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| **Executive Summary Sheet** |
| **Impact assessment for a proposal amending the Visa Code** |
| **A. Need for action** |
| **What is the problem and why is it a problem at EU level?** |
| The **Visa Code** which regulates **conditions and procedures for issuing short-stay visas** for the Schengen area is in force since 2009. In 2014, the Commission proposed a modification of the regulation on which co-legislators could not reach agreement. The Commission decided to present a new initiative in order to address **three problem areas**:   1. The **financial resources** obtained through the visa fees are **insufficient to support visa processing**, undermining the integrity of Schengen visa issuing and the objective of fast and client-friendly visa procedures. The main problem driver is that the standard visa fee of EUR 60 has not changed since 2006. 2. **Regular travellers** have to go through **repeated visa procedures**, as Member States do not sufficiently issue multiple-entry visas (MEV) with long validity. This creates unnecessary burdens for applicants and consulates and leads to **losses for the EU travel and tourism industry**. The main problem driver is that the legal basis for issuing long-validity MEV is unclear. 3. Member States have **difficulties in achieving sufficient levels of return** **of irregular migrants to their countries of origin**, which creates an incentive for further illegal migration. The main problem driver is third countries' reluctance to readmit their own nationals. |
| **What should be achieved?** |
| 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. There are three **specific** objectives:   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. |
| **What is the value added of action at the EU level (subsidiarity)?** |
| The abolition of checks at internal borders in the Schengen area requires, among other measures, a common policy on visas. 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 and can only be addressed at EU level. |
| **B. Solutions** |
| **What are the various options to achieve the objectives? Is there a preferred option or not? If not, why?** |
| Problem area 1: Insufficient financial resources to support visa processing  * Option 1A: status quo – unchanged common visa fee at EUR 60 * Option 1B: national visa fees based on administrative costs * Option 1C: increase of common visa fee. Various sub-options are considered: EUR 80, EUR 100, EUR 120 or EUR 80 for visas up to 6 months, EUR 120 for MEV of 1-5 years.   The increase to a **EUR 80 fee** is the preferred option.  Problem area 2: Repeated visa procedures for regular travellers   * Option 2A: status quo – Member States determine their approach to issuing MEV with long validity * Option 2B: recommended best practice * Option 2C: common MEV cascades[[1]](#footnote-2) with various sub-options (general MEV cascade, general and country MEV cascades, country MEV cascades) * Option 2D: standard MEV with 2- or 5-year validity   The **general and** **country MEV cascade** is the preferred option.  Problem area 3: Insufficient levels of return of irregular migrants to some countries of origin   * Option 3A: status quo – Council 'toolbox approach' * Option 3B: positive incentives in visa policy * Option 3C: negative incentives in visa policy with various sub-options (maximum approach aiming at all passports from the start or targeted approach in two phases: diplomatic and service passports, then ordinary passports)   The **negative incentives with a targeted approach** is the preferred option. |
| **What are different stakeholders' views? Who supports which option?** |
| Targeted consultations (Member States, associations in the tourism, travel, shipping industries etc.) and an open public consultation were carried out. Member States clearly favour an increase of the visa fee as well as introducing a legal link between the visa policy and readmission of irregular migrants. Tourism and business associations highlight the negative effects of repeated visa procedures for frequent travellers and advocate a more systematic and harmonised issuing of MEV with long validity. |
| **C. Impacts of the preferred option** |
| **What are the benefits of the preferred option?** |
| - The common visa fee at EUR 80 will provide additional revenue for Member States of EUR 205 million (+26%), thereby more financial resources for visa processing, staffing and training – faster procedures and higher security for Schengen area.  - The general and country MEV cascades would allow for more MEV with long validity issued, creating for travel flexibility for frequent travellers; cost savings for visa applicants and consulates due to fewer visa procedures and increased travel to the EU, with positive repercussions for the EU tourism industry (competitiveness and employment).  - Negative incentives in visa policy (with a targeted approach) should contribute to higher rates of return of irregular migrants to previously non-cooperative third countries, cost savings for Member States for lodging, food, and administrative expenses, and more generally higher security, better acceptance of EU migration policy, and a deterrent effect on potential future irregular migrants. |
| **What are the costs of the preferred option?** |
| The increase of the common visa fee at EUR 80 would imply additional costs for visa applicants (corresponding to Member States' additional revenue); however, due to reasonable increase no expected negative effect on travel behaviour. General and country MEV cascades will have no costs. Negative incentives in visa policy (targeted approach) might have a negative impact on the EU's external relations and image in the world. |
| **What are the impacts on SMEs and competitiveness?** |
| None of the preferred policy options has any direct impact on SME and competitiveness. Easier access to long-validity MEV and the resulting increased travel to the EU will strengthen the competitiveness of the EU's tourism and travel industry. |
| **Will there be significant impacts on national budgets and administrations?** |
| There will be positive impacts from all three preferred options: additional revenue from higher visa fee for visa processing; cost savings from fewer visa procedures due to higher issuing of long-validity MEV; cost savings for lodging, food, and administrative expenses of irregular migrants. |
| **Will there be other significant impacts?** |
| No other significant impacts apart from those outlined above. |
| **Proportionality?** |
| All three preferred options respect the principle of proportionality and do not go beyond what is necessary to achieve the objective. The visa fee increase proposed is proportionate and is closest to the inflation rate since 2006. The approach proposed for issuing MEV with long validity brings progress to the current situation, but does not radically change Member States' current practices. The negative incentives to encourage third countries' cooperation on readmission would target the government, before affecting the general population. |
| **D. Follow up** |
| **When will the policy be reviewed?** |
| The Commission should present an evaluation report **three years after start of application** of the revised regulation (i.e. three and a half years after its entry into force). It should assess the progress with respect to the three main problem areas and policy objectives addressed. |

1. 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. [↑](#footnote-ref-2)