framework of its EMFF OP.
VI
The Commission stresses that the impact of the economic and financial crisis critically affected the achievement of objectives for growth and employment in the aquaculture sector.

Through the principle of shared management on which the EFF is based, selection of projects is made at Member State level. Indeed, Member States were faced with ever decreasing numbers of projects emanating from the sector, due to worsening economic conditions.

VII
Although the Commission acknowledges that the regulatory framework and in particular, the monitoring of EFF-funded measures did not generate the expected results, it is important to note that the 2008 fuel crisis and ensuing economic and financial crisis had a critical impact on the sector.

The new European Maritime and Fisheries Fund (EMFF) provides a clearer policy framework, based on the establishment of six Union priorities and a set of specific objectives. The EMFF thus has a stronger intervention logic, a reinforced result-orientation and a strengthened monitoring and evaluation system which will ensure a greater contribution to the objectives of the CFP, particularly to the sustainable development of EU aquaculture.

VIII (a)
The Commission will carefully analyse the rationale for the support proposed to aquaculture in the new EMFF operational programmes expected to be submitted in the second half of 2014. The Commission will also carefully analyse the coherence between the measures of the OP and the measures announced in the multiannual national strategic plan for aquaculture.

It can also be expected that the establishment of quantified targets and milestones and procedures for monitoring and collecting the data necessary to carry out evaluations, will facilitate checking that those objectives are met.

VIII (b)
The Commission has developed guidelines for the development of sustainable aquaculture, including relevant environmental factors:  http://ec.europa.eu/fisheries/cfp/aquaculture/official_documents/com_2013_229_en.pdf

It has also prepared guidance on how the ex ante conditionality for the multiannual national strategic plan on aquaculture should be fulfilled:  http://ec.europa.eu/fisheries/reform/emff/doc/10-guidance-emff-specific-eacs_en.pdf

The Commission has prepared guidance, as an annex to the guideline on the ex ante evaluations, on how the conclusions of the Strategic Environmental Assessments are integrated in the design of their operational programmes:  http://ec.europa.eu/fisheries/reform/emff/doc/08-strategic-environmental-assessment_en.pdf

The Commission developed guidance on the nature of the derogations allowed under Article 9 of the wild birds directive. This document aims at clarifying the key concepts within Article 9 of the birds directive as they relate to preventing serious damage by cormorants or protecting flora and fauna, and offers practical advice on how to implement these concepts:  http://ec.europa.eu/environment/nature/cormorants/files/guidance_cormorants.pdf

In addition, the Commission is currently supporting the development of specific guidance for the implementation of the water framework directive and the marine strategy framework directive under preparation. All documents relating to this project are available at:  https://circabc.europa.eu/w/browse/4eda1116-2b76-4a0c-b4ed-b3ec2616b013


VIII (c)
In line with the ex ante conditionality on the multiannual national strategic plan for aquaculture, the Commission will not adopt the EMFF operational programmes unless Member States have submitted appropriate multiannual national strategic plans for the promotion of sustainable aquaculture, where relevant.
A part of this recommendation is to be addressed to the Member States because under the principle of shared management, it is up to the Member States to prepare and apply coherent national strategies for the development of the aquaculture sector. The Commission cannot apply any sanctions or bring infringement procedures if Member States do not prepare or apply these strategies in line with Commission guidelines.

VIII (d) Although administrative simplification and spatial planning remain in substance the competence of Member States, the Commission has identified the lack of spatial planning and the need for administrative simplification amongst the objectives to be pursued, in the Strategic Guidelines for aquaculture (COM(2013) 229). The Commission will also encourage the Member States to apply the recently adopted directive on maritime spatial planning to improve the development of aquaculture.

VIII (e) The Commission underlines that since 1996, a legal framework covering statistics on aquaculture production (Regulation 788/96 repealed by Regulation 762/2008) has been established. The Commission will continue addressing these data issues in the appropriate fora and processes (e.g. extending the collection of DCF data to freshwater aquaculture and harmonisation of methodologies).

IX (a) Following the adoption of the EU Strategic Guidelines on aquaculture in April 2013, the Member States have started setting up their multiannual national strategic plans for the promotion of sustainable aquaculture. The Commission will monitor the implementation of these plans which will include Member States’ objectives and the measures to achieve them. In particular, this will include compliance with the ex ante conditionality on the multiannual national strategic plan on aquaculture, without which the Commission will not be able to approve the EMFF Operational Programme.

IX (b) The Commission takes note of this recommendation which is the main focus of the Commission’s current initiatives on maritime spatial planning. Please see the comment above paragraph VIII (d).

IX (c) The Commission emphasises that the EMFF includes a number of new elements designed to help focus EMFF funding on those projects which best contribute to the sustainable development of aquaculture and provide value for money. These elements include: 1) reinforced monitoring system with annual reporting on the measures being financed; 2) more complete annual implementation report; 3) reinforced result-orientation including the new performance framework; and 4) ex ante conditionalties to ensure that measures to be financed under aquaculture are coherent with the multiannual national strategic plan on aquaculture.

IX (d) For the 2014–20 period, the EMFF will promote a stronger result orientation (use of common result indicators), including the application of the performance framework (use of common output indicators) than the previous EFF. The EMFF regulation foresees a delegated act on common indicators. The new monitoring system in the EMFF proposal will be composed of the following elements:

— A database at Member State level (INFOSYS) in which information on each operation is stored, following a common structure and using common indicators.

— A report sent to the Commission presenting key information in an aggregated form. The information should be cumulative in order to reflect the evolution of the implementation.

The EMFF common indicators will serve as the basis for monitoring and evaluation and to review the performance of the programmes. They will allow the aggregation of data at EU level, measuring the progress made towards the objectives of the Europe 2020 strategy.
Introduction

02 Imports of fish are largely derived from capture fisheries and not aquaculture. As for imported aquaculture products they correspond essentially to tropical species which cannot be produced in significant quantities in the EU.

03 The Commission uses the Data Collection Framework and Eurostat as data sources and this may result in differences compared with the data from the FAO which is mentioned by the Court in paragraph 3.

06 Although aquaculture was included in the scope of Regulation No 2371/2002, and targeted by the 2002 and 2009 Communications on a Strategy for the sustainable development of Aquaculture, it must be emphasised that the EU does not have exclusive competence in this domain.

07 This is a combined reply for paragraphs 7 to 8 (c).

Priority actions of the 2002 and 2009 communications were identified through consultations and impact assessment. Almost all actions included in these two complementary communications were implemented.

During the preparation of the 2013 Guidelines for aquaculture, the Commission together with stakeholders and Member States recognised the need for further action in the same priority actions. The major difference with the previous two communications is the setting up of a new governance mechanism in which the Commission will coordinate Member States’ efforts and facilitate exchange of best practices.

14 The Commission underlines that these statistics only refer to EFF-funded projects of aquaculture.

Observations

21 The Commission did provide feedback about actions covered by the national strategic plan when negotiating the operational programmes with the Member States in conformity with Articles 15 and 17 of the EFF regulation (No 1198/2006).

This finding confirms that Commission services did conduct the necessary OP appraisal in particular with respect to the sustainable development of aquaculture and consistency with the NSPs.

22 The Commission considers that it fulfilled its regulatory obligations as regards the review of NSPs and OPs. The purpose of the NSPs was to provide an overarching framework of the objectives for Member States. Their purpose was not to be as specific as the Member States’ OPs.

23 In order to promote the application of the EIA (environmental impact assessment) directive, the Commission has published a number of studies, reports and guidance documents. These are beneficial to a wide range of stakeholders such as national authorities, developers, consultants, researchers, non-governmental organisations and the public. The Commission ensures that such documents are updated taking into account Court’s case-law.

Please also see the Commission reply related to Recommendation 1 (b).

24 This reply addresses paragraphs 24 and 25.

1 http://ec.europa.eu/environment/eia/eia-support.htm
As stated in Article 6 of Regulation 762/2008, Member States have to provide the Commission with a yearly report on the quality of the data submitted. The submission of a detailed methodological report shall describe how the data were collected and compiled. The Commission examines the data and the reports and discusses them bilaterally and/or at the relevant Working Group on fisheries statistics of the Standing Committee for Agricultural Statistics.

Because data on the size of aquaculture facilities reported in m$^3$ may still be not fully reliable for some Member States, Eurostat continuously investigates on improving validation procedures. In the case of questionable data, Member States are asked for feedback and to correct, if needed.

There is no clear relationship between the total size of facilities in m$^3$ and the total production in tonnes: the productivity in kg per m$^3$ may vary considerably depending on the production method (cages, tanks, etc.), the environment (fresh and salt water) and the fish species. And for some fish species and production methods, countries report according to Regulation 762/2008, the size of their facilities in hectares instead of m$^3$.

Member States are required to send data together with detailed methodological reports describing how data were collected and compiled and providing the needed elements to allow the Commission to make a sound data quality assessment.

The Commission provided Member States with further guidance through the vademecum on the EFF and a number of interpretative notes on aqua-environmental measures in the EFF. Besides the guidance document on Natura 2000, the Commission developed guidance on the nature of the derogations specific to aquaculture under Article 9 of the wild birds directive relating to the prevention of serious damage by cormorants or the protection of flora and fauna: http://ec.europa.eu/environment/nature/cormorants/files/guidance_cormorants.pdf

With regard to the environment impact assessment (EIA) directive, please see the replies of the Commission under recommendation 1b). Detailed guidance on its implementation is also available online.

The Commission and Member States launched a Common Implementation Strategy (CIS) for the water framework directive (WFD). The aquaculture sector became active in the implementation of the WFD and joined the CIS in 2010 (via industry associations FEAP and EMPA). The Commission is currently supporting the development of guidance on the implementation of the WFD and the MSFD (marine strategy framework directive) in relation to aquaculture.

This reply addresses paragraphs 26 to 30.

While data validation and quality lays primarily in the remit of the Member States, the Commission did take a number of measures to improve harmonisation and coverage of aquaculture data, both in the context of the implementation of the existing legal frameworks and in the context of the data collection framework revision. The Commission underlines the publication of a scientific annual economic report on the EU aquaculture as a result.

2 http://ec.europa.eu/environment/eia/pdf/interpretation_eia.pdf
The methodological report has now been fully integrated into the Eurostat data reporting and monitoring environment (eDAMIS) similarly as for the datasets. Member States now provide their report annually. The data validation work can be done independently from the availability of the reports.

The Commission is aware of this situation and has acted upon it. Member States are now asked to justify the confidentiality and Eurostat has started to work on a confidentiality charter that aims limiting further the usage of confidentiality by Member States. As far as delays in delivering data are concerned, the Commission has reinforced its compliance monitoring and the follow up of non-compliance cases. Member States that do not deliver correct data on time are reminded of their legal obligations with an escalation approach that may potentially lead to infringement procedures.

The Commission is aware of the data differences, which are largely due to the differences in the legal frameworks. An ex post evaluation of the Data Collection Framework (DCF) has identified the discrepancies and overlaps between the various legislation, and the STECF3 has further analysed the datasets. Differences occur due to different coverage, missing data or confidentiality reasons.


The Commission is taking measures to reduce these differences in the context of the revision of the DCF and implementing an Action Plan on fisheries and aquaculture statistics that includes the harmonising of statistical concepts between both datasets.

31 Although the Commission’s mid-term evaluation of the EFF included an examination of aquaculture measures, in terms of resources, aquaculture absorbs a relatively modest part of the EFF budget. The Commission considers that its evaluation efforts for aquaculture are proportionate to this level of support.

32 The Commission selects Member States for its ‘performance’ audits on the basis of a risk assessment, and selects the operations to be audited from a representative sample of cases previously selected and audited by the Member State’s Audit Authority. The Commission draws its sample from as many axes as possible; whether aquaculture projects are selected for review will depend largely on their number and financial allocation in the Operational Programme concerned.

The conclusions of both parties are then compared in each case. Findings are duly followed up; for the seven aquaculture cases in question there were no issues identified regarding sustainability.

33 The EFF legal framework does not include such additional assessment for any of the five priority axis of the EFF. Nevertheless, the Commission did conduct a similar assessment through the stakeholder and Member States’ consultations in the framework of the CFP reform and the preparation of the aquaculture guidelines.
Although project results primarily addressed farmer needs, results have been used to prepare legislation and guidelines in relation to aquaculture. The Commission also used relevant project results supported under other EU funding programmes such as ERDF, ENP and CIP, e.g. to prepare the Strategic Guidelines for the sustainable development of EU aquaculture (COM(2013) 229). Project results have been disseminated and communicated to stakeholders including advisory bodies, industry (e.g. European Aquaculture Technology and Innovation Platforms (EATIP)) and policymakers.

Box 1
The Commission notes that only a small part of the 14 million euro representing the total amount disbursed for the 18 projects identified by the Court was of relevance for aquaculture. Most LIFE projects which mention aquaculture deal with it only in a wider context (typical example: LIFE97 ENV IRL 209 — Development of consensus based integrated coastal zone management strategy for Bantry Bay, which included existing aquaculture developments as part of the strategic planning, but only as a very small component of a much bigger project).

Among the 77 research projects relating to aquaculture funded under the sixth framework programme (FP), two projects dealt with the issue of communication, dissemination and technology transfer, and had a strong impact on stakeholders and the public at large:

1) The project ‘PROFET POLICY: A European Platform for the Communication of European RTD results to Stakeholders in Fisheries and Aquaculture’ (€764 144 EU funding) developed a platform for communication and dissemination of the results of EU-funded research projects in fisheries and aquaculture. Web-based structure for publishing technical leaflets, seminars on thematic and regional basis devoted to aquaculture producers, fishermen, scientists, national and European policymakers and other stakeholders were put in place. Workshops for the presentation of FP6 projects under the area of scientific support to policy were also organised to provide valuable exposure to policy-oriented stakeholders and fisheries and aquaculture organisations and networks.
2) The project ‘FEUFAR: The future of European fisheries and aquaculture research’ (€499 680 EU funding) carried out a foresight analysis and provided recommendations for future directions that had important implications for EU competitiveness in the aquaculture industry as well as for protection of the environment. It looked to identify future research needs in particular for aquaculture, based on an integrative and interactive foresight methodology including: (i) describing the system; (ii) detecting the driving forces in the system and (iii) constructing hypotheses about the driving forces leading to potential scenarios for the future. These different scenarios provided the basis, notably regarding aquaculture, for the identification of issues from an economical, ecological, societal and managerial (governance) perspective. Based on the analysis, some of the key future needs for research in capture fisheries and aquaculture were identified.

37 The Commission will address, amongst others, the topics identified in the Court’s observations through exchange of best practices within the open method of coordination. The Commission will also support Member States’ efforts in addressing administrative simplification with the help of the High Level Group for administrative simplification.

38 The Commission underlines that there was no such obligation for the Member States under relevant EU law (CFP and EFF). The multiannual national plans for aquaculture cover now this need (Article 34 of the 2013 basic regulation on the CFP and one of the ex ante conditionalities). It will need to be transmitted to the Commission at the latest by the day of transmission of the Operational Programme. The Guidelines adopted by the Commission on 29 April 2013 (COM(2013) 229) should guide the Member States in the preparation of the multiannual national strategy plan.

Box 2
The Commission is well aware of the fact that practices concerning spatial planning and licensing differ widely in the EU. This is however an area where Member States’ competence prevails. For this reason, as already announced in the 2011 Commission’s proposal for a new regulation of the European Parliament and of the Council on the common fisheries policy, the Commission is promoting ‘exchanges of know-how and best practices’.

These exchanges will be facilitated by Member States’ publication of their multiannual strategic plans for aquaculture.

Moreover, these multiannual strategic plans should address explicitly issues such as time to grant concessions.

As to the specific cases mentioned, the Commission will inform the concerned Member States of the Court’s findings.

Common reply to paragraphs 39 and 40
The new Directive on Maritime Spatial Planning will contribute to better integration in this field.

In the Strategic Guidelines (COM(2013) 229), the Commission identified the lack of spatial planning and the need for administrative simplification amongst the hindering factors that prevent further development of aquaculture. Because administrative simplification and spatial planning remain the competence of Member States, the Commission will address these issues in the context of the open method of coordination through best practice exchange seminars. Moreover, the new directive on maritime spatial planning and integrated coastal management provides for a framework for Member States to apply a comprehensive and coordinated planning process across sectors and between Member States.
41 The Commission acknowledges that the financial and economic crisis had a significant impact on the aquaculture sector as a whole and in particular the financing of aquaculture measures through the EFF. It impacted consumers demand, thus reducing investment risk taking by producers. In addition, the reduction in public spending also considerably weakened public co-funding capability in most Member States.

For Romania the financial crisis created serious difficulties for beneficiaries to implement EFF funded projects. This is also reflected in the intense usage of the Guarantee Fund — which provided until the end of 2013, financial guarantees amounting to approx. 7.5 million euro. The main beneficiaries were projects related to investments in aquaculture farms.

42 The Commission notes that:

— the financial crisis made it almost impossible to find the remaining funds that would have been necessary to start a new business in the sector;

— the crisis had a serious effect on the demand side, thus increasing significantly the financial risks for new operators.

The Commission considers that the risk of de-commitment did potentially act as a driver for decisions but it is only one among many other factors.

44 Article 15(2) of EFF Regulation No 1198/2006 indicates that a national strategic plan shall contain, where relevant to the Member State, a summary description of all aspects of the CFP, and set out the priorities, objectives, the estimated public financial resources required and deadlines. Member States are thus not obliged to do so in all circumstances.

45 Member States have opted for presenting financial resources only at the level of the Operational Programme, in the financial tables required in part B, Annex I to the Commission Regulation (EC) No 498/2007 obliging Member States to provide financial resources per axis and not per measure (and aquaculture is only a measure).

46 The Commission has now promoted a result-oriented approach in the EMFF Operational Programme and recommends the use of common indicators with realistic targets to address the identified weaknesses.

The initial targets have been established seven years ago when the economic situation was completely different. The Commission considers that a change of targets should lead to the reallocation of budgets.

The Commission’s experience is that Member States might over- or underestimate when setting objectives or targets. This weakness is addressed under the EMFF by setting amongst others common indicators and providing more emphasis on evaluation and monitoring including an evaluation plan which will ensure that Member States undertake ongoing evaluation activities to monitor progress and performance.

47 Please see the Commission reply in Box 3.

48 In some Member States, it was common practice to request a business plan among the documents to be presented by potential beneficiaries, allowing clearly economically unviable projects to be excluded and promoting value for money.
Projects are presented by private operators and the EFF funds only part of the investment. As a consequence, in times of crisis, there was not always sufficient incentive for private operators to go beyond legally binding requirements. There was guidance on environmental matters (see the Commission reply to paragraphs 23 to 25).

In the context of the financial and economic crisis, fewer projects were submitted by private operators. Although environmentally friendly production was identified as a selection criterion, this incentive was not sufficient to ensure a high number of projects in this area. The question is rather to ensure that consumers perceive an added value for environmentally friendly production.

The fact that, in Spain, all projects respected the legislation but that only few projects applied voluntary certified environmental management systems does not indicate that Member States gave insufficient consideration to environment and health issues. However it does demonstrate that, in a context of financial and economic crisis, beneficiaries often did not consider that the application of voluntary certified environmental management systems would give them a competitive advantage. Only a few such projects were presented and consequently a limited number of these projects were approved.

The above comment is also relevant for Italy.

It is important to outline that the selection criteria for EFF-funded projects in Romania are approved by the Monitoring Committee, where DG Maritime Affairs and Fisheries is an observer.

**Box 3**

Romania has a limited potential for marine aquaculture in the Black Sea, mostly related to mussels’ aquaculture. In compliance with Directive 79/923/EEC on shellfish water quality, four areas along the Romanian Black Sea coast were identified as suitable for mussel culture. Therefore the Romanian Operational Programme does not put any restriction in supporting marine aquaculture.

Actions to improve the Coastal Zone Management and the Italian legislation on aquaculture concessions lies outside the scope of the EFF and could not be included in the OP.

The Commission will strongly encourage Member States to exploit the opportunities offered by the EMFF to help public authorities identify the most suitable areas for developing aquaculture in the context of the spatial planning process.

In order to simplify target indicators, only few aggregated indicators have been considered to be relevant for achieving the objective of the OP. For the EMFF OP the Commission proposes specific indicators which take better into account environmental and market issues.

The OP of PL was revised in 2011 and change of aquaculture indicators was not requested by PL. This finding is not an example of weakness in relation to the OP.

**Box 4**

The fact that, in Spain, all projects respected the legislation but that only few projects applied voluntary certified environmental management systems does not indicate that Member States gave insufficient consideration to environment and health issues. However it does demonstrate that, in a context of financial and economic crisis, beneficiaries often did not consider that the application of voluntary certified environmental management systems would give them a competitive advantage. Only a few such projects were presented and consequently a limited number of these projects were approved.

The above comment is also relevant for Italy.

It is important to outline that the selection criteria for EFF-funded projects in Romania are approved by the Monitoring Committee, where DG Maritime Affairs and Fisheries is an observer.

**49**

EU aquaculture has to respect the highest environmental and health standards. The Commission monitors the compliance with EU law and controls its correct implementation.

The Natura 2000 guidelines recommend strategic spatial planning as an effective means to address and mitigate at an early stage potential impacts at local level.
The EFF OP in Spain and in Romania started de facto in 2010 and many of the projects on aquaculture were selected in 2010–11, while their implementation started in 2011–12. In this respect and depending on the fish species, the aquaculture farms do not start producing for the market immediately after the finalisation of the investment. Usually there is a period of breeding and nurturing that in some cases can take up to 5 years after the investment was made (e.g. sturgeon).

The above considerations also apply for Italy. It shall also be considered that the initial figures reported in the Annual Implementation Report (AIR) up to 2011 were a reference to the planned productions. The Commission had already identified this discrepancy with the figures provided by Eurostat, which refers to current productions. The issue was brought to the attention of the Italian Managing Authority which then modified the AIR and the OP to report current productions by using the same methodology applied by Eurostat.

The project implementation report is drawn up by the beneficiary. Actual production figures mentioned are not checked by the national authorities. It is the Managing Authority’s task to verify that the co-financed products and services are delivered; this does not include the results the projects have yielded. The Managing Authority collects all the data, aggregates and uses them in the Annual Implementation Reports. If at later stages the results require updating, the Managing Authority informs the Commission in consecutive Annual Implementation Reports and will do so in the final report which is due in March 2017.

Box 5
This comment refers to two unrelated issues, one being the quality of statistics, the other the choice of indicators for the monitoring of the EFF.

Regarding the indicator for monitoring the EFF, the Commission takes note of the observation and agrees that result indicators are more adequate. The issue has been raised with the Member State.

Account should be taken of the relatively long period needed between project approval and actual increase in production.
Box 6 shows that the objectives for the sector, as included in the Operational Programme (OP) in order to illustrate the general context in which EFF measures are implemented, may not be reached. The Commission considers that a distinction must be made between matters within the control of the Member States and those outside their control when evaluating the achievement of objectives. The principle factors beyond the control of Member States include the impact of the economic and financial crisis and specifically in the case of France the occurrence of a virus leading to a dramatic increase of oyster mortality.

The volume of production of oysters in the coming years will depend mainly on the capacity to tackle the issue of increased mortality. The 120 000 tons thresholds had been reached in 2008 but then the production has fallen. The French authorities remained optimistic about the overall production targets for the programming period.

The production targets were set at the beginning of the programming period. In 2011 there were still 4 years for implementing aquaculture measures. In addition, given the investment nature of the projects, 2011 was definitely too early to forecast the final performance of the measures. In the last proposal of OP modification of 2013, the target has been adjusted to 208 068, and has been calculated with the methodology applied by Eurostat.

For Poland, initial targets were impacted by:

- the late adoption of the OP (only October 2008) that shortens time of reaching targets (the year 2015 should be assumed for any comparisons);
- the time gap between investment and increase in production (it is minimum 3 years);
- growth in the population of protected, predatory species e.g. cormorants (in some cases damages are evaluated for 80 % of the production);
- periodical problems with lack of or low quality of water;
- price increase of feeding;
- lack of control of some diseases;

— projects focusing on modernisation of existing aquaculture enterprises;
— quite low demand on the PL market despite promoting campaigns and adding new species to the offer.

In the case of Portugal, the production targets in aquaculture took into account the potential increase in production induced by a major project implemented in 2009 with FIFG support. Because of technical problems this project never reached the expected production. Therefore the gap between the target and the actual production results mainly from the failure of one project.

The increase in production was related to the fact that Romania allocated an additional 25 million to Axis 2. The Managing Authority was asked by DG Maritime Affairs and Fisheries to revise the achievement indicators in line with the new, additional allocations.

The Spanish OP’s production targets were set in 2007 when the Spanish economy was growing far above the EU average. Although, in 2014, these initial objectives may appear unrealistic, they weren’t in 2007.

Traditional activities which are relatively less risky received the bulk of funding.

**Box 7**
Access to space is a well-known issue and the Commission took several initiatives to address this, in particular by proposing a directive on maritime spatial planning (now adopted) and the request made to Member States to draw up multiannual national plans for the development of sustainable aquaculture.

The impact of the economic and financial crisis on the sector as recognised by the Court in paragraph 41 discouraged new investments. The maintenance of the competitiveness of a European aquaculture sector capable of securing employment and productions in challenging circumstances should also be considered a success.

**Box 8**
Due to the economic and financial crisis, less applicants have applied for funding than expected at the time of programming on the basis of intense stakeholders’ consultations.

The competent authorities then checked that they fulfilled the criteria including economic and financial capacity. As regards the selection of six projects in Spain, the Spanish authorities have confirmed that these projects all fulfilled their selection criteria.

In the context of the financial and economic crisis, fewer projects were submitted by private operators. Furthermore, the implementation of innovative projects (usually involving higher risk than traditional projects in aquaculture) was limited due to the risk adverse decisions taken by the operators in the wake of the economic and financial crisis.

The Commission considers that in many projects the economic and financial crisis hindered a cost-effective achievement of the objectives.

The Commission considers that the limited support to the sustainable development of aquaculture and poor targeting is mostly due to the time lag and very different economic context between the original orientation for the development of aquaculture support and the time where the relevant project could be implemented.

In the context of the financial and economic crisis, fewer projects were submitted by private operators. Furthermore, the implementation of innovative projects (usually involving higher risk than traditional projects in aquaculture) was limited due to the risk adverse decisions taken by the operators in the wake of the economic and financial crisis.
In the case of the projects where the Romanian Audit Authority identified weaknesses in the selection procedure, the Commission used the tools at its disposal for ensuring compliance. In this regard the payments for Romania were interrupted in January 2012 until mid-2013, when there was sufficient confirmation that the weaknesses of the management and control system were rectified.

The degree of implementation of a project is not a selection criterion. Given the unstable economic environment, projects implemented before the application but within the eligibility period and complying with the eligibility rules, it should be considered as a process of minimising the risk for the EU and national budget.

There is an improvement foreseen for the next programming period as the Common Provisions Regulation 1303/2013 foresees under Article 65(6) that operations shall not be selected for support by the European Structural and Investment (ESI) Funds where they have been physically completed or fully implemented before the application for funding under the programme is submitted by the beneficiary to the Managing Authority, irrespective of whether all related payments have been made by the beneficiary.

**Box 9**
The Commission recognises that improvement is possible as regards *ex ante* evaluation of the impact of projects and as regards *ex post* analysis of impact achieved. However, the Commission would like to recall that the EFF took place in the context of a severe economic and financial crisis. In this context it is logical that projects, often designed before the crisis, failed to reach all their objectives.

Many PL projects aimed at modernisation in aquaculture due to outdated infrastructure.

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**Box 10**
Written and signed final implementation reports by the beneficiaries are the basis for assessing the results of projects. In evaluating the achievements of project results account must be taken of all factors including those beyond the control of the beneficiary, in particular the effect of predators and other natural causes as well as the financial and economic crisis.

As indicated in the Commission reply to Box 9, EFF implementation took place in the context of a severe economic and financial crisis for which it is logical that projects, often designed before the crisis, failed to reach all their objectives.

**65**
Please see the Commission reply to Box 9: EFF implementation took place in the context of a severe economic and financial crisis for which it is logical that projects, often designed before the crisis, failed to reach all their objectives.

Criteria of eligibility must be checked (including by controls on the spot) before making a mid or final payment according to procedures that are defined at national level.

In the PL case, the relevant national regulation obliged intermediate bodies to make 100% controls on the spot before making final payments in case of aquaculture projects. This national regulation has been, however, modified in November 2011 and a sampling procedure adopted with a 20% sampling rate. Apart from that a beneficiary can be controlled within 5 years starting from a date of a final payment and corrective actions can be launched in case of irregularities discovered.

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**67**
There is a need, in practice, to find the right balance between these criteria. This is particularly true as regards ensuring that projects need public support to overcome financial and technical issues and ensuring technical and financial viability of projects. This last criterion became increasingly important as the impact of the crisis became clearer.
The formulation of these proposals reflects the high level of priority granted by the Commission to the sustainable development of aquaculture. The Strategic Guidelines identify the main barriers currently hindering aquaculture’s development in the EU, and the Open Method of Coordination intends to help Member States addressing them. The overall coherence of the approach is ensured by the consistency between the EMFF operational programmes and the Multiannual National Plans (ex-ante conditionality).

The Commission underlines that the EMFF includes the possibility to finance projects aimed at identifying and mapping the most suitable areas for developing aquaculture as well as the identification and mapping of areas where aquaculture should be excluded.

Conclusions and recommendations

Empirical evidence from the implementation of EFF programmes has shown that the impact of the financial crisis and the economic downturn in the main EU producing countries has been significant. It impacted consumers demand, thus reducing investment risk taking by producers. In addition, the reduction in public spending also considerably weakened public co-funding capability in most Member States.

The Commission recognises however that, up to now, the EFF support for the sustainable development of aquaculture did not fully achieve the expected results. Lessons learned have been incorporated into the Commission’s proposals for the revised CFP and the new EMFF, which were adopted in 2013 and 2014 respectively.
Notwithstanding the difficulties to assess the aquaculture measures, as acknowledged by the Court, the Commission recognises that the CFP did not provide a sufficiently clear framework for the development of sustainable aquaculture in the period up to 2013. This has been addressed with the new common fisheries policy and the strategic guidelines on aquaculture which were adopted in 2013.

The EFF vademecum as well as numerous guidance documents were issued through the EFF Committee. Furthermore, regular interactions with Member States took place through annual review meetings or the EFF Committee. At no time during the programming period did the Commission receive any feedback from the Member States that this guidance was considered insufficient.

The Commission acknowledges that differences in data sources at EU level are being dealt with to a large extent thanks to ongoing revision of the data collection framework.

75 This recommendation is addressed to the Member States.

The economic and financial crisis had a significant impact on the uptake of EFF resources for the sustainable development of aquaculture in the EU. The crisis hindered the achievements of targets and reduced the demand for innovative projects in favour of relatively less risky aquaculture projects.

The Commission acknowledges that there were methodological weaknesses in the annual reporting of indicators by Member States. This is why the EMFF foresees the utilisation of a limited number of common and comparable indicators based on sound methodologies to assess progress of programme implementation towards achievement of the objectives.

76 The Commission takes note of the Court’s observation but stresses that the economic and financial crisis has hindered the achievement of objectives for growth and employment in the aquaculture sector at EU level. Furthermore objectives at Member State level were established in a period with a very different economic context.

The Commission underlines that although the EU aquaculture has not increased in volume, the activity and employment has been maintained. Furthermore, latest available data and analysis\(^5\) show an improvement in the economic performance of the aquaculture in the EU.

77 The Commission recognises that, up to now, the EFF support for the sustainable development of aquaculture did not fully achieve the expected results and for this reason, it has already adopted appropriate measures.

78 The Commission emphasises that the new CFP and EMFF provide a clearer framework to support the sustainable development of the EU aquaculture.

Recommendation 1 (a)
The Commission accepts this recommendation.

The Commission will carefully analyse the rationale for the support proposed to aquaculture in the new EMFF operational programmes expected to be submitted in the second half of 2014. The Commission will also carefully analyse the coherence between the measures of the OP and the measures announced in the multiannual national strategic plan for aquaculture.

The new EMFF programming and monitoring mechanisms will allow for the adoption of more realistic and appropriate targets, and will also facilitate reporting with accurate and comparable indicators on the sustainable development of EU aquaculture.

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Recommendation 1 (b)
The Commission accepts this recommendation and considers that this part of the recommendation is already largely implemented through the following guidelines:

The Commission has developed guidelines for the development of sustainable aquaculture, including relevant environmental factors: http://ec.europa.eu/fisheries/cfp/aquaculture/official_documents/com_2013_229_en.pdf

It has also prepared guidance on how the ex ante conditionality for the multiannual national strategic plan on aquaculture should be fulfilled: http://ec.europa.eu/fisheries/reform/emff/doc/10‑guidance‑emff‑specific‑eacs_en.pdf

The Commission has prepared guidance, as an annex to the guideline on the ex ante evaluations, on how the conclusions of the Strategic Environmental Assessments are integrated in the design of their operational programmes: http://ec.europa.eu/fisheries/reform/emff/doc/08‑strategic‑environmental‑assessment_en.pdf

The Commission developed guidance on the nature of the derogations allowed under Article 9 of the wild birds directive. This document aims at clarifying the key concepts within Article 9 of the birds directive as they relate to preventing serious damage by cormorants or protecting flora and fauna, and offers practical advice on how to implement these concepts: http://ec.europa.eu/environment/nature/cormorants/files/guidance_cormorants.pdf

In addition, the Commission is currently supporting the development of specific guidance for the implementation of the water framework directive and the marine strategy framework directive under preparation. All documents relating to this project are available at: https://circabc.europa.eu/w/browse/4eda1116-2b76-4a0c-b4ed-b3ec2616b013. This exercise builds on the sustainable aquaculture guidance in the context of the Natura 2000 Network: http://ec.europa.eu/environment/nature/natura2000/management/docs/Aqua-N2000%20guide.pdf

Recommendation 1 (c)
The Commission accepts this recommendation.

In line with the ex ante conditionality on the multiannual national strategic plan for aquaculture, the Commission will not adopt the EMFF operational programmes unless Member States have submitted appropriate multiannual national strategic plans for the promotion of sustainable aquaculture, where relevant.

A part of this recommendation is to be addressed to the Member States because under the principle of shared management, it is up to the Member States to prepare and apply coherent national strategies for the development of the aquaculture sector. The Commission cannot apply any sanctions or bring infringement procedures if Member States do not prepare or apply these strategies in line with Commission guidelines.

Recommendation 1 (d)
The Commission accepts this recommendation.

Although administrative simplification and spatial planning remain in substance the competence of Member States, the Commission has identified the lack of spatial planning and the need for administrative simplification amongst the objectives to be pursued, in the Strategic Guidelines for aquaculture (COM(2013) 229). The Commission will also encourage the Member States to apply the recently adopted directive on maritime spatial planning to improve the development of aquaculture.
**Recommendation 1 (e)**
The Commission accepts this recommendation.

The Commission underlines that since 1996, a legal framework covering statistics on aquaculture production (Regulation 788/96 repealed by Regulation 762/2008) has been established. The Commission will continue addressing these data issues in the appropriate fora and processes (e.g. extending the collection of DCF data to freshwater aquaculture and harmonisation of methodologies).

**Recommendation 2**
This recommendation (from paragraphs a) to d)) is exclusively addressed to the Member States.

**Recommendation 2 (a)**
Following the adoption of the EU strategic guidelines on aquaculture in April 2013, the Member States have started setting up their multiannual national strategic plans for the promotion of sustainable aquaculture. The Commission will monitor the implementation of these plans which will include Member States’ objectives and the measures to achieve them. In particular, this will include compliance with the *ex ante* conditionality on the multiannual national strategic plan on aquaculture, without which the Commission will not be able to approve the EMFF Operational Programme.

**Recommendation 2 (b)**
The Commission takes note of this recommendation which is the main focus of the Commission current initiatives on marine spatial planning.

**Recommendation 2 (c)**
The Commission emphasises that the EMFF includes a number of new elements designed to help focus EMFF funding on those projects which best contribute to the sustainable development of aquaculture and provide value for money. These elements include: 1) reinforced monitoring system with annual reporting on the measures being financed; 2) more complete annual implementation report; 3) reinforced result-orientation including the new performance framework; and 4) *ex ante* conditionality to ensure that measures to be financed under aquaculture are coherent with the multiannual national strategic plan on aquaculture.

**Recommendation 2 (d)**
For the 2014–20 period, the EMFF will promote a stronger result orientation (use of common result indicators), including the application of the performance framework (use of common output indicators) than the previous EFF. The EMFF regulation foresees a delegated act on common indicators.

The new monitoring system under the EMFF will be composed of the following elements:

- A database at Member State level (INFOSYS) in which information on each operation is stored, following a common structure and using common indicators.

- A report sent to the Commission presenting key information in an aggregated form. The information should be cumulative in order to reflect the evolution of the implementation.

The EMFF common indicators will serve as the basis for monitoring and evaluation and to review the performance of the programmes. They will allow the aggregation of data at EU level, measuring the progress made towards the objectives of the Europe 2020 strategy.
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One of the aims of the common fisheries policy (CFP) in the period up to 2013, and its funding instrument, the European Fisheries Fund (EFF), was to encourage the sustainable development of aquaculture. The Court examined whether EFF measures to develop aquaculture were well designed and implemented, and whether they delivered value for money. Overall, the Court found that effective support was not provided, as the framework to develop aquaculture at both EU and Member State level was relatively weak, and the measures actually taken did not provide sufficient results.