

Citizen's Summary (Article 50(9) of Regulation (EU) No 1303/2013)

Citizens Summary for the UK European Maritime and Fisheries Fund (EMFF) 2022

Background

The UK EMFF programme has a budget of €243.1million and aims at achieving key national development priorities along with the "Europe 2020" objectives. The strategy for the use of the funding, contained within the Operational Programme (OP), addresses the general reform of the Common Fisheries Policy (CFP) and the development of the Integrated Maritime Policy (IMP). The UK EMFF programme objectives are defined under four main policy goals;

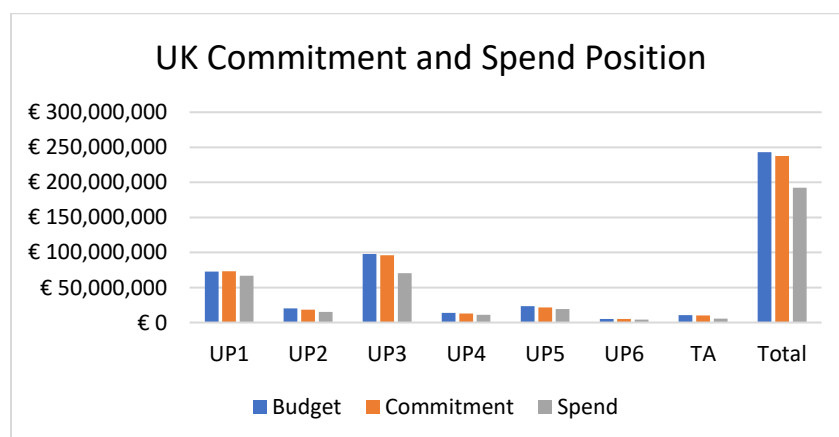
1. Adapting the fisheries sector to the requirements of the reformed CFP; focused on the transition of the fleet to sustainably managed and discard-free fisheries including innovation
2. Fostering growth potential across the fisheries, aquaculture and processing supply chains; through support for innovation, onshore and offshore investments in infrastructure
3. Supporting the increased economic, environmental and social sustainability of the sector; through efficient use of natural resources, support policies that will attract and maintain people in coastal areas and improving local governance.
4. Fulfilling the UK's enforcement and data collection obligations under the CFP; by developing IT tools and technologies to support control and enforcement, improving the traceability of fisheries products, adapting data collection to respond to the new requirements of the reformed CFP.

Management of the Programme and Calls for Proposals

Scheme implementation progressed well in 2022, owing to the ongoing successful communications between UK Intermediate Bodies (IBs) and beneficiaries, who have provided the flexibility within the grant offers to delay or scale back operations due to external factors impacting Industry.

At the 31 December 2022, the UK EMFF allocation is 97% committed with a total of €234.3/£204.8million awarded to projects. This reflects an increase of £4.5million from the previous year. The progression of the scheme continues to be impacted by exchange fluctuations.

UK spending has also progressed well during 2022, with €14.9/£12.8million being certified and claimed in the reporting year, bringing UK EMFF expenditure to a total of €192.4/£168.7million and representing 79% of the allocation.



An amendment to the Operational Programme was proposed to PMC to re-allocate surplus funding planned for Coronavirus-response initiatives and those underperforming measures to the more heavily oversubscribed areas of the scheme. It was also planned to utilise any remaining allocation to plan accordingly for existing projects' requirements (i.e. to support change requests where projects face increased costs as a result of external factors) and exchange fluctuations. The amendment was approved by PMC on 15 December 2022 and submitted to the European Commission for consideration and approval on 16 December 2022.

The result, output and financial indicators and targets for EMFF have been amended where appropriate (based on budget moves), in line with the amended Operational Programme, which was approved by the Commission in February 2023.

Closures across measures varied across the UK in 2022.

England exhausted core budget and DCF earlier in the EMFF scheme, with the majority of activity in 2022 focussing on Union Priority 3, within Control and Enforcement. They will be looking to potentially re-open some articles (primarily within Union Priorities 1, 2, and 5) in 2023 if required, to maximise budget allocation.

In Northern Ireland and Scotland, EMFF remained closed for new applications during 2022. At present there are no plans in either Intermediate Body to reopen for future calls.

Within Wales, Union Priority 3 (Art 76) and Union Priority 4 (Article 63) remained open for applications across all of 2022. Union Priorities 1, 2 and 5 were open for applications between January and June 2022. There are no current plans to open for any future calls other than in Article 42 (Union Priority 1).

External Factors

External factors have continued to affect the implementation of the EMFF programme throughout 2022.

The ongoing impacts of the Coronavirus pandemic, EU Exit and the Ukraine War (impacting supply chain and availability of raw materials) and the global energy crisis and overall cost of inflation have been felt by EMFF Authorities and their beneficiaries.

In consultation with beneficiaries, IBs have found that a number of projects will be delayed or scaled back as a result of the impact these factors have had on the price and availability of raw materials and key staff/contractors to implement and complete the works. These issues have led to a surge in the number of change requests being submitted to IBs for assessment, impacting capacity in some IB's to process claims. IB's have noted that they are experiencing these impacts across all sectors and applicant types.

Exchange fluctuation is discussed throughout this report and is of key concern when ensuring the UK allocation of €243.1million is not heavily over or undersubscribed. As at December 2020, the UK allocation was worth £217.4million, two years onwards in 2022, the sterling equivalent is £209.6million.

The Managing Authority are continuing to track the risk surrounding exchange fluctuation on the UK programme risk register. IBs also monitor this individually noting their devolved budget arrangements and use this to inform whether future calls for applications should be made.

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Funding Priorities

The UK EMFF programme is organised around the following priorities:

Union Priority 1 (UP 1) Promoting environmentally sustainable, resource efficient, innovative, competitive and knowledge based fisheries;

A total budget of €72.5million (30%) is available with the aim of striking the right balance between fisheries activities, environmental protection and thus contributing to the sustainable development of the fisheries sector. The accent is put on innovative research projects whose outcomes will add value to the sector, energy savings and scientific knowledge.

Since the UK opened for applications in 2016, 1,999 projects with an EMFF value of €73.2/£63.1million have been approved, which is 100.1% of the Union Priority 1 budget of €72.5million. 1,962 projects with EMFF expenditure of €66.8/£58.8million have been declared to the Managing Authority, representing 92% of the UP 1 budget.

Most approved projects fall under Health and Safety (751, 38%), limiting the impact of fishing on the marine environment (332, 17%) and added value, quality and use of unwanted catches (283, 14%).

The measures attracting the highest budget requirements are Ports and Harbours and Protection and Restoration of Marine Biodiversity, representing 32% and 11% of UP 1 commitments.

Of the nine Output Indicators applicable to UP 1, all have achieved over 95% of their 2023 target. Once all approved projects have declared expenditure, UP 1 output indicator targets will be at least 96% met, with seven currently fulfilling or exceeding their targets.

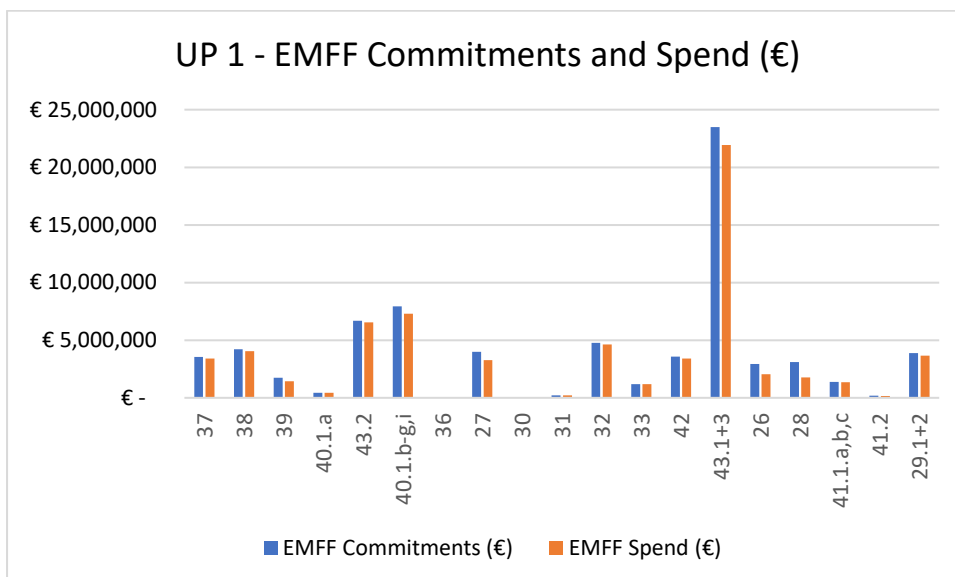
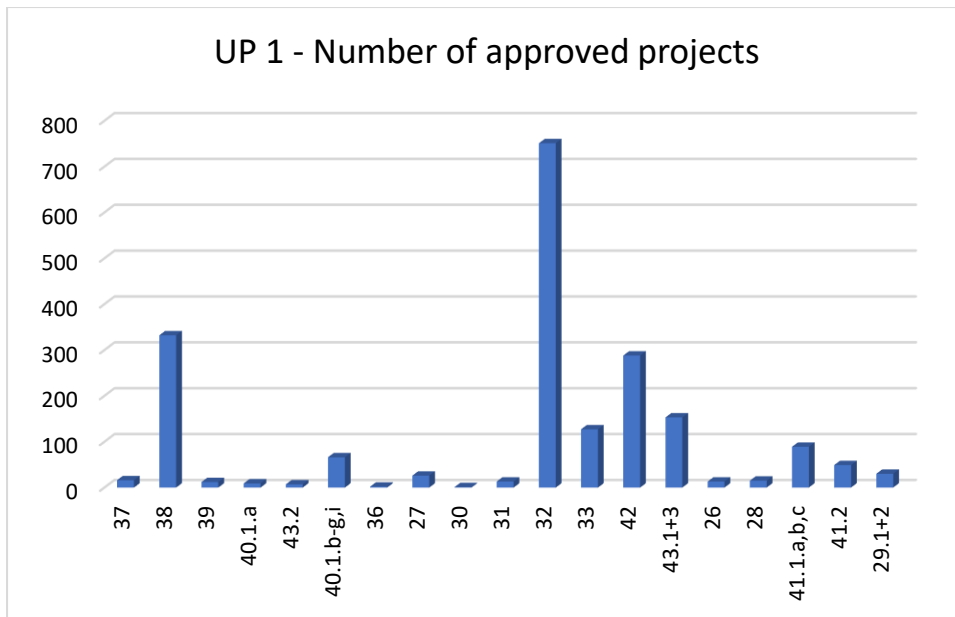
Of the 1,999 operations selected, a majority of 1,907 (95%) are completed with the final claim paid, a further four (<1%) await payment on their final claim. 42 projects (2%) are under implementation, and 22 (1%) have yet to declare expenditure. 20 (1%) have been abandoned by beneficiaries, and four (<1%) have been interrupted following partial implementation.

In relation to the gender of beneficiaries, 1,590 (80%) are male, 17 (<1%) are female and 12 (<1%) are other. Gender codes are not applicable to 380 (19%) of projects, where beneficiaries are organisations.

Size of the operators requesting assistance were 1,629 (81%) micro enterprises, 122 (6%) small, 19 (1%) medium and five (1%) large. SME definitions are not applicable to 224 (11%) operators; in these cases, beneficiaries are public bodies and other non-SMEs.

From programme launch to the 31 December 2022, the top performing result indicators are those related to employment maintained, reduction in accidents and injuries and change in net profits, where 2023 outcomes are 283%, 122 and 82% achieved respectively.

The least performing results indicator is change in the coverage of spatial protection measures. Projects falling under this measure aims to improve the management of existing sites, rather than to expand or develop new sites.



Union Priority 2 (UP 2) Fostering environmentally sustainable, resource efficient, innovative, competitive and knowledge based aquaculture;

A budget of €20.1million (8%) is available to focus on aquaculture and supporting innovative projects to help expand production while improving sustainability of the sector. Funding will also support greater profitability in the sector through improvements in predator control, the potential of new species being cultured, opening up of new aquaculture locations and diversification in income through complementary activities.

Since the UK opened for applications in 2016, 172 projects with an EMFF value of €18.4/£15.9million have been approved, representing 91% of the UP 2 budget of €20.1/£17.5million. 172 projects with EMFF expenditure of €15.0/£13.2million have been declared to the Managing Authority, representing 75% of the budget.

Most approved projects fall under Productive investments in aquaculture (101, 59% of Union Priority two projects). A further 28 (16%) relate to Public Health Measures, which was launched as a Coronavirus-response initiative during 2020.

Productive investments have attracted the highest budget requirements under UP 2, accounting for 51% of EMFF commitments. Innovation in aquaculture has also received high uptake, and accounts for 28% of priority commitments.

Of the five Output Indicators applicable to UP 2, two have achieved or exceeded their 2023 milestone. Once all approved projects have declared expenditure, three OIs (60%) will have achieved over 97% of their 2023 target, and the remaining two will achieve 79-89% of their target.

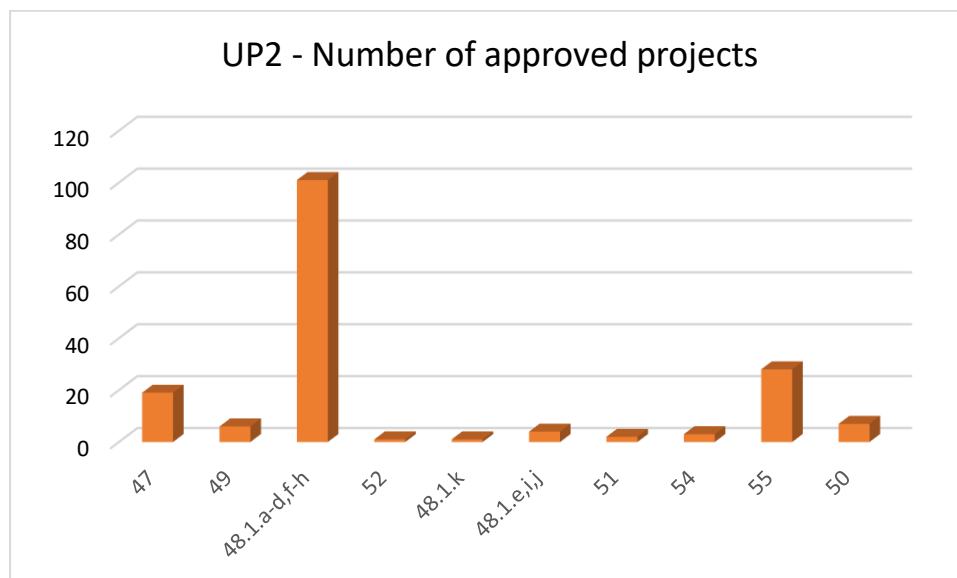
Of the 172 operations have been selected, a majority of 146 (85%) are completed with the final claim paid, 16 projects (9%) are under implementation, six (3%) have yet to declare expenditure and four (2%) have been abandoned by a beneficiary following partial implementation.

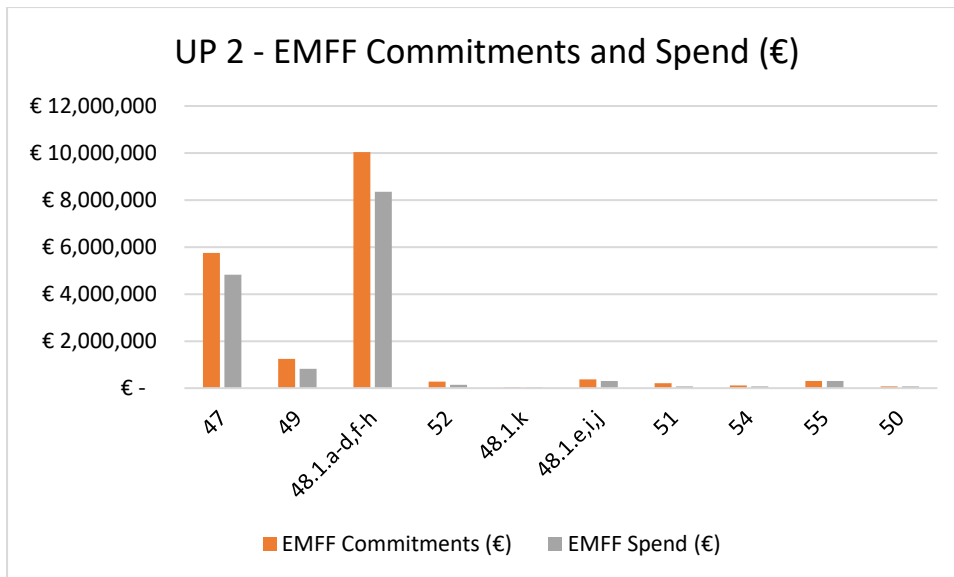
In relation to the gender of beneficiaries, 108 (89%) are male and 13 (11%) are female. Gender codes are not applicable to 51 (30%) of projects, where beneficiaries are organisations, as opposed to individuals.

Size of the operators requesting assistance were 118 (75%) micro enterprises, 34 (22%) small, three (2%) medium and two (1%) large. SME definitions are not applicable to 15 (9%) operators; in these cases, beneficiaries are public bodies and other non-SMEs.

From programme launch to the 31 December 2022, the top performing indicator under Union Priority 2 is maintaining employment, where completed projects have exceeded the 2023 target by a margin of 443%, with projects contributing to the maintenance of 328 jobs against a target of 74.

The remaining results indicators are making steady progress toward their 2023 objectives. The indicator concerning increase in the volume of aquaculture production is 66% achieved. The UK expect that further benefits will be achieved in this area, along with value of aquaculture and net profits with the completion of the remaining UP 2 projects.





Union Priority 3 (UP 3) Fostering the implementation of the Common Fisheries Policy;

A budget of €97.7 million (40%) is available towards the implementation of control, inspection and enforcement system as required by the Common Fisheries Policy (CFP) as well as the collection, management and use of data required by the CFP.

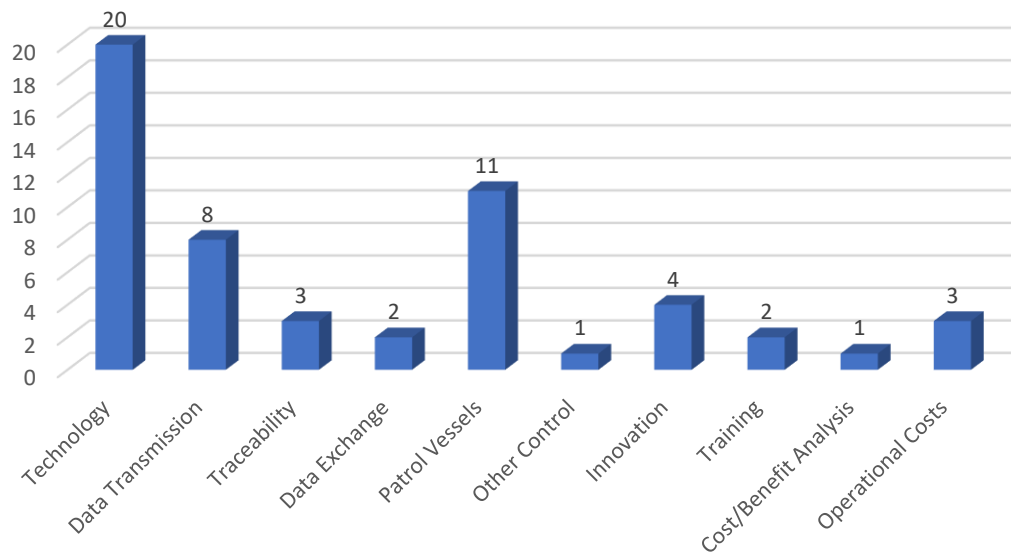
Since the UK opened for applications in 2016, 91 projects with an EMFF value of €96.1/£82.9million have been approved, representing 98% of the UP 3 budget of €97.7/£84.9million. 79 projects with EMFF expenditure of €70.2/£61.3million have been declared to the Managing Authority, representing 71% of the budget.

Control and Enforcement Update

Control and Enforcement accounts for 62% of Union Priority 3 projects, with 56 operations selected. Of these, most relate to the purchase, installation, and development of technology (16).

A key feature of the Control programme has been to focus on areas where the UK needs to improve levels of compliance. A wide range of initiatives are being progressed which include;

- Redevelopment of IT as an enabler to improve compliance, including Vessel Monitoring Systems (VMS), software applications for use by enforcement officers, catch recording systems and data exchange;
- Developing training programmes for compliance officers;
- Upgrading patrol vessels to monitor inshore fisheries and funding surveillance activities in Specific Control & Inspection Programme (SCIP) areas.



A catch recording phone application was developed to allow the creation and submission of catch records for all English and Welsh under 10 metre (U10m) flag vessels that fish in UK waters. Latest reports confirm that on average, 96% of trips covered by the catch recording licence condition are now being recorded, providing valuable data to support better fisheries management, sustainable fishing, and traceability of produce. In 2023, work will start on enforcing the data quality, accuracy, and timeliness aspects of Catch Recording submissions. As at December 2022, qualitative information on the improvement to catch records since implementation is not yet available.

Data Collection Framework Update

The update below remains largely unchanged from the 2021 citizens summary, where it was reported that the Data Collection programming period completed on the 31 December 2020. The UK provided its final annual report concerning the collection of primary biological, technical, environmental and socio-economic data on the 28th May 2021.

In June 2021, the European Commission's Scientific, Technical and Economic Committee for Fisheries (STECF) working group convened to review the UK report, seeking to evaluate the quality of data collected in accordance with Article 11(2) of the DCF Regulation 2017/1004; no data issues were identified, allowing the UK DCF programme to be closed.

IBs have worked closely with DCF partners to reclaim DCF funding from the European Commission. At the 31 December 2022, the DCF programme has reclaimed 104% (£54.1/£44.0million) of its allocation from the Commission, leaving small balances to be processed for payment in 2023; these balances all fall within the EU DCF programming period, relating to eligible activities prior to the 31 December 2020.

As outlined in the OP, work has focussed on:

- the collection, management and use of data for the purpose of scientific analysis and implementation of the CFP;
- biological sampling of stocks covered by the CFP;
- research surveys at sea;
- at-sea monitoring of commercial and recreational fisheries;
- collection of economic and socio-economic data for marine fisheries, aquaculture and processing;
- development and improvement of data collection and management systems; and
- coordination and support for research on the marine environment.

Of the two Output Indicators applicable to UP 3, both have exceeded their objectives.

Of the 91 operations selected, a majority of 64 (70%) are completed with the final claim paid, two projects (2%) await payment on their final claim. 13 projects (14%) are under implementation, 11 (12%) have yet to declare expenditure, and one project has been abandoned by a beneficiary following partial implementation.

One large operator (1%) has requested assistance toward the Data Collection Framework programme. SME definitions are not applicable to the remaining operators 90 (99%) where beneficiaries are public bodies.

Individual projects do not directly contribute to the results indicators aligned to UP 3, which concern serious infringements detected, landings subject to control and increase in fulfilment of data calls. These indicators are measured at the national level, based on a combination of UP 3 projects and broader DCF/enforcement activity are reported separately to STECF.

Union Priority 4 (UP 4): Increasing employment and territorial cohesion;

A budget of €13.7 million (6%) is available for fisheries and aquaculture dependent communities to diversify their economies and bring added value to their fishing activities through improved local marketing and supply chain logistics.

In the UK a total of 19 Fisheries Local Action Groups have been selected to deliver their Local Development Strategies (LDS). FLAGS approved are as follows; eight in Scotland (Argyle and Ayrshire, Dumfries and Galloway, Forth, Highland Moray, North East of Scotland, Orkney, Outer Hebrides and Shetland), six in England (Dorset and East Devon, Cornwall and Isles of Scilly, Holderness, Hastings, North of Tyne and North Thames), four in Wales (North Wales, Pembrokeshire, Swansea and Cardigan Bay) and one in Northern Ireland (South East Area).

Since the UK opened for applications in 2016, FLAGS have facilitated the approval 443 operations with an EMFF value of €13.1/£11.3million representing 96% of the UP 4 budget of €13.7/£12.0million. A total of 392 projects with EMFF expenditure of €11.0/£9.7million have been declared to the Managing Authority, representing 80% of the budget.

Most approved projects fall under the implementation of local development strategies, with 434 projects approved (98% of all UP 4 projects, and 99% of the EMFF budget allocated to UP 4), there are a further nine projects which provided preparatory support to UK FLAGS.

As outlined in the 2021 AIR, the UK programme has failed to attract projects under Article 64, Regional Co-operation (OI 4.3). It was proposed that Article 64 would be removed from the UK programme during the Operational Programme amendment undertaken in December 2022. This was accepted by the European Commission and as such all associated targets have been removed from the UK scheme.

Of the two Output Indicators applicable to UP 4, both have achieved their 2023 targets.

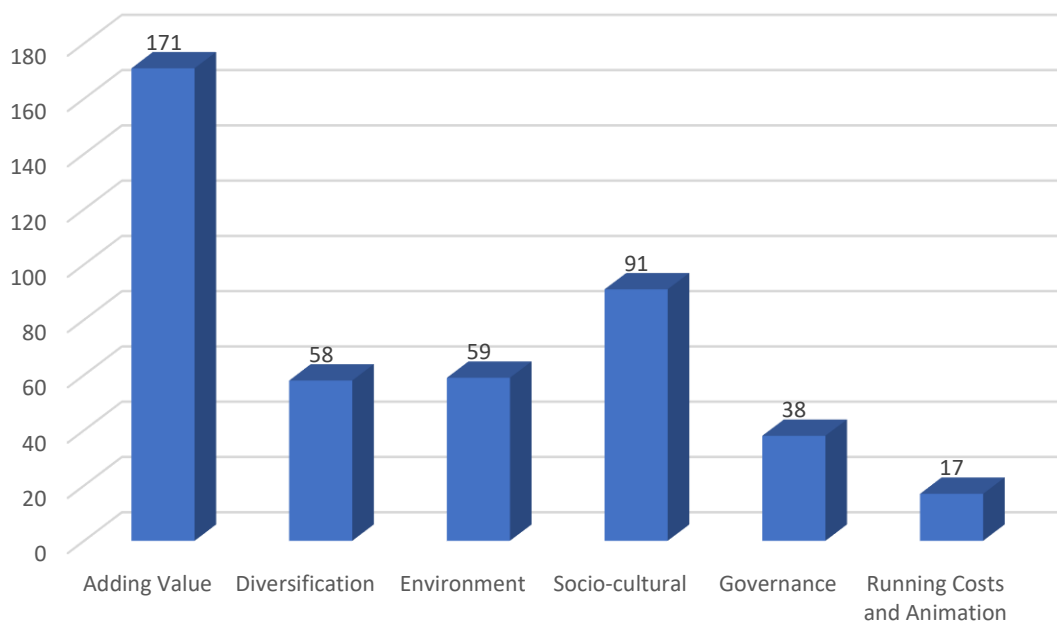
Of the 34 operations selected, a majority of 366 (83%) are completed with the final claim paid, a further three projects (<1%) have completed and await payment of their final claim. 41 projects (9%) are under implementation, 41 (9%) have yet to declare expenditure and 10 (2%) has been abandoned by a beneficiary following partial implementation.

In relation to the gender of beneficiaries, 133 (30%) are male, 25 (6%) are female and 31 (7%) are other. Gender codes are not applicable to 248 (57%) of projects, where beneficiaries are organisations, as opposed to individuals.

Size of the operators requesting assistance were 202 (46%) micro enterprises, 42 (9%) small, 22 (5%) medium and one (<1%) large. SME definitions are not applicable to 185 (40%) operators; in these cases, beneficiaries are public bodies and other non-SMEs.

The specific result indicators aligned to Union Priority 4 concern the creation of employment and businesses. As at the 31 December 2022, both indicators are performing well. Projects completed to date have resulted in the creation of 139 roles and 18 businesses. On this basis, the 2023 targets for each indicator have been 75% and 120% achieved, up from 65% and 100% at the end of 2020 owing to the completion of additional UP 4 projects.

Approved projects under Implementation of local development strategies



Union Priority 5 (UP 5) Fostering marketing and processing;

A budget of €23.4million (10%) is available to focus on investments in the development of new or improved fisheries and shellfish products, as well as marketing and promotional campaigns.

Since the UK opened for applications in 2016, 186 projects with an EMFF value of €21.7/£18.7million have been approved, representing 93% of the UP 5 budget.

174 projects with EMFF expenditure of €19.4/£17.1million have been declared to the Managing Authority, representing 83% of the budget.

Most approved projects fall under processing of fishery and aquaculture products (160, 86% of Union Priority 5 projects). This measure has also attracted the highest budget requirements under UP 5, accounting for 80% of commitments under the priority.

Of the three Output Indicators applicable to UP 5, all three (100%) have achieved, or exceeded their 2023 targets.

Of the 186 operations selected, a majority of 167 (90%) are completed with the final claim paid, a further two projects (1%) have completed and are awaiting payment of the final claim. Eight projects (4%) are under implementation and four projects (2%) have yet to declare expenditure. From

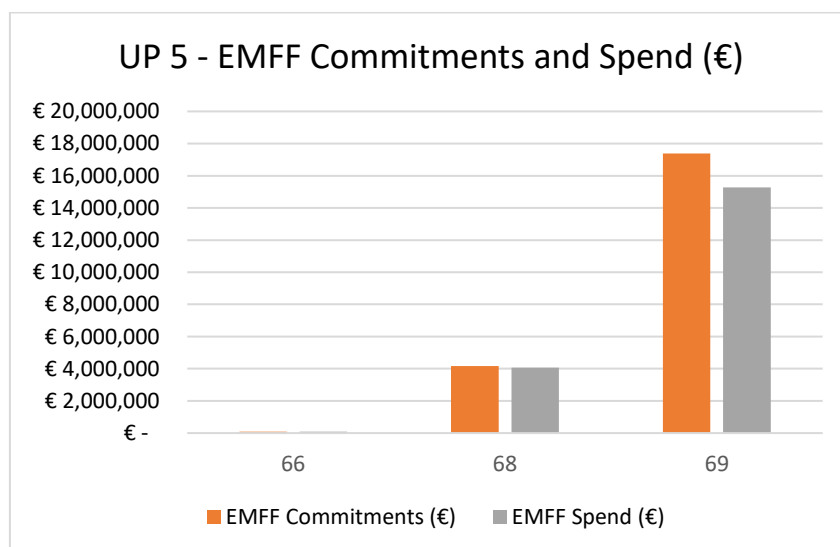
programme launch to date, four projects (2%) have been abandoned by a beneficiary following partial implementation and a further project (<1%) has been interrupted following partial implementation.

In relation to the gender of beneficiaries, 51 (27%) are male, four (2%) are female and three (2%) are other. Gender codes are not applicable to 128 (69%) of projects, where beneficiaries are organisations, as opposed to individuals.

Size of the operators requesting assistance were 66 (35%) micro enterprises, 73 (40%) small and 44 (24%) medium. SME definitions are not applicable to three (2%) operators; in these cases, beneficiaries are non-SMEs.

The top performing result indicators under UP 5 concerns changing the value and volume of first sales in non-producers' organisations, where completed projects have fulfilled UK targets to 110% and 83% respectively.

The remaining result indicators concern changing the value and volume of first sales in producer organisations, where 2023 targets are 52% and 50% achieved.



Union Priority 6 (UP 6) Fostering the implementation of the Integrated Maritime Policy;

A budget of €5.2million (2%) is available to support the Marine Strategy Framework Directive and an effective marine planning process. Funding will be used to establish baselines and monitoring to tackle more complex issues such as cumulative impacts, future analysis and filling knowledge gaps.

Since the UK opened for applications in 2016, 32 projects with an EMFF value of €5.1/£4.4million have been approved, leading to a slight underspend (2%) in Union Priority 6, where the EMFF budget is €5.2/£4.6million.

32 projects with EMFF expenditure of €4.3/£3.8million have been declared to the Managing Authority, representing 83% of the budget.

As reported previously most approved projects under Integrated Maritime Policy relate to promotion of the protection of the marine environment, and the sustainable use of marine and coastal resources, with 29 projects (91% of Union Priority 6 projects), and 96% of EMFF funding. A high volume of the operations selected relate to Marine Protected Areas and Natura 2000 sites, with

coverage of 465 thousand and 67 thousand kilometres squared respectively. Three further investments are approved under improving knowledge on the state of the marine environment.

One output indicator is linked to Union Priority 6 of the EMFF scheme, which is on track to be achieved.

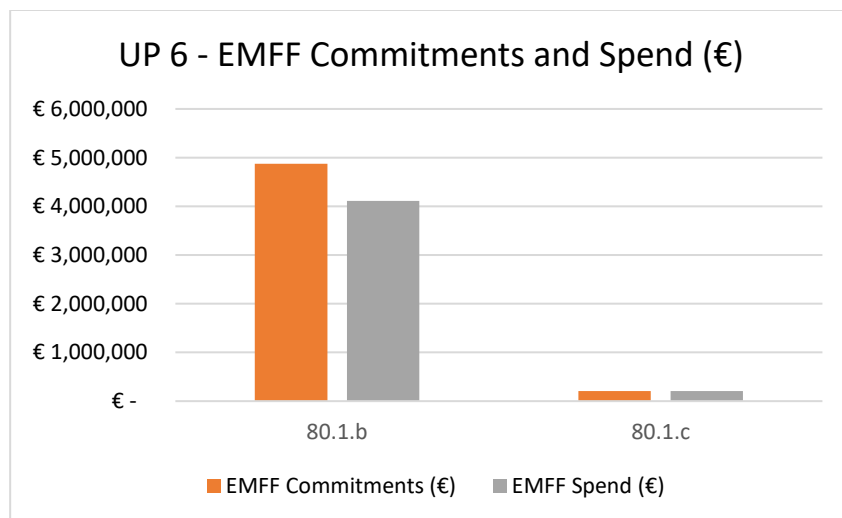
Of the 32 operations selected, a majority of 22 (69%) are completed, eight (25%) are under implementation and two (6%) have yet to declare expenditure.

In relation to the gender of beneficiaries, one (3%) is female. Gender codes are not applicable to the remaining 31 (97%) of projects where beneficiaries are organisations, as opposed to individuals.

Size of the operators requesting assistance were one (3%) micro enterprise. SME definitions are not applicable to the remaining 31 (97%) operators; in these cases, beneficiaries are public bodies, or other non-SMEs.

Indicators relating to change in the coverage of Natura 2000 areas designated under the Birds and Habitats directives (6.2.a) and change in the coverage of other spatial protection measures (6.2.b) reported only minor benefits in 2022. One completed project made a small contribution toward changing the coverage of Natura 2000 sites, bringing about an additional 0.3 kilometres squared (cumulative 3.0 kilometres squared).

Consultation with Intermediate Bodies has identified that the completed projects under Union Priority 6 largely facilitate an improved management of Natura 2000 or other spatial protection sites, as opposed to a change in their coverage.



Technical Assistance;

A budget of €10.7 million (4%) is allocated to support the UK delivery bodies in implementing and managing the scheme. This will include reinforcing the implementation system, ensuring efficient administration of the EU funding, including support to reduce the burden on beneficiaries, improving e-administration and publicity and information measures.

Since the UK EMFF programme launched in 2016, 26 projects with an EMFF value of €10.0/£8.6million have been approved, representing 93% of the EMFF Technical Assistance budget of €10.7million. Expenditure of €5.6/£4.9million has been declared to the Managing Authority, representing 52% of the budget.

Approved projects under Technical Assistance mainly relate to the implementation of the operational programme, 11 projects are approved for these purposes. Technical Assistance is also being utilised for “other” purposes, such as meetings/engagement (seven projects) and IT systems (six projects). Investments covering communication activities, control and audits and network of FLAG’s each have one operation approved.

Evaluation

Since the UK opened for applications, with “go live” dates spread throughout 2016, there have been two external evaluations of the EMFF. These evaluations were summarised in the 2020 Annual Implementation report and concerned socio-economic and environmental investigations.

The UK Managing Authority are committed to undertaking a third evaluation. In accordance with Article 56(3) of the Common Provisions Regulation 1303/2013, the UK are required to undertake an assessment as to how support from the EMFF has contributed to the objectives for each union priority. This impact evaluation will be undertaken and completed in 2023.

Finally, UK Authorities have expressed interests in commissioning external evaluations of UK Fisheries Local Action Groups (FLAGs), with evaluations already commenced in Wales IB.