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Accompanying the document

PROPOSAL FOR A REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

amending Regulation (EC) No 810/2009 establishing a Community Code on Visas (Visa Code)

{COM(2018) 252 final} - {SWD(2018) 78 final}

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Glossary

Term or acronym	*Meaning or definition*
EES	Entry-Exit System
ESP	external service provider (contracted by Member States to assist consulates with certain tasks in the visa application procedure, notably the collection of applications, of the visa fee and of biometric identifiers as well as the return of travel documents to visa applicants)
ETIAS	European Travel Information and Authorisation System
eu-LISA	European Agency for the operational management of large-scale IT systems in the area of freedom, security and justice
LSC	Local Schengen Cooperation (regular meetings of Member States' consuls in a certain location, chaired by EU Delegation)
MEV	multiple-entry visa (short-stay visa allowing for an unlimited number of entries to the Schengen area during its period of validity and respecting the overall maximum period of stay, i.e. 90 days in any 180-day period)
MEV cascade	agreed approach of how many previous visas/trips the applicant has to prove to qualify for a long-validity MEV and how the length of validity for each subsequent visa would increase
Schengen evaluation	periodical evaluations of Member States on the application of the Schengen acquis in the field of the common visa policy, in accordance with Council Regulation (EU) No 1053/2013
Schengen States	EU Member States applying the common visa policy in full (all EU Member States with the exception of Bulgaria, Croatia, Cyprus, Ireland, Romania and the United Kingdom) as well as the Schengen associated countries: Iceland, Liechtenstein, Norway and Switzerland
SEV	single-entry visa
service fee	fee paid to the ESP for collecting the application and biometric identifiers
SIS	Schengen Information System
TCN	third-country national
TFEU	Treaty on the Functioning of the European Union
VAC	visa application centre (operated by an ESP)
VFA	Visa Facilitation Agreement
VIS	Visa Information System (database of all visa applications and decisions on those applications, including photograph and fingerprints of applicants)

visa	short-stay visa as defined in Article 2 (2)(a) of the Visa Code (authorising its holder to stay in the Schengen area for up to 90 days within any 180-day period)
visa fee	fee paid to the consulate for processing the visa application
VIS Regulation	Regulation (EC) No 767/2008 of the European Parliament and the Council of 9 July 2008 concerning the Visa Information System (VIS) and the exchange of data between Member States on short-stay visas (VIS Regulation)
Visa Code	Regulation (EC) No 810/2009 of the European Parliament and the Council of 13 July 2009 establishing a Community Code on Visas (Visa Code)
Visa Code recast proposal	2014 proposal to recast the Visa Code (COM(2014) 164 final)
Visa Regulation	Council Regulation (EC) No 539/2001 of 15 March 2001 listing the third countries whose nationals must be in possession of visas when crossing the external borders and those whose nationals are exempt from that requirement
VWA	Visa Waiver Agreement
2014 Impact Assessment	Impact Assessment accompanying the Visa Code recast proposal (SWD(2014) 68 final)

1. INTRODUCTION: POLITICAL AND LEGAL CONTEXT

1.1. EU common visa policy

The abolition of checks at internal borders of the states forming part of the **Schengen area** is one of the most valued achievements of EU integration. The common visa policy for short-stay visas is one of the Schengen area's **"flanking measures"** (together with the harmonisation of the external border controls, enhanced cross-border police cooperation, and the creation of the Schengen Information System (SIS)) accompanying the establishment of a common area without checks at internal borders.

The visa policy serves various objectives, in particular **preventing irregular immigration** as well as **safeguarding public order and security**. In general a **visa requirement** is accepted worldwide as a tool for countries (or groups of countries such as the EU) to tackle different kinds of migration and security risks. That is the reason why the EU will maintain visa requirements for citizens of a number of third countries.

At the same time the visa policy also aims at **facilitating travel to the EU for legitimate and bona fide travellers**, notably by exempting nationals of countries with lower migratory or security risks from the visa requirement and by easing visa procedures wherever possible. In that respect the visa policy also plays a role in supporting tourism and trade, and thus boosting growth in the EU.

The common visa policy is a set of **harmonised rules** governing different aspects[1]:

- the Visa Regulation (539/2001) laying down the common **"visa lists"** of countries whose nationals require a visa to travel to the EU and those who are exempt from that requirement;
- the Visa Code (Regulation 810/2009) establishing the **procedures and conditions** for issuing short-stay visas;
- Regulation 1683/95 laying down a uniform format for the **visa sticker**; and
- the VIS Regulation (767/2008) setting up the **Visa Information System** (VIS), in which all visa applications and Member States' decisions are recorded, including applicants personal data, photographs and fingerprints.

Moreover the EU has concluded a number of Visa Facilitation Agreements (VFA) and Visa Waiver Agreements (VWA) with third countries which implement or derogate from those common rules.

This set of rules allows the Schengen States to **mutually recognise** visas issued by each of them. The decision to issue a visa is a decision taken by national authorities, which should take into account not only their own interest but that of all Schengen States.

[1] Not all of these regulations are applied equally by all EU Member States. The visa policy is part of the Schengen acquis and therefore does not apply to the United Kingdom and Ireland; it does apply to Schengen associated countries (Iceland, Liechtenstein, Norway and Switzerland). While the Visa Regulation applies to all Member States, the Visa Code and the VIS Regulation only apply to the Member States fully applying the Schengen acquis

Therefore, the holder of a visa issued by Schengen States' individual consulates, as a general rule, is entitled to **circulate in the entire Schengen area**.

Visas are in principle not issued at the external borders or within the Schengen area but visa applications have to be lodged before travelling to the EU at one of the Member States' **consulates in third countries**. Rules of competence define which Member State is entitled to examine and decide those applications, namely the Member State which is the applicant's only or main destination.

1.2. Legislative package 2014

The Visa Code is a core element of the common visa policy: it establishes harmonised procedures and conditions for processing visa applications and issuing visas. It **entered into force** on 5 April 2010, with the overarching objectives of facilitating legitimate travel and tackling irregular immigration, enhancing transparency and legal certainty, strengthening procedural guarantees and reinforcing equal treatment of visa applicants.

The Visa Code required the Commission to submit the European Parliament and the Council an **evaluation** of its application two years after all the provisions of the Regulation have become applicable[2]. On the basis of that evaluation, an in-depth **impact assessment** was carried out, focussing on three broad problem areas:

1. the lengthy, costly and cumbersome nature of visa procedures for applicants;
2. the insufficient geographical coverage in visa processing;
3. the lack of a visa allowing travellers to stay more than 90 days in the Schengen area.

On 1 April 2014 the Commission adopted two **legislative proposals**: the **Visa Code recast** proposal[3] addressing the first two problem areas and the **touring visa** proposal[4] addressing the third one. The overall aims of this package were to foster travel to the EU through facilitations in the visa policy – and thereby to contribute to tourism, trade, growth and employment in the EU – and to harmonise implementation of the common rules.

As regards the **visa procedures**, the Visa Code recast proposal included a number of substantial facilitations for applicants: longer timeframe to lodge an application, abolition of the requirement to present a travel medical insurance, shorter decision deadlines as well as less documentation and easier access to multiple-entry visas (MEV) for frequent travellers. Some of those facilitations were largely accepted by the co-legislators while others were watered down or rejected in the course of negotiations by the co-legislators.

As regards the **geographical coverage** the Commission proposed that the Member State(s) present in one location would mandatorily represent all Member States not present, if no representation agreements were entered into. This proposal, while

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2 The provisions on notification of a visa refusal and its grounds and on providing an appeal procedure against a visa refusal became applicable on 5 April 2011.

3 COM(2014) 164 final.

4 COM(2014) 163 final.

supported by the European Parliament, was widely rejected by Member States, arguing that it would put disproportionate burden on Member States with a large consular network while other Member States would be tempted to close smaller consular sections relying on others. In the meantime the number of representation agreements (voluntarily) concluded between Member States has further increased and Member States have opened visa application centres (VAC) in locations where they were not present.[5] Therefore this problem is less pressing today than it was in 2014, and will not be dealt with in this impact assessment.

Negotiations between the European Parliament and the Council on the Visa Code recast proposal ended in a deadlock by end 2016. On the one hand, the Council generally maintained a very restrictive approach during the negotiations by rejecting essential parts intended to modernise and facilitate the visa application procedure whereas the European Parliament was overall quite supportive of the Commission's proposal with regard to the procedural facilitations. On the other hand and more importantly, both institutions presented amendments that went far beyond the Commission's proposal: the Council introduced a link between third countries' cooperation on readmission and visa facilitation, while the EP proposed to create a "humanitarian visa" in the Visa Code. This latter suggestion was opposed by both the Council and the Commission as the Visa Code covers visas for short stays only, a position which was confirmed by the ECJ ruling of 7 March 2017.[6] This stalemate blocked all further attempts to make progress, prompting the Commission to announce withdrawal of the proposal in the Commission Work programme for 2018[7].

As regards the **lack of a visa for longer stays**, the Commission's touring visa proposal was meant to fill the legal gap between short-stay visas and long-stay residence and encountered support in the European Parliament and some Member States, but did not gather a qualified majority in Council. Some Member States rejected the proposal, expressing doubts about its necessity and legal basis and fearing possible abuse. The Commission has therefore also announced the withdrawal of the proposal in the Commission Work Programme for 2018, as there currently does not seem to be sufficient political willingness to address the problem.

1.3. Broader policy context

In the past four years (since the Commission proposed the Visa Code recast), the EU has experienced unprecedented levels of **refugees and irregular migration** into the EU and increased **threats to its internal security**, including a number of terror attacks. This led the EU to launch a fundamental overhaul of its migration and security policies. Many of

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5 the number of "blank spots" (the number of instances where a Member State is neither present nor represented in a visa-required country and where an applicant therefore has to travel abroad to lodge a visa application) has decreased from approximately 900 in 2014 to around 750 in early 2018, so that about 150 "blank spots" were "filled" in the meantime. (Those numbers include the 12 visa-required countries worldwide where no Member State is present or represented, amounting to 312 blank spots alone.).

6 Case C-638/16 PPU.

7 COM(2017) 650 final, 24.10.2017, annex IV.

these new initiatives have been successfully adopted or implemented and others are currently in the legislative procedure.

As a result the EU information systems for **border management and security** have been considerably strengthened and new ones are being developed. In particular the co-legislators have decided to introduce an **Entry-Exit System (EES)**[8] to better manage and facilitate third-country nationals' crossing the Schengen area's external borders. Among other objectives, it will allow Member States to monitor irregular stays in the EU and identify overstayers. This will contribute to strengthening the common visa policy, as it will enable consulates to better assess applicants' lawful use of previous visas.

The Commission also proposed a **European Travel Information and Authorisation System (ETIAS)**[9] which will screen visa-exempt third-country nationals against security and migration risks before they start their travel to the EU. This initiative is expected to be adopted in the coming months. Contrary to the current visa application procedure, this check will entirely rely on digital solutions, notably allowing applicants to apply online at an EU portal.

Finally the Commission has recently adopted the so-called **interoperability** proposal[10] to better link the various EU information systems for security, border and migration management and improve their use by border guards, migration and asylum officials and police officers to ensure they have the right information at the right time.

In the past years the EU also stepped up its activities to support Member States in **returning irregular migrants** to their countries of origin, including by overcoming third countries' reluctance to cooperate with Member States in readmitting their own citizens. The 2015 Action Plan on Return[11] called for all relevant policies to be used as incentives for the partner country's willingness to cooperate on readmission, and for further exploration of visa policy as an important leverage in that context. In June 2016 the Commission adopted the Partnership Framework Communication[12] in which it stated that the visa policy can be a very powerful element in the discussions with third countries about cooperation on migration. The European Council conclusions of 22 and 23 June 2017 called for further efforts to achieve real progress in return and readmission policy, using all possible levers, including by reassessing visa policy towards third countries.

1.4. Consequences for the common visa policy

In the last years, apart from the strengthening of the visa waiver suspension mechanism (allowing the EU to react quickly to substantial increases of migratory or security risks resulting from visa-free travel by temporarily suspending the visa exemption for one or several nationalities) and the exemption from the visa requirement to the citizens of certain third countries, the common visa policy **has not been subject to a fundamental review or overhaul**.

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8 Regulation (EU) 2017/2226 of the European Parliament and of the Council of 30 November 2017, OJ L 327, 9.12.2017, p. 20.

9 COM(2016) 731 final, 16.11.2016.

10 COM(2017) 793 final, 12.12.2017.

11 COM(2015) 453 final, 9.9.2015.

12 COM(2016) 385 final, 7.6.2016.

The overall **integrity of the visa processing** by Member States has not been fundamentally called in question in the past few years. Yet there is a growing need to ensure that visa policy matches the present and future challenges and can make a more important contribution to the objectives of the EU's migration and security policies. The Commission, in its Communication on the Delivery of the European Agenda on Migration[13], announced that it would come forward with its ideas on how to **modernise the EU's common visa policy** for both the short and longer term. The main objectives of this review are to bring the visa policy up to speed with the development of new border management systems, to better use visa policy in its cooperation with third countries, and to ensure a better balance between migration and security concerns, economic considerations and general external relations.

The Commission Work Programme 2018[14] confirmed the Commission's intention to withdraw the current Visa Code recast and touring visa proposals and to propose a **targeted revision of the Visa Code**. The further development of the Visa Information System (VIS) and the alignment of the visa policy's legal framework with developments on border management instruments and interoperability objectives will be the subject of a separate proposal and impact assessment.[15]

1.5. Scope of the initiative

While migration and security related objectives have become more important than in the past, one should not lose sight of the fact that the vast majority of visa applicants are not posing any security and/or migratory threat to the EU. Some of the elements of the first problem area (linked to the visa procedure) tackled by the recast proposal and the 2014 Impact Assessment remain valid in the current migratory and security context. The stakeholder and open public consultations carried out for this Impact Assessment have confirmed the importance of those issues for stakeholders and visa applicants.[16]

The targeted revision of the Visa Code will have a twofold purpose:

1. Firstly it should **preserve some of the elements** of the 2014 recast proposal which remain relevant in the current context and on which compromise seems possible. [17] These elements are either linked to the **facilitation** of visa procedures or to **clarification and streamlining** of existing provisions. Most of them concern rather procedural matters which do not leave much room for considering different policy options and do therefore not need to be examined in detail in this impact assessment. The items that will be carried over are listed in annex 7, together with a short description of their expected impacts as well as their potential for simplification and cost reduction. The most important element of facilitation in the 2014 proposal was the proposed rules on the increased **issuing**

13 COM(2017) 558 final, 27.9.2017.
14 COM(2017) 650 final, 24.10.2017.
15 This initiative will require a revision of the VIS Regulation and some aspects of the Visa Code which relate to the use of the VIS by consulates.
16 See summary of the consultations in annex 2.
17 Some of the provisions from the original proposal will be amended to take account of positions expressed in the negotiations between the co-legislators.

of multiple-entry visas with long validity to regular travellers. As different approaches are possible and were discussed during the legislative procedure and the stakeholder consultations, it is useful to examine the problem and different policy options in a more detailed analysis in this report.

2. Secondly it should address **new elements** that have come up in the negotiations between the co-legislators on the Visa Code recast proposal and have been highlighted in the Commission's Communication on the Delivery of the European Agenda on Migration as well as in the consultations carried out by the Commission. This concerns the **amount of the visa fee and the financing of Member States' visa processing activities**, as well as the question of establishing a **legal link between visa policy and third countries' cooperation on readmission of irregular migrants**.

This Impact Assessment report will therefore focus on the following problem areas:

- the need for sufficient financial resources to support Member States' visa processing;
- the divergent practices among Member States in issuing multiple-entry visas and the resulting repeated visa procedures for regular travellers;
- the role that visa policy can play as leverage in the EU's readmission policy.

The third area differs from the two others in that the source of the problem originates in the area of return, and not in visa policy, and the affected groups and stakeholders as well as the consequences of the problem are very different. Nevertheless the two policy areas both have a strong external relations dimension and can be considered as foreign policy tools. A link can be established to obtain better leverage vis-à-vis third countries, as shown below in the baseline scenario (section 5.1.3) and the policy options (section 5.2.3).

A number of issues raised in the stakeholder consultation (or the 2014 evaluation) are not addressed in this report, such as the use and monitoring of external service providers (ESP), new IT solutions for a full digitalisation of the visa application process, and the current differentiation between visa-free and visa-required countries. The scope of stakeholder consultation was deliberately broader, as it was also supposed to feed into the policy communication that will accompany this initiative. Some issues, such as lodging and decision-making deadlines as well as monitoring of ESP, are covered by the carry-overs from the 2014 proposal (see annex 7). Issues regarding visa requirements concern the Visa Regulation (539/2001) and will be addressed in the communication. On full digitalisation of visa procedures the communication will announce the launch of feasibility studies that could feed in future legislative initiatives.

2. PROBLEM DEFINITION

2.1. What are the problems?

2.1.1. Insufficient financial resources to support visa processing

The number of visa applications processed by Member States has increased considerably over the last eight years since the Visa Code entered into force. While Member States processed 10.2 million visa applications worldwide in 2009, this figure rose by almost 70% to a peak of 17.3 million in 2013, and then dropped to 15.2 in 2016[18], which still represents an increase by more than 50% over 2009. According to preliminary figures it is estimated that in 2017 the number of visa applications will have increased again to around 16 million.

At the same time the financial resources available to Member States' visa authorities and consulates for visa processing (per application) have remained static or even diminished due to budget cuts following the economic crisis. The visa fee of EUR 60 defined by the Visa Code should be the main financial source to cover the costs of visa processing. However, in a 2016 questionnaire survey as well as in the stakeholder consultation many Member States have affirmed (and some have presented calculations showing) that the current fee does not cover their administrative expenses, notably in terms of staffing (both expatriate and locally hired staff), premises, equipment, development and maintenance of IT systems, printing and secure management of visa stickers. This means that Member States have to cover the funding gap from their general administrative budget.

Scarce resources for visa processing have prompted Member States to use outsourcing of certain tasks to ESPs to alleviate the workload for their consulates. However, due to increasing volumes of applications outsourcing did not lead to sufficient cost savings. Member States were forced to take more drastic measures, such as cutting staff in consulates, reducing training and shifting more tasks from expatriate to local staff.

As shown by several recent Schengen evaluation reports and LSC reports, understaffing (especially as regards expatriate staff which is by far more costly) and lack of appropriate training are recurrent problems. Consulates often lack well-trained experts with specific knowledge (e.g. document security experts). Staff shortages in consulates' visa sections directly affect the quality and integrity of the examination of visa applications and thus put at risk the screening function of visa procedures, with possible negative consequences for migratory and security threats.

Some Member States have, as a result of short financial resources, started closing consular/visa sections or refusing representation of other Member States in certain

[18] The drop in numbers was mostly due to a very strong decrease of applications in Russia (from 7 million in 2013 to 3.2 million in 2016) and was not fully compensated by increases in other countries such as China and India.

locations.[19] Those measures create problems for visa applicants, as it means that they have to travel to other countries (than those they live in) to apply for a visa.

Insufficient financial and human resources also lead to long waiting times and deadlines in processing the visa applications, especially in peak seasons when Member States do not always have the necessary resources to dispatch temporary staff reinforcements. This is confirmed by many complaints received by the Commission as well as the open stakeholder consultation. The fact the length of the procedure was rated by respondents in the open consultation as the most difficult aspect of the visa procedure (32.6% selected it as the most difficult, 27.5% as the second most difficult element). The 2013 European Commission's study on the economic impact of short stay visa facilitation highlights that the most important source markets are late-booking markets. The lengthy visa procedures therefore deter tourist from travelling to Europe in the first place, leading to considerable revenue losses for the European tourism industry.[20] According to a European Tour Operators Association (ETOA) report, it is estimated that 21% of potential tourists from emerging markets abandon their plans to travel to Europe due to slow processing of visas.[21]

The lack of sufficient revenues supporting visa processing thus undermines the integrity of the visa processing as well as the objective of providing fast and client-friendly procedures to visa applicants.

2.1.2. Repeated visa procedures for regular travellers

One of the main problems already identified in great detail in the 2014 Impact Assessment is the lengthy and cumbersome visa procedure. This is particularly true for regular travellers who visit the EU at least once a year for business trips, to attend conferences, to meet family or friends, or as tourists. In the stakeholder consultation, associations representing business travellers, maritime transport, performing arts and tourism were particularly in favour of reducing administrative burdens for frequent visitors. In the open public consultation 84% of individual respondents who travel to the Schengen area at least twice per year stated that they had not received any facilitations during the visa application process despite repeated visa applications.

The Visa Code allows the issuing of multiple-entry visas (MEV) with a validity of up to five years. However, experience gathered in Schengen evaluations and in LSC since the start of application of the Visa Code shows that this possibility is rarely used. Member States (at central or consulate level) have a restrictive policy for issuing visas with a long

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19 For instance since 2014 France, citing budgetary reasons, closed its visa sections in Nepal, Papua New Guinea, Fiji, Botswana, South Sudan, Brunei, Paraguay, Moldova and Montenegro. Similarly Denmark closed visa sections in Bolivia, Ecuador and Nepal. Several Member States started refusing representation of other Member States quoting lack of resources.

20 Study on the economic impact of short stay visa facilitation on the tourism industry, https://ec.europa.eu/growth/content/study-economic-impact-short-stay-visa-facilitation-tourism-industry-0_en

21 ETOA, Europe: Open for Business?, http://www.etoa.org/docs/default-source/Reports/ETOA-reports/2010-etoa-origin-markets-report.pdf?sfvrsn=2.

validity; as a maximum many consulates are willing to issue a visa with a validity of one year, with a few rare exceptions. There are several reasons for the reluctance to Member States to issue MEV with a long validity: long-established practices to issue visas mainly for the planned trip; consulates' apprehension that visas with long validity increase migratory risk; national requirements for consulates to consult central authorities before issuing visas with long validity; and the unclear legal basis (see below, section 2.2.2). Moreover, there are also wide variations between Member States' practices when it comes to the length of validity of these MEV.

The table below shows the MEV-issuing practice of three Schengen consulates in China visited as part of Schengen evaluations in 2016 and 2017. It shows, in two of the three cases, the very low share of MEV with a validity of one year or more among the total of visas issued (between 1 and 1.5%). At the same time it shows the wide variety of practices among Member States. These figures should be read against the background of the rapidly improving socio-economic situation of Chinese applicants and the rather low migratory risk from China, compared with other third countries.

Share of total visas issued	**Member State 1**	**Member State 2**	**Member State 3**
MEV 1 year	0.99%	15.4%	0.87%
MEV 2 years	0.24%	0.57%	0.09%
MEV 3 years	0.19%	0.64%	0.00%
MEV 4 years	-	0.68%	-
MEV 5 years	0.04%	2.13%	-
Total MEV 1 year or more	**1.45%**	**19.4%**	**0.97%**

By way of comparison, the standard validity of visitor visas issued by the United States and Canada in China is 10 years (unless the passport validity is shorter than that, in which case the visa validity is adapted to that of the passport). These countries argue that the risk of irregular migration and overstay does not increase by issuing visas with longer validity, while security checks in databases can continuously be performed by the systems during the validity of the visa (leading to its revocation where appropriate).

The low share of long-validity MEV – combined with cumbersome and costly visa procedures – affect the EU's economy negatively. It prevents spontaneous business or leisure travel by affluent travellers notably from countries such as China, India, or the Gulf region, who tend to increasingly take last-minute decisions on travel. Such persons who have not yet been granted a MEV with long validity after one or two trips to the EU with single-entry visas might turn their attention towards countries which are more ready to grant them visitor visas with long validity (e.g. United States, Canada, New Zealand). Business people, tourists as well as people travelling for medical treatment will thus direct their investment and spending to countries outside of the EU. That will carry negative consequences for the EU's tourism industry, retail trade, the health sector and the economy as a whole.

While it is very difficult to estimate the overall scale of the economic loss to the EU as a result from heavy and repetitive visa procedures, the fact as such was confirmed by

stakeholders during the targeted and the open public consultations.[22] The tourism industry associations highlighted the role of outbound travel agencies, who have considerable influence in steering business towards markets where visa procedures are perceived to be less cumbersome. In the open consultation 22% of individual respondents who offered an answer stated they would be deterred from visiting the Schengen area again due to their experience with the visa procedure.

The EU Member States are among the world's leading tourist destinations and the tourism and travel industry plays a key role in the European economy.[23] Currently it contributes approximately 10% to the EU's GDP and it contributed to the labour market by 11.6% in 2016.[24] Visa-required countries include those with the highest increase in international tourism expenditure in the first half of 2017 (China: +19%, Russia: + 27% after some years of declines, Thailand: +8%).[25] However, the low share of MEV among the total number of visas issued unnecessarily restrains further growth of the industry and limits its global competitiveness[26].

Another consequence of the low volume of MEV with long validity is that frequent travellers have to apply over and over again which represents an administrative burden not only for the applicants, but also for the consulates in particular in locations with very high volumes of applications. This constitutes a strain for the consulates' human resources which are already stretched as a result of the limited financial resources (see above, section 2.1.1).

Finally, the varying practices of Member States with regard to issuing MEV with long validity encourage applicants to disregard the rules of Member States' competence for issuing visas and apply with those Member States where they expect the most favourable outcome (so called "visa shopping"). This means that applicants are more likely to provide fraudulent information or documents with regard to their travel destination and/or purpose. Visa shopping is a form of fraud, and even though it is difficult to determine the extent of the phenomenon, Member States confirm that visa shopping is a serious issue and occurs frequently. Online fora in third countries show a vivid exchange among applicants on which consulates issue visas with a long validity. Divergence in issuing long-validity MEV is one of the strongest factor for visa shopping and also leads to accusations against some Member States of "unfair competition" to attract tourists and businesspeople and of not respecting the common rules.

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22 According to the tourist industry, regular travellers to Europe tend to avoid the main tourist 'hotspots' and visit less known towns and regions instead, boosting the economy in less developed areas.

23 See also annex 6.

24 World Travel & Tourism Council, Travel & Tourism Economic Impact 2017, https://www.wttc.org/research/economic-research/economic-impact-analysis/.

25 UNWTO, European Union Short-Term Tourism Trends, Volume 1, 2017-5.

26 For instance, the number of Chinese outbound travellers rose by 6% to 135 million in 2016 and their expenditure to US$ 261 billion (UNWTO press release, 12 April 2017). However, Europe only received about 10.2 Chinese visitors, a growth of just 2% (according to the European Travel Commission).

2.1.3. Insufficient levels of return of irregular migrants to some countries of origin

In the wake of the migration crisis of 2015 the numbers of irregular migrants in the EU expected to return to their home country has grown considerably[27]. These numbers comprise people found to be staying illegally in the EU, persons having received negative asylum decisions as well as those for whom return decisions were issued.

According to Eurostat data[28], between 2011 and 2016 over 5 million third country nationals were found to be illegally present in the territory of the EU Member States, out of which just over 3 million in 2015 and 2016 alone. As regards asylum seekers, in 2015 and 2016 a total of 718 665 third country nationals received first-instance negative asylum decisions, with an additional 412 330 having received negative decisions in the first three quarters of 2017. In the six-year period of 2011-2016, 2 891 260 persons were ordered to leave, out of which 1 118 385 were returned to third countries. This means that 1 772 875 persons were not returned, out of which 600 925 in 2015-2016 alone. It can be assumed that the majority of these persons continue to remain in the territory of the EU Member States.

Irregular migrants staying in the territory of the Member States and waiting for return to their home country – whether refused asylum seekers, overstayers or other third-country nationals who do not (or no longer) fulfil the conditions of entry and stay – remain in legal limbo: not having an authorisation to stay, they do not have the right to work legally, and thus do not benefit from the rights and legal protection available to legal migrants having access to employment. They cause high costs for Member States in terms of housing, food, medical expenses and related expenses, as well as administrative costs. When return is not immediately possible, certain basic rights are provided under the Return Directive, such as emergency healthcare and access to education for children. Many Member States go beyond the basic requirements and continue to provide housing, healthcare, as well as adult education even after a return decision has been taken, to reduce the likelihood of absconding. Irregular migrants can easily become prey of human traffickers, as well as be subject to exploitation.

Irregular migrants who pose a risk of absconding can be detained by the EU Member States pending preparation of return for up to 18 months. Detention of irregular migrants

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27 While there is no data set collected in the EU to show in a consolidated manner the total (stock) number of irregular migrants in the European Union, this number can be extrapolated based on the available official Eurostat statistics, i.e. data on persons ordered to leave and effectively returned to third countries, persons found to be illegally present and the numbers of negative asylum decisions, as well as based on the numbers of arrivals of irregular migrants to the EU. There are however precision limitations to the use of individual datasets, as they are not always complementary or directly comparable. To give an example, France estimates the number of irregular migrants staying in the country based on the number of beneficiaries of state-funded health care (aide médicale d'État) at well above 311 310 (Avis n° 114 (2017-2018) de M. François-Noël BUFFET, fait au nom de la commission des lois, déposé le 23 novembre 2017).

28 Eurostat database, Third-country nationals found to be illegally present – annual data (rounded); Asylum and first-time asylum applicants by citizenship, age and sex – annual aggregated data (rounded), Third-country nationals ordered to leave – annual data (rounded); Third-country nationals returned following an order to leave – annual data (rounded).

is not only a serious restriction of freedom for the migrants themselves, but also very costly for the Member States. Due to high judicial requirements and the limited detention capacity in the Member States, the threshold for detention of irregular migrants is set very high. Alternatives to detention, such as reporting obligations, seizing travel documents and/or valuables, requirement to reside at a specified location, are known to be inefficient in preventing absconding.

This increases the risk of secondary movements of irregular migrants and abuse of Member States' immigration systems. Secondary movements increase the administrative burden of Member States in terms of identification of apprehended irregular migrants, administrative and/or judicial proceedings necessary to reach a decision on the right to stay in a given Member State, appeal procedures, possible detention, preparation of return etc.

Finally the failure to efficiently return migrants to their home country is also an incentive for further irregular migration. The dangers along the road to Europe are often disregarded by irregular migrants because they know that the risk of being returned once in Europe is rather low. Migrants would reconsider whether it is worthwhile to invest their own and/or family savings to enter Europe if the likelihood of being returned was significant.

2.2. What are the problem drivers?

2.2.1. Insufficient financial resources

One of the main drivers for the insufficient financial resources for the purpose of visa processing is that the **standard visa fee[29] of EUR 60 has not changed since 2006**, i.e. even before the entry into force of the Visa Code in 2009. While the Visa Code provides that it "shall be revised regularly in order to reflect the administrative costs", it does not define a specific procedure for revising the fee. Currently the only possibility to change it is to amend the Visa Code.

During the negotiations on the Visa Code recast proposal several Member States were in favour of reviewing urgently the visa fee. This issue was brought up to Coreper in September 2015, which invited the Commission to carry out an assessment of administrative costs of the processing of visa applications. Following up this request, the Commission carried out a survey among Member States to assess the cost of processing a visa application and what methodology should be followed to make such a calculation.[30]

In the stakeholder consultation, almost all Member States were of the view that the cost of processing a visa application exceeds the amount of the fee and that the visa fee

[29] A number of fee reductions and waivers apply. For instance, the visa fee is EUR 35 for children between age 6 and 12, and waived for children under 6. Moreover, most Visa Facilitation Agreements (VFA) concluded by the EU with third countries in force – including the one for Russia (3.2 million applications in 2016) – provide for a standard visa fee of EUR 35. VFAs cover about 30% of all visa applications.

[30] See annex 5, parts 1-2.

should be increased. However, they differed on the precise amount and whether it should be differentiated by location or validity of the issued visa. Some argued that rather than linking the visa fee to the administrative costs, a political decision should be taken to set it at a certain level. A few Member States, however, recalled that travellers' spending during their stay compensates for low revenues from the visa fee. This point of view is shared by stakeholders in the tourism and travel business, who argue that the visa fee should be seen as a marketing cost that is overcompensated not only indirectly by the economic benefit of travel and tourism to the Schengen area, but directly by the additional tax revenue that Member States derive from visitors' spending in the Schengen area.

In comparison with many other countries' fees for comparable visitor visas, the EU visa fee is rather low.[31]

2.2.2. Repeated visa procedures

The main driver for and underlying cause of the repetitive visa procedures for frequent travellers and the low share of long-validity MEV is the **unclear legal basis for issuing such MEVs** and Member States' diverging interpretation of it. Some Member States require their consulates to consult central authorities before granting long-validity MEVs, which represents an additional burden and thus a disincentive for consulates to do so.

While the Visa Code provides for the – in principle mandatory – issuing of MEV with long validity between six months and five years to *bona fide* regular travellers who have proven their integrity and reliability by lawfully using previous visas, this formulation of the provision allows for different interpretations. The legal basis is not very clear with regard to the conditions for issuing of long-validity MEV, the personal scope of the provision and the precise length of validity MEVs to be issued.[32] For instance there are diverging views on how applicants are to prove the need to travel frequently or regularly (which in theory implies concrete planning and evidence of future trips), to what extent previous trips to other comparable countries (e.g. UK, US, Canada, Australia, New

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[31] United States: USD 160 (EUR 133); UK: up to six months validity: GBP 89 (EUR 100), up to two years: GBP 337 (EUR 383), up to five years: GBP 612(EUR 696); Australia: AUD 140 (EUR 90); New Zealand: NZD 170 (EUR 100). Among those countries, only Canada has a comparable visa fee: CAD 100 (EUR 67). See more details in annex 5, part 3.

[32] Article 24(2) Visa Code:

2. Without prejudice to Article 12(a), multiple-entry visas shall be issued with a period of validity between six months and five years, where the following conditions are met:

(a) The applicant proves the need or justifies the intention to travel frequently and/or regularly, in particular due to his occupational or family status, such as business persons, civil servants engaged in regular official contacts with Member States and EU institutions, representatives of civil society organisations travelling for the purpose of educational training, seminars and conferences, family members of citizens of the Union, family members of third-country nationals legally residing in Member States and seafarers; and

(b) The applicant proves his integrity and reliability, in particular the lawful use of previous uniform visas or visas with limited territorial validity, his economic situation in the country of origin and his genuine intention to leave the territory of the Member States before the expiry of the visa applied for.

Zealand, Japan) can be taken into account and whether certain categories of travellers such as tourists can benefit from the provision, as they are not explicitly mentioned.

Moreover there are no rules on the number of previous visas/trips that would entitle the applicant to a long-validity MEV and how fast the length of validity for each subsequent visa would increase (so called "MEV cascade"). Some Member States at central level or in individual consulates have developed such cascades (e.g. the so-called "decision protocols" of one Member State's Ministry of Foreign Affairs) leading to individual practices which only aggravate the lack of harmonisation. Additionally, it has been observed in Schengen evaluations that Member States do not always take account of visas issued by other Member States for the purpose of considering applicants as frequent travellers. The guidance provided by legislation to consulates on the issuing of MEV with long validity is therefore insufficient in several aspects.

2.2.3. Return of irregular migrants

Readmission of own nationals is an obligation under international customary law, hence cooperation on return is not something that is at the will of a government. Nevertheless many **third country governments are reluctant to readmit their own nationals**. In the case of 80 third countries the return rates (i.e. the share of persons return to their country out of those ordered to leave EU territory) fall below the EU average return rate (46.4% in 2016). Around 700 000 persons of those found to be illegally present in the territory of EU Member States in 2016 and nearly 300 000 persons of those ordered to leave originated from countries that lie below that average return rate. The return rate as such does not fully reflect the level of cooperation with third countries, as the discrepancy between the number of persons ordered to leave and those effectively returned can also be attributed to Member States' own legal or administrative obstacles to return. Nevertheless, a comparison between the return rates to various third countries is a solid indicator of the differences in the level of cooperation on return and readmission.

Return of an irregular migrant can only be enforced on condition of possession of a valid travel document. If such a document is available, no formalities or procedures with authorities of the third country of origin are necessary. A third country's cooperation is necessary, however, when no valid travel document is available to Member State's authorities and consequently the nationality of the irregular migrant has to be confirmed and a travel document issued by third country authorities. This is a widespread situation as many irregular migrants conceal or destroy their passport to prevent their return.

In general, based on Member States' reports, cooperation in the return process is difficult with most third countries of origin. The authorities in the third countries concerned are not willing to cooperate efficiently in this process, hence procedures are delayed, obstacles are created, and eventually removal is postponed or avoided. The most recurrent obstacles reported were:

- requiring additional information, such as criminal records or identification documents;

- requests to identify the person, as opposed to establishing his/her nationality;
- failure to accept the return decision as the outcome of national procedures, and the request to reconsider the grounds for stay of the third-country nationals concerned;
- lack of competence of the embassies to establish nationality and identity;
- lack of capacity/willingness at the consular sections of embassies to conduct interviews with alleged nationals;
- refusal to issue travel documents;
- refusal to accept return flights, in particular charter flights.

As regards the reasons for the lack of third countries' cooperation on return, most third countries do not provide formal/public justification, given the sensitivity of the topic. However the experience in negotiations with third countries on readmission, at EU and Member States level identified these main reasons:

- public opinion in third countries remaining very hostile to cooperation on readmission with the EU;
- protecting the interests of own nationals who have migrated to Member States, whether they had done so regularly or irregularly;
- pressure from the diaspora – in some cases embassies/consulates have been reported to become subject to pressures, bribes or even threats by the migrants' families urging them to prevent return;
- fear of the loss of remittances from migrants, which in many third countries constitute a substantial share of the GDP (even though irregular migrants represent only a fraction of the diaspora and are unlikely to be able to send significant amounts given their precarious status).

2.3. How will the problem evolve?

2.3.1. Insufficient financial resources

Without any change to the current visa fee, it is very likely that the lack of financial resources will lead to further cuts to Member States' budgets for visa processing, resulting in staff shortages and the closing of visa sections. The consequences of these tendencies have been described in section 2.1.1.

2.3.2. Repeated visa procedures

While some Member States have recognised the problem and have started taking action (mostly at central level) to encourage consulates to issue more long-validity visas, the awareness and the perceived need for action is not shared equally among Member States. In the absence of clear harmonised rules on the issuing of visas to regular travellers, Member States and their consulates are likely to continue to determining their own approach.

Many are likely to continue to be reluctant to issue MEV with long validity, while others might continue to adopt a more open approach, depending either on economic interests

and general relations with the host country or on consuls' individual assessments. Especially consulates of smaller Member States with no capacity problems because of limited numbers of applications or those who do not attract tourists do not feel the same level of pressure from central authorities, host countries, applicants, the tourism industry and business in general to issue more long-validity MEV, first because the volume of visa applications in their consulates is lower and secondly because they are less likely to be the main destination of repeated trips of the same applicant. It is therefore likely that the gap between the practices of more forthcoming and more restrictive Member States will further increase.

2.3.3. Return of irregular migrants

Given the peak in asylum applications in 2015 and 2016 and the length of asylum and appeal procedures, it can be assumed with certainty that the number of migrants expected to return to their countries (and thus the scope of the problem) will grow in the coming years. On the basis of Eurostat figures it can be extrapolated that about 1.2 million refused asylum seekers will be progressively receiving enforceable return decisions in 2018-2019[33]. Out of the 2 583 735 asylum applications made in 2015-2016, 884 655 were still pending in 2017 and could result in a high number of return decisions. The political pressure to enforce return decisions in practice will grow accordingly.

3. WHY SHOULD THE EU ACT?

3.1. Legal basis

The legal basis for the common visa policy is Article 77(2)(a) TFEU. This Article empowers the Union to adopt measures concerning "the common policy on visas and other short stay residence permits". The existing Visa Code and other legislation in the field of the common visa policy have been adopted on that legal basis.

3.2. Subsidiarity: Necessity of EU action

The abolition of checks at internal borders in the Schengen area requires, among other measures, a common policy on visas. The common visa lists (of countries whose nationals require visas and of those whose nationals are exempted from the visa requirement), and uniform conditions and harmonised procedures for issuing visas are pre-conditions for enabling mutual recognition of visas which allows third-country nationals legally present in one Schengen State to travel to the other Schengen State without requiring checks at internal borders. No stakeholders have so far called in question this principle.

The conditions and procedures for issuing short-stay visas are established by a regulation that is directly applicable in all Member States, namely the Visa Code. The problems

[33] Not all Member States issue return decisions together with negative asylum decisions, and out of those which do, some report only enforceable return decisions to Eurostat, i.e. decisions which have entered into force once all appeal deadlines had expired or appeal procedures had been completed.

elaborated in the previous sections are unlikely to disappear in the near future and they are directly related to the current provisions of the Visa Code. Amendments of the Visa Code are only possible at EU level.

The initiative will further develop and improve the rules in the Visa Code. The short-stay visa in principle allows its holder to circulate freely in the Schengen area, which implies the highest degree of harmonised rules that cannot be solved by Member States acting alone and can only be addressed at EU level.

3.3. Subsidiarity: Added value of EU action

As described in the baseline scenario below, the continued application of the current legal framework is not going to lead to resolving these problems.

As regards the financing of visa processing, it is possible for Member States to increase their national budget for consulates and central visa authorities; however that possibility is considerably limited by national budget constraints which exist in most Member States. Moreover, the Visa Code stipulates that the visa fee should reflect the administrative costs of visa issuing. Furthermore, it is legally not possible for Member States to charge additional or higher fees from visa applicants for visa processing; such action can only be taken at EU level.

As regards the issuing of long-validity MEVs for regular travellers, the Visa Code currently leaves rather broad discretion to Member States. However, as argued above, national action in this field is likely to be very uneven and therefore to aggravate the problem, as it can lead to visa shopping as well as complaints by some Member States and mutual accusations. EU action is therefore warranted to achieve a more harmonised development and implementation of current rules.

National action is possible and desirable to try to obtain better cooperation of third countries on matters of return of irregular migrants. Many Member States have developed activities in that field, with varying success. However, it is unlikely that any of such activities will achieve the same leverage towards reluctant third countries to cooperate as concerted action by all Member States, e.g. in the framework of the common visa policy.

4. OBJECTIVES: WHAT IS TO BE ACHIEVED?

This section lists the general and specific objectives any initiative should have to address the above-mentioned problems faced by Member States and visa applicants.

4.1. General objectives

The general objective of the initiative is to strengthen the common visa policy while addressing migration and security concerns on one hand and taking into account economic considerations and general external relations on the other hand.

4.2. Specific objectives

In order to achieve the general objective, the following specific objectives should be addressed:

1. ensure sufficient financial resources to Member States in order to safeguard the quality and integrity of visa processing;
2. ensure more systematic and harmonised issuing of multiple-entry visas with long validity to *bona fide* regular travellers;
3. advance the EU's interests in the area of return and readmission by increasing leverage *vis-à-vis* non-cooperative third countries in the area of visa policy.

5. WHAT ARE THE AVAILABLE POLICY OPTIONS?

5.1. What is the baseline from which options are assessed?

5.1.1. Insufficient financial resources

The standard visa fee will remain unchanged at EUR 60 (and EUR 35 for children between 6 and 12 years of age) despite the Visa Code provision requiring its regular revision. Member States' visa authorities will continue to experience the same difficulties in obtaining sufficient financial resources to fund visa processing in consulates, leading possibly to further closings of visa sections and staff shortages, which affect the level of service provided to visa applicants and may put at risk the integrity of the visa examination procedure.

5.1.2. Repeated visa procedures

The existing provision on issuing MEV with long validity (Article 24(2) Visa Code) will continue to apply and will be interpreted and implemented very differently. Many consulates will continue to be rather restrictive in issuing such MEV, thereby requiring frequent travellers to go through repeated visa procedures resulting in increased costs and administrative burden for applicants and a high workload for applicants. The potential for additional unplanned trips to the Member States by holders of MEV will not be exploited.

5.1.3. Return of irregular migrants

Currently there is no legal basis for making visa procedures conditional on a third country's willingness to cooperate with Member States on return and readmission of irregular migrants. However, in parallel to Council's proposed amendments to the Visa Code recast proposal to provide for a legal framework for using visa policy as leverage for enhancing cooperation on readmission, Council decided in June 2017 to develop a Coreper-led coordination mechanism ("visa policy toolbox").[34] This mechanism would be applied on an *ad-hoc* basis within the existing legal framework, using the limited

[34] Council document 9880/17 EU RESTRICTED. As this document is restricted, the approach followed can only be sketched vaguely.

margin of manoeuvre given to Member States in the Visa Code. On the basis of a set of agreed indicators measuring the level of cooperation of a given third country, Coreper would give guidance, on a case-by-case basis and using an incremental approach, and recommend the coordinated application by Member States of a series of measures related to the visa procedure. The measures are to be coordinated by Local Schengen Coordination and regularly monitored by Coreper.

The Commission supported this "toolbox" approach as "pragmatic and efficiency-oriented" and not affecting the Commission's institutional role and responsibilities, as the measures covered fell within Member States' margins of manoeuvre with regard to the implementation of the Visa Code.

To date a decision leading to a set of measures being agreed on has been made with regard to only one third country in September 2017. The mere launch of the process proved successful in negotiations on a return arrangement and it was decided not to implement the agreed measures pending signals of improvement of cooperation on readmission.

Therefore the baseline therefore has to be considered as a dynamic one, as no experiences in the effective implementation of the "toolbox approach" and its impact have been gathered yet.

5.2. Description of the policy options

5.2.1. Insufficient financial resources

There is wide consensus that the visa fee paid by applicants should cover the costs of Member States in processing visa applications, as far as possible. The principle that the visa fee should reflect the administrative costs is set in the Visa Code itself (Article 16(3)). It is fully in line with Member States' administrative rules providing that their own citizens have to cover the costs of certain administrative activities, such as the issuing of passports, ID cards and driving licences.

In 2016 the Commission conducted a questionnaire survey among Member States on administrative costs and the calculation of the visa fee.[35] It emerged in the survey and the subsequent discussions in the Visa Committee that it is virtually impossible to calculate the level of a common visa fee on the basis of national administrative costs. On the one hand, costs levels (in particular for staff) are very different among Member States. On the other hand, there were different views on factors that should be taken into account. There was also no agreement on whether the fee should remain a "flat rate" or whether there should be differentiated fees, depending on the length of validity of the visa or on the place of application.

In the survey some Member States presented their own calculations of costs and/or came up with suggestions what the visa fee should be, as shown in this table:

[35] See summary of Member States' replies in annex 5, parts 1 and 2.

Member State	Calculation of administrative costs per visa application (in €)	Suggested visa fee (in €)
Austria		120
Belgium	80-90	
Denmark	143 (at consulates)	
Latvia	69.92 (at consulates)	
Luxembourg	99.06	
Malta		65
The Netherlands	120 (not counting VFAs)	
Slovenia		100
Sweden	90-100	

In the stakeholder consultation, the tourism industry associations favoured decoupling the visa fee from administrative costs and proposed setting it with regard to the practice of 'competing' countries. While stakeholders cautioned against raising the visa fee, several conceded that the indirect costs of a visa application (travelling to the consulate/ESP, obtaining the travel medical insurance and all supporting documents, legalisations, etc.) can be equally or more important than the visa fee.

On this basis the following options will be examined:

Policy option 1A: Status quo

Unchanged common visa fee (EUR 60, children aged 6-11: EUR 35).

Policy option 1B: National visa fees based on administrative costs

Abolish the EU visa fee and allow Member States to set their visa fee nationally, based on real administrative costs (and a common calculation model defining the administrative costs that should be taken into account and the calculation method).

Policy option 1C: Increase of common visa fee

Increase the common visa fee and establish a mechanism to adjust it periodically (e.g. every two years, most probably through delegated acts, on the basis of criteria defined in the regulation).

- Sub-option 1C1: EUR 80 (children aged 6-11: EUR 40).
- Sub-option 1C2: EUR 100 (children aged 6-11: EUR 50).
- Sub-option 1C3: EUR 120 (children aged 6-11: EUR 60).
- Sub-option 1C4: SEV/MEV up to 6 months: EUR 80, MEV 1-5 years: EUR 120.

5.2.2. Repeated visa procedures

Policy options to address this problem area should ensure more systematic and harmonised issuing of MEV with long validity to *bona fide* regular travellers, to avoid repeated and unnecessary visa procedures both for applicants and consulates. The following options will be examined:

Policy option 2A: Status quo

Leave Member States / individual consulates to determine their general approach to issuing MEV with long validity (based on the current provision in the Visa Code).

Policy option 2B: Recommended best practice

Suggest a non-binding approach to issuing MEV with long validity in the Visa Code Handbook, including a general MEV cascade.

Policy option 2C: Common MEV cascades

Define (legally binding) MEV cascade(s) in the Visa Code and/or Commission implementing decisions.

- Sub-option 2C1 (general MEV cascade): Visa Code defines a "one-size-fits-all" MEV cascade: after 2 visas in last 12 months, applicant obtains 3-year MEV, then 5-year MEV (based on Visa Code recast proposal).
- Sub-option 2C2 (general and country MEV cascades): Visa Code defines a less generous "one-size-fits-all" MEV cascade: after 3 visas in last 2 years, applicant obtains 1-year MEV, then 2-year MEV, then 5-year MEV; and provides for the possibility of more favourable cascades for specific countries (based on assessment in LSC and limited to countries cooperating on readmission).
- Sub-option 2C3 (country MEV cascades): Visa Code provides for possibility to adopt MEV cascades for specific countries, based on assessment in LSC.

Policy option 2D: Standard MEV with 2- or 5-year validity

Define MEV with long validity (e.g. 2 or 5 years) as the new standard visa in the Visa Code, while allowing Member States to derogate from the rule and issue visas with shorter validity in individual cases.

5.2.3. Return of irregular migrants

Visa policy can play an important role to obtain better leverage vis-à-vis third countries on readmission of irregular migrants. However, it is also clear that better cooperation on readmission with reluctant third countries cannot be obtained through visa policy measures alone. Instead a policy mix of positive and negative incentives in various areas (in particular development cooperation, trade, investments, education) would be necessary to sway a country's attitude. Measures in the visa policy area would therefore be one tool among others in the EU's hands to achieve better cooperation. All other tools (as coordinated notably in the Partnership Framework) will remain equally important. For the purpose of this report, however, **only policy options in the area of visa policy** will be considered:

Policy option 3A: Status quo

Continue the Coreper-led "toolbox approach" (using the existing flexibility of Visa Code) to put pressure on third countries not cooperating on readmission of irregular migrants[36]. No legislative amendments.

Policy option 3B: Positive incentives

Amend the Visa Code to create a legal basis for positive incentives for cooperation on readmission, such as lower visa fees and a favourable MEV cascade, to be applied in countries that cooperate or improve their cooperation with Member States.

Policy option 3C: Negative incentives

Amend the Visa Code to create a legal basis for negative incentives for cooperation on readmission.

- Sub-option 3C1 (maximum approach): negative incentives on various aspects of the visa procedure, to be defined in the regulation (e.g. higher visa fee, more supporting documents, maximum processing time, limited length of MEVs), applicable to all holders of passports.
- Sub-option 3C2 (targeted approach): negative incentives as above, applicable in two separate phases: 1) holders of diplomatic and service passports, 2) holders of ordinary passports.

It would also be possible to conceive of a combination of both positive and negative incentives. While this possibility should not be discarded outright and should be considered seriously on the basis of the options proposed, its impacts will not need to be assessed separately.

5.3. Options discarded at an early stage

For the first problem area (financial resources), the lowering or even abolition of common visa fee could be a possible option, but will be discarded at this stage as it would not contribute to reaching the objective. Some stakeholders in the tourism industry argue that a reduction in the visa fee should be seen as a marketing cost and would be recovered indirectly through additional income in the national economy and the resulting tax revenue. However, it is not clear where the necessary financial resources would come from: Member States are not ready to subsidise visa issuing even further, and a tax on the tourism industry to fund visa issuing would encounter strong opposition and seem disproportionate. Moreover, reducing or abolishing the visa fee would also carry certain risks, as it could encourage potential irregular migrants to just "try their luck" lodging a visa application without any or at low cost.

[36] For all policy options 'cooperation on readmission' only refers to readmission of third countries' own nationals, except where third countries have committed to, e.g. in a readmission agreement with the EU, readmitting nationals of other third countries that have transited through their territory.

6. WHAT ARE THE IMPACTS OF THE POLICY OPTIONS?

6.1. Methodology

6.1.1. Possible impacts

The EU's visa procedures concern most directly two types of actors: visa applicants and Member States' authorities. Any options modifying the common visa policy will have the most immediate impact on those two groups. Other groups of (mostly economic) actors will be affected indirectly by changes of behaviour of the directly affected groups. These impacts in turn can have broader consequences for the societies of EU Member States and the EU's external relations.

The first group which is directly affected are **visa applicants**, i.e. third-country nationals who are under the visa requirement and who apply for a short-stay visa at one of the Schengen consulates. Applicants will directly experience any change in the visa fees, as it will affect the costs involved in the visa procedure and might influence their **travel plans**, particularly for tourism purposes. Any change in the issuing of MEV with long validity will also affect visa applicants, as it might reduce the number of times they have to apply for a visa and thus their financial and "hassle" costs, and increase their flexibility to travel spontaneously. Finally, if any (positive and negative) change of the visa procedure is applied in order to obtain a third country's cooperation on readmission, this change will also positively or negatively affect visa applicants and their travel behaviour.

The second group directly affected are **Member States' authorities**, first and foremost **consulates** in third countries as the visa-issuing authorities. They will be directly concerned by any change in the visa fee which will influence the financial resources available for visa processing. Changes in the approach to issuing MEV will affect the number of visa applications to be processed. Any increased leverage on third countries' cooperation on readmission will impact on the public authorities dealing with refused asylum applicants and irregular migrants, namely **migration, asylum and police authorities**.

Groups indirectly affected by the visa policy are **economic actors in the EU having visa holders as clients or employees**, such as the tourism industry (travel agencies, hotels, restaurants etc.), airlines and other transport companies, the retail sector, enterprises engaged in international trade (export/import, trade fairs), the health industry (clinics) and the shipping industry (employing seafarers). Any changes in travel behaviour by visa applicants/holders (caused by modifications to visa fees or MEV issuing rules) will indirectly affect these actors' revenues and competitiveness.

The EU Member States' **economies and societies** will feel the impact of changes in visa policy. Economic activity in the above-mentioned sectors influences **growth and employment rates**. Visa policy is one of the tools for controlling irregular migration and preserving the Schengen area's integrity and security. Financial resources available to visa-issuing authorities will impact the quality of their work, the integrity of the visa processing and consequently the **security of the Schengen area**. Similarly, increased

leverage for the EU readmission policy and better return rates will improve migration management, as well as people's **acceptance of the EU's migration policy**. Increased or reduced travel as a result of the changes in the EU's visa policy will influence **people-to-people contacts and cultural exchange** between populations in Europe and other continents and it will have an effect on emission of greenhouse gases and thus **climate change**. As many people travel to the EU to visit their family members, the **protection of family life**[37] will also be indirectly affected by increased or reduced possibilities for travel.

Finally changes in the visa policy, through their effect on third country nationals' opportunities, will have direct positive or negative impact on the EU's **relations with third countries** and the EU's **image in the world**. This is particularly relevant regarding the link between visa policy and readmission policy.

The following table summarises the possible impacts of the policy options:

Economic impacts	• costs for public authorities (visa authorities/consulates): – direct (staff, premises, equipment etc.) – indirect (enforcement costs) • benefits for public authorities (visa/asylum/police authorities): – income – cost savings • costs for third country citizens (applicants): – direct (fees) – indirect (non-monetisable, such as "hassle costs") • benefits for third country citizens (applicants): – direct (cost savings) – indirect (non-monetisable, such as more flexible travel) • competitiveness of EU tourism industry and trade sector
Social impacts	• employment in EU (tourism/trade sectors) • integrity and security of Schengen area • people-to-people contacts • external relations/image of EU
Environmental impacts	• emission of greenhouse gases (as result of increased/reduced travel)
Fundamental rights impacts	• protection of the family

The different possible interventions in the three problem areas are not likely to all have noteworthy impacts in all of the above-mentioned areas. Therefore the assessment for each problem area is focused on the fields where the different policy options are likely to have **significant impacts**. A selection of the most relevant impacts will be established for each problem area.

[37] Articles 7, 9 and 33 of the Charter of Fundamental Rights of the European Union.

6.1.2. Available data

The Commission collects yearly **visa statistics** from Member States which include the number of visa applications by Member State and by location (i.e. consulate), the number of visas issued and the number of visas refused (with which the refusal rate can be calculated). These statistics also include the share of MEV issued, but not their length of validity. The Visa Code recast proposal included a more detailed collection of visa statistics, including the length of validity of visas issued, nationality of applicant, visas issued in representation and number of appeals. The current EU legislation does not provide the possibility for the statistics on visas to be produced centrally from information available in the VIS; however the upcoming revision of the VIS legal base will entrust eu-LISA with the task of producing such statistics. In the current absence of an entry/exit system, no data on the use of visas are available[38], such as the number of trips to the EU by holders of MEV. In general there are only limited data on travellers to the EU (compared with other destinations), especially on details such as their nationality, the frequency of travel, costs and expenditure.

There are no statistics on the **costs of visa processing** or on budgetary resources available to Member States' foreign ministries / visa authorities for that purpose. The Commission services conducted a questionnaire survey among Member States in 2016 to collect information on the costs of visa processing and the methodology to calculate them. These costs cover a variety of items (human resources, premises, equipment, IT development and maintenance, printing and secure dispatch of visa stickers) of which many are not exclusively used for visas, but also other consular tasks (e.g. issuing of national passports). On the basis of the replies to the survey, it became clear that these costs are difficult to estimate. A few Member States shared their estimates of the costs of visa processing, but they were calculated differently and resulted in wide variations. This fragmentary evidence will be used where possible.

Little evidence is available as regards the costs and benefits of policy options for **visa applicants/holders**. There is no stakeholder organisation, such as an NGO or association directly representing visa applicants that could provide reliable data. In the public consultation evidence was gathered on third-country nationals' experience with the Schengen visa procedure, allowing for certain conclusions to be drawn on the costs and benefits in these individual cases. As respondents to the consultation are self-selected, however, these responses are not necessarily representative of all visa applicants.

In the absence of a survey of a statistically relevant number of visa applicants in a representative number of third countries, it is very difficult to assess the impact which changes in the visa fee or the issuing of MEV will have on third-country nationals' **travel behaviour**. This can only be estimated on the basis of anecdotal evidence or general assumptions. Consequently the same is true for the knock-on effects of changes in travel

[38] Such data will be available with the entry of operations of the EES.

behaviour on **economic or social outcomes**. Therefore the existing data on **inbound tourism** in the EU is of limited value for assessing impact of specific policy options.

Available data regarding **readmission of irregular migrants** are limited to available Eurostat statistics (including by nationality) on the number of return decisions taken by Member States and the number of effective returns. With those two indicators, the return rate can be calculated. However, even those figures have to be taken with some caution as they do not reflect exclusively the willingness of third countries to cooperate on returns. Those statistical data need therefore to be complemented by more qualitative information, resulting from Member States' experience in cooperation with those third countries. Furthermore, implementation of the Return Directive[39] varies between the Member States, which results in different interpretation of statistical indicators.[40] Member States either do not have or are reluctant to share data on the costs of lodging and detention of irregular migrants before they can be returned, nor on the costs of returns. Finally – apart from anecdotal experience in the EU with regard to one third country – there is no hard evidence on how visa leverage can translate into better cooperation of third countries on readmission.

The ample experience gathered by the Commission services in monitoring Member States' implementation of the visa policy, notably through the **Schengen evaluations**[41], was exploited wherever possible.[42] In this context the Commission services have visited, since the beginning of 2015, 32 consulates of 16 Schengen States all over the world, thus generating hands-on and in-depth knowledge of Member States' visa-issuing practices.

6.1.3. Qualitative assessment method

The **scarcity of data** does not allow for a quantitative assessment of the different policy options, such as could be done in a cost-benefit analysis. Instead a **qualitative method** will have to be used. Given the widely spread impacts that the policy options are likely to have, it seems most judicious to conduct a **multi-criteria analysis (MCA)**[43]. It is a technique to reach a judgment based on an explicit set of objectives and associated criteria and is particularly useful in case of complex interventions with diverse quantified and/or qualitative impacts (in particular factors which cannot be expressed in monetary terms). An MCA is used to assess and rank alternative options in an impact assessment.

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39 Directive 2008/115/EC of the European Parliament and of the Council of 16 December 2008 on common standards and procedures in Member States for returning illegally staying third-country nationals.

40 For example, it cannot be excluded that in some Member States the real number of persons ordered to leave is undervalued, as it is lower than the number of rejected asylum decisions, while failed asylum seekers constitute only a subset of all persons issued return decisions.

41 In accordance with Council Regulation (EU) No 1053/2013 establishing an evaluation and monitoring mechanism to verify the application of the Schengen acquis.

42 This information is rather of qualitative than quantitative nature and has been used cautiously, given the confidential character of the evaluation reports ("EU restricted" documents, established by means of Commission implementing decisions). For instance, Member States have not been named.

43 See tool #63 of the Better Regulation toolbox. However, a slightly simplified model will be applied.

This method will be applied as follows:

1. For each problem area a number of **impact criteria** are established, based on the selection of most relevant impacts (see above).
2. The **weight** of each criterion (e.g. 20%) will have to be defined as a measure of its overall importance compared with other impacts.
3. The **performance** of each policy option for each criterion will be ranked on a scale from 0 to 3, based on a qualitative assessment of the impacts (compared with the status quo option which by definition will be 0).[44]
4. This ranking will include the **direction**, i.e. whether it is positive or better than the status quo (+) or negative or worse than the status quo (-).
5. The performance score, including the direction (+ or -), will be multiplied by the weight factor and added to the performance scores of all other criteria, resulting in an **aggregate impact score** for each policy option. These scores will already make it possible to compare and rank the policy options.
6. However, as in the absence of hard data those scores will largely be based on estimations and assumptions, it is useful to assess and compare them on a number of **general principles** (ranging from - - - for the most negative to + + + for the most positive):
   - **effectiveness** (with regard to policy objectives),
   - **proportionality**,
   - **feasibility** (legal and practical) and **coherence** with other policies.
7. The **preferred option** will be determined through a comparison on the basis of the aggregate impact score and the other criteria.

6.2. Assessment of policy options

6.2.1. Insufficient financial resources

Relevant impacts, criteria and relative weight

For Member States a change of the visa fee has direct impact on the **financial resources** available for visa processing. Even in Member States where the visa fee income ends up in the general state budget, higher revenues give the visa authorities a stronger stand in their budget negotiations with the finance ministry. Sufficient financial resources are essential for the staffing of consulates, training and the quality of visa processing.

As argued above, these factors have a bearing on the **integrity and security of the Schengen area**, which is influenced not only by the amount of the financial resources available, but also possibly by the fee model (common EU or national). Therefore this will have to be assessed separately.

[44] 0 = no change, 1 = weak change, 2 = moderate change, 3 = strong change.

The reverse side of additional income for Member States through increased visa fees are additional direct costs for visa applicants. It will have to be assessed whether the different policy options are likely to influence their decisions to travel to the EU and how. **Changes in travel behaviour** will – as argued above – have influence on certain economic sectors and therefore on employment and growth in the EU. It will also impact people-to-people contacts, the protection of the family and the EU's image worldwide, and it will have an effect on carbon emissions. As all these indirect impacts are a consequence of the travel behaviour, they will not be assessed separately. Overall reduced travel will be assessed as negative (despite the positive effects on climate gas emissions, which will however be outweighed by the other negative effects).

The following **weighting** will be attached to the three impact criteria. Changes in travel behaviour can affect the EU's economy and will therefore be weighted equally to increases in financial resources. As the integrity and security of the Schengen area is already influenced by the amount of financial resources available, the second criterion just rates the additional impact of the fee model chosen (national / common visa fee) and will therefore be weighted less.

Financial resources	40%
Integrity / security of Schengen area	20%
Changes in travel behaviour	40%

Qualitative assessment of impacts

Policy option 1A (status quo) would not produce any change. The performance is therefore ranked +/-0 on all three criteria.

Impacts of **policy option 1B (national visa fees based on administrative costs)** will depend on how Member States would adapt their visa fees. While evidence gathered in the survey suggests that most Member States have higher costs than the current EUR 60 per visa application, it is far from certain that all of them would raise the fees. Some with a strong interest to attract tourists might even be tempted to lower their fees in order to be more 'competitive' (similarly as has been witnessed with reduced processing time and other unilateral 'facilitations' in some locations). Others might be reluctant to raise the fee before other Member States do it. It can therefore be assumed that the increase in financial resources will be weak, if at all (+1). What can be expected is that the resulting divergence in visa fees would strongly encourage visa shopping and presentation of fraudulent documents to obtain a visa at low cost; combined with the risk of one or several Member States engaging in 'disloyal competition'. This would raise threats to the integrity and security of the Schengen area (-1). Overall travel behaviour is uncertain to predict, but would probably remain neutral (+/-0).

Policy options 1C1, 1C2, 1C3 and 1C4 (increase of the common visa fee) will have a direct positive impact on financial resources, depending on the scale of the increase under the various sub-options[45]:

	Visa fee revenue in €	Increase by	Rating
Current visa fee revenue all Member States worldwide	792 million		
Additional revenue for option 1C1 (EUR 80)	205 million	26%	+1
Additional revenue for option 1C2 (EUR 100)	412 million	52%	+2
Additional revenue for option 1C3 (EUR 120)	619 million	78%	+3
Additional revenue for option 1C4 (EUR 80/120)[46]	267 million	34%	+1

Parallel positive effects can be expected as a result for the security of the Schengen area, provided the additional revenues are fully invested into additional staff for visa processing as well as IT tools and training and would therefore contribute to a more thorough examination of applications (same rating for options). As regards impact on travel behaviour, it can be assumed that an increase of the visa fee by EUR 20 will not yet cause noticeable changes, given the overall costs involved in visa procedures[47] and in travelling to Europe from visa-required countries in Africa, Asia or Latin America[48] (+/- 0); the same is true if MEV of one year or more would be charged EUR 120, as this would be regarded as 'fair' by most visa applicants. Similarly an increase by EUR 40 would only cause a weak change in travel behaviour (-1). Given comparable countries' visa fees[49] and the lack of alternatives, even a visa fee of EUR 120 would very likely only lead to a moderate reduction of travel to the EU (-2).

45 See detailed calculations in annex 5, part 4.

46 Even though the additional revenue would be higher for option 1C4 than for option 1C1, it is rated the same (+1), as a considerable part of additional income would be lost in a more inefficient procedure. Differentiated fees for SEV/MEV for up to 6 months and MEV valid for one year or more would mean that the final fee level cannot be determined at the time of lodging the application, but only when the decision on the application (and thus on the length of validity) has been taken by the consulate. An additional procedural step for reimbursing part of the fee or payment of the additional fee after the decision would have to be introduced, leading to additional administrative burden and costs.

47 This includes costs for travelling to the consulate/ESP (to give fingerprints), the service fee for the ESP, the travel medical insurance, costs for obtaining supporting documents, such as notarisation or legalisation of official documents, and courier fees for the return of the travel document. In the public consultation, applicants report spending on average EUR 45 for the travel medical insurance and around EUR 60 for travelling to the consulate or visa application centre. In some cases these costs are several hundred EUR and have a far greater impact on the applicant's budget than the visa fee.

48 Intercontinental flight tickets cost several hundred euros. Accommodation and other costs associated with travelling have to be added. A survey of Chinese tourists found that the average amount spent on an overseas trip in 2016 was about RMB 20 000, around EUR 2500 (Oliver Wyman consultancy, 2017). The only countries for which even a moderate increase could have slightly more negative impacts are Belarus, Kosovo and Turkey, notably for cross-border day trips for shopping or other purposes. All other countries with direct land borders are either visa-free or covered by VFA with a reduced visa fee which will not be affected by an increase of the general visa fee.

49 See details in annex 5, part 3.

Overview

Impact criteria	Weight	Options					
		1A	1B	1C1	1C2	1C3	1C4
Financial resources	*40%*	0	+1	+1	+2	+3	+1
Integrity / security of Schengen area	*20%*	0	-1	+1	+2	+3	+1
Changes in travel behaviour	*40%*	0	0	0	-1	-2	0
Aggregate impact score	***100%***	**0**	**+0.2**	**+0.6**	**+0.8**	**+1.0**	**+0.6**

6.2.2. Repeated visa procedures

Relevant impacts, criteria and relative weight

Changing the approach to issuing MEV with long validity will have impacts on Member States' costs for issuing visas. A more generous issuing of visas with a validity of one year and above will mean that frequent travellers will have to apply less frequently for visas. This in turn means less work for consulates, but also less revenue from visa fees. As the administrative costs for most Member States lie above the current visa fee (and are likely to continue to do so), issuing more long-validity MEV will lead to net **cost savings for Member States**, though of limited scale. [50]

A higher share of MEV also means **cost savings for frequent travellers**, both on direct costs (for visa fees, ESP service fees, costs for obtaining supporting documents, travel to the ESP/consulate, courier fees etc.) as well as indirect "hassle costs" (mainly the time loss involved in visa procedures).

More long-validity MEV also have a direct positive impact on **travel behaviour**. Holders of MEV of one year or more are more flexible in planning their trips to the EU and will be able to travel more spontaneously. In the public consultation, respondents who had received MEV reported taking on average 4.25 additional trips to the EU during the validity period of their visa, which had not been initially planned at the time of application. It is therefore likely that a higher share of MEV will also increase travel to the EU with the positive knock-on effects (described above) on EU economic actors, employment and growth, people-to-people contacts and cultural exchange, family life and the EU's external image (as well as negative effects for climate gas emissions). As explained above, increased travel will be assessed positively.

[50] Cost savings for Member States will only be achieved if the visa fee does not fully meet or even exceed the administrative costs of Member States for processing one visa application. The extent of costs savings for Member States therefore depends on the policy option that will be chosen for the first problem area. It is assumed here for the purpose of simplicity that the preferred policy option will not fully cover the administrative costs for the majority of Member States.

It is assumed that more MEV with long validity will have no impact on the **integrity and security of the Schengen area**.[51] The migratory risk of visa applicants is checked before the visa is issued, and generally frequent travel is an indicator of low migratory risks. As regards security risks, the regular SIS check will be performed at each entry in the Schengen area.

The following **weighting** will be attached to the three impact criteria. The cost savings for Member States and applicants respectively are rated lower than the change in travel behaviour as the related monetary and non-monetisable benefits of increased issuing of MEV are likely to be greater for the wider economy and society than for the applicants and consulates themselves.

Cost savings for Member States	20%
Cost savings for frequent travellers	20%
Changes in travel behaviour	60%

Qualitative assessment of impacts[52]

Policy option 2A (status quo) would not produce any change. The performance is therefore ranked +/-0 on all three criteria.

Policy option 2B (recommended best practice in the Visa Code Handbook) might prompt a few Member States to improve their practice on issuing MEV with long validity. However, falling short of a concerted action, it is unlikely to have tangible effects as regards cost savings for Member States (+/-0) and only limited positive impact for frequent travellers' cost savings and increased travel (both +1).

Policy options 2C1, 2C2 and 2C3 (MEV cascades at central and/or country level), are likely to have greater impact due to their legally binding nature, but it will vary for individual travellers. The 'once-size-fits-all' MEV cascade in option 2C1 is more generous than the 'fall-back' MEV cascade in option 2C2. A business person who travels to the EU three times a year would have to apply – over a period of five years – for four visas in option 2C1, but six times in option 2C2. The cost savings both for Member States and for applicants could therefore be greater in option 2C1 than in option 2C2. In the latter option however, there is a good chance that a more favourable MEV cascade would be established for countries with low migratory risk which are important for Member States economically, be it as business partners or countries of importance for inbound tourism, such as China, India or the Gulf countries. This possibility would compensate for the less favourable 'fall-back cascade'. Cost savings for both options are therefore assumed to be largely equally positive (+2 for Member States and +3 for

[51] This is also confirmed by the practice of US and Canadian consulates to issue MEV with a validity of 10 years as a standard visitor visa.

[52] As only positive impacts will be recorded for this problem area and in order to allow for a more differentiated assessment of policy options, impacts will be rated as follows: 0 = no change, 1= very weak change, 2 = weak change, 3 = moderate change, 4 = strong change, 5 = very strong change.

frequent travellers). In both options, the traveller would hold a MEV with a long validity (one year or more) from the second or third year onwards, so the potential for spontaneous additional trips would be similarly positive (+3). In option 2C3 the country MEV cascades would take some time to be agreed locally and established by Commission implementing decision and the approach would be more patchy while no 'fall-back' cascade would apply, leading to a slower and weaker positive impact on all three criteria (+1, +2 and +2 respectively).

For parents who visit their son or daughter in the EU only once a year, none of those options would bring any advantages. This would change in **policy option 2D (standard MEV with 2- or 5-year validity)**. As all travellers, including first-time applicants, would be issued an MEV with a long-validity, the number of visa applications worldwide would drop considerably and lead to the greatest cost savings for Member States (+4) and applicants (+5). Equally the potentially for additional travel and business opportunities for the EU would increase most (+4).

This option would correspond to the current US and Canadian standard practice of issuing visas with a validity of ten years, even to first time applicants. According to those countries' reasoning the length of validity of a visa does not affect the migratory risk presented by the applicant, while the security risk can be controlled by regularly checking visa holders against security databases.

Overview

Impact criteria	Weight	Options					
		2A	2B	2C1	2C2	2C3	2D
Cost savings for Member States	20%	0	0	+2	+2	+1	+4
Cost savings for frequent travellers	20%	0	+1	+3	+3	+2	+5
Changes in travel behaviour	60%	0	+1	+3	+3	+2	+4
Aggregate impact score	***100%***	**0**	**+0.8**	**+2.8**	**+2.8**	**+1.8**	**+4.2**

6.2.3. Return of irregular migrants

Relevant impacts, criteria and relative weight

The policy options in this problem area could have impacts on two different levels, namely both in the **readmission** area and in the **visa** area.

Firstly, if the (positive or negative) incentive measures work, third countries' cooperation on readmission will improve and greater number of irregular migrants or refused asylum applicants can be returned to their countries of origin. These **improved return rates** would have positive impacts in terms of cost savings for Member States' public authorities (for housing, food, administration and related expenses), higher security, better acceptance of the EU migration policy and a deterrent effect on potential future

irregular migrants. These impacts (which are all a consequence of change in return rates) will be assessed jointly.

Secondly, the positive or negative incentives – if ever applied – might have effects in the visa area. Changes in visa fees, visa procedures or issuing of MEV with long validity will have an influence on **costs for visa applicants** and ultimately their **travel behaviour** (with related consequences for employment and growth in the EU, as argued in more detail above).

Finally, a relaxing or tightening of visa policy as a result of linking it with third countries' cooperation on readmission will have positive or negative impacts on the EU's and Member States' **relations with third countries** and the **EU's image in the world**.

The following **weighting** will be attached to the three impact criteria. The greatest weight is given to improved return rates, as these are most directly linked to the policy objective. Changes in travel behaviour will not be given a strong weight, as only few third countries are likely to be affected. Any possible impact on external relations will also be duly taken into consideration, but will be given less weight than the main objective.

Improved return rates	60%
Changes in travel behaviour	10%
External relations / image of EU	30%

Qualitative assessment of impacts

The **"toolbox" approach (policy option 3A: status quo)** is an internal Council instrument developed for the purpose of reinforcing the link between readmission and visa, in particular in the context of ongoing negotiations with third countries. The measures in the toolbox were developed within the limits of the current rules (Visa Code). A specific set of visa measures that would be applied, on a case-by-case basis, with regard to a given third country after a political commitment to implement them has been taken. As the status quo option the performance is ranked +/-0 on all three criteria.

The effect of **policy option 3B (positive incentives)** on return rates is likely to be weak and could be counterproductive. The scope of visa facilitations that can be offered to countries with high migratory risk without putting at risk the integrity of visa procedures and the security of the Schengen area is by definition limited and therefore rather unlikely to overcome governments' reluctance in cooperating with Member States with readmission procedures in many cases. This is corroborated by the EU's recent experience in combining the negotiations on readmission agreements with visa facilitation agreements[53]. Moreover, offering such facilitations to previously non-cooperative third countries might even have a counterproductive effect on already

[53] Progress in most ongoing parallel negotiations with countries in the southern neighbourhood (e.g. Morocco, Tunisia, Jordan) is limited, as third countries consider that the visa facilitations offered by the EU are not substantial enough to justify concessions in the readmission area.

cooperative countries which could consider unfair that they are not being offered any facilitations and might be encouraged to cease their cooperation with a view to being offered similar advantages. Therefore the limited positive impact such positive incentives will have on return rates is likely to be neutralised (+/-0). As visa facilitations are not likely to materialise for many third countries, any positive impact on travel behaviour will be negligible (+/-0). This option is therefore not likely to have any positive (or negative) effects for external relations and the EU's image in the world either (+/-0).

Policy options 3C1 ('maximum' negative incentives) and **3C2 ('targeted' negative incentives)** are likely to have a stronger impact on return rates. The negative incentives, in particular the increase of the visa fee and the decision not to issue MEV anymore, would have a deterrent effect on third countries' governments, even before those 'sanctions' would be applied. The possibility of imposing negative incentives in the visa area as a credible measure would already provide substantial leverage in discussions with a third country government on readmission. While it is unlikely that measures in the visa area alone will have sufficient influence, it can be assumed that – in conjunction with other incentives in the area of development cooperation and/or external trade – they can contribute to encouraging governments to better cooperate with Member States and lead to higher rates of return of irregular migrants (+2).

As it can be expected that the negative incentives will have a deterrent effect and will thus be applied in a limited number of cases, it is not likely that there will be strong consequences for the amount of overall travel to the EU from visa-required countries. Therefore it can be considered that the overall impact on travel behaviour and the knock-on effects on employment and growth will be weak (-1).

The linking of readmission policy with negative incentives as regards the issuing of visas could have negative consequences for the EU's and/or Member States' relations with those countries and the EU's image in the world. In that context it can be assumed that option 3C1 which would target the entire population from the beginning with a wide range of measures would be seen more negatively (-2) than the targeted and gradual approach in option 3C2 which would have a limited scope of measures and would first target the government employees (-1).

Overview

Impact criteria	**Weight**	**Options**			
		3A	**3B**	**3C1**	**3C2**
Improved return rates	60%	0	0	+2	+2
Changes in travel behaviour	10%	0	0	-1	-1
External relations / image of EU	30%	0	0	-2	-1
Aggregate impact score	***100%***	**0**	**0**	**+0.5**	**+0.8**

6.3. Sensitivity analysis

Given the scarcity of quantitative data to assess the economic, social and other impacts of the various policy options, both the weighting of impact criteria and the performance score of policy options are in most cases the result of a qualitative assessment based on the best assumptions and estimations available. Even though the multi-criteria analysis (MCA) has been substantiated by facts and arguments, it cannot be guaranteed that the results are devoid of possible errors of judgment, and they should be taken with the necessary caution.

A sensitivity analysis has been conducted to verify to what extent a change of the weighting would influence the results of the MCA.[54] Instead of giving different weights to the most important impact criteria identified, the same weight would be attached to all criteria. For the first and second problem areas (insufficient financial resources, repeated visa procedures), the comparative ranking of policy options would not change. For the third problem area (return of irregular migrants), the ranking would be affected by a different weighting of the impact criteria. The best-ranking option (3C2, targeted negative incentives) in the assessment above would get the same score as the status quo option (3A) and the positive incentives (3B); only the maximum negative incentives (option 3C1) would score worse. This change of ranking is due to higher weight given to negative effects on travel behaviour – which is, however, unjustified, given the small number of countries and persons that are likely to be affected.

7. HOW DO THE OPTIONS COMPARE?

7.1. Insufficient financial resources

The best-rated policy option in the aggregate impact score is **option 1C3 (common visa fee of EUR 120)**, followed by options 1C2 (EUR 100) and then 1C1 (EUR 80) and 1C4 (EUR 80 for SEV and MEV up to 6 months, EUR 120 for MEV of 1-5 years).

Effectiveness

As argued above, an increase of the EU's common visa fee would clearly be more effective in reaching the policy objective of ensuring that the level of the visa provides sufficient financial resources to Member States in order to safeguard the quality and integrity of visa processing, than a re-nationalisation of the visa fee (option 1B), which might even be counter-productive (-). Options 1C1 to 1C4 are all effective in making positive contributions to the objective of ensuring sufficient financial resources for visa processing. The effectiveness increases proportionally to the rise in the visa fee: nine Member States have provided calculations of administrative costs or otherwise suggested a visa fee (see section 5.2.1). The level calculated or suggested by three Member States would be met by a visa fee of EUR 80 (option 1C1 and 1C4) (+), for six of them a visa

[54] See full results in Annex 8.

fee of EUR 100 (option 1C2) would sufficient (++), and a visa fee of EUR 120 (option 1C3) would meet (or exceed) the costs of eight of those Member States (+++).

Proportionality

Even though the visa fee has not been raised since 2006, the most proportionate option seems to be an increase by 33% to EUR 80 (++). Had the visa fee been increased each year since 2006 on the basis of the general EU-wide inflation rate[55], it would stand today at around EUR 73.85. Also the lowest estimate of actual visa-processing costs provided by a Member State is EUR 69. Higher increases (by 67% or 100%) seem increasingly difficult to justify towards third countries and applicants are therefore deemed disproportionate (- and - - respectively). Intermediary solutions would be a general visa fee of EUR 80 with higher fees for long-validity MEV (++) or national fees based on actual administrative costs (++).

Feasibility and coherence

Re-nationalising the visa fee has neither been supported by any stakeholder nor is it coherent with the goal of a harmonised visa policy flanking the common area without internal borders. In practice it would be difficult to get all Member States to apply the same calculation of real administrative costs, and there is a serious risk of visa shopping with all negative consequences involved (- - -).

A moderate increase of the visa fee would seem the most coherent and feasible option (+++), with feasibility declining with higher increases (++ and + respectively).

The option of a moderate increase of the general visa fee, combined with a higher increase for long-validity MEV seems to be 'fair' at first sight and has been supported by three Member States in the targeted consultation. However, it would create problems in practice, as neither the applicant nor the ESP / consulate collecting the visa fee would know at the outset the final amount of the visa fee – which would depend on the outcome of the examination and decision by the visa officer. In some cases part of the fee would have to be reimbursed (or paid in addition) after the decision has been taken, creating an additional procedural step and considerable administrative burden, taking into account more than 15 million visa applications yearly. Therefore most Member States have rejected this option, and the practical feasibility is assessed negatively (-).

[55] Eurostat, HICP – inflation rate, http://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=en&pcode=tec00118&plugin=1.

Overview

Impact criteria	Options					
	1A	1B	1C1	1C2	1C3	1C4
Aggregate impact score	**0**	**+0.2**	**+0.6**	**+0.8**	**+1.0**	**+0.6**
Effectiveness	**0**	-	+	++	+++	+
Proportionality	**0**	++	++	-	- -	++
Feasibility / coherence	**0**	- - -	+++	++	+	-

7.2. Repeated visa procedures

The best-rated policy option in the aggregate impact score is **option 2D (standard MEV with 2 or 5-year validity)**, followed by options 2C1 (general MEV cascade) and 2C2 (general and country MEV cascades).

Effectiveness

Option 2D (standard MEV with long validity) clearly would be the most effective in meeting the policy objective of ensuring more systematic and harmonised issuing of multiple-entry visas with long validity to *bona fide* regular travellers (+++). It would be followed by the two options (2C1 and 2C2) providing for a "one-size-fits-all" MEV cascade at EU level or a "fall-back" MEV cascade combined with country cascades (both ++) and then option 2C3 providing for MEV cascades country-by country only (+). The non-regulatory option (2B) would not be very effective in meeting the objective (0).

Proportionality

None of the options seem disproportionate. Option 2D (standard MEV with long validity), though presenting a simple and straightforward solution, would constitute the most radical departure from Member States' current practices and could therefore be seen as going to some extent beyond what is necessary to achieve the objective (-). The options with MEV cascades (2C1, 2C2 and 2C3) correspond to what some Member States already practice and therefore seem to be more proportionate. The possibility to adapt the MEV cascade to a third country's local circumstances (options 2C2 and 2C3) increases flexibility and therefore ensures a higher degree of proportionality (+++) than a MEV cascade that would apply in the same manner worldwide (option 2C1) (+). The non-regulatory option (2B) will have produce little change and are therefore are considered neutral as regards proportionality (0).

Feasibility and coherence

Option 2D (standard MEV with long validity), though being the most effective, is not coherent with either the current rationale of the Visa Code, the Visa Facilitation Agreements signed with third countries or Member States' practices that all point to a "progressive" increase in the length of validity of visas. While some travel and tourism stakeholders would certainly favour a complete change of practice, mirroring the 10-year visas routinely issued by the United States or Canada, no Member State has advocated it.

Its coherence and practical feasibility is therefore judged rather weak (-). Similarly options 2C1, 2C2 and 2C3, which are all variations of the MEV cascade are in line with the approach already used in some VFA and can therefore be assessed as both coherent and feasible in practice (++). The non-regulatory option is of course even more feasible (+++).

Overview

Impact criteria	Options					
	2A	2B	2C1	2C2	2C3	2D
Aggregate impact score	**0**	**+0.8**	**+2.8**	**+2.8**	**+1.8**	**+4.2**
Effectiveness	**0**	**0**	++	++	+	+++
Proportionality	**0**	**0**	+	+++	+++	**-**
Feasibility / coherence	**0**	+++	++	++	++	**-**

7.3. Return of irregular migrants

The best-rated policy option in the aggregate impact score is **option 3C2 (negative incentives, targeted approach)**, followed by options 3C1 (negative incentives, maximum approach).

Effectiveness

While the current 'toolbox approach' (status quo) has had some merit in bringing the first targeted third country to cooperate better with Member States on readmission, it might quickly show its limitations when Member States will be required to apply the measures. The Visa Code currently imposes strict limits regarding the margin of manoeuvre of Member States, thus limiting the effectiveness of the mechanism (0). As argued above, the positive incentives might not only have little effect, but might even be counterproductive in reaching the policy objective (-). The negative incentives are likely to be the most effective approach, albeit only in combination with other measures in development cooperation or trade (++).

Proportionality

While the positive incentives would not go beyond what is necessary to achieve the objective and therefore respect the principle of proportionality (+), the policy option 3C2 with its gradual and targeted approach (targeting government officials first, as they are responsible for the country's policy on readmission, while keeping negative sanctions for the country's general population as the *ultima ratio*) is best adapted to the objective and therefore ranks best in terms of proportionality (++). The maximum negative incentives that would immediately hit the entire population of the third country would seem to go beyond what is necessary (--).

Feasibility and coherence

While both the positive and negative incentives appear feasible and coherent (+), the 'targeted' negative incentives – due to the gradual approach – are most likely to be implemented and thus work in practice (++).

Overview

Impact criteria	Options			
	3A	3B	3C1	3C2
Aggregate impact score	**0**	**0**	**+0.5**	**+0.8**
Effectiveness	**0**	**-**	++	++
Proportionality	**0**	+	**- -**	++
Feasibility / coherence	**0**	+	+	++

8. PREFERRED OPTIONS

8.1. Insufficient financial resources

The preferred option is **option 1C1** (common visa fee at EUR 80). It is not the most effective option, as higher fee increases would obviously generate higher financial resources. However, it will lead to a sound increase of revenues (+26%), while not being a deterrent for the overwhelming majority of visa applicants, for whom an increase of the fee by EUR 20 will not be a decisive factor, compared with the price of airline tickets to Europe and other costs involved in travel. In international comparison the fee would remain relatively low and therefore competitive. Moreover, combined with a mechanism to increase the fee on a two-yearly basis (for instance by the inflation rate), this option presents a solution that will not need to be revisited in the near to medium future.

8.2. Repeated visa procedures

The preferred option is **option 2C2** (less generous "one-size-fits-all" MEV cascade at EU level and the possibility of more favourable cascades for specific countries, limited to countries cooperating on readmission). Though not the most effective option (as any option that would prescribe long-validity MEV as the standard visa to be issued), it will achieve to a great extent the objective of increasing the number of long-validity MEV issued. It further combines a minimum standard applicable to all third countries with the possibility of more favourable solutions for specific third countries, adapted to local circumstances and migratory risk. The more favourable MEV cascades for specific countries would take time to be defined and agreed. This option therefore combines the advantages of options 2C1 and 2C3.

8.3. Return of irregular migrants

The preferred option is **option 3C2** (targeted negative incentives). Negative measures in the visa area are likely to be the most effective in bringing change in third country governments towards cooperation with Member States on readmission of irregular

migrants, even though they might need to be combined with measures in other policy areas (e.g. development cooperation, trade) to be fully successful. At the same time the gradual approach – targeting at first the government officials of the country concerned before aiming, as the *ultima ratio*, at the general population – is the most appropriate and proportionate approach and will entail the least negative consequences for travelling, economic sectors and the EU's standing and reputation.

As outlined in the description of policy options (section 5.2.3), it is possible to combine the negative incentives with some elements of positive incentives. However, they should be designed in a way that would not lead counterproductive effects by discouraging cooperative third countries from pursing their cooperation on readmission. A possible method would be – in preferred option 2C2 – to reserve more favourable MEV cascades for specific countries to those which cooperate well with Member States on readmission.

8.4. REFIT (simplification and improved efficiency)

Initiatives to amend existing legislation are by definition subject to Regulatory Fitness and Performance (REFIT)[56] requirements. The scope for simplification and improving the efficiency of the Visa Code by reducing regulatory costs should be explored. Simplification and cost reduction are achieved in two ways by the envisaged initiative.

First, the main simplification measure both for applicants and consulates is the increased issuing of MEV with long validity, as envisaged in the preferred option 2C2. It will considerably reduce the number of visa procedures that frequent travellers to the EU have to go through. The cost reduction potential both for applicants and consulates is thoroughly assessed in this report (in particular in section 6.2.2).

Secondly, a significant number of measures likely to be carried over from the 2014 Visa Code recast proposal aim at simplifying visa procedures, clarifying provisions and in many cases also reducing costs for visa applicants and Member States. Their expected impact will be briefly assessed in annex 7.

9. HOW WILL ACTUAL IMPACTS BE MONITORED AND EVALUATED?

Three years after start of application of the revised Visa Code (i.e. three and a half years after its entry into force), the Commission will present an evaluation report. It should assess the progress with respect to the three main problem areas and policy objectives addressed in this report.

The monitoring will be facilitated by three developments: Firstly, the Entry-Exit System (EES) is scheduled to be operational by 2020, making it possible to obtain precise statistics on travel to the EU by visa-required third-country nationals. Secondly it is planned in the framework of the revision of the VIS legal framework to authorise eu-LISA to provide the Commission with more comprehensive statistics extracted from the

[56] For more information on the REFIT programme, see: https://ec.europa.eu/info/law/law-making-process/evaluating-and-improving-existing-laws/refit-making-eu-law-simpler-and-less-costly_en

VIS, including on the length of validity of visas issued. This would provide precise data on the share of MEV with long validity issued by Member States. Finally, once the Regulation on the use of the Schengen Information System for the return of illegally staying third-country nationals[57] is adopted and implemented, return decisions and effective returns will be recorded in the Schengen Information System, thus substantially improving the availability of precise data.

The table below provides more detailed suggestions for potential indicators and methods for data collection.

Problem area	**Potential indicators**	**Method of data collection / source**
Insufficient financial resources	- income from visa fee - real administrative costs of issuing visas	Survey among Member States
	- changes in travel behaviour as a result of the increased visa fee	EES statistics on entry and exit of visa-required third-country nationals (eu-LISA)
Repeated visa procedures	- length of validity of visas issued (less than 1 year, 1-year, 2-year, 3-year, 4-year, 5-year)	VIS statistics (eu-LISA)
	- changes in travel behaviour as a result of increased issuing of MEVs with long validity (per nationality)	EES statistics on entry and exit of visa-required third-country nationals (eu-LISA)
Return of irregular migrants	- number of cases where visa policy is raised in negotiations with non-cooperative third countries - number of cases where negative incentives are being applied to non-cooperative third countries	DG HOME's own information
	- change in return rate for those non-cooperative third countries	Eurostat statistics, SIS statistics on return (eu-LISA)
	- change in the number of return/readmission agreements and or informal arrangements - Member States' feedback on level of cooperation with third countries	DG HOME's own information

These indicators will be used to monitor developments in the three problem areas addressed by this report and to evaluate the revised regulation, three years after the start of application. In the best-case scenario, the revised Visa Code will be adopted in 2019 and become applicable by the end of that year. The evaluation would be due by end 2022. As the EES is scheduled to be operational by 2020, the first annual figures should be available at the end of 2021. Annual data for the purpose of the evaluation would be available for 2021 and 2022. As regards the VIS legislative initiative, entry into force is not likely before 2020, leading to a similar time period of relevant data.

[57] COM(2016) 881 final.

Annex 1: Procedural information

1. LEAD DG, DECIDE PLANNING/CWP REFERENCES

The lead DG is the Directorate-General for Migration and Home Affairs (DG HOME). The Decide Planning reference is PLAN/2017/2083. The initiative is mentioned in the Commission Work Programme for 2018 (COM(2017) 650 final), annex I, item n° 20.

10. ORGANISATION AND TIMING

Work to prepare the draft proposal and the impact assessment began in early November 2017. The inter-service steering group for the impact assessment was composed of the Secretariat General (SG), the Legal Service (SJ), the European External Action Service (EEAS), DG JUST, DG GROW, DG TRADE, DG DEVCO, DG NEAR, DG MARE and DG EAC. Two meetings were held, on 17 November 2017 and 25 January 2018.

11. CONSULTATION OF THE RSB

The draft impact assessment was submitted to the Regulatory Scrutiny Board on 31 January 2018; an updated version including the full results of the open stakeholder consultation, which ended on 2 February 2018, was submitted on 7 February 2018. The Board examined the draft Impact Assessment on 21 February 2018 and delivered a positive opinion on 23 February 2018. The RSB's comments and suggestions were taken into account in the final version.

12. EVIDENCE, SOURCES AND QUALITY

Serious efforts have been made to collect data, facts and figures to support the problem definition, the baseline scenario, and the assessment of impacts of the various policy options. The 2014 evaluation of the Visa Code was updated with available data (see annex 4). Data from a 2016 questionnaire survey on visa fees were used. Targeted stakeholder consultations and an open public consultation were organised to collect evidence (see annex 2). The ample experience gathered by the Commission services in monitoring Member States' implementation of the visa policy, notably through the in-depth Schengen evaluations has been exploited wherever possible.

It must be acknowledged, however, that much of this information is rather of qualitative than quantitative nature and that even basic data are missing in relation to the three problem areas covered in the impact assessment, e.g. on the length of validity of visas issued by Member States. In the short time available to carry out this impact assessment, it was not possible to conduct an external study to gather more data than those already available.

There are several reasons behind the lack of reliable data. The focus of the visa policy is the fight against irregular immigration and security risks by harmonising the conditions and procedures of processing visas. Economic issues of costs, benefits and administrative

burden were traditionally considered secondary by the co-legislators in this area. The legislation in force does not foresee appropriate indicators to be collected from the Schengen States or from other sources. It is generally acknowledged that it is very difficult to determine quantifiable indicators in this area.

As regards the administrative costs of Member States, it must be noted that there are 26 Schengen States having more than 2000 Schengen visa issuing consulates in approx. 170 countries. Operating costs differ from Schengen State to Schengen State, third country to third country and consulate to consulate. The most important cost components relate to the premises, personnel, operating and security-related equipment. It is very difficult to separate the visa processing from other tasks carried out by embassies/consulates. The visa section is usually located in the building of the embassy/consulate; even if it is physically separate, the personnel carries out many other tasks not related to Schengen visa processing, such as consular assistance, classical administrative services for own nationals, passports and residence permits. At smaller missions, consular staff also carry out diplomatic duties. Similarly, the equipment is not only used for issuing visas but also for managing other tasks, reception of own nationals, issuing of passports. The data gathered are not representative and vary considerably between Schengen States which means that the method of cost calculation (if any) also varies between Schengen States. Most Schengen States do not even have specific statistics, only estimations regarding the revenues from the visa fee. That is why it was impossible to set "Schengen averages" regarding the cost of processing a visa for the Schengen States.

A similar explanation applies to the costs and benefits on the applicants' side, which also depends on many factors such as the place of residence (i.e. distance to the competent consulate), the purpose and length of the intended trip and the visa history of the applicant. Although it is recognised that the visa requirement and procedures can indeed influence travel flows, providing quantifiable evidence to what extent there is such an impact is even more challenging. There are many other factors influencing the destination choice, such as travelling costs, security and safety issues, available services in the country to be visited, exchange rates. Without conducting a worldwide study with a representative number of visa applicants in a representative number of third countries, it is not possible to determine to what extent changes in the visa procedure (such as on the visa fee and the issuing of MEV) will lead to changes in applicants' and visa holders' travel hehaviour. Recent studies and research only revealed little empirical evidence on this issue. Therefore it has been impossible to reliably estimate and quantify the scale of effects of policy options (particularly the economic and financial impacts).

Therefore this impact assessment is to a great extent based on a qualitative assessment of impacts, based on Member States' experience and the Commission's Schengen evaluation reports, as explained in detail in secion 6.1 of this report.

Annex 2: Stakeholder consultation

In preparation of the targeted revision of the Visa Code, the accompanying Impact Assessment and the Commission Communication, the Commission services conducted a stakeholder consultation between November 2017 and February 2018. The main objective was to gather the views and experiences of the 'main users' of the Visa Code in order to improve procedures for obtaining visas while keeping in mind the current migratory and security challenges. As a similar consultation was last conducted in 2014 in connection with the evaluation of the Visa Code and the accompanying legislative proposals, the present stakeholder consultation was intended to update and complement the views collected at the time.[58]

The consultation was organised in two separate phases targeting selected stakeholders and the public. First, Member States, Members of the European Parliament and the representatives of the main interest groups and professional organisations participated in three separate meetings, where they were given the opportunity to present their views to the Commission services on the basis of a discussion paper raising the following issues:

- Minimising administrative burdens for consulates and applicants alike
- Harmonising rules on issuing multiple-entry visas
- Linking visa issuing rules to the cooperation of third countries on readmission
- Revising the level of the visa fee
- Assessing the use of outsourcing
- Digitalising the visa issuing procedure
- Reconsidering the nationality-based visa requirements in the long term

Participants also had the opportunity to submit written position papers after the meetings. Second, an open public consultation was conducted through an internet-based survey between 24 November 2017 and 2 February 2018, targeting visa applicants and citizens who wished to give their input on the modernisation of the EU's visa policy. Organisations also had the opportunity to submit position papers through the open public consultation.

I. Consultation meetings

1. Member States

The first meeting took place on 13 November 2017, with representatives of all the Member States present. 20 Member States also submitted written comments after the meeting.

Regarding **minimising administrative burdens**, six Member States noted that it is important not to mix up procedural burdens with requirements necessary for assessing migratory and security risk. Procedural facilitations should not put security and migratory concerns at stake. All relevant supporting documents should be submitted and deadlines for decision making should not be shortened. Many Member States made suggestions on current practices that could be eliminated in a revision of the Visa Code, such as the

[58] See Annexes 4 and 5 of the 2014 Impact Assessment for a summary of the stakeholder consultation activities at the time: SWD(2014) 68 final

mandatory lodging in person of the visa application or the right of applicants to lodge directly at consulates rather than external service providers.

A clear majority of Member States that took the floor on the **harmonisation of practices regarding the issuing of multiple-entry visas (MEVs)** were in favour of creating clearer rules, possibly using a 'cascade' approach whereby applicants who have lawfully used their previous visas in a certain time span receive MEVs with a progressively longer validity period. Three Member States suggested that the Local Schengen Cooperation among Member States in third countries could play a role in adapting the MEV issuing practices to local circumstances, which would be formally adopted as a Commission implementing act following consultation of the Visa Committee.

Concerning a **link between visa issuing rules and the cooperation of third countries on readmission**, the vast majority of Member States are in favour of using visa policy as a leverage to improve cooperation on readmission. While one Member State was in favour of the legal provisions agreed by Council during the negotiations on the Visa Code recast, many others were more reserved about incorporating very detailed legal provisions into the Visa Code, emphasising that the mechanism for triggering derogations should be as simple as possible and the derogations should be easily applicable so as not to create additional burden for consulates. Five Member States favoured a case-by-case political decision within the existing legal framework, arguing that such an approach would be more efficient and flexible.

Regarding the **level of the visa fee**, almost all Member States favoured an increase, but they recognised that it is impossible to calculate the unique 'cost' of processing a visa application. Several Member States therefore suggested no longer linking the visa fee to the administrative costs, but rather taking a political decision to set it at a certain level. Some Member States argued that any increase should be modest so not to prevent travel for tourism purpose. A handful of Member States suggested that the level of the visa fee could be country specific, with a role for Local Schengen Cooperation in helping determine the appropriate fee, whereas others recalled the need for a straightforward and simple system. One Member State suggested that higher fees (+50%) be charged when visas are issued at the external borders. A number of Member States noted that the reduced visa fee applied under the Visa Facilitation Agreements certainly does not cover the administrative costs. Two Member States were explicitly in favour of applying a progressive fee linked to the length of validity of the visa applied for; however, another Member State recalled that such a system could create additional administrative burden in terms of appeals and reimbursements in case the visa issued does not correspond to the fee paid.

All Member States declared their satisfaction with the **cooperation with external service providers**, which they consider indispensable for visa processing. Most Member States would be in favour of strengthening the legal framework so that it reflects this reality, including more stringent rules on monitoring. Some Member States argued for an increase in the service fee (now fixed at maximum 50% of the visa fee, i.e. 30 EUR) charged by external service providers in specific third countries.

Regarding the **digitalisation of visa processing**, all Member States that took the floor argued that priority should be given to the development of a digital visa, whereas fully on-line applications are a rather long term perspective. Studies should be launched on both issues, although some Member States preferred to wait until EES and ETIAS are in place before proceeding further on digital visas.

Regarding the differentiation of **visa requirements based on nationality** or on individual travellers' profile, a handful of Member States would be in favour of further discussions on differentiating between travellers, while some others noted that such an individual approach could raise problems regarding visa reciprocity. A number of Member States suggested a critical revision of Annex II (visa-free countries) to Regulation 539/2001. The clear majority of Member States, though, preferred to maintain to the current nationality-based system; only once ETIAS and EES are firmly in place could another approach be considered. A majority of Member States considered that there is no need to revise Regulation 539/2001 at this point in time.

2. Members of the European Parliament

The Commission services participated in a meeting on 12 December 2017 in Strasbourg, where the coordinators of the political groups in the LIBE committee and the rapporteurs and shadow rapporteurs on the legislative proposals of the 2014 visa package gave their views on the modernisation of the EU's visa policy.

The MEPs from the **EPP group** considered that time had been lost since the 2014 proposals, in part because of Parliament's position on humanitarian visas. They asked not to lose sight of the economic dimension of visa policy (tourism, business travel) and considered external service providers to be essential for facilitating visa applications. In general the MEPs expressed general support for the Commission's approach on the targeted revision of the Visa Code. There was general scepticism about disconnecting visa policy from nationality. There was also concern about how the discussion on visa policy would influence other files on the table in the legal migration and security fields.

The **S&D group** expressed scepticism, but was looking forward to see Commission proposals. Instead of working towards partnerships with third countries, the Commission seemed to focus on the EU's narrow self-interest by promoting only the tourism of rich people. "Facilitations" would in reality just mean that more personal data was entered into more and more databases. A link between visa policy and readmission was not enough and real partnerships with the countries concerned were needed instead.

The **ECR group** recalled that the original aim of visa policy was always the prevention of migratory and security risks. However, they agreed that now the situation had changed dramatically with the terror attacks in the past few months and years. There was full support for the intention to lower administrative burdens; IT solutions could be of great help in this respect. It was necessary to link visa policy to readmission and applicants should pay the full cost of the visa procedure. The group was opposed to full harmonisation of visa issuing practices; while there could be coordination, it should remain up to MS to take the final decision. Nationality should remain the primary criterion for visa policy.

The **ALDE group** supported the enlargement of discussions to security and migration concerns, in addition to the economic dimension. They could back a revision of the visa fee and suggested varying fees depending on third countries' cooperation on readmission. This, however, would exclude any move away from nationality as the criterion for defining visa requirements, an idea which was met with scepticism. The group was radically in favour of harmonising practices between Member States, especially as regards the issuing of multiple-entry visas.

The **GUE-NGL group** wondered if there were no security and migration concerns in 2014. Simplification and modernisation were already the objectives of the 2014 proposal,

so they were not convinced by a change of strategy. While it might be necessary to harmonise practices on multiple-entry visas, the group considered that Commission lacked coherence by not proposing to harmonise asylum policies upwards, too. The group was against raising the visa fee, since this would further limit the right to mobility. Suggestions to move away from nationality as the defining criterion would contradict any link of visa policy with readmission.

The **Greens-EFA group** was not satisfied with the link with readmission and warned of unintended consequences in the cooperation with partner countries. They favoured harmonisation as long as it was upwards and recalled their support for the touring visa. IT solutions needed to be carefully assessed for their data protection impact; the same must be done if there is a move away from nationality towards more individualised approaches, which they look upon favourably.

3. Stakeholders

The Commission services organised a targeted consultation meeting with stakeholders on 20 November 2017. 16 persons representing 12 organisations from the fields of travel, tourism, shipping and air transport were present.[59] Many also provided written contributions after the meeting.

Concerning the **reduction of administrative burdens**, the association representing business travellers noted that facilitations should be available for business travellers that often need to depart on short notice and that cannot be without their passport for several weeks.

The tourism industry associations noted that native language support, a single point of complete information to the public and a user-friendly and culturally-sensitive approach to applicants was essential. The application form should be simplified and the advance deadline for lodging applications extended. Applications from persons who had already been granted visas should be handled more flexibly and visas on arrival should be considered. The question of which Member State is competent for an application causes problems, especially if this country is not represented locally. Applicants should be able to lodge their application at any consulate that is located close to their residence. Travel medical insurance should not be required at the time of lodging application. Generally, requirements for supporting documents should be harmonised and their number reduced; the requirement for confirmed hotel reservations should be replaced by an agency guarantee that accommodation will be booked after the final group size is known, or by sufficient own means.

The association representing performing arts highlighted that other administrative burdens, such as work permits, also play a large role. The credibility of the inviting agency/sponsor in the EU should be part of the assessment for providing facilitations. The association also regretted that following the withdrawal of the touring visa proposal, the legal gap regarding stays over 90 days without staying for 90 days in any single Member State will remain.

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[59] Association of Corporate Travel Executives, Cruise Lines International Association, ECTAA (National travel agents' and tour operators' associations), European Community Shipowners' Associations, European Tourism Association, European Travel Commission, HOTREC (Hotels, Restaurants, Pubs and Cafes in Europe), International Air Transport Association, International Association of Amusement Parks and Attractions, International Chamber of Shipping, Pearle* - Live Performance Europe, World Travel & Tourism Council,

The maritime transport associations, speaking also on behalf of the European Sectoral Social Dialogue Committee, noted that the new proposal should take into account seafarers' working conditions. Processing time should be reduced (10 days) and applications should be allowed longer in advance (9 months). In exceptional circumstances, applications at the border should be facilitated. The previous visa history, also regarding other countries (US, Australia), should be considered.

The airlines noted that the visa process should not be a barrier to travel and information to the public should be as clear as possible.

Regarding the **issuing of multiple-entry visas**, all associations were in favour of expanding the issuing of MEVs with a longer validity to bona fide applicants, including tourists. From a business traveller perspective, MEVs facilitate travel at short notice. From a tourism perspective, MEVs should be considered as a marketing tool: On the first visit, tourists go to the most-visited sites; by incentivising repeat visits, lesser-known regions in the EU would benefit from more sustainable tourism. For maritime transport, MEVs would reduce the complexity of crew changes and decrease the need for visas at the border. The airlines suggested using PNR data on applicants' travel history for identifying frequent travellers and issuing MEVs.

All associations noted that **visa fees** around the world are not cost-based and the EU should set it with regard to the practice of "competitors". Most considered the fee of 60 EUR reasonable and did not support an increase. The cost of the visa process should be seen as a marketing cost and shouldn't be covered entirely by the fee: the money spent (and taxes paid) by travellers in the EU needs to be taken into account. Measures should also be taken to reduce the indirect costs of the application process, such as travel to the consulate.

All associations appreciated the services provided by **external service providers**, but considered that more competition between them was necessary to keep standards up. The performing arts association insisted on maintaining the possibility of lodging applications directly at consulates.

All associations urged speedy progress in moving towards an **electronic visa and online applications**. Any studies that might still be necessary should be targeted on technical questions.

Regarding the **differentiation of visa requirement based on nationality** or on individual travellers' profile, most associations warned of the complexity of introducing further criteria besides nationality. The airlines highlighted that requirements need to be understood by carriers. The hotels associations suggested waiting for the implementation of EES and ETIAS before further options are considered. Some other associations were open to introducing additional criteria besides nationality, such as the country of (permanent) residence. In particular, the performing arts association noted that the purpose of travel could be considered. In the same line, the maritime transport associations underscored that seafarers are low-risk travellers. The association representing business travellers was most supportive of moving away from nationality as the sole criterion, as companies now have staff of all nationalities based all over the world.

The associations representing maritime transport expressed strong concern about the possible link between **visa policy and cooperation on readmission**. The associations warned that only 15% of their crews come from countries that have concluded readmission agreements with the EU; excluding Russia, this figure drops to 5%. If restrictive measures were imposed on certain nationalities based on the existence or

absence of readmission agreements, this would unfairly penalise seafarers and jeopardise the entire industry.

II. Open public consultation

The public consultation was open for 10 weeks (24 November 2017 – 2 February 2018) and attracted a total of 1929 responses, of which 1849 were from individual respondents and 80 represented organisations. Respondents answering on behalf of an organisation could also upload a document in order to provide additional information or raise specific points which were not covered by the questionnaire.[60] As the contributions by organisations corresponded to the opinions expressed during the stakeholder consultation (see above), this summary focuses on the responses by individuals.[61]

A large share of the responses received from respondents with Omani or Moroccan nationality or residence (1385 responses, 72%) are suspected to be part of **campaigns**, due to the frequency of submissions during a specific period of time and similar patterns in responses. These responses are not included in the general assessment, but are instead considered separately below.

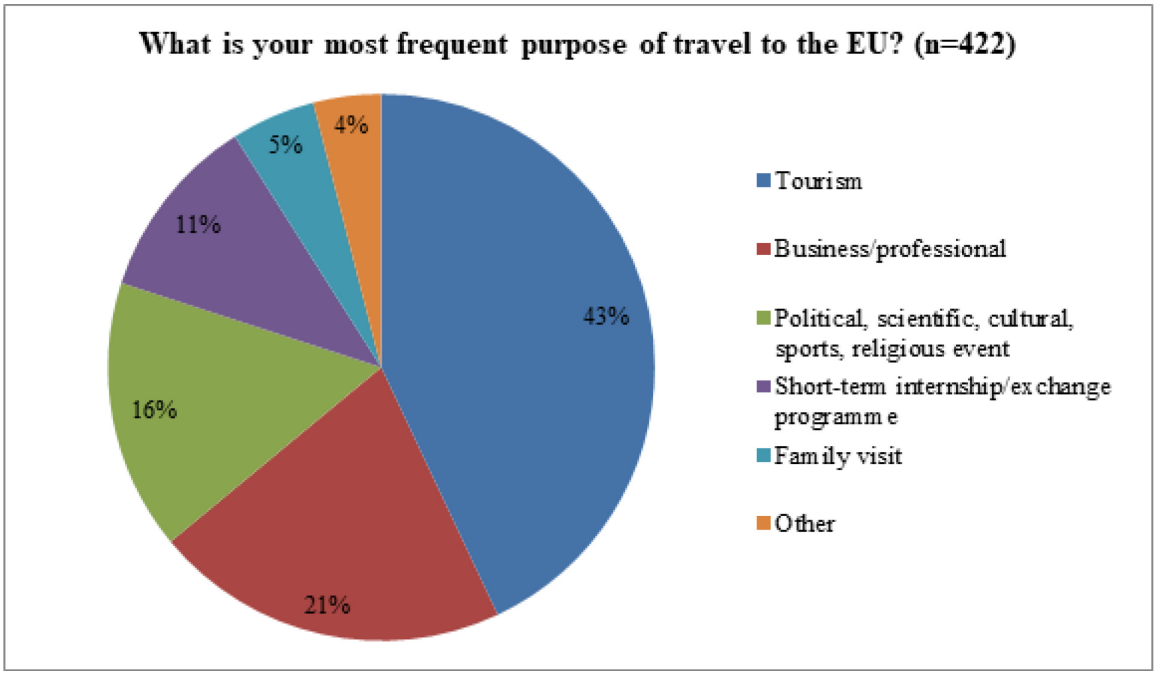
The survey attracted responses from a **broad range of nationalities**, but with a weighting towards Belarus (20%) and Russia (18%).[62] Nationals of Colombia (5%) and Ukraine (2%) submitted responses despite these nationalities being visa-free. Respondents had generally applied for Schengen visas in the last five years (89%), with more than 95% reporting that their visa was issued. 63% of respondents **travel frequently** to the Schengen area (more than twice per year).

As **purpose of travel**, 43% of respondents named tourism, 21% business or professional purposes, 16% participation in political, scientific, cultural, sports or religious events, and 11% participation in short-term internship or exchange programmes. Family visits as travel purpose accounted for 5% of the replies, with 4% of respondents citing unspecified other reasons.

60 The list of organisations that submitted additional information can be found at the end of this summary.

61 When interpreting the results of the consultation, it is important to note that respondents to the open internet-based survey were self-selected. It is therefore not possible to assume that they are representative of the wider population of visa applicants worldwide.

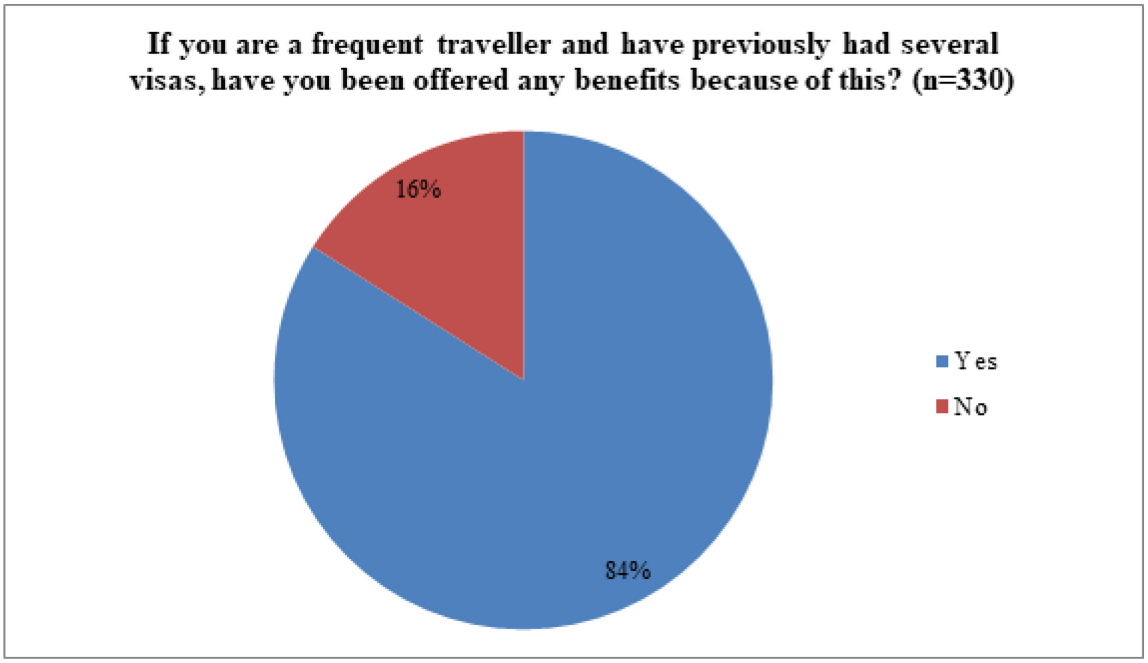
62 This figure, as all others within this section, excludes respondents who offered no or incomplete answers. For example, figures relating to respondent nationality exclude nine responses that gave blank or ambiguous information.



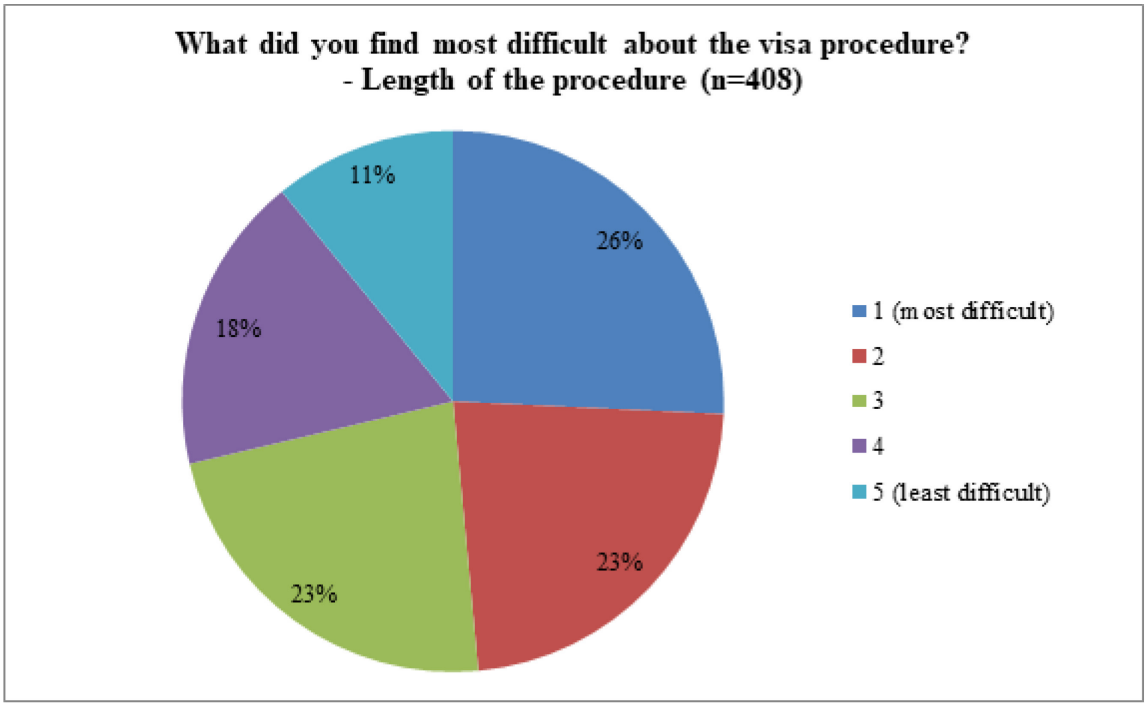
In order to **apply for a visa**, most respondents (90%) did not have to travel abroad. Of respondents who did have to travel, including internal travel, many had to travel substantial distances. 13% of respondents travelled at least 500km, and 17% travelled for five hours or more. Most respondents (78%) considered that the three-month limit for lodging short-stay visa applications before the trip could be more flexible, helping applicants to avoid peak periods/long waiting times at consulates and/or better plan their visits. A majority of respondents knew of the opportunity to lodge applications directly at consulates (75%), but 15% decided to apply via an external service provider.

It is a general practice for consulates to require applicants to make an **appointment to lodge their visa application**. The appointments are supposed to take place within two weeks of the dates on which they are requested. However, 28% of respondents who required appointments signalled that they did not get appointments within two weeks. In addition, 30% of respondents believed the two-week timeframe to be unacceptable, as consulates do not allow urgent applications to be made directly without appointments. On the other hand, 29% of respondents considered a two-week timeframe for appointments to be acceptable, given that in urgent cases, the requirement to make appointments is waived.

With regard to **facilitations for repeat applicants**, only 16% of frequent travellers had been offered any such benefits. Of this group, the most common benefit was receipt of multiple-entry visas for longer periods than applied for (60%). Other less-frequent benefits cited on multiple occasions included not having to apply in person (11%) and not having to present certain document(s) regarding journey purpose (6%), accommodation (6%), or situation in home country (5%).

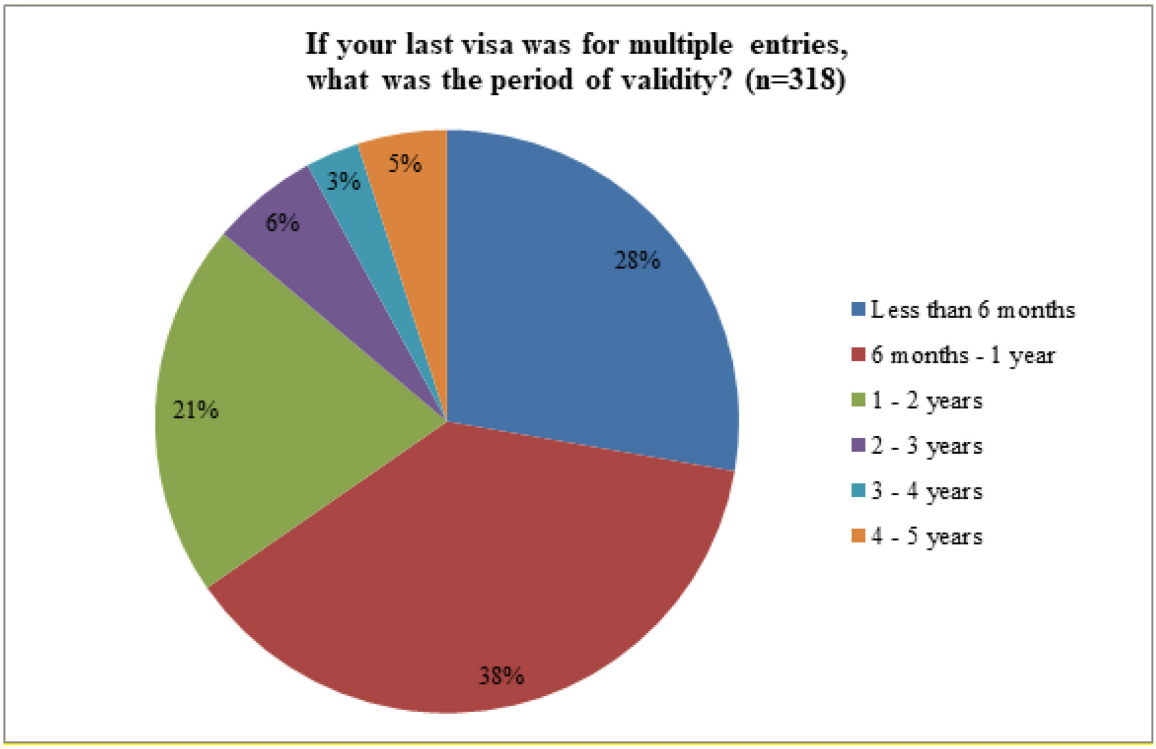


While respondents paid visa fees of either 60 or 35 EUR, the average **indirect cost of the visa application** can be even higher: applicants reported spending on average EUR 45 for travel medical insurance and around EUR 60 for travelling to the consulate or visa application centre (with a wide distribution: some respondents reported costs of EUR 20 or less, while others had to spend more than EUR 100 to reach the consulate or external service provider). The time required to collect supporting documents and lodge a visa application was repeatedly mentioned as a significant cause of additional costs. The length of the procedure was also identified as the most difficult aspect of the visa procedure by 26% or respondents.



The entire visa procedure took between 10 and 30 days for around half of respondents (47%), while 40% were able to receive their visas in under 10 days. 13% of respondents reported that it took more than one month before they could collect their passports.

81% of respondents had applied for **multiple-entry visas**, either because of their regular travel needs (64%) or because they had been told that this was the best way to obtain at least a single-entry visa (17%). While 82% of respondents who were issued visas had received multiple-entry visas, the largest share of respondents (66%) reported receiving visas with validity of less than one year. Only 5% of respondents reported receiving visas with validity of between four and five years. Of respondents who received multiple-entry visas, around half (53%) reported having taken or intending to take between one and three spontaneous trips to the EU during their visas' validity periods.



Selected responses to the open questions on obtaining MEVs:

After having obtained several multiple entry Schengen visas, I was issued a single entry visa by the German Embassy despite my request of a multiple entry one and submitting insurance for 180 days. I had another trip to Austria literally 10 days after my return from Germany so I applied for another Schengen visa at the Austrian Embassy which took longer than usual so I had to retrieve my passport one day before departure to Germany and send it back after my return. That was undue hassle.

A respondent from Jordan

Last year I received a one-year Greek multiple entry visa and travelled to Schengen countries 3 times. Since I used it correctly, this year I received a three-year Greek visa. It's very nice and right, but the most countries don't give such long visas even to active travellers.

A respondent from Russia

I have found that some countries give multiple entry visa for longer duration (8 months and 3 years in my case) considering your past travels to Schengen countries but other countries […] did not consider my multiple entry request despite of showing my years of travel through Schengen countries. In fact, I lived in Spain for over 4 years in the past, and even that was not considered. I found this dissimilarity between Schengen states for difficult.

A respondent from Ireland

Use of multiple entry visas makes travel to EU countries so much easier that the border doesn't feel like an Iron Curtain anymore. It facilitates the short occasional trips, for business or personal purposes. I think getting multi visas should be encouraged, especially for young people.

A respondent from Russia

I found that some consulates are more reluctant to give a multiple entry long term visa.

A respondent from Israel

There are certain documents that one Member State might require whereas others might not. That said, the bulk of the required documents are identical. Moreover, Member States' willingness to issue visas for multiple entries with longer validity period varies extensively […].

A respondent from Turkey

When respondents were asked to **rate different aspects of the visa procedure** according to their difficulty, the length of the procedure was rated as "most difficult" by the greatest proportion of respondents (26%), followed by the total cost of the procedure including the visa fee (24%) and the requirement to apply in person (24%). Conversely, obtaining travel medical insurance was rated "least difficult" by the greatest proportion of respondents (46%), followed by the behaviour of the officials/persons involved in the processing (29%) and getting access to information about the visa procedure process (29%).

79% of respondents' experiences would not deter them from travelling to the Schengen area again. Around half of frequent travellers noticed no changes to the visa procedure in recent years (55%), while 23% thought the procedure had improved and a further 22% thought the procedure had become worse.

Among respondents who had experience of applying at different consulates, 37% stated that there were **notable differences between Member States**. Where issues existed, these included differing documentation requirements, differing policies on the validity of the issued visas, and varying consideration of previous travel and visa history. However, among respondents who also had experience of applying for visas to the UK, Ireland, Canada, the US, Japan, Australia or New Zealand, 65% considered the Schengen visa procedure to be easier and more straightforward.

Respondents' comments in the free-text fields generally supported the answers given elsewhere in the questionnaire. Most frequently, respondents criticised the requirement to buy plane tickets in advance, the level of the visa fee in comparison to average salaries (especially for young people, families and retired persons), the insufficient consideration of prior visa and travel history, and the difficulty in obtaining long-validity MEVs. Some

respondents also complained that refusals could appear illogical and did not fully consider individual circumstances, while others took issue with the behaviour of staff members at consulates or external service providers, leading them to conclude that the process was humiliating.

Suspected campaigns

The public consultation received responses from two suspected campaigns. Beginning in the morning of 14 January 2018, 1094 responses were submitted by respondents with Omani nationality or residence. These responses demonstrate patterns suggesting automatic or semi-automatic submission, for example the submission of 659 responses (60%) almost every minute between 8.43am and 15.00 on 14 January 2018. However, the responses also bear signs of authentic content, for example a range of relevant free-text comments. The responses broadly match the public consultation's wider results.

Beginning in the evening of 22 January 2018, the public consultation also received 291 responses from respondents with Moroccan nationality or residence. 222 of these responses (76%) were received in a 48-hour period following midnight on 23 January 2018. The responses again bear signs of authenticity, for example a range of relevant free-text comments, and broadly match the public consultation's wider results.

III. Overall messages from the consultation

The consultation provided a good evidence base for improving the visa procedure and showed that on a variety of topics, there was a large consensus between stakeholders, including visa applicants. This is most notable regarding the different practices between Member States when issuing **long-validity multiple-entry visas**, where the lack of harmonisation and predictability was criticised by applicants in the public consultation and by stakeholders, just as Member States and Members of the European Parliament acknowledged the need for further harmonisation. Contrary to Member States, applicants are not favourable to increasing the **visa fee**. However, their responses showed that this is not the decisive factor in the overall cost of travel or the visa application, and stakeholder groups were not overwhelmingly hostile to a modest increase.

Views diverged more strongly on other issues raised in the consultation, notably the **digitalisation of the visa procedure** and the possible further **individualisation of visa requirements.** These matters therefore appear to need further discussion and reflection.

List of organisations that submitted position papers or additional information

- Alibaba Group, People's Republic of China.
- Allied for Startups, Belgium.
- Analytical Centre on Globalization and Regional Cooperation (ACGRC), Armenia.
- Armenian Progressive Youth NGO, Armenia.
- Association of Corporate Travel Executives, United States of America.
- BV Kustvaartbedrijf Moerman, The Netherlands.
- Chamber of Shipping of America, United States of America
- *Cirque du Soleil*, Canada.
- Confcommercio – Confturismo, Italy.
- Confederación Española de Hoteles y Alojamientos Turísticos, Spain.
- Coordinating Committee for International Voluntary Service (CCIVS), France.
- Council for Global Immigration, United States of America.
- Cruise Lines International Association (CLIA) Europe, Belgium.
- Deutsche Sportjugend im DOSB e.V., Germany.
- ECTAA - National travel agents' and tour operators' association, Belgium.
- European Olympic Committees, Italy.
- European Students' Union, Belgium.
- European Tourism Association, Belgium.
- European Tourism Manifesto for Growth and Jobs, Belgium.
- European Travel Commission, Belgium.
- Feld Entertainment, Inc., United States of America
- Global Business Travel Association, United States of America.
- Hong Kong Shipowners Association, Hong Kong
- HOTREC – The Umbrella Association of Hotels, Restaurants, Pubs and Cafés in Europe, Belgium.
- International Air Transport Association, Canada.
- International Association of Amusement Parks and Attractions, Belgium.
- International Chamber of Shipping, United Kingdom.
- International Organization for Migration (IOM) - UN Migration Agency, Switzerland.
- ITAMA MOBILITY, France.
- Justice and Peace, The Netherlands.
- Network for the European Private Sector in Tourism, Belgium.
- Newland Chase, United Kingdom.
- Pearle*- Live Performance Europe, Belgium.
- Public Union of Belarusian Pensioners "Nasha Pakalenne", Belarus.
- Royal Association of Netherlands Shipowners (KVNR), The Netherlands.
- Royal Caribbean Cruises Ltd., United States of America.
- Service Civil International - Catalonia Branch, Spain.
- Service Civil International - Deutscher Zweig e.V., Germany.
- The Offshore Partners B.V., The Netherlands.
- UEFA - Union of European Football Associations, Switzerland.
- UK Chamber of Shipping, United Kingdom.
- UNIMED - Unione delle Università del Mediterraneo, Italy.
- Union of Greek Shipowners (UGS), Greece.

- VisaWie? Gegen Diskriminierende Visaverfahren, Germany.
- Voluntary Workcamps Association of Nigeria, Nigeria.
- World Travel & Tourism Council, United Kingdom.
- Joined contribution of Educational and Cultural Bridges, APY – Armenian Progressive Youth, Youth Alliance Via Networking, United Youth, and Yeghvard youth ecological NGO.
- Joined contribution of European Community Shipowners' Associations, European Transport Workers' Federation, International Chamber of Shipping, and International Transport Workers' Federation.

The responses to the open public consultation that respondents agreed could be published will be available on the dedicated consultation webpage.

Annex 3: Who is affected and how?

1. PRACTICAL IMPLICATIONS OF THE INITIATIVE

1.1. Insufficient financial resources

Who?	*How?*
Citizens/Consumers	Increasing the current common visa fee from EUR 60 to EUR 80 will lead to additional costs for visa applicants.
Administrations	Member States (consulates in third countries acting as the visa-issuing authorities) will benefit from more financial resources due to increased visa fees. This will allow for better staffing, better training of the consulate staff and faster procedures.
Businesses	No direct implications. Change in travel behaviour, and hence impact on businesses in the travel and tourism industry, is expected to be negligible.

1.2. Repeated visa procedures

Who?	*How?*
Citizens/Consumers	Frequent travellers, especially business people, family members and affluent tourists, will benefit from more MEV with longer validity, reducing the number of times they have to apply for a visa and thus the expenses they have to bear. This will increase their ability to travel spontaneously to the Schengen area.
Administrations	Member States' visa-issuing authorities will benefit from lower number of visa applications. They will therefore be able to make savings and focus on the first-time applicants.
Businesses	No direct implications. Holders of MEV with long validity will be more flexible in planning and are more likely to make spontaneous trips and tour less-visited regions in the Schengen area, bringing additional revenue to businesses in the travel and tourism industry, strengthening their competitiveness and employment.

1.3. Return of irregular migrants

Who?	*How?*
Citizens/Consumers	If and where the negative incentives are applied, visa applicants who are nationals of the concerned third country may experience more difficult procedures when applying for Schengen visa. The concerned groups, i.e. in the first phase holders of diplomatic and service passports and in the second phase holders of ordinary passports, will incur additional costs or will not be granted MEV as a result of these measures. The European citizens and society at large will benefit from higher rates of return of irregular migrants, resulting in higher security and a deterrent effect on potential future irregular migrants.

Administrations	The improved return rates will have positive impacts in terms of cost savings for Member States' authorities and better acceptance of the EU migration policy.
Businesses	No direct implications. The proposed measures would be taken against countries with high levels of irregular migration, which generally do not carry great importance for the EU in terms of tourism. The overall impact on businesses in the travel and tourism industry will therefore be non-existent or very weak.

2. SUMMARY OF COSTS AND BENEFITS

The tables below summarise the costs and benefits for the preferred option. Given the lack of available data, the tables have been filled to the extent possible. Many benefits cannot be monetised. For instance, Member States do not provide data on the costs of housing irregular migrants or other administrative costs. Similarly there are no precise data available on Member States' costs of issuing visas. Higher security cannot be monetised either.

I. Overview of Benefits – Preferred options		
Description	***Amount***	***Comments***
Direct benefits		
Additional revenue from visa fee	EUR 205 million	Member States' visa-issuing authorities are the beneficiaries.
Savings in administrative costs (due to more issuing of MEV with long validity and higher return rates)	Not quantifiable due to lack of data	Member States' visa, asylum and police authorities are the main beneficiaries.
Savings in visa application costs	Not quantifiable due to lack of data	Frequent travellers will benefit from more MEV with long validity.
Indirect benefits		
Revenue from increased tourism and travel (due to more MEV with long validity)	Not quantifiable due to lack of data	The travel and tourism industry across the Schengen area will be the main beneficiary.
Higher security (due to more financial resources for visa processing and higher return rates)	Not quantifiable in principle	Main beneficiary are Member States' societies at large.

As regards the costs, the increase of the visa fee will only create costs for applicants in third countries. No costs are expected as a result of issuing more MEV with long validity. The costs incurred by negative incentives in the visa area linked to readmission will depend on whether negative incentives in visa policy will be applied to third countries and in how many instances. Direct costs might arise for visa applicants in third countries, and indirect costs might arise for tourism businesses in the EU. Those costs cannot be quantified, but are expected to be low.

II. Overview of costs – Preferred option (million EUR)							
Preferred options		Citizens/Consumers		Businesses		Administrations	
		One-off	Recurrent	One-off	Recurrent	One-off	Recurrent
1C1	Direct costs	-	205[63]	-	-	-	-
	Indirect costs	-	-	-	-	-	-
2C2	Direct costs	-	-	-	-	-	-
	Indirect costs	-	-	-	-	-	-
3C2	Direct costs	n/a	n/a	-	-	-	-
	Indirect costs	n/a	n/a	n/a	n/a	-	-

[63] Per year, for visa applicants in third countries.

Annex 4: Update on the implementation of the Visa Code

1. Introduction

The Visa Code[64] sets out the procedures and conditions for issuing visas for short stays in the Schengen area. It replaced and consolidated all previous legal acts governing visa-issuing conditions and procedures. One of its overarching aims was therefore the simplification and harmonisation of the way Member States issue Schengen visas. Its main objective is to prevent migratory and security risks while at the same time facilitating legitimate travel.

Two years after all provisions of the Visa Code became applicable, the Commission was required to report to the European Parliament and the Council on the implementation of the regulation, with an examination of the results achieved. The Commission presented its evaluation in a report[65] and accompanying staff working document[66] on 1 April 2014. As there have been no substantive changes to the Visa Code since these reports were published, their findings remain generally valid today. Nonetheless, as the political context has significantly changed in the past four years and the Commission services have gathered more experience on the practical implementation of the Visa Code, the present annex provides an updated set of data and evidence compared to the 2014 evaluation.

2. Context

Anticipating the 2014 evaluation, in November 2012 the Commission published a first Communication on the "Implementation and development of the common visa policy to spur growth"[67]. Both this Communication and the title of the 2014 evaluation ("A smarter visa policy for economic growth") reflect one of the main concerns at the time: the weak economic outlook following the economic crisis since 2008 provided the background for efforts to leverage all possible EU policies to spur growth. The focus was therefore placed on the facilitation of legitimate travel in order to harness its potential for growth and jobs creation. As the 2014 evaluation noted, the direct, indirect and induced lost contribution to GDP resulting from visa requirements amounts to anywhere between EUR4.2 to 12.6 billion, translating to between 80 000 and 250 000 lost jobs.

Although the Visa Code does not explicitly mention the objective of economic growth and jobs creation, it is clear that legitimate travel, be it for business, touristic, cultural, family or other reasons, brings economic benefits to the EU. The Visa Code's objective

64 Regulation (EC) No 819/2009 of the European Parliament and of the Council of 13 July 2009 establishing a Community Code on Visas, OJ L 243, 15.9.2009, p.1.

65 Report from the Commission to the European Parliament and the Council: A smarter visa policy for economic growth; COM(2014)165 final of 1 April 2014.

66 Evaluation of the implementation of Regulation (EC) No 810/2009 of the European Parliament and Council establishing a Community Code on Visas (Visa Code); SWD(2014 101) final of 1 April 2014.

67 COM(2012)649.

of facilitating the entry into the Schengen area of *bona fide* applicants therefore continues to be highly relevant, as it is in the EU's own interest to be 'open' to travellers that boost trade and growth. Furthermore, contacts between peoples and cultures promote mutual understanding and dialogue, contributing to the objectives of the EU in its external relations with third countries. As the 2014 evaluation noted, the provisions in the Visa Code that allow consulates to distinguish between unknown applicants and those who have a positive visa record are not applied sufficiently harmonised manner, leading to lengthy and cumbersome visa procedures even for frequent travellers. This continues to be the case.

The migration crisis that reached its peak in 2015 and the terror attacks in recent years, however, have shifted the political debate on the Schengen area in general and visa policy in particular towards a reassessment of the balance between migration and security concerns, economic considerations and general external relations. Since the 2014 evaluation was published, the Visa Code's objectives of preventing irregular migration and security risks have therefore come into much sharper focus. All available evidence shows that the application of the Visa Code by the Member States effectively minimises migratory and security risks; holders of short-stay visas were not implicated in either the migratory crisis or the terror attacks. Neither the Member States nor the results of studies and of the stakeholder consultation identify security risks or problems arising from the Visa Code. The full world-wide roll-out of the Visa Information System (VIS), which was completed in February 2016 and which contains electronic records of all short-stay visa applications, further contributed to reducing migratory and security risks and reinforcing the integrity of the Schengen visa procedure.[68]

Even so, the changed political context meant that visa policy came into focus as a tool for achieving progress in relations with third countries, as the experience with visa liberalisation had already shown. In this manner, visa policy was called upon to be used more effectively in the EU's cooperation with third countries, specifically in the field of migration management. Accordingly, the European Council of June 2017 called for "reassessing visa policy towards third countries, as needed" as a means of achieving real progress in return and readmission policy. As the Visa Code was not designed with a view towards being used as leverage towards individual third countries, but rather as a means to standardise visa issuing procedures and conditions, it is not entirely adapted to the new political context. The Commission recognised this changed reality in its Communication on the Delivery of the European Agenda on Migration of September 2017[69], where it stated that "some visa-issuing rules (for instance those related to visas with long validity and visa fees) should be reviewed to ensure that they can play a part in our readmission policy." The detailed options for how this could be implemented in the legislation are examined in this Impact Assessment.

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68 The VIS legal framework was subject to a separate evaluation (COM(2016) 655 final) which will be followed up by a separate initiative, according to the Commission Work Programme for 2018.

69 COM(2017)558.

3. Recent evidence on the implementation of the Visa Code

3.1. General considerations

The comprehensive evaluation of the implementation of the Visa Code concluded that the legislation had achieved its overarching objective by modernising and standardising visa procedures and by contributing to the protection of the external borders. While it is impossible to prove the direct impact of the Visa Code on the number of visas applied for, the clarification of the legal framework has contributed to a significant increase in the volume of visa applications processed by the consulates of Member States. As shown in table 1 below, the worldwide applications for Schengen visas increased by more than 50% between 2009 (before the entry into force of the Visa Code) and 2016, from 10.2 to 15.2 million. While there has been a decline since the peak reached in 2013, this can be attributed to economic difficulties in Russia, the number one source country for visa applications. Preliminary figures for 2017 suggest that the number of applications could have been around 16 million again.

Table 1: Schengen visa applications worldwide, 2009-2016

Schengen State	2009	2010	2011	2012	2013	2014	2015	2016	Change 09-16
Austria	300.210	280.328	283.540	304.798	313.579	266.356	259.167	268.388	-10,6%
Belgium	194.029	215.978	242.857	233.490	233.273	219.758	239.500	219.687	13,2%
Czech Republic	456.503	546.410	581.931	603.484	646.719	519.819	421.355	489.920	7,3%
Denmark	82.064	85.646	94.310	100.402	105.119	109.694	123.951	145.143	76,9%
Estonia	95.837	120.135	144.567	175.360	201.056	170.731	130.197	122.872	28,2%
Finland	795.554	1.020.825	1.259.643	1.392.048	1.569.961	1.205.034	784.286	550.046	-30,9%
France	1.592.527	1.965.777	2.130.471	2.321.534	2.551.196	2.894.996	3.356.165	3.265.919	105,1%
Germany	1.615.792	1.730.875	1.707.197	1.844.704	2.062.979	2.061.137	2.022.870	2.004.235	24,0%
Greece	616.051	620.270	768.246	1.001.341	1.531.383	1.375.287	876.786	986.032	60,1%
Hungary	273.325	253.321	288.415	322.646	356.869	309.894	290.798	295.226	8,0%
Iceland	493	562	636	1.088	2.821	3.923	3.987	5.771	1070,6%
Italy	1.087.521	1.327.086	1.516.237	1.706.536	2.036.829	2.164.545	2.023.343	1.806.938	66,2%
Latvia	120.379	137.432	163.309	182.496	205.230	207.185	164.000	165.814	37,7%
Lithuania	208.029	266.048	345.765	416.851	471.838	463.709	423.189	421.143	102,4%
Luxembourg	5.493	7.822	9.051	10.555	11.222	11.567	10.267	9.902	80,3%
Malta	31.730	41.754	33.858	53.777	79.559	56.886	39.445	27.767	-12,5%
Netherlands	333.965	386.759	428.206	440.056	458.824	485.267	520.809	558.101	67,1%
Norway	103.251	130.837	151.071	130.933	197.826	179.550	185.557	188.737	82,8%
Poland	586.115	695.990	912.988	1.091.395	1.126.150	1.125.520	970.907	1.096.465	87,1%
Portugal	117.189	125.832	142.754	148.489	159.421	183.216	192.220	204.596	74,6%
Slovakia	64.953	58.607	71.313	75.720	131.194	104.988	76.491	62.472	-3,8%
Slovenia	101.435	52.508	39.735	42.127	38.885	26.492	26.895	25.876	-74,5%
Spain	854.496	1.143.753	1.518.641	1.836.868	2.080.175	1.923.016	1.629.753	1.583.848	85,4%
Sweden	195.943	206.077	220.567	215.763	200.543	191.009	192.852	227.005	15,9%
Switzerland	383.207	391.720	428.189	464.512	512.797	466.329	481.886	460.653	20,2%
Total Schengen	**10.216.091**	**11.812.352**	**13.483.497**	**15.116.973**	**17.285.448**	**16.725.908**	**15.446.676**	**15.192.556**	**51,2%**

The official visa statistics, which are compiled by the Commission in accordance with Article 46 of the Visa Code based on submissions by the Member States, do not contain data on the length of validity of the issued visas, nor on the nationality of the applicants (although the location of the consulate where the application was submitted can be used as a proxy for nationality, with the exception of countries where the nationals themselves

are not subject to the visa requirement, such as the UK, US or UAE). The lack of statistical data was already identified as a weakness in the 2014 evaluation and the issue persists to date. However, since all short-stay visa applications are now recorded in the Visa Information System, there is potential for producing more detailed visa statistics in the near future.[70]

Despite the scarcity of statistical data – which was already noted in the 2014 evaluation – the Commission has accumulated extensive experience in the implementation of the Visa Code from its regular monitoring activities, complaints and petitions by citizens, exchanges on practical issues with Member States, questions raised by Members of the European Parliament and Schengen evaluations. The latter are periodical evaluations of Member States on the application of the Schengen acquis in the field of the common visa policy, in accordance with Council Regulation (EU) No 1053/2013, and since 2015 have been carried out for 15 Member States[71] that fully apply the Visa Code. The evaluations consisted of a week-long visit to two consulates[72] by a mixed team of Commission and Member State experts, examining the correct application of the Visa Code and related legal provisions in practice. The findings are described in an evaluation report, which is classified as EU restricted, and lead to Council recommendations to the evaluated Member State to remedy any shortcomings identified during the evaluation.

During the evaluations, the experts observed overall compliance with the essential provisions of the legal framework in most cases, including in general a careful assessment of applicants' migratory risk. However, they also noted cross-cutting shortcomings in the application of the Visa Code, which corroborate certain findings already contained in the 2014 evaluation. Despite a common regulatory framework, Member States' visa-issuing practices still diverge on a number of aspects and both consular staff and applicants still view Schengen visas very much as "national" visas. This contributes to competition between Member States in "attractive markets" as well as visa shopping and weakens the perception of Schengen as a common travel area.

3.2. Multiple-entry visas

Long-validity multiple-entry visas are one of the most effective facilitations that can be given to *bona fide* frequent travellers, as they reduce administrative burdens for applicants and consulates alike. Due to the lack of detailed data on the validity period of issued visas, it is not possible to draw definite overall conclusions on patterns for certain locations or certain Member States regarding the number of long-validity multiple-entry visas.

The available visa statistics do show, however, the rate of multiple-entry visas issued by the Member States' consulates, even if there is no information on their length of validity

70 See point 3.2 of the report from the Commission on the implementation of the VIS Regulation, COM(2016)655.

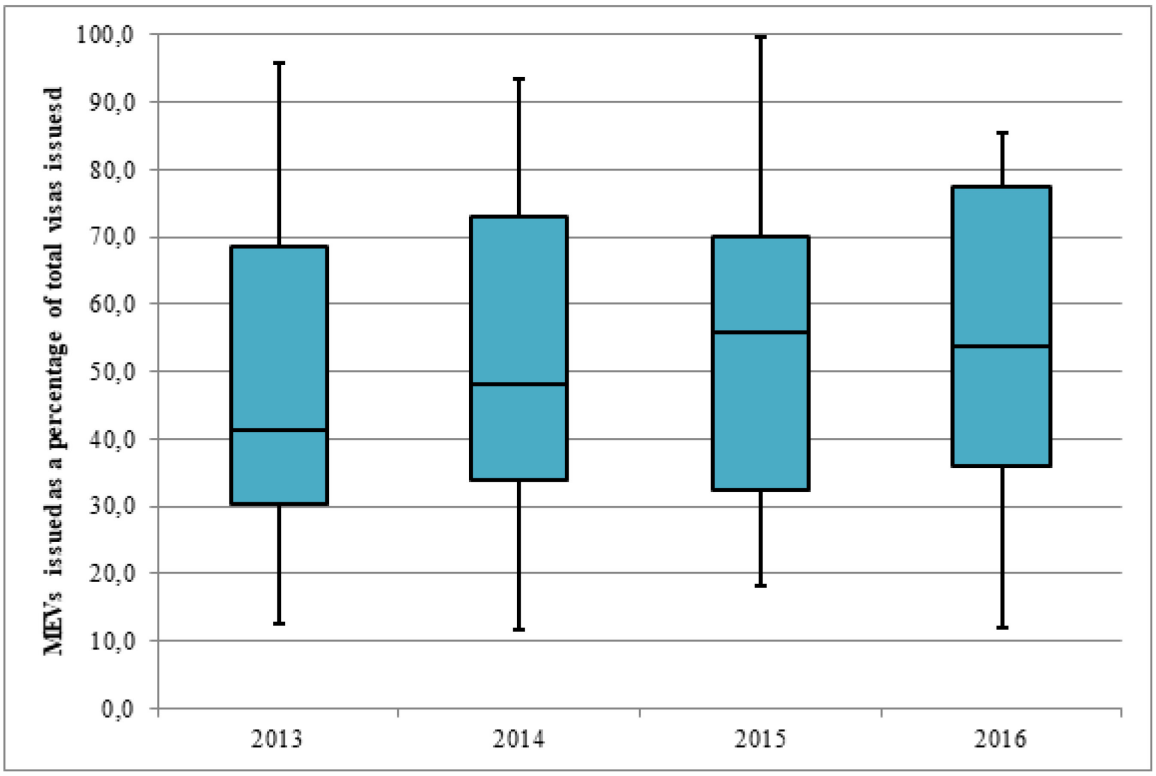
71 Austria, Belgium, Germany, the Netherlands, Luxembourg, Italy, Greece, Malta, France, Denmark, Iceland, Sweden, Portugal, Spain and Norway.

72 A consulate and the central visa authority in the case of Luxembourg and Iceland.

(Chart 1). In general, the share of MEVs among all issued visas has been slowly increasing in the past few years. The data confirms, however, the persistent large variation in Member States' practices regarding the issuing of multiple-entry visas: While the MEVs issued by some Member States are barely more than 10% of all visas issued, almost all of the visas issued by other Member States are MEVs. While some of this variance can be explained by the different consular network of Member States and the resulting difference in the applicants' profiles, it is clear that the divergent practices of Member States regarding MEVs remain a problem. The results of the Schengen evaluations confirm vastly differing approaches between Member States in the same location on issuing single-entry or multiple-entry visas, especially to first-time travellers, and on the length of validity of the visas issued.

Chart 1: MEVs as a percentage of total visas issued by Member State

The chart shows the range of MEV issuance rates across Member States as well as the median, first and third quartile values.



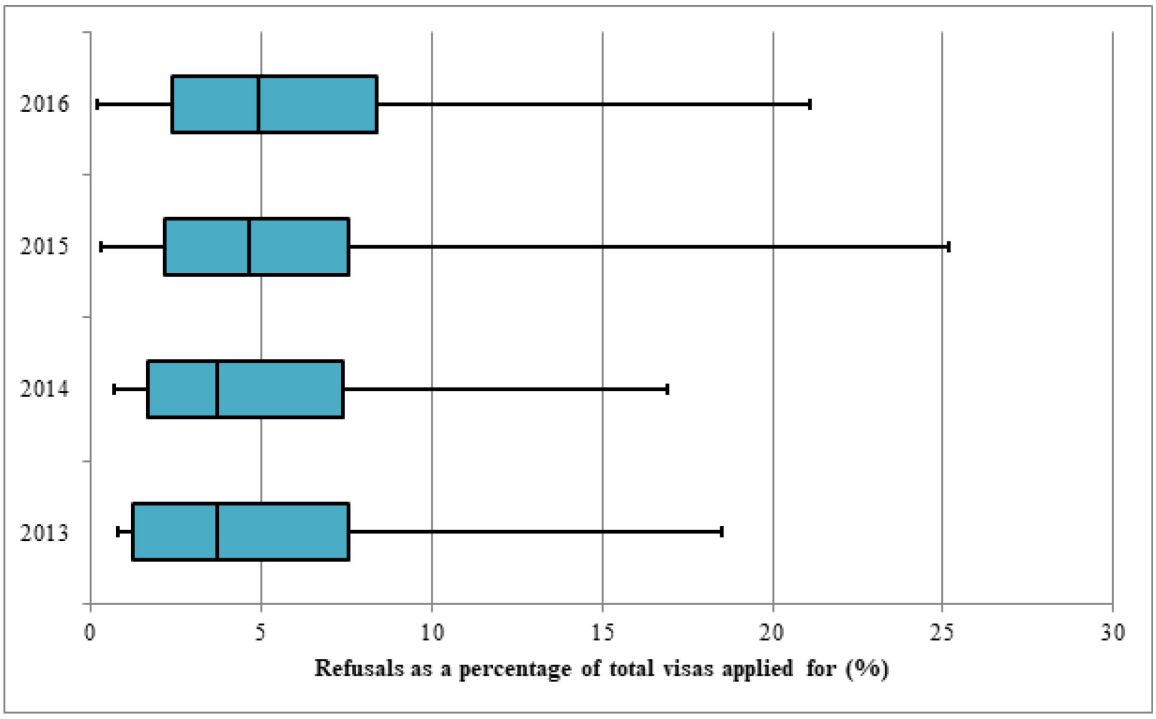
3.3. Visa refusals

Chart 2 shows the percentage of visa applications that are refused by the consulates of the Member States. The average refusal rate has increased slightly in the past few years, which is mainly due to changes in the pool of applicants: with several nationalities being granted visa-free status over the same time period, the share of applicants from countries with a higher migratory risk has slowly increased. In the same manner, the variation in refusal rates between Member States is explained by the different consular networks, with some Member States receiving the vast majority of visa applications in countries

with low migratory or security risk and a consequently low refusal rate (e.g., Russia). Other Member States have a larger consular network and receive more applications in certain African or Asian countries where refusal rates can be 30% or higher, leading to a higher overall refusal rate. The Commission's regular monitoring and Schengen evaluations confirm that there is no systematic problem with divergent standards and practices regarding the assessment of individual visa applications and the appreciation of migratory and security risk between Member States. In general, consulates conduct a careful and individual assessment of applicants' migratory risk and any cases where this might have been different are extremely rare and isolated.

Chart 2: Refusal rates as a percentage of total visas applied for by Member States

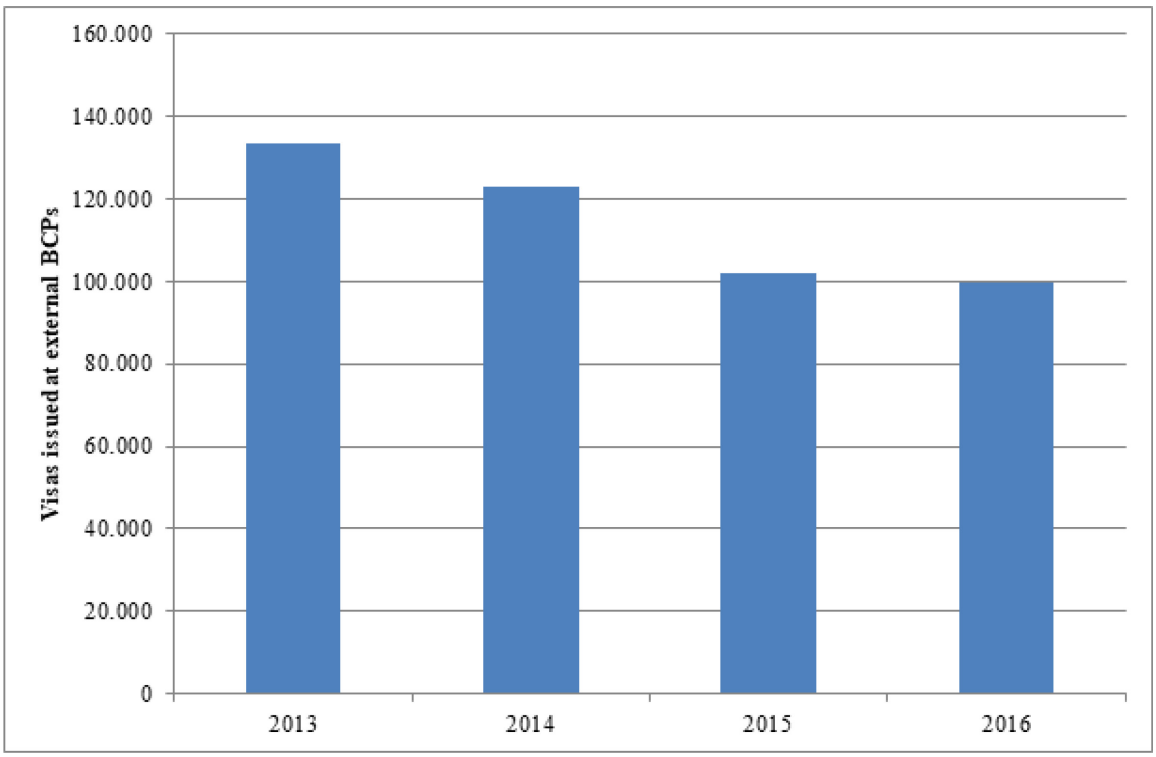
The chart shows the range of refusal rates across Member States as well as the median, first and third quartile values.



3.4. Visas issued at external border crossing points

While visa-required travellers must normally be in possession of a valid visa before arriving at the external border, in exceptional cases visas may also be issued at border crossing points according to Article 35 of the Visa Code. Many of the applicants at the borders are seafarers. Chart 3 shows that in the past four years, the number of such visas has continuously declined, with less than 100 000 visas being issued at the border in 2016. One reason for this are the improvements made in the consular coverage (see 3.5. below), which made it easier for applicants to apply for visas ahead of their trip, even on short notice in emergency situations.

Chart 3: Short-stay visas issued at the external borders



3.5. Consular coverage and cooperation

The 2014 evaluation expressed concerns about the progress achieved regarding full consular coverage for the benefit of applicants. It noted that in many countries, applicants still had to travel large distances to the nearest consulate or visa application centre of the competent Member State, which was costly and time-consuming and a barrier to facilitating legitimate travel.

The situation has evolved quite favourably since 2014, however. As table 2 below shows, there has been an overall increase of almost 30% in 'visa access points', i.e. locations where applications for short-stay visas can be lodged. Most of this progress is due to outsourcing to external service providers, which has grown from 134 locations in 2014 to 1263 locations in early 2018, i.e. by more than 800%. Progress has also been made with respect to representation agreements between Member States, with such forms of consular cooperation increasing by more than 3% over the past four years. Conversely, the Member States' own consular networks have generally shrunk, with almost a quarter fewer locations in early 2018 than in 2014. Much of this reduction is a direct effect of national budget cuts that forced Member States to rationalise and reorient their diplomatic and consular representations abroad. Insufficient revenues from the visa fee to cover administrative costs also played a role in this development.

Table 2: Consular coverage and cooperation – visa access points by type, 2014-2018

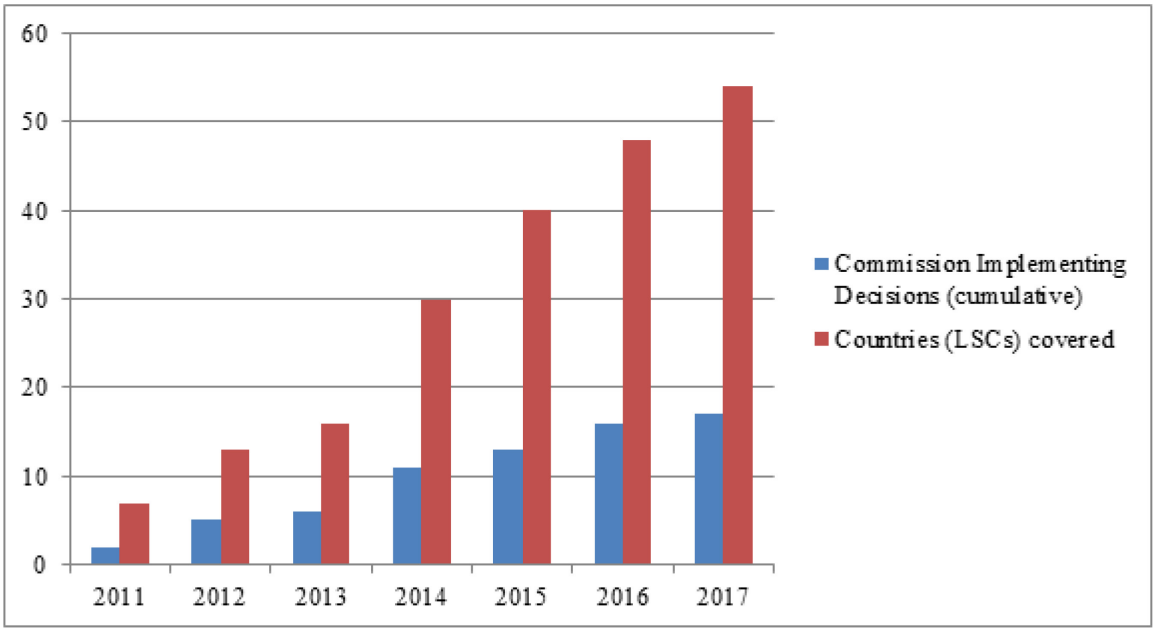
	2014	2018	Change 2014-2018

			(%)
Consulates	1341	1012	-24.5
External service providers (ESPs)	134	1263	842.5
Consulate and ESP in same location	314	583	85.7
Representation agreements	1864	1922	3.1
Honorary consulates accepting visa applications	134	127	-5.2
TOTAL visa access points	**3787**	**4907**	**29.6**

3.6. Local Schengen Cooperation

In the Staff Working Document accompanying the 2014, the Commission noted that progress was slow on establishing harmonised lists of supporting documents, which is a key role of Local Schengen Cooperation according to Article 48(1)(a) of the Visa Code. The evaluation therefore concluded that a wide variety of divergent practices continued to exist between Member States in the same location, which harmed the objective of the Visa Code to harmonise the way Member States issue visas. If there is clarity about the supporting documents that need to be submitted with a visa application, this reduces the burden on applicants and consulates alike, and further reduces incentives for visa shopping.

Chart 4: Commission Implementing Decisions establishing the lists of supporting documents to be presented by Schengen visa applicants in specific countries



On this matter, too, significant progress has been made since 2014. As Chart 4 shows, Commission Implementing Decisions giving legal effect to the harmonised lists drawn up in Local Schengen Cooperation now cover 54 third countries, following a steady increase year over year. This trend is expected to increase in the coming years, reducing the problems that applicants report having with supporting documents. While the Schengen evaluations revealed some deficiencies in the implementation of the harmonised lists in practice, with certain consulates still deviating from them, the situation is expected to improve: Member States are increasingly aware of the added

value of Local Schengen Cooperation and in the stakeholder consultation generally supported an expansion of its role, beyond drawing up lists of supporting documents.

3.7. Changes in the visa lists

Apart from requirements for airport transit visas, the rules specifying the countries whose nationals require visas to enter the Schengen area are not laid down in the Visa Code, but in Council Regulation (EC) No 539/2001. Two annexes to that Regulation specify the visa-required and visa-free countries, respectively. While not part of the Visa Code, changes to these annexes obviously have an impact on the number and distribution of visa applications that must be processed by the consulates of the Member States, as well as on the resources that are necessary and the revenue gained from visa fees.

As table 3 shows, the top ten source countries for visa applications have remained largely stable since 2013[73], but with vastly different growth rates. While the applications from Eastern European countries (Russian Federation, Ukraine and Belarus) have declined, there has been a remarkable increase in applications from China, India, Algeria and Morocco of more than 35% each. While applications from Russia and Belarus are expected to recover somewhat, the general trend is likely to continue pointing towards disproportionate growth in applications lodged in Africa and Asia. As Ukrainian citizens have been visa-free since 11 June 2017, the realignment in visa application patterns will be even more pronounced.

Table 3: Number of visas applied for in top 10 countries by visa application total

	2013	2014	2015	2016	Change 2013-2016 (%)
Russian Federation	6,995,141	5,768,182	3,467,317	3,177,621	-54.57
China	1,497,178	1,800,369	2,381,818	2,185,927	46.00
Ukraine	1,589,963	1,387,086	1,233,530	1,411,950	-11.20
Turkey	779,464	813,339	900,789	937,487	20.27
India	522,106	568,216	708,386	792,271	51.75
Algeria	445,517	593,624	735,040	744,213	67.04
Belarus	777,813	881,404	752,782	695,615	-10.57
Morocco	401,092	434,652	493,642	555,142	38.41
Saudi Arabia	276,984	308,879	367,028	345,006	24.56
Thailand	233,211	219,015	255,319	278,832	19.56
TOTAL	13,518,469	12,774,766	11,295,651	11,124,064	-17.71

The impact of moving a country from the visa-required to the visa-free list can be seen most recently in the cases of Moldova, Colombia and Peru. Nationals from these countries became visa-free in 2014, 2015 and 2016, respectively. Table 4 summarises the decline in visa applications lodged in these countries following the visa waiver, which

[73] With the sole exception of 2014, in which the United Arab Emirates replaced Thailand in position 10.

exceed 95% in the cases of Moldova and Colombia and reached 75% for Peru[74]. Similar effects can be expected from Georgia and Ukraine, the two most recent countries that became visa free. However, a comparable outcome did not take place in the United Arab Emirates, which also became visa-free in 2015: The high proportion of third-country nationals in the UAE – often from South Asia – who continued to remain subject to the visa requirement resulted in only a modest decline in the number of applications by 4%.

Table 4: Visa applications lodged in third countries that were moved to the visa-free list since 2014

The years in brackets indicate when the respective visa waiver became effective

	2013	2014	2015	2016	Change 2013-2016 (%)
Moldova (2014)	53,319	13,932	2,314	2,069	-96.1
United Arab Emirates (2015)	210,270	253,765	224,202	201,995	-3.9
Colombia (2015)	128,443	133,200	133,095	2,223	-98.3
Peru (2016)	54,163	59,309	66,950	13,590	-74.9
Georgia (2017)	82,156	93,126	100,549	106,024	29.1
Ukraine (2017)	1,589,963	1,387,086	1,233,530	1,411,950	-11.2
TOTAL	2,118,314	1,940,418	1,760,640	1,737,851	-18.0

4. Conclusion

Several findings of the comprehensive evaluation of the Visa Code conducted in 2014 remain valid today. First among these is the continuing lack of harmonisation between Member States regarding the issuing of multiple-entry visas with long validity to facilitate legitimate (frequent) travel by *bona fide* applicants. The impact assessment examines in detail the different options for remedying this problem. The complications caused by the lack of detailed visa statistics also persist, as do a series of minor technical issues identified in the 2014 report. This includes the application form, which could be simplified, the deadlines for lodging applications, which could be extended, and the legal framework for cooperation with external service providers, which could be strengthened.

Conversely, some of the problem areas identified in the 2014 evaluation have seen significant progress. After a slow start, Local Schengen Cooperation in an increasing number of locations is fulfilling its role in drawing up harmonised lists of supporting documents, reducing a key source for divergent practices between Member States. As shown in the stakeholder consultation, Local Schengen Cooperation seems to be an instrument that is appreciated by Member States, so its legal framework could be strengthened.

Progress has notably been made also with regard to the expansion of consular coverage, making it easier for travellers to lodge their applications at an external service provider or a consulate representing the competent Member State. This problem is therefore much

[74] Since the visa waiver for Peru was not yet in effect for the whole year 2016.

less pressing than it was in 2014. At the same time, the closure of consulates over the past four years reflects at least in part the fact that the current level of the visa fee is insufficient to cover the administrative costs of Member States, an issue which is examined in the impact assessment.

The most important developments since 2014 do not concern the implementation of the Visa Code *per se*, but the migratory and security environment that affects the Schengen area as a whole. Whereas the jobs and growth potential of the common visa policy was very much at the centre of attention four years ago, leveraging visa policy in managing migration challenges has now also moved to the forefront of policy objectives. The impact assessment therefore examines different options for designing the link between visa policy and the EU's readmission policy.

Annex 5: Visa fee

Part 1: Summary of the questionnaire survey on the visa fee (2016)

- The Commission carried out a **questionnaire survey among Member States** on various aspects linked to establishing the level of the visa fee
    - cost of processing a visa application;
    - methodology to be followed to make a (common) calculation;
    - suggestions for the basic visa fee;
    - should the flat rate visa fee be maintained or a progressive fee be charged depending on the length of validity of the issued visa;
    - should a higher visa fee be charged to nationals of third countries that charge 'exorbitant' visa fees to EU citizens ('reciprocity').
- 21 out of 30 Schengen Member States responded.
- 3 Member States are in favour of **maintaining** the fee at current level. All others favour **increasing** the fee. No Member State is in favour of lowering the visa fee.
- Member States generally favour the visa fee to correspond to the **administrative costs**. 2 Member States suggested a harmonised methodology for calculating the administrative costs.
- 3 Member States stressed the importance of a **regular review** of the visa fee level to reflect the actual situation.
- 8 Member States suggested **specific amounts**, ranging from 65 to 143 EUR (basic fee).
- 11 Member States suggested a **"flat rate" visa fee**, while 5 favour a differentiated visa fee, suggesting different models:
    - for reasons of simplicity: only 2 different fees: SEV and MEV;
    - airport transit visa: 40 EUR; others 100 EUR; application at border crossing point: 200 EUR;
    - airport transit visa: 40 EUR; 6 month visa (SEV or MEV): 60 EUR; 1 year visa: 90 EUR; 2 year visa: 90 EUR; 3 year visa: 120 EUR; 4 year visa: 120 EUR; 5 year visa: 150 EUR;
    - starting with 60 EUR, every additional year progressively increases the costs (60-120-180-240-300).
- On **visa fee reciprocity** only 9 Member States replied. Most of them want to increase the fees in case of very high fees charged by a third country, except 3 (which foresee practical problems in implementing reciprocity).
- 10 Member States responded to the question of **methodology for calculating administrative costs** but only 2 provided concrete calculations; others suggested some factors to be included into the calculation of administrative costs. There is consensus that the following factors should be included:
    - overall costs of infrastructure like property;
    - IT-systems;
    - staff and staff related costs;
    - logistics;
    - visa sticker production.
- Some Member States also suggested the following factors to be included:
    - administrative costs of issuing visas at the embassies/consulates and at the borders;

- migration court of justice (average expenditures of appeals) / costs related to legal disputes, legal activities like court fees;
- costs of headquarters (MFA, MOI);
- whole process from website information on visa applications to internal appeal procedures handled by the consulates/MFAs;
- costs of ongoing operation and travelling;
- costs of operating systems concerning biometry like BIONET, BIODEV, VISABIO;
- costs of delivering visas to the borders;
- costs of training.

- Two different **calculation methods** were proposed (see part 2 for details):

Method Member State 1:

$$administrative\ costs\ (per\ visa\ application) = \frac{\text{total costs of visa} - \text{costs of national visa} - \text{revenues of visa facilitation}}{\text{number of full paying applicants}}$$

Method Member State 2:

$$administrative\ costs\ (per\ visa\ application) = average\ processing\ time\ of\ one\ visa\ application * \frac{hourly\ wage}{60\ min}$$

[75] Including direct, indirect cost like rent of locations, salaries, IT, central overhead costs etc.

Part 2: Calculation of administrative costs (provided by two Member States)

Member State 1:

The costs are calculated as follows[76]:

Total costs C-visa			
	Number	Price	Total
Personnel[77]:	255	45.000	24.502.500
Overhead[78]	381,50	31.000	11.826.500
ICT-costs[79]			5.692.000
Other costs[80]			1.330.000
subtotal			43.351.000
Costs national visa			2.910.000
Total costs (43.351.000-2.910.000)			40.441.000
Revenues per year			24.200.000

Number of visa per year	466.933
No. of full paying visa applicants	309.030
Total costs	40.441.000
Revenues visa facilitation	3.210.492
To finance	37.230.508
Costs per full paying applicant (37.230.508/309.030)	**120**

Member State 2 (Denmark):

The Ministry of Foreign Affairs in Denmark has calculated the average cost price per visa case. The calculation of the cost price for handling one visa application at a Danish Embassy/Mission handling visa cases are as follows:

The average case processing time per visa case is approximately 80 minutes including all steps in the case handling process.

On average these 80 minutes consist of 20 % posted staff and 80 % local staff.

76 Numbers are an average of 2012, 2013 and 2014.
77 Personnel working on visa (abroad and in the capital)
78 Overhead (including personnel not directly working on visa, information, organisation, finances, administration, communication, accommodation)
79 Specific ICT-costs (software and hardware)
80 Other costs related to visa (visa stickers, visa meetings, special assessments etc.)

The average cost price per hour for posted staff at a Danish Embassy/Mission is calculated to approximately 1,645.00 Danish Kroner = EUR 221.00. 1 minute = EUR 3.68 x 80 minutes = EUR 295.00 for 80 minutes. 20 % of 80 minutes = 16 minutes = EUR 3.68 x 16 = EUR 58.90 as part of the handling of a visa case. .

The average cost price per hour for local staff at a Danish Embassy/Mission is calculated to approx imately 585.00 Danish Kroner = EUR 78.60. 1 minute = EUR 1.31 x 80 minutes = EUR 104.85 for 80 minutes. 80 % of 80 minutes = 64 minutes = EUR 1.31 x 64 = EUR 83.85 as part of the handling of a visa case.

The total cost price per visa case is EUR approx. 58.90 + EUR 83.85 = EUR 143.00 (rounded up).

Part 3: Other countries' visa fees

The main objective of the visa fee is to cover the administrative and operational costs of the visa-issuing procedure; however, it also has a regulatory effect of the visa fees as it helps to moderate the number of applications which would be refused. Yet, its amount should not prevent legitimate applicants from travelling and cause unnecessary obstacles to tourism and business.

The visa fees imposed by different countries vary depending on many aspects. While respective countries apply various criteria, the most common variables determining visa fees are:

- Visa category (e.g., tourism, business, family visit),
- Number of entries (single, multiple)
- Length of validity,
- Applicant's nationality and/or legal status in the country where the application is submitted,
- Country or location where the application is submitted,
- Channel used for submitting the application (e.g. paper, online).

Additionally, it is increasingly becoming a common practice to outsource the collection of visa applications to external service providers. The service fee charged by some service providers can actually double the real cost of visa.[81]

The first three factors are directly related to the visa and its nature. Business visas can be more expensive than tourist visas. The differentiation between multiple- and single-entry visa and transit visa, and the length of validity of the visa are often also determining factors. For instance, China applies a visa fee of EUR 30 for a single-entry visa, EUR 50 for double entries, EUR 70 for multiple entries up to 6 months and EUR 100 for up to 12 months to most non-Schengen countries' nationals.

The applicant's citizenship or legal status in the country where the application is submitted have a significant weight when determining the visa fee for many countries. This criterion reflects the international relations between the concerned countries as well as migratory risk, economic and business relations and reciprocity. China, for instance, applies a fee of EUR 140 to visa to Argentinian citizens while fees for other South American nationals vary from EUR 30 – 100; Romanian citizens have to pay EUR 90 – 190 compared to the flat fee of EUR 60 for the Schengen area countries and EUR 30 – 100 for other third countries.

The country where the application is submitted and processed and the channel used for submitting the application directly determine the real operational costs related to granting visa borne by the issuing state. Certain countries have implemented electronic visa

[81] Chinese Visa Application Service Centre applies an application service fee of EUR 65.45 to normal applications of Schengen countries' citizens which results in a total fee of EUR 125.45.

application systems which are more cost-efficient. The fee for applicants using e-visa procedures is therefore usually lower compared to the traditional (paper) visa procedures. Additionally, the visa granted on the arrival is usually also cheaper. For instance, Turkey applies an electronic visa fee of USD 20 (EUR 17) to Austrian citizens, while the fee for visa on arrival is EUR 25. However, although there are various channels which finally help to reduce the costs and lower the final visa fee, states tend to limit its use only for citizens of selected countries due to security concerns and/or other reasons.

The following table shows the wide variation in visa fees charged by the top 10 tourist destinations according the total number of international tourist arrivals in 2017.[82] The Schengen area countries are exempted.

Country	*Visa fee*	*Fee in EUR*[83]	*Comment*
Australia	AUD 140	EUR 90	MEV valid 12 months
China		EUR 30-190	MEV up to 12 months
Japan	JPY 3.000-6.000	EUR 22-47	MEV
Malaysia	MYR 6-50	EUR 1,24-10	MEV up to 12 months
Mexico	USD 36	EUR 30	MEV up to 180 days
New Zealand	NZD 170	EUR 100	MEV up to 9 months
Thailand	THB 1.000	EUR 25	Per entry, MEV up to 6 months
Turkey		EUR 20-50	Visa on arrival
United Kingdom	GBP 89	EUR 100	MEV up to 6 months
United States	USD 160	EUR 133	MEV up to 10 years

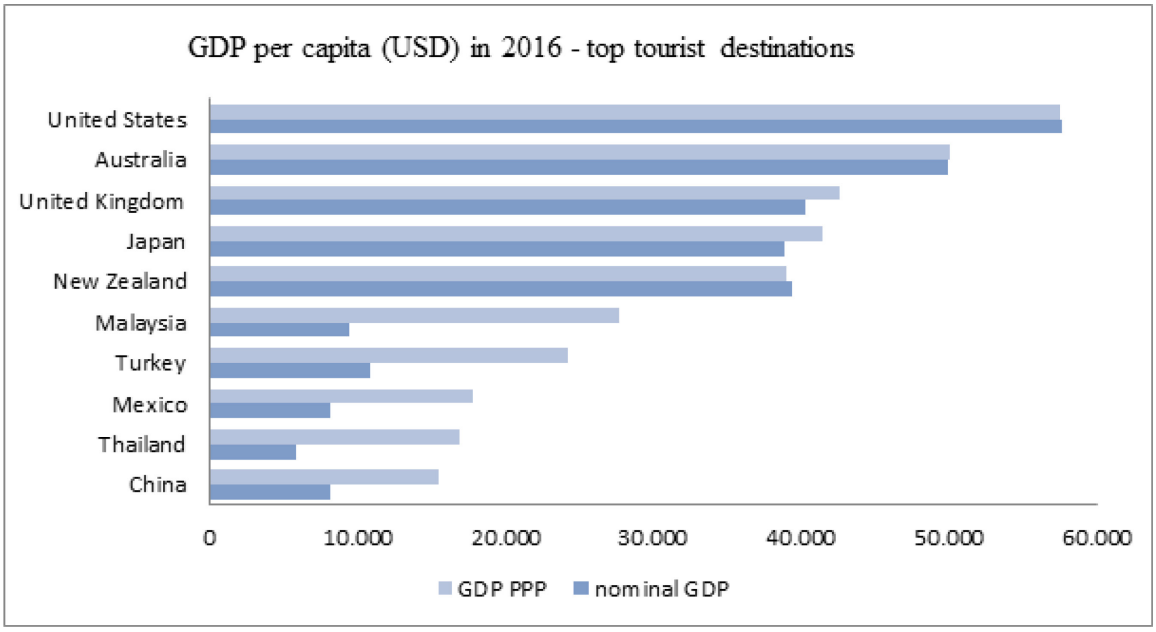
The actual operational costs of processing visa applications are a determining factor for setting the visa fee. The economic strength and purchasing power of the issuing country, and hence the costs for human resources, have a strong correlation with the visa fee.

The correlation between a country's visa fee and its economic development can be observed comparing the table above with the graph below showing the nominal GDP per capita and the GDP at purchasing power parity (PPP) per capita of the selected countries.[84]

82 UNWTO Tourism Highlights: 2017 Edition, https://www.e-unwto.org/doi/book/10.18111/9789284419029.

83 When the visa fee is not officially stated in EUR, the presented value is indicative.

84 The World Bank Group, https://data.worldbank.org/indicator/NY.GDP.PCAP.PP.CD.



The top tourist destinations can be divided into two groups of countries, whereby the visa fee roughly corresponds with the economic development, with the exception of Japan. One group, comprising Australia, New Zealand, the United Kingdom and the United States, applies visa fees in the range of EUR 90 to 133. The second group, Malaysia, Turkey, Mexico, Thailand and China, requires on average a lower visa fee compared to the first group. Furthermore, countries in the second group have usually more complex visa fee system, whereas the first group applies a simpler system. Japan would fall under the category of higher GDP per capita; however the considerably lower visa fee makes it an exception.

Average GDP (PPP) per capita in the European Union reached EUR 33,060 (USD 39,838) in 2016.[85] The Schengen area therefore clearly belongs to the first group of states with regard to their economic performance. The current **Schengen visa fee** of EUR 60 is therefore **rather low compared to other countries in the same group**.

EU citizens are exempted from the visa requirement by many third countries. Those third countries that still do require visas do not always apply the same visa fees to all EU citizens.

By way of example, the following table shows visa fees applied to Belgian citizens by selected third countries

Country	*Visa fee*	*Fee in EUR*[86]	*Comment*
Angola		EUR 75 EUR 120 EUR 190	SEV up to 30 days – ordinary SEV - urgent (10 days) SEV - express (5 days)

85 The World Bank Group, idem. Iceland: USD 51.399, Norway: USD 59.385, Switzerland: USD 63.741.

86 When the visa fee is not officially stated in EUR, the presented value is indicative.

Algeria		EUR 60 EUR 90	SEV MEV more than 90 days
India		EUR 95 EUR 190	SEV/MEV up to 1 year - tourist MEV up to 5 years - tourist
Iran		EUR 60 EUR 70 EUR 80	SEV TEV (two-entry visa) MEV
Ghana		EUR 70 EUR 160-260	SEV MEV 3 months – 1 year
Jordan		EUR 67.50 EUR 97.50 EUR 187.50	SEV 2 months TEV 3 months MEV 6 months
Myanmar		EUR 40 EUR 50 EUR 190 EUR 380 EUR 420	Tourist visa Business SEV Business MEV 3 months Business MEV 6 months Business MEV 1 year
Nigeria	USD 88 USD 110	EUR 74 EUR 92	SEV MEV
Pakistan		EUR 60 EUR 180	SEV MEV
Russia		EUR 35[87]	SEV/TEV
Saudi Arabia		EUR 123.50 or more	MEV Business visit visa
Vietnam	USD 10+25 USD 10+50 USD 95 USD 135 USD 155	EUR 29 EUR 50 EUR 79 EUR 113 EUR 130	SEV 3 months MEV 3 months MEV 6 months MEV 1 year MEV 5 years

Also in that comparison the **Schengen visa fee**, which is a "flat-rate" fee both for SEV and MEV of up to 5 years, is **rather at the lower end**.

[87] Based on EU-Russia Visa Facilitation Agreement.

Part 4: Calculation of additional revenues from policy options 1C1, 1C2, 1C3 and 1C4

Estimation of visa fees															
					Option 1C1			**Option 1C2**			**Option 1C3**			**Option 1C4**	
		Visa fee (in €)	Total revenue (in €)		Additional fee			Additional fee			Additional fee			Additional fee	
Total number of visa applications 2017	16000000														
of which VFA countries (30%)	4800000	35	168000000												
Total number non VFA countries	11200000														
of which children aged 6-11 (4.4%)	492800	35	17248000		5	2464000		15	7392000		25	12320000		5	2464000
of which children aged 0-5 (3.3%)	369600	0	0												
other fee exemptions (2%)	224000	0	0												
of which full fees	10113600	60	606816000		20	202272000		40	404544000		60	606816000		20	202272000
of which MEV 1 year + (15%) - adults	1517040													40	60681600
of which MEV 1 year + (15%) - children 6-11	73920													20	1478400
Total			**792064000**			**204736000**			**411936000**			**619136000**			**266896000**
increase in %						25,8484163			52,00791855			78,16742081			33,696267

Annex 6: Inbound tourism to the EU/Schengen countries

Key facts and figures:

- The EU/Schengen Member States rank among the world's leading tourist destinations. In 2016, there were approximately 875 million arrivals at tourist accommodations in Schengen countries, up from 635 million in 2009.[88]

- In 2016 the tourism industry contributed to the EU's GDP by 10.2% and to the EU's labour market by 11.6%.[89]

- Visa-required travellers represent a growing share of all tourists in the EU and have the strongest growth rates, both in absolute numbers and in terms of expenditure. The numbers of arrivals of visa-required travellers[90] at tourist accommodations in Schengen countries increased by 175% from 2009 to 2016 (to 37.8 million), while the overall number of arrivals increased by only 38%.[91]

- In absolute numbers, there were approximately 11 million arrivals from China, 6.5 million from Russia, 3.1 million from African countries, and 2.4 million arrivals from Turkey at tourist accommodations in the Schengen area in 2016.[92]

- Some of the visa-required nationals rank among the highest spenders in international tourism worldwide with Chinese leading the global expenditure ranking. Expenditure by Chinese outbound tourists grew by 12% to USD 261 billion, consolidating China's position as the number one source market in the world since 2012.[93] The growth in the first half of 2017 was 19%, compared to the same period in 2016.[94]

- Additionally, other visa required travellers showed double-digit growth in outbound tourism expenditure in 2016, for instance India (+16%), Qatar (+11%), Thailand (+11%), Vietnam (+28%) and Egypt (+19%).[95] In the first half of 2017, tourism spending by Russian travellers grew by 27% after some years of declines, showing the recovery of this important market for the EU.[96]

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88 Eurostat database, Arrivals at tourist accommodation establishments by country/world region of residence of the tourist, data updated on 07/11/2017. Those figures do not correspond to the overall numbers of travellers or trips, as tourists often stay at different accommodations during one trip.

89 World Travel & Tourism Council, https://www.wttc.org/research/economic-research/economic-impact-analysis/.

90 As figures are not available for all third-country nationals and sometimes only by region, only an approximation is possible. The following countries/regions were counted as visa-required for this purpose: Africa, China (including Hong Kong), other Asian countries (excluding Japan and South Korea), Russia, Turkey.

91 Eurostat database, idem.

92 Eurostat database, idem.

93 UNWTO press release PR 17046, 12 April 2017, http://media.unwto.org/press-release/2017-04-12/chinese-tourists-spent-12-more-travelling-abroad-2016.

94 UNWTO, European Union Short-Term Tourism Trends, Volume 1, 2017-5.

95 UNWTO, Tourism Highlights, 2017 Edition, http://mkt.unwto.org/publication/unwto-tourism-highlights.

96 UNWTO, European Union Short-Term Tourism Trends, Volume 1, 2017-5.

- Europe's market share of Asian outbound tourism remains relatively low. Out of the total of 86.3 million outbound trips made by Chinese in 2016, about 46.7% were long-haul, but only 12.2% were made to Europe (including non-EU countries). The numbers are similar for India, despite an even bigger share of long-haul trips (16.7 million trips, 96.2% long-haul, 14.0% to Europe).[97]

The following table presents data on global outbound tourism expenditure of Schengen visa required travellers from selected countries in million USD.[98]

Country of origin	*2011*	*2012*	*2013*	*2014*	*2015*	*Increase 2011-2015*
China	72,585	101,977	128,576	234,662	292,200	**303%**
India	13,699	14,107	13,884	17,492	17,686	**29%**
Indonesia	8,653	9,055	10,280	10,263	9,800	**13%**
Kuwait	8,879	10,073	10,567	12,280	13,148	**48%**
Nigeria	9,533	9,240	9,150	9,068	9,200	**-3%**
Philippines	6,055	7,140	8,400	11,130	11,868	**96%**
Qatar	7,813	10,702	11,729	12,871	11,641	**49%**
Russia	37,343	48,096	59,504	55,383	38,434	**3%**
Saudi Arabia	18,202	17,986	18,648	25,137	20,366	**12%**
Thailand	7,534	8,095	8,238	8,824	9,539	**27%**

The following graph shows the steady tourism growth in the Schengen area, with the year 2009 taken as a baseline. The blue line represents a growing share of visa-required travellers' arrivals at tourist accommodations, and hence their growing importance for the tourism industry in the Schengen area, while the red line illustrates the development of total arrivals to tourist accommodations.[99]



97 ETC, European Tourism in 2017: trends and Prospects (Q3/2017), http://www.etc-corporate.org/reports/european-tourism-2017-trends-and-prospects-(q3-2017).

98 World Tourism Organization (2017), Compendium of Tourism Statistics dataset [Electronic], UNWTO, Madrid, data updated on 25/09/2017. Available data are not fully comprehensive.

99 Eurostat database, Arrivals at tourist accommodation establishments by country/world region of residence of the tourist, data updated on 07/11/2017.

Annex 7: Elements carried over from the 2014 proposal

The following elements of the 2014 Visa Code recast proposal are expected to be carried over to the new proposal[100], with the aim of introducing procedural facilitations for visa applications and in view of simplifying, clarifying and streamlining existing provisions.

Procedural facilitations

Provision	Change	Expected impacts
Deadline for lodging applications before the start of the intended trip	Deadline extended from 3 to 6 months for all applicants and to 9 months for seafarers	This will allow applicants to better plan ahead and avoid waiting times during peak season. Flight tickets will also be cheaper as a result, leading to reduced costs for visa holders. For consulates the work load will be more evenly spread over the year. Sea crews typically have contracts of 8-9 months during which they work in the high seas and can therefore not apply for a visa in view of their signing off the ship (in the EU, to return to their home country).
	Applicants should apply as a minimum 2 weeks before their intended travel.	Legal clarification, as many Member States already apply such deadlines. This will leave consulates sufficient time to assess applications, given also the proposed maximum processing time (10 days). This will not prevent late submission in individual cases.
Processing time	Maximum standard processing time reduced from 15 to 10 days	The shortening of decision-making deadlines will reduce the overall time for applying for a visa, which is one of the main difficulties raised by respondents in the open public consultation.
	Maximum processing time for exceptional cases reduced from 60 to 45 days	
Visas applied for at the border	Member States will have the possibility of allowing applications at land and sea borders during a limited periods and under specific conditions	Where Member States make use of this possibility, this will promote short-term tourism at short notice, most likely in the summer period. This will reduce costs and hassle for such tourists.
Practical arrangements for lodging an application	Rules on who may lodge an application on behalf of the applicant have been clarified	Persons whose biometric data are already stored in the VIS will not have to go to the consulate or the external service provider to lodge their application, which will save them time and money.
Interviews of applicants	Clarification to allow for the use of modern means of communication (phone, Skype) to conduct interviews during the examination, where necessary.	This measure, where used by Member States, will avoid that the applicant has to come in person to the consulate (after having lodged the application). This will save applicants time and money.
Application form	Form will be simplified and reorganised	This will make the form more user-friendly.
Refusal from	Entries have been added to ensure that the refused person is given detailed information on the appeal procedures	This will give the person concerned precise information on the deadline and procedures to respect when appealing a negative decision

[100] Some of the provisions will be amended from the original proposal to take account of positions expressed in the negotiations between the co-legislators.

Clarification and streamlining

Provision	Change	Expected impacts
Definition of 'seafarers'	Clarification to ensure that all staff working on ships benefit from the various procedural facilitations.	This clarification will ensure equal treatment of all categories of staff working on ships and allow for the smooth rotation of staff in the the shipping industry.
Airport transit visa (ATV) requirements	Clarification of the rules regarding the exemption from the ATV requirement to persons holding certain residence and entry permits	This clarification will facilitate travel and airline boarding and controls at borders, for the persons concerned, airline ground staff and border guards.
Member States' competence for examining and deciding on applications	In case of one trip visiting several Member States or of several separate trips within a short time frame, the length of the intended stay will determine the main destination and thus which Member State is competent.	Clarification. Applicants will know better where to lodge the application. Member States will know who is competent. Currently the criterion of 'main' purpose of a trip is less precise and interpreted differently by Member States.
Prior consultation	Member States are required to reply as soon as possible to consultation requests	This will contribute to shortening processing time and is in the interest of both applicants and the case-handling Member State.
	Deadlines for timely notification to the Commission on introduction/withdrawal of prior consultation	The Commission will be able to ensure timely information to other Member States and allow Member States to prepare at technical level and to inform the public.
Verification of compliance with the 90/180-days rule	Clarification that earlier stays on the basis of a national long stay visa or a residence permit are not to be counted when verifying compliance with the 90/180-days rule.	Clarification for both Member States and applicants.
Cooperation with external service providers (ESP)	Strengthening of rules regarding Member States' monitoring of ESP to ensure systematic and regular inspections and reporting.	Improved monitoring of ESP activities, especially as regards data protection.
Representation arrangements	The represented Member State will not be able to require to be consulted during the examination procedure.	This will simplify the conclusion of representation arrangements and contribute to shortening the processing time
	Deadlines for timely information by Member States on representation arrangements	More transparency about representation.
Cooperation between Member States	More flexible rules to allow Member States to increase their consular coverage and develop cooperation with other MS.	Enhanced consular coverage/presence and optimised use of Member States' resources.
Local Schengen cooperation (LSC)	Strengthening of provisions to ensure that Member States carry out the mandatory tasks regarding harmonisation of practices and that EU Delegations ensure the coordination of LSC.	More efficient cooperation between Member States at local level.
Operational annexes	Deletion of annexes on filling in and affixing the visa sticker	Simplification. Deletion of obsolete rules. Clarification in new operational instructions.

Annex 8: Sensitivity analysis of MCA

This annex contains a sensitivity analysis of the qualitative assessment of policy options using the multi-criteria analysis (MCA) approach. It compares the aggregate impact score of the various options under the original weighting of impact criteria (as elaborated in section 6.2) with the impact score that options would obtain if equal weighting were given to all specific impact criteria. The purpose is to assess the sensitivity of the MCA to such changes. The assessment of options against general principles (i.e. effectiveness, proportionality, feasibility and coherence) is not affected by different weighting of impact criteria and is therefore not taken into account in this annex.

1. INSUFFICIENT FINANCIAL RESOURCES

The following tables show the original weighting used for the assessment in section 6.2.1 and the alternative equal weighting. After assigning the same weighting to all impact criteria for the visa fee policy options, the overall impact score does not change significantly and the **ranking order remains the same**. The option 1C3 (fee of 120 EUR) records the highest score, followed by the option 1C2 (100 EUR). Options 1C1 (80 EUR) and 1C4 (80 EUR for MEV/SEV up to 6 months, 120 EUR for 1-5 years MEV) still largely record the same impact score.

Impact criteria	**Weight**	**Options**					
		1A	**1B**	**1C1**	**1C2**	**1C3**	**1C4**
Financial resources	*40%*	0	+1	+1	+2	+3	+1
Integrity / security of Schengen area	*20%*	0	-1	+1	+2	+3	+1
Changes in travel behaviour	*40%*	0	0	0	-1	-2	0
Aggregate impact score	***100%***	**0**	**+0.2**	**+0.6**	**+0.8**	**+1.0**	**+0.6**

Impact criteria	**Weight**	**Options**					
		1A	**1B**	**1C1**	**1C2**	**1C3**	**1C4**
Financial resources	*33%*	0	+1	+1	+2	+3	+1
Integrity / security of Schengen area	*33%*	0	-1	+1	+2	+3	+1
Changes in travel behaviour	*33%*	0	0	0	-1	-2	0
Aggregate impact score	***100%***	**0**	**0**	**+0.7**	**+1.0**	**+1.3**	**+0.7**

2. REPEATED VISA PROCEDURES

The following tables show the original weighting used for the assessment in section 6.2.2 and the alternative equal weighting. The overall impact score of the policy options for repeated visa procedures does not change significantly and the **ranking order remains the same** after assigning the same weighting to all impact criteria. The option 2D (standard MEV of 2-5 years) still records the highest score, followed by options 2C1 (general MEV cascade) and preferred 2C2 (general and country MEV cascades).

Impact criteria	Weight	Options					
		2A	2B	2C1	2C2	2C3	2D
Cost savings for Member States	*20%*	0	0	+2	+2	+1	+4
Cost savings for frequent travellers	*20%*	0	+1	+3	+3	+2	+5
Changes in travel behaviour	*60%*	0	+1	+3	+3	+2	+4
Aggregate impact score	***100%***	**0**	**+0.8**	**+2.8**	**+2.8**	**+1.8**	**+4.2**

Impact criteria	Weight	Options					
		2A	2B	2C1	2C2	2C3	2D
Cost savings for Member States	*33%*	0	0	+2	+2	+1	+4
Cost savings for frequent travellers	*33%*	0	+1	+3	+3	+2	+5
Changes in travel behaviour	*33%*	0	+1	+3	+3	+2	+4
Aggregate impact score	***100%***	**0**	**+0.7**	**+2.7**	**+2.7**	**+1.7**	**+4.3**

3. RETURN OF IRREGULAR MIGRANTS

The following tables show the original weighting used for the assessment in section 6.2.3 and the alternative equal weighting. The policy option 3C1 (negative incentives – maximum approach) obtains the negative score of -0.3 after equalling weighting of the impact criteria, which makes it the least favourable option. The score of the preferred option 3C2 (negative incentives – targeted approach) ranks equally with the remaining options 3A (status quo) and 3B (positive incentives).

Impact criteria	Weight	Options			
		3A	3B	3C1	3C2
Improved return rates	60%	0	0	+2	+2
Changes in travel behaviour	10%	0	0	-1	-1
External relations / image of EU	30%	0	0	-2	-1
Aggregate impact score	***100%***	**0**	**0**	**+0.5**	**+0.8**

Impact criteria	Weight	Options			
		3A	3B	3C1	3C2
Improved return rates	*33%*	0	0	+2	+2
Changes in travel behaviour	*33%*	0	0	-1	-1
External relations / image of EU	*33%*	0	0	-2	-1
Aggregate impact score	***100%***	**0**	**0**	**-0.3**	**0**