

EC/Tanzania fisheries agreement: conclusion of the agreement

2005/0276(CNS) - 23/12/2005 - Legislative proposal

PURPOSE : to conclude an Agreement between the European Community and the United Republic of Tanzania on fishing in Tanzania's fishing zone.

PROPOSED ACT : Council Regulation.

CONTENT : a 1990 tuna fishing Agreement between the EU and Tanzania was never realised due to internal Tanzanian political and constitutional tensions. Negotiations on a new Agreement were re-opened in 2003 and concluded with the proposal for the present Agreement. The new Agreement is accompanied by a Protocol and a technical Annex. The Protocol, establishes the fishing possibilities as well as setting the financial contributions. It has been concluded for an initial period of three years and grants fishing possibilities for 39 tuna seiners and 31 surface long liners.

The financial contribution has been fixed at EUR 600 000 per year and covers a catch weight in the Tanzanian fishing zone of 8000 tons of catches per year. Part of the financial contribution (EUR 390 000 per year) will be earmarked specifically for targeted actions such as control and surveillance, offering institutional support to the Tanzanian authorities and the development of local small scale fishing.

The Agreement is important for the Community in that it forms part of a network of tuna Agreements linked to the Indian Ocean. Further, it foresees the setting-up of a monitoring and surveillance system hitherto unknown of in Tanzania. A further feature of the Agreement is that it is in line with the EU's overall objective of sustainable fishing. To meet the objective of sustainable fishing the following elements have been included in the Agreement:

- the introduction of an exclusive clause prohibiting any private licence or other arrangement by EC ship owners;
- a mutual agreement between the Tanzanian authorities and the European Commission on what measures will be financed following the submission of a detailed programming proposal;
- obliging Community fleet operators working in the Tanzanian fishing zone to employ at least thirty local fishermen and to apply social clauses in any contracts signed with them;
- to fish twelve miles from the coast;
- to collect by-catches and to ban by-catch dumping; and
- sanctions for those failing to comply with the Protocol and/or related Tanzanian legislation.

The fishing opportunities fixed in the Protocol to the Agreement shall be allocated among the Member States as follows:

- Tuna seiners: France 16 licences; Spain 22 licences; Italy 1 licence.
- Surface long-liners: Spain 27 licences; Portugal 4 licences.

If licence applications from these Member States do not cover all the fishing opportunities fixed by the Protocol, the Commission may take into consideration licence applications from any other Member State. It is proposed that the Agreement enter into force when both Parties have completed their respective appropriate adoption procedures.

FINANCIAL IMPLICATIONS :

ABM / ABB Framework: 11. Fisheries, 1103. International Fisheries Agreements.

Budget lines and headings: 11 03 01: “International Fisheries Agreements” and 11 01 0404 “International Fisheries Agreements, administrative expenditure”.

Period of application and of the financial impact: the Agreement will be automatically renewed until such time that one of the two Parties decides to denounce the Agreement. The Protocol has been concluded for an initial period of three years.

Total reference amount: (payment and commitment appropriations) : two amounts are proposed given that the agreement provides two different scenarios according to the potential catches made in Tanzanian waters : the minimum amount being EUR 1,939 million over 3 years. The maximum amount is set at EUR 5,539 million. These amounts include :

- **Operational expenditure:** between EUR 1,8 million minimum and EUR 5,4 million maximum (expected catches for the entire fleet are estimated at 8,000 tons of tuna per year. The relative financial contribution is fixed at EUR 600,000 per year. However, in case of annual catches exceeding 8,000 tons, the Community will pay EUR 75 per ton for each additional ton. In any case, the overall Community payment cannot exceed EUR 1,800,000);

- **Administrative expenditure included in the reference amount (technical and administrative assistance):** EUR 139,000 for the entire period (EUR 33,000 for the first two years and EUR 73,000 for the final year - most of these expenses concern an expert (ALAT) based in Mauritius Delegation and financed under the 11 01 04 budget line;

- **Administrative expenditure NOT included in the reference amount:** EUR 228,900 over 3 years which includes : *Human resources* : EUR 64,800 EUR per year covering 0,6 staff per year – officials or temporary staff (0,3 *A ; 0,15 *B ; 0,15 *C) : EUR 194,400 over 3 years; *Other administrative costs* : EUR 11,500 per year covering EUR 10,000 per year mission costs and EUR 1,500 per year for meetings and conferences : EUR 34,500 over 3 years.

Total indicative cost of the action : (engagements/payments) : between EUR 2,167,900 minimum and EUR 5,767,900 maximum.

Remarks: The Commission notes that the financial contribution paid by the Community in exchange for fishing rights, in conjunction with the licence fees paid by ship-owners, constitutes an important source of revenue for the Tanzanian government. In return EU vessels will be allowed to obtain fishing rights for purse seine vessels and surface long-liners – exclusively for tuna and tuna-like species. In addition to both economic and social advantages, the Commission suggests that the Agreement is good for the environment in that it promotes sustainable fishing practices. For example, 65% of the financial contribution (EUR 390 000) will be allocated to enhancing responsible fishing in Tanzanian waters. In terms of efficiency, the Commission notes that private licence holders currently pay EUR 12 600 per vessel for tuna licences to the Tanzanian authorities – unrealistically low given the potential catch in Tanzanian waters. The total payment to Tanzania under the Agreement reflects a more equitable payment. At the same time, however, the benefits to the EU remain high. For every EUR 1 spent, the Agreement will generate EUR 3.6 in Community benefits in the form of profits, wages and processing. On a final

point, the Community participates significantly in fishing activities in the Indian Ocean – accounting for 46% of all fishing activity. In line with IOTC recommendations, however, the terms and conditions of the current Agreement will not result in increased Community activity in the Indian Ocean.