

# **EC/Angola fisheries agreement: denunciation of the agreement (derog. Regulation (EC) No 2792/1999)**

2005/0262(CNS) - 21/12/2005 - Legislative proposal

**PURPOSE :** to denounce the Agreement between the EEC and the Government of Angola on fisheries off Angola and to derogate from Regulation 2792/1999/EC.

**PROPOSED ACT :** Council Regulation.

**CONTENT :** the Agreement between the EEC and Angola on fisheries was signed in Luanda on 1 February 1989. The Agreement entered into force on that same date.

The last Protocol annexed to the Agreement setting out, for the period from 3 August 2002 to 2 August 2004, the fishing opportunities for demersal, pelagic and tuna species and the financial contribution provided for by the Agreement, has not been renewed. After two rounds of formal negotiations and numerous contacts between the Commission services and the Angolan authorities, the two parties have not been able to agree on the main principles of the new Protocol.

The new legislative framework adopted by Angola in October 2004 stipulates that the fishing activities subject to an Agreement between the Community and Angola shall be carried out in conformity with Angola's laws and regulations concerning fisheries. In accordance with the new Angolan Law on Biological Aquatic Resources, all fishing activities would have to be carried out in association with Angolan enterprises and the origin of the fish would have to be Angolan. In the case of tuna, the catches would be registered under ICCAT rules as Angolan catches. Furthermore, all EC vessels would have to be fitted with satellite tracking devices directly linked to the Angolan fishing vessel monitoring centre (tracking by coastal state in stead of flag state).

In these circumstances, the Commission has informed Angola in June that the negotiations have broken down, and it is considered necessary to formally denounce the Fisheries Agreement in accordance with the procedure set out in its Article 14.

This proposal is intended to formalize the denouncement through the adoption of a Council Regulation. The notice of the denouncement must be given to Angola by 31 October 2007, in order that the denunciation takes effect on 1 February 2008.

A number of Community fishing vessels which used to operate under the bilateral Agreement EC/Angola are affected by this denunciation. So far, these vessels have benefited from an aid scheme for a six month tie-up which started in August 2004. This scheme has been extended by another six months, following the presentation by the Spanish authorities of a conversion plan which was approved by the Commission. To facilitate the implementation of this conversion plan, it is now proposed to waive existing obligations to pay back construction and tie-up aids for those vessels which would decide to switch to the Angolan flag, or to demonstrate continuous activity in the year preceding the deletion from the Community fleet register for those which would opt for permanent withdrawal aid.

## **FINANCIAL IMPLICATIONS :**

Budget lines including headings:

110301: “International Fisheries Agreements”;

11010404: International Fisheries Agreements, administrative expenditure”;

1106: “Financial Instrument for Fisheries Guidance”.

Duration of the action and of the financial impact:

The proposal has the following impact on the Community budget in the form of expenditures or revenues:

- the denunciation of the Agreement and the non-renewal of the protocol annexed to it, will free the commitment and payment appropriations assigned to a Fisheries Agreement between the Community and Angola under the budgetary multiannual programming as from 2004. Yearly payments under the last protocol, which expired in August 2004, amounted to EUR 15.5 million.

- waivers from the obligation under the FIGG regulation<sup>10</sup> to pay back construction and tie-up aids would not entail, for the Community budget, any additional spending under the FIGG, because the corresponding funds have already been allocated to Spain. They would not deprive the Community budget of revenues either, because Spain would have been entitled to re-allocate such funds to alternative projects.

Summary of commitment appropriations and payment appropriations, including operational expenditure and administrative expenditure within the reference amount:

- operational expenditure: none

- there is a small negative impact for the administrative expenditure included in the reference amount (reflecting the posts currently allocated to the management of the programme): 0.2 staff per annum amounting to EUR –33,000 per annum for the first 2 years and EUR –73,000 for the final year : **-EUR 139,000 over 3 years.**

Financial cost of human resources and associated costs not included in the reference amount:

- human resources: negative figure due to the denouncement of the fisheries agreement: the Commission estimates this figure to be EUR – 65,000 per year over three years (reflecting the redeployment of officials previously dealing with the management of the fisheries agreement, amounting to 0.6 staff per annum): **EUR -195,000;**

- other administrative expenditure : EUR –12,000 per year (costs of cancelled meetings, missions and conferences **EUR -36.000.**