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

¹ See also EXT 1 INIT + ADD 1-4.

As regards the number of Moroccan seamen (\approx 170 FTE per annum), the estimated number does not necessarily conflict with the figure for the number of Moroccan seamen employed on foreign vessels according to the Moroccan authorities' statistics (Table 24 on page 42), namely 424 and 589 in 2007 and 2008. Firstly, this number takes into account the seamen signed on to work on foreign vessels which are not EU vessels; secondly, the calculation method may be different, with all seamen being counted irrespective of period of on-board employment.

The number of indirect jobs in associated sectors may be estimated by taking the multiplier of 1.1 established during a study in 2000². Applied to the 1 200 seamen's jobs, this coefficient yields an estimate of approximately 1 300 indirect jobs for EU countries (mainly in downstream industries) and Morocco (jobs arising from stops by EU vessels and supported by the catches landed in the country).

3 THE PARTNERSHIP APPROACH

The partnership approach has been promoted in all the agreements which have come into force since 2004. Through instruments specifically provided for in the protocol (*inter alia* Joint Committee, Joint Scientific Committee, provisions on inspections and economic integration), it strengthens dialogue between the two parties with a view to promoting responsible practices and EU investment in the partner countries. The close political relationship between the EU and Morocco lends the fisheries partnership particular significance.

In view of the agreement's financial and likely political importance, the Commission has seconded a fisheries expert to its Delegation in Rabat since 2007 to monitor the agreement full time. It has also assigned one person in its secretariat to do the same, assisted by a second person in connection with the management of fishing licences. The Commission has therefore earmarked resources to manage the partnership, which has not always been the case with other agreements in force. Having a Commission representative in Rabat has made it possible for a great many formal and informal technical meetings to be held outside the formal framework of the Joint Committee.

The principal instrument for monitoring the agreement (the Joint Committee) has met five times since the protocol came into force: twice in 2007, at an interval of just a few months (March and June), and once each in 2008, 2009 and 2010. Meetings have thus been held each year, as laid down in the protocol. The Joint Committees have dealt with matters relating to implementation of the agreement's technical clauses on the rights and obligations of EU vessels and to sectoral support.

3.1 Partnership in the field of sectoral policy

As detailed in section 4.2.2, page 55, EU sectoral support has not proved as successful as had been hoped. Funds have not been disbursed as forecast, and it seems likely that at least one third of the EUR 54 million set aside for the four-year period will not have been paid out when the current protocol expires. Faced with this situation, the Commission paid only half of the final instalment of sectoral support in 2010. This is not, however, due to a lack of investment in the sector by the State: the large number of facilities created for the national industry (fishing ports, landing points, auction markets, wholesale markets, industrial and commercial clusters) bear witness to investments that go well beyond mere sectoral support (the DPM has invested more than EUR 300 million in the industry nationally over the period 2008-2010). The one positive note in a tale of relative failure is that the Moroccan authorities have not sought to spend the sectoral support funding simply for the sake of spending it. It is true, however, that the breakdown of sectoral support provided for in the protocol – which was therefore binding – restricted the scope for reallocating funds to other measures.

As regards the framing of measures, it would seem that the EU has played more of a passive role in the partnership. The measures for which EU sectoral support funding had been earmarked were initiatives that had already been taken by the Moroccan authorities in keeping with national strategies (fleet modernisation, restructuring of small-scale fisheries and coastal fishing) or

² Regional Socio-Economic Studies on Employment and the Level of Dependency on Fishing. 2000. Megapesca for DG FISH.

international obligations (abolition of driftnets). Moreover, the EU was only marginally involved in the development of the new Halieutis sectoral strategy adopted in 2009. At the risk of oversimplifying, the EU's role has more and more come to be restricted to monitoring disbursements, without it being able to exert any real strategic influence over the initiatives funded.

Under other agreements, e.g. those with Guinea Bissau or Mauritania, the EU has been able to have a greater strategic say in the development of sectoral policies. There, however, the context was different. In the two cases cited, the EU was working with weak institutions that were operating in politically unstable situations. Morocco's institutions are strong ones that do not necessarily need to call on external strategic support.

3.2 Partnership in the scientific field

The protocol provided for the Joint Scientific Committee to meet once a year to monitor the state of resources in Moroccan fishing zones. Cooperation of this kind is provided for in all the agreements in force.

The Joint Scientific Committee has only met twice under the current protocol, in October 2007 and in March 2009. Working methods were agreed and a workplan drawn up at the first meeting, while the results of inter-sessional activities (anchovy and longline working parties set up at the first meeting) were discussed at the second meeting.

Several topics (structures of anchovy populations, longline fleet dynamics, hake stocks) have been discussed under the heading of scientific cooperation, but a lack of scientific data has made it impossible to reach definitive conclusions. The Scientific Committee has drawn up an inventory of these additional needs, to be met by means of programmes of scientific observations at sea, landing surveys or joint assessment exercises.

As far as the monitoring of stocks is concerned, the Joint Scientific Committee has not brought any real added value. It uses data produced by CECAF's scientific committees. CECAF is a multilateral framework which already brings Moroccan and European scientists together under one umbrella, thus duplicating the work of the Joint Scientific Committee. CECAF's scientific committees, which depend on the FAO for funding, do not meet often enough to be able to monitor stocks consistently. The most recent CECAF report available dates from 2007 and covers 2005 data; the report on the last CECAF committee meeting, which was held at the start of 2010 and dealt with 2008 data, is not yet available.

As regards scientific staff for these joint projects, Moroccan scientists are ready and willing to be involved. However, finding EU scientists is proving to be a problem, one which can be explained by clashing commitments. The scientists qualified to undertake cooperation with Morocco are already heavily involved in monitoring and assessment work on Community fishing grounds covered by the DCF. Recruitment is being further hampered by the need to cut public deficits in the EU Member States.

Consequently, this aspect of the partnership has had mixed results overall. One alternative for the EU could be to commit more resources to CECAF so that it could meet more frequently. It would then be possible to have more up-to-date reports on the state of resources, covering several countries in the sub-region, including Mauritania, which would make a more rapid response possible should it become necessary to revise the fishing opportunities negotiated under the various agreements. The Joint Scientific Committee could then concentrate on other issues which have an important bearing on sustainability, such as the selectivity of fishing gear and minimising the impact fishing has on the marine environment.

3.3 Partnership in the field of economic integration

One of the aims of the bilateral fisheries agreements is to encourage investment in countries outside the European Union. In Morocco's case, Article 8 of the Protocol thus provides for a series of measures, including raising awareness among economic operators of investment opportunities in Morocco and the setting-up of a task force to identify obstacles to investment.

Generally speaking, the foreign investment environment in Morocco, which is one of the government's priorities, seems to be attractive. This is confirmed by the relatively high FDI flow (see Table 5, page 10). Moreover, big names in European industry have invested in Morocco, and European investors in the fishery products sector are already present in Morocco in the shipping sector (European-owned joint enterprises are said to account for 15% of Morocco's deep-sea fleet) and in the food processing industry (16% of existing enterprises are European owned). Partnerships in the distribution sector for the marketing of Moroccan tinned sardines must also exist.

The legal framework for foreign investment is laid down in a framework law establishing an investment charter. Details of the measures will not be given here, but non-discriminatory treatment of foreign investment is provided for, as are tax exemptions and the right to repatriate profits or proceeds from sales, with no volume restrictions or deadlines. One-stop shops (regional investment centres) handle the formalities of registering new companies. Additional incentives are available for investments in the southern regions (additional tax concessions) or in the dedicated free zones set up by the government (Tangiers, Dakhla). Consequently, legal or tax obstacles to investment are probably limited. Investors have, however, reported difficulties in enforcing contract law and potential problems in connection with the purchase of land, which the authorities are trying to resolve. Any obstacles that may exist in the fishery products sector are thus technical rather than anything else. In the shipping industry they are linked to the difficulty of obtaining fishing opportunities (licence and quota), owing to the authorities' restrictive policy on catch sizes (explained by the level of stocks) and in the fishery product processing sector to problems in guaranteeing security of supply of raw materials. These two issues are connected to the overcapacity of national fleets and the shore-side industries and little can be done about them. Moreover, the task force provided for in the agreement to identify obstacles to investment was never set up, no doubt as owing to the paucity of issues to tackle.

As far as the initiative to raise awareness among European operators of the opportunities Morocco offers is concerned, the idea was to hold a meeting in Morocco along very similar lines to that organised before the agreement expired in 1999 and which was a great success. Contacts between the Commission and the Moroccan authorities had been established in an effort to make headway on this proposal. According to the Moroccan authorities, the plan came to nothing because estimates of the budget required differed widely (tenfold disparity between the budget available to the Commission and Morocco's estimate of what the meeting would cost). The talks ended there. Having said that, the meeting would probably have been pointless in view of Morocco's efforts to promote its fishing industry. Visitors to the Seafood Fair in Brussels would have found it hard to miss the Moroccan pavilion in all its splendour. The industry has been promoted with the same fanfare at other major international specialist trade fairs, such as SIAL in Paris or ANUGA in Cologne.

The partnership in this area has thus had little effect. This has not, however, stopped the European private sector from investing in Morocco and from continuing to move ahead with projects, particularly in the southern region, the only one where there is the potential for increasing catch and processing capacities. More will probably be known once the results of the call for tenders launched by the government to allocate fishing opportunities in the south have been announced. It will be no surprise to find projects promoted by European operators among the winners.

3.4 Partnership in the field of inspection and surveillance

Chapter VIII of the Annex to the Protocol provided for joint monitoring of fishing, in particular with regard to inspections of landings in EU ports.

Discussions were held, but this joint monitoring never took place. Alerted by abnormally low catch reports from category 5 tuna vessels, the Moroccan authorities informed the Commission that they wished to carry out inspections on vessels arriving in Canary Island ports. These inspections were never arranged. However, checks of this kind will only produce results if they are unannounced and, under the Protocol, 10 days' notice must be given.

One slightly more complicated case might have given rise to a partnership in this area. Two EU vessels operating under the agreement with Mauritania were suspected of having entered the Moroccan fishing zone and, more seriously, of having fished in a monk seal protection area. The Moroccan authorities asked the Commission for the VMS recordings from the two vessels, to check whether or not these suspicions were correct. The VMS recordings were never supplied, despite repeated requests. It should be pointed out that the Commission does not hold these recordings itself, but has to ask the Member States concerned to supply them.

Consequently, the partnership in the surveillance field has not been a success. However, the principle is a good one and should be retained and made more readily workable (shorter notification times, obligation to cooperate where well-founded suspicions exist). What is more, since January 2010 the administrative cooperation provided for under Regulation 1005/2008 has also offered possible ways of identifying IUU fishing vessels, whether European or Moroccan³.

4 EX-POST EVALUATION OF THE PROTOCOL TO THE AGREEMENT

In the area of the negotiation and conclusion of fisheries agreements, including fisheries partnership agreements, Community financial measures are required to contribute to the following objectives⁴:

- a) safeguarding employment in the regions of the Community dependent on fishing;
- b) securing the continued existence and competitiveness of the Community's fishing sector;
- c) developing, through partnership, the fisheries resource management and control capacities of third countries to ensure sustainable fishing and promoting the economic development of the fisheries sector in those countries by improving the scientific and technical evaluation of the fisheries concerned, monitoring and control of fishing activities, health conditions and the business environment in the sector;
- d) ensuring adequate supply for the Community market.

In the following, we aim to evaluate the effectiveness, efficiency, relevance and viability of the current fisheries agreement between the EU and Morocco by answering the evaluation questions set out in the methodology for evaluating the partnership agreements policy.

4.1 The effectiveness of the fisheries agreement

The following questions seek to establish the extent to which the fisheries agreement with Morocco achieved its aims.

4.1.1 How has the agreement contributed to the EU presence in long-distance fisheries?

³ As regards the case of incursions by EU vessels into Morocco's EEZ, it seems that the cooperation envisaged under Regulation 1005/2008 provides only for Member States to supply third countries with evidence they have collected of infringements committed by vessels flying their flag, but not vice versa.

⁴ Council Regulation (EC) No 861/2006 establishing Community financial measures for the implementation of the common fisheries policy and in the area of the Law of the Sea.

The agreement with Morocco has allowed an average of 80 EU vessels, and a maximum of 95, to be present in Moroccan waters at any one time. While this is only a tiny proportion of the EU's 88 000 fishing vessels, it represents around 11% of the 720 EU vessels identified as belonging to the 'external fleet' – so-called because it fishes outside Council-managed waters. However, among those segments of the fleet concerned by the agreement, the only vessels that may be considered as external fleet vessels are those in categories 4 and 6: large-capacity vessels which have little or no fishing opportunities in EU waters and which therefore depend on access to fishing in areas under the jurisdiction of third countries. Most of the category 4 vessels in question are trawlers and longliners working off West Africa in the EEZs of Morocco, Mauritania and Guinea Bissau or under private licences in those of other countries such as Sierra Leone, while the category 6 vessels are mainly engaged in fishing the West African (Moroccan and Mauritanian) small pelagic stocks, although some of them have fishing opportunities as far away as the south-eastern Pacific. In the case of the category 6 industrial trawlers, access to the southern waters of the Moroccan zone adjoining Mauritania's EEZ allows them to fish the same stocks across a continuous territory spanning the demarcation line between the two countries' waters. For the vessels in categories 1, 2, 3 and 5, the agreement with Morocco enables traditional fishing grounds to be extended into neighbouring Moroccan waters (which adjoin Andalusian zones to the north and Canarian zones to the south). For vessels in these categories, the agreement offers the advantage of enabling a redistribution of the fishing effort beyond EU waters, and it thus affords opportunities for sustaining the profitability of the fleets concerned.

The agreement with Morocco can thus be deemed effective in terms of supporting the activity of EU vessels.

4.1.2 How has the agreement contributed to stabilising the European market?

The total annual catch by EU vessels subject to the agreement averaged 44 000 tonnes between 2007 and 2009. Small pelagics, mostly sold on (African or Asian) third country markets, made up 96% of this total. Overall annual demand for fisheries and aquaculture products on the European market is around 13 million tonnes, so, in terms of meeting that demand, the contribution made by the catch from vessels subject to the EU-Morocco agreement is marginal to say the least. The agreement has not been effective in relation to this aim.

4.1.3 How has the agreement contributed to the development of the Moroccan fisheries sector?

The European fleets subject to the agreement have played little part in developing the fisheries industry in Morocco. The main ways in which the agreement was intended to contribute in this regard were through the landing in Moroccan ports of catch quantities at least equivalent those stipulated in the protocol, and through the employment of Moroccan seamen on EU vessels.

The catch quantities landed locally have fallen short of expectations. The category 1 vessels concerned have landed on average no more than 10% of their catch in Moroccan ports. The picture has been similar for category 4 vessels, in this case reflecting a very low level of uptake of the fishing opportunities available. The category 6 vessels concerned have failed to observe the stipulation that 25% of their catch be landed locally, although within this category the British vessels constitute an exception: they landed virtually their entire catch in Morocco, where there has been associated investment in a sorting unit. The fact is, however, that even if the European vessels had met or exceeded the stipulated local landing quantities, the impact on the Moroccan fisheries sector would have been relatively slight. The Moroccan industry handles more than 850 000 tonnes of fisheries products annually – caught by the national fleets – a figure that dwarfs the 15 500 additional tonnes potentially landed in Moroccan ports had the stipulations of the protocol been fully observed.

With regard to jobs, it was clear from the outset that the fact of European vessels embarking Moroccan seamen would make only a marginal contribution to employment in the Moroccan national fishing industry, with its workforce of 115 000. The concept of this clause in the protocol was to advance the careers of the seamen concerned, the thinking being that they would come into contact, on a European vessel, with advanced fishing methods and technology. Assessing the effectiveness of the measure would require that the careers of the seamen concerned be monitored, and the national authorities have not yet taken steps to that end.

Another aim of the agreement was to promote the economic integration of EU operators into the fishing industry in Morocco by means of awareness raising about the opportunities in the sector and the creation of a task force. The relevant measures provided for in the protocol were not really implemented. The agreement did not stimulate an inflow of European investment to the industry, except in the one case mentioned above. In mitigation, however, it should be noted that, in relation to the size of the resource, Morocco has an overall excess of national capacity in terms of both fleet size and processing capacity. This means there may not be many investment avenues to explore in Morocco, unlike other EU partner countries which are still virtually at square one with regard to creating national fleets and fish-distribution and processing industries.

The agreement has therefore not contributed effectively to the development of the fisheries sector in Morocco. That said, European investment in the Moroccan fishing industry is a reality. The data collected indicates that 15% of the vessels engaged in offshore fishing operate as joint ventures with European shareholders, and that the shareholders of 16% of Morocco's fish processing companies are of European origin. Much of this investment was made when the previous agreement expired in 1999, and then as opportunities were identified in a country with potentially significant competitive advantages, situated just 14 km from EU territory.

4.1.4 How has the agreement contributed to the introduction of a sectoral policy to promote responsible fishing practices in Morocco?

The agreement was intended to support sectoral policy on the basis of a partnership covering the identification of measures to be taken and the earmarking of funding.

The evaluation has shown that the EU exercised no strategic influence in the identification of measures to promote responsible fishing practices. In 2005, the Moroccan authorities had already

identified a series of measures deemed to take priority (including modernisation of the fishing fleet and the elimination of drift nets), without input from the EU. The Halieutis strategy was subsequently devised and adopted without any significant interaction with the EU – a reflection of the relative strength of the Moroccan authorities concerned, which possess the requisite expertise and see no need to seek strategic guidance from outside institutions in determining their policies. In this respect the EU-Moroccan agreement differs from other EU fisheries agreements, in which most of the partner countries are deficient in terms of capacity, resources and organisation. That said, the implementation of the Union's fisheries policy has, in many respects, served as a source of inspiration to Morocco, notably with regard to adaptation of the national regulatory framework. In the recent past, Morocco, in the process of developing its own national regulations, has drawn on EU legislative texts on the elimination of drift nets and on combating IUU fishing.

With regard to financing, the protocol provided that EUR 13.5 million would be put towards the implementation of sectoral policy, i.e. EUR 54 million over four years. This money has been released at an uneven rate as the relevant measures have been taken. A few months before the protocol's expiry, financing was released for the elimination of drift nets and for supporting investment in research and training: a positive development. By contrast, almost nothing has yet been released for measures to modernise the fleet or to support the management of fishing ports or fishing industry associations. The funding earmarked for these initiatives (in the 2009 revised breakdown) amounts to EUR 33 million over four years, i.e. 61% of the EUR 54 million provided for in the protocol. At the same time, the state has invested substantially in developing the fishing industry (ports, traditional landing places, fish markets and wholesale distribution) without recourse to the funding provided for in the agreement. The Moroccan authorities estimate that EU support for the sector represents no more than 0.2% of the state's investment in it.

In conclusion, the agreement has not been very effective in relation to the aim of supporting national fisheries policy implementation. Morocco has taken on virtually the whole of that task, with the EU playing only a secondary role.

4.2 The efficiency of the fisheries agreement

The measures deemed effective were evaluated according to the criterion of efficiency in order to assess whether the cost of their contribution to the various aims of the fisheries agreement is acceptable in relation to the EU budget.

4.2.1 Does the cost of the fishing opportunities negotiated represent a good deal for the EU?

The EU's total financial contribution under the agreement has been EUR 36.1 million annually. In addition, European vessel owners have paid an average of EUR 1.6 annually in fees and costs for sightings at sea.

The first point to make is that the lion's share of the cost of the agreement (95%) has been met from the public purse as opposed to private sources (5%). Of all the agreements currently in force, this one places the heaviest relative burden on European taxpayers: the public/private cost breakdown for the tuna agreements is 65%-35 % and for the other mixed agreements 85%-15%.

Secondly, the cost of the agreement seems very high in relation to the fisheries opportunities that have actually been taken up. The European fleets' estimated turnover is EUR 30.2 million, i.e. a mere EUR 0.83 for every euro invested by the EU. Using only the indicator of wealth created by European vessel owners subject to the agreement (direct and indirect added value for the EU), an even less impressive cost/benefit ratio for the EU investment emerges: EUR 0.65 in added value generated for every euro invested. These figures for the Moroccan fisheries agreement are well below the level of the corresponding indicators for other fisheries agreements (the cost/value

added ratio for the tuna agreements is a healthy 1/4.6 while for the other mixed agreements the figure is rather less impressive but still positive at 1/1.3).

The main reason for the poor cost/value added ratio is under-utilisation of the fishing opportunities negotiated, particularly in the case of category 4 vessels: trawlers and longliners in the south of the zone. The under-utilisation of opportunities by these vessels is attributable chiefly to technical clauses that were negotiated limiting the number of vessels allowed to fish and restricting profitability. Had the vessels in question, which are individually of large capacity, taken advantage of the fishing opportunities negotiated, the agreement's cost/benefit ratio would have been significantly better. In the final analysis, however, the price paid by the EU to support the European fishing fleet has been too high. For Morocco, on the other hand, the agreement has represented a good deal: the contribution paid by the EU constituted 80% of public revenue from the fisheries sector, in return for catch volumes amounting to just 5% of the total catch in the national EEZ.

4.2.2 Does the cost of the fishing opportunities negotiated represent a good deal for EU vessel owners?

In terms of the 95%-5% public/private cost breakdown, the agreement constituted a good deal for EU vessel owners.

In absolute terms, the direct financial charges paid by EU vessels for access to the fishing grounds were much higher (on average 12 times more) than those paid by their Moroccan counterparts. This is not surprising, given that the Moroccan vessels land their entire catch in Morocco and so do more to generate added value, thus benefiting the country (through direct and indirect taxation and economic knock-on effects).

[DATA ON NON-EU VESSEL PAYMENTS DELETED]

4.2.3 Has the financial contribution been used in ways that promote the development of the Moroccan fisheries sector?

The protocol had earmarked EUR 13.5 million for sectoral support – 37% of the total EU financial contribution.

During the first three years of the agreement's life, the funds earmarked for sectoral support were used efficiently only in the fields of research and training, which together accounted for just 16% of the total monies available (EUR 9 million out of EUR 54 million). Use of the funds for eliminating drift nets will probably also prove to have been efficient, bearing in mind that the amounts required had initially been considerably under-estimated and had to be adjusted in 2009 (by a factor of 2.4) taking them over the binding limits set in the protocol. By contrast, a few months ahead of the expiry of the current protocol to the agreement, clearance of the budget lines for modernisation of the fleet and for fishing port management – which together make up more than 50% of the EU's sectoral support – is still uncertain. With regard to modernisation of the fleet, the fact that monies have not been paid out reflects flaws in the planning programme, and the EU probably ought to have requested more guarantees before agreeing to foot the bill and, in the protocol, inflexibly committing substantial sums for that purpose. With regard to fishing port management, while there

was a major institutional reform in this area in 2010, the Moroccan Government had already invested in the ports and port equipment without waiting for the reform to go through – and the sectoral support funding could have been put to use here.

In conclusion, the Union's investment in sectoral policy achieved mixed results in terms of efficiency. Aside from the fact that, functionally, strategy for the sector is still in its infancy, the inflexible earmarking in the protocol of specific sums for specific actions helped to make the EU sectoral support less efficient than it might have been.

4.3 The relevance of the fisheries agreement

4.3.1 Does the fisheries agreement meet the needs of the EU target groups?

With regard to Category 1 vessels, the agreement allows the largest vessels in the Barbate fishing fleet to expand their fishing areas and thus to reduce fishing effort in the Gulf of Cadiz fishery which is probably overcapacity given the available resources. The agreement is thus entirely relevant for this fleet. It is also relevant for the Category 2, 3 and 5 fleets as the fishing opportunities secured under the agreement with Morocco allow access to fishing areas neighbouring national waters.

For the industrial vessels in Category 6, the agreement with Morocco expands fishing opportunities for West African small pelagic stocks. The distribution of the resources targeted varies depending on the season and it should be noted that the European vessels entering Morocco's zone are those that began the year in Mauritania. Given that the fishing opportunities under the agreement with the latter are being almost fully exploited (250 000 tonnes per annum), the agreement with Morocco makes it possible for these vessels to supplement their operation schedules and thus maintain profitability. The agreement is therefore relevant for this category.

For Category 4, the agreement does not meet the needs of the target group. According to the operators, the limits put on vessel capacity expressed in GT and the fact that opportunities are restricted to deep water areas where there are few commercially interesting resources have meant that the fishing opportunities do not match their requirements. This situation is compounded by the temporal restrictions on fishing activity linked to the double annual closure of the fisheries (two times two months each year).

The agreement therefore meets the needs of the European fleets concerned, with the exception of Category 4 vessels. Vessels in this category could be interested in fishing in Moroccan waters, but only under operating conditions that would not be acceptable to the Moroccan side as they would lead to competition with similar national fleets where there is overcapacity and which are already subject to restrictions.

4.3.2 Does the fisheries agreement meet the needs of Morocco?

Most of the stocks in Morocco's EEZ are in a condition that does not lend itself to increased fishing effort. The sole exception is the sardine resource to the south of 29°N which is clearly under-exploited. If any surplus exists within the meaning of the United Nations Convention on the Law of the Seas, it is in this stock only. The result of this high level of exploitation of the resources in the EEZ is that the Moroccan authorities have called for efforts to be made by national vessel owners through measures imposed by the two headline management plans adopted to date (the octopus plan and the small pelagics plan). Moroccan civil society only allowed the introduction of supplementary European capacity because this was modest in scale compared to national capacity in the same fisheries and linked to more restrictive conditions than those imposed on the

national fleets (limits on fishing areas, closed periods for Categories 1 and 2). All in all, therefore, it is only the fishing opportunities given to Category 6 that met Morocco's needs.

The financial contribution paid by the EU is of virtually no macroeconomic significance (0.2% of budget revenue). The country does not therefore need it, unlike other developing countries where the financial contribution can amount to a very high proportion of cash revenue (such as Mauritania and Guinea Bissau where it makes up ca. 15% of national revenue). Relatively little use has been made of the amount reserved for sectoral policy support (€13.5 million per annum), or else it has been used partially and belatedly. At the same time, the State invested considerably higher amounts in the developing the fishing industry (the Moroccan authorities estimate that EU support for the sector amounts to 0.2% of the total investment in the national fishing industry).

Technical and financially, the agreement does not therefore meet the specific needs of Morocco. The access given to industrial pelagic vessels to the small pelagic stocks is, however, an exception, although it should be noted that access to these resources for European vessels already existed before the agreement under the chartering scheme which did not form part of any bilateral institutional agreement. The absence of an agreement was not therefore an impediment.

4.4 The viability of the fisheries agreement

4.4.1 Does the fisheries agreement contribute to the viability of the European sectors?

It was felt that the fisheries agreement with Morocco met a need that existed for the European fleets concerned and the associated sectors that depend on them. If there were no agreement with Morocco, the EU vessels would have problems in ensuring their viability. They would have no other option but to find alternative means of access which is only really feasible for Category 6 vessels. For the other categories, the fleets would have to limit their operations to the European sector of their fishing areas even though these are already over-exploited and subject to restrictions (resource management plan for small pelagics in the Gulf of Cadiz, recovery plan for Norway lobster and southern hake). If these vessels were to return to EU waters, there would be problems regarding the viability of the vessels concerned and of vessels exploiting the same resources. EFF structural funds would probably need to be used (for decommissioning, temporary cessation of activity) to tackle the problems.

4.4.2 Does the agreement contribute to the viability of the fishing industry in Morocco?

The fisheries agreement has a relatively marginal impact on the fisheries sector in Morocco in terms of the creation of local value added, employment or investment dynamics. The agreement therefore has no real impact on the viability of the fisheries sector in Morocco.

4.4.3 Does the fisheries agreement ensure the viable exploitation of resources in Moroccan waters?

There is a convergence of scientific opinion that Morocco's fish resources are being fully exploited, or even over-exploited, with the exception of the sardine stock to the south of 29°N.

The introduction of European vessels has increased the total fishing effort and widened the imbalance between fishing capacity and resources. Whilst this is true, it should be put into perspective by bearing in mind that catches by vessels covered by the agreement account for just 0.4% of total catches in Moroccan waters, excluding zone C. The impact is thus minimal.

With regard to the small pelagic stock in the south (zone C), the European catch amounts to 11% of the catch by authorised national and foreign fleets. The catches by industrial small pelagic fleets in this zone include sardine, which is supposed to be under-exploited, as well as horse mackerel

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and chub mackerel for which the indicators on the state of the stocks are much more alarming. This problem is not associated with the European fleets alone, but applies to all the industrial small pelagic fleets working from Morocco in the north to Senegal in the south. A multilateral management framework is still lacking for these small pelagic fisheries.

Some categories covered by the fisheries agreement have a negative environmental impact – particularly longliners in Category 2 which fish sharks listed by the IUCN and pelagic trawlers in Category 6 which catch demersal species that are already over-exploited and can catch marine mammals. Shark catches by longliners are contrary to the EU Action Plan for the Conservation and Management of Sharks (COM(2009) 40). The Joint Scientific Committee has started to look into this problem which also affects the national fishing vessels.

With regard to the by-catch by pelagic trawlers, which concerns all fleets and not just the EU fleet, the problem has not been tackled in any depth. The partnership approach should have been an opportunity for the EU to bring its experience in the field to bear and to seek to encourage the use of selective devices and deterrents that are compulsory under EU legislation.

In conclusion, the agreement has some negative effects on the viability of fishing in Moroccan waters. These are, however, proportionately minimal as the negative effects identified for the EU fleets also exist for the other much larger national and foreign fleets.

4.5 Main conclusions of the ex-post evaluation

The ex-post evaluation of the protocol with respect to effectiveness indicates that the agreement with Morocco has not managed to achieve all its objectives. The agreement makes a positive contribution to the presence of an average of 80 EU vessels in Moroccan waters by providing fishing opportunities in waters which help extend the neighbouring traditional fishing grounds of the vessels concerned. On the other hand, the agreement has virtually no influence on stabilising the European market for fisheries products as the quantities landed are negligible in relation to market demand. The agreement has also been fairly ineffective in stimulating the development of the fisheries sector in Morocco on account of the limited interaction between the EU fleets concerned and the national fishing industry. The agreement has, finally, not been very effective in terms of its contribution to implementing the sectoral policy. The national authorities have implemented measures and allocated resources to ensure the development and viability of the sector without really making full use of the EU component.

The analysis of the efficiency of the agreement leads to the conclusion that the results obtained have been at a very high cost. The cost-effectiveness ratio of the agreement is very poor – the lowest for any of the current agreements. The main reason is the inclusion in the protocol to the agreement of fishing opportunities which have never been exploited in a satisfactory way. The same result could have been achieved at a lower cost.

With respect to its relevance, the agreement corresponds to the needs of the European fleet concerned, apart from those of Category 4 vessels. These needs relate to the expansion of traditional fishing grounds in order to relieve pressure on resources that have traditionally been fished. As far as Morocco is concerned, there did not seem to be any need for an agreement with the EU as most of the available resources were fished by its national fleets. Whilst there is a surplus that can be exploited in the sardine stock to the south of 29°N, European vessels could have fished this without an agreement, under a chartering arrangement.

Finally, whilst the agreement does contribute towards the viability of the European fleets concerned and the associated sectors, it has not had a notable impact on the viability of the fisheries sector in Morocco. Operations by European vessels have a potential impact on the sustainability of the stocks as they lead to an increase in fishing effort on resources that are already fully or over-exploited, but this impact can be considered minimal insofar as the European catch only amounts to 0.4% of the total catch, excluding the small pelagic stocks in the south. Some segments of the

European fleet have a negative environmental impact (shark fishing, marine mammals, by-catches), but this also applies to segments of the national and foreign fleets that target the same fisheries.

CONCLUSION

The results of the first 4-year period of the new fisheries partnership agreement between the EU and Morocco are generally rather disappointing. Whilst it does provide fishing opportunities for about 50 European vessels that really need them (seiners from Andalusia and small-scale fishing vessels from Andalusia and the Algarve), the results in terms of sectoral partnerships and the integration of economic operators fall well short of the Community investment in this agreement, the inefficiency of which sets it apart from other agreements concluded by the EU.

Any future protocol should seek greater cost efficiency from the EU's investment in the field of fisheries in the specific context of EU-Morocco relations. There are solutions which would entail tailoring fishing opportunities more closely to the real needs of the industry and providing greater flexibility in the use of the funds reserved for sectoral support. Efforts to achieve complementarity with the instruments in the association agreement would help in finding a solution.

Morocco is perhaps an example that shows the limitations of the general framework of the partnership agreement in the field of fisheries arising from the reform of the CFP in 2002. This instrument is well adapted to the case of developing ACP countries which may be in need of intellectual and financial support to define and implement sectoral policies aimed at promoting sustainable policies for the sector. It seems less appropriate in cases such as Morocco where the country's institutions have the capabilities and means required to manage and develop their fisheries sector. In so saying, the special relationship that exists between the EU and Morocco meant that both parties needed a framework for dialogue in the sector that had not been provided by the neighbourhood instrument. The partnership agreement in the field of fisheries helped address this omission.

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