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2018/0349 (NLE)

Proposal for a

COUNCIL DECISION

on the conclusion of the Sustainable Fisheries Partnership Agreement between the European Union and the Kingdom of Morocco, the Implementation Protocol thereto and an exchange of letters accompanying the said Agreement

EXPLANATORY MEMORANDUM

1. CONTEXT OF THE PROPOSAL

• Reasons for and objectives of the proposal

A Fisheries Partnership Agreement between the European Community and the Kingdom of Morocco entered into force on 28 February 2007¹. The last Implementation Protocol to this Agreement² entered into force on 15 July 2014 and expired on 14 July 2018. More generally, the current Partnership Agreement is part of the relations between the Union and Morocco under the Euro-Mediterranean Agreement establishing an Association between the European Communities and their Member States, of the one part, and the Kingdom of Morocco, of the other part³, which entered into force in 2000. The aim of the Agreement is to ensure the sound management and sustainability of fisheries resources from the ecological, economic and social point of view.

On the basis of the negotiating directives adopted by the Council⁴, the Commission conducted negotiations with the Government of Morocco with a view to amending the Fisheries Partnership Agreement between the European Community and the Kingdom of Morocco and agreeing on a new Implementation Protocol thereto.

These negotiations and the resulting texts take full account of the judgment of the Court of Justice of the European Union of 27 February 2018 in Case C-266/16⁵, whereby the Fisheries Agreement and the Protocol thereto do not apply to the waters adjacent to the territory of Western Sahara. In view of the considerations set out in the Court of Justice's judgment, and in accordance with the wishes of both parties, during the negotiations it was nonetheless possible to include that territory and the waters adjacent thereto in the Fisheries Partnership for several reasons. Firstly, from an economic point of view, it is important for the Union fleet to carry out its fishing activities, including in those waters, within a legally secure framework with a clearly specified geographical scope. Another objective is to ensure that this territory and its population benefit from the economic and social impacts of the Agreement, in a way that is proportionate to the fishing activities, in particular through the catches landed by the EU fleet, the employment of seamen, as well as investments and other support for the sector made possible by the financial contribution provided for in the Protocol to the Fisheries Agreement. In addition, it should be noted that the Kingdom of Morocco, which administers this territory (at least the greater part), is the only entity with which such an agreement can be concluded in the light of the fact that no other entity could guarantee the sustainable exploitation of those resources and the management and monitoring of the funds of the sectoral support available for the territory of Western Sahara and its population.

In addition, the proposal for a new Agreement and a new Protocol complies fully with international and Union law. The Union has constantly reaffirmed its commitment to the settlement of the dispute in Western Sahara and supports the efforts of the UN Secretary-General and his personal envoy to assist the parties in reaching a just, lasting and mutually acceptable political solution. In this respect, the exchange of letters accompanying this proposal reiterates the Union's position with regard to Western Sahara.

The texts agreed upon by the negotiators following a number of meetings include the Agreement itself, which establishes a Sustainable Fisheries Partnership between the European Union and the Kingdom of Morocco ('the Fisheries Agreement') and replaces the 2007

¹ OJ L 141, 29.5.2006, p.1; OJ L 78, 17.3.2007, p.31.

² OJ L 328, 7.12.2013, p.2; OJ L 228, 31.7.2014, p.1.

³ OJ L 70, 18.3.2000, p.2.

⁴ Adopted during the 3612th Meeting of the Agriculture and Fisheries Council of 16 April 2018.

⁵ Judgment of the Court of Justice of 27 February 2018, Western Sahara Campaign UK, C-266/16, EU:C:2018:118.

Agreement, a new Implementation Protocol, an Annex and Appendices, and an exchange of letters. These texts were initialled on 24 July 2018.

The Protocol covers a period of four years as from the date of its application, as defined in Article 16 thereof. The new Fisheries Agreement repeals the Fisheries Partnership Agreement between the European Community and the Kingdom of Morocco that entered into force on 28 February 2007. It provides for the possibility of its provisional application prior to its conclusion; however, it is not considered necessary to propose such a provisional application. The new Agreement aims to reflect the principles of the 2009 reform: good fisheries governance and sustainability, respect for human rights, transparency and non-discrimination. Amending the Agreement is necessary also in order to comply with the Court's judgment of 27 February 2018 and provide the legal basis for applying the Agreement to the waters adjacent to the territory of Western Sahara.

In accordance with the negotiating directives, the Agreement provides guarantees for a fair geographical distribution of the socio-economic benefits, in a way proportionate to the fishing activities, resulting from the use of the total financial contribution under the Agreement (i.e. financial compensation for access, sectoral support and fees paid by shipowners). These guarantees include, in particular, monitoring the allocation of such funds and their use, which is the duty, above all, of the Joint Committee set up by the Agreement and where both parties are represented. There are also provisions whereby Morocco is to submit regular reports on the activities carried out under this Agreement.

Finally, this proposal is accompanied by a Commission staff working document (SWD) entitled 'Report on the evaluation of the benefits for the population of Western Sahara resulting from the Sustainable Fisheries Partnership Agreement between the European Union and the Kingdom of Morocco and the Implementation Protocol thereto and on the consultation of that population'. That report includes an assessment of the potential implications of the Agreement and the Protocol thereto for sustainable development, in particular regarding the impact on the population concerned and the exploitation of the natural resources of the territories concerned, and a summary of the consultation of these populations, in accordance with the negotiating directives, under which inclusion of these populations is a decisive element when renewing the Fisheries Agreement.

- **Consistency with existing policy provisions in the policy area**

The main objective of the Fisheries Agreement and the new Protocol thereto is to establish, through a partnership, sustainable fisheries and to offer fishing opportunities to Union vessels in the fishing zone defined in the Fisheries Agreement. The opportunities offered are based on the best available scientific advice and, for fisheries catching highly migratory species, comply with the recommendations of the International Commission for the Conservation of Atlantic Tunas (ICCAT). The new Protocol takes account of the results of an evaluation of the previous Protocol (2014-2018) and a forward-looking assessment of whether a new Protocol should be concluded. Both were carried out by external experts. The Protocol will also enable the European Union and the Kingdom of Morocco to strengthen their partnership in order to promote sound exploitation of fisheries resources in the fishing zone and to support the Kingdom of Morocco's efforts to develop its blue economy. These elements are consistent with the objectives and obligations of the Common Fisheries Policy⁶.

The Protocol provides for fishing opportunities for 128 vessels in 6 categories:

⁶ OJ L 354, 28.12.2013, p.22.

- two categories of small-scale fishing in the north: pelagic fishing with seines and with bottom-set longlines;
- small-scale fishing in the south with pole-lines;
- demersal fishing in the south with bottom trawls and with bottom-set longlines;
- small-scale tuna fishing with poles;
- industrial pelagic fishing with pelagic or semi-pelagic trawls and with purse seines.

- **Consistency with other Union policies**

The negotiation of a Sustainable Fisheries Partnership Agreement with the Kingdom of Morocco forms part of the Union's external action and takes into account, in particular, Union objectives on respecting democratic principles and human rights. It is consistent with the Union's position to support the efforts made by the UN Secretary-General and his personal envoy to assist the parties in achieving a just, lasting and mutually acceptable political solution which will allow the self-determination of the people of Western Sahara as part of arrangements consistent with the objectives and principles set out in the Charter of the United Nations and enshrined in United Nations Security Council resolutions, and in particular UNSCR 2152 (2014), UNSCR 2218 (2015), UNSCR 2385 (2016), UNSCR 2351 (2017) and UNSCR 2414 (2018). The conclusion of the Fisheries Agreement in no way prejudices the outcome of the political process relating to the final status of Western Sahara.

2. LEGAL BASIS, SUBSIDIARITY AND PROPORTIONALITY

- **Legal basis**

The legal basis chosen is the Treaty on the Functioning of the European Union, Article 43(2) of which establishes the Common Fisheries Policy and Article 218(6)(a)(v) the relevant stage of the procedure for the negotiation and conclusion of agreements between the Union and third countries.

- **Subsidiarity (for non-exclusive competence)**

The proposal falls under the exclusive competence of the European Union.

- **Proportionality**

The proposal is proportionate to the objective of establishing a legal, environmental, economic and social governance framework for fishing activities carried out by Union vessels in third country waters, as set out in Article 31 of the Regulation establishing the Common Fisheries Policy. It complies with those provisions as well as with those on financial assistance to third countries laid down in Article 32 of that Regulation.

3. RESULTS OF EX-POST EVALUATIONS, STAKEHOLDER CONSULTATIONS AND IMPACT ASSESSMENTS

- **Ex-post evaluations/fitness checks of existing legislation**

In 2017, the Commission carried out an ex-post evaluation of the 2014-2018 Protocol to the Fisheries Partnership Agreement between the European Union and the Kingdom of Morocco,

along with an ex-ante evaluation of a possible renewal of the Protocol. The conclusions of the evaluation are presented in a separate working document⁷.

The evaluation concluded that the EU fishing sector is firmly interested in carrying out its activity in the fishing zone referred to in the Protocol and that a renewal of the Protocol would help strengthen monitoring, control and surveillance and contribute to improved governance of the fisheries in the region.

- **Consultation of interested parties**

The Member States, industry representatives and international civil society organisations, as well as the Kingdom of Morocco's fisheries administration and civil society representatives, were consulted as part of the evaluation. Furthermore, consultations took place within the framework of the Long Distance Advisory Council, and the Commission and the European External Action Service (EEAS) arranged consultations with the relevant populations in Western Sahara in order to ensure that they can express their views on the extension of the partnership to the waters adjacent to Western Sahara and that they benefit from the socio-economic impacts of the Fisheries Agreement in a way that is proportionate to the fishing activities. A report on the benefit assessment for these populations and on the consultations conducted is attached to this proposal as a Commission staff working document. The report concludes that the socio-economic impacts of the Fisheries Agreement will benefit the populations concerned and that it will have a positive impact on the sustainable development of natural resources. Similarly, the socio-economic and political actors who participated in the consultations were clearly in favour of concluding the Fisheries Agreement, even though the Polisario Front and some other parties refused to take part in the consultation process as a matter of principle. It can therefore be concluded that the Commission together with the EEAS took all reasonable and feasible measures in the current context to properly involve the populations concerned.

- **Collection and use of expertise**

The Commission used an independent consultant for the ex-post and ex-ante evaluations, in accordance with the provisions of Article 31(10) of the Regulation establishing the Common Fisheries Policy.

4. BUDGETARY IMPLICATIONS

The annual financial contribution is EUR 37 000 000, increased annually to reach EUR 42 400 000, in the last year on the basis of:

a) a financial contribution for access by Union vessels of EUR 19 100 000 for the first year of application of the Protocol, increased to EUR 20 000 000 in the second year and to EUR 21 900 000 for the third and fourth year;

b) support for development of the Kingdom of Morocco's sectoral fisheries policy for an amount of EUR 17 900 000 per year for the first year of application of the Protocol, increased to EUR 18 800 000 in the second year and to EUR 20 500 000 for the third and fourth year. This support meets the objectives of the Kingdom of Morocco's national policy on the sustainable management of continental and maritime fishery resources.

⁷ https://ec.europa.eu/fisheries/sites/fisheries/files/docs/publications/evaluation-report-morocco_fr.pdf
SWD(2018) 1 final: <https://eur-lex.europa.eu/legal-content/FR/TXT/?qid=1535624240760&uri=CELEX:52018SC0001>

5. OTHER ELEMENTS

- **Implementation plans and monitoring, evaluation and reporting arrangements**

The monitoring arrangements are provided for in the Protocol included in the new Partnership Agreement.

Proposal for a

COUNCIL DECISION

on the conclusion of the Sustainable Fisheries Partnership Agreement between the European Union and the Kingdom of Morocco, the Implementation Protocol thereto and an exchange of letters accompanying the said Agreement

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 43(2) thereof in conjunction with Article 218(6)(a)(v), and Article 218(7),

Having regard to the proposal from the European Commission,

Having regard to the consent of the European Parliament⁸,

Whereas:

- (1) On 22 May 2006, the Council adopted Regulation (EC) No 764/2006 on the conclusion of the Fisheries Partnership Agreement between the European Community and the Kingdom of Morocco, which was then tacitly renewed,
- (2) The last Protocol implementing this Agreement and setting out the fishing opportunities and financial contribution provided for therein expired on 14 July 2018.
- (3) In its judgment in case C-266/16⁹ in reply to a request for a preliminary ruling on the validity and interpretation of the Fisheries Partnership Agreement between the European Community and the Kingdom of Morocco and the Implementation Protocol thereto, the Court held that neither the Agreement nor the Protocol thereto apply to the waters adjacent to Western Sahara,
- (4) The Union does not prejudice the outcome of the political process on the final status of Western Sahara taking place under the auspices of the United Nations, and it has constantly reaffirmed its commitment to the settlement of the dispute in Western Sahara, which is currently listed by the United Nations as a non-self-governing territory and administered principally by the Kingdom of Morocco. It fully supports the efforts made by the UN Secretary-General and his personal envoy to assist the parties in achieving a just, lasting and mutually acceptable political solution which will allow the self-determination of the people of Western Sahara as part of arrangements consistent with the objectives and principles set out in the Charter of the United Nations and enshrined in United Nations Security Council resolutions, and in particular UNSCR 2152 (2014), UNSCR 2218 (2015), UNSCR 2385 (2016), UNSCR 2351 (2017) and UNSCR 2414 (2018),
- (5) Union fleets should be able to continue the fishing activities they have pursued since the entry into force of the Agreement, and the scope of application of the Agreement should be defined so as to include the waters adjacent to Western Sahara. Furthermore, the continuation of the Fisheries Partnership is essential in order for this territory to

⁸ Consent of ... (not yet published in the Official Journal).

⁹ Judgment of the Court of Justice of 27 February 2018, Western Sahara Watch, C-266/16, EU:2018:118.

continue to benefit from the sectoral support provided under the Agreement, in compliance with Community and international law and for the benefit of the local populations,

- (6) To this end, the Council authorised the Commission on 16 April 2018 to begin negotiations with the Kingdom of Morocco with a view to amending the Partnership Agreement and agreeing on a new Implementation Protocol thereto. Following these negotiations, a new Sustainable Fisheries Partnership Agreement between the European Union and the Kingdom of Morocco ('the Fisheries Agreement'), including a new Implementation Protocol, an Annex and Appendices thereto as well as an exchange of letters accompanying the Fisheries Agreement, was initialled on 24 July 2018.
- (7) The objective of the Fisheries Agreement is to enable the European Union and the Kingdom of Morocco to work together more closely on promoting a sustainable fisheries policy and sound exploitation of fishery resources in the fishing zone defined in the Protocol and supporting the Kingdom of Morocco's efforts to develop the fisheries sector and a blue economy. It thereby contributes to achieving the objectives of the Union under Article 21 of the Treaty on European Union,
- (8) The Commission assessed the potential impact of the Fisheries Agreement on sustainable development, in particular as regards the benefits for the populations concerned and the exploitation of the natural resources of the territories concerned,
- (9) The evaluation concluded that the Fisheries Agreement should be extremely beneficial to the populations of Western Sahara owing to the positive socio-economic impacts for these populations, particularly in terms of employment and investment, and to its impact on the development of the fisheries sector and fish processing sector.
- (10) Equally, the Fisheries Agreement represents the best guarantee for the sustainable exploitation of the natural resources of the waters adjacent to Western Sahara, since the fishing activities comply with the best scientific advice and recommendations in this area and are subject to appropriate monitoring and control measures,
- (11) In view of the considerations set out in the Court of Justice's judgment, the Commission together with the European External Action Service took all reasonable and feasible measures in the current context to properly involve the populations concerned in order to ensure that their position on the Fisheries Agreement is expressed and taken into account. Extensive consultations were carried out in Western Sahara and in Morocco, and the socio-economic and political actors who participated in the consultations were clearly in favour of concluding the Fisheries Agreement, while the Polisario Front and some other parties refused to take part in the consultation process as a matter of principle.
- (12) Those who refused to participate in the process rejected the application of the Agreement and the Protocol thereto to the waters off Western Sahara, because they essentially considered that such an agreement would affirm Morocco's position on the territory of Western Sahara. However, there is nothing in the terms of the Agreement to suggest that it would recognise Morocco's sovereignty or sovereign rights over Western Sahara and the adjacent waters. The Union will also continue to step up its efforts in support of the process, initiated and pursued under the auspices of the UN, of peacefully resolving the dispute.

- (13) In accordance with Council Decision (EU) 2018/...¹⁰, the new Fisheries Agreement, the Implementation Protocol thereto and an exchange of letters accompanying the Agreement were signed on [insert date of signature] subject to the conclusion of the said Agreement and Protocol at a later date.
- (14) The Fisheries Agreement, the Implementation Protocol thereto and the exchange of letters accompanying the said Agreement should be approved on behalf of the Union,
- (15) Article 13 of the Agreement establishes the Joint Committee responsible for monitoring its implementation. The Joint Committee may adopt amendments to the Implementation Protocol, in accordance with Article 13(3) of the Fisheries Agreement. In order to facilitate the approval of these modifications, the Commission should be empowered, subject to specific conditions, to approve such modifications under a simplified procedure.

HAS ADOPTED THIS DECISION:

Article 1

The Sustainable Fisheries Partnership Agreement between the European Union and the Kingdom of Morocco, the Implementation Protocol thereto and the exchange of letters accompanying the said Agreement are hereby approved on behalf of the Union.

The text of the Fisheries Agreement and of the Implementation Protocol thereto, including the Annex and Appendices thereto, and of the exchange of letters accompanying the Agreement are attached to this Decision as Annex I.

Article 2

In accordance with the provisions and conditions laid down in Annex II to this Decision, the Commission is authorised to approve, on behalf of the Union, the amendments to the Protocol adopted by the Joint Committee established under Article 13 of the Fisheries Agreement.

Article 3

The President of the Council shall, on behalf of the Union, give the notification provided for in Article 17 of the Fisheries Agreement and Article 15 of the Implementation Protocol thereto.

Article 4

This Decision shall enter into force on the day following that of its publication in the *Official Journal of the European Union*.

Done at Brussels,

For the Council
The President

¹⁰ OJ L , , p. .

LEGISLATIVE FINANCIAL STATEMENT

1. FRAMEWORK OF THE PROPOSAL/INITIATIVE

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LEGISLATIVE FINANCIAL STATEMENT

1. FRAMEWORK OF THE PROPOSAL/INITIATIVE

1.1. Title of the proposal/initiative

Proposal for a Council Decision on the signing, on behalf of the Union, of the Sustainable Fisheries Partnership Agreement between the European Union and the Kingdom of Morocco, the Implementation Protocol thereto and the exchange of letters accompanying the Agreement

1.2. Policy area(s) concerned in the ABM/ABB structure¹¹

11 – Maritime Affairs and Fisheries

11.03 – Compulsory contributions to regional fisheries management organisations (RFMOs) and other international organisations and sustainable fisheries agreements (SFAs).

11.03.01 – Establishing a governance framework for fishing activities carried out by Union fishing vessels in third country waters.

1.3. Nature of the proposal/initiative

- The proposal/initiative relates to **a new action**
- The proposal/initiative relates to **a new action following a pilot project/preparatory action**¹²
- The proposal/initiative relates to **the extension of an existing action**
- The proposal/initiative relates to **an action redirected towards a new action**

1.4. Objective(s)

1.4.1. *The Commission's multiannual strategic objective(s) targeted by the proposal/initiative*

The negotiation and conclusion of Sustainable Fisheries Partnership Agreements (SFPAs) with third countries meet the general objective of giving EU fishing vessels access to the fishing zones of third countries and developing a partnership with those countries with a view to strengthening the sustainable exploitation of fishery resources outside EU waters.

SFPAs also ensure consistency between the principles governing the Common Fisheries Policy and the commitments made under other European policies (sustainable use of third-country resources, combating illegal, unreported and unregulated (IUU) fishing, integration of partner countries into the global economy and better political and financial governance of fisheries).

1.4.2. *Specific objective(s) and ABM/ABB activity(ies) concerned*

Specific objective No

To contribute to sustainable fishing in non-EU waters, maintain a European presence in distant-water fisheries and protect the interests of the European fisheries sector

¹¹ ABM: Activity-Based Management – ABB: Activity-Based Budgeting.

¹² As referred to in Article 54(2)(a) or (b) of the Financial Regulation.

and consumers by negotiating and concluding SFPAs with coastal states, consistent with other European policies.

ABM/ABB activity(ies) concerned:

Maritime affairs and fisheries, to establish a governance framework for fishing activities carried out by European Union fishing vessels in third country waters (SFAs) (budget line 11.03.01).

1.4.3. Expected result(s) and impact

Specify the effects which the proposal/initiative should have on the beneficiaries/groups targeted.

The new Fisheries Agreement and the Implementation Protocol thereto make it possible to establish a strategic sustainable fisheries partnership between the European Union and the Kingdom of Morocco. The application of the Protocol will create fishing opportunities for Union vessels in the defined fishing zone.

It will also contribute to better management and conservation of fishery resources, through financial support (sectoral support) for the implementation of programmes adopted at national level by the partner country, in particular as regards monitoring and combating illegal fishing and support for the small-scale fisheries sector, by seeing to the fair geographical distribution of the socio-economic benefits resulting from this support.

Finally the Protocol will contribute to the Kingdom of Morocco's blue economy by promoting growth linked to maritime activity and the sustainable exploitation of its marine resources.

1.4.4. Indicators of results and impact

Specify the indicators for monitoring implementation of the proposal/initiative.

Rates of utilisation of fishing opportunities (annual uptake of fishing authorisations as a percentage of availability under the Protocol).

Catch data (gathering and analysis) and the commercial value of the Agreement.

Contribution to employment and to added value in the EU and to stabilising the EU market (in aggregate with other SFPAs).

Contribution to improving research, surveillance and control of fishing activity by the partner country and the development of its fisheries sector, in particular its small-scale fisheries sector.

1.5. Grounds for the proposal/initiative

1.5.1. Requirement(s) to be met in the short or long term

The new Protocol is necessary to provide a framework for the fishing activities of the Union fleet in the fishing zone referred to in the Protocol. Once it has been applied, EU shipowners may apply for fishing authorisations to fish in that zone.

The strengthening of cooperation between the Union and the Kingdom of Morocco makes it possible to promote the development of a sustainable fisheries policy. It provides, in particular, for vessels to be monitored via VMS and, in future, for the electronic transmission of catch data. The sectoral support available under the Protocol will help the Kingdom of Morocco with its national fisheries strategy, including the fight against illegal, unreported and unregulated (IUU) fishing.

1.5.2. Added value of EU involvement

The signing and conclusion of this new Agreement and the Implementation Protocol thereto is necessary to allow access by Union vessels and the pursuit of their fishing activities. The previous Agreement remains in force but without an Implementation Protocol since the expiry of the 2014-2018 Protocol on 14 July 2018. This prevents fishing activities by Union vessels in the fishing zone because, under the Agreement and also Article 31 of Regulation (EC) No 1380/2013, a protocol with the partner country of an SFPA is required as the sole procedure enabling Union vessels to carry out fishing activities. Consequently, the added value for the Union's long-distance fleet is explicit. The Protocol also offers a framework for enhanced cooperation with the EU.

1.5.3. Lessons learned from similar experiences in the past

An analysis of recorded catches in the fishing zone as well as the assessments and scientific advice available led the parties to fix fishing opportunities for 128 Union fishing vessels and a total allowable catch for the industrial pelagic fishing category at 85 000 tonnes for one year, subsequently raised to 90 000 and then to 100 000 tonnes, thereby increasing the availability of the resource for the Union fleet (80 000 tonnes under the previous Protocol).
Sectoral support takes into account needs related to economic development support in the fisheries sector and to surveillance and control by the fisheries administration.

1.5.4. Compatibility and possible synergy with other appropriate instruments

Funds provided as financial compensation for access under the SFPA constitute fungible revenue in the national budget of Morocco. However, funds intended for sectoral support are allocated (generally by introduction in the annual budget law) to the Ministry responsible for fisheries, as a condition for the conclusion and monitoring of FPAs. These financial resources are compatible with other sources of funding from other providers of international funding for carrying out projects and/or programmes at national level in the fisheries sector. Special provisions apply to the monitoring of the fair distribution of the use of funds.

1.6. Duration and financial impact

- Proposal/initiative of **limited duration**
 - Proposal/initiative in effect from the entry into force (or, if applicable, the provisional application) and during 4 years
 - Financial impact from YYYY to YYYY
- Proposal/initiative of **unlimited duration**
 - Implementation with a start-up period from YYYY to YYYY,
 - followed by full-scale operation.

1.7. Management mode(s) planned¹³

- Direct management** by the Commission
 - By its departments, including by its staff in the Union delegations;
 - by the executive agencies
- Shared management** with the Member States
- Indirect management** by entrusting budget implementation tasks to:
 - third countries or the bodies they have designated;
 - international organisations and their agencies (to be specified);
 - the EIB and the European Investment Fund;
 - bodies referred to in Articles 208 and 209 of the Financial Regulation;
 - public law bodies;
 - bodies governed by private law with a public service mission to the extent that they provide adequate financial guarantees;
 - bodies governed by the private law of a Member State that are entrusted with the implementation of a public-private partnership and that provide adequate financial guarantees;
 - persons entrusted with the implementation of specific actions in the CFSP pursuant to Title V of the TEU, and identified in the relevant basic act.
 - *If more than one management mode is indicated, please provide details in the 'Comments' section.*

Comments

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¹³ Details of management modes and references to the Financial Regulation can be found on the BudgWeb site: http://www.cc.cec/budg/man/budgmanag/budgmanag_en.htm

2. MANAGEMENT MEASURES

2.1. Monitoring and reporting rules

Specify frequency and conditions.

The Commission (DG MARE, in collaboration with its fisheries attaché based in the Delegation of the EU to Rabat, Morocco) will ensure regular monitoring of the implementation of the Protocol, as regards the use by operators of fishing opportunities, catch data and the respect of sectoral support conditionalities.

Furthermore, the SFPA Agreement provides for at least one annual meeting of the Joint Committee, at which the Commission and the Kingdom of Morocco review the implementation of the Agreement and the Protocol thereto and, if necessary, adjust the programming and, if applicable, the financial contribution.

2.2. Management and control system

2.2.1. Risk(s) identified

The identified risk is the under-use of fishing opportunities by EU shipowners and the under-use or delayed use by the Kingdom of Morocco of funds intended to finance the sectoral fisheries policy.

2.2.2. Information concerning the internal control system set up

Extensive dialogue is planned on the programming and implementation of the sectoral policy laid down in the Agreement and the Protocol. Joint analysis of results, as referred to in Article 7 of the Protocol, also forms part of these control methods.

In addition, the Agreement and the Protocol contain specific clauses for their suspension, on certain conditions and in given circumstances.

2.2.3. Estimate of the costs and benefits of the controls and assessment of the expected level of risk of error

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2.3. Measures to prevent fraud and irregularities

Specify existing or envisaged prevention and protection measures.

The Commission undertakes to establish a political dialogue and regular coordination with the Kingdom of Morocco with a view to evaluating and improving the management of the Agreement and the Protocol and strengthening the EU's contribution to the sustainable management of resources. Any payment which the Commission makes under an SFPA is subject to the Commission's standard rules and budgetary and financial procedures. In particular, the bank accounts of the third countries into which the financial contribution is paid are fully identified. Under Article 4(4) of the Protocol, the financial contribution of the Union is paid into a dedicated account of the Public Treasury of the Kingdom of Morocco.

3. ESTIMATED FINANCIAL IMPACT OF THE PROPOSAL/INITIATIVE

3.1. Heading(s) of the multiannual financial framework and expenditure budget line(s) affected

- Existing budget lines

In order of multiannual financial framework headings and budget lines.

Heading of multiannual financial framework	Budget line	Type of expenditure	Contribution			
	Number Heading	Diff./Non-diff. (14)	from EFTA countries ¹⁵	from candidate countries ¹⁶	from third countries	within the meaning of Article 21(2)(b) of the Financial Regulation
2	Number 11.03.01 Establishing a governance framework for fishing activities carried out by European Union fishing vessels in third country waters (SFPAs)	Diff.	None	None	None	None

- New budget lines requested

In order of multiannual financial framework headings and budget lines.

Heading of multiannual financial framework	Budget line	Type of expenditure	Contribution			
	Number [Heading..... ...]	Diff./Non-diff.	from EFTA countries	from candidate countries	from third countries	within the meaning of Article 21(2)(b) of the Financial Regulation
	[XX.YY.YY.YY]		YES/N O	YES/NO	YES/N O	YES/NO

¹⁴ Diff. = Differentiated appropriations/Non-diff. = Non-differentiated appropriations.

¹⁵ EFTA: European Free Trade Association.

¹⁶ Candidate countries and, where applicable, potential candidates from the Western Balkans.

3.2. Estimated impact on expenditure

[This section should be filled in using the [spreadsheet on budget data of an administrative nature](#) (second document in annex to this financial statement) and uploaded to CISNET for interservice consultation purposes]

3.2.1. Summary of estimated impact on expenditure

EUR million (to three decimal places)

Heading of multi-annual financial framework	Number 2	Sustainable growth: natural resources
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DG MARE			Year 2019 ¹⁷	Year 2020	Year 2021	Year 2022	TOTAL
•Operational appropriations							
Number of budget line 11.0301	Commitments	(1)	37 000	38 800	42 400	42 400	160 600
	Payments	(2)	37 000	38 800	42 400	42 400	160 600
Number of budget line	Commitments	(1a)					
	Payments	(2a)					
Appropriations of an administrative nature financed from the envelope of specific programmes ¹⁸							
Number of budget line		(3)					
TOTAL appropriations for DG MARE	Commitments	=1+1a +3	37 000	38 800	42 400	42 400	160 600
	Payments	=2+2a +3	37 000	38 800	42 400	42 400	160 600

¹⁷ Year N is the year in which implementation of the proposal/initiative starts.

¹⁸ Technical and/or administrative assistance and expenditure in support of the implementation of EU programmes and/or actions (former ‘BA’ lines), indirect research, direct research.

• TOTAL operational appropriations	Commitments	(4)	37 000	38 800	42 400	42 400	160 600
	Payments	(5)	37 000	38 800	42 400	42 400	160 600
• TOTAL appropriations of an administrative nature financed from the envelope for specific programmes		(6)					
TOTAL appropriations under HEADING 2 of the multiannual financial framework	Commitments	=4+ 6	37 000	38 800	42 400	42 400	160 600
	Payments	=5+ 6	37 000	38 800	42 400	42 400	160 600

If more than one heading is affected by the proposal/initiative:

• TOTAL operational appropriations	Commitments	(4)					
	Payments	(5)					
• TOTAL appropriations of an administrative nature financed from the envelope for specific programmes		(6)					
TOTAL appropriations under HEADINGS 1 to 4 of the multiannual financial framework (Reference amount)	Commitments	=4+ 6					
	Payments	=5+ 6					

Heading of multi-annual financial framework	5	‘Administrative expenditure’
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EUR million (to three decimal places)

		Year N	Year N+1	Year N+2	Year N+3	TOTAL
DG: <.....>						
• Human resources						
• Other administrative expenditure						
TOTAL DG <.....>	Appropriations					

TOTAL appropriations under HEADING 5 of the multiannual financial framework	(Total commitments = Total payments)					
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EUR million (to three decimal places)

		Year 2019 ¹⁹	Year 2020	Year 2021	Year 2022	TOTAL
TOTAL appropriations under HEADINGS 1 to 5 of the multiannual financial framework	Commitments	37 000	38 800	42 400	42 400	160 600
	Payments	37 000	38 800	42 400	42 400	160 600

¹⁹ Year N is the year in which implementation of the proposal/initiative starts.

3.2.2. *Estimated impact on operational appropriations*

- The proposal/initiative does not require the use of operational appropriations
- The proposal/initiative requires the use of operational appropriations, as explained below:

Commitment appropriations in EUR million (to 3 decimal places)

Indicate objectives and outputs ↓			Year 2019	Year 2020	Year 2021	Year 2022	TOTAL				
	Type ²⁰	Average cost	Number	Cost	Number	Cost	Number	Cost	Total No	Total cost	
SPECIFIC OBJECTIVE No 1 ²¹ ...											
- Access	annual			19 100		20 000		21 900		21 900	82 900
- Sectoral	annual			17 900		18 800		20 500		20 500	77 700
- Output											
Subtotal for specific objective No 1				37 000		38 800		42 400		42 400	160 600
SPECIFIC OBJECTIVE No 2 ...											
- Output											
Subtotal for specific objective No 2											
TOTAL COST				37 000		38 800		42 400		42 400	160 600

²⁰ Outputs are products and services to be supplied (e.g. number of student exchanges financed, number of km of roads built, etc.).

²¹ As described in point 1.4.2. 'Specific objective(s)...'

3.2.3. Estimated impact on appropriations of an administrative nature

3.2.3.1. Summary

- The proposal/initiative does not require the use of appropriations of an administrative nature.
- The proposal/initiative requires the use of appropriations of an administrative nature, as explained below:

EUR million (to three decimal places)

	Year N ²²	Year N+1	Year N+2	Year N+3	Enter as many years as necessary to show the duration of the impact (see point 1.6)			TOTAL
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HEADING 5 of the multiannual financial framework								
Human resources								
Other administrative expenditure								
Subtotal HEADING 5 of the multiannual financial framework								

Outside HEADING 5²³ of the multiannual financial framework								
Human resources								
Other expenditure of an administrative nature								
Subtotal outside HEADING 5 of the multiannual financial framework								

TOTAL								
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The appropriations required for human resources and other expenditure of an administrative nature will be met by appropriations from the DG that are already assigned to management of the action and/or have been redeployed within the DG, together if necessary with any additional allocation which may be granted to the managing DG under the annual allocation procedure and in the light of budgetary constraints.

²² Year N is the year in which implementation of the proposal/initiative starts.

²³ Technical and/or administrative assistance and expenditure in support of the implementation of EU programmes and/or actions (former 'BA' lines), indirect research, direct research.

3.2.3.2. Estimated requirements of human resources

- The proposal/initiative does not require the use of human resources.
- The proposal/initiative requires the use of human resources, as explained below:

Estimate to be expressed in full-time equivalent units

	Year N	Year N+1	Year N+2	Year N+3	Enter as many years as necessary to show the duration of the impact (see point 1.6)		
• Establishment plan posts (officials and temporary agents)							
XX 01 01 01 (Headquarters and Commission's Representation Offices)							
XX 01 01 02 (in Union Delegations)							
XX 01 05 01 (Indirect research)							
10 01 05 01 (Direct research)							
• External personnel (in full-time equivalent: FTE)²⁴							
XX 01 02 01 (AC, END, INT from the 'global envelope')							
XX 01 02 02 (AC, AL, END, INT and JED in the delegations)							
XX 01 04 yy ²⁵	- at Headquarters						
	- in Delegations						
XX XX 01 05 02 (AC, END, INT - Indirect research)							
10 01 05 02 (AC, END, INT - Direct research)							
Other budget lines (specify)							
TOTAL							

XX is the policy area or budget title concerned.

The human resources required will be met by staff from the DG who are already assigned to management of the action and/or have been redeployed within the DG, together if necessary with any additional allocation which may be granted to the managing DG under the annual allocation procedure and in the light of budgetary constraints.

Description of tasks to be carried out:

Officials and temporary staff	
External staff	

²⁴ AC= contract staff; AL = local staff; END = seconded national expert; INT= agency staff; JED = junior experts in delegations.

²⁵ Sub-ceiling for external staff covered by operational appropriations (former 'BA' lines).

3.2.4. *Compatibility with the current multiannual financial framework*

- The proposal/initiative is compatible the current multiannual financial framework.
- The proposal/initiative will entail reprogramming of the relevant heading in the multiannual financial framework.

Explain what reprogramming is required, specifying the budget lines concerned and the corresponding amounts.

- The proposal/initiative requires application of the flexibility instrument or revision of the multiannual financial framework.

Explain what is required, specifying the headings and budget lines concerned and the corresponding amounts.

3.2.5. *Third-party contributions*

- The proposal/initiative does not provide for co-financing by third parties.
- The proposal/initiative provides for the co-financing estimated below:

Appropriations in EUR million (to three decimal places)

	Year N	Year N+1	Year N+2	Year N+3	Enter as many years as necessary to show the duration of the impact (see point 1.6)			Total
Specify the co-financing body								
TOTAL appropriations co-financed								

3.3. Estimated impact on revenue

- The proposal/initiative has no financial impact on revenue.
- The proposal/initiative has the following financial impact:
 - on own resources
 - on miscellaneous revenue

EUR million (to three decimal places)

Budget revenue line:	Appropriations available for the current financial year	Impact of the proposal/initiative ²⁶					Enter as many years as necessary to show the duration of the impact (see point 1.6)		
		Year N	Year N+1	Year N+2	Year N+3				
Article									

For miscellaneous 'assigned' revenue, specify the budget expenditure line(s) affected.

Specify the method for calculating the impact on revenue.

²⁶ As regards traditional own resources (customs duties, sugar levies), the amounts indicated must be net amounts, i.e. gross amounts after deduction of 25% for collection costs.