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**Ex-Ante Evaluation for establishing a Programme to support further development
towards an Integrated Maritime Policy**

Accompanying document to the

**Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE
COUNCIL concerning the establishment of a Programme to support the Integrated
Maritime Policy**

{ COM(2010) 494 final }

1. PROCEDURAL ISSUES

1.1. Preparation and Organisation

In line with the Commission's Practical Guide of December 2001 for Preparing Proposals for Expenditure Programmes¹, the preparation and co-ordination of the ex ante evaluation for establishing an EU Programme to support the further development of an Integrated Maritime Policy (IMP) was carried out by an internal DG MARE steering group, including members from the responsible operational Unit (Maritime Policy Unit, A1), the geographical Maritime Policy Units, as well as the DG MARE evaluation and financial and budget Units.

2. BACKGROUND

2.1. Introduction and Policy background

On 10 October 2007, the Commission adopted the Communication on an Integrated Maritime Policy for the European Union –COM(2007) 575 ("Blue Paper"). This Communication advocated the need for the development and implementation of an integrated, coherent and overarching approach to the governance of the oceans, seas and coasts. In particular, the Integrated Maritime Policy aims to achieve the following overarching objectives: (1) to promote integration of governance structures by making them more inclusive and cooperative; (2) to build the knowledge base and cross cutting tools necessary to enable the implementation of integrated policies; (3) to improve the quality of sectoral policies, through an active search for synergies and increased coherence across sectors; (4) in implementing all the above, to take account of specificities of the regional seas around Europe, through tailor-made solutions.

The Action Plan accompanying the Communication on An Integrated Maritime Policy for the Union – SEC(2007) 1278 sets out a number of actions that the European Commission proposed to take as a first step in implementing a new, integrated maritime policy for the European Union.² Following the invitation of the European Council of 14 December 2007 which endorsed the EU Integrated Maritime Policy³, the Commission adopted on 15 October 2009 a Progress Report on the EU's Integrated Maritime Policy –COM(2009) 540. In this Progress Report, the Commission summed up the main achievements of the Integrated Maritime Policy and charted the course for its next implementation phase.⁴ This progress report was accompanied by a Commission Staff Paper⁵ which presented in details the progress made so far on the items of the Action Plan adopted in October 2007.

A continued modest financial underpinning is needed to enable the EU to implement and further develop the Integrated Maritime Policy and to pursue the overarching objectives as set

¹ European Commission Ex Ante Evaluation – A Practical Guide for Preparing Proposals for Expenditure Programmes of 10 December 2001.

² The Communication on an Integrated Maritime Policy for the European Union was accompanied by its own Impact Assessment (SEC (2007) 1279) and a Report on the results of a broad stakeholder consultation (COM (2007) 574 final).

³ Presidency Conclusions of the European Council on 14 December 2007 – Doc. 16616/1/07 REV 1.

⁴ Commission Progress Report on the EU's Integrated Maritime Policy – COM (2009) 540 final of 15.10.2009, p. 2.

⁵ SEC (2009) 1343 of 15.10.2009.

out in the Commission's Blue Paper of October 2007 and confirmed in the Progress Report of October 2009. This financing will enable the Commission, together with Member States and stakeholders, to continue exploratory work relating to options for the further development and concretisation of the policy, in particular through pilot actions and studies, along the lines set out in the Progress Report of 15 October 2009.⁶ At the same time, the financing will also serve to further develop exchanges of best practice, improved governance arrangements and dialogue with and among stakeholders.

In its conclusions of 16 November 2009, the General Affairs Council welcomed the progress made so far, as set out in the Progress Report of the Commission, and highlighted the importance of funding for the further development and implementation of the IMP by inviting "the Commission to present the necessary proposals for the financing of integrated maritime policy actions within the existing Financial Perspective, with a view to entry into force by 2011".⁷

2.2. Problem Definition

The further development and implementation of an Integrated Maritime Policy (IMP) during the period of 2011 till 2013 will not be possible because of a lack of financial means to support the necessary actions.

Preparatory actions, pilot projects, studies, and stakeholder dialogue are instrumental in assessing the feasibility and helping to prepare proposals for further activities aimed at implementing the IMP. The IMP is a new policy, with a broad mandate, based on the Blue Paper adopted in 2007. Progress so far has been good, as set out in the Progress report of 15 October 2009, and welcomed by the Council on 16 November.

As it is clear from the Progress Report and the accompanying working document, while in some areas, such as governance arrangements in Member States, changes have already been implemented by Member States which increase the ability of Member States and the Union to deal in a coherent fashion with matters relating to the sustainable development of coastal regions and maritime sectors, in other, more complex and more technical fields, such as surveillance of the sea, maritime spatial planning or the observation of the natural state of the sea, further work of concretisation of options for future policy design is necessary. For this purpose, to date, a number of activities, including preparatory actions and pilot projects have been launched to develop and implement the IMP, particularly in support of the Integrated Maritime Policy cross-cutting instruments such as Maritime Spatial Planning and Integrated

⁶ The financial support to the Integrated Maritime Policy will also serve to continue exploratory work relating to options for the further development and concretisation of the policy set out in details in the following Communications: Communication on Guidelines for an Integrated Approach to Maritime Policy: Towards best practice in integrated maritime governance and stakeholder consultation - COM (2008) 395 of 26.06.2008, Communication on a Roadmap for Maritime Spatial Planning: Achieving common principles in the EU - COM(2008) 791 of 25.11.2008, Communication on the European Union and the Arctic Region - COM(2008) 763 of 20.11.2008, Communication on the European Union Strategy for the Baltic Sea Region - COM(2009)248 of 10.06.2009, Communication "Towards an Integrated Maritime Policy for better governance in the Mediterranean" - COM (2009)466 of 11.09.2009, Communication "Towards the integration of maritime surveillance: A common information sharing environment for the EU maritime domain - COM(2009)538 of 15.10.2009, Communication on developing the international dimension of the Integrated Maritime Policy of the European Union - COM(2009) 536 of 15.10.2009.

⁷ GAERC Council Conclusions on Integrated Maritime Policy - Doc. 15175/1/09 (para. 17, page. 6).

Coastal Zone Management, Integrated Maritime Surveillance and Marine Knowledge and Data. These actions are first steps, and on their own will not suffice to concretise the policy options further in an appropriate fashion.

Developing and implementing further the Integrated Maritime Policy, requires the continuation of the operational work along the path already initiated on the basis of preparatory actions and pilot projects. To continue supporting such measures and activities which further contribute significantly to the achievement of its overarching objective and goals, budgetary resources need to be allocated.

Until now, IMP actions have been financed on the basis of Article 49 (6) (a) and (b) of the Financial Regulation, and Article 32 of its Implementing Rules which provide for the funding of pilot schemes and preparatory actions.⁸ However, funding for further financing Integrated Maritime Policy actions for the period 2011-2013 is insufficient, and thus achieving the given objectives is put in question and endangered. Maritime Policy related pilot projects and preparatory actions based on the Financial Regulation provisions on pilot schemes and preparatory actions are to be exhausted at the end of 2010. Thus, pilot schemes and preparatory actions relating to the Integrated Maritime Policy can be financed only until the end of 2010.

Therefore, a minimum of financial support for actions and activities aimed at implementing the Integrated Maritime Policy for the period from 2011 to 2013 that is until the end of the current Financial Perspective, is necessary.

2.3. Objectives

2.3.1. General Objective

The objective of the Programme is to provide the legal basis and to ensure a sound and adequate financial base for supporting measures intended to further promoting the development and implementation of the Integrated Maritime Policy and contributing significantly to the achievement of its core overarching objectives, including the promotion, at EU and international level, of integrated maritime governance and coherent and joined up decision-making in relation to the oceans, seas, coastal regions and maritime sectors (duly taking into account the rationale of the Integrated Maritime Policy as a policy coordinating existing sectoral approaches and creating new initiatives in areas only where a genuine cross-sectoral approach is needed⁹).

⁸ Council Regulation (EC, Euratom) No 1995/2006 of 13 December 2006 amending Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities (OJ L 390/2006 of 30 December 2006), hereinafter referred to as 'the Financial Regulation' and Commission Regulation (EC, Euratom) No 478/2007 of 23 April 2007 amending Regulation (EC, Euratom) No 2342/2002 of 23.12.2002 laying down detailed rules for the implementation of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities.

⁹ This rationale is set out in particular in the Impact Assessment accompanying COM(2007) 575 (see footnote 2).

2.3.2. *Specific objectives*

Actions and activities financed by the proposed Programme will aim to help achieve the following specific objectives¹⁰:

- further development and implementation of integrated maritime governance and integrated approaches within Member States and coastal regions;
- speedy and sound implementation of integrated sea basin strategies around Europe tailored to the needs of each maritime region;
- further development and implementation of cross-cutting tools for integrated policy-making including a European Marine Observation and Data Network, a common information sharing environment for the EU maritime domain, Maritime Spatial Planning and Integrated Coastal Zone Management;
- further defining in the years the boundaries of sustainability of human activities that have an impact on the marine environment, in the framework of the Marine Strategy Framework Directive, paying due attention to their cumulative impacts on the basis of the ecosystem approach;
- promotion of the international dimension of the Integrated Maritime Policy by improving and fostering dialogue, cooperation and coordination with third countries, including those bordering a European sea basin, or actors in third countries, as well as with international partners and organisations on the Integrated Maritime Policy;
- putting renewed focus on sustainable economic growth, employment and innovation;
- raising the visibility of Maritime Europe, and promoting and facilitating the sharing of information, the exchange of best practices, the exploitation and reinforcement of synergies and dialogue with and among stakeholders on maritime governance and sectoral policies that have an impact on the oceans, seas and coasts, or the establishment of cross-sectoral cooperation platforms and networks at a horizontal and at sea-basin level.

2.3.3. *Operational objectives*

The operational objectives of the proposed Programme should be the following:

1. Promoting an integrated approach at all levels of maritime governance through structural dialogue with Member States and coastal regions and improving stakeholder involvement in maritime governance by organising specific events, setting-up network platforms and hosting tools that promote communication and feedback.
2. Laying the foundations of sea-basin strategies by providing better information, identifying legal options for achieving basin objectives,

¹⁰ Commission Progress Report on the EU's Integrated Maritime Policy – COM(2009) 540 final of 15.10.2009, p. 11-12 and Commission Action Plan accompanying the Communication on an Integrated Maritime Policy for the European Union – SEC(2007) 1278 of 10 October 2007.

assessing the economic, social and environmental impact of these options and monitoring progress in implementing action plans.

3. Developing prototype marine spatial plans in cross-border areas and supporting development of Integrated Coastal Zone Management.
4. Identifying technical and legislative solutions for better maritime surveillance as proposed in the draft Roadmap for the establishment of the Common Information Sharing Environment.
5. Improving marine knowledge and data by setting up (a) a catalogue of European marine data collections with common formats and nomenclature, (b) a set of complete interoperable layers for European sea basins, including the land-sea interface, showing where data is being collected, and where the gaps are, and providing seamless quality-checked data layers (gridded or polygons) for unrestricted public access, (c) a user-driven process that determines priorities for the collection and assembly of marine data (d) a data network which contributes to, and builds on, the data for the assessment and monitoring as required by the Marine Strategy Framework Directive (e.g. physical, biological, chemical, human uses of the seas, etc and (e) supporting a network of interoperable coastal information systems;
6. Promoting and fostering integrated maritime policy with international partners through specific workshops, seminars, events and conferences;
7. Supporting actions to define the boundaries of sustainability of maritime activities through the implementation of the MSFD, such as for instance through the coordination between the different marine regions in implementing the ecosystem approach, the further development of methodological standards on good environmental status, studies on marine litter and the so-called plastic soup and supportive action for pilot project regions;
8. Supporting sustainable economic growth, employment and innovation by actions aimed at unlocking the growth and employment potential in the maritime economy, promoting clean shipping and the upgrading of seafarers' competences;
9. enhancing maritime visibility through the European Atlas of the Seas;

2.4. Available Policy Options

2.4.1. No specific action

Preserving the status quo and taking no action, in terms of not financing actions and activities on the Integrated Maritime Policy for the period 2011-2013, would mean failing to achieve the given specific and operational objectives, and hence the general objective of the Programme will not be achieved. This, in turn, would imply that the Commission would not deliver on the policy objectives set out in the Blue Paper of 2007, confirmed in the progress report of 2009 and endorsed by the Council on 16 November 2009:

- The development of **integrated maritime governance**¹¹ and speedy and sound implementation of the **sea basin strategies** adopted by the Commission would be undermined¹². This, in turn, would have a negative impact on the progress in promoting **communication amongst stakeholders** and their robust and constant involvement in the maritime policy-making and governance structure.
- There would be no progress towards the further development and implementation of **cross-cutting tools for integrated policy-making**;
 - (i) There would be no improvement towards the establishment of an integrated approach to **surveillance of the EU maritime domain** as set out in the Commission Communication on the integration of maritime surveillance of 15 October 2009¹³ namely through a common information sharing environment which will be based on a comprehensive and coherent technical framework for interoperability and future integration of existing maritime surveillance systems across EU borders and sectors aimed at facing the challenges, threats and unlawful activities carried out at sea¹⁴;
 - (ii) The further development and implementation of the **integrated coastal zone management** as well as the development of **maritime spatial planning** along the lines of the Commission Communication on a Roadmap for Maritime Spatial Planning¹⁵, both of which provide a fundamental tool for eco-system based management and sustainable development of marine and coastal regions while unleashing significant potential for investments would be put at risk and, at least, significantly slowed down;
 - (iii) The opportunity costs represented by the present fragmented **marine knowledge and data infrastructure** would continue. An impact assessment in 2009¹⁶ indicated that the present fragmentation increases the cost of using data by €250 million per year and limits opportunities for innovation and business expansion worth at least another €60-€200 million per year. Over-engineering to cope with uncertainties in future ocean behaviour costs at least €100 million per year for sea-defences alone. Preparatory actions currently underway will not in themselves provide sufficient information for a properly-informed decision to be

¹¹ Commission Communication on Guidelines for an Integrated Approach to Maritime Policy: Towards best practice in integrated maritime governance and stakeholder consultation – COM(2008) 395 of 26.6.2008.

¹² Commission Communication "Towards an Integrated Maritime Policy for better governance in the Mediterranean - COM (2009)466 of 11.09.2009, Commission Communication on the European Union and the Arctic Region – COM(2008) of 20.11.2008 and Commission Communication on the European Union Strategy for the Baltic Sea Region – COM(2009) 248 of 10.06.2009.

¹³ Commission Communication 'Towards the integration of maritime surveillance: A common information sharing environment for the EU maritime domain' - COM (2009) 538 final of 15.10.2009.

¹⁴ See also the Commission's Communication examining the creation of a European Border Surveillance System (Eurosir) which is highly relevant in the context of integrated maritime surveillance - COM(2008) 68 final.

¹⁵ COM(2008) 791 of 25.11.2008.

¹⁶ Impact Assessment Board Reference Number 2009/MARE/003.

made in 2013 as to how to create a sustainable marine knowledge infrastructure;

- (iv) Lack of **awareness of the sea** would continue to hamper growth. Despite the seas' importance for trade, defence, leisure, energy and the environment, Europe is failing to take advantage of new opportunities arising from advances in maritime technologies and marine research. The European Atlas of the Seas (MARATLAS) aims to improve matters by increasing public awareness of the sea, clarifying the spatial dimension of EU policies with an impact on the sea and developing the identities of individual sea-basins. Assembling and maintaining its quality-checked map-layers and keeping them topical as the seas change and as the EU policies evolve will not happen without a continuous effort beyond 2010;
- The promotion of the **international dimension of the Integrated Maritime Policy** announced in the Commission Communication on developing the international dimension of the Integrated Maritime Policy of the European Union¹⁷ and especially the cooperation, coordination and dialogue with third countries, international partners and organisations on the Integrated Maritime Policy and other maritime issues would be put at risk or, at least, significantly, slowed down. This would certainly have a negative impact on achieving an authentic sustainable governance of our oceans and seas and also on influencing the international maritime affairs agenda;

2.4.2. Modest EU financial contribution

The present stage of the IMP policy design makes it necessary to further develop and concretise options, while allowing first steps of implementation in relation to a number of limited goals, in particular in relation to governance actions. In particular, a modest EU financial intervention could contribute significantly to the achievement of the following IMP objectives, priorities and goals as outlined in section 2.3 and set out in the Blue Paper of the Commission of October 2007, and confirmed in the Progress Report on the EU's Integrated Maritime Policy of 15 October 2009.

2.4.2.1. Integrated Maritime Governance

On 26 October 2008, the Commission adopted the Communication on the "Guidelines for an Integrated Approach to Maritime Policy".¹⁸ This Communication advocates the need for the promotion of integrated governance throughout the EU and establishes principles which are commonly perceived in maritime governance, including leadership at the national level, the role of the regions and stakeholder involvement. Moreover, the Integrated Maritime Policy Progress Report, adopted by the Commission in October 2009¹⁹, identifies the enhancement of integrated maritime governance as one of the six strategic directions during the next phase of the IMP.

In this context, EU financial intervention could contribute to the following actions which are also set out in the IMP Progress Report:

¹⁷ COM(2009) 536 of 15.10.2009.

¹⁸ COM (2008) 395 of 26.06.08.

¹⁹ COM(2009) 540 final of 15.10.2009

- encouraging Member States and other players to take steps towards adopting an integrated approach to sea-related affairs within their governance frameworks, facilitating cooperation and coordination at all level of maritime government, intensifying structural dialogue with Member States and coastal regions through decentralised events and increasing the ability of Member States to deal in a coherent fashion with matters relating to the governance of the ocean and seas and the sustainable development of coastal regions and maritime sectors; this will ensure upstream policy integration and coherent, joined up agendas for maritime affairs;
- Promoting broad and permanent involvement of stakeholders in maritime policy-making and enshrining it more permanently in governance structures;
- Intensifying stakeholder dialogue and robust multi-stakeholder interactions, and fostering the creation of cross-sectoral stakeholder communication platforms on maritime affairs as specifically proposed in the IMP Progress Report;
- Maintaining an internet maritime forum set up in 2009 with a view to allowing stakeholders to be aware of marine and maritime information and activities and to exchange and disseminate their own views and best practice.;

2.4.2.2. Activities in relation to the sea basins

1. The Mediterranean sea-basin

The Mediterranean sea-basin and its specificities call for a joint effort across the basin for the improvement of the management of the marine space and coastal areas. The General Affairs Council of the EU in its Conclusions of 16.11.2009 welcomed the IMP approach for the Mediterranean and has called for further dialogue and co-operation on the improvement of governance of the marine space and coastal areas in the Mediterranean.²⁰

The actions undertaken and promoted as proposed in the Commission Communication "Towards an Integrated Maritime Policy for better governance in the Mediterranean - COM (2009) 466 of 11.09.2009 will not necessarily be sufficient to fulfill its objectives.

In this context, EU financial intervention on the basis of test projects and preparatory actions could contribute to achieving the following objectives of the Communication:

- Fostering the development and implementation of integrated governance of maritime and coastal affairs in the Mediterranean;
- In the context of the Marine Strategy Framework Directive, and building on experience in Integrated Coastal Zone Management, enabling Mediterranean Member States and regional authorities (coastal regions in particular) to test possibilities for further cross-border co-operation in the management of their marine sub-region and define appropriate mechanisms for integrated maritime policy-making at their levels. This will enable the development and testing of integrated strategies at sub-regional level, and obtain the first concrete results

²⁰ Council Conclusions on Integrated Maritime Policy - Doc. 15175/1/09 (para. 17, page. 4).

as to what are the challenges at stake, what lessons may be learnt and to what extent can such an example be taken up in other Mediterranean sub-regions;

- Enabling Mediterranean Member States to address specific needs at national level (e.g. island concerns, or particular problems in coastal areas linked to tourism and the need for further economic growth) through Integrated Coastal Zone Management practices and other approaches complementary with existing provisions of key regional conventions – the Barcelona Convention for the protection of the marine environment and the General Fisheries Commission for the Mediterranean;
- Enabling Mediterranean Member States to address particular needs that require co-operating with neighbouring Member States or third countries present in specific sub-regions (e.g. in the appropriate management of marine resources in shared sea areas);
- Enabling Mediterranean Member States to be able to address wider maritime concerns and conflicts at multilateral/regional fora, e.g. maritime safety considerations, and preservation of the marine environment through cooperation on the high seas, allowing for maximising linkages between existing international and regional conventions active in the region;
- Allowing for the creation of appropriate networks across the Mediterranean that enable the sharing of information, exchanges of best practice, and involvement of stakeholders from the entire basin.

2. The Black Sea

With the accession of Bulgaria and Romania to the EU in January 2007 and the ongoing pre-accession process with Turkey, the EU has strengthened its commitment to fostering further cooperation in the region, through the Black Sea Synergy initiative officially launched in 2008. Sector partnerships are being established in three crucial sectors: environment, transport and energy.

The Danube Strategy currently being developed upon the request of the Council, in its conclusion of 19 June 2009 will equally seek to address the impacts of the Danube on delta and possibly the coastal zones of the Black Sea.

In the next phase, the EU Integrated Maritime Policy shall seek, where appropriate, to contribute to these objectives and key initiatives.

3. The Atlantic sea-basin

The Atlantic Ocean is the second largest of the world's oceanic divisions and its circulation exerts the primary influence on Europe's climate. During the next phase of the Integrated Maritime Policy implementation, EU financial intervention would contribute to:

- setting up a structured dialogue with the other maritime states and territories that share the North Atlantic basin – primarily the United States, Canada and Greenland;

- identifying and resolving issues of concern in those linked but separate seas that wash the westernmost shores of the European continent that together make up the north east Atlantic. The Iberian coast, the Bay of Biscay, the English Channel, the Irish Sea and the Celtic Seas are well-recognised waters with specific identities but different priorities. This will be done by listening to stakeholder concerns, promoting dialogue between them, supporting proposals for common management and planning of the maritime space, setting up targets and indicators and identifying how EU instruments can best contribute to meeting these targets.;

4. The Arctic

The Commission Communication²¹ on the 'European Union and the Arctic Region' of 20 November 2008 defined 50 specific proposals for action. These are largely a more efficient channelling of existing resources towards the particular challenges of the Arctic. The integrated maritime policy will provide support to these actions by opening a more structured communication channel with indigenous peoples and assessing the costs and benefits of different options for implementation.

5. The Outermost Regions

Maritime policy is one of the four areas for action identified by the 2008 Communication "Outermost Regions: an asset for Europe"²² which proposes a change of paradigm from "handicapped regions" to "regions of opportunity". Waters such as the Caribbean and Indian Ocean are very different to those surrounding the European continent. Within the maritime policy efforts will be made to identify the applicability of new emerging maritime technologies in the particular waters around outermost regions.

6. The Baltic Sea and the North Sea

EU financial intervention would contribute to supporting regional implementation of the Integrated Maritime Policy in the Baltic²³ and North Sea basins, by allowing for commissioning studies, organisation of stakeholder forums, and setting up of structured dialogue and co-operation with coastal States outside the EU (Russian Federation and Norway). Such activities would provide the Commission with expert advice on identifying issues of common concern in the respective sea basins, assessing actions taking place and identifying options for future action.

2.4.2.3. Tools for Integrated Policy-Making

1. Integrated Maritime Surveillance

In its Communication on the Integrated Maritime Policy for the European Union, the European Commission undertook to "take steps towards a more interoperable surveillance system to bring together existing monitoring and tracking systems used for maritime safety

²¹ COM(2008) 763 of 20.11.08.

²² COM (2008) 642 of 24.10.08.

²³ COM(2009) 248 of 10.6.2009. The EU Strategy for the Baltic Sea region was adopted by the GAERC Council on 26 October 2009 and by the European Council on 30 October 2009.

and security, protection of the marine environment, fisheries control, control of external borders and other law enforcement activities."²⁴

The General Affairs Council of 8 December 2008 encouraged the Commission to work towards interoperability between national and Community systems so as to increase the cost effectiveness of maritime surveillance operations. This approach towards further integration of maritime surveillance was confirmed in the roadmap for the development of the European Border Surveillance System (EUROSUR), which foresees the gradual creation of a Common Information Sharing Environment for the EU maritime domain,²⁵ as well as in the recent updating of the Community vessel traffic monitoring and information system.²⁶

The General Affairs Council of the EU in its Conclusions of 17.11.2009, supported the idea of establishing an integrated approach to maritime surveillance, through a common information sharing environment in order to promote more interoperability and make best use of existing systems on a cross-sectoral basis.²⁷ It also urged the Commission, in close cooperation with the Member States, to improve coordination between different sectors in the field of maritime surveillance, and to give priority to the development of a general framework, including common standards and protocols to ensure efficient and cost-effective interoperability and adaptability of existing systems, taking into account the international standards being developed for information sharing amongst different sectors, where appropriate, as well as the experiences gained from relevant projects and research. The Commission was also called to present to the Council a Roadmap, including a step by step approach, for the development and implementation of the common information sharing environment, before the end 2010, to be further detailed in 2011 to take into account the results from several cross sectoral and cross-border projects and R&D projects in particular the pilot projects and lessons learnt from ESDP operations.

It is on that basis that the integrated maritime surveillance architecture will be built. Since all those surveillance systems already exist or will become operational in the immediate future as a result, in most cases, of EU initiative, the approach will be to focus on the development of common standards to ensure their interoperability, while in parallel addressing legal obstacles in the unhindered exchange of maritime surveillance information.

Against this background, EU financial contribution, on the basis of studies conducted through public procurements contracts and/or administrative agreement with the Joint Research Centre, aimed at developing an Integrated Maritime Surveillance²⁸ will be necessary for:

²⁴ COM (2007) 575 final of 10.10.2007, 6.

²⁵ COM(2008) 68 final of 13.2.2008, 9. Report on Progress made in developing EUROSUR, Commission staff working paper, SEC(2009)1265final of 24.09.2009.

²⁶ Directive 2009/17/EC amending Directive 2002/59/EC establishing a Community monitoring and information system, OJ L131, 28 5 2009, 101. Equally relevant is Regulation (EC) No 725/2004 of 31 March 2004 on enhancing ship and port facility security, OJ L129, 29.4.2004, 6.

²⁷ Council Conclusions on Integrated Maritime Policy of 16 November 2009 - Doc. 15175/1/09 (para. 17, page. 4) and Council Conclusions on Integration of Maritime Surveillance of 17 November 2009 - Doc. 15176/2/09.

²⁸ The Commission's Communication 'Towards the integration of maritime surveillance: A common information sharing environment for the EU maritime domain'- COM (2009) 538 final of 15.10.2009 lays down four guiding principles towards the development of the integrated maritime surveillance backbone, i.e. the Common Information Sharing Environment: (i) An approach interlinking all user communities, (ii) Building a technical framework for interoperability and future integration, (iii) Information exchange between civilian and military authorities, (iv) Specific legal provisions.

- strengthening the maritime surveillance information sharing among the different sectoral authorities at national and EU level, enhancing the users' maritime awareness picture. The benefits to flow from this process will positively affect national security, maritime security and safety, the protection of the marine environment, border control and, in general, law enforcement because national authorities will have more information, notably that collected for other purposes, to carry out their duties;
- ensuring a unity of effort across entities with maritime interests by avoiding duplications in the collection of information and thereby considerably reducing the financial costs for all actors involved. This rationalisation will benefit end users and diminish implementation burden on Member States.
- the common information sharing environment will ensure that EU systems collecting maritime surveillance data are interconnected by means of the most appropriate technical solutions;

The Communication on the Integrated Maritime Policy for the European Union states that the Community system SafeSeaNet (SSN) should be used by all relevant communities and be developed further to function as the main platform for information exchange in the EU maritime domain with regard to port arrival and departure notifications, notifications of dangerous goods, maritime security notifications, incident and accident information, AIS, LRIT and pollution monitoring.

The evolution of SSN is therefore linked with the establishment of an efficient integrated maritime surveillance architecture, particularly in view of necessary improvements to the system in order to ensure access for other categories of users.

On that basis the EU financial contribution will be necessary in order to assess the legal implications and technical impact of opening up SSN to other users, particularly in the context of the impact analysis for the revision of the relevant Community legislation²⁹.

2. Maritime Spatial Planning (MSP) and Integrated Coastal Zone Management (ICZM)

Maritime spatial planning and Integrated Coastal Zone Management provide fundamental tools for eco-system based management and sustainable development of marine areas and coastal regions.³⁰ EU financial intervention will be necessary for:

- the continued development, implementation and sharing of practical experience of MSP and ICZM at EU level;
- contributing to a common approach to MSP and ICZM, which is necessary for it to be effective in a cross-border context; It thus helps to avoid or minimise conflicts and hence reduces the cost of non-coordination;

²⁹ Directive 2002/59/EC establishing a Community vessel traffic monitoring and information system, as amended

³⁰ Commission Progress Report on the EU's Integrated Maritime Policy – COM(2009) 540 final of 15.10.2009, p. 6.

- demonstrating in concrete terms an MSP process in specified seas that is shared by two or more Member States, including coherence to on-shore planning and coastal zone management activities where appropriate;
- contributing to the development of MSP methodologies, expertise and conceptual understanding of MSP in the Member States, and model common approaches and recommendations, by testing in practice the key principles of MSP that are needed to regulate multiple uses from multiple perspectives. This will promote the idea of building-up a platform on MSP experts;
- serving to continue the dialogue among responsible authorities and concerned stakeholders on a cross-border, cross-sectoral basis. This will promote cross-border cooperation on MSP and ICZM and enhance transparency;
- contributing to the development of common approaches in the sea basins shared with third countries, which will be a building block for continued cooperation and in order to avoid conflicts in a later stage, providing opportunities for EU Member States to learn from experiences in non-EU countries.

3. Marine Knowledge and Data

It is now well-known that the rhythms and cycles of the marine world influence human activity in a multitude of ways. The magnitude of future changes in oceanic systems, their impact on human activity and the feedbacks on the ocean from these changes in human behaviour cannot be forecast without understanding the way the system works now and how it worked in the past. Scientists, regulators and commercial bodies need reliable observations and data if they are to contribute towards a sustainable development of the maritime economy

The challenge is to develop a system that will allow a better identification of what is being collected, that will facilitate access to coherent data sets, that will permit the recognition of data gaps and that will shape a data collection and monitoring infrastructure directly suited to multiple applications

The EU financial intervention will build on what has been achieved in the preparatory actions and take further steps towards the comprehensive and coherent marine data and knowledge base. In particular, as indicated in the specific impact assessment undertaken in 2009¹⁶, such an intervention will contribute to:

- ensuring a better marine data measurement infrastructure which is a necessary condition for reducing uncertainty in the sea's behaviour for those working on marine and maritime matters by facilitating the sharing, re-use and dissemination of marine data and knowledge to industry, public authorities and the research EU. Reducing the uncertainty in sea-level rise by 25% alone would save public authorities approximately €100 million per year³¹. This will allow more certainty for business and public authorities in planning for the future;

³¹ The final version of the Impact Assessment on the European Marine Observation and Data Network is under preparation following comments of the Impact Assessment Board in November 2009.

- promoting and increasing competition amongst users of marine data for value added products delivered from the available data. Under non-restrictive conditions, more public and private operators will find it easier to enter the market for the development of added value products. This will provide wider access to quality-checked, rapidly-available coherent marine data and hence stimulate the development of new innovative services whereas it may also increase largely employment in the private sector;
- increasing operational efficiency by reducing operational costs and delays for those who use marine data. This, in turn, will increase productivity, stimulate research and innovation and render the users of the data more competitive;
- assisting Member States to meet obligations to the Marine Framework Strategy Directive 2008/56/EC of 17 June 2008 under conditions of better knowledge of the coverage of the present observation network³²;
- promoting synergies between efforts at an European level with those undertaken by international partners;
- providing operational experience and sufficient information that is needed if the Commission is to decide whether and how to move forward with a fully operational European Marine Observation and Data Network (EMODNET).

2.4.2.4. Promoting Europe's Leadership in International Maritime Affairs International dimension of the IMP

The Commission Communication on developing the international dimension of the Integrated Maritime Policy³³ sets up the means to promote Europe's leadership in international maritime affairs, enhance the impact of the EU at multilateral level, strengthen regional cooperation with neighbouring countries in shared sea basins, and to develop and extend bilateral relations with key partners. In this context, a financial contribution from the EU budget would contribute to:

- deepening the Commission's relations with the international partners (administrations and stakeholders) who recognise the value-added of an integrated approach to protect oceans and seas and use their resources sustainably to sustain growth in coastal regions, providing a platform for alliance building, promoting mutual understanding and enabling the exchange of best practice.³⁴
- enhancing the structured dialogue with key partners, such as China, Russia, Japan, Canada and US, and also with our neighbouring countries, in full complementarity with existing bilateral and regional frameworks in place, with

³² Article 11 of the Marine Framework Strategy Directive stipulates that "Monitoring programmes shall be compatible within marine regions or subregions".

³³ COM (536) 2009 final.

³⁴ The Commission intends to gradually expand the scope of sectoral dialogues into a more overarching cooperation on global maritime affairs, which would focus on the cross-cutting tools such as maritime surveillance, marine knowledge, integrated coastal zones management and marine technology development. Themes on the agenda of coming multilateral meetings will be given priority, to promote mutual support and where possible develop joint initiatives.

the aim of having an exchange of best practices and influential role in designing their policies;

- improving the EU's visibility in the maritime affairs field by facilitating an active participation and presence in international meetings (organisation of side-events and workshops). Those activities could be jointly organised with third parties (e.g. governments or international bodies) or exclusively by the EU with the third countries participation.³⁵ In doing so, the EU will be able to exert stronger influence in international debate on maritime issues to safeguard its economic interests and enhance protection of the marine environment.

2.4.2.5. Defining the boundaries of sustainability of maritime activities through the implementation of the Marine Strategy Framework Directive

The objective of the Directive is to achieve good environmental status in the marine environment by the year 2020 through necessary measures taken by Member States. The marine strategies which will be developed in the framework of the Directive shall apply an ecosystem-based approach to the management of human activities, ensuring that the collective pressure of such activities is kept within levels compatible with the achievement of good environmental status and that the capacity of marine ecosystems to respond to human-induced changes is not compromised, while enabling the sustainable use of marine goods and services by present and future generations. After the initial assessment of the current environmental status and the environmental impacts of human activities thereon, a first step is the determination of what good environmental status is and the establishment of a series of environmental targets and associated indicators. Member States sharing a marine region or subregion shall cooperate to ensure that the preparation, including the initial assessment and the GES determination are coherent and coordinated.

In this context, a financial contribution from the EU budget would contribute to:

- the further development of methodological standards on good environmental standards, in particular the accumulation of impacts;
- providing a platform for regional conventions at which consistent and comparable methodologies for assessing the environmental status and determination of GES are discussed and exchanged
- as an emerging new field, studies on monitoring, assessing and develop measures on marine litter and associated 'plastic soup';
- develop supportive actions for pilot projects in marine regions.

³⁵

The Commission will work towards creating a working group/ ad-hoc group in the OECD as a forum for discussing maritime affairs. The aim is that leaders in integrated approach could push integration and new governance forward, and develop together new synergies, efficiencies and best practices in Integrated Maritime Policy development and implementation. This could create a higher sense of ownership in the international EU and would facilitate the exchange of best practices with respect to integrated maritime management. This would bring an added value on the further development of our policy but also ensure coherence to the political aims of our key partners.

2.4.2.6. Sustainable economic growth, employment and innovation

A modest EU financial contribution will provide a clear source of funding for financing actions, activities and measures pursued with regard to the promotion of the sustainable use of the marine and coastal resources and sustainable economic growth, innovation and employment in maritime sectors and coastal regions. In particular, such a financial intervention could form the foundation for:

- supporting coordinated implementation of a set of integrated initiatives and actions taken by different Commission services, in areas only where a genuine cross-sectoral approach is needed, aimed at reducing the environmental impact of a range of maritime activities on the oceans, seas and coasts. To this end, supporting actions on clean shipping which includes a set of measures aimed at reducing the environmental impact of maritime transport are particular cases in point (i.e. actions on clean shipping in the context of the Baltic Sea Region Strategy³⁶);
- fostering activities which enhance the attractiveness of the maritime professions and raise the quality and skills of seafarers;
- actively developing measures on EU level that can help in unlocking the growth and employment potential in the maritime economy in the broadest sense, in line with the objectives formulated in President Barroso's political guidelines.³⁷

2.4.2.7. Raising the Visibility of Maritime Europe

A financial contribution of the EU budget will raise the visibility of Maritime Europe by:

- enhancing an information technology infrastructure and assembling and maintaining quality checked map-layers with the purpose of increasing public awareness of the sea, clarifying the spatial dimension of EU policies with an impact on the sea and coasts, and developing the identities of individual sea-basins, and allowing stakeholders to debate on issues of common interest and to disseminate information on their activities to wider audience This will ensure effective and well-functioning visualisation of maritime information through web-based tools such as the European Atlas of the Seas.

2.4.3. *Fully fledged financing*

Alternatively, one should consider both the status quo, which amounts to the no action option, and the limited EU financial contribution as unsatisfactory, envisaging a broad and fully fledged financial intervention of substantial higher amounts than those proposed. A fully fledged financing would provide a stable, adequate and clear source of funding for the further development and implementation of the IMP policy and would increase the likelihood of achieving efficiently the above-mentioned objectives, goals and priorities of Integrated

³⁶ Communication on the European Union Strategy for the Baltic Sea Region – COM(2009)248 of 10.06.2009

³⁷ Political guidelines for the next Commission by José Manuel Barroso, p.25

Maritime Policy for the period 2011-2013 based on the larger work items pursued under the Integrated Maritime Policy heading since 2007.

However, this option should be discarded because at this stage of development of the policy, substantially higher amounts than those envisaged could not be disbursed, given that neither Member States nor the Commission already have concrete and fully-developed policy design options for taking-up such amounts.

2.4.4. *Comparison of options*

The comparison of the options of the present evaluation was based on the following criteria:

- The effectiveness of each option in reaching given objectives and corresponding benefits;
- The feasibility of the selected options;
- The cost implication for the EU budget;

The criteria used for the comparison of options are considered equally important in testing the cost-effectiveness as well as the likely results and impacts of each option. However, the criterion of **achievement of the objectives** features more prominently. With this in mind, the criteria have been prioritised, rather than weighted.

The major findings are compared in the below table:

<u>ASSESSMENT</u> <u>OPTIONS</u>	<u>Effectiveness in reaching given objectives and corresponding benefits</u>	<u>Feasibility</u>	<u>Cost implication for EU budget</u>	<u>Overall Assessment</u>
	High (+++) Medium (+/-) Low (---)	High (+) Medium (+/-) Low (-)	Positive (+to+++) Negative (-to---)	Positive (+to+++) Negative (-to---)
<u>Option 1</u> No specific action	---	+	Appropriations - Human Resources - Administrative exp. -	-
<u>Option 2</u> Modest EU financial contribution	+++	+	Appropriations + Human Resources + Administrative exp. +	+
<u>Option 3</u> Fully fledged financing	+++	-	Appropriations +++ Human Resources ++ Administrative exp. ++	-

2.4.4.1. No specific action (Option 1):

Option 1 is clearly feasible and there would be no cost implication for the EU budget. On the other hand, taking no further action, in terms of not financing actions and activities on the Integrated Maritime Policy for the period 2011-2013, would mean failing to achieve the given general and specific objectives of the Programme.

This, in turn, would imply that the Commission would not deliver on the policy objectives set out in its Blue Paper of October 2007, as confirmed in the Progress report of October 2009 and endorsed by the General Affairs Council conclusions of 16 November 2009. This failure is sufficient to rule out Option 1.

The potential economic, environmental and social results and impacts expected from Option 1 have been set out in section 2.4.1 "no action".

2.4.4.2. Modest EU financial contribution (Option 2):

This does have an impact on the EU budget. On the other hand, Option 2 presents several advantages. First of all, it would contribute significantly to the achievement of the given objectives outlined in section 2.3. It would allow the EU to continue exploring options for the further development of the IMP and to begin implementing through concrete action in certain areas. It will thus ensure the sound and speedy implementation of the Integrated Maritime Policy in the short to long term.

In particular Option 2 is consistent with the General Affairs Council Conclusions of 16 November 2009 which confirmed the validity of the integrated approach to maritime affairs and invited the Commission to present the necessary proposals for the financing of integrated maritime policy actions within the existing Financial Perspective, with a view to entry into force by 2011³⁸. Especially, in the context of the impact of climate change and the current economic crisis which is particularly felt in the maritime sector, Option 2 will contribute to keeping the momentum in the unfolding of the Integrated Maritime Policy addressing the essential mid- and long-term challenges of environmental protection, maritime safety and security, economic growth, quality jobs and well-being.³⁹

Option 2 is a feasible and cost-effective option. DG-MARE will be able to administer the programme with no additional staff compared to those currently managing the pilot project and preparatory actions. The budget requested is a modest increase compared to what has been spent up to now on these pilot projects and preparatory actions.

The potential economic, social and environmental results and impacts expected from EU financial intervention in the field of Integrated Maritime Policy shall be as follows:

- Integrated Maritime Governance

The Integrated Maritime Policy facilitates innovation, new synergies and an increased coherence of action through the development of new instruments for an integrated governance, both in relation to policy making and execution of policies, whether on the levels of regions, Member States, the EU or globally.

Following the Guidelines to Member States on an integrated approach to maritime policy, published by the Commission in June 2008⁴⁰, Member States endorsed the value of sharing information and learning from best practice. They are increasingly applying integrated approaches, e.g. through national strategies, such as in France, Portugal or Germany, specific initiatives, such as the UK Marine Bill or the Irish science strategy, inter-ministerial coordination, such as in France, the Netherlands and Greece or integrated stakeholder dialogue, e.g. Portugal. Maritime regions, such as Schleswig-Holstein and Brittany, have drawn up regional maritime strategies and initiatives are being taken towards integrated governance at sea-basin level, for example in the Channel, the Irish Sea and the Baltic.

EU financial intervention would have a strong impact on the quality of dialogue with and among Member States, coastal regions on maritime affairs, and thereby

³⁸ Council Conclusions on Integrated Maritime Policy - Doc. 15175/1/09 (page. 6, para. 17.).

³⁹ Council Conclusions on Integrated Maritime Policy - Doc. 15175/1/09 (page. 2, para. 17).

⁴⁰ COM(2008) 395 final of 26.06.2008.

improving stakeholder involvement in maritime governance. It would allow the newly created self-organised overarching platform of maritime stakeholders to establish appropriate working standards and allow the Commission to better channel discussions with different stakeholders groups.

– Sea-basin strategies

Although sea-basin strategies are the core of the integrated maritime policy, the potential economic impact of a more coherent approach to EU policy implementation on a sea-basin scale is not yet known. Indeed some of the studies and consultations planned during this period aim to assess more precisely what that impact might be. Concerning the Arctic one current study is looking at the legal and administrative framework for Arctic Shipping and its possible implications for Arctic maritime transport.

The focus on sea-basins will create a better awareness of the opportunities offered by the maritime domain in each particular sea basin and of an identity that is shared across national borders.

The Marine Framework Strategy Directive is built on the axiom that the sea-basin is the natural unit for managing and monitoring Europe's seas. Setting up coherent networks of marine protected areas also relies on a cross-border sea-basin approach. Planning on a sea-basin scale will therefore contribute towards realising the aims of these measures.

– Integrated Maritime Surveillance

The financial impact of setting up the common information sharing environment can only be assessed once the Commission has proposed and the Member States endorsed a roadmap for its establishment. This is foreseen by end 2010. Following this, the Commission will by end 2013, at the Council's request, identify the financial resources potentially needed for the materialisation of the integration of maritime surveillance, which means in practical terms the implementation of the CISE (Common Information Sharing Environment), its management and its further possible development to the benefit of other relevant services. A full financial assessment will accompany the Impact Assessment that will be carried out in the beginning of 2013. The amounts foreseen for the integration of maritime surveillance under this Regulation will cover the period 2011-2013. They will finance the acquisition of the necessary knowledge to be able to identify and quantify the components of the common information sharing environment.

It can however be stated that making existing sectoral surveillance systems (military included) available to other sectors that need the information, will avoid duplications in data collection. By making best use of existing systems, such as the Community vessel traffic monitoring and information system (SafeSeaNet), instead of creating additional sectoral systems, in particular when they are intended for gathering the same data is a cost effective option. Furthermore, additional investments should ensure that maritime surveillance is enhanced in a uniform manner, while at the same time making sure that certain critical areas are particularly and sufficiently covered by surveillance. The evolution of SafeSaNet and its operation in the broader context of the integrated maritime surveillance should be studied carefully in order to

provide the more efficient sharing of data regarding port arrival and departure notifications, notifications of dangerous goods, maritime security notifications, incident and accident information, AIS, LRIT and pollution monitoring. In this perspective, an impact assessment of the legal and technical implications will need to be undertaken by the Commission in the context of the revision of the relevant Community Directive.

Other options instead of integrating maritime surveillance would be that Member States use EU and national funding to invest at large scale in additional assets like ships, helicopters, planes, satellite systems and infrastructure etc or to considerably increase the number of operational personnel carrying control of maritime safety, security, borders, customs, fisheries and observation of the marine environment. The additional costs for recruiting further staff would have to be borne by the national budget of the Member States concerned, neglecting the aspect of solidarity and burden-sharing among Member States. Furthermore, simply increasing the staff of national control authorities would not contribute to a more efficient cooperation amongst Member States and at EU level.

An integrated approach to maritime surveillance should improve the effectiveness of the authorities responsible for maritime activities by making available more tools and more information necessary for the performance of their duties. Additionally, EU financial support for some targeted actions would benefit from information gathered by other EU systems and result in more efficient operations and reduced operating costs. This is very important, given the growing need to detect, identify, track, intercept and apprehend individuals engaging in smuggling, trafficking in human beings, illegal fishing, clandestine immigration, as well as to prevent accidents at sea and the safeguard of the environment.

Cost-efficiency would be achieved by enabling (a) targeted patrolling of the vast EU maritime areas in order to enforce maritime safety and security as well as fisheries legislation, (b) more successful search and rescue operations, (c) prompt and geographically identified initiation of clean-up operations in case of marine pollution, (d) interception of fast mischievous crafts carrying out illicit trafficking of human beings, drugs or smuggling. The option of a modest EU financial contribution will also have positive effects on Member States administrative structures, due to the enhanced cooperation mechanisms that would be developed between the different national authorities, serving also the aim of improved maritime governance which is one of the fundamental objectives of the integrated maritime policy. Apart from general operational costs, administrative costs associated with national operational means will also be reduced through their targeted deployment.

Positive economic impacts include better protection of the EU and Member States economic and security interests from illegal activities at sea, effective enforcement of customs legislation through maritime traffic and ship movement information available to National Single Windows, as well as by the promotion of the EU common maritime space without barriers. Social and environmental will be derived by targeted patrolling of the huge EU maritime areas.

– Maritime Spatial Planning and Integrated Coastal Zone Management

The development of maritime spatial planning and integrated coastal zone management will contribute to the continued development, implementation and sharing of best practices and practical experience of MSP and ICZM at EU level, leading to economic benefits, unleashing significant potential for investments by providing a stable planning framework that creates certainty for investors, smoother implementation of environmental legislation such as the Marine Strategy Framework Directive and Habitats and Birds Directives, improved and therefore more efficient governance, growth and jobs generation and improved sustainability by providing an ecosystem-based tool for reconciling economic uses of the seas on the one hand and the protection of the marine environment on the other. In addition, a common approach to MSP to be developed with the help of EU financial intervention, which is necessary for it to be effective in a cross-border context, will contribute to the avoidance or minimisation of conflicts between competing uses of the marine space, thus reducing the cost of non-coordination.

– Marine knowledge and data

Not all of the shortcomings of the present marine knowledge infrastructure identified in section 2.4.1 "no specific action" would be overcome through option 2. This would require a longer timescale than the 3 years covered by the proposed Regulation.

The impact assessment for marine knowledge established that a complete implementation of a new marine knowledge architecture without any increase in observational infrastructure would save €300 million per year in reduced operational costs to industry, public authorities and industry and would stimulate the economy by generating €60 million - €200 million per year in new innovative services. A minimum of €20 million per year would be saved through reduced uncertainty in parameters such as sea-level rise (sea-defence safety margins do not need to be so wide). Further savings would come from investment in more measurements but this will not be proposed till it is clearer where more measurement will bring increased benefit. The partial implementation of such an architecture within the timeframe 2011-2013 will not only allow a better decision to be made as to how such an architecture should be implemented but will itself realise some of these benefits. Indeed some quick gains can be made. During this period many of the chemical pollution parameters required for assessing environmental status should be available through ur-EMODnet and the creation of a one-stop shop for medium resolution bathymetric data of European seas will benefit a wide range of users. It will also contribute to faster delivery of data. If a request for data can be met within a few days, it may be worth having. If it would take a few weeks, then the user may give up. Assuming that the marine knowledge architecture constructed during the 2011-2013 period is maintained afterwards then we can assume an economic benefit of €60 million per year.

By facilitating access to existing data, there will be less need to conduct new surveys. For instance sonars can disturb marine mammals. Furthermore better marine data will allow a more accurate assessment of environmental impact of proposed new activities.

The main social impact of this option, other than the increase in jobs which has already been considered under "economic impact", is an empowerment of individual stakeholders with limited financial resources. Easier access to data will allow them to contribute to the debate about options for development in their neighbouring coast and seas.

- Defining the boundaries of sustainability of maritime activities through the implementation of the Marine Strategy Framework Directive

The elements performed under this task will contribute to the continued development and implementation of methodological standards which are associated with good environmental status (GES) of the marine environment. The exchange and sharing of best practices and practical experience at a pan EU platform accelerates the standardization of these methodologies and provide opportunities for comparison between regional seas. This facilitates the whole process of determining GES by MS in respect of each marine region. As a result, this will lead to efficiency of efforts which are executed at EU and MS level.

A new and emerging issue is the appearance of litter in the marine environment. This includes the so-called plastic soup which appears at high seas, notably the Pacific but similar problems could be in the Atlantic. The difficulty with marine litter is its multiple origins and the potentially large impacts both on the environment and the economy. Studying the origin of litter (i.e. from cargo, recreation, fisheries, land-based urban or industrial waste) and defining possible measures are only the beginning of tackling this global problem. The EU has to play its role and take up its responsibility in the international context to contribute to addressing this issue.

Marine strategies which are going to be developed under the MSFD, will be reviewed regularly in order to deal with changed circumstances such as environmental status, change in uses and changes due to climate change. This approach can be demonstrated in a pilot project as a showcase of adaptive management.

- Raising the Visibility of Maritime Europe

Jobs at sea, particularly at the officer level, are rewarding in terms of intellectual challenge and also financially. An apprenticeship at sea is an ideal start to a career that could move afterwards to onshore jobs in related sectors such as logistics or insurance. Yet there is a shortage at a global and European level of trained ships officers⁴¹. In the UK it is one of the professions still open for immigrants. A greater awareness of maritime Europe and the opportunities it offers is not a sufficient condition for increasing this number but it is a necessary and relatively cheap one. The proposed annual expenditure on raising the profile of maritime Europe is less than 0.1% of the pay that would accrue to Europeans if the current shortage of European merchant navy officers were addressed. There are similar shortages in other maritime activities. Finland, United Kingdom, The Netherlands and Denmark are set to lose over 20% of their employees in the next ten to fifteen years due to

⁴¹ Stena Bulk, the Swedish oil tanker company estimates that there are vacancies for 10000 officers in Europe and 40000 globally.

retirement. It is estimated that 11,000 skilled new entrants to the industry will be needed each year⁴². Again visibility is not the only action required; more targeted education is necessary. But without an awareness of maritime opportunities, prospective students are not going to embark on the necessary training.

Economic and social impact is linked. Increased employment at sea and an enhanced status for those engaged in maritime activities will improve the life of the coastal communities where those engaged in maritime professions generally live.

Enhanced knowledge of the maritime world and the state of the marine environment amongst those directly involved is not enough to ensure proper environmental management. This information needs to be disseminated amongst those who vote in local, regional and national elections in order to ensure that environmental sustainability remains a priority for all administrations.

– Sustainable economic growth, employment and innovation

President Barroso has pointed to the oceans and seas as a future engine of growth in his political guidelines for the current Commission mandate⁴³. The maritime sector also received particular attention in the "Consultation on the Future "EU 2020" Strategy"⁴⁴.

The next phase of the EU's Integrated Maritime Policy, therefore, needs to underpin the strengths of the current maritime segments as well as emerging markets insofar as they represent real and significant growth opportunities for Europe. This can be done by identifying the untapped future potential of cutting-edge marine and maritime technologies, resources and services as drivers for new innovations, competitiveness and, ultimately, growth and jobs.

Based on existing and projected areas of knowledge where Europe is in the lead, work can focus on providing the right framework for marine-based and maritime innovation and technological development as a basis for growth and jobs in one or several sectors, and even in non-maritime industries through enabling and cross-cutting technologies.

In the face of the economic crisis which is affecting the maritime economy in particular, new and additional activities must be pursued in order to help the maritime sectors emerge strengthened from the crisis.

2.4.4.3. Fully fledged financing (Option 3)

This Option presents the advantage of helping considerably the Commission to achieve the given IMP policy objectives and priorities outlined in section 2.3. On the other hand, Option 3 is not politically feasible because at this stage of IMP development, it would not be possible to disburse substantially higher amounts than those already envisaged. This is because neither

⁴² Demographic Change & Skills Requirements in the European Shipbuilding & Ship Repair Industry” Report by European Metalworkers’ Federation (EMF) and the Community of European Shipyards’ Associations (CESA), 2008

⁴³ http://ec.europa.eu/commission_barroso/president/pdf/press_20090903_EN.pdf

⁴⁴ COM(2009) 647 final of 24.11.2009.

Member States nor the Commission already have concrete policy design options at hand allowing for substantially higher disbursement in most areas. In those areas where preliminary designs are under preparation - eg a fully financed surveillance or an EMODNET service – indications are that the amount of financing required is more than the likely availability of budget at this time. Nor does the Commission have the human resources to manage this fully-fledged financing. Furthermore, it would be unwise to embark on a fully-fledged implementation without first testing the concepts on a more limited scale.

Consequently, taking into account the limitations of options 1 and 3 and the strong Community interest in achieving the IMP's objectives in the short to medium term, the appropriate solution would seem to be a modest EU financial contribution to fund IMP activities on the Integrated Maritime Policy for the period 2011-2013.

2.4.5. Instruments and Method of Implementation for the selected option

In the light of the objectives to be achieved by the EU funding Programme, financial support from the EU budget to the Integrated Maritime Policy can be provided via grants for actions and operating grants, public procurement contracts and administrative agreements with the Joint Research Centre.

It is considered that the funding concerning cross-cutting tools for Integrated Maritime Policy-making and cross-sectoral maritime activities could be best addressed by targeted financing of specific projects via grants for an action. This is mostly the case with actions related to integrated maritime surveillance, maritime spatial planning and integrated coastal zone management and for certain activities within the marine knowledge area. In the case of activities carried out by stakeholders with a view to pursuing one or more of the objectives of the Integrated Maritime Policy, including public or private organisations, institutions, bodies and non-governmental organisations proportional EU contribution to their budget would be more appropriate via operating grants.

Public procurement contracts seem to be the appropriate instrument for commissioning consultancy work and financing studies alongside information and communication campaigns which seek to promote the development and implementation of the IMP, including conferences, seminars, workshops, stakeholders' platforms and fora as well as the development and maintenance of information technology infrastructure and websites. Certain marine knowledge activities, particularly where rights to use marine data will be obtained on behalf of industry, public authorities and researchers, will continue to be implemented through public procurement.

2.4.6. Lessons from the past

As outlined above, the Integrated Maritime Policy came into being at the end of 2007. In order to develop proposals for EU action in this domain, a number of pilot projects and preparatory actions were initiated in the period 2008-2010.

It is premature, at this stage, to judge their outcome. Although the pilot projects and preparatory actions on the IMP have continuously been launched since 2008, due to the extensive preliminary discussions with stakeholders as to how the projects should best achieve their targets, many of them did not start till the beginning of 2010. For instance, the greater part of the maritime surveillance projects did not commence until the beginning of 2010. The first batch of marine knowledge projects started in mid-2009 and will start to

deliver results that can be evaluated in mid 2010. Again due to the extensive discussion with stakeholders, most of the spatial planning projects will not start till 2010. The European Atlas of the Seas, the database of EU-funded maritime projects and the internet maritime forum, which contribute to the maritime governance and visibility of maritime Europe objectives, will come on-line in the beginning of 2010.

In accordance with Article 27 (4) of the Financial Regulation and Article 21 (3) of its Implementing rules, all major projects will be subject to retrospective ex-post evaluations (see in table below). Lessons from these projects and their evaluation can start once the results become available.

In particular, an ex-post evaluation of the results of the maritime surveillance projects is scheduled for 2012 and the conclusions drawn thereof will feed into the upcoming Integrated Maritime Surveillance Impact Assessment planned for 2014. Similarly, an ex-post evaluation of preparatory actions on the maritime spatial planning will be launched shortly after their finalisation, i.e. in January 2012. The first batch of marine knowledge projects started in mid-2009 and will start to deliver results that can be evaluated in mid 2010. An Impact Assessment on the European Marine Observation and Data Network, was submitted to the Impact Assessment Board in November 2009 and a final report is under preparation.⁴⁵ An interim evaluation will start at the beginning of 2011 that will report in early 2012. An ex-post evaluation will be launched at the end of 2013.

The table below describes the budget spent in the period 2008-2010 on IMP projects and presents an indicative plan of interim and ex-post evaluations to be conducted on the main IMP projects:

Type	Budget spent in the period 2008-2010	Start of major activity	Interim evaluation	Ex-post evaluation
Maritime governance	€550,000	2009		
Sea-basin strategies	€490,000	2009		
Maritime Surveillance	€7,200,000	2010		2012
Marine knowledge	€6,690,000	Mid 2009	2011	2013
Maritime spatial planning	€1,800,000	2010		2012
International dimension of IMP	€60,000	2008		
New economic opportunities	€2,297,622	2010		
Visibility of Maritime Europe	€1,600,000.	2009	2011* (part of marine knowledge evaluation)	2013
Total	€20,687,622			

⁴⁵ Reference number 2009/MARE/003.

2.4.7. Volume of appropriations, human resources and other administrative expenditure

In view of estimates made on the basis of current and projected expenses associated with pilot projects and preparatory actions on the Integrated Maritime Policy, it is considered reasonable that the EU intervention for the period 2011-2013 as well as the administrative expenditure in terms of human resources needed for the management of the EU Programme should be allocated as follows:

	Total contribution over the 2011-2013 period	Administrative Expenditure - Human Resources 2011-2013⁴⁶
1. Integrated Maritime Governance	€1,000,000 - €3,000,000	2.42
2. Tools for Integrated Policy Making		
Integrated Maritime Surveillance	€1,500,000 - €5,000,000	3.37
Maritime Spatial Planning and Integrated Coastal Zone Management	€4,000,000 - €7,000,000	5.98
Marine Knowledge	€20,000,000 - €24,000,000	4.56
3. Activities in relation to the sea basins	€3,000,000 - €7,000,000	3.18
4. International Dimension of the IMP	€600,000 - €1,200,000	1.16
5. Defining the boundaries of sustainability of maritime activities through the implementation of the MSFD	€4,000,000 - €6,000,000	3.60
6. Sustainable economic growth, employment and innovation	€3,000,000 - €7,000,000	1.93
7. Raising the Visibility of Maritime Europe	€1,500,000 - €3,000,000	2.1
Total amount	€50,000,000	28.2

⁴⁶ Full-time equivalents (person-years) over 3 years.

2.5. Added value of EU involvement

Any intervention at EU level shall be pursued with due respect to subsidiarity, proportionality and additionality.⁴⁷

2.5.1. *Additionality*

As a general rule, synergies, coherence and complementarity with different EU financial instruments in relation to closely related policy domains shall be always sought.⁴⁸ In this context, the financial intervention on the basis of actions needed to support the implementation of the Integrated Maritime Policy should complement and be coherent with existing and future financial instruments at EU level, as well as at national and sub-national level in Member States, made available to implement the necessary actions to promote the sustainable use of the oceans, seas and coasts.

Other EU financial instruments which have a bearing on the core objectives of the Integrated Maritime Policy, include the Cohesion Fund, the European Regional Development Fund, the European Fisheries Fund, the Competitiveness and Innovation Framework Programme and the Seventh Framework Programme for research, technological development and demonstration activities, the Instrument for Pre-Accession Assistance (IPA) and the European Neighbourhood and Partnership Instrument. Alone these do not cover all the Integrated Maritime Policy overarching priorities and goals. This, implies, that there is therefore a rationale for providing financial support at the EU level to support actions which seek completely and exclusively to pursue further the objectives of the Integrated Maritime Policy.

Conversely any action financed with a view to pursuing the objectives the Integrated Maritime Policy, contribute significantly to the achievement of other EU sectoral policy goals with a bearing on maritime affairs.⁴⁹

2.5.2. *Subsidiarity*

As emphasised in the Blue Paper of October 2007 and its accompanying Action Plan, any EU action aimed at further developing and implementing the Integrated Maritime Policy must be pursued with due respect to the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In the field of Integrated Maritime Policy, the rationale for action at EU level stems from the cross-sectoral and trans-national nature of the activities involved and synergies among sectoral policies. The purpose is to develop a comprehensive strategy for growth and sustainability for the oceans, seas, coastal regions and maritime sectors. Particular cases in point are the activities relating to cross-cutting policy tools and cross-sectoral maritime actions, and to the international dimension of the Integrated Maritime Policy because of their transboundary aspects. These tools and activities include the common

⁴⁷ Commission Ex Ante Evaluation Practical Guide for Preparing Proposals for Expenditure Programmes (2001), Annex III: European Added Value (EAV) and other related terms, p. 29.

⁴⁸ Ibid, p. 18-19.

⁴⁹ For instance, the integration of maritime surveillance which is one of the objectives of the Integrated Maritime Policy is in total consistency with the ongoing process to build the European Border Surveillance System (Eurosir). In particular, the aspects of the Eurosir Communication dealing with surveillance of external maritime borders form part of the overall framework set by the Integrated Maritime Policy for the European Union. Moreover, the initiative is coherent with the EU maritime *acquis* and in particular Directive 2002/59/EC, as amended, which is the legal basis for the most important existing surveillance systems at EU level (AIS, LRIT, SafeSeaNet).

information sharing environment for the EU maritime domain, maritime spatial planning, integrated coastal zone management and the marine data and knowledge network⁵⁰.

Action at Union level aimed at implementing the Integrated Maritime Policy would not negatively affect similar measures taken in Member States or regions. Rather, cross-sectoral actions taken at various level of government would mutually complement and enhance one another. The full potential for optimised maritime policy-making will not be reaped unless the integrated approach permeates every level of government.⁵¹ Thus, action at Union level in the field of Maritime Policy is likely to produce clear benefits by reason of its scale and effects, compared with activities and actions pursued only at the level of Member States and regions. In its conclusions of 16 November 2009 on the IMP Progress report of 15 October, the Council invited the Member States and the Commission to continue their activities with due respect to subsidiarity and proportionality and welcomed the work of the Commission and Member States as well as future orientations on IMP.

Ensuring proper implementation of integrated governance of maritime and coastal affairs, promoting integrated sea basin strategies for the sustainable development of maritime sectors and coastal regions and ensuring effective policy coordination of sector-specific policy initiatives of sea-related matters across Member States and regions necessitate the need for action at EU level. Particularly, an EU intervention which promotes and fosters the overcoming of the fragmented nature of EU policies and actions that relate to the sea, the identification and exploitation of synergies, the exchange of best practices, collective learning, and the broad involvement of stakeholders in decision-making in relation to oceans, sea and coasts, will have a positive impact on the main objectives of the Integrated Maritime Policy - integration of governance structures by making them more inclusive and co-operative, building of marine knowledge base and cross-cutting tools necessary to enable the implementation of integrated policies; improvement of the quality of sectoral policies, through increased coherence across sectors; implementing all above, taking into account specificities of the regional seas around Europe, through tailor-made solutions, in full complementarity with existing regional conventions and agreements, and applicable EU Neighbourhood and Enlargement policies;⁵²

⁵⁰ For instance, in the field of integrated maritime surveillance, the vast majority of monitoring and surveillance activities at sea falls within the competence of national authorities established in accordance with national and EU legislation (the EU maritime *acquis* and in particular Directive 2002/59/EC). Following the principle of subsidiarity, Member States are responsible for coordinating the collection and verification of information from all their agencies, administrations and national operators, preferably via a single national coordination mechanism. In such a context, the EU involvement is validated on the presumption that it aims at maximising the systems' cross-border and cross-sectoral usefulness, which would otherwise be blocked by cultural, administrative as well as legal obstacles from EU and national legislation (e.g. on personal data and confidentiality) and improving Member states authorities' operational efficiency, through improved maritime situational awareness, to the benefit of human lives at sea, the marine environment and internal security.

⁵¹ Commission Communication "Guidelines for an Integrated Approach to Maritime Policy: Towards best practice in integrated maritime governance and stakeholder consultation"- COM(2008) 395 of 29.6.2008, p.4.

⁵² Commission Progress Report on the EU's Integrated Maritime Policy – COM(2009) 540 final of 15.10.2009, p. 2-3.

2.5.3. Proportionality

According to Article 5 of the Treaty on European Union and the principle of proportionality, EU action should not go beyond what is necessary in order to achieve satisfactorily the objectives which have been set. The proposal respects the principle of proportionality because in the field of Integrated Maritime Policy, Union's actions do not go beyond what it is necessary to achieve satisfactorily the pursued IMP objectives. They leave as much scope for national decision as possible, and respect well established national arrangements and legal systems.

Action at Union level on the Integrated Maritime Policy would add value to the measures that the Member States are already taking, and would provide resources additional to those the Member States are already spending. These resources are proportionate since they would enable the Member States, regions or regional stakeholders to achieve the objectives of the Integrated Maritime Policy more effectively.⁵³

2.6. Conclusion

In view of the above and to ensure a modest financial underpinning for the further development and implementation of the Integrated Maritime Policy for the period 2011-2013, it is considered important for the EU to contribute to its funding.

2.7. Follow-Up: Planning future monitoring and evaluation

The technical and financial implementation of actions financed by the Programme shall be monitored by the Commission, on the basis of reports on the progress of work submitted to the Commission by the beneficiary and also through on-the-spot monitoring checks. A final report shall also be submitted within three months of the completion of each project. Projects and other actions financed by the Programme will also be subject to audits, including audits outsourced to contractors. An article to this effect is included in the proposal.

Indicators ensuring a good quality monitoring system are being developed actions covering resources, output and impact. These are designed to be measurable using available indicators that do not require expensive studies. Indicators to be used for the actions on the promotion of integrated sea basin strategies around Europe and integrated approach at all levels of maritime governance will be the number of initiatives and integrated strategies taken by Member States and coastal regions towards the integration of maritime policy for the sustainable development of maritime sectors and coastal regions within their administrative structure as well as the number of cross-sectoral cooperation and exchange structures, groups and networks on maritime affairs at a regional, national and sea-basin level.

Member States approval of the roadmap for the establishment of the common information sharing environment will be an indicator of whether the actions on maritime surveillance to be financed through this program are appropriate, conclusive and necessary. Indicators to be

⁵³ For instance, in the case of the integrated maritime surveillance, EU intervention will be limited to making the different information layers of existing systems interoperable and able to be used to cover pre-identified needs of all user communities at EU level, showing maximum respect to the proportionality principle. The building up of the common information sharing environment should not in any way hinder the development of existing and planned sectoral information systems, including their evolution, as long as the need for interoperability enabling an information exchange with other relevant systems is taken into account.

used for the actions on maritime spatial planning (MSP) will be the number of Member States applying MSP in their national waters (territorial sea and EEZ) and the number of cross-border initiatives for MSP, using the key principles identified at EU level. Progress in integrated coastal zone management is measured as regards outputs in number of practical applications of ICZM at different scales of governance. As regards results and outcomes, specific progress and sustainability indicators were developed further to the European Parliament and Council Recommendation on ICZM of 2002. This Recommendation also provides the framework for regular evaluation, based on Member State reporting and EU assessments of the state of the coast by the European Environment Agency.

Resource, output and impact indicators for maritime knowledge have been set out in the impact assessment⁵⁴. These are designed to be easy to measure. For instance hits on web-sites will be used as proxies to judge take-up of information from marine knowledge initiatives as well as those of the European Atlas of the Seas and stakeholder forums. Indicators to be used for the actions on the promotion of the international dimension of the IMP will be the outcome of workshops, seminars and events (participation, Conference Declarations, agreed minutes) to be held in the context of international fora.

Indicators to be used for actions on defining the boundaries of sustainability of human activities are the content and extent of exchanges which have taken place between regions and the establishment of methodological standards as a result of this. Further, study results on litter and the realization of a proposal for a pilot project on adaptive management.

Sustainable economic growth, employment and innovation will be measured by study results and feedback from stakeholders. These will be supplemented by GDP and unemployment indicators in coastal regions and maritime sectors obtained from Eurostat and attainment of Good Environmental Status as defined by the Marine Strategy Framework Directive will measure sustainability. Results will feed into political programming in DG MARE and in other Commission services. As far as the maritime contribution to the EU2020 strategy⁵⁵ is concerned, the measuring and evaluation criteria for this strategy will be employed *mutatis mutandis*.

The proposed EU programme is intended to start in 2011 and run until the end of the current Financial Perspective 2007-2013. The Programme, as a whole, will be subject to an ex-post evaluation to be submitted to the European Parliament and the Council, no later than 31 December 2014. An article to this effect is included in the proposal. Additionally, as outlined in section 2.4.6, in accordance with Article 27 (4) of the Financial Regulation and Article 21 (3) of its Implementing rules, all major IMP projects will be subject to specific retrospective ex-post evaluations to be conducted before 2013.

As provided for in the implementation rules applicable to the general budget of the Union, the evaluation of the Programme will focus on the review of the financial and human resources allocated and the results obtained in order to verify that they are consistent with the objectives to be pursued. The evaluation shall be proportionate to the resources mobilised for, and the impact of, the programme.

⁵⁴ Impact Assessment Board Reference Number 2009/MARE/003.

⁵⁵ COM(2009) 647 final of 24.11.2009.