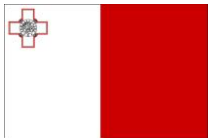


***Ex-ante evaluation and
Strategic
Environmental
Assessment (SEA) on the
European Maritime and
Fisheries Fund for the
programming period
2014-2020
Ex-ante Evaluation Report***

FINAL
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Fisheries Operational Programme 2007-2013
Evaluation part-financed by the European Union
European Fisheries Fund (EFF)
Co-financing rate: 75% EU Funds; 25% National Funds
Investing in sustainable fisheries



Executive summary

Introduction

In preparation for the upcoming 2014-2020 programming period, Article 55(1) of the Common Provision (CPR)¹ obliges each Member State to undertake an ex-ante evaluation of the various operational programmes defined within the Partnership Agreement that covers all the support that will be provided through the European Structural and Investment (ESI) funds.

This ex-ante evaluation report is being undertaken in respect of Malta's Operational Programme for the European Maritime and Fisheries Fund 2014-2020 (EMFF OP).

This ex-ante evaluation has been undertaken in parallel with the formulation of the EMFF OP. This report, therefore, is based primarily on an assessment of the draft OP provided to the evaluators by the Funds and Programmes Division (FPD) within the Ministry for European Affairs and the Implementation of the Electoral Manifesto (MEAIM) in early May and June 2014. In the intervening weeks leading to the finalisation of this report, FPD officials have provided the evaluators with revised and additional sections of the OP.

As a result of delays in the approval of the EMFF regulation, changes to guidelines and templates, and the late provision of financial allocations etc., the evaluators had to undertake this study within very strict timescales. Therefore, the evaluators have in agreement with FPD limited themselves to discussions with public sector officials who were directly responsible for drafting the OP including officials within the department responsible for fisheries. The evaluators also worked closely with the team carrying out the Strategic Environmental Assessment (SEA). This assessment was carried out in parallel with the development of the OP and the preparation of the ex-ante evaluation. As part of the SEA process, a number of meetings were carried out with relevant authorities to obtain preliminary views on the issues, which the SEA should cover.

SWOT analysis and needs assessment

In order to assess the completeness and relevance of the needs identified in the Draft EMFF OP, as part of the ex-ante evaluation, a cross-referencing exercise was carried out with key, strategic documents that focus on the fisheries and aquaculture sectors in Malta. As a second step, the ex-ante evaluation looked at the sector's current performance, illustrated by key parameters in the context indicators included in the Draft OP, and how this performance is reflected in the SWOT. A third important step in the assessment of the SWOT comprised the mapping between the needs identified and the issues highlighted in the SWOT.

The assessment carried out as part of the evaluation shows that the needs identified in the Draft OP capture most of the issues highlighted in the respective SWOT analysis tables. In addition, the SWOT analysis and resulting needs assessment strike a good balance between the economic, environment and social pillars of sustainability and identify policy actions, which have a long-term impact on the fisheries sector. This is in line with key principles set out in the reform of the Common Fisheries Policy (CFP).

The approach adopted in the formulation of the SWOT analysis was highly participatory. There were several interactions in this process, which resulted in a more comprehensive and relevant SWOT and needs assessment. The coverage of stakeholders consulted throughout this process is considered as comprehensive and exhaustive.

Section 1 provides the evaluators' recommendations on the SWOT and needs assessment, based on the assessment carried out.

¹ REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund covered by the Common Strategic Framework and laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing Council Regulation (EC) No 1083/2006

Strategy and structure of the Operational Programme

The appraisal indicates that there is a strong internal coherence within the OP. Besides having strong coherence between the specific objectives within the same Union Priority, there are also a number of interdependencies across the Union Priorities.

In considering the relationship of the programme with other instruments, it is evident that the EMFF OP contributes to three flagship initiatives under the Europe2020 Strategy and shall support actions that contribute to smart, sustainable and inclusive growth. The Draft OP is also considered to contribute positively to the implementation of the CFP and to complement existing regulatory efforts in this regard. The OP was also found consistent with the relevant objectives outlined by the Treaty, CPR, CSF and the EMFF Regulation.

In terms of the internal coherence of the programme, the results chain of the OP was found to be logically structured with the selected priorities matching the needs identified in the needs assessment. Overall, the measures proposed in the OP are considered to be complementary to each other. No measures appeared to be inconsistent with one another; rather they complemented each other through similar initiatives or were different but still complementary in their efforts to work towards a common goal. Other measures were simply unrelated but in either case, no conflicts were observed.

The assessment of financial allocations indicates that the proposed expenditure is being directed towards the critical needs identified in the SWOT and needs assessment, with larger portions of the budget being allocated for measures with higher strategic value. Apart from measures to support data collection and control, the OP allocates the majority of the budget to a small number of measures, mainly the support for the port infrastructure and fish shelters and the construction of the marine hatchery. These two measures are considered critical to the livelihood of the fisheries and aquaculture sectors respectively. The critical situation of these sectors was emphasised in the SWOT and needs assessment, which focused primarily on viability and competitiveness issues. Both initiatives also require a significant capital outlay. Therefore, such allocations are considered consistent in terms of their unit cost and budget allocated.

In evaluating the measures proposed under the respective Union Priorities, the evaluators note at the outset that the size of the EMFF budget requires the Managing Authority to prioritise needs. The mix of measures proposed under Union Priority 1 is considered appropriate and balanced to meet the objective of achieving sustainable development of the fisheries sector. Similarly, the Draft EMFF OP's contribution towards the implementation of the CFP under Union Priority 3 contributes to a number of CFP objectives.

The measure proposed under Union Priority 2 is expected to deliver stronger and more viable aquaculture operations which are less dependent on imported feed and less reliant on wild stock. The marine hatchery is also expected to contribute to the prevention of future depletion of wild stocks through the production of species specifically bred as substitute stock, with an overall very positive influence, particularly for a variety of fish species. To a certain extent, this measure will therefore contribute to the protection and restoration of aquatic biodiversity and enhancement of ecosystems related to aquaculture which is the objective selected under this priority. However, this measure could spur an increase in fish-farming activity that could result in negative impacts on the marine environment. In this context, the evaluators referred to observations made during the SEA process where it was felt this specific objective could be addressed more holistically if a degree of support were to be provided in respect of reducing the environmental impact of existing aquaculture operation. The Draft Environmental Report recommends the consideration of extending the scope of this intervention to include actions aimed at mitigating any negative environmental impacts which may arise post the development of the hatchery. The SEA suggested additional funding being allocated to promote and support changes in operational practices at farm level.

The promotion and awareness campaigns proposed under UP 5 are expected to deliver increased consumer awareness and therefore improved competitiveness of SMEs in the fisheries sector. However, the OP does not propose any support for investment in facilities to help marketing of fishery and aquaculture products. In this regard, it is felt that the investment in the hatchery for aquaculture is substantial and therefore this should generate sufficient stimulus for the industry to take up other initiatives.

In terms of Union Priority 6, focusing on the IMP, while the scientific studies are considered as a very positive and much needed action point, support should also be provided for actual implementation that will be required

based on the findings of such studies. Given the budget allocation afforded to this area, it is felt that the identification of additional measures is required under this priority in order to deliver the desired outcomes.

Assessment of indicators

The Result and Output Indicators are used in the evaluation of performance. The result indicators scored well, with clarity and measurability scoring high across all indicators. In terms of relevance, the evaluators suggested the consideration of inclusion of additional indicators particularly to be able to better assess environmental improvements as a result of the OP. Output indicators scored well on in terms of relevance, clarity and measurability criteria.

The CPR also requires the Ex-ante Evaluation to appraise whether quantified target values for indicators are realistic and achievable considering the planned budgetary allocation for each priority. In appraising if expected targets meet these criteria the evaluators considered the logic, assumptions and methodology of how the targets were set. Assessment of all the quantified target values scored high for being realistic and achievable. In relation to evaluating the suitability of output indicators and if milestone values are realistic, Union Priorities 1,2 and 6 scored high, whilst Union Priority 3 and 5 were considered average and low respectively. These concerns were addressed in subsequent versions of the Draft EMFF OP and the ex-ante evaluation report acknowledges these changes accordingly.

Monitoring of the Operational Programme

The appraisal considered the relevance and clarity of the proposed programme indicators, the appropriateness of the indicator values as well as the suitability of the performance framework milestones.

Most of the result indicators associated with each specific objective, as proposed in the Commission's guidance (2014), have been applied by the Managing Authority. The indicators chosen for each specific objective clear. They are also measurable as they make use of existing data sources. Most indicators also score high in relevance, although there are some indicators that be improved upon and recommendations are provided by the evaluators in this respect.

In terms of output indicators, the Managing Authority is proposing the use of output indicators provided by the European Commission in its guidance on common indicators. The output indicators associated with each Union Priority and type of intervention, as proposed in the Commission's guidance (2014), have been selected appropriately in the OP. In terms of the assessment criteria used (clarity, relevance and measurability), most indicators score highly with some scoring average in relation to clarity. Specifically, in the case of the investment in port infrastructure and fish shelters, additional and more specific output indicators could be adopted to measure the specific outcomes of the investment for example, increase in berths, improvements in landing facilities etc. depending on the nature of the intervention. In the case of training, at a later stage (at call issue stage) additional output indicators could be established by type of training.

Programme Implementation arrangements

The OP recognises the need for the effective management, control and implementation of EU funds and commits to the strengthening and consolidation of data collection and monitoring arrangements.

The arrangements being proposed in the Draft OP for monitoring and data collection, recording and reporting are considered appropriate to ensure sufficient and timely information for monitoring and for evaluation purposes. The additional functionality and IT systems being proposed to be established by end 2015 should provide a good platform for monitoring and evaluation which should also reduce the administrative burden on the Managing Authority, the beneficiaries and other users. The use and adoption of such systems should reduce the burden on the authorities' capacity to monitor, collect data and report.

The planned measures to reduce administrative burden appear to be mainly related to the application, selection and procurement stages. The Managing Authority is also proposing a series of IT improvements (information

exchange database) to facilitate monitoring and reporting. Most of these measures should be operational by end 2014, with other measures for example the information exchange system being planned for end 2015. Proposed actions in relation to simplification are concrete and will certainly allow a more agile management of funds allocated for both the management authority and the recipient.

Integration of horizontal themes

During the programme preparation, and particularly during the formulation of the SWOT analysis and needs assessment, the Managing Authority carried out an extensive consultation process involving the relevant entities responsible for promoting equality, non-discrimination and accessibility. The Managing Authority also commits to the continuation of such involvement and consultation during the implementation of the OP.

In terms of the expected contribution of the OP in respect of the promotion of equality between men and women and non-discrimination, given the nature of the EMFF OP one does not expect to find specific actions planned to address equality and accessibility. The OP makes no direct reference in its proposed measures to address equality. However, the training initiatives proposed and those carried out under the EFF programming period 2007-2013, are open to both males and females therefore promoting equality in this respect. Other planned measures in the OP, are similarly non-discriminatory.

Evaluators were also required to appraise the adequacy of planned measures to promote sustainable development and also to comment on the overall balance of the programme. The evaluators noted that the consideration of sustainable development as one of the project selection criteria will be maintained in the 2014-2020 programming cycle. Moreover, in the EMFF 2014-2020 programming period, climate change considerations will be considered as part of the horizontal theme of sustainable development in the preparation and implementation of actions. In terms of the integration of sustainable development in the OP interventions, there are a number of planned actions that are considered to contribute directly towards sustainable development. The evaluators consulted with the SEA team to complete this part of the ex-ante evaluation. Based on the assessment carried out of the planned actions by Union Priority, it is evident that there is a good coverage of such considerations in the programme. In terms of the balance between the three pillars of sustainable development, there is an appropriate balance between the economic/social and the environmental considerations.