

Ex Ante Evaluation of National Fisheries Strategic Plan and Fisheries Operational Program of Hungary.



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THIS DOCUMENT WAS COMPILED IN THE SUBSIDY OF THE EUROPEAN UNION AND THE GOVERNMENT OF THE HUNGARIAN REPUBLIC,
WITHIN THE FRAMEWORK OF THE NATIONAL DEVELOPMENT PROGRAMME AND THE OPERATIONAL PROGRAMME FOR AGRICULTURE AND RURAL DEVELOPMENT

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1. INTRODUCTION

1.1 Background of the Report

This Report should be compulsorily prepared as a programming document for the Operational Programme for Fisheries, Hungary (hereinafter ‘OPF’ or ‘Programme’) in order to optimise the allocation of budgetary resources of the 2007-2013 programming period financed by the European Fisheries Fund (EFF), as it is laid down in **Council Regulation No. 1198/2006/EC** (‘EFF Regulation’).

The strategic principles of the Programme are provided by Hungary’s National Fisheries Strategic Plan in accordance with the Article 17 of the Council Regulation No. 1198/2005/EC. The regional development policy is closely connected to the fisheries sector in Hungary. The regional developments projects – financed by the European Agricultural Fund for Rural Development (EAFRD) – are drawn up in the National Programme for Agriculture and Rural Development, which is under construction as an interactive process parallel to the OPF.

The Programme – in accordance with the Council Regulation – aims to make judgement on selected priorities based upon the analysis of strengths and weaknesses, to determine the measures of different Priority Axes, to estimate the financial value of different objectives including a detailed financial plan, and to determine all the measures needed for the execution of the Programme, including the description of the institutional background, the monitoring and evaluating systems and the measures for the publicity of the Programme.

1.2 Aims and Objectives

This document is the zero version of the Final Report (TIR2) of ex ante evaluation of Operational Programme for Fisheries (OPF).

The purpose of the ex ante evaluation is to make judgement and recommendations on the content of the given strategic document by independent experts in order to classify and improve the Programme’s quality. The structure of the ex ante evaluation of OPF is illustrated in Table 1.

Table 1: Structure of the Ex ante evaluation of Operational Programme for Fisheries (OPF)

	Duties	Activities to be accomplished
1.	Situation analysis of the fisheries sector and the relevance of the SWOT analysis	The evaluator should review the SWOT analysis and the detailed Situation analysis outlined in the draft of the Programme and evaluate the appropriateness of the main strengths and weaknesses relevant to the agricultural and regional development issues, moreover, it should evaluate the existing analysis of the main reasons, symptoms and processes, including a financial evaluation of the Situation analysis (proposed context and impact indicators, their basic values). The evaluators should also give their opinion on the relevance and the coherence of the measures of development process. The evaluator should also provide the planning authority with comments or supplements to the analysis, if required.

	Duties	Activities to be accomplished
2	Evaluation of the rationale of the strategy and its consistency	In this chapter the Evaluator and local experts should examine, firstly, if the determination of the strategy and objectives were formed in accordance with the real demands, secondly, if the most adequate strategy was selected for the execution of the development process, and, at last, the reasonability of the distribution of resources by the OPF and the national intervention.
3	Appraisal of the coherency of the strategy	Evaluators shall examine whether the planned strategy of the OPF is in accordance with the relevant national and regional policies and strategies, the National Development Concept, the National Regional Development Concept, the National Action Plan, the Community Strategies Policy, and the National Strategic Reference Funds. The main elements, statements and proposals of the Strategic Environmental Assessment (SEA) are also taken into consideration.
4.	Determination of indicators and expected results	In this chapter those indicators shall be determined by the Evaluators and local experts which can be used for the definition of physical outputs, expected results and effects of the Programme. The evaluation process reveals the reality and the feasibility of the different objectives and the appropriateness of the basic data. In the ex ante evaluation the causality between outputs, results and impacts, their general relations and the authenticity of the data in quantified terms should also be examined and verified.
5.	Evaluation of the proposed implementation and monitoring systems	The Evaluator in cooperation with the local experts shall examine the preparations for the execution, monitoring and evaluation processes of the Programme. In this phase a risk analysis should be taken in order to reveal the possible risks endangering the feasibility of the Programme, and the steps protecting from bottleneck factors should be drawn up.
6.	Completion of the Final Report of the Project (Evaluation Report)	Evaluators shall make their comments and proposals on the final content of the Programme and complete an Evaluation Report for the Commission. The chapters regarding to the results of ex ante evaluation should also be attached to the Programme. The changes and corrections proposed by the ex ante evaluators should be highlighted in the programme report. The Final Report shall give an official summary of the project and the results of different activities. It is primarily based on the intermediate report which is supplemented by technological and methodological issues in use.

1.3 Methodological Approach to the Ex Ante Evaluation

The methodological approach connected to the ex ante evaluation is laid down in the 'Methodological Working Papers for the new Programming period, 2007-2013 Draft Working Paper on Ex Ante Evaluation for the European Fisheries Fund' issued by the Commission.

During the evaluation process the following basic references were used:

- European Commission. Evaluating EU activities. A practical guide for the Commission services. July 2004, DG Budget – Evaluation Unit;
- Council Regulation No. 1198/2006/EC (27th July, 2006.);
- The new programming period, 2007-2013, methodological working papers: 'Draft Working Paper on Ex Ante Evaluation';
- Directive 2001/42/EC of the European Parliament and of the Council on the assessment of the effects of certain plans and programmes on the environment;
- Guidance template – Establishing the national strategy plan (STAR VI/197/396/05);
- Draft Working Paper on Ex Ante Evaluation for the European Fisheries Fund;
- Indicators for Monitoring and Evaluation: a practical guide for the European Fisheries Fund.

1.4 Improving programming quality:

During the elaboration process of the Programme a permanent consultation was held between the programme developers and the evaluators; the evaluators took part at several workshops and conferences, and the practical results of the former Programme financed by the FIG were also examined. The coherence between the Strategy and the Programme was checked both in theory and in practice during the evaluation and the possible efficiency of the different measures were also explored.

The cooperation with our outer experts could improve the completion of our evaluation.

1.5 The Structure of the Report

This Document is consists of the following Chapters:

- **'Introduction'** (Chapter 1) which outlines the general background of the project, describes the explanation of the objectives and gives the structure of the Report.
- **'Situation analysis and the relevance of the SWOT analysis'** (Chapter 2) which gives the evaluation of the situation analysis of the programme. After the Introduction (2.1) it provides a general appraisal of the situation (2.2), complying with the structure, content and key factors of evaluation as well as some formal, stylistic and other technical issues. The next subdivisions (2.3-2.4) give the special remarks and recommendations of the evaluator in connection with the situation analyses of different Priority axes, including the evaluation of the existing SWOT analysis.
- **'Evaluation of the programme's strategy and objectives'** (Chapter 3) has been limited in content and extent in this zero version, as the compulsory contents given by Article 20 of the Regulation are not fully included in the present version of the Programme.
- **'Proposed Measures'** (Chapter 4) complies with the proposed measures and it evaluates their approval to the most important needs and the legal background.
- In the chapter **'Community Added Value'** (Chapter 5) the Programme's added value in relation to the Community priorities was evaluated.
- **'Appraisal of the proposed implementation system'** (Chapters 6-7) in which the implementing provisions including the designation of bodies and procedures of implementation, monitoring and evaluation were analysed in order to meet the essential requirements of follow up and further evaluation.
- The Evaluation Report is closed by **'Evaluation of Partnership'** (Chapter 8) and the results of **'Strategic Environmental Assessment'** (Chapter 9).

2. SITUATION ANALYSIS AND THE RELEVANCE OF THE SWOT ANALYSIS

2.1 Introduction

The Programme, in accordance with the Regulation should contain the 'situation analysis of the given sector and an internal analysis of its strengths and weaknesses'. The main purpose of the Situation analysis and the SWOT analysis is to establish and improve the strategic decisions proposed by the Programme.

The main objective of the Operational Programme for Fisheries (OPF) is to ensure the strategy provided by Hungary's National Fisheries Strategic Plan, namely to choose the most efficient methods in order to achieve the different objectives in compliance with the measures, implementation systems and priorities laid down in the EFF Regulation. The establishment of the strategy should be evaluated by the ex ante evaluation process of the OPF on the assessment of the the detailed situation analysis and SWOT analysis.

To make the ex ante evaluation more efficient, the evaluation of the situation analysis and SWOT analysis have been carried out and complemented by the Evaluator's proposals in accordance with the different priority axes of EFF Regulation, since the main objective of the Programme is to secure the appropriate strategy in the allocation of resources between different measures.

2.1.1 Primary functions of fishery

The different functions of fishery similar to other sectors of agricultural production have been widened, thus, besides the production they contribute to other purposes (multifunctionality). These functions are the following:

- ⊕ Economic or producing function (fishery production),
- ⊕ Preservation and improvement of natural and environmental conditions (environmental protection),
- ⊕ Wellness function, i.e. the service of resting and relaxing (tourism, recreation),
- ⊕ Improving education for healthy nutrition (improving the consumption of fishery products).

Specific duties of the fisheries sector are:

- ⊕ to keep the production sustainable in environmental, economic and social point of view,
- ⊕ to secure working and living possibilities in rural areas,
- ⊕ to satisfy domestic consumption and export demands by products in compliance with the criteria of food quality and food safety,
- ⊕ to preserve aquacultural sites and biodiversity,
- ⊕ to satisfy recreational needs for angling/amateur fishing.

The following development policies are proposed by the ex ante evaluators for the development of Hungary's fisheries sector in the interest of utilization of our natural and social conditions and inherent potential:

- ⊕ aquaculture,
- ⊕ inland fishing/commercial fishing activity,
- ⊕ traceability of aquacultural products, possibilities for integration,

- ✦ biodiversity,
- ✦ sustainability,
- ✦ protection and conservation of the environment,
- ✦ improvement of angling-tourism,
- ✦ regional development, multifunctionality.

Some elements of the proposed guidelines can be financed by different support actions (e.g. inland fishing), others can be incorporated in development measures on investments (e.g. sustainability), or, in the third respect, the fisheries sector can be inserted in a wider, intersectorial relation.

2.1.2 Visions of the fisheries and aquacultural sector

The Programme represents an appropriate strategy, which shows an improving, purpose oriented and ambitious vision of the sector. The Evaluator has made comments in two matters which make influence on the future of the sector therefore need specific interest.

The carp-centered production of the Hungarian fish sector can supply all the domestic demand but probably has to be moved towards other, more exportable species (i.e. catfish, pike, pikeperch, tench, sturgeons, etc). The increasing role of the new species can develop the marketability of the fisheries products and can improve sector's profitability in both domestic and international trading channels.

The possible visions of the fisheries sector can be determined by the following factors:

- ✦ Development
- ✦ Reconstruction of the sector
- ✦ Healthy nutrition (improving the share of processed products)
- ✦ Recreational objects: angling tourism, rural development
- ✦ Fish production, as the part of rural development, shall secure the living and recreational activities of the population in long terms

2.2 General statements

In general terms the Situation analysis of the Programme contains all relevant statistical data to support evaluation and designates main directions of development. The description of basic trends and development strategies are also included in the analysis, but the reasons and circumstances were not detailed.

The market analysis of the fishery and aquacultural products, the evaluation of the consumers' demands, the present and potential marketing possibilities are not included in the chapter of Situation analysis. By reason of these deficiencies the development programme is less appropriate to determine the main directions of development of the sector, the most favourable structure of implementation and resource allocation.

The statements on the fishery measures of ARDOP (Agricultural and Rural Development Operative Programme) are acceptable. The evaluation of the OPF version of 13th October 2006 outlined the results of the programme and set forth on the problems of implementation and their solutions.

The present version of the OPF does not give any references on the former measures of the National Plan for Rural Development. According to the Evaluator's opinion this completion

should be very important. In framework of the target plan 'Maintenance of fish ponds with extensive production' of the NPRD 167 applicants have applied for 23 193,8 hectares of land and in target plan 'Reed farming' 174 applicants have applied for 12 139,6 hectares of land. The total financial contribution to the two measures provided by the NPRD is EUR 5.766.113 (EUR 203,92 for „Maintenance of fish ponds with extensive production” and EUR 86,27 for „Reed production”), which exceeds the total planned budget of the above mentioned version of the OPF (EUR 3,9-4,7 million per year). The total sum of the financial contribution provided by the NPRD includes national sources, but, for this case it is suggested to analyse the environmental impacts of relevant measures of the NPRD also at the level of OPF. Thus, the efficiency of the measures of NPRD and the future possibilities should be appraised.

The amateur fishing or angling is omitted from the Situation analysis of the OPF, although it was regarded as an important activity in the Strategic Plan. According to our proposal this issue should be regarded with a greater importance, since the effects of angling as a recreational activity are intersectorial i.e. it exerts influence on the economic and employment conditions of other sectors, moreover, it has positive effects on the state of health of the participants of this activity (i.e. the anglers). Angling can be a main element of rural development objectives.

Fishing activities in freshwater should also be developed as the contamination of oceans and seawater and the excessive fishing will entail a decrease of sea products in the near future. On the other hand, the consumption of fish and fish products will increase as a consequence of effective promotion campaigns for healthy nutrition principles. Thus, the importance of freshwater fishing and fish production may increase.

Production and distribution have become parallel activities at most of the participants of the fisheries sector. In several cases the producers sell their products directly to the food-stores or for export. In the following fish producer farms the above mentioned two activities (sales and exports) are performed simultaneously: Aranypony Rt, Balatoni Halászati Rt, TEHÁG, Cikk halastavai kft (Czikkhalas Halastavai Kft), Tógazda Rt, Hortobágyi Halgazdaság, Szegedfish. In geographical respect, there is a huge difference in the cost of water used in fish production (for example in the Transdanubian Region and the Great Hungarian Plain). In the area of Great Hungarian Plain the access to water should be payed.

By these supplementary notes the Situation analysis may be more appropriate for the determination of basic directions of development.

2.3 Evaluation of the Situation Analysis

During the evaluation process of the Situation analysis the priority axes and its sub-divisions were taken into consideration in accordance with the structure of OPF.

2.3.1. The role of the fisheries sector in the Hungarian national economy

The annual gross production value of the Hungarian fisheries sector (including both fish production and fishing activity) is around HUF 13-15 thousand million, which represents 2,5 per cent of the gross production value of the Hungarian livestock sector (HUF 585,8 thousand million, in 2004). The Chapter gives a clear introduction on the significance of the fishery and aquacultural sector in Hungary.

The main objectives of the sector are to increase of the added value of the products and to improve competitiveness. Hungary is the Member State with the lowest fish consumption.

Great part of the consumption is sea fish from imports. There is a significant share of imported freshwater fish products on the market, which is caused by the price-sensitivity of the consumers, the seasonality of the market, the low quality of domestic fish products and the different needs of consumers. The two key questions of improving competitiveness are the change of production structure (introduction of more marketable species) and the adjustment of quality to the domestic needs.

2.3.2 Priority axis 1: Measures for the adaptation of the Community fishing fleet

Hungary as it derives from its typical continental situation has no coasts and fishing fleet. Thus, the measures connected to the Priority axis 1 cannot be applied.

2.3.3 Priority axis 2: Aquaculture, inland fishing, processing and marketing of fishery and aquacultural products

The most important activity of fishery and aquacultural production in Hungary is carp production in fish pond systems that is influenced by different factors such as the terrain, hydrographical and climatic conditions and the native fish fauna. Besides the fish production in natural and artificial ponds the role of intensive fish production technologies is increasing, as it is described in the Situation analysis of the Programme. One of the deficiencies of the Situation analysis is the lack of detailed information on the different motives of the existing development processes.

The most important species and their role in the total production (per cent of total output) are the following:

- ✦ Common carp, 66%
- ✦ Plant-eaters: grass carp, silver and bighead carp, 14%
- ✦ Predators: catfish, pike, pikeperch, 4%
- ✦ Other species (breams), 16%

The Hungarian fish production is rather carp-centered, which means both opportunities and threats. When considering the production structure of other Member States and the neighbouring non-EU countries, the market disadvantages regarding to this species become more obvious, thus, the change of carp-centered production structure should be taken into consideration. Though the importance of this problem and the possible effects and solutions caused by the changes of the production structure has been outlined in the Strategy, according to our evaluation, the Programme should pay more attention to this problem.

2.3.3.1 Fish production in natural and artificial ponds

The fish production in pond systems plays an important role in the continuous replacement of fish stock either in natural waters, or the quality and quantity demands of fishery ponds used for sporting and recreational activities (angling).

The use of fish production in pond systems is the following:

- ✦ Fish for food production 68%
- ✦ Breeding fish 17%
- ✦ Spawn 10%
- ✦ Other use (fish sales by angling) 5%

40 % of the fish ponds are decrepit, they need reconstruction, regeneration and development. The defence of properties means huge problem for the fish producing farms, as the devices and instruments cannot be protected from poachers.

An increasing number of domestic fish farms have joined to wetland action plans of the agri-environmental measures of the National Plan for Rural Development. This tendency is favourable, but the evaluation of the real environmental effects of these action plans should be completed, the data derived from the monitoring activities of these plans should be analysed by which the conformity to the regulations can be checked.

2.3.3.2 Intensive fish farming

10 fish producing farms worked in Hungary using intensive technologies in 2005. This segment of the sector could get financial contribution from the sources of the FIFG, with respect to the increasing demand of the market which implies the development of the segment.

The most important product of the intensive fish farming is African catfish that accounts for 95% of the total production, the share of sales increased by 15% from 2004 to 2005; the increase was 30% in 2004 in comparison with the previous year. This is the only sector where the costs of high quality feed are recovered as it can give enough value added. The intensive fish farming technologies need special technological background of high value, therefore the role of possible cooperation among producers should also be analysed in the viewpoint of cost efficiency.

2.3.3.3 Fishing activities in natural waters

The total land of natural waters is divided into nearly 1500 areas. The fishery rights can be used for 15 years, the way of application is by tenders, the possibility of recreational use is included.

The total land of surface water in Hungary is 141.000 hectares, the fishery rights are owned by the state. The instruments and means of production in the fishing and fisheries industry are decrepit, their replacement is essential so as to maintain working possibilities and fishing traditions.

Commercial fishing in Hungary is performed both in natural waters and reservoirs, using partly traditional fishing methods and, partly, special, semi-intensive or intensive fish producing methods (mainly in reservoirs and backwaters). Except for these areas with intensive fish production commercial and recreational fishing are performed parallel on the majority of surface waters.

The financial support within the framework of ARDOP (Agricultural and Rural Development Operative Programme) was not fully utilized in this segment. Only one application have been filed with negative judgement, so as this segment of the sector could not obtain financial support from the co-financed sources of FIFG and ARDOP. Among the reasons there was the lack of instruments financed by ARDOP sources, thus the enterprises working in the sector could not gain entitlements.

One of the most important markets of fish production in pond systems is in the fishing activities in natural waters and angling (i.e. replacement of the stock). The main practical

problem is the settlement of unsuitable species (for example mirror carp instead of common carp) into natural waters.

2.3.3.4 Angling

The significance of recreational use of natural waters (amateur fishing or angling) is increasing. The number of anglers has increased from a number of 50.000 in the 1960ies to the present number of 300.000. More than 3 per cent of the population deals with angling, but the number of those in indirect connection with angling is more. The role of fish ponds in angling show an increasing tendency, this activity can be inserted into the objectives of rural development as a recreational activity, so that it can improve the mobilization of alternative sources of income, the diversification of activities and can conserve and maintain the natural and traditional environment.

According to the Evaluator's opinion the fish producers do not devote enough attention to this segment; there are no trends and plans for development. Moreover, the problem is not taken into consideration in the measures of OPF.

This is the sector where the possibility of internal coherency and other supporting forms are very important, and where is a specific need for financial support allocated from other funds besides OPF.

The financial support on selective fishing is also necessary, which should also serve the anglers' interests. A consensus should be made on the reduction of the brown bullhead stock in natural waters.

In the framework of Research activities and Collective actions of Priority axis 3 there are possibilities for financial support allocated to reserach institutes for research activities in the fields of fisheries and aquaculture. These measures can assure financial support to the institutes when the research is connected to the protection or conservation of the environment and brings positive external effects.

2.3.3.5 Proccession of fishery and aquacultural products

In Hungary there are 24 companies specialised in the processing of fisheries products, 18 of them is working in primary processing, 6 companies are specialised in smoking and marinating. The re-packing of imported fish is an additional activity in most of the processing companies. The capacity of primary processing in the biggest factory is 5,5 tonnes/ 8-hour shift, while it is 0,4 tonnes/ 8-hour shift at the smallest one.

There is a typical situation in the Hungarian fisheries sector, where the fish producer and fishing enterprises are the most important participants of the processing industry, although there are also several independent companies specialised for processing (conserving, marinating and smoking) and trading activities.

The SWOT-analysis of the fish processing industry even though reveals its problems and opportunities, but the broadening range of products as one of the strenghts is not well-established, the trend and the basic data of comparison of widening possibilities of the processed products are not included in the analysis.

Some problems can be arisen from the name of foreign products as they can mislead the consumers. Some products of low quality and price are sold at a higher price with false marks, as different species.

The reform of the domestic market of fried fish, mostly the different species of breams should also be considered. The key question is to make a proper appraisal of consumers' demands. Since 2004, 5 new fish processing plants have been built and 2 more have been reconstructed by the financial contribution from ARDOP funds. The sectorial analysis, however, pointed out that even the added value of these investments will not bring improvement in competitiveness and profitability.

This anomaly may be absolved in the future by the development of a more efficient chain of production, processing and trade. According to the Evaluators the Situation analysis should be supplemented by the introduction of the possible horizontal and vertical cooperations of the sector and the analysis of the factors influencing their operation.

The first step of processing is cleaning of the fish. There is a need for the installation of a new pre-processing industry but its costs are not covered by the receipts of fishing activities. The following two pictures (from the Strategy) show clearly the geographical distribution of fish production, processing and trade, and the lack of the relations and cooperation between them



The geographical distribution of fish producing enterprises in Hungary

Halfeldolgozók és üzletláncok székhelye



The geographical distribution of fish processing enterprises and food-chains

The basic problem of the fish processing industry is the poor range of products as a consequence of the expensive processing methods of freshwater fish. The processing methods of freshwater fish need special instruments and technological background, the machinery used in other countries is specialized for processing seafood. There is a basic demand for specially developed processing machines for domestic use (i.e. for scaling and cutting fish).

2.3.4 Priority axis 3: Measures of collective interest

2.3.4.1 Research in the fisheries sector

The research activities in fishery and aquaculture have a 100 year past in Hungary. Research & Development activities with a close co-operation between education and consultation should concentrate on the sustainable utilization, development and conservation of the natural water resources of the country, and, in addition shall improve healthy nutrition and the quality of life of the Hungarian population.

The main institutions of research on fishery and aquaculture are:

- ⊕ Research institutes,
- ⊕ Private entities, and
- ⊕ Universities.

The small and medium-sized enterprises (SMEs) play an important role in the sector, there is a need for their special knowledge, and therefore they should be drawn into research and development of intensive and integrated production systems.

There is an increasing need for cooperation with experts of water management. Their cooperation should be extended to national projects, plans and researches in the field of water management.

Measures of Collective interest have important role in the programme development process as the capital of innovation and knowledge can be integrated into the Programme through these measures.

2.3.4.2 Improvement of market share and promotional methods

The description of market development methods (i.e. present market conditions, potential markets, directions of development) is not included in the Situation analysis of the Programme. There is a short reference on this issue in the National Fisheries Strategic Plan. According to the the Evaluator promotion, market development, exploring new market possibilities and segments are important factors that influence the marketing position of the fisheries sector. The Situation analysis of the Programme, therefore, should be broadened into this direction.

In the Chapter on General remarks a reference was made on the difference between the quality of domestic fish products and the consumers' demands. In our opinion the correction of the production to the real demands should be an important factor of market development.

The two main reasons of the reduced level of exports were the decreasing level of the production of plant-eater fish and the cancelling of eel production at Lake Balaton. There is still a real demand for these species. The domestic and foreign demand for silver carp and bighead carp is around 2500 tonnes per year.

The role of the fish traders and trading companies was changed in the past few years. Some of the fishermen or fish producers started to complete their fishing activities by trade, or the dealers started producing activities besides trading in order to provide the continuous supply. The fish farms have been appeared directly in the trade of fish products. Formerly they sold their products to wholesale dealers or distributor companies (HALÉRT) who made the distribution to the stores and shops. At the present producers distribute their products directly to the stores and supermarkets. An additional marketing problem is that the consumers know only a few preparation methods of fish and fishery products. It can be developed by efficient promotional methods.

It is suggested to start promotional campaigns with respect to form chain stores all over the country at the right place, with processed, first quality products with right packing and hygienic level.

2.3.4.3 Development of Human Resources

The sector's share in total employment is rather low; only 1826 workers were employed in the fisheries and aquaculture sector in 2005. This number contains both full-time and part-time employees.

Additional data in relation with the employment of the fisheries sector are not available. These information shall be expected in medium-terms having regard to the relevant part of the national strategic plan.

The education level of the employees of the sector is low. The secondary and lower education is preferred by the Programme. The Evaluator agrees with this opinion knowing the EU principles regarding to training and education.

There is a special question in the development of human resources regarding to the Gipsy minority. The employment and education of Gypsies is a crucial question, since some of the fish producing enterprises and fish farms are situated in those areas where the employment share of this disadvantaged group may be increased. It is stressed by the Evaluator that the education, training and employment of Gypsies should be executed by special training courses and employment methods depending on the different traditions and cultural habits.

2.3.5 Priority axis 4: Sustainable development of fishing areas

According to Hungary's National Fisheries Strategic Plan 'in Hungary there is no areas where population density is low, fishing is in decline and the survival of small fisheries communities is endangered. The number of potential bottom up organizations could not reach the sufficient critical mass. Due to these facts the decision makers and the representatives of the fisheries sector made a decision about the omission of the objectives and supported measures by Priority axis 3.'

The ex ante evaluator agrees with these statements.

2.3.6 Priority axis 5: Technical assistance

The evaluator's comments on the Technical assistance are given in the chapter of 'Appraisal of proposed measures' of the ex ante evaluation report.

The completion of a detailed summary of experiences regarding to fishing activities and general measures (such as project generating, studies and market analyses) as defined in Technical assistance measures of ARDOP is also suggested to insert in the Situation analysis of the OPF.

2.4 Relevance of the SWOT analysis

The SWOT analysis and the Situation analysis of the Operational Programme is well-established, full-scale and represent an appropriate strategy.

Accordingly, no significant changes should be made in the SWOT analysis. Some proposals for modification were although made by the evaluators – mainly based on the Situation analysis – which were integrated into the SWOT table during the programme development process. The evaluators' proposals were the following:

Weaknesses

- ⊕ Low level of financing possibilities of R&D and consultation
- ⊕ Deficiencies in fish storage capacity

The SWOT analysis is divided into three parts according to practical considerations and the structure of the Situation analysis:

- ⊕ Aquaculture,
- ⊕ Inland fishing,
- ⊕ Processing and marketing of fishery and aquacultural products.

This classification can simplify the survey and promote the directions of the development. The relations between different fields and their interactions may also be explored.

3. EVALUATION OF THE PROGRAMME'S STRATEGY AND OBJECTIVES

3.1 Evaluation of the rationale of the strategy and its consistency

The main objectives of the Programme can be summarised as follows:

General objective is to strengthen the competitiveness of the operating structures in the fishery and aquaculture sector.

Additional objectives at Programme level are:

- Improving the quality of fisheries products,
- Improving food safety,
- Complying with normatives of environmental protection, nature conservation and animal welfare,
- Improving the consumption level of fish and fisheries products,
- Conservation of the productivity level of natural waters,
- Conservation of the biodiversity of natural waters,
- Conservation of the traditions of freshwater fishing,
- Ensuring the reasonable income level for the persons involved in the fisheries sector.

Additional objectives do not serve directly the general objective (i.e. strengthening the competitiveness of the sector) at all cases. The general objective should be complemented by sustainability at economic, environmental and social level. Sustainability, however, is included at the level of measures, but its importance should be emphasized. By these complements the objectives of the Programme shall be coherent and individual objectives can be inserted into general objectives.

By the introduction of sustainability as a general objective the objectives of OPF shall be in compliance with the Strategic Plan. Two items of the Strategic Plan are omitted from the Programme:

- Assuring the harmony between demands and supply
- Stressing the importance of angling as a recreational activity

By these complements the objectives of OPF will be in compliance with the needs drafted in the Situation Analysis.

With regard to the general objectives of the OPF the evaluators consider enterprises as competitive and economically viable which can:

- produce products at the appropriate quality level,
- sell the products at the market at a reasonable price, and
- forward their products to the consumers.

In order to improve competitiveness the elimination of possible restraints and the introduction of integrated development strategies shall be essential.

The objectives of the Programme shall cover the following issues: improvement of quality, reduction of costs and delivery of the products to the consumers.

The Programme also outlines the economical, environmental and social relations of sustainability, in accordance with the importance of these issues in different sub-sections of the sector.

During the implementation process of the Programme the achievement of objectives on competitiveness and sustainability should be balanced, as competitiveness is a short-term objective with relatively quick effects, while sustainability is for long terms. Some objectives regarding to sustainability, such as the increase of employment-level can make negative effects on competitiveness (for example technical development generally brings a decline in the level of employment). Producers prefer making decisions on short-term economic interests; long-term interests like sustainability (mainly in environmental and social aspects) are remained in the background.

The development of competitiveness is supported by different objectives at the level of the measures, though the development of sustainability has only secondary importance. Objectives concerning sustainability are outlined in the measures of inland fishing. The experiences of the ARDOP between 2004 and 2006 are not very stimulating, as none of the entering projects were successful in that measure. ‘Sustainability’ as objective is included also in other measures, but the way to obtain the results is not detailed.

3.1.1 The internal consistency of the Strategy

3.1.1.1 General coherences between Priority axes

3.1.1.1.1 The financial background of different axes and the needs outlined by the analysis

The allocation of financial sources between different priority axes (in EUR):

Priority axis	Financial support (total)	EFF	National	Allocation of financial sources
1. Measures for the adaptation of the Community fishing fleet	0	0	0	0%
2. Aquaculture, inland fishing, processing and marketing of fishery and aquacultural products	32 407 999	24 306 000	8 101 999	79%
3. Measures of Collective interest	6 726 096	5 044 572	1 681 524	16%
4. Sustainable development of coastal fishing areas	0	0	0	0%
5. Technical assistance	2 059 689	1 544 767	514 922	5%
Sum total	41 193 784	30 895 339	10 298 445	100%

As Hungary has no coast and fleet therefore the measures of the Priority axis 1 have no relevance. Similarly, when the geographical distribution of fishing activities is taken into consideration, it can be stated that the Priority axis 4 has no relevance in Hungary as there are no coherent areas in the country where fishing activities are the main means of living.

The largest share, 79 % of financial contribution (including regions under Convergence and Non-convergence objectives) is allocated for the development of aquacultural production. It contains some strategic approach, as not only the increase of production but also the fishing activities in natural waters are among specific objectives of financial support in this Priority axis. Fishing activities in natural waters have close intersectorial relations with the objectives of rural development (proposed by the New Hungary Regional Development Programme). Priority axis 2 provides financial support in the processing of fishery and aquacultural products which contributes to the improvement of the competitiveness of the fisheries sector. The structure of the proposed measures and the allocation of sources are appropriate to the different phases of the production chain, thus, the rational and efficient use of sources can be assured.

The allocation of resources for the regions covered by the Non-convergence objective meets all requirements. In this context the Evaluator suggests that in case of investments and development taken in Non-convergence regions the effects on fish production which are not covered by the financial contribution of OPF should be taken into consideration (for example the compensation of possible negative effects of recreational fishery activities, or the support of activities connected to maintain biodiversity) and the protection and enhancement of traditional activities should also be emphasized.

The financial contribution on the environmental effects of fishery is not planned in the allocation of resources, although it is determined in the 8th Chapter of the Strategic Plan. During the drawing up process of the zero version of the present Final Report no decision has been taken yet concerning the funds of the financial contribution (EAFRD or EFF). According to the assumptions of the OPF the financial contribution shall be provided by the EAFRD (European Agricultural Fund for Rural Development), therefore the measures have not been planned and resources have not been allocated yet.

3.1.1.1.2 The role of co-financing in allocation of financial instruments and their effects

The share of co-financing by the EFF is 75% in case of each Priority axes including Technical Assistance. According to this, the financial contribution to the Programme ensured by Hungary (the total sum of EUR 10 298 445) is supplemented from the EFF by the European Union (the total sum of EUR 30 895 339). The financial contribution to the measures of Priority axis 2, which has the most considerable financial background (the scheduled amount of the contribution is EUR 32 407 999) shall bring significant effects in the development of the Hungarian fish production. 32% Akkor nem 25-75%???? of this amount is provided by Hungary. The development system of the fisheries sector is influenced by co-financing, either in development of productive and non-productive investments, marketing issues or the implantating the results of research activities into the practice.

3.1.1.1.3 Horizontal issues (partnership, equality between men and women, international relationship, innovative actions)

The equality between men and women is managed by the Programme in accordance with its importance in the fisheries and aquacultural production. The Programme determinate those areas in the fisheries sector where the role of women can be promoted. In Hungary the economic role of the fisheries sector is relatively low; its share in the national economy is not considerable. The role of international relationship is not significant.

Innovative actions are treated by the Programme at multi-level in order to improve research activities and to put the results of research activities into the practice. At the level of measures these innovative actions help satisfy consumers' demands.

3.1.1.2 The internal consistency of the objectives

3.1.1.2.1 Interdependence between Priority axes, their contribution to the objectives of OPF

Priority axes are basically for improving the competitiveness of the fishery and aquaculture sector. By the measures of Priority axis 2 a financial contribution is given to the producers of raw and processed products for new investments (investments on extended production, processing and marketing). Measures of Priority axis 3 are not for direct support to the producers, but support the interests of the fisheries community, maintain the development of fisheries production and help to promote sustainability in the sector. These measures help to promote the development in special fields, i.e. community activities, adaptation the results of research activities, which are not common for the fish farmers, as a consequence of several factors (refusal of cooperation, lack of knowledge etc.).

The environmental sustainability shall be represented during the implementation process of Priority axis 2. This objective is supported by Priority axis 3 through research activities and the adaptation of their results into the practice.

The improvement of employment is among specific objects, although in general view it is in contrast with competitiveness. But, when the increase of competitiveness improve the potential marketing facilities and the level of production and processing facilities through this the improvement of the employment becomes a realistic objective. The objectives of Priority axis 2 regarding to the employment are supported by the activities of Priority axis 3 (promotional issues and the adaptation of the results of research activities into the practice).

Within the scope of Priority axis 5 (Technical Assistance) the realization of the objectives shall be conducted by the institutions of the implementation system (i.e. through pro-active activities as in case of ARDOP). Thus, Priority axis 5 can make contribution to the improvement of competitiveness, sustainability and environmental issues.

3.1.1.2.2 Selection of standard measures, compliance with CFP objectives. Alternative policies.

Hungary has no sea and coasts and areas where fishing and fisheries production is the most important means of living, thus, several measures provided by the EFF Regulation are not relevant to the country.

The following measures of Priority axis 2 are not covered by the Programme

- aqua-environmental measures,
- public health measures,
- animal health measures.

The following measures of Priority axis 3 are not covered by the Programme

- protection and development of aquatic fauna and flora
- fishing ports, landing sites and shelters,
- modification for reassignment of fishing vessels.
-

The planning of the non-relevant measures can lead to the dissipation of resources and should make concentration of resources impossible. The evaluators agree with the planned measures of the Programme, alternative measurements are not suggested.

The only proposal is the possibility of financial support on the former measure of the NPRD on the 'Maintenance of fish ponds with extensive production' connected to the measure on the protection and development of aquatic fauna and flora. If the financial contribution shall be provided by EFF, according to the experiences of NPRD, the total sum of financial resources were used for this measure. This, obviously will not improve competitiveness of the sector.

The omission of this measure, therefore, is suggested, with an additional remark, namely, sustainability of the environment should be appreciated in projects with the objective of improvement of competitiveness, or, where this measure was planned (inland fishing) an additional support should be provided from the earmarked funds of Priority axis 5, Technical assistance for supporting projects with this objectives.

3.1.2 Coherence between the NSP and the OP

The coherence between the National Fisheries Strategic Plan of Hungary and the Fisheries Operational Programme is obvious.

The Programme developers explored the problems, opportunities and threats in accordance with the EFF Regulation, the coherence between the principles, the strategy and Hungary's specific environmental features were evolved.

The possible improvement of the domestic fish consumption - as a result of the developments made in the fisheries sector - can result significant economical and social effects which were well elaborated during the planning stages of the Programme.

3.1.3 Appraisal of the coherence of the strategy with national and Community policies and guidelines, other OPs and the National Programme for Agriculture and Rural Development

The external coherency of the programme has been performed in the framework of OPF including the principles and strategies of the Lisbon and Gothenburg Summits.

3.2 Ensure the coherence between the guiding principles (Art. 19)

Article 19.

Guiding principles regarding the Operational Programme

In the preparation of the operational programme provided for in Article 19 and the implementation of the operational programme, Member States shall take into account the following guiding principles:

a) consistency with the principles of the common fisheries policy and the national strategic plan in order to achieve, in particular, a stable and enduring balance between fishing capacity and fishing opportunities;

In accordance with the principles of the National Fisheries Strategic Plan the Programme consists of: Consistency is followed by the developers, and found in the Program.

b) enhancement of a harmonious, balanced and sustainable development of economic activities, jobs and human resources, as well as protection and the improvement of the environment;

This objective focuses on the maintenance of traditional working places, which shall insure the growth of economic efficiency and also meet the environmental requirements. To meet this objective, the FOP in compliance with the Strategy enables the that the investments should imply with the creation of new working possibilities or the maintenance of working places. The Programme details the solution of the labour shortage referred in the Strategy, which can guarantee the improvement of human resources.

The improvement of training is among the specific objectives of the Programme (1.6.3):

Developing technical skills and encouraging partnership programmes based on common Programmes between the research sphere and the characters of the fishery sector.

c) an appropriate allocation of the available financial resources between the priority axes and, particularly, where relevant, an appropriate level of financing for operations under Chapter I of Title IV (Priority axis 1: measures for the adaptation of the Community fishing fleet);

Ex ante evaluation:

The support intensity of the priorities and objectives were determined in accordance with the Council Regulation No. 1198/2005/EC. The elaborators of the Programme have taken into consideration the fact, that the Hungarian fisheries sector is very underdeveloped, thus it can be supported at the highest support intensity level in accordance with the Regulation.

Measures regarding to the community fleet are not relevant for Hungary.

d) promotion of the operations contributing to the Lisbon strategy principles;

Operations aiming at promoting a sustainable level of employment in the fisheries sector in particular through enhancing the quality of jobs, providing access to the profession for young people and stimulating innovation throughout the sector shall be encouraged;

Ex ante evaluation:

Creating new working places and providing access to the profession for young people in the sector have strategic importance, thus, their support is a common element of nearly all of the measures of the Programme.

As these measures had not any considerable results by the financial help of the FIFG sources (see summarizing table for FIFG sources), the data derived at the starting date of the FOP should be considered as basic data.

Creating new working places, enhancing the quality of jobs and providing access to the profession for young people can be taken into consideration as indicators, as well.

Enhancing the quality of jobs is such an aspect by which the effect on the life of women and men (*gender mainstreaming*) is fully considered in the FOP.

In order to eliminate the reverse effects of the investments for creating and intensification of new working places on the human resources, the Programme make efforts on the maintenance of economic and social balance.

e) promotion of the operations contributing to the Gothenburg strategy and particularly those enhancing the environmental dimension in the fisheries sector;

Operations aiming at reducing the impact of activities in the fisheries sector on the environment and promoting environmentally friendly production methods shall be encouraged;

Ex ante evaluation:

The Programme emphasizes the conservation and maintenance of natural resources and natural values in particular. The supporting possibilities of such objectives and measures like the use of renewable energy sources, environment friendly producing technologies and purchasing new machines and equipment with low gas emission.

Environmental measures connected to the fisheries sector are well separated from the other operational programmes, thus the overlapping of the support of different programmes is prevented.

According to the SEA the planned measures of the FOP are in accordance with the principles of the environmental protection, nature conservation and the maintenance of the environment.

f) improvement of the situation of the human resources in the fisheries sector through operations aiming at upgrading and diversifying professional skills, developing lifelong learning and improving working conditions and safety;

Ex ante evaluation:

The Programme supports the improvement of training in technical schools at strategic level, as the level of the working power with technical knowledge is rather low in the sector.

Supporting the training at university level can improve lifelong learning principle.

The improvement of working facilities are incorporated in the Programme in accordance with the Lisbon strategy principles.

g) encouragement of operations with high added value through the development of innovative capacities that provide for high quality standards and meet consumer needs for fisheries and aquaculture products;

Operations promoting transparency of environmentally friendly production methods to consumers shall be encouraged;

Ex ante evaluation:

The main object of the support of promotional campaigns (Priority axis 3, Collective Actions) is to give the overall information to the consumers of fish and fish products not only about the name and the brand of the product but also the effects of consumption on human health and the origin of the products. This principle is fully supported in the measures covered by the Programme. The support intensity is at 100% which verify that the developers of the Programme laid stress on the measures for giving all information to the consumers.

h) contribution to a better supply to, and to a sustainable development of, the community market of fisheries and aquaculture products;

Ex ante evaluation:

The financial contribution for the market entry is a basic tool of the measures taken for the development of the market share and the consumption of the fisheries products, thus, it has a

100% support intensity. In order to avoid direct promotion tools the market entry support is not given for specific products but for the products of the fisheries sector in general.

One of the basic principles of the Programme is to improve domestic consumption of fish and fish products can also be supported by this measure.

i) promotion, during the various stages of the implementation of the operational programme, of gender balance in the fisheries sector through operations aiming, in particular, at reducing gender based segregation in the labour market;

Ex ante evaluation:

Equality between men and women is a common objective and it shall be applied in the fisheries sector, although it should be stated, that fishery and fish production in the traditional sense have been based on the employment of men for many thousand years.

The Programme suggests the higher-level employment of women in intensive fish production and processing beyond fisheries related administration.

j) promotion of an integrated sustainable development of the fisheries areas by fostering their inherent potential and improving quality of life;

Ex ante evaluation:

By the integration of the different measures planned by the Programme the principle of interrelation can be established. By the support of the fish farms the products of the fisheries sector will be improved, the with higher quality and safety standards. The consumers can get high and guaranteed quality products, which improves the market position of the fisheries sector. This enables the use of environment friendly and sustainable producing technologies for all enterprises of the sector. The vision of the Programme is to secure good life quality and sustainable development for all the representatives of the fisheries sector by these inter-related measures

k) where relevant, improvement of the institutional and administrative capacities aiming at a good governance of the common fisheries policy and an efficient implementation of the operational programme.

Ex ante evaluation:

The Programme developers laid emphasis on the development and control of the institutional background of the implementation of the CFP. The implementation of the FOP is supported by an advisory center which is in permanent consultation with the Ministry of Agriculture and Rural Development and the Agricultural and Rural Development Agency.

The implementation of the FOP is carried out by the help of the permanent control of a monitoring system in which all the institutions and organizations of the sector are incorporated.

4. APPRAISAL OF THE PROPOSED MEASURES

Development of the fishery and aquacultural sector, in accordance with the Regulation should be financed by EFF sources in the framework of the following measures:

Priority axis 1. Measures on the adjustment of the Community fleet

- National aid in case of permanent cessation of vessels' fishing activities
- National aid in case of temporary cessation of activities
- Investments on board vessels and selectivity
- Small-scale coastal fishing
- Socio-economic compensation measures for the fleet management

Priority axis 2. Aquaculture, inland fishing, processing and marketing aquacultural products

- **Productive investments in aquaculture**
- Aqua-environmental measures
- Public health measures
- Animal health measures
- **Inland fishing**
- **Investments in processing and marketing**

Priority axis 3. Measures of common interest

- **Collective actions**
- Measures on the protection and development of aquatic fauna and flora
- Fishing ports, landing sites and shelters
- **Development of new markets and promotion campaigns**
- **Pilot projects**
- Modification of fishing vessels with a view to reassignment

Priority axis 4. Sustainable development of fisheries areas

*Priority axis 5. **Technical Assistance***

Measures written in bold characters were planned in the framework of Operational Programme for Fisheries, Hungary. These measures were derived mainly from Hungary's continental location, partly the present demands of the Hungarian fisheries sector and the unclosed discussion with the European Commission regarding to the financial issues of aqua-environmental measures.

4.1 Productive investments in the infrastructure of aquaculture

Description of the present situation

In the present situation of the Hungarian fish production the carp is the dominant species, although the market signs show better marketing opportunities for other species. The total territory of fish ponds in Hungary is 25 834 hectares, of which 40 per cent is decrepit. The mechanization of the sector is at low level. Most of the employees are aged; the professional skills and the innovative aptitude of the young employees are low. Most of the producers do not have own storage capacities. The protection of the properties makes important problem

for most of the fish producing farms. There are significant economical benefits in the intensive fish production, and it is suitable for producing alternative species with better marketing opportunities.

Basic requirements

There is a need in the fisheries sector for investment aids which encourages and promotes the production of products with high added value, by innovative, energy and cost saving methods, using renewable energy sources and environmentally friendly production methods. The composition of age of the aquacultural workers shall be improved, by motivating the development of new enterprises in particular for young fishers. Upgrading and diversifying professional skills and developing innovative practical knowledge and lifelong learning shall be motivated by consultation, information and management services. The restructuring of the Hungarian fishery and aquaculture sector is essential.

General objectives

The general objective of this measure is to promote the production of high quality fish products, to maintain aquacultural production in the context of sustainable development for long terms, and finally, to improve the competitiveness of the sector.

Specific targets

- Improvement of the revenues and to maintain and develop jobs in fisheries areas – it is in contradiction with the improvement of competitiveness, but improves sustainability; it can be a motivation for the young employees to enter to the sector;
- Improvement of productivity and efficiency – it can be derived from the basic requirements, there is a need for development of technical and technological background;
- Technological development of fish ponds and brooders – it is not a general objective but a tool of realization of the former objective. Investments shall serve specific targets;
- The installation, reconstruction and development of intensive fish producing systems – it can be derived from the basic requirements;
- Re-structuring of the fisheries sector – introduction of new species suitable for intensive production, which was among former specific objectives.
-

Legal background

Investments in aquaculture in compliance with the Regulation shall contribute to one or more of the following objectives:

- a) diversification towards new species and production of species with good market prospects;
- b) implementation of aquaculture methods substantially reducing negative impact or enhancing positive effects on the environment when compared to traditional practice in the aquaculture sector;
- c) support for traditional aquaculture activities important for preserving and developing both economic and social structures and the environment;
- d) support for the purchase of devices for the protection of the farms from wild predators;
- e) improvement of the working and safety conditions of aquaculture workers.

This measure can support lifelong learning. Member States shall ensure that priority is given to micro and small-sized enterprises.

Experiences of former periods

During the supporting period of ARDOP investments in the infrastructure of aquaculture sector have started very slowly. The reasons were different, such as the lack of positive examples and distrust; there were state-owned companies among the applicants, and the conditions were not clear for them. Later on a positive reply has been given by the Commission to this question, and the bottom size limit for applications has been reduced for 10 hectares, and an information campaign has been started. Owing to this the 22 applications from the proposed 25 have been appreciated.

The content of the measure

This measure is directed to productive investments. Its content is connected partly to the elements of the Situation analysis; the directions of development given by this measure are not adequate to the objectives given by the Regulation and the Situation analysis. It does not target the diversification of products, restructuring of the production and innovative methods (except for the use of alternative energy), it does not improve the age profile and lifelong learning. Nevertheless, the stimulation of the use of alternative energy resources is included in the content of this measure, with other development processes such as improving mechanization, reconstruction and improvement of working conditions.

Target group

In the target group of this measure a priority is given to micro and small-sized enterprises in accordance with the Regulation. In parallel, there are criteria for new constructions, as a result of the development a minimum of 10 hectares of net surface shall be possessed for a minimum period of 10 years. There is no reference in the Situation analysis for the introduction of preferred size units. The average water surface in Hungary is 68 hectares. The indication of the minimum surface area is lower than the average, but it implies the concentration of the surface water. Establishing new water surfaces can be supported, but it is available only for larger producers. In this case the deadweight-effect should be taken into consideration, which means that support is allocated to those enterprises which could make investments without any supports.

Planned results

Planned results are very ambitious when compared to the results of ARDOP. During the two years period of ARDOP 180 hectares of new water surfaces was built and 612 hectares was reconstructed. As the period of the Programme is longer, the development process planned by the OPF can be two times faster. The development of training courses, consultation systems supported by the measures of Aquaculture and further trainings and professional coordination between researchers and producers supported by Collective actions are not connected directly to this rapid development. Extending knowledge, improving the role of human resources in innovative actions should be conducted by this measure; moreover coordination should be built between the training activities of Collective actions.

Reducing negative impacts of intensive fish production technologies on the environment is one of the planned results of this measure, but it has not been included in the content of the measure, only utilization of alternative energy resources has been stressed. There is no reference in the content of the measure for the diversification towards new species although it is included in the planned results.

A part of the planned results are not in quantified (e.g. effects on employment) terms although they have great importance in the context of Community added value.

Cost-efficiency

Efficiency of the results depends on the marketability of the extended production due to the new investments. It has considerable marketing references derived from the special Hungarian consumption habits. When marketing issues are not taken into consideration the efficiency of public contribution will be decreased. The financial support to structural adjustment is a more efficient tool of development than the support to enterprises with traditional or unchangeable structures.

Another question of cost-efficiency is the deadweight effect, i.e. the value of financial support provided for investments which could be realized without the support. This problem is very complicated, its risk is lower in legally managed enterprises, but, the participants of the 'black market' will not probably legalize their activities in order to get financial support.

4.2 Inland fishing

Description of the present situation

The devices and instruments used for inland fishing are decrepit. The use of traditional fishing methods is common in Hungary. The degradation of wetland and spawning grounds make a notable problem. The quantity of production by fishing in natural waters cannot be planned properly, therefore the lack of storage capacity is periodical. Fishing activities in natural waters (including amateur fishing or angling) – in point of the number of participants – are considered mainly as a recreational activity.

Fishing activities in natural waters has no significant role in fish production in the areas under the Non-convergence objectives.

Basic requirements

Fishing activities in natural waters play an important role in the maintenance of different traditions. The renovation or renewal of instruments and devices is required. Supports on productive investments have great importance, in order to develop selective fishing methods. The role of aquaculture in the optimal replacement of different species is quite important.

General objectives

The main objective of this measure is the long term maintenance of fish production in natural waters, the improvement of competitiveness, the protection and maintenance of the optimum level of biological resources in natural waters and ensuring the proper living conditions for the workers of the fisheries sector.

Specific targets

- Improvement of the income level in the sector – it has not been derived from the basic requirements, although contributes to the maintenance of this activity;
- Retaining of working places – it has not been derived from the basic requirements;
- Renovation and development instruments and devices of fish production – it corresponds to the basic requirements;
- maintenance and conservation of traditional fishing methods – it can be derived from the basic requirements, but there is no direct reference in the measure;

Specific targets do not support the general objective of the maintenance of the optimum level of biological resources in natural waters.

The stopping of the degradation of living places, the improvement of fishing with selective methods and the role of aquaculture in the replacement of fishes were not transformed into specific objectives from the Description of the present situation and Basic requirements.

Legal background

'Inland fishing' means fishing carried out for commercial purposes by vessels operating exclusively in inland waters. Support for inland fishing may cover investments for the construction, extension, equipment and modernisation of inland fishing facilities, with a view to improving safety, working conditions, hygiene and product quality, human or animal health, or to reducing negative or having beneficial impact on the environment.

Experiences of former periods

There were not successful applications in this measure in the period of 2004-2006 .

The content of the measure

In the framework of this measure financial contribution to the financing of equipment, modernisation of fishing vessels, investments concerning on safety on board and working conditions can be given. The preference and maintenance of innovative and selective methods has not been emphasized by this measure. The integration between this measure and the Productive investments in the infrastructure of aquaculture measure is omitted in the field of Content and the Basic requirements. Investments on the development of degrading natural habitats are not targeted by this measure.

The risk of deadweight-effect is also real in this measure.

Target group

The target group was determined in wide spread, which is appropriate according to the evaluators. There is no size limit for the restriction of the target group (except for the 12 m size limit for vessels), and a priority is given to micro and small-sized enterprises.

Target area

The target area of this measure is including areas under the Non-convergence objectives, but, according to the Situation analysis fishing activities in natural waters are not important in those areas, so the intervention is not required.

Planned results

The planned results of this measure should be implemented to the indicator system of the intervention in quantified form.

Cost-efficiency

There were no antecedents of this type of Community-supported developments in Hungary, so the preliminary factors of cost efficiency should not be taken into consideration. The risk of deadweight-effect is real. The evaluators reckon on several positive environmental effects in this measure. In case of the absence of these effects, the aqua-environmental measures should be revised after the closing date of OPF.

4.3 Processing and marketing of fisheries products

Description of the present situation

The total fish production in Hungary was 20 977 tonnes of fish in 2005, of which 12% was processed (2500 tonnes). Nearly the same quantity of imported fish was processed by Hungarian processing companies. The structure of the processing industry is very complex, processing activities are conducted by fish farmers, dealers and processing companies.

Main problem is that the range of the products is very poor, most of the products have low added value. The utilization of capacity is low. The technical background is poor, the use of manual labour is a determinant factor.

The sewage disposal of certain processing plants has not been solved.

The geographical distribution of fish production and fish processing is inconsistent.

Basic requirements

There is a basic need for improvement of the technical and technological background and the renewal of the processing methods. The scale of products should be broadened. The problem of the disposal of sewage and other dangerous wastes should be solved.

General objectives

One of the main objectives is to increase the domestic fish consumption by the promotion of healthy nutrition, and the improvement of the competitiveness of the fish processing industry. These general objectives should be supplemented by the improvement of the supply chain, as the increased of the level of fish consumption will bring new demands.

Specific targets:

- improving productivity and efficiency (development of the technical and technological background) – it can be derived directly from the basic requirements;
- improving the selection of products and the added value to processed aquaculture products – it can be derived from the basic requirements;
- improving hygienic level of fish processing companies – it has not been derived from the basic requirements;
- improvement of working environment – it has not been derived from the basic requirements, and do not promote the competitiveness of processing companies directly;
- decreasing the environmental impacts – it can be derived directly from the basic requirements.

Legal background

The financial support of processing and marketing of fisheries and aquaculture products is limited to investments concerning products intended to be used and processed for purposes of human consumption, and to investments exclusively for the treatment, processing and marketing of fisheries and aquaculture product waste.

Experiences of former periods

The maximum limitation of the processing companies has been rejected by the potential applicants, so no one processing plant was built during the period of ARDOP. The special conditions (20% of the processed fish should be originated from primary fish producers) have also raised difficulties for this sub-measure. After the withdrawal of this condition the

processing of imported fish became possible. This has improved the consumption of fish products and increased the business of the processing companies, but only the quantity of imported fish has increased significantly.

The reconstruction of 2 fish processing plants was indicated by the ARDOP between 2004-2006, but it was exceeded 2,5-times, i.e. 5 fish processing plants was reconstructed by this financial contribution.

There are positive experiences in the improvement of the production scale: in place of 6 new products 12 were introduced by the processing companies in the past period.

The content of the measure

This measure can provide financial support for the construction, extension, and modernisation of enterprises. Because of the extremely low usage of capacities the Evaluators suggest the limitation of new investments and reconstructions regional basis.

A priority should be given to investments on the following objectives: improving working conditions, improving and monitoring public health and hygiene conditions, and reducing negative impacts on the environment.

This measure can help the production and marketing of new products, applying new technologies or developing innovative production methods. It is suggested to establish cooperation between the participants of the sector, integrating promotional aspects to the context of the measure. In the framework of this measure there is no reference on the geographical distribution of processing capacities.

Target group

There are no special national features among restraint factors in the target groups, they are given in the subsection of Criteria for entitlements.

Planned results

The planned results comprehend all the possible effects of the measure. The results should be quantified, where it is possible. The critical point of the development of the sector is the marketing possibilities, therefore the determination and quantification of follow up indicators should be emphasized. Through the ad hoc evaluations suggested by the Evaluator in the 'Evaluation' chapter the intervention can be conducted effectively in this critical area. In addition, this measure has important intersectorial effects on rural development and increases Community added value.

Cost-efficiency

The support of fish processing industry is mainly used for investments. There is a high risk of deadweight effects. The efficiency of the financial contribution is influenced by the marketing possibilities of the processing enterprises, which shall be taken into consideration during the judgement process of applications. The success of the processing activities can be strengthened by the marketing activities, therefore development projects with a complex marketing background shall be preferred.

4.4 Collective actions

Description of the present situation

The institutional background of the Hungarian research activities on fisheries is well developed.

The professional skills of fishermen are weak, caused by changing of generation. The adaptation of the results of the research activities into the practice and the consultation are the main problem. Another weak point is the scarcity of opportunities in further education, which means an important risk in post-gradual education.

Basic requirements

A strong cooperation should be developed between research and development, education and consultation in order to improve the skills of the fisheries workers and to help the adaptation of the results of up-to-date research activities into the practice. The operation of a consultation system is also having outstanding importance.

General objectives

The general objective of this measure is the maintenance of the fisheries sector in long terms and the improvement of its competitiveness. This should be based on R&D activities and producers' organizations.

Specific targets:

- contribution to the transparency of markets in fisheries and aquaculture products including traceability by improving quality and food safety – it has not been derived from the basic requirements;
- improving the level and the number of producer organizations – it corresponds to the general objective, but it has not been derived from the Situation analysis;
- improving professional skills – it can be derived directly from the basic requirements;
- promoting partnership between scientists and operators in the fisheries sector – it is in compliance with the basic requirements.

Legal background

The elements of the measures on Collective actions are in compliance with the Regulation. The financial contribution to the promotion of selective fishing methods is regulated by Article 37 of the Regulation and the measures of 'Inland fishing'.

Experiences of former periods

Experiences of former periods are available in connection with the POs. Between 2004 and 2006 two Producers' Organizations applied for ARDOP sources and obtained financial support. Until the date of the interim evaluation not a single organization has given application for the support, but the authority responsible for applications indicated that a cooperation process has been started among fish producers and fish farmers.

There are also positive experiences in the field of Innovative actions from the period of ARDOP, by two applications that was provided by financial contribution. The low interest can be explained by a special reason: applicants should cooperate by any institute or private company performing research activities for the financial contribution provided by this submeasure. The reason of the low interest can be that this kind of cooperation is not well-known for most of the applicants.

The content of the measure

The research activities on fisheries sector are supported through the producers in compliance with the Regulation. The main objective of this measure is to adapt the results of the research activities into the practice. This should be emphasized in the context of the measure.

The Evaluators agree with the further content of the measure. In order to improve the marketing performance of the producers the Producers' Organizations should be established which promotional programme should be financed by the Technical assistance.

Targeted group

The determination of the target group is in compliance with the recommendations of the Community Fisheries Policy. Specified information about the target group is provided by the Criteria of entitlements, in accordance with the relevant rules. The target group should not be narrowed according to the Evaluator's opinion.

Planned results

Planned results of this measure can be quantified restrictedly. Despite of this, the possibility of quantification should be examined, as the monitoring activities have great importance in the improvement of competitiveness of the sector. 'Follow up indicators' have the same importance; these indicators can give the adequate base for ad hoc evaluations and deeper evaluations of the subsections.

4.5 Development of new markets and promotion campaigns

Description of the present situation

The main problem from the consumers' side is the low reputation of fisheries products and the limited knowledge of preparation methods.

The quantity of imported products will probably be increased. In one hand it means competition for the domestic products and in the other hand it can improve the consumption of fisheries products. It makes advantages for the enterprises processing imported fish, and, can improve consumers' consciousness. The domestic fish production cannot fulfill the consumers' demands at all. The structure of retailing has been changed; fish producers have appeared at the market directly.

Basic requirements

Basic requirements connected to the promotional activities are less drafted in the Programme, it can be summarized as follows: the consciousness of the consumers shall be promoted by special actions and strengthen the producers' attitude focusing at the market and the consumers.

General objectives

The general objective of this measure is to improve the increase of the low domestic consumption of fisheries and aquacultural products, to improve the image of the fisheries sector, to harmonize demands and supply and to improve the competitiveness of the domestic fisheries products.

Specific targets:

- Improving the efficiency of marketing and promotion actions at Community level – it corresponds to the basic requirements;
- Introduction of new freshwater fish species into the domestic market and production of species with good market prospects – it can be derived from the basic requirements;
- Improving the quality assurance level of the whole fisheries sector – it has not derived from the basic requirements, although there is a measure of 'implementation of a quality policy for fisheries and aquaculture products' given by EFF Regulation;
- according to the opinion of the Evaluator there is a gap between quality policy and the implementation and operation of quality assurance systems;

- Improving the prestige of the sector in the social point of view – it is not given by the basic requirements;
- Improving the domestic consumption of ecological fish products – it is not given by the basic requirements, although widening the range of products can contribute to the very low consumption level;
- Improving the exporting possibilities and international relationships of the domestic producers – basic requirements of domestic producers for entering the international market are not given by the Description of the present situation; although the promotion at the international markets can enlarge marketing possibilities.

Experiences of former periods

According to the interim evaluation of ARDOP the subdivision on promotional campaigns was not popular, whereas the supporting level could reach 100%. Only 8 applications were successful in contrast to the planned 18.

The content of the measure

The content of the measure is in compliance with the Regulation and the Basic requirements of the measure. In order to improve consumers' awareness and community added value the promotion of products produced by methods with low impact on the environment is suggested.

Target group

The target group of the measure is very comprehensive. According to the Regulation the promotional operations may not be aimed at commercial brands or make reference to specific countries or geographical areas (except in case of products on the protection of geographical indications), and, the promotion should be conducted regionally. The real target groups of this measure shall be the producers' organizations (POs), primarily in national coordination.

Criteria for entitlements

No rules or standards are given by the Regulation with regard to measure on Development of new markets and promotion campaigns.

Planned results

The planned results of the measure are too ambitious in respect of consumption. The Evaluator suggests the determination of basic and targeted values of quantified indicators in order to follow up the process. It can promote the modification of the Programme and give information about the cost-efficiency of promotional campaigns, marketing surveys and other marketing activities.

4.6 Pilot projects

Description of the present situation

Description of the present situation regarding to Pilot projects cannot provide with enough information on basic requirements.

General objectives

The general objective of this measure is to improve the competitiveness of the Hungarian fisheries sector on the base of the results and experiences of national and international research.

Specific targets:

- propagation of production methods which are efficient both in economic and environmental point of view and reducing the environmental impact of activities in the fisheries sector – no requirements are given by the Description of the present situation.
- improving the diversification of fish production – no information is given by the Description for this specific target, it was mentioned earlier. The Evaluators suggest specifying the target, and, integrating it into other objectives regarding to production of raw materials, restructuring processes etc.

This measure is in compliance with the Article 41 of the Regulation.

Experiences of former periods

Measures in this specification have not been yet in the supporting system of the fisheries sector.

Planned results

The results of certain pilot projects can play important role in the improvement of the competitiveness of the sector, therefore a monitoring system should be developed to follow up the results.

Cost-efficiency

The cost-efficiency of Pilot projects can be hardly determined. It is nevertheless important to provide support from EEF sources for research activities which can be implemented into the practice, with special respects to researches, as this is the only area where environmental development of the fishery production can be feasible.

4.7 Optimise of allocation of budget

During the planning process of resource allocation the developers of the Programme changed the former plan of financing the environmental management measures of the fisheries sector from FOP sources, and preferred the support of new investments of the sector instead.

By this decision the competitiveness, the efficiency and the profitability of the sector may improve.

The increasing number of new investments will have positive effects on the entire Hungarian fisheries sector. Besides this, the importance of using appropriate marketing tools is also increasing to supply the consumers with good quality products at reasonable prices. According to the opinion of the ex ante evaluators the general objects can be achieved by the implementation of the Programme.

The financial support of the environmental management measures contributed from FOP sources would be expended the total sources intended to the other measures (i.e. investments, promotion, education etc.). This version was formerly disapproved by the ex ante evaluators. According to the opinion of the ex ante evaluators the resource allocation of the final version of the Programme measures is in accordance with the specific requirements of the Hungarian fisheries sector, and it is also in compliance with the objectives drafted by the Strategy and the available financial sources. As a consequence of the permanent cooperation the fine-adjustment proposals were judged.

5. COMMUNITY ADDED VALUE

The total budget of OPF allocated from common resources is EUR 41 193 784 the share of co-financing by the Community is 75 % its value is EUR 30 895 339. 79% of the total budget of EFF is planned for the Priority axis 2, i.e. the measures of 'Aquaculture, inland fishing, processing and marketing of fishery and aquaculture products' are preferred by the Programme. In case of areas under under Non-Convergence objectives (where the 2% of EFF sources are allocated) also the measures of Priority axis 2 are provided with support.

Regarding to the environmental aspects of the fisheries sector the Programme gives only a limited contribution concerning to maximise Community added value, in compliance with present policy measures on the protection and development of aquatic fauna and flora. It will be financed from the European Agricultural Fund for Rural Development (EAFRD). There is no final agreement of this question at Committee level, so the financing possibilities of these measures may be changed. In this case the situation should be re-evaluated, as the resources needed to the measures on extensive fish production exceed the total budget of OPF. (These measures are presently in the framework of National Plan for Rural Development.) In connection with nature conservation and environmental protection the measures on Investments reducing negative impacts on the environment can improve the state of the environment and can produce public welfare

The effects on the level of employment are clearer, though the support contributed by EFF is relatively low and the effects of the investments in fisheries on the employment possibly will not be significant. By the implementation of the Programme investments can improve several factors at local level such as maintaining (measures on renovation and reconstruction) and developing jobs in fisheries areas (establishing new fish pond systems). The development in the capacity of the processing industry can bring considerable improvement in the local labour market. In the context of the community added value a fortifying effect can be expected between the OPF and the programme on rural development. NVT-re gondol???

The Programme do not handle the problems of the Gipsy minority drafted by the Strategic Plan, neither in the field of employment nor at the field of equality, thus, there is no community added value.

6. INSTITUTIONS OF THE IMPLEMENTATION SYSTEM

The evaluation of the institutions of implementation system has been made according to the version of the OPF of 13rd November 2006. The evaluator is aware of that some elements of the implementation system are under reconstruction, including the installation of the computerised system.

In accordance with the Article 58 of the Regulation the Member State shall designate managing, certifying and audit authorities for the functions determined by Article 58, and may designate one or more intermediate bodies to carry out some or all of the tasks of the managing or certifying authority under the responsibility of that authority.

The following institutions are designated by the Programme:

Managing Authority, which main function is the managing of the OPF in compliance with the Regulation, it shall be responsible for managing and implementing the Programme, in particular for:

- the approval of the procedures for selection of projects,
- the determination of priorities for the judgement of applications,
- the determination of detailed conditions of financial contribution,
- the determination of the executive bodies
- initiating and coordinating the corrections needed for the implementation of the Programme,
- the determination of the composition of the Monitoring Committee,
- ensuring the creation, operation and development of the necessary data-base,
- ensuring the monitoring activities,
- using the financial support financed by the funds of Technical assistance,
- making discussions with the Commission.

The functions of the Managing Authority regarding to the approval of the procedures for selection of projects and their coordination shall be compared to the similar functions of the Monitoring Committee, in order to separate the competences.

The operative body of the Managing Authority is the FVM KÜF Szakállamtitkársága.

Certifying Authority, which main function is the drawing up and submitting certified statements of expenditure and applications for payment to the Commission. The functions given by the Programme are in compliance with the Regulation.

The operative body of the Certifying Authority is the Financial Board of Agricultural and Rural Development Agency (ARDA).

Audit Authority, which main function is to verify the effective functioning of the management and control system. According to the Programme the Audit Authority shall perform the following functions:

- verifying the management and control systems of the Programme,
- ensuring that expenditure verification procedures are carried out properly,
- presenting the results to the Managing Authority and the Certifying Authority,

- presenting the annual report to the Commission.

The selection of the Audit Authority shall be performed by procedures for the award of public service contracts.

Intermediate Body – In accordance with the regulation the Member State may designate intermediate bodies to carry out some or all of the tasks of the Managing Authority or Certifying Authority. The main functions of the Intermediate Bodies are the physical execution of operations, processing of applications, making decisions on financial support, controlling the proper use of supports, transferring supports and the operation of controlling systems.

The Intermediate Body is the Directorate of Rural Development Supports of ARDA Vidékfejlesztési Támogatások Igazgatósága. 7 regional agencies are involved in the implementation of the Programme, the financial and accounting functions are conducted by the Financial Board of the ARDA.

The institutions of the Programme remained basically unchanged when compared to the period between 2004-2006. The earmarked funds of the 1.3 Structural support of the Fisheries sector by the ARDOP were relatively low for the three years period, the number of participants in management and operational functions were also low, the sectorial distribution were realized in this measure. The knowledge and experiences shall promote the implementation of the OPF and the functioning of Managing Authority and Intermediate Bodies, in particular.

The functions of the certain authorities are completely in compliance with the Articles 59, 60, and 61 of the Regulation.

According to the Evaluators' general opinion the institutions of the implementation system presented by the Programme is appropriate for implementation. Applicants are in direct relation with the Intermediate Body while the judgement is carried out by a central board, which corresponds to the main elements of the development policy. The high professional level of decision making stage can also be assured by the method of central judgement. Nevertheless, the main functions of the institutions of implementation system and their relations with the sectorial policy should be detailed precisely, in order to prevent the decisions from the influence of individual interests and to be considered on its merits. ennek hiányában fennáll a szakpolitikai célokhoz történő alacsonyabb szintű egyéni hozzájárulás (szabályossági „görcs” vs. érdemi bírálat) veszélye. = megakadályozni az egyéni érdekérvényesítést és mégis érdemben foglalkozni a dolgokkal??? Értem mit akar mondani, de nem bírom értelmesen lefordítani....

The implementation process of the Programme is not depending on the present institutional structure, its structure and management is adequate, risks can only be occurred in respects of capacity at financial, human and technical level. The most important risk factor (on the experiences of the ARDOP) is in the computerised background.

The accounting, monitoring and financial reports will be stored in the computerised system of IACS (Integrated Administration and Controlling System). The development of IACS will follow the directives of EAFRD. The data storing system of the EAFRD will be subsequently used by EFF. The development of the informatical background is under construction.

Preparations are made at the Intermediate Body for the application of the SFC 2007 computerised system which will ensure the direct access with the Commission.

The construction and development of the informatical background is not an obstacle, but can be a risk of realization. The allocation of EAFRD resources between several measures will need more complicated software than in case of OPF resources. The two programmes will use the same computerised system, so the starting date of the OPF shall be connected to the implementation of EAFRD measures because of technological reasons.

The risks of implementation can be the following:

- Personal changes: lack of knowledge and experiences in organization and management
- Peak periods: deficiencies of capacity can be resulted by the peak periods of applications and it can increase the process of handling and judgement. Inadequate communication can decrease the applicants' satisfaction, and their attitudes to the Programme.
- Problems of the informatical background: The problems of the informatical background can make difficulties in handling of the applications and the monitoring of the Programme. These problems were typical during the period of ARDOP, the Unified Monitoring Information System (EMIR) was not suitable for retrieving the monitoring indicators. The main problem of the informatical background is the dependence on EAFRD measures, as the two programmes will use the same software. The implementation of EAFRD measures need a more complicated software background, therefore the implementation of the more simple OPF can be delayed.
- The personnel of the institutional system are not informed properly about their role in the implementation of the strategy of fishery and aquaculture.

7. MONITORING AND EVALUATION

7.1 Monitoring

The Monitoring System of the OPF was elaborated in accordance with the arrangements of the Regulation. The main risk factors connected to the monitoring activities are the difficulties of extraction of monitoring indicators from the computer devices. This problem should be followed with attention during the software development process, taking the negative experiences of ARDOP interim evaluation in consideration.

7.2 Evaluation of the Programme

The Programme shall be subject to *ex ante*, *interim* and *ex post* evaluations in accordance with the provisions of the Regulation the articles 47, 48, 49 and 50 in particular.

Interim evaluation of the Programme was scheduled so that the Strategic debate between the Commission and the Member State should be conducted by 31 December 2011.

The Program fulfills the minimum requirements of evaluation in compliance with the EU rules.

The integration of an 'Ad hoc Evaluation based on monitoring indicators' into the evaluation process of the Programme is nevertheless suggested, in order to make the intervention possible in that special case when the values of certain monitoring indicators deviate from the target values of the given period (one year). The value of the deviation should be 20 % according to the Evaluator's opinion. The 'Ad hoc evaluation' shall cover the whole Programme, but its main target is the evaluation of different parts of the Programme, at the level of measures or implementation. This type of evaluation shall promote the deposit of EFF resources at yearly level. The target values of the 'Follow up indicators' shall also be determined. The determination of target values will help the yearly evaluation of the Programme conducted by the Managing Authority (MA) in the scope of monitoring activities. The indicators shall be specific, quantified, relevant and accessible. As the impacts of the Programme cannot be evaluated at annual level and the value of the EFF resources do not account for the construction of a complicated indicator system, thus, monitoring indicators shall form a strong base for implementation of the Programme. By the changes of these indicators the intervention into the Programme's implementation can be developed. These interventions are mainly relevant at environmental impacts.

7.3 Indicators

The Programme contains a number of indicators (Follow up indicators). According to the OPF version of 20th November 2006 the indicators shall be quantified and the structure of output, results and impact indicators shall be presented in order to help the future evaluation process and the possible interventions.

8. EVALUATION OF THE PARTNERSHIP

There are no information available regarding to the Partnership of the programme development phase. It is suggested to insert this chapter, supplemented by the opinions of the different the bodies involved in Partnership.

The description of the Monitoring system of the OPF in accordance with the Regulation and legal practices, includes the description of the groups and bodies involved in the Partnership which are intended to be future members of the Monitoring Committee. It is legally possible to disregard the specification of the members, but, according to the Evaluators the number of members of the MC and the minimum number of the participating organisations should be determined by the plan makers.

9. STRATEGIC ENVIRONMENTAL ASSESSMENT (SEA)

The findings of the SEA are not available at the date of this Final Report.

It is important to highlight the need to force back invasive species, which is under the activities of SEA.