



COMMISSION OF THE EUROPEAN COMMUNITIES

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Proposal for a

COUNCIL REGULATION

on conclusion of an Agreement in the form of an exchange of letters extending to the period 1 July 2003 to 30 June 2004 the validity of the Protocol setting fishing opportunities and a financial contribution as provided for in the Agreement between the European Economic Community and the Republic of Côte d'Ivoire on fishing off the coast of Côte d'Ivoire

(presented by the Commission)

EXPLANATORY MEMORANDUM

The Protocol annexed to the Fishery Agreement between the EC and the Côte d'Ivoire Government expired on 30 June 2003.

Given the current situation in Côte d'Ivoire, the two parties decided to extend its validity for a year, i.e. for the period 1 July 2003 to 30 June 2004. This extension, in the form of an exchange of letters, was initialled by the parties on 16 May 2003 in order to set the technical and financial terms of fishing by EC vessels in the waters off Côte d'Ivoire between 1 July 2003 and 30 June 2004.

The extension will also have the advantage of giving the Côte d'Ivoire authorities enough time to use the money and to draw up the reports on implementation of the programme in support of sustainable fishery resource management (targeted measures), work of which has fallen behind.

The Commission accordingly proposes that the Council adopt the attached Agreement in the form of an exchange of letters extending the period of validity of the Protocol.

A proposal for a Council Decision on provisional application of the Agreement (pending its actual entry into force) is the subject of a separate procedure.

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THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 37 in conjunction with Article 300(2) and the first paragraph of Article 300(3),

Having regard to the proposal from the Commission¹,

Having regard to the opinion of the European Parliament²,

Whereas:

- (1) Under the Agreement between the European Economic Community and the Republic of Côte d'Ivoire on fishing off the coast of Côte d'Ivoire³, before the Protocol annexed to the Agreement expires the contracting parties should negotiate in order to agree the content of the Protocol for the following period and any changes or additions to be made to the Annex.
- (2) Pending negotiations on changes to be made to the existing Protocol approved by Regulation (EC) No 722/2001⁴, the two parties have decided to extend its validity for one year by means of an Agreement in the form of an exchange of letters.
- (3) It is in the Community's interest to approve this extension.
- (4) The allocation of fishing opportunities to the Member States should be confirmed.

HAD ADOPTED THIS REGULATION:

Article 1

The Agreement in the form of an exchange of letters extending to the period 1 July 2003 to 30 June 2004 the validity of the Protocol setting fishing opportunities and a financial contribution as provided for in the Agreement between the European Economic Community and the Republic of Côte d'Ivoire on fishing off the coast of Côte d'Ivoire is hereby approved on behalf of the European Community.

The text of the Agreement is attached to this Regulation.

¹ OJ C ,p .

² Opinion of the European Parliament given on (not yet published in Official Journal).

³ OJ L 379, 31.12.1990.

⁴ OJ L 102, 12.4.2001.

Article 2

The fishing opportunities set out in the Protocol are allocated to Member States as follows:

- a) demersal fishing:
 - Spain: 600 GRT per month (annual average)
- b) tuna fishing:
 - i) tuna seiners
 - France: 18 vessels
 - Spain: 21 vessels
 - ii) surface longliners
 - Spain: 15 vessels
 - Portugal: 5 vessels
 - iii) pole-and-line tuna vessels
 - France: 7 vessels
 - Spain: 5 vessels

If licence applications from these Member States do not exhaust the fishing opportunities set by the Protocol, the Commission may consider licence applications from any other Member State.

Article 3

Member States who have vessels fishing under the present Agreement shall notify to the Commission, in the manner specified by Commission Regulation (EC) No 500/2001⁵, the quantities of each stock taken in the Côte d'Ivoire fishing zone.

Article 4

This Regulation shall enter into force on the third day following its publication in the Official Journal of the European Union.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at...,

For the Council
The President

⁵ OJ L 73, 15.3.2001, p. 8.

AGREEMENT

**in the form of an exchange of letters extending to the period 1 July 2003 to 30 June 2004
the validity of the Protocol setting fishing opportunities and a financial contribution as
provided for in the Agreement between the European Economic Community and the
Republic of Côte d'Ivoire on fishing off the coast of Côte d'Ivoire**

A. Letter from the Community

Gentlemen,

I have the honour to confirm that pending negotiations on amendments to be made to the Protocol currently in force (1 July 2000 to 30 June 2003) setting fishing opportunities and a financial contribution as provided for in the Fishery Agreement between the European Economic Community and the Government of the Republic of Côte d'Ivoire, we agree to the following interim arrangements:

1. From 1 July 2003 to 30 June 2004 the arrangements applicable over the last three years will continue in operation.

Under this interim arrangement the Community's financial contribution will be the annual amount stipulated in Article 3 of the existing Protocol. The financial compensation shall be paid by 31 December 2003. Payment for the targeted measures specified in Articles 3 and 4 of the Protocol will be made once the relevant requirements stipulated in Article 4 have been met.

2. During the interim period fishing licences will be granted within the limits set in Article 1 of the existing Protocol against fees or advances corresponding to those set at point 1 of the Annex to the Protocol.

I should be obliged if you would acknowledge receipt of this letter and confirm that you are in agreement with its contents.

Please accept, Gentlemen, the assurance of my highest consideration.

On behalf of the Council of the European Union

B. Letter from the Government of the Republic of Côte d'Ivoire

Gentlemen,

I have the honour to acknowledge receipt of your letter of today's date which reads as follows:

'I have the honour to confirm that pending negotiations on amendments to be made to the Protocol currently in force (1 July 2000 to 30 June 2003) setting fishing opportunities and a financial contribution as provided for in the Fishery Agreement between the European Economic Community and the Government of the Republic of Côte d'Ivoire, we agree to the following interim arrangements:

1. From 1 July 2003 to 30 June 2004 the arrangements applicable over the last three years will continue in operation.

Under this interim arrangement the Community's financial contribution will be the annual amount stipulated in Article 3 of the existing Protocol. The financial compensation shall be paid by 31 December 2003. Payment for the targeted measures specified in Articles 3 and 4 of the Protocol will be made once the relevant requirements stipulated in Article 4 have been met.

2. During the interim period fishing licences will be granted within the limits set in Article 1 of the existing Protocol against fees or advances corresponding to those set at point 1 of the Annex to the Protocol.'

I have the honour to confirm that the contents of your letter are acceptable to the Government of the Republic of Côte d'Ivoire and that your letter and this one constitute an agreement in accordance with your proposal.

Please accept, Gentlemen, the assurance of my highest consideration.

For the Government of the Republic of Côte d'Ivoire.

LEGISLATIVE FINANCIAL STATEMENT

Policy area(s): External aspects of fishery policy

Activit(y/ies): International fishery agreements

TITLE OF ACTION:

EXTENSION TO 1.7.2003-30.6.2006 OF VALIDITY OF PROTOCOL SETTING FISHING OPPORTUNITIES AND A FINANCIAL CONTRIBUTION AS PROVIDED FOR IN EC/CÔTE D'IVOIRE FISHERY AGREEMENT

1. BUDGET LINES(S) + HEADING(S)

B78000: International fishery agreements

2. OVERALL FIGURES

2.1 Total allocation for action (Part B): €957 500 in payment appropriations

2.2 Period of application: 1.7.2003–30.6.2004

2.3 Overall multiannual estimate of expenditure: €957 500 in payment appropriations

a) Schedule of commitment appropriations/payment appropriations (financial action)
(see 6.1.1)

| | Year n | n + 1 | n + 2 | n + 3 | n + 4 | n + 5 and subs. years | Total |
|-------------|---------|-------|-------|-------|-------|--------------------------------|---------|
| Commitments | 957 500 | --- | --- | --- | --- | --- | 957 500 |
| Payments | 957 500 | --- | --- | --- | --- | --- | 957 500 |

b) Technical and administrative assistance and support expenditure (see 6.1.2)

| | | | | | | | |
|-------------|--|--|--|--|--|--|--|
| Commitments | | | | | | | |
| Payments | | | | | | | |

| Subtotal a+b | | | | | | | |
|--------------|---------|-----|-----|-----|-----|-----|---------|
| Commitments | 957 500 | --- | --- | --- | --- | --- | 957 500 |
| Payments | 957 500 | --- | --- | --- | --- | --- | 957 500 |

c) Overall financial impact of human resource and other administrative expenditure (see 7.2 and 7.3)

| | | | | | | | |
|--------------------------|--|-----|-----|-----|-----|-----|--|
| Commitments/ payments | | --- | --- | --- | --- | --- | |
|--------------------------|--|-----|-----|-----|-----|-----|--|

| | | | | | | | |
|-------------|--|-----|-----|-----|-----|-----|--|
| TOTAL a+b+c | | | | | | | |
| Commitments | | --- | --- | --- | --- | --- | |
| Payments | | --- | --- | --- | --- | --- | |

2.4 Compatibility with financial programming and financial perspective

- Proposal is compatible with existing financial programming
- Proposal will entail reprogramming of the relevant heading in the financial perspective, and
- may also require recourse to the Interinstitutional Agreement.

2.5 Financial impact on revenue:

Proposal has no financial implications (concerns technicalities of implementation of a measure)

OR

- Proposal has financial impact - the impact on revenue is as follows:

(NB All details and observations relating to the method of calculating the impact on revenue should be shown in a separate annex).

(€ million to one decimal place)

| Budget line | Revenue | Prior to action (year n-1) | Situation following action | | | | | | | |
|-------------|---|----------------------------|----------------------------|-----|-----|-----|-----|-----|--|--|
| | | | Year n ³ | n+1 | n+2 | n+3 | n+4 | n+5 | | |
| | a) <i>Revenue in absolute terms¹</i> | | | | | | | | | |
| | b) <i>Change in revenue²</i> | Δ | | | | | | | | |

3. BUDGET CHARACTERISTICS

| Type of expenditure | | New | EFTA contribution | Contributions from applicant countries | Heading in financial perspective |
|---------------------|----|-----|-------------------|--|----------------------------------|
| CE | DA | NO | NO | NO | 4 |

4. LEGAL BASIS

Article 37 of Treaty in conjunction with Article 300(2) and first paragraph of Article 300(3)

EC/Côte d'Ivoire Fishery Agreement (OJ L 379, 31.12.1990)

5. DESCRIPTION AND GROUNDS

5.1 Need for Community action

5.1.1 Objectives pursued

The Protocol annexed to the Fishery Agreement between the EC and the Government of the Republic of Côte d'Ivoire expires on 30 June 2003.

Given the situation in Côte d'Ivoire, the two parties have decided to extend the Protocol's validity for one year, i.e. from 1 July 2003 to 30 June 2004. The extension, in the form of an exchange of letters, was initialled by the two parties in order to set the technical and financial terms of fishing activity by EC vessels in Côte d'Ivoire waters for that period.

The purpose of extension is to enable Community vessel owners to carry on fishing in the Côte d'Ivoire exclusive economic zone (EEZ) pending negotiations on modification of the Protocol.

5.1.2 Ex-ante evaluation

Given that the proposal is for extension of the Protocol's validity on unchanged terms for one year only, no specific *ex-ante* evaluation has been carried out. Before a new Protocol is proposed the existing one will be thoroughly evaluated (also covering the extension period) and an *ex-ante* assessment of the newly negotiated Protocol made (see 8.2).

The following assessment of the value of the existing Protocol can however already be given.

The Protocol is the fifth since entry into force of the Fishery Agreement between the two parties in 1990.

It is a tuna agreement with a secondary trawler component and one of the most important tuna agreements concluded by the EC in the South Atlantic. Community tuna vessels use the port of Abidjan, the leading tuna base in West Africa, to land their catches from the entire region, not just the Côte d'Ivoire EEZ, and supply the local canneries.

The 2000-03 Protocol allows fishing by 39 tuna seiners, 20 surface longliners and 12 pole-and-line vessels plus 600 GRT per month (annual average) of demersal trawler capacity.

The average volume of use in terms of licences taken out has been very good for tuna seiners (80-90%) but not at all satisfactory for the other categories. The tuna side of the Protocol is an integral part of the network of agreements on tuna covering the Atlantic zone that enables the Community fleet to follow straddling stocks.

**Take-up under EC/Côte d'Ivoire Fishery Agreement
(numbers of vessels)**

| Vessel type | Fishing opportunity offered | 2000/01 | 2001/02 | 2002/03 |
|--------------------------|------------------------------------|---------|---------|---------|
| Demersal trawlers | 600 GRT per month (annual average) | 64% | 45% | 0 |
| Pole-and-line tuna boats | 12 | 0 | 0 | 0 |
| Tuna seiners | 39 | 35 | 34 | 31 |
| Surface longliners | 20 | 11 | 2 | 2 |

Since tunas are highly migratory species, catches in a particular zone can vary considerably from one fishing year to another. The Community fleet's catches in Côte d'Ivoire waters cannot therefore be known in advance. It must also be borne in mind that the tuna caught is sent to processing plants in European countries (Spain, Italy, France, Portugal) and to canneries in certain West African countries (Côte d'Ivoire, also Senegal) much of the output of which is exported to the Community market.

Catches were in general lower than the reference tonnage (8 500 t)

**Take-up of EC/Côte d'Ivoire Fishery Agreement
(annual tonnages taken by tuna vessels)**

| | 2000 | 2001 | 2002 |
|--------|---------|-------|------|
| Spain | 1 248.5 | 1 241 | n.a. |
| France | 4 048 | 5 678 | n.a. |
| Total | 5 296.5 | 6 919 | n.a. |

It is also to be noted that according to the Institut de Recherche pour le Développement, EU tuna vessels make up the majority of the seiners (75% of Abidjan's tuna traffic). In 2000 Spanish and French boats landed or transhipped 90 615 tonnes (63 017 t landed, 17 608 t transhipped) out of a total of 121 000 t for the port of Abidjan.

Abidjan is still the leading West African tuna port and the leading African tuna canner.

The Agreement is clearly advantageous in that the catch value far exceeds the cost of the Protocol. The average commercial value of the tuna is more than €1 000 per tonne.

In addition to the direct commercial value of the catches for the vessels involved the Agreement yields the following manifest benefits:

- guaranteed jobs on board fishing vessels;
- multiplier effect on employment: in ports, auction markets, processing factories, shipyards, service enterprises etc.;
- location of these jobs in regions where there are no other employment possibilities;
- contribution to Community's fish supply.

It should also be remembered that the Council's guidelines on negotiation of fishery agreements with the ACP countries specify a need to take account of the interest to the Community in maintaining or establishing fishery relations with these countries.

5.1.3 Ex post evaluation.

A thorough evaluation of the Protocol will be made before submission of a proposal for the Protocol for the period from July 2004. The period covered by the extension will be included (see 8.2 below).

Turning to the targeted measures accounting for the major part of the financial contribution, the amount assigned under the 2000-03 Protocol has been used by the national authorities. But they have encountered substantial delays in lodging of applications for payment and this has held up payment itself and implementation of the measures. To prevent the same situation arising during the new Protocol period, our Delegation at Abidjan has made the officials of the Ministry responsible for fisheries aware of the need to draw up in good time a full plan for implementation of each measure.

5.2 Action envisaged and budgetary particulars

The EC will pay for the period 1 July 2003 to 30 June 2004 a total amount of €957 500, of which €275 000 will be financial compensation to be paid by 31 December 2003 into the Public Treasury account indicated by the Côte d'Ivoire Government.

The remaining 71% (€682 500) will be for measures targeted on developing the fishery sector in Côte d'Ivoire (scientific and technical programmes, surveillance, institutional support to the fishery administration in its formulation of development policies and strategies for fisheries and aquaculture, study awards, training periods etc.).

5.3 Implementation arrangements

Implementation of the Protocol falls exclusively to the Commission, which for this purpose will use officials in both Brussels and at the Côte d'Ivoire Delegation.

6. FINANCIAL IMPACT

6.1 Total financial impact on Part B (over entire programming period)

6.1.1 Financial assistance

(€)

| Breakdown | Year n | n + 1 | n + 2 | n + 3 | n + 4 | n + 5 and subs. years | Total |
|------------------------|----------------|-------|-------|-------|-------|-----------------------|----------------|
| Financial compensation | 275 000 | | | | | | 275 000 |
| Targeted measures | 682 500 | | | | | | 682 500 |
| TOTAL | 957 500 | | | | | | 957 500 |

6.1.2 Technical and administrative assistance, support expenditure and IT expenditure (commitment appropriations)

| | Year n | n + 1 | n + 2 | n + 3 | n + 4 | n + 5 and subs. years | Total |
|--|--------|-------|-------|-------|-------|-----------------------|-------|
| 1) Technical and administrative assistance | | | | | | | |
| a) Technical assistance offices | | | | | | | |
| b) Other technical and administrative assistance: - intramuros: - extramuros: <i>of which for construction and maintenace of computerised management systems:</i> | | | | | | | |
| Subtotal 1 | | | | | | | |
| 2) Support expenditure | | | | | | | |
| a) Studies | | | | | | | |
| b) Meetings of experts | | | | | | | |
| c) Information and publications | | | | | | | |
| Subtotal 2 | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| TOTAL | | | | | | | |

6.2. Calculation of costs by measure envisaged in Part B (over entire programming period)

(€)

| Breakdown | Type of output/ (projects, files) | Number of outputs (total for years 1...n) | Average unit cost | Total cost (total for years 1...n) |
|------------------------|--|---|-------------------|---------------------------------------|
| | 1 | 2 | 3 | 4=(2X3) |
| Measures 1, 2 and 3 | Fishing opportunities in exchange for financial contribution | 39 tuna seiners, 12 pole-and-line vessels, 20 surface longliners, 600 GRT per month (annual average) of demersal fishing capacity | 957 500 | 957 500 |
| TOTAL COST | | | | 957 500 |

7. IMPACT ON STAFF AND ADMINISTRATIVE EXPENDITURE

7.1. Impact on human resources

| Type of post | Staff to be assigned to management of the action using existing and/or additional resources | | Total man- months | Description of tasks |
|------------------------------------|--|---------------------------------|-------------------------|---|
| | Number of permanent posts | Number of temporary posts | | |
| Officials or temporary staff | A B C | 1 1 1 | 3 0.5 1.5 | The impact will be spread over the entire unit responsible for bilateral agreements |
| Other human resources | | | | |
| Total | | 3 | 5 | |

7.2 Overall financial impact (human resources)

| Type of human resource | Amount € | Method of calculation |
|---|---------------|---|
| Officials Temporary staff | 33 375 | (100 000/12 x 3)+(60 000/12 x 0.5) + (47 000/12 x 1.5) |
| Other human resources (budget lines A-7000 and A-7003) | | |
| Total | 33 375 | |

The amounts are total expenditure for twelve months.

7.3 Other administrative expenditure

| Budget line (number and heading) | Amount € | Method of calculation |
|---|----------|-----------------------|
| Overall allocation (Title A7) | | |
| A0701 – Missions | 0 | |
| A07030 – Meetings | 0 | |
| A07031 – Compulsory committees ⁽¹⁾ | 0 | |
| A07032 – Non-compulsory committees ⁽¹⁾ | 0 | |
| A07040 – Conferences | 0 | |
| A0705 – Studies and consultations | | |
| Other expenditure (specify) | | |
| Information systems (A-5001/A-4300) | | |
| Other expenditure – Part A (specify) | | |
| Total | 0 | |

The amounts are total expenditure for twelve months.

⁽¹⁾ Specify the type of committee and the group to which it belongs.

| | | |
|------|-------------------------------|-----------|
| I. | Annual total (7.2 + 7.3) | € 33 375 |
| II. | Duration of action | 1 year |
| III. | Total cost of action (I +6.2) | € 991 250 |

It is impossible to quantify the impact of any particular Protocol on the workload of the DG FISH unit responsible for these measures.

Renewal of Protocols under existing Fishery Agreements is one of the unit's activities but it does not in itself have a specific impact on administrative expenditure.

If the Protocol had not been extended (initialled), a substantial volume of work and considerable expenditure (travel and meetings) would have been needed.

The human and administrative resource requirements are to be covered from the managing DG's allocation.

8. MONITORING AND EVALUATION

8.1 Monitoring arrangements

Within four months of the anniversary date of the Protocol, the Côte d'Ivoire Ministry responsible for fisheries is required to present the Commission with a report (annual report) on implementation of the measures and the results achieved. The Commission has the right to ask the Ministry for further information on the results and to review the payments concerned in the light of implementation of the measures.

A meeting of the Joint Committee at the request of either party allows the Community and Côte d'Ivoire to consult on matters pertaining to implementation and operation of the Agreement. Any disagreement on its interpretation or application is a matter for consultation.

8.2 Evaluation: arrangements and frequency

Before renewal of the Protocol in July 2004 the entire period covered by the one in force (including the extension period) will be assessed using indicators measuring direct results (catches, catch values) and other outcomes (number of jobs created and maintained, Protocol cost/catch value ratio). To ensure that fishing operations in the region are sustainable, an economic, social and environmental impact assessment will be made before any renewal of Protocols in the future.

9. ANTI-FRAUD MEASURES

As the Community makes the financial contributions as a direct offset to the fishing opportunities offered the third country uses them as it wishes. It is however obliged to make reports to the Commission, as specified in the Protocol, on the use of some of the money, an annual report being required on implementation of and the results achieved from the measures listed in Article 4 of the Protocol. The Commission has a right to ask for additional information on the results and review payments in the light of implementation of the measures.

In addition Member States who have vessels operating under the Agreement have to certify to the Commission the accuracy of the particulars entered on vessel tonnage certificates so that the basis of licence fee calculations is correct.

The extended Protocol also requires Community vessels to send catch declarations to the Commission and the Côte d'Ivoire authorities. These are the basis for drawing up the final statements of catches for fee calculation purposes.