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Subject : Specific Agreement No 26: Ex-post evaluation of the current Protocol to the Fisheries Partnership Agreement between the European Union and the Kingdom of Morocco, Impact study for a possible future Protocol to the Agreement

Delegations will find attached the above document, partially declassified (fifth part¹).

¹ See also EXT 1 INIT + ADD 1-3; 5.

Table 44: Elasmobranch species caught by EU longliners (categories 2 and 4) in decreasing order of abundance (source: minutes of the second meeting of the Joint Scientific Committee)

Scientific name	Family	Species category	Bathymetric distribution	Status on the IUCN red list
<i>Centroscymnus coelolepis</i>	Dalatiidae	Demersal	150-3700 m ; generally: 400-2000 m	Near threatened
<i>Centrophorus squamosus</i>	Centrophoridae	Demersal	145-2400 m	Vulnerable
<i>Centrophorus granulosus</i>	Centrophoridae	Demersal	50-1440 m ; generally: 200-600 m	Vulnerable
<i>Centrophorus lusitanicus</i>	Centrophoridae	Demersal	300 – 1400 m	Vulnerable
<i>Scymnodon ringens</i>	Dalatiidae	Benthic and mesopelagic	200-1600 m ; generally: 550-1450 m	Data lacking
<i>Dalatias licha</i>	Dalatiidae	Demersal	37-1800 m ; generally: 200-1800 m	Near threatened
<i>Galeus melastomus</i>	Scylliorhinidae	Benthic	55-1873 m ; generally: 150-1200 m	Least concern
<i>Deania calcea</i>	Centrophoridae	Demersal	60-1490 m ; generally: 400-1400 m	Least concern
<i>Raja clavata</i>	Rajidae	Benthic	20-577 m	Near threatened
<i>Raja montagui</i>	Rajidae	Benthic	20-345 m	Least concern

Among the 10 species of shark and ray caught by EU longliners, three species of shark (*Centrophorus squamosus*, *S. granulosus* and *S. lusitanicus*) are regarded as 'vulnerable' by the IUCN, meaning that an 80% reduction in their population has been observed. Three species are regarded as 'near threatened' (the shark species *Centroscymnus coelolepis* and *Dalatias licha*; and the ray species *Raja clavata*). Three species fall into the 'least concern' category (the shark species *Galeus melastomus* and *Deania calcea*; and the ray species *Raja montagui*).

In the light of this situation, the Joint Scientific Committee has emphasised the urgent need to:

- enforce the relevant rules (Decision No RE2/09);
- step up monitoring of longliner activity by on-board observers;
- improve our knowledge of the biology of the species concerned and monitor stocks.

With a view to ensuring that no further fishing pressure is exerted on elasmobranch populations, the Moroccan Ministry of Agriculture and Maritime Fishing recently banned the establishment of a shark fishery in Dakhla (source: INRH).

> Marine turtles

Five species of marine turtle frequent Moroccan coastal waters (Iloris and Rucabado, 1998). The loggerhead marine turtle, *Caretta caretta*, is the most common species in Morocco, being present on its Atlantic and Mediterranean coasts. The green marine turtle, *Chelonia mydas*, is mostly found in southern Morocco, where it is often hunted for its meat. The other species, leatherback marine turtle, *Dermochelys coriacea*, the hawksbill marine turtle, *Eretmochelys imbricata*, and Kemp's ridley marine turtle, *Lepidochelys kempii*, are less common.

All these species are regarded by the IUCN as being 'endangered' or 'critically endangered' (table 4).

Table 45: IUCN status of marine turtles frequenting Moroccan coastal waters

Species	Scientific name	IUCN status
Loggerhead marine turtle	<i>Caretta caretta</i>	endangered
Green marine turtle	<i>Chelonia mydas</i>	endangered
Leatherback marine turtle	<i>Dermochelys coriacea</i>	critically endangered
Hawksbill marine turtle	<i>Eretmochelys imbricata</i>	critically endangered
Kemp's ridley marine turtle	<i>Lepidochelys kempi</i>	critically endangered

The impact of fishing on these species may be substantial. Surveys carried out by the Association for the Protection of Marine Turtles in Morocco (ATOMM) among coastal fishermen indicate that marine turtles are frequently caught in fishing nets. Coastal trawlers may also accidentally catch turtles.

In 2002, Morocco signed the memorandum of understanding on conservation measures for marine turtles on the African Atlantic coast, drawn up under the auspices of the Secretariat of the Convention on the Conservation of Migratory Species.

> Cetaceans

Dolphins are caught accidentally by pelagic trawlers operating in zone C, between Cap Boujdor and Cap Blanc (source: INRH). The species in question is probably the common dolphin, *Delphinus delphis*, which is caught accidentally by pelagic trawlers operating in Mauritanian waters south of Cap Blanc. It is not known how many dolphins are caught accidentally in zone C. It should be made clear, however, that the reports submitted by observers embarked on EU pelagic trawlers in 2008 and 2009 make no mention of accidental dolphin catches. The conclusion must be that accidental dolphin catches are very rare, or even non-existent, or that they are recorded as by-catches. If that is the case, a 'dolphin' heading should be added to the observers' report form.

In 1999 Morocco ratified the Agreement on the Conservation of Cetaceans of the Black Sea, Mediterranean Sea and the Contiguous Atlantic Area (ACCOBAMS), which has been in force since 1 June 2001.

> Monk seal

The colony of monk seals, *Monachus monachus*, established near Cap Blanc is regularly monitored by the INRH regional centre in Dakhla. With a view to preventing accidental catches in gill nets, two or three fishing sites close to the colony have been closed.

5.4.3 Impact of fishing on habitats

In Moroccan waters, the habitats worst affected by fishing are those which consist of loose substrates and which are situated where trawlers carry out their activities. In this type of habitat, the most significant form of physical impact are the furrows left behind by the passage of the trawl doors. Their depth depends on the weight of the doors and the hardness of the substrate, and their persistence on local hydrodynamic conditions (current and wave action).

Studies have shown that these furrows may reach a depth of 20 cm in muddy sediments and that they disappear within five months in sectors where the currents are strong, but are still visible 18 months after test trawling in sheltered coastal areas. The same studies emphasised that the surface damaged by the passage of the doors represented only a small part of the total surface area swept by the trawl and that, in addition to the doors, other parts of the trawl, in particular the foot ropes, left only faint, irregular traces on the seabed (FAO, 2004).

The impact of trawling on soft-seabed benthic communities has been studied in detail in the context of research into shrimp fisheries. However, these studies in question have not established a clear link between this fishing technique and the changes observed in the course of the study

among several benthic species. As soft-seabed benthic communities naturally vary substantially, geographically and over time, in terms of their specific composition and the relative abundance of individual species, the potential disruption caused by trawling may be masked and therefore difficult to prove (FAO, 2004). This suggests that the impact of trawling on benthic communities remains limited in the light of the extent of natural seasonal variations, and there is general agreement that soft-substrate habitats are among those least affected by fishing.

As regards hard-seabed habitats, the most likely form of physical impact is that caused by fixed nets (gill nets and trammel nets) which settle on the seabed in areas where the current is very strong, so that the lead headline sweeps over the substrate. This sweeping motion may cause rocks or other materials to be displaced and the sessile epifauna (gorgonia, coral, cirripedia, sponges, ascidiacea) to become detached.

5.4.4 Impact of fishing on ecosystems

The development of a fishery disrupts the original ecosystem in the area concerned, until a new inter-species balance is gradually established.

In broad terms, fishing has brought about a reduction in populations of high-trophic-level predators and the regulatory function performed by these species has practically disappeared. Accordingly, fishing has fostered the proliferation of species at lower trophic levels.

The development of the cephalopod fishery in the southern part of the Moroccan Atlantic coast illustrates this phenomenon. South of Cap Boujdor, where, in the 1960s, the fishing effort was directed towards catching sparidae, the probable over-fishing of these carnivorous species, and the resulting spectacular drop in their numbers, led to the growth of the cephalopod population (octopus) in the 1970s and 1980s, before that population in turn declined in the 1990s as a result of severe over-fishing (see table below).

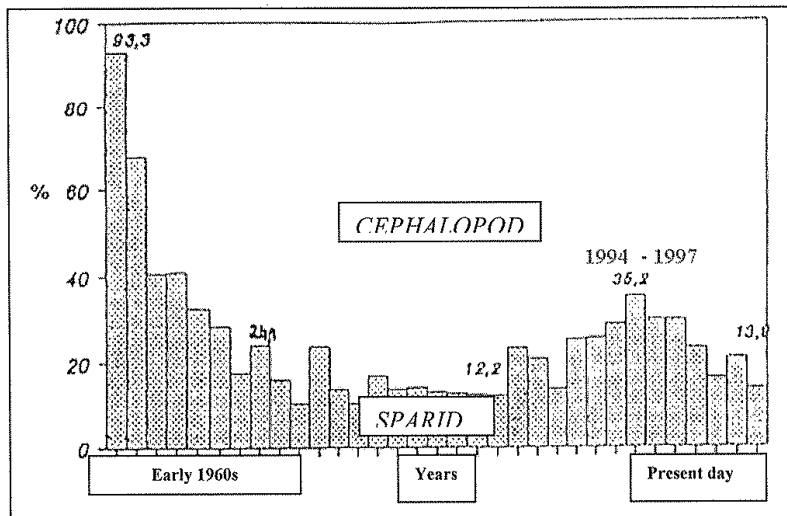


Figure 20: Trends in cephalopod and sparidae landings in the demersal fishery south of Cap Boujdor (source: INRH)

Moreover, the practice of throwing back fish has done much to modify the inter-species balance in ecosystems, across all trophic levels, since throwbacks represent an abundant and a readily accessible source of food for species at various levels, including low levels. They attract many

carnivorous species: reptant (crabs, crayfish, spiny lobsters) and natant (shrimps) crustaceans; cephalopods (octopus, cuttlefish, squid); fish (including elasmobranch species); and probably also marine turtles. They are thus quickly reintroduced into the food chain and could have a positive impact on biological productivity in a given zone.

5.4.5 'Phantom fishing'

One significant way in which fishing activities damage the marine environment is through the development of 'phantom fishing', which is caused by the loss of fishing gear, in particular gill nets and trammel nets. The risk of items of gear of this kind being lost is increasing as a result of their ever more frequent use in all coastal fisheries, where they have often replaced pots/creels and longlines, being more wieldy, easy to lay and effective without requiring the use of bait.

There are various reasons why nets may be lost: they may become caught on a rock or wreck when being raised; localisation flags and buoys may come adrift in bad weather; they may be swept away by a trawl net.

The lost net retains the ability to catch fish for a certain period of time. As part of the FANTARED 2 project financed by the EU, in recent years experiments have been carried out in Italy and Portugal and on the French Mediterranean coast with a view to observing, from an underwater viewpoint, what happens to the various types of 'lost' gill and trammel nets. It would seem that these types of gear gradually lose their fishing effectiveness (after two to three months in the Mediterranean), as a result of fouling and the gradual reduction in their height (IFREMER, 2008).

However, sections of net which have become attached to reefs or wrecks may remain deployed over long periods and continue to catch fish, thereby constituting a permanent trap for all marine animals searching for food (in particular birds, turtles and monk seals). The synthetic materials used to make nets are biodegradable only to a very small extent – it is estimated that they would have to remain under water for between four and six centuries before disappearing.

Although the risk of losing nets has been lessened by the more widespread use of GPS, technical measures can be taken to reduce even further the frequency with which nets are lost and, by extension, the effects of phantom fishing:

- use of biodegradable wires to attach the netting to the floater headline so that it is released if kept under water for a long period;
- use of thinner lower headlines which break more easily, to reduce the risk of loss as a result of nets becoming caught on the seabed;
- use of a higher hanging ratio (more than 50%), in order to tighten the netting, loose netting being the main cause of entanglement.

Lost pots and creels also cause 'phantom fishing'. They retain the ability to catch fish for some time, at least until the bait disappears, and may also provide shelter for individuals of certain species, which then remain trapped. In this case the best solution to the problem of 'phantom fishing' remains the use, when building some part of the gear, of a material which rapidly degrades in sea water, so that animals which enter the pot or creel can find a way out.

The problem of 'phantom fishing' does not arise in the small-scale cephalopod fishery to the south of Cap Boujdor, even though octopus pots are probably lost there in substantial quantities. In the Dakhla area, each of the 1189 small boats uses 400 octopus pots, which are raised in batches of 200 every two days. Unlike other pots and creels, when lost these pots serve as shelters for octopus, which swim in and out without problem.

5.4.6 Pollution by fishing vessels

Pollution as a result of the dumping of fuel waste at sea is a major cause of the degradation of the marine environment. In the Moroccan EEZ, fishing vessels contribute to this form of pollution, albeit to a lesser degree than commercial vessels.

Owing to the lack of *appropriate* facilities in Moroccan fishing ports, fuel residues, used oil and lubricants are often dumped at sea..

The lack of facilities for collecting macro-waste (food packaging and fishing gear which cannot be repaired) in Moroccan ports likewise suggests that fishing vessel crews simply throw such items overboard.

PART 3: ASSESSMENT OF THE FISHERIES PARTNERSHIP AGREEMENT

1 THE FISHERIES PARTNERSHIP AGREEMENT

1.1 Presentation of the agreement and its protocol

> Background to relations in the form of bilateral agreements between Morocco and the EU

Relations between Morocco and the Community institutions in the form of bilateral fisheries agreements date back to 1988, the year in which the first Community agreement which followed on from the earlier agreements between Spain and Morocco came into force. Relations then continued uninterrupted until 1999, when the two sides failed to reach agreement on the renewal of the protocol then in force. Early in 2001 the Commission officially announced that the negotiations had failed as a result of persistent disagreements concerning the fishing opportunities which the agreement would provide for and the level of financial contribution to be paid. At the same time, the Commission took unprecedented financial measures to compensate the European shipowners and fishermen deprived of a livelihood by the failure to renew the agreement, including vessel-demolition premiums and socio-economic measures in the form of aid paid to the fishermen concerned².

The various agreements covering the period between 1988 and 1999 provided for fishing opportunities for more than 600 Community vessels, most of them Spanish and Portuguese, in return for relatively high financial contributions: from ECU 68 million in 1988 up to more than ECU 90 million for the last year covered by the agreement. In financial terms, this was the largest Community agreement, well ahead of that with Mauritania (roughly ECU 29 million at the time).

In 2005, the two parties resumed their dialogue and opened a new round of negotiations which culminated in the initialling, in July 2005, of a new bilateral fisheries agreement in the form of a fisheries partnership agreement consistent with the Council conclusions of July 2004 on the Commission proposal concerning the reform of bilateral agreements (COM(2002)637). That new agreement, which is the subject of this assessment, officially entered into force on 28 February 2007, once the two parties had officially completed the ratification procedures.

However, there was no complete hiatus in relations between the two partners in the area of fishing opportunities between the expiry of the agreement in 1999 and the initialling of a new agreement in 2005. Following the wreck of the *Prestige* in late 2002, which resulted in the serious pollution of the Galician coast, Morocco enacted a Royal Decree granting, on an exceptional basis and in return for no financial contribution, fishing opportunities for a maximum of 60 Spanish vessels, in a spirit of good-neighbourly relations. Some 20 vessels took up the offer, fishing for almost a year in Morocco's EEZ outside the the scope of any formal bilateral institutional framework.

> Main characteristics of the current agreement

The main instrument governing the bilateral agreement is Council Regulation (EC) No 764/2006 on the conclusion of the Fisheries Partnership Agreement between the European

² Council Regulation (EC) No 2561/2001 aiming to promote the conversion of fishing vessels and of fishermen that were, up to 1999, dependent on the fishing agreement with Morocco.

Community and the Kingdom of Morocco³. That document incorporates the partnership agreement itself, its implementing protocol and the provisions governing the distribution of fishing opportunities negotiated for each Member State. A Council notification dated March 2007 specifies the date of entry into force of the agreement⁴.

The partnership agreement has been concluded for a period of four years, tacitly renewable for further four-year periods unless notice of termination is given by one of the parties at least six months prior to the expiry date. The agreement may also be suspended in the even of a disagreement, provided that three months' notice is given.

The agreement lays down the basic principles governing the partnership (promotion of responsible fishing on the basis of non-discrimination, prior consultation on measures affecting one of the two parties, respect for seamen's rights), provides for scientific cooperation, involving the organisation of joint annual meetings, and establishes the basis for cooperation to promote European investment in the Moroccan fisheries sector. The agreement also sets up the joint committee comprising representatives of the two parties, which is responsible for implementing the agreement. The joint committee meets at least once a year and holds extraordinary sessions at the instigation of one of the parties.

As regards the financial contribution, the agreement stipulates that it will be composed of two related elements, namely (i) a financial contribution for access by Community vessels to Moroccan fishing zones which takes into account the value of the fishing rights negotiated, and (ii) Community financial support for the introduction of a national fisheries policy.

Finally, the agreement stipulates that only vessels engaged in the types of fishing covered by the agreement may obtain licences to fish in Moroccan waters (exclusivity clause). Licences may be granted to Community vessels engaged in other types of fishing only if authorised by the two parties.

The practical arrangements for implementing the agreement are laid down in the protocol annexed to it, which sets out details of the fishing opportunities and the financial contribution.

The protocol applies for a period of four years. The financial contribution (components (i) and (ii), outlined above) is fixed at EUR 36.1 million per year, including EUR 10.05 million under component (ii). Of this annual total of EUR 36.1 million, EUR 13.5 million is earmarked for the implementation of a sectoral fisheries policy in Morocco following the identification of joint objectives and on the basis of the relevant annual and multiannual programming. The protocol earmarks EUR 4.75 million per year to the programme to modernise the coastal fleet, EUR 1.25 million to the programme to abolish driftnets, and the remainder to other elements of fisheries policy, in particular research, training, the restructuring of small-scale fishing and related upstream and downstream sectors.

To that sum must be added the fees due by European shipowners taking advantage of the fishing opportunities negotiated, estimated in the protocol at EUR 3.4 million per year. These sums are paid into the Moroccan Public Treasury as general revenue.

In terms of its total financial volume, the agreement with Morocco is the second largest concluded by the EU, well behind the agreement with Mauritania (maximum of EUR 86 million) and ahead of that concluded with Guinea-Bissau (EUR 7.5 million per year). The agreement with Morocco accounted for 23% of the Commission's 2008 payment appropriations for international agreements (≈ EUR 157.1 million, Article 11 03 01 of the

³ OJ L 141, 29.5.2006.

⁴ OJ L 78, 17.3.2007.

budget), 4% of DG MARE's 2008 payment appropriations and 0.03% of the Commission's total payment appropriations.

1.2 The fishing opportunities negotiated

The protocol defines six types of fishing and the conditions governing the exercise of fishing and the payment of fees.

- **Category 1: small-scale pelagic fishing/north (or seine-net fishing/north).** This type of fishing covers vessels with a maximum individual capacity of less than 100 GT fishing for small pelagic species (sardines, anchovies and others) using seine nets. These vessels are authorised to fish in the zone to the north of latitude 34°18' N and more than two miles from the base line. Maximum number of vessels: 20.
- **Category 2: small-scale fishing/north.** The vessels concerned may fish for bottom-feeding species (scabbardfish, sparidae and other species). This category is divided into two sub-categories, one reserved for vessels of less than 40 GT (maximum: 27 vessels), and the other reserved for vessels of between 40 and 150 GT (maximum: three vessels). The vessels in this category are restricted to waters north of latitude 34°18' N and more than six nautical miles from the base lines.
- **Category 3: small-scale fishing/south.** This category covers vessels of less than 80 GT fishing for demersal species (croaker and sparidae) using lines, poles and traps, but not nets (except for catching bait) or longlines (maximum 20 vessels). This type of fishing is restricted to waters south of latitude 30°40' N and more than three nautical miles from the base lines.
- **Category 4: demersal fishing.** As in the case of category 2, this category is split into two sub-categories, one composed of vessels using longlines or nets, and the other composed of trawlers. The target species are black hake, scabbardfish and leerfish/bonito or other bottom-feeding species, but not cephalopods and crustacea. The vessels in this category must have an average size of 275 GT and fish south of latitude 29°N and beyond 12 nautical miles in the case of longliners and beyond the 200 m isobath in the case of trawlers. This category is limited to a maximum of 22 vessels, including a maximum of 11 trawlers.
- **Category 5: tuna fishing.** The vessels in this category (maximum 27) fish for tuna using poles and lines (no seine nets or longlines) in all Moroccan waters in the Atlantic, with the exception of a protected area in the north, at least three nautical miles from the coast (two nautical miles for bait capture).
- **Category 6: industrial pelagic fishing.** The vessels concerned fish for small pelagic species (anchovies, mackerel, sardines) using pelagic trawls, or, as also accepted, turning seine nets. In fact, the vessels fall into three sub-categories: vessels not exceeding 3000 GT (\approx 72 m), vessels of between 3000 and 5000 GT (\approx 110 m), and vessels exceeding 5000 GT. The maximum number of vessels authorised to fish at the same time is 18, irrespective of their individual sizes, and the maximum quota is 60 000 tonnes per year. Vessels in this category may not fish south of latitude 29°N and more than 15 nautical miles from the base line.

As in the case of all the other fisheries agreements currently in force, the fishing opportunities are allocated among the Member States on the basis of a scale which may be adjusted by the Commission if the negotiated opportunities are not exhausted. The table below sets out the scale adopted by the Council. The fishing opportunities can be used by 11 different Member States. As regards the categories other than industrial pelagic fishing (category 6), Spain is the main beneficiary (97 out of a total of 116 possible licences – 84%). Portugal comes next (14 out of a possible 116 licences – 12%). Italy (one trawler licence) and France (four tuna-fishing licences) are the other Member States concerned.

Table 46: Allocation of fishing opportunities by Member State (in accordance with Regulation (EC) No 764/2006)

Category	Opportunities
Cat. 1: seine nets/north	ESP 20 of 20 possible licences
Cat. 2: small-scale fishing/north	ESP 20 of 30 possible licences; PRT 10 of 30 possible licences, including all 3 licences reserved for vessels exceeding 40 GT
Cat. 3: small-scale fishing/south	ESP 20 of 20 possible licences
Cat. 4: demersal fishing/south	ESP 7 of 11 possible licences for longliners, PRT 4 of 11 possible licences ESP 10 of 11 possible licences for trawlers, ITA 1 licence
Cat. 5: tuna fishing	ESP 23 of 27 possible licences, FRA 4 licences
Cat. 6: industrial pelagic fishing	Quota of 60 000 t divided between 10 Member States: NLD (32%), LIT (26%), LVA (15%), DEU (8%), POL (4%), IRL (4%), GBR (4%), FRA (4%), PRT (2%) and ESP (1%).

As regards the industrial pelagic category, the Netherlands, Lithuania and Latvia account for almost 75% of the quota of 60 000 tonnes per year. They are the three Member States which traditionally engage in heavy fishing of external stocks.

1.3 Utilisation of negotiated fishing opportunities

> Overall assessment

The rate of utilisation of the negotiated fishing opportunities by European shipowners is measured by comparing the number of licences taken out with the maximum number available (categories 1 to 5), or by comparing the tonnages caught with the maximum quota (category 6). The table below sets out the utilisation rates in the form of annual averages expressed as percentages.

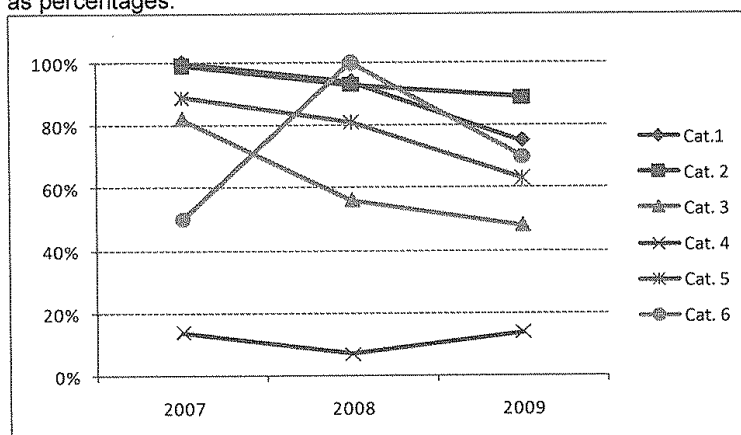


Figure 21: Average annual rate of utilisation of the fishing opportunities negotiated under the agreement with Morocco (percentage of maximum). Source: DG MARE

As regards category 1 (seine nets/north), the fishing opportunities were utilised to the full (100%) in the first year, with all 20 available licences being taken up in each quarter. The average utilisation rate has tended to decline since then (94% in 2008 and 75% in 2009), but this trend is the result of fewer licences being taken out in the first quarter of the year, during which the arrangements on biological recovery apply (February-March). Setting aside that

specific period early in the year, the average utilisation rate remains high or very high, with between 17 and 20 vessels present.

As regards category 2 (small-scale fishing/north), the utilisation rate in the first year was almost 100%, with between 27 and 30 vessels present (maximum: 30). The rate has remained satisfactory since then (93% in 2008, 89% in 2009), with between 26 and 30 vessels present depending on the quarter in question. The protocol splits this category into two sub-categories: utilisation rates for the first (maximum of 27 vessels of less than 40 GT) are variable, but consistently fairly high (between 23 and 27 vessels present each quarter), whilst for the second (vessels exceeding 40 GT) the utilisation rate has constantly been 100%, often with the same three vessels present from one quarter to the next.

As regards category 3 (small-scale fishing/south), the average utilisation rate was good in the first year (82%), with 16 or 17 vessels present each quarter (maximum: 20), but has fallen sharply since then, to 56% in 2008 and 48% in 2009, with between 8 and 13 vessels present depending on the quarter in question.

As regards category 4, demersal fishing/south, the utilisation rate can be said to have been no more than mediocre in the three years covered by the agreement (between 9 and 14%), i.e. between one and four vessels present in any given quarter. Under the agreement, this category was divided into two sub-categories: as regards the first (longliners), only between one and three of the 11 possible licences were taken out, and under the second the figures were essentially the same (between one and three out of a possible 11 licences taken out, depending on the quarter in question).

The licences for category 5, tuna vessels, are granted on an annual basis. The utilisation rate was satisfactory in the first year (89%), i.e. 24 vessels out of a maximum 27, but the trend has been downward since then (22 vessels, i.e. 81%, in 2008; 17 vessels, i.e. 63%, in 2009). Finally, as regards category 6, industrial pelagic fishing/south, the utilisation rate is calculated by comparing actual catches with a total annual quota of 60 000 tonnes. Catches in the first year amounted to 50% of the quota, rising to 100% in the second year, before falling back to 70% (roughly 42 000 tonnes) in the third. As regards the fishing fleet, seven different European vessels fished in the first year, giving an aggregate level of activity of 25 licence/months, as against nine in the second year (2008), giving an aggregate level of activity of 40 licence/months, and 10 in the final year studied (2009), giving an aggregate level of activity of 36 licence/months. Vessels from Lithuania and Latvia accounted for the bulk of the quota in the first year (77%). In the second year, UK vessels accounted for half the EU quota, as a result of quota trading with other Member States, with vessels from the Baltic States and Poland taking up practically all the rest. In the third year, vessels from the Baltic States accounted for more than half the quota. The remainder was taken up by a vessel from the Netherlands (36%) and the UK vessels (6%). The vessels from Germany, France and Ireland which had been allocated fishing opportunities under this category never used them. The vessels from Spain and Portugal came only in the first year, caught small quantities and never returned.

To sum up, the utilisation rate was good for vessels in categories 1 (seine nets/north) and 2 (small-scale fishing/north). It was disappointing for categories 3 and 4 (demersal fishing/south) and category 5 (tuna fishing). Finally, the utilisation rate for pelagic trawlers varied considerably.

In the first half of 2010, the utilisation rate remained good for category 1, but fell sharply for the small-scale fishing categories 2 and 3 (\approx -40% by comparison with 2009). The utilisation rate for category 4 remained very low. The interim data for category 6 are unrepresentative, because fishing tends to start properly towards the end of the year.

> Elements explaining the use rates.

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1.4 The cost of the agreement

Under the Fisheries Partnership Agreement with Morocco, European shipowners are required to pay two types of contribution to the Public Treasury:

- Access fees: on the basis of a scale laid down in the protocol to the agreement, European shipowners wishing to fish in Moroccan waters are required to pay a fee whose rate is fixed either on the basis of the size of the vessel expressed in GT (vessels in categories 1 to 4) and in proportion to the duration of fishing activity, or proportionally on the basis of the size of catch (categories 5 and 6), with no indexation in respect of the time spent in the Moroccan fishing zone. On top of this fee shipowners pay a contribution to the cost of sightings at sea.
- Licence fees: fixed under Moroccan law, licence fees are payable by all vessels, whether domestic or foreign. The national licence fee is calculated on the basis of the displacement of the vessels concerned and for a period of one year. The cost is the same whether the vessel spends one day or one year in the fishing zone. The licence fee is made up of the cost of the licence itself, plus two taxes, calculated on the basis of a sliding scale, paid to the Moroccan National Fisheries Research Institute (INRH) and local authorities.

The Fisheries Partnership Agreement with Morocco is the only current bilateral agreement concluded by the EU under which EU vessels are required to pay a national licence fee over and above the access fee negotiated under the protocol to the agreement. Under all the other agreements in force, payment of the access fee alone entitles EU vessels to fish in national waters.

1.4.1 Access fees

The following table shows how the access fees, whose level is set by the protocol to the agreement, are calculated. In the case of the two categories (5 and 6) required to pay fees on a pro rata basis depending on catch size, the fees are calculated on the basis of declared catches, with tuna vessels in category 5 paying a non-reimbursable minimum fee of EUR 5000.

Table 47: Summary of the provisions of the protocol to the agreement concerning the fees to be paid by EU shipowners under the agreement with Morocco. Source: Protocol

Category	Payment basis	Value (€)	Remarks
1	€/GT/quarter	67	Catch size irrelevant
2	€/GT/quarter	60	<i>Idem</i>
3	€/GT/quarter	60	<i>Idem</i>
4	€/GT/quarter	53	<i>Idem</i>

5	Catches	25 € per tonne	Minimum fee of EUR 5 000 payable in advance
6	Catches	20 € per tonne	No minimum fee

As regards the contribution to the cost of sightings at sea, it is fixed by the protocol at EUR 3.5 per GT and per quarter, irrespective of category, and is payable by all vessels, whether they have observers on board or not. In the case of tuna vessels in category 5, which take out annual licences, or the industrial pelagic fishing vessels in category 6, which may take out monthly licences, the contribution is adjusted *pro rata temporis*.

The level of the fees paid by EU vessels have been estimated on the basis of data concerning the implementation of the agreement provided by DG MARE and the scale of fees laid down by the protocol to the agreement. The following table gives the result per calendar year.

Table 48: Estimate of the fees paid (in €) by EU shipowners under the agreement with Morocco.
Source: DG MARE (vessels which have taken out a licence) and protocol (scale of fees).

Category	2007	2008	2009	Average
1	227 151	244 375	242 606	238 044
2	115 755	145 291	92 231	117 759
3	102 347	105 208	82 343	96 633
4	132 890	231 113	66 487	143 497
5	120 000	115 000	85 000	106 667
6	597 600	1 200 000	838 260	878 620
TOTAL	1 295 743	2 040 987	1 406 927	1 581 219

The total amount was roughly EUR 1.3 million in the first year of the agreement (which took effect only in late February 2007), rising to a little more than EUR 2 million in 2008 (full year) before falling to EUR 1.4 million in 2009 (likewise a full year). The data for 2010 are as yet incomplete. On average over the period 2007-2009, the level of fees paid was roughly EUR 1.6 million per year, i.e. 47% of the figure of EUR 3.4 million laid down in the protocol. The main reason for this disparity is the partial utilisation of fishing opportunities (see page 86). It should also be noted that the maximum annual amount of EUR 3.4 million laid down in the protocol was a slight over-estimate. According to our estimates, which take account of the displacement of the vessels which actually utilised the fishing opportunities negotiated, working on the basis of full utilisation of the fishing opportunities the total annual figure should have been roughly EUR 2.8 million.

The main contributor is category 6 (industrial pelagic fishing), which accounted for an average of 56% of the fees paid over the period 2007-2009, ahead of category 1 (seine nets/north), with 15%. The contributions of the other categories varied between 6% and 9%.

As regards the contribution to the cost of sightings at sea, the amounts paid by EU vessels are estimated to have varied between EUR 146 000 in the first year and EUR 237 000 in 2009, giving an annual average over the period 2007-2009 of roughly EUR 200 000. Category 6 (industrial pelagic fishing) was again the main contributor, accounting for an average of 65% of the contributions paid over the period 2007-2009, ahead of category 5 (tuna vessels), with 17%. The contributions by the other categories varied between 3% and 6% of the total.

In total (access fees and contribution to the cost of sightings at sea), EU vessels paid EUR 1.4 million in 2007, EUR 2.2 million in 2008 and EUR 1.6 million in 2009 (average over the three years: EUR 1.8 million). Vessels in category 6 paid 57% of these amounts, ahead of vessels in category 1 (14%).

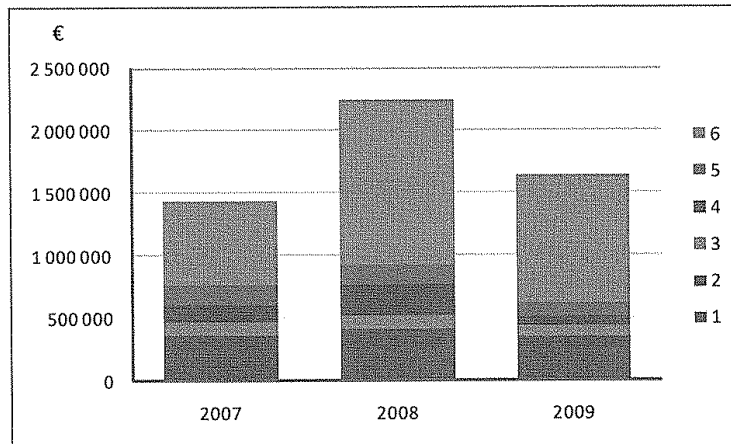


Figure 23: Fees and contributions to the cost of sightings at sea paid by EU vessels under the agreement with Morocco

1.4.2 Payment of national licence fees

The scale of national licence fees is fixed by a decree. It consists of a flat-rate amount determined by the displacement of the vessel in question, plus a contribution equivalent to 65% of that amount paid to the INRH, plus a contribution, which varies according to the capacity of the vessel, paid to local authorities⁵. Licence fees are paid in advance for all categories, when the annual application is made.

On the basis of the list of vessels which have taken out a licence each year, with no vessel being counted twice (i.e. a vessel which has taken out more than one quarterly or monthly licence is counted only once), the payments are estimated as varying between MAD 1.1 million (EUR 102 000) in 2009 and MAD 1.6 million (EUR 148 000) in 2008, giving an annual average of EUR 123 000 over the period 2007-2009. The following table gives details of the payments per category (in EUR).

⁵ By way of an example, a small vessel with a capacity of 39 GT will pay a licence fee of MAD 1500, plus an INRH contribution (65% of that figure, MAD 975) plus a local authority contribution (5% of that figure, MAD 75). A large industrial vessel with a capacity of more than 1000 GT will pay a licence fee of MAD 40 000, plus an INRH contribution (65% of that figure, MAD 26 000) plus a local authority contribution (30% of that figure, MAD 12 000).

Table 49: Estimate of the national licence fees paid by EU vessels under Moroccan law. Source: national law (scale) and DG MARE (vessels concerned)

Category	2007	2008	2009	Average
1	7 261	7 882	8 276	7 806
2	4 255	4 348	3 665	4 089
3	3 643	2 914	2 529	3 029
4	25 524	41 108	5 127	23 920
5	28 062	29 848	17 920	25 277
6	48 707	61 959	64 858	58 508
TOTAL	117 452	148 058	102 375	122 628

Of the EUR 123 000 received each year on average, EUR 66 000 is paid into the State budget as ordinary revenue, EUR 43 000 is used to fund research, and EUR 14 000 goes to finance local authorities.

In overall terms, these amounts are modest, much lower than the total volume of fees provided for under the protocol (one-twelfth of that figure), and similar to, although still lower than, the payments made by EU vessels in respect of the cost of sightings at sea (EUR 200 000 per year).

1.4.3 Assessment: the cost of the agreement

The total cost of the agreement for the European side thus comprises the cost borne by the EU shipowners who utilise the fishing opportunities negotiated and the cost borne by the EU itself in the form of the financial contribution provided for by the agreement. In an average year, that cost totals EUR 38 million, of which 5% is borne by the shipowners (EUR 1.9 million) and 95% by the EU budget (EUR 36.1 million).

Table 50: Details of the costs borne by the European side under the agreement with Morocco. Figures in K€ annual average 2007-2009

Payments by shipowners		Payments from EU budget		Total EU payments
Access fees	1 580	Financial contribution	36 100	
Sightings at sea	197			
National licences	123			
TOTAL	1 900		36 100	38 000
% Total	5%		95%	

The division of costs thus clearly works to the benefit of the EU shipowners who make use of the fishing opportunities. The division of costs under the mixed agreement with Guinea Bissau is slightly more favourable to the EU (14% shipowners – 86% EU budget⁶), as is that with Mauritania (11% – 89%⁷). By way of comparison, the nominal division of costs under the tuna-fishing agreements negotiated by the EU is 35% – 65%. The protocol in force with Morocco is therefore that under which the Union bears the largest share of the cost.

Even if the agreement had been utilised to the full, and payments by shipowners had reached their forecast levels (EUR 3.4 million per year), an overwhelming majority of the access costs would still have been borne by the EU itself (8%-92%).

⁶ Data drawn from the ongoing assessment of the current protocol.

⁷ Data for the 2001-2006 protocol, drawn from the assessment carried out in 2005.

1.5 Provisions dealing with seamen and compulsory landings

The provisions of the protocol dealing with seamen and compulsory landings are regarded by the two parties as important, as they foster closer interaction between EU vessels and the Moroccan fisheries sector. The contributions outlined in the protocol concern the number of Moroccan seamen to be embarked on board EU vessels and the share of catches to be landed in Moroccan ports for use by the national downstream sector.

1.5.1 Signing-on of seamen

> The provisions of the protocol

The protocol to the FPA requires Moroccan seamen to be signed on to work on board EU vessels authorised to fish in national waters. The following table summarises the signing-on obligations by category of vessel, making a comparison with the average crew on the type of vessel concerned.

Table 51: Summary of obligations to sign on Moroccan seamen on European vessels under the agreement. Source: protocol to the FPA.

	Number of seamen required per vessel	Average crew
Category 1: seiners in the north	2	17-22 (average: 20)
Category 2: small-scale fishing in the north	Voluntary basis	5 (<40 GT) 18 (> 40 GT)
Category 3: small-scale fishing in the south	2	5
Category 4: demersal fishing	8	16
Category 5: pole-and-line tuna vessels	3	20
Category 6: industrial pelagic	Voluntary basis for vessels of less than 150 GT 6 for vessels of less than 5000 GT 8 for vessels of more than 5000 GT	6 40 40-60

Assuming that the fishing opportunities are fully exploited, therefore, between 400 and 500 Moroccan seamen could be employed on European vessels, i.e. a small proportion of the some 110 000 Moroccan nationals working as fishermen. Most of these jobs are on board vessels of the categories authorised to fish in the south (Cats. 4 and 6 being the two main ones).

The protocol also imposes conditions for employment on board the vessels which comply with ILO standards, including social insurance and pay no less favourable than that applicable under national regulations. Non-compliance with the requirements in the protocol with regard to the signing-on of seamen may result in suspension of the fishing licence.

> The application of the clause

At one of the first joint committee meetings under the agreement, it was decided that the seamen to be signed on to work on European vessels should be selected from among graduates from the training establishments which figured on the lists supplied by the Moroccan authorities. The aim was to give these newly qualified seamen opportunities of employment on what are considered to be high-performance fishing vessels, a potential selling point for their subsequent careers. As the potential number of Moroccan seamen to be employed on European vessels was relatively small in relation to the total number of seamen in the country (0.4%, see above), the benefits anticipated by the Moroccan party were more in terms of professional experience than of quantitative support for employment in the industry.

Following the discussions on this subject, the obligations laid down in the protocol concerning the signing-on of Moroccan seamen were complied with. Some European shipowners complained about the lack of experience of the seamen entered on the lists, but similar complaints are heard from Moroccan shipowners recruiting seamen who have successfully completed courses at the training establishments. These complaints are being taken into account by the Ministry's technical department with a view to adapting training modules to needs.

As regards employment conditions, doubt remains concerning the contracts offered to seamen. The protocol lays down that seamen's contracts are to be forwarded to the Moroccan authorities via a relatively complex circuit (annex, Chap. VII, point 7): vessel → its Member State for approval → return to the vessel → DPM. Few contracts have been sent by this route, and the DPM has received very few copies of contracts. On the ground it has been observed that the contracts of the seamen signed on are systematically endorsed by the seamen's services of the regional delegations as a precondition for signing on, which suggests that they meet minimum requirements. There is therefore a simpler and more rational circuit (delegations → DPM) that could be used.

1.5.2 Compulsory landing requirements

> The provisions of the protocol

From the point of view of a general aim of contributing to the development of industries on land, the protocol lays down only that European vessels must land at least part of their catches at Moroccan ports. Landing does not necessarily imply that the products landed by EU vessels will enter local trading circuits, either long (processing) or short (direct export). Landing may be an operation consisting in unloading the vessel locally in order to load the cargo onto a means of transport (sea or road) to take the products to the final markets. A transshipment operation performed at sea is not regarded as a local landing. The product must be taken on land, even if only briefly.

The provisions of the protocol are summarised in the following table. The main categories concerned are those fishing in the south (Cats. 4 and 6) and the category of seiners in the north fishing for small pelagic fish. Small fishing vessels in the north and south remain free to land their catches locally or not, these catches inevitably being modest in view of the types of vessel concerned.

Table 52: Summary of obligations for European vessels to land catches on the spot under the agreement. Source: Protocol

Category	Obligation	Additional measure
Cat. 1	From 25% in the first year to 50% in the fourth	
Cat. 2	Voluntary basis	
Cat. 3	Voluntary basis	
Cat. 4	50% of catches	
Cat. 5	Part of catches	Reduction of the licence fee proportional to the quantities landed
Cat. 6	25% of catches	

Compulsory landing requirements are defined in very general terms. They are interpreted as percentages of the total catches by vessels belong to the fishing category for Categories 1 and 4, and vessel by vessel over the current year for vessels belonging to Category 6.

> The application of the clause

The two parties agree that the clause has not been respected, and that consequently landings in Morocco were considerably less than anticipated.

According to information available to DG MARE, Category 1 vessels landed only 9% of their catches in 2008, while they were required to land 30%. In 2009, the percentage is unlikely to exceed 6%, whereas the requirement is 40%. The results in 2010 are not expected to be any better, while the requirement has been increased to 50%. The shipowners concerned did not provide any convincing explanation of this. The reasons mentioned are difficulties in landing catches at the ports of Kenitra or Larache (problem of access due to the tide, lack of unloading equipment, theft of fish). The port of Tangiers could be an alternative, but it is said to be too congested and poorly organised. Shipowners therefore prefer to land fish in Spain. Landing fish locally and sending it to Spain by truck might save on fuel, but shipowners indicate – probably with good reason – that there are problems with the deterioration of the products during the operations to transfer the goods to trucks (inadequate port logistics) and during transport.

Category 4 vessels were in principle required to land 50% of their catches in Morocco. Given the low rate of use of this category (1 to 3 vessels according to the period, plus the two closed periods of two months each), the question has become secondary. Some vessels have complied with the requirement. Portuguese longliners land fish in Laayoune or Dakhla, loading it directly onto refrigerated trucks to send the product to the European market by road. During the evaluation mission, such landings were observed. The confusing factor with regard to this category is that quantities were observed being landed in Morocco which substantially exceeded (amounting to double or even more) the catches declared by the masters of the same vessels. This clearly calls into question the quality of the declarations concerning catches by vessels in this category.

In the case of Category 6 vessels, none of the vessels concerned complied with the requirement to land 25% of their catches locally, with the exception of British vessels, which landed 100% of their catches in Morocco. The Lithuanian, Latvian, Polish or Dutch vessels which had bought licences in Morocco were large freezer vessels. Neither they nor the transport vessels receiving the catches can enter the ports of Dakhla or Laayoune because their draft is too great (maximum depth 7 m at Dakhla and less at Laayoune). The only way of complying with the clause would be to tranship the cargo offshore for conveyance to the port using medium-capacity transport vessels (necessitating several round trips), before transferring it to transport vessels which would take the catches to the intended markets via

Las Palmas. This would waste time and therefore money, and it is understandable that shipowners prefer to tranship the cargo directly offshore without using the southern ports, where moreover no substantial deep freeze storage facilities exist by the quayside (all the installations at Dakhla are \approx 5 km from the port, necessitating transport by truck). Recently vessels in this category have begun to land catches at the port of Agadir, which is better equipped to receive large vessels, unloading 25% of their catches at refrigerated warehouses before transferring them to refrigerated containers for export. For British vessels the situation is different. They are smaller than other vessels (60 m as against 80 m or more for the others) and can dock at Dakhla. Unlike the catches of other vessels in the category, their catches are kept cold on board in an RSW system. They consist of fish which can and must be used quickly by the local freezing industry (Dakhla) or canning industry (Safi), and there are therefore reasons for landing the fish locally. The catches are pumped into tankers which take the product to freezing plants near the landing place or to canning plants further north at Safi.

The shortfalls in compulsory landings were recalled several times at joint committee meetings. The Commission has sent a number of reminders to the Member States concerned, which were followed by promises that were rarely kept. This is a problem of non-compliance with rules laid down by international agreement, but its socioeconomic impact is relatively limited, in view of the quantities concerned. Category 1 vessels caught some 1 000 tonnes per annum on average (Table 14 on page 29), which would have injected a maximum of 500 tonnes into circuits on land. For Category 6 vessels, landing locally 25% of the 60 000 tonnes in the quota would have resulted in 15 000 tonnes entering the small pelagic circuits of the southern ports. By way of comparison, Morocco's fisheries industry processes more than 850 000 tonnes of small pelagic fish per annum.

1.6 Provisions on monitoring of vessels

The Moroccan authorities complain of non-compliance with the provisions of the protocol concerning the declaration of catches. Vessels either submit their catch declarations late or do not submit them at all. The data are incidentally regarded as very suspect, particularly for Category 5 and Category 4, the latter of which landed in Morocco more than twice the declared catches.

Another problem is that Category 6 pelagic trawlers do not pay their dues as required. Normally they have to pay in accordance with their catches at the end of the subsequent quarter. A number of vessels failed to comply with this commitment. Some pay only when they reapply for a licence; others still have not paid up. In the first half of 2010, shipowners owed Morocco nearly EUR 1 m in arrears of licence fees.

These problems, together with failure to submit lists of seamen, non-compliance with local landing commitments and certain very serious infringements have given the Moroccan authorities a negative image of the European fleet. This is damaging at a time when the EU aims to assume a global leadership role in combating IUU fishing.

2 SOCIO-ECONOMIC ANALYSIS OF THE IMPACT OF THE AGREEMENT

2.1 Economic analysis

2.1.1 *Turnover of the EU fleets*

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2.1.2 Gross added value

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2.1.3 Added value and cost-effectiveness ratio

The cost-effectiveness ratio of the Morocco agreement is presented in the following table. The ratio between turnover and contribution is 84%, which in other words means that EUR 1 invested by the EU brings in only EUR 0.83 in turnover for the EU fleets. The ratio of added value (for the benefit of the EU) to contribution is 32% if one considers direct added value and 66% if one considers total added value, both direct and indirect. Calculated in a different way, EUR 1 invested by the EU makes it possible to generate only EUR 0.32 in direct added value and EUR 0.65 in total added value (direct and indirect).

Table 58: Cost-effectiveness ratio of the agreement with Morocco

SUMMARY	Mean annual amount (EUR m)	Ratio to contribution
EU contribution	36.1	
Turnover	30.2	84%
Direct added value*	11.7	32%
Indirect added value	12	33%
Total added value	23.7	66%

* to the EU

In terms of economic cost-effectiveness, the agreement between the EU and Morocco is the least successful of all the bilateral fisheries agreements concluded by the EU. An assessment of policy on fishing agreements which was completed in 2009⁸ established that overall EUR 1 invested by the public authorities (the EU) in fisheries agreements made it possible to generate EUR 1.40 in direct and indirect added value for the benefit of the EU. This average conceals two different realities: the tuna fishing agreements, which have a favourable cost-benefit ratio (EUR 1 invested produces EUR 4.60 in added value) and mixed agreements with a cost-benefit ratio which is slightly less favourable (EUR 1 generates EUR 1.30 in added value) but positive. The agreement with Morocco clearly falls short of these benchmarks.

2.2 Employment

Estimates of employment on EU vessels operating under the agreement with Morocco were obtained by taking into account the number of men signed on to work on the various types of vessel. The employment of Moroccan nationals was estimated by taking the numbers required by the protocol for each category (data presented in Table 51 on page 93). Incidentally, certain categories of European vessel tend to employ as crew third-country nationals from countries in the subregion (particularly Morocco and Senegal) or elsewhere (Chinese, Russian or Ukrainian nationals on industrial pelagic vessels). This mainly applies to vessels in Categories 4, 5 and 6, i.e. those with the largest capacity. For example, on a Category 5 pole-and-line vessel it will be assumed that there are 6 EU nationals in a crew of 24. Industrial pelagic vessels will be manned by 14 EU nationals in an average crew of 40. On small fishing vessels (Categories 1, 2 and 3), all the seamen are assumed to be EU nationals except in cases where it is compulsory to sign on Moroccan seamen.

The crew sizes were multiplied by the average number of vessels which had purchased licences per annum for Categories 1 to 5. For the pelagic vessel category, a type of vessel which appears sporadically in Morocco's exclusive economic zone, the number taken into account is likewise the mean number for the year, thus representing a number of seamen in full-time equivalents (FTE) (2.2; 3.7; 2.7 in 2007, 2008 and 2009 respectively). The results are presented in the table below.

Altogether, it is estimated that the agreement supported an average of 1 200 jobs for seamen (in FTE), comprising 780 EU nationals, 170 Moroccan nationals and 240 nationals of other third countries (although these may include Moroccan seamen).

Table 59: Estimates of the number of jobs on EU vessels which used the fishing opportunities under the agreement with Morocco (which can be equated with full-time equivalent (FTE) jobs).

	2007			2008			2009		
	Total employment	EU employment	MOR employment	Total employment	EU employment	MOR employment	Total employment	EU employment	MOR employment
Cat. 1	400	360	40	380	342	38	300	360	30
Cat. 2	189	189	0	179	179	0	174	189	0
Cat. 3	80	48	32	55	33	22	50	48	20
Cat. 4	64	24	32	48	18	24	48	24	24
Cat. 5	480	144	72	440	132	66	340	144	51
Cat. 6	88	31	13	148	52	22	108	31	16
TOTAL	1 301	796	189	1 250	756	172	1 020	796	141

It may be noted that Category 6 contributes relatively little to employment. This is due to the method of calculation, which takes into account the numbers of seamen in FTE.

The number of jobs held by EU nationals (\approx 780) is relatively small in relation to total employment on board vessels in the EU (141 000 FTE according to the brochure 'Facts and Figures on the CFP', i.e. 0.6%). Approximately 80% of the jobs are held by Spanish nationals from Andalusia (Categories 1 and 2 – 70% of jobs) or the Canaries (Categories 3, 4 and 5 – the remaining 30%). The other Member State whose nationals are employed is Portugal with some 80 jobs.

⁸ Overall Evaluation Study of Fisheries Partnership Agreements, CS 17 of the framework contract FISH/2006/20, April 2009