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

¹ See also EXT 1 INIT + ADD 1; 3-5.

The land-based industries include the establishments for the handling and processing of fisheries products. They are an important link in the added value and employment chain for Morocco. Their supplies depend to a large extent on the contributions from local fishing, but there are segments which also rely on imported material. This is the case of shelling of crustaceans, with raw materials imported from Europe or Canada, or semi-preserves, using semi-prepared anchovies imported from South America (Argentina).

According to the data supplied by the DPM for 2009, there were 387 approved land-based units, of which nearly half are specialised in land-based freezing of fisheries products. The units specialised in processing fresh fish account for 19% of the total, those specialised in canned fish 11%. In addition to these 387 fisheries product processing plants, there are 25 plants specialised in the production of fishmeal for animal feed.

Table 21: Number of establishments processing fisheries products in Morocco in 2009. Source: DPM

	Total	Agadir	Safi	Laayoune	Dakhla	Southern regions*
Preserves	42	12	17	3		3
Semi-preserves	32	15	2			0
Freezing	191	38	5	19	78	95
Fresh	73	8	8	2	3	8
Shellfish	18		1		5	8
Other	31	8			1	2
Total	387	79	31	24	85	109

* Grouping together of the areas of Laayoune, Boujdour, Tarfaya and Dakhla

According to the DPM, 35 000 tonnes of fresh fish were packaged in 2008. The freezer industry for its part processed 92 000 tonnes, with quadrupling in 2008 of the volumes of small pelagic species compared to 2005. The canning industry which concerns almost exclusively the small pelagic species (sardines, mackerel) processed 320 000 tonnes of raw materials, that of semi-preserves (anchovies) remaining about 20 000 tonnes. The volumes converted into fishmeal remain significant (260 000 tonnes), of an order of magnitude comparable to the quantities preserved. Conversion into fishmeal is the lowest level of added value and one of the objectives of the authorities is to reduce this activity and to encourage the conversion of small pelagic species into products with higher added value.

At regional level, the Agadir and the Safi area are among the most significant in the North Atlantic area, with the bulk of the preserves and semi-preserves industries (60% of the units of this type). The southern region accounts for 28% of the number of establishments at national level, with local industry highly specialised in land-based freezing of products (87% of the national number of establishments of this type). This number is particularly high in Dakhla, as a result of the expansion of the octopus freezing capacities during the period of prosperity of this fishery. Some of the freezer industries of Dakhla (30) have now converted to the exclusive freezing of small pelagic species, a condition imposed by the Moroccan authorities to benefit from the fishing quota available to chartered vessels. The others (47) remain specialised in octopus and freeze small pelagic species as a supplement, obtaining supplies solely from the local pelagic fleet. There are still relatively few canning plants in the southern region (3 near Laayoune). The region of Dakhla is characterised too by development of the activity of dispatching shellfish (7) using the shellfish potential in the bay.

As shown in the graph below, the industry turnover has been rising constantly since 2004, which was a crisis year on account of the collapse in the octopus supplies. The turnover was in the vicinity of EUR 1 billion in 2008, i.e. more than the turnover from the fishing fleet (≈ 710 M€). The breakdown of turnover by type of industry is not available, but according to the information received, canning accounts for a third of the national turnover.

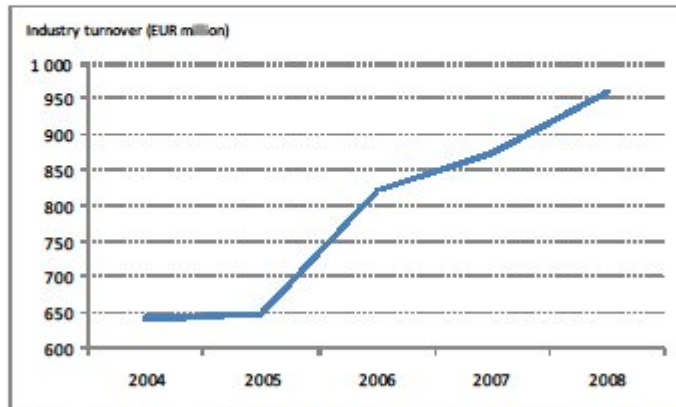


Figure 10: Trend in turnover of the fishery products processing sector in Morocco. Source: DPM

This rise is the result of a process of modernisation and renewal of the production plants. According to the information from DPM, investment in the land-based processing sector has amounted to approximately EUR 30 million per year on average since 2004. It relates to the modernisation of existing plants, including conversion, and the creation of new installations. As shown in the graph below, it is variable depending on the years. In 2004 and 2005, investment in the sector was made mainly in the freezing sector, with the need to convert the plants in Dakhla and Laayoune specialised in octopus to small pelagic species. In 2007, a record was achieved of nearly EUR 50 million with the creation of 14 new units and some 2 800 jobs. The canning business accounted for 54% of the amounts invested to set up 2 new units equipped with state-of-the-art technology in Agadir. A unit was also established for shelling prawns. The rate slowed in 2008 and 2009 (EUR 25 million), but with the creation of new units in the fresh and frozen sector generating an additional approximately 4 000 jobs.

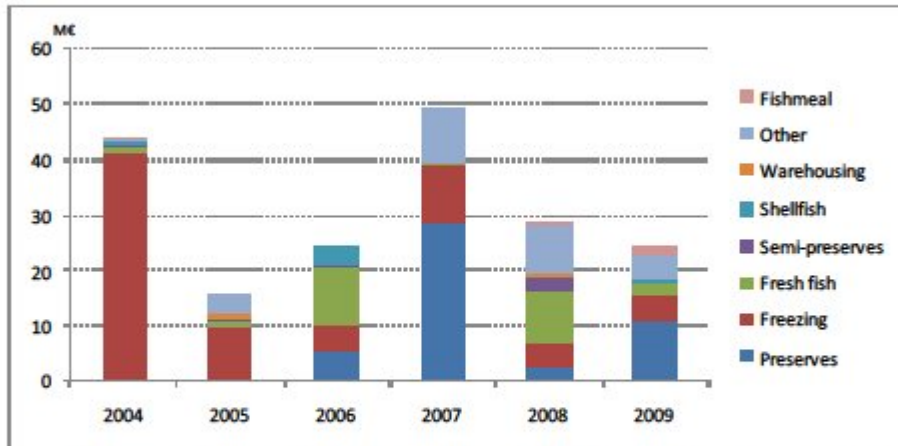


Figure 11: Annual investments (in EUR million) in the fisheries product processing industries. Source: according to DPM data

Investment in the fisheries product processing sector is essentially of Moroccan origin. However, according to the DPM statistics, there are 62 processing units in Morocco (16% of the total) which include investments of European origin in their capital, accounting for the majority in 90% of cases. Spanish investors are the most numerous, followed by French. There are also investors of Belgian, German, Italian and Dutch origin. European investments are concentrated in the southern region (15 units), around Agadir (14 units) or Tangier (6 units). No information is available on the dynamics of European investment, but it would appear to be relatively longstanding and motivated by the development of the canning sector and that of the processing of octopus. New projects are under examination, especially in the small pelagic sector in Dakhla.

2.6 Utilisation of catches

2.6.1 The utilisation of catches from national fisheries

It is obligatory for the vessels of the national fleet to land their catches in a Moroccan port. Furthermore, the landings from coastal and artisanal fishing must be sold at auction in the fish markets or at certifying counters for small pelagic species.

The deep-sea vessels targeting cephalopods or crustaceans ($\approx 110\,000$ tonnes caught per year) freeze the catches on board. The produce from this segment is destined almost exclusively for consumption on the export markets. The catches are unloaded from the ships directly to warehouses before being placed in containers. There is no significant processing of the deep-sea fisheries products, so little added value is generated on land.

Concerning the products from coastal and artisanal fishing on the Atlantic coast, the ONP statistics indicate that the bulk of these products are destined for direct consumption without processing, which does not preclude a certain degree of preparation (cutting, filleting, fish steaks). Over the period 2006-2008, this marketing segment accounted for 41% of the proceeds from coastal and artisanal fishing. This relates mainly to demersal fish species. The canning industry accounted on average for 21% of the landings. These are small pelagic species (sardines, mackerel) purchased fresh by the factories for canning. The small pelagic species which are not sold for canning (saturation of capacities, quality) are converted into fishmeal. The by-product manufacturing plants are therefore the destination for 28% of the landings on average. A proportion of the small pelagic species not used for preserves are also

sold in the form of bait. They are used to fatten bluefin tuna in the Mediterranean farms or as bait which can be used in particular by longliners of all nationalities.

Table 22: Destination of the coastal fisheries products in weight (tonnes). Source: ONP

	2004	2005	2006	2007	2008
Direct consumption	281 802	294 114	309 373	282 450	289 369
Preserves	143 017	132 376	158 323	137 408	122 898
Freezing	28 582	47 580	41 271	33 741	59 771
By-products	380 391	340 592	138 061	179 410	259 897
Semi-preserves	1 288	1 426	1 542	2 524	9 281
Bait	11 227	6 156	4 938	4 531	4 614
Total	826 287	822 244	653 508	640 064	745 628

Freezing concerns about 7% of the landings from Moroccan coastal and artisanal fishing. This channel mainly concerns the octopus frozen in the land-based plants in the south of the country. The statistics presented in the table above do not take account of the freezing of small pelagic species landed by chartered vessels, which inject between 100 000 and 150 000 tonnes of small pelagic species into the circuit.

2.6.2 The markets for the Moroccan fisheries products

➤ Overall presentation

According to the ONP, consumption of fisheries products on the domestic market comes to approximately 9.8 kg per inhabitant per year, i.e. the equivalent of about 300 000 tonnes per year. This level of consumption masks differences between the Moroccan urban market (11.6 kg per inhabitant) and the Moroccan rural market (5.6 kg par habitant), for which there is real growth potential.

The main market for fisheries products is still the export market. According to the ONP statistics, the main market for Moroccan fisheries products is the EU, accounting for 68% of the value of exports in 2008 (2009 data not available), ahead of Africa (13%) and Asia. Within the Union, Spain, Italy and France are the three main Member States importing Moroccan fisheries products. The EU countries import all sorts of products from Morocco, with molluscs (mainly cephalopods) and fish preserves as the main products. Exports to Asia are confined to Japan and mainly comprise molluscs (octopus, cuttlefish) and bluefin tuna. The exports to partner African countries (primarily Ghana, Côte d'Ivoire, Nigeria, Angola) are small pelagic species in frozen or canned form.

During the period 2004-2008, the value of exports practically doubled, with very significant progress in exports to the markets of the EU Member States and to Africa. The breakthrough into the African markets is associated with the progression of the small pelagic sector.

According to the ONP data, pelagic fish (sardines, anchovies, tunas) constitute the main source of export revenue, ahead of cephalopods. These two groups of species together account for nearly 75% of export revenue and are therefore of strategic economic importance. The relatively small overall contribution of white fish (bass, etc.) and shellfish (main product from aquaculture) will also be noted.

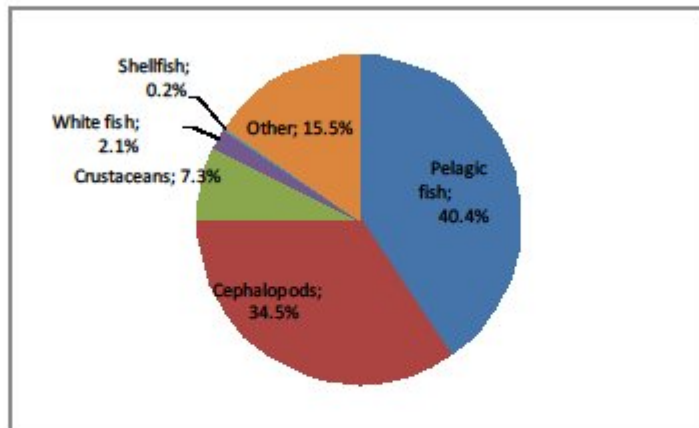


Figure 12: Contribution of the principal groups of species to exports of Moroccan fisheries products in value. Base 2008. Source: ONP

➤ Zoom in on the EU market for Moroccan fisheries products

The total imports of fisheries products from Morocco into the EU amounted to just over EUR 500 million on average over the period 2007-2009, representing nearly 40 000 tonnes of products. Canned fish (section 1604) represent 43% of imports into the EU in value, with canned sardines, mackerel and anchovies as the main products. Crustaceans (0306) and crustacean and mollusc preparations (1605) account for 31% of the value of imports into the EU. The contribution of fresh fish imports (0302) is more modest, with relatively few imports of prepared fisheries products in the form of fish fillets or steaks (0304).

Table 23: Imports of fisheries products from Morocco into the EU in EUR million. Source: COMEXT

Section	2004	2005	2006	2007	2008	2009	Mean 2007-2009
0301	0.5	0.6	0.4	0.9	0.7	0.5	0.7
0302	98.2	95.1	100.1	95.2	83.8	78.9	88.0
0303	24.0	25.1	29.1	30.2	28.8	28.3	29.1
0304	2.0	2.5	3.4	4.3	2.7	2.2	3.1
0305	3.0	4.0	3.4	1.9	2.9	2.6	2.5
0306	63.2	77.1	79.2	86.9	96.7	58.6	80.7
1604	168.3	193.7	217.5	200.5	221.8	234.4	218.9
1605	29.8	33.8	40.1	59.5	63.7	102.7	75.3
2301	5.8	9.6	13.5	8.3	9.8	10.6	9.6
TOTAL imports	395.0	441.4	486.7	487.6	511.1	518.9	505.9

Over the period 2004-2009, the value of the imports from Morocco into the EU has progressed almost constantly (+31% in 2009 compared to 2004), with differing results according to the categories. Imports of prepared crustaceans more than doubled, imports of canned fish rose by 40%, whereas at the same time the value of imports of fresh fish fell by 20%.

The EU-Morocco balance of trade in fisheries products is clearly to the advantage of Morocco (positive balance of over EUR 400 million over the recent period). Exports from the EU to Morocco consist of nearly 75% crustaceans (prawns) under chapter 03. These are whole prawns exported to Morocco for shelling, before being re-imported into the EU in the form of prepared products under chapter 16. The fresh or frozen whole fish, which represent 8% of European exports, are also mainly raw materials which will be processed in Morocco (canned) before being re-exported into European territory.

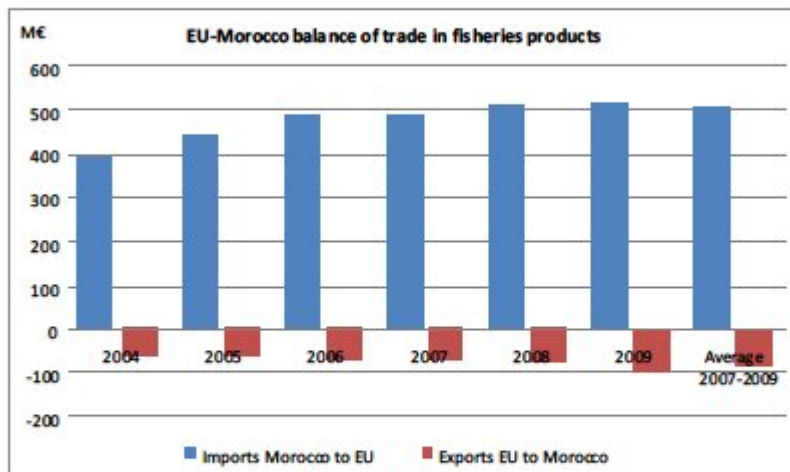


Figure 13: EU-Morocco balance of trade in fisheries products (in EUR million). Source: COMEXT

The EU market is structurally in deficit as regards fisheries products, with over 80% of domestic demand having to be satisfied by imports from third countries. Overall, Morocco accounts for 5% in value of the imports of fisheries products into the EU, holding 5th place as supplier country after Norway (17% of imports), China (8%), Iceland (7%) and the United States (5%). By major product category, Morocco accounts for 4% of imports into the EU of non-processed products (chapter 03), and 9% of imports of processed products under chapter 16. The European market is therefore relatively dependent on Moroccan products for its supplies.

➤ Conditions of access to the EU market

General conditions

Trade between the EU and Morocco is governed by the Association Agreement which entered into force in 2000. Moroccan produce enters the EU duty-free. Moroccan produce is considered to be the fisheries products fished in the territorial waters, whatever the nationality of the vessel, or outside this limit by vessels under the Moroccan flag respecting criteria concerning the crew and cleanliness of the vessel according to origin rules similar to those applicable to other third countries. Processed products must have been prepared from fisheries products obtained entirely in Morocco. Combination is possible with products originating from the EU or third countries which are signatories to the pan-Euro-Mediterranean Agreement.

Imports of fisheries products from the EU into Morocco are subject to customs duties in the order of 10% for raw products to 80% for processed products. An agreement was recently concluded between the EU and Morocco for a programme to dismantle customs duties on fisheries products from January 2011. The dismantling is immediate or progressive over 5 or 10 years depending on the products.

Under the current situation, fisheries products caught by European vessels under agreement in Moroccan waters and landed in the country's ports are taxable, as for the most part they were caught in accordance with the regulations outside the 12-mile zone (category 6 of industrial pelagic species in particular). As regards raw products, the customs duty applicable is 10% plus VAT. If these products are intended for re-export, they are generally admitted under a temporary importation procedure for inward processing. The importer must deposit the value of the relevant customs duties, which will be reimbursed against proof of export.

Compliance with the sanitary and phytosanitary regulations (SPS regulations)

Since 1991, the EU has required countries to implement a series of health checks on fisheries and aquaculture products which are exported to the Member States. The hygiene conditions required are detailed in the Community legislation in the "hygiene package" adopted in 2004.⁵ Under the current arrangements, a department of the DPM issues the authorisations to the freezer plants and vessels and the Office National de Sécurité Sanitaire des Aliments (ONSSA), under the supervision of the Ministry of Agriculture and Deep-Sea Fishing, which certifies the wholesomeness of the products. The Ministry is the central competent authority.

Morocco has complied with the EU constraints. The import of fisheries products and bivalve molluscs, echinoderms, tunicates and marine gastropods from Morocco is therefore authorised by Commission Decision 2006/786/EC of 6 November 2006.

As regards the establishments authorised to export live bivalve molluscs (aquaculture products), the list published in May 2010 by DG SANCO contained 45 authorisations, i.e. 26 production areas and 19 processing plants or dispatch centres. Eight production areas are located around Dakhla Bay in the southern region.

DG SANCO's list of establishments authorised to export fishery products, published in July 2010, comprised a total of 684 establishments, including 322 freezer vessels and 362 land-based processing establishments. The majority of the land-based processing establishments are located in the southern regions (105 authorised establishments or 30% of the total, of which nearly 80 around Dakhla), with an equally large number around Agadir (69 establishments). In terms of the number of approved establishments authorised to export to the EU, Morocco is in third place among third countries, after the USA and Canada.

The last FVO inspection in Morocco dates back to June 2009. Its objective was to assess whether the organisation of the competent authority and the implementation of the national provisions on which the control system for bivalve molluscs and fishery products intended for export to the European Union can still be considered to be at least equivalent to the Community requirements. The previous FVO inspection mission took place in June 2005.

In its inspection report, the FVO indicates that a certain number of improvements with direct consequences regarding the official controls of bivalve molluscs and fishery products were noted:

- introduction of quality assurance under the veterinary services, the creation of the National Food Safety Office and the reworking of the legislative texts with a view to their adaptation to the European and international standards;
- implementation of projects to improve the existing infrastructures and equipment: construction of new INRH laboratories, renovation and construction of new fish markets, replacement of wooden boxes by plastic boxes;
- introduction of an enhanced technical assistance programme with a view to accelerating the upgrading of the fishing units showing inadequacies related to the infrastructure and design;
- extension of the use of a computer system originally devised for octopus stock management to the various fish species and its use in the context of eliminating illegal, unreported and unregulated (IUU) fishing.

Overall, the official controls implemented for bivalve molluscs and fishery products are considered by the FVO to be satisfactory. Nevertheless, the Office points out that efforts still need to be made as regards quality control regarding the official analyses carried out in respect of bivalve molluscs in order to guarantee greater reliability of the results. To this end, a process for accreditation of the laboratories responsible for the official analyses has been initiated under the association project between Morocco and the European Union. With a view to remedying the non-conformities observed, recommendations have been sent to the Moroccan central competent authority, which presented an action plan to take them into account.

The situation of verification of compliance with the sanitary regulations relating to fishery products and aquaculture in Morocco can therefore be judged to be satisfactory on the whole, which reassures

⁵ i.e. Regulations (EC) Nos 852/2004, 853/2004, 854/2004 and 882/2004.

European consumers but also the national entrepreneurs who can count on a reliable competent authority.

The certification of catches (IUU package)

As part of its action against IUU fishing, the EU adopted Regulation (EC) No 1005/2008 at the end of 2008, one of the main provisions of which is that fishery products may be imported into the EU only when accompanied by a catch certificate validated by the authorities of the flag State of the vessel confirming that the products concerned were caught in accordance with the applicable regulations. The third countries concerned first had to notify the Commission of the national authorities responsible for validation of the catch certificates and the related verifications. The obligation to submit catch certificates entered into force on 1 January 2010.

The notification of the Moroccan authorities was accepted by the Commission at the end of 2009. In this document, Morocco specifies that the decentralised departments at the Ministry responsible for fisheries (the 18 Sea Fisheries Regional Delegations) are authorised to validate the catch certificates (point 3 of Annex III to Regulation (EC) No 1005/2008). The central services of the Sea Fisheries and Aquaculture Department are designated as competent authority responsible for the other points detailed in Annex III.

As part of the analysis of consequences of the IUU Regulation on third countries, Morocco was selected by the Commission as one of the third countries to be the subject of a case study.⁶ The conclusions on Morocco were that the country would encounter only a few difficulties in implementing the regulations, on condition of introduction of new regulatory constraints designed to improve the traceability of the fishery products concerned. These provisions have since been introduced (VMS on industrial vessels, factory registers). Moreover, the provisions of implementing Regulation (EC) No 1010/2009 allow account to be taken of the national particularities, i.e. the importance of artisanal fishing in the export sector (several thousand boats) and proximity to Europe (it may take only a few hours between landing a fish in Tangier and its presentation at the border post of Algeiras).

According to the discussions which took place with the Moroccan authorities on this subject, the initial implementation of the provisions of the Regulation proved to be cumbersome with a very heavy administrative burden (it is a matter of 500 catch certificates in printed form to be presented simultaneously), which led to difficulties both on the Moroccan side to produce them and on the Spanish side to verify them. Since this year, an arrangement has apparently been made between Morocco and Spain for the electronic transmission of catch certificates. As regards the positive aspect of this Regulation, it has enabled the national authorities to strengthen the obligations with regard to product traceability, with generalisation of the obligation to declare landings, which can be cross-checked with the sale data (including for artisanal fishing), and the extension to other processing industries than that specialised in octopus of the obligation to keep verifiable stock records (input/output register). These provisions are used to improve the checking of the specific management plans (octopus, small pelagic species and others to come) based on a principle of distribution of quota to the operators.

⁶ With Ecuador, Indonesia, Mauritius, Mauritania, Namibia, Senegal, Thailand. The study report is available at http://ec.europa.eu/fisheries/documentation/studies/iuu_regulation/index_en.htm

2.7 Employment

2.7.1 Maritime employment

According to the DPM statistics, the total number of seamen signed on vessels operating in the EEZ is just over 110 000 in the past three years. The coastal fleet segment provides the most employment, with 52% of the seamen signed on, followed by artisanal fishing (40%), composed solely of nationals. The remaining 8% are seamen signed on the deep-sea fishing vessels. In this segment of the fleet, there are foreign seamen, notably officers (about 20% of the total officer posts). This is attributable to the presence of foreign investors in the fleet, with Spanish investors who prefer to keep Spanish officers on board, or Chinese investors who keep officers from that country. However, the proportion of foreign officers has tended to decrease over the period studied (from 26% in 2004 to 18% in 2008).

According to the Ministry statistics, employment of Moroccan seamen on foreign vessels remains marginal (0.5% of the total). This refers to employment on European and Russian vessels under agreement. These employment statistics do not take account of the employment of Moroccan seamen not resident in the country and signed on foreign vessels operating outside the limits of the EEZ. This number is thought to be high, especially in the Spanish and French Mediterranean fishing fleets.

Table 24: Trend in the number of seamen signed on by type of shipping. According to DPM data

	2004	2005	2006	2007	2008
Deep-sea fishing	9 158	9 103	9 039	9 216	8 535
Seamen	6 883	6 828	6 980	7 072	6 470
Officers	1 658	1 649	1 641	1 746	1 675
Foreign seamen	22	22	18	25	25
Foreign officers	595	604	400	373	365
Coastal fishing	57 972	58 209	57 335	59 428	54 998
Artisanal fishing	47 643	38 389	41 019	44 721	47 346
Seamen on foreign vessels	392	290	861	424	589
Total	115 165	105 991	108 254	113 789	111 468

Employment in the fishery product processing sector is assessed by the Ministry at nearly 62 000. These jobs are almost exclusively held by Moroccan nationals, probably with a large proportion of women workers.

There are no detailed statistics on employment in the related sectors (ports, supply of goods and services to vessels, transport). As regards shipbuilding and repair, there are just over 200 establishments in Morocco, of which 18 shipyards and 188 specialised ship's carpenter workshops for coastal and artisanal fishing (most of the vessels in these segments are wooden). Direct employment in this specific upstream sector is estimated at nearly one thousand permanent jobs, plus the equivalent in seasonal jobs. In total, the DPM estimates indirect employment depending on the fisheries sector at 490 000.

2.7.2 Training system

Training in the maritime sector comes under a specialised department of the DPM, the Training and Socio-professional Promotion Department. The system is based on ten maritime training institutions (EFMs), i.e.:

- one higher institute for fishing (ISPM) in Agadir
- five institutes for sea fishing technology (ITPM) in Tan Tan, Al Hoceima, Safi, Laayoune and Larache
- four maritime vocational qualification centres (CQPM) in Casablanca, Essaouira, Dakhla and Nador. There are plans to reinforce the system by creating 4 new CQPM, planned at Tangier, Agadir, Sid Ifri and Boujdour.

All these institutions are equipped with specialised workshops, including simulators, and 6 training ships (donations under Japanese cooperation) for the trainees' practical training at sea. In addition, to provide supervision and training at distant artisanal sites, the EFMs use two training centres at M'diq and Safi, and 9 mobile units intended to provide qualification services at the artisanal sites.

The Ministry has established basic and ongoing training modules in accordance with the STCW international standards adopted in the IMO context. The sectors and levels of training comprise the following:

- officers for deep-sea fishing (captain, fishing mate, engineer officer and engineer mate 2nd class)
- officers for coastal fishing (master and engineer officer 3rd class)
- seamen with fishing qualification (certificates for bridge or machinery under dual training system or apprenticeship)
- specialised seamen (fisherman or coastal or artisanal engineer)
- fishery industry specialists (qualified staff and workers in processing and added value of products, fisheries technology and quality control planned).

The training institutes also provide training to obtain basic safety certificates necessary for the maritime registration of new fishermen, as well as specialisation certificates in fishing techniques. They also provide services for fishermen and personnel in land-based units contributing to their professional advancement through ongoing training activities, functional literacy or extension.

The EFMs provide basic training to about 3 500 trainees per year, with an average of 2 100 trainees per year successfully completing their course, of whom 1 150 in the fishing sector, 955 in the engineering sector and 15 in the fishing industry sector. About 80% of the successful trainees obtain jobs at the end of their qualification course. The trade remains attractive. Entries to the EFMs are by competition and only about 20% of applicants are accepted.

The Ministry is also working on the improvement of the social status of seamen and monitoring of careers. This includes social security cover, secure income (collective agreements, crew agreements, rescue funds), retraining or further training. The improvement of the social cover of artisanal seamen is work in progress. The division in charge of training is also in charge of coordination of the national system for search and rescue at sea, including the management of the operations of some 20 speedboats.

The division has a staff of about 400 to carry out these tasks, of whom 370 in the training institutes. The available annual budget is approximately EUR 5 million (40% operating and 60% investment), to which is added the amounts provided for under the Fisheries Agreement with the EU (EUR 1 million over 4 years), and the Japanese and US cooperation funds for artisanal fishing.

➤ Zoom in on the southern region

The data which it has been possible to collect on the distribution of employment between the southern regions and the rest of Morocco come from the regional delegations concerned (Laayoune, Boujdour and Dakhla). As shown in the following table, employment in the fisheries sector in the southern regions comes to nearly 136 000 persons, of whom 70% in upstream and downstream related

activities (apart from land-based industries). In terms of number of seamen signed on, employment in the southern regions accounts for 27% of total employment in Morocco, whereas employment in land-based industries represents 17% of total employment in this sector. This lower proportion is logical. It indicates processing activities (mainly freezing) with lower added value than canning, for example.

Table 25: Employment in the fisheries sector in the southern regions, base 2009. Source: regional delegations

	Laayoune	Boujdour	Dakhla	Sub-total south	% National
Employment on vessels	9 965	6 009	14 795	30 769	27%
Employment in processing	2 600	80	5 000	7 680	17%
Indirect employment	55 647	2 561	39 340	97 548	28%
TOTAL	68 212	8 630	59 135	135 977	27%

As regards training, the persons covered by the Ministry programmes are primarily artisanal and coastal fishermen. The higher training for deep-sea fishing is provided at Agadir. According to the statistics of the regional delegations, 35% of those following the training programmes are in the southern regions, with high percentages for the specialised modules for artisanal fishermen (literacy, extension).

Table 26: Workers trained in the institutes of the southern region. Source: regional delegations

	Southern regions	% National
Ongoing training	1 100	32%
Extension	1 527	39%
Functional literacy	4 809	40%
Maritime training	148	7%
TOTAL	7 584	35%

3 SUPERVISION OF THE SECTOR AND CHECKS FOR COMPLIANCE WITH THE REGULATIONS

3.1 Principal fisheries supervisory measures

Fishing in Morocco is regulated by a whole series of measures which would take too long to set out in detail as they vary according to the fisheries and the times of year. These measures include rules on the dimensions of fishing gear, minimum landing sizes, fishing seasons, fishing areas.

As regards access to fisheries, the fishing licence is compulsory for all segments of the fleet, including artisanal fishing. The obligation applies to foreign vessels, which must hold the document. Each unit must be in compliance with the registrations file at the time of the licence application. The fishing licence is valid only for certain fisheries. Until the early 2000s, the licence was the main means of regulating the fishing capacities authorised to fish, with an investment freeze from 1992 for the deep-sea segment (a vessel can enter only to replace a vessel of equivalent capacity).

The first Moroccan fishery to be regulated a quota basis in Morocco was the octopus fishery. Following the slump in catches in the early 2000s, which had terrible socio-economic repercussions on the sector, the authorities implemented an octopus management plan in 2004. Very briefly, the principle of this plan is to distribute a TAC, evaluated each year by the INRH, to the various segments of the national fleet. The fishing quotas are distributed individually to the vessels, including the artisanal fishing vessels. The fishery management includes suspension of fishing activities (biological recovery periods) which are periods during which octopus fishing is prohibited. These biological recovery periods are also applicable to category 4 of the Fisheries Agreement. As shown in the table below, the

closed periods in general have been for two months twice a year, except in 2007 when the first closure lasted for three months. In Mauritania, a biological recovery period of two months twice a year is also applied, in May-June, then September-October.

It should be noted that these biological recovery periods targeting octopus fisheries are the only ones applicable in Morocco. The closed seasons mentioned in the Protocol to the Agreement for EU seiners of category 1 (February-March) or artisanal vessels of category 2 (March-May) only concern the European fleet under the agreement. The national fleet may continue to fish during these periods. These closures were introduced in the protocol as a measure to reduce the European fishing effort in national fisheries which are already well exploited.

The biological recovery periods are used to undertake fishery surveys which enable the information to be updated on the state of the stock, with a possible adjustment to the quota at the end of the season and in the length of the closure. The dates for the start of the closure are generally known precisely, but the end dates depend on the result of the surveys. The DPM is currently considering the possibility of just one biological recovery period per year.

Table 27: Biological recovery periods for the octopus fishery in Morocco. Source: DPM

Year	First closure	Second closure
2005	October-November	April-May
2006	October-November	April-May
2007	October-December	April-May
2008	October-November	April-May
2009	October-November	April-May
2010	October-November	April-May

The introduction of fishing quotas for octopus required stricter control of the quantities fished. Several measures have been taken for this purpose, including:

- the elimination of artisanal fishing settlements along the coast, as they are not easily monitored. The artisanal fleet was concentrated around the fish landing sites equipped with a fish market. The elimination of the settlements also meets sanitary requirements (product hygiene) and socio-economic requirements (combating makeshift housing).
- introduction of a traceability system: the vessels of all types which land must immediately submit landing declarations which are cross-checked with the notes of sale delivered after the auction. The notes of sale then accompany the product to its point of export. The octopus freezing plants also have to keep up-to-date input/output registers, accompanied by substantiating documents which allow the stock records to be verified. This arrangement is based on quite an efficient computer system which networks all the fish auctions in Morocco (Maïa system and its octopus compartment for the fishery). The system requires the exporter to be able to submit an application to the authorities before export detailing the origin of the products validated by the numbers of the notes of sale and the sanitary certifications which were issued on first sale.

The experience gained from octopus will be put to good use for the implementation of the management plan for small pelagic species, which will consist in the distribution of quotas to the operators on the basis of an overall TAC calculated by the Research Institute. The measures concerning the control of the quantities landed will be generalised to the entire territory (landing declaration, notes of sale, stock records in the factories). They already exist but only in certain major ports (Agadir, Tan Tan).

During the mission, it was possible to check that this system is applied by using modern technologies which one does not have the opportunity to see in European ports. The officials in charge of checking the landings enter the landing declarations at the fish landing site which are transmitted in real time to the fish auctions by Wi-Fi relays. The masters of the coastal or artisanal fishing vessels are equipped with electronic badges which allow automatic identification of the vessel and to link it to its fishing rights and fishing history. It is now a matter of computerising the submission of the landing

declarations. This will be undertaken on the basis of the access validated by the badge at a data-entry desk which will transmit the data in real time to the auction centre.

Monitoring the activities of the Moroccan fishing fleet is undertaken essentially on a declaration basis (logbook for the deep-sea and coastal vessels, landing declarations for all the segments of the national fleet). The validation process of these declaration data nevertheless occurs quite early in the processing of the data flows, in practice on the first sale, which permits rapid detection of inconsistencies. The monitoring mechanism now integrates the satellite vessel monitoring system (VMS). Provided for by law, the implementation of VMS had never been generalised on account of the absence of a regulatory text specifying the practical arrangements. The expected decree was adopted in March 2010. It makes VMS compulsory on national vessels exceeding 2 GRT (deep-sea fishing and coastal fishing) operating in the EEZ, on Moroccan vessels fishing outside the EEZ or in the context of fisheries regulated by regional fisheries organisations, and on all foreign vessels fishing in the EEZ. Before the adoption of this decree, VMS was already imposed on foreign vessels fishing in the EEZ and on Moroccan vessels exploiting fisheries coming under the management mandate of ICCAT. The DPM is planning rapid generalisation of the system, with the possibility of equipment subsidies for the purchase of beacons.

3.2 The national surveillance and control system

In Morocco, the monitoring, control and surveillance of the fisheries is a responsibility which is shared among various State bodies. Surveillance at sea is the responsibility of the Royal Navy and the Royal Gendarmerie. Briefly, the Royal Navy manages the large-scale equipment for patrols at sea, whilst the Royal Gendarmerie uses light equipment, including a fleet of aircraft financed mostly under the previous Fisheries Agreement. The detail of the resources implemented is an official secret. For these two institutions, surveillance of the fisheries is part of the general territorial surveillance missions, including the important task of combating illegal immigration.

Under this system, the DPM is in charge of verifications at ports and landing sites and also at the level of the processing industries. In particular, the officials check the validity of the licences and carry out landing checks (declarations, size of catches, prohibited species). For land-based industries, the DPM checks the product input/output registers. The DPM also manages a FMC for the VMS monitoring of the vessels equipped. The information is automatically retransmitted to three other FMCs: the headquarters of the Royal Navy in Rabat, the headquarters of the Royal Gendarmerie in Rabat, and the command post of the South Zone of the Royal Navy in Agadir. These three bodies can therefore also locate the offenders.

When infringements of the fisheries regulations are found, the DPM examines the case. The majority of cases are settled by an ad hoc committee. If it proves impossible to reach agreement, the case is referred to the judicial system. However, this concerns only a minority of cases.

According to the DPM, the control activities gave rise in 2009 to 311 reports of infringements of the fisheries regulations, of which 198 against regulatory vessels and 113 in the context of combating informal channels (unauthorised artisanal vessels). The most common offence is fishing in closed areas (62% of the reports), followed by the use of the vessel in closed areas (24%) and fishing undersized fish (6%). The coastal vessel segment of the fleet alone accounts for nearly 75% of the infringements, followed by the artisanal vessels (15%). In 2009, infringements generated EUR 165 000, plus seizures of illegal catches. The number of infringements found in Morocco is relatively low. In the case of Spain, which has a fishing fleet of comparable size, the national authorities declared that in 2005 they had found nearly 3 000 serious infringements,⁷ i.e. 10 times as many as in Morocco. There are two possible explanations: either the Moroccan fleet is more respectful of the rules than the Spanish fleet or the Moroccan control system is less effective than the Spanish system.

The number of infringements found on EU vessels under the agreement is relatively low. Between 2007 and 2010, 14 infringements were found for the reasons described in the table below. The most common infringement is fishing in closed areas by the coastal seiners of category 1. More serious

⁷ Source: COM(2007) 448 final: Reports from Member States on behaviours which seriously infringed the rules of the Common Fisheries Policy in 2005.

infringements (fishing in a natural reserve for the protection of the monk seal) occurred in the southern area. Two European vessels operating under the agreement with Mauritania were convicted of repeated incursions into the Moroccan EEZ without having been apprehended. They are now included on Morocco's IUU list and banned from fishing licences in the country.

It will be noted that when fines were imposed, they are modest and do not act as a deterrent. They are of the same order of magnitude as those imposed on the national fishing vessels.

Table 28: Identified infringements by EU vessels operating under the agreement in the Moroccan EEZ and action taken (source: EU Delegation to Morocco)

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The Moroccan authorities have been relatively flexible with the EU vessels committing infringements. The first infringements for cases which are not deemed to be very serious and for which the good faith of the shipowner may still be assumed are generally penalised by being issued with a reminder. Only repeated offences or cases of serious infringements are the subject of a financial penalty. When fines are imposed, the application of the provisions of Regulation (EC) No 1006/2008 allows the suspension of any licence application until the shipowner has settled his debt.

4 THE INSTITUTIONAL FRAMEWORK

4.1 The main institutions responsible

4.1.1 The Sea Fisheries Department

Within the national government, the Ministry responsible for the sector is the Ministry of Agriculture and Sea Fisheries. The Ministry is split into two departments, the Agriculture Department and the Sea Fisheries Department. In view of the importance of agriculture in Morocco compared to that of fisheries, the Agriculture Department is about 10 times larger than the Fisheries Department in terms of number of officials and budget appropriations.

Under the direction of a Secretariat General, the DPM is organised in 5 directorates which in turn are split into several divisions:

- the Sea Fisheries and Aquaculture Directorate is responsible for the management of the sector (supervision, implementation of development policies), organised in 4 divisions, one of which is in charge of the management of the fishery agreements and one responsible for the fishing fleet. The latter takes charge in particular of the flagging of the national fishing vessels, whereas in many other countries it is the responsibility of a different ministry;
- the Sea Fisheries Industries Directorate in charge of the marketing and processing sector (supervision, issue of authorisations);
- the Cooperation and Legal Affairs Directorate in charge of cooperation relations in the field of fisheries and the legal framework for the fisheries sector;
- the Maritime Training and Socio-professional Promotion Directorate in charge of the training activities and supervision and monitoring of the careers of the seamen;
- the Human Resources and General Affairs Directorate responsible for the administrative monitoring of the DPM.

The DPM relies on two types of decentralised structures: a network of 18 Sea Fisheries Delegations and 14 sub-delegations established in the regions, and a network of 8 maritime training institutes. The Sea Fisheries Regional Delegations have extensive powers to represent the Ministry. These are relays responsible for the implementation of the management and monitoring policies for the fisheries sector in the broad sense (vessels and land-based industries).

The Fisheries Ministry also exercises technical supervision over specialised bodies including the National Fisheries Office, the National Institute for Fisheries Research and the Chambers of Sea Fisheries. The Ministry of Finance is responsible for the financial supervision of these bodies.

The human resources of the DPM consist of approximately 1 350 officials, of whom 445 are assigned to the Rabat centre and 900 in the regions. Executives account for 45% of the personnel. At the DPM 21% of jobs are held by women, with 2 central directorates out of 5 headed by women. The average age of the Ministry personnel is 43 years, which indicates experienced personnel. The DPM executives for the most part have held their posts for some time and were already working there in the 1990s at the time of the last Fishery Agreements with the EU.

No budget heading has been created for the DPM in the past 4 years as a result of the government policies in the field of the administration of public expenditure. Only those who take retirement are replaced. In the next 10 years, 25% of the current workforce will retire. The main problem of the DPM is training its senior executives. There is no standard training programme for maritime affairs administrators in Morocco. Applicants have to receive this training abroad in France, Sweden or Canada, the full cost of which the DPM cannot afford.

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[DETAILED BUDGETARY DATA DELETED]

The Ministry's budget allocation is not the only financial resource which can be used for the development of the fisheries sector. The development of the sector relies on other sources of the general budget, including the Hassan II economic and social development fund, the budget of the ONP or the funds of the regional development agencies (North, South, East). It is an important fact to be borne in mind as in many ACP countries with which the EU has fisheries agreements, the budget of the Ministry in charge is usually the only national budgetary resource which can be used for the development of the sector.

To this is also added the substantial funds from international cooperation, including the Japanese cooperation (no data), the USA cooperation (available budget of EUR 89 million since 2006) and naturally the sectoral support provided for under the Fisheries Agreement with the EU (EUR 54 million over 2007-2011).

4.1.2 The National Fisheries Office (ONP)

The ONP is a public institution placed under the technical supervision of the Ministry responsible for Fisheries and the financial supervision of the Ministry of Finance.

The ONP was established in 1981. It was for a long time the principal institution in charge of the sector until the creation of a Ministry in 1981. In 2006, the institution was reorganised in particular by regionalisation of its activities and the signing of an objective contract with the State.

The tasks of the ONP include the development of artisanal and coastal fishing and the organisation of the marketing of the sea fishery products. To this end, the ONP is responsible for:

- Implementing the programmes for the promotion and modernisation of the artisanal and coastal fishing fleet
- Promoting the consumption of the products of sea fishing
- Managing and organising the fish wholesale markets

- Certifying industrial fish.

The ONP has a very important role in the marketing of fisheries products. It is responsible in particular for securing transactions between sellers (fishermen) and buyers (fish wholesale traders or factories), and for the collection of taxes on behalf of third parties (regional and local authorities, credit agencies, insurance companies). This securing is made possible through the obligation imposed on the artisanal and coastal vessels to sell their produce at auction in the fish markets or the certifying counters for fish.

At the end of 2009, the ONP had a network of 18 fish markets at the ports; 24 operational markets at the fishing villages/fish landing sites, of which 15 at the fishing villages (VDP) and 9 at the fish landing sites (PDA); 8 certifying counters for industrial fish (CAPI); 2 wholesale fish markets and 1 cold store facility with a capacity of 2 400 tonnes. It is planned in the future to construct and equip 33 additional PDAs and 8 additional wholesale markets to facilitate marketing on the national market.

In 2009, the ONP was assigned a new task by the State of managing the fishing ports. Until then, the fishing port management was the responsibility of several institutions (including in particular the National Ports Agency), and it was considered appropriate to designate a global operator which would be the sole talking partner of the State and users for the use and management of the equipment. The infrastructure work and port maintenance (dredging) remains the responsibility of the Public Works Ministry. This decision comes under the perspective of the implementation of the new sectoral strategy Halieutis.

The ONP has a total workforce of 720 officials distributed between the centre in Casablanca (180 persons) and the 18 regional delegations (540 persons). The average age of the officials is 40 years. The percentage of executives is 32% and the percentage of women officials 25%.

The institution's ordinary financial resources come solely from the taxes and fees payable by the sellers and buyers of fisheries products. In an ordinary year, the proceeds from these taxes provide a budget of between EUR 16 million and 18 million. The ONP's accounts are in equilibrium. To finance large-scale investments (fish market, wholesale market, fish landing site), the ONP relies on other State budget resources (regional development agencies, Ministry of Fisheries) or on donations under bilateral cooperation. The cooperation with the USA will in this way be used to finance 20 new fish landing sites for artisanal fishing and 8 wholesale markets. The ONP is also a direct user of the amount of EUR 11 million provided for as sectoral support under the bilateral fisheries agreement for the management of fishing ports.

4.1.3 The National Institute for Fisheries Research

In Morocco, the research tasks in the fisheries and marine aquaculture sectors are assigned by regulation to the National Institute for Fisheries Research (INRH).

The INRH is a public science-based institution, with a legal personality and financial autonomy, established in 1996 to replace the Scientific Institute for Sea Fisheries (ISPM).

The INRH is under the financial supervision of the Ministry of Finance and under the technical supervision of the Ministry of Agriculture and Sea Fisheries (MAPM) through its Sea Fisheries Department (DPM).

The tasks of the INRH are:

- evaluation of fisheries resources and monitoring their exploitation;
- study of the functioning of the maritime and coastal ecosystems;
- monitoring of the quality and wholesomeness of the marine environment;
- improvement of fishing techniques;
- adding value to marine products;
- assessment of the aquaculture potential and carrying out of research to support the development of national aquaculture.

The infrastructures of the INRH consist of:

- the headquarters in Casablanca which houses:
 - the Administration and Finance Department;
 - the three scientific departments (Fisheries Resources, Oceanography and Aquaculture and Quality and Wholesomeness of the Marine Environment), as well as the central laboratories;
 - three divisions (Cooperation and Legal Affairs, Fisheries Economy and Information Technology and Systems); and
 - the Documentation Centre.
- four regional centres: Nador, on the Mediterranean coast; Agadir, Laâyoune and Dakhla, on the Atlantic coast;
- three specialised centres: M'diq on the Mediterranean coast (aquaculture); Agadir (added value and technology of marine products) and Laâyoune (technology of gear and fishing techniques);
- seven coastal health surveillance stations: at Nador and Tangier on the Mediterranean coast; at Casablanca, Oualidia, Agadir, Laâyoune and Dakhla on the Atlantic coast.

The human resources of the INRH come to 350 persons, distributed among the following categories: scientists (40%), administrative research support staff (22%), supervisors (14%), supporting staff (11%) and crew (13%).

For its work at sea and in particular the carrying out of direct surveys of fisheries resources, the INRH has two research vessels:

- the *NR "Charif Al Idrissi"* (length: 41 m; 397 GRT; 1 100 HP; range 30 days; persons on board: 25, including 9 scientists), acquired in 1988 under the cooperation with Japan. This vessel is currently being used to carry out fishery prospecting and evaluation surveys of demersal species (cephalopods, in particular octopus from Dakhla; crustaceans and fish).
- the *NR "Al Amir Moulay Abdellah"* (length: 38.5 m; 298 GRT; 1 000 HP; range 21 days; persons on board 21, including 7 scientists), acquired in 2001 also under the cooperation with Japan. This vessel is currently being used to carry out acoustic and echo-integration surveys to monitor the small pelagic fish resources.

These two vessels generate relatively high costs to be borne. The daily cost of operation of the research vessels of the INRH is estimated to vary between EUR 5 000 and EUR 6 000 per day.

[DETAILED BUDGETARY DATA DELETED]

The INRH uses other sources of financing when they are available. The INRH finances research activities from funds under the 6th and 7th Framework Programme for Research and Development, as partners in some twenty research projects under the 6th FPRD and as coordinator under the 7th FPRD (the Moroccan institutes are now eligible).

Part of the sectoral support of the EU under the Fisheries Agreement was used by the INRH for the years 2008 to 2010. Amounting to a total of EUR 8 million over three years (2+3+3), these additional budgets enabled the INRH budget to be increased by 20% and more depending on the year.

4.1.4 The Chambers of Sea Fisheries

The Chambers of Sea Fisheries are advisory bodies composed of prominent people in the private sector elected by their peers. The Law provides that the Chambers are systematically consulted by the public authorities.

The Chambers of Sea Fisheries are public institutions with a legal personality and financial autonomy, under the technical supervision of the Ministry of Fisheries and the financial supervision of the Ministry of Finance. The resources come entirely from taxes on the transactions in fisheries products. There are four of these Chambers: Mediterranean with its headquarters in Tangier, North Atlantic in Casablanca, Centre Atlantic in Agadir and South Atlantic at Dakhla. They are grouped together in a Federation responsible for coordination of the activities and implementing activities of a national nature. Each Chamber has an annual budget in the order of EUR 0.4 million.

All the fishing trades, including upstream and downstream, are represented there. They also constitute a tool for dissemination of knowledge concerning all aspects associated with fishing activities, whether technical or legal. Since their creation, the Chambers of Sea Fisheries have been consulted in drawing up the policies and development strategies of the sector, regulatory texts and the new Fisheries Bill. These Chambers may also be involved in the landings control operations.

4.2 Sectoral policy

4.2.1 Presentation of the Halieutis strategy

The "Halieutis 2020 Plan" in its full name defines a development strategy for the fisheries sector up to 2020. The strategy was definitively adopted in 2009 after a vast consultation exercise of the stakeholders of the public and private sectors in Morocco. The first discussions on this integrated strategy were in fact already launched in 2004.

The Halieutis strategy is structured around 16 projects, including four targeting sustainability of exploitation, 4 on the efficiency of the production and marketing tools, 3 on the competitiveness of the enterprises, and 5 horizontal projects (see table on the next page). The implementation of each of these 16 projects is based on a set of 50 measures.

Table 31: Summary presentation of the priorities of the Halieutis strategy. Source DPM

Sustainability	Efficiency	Competitiveness
<i>A resource exploited on a sustainable basis for the future generations</i>	<i>A sector equipped and organised for optimal quality, from landing to marketing</i>	<i>Products with value added effectively and competitive on lead markets</i>
A1: Boost and share scientific knowledge	B1: Develop infrastructure and landing equipment	C1: Facilitate access of industrialists to raw materials
A2: Manage the fisheries on the basis of quotas	B2: Dedicate areas in ports to fishing and ensure effective management	C2: Support the orientation of industrialists to lead markets
A3: Adapt and modernise the fishing effort	B3: Increase the attractiveness of the fish markets and certifying counters for fish	C3: Create three centres of competitiveness in North, Central and South Morocco
A4: Turn aquaculture into a major driving force in generating growth	B4: Structure the domestic market and increase its dynamism around wholesale and retail markets	
Clarify and supplement the legal structure		
Ensure effective control and traceability for the entire length of the chain		
Boost skills and improve the attractiveness of the trades		
Organise professional representation and encourage inter-branch organisation		
Introduce strong public governance to modernise the sector		