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COVER NOTE

From:	Secretary-General of the European Commission, signed by Ms Martine DEPREZ, Director
To:	Ms Thérèse BLANCHET, Secretary-General of the Council of the European Union
No. Cion doc.:	COM(2024) 481 final
Subject:	Proposal for a COUNCIL DECISION on the signing, on behalf of the European Union, and provisional application of the Implementing Protocol (2025-2030) to the Sustainable Fisheries Partnership Agreement between the European Union on the one hand, and the Government of Greenland and the Government of Denmark, on the other hand

Delegations will find attached document COM(2024) 481 final.

Encl.: COM(2024) 481 final

EUROPEAN
COMMISSION

Brussels, 17.10.2024
COM(2024) 481 final

2024/0264 (NLE)

Proposal for a

COUNCIL DECISION

on the signing, on behalf of the European Union, and provisional application of the Implementing Protocol (2025-2030) to the Sustainable Fisheries Partnership Agreement between the European Union on the one hand, and the Government of Greenland and the Government of Denmark, on the other hand

EXPLANATORY MEMORANDUM

1. CONTEXT OF THE PROPOSAL

• Reasons for and objectives of the proposal

The Sustainable Fisheries Partnership Agreement (SPFA) between the European Union on the one part, and the Government of Greenland and the Government of Denmark, on the other part, has been signed on 22 April 2021 and entered into provisional application on that date in line with its Article 15. It shall apply for six years from the date of its provisional application and is tacitly renewable for additional periods of six years and is therefore still in force. The current 4-year Implementing Protocol to the Agreement has been provisionally applied from the moment of its signature on 22 April 2021 and will expire after four years on 21 April 2025 in line with its Article 13.

On 13 June 2024, the Council authorised the Commission to open negotiations for a new Protocol ('the new Protocol') to the SFPA.

On the basis of the relevant negotiating directives[1], the Commission conducted negotiations with the Government of Greenland on concluding a new Implementing Protocol to the Agreement. The objective is to allow Union vessels to access the fishing zone of Greenland and to fish for demersal species (Cod, Redfish, Halibut, Prawns, Grenadiers) and small pelagic species (Capelin). Following these negotiations, the text of the new Implementing Protocol was initialled on 20 September 2024. The new Protocol covers a period of 6 years from the date of provisional application laid down in Article 12.

The purpose of the new Protocol is to grant fishing opportunities to Union vessels in the fishing zones located in the waters of Greenland, in accordance with scientific advice and the recommendations of the relevant regional fisheries management organisations (NAFO, NEAFC). The new Protocol provides for the following fishing opportunities:

Cod in ICES Subareas II, V, XII, XIV: 2 050 tonnes per year

Pelagic redfish (REB) in ICES Subareas XII, XIV and in NAFO 1F: 0 tonnes per year

Demersal redfish (RED) in ICES Subareas II, V, XII, XIV: 2 100 tonnes per year

Greenland Halibut in NAFO Subarea 1 — South of 68° North: 1 900 tonnes per year

Greenland Halibut in ICES Subareas II, V, XII & XIV: 4 775 tonnes per year

Northern Prawn in NAFO Subarea 1: 2 431 per year

Northern Prawn in ICES Subareas II, V, XII, XIV: 4 150 per year

Capelin in ICES Subareas II, V, XII, XIV: 13 000 tonnes per year

Mackerel in ICES Subareas II, V, XII, XIV: 0 tonnes per year

[1] Recommendation for a COUNCIL DECISION authorising the opening of the negotiations on behalf of the European Union for the conclusion of an Implementing Protocol to the Sustainable Fisheries Partnership Agreement between the European Union, of the one part, and the Government of Greenland and the Government of the Kingdom of Denmark, of the other partEUR-Lex - 52024PC0199 - EN - EUR-Lex (europa.eu)

The fishing opportunities for Pelagic Redfish are set at 0 tonnes because of the negative scientific advice on the state of the stocks and in the case of Mackerel because of the absence of a regional sharing arrangement.

Another objective is to enhance cooperation between the Union and Greenland by implementing the partnership framework for the Agreement in order to promote a sustainable fisheries policy and the responsible exploitation of fishery resources in the waters of the Greenland, in the interest of both Parties.

The purpose of this proposal is for the Council to authorise the signature and provisional application of the new Protocol.

- **Consistency with existing provisions in the policy area**

The main aim of the new Protocol to the Agreement is to provide an updated framework that takes into account the priorities of the common fisheries policy (CFP) and the external dimension. This will help maintain and strengthen the strategic partnership between the European Union and Greenland.

The new Protocol provides for fishing opportunities for Union vessels. It is based on the best available scientific advice and on the recommendations made by NAFO, NEAFC and ICES.

- **Consistency with other Union policies**

The negotiation of a new Sustainable Fishery Partnership Agreement and its Implementing Protocol forms part of the EU's external action in relation to Overseas Countries and Terittories (OCTs).

2. LEGAL BASIS, SUBSIDIARITY AND PROPORTIONALITY

- **Legal basis**

The legal basis is Article 43(2) TFEU, which establishes the common fisheries policy, and Article 218(5) TFEU, which provides that the Council, on a proposal by the negotiator, is to adopt a decision authorising the signing of an agreement between the Union and third countries and, if necessary, its provisional application before entry into force.

In accordance with the Treaties, it is for the Commission to ensure the signing of the Protocol, subject to its conclusion at a later date.

- **Subsidiarity (for non-exclusive competence)**

The proposal falls within the exclusive competence of the European Union pursuant to Article 3(1)(d) TFEU. The subsidiarity principle therefore does not apply.

- **Proportionality**

The proposal is proportionate to the objective of establishing a legal, environmental, economic and social governance framework for fishing activities carried out by Union vessels in third-country waters, as set out in Article 31 of Regulation (EU) No 1380/2013 establishing the common fisheries policy. It complies with those provisions and with those on financial assistance to third countries laid down in Article 32 of that Regulation.

3. RESULTS OF *EX POST* EVALUATIONS, STAKEHOLDER CONSULTATIONS AND IMPACT ASSESSMENTS

- ***Ex post* evaluations / fitness checks of existing legislation**

In 2024, the Commission contracted an independent consultant to carry out an *ex post* and *ex ante* evaluation study[2]. On the basis of that evaluation study, the Commission carried out an *ex post* evaluation of the current Implementing Protocol and an *ex ante* evaluation of possible options for the future. The conclusions of the *ex post* and *ex ante* evaluations are set out in a Commission Staff Working Document (SWD)[3].

In the *ex post* evaluation contained in the SWD, the Commission concludes that, overall, the current Implementing Protocol was effective in achieving its objectives, with some areas for improvement. In this respect, the Union fleet remains interested in accessing the fishing areas of Greenland for the deployment of harvesting strategies under a multiannual framework, with some need for alignment of fishing opportunities based on the sicentific advice by the Union fleet. In terms of the sectoral support component, the Commission concludes that the sectoral support funds have (i) helped to strengthen scientific research and adminsitrative capacities of Greenland, and (ii) contributed to improved ocean governance in Greenland.

In the *ex ante* evaluation contained in the SWD, the Commission concludes that the negotiation of a new Implementing Protocol, with some adjustments, is in the interest of both the Union and Greenland. For the Government of Greenland, negotiating a new Implementing Protocol will secure continued cooperation with the Union on strengthening ocean governance through the dedicated sectoral support funds under a multiannual framework.

For the Union, it is important to maintain an instrument allowing for close sectoral cooperation with a country that is a major partner, a supplier of fishery products to the Union, a provider of fishing opportunities used for swaps with other Northern European countries (namely Norway) and a stakeholder on the international stage and that has fishing grounds that are of interest to the Union fleet.

- **Stakeholder consultations**

Member States, industry representatives, international civil society organisations and the fisheries administration and civil society representatives of Greenland were consulted as part of the evaluation. Consultations also took place in the framework of the Long Distance Advisory Council. These consultations led to the conclusion that it is in the interest of the Union and Greenland to maintain an instrument allowing for in-depth sectoral cooperation, with multiannual funding possibilities for Greenland. It is in the interest of Union vessel owners to maintain access to an important fishing zone by means of a fisheries agreement.

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2 Ex-post and ex-ante evaluation study of the 2021-2024 protocol and of a possible new implementing protocol to the Sustainable Fisheries Partnership Agreement between the European Union and Greenland, Publications Office of the European Union, 2024, Ex-post and ex-ante evaluation study of the 2021-2024 protocol and of a possible new implementing protocol to the Sustainable Fisheries Partnership Agreement between the European Union and Greenland - Publications Office of the EU (europa.eu)

3 Commission Staff Working Document, Evaluation to the Protocol to the Sustainable Fisheries Partnership Agreement between the European Union and Greenalnd, EUR-Lex - 52024SC0129 - EN - EUR-Lex (europa.eu)

- **Collection and use of expertise**

The Commission used an independent consultant for the *ex post* and *ex ante* evaluations, in accordance with Article 31(10) of Regulation (EU) No 1380/2013 establishing the common fisheries policy.

- **Impact assessment**

Not applicable

- **Regulatory fitness and simplification**

Not applicable

- **Fundamental rights**

The negotiated Protocol includes a clause on the consequences of violating the essential elements regarding human rights as guaranteed by the European Convention for the Protection of Human Rights and Fundamental Freedoms and the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP).

4. BUDGETARY IMPLICATIONS

The annual financial contribution from the European Union is EUR 17 296 857, based on:

a) an annual amount for access to fishery resources for the categories provided for in the Protocol, set at EUR 14 096 857 for the duration of the Protocol;

b) support for the development of Greenland's sectoral fisheries policy amounting to EUR 3 200 000 per year for the duration of the Protocol. This support meets the objectives of Greenland's national policy on the sustainable management of their maritime fishery resources for the entire duration of the Protocol.

This support meets the objectives of cooperation in the fields of sustainable exploitation of fishery resources, aquaculture, sustainable development of the oceans, protection of the marine environment, and the blue economy.

The annual amount for commitment and payment appropriations is established during the annual budgetary procedure, including for the reserve line for protocols not yet having entered into force at the beginning of the year[4].

5. OTHER ELEMENTS

- **Implementation plans and monitoring, evaluation and reporting arrangements**

The monitoring arrangements are provided for in the SFPA and the new Protocol.

[4] In accordance with point 20 of the Interinstitutional Agreement on cooperation in budgetary matters (OJ L 433I, 22.12.2020).

2024/0264 (NLE)

Proposal for a

COUNCIL DECISION

on the signing, on behalf of the European Union, and provisional application of the Implementing Protocol (2025-2030) to the Sustainable Fisheries Partnership Agreement between the European Union on the one hand, and the Government of Greenland and the Government of Denmark, on the other hand

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 43(2) in conjunction with Article 218(5) thereof,

Having regard to the proposal from the European Commission,

Whereas:

(1) The Sustainable Fisheries Partnership Agreement (SPFA) between the European Union on the one part, and the Government of Greenland and the Government of Denmark, on the other part ('the Agreement'), approved by Council Decision (EU) 2021/2043 of 18 November 2021[1], entered into force on 18 February 2022. The Protocol thereto setting out the fishing opportunities and financial contribution provided for in the Agreement will expire on 21 April 2025.

(2) On 13 June 2024, the Council authorised the Commission to open negotiations with the Government of Greenland ('Greenland') and the Government of Denmark for the conclusion of a new Implementing Protocol to the Agreement.

(3) The Commission has negotiated, on behalf of the European Union ('the Union'), a new Implementing Protocol to that Partnership Agreement ('the Protocol'). As a result of those negotiations, the new Implementing Protocol was initialled on 20 September 2024.

(4) The objectives of the Protocol are to enable Union vessels to fish in Greenland's fishing zone and to enable the Union and Greenland to work closely together to further promote the development of a sustainable fisheries policy and the responsible exploitation of fishery resources in Greenland's fishing zone. This cooperation will also contribute to decent working conditions in the fisheries sector.

(5) Therefore, the Protocol should be signed on behalf of the Union, subject to its conclusion at a later date.

[1] Council Decision (EU) 2021/2043 of 18 November 2021 on the conclusion, on behalf of the Union, of the Sustainable Fisheries Partnership Agreement between the European Union, of the one part, and the Government of Greenland and the Government of Denmark, of the other part, and the implementing Protocol thereto (OJ L 418, 24.11.2021, p. 1), ELI: http://data.europa.eu/eli/dec/2021/2043/oj

(6) In view of the economic importance of Union fishing activity in Greenland's fishing zone and the need to limit, as far as possible, the duration of any interruption of that activity, this Protocol should be applied provisionally.

(7) In accordance with the Treaties, it is for the Commission to ensure the signing of the Protocol, subject to its conclusion at a later date.

(8) The European Data Protection Supervisor was consulted in accordance with Article 42 of Regulation (EU) 2018/1725 of the European Parliament and of the Council[2] and delivered an opinion on [date],

HAS ADOPTED THIS DECISION:

Article 1

The signing of the Implementing Protocol to the Sustainable Fisheries Partnership Agreement (SPFA) between the European Union on the one part, and the Government of Greenland and the Government of Denmark, on the other part ('the Protocol') is hereby approved on behalf of the Union, subject to the conclusion of the said Protocol.

The text of the Protocol to be signed is attached to this Decision.

Article 2

The Protocol shall be applied provisionally, in accordance with Article 12 thereof, as from the date of its signature, pending its entry into force.

Article 3

This Decision shall enter into force on […]

Done at Brussels,

For the Council
The President

[2] Regulation (EU) 2018/1725 of the European Parliament and of the Council of 23 October 2018 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data, and repealing Regulation (EC) No 45/2001 and Decision No 1247/2002/EC (OJ L 295, 21.11.2018, p. 39), ELI: http://data.europa.eu/eli/reg/2018/1725/oj

LEGISLATIVE FINANCIAL STATEMENT

1. FRAMEWORK OF THE PROPOSAL/INITIATIVE

1.1. Title of the proposal/initiative

1.2. Policy area(s) concerned

1.3. The proposal/initiative relates to:

1.4. Objective(s)

1.4.1. General objective(s)

1.4.2. Specific objective(s)

1.4.3. Expected result(s) and impact

1.4.4. Performance indicators

1.5. Grounds for the proposal/initiative

1.5.1. Requirement(s) to be met in the short or long term, including a detailed timeline for roll-out of the implementation of the initiative

1.5.2. Added value of Union involvement (this may result from different factors, e.g. coordination gains, legal certainty, greater effectiveness or complementarities). For the purposes of this point, 'added value of Union involvement' is the value resulting from Union involvement which is additional to the value that would otherwise have been created by Member States alone.

1.5.3. Lessons learned from similar experiences in the past

1.5.4. Compatibility with the multiannual financial framework and possible synergies with other appropriate instruments

1.5.5. Assessment of the different available financing options, including scope for redeployment

1.6. Duration and financial impact of the proposal/initiative

1.7. Method(s) of budget implementation planned

2. MANAGEMENT MEASURES

2.1. Monitoring and reporting rules

2.2. Management and control system(s)

2.2.1. Justification of the management mode(s), the funding implementation mechanism(s), the payment modalities and the control strategy proposed

2.2.2. Information concerning the risks identified and the internal control system(s) set up to mitigate them

2.2.3. Estimation and justification of the cost-effectiveness of the controls (ratio of 'control costs ÷ value of the related funds managed'), and assessment of the expected levels of risk of error (at payment and at closure)

2.3. Measures to prevent fraud and irregularities

3. ESTIMATED FINANCIAL IMPACT OF THE PROPOSAL/INITIATIVE

3.1. Heading(s) of the multiannual financial framework and expenditure budget line(s) affected

3.2. Estimated financial impact of the proposal on appropriations

3.2.1. Summary of estimated impact on operational appropriations

3.2.2. Estimated output funded with operational appropriations

3.2.3. Summary of estimated impact on administrative appropriations

3.2.4. Compatibility with the current multiannual financial framework

3.2.5. Third-party contributions

3.3. Estimated impact on revenue

LEGISLATIVE FINANCIAL STATEMENT

1. FRAMEWORK OF THE PROPOSAL/INITIATIVE

1.1. Title of the proposal/initiative

Proposal for a Council Decision on the signing, on behalf of the European Union, and provisional application of the Implementing Protocol to the Sustainable Fisheries Partnership Agreement (SPFA) between the European Union on the one part, and the Government of Greenland and the Government of Denmark, on the other part

1.2. Policy area(s) concerned

08 – Agriculture and maritime policy

08.05 – Sustainable fisheries partnership agreements (SFPAs) and regional fisheries management organisations (RFMOs)

08.05.01 – Establishing a governance framework for fishing activities carried out by Union fishing vessels in third-country waters

1.3. The proposal/initiative relates to:

X **a new action**

☐ **a new action following a pilot project / preparatory action**[1]

☐ **the extension of an existing action**

☐ **a merger or redirection of one or more actions towards another / a new action**

1.4. Objective(s)

1.4.1. General objective(s)

The negotiation and conclusion of sustainable fisheries partnership agreements (SFPAs) with third countries meet the general objective of giving Union fishing vessels access to the fishing zones of third countries and developing a partnership with those countries with a view to strengthening the sustainable exploitation of fishery resources outside the Union's waters.

SFPAs also ensure consistency between the principles governing the common fisheries policy and commitments made under other European policies, such as sustainable use of third-country resources, combating illegal, unreported and unregulated (IUU) fishing, integration of partner countries into the global economy, contribution to sustainable development in all its dimensions, and better political and financial governance of fisheries.

1.4.2. Specific objective(s)

Specific objective No 1

To contribute to sustainable fishing in non-Union waters, maintain a European presence in distant-water fisheries and protect the interests of the European fisheries sector and consumers by negotiating and concluding SFPAs with coastal states, consistent with other European policies.

[1] As referred to in Article 58(2)(a) or (b) of the Financial Regulation.

1.4.3. Expected result(s) and impact

Specify the effects which the proposal/initiative should have on the beneficiaries/groups targeted.

Concluding the Implementing Protocol to the Agreement means that the strategic fisheries partnership between the European Union and the Government of Greenland can be continued and strengthened. Concluding the Protocol will create fishing opportunities for Union vessels in the fishing zone of Greenland.

The Protocol will also contribute to better management and conservation of fishery resources, through financial support (sectoral support) for the implementation of programmes adopted at national level by the partner country, in particular as regards monitoring and combating illegal fishing, and support for the small-scale fisheries sector.

Finally, the Protocol will contribute to the maritime economy of Greenland, promoting growth linked to maritime activity and the sustainable exploitation of its marine resources.

1.4.4. Performance indicators

Specify the indicators for monitoring progress and achievements.

Fishing opportunity exploitation rates (annual uptake of fishing authorisations as a percentage of availability under the Protocol).

Catch data (gathering and analysis) and the commercial value of the Agreement.

Contribution to creating jobs and establishing decent working conditions in the fisheries sector, creating added value in the Union and stabilising the Union market (in aggregate with other SFPAs).

Contribution to improving research, surveillance and control of fishing activity by the partner country and development of its fisheries sector, in particular small-scale fisheries.

1.5. Grounds for the proposal/initiative

1.5.1. Requirement(s) to be met in the short or long term, including a detailed timeline for roll-out of the implementation of the initiative

It is intended that the new Implementing Protocol will apply provisionally from the date on which it is signed, so as to minimise any interruption of fishing operations resulting from the expiry of the current Protocol.

The new Protocol will provide a framework for fishing activity by the Union fleet in the fishing zone of Greenland and will allow Union vessel owners to apply for fishing authorisations to fish in that zone. In addition, the new Protocol will enhance cooperation between the Union and Greenland with a view to promoting the development of a sustainable fisheries policy in all its dimensions. It provides, in particular, for vessels to be monitored via VMS and for the electronic transmission of catch data. The sectoral support available under the Protocol will help the Government of Greenland in the context of its national fisheries strategy and maritime economy, including in the fight against IUU fishing, while promoting decent working conditions for fishing activity.

1.5.2. Added value of Union involvement (this may result from different factors, e.g. coordination gains, legal certainty, greater effectiveness or complementarities). For the purposes of this point, 'added value of Union involvement' is the value resulting

from Union involvement which is additional to the value that would otherwise have been created by Member States alone.

Failure by the Union to agree on a new Protocol would impede the fishing activity of Union vessels, as the current Agreement contains a clause excluding fishing activity not taking place in the framework defined by a protocol to the Agreement. Consequently, the added value for the Union's long-distance fleet is very clear. The Protocol also provides a framework for enhanced cooperation between the Union and the Government of Greenland.

1.5.3. Lessons learned from similar experiences in the past

Funds provided as financial compensation for access under the SFPA constitute fungible revenue in the national budget of Greenland. However, funds intended for sectoral support are allocated (generally by introduction in the annual budget law) to the Ministry responsible for fisheries, as a condition for the conclusion and monitoring of SFPAs. These financial resources are compatible with other sources of funding from other providers of international funding for carrying out projects and/or programmes at national level in the fisheries sector.

1.5.4. Compatibility with the multiannual financial framework and possible synergies with other appropriate instruments

Not applicable

1.5.5. Assessment of the different available financing options, including scope for redeployment

Not applicable

1.6. Duration and financial impact of the proposal/initiative

X **limited duration**

– X In force for a period of 6 years from the date of signature

– X Financial impact for a period of 6 years from the date of signature for commitment appropriations and for a period of 6 years and 6 months from the date of signature for payment appropriations.

☐ **Unlimited duration**

– Implementation with a start-up period from YYYY to YYYY,

– followed by full-scale operation.

1.7. Management mode(s) planned[2]

X **Direct management** by the Commission

– X by its departments, including by its staff in the Union delegations;

– ☐ by executive agencies

☐ **Shared management** with the Member States

☐ **Indirect management** by entrusting budget implementation tasks to:

– ☐ third countries or the bodies they have designated;

– ☐ international organisations and their agencies (to be specified);

– ☐ the EIB and the European Investment Fund;

– ☐ bodies referred to in Articles 70 and 71 of the Financial Regulation;

– ☐ public-law bodies;

– ☐ bodies governed by private law with a public service mission to the extent that they are provided with adequate financial guarantees;

– ☐ bodies governed by the private law of a Member State that are entrusted with the implementation of a public-private partnership and that are provided with adequate financial guarantees;

– ☐ persons entrusted with the implementation of specific actions in the CFSP pursuant to Title V of the TEU, and identified in the relevant basic act.

– *If more than one management mode is indicated, please provide details in the 'Comments' section.*

Comments

[2] Details of management modes and references to the Financial Regulation can be found on the BudgWeb site: https://myintracomm.ec.europa.eu/budgweb/FR/man/budgmanag/Pages/budgmanag.aspx.

2. MANAGEMENT MEASURES

2.1. Monitoring and reporting rules

Specify frequency and conditions.

The Commission (DG MARE) will ensure regular monitoring of the implementation of the Protocol as regards the use of fishing opportunities by operators, catch data and compliance with conditions for sectoral support.

Furthermore, the SFPA provides for at least one annual meeting of the Joint Committee, at which the Commission and Greenland will review the implementation of the Agreement and Protocol and, if necessary, adjust the programming and the financial contribution.

2.2. Management and control system(s)

2.2.1. Justification of the management mode(s), the funding implementation mechanism(s), the payment modalities and the control strategy proposed

Payments will be implemented in a decoupled manner as regards the contribution for access and the contribution for sectoral support.

The payments for access will be made annually on the anniversary date of the Protocol, except in the first year, when the payment will be made in the three months after the start of provisional application. Vessel access will be controlled by the issuing of fishing authorisations.

The support will be paid for the first time within three months after the start of the provisional application, subject to the agreement on an annual and multiannual implementation programme; for the following years, it will be conditional to the results achieved. The results achieved and the implementation rate will be monitored in accordance with the Guidelines on the Implementation of Sectoral Support for Greenland Fisheries policy to be agreed by the Parties, on the basis of reports or documentary evidence provided by the partner country.

2.2.2. Information concerning the risks identified and the internal control system(s) set up to mitigate them

The identified risk is the under-use of fishing opportunities by EU vessel owners and the under-use or delayed use by Greenland of funds intended to finance the sectoral fisheries policy. Extensive dialogue is planned on the programming and implementation of the sectoral policy laid down in the Agreement and the Protocol. Joint analysis of results, as referred to in Article 4 of the Protocol, also forms part of these control methods. In addition, the Agreement and the Protocol contain specific clauses for their suspension, under certain conditions and in given circumstances.

2.2.3. Estimation and justification of the cost-effectiveness of the controls (ratio of 'control costs ÷ value of the related funds managed'), and assessment of the expected levels of risk of error (at payment and at closure)

Payments relating to access costs under SFPAs are subject to checks aimed at ensuring their compliance with the provisions of international agreements. Checks relating to sectoral support are aimed at monitoring its implementation. Monitoring is carried out by Commission staff at Union delegations and during Joint Committee meetings. A multiannual programming matrix is used to evaluate progress. If

progress is insufficient, the payment of the next instalment is suspended or possibly reduced. The overall cost of the checks on all SFPAs is estimated to be around 1.8%. The procedures for checks on SFPAs are based largely on essential regulatory requirements. If no shortcomings are detected that could have a significant impact on the legality and regularity of the financial transactions, the checks are considered effective. The average error rate is estimated at 0.0%.

2.3. Measures to prevent fraud and irregularities

Specify existing or envisaged prevention and protection measures, e.g. from the anti-fraud strategy.

The Commission undertakes to establish political dialogue and regular coordination with Greenland with a view to improving the management of the Agreement and the Protocol and strengthening the Union's contribution to sustainable resource management. Any payment which the Commission makes under an SFPA is subject to the Commission's standard rules and budgetary and financial procedures. In particular, the bank accounts of the third countries into which the financial contribution is paid are fully identified. Article 6(6) of the Protocol provides that the financial contribution for access must be paid into a Public Treasury account, whereas the contribution intended for development of the sector must be paid into an official account under the supervision of the Ministry responsible for fisheries and the Ministry responsible for finance.

3. ESTIMATED FINANCIAL IMPACT OF THE PROPOSAL/INITIATIVE

3.1. Heading(s) of the multiannual financial framework and expenditure budget line(s) affected

- Existing budget lines

In the order of multiannual financial framework headings and budget lines.

Heading of multiannual financial framework	Budget line	Type of expenditure	Contribution			
	Number	Diff./non-diff.[1]	from EFTA co untries[2]	from candidate countries[3]	from third countries	within the meaning of Article 21(2)(b) of the Financial Regulation
Establishing a governance framework for fishing activities carried out by Union fishing vessels in third-country waters	08.05.01	Diff.	NO	NO	NO	NO

- New budget lines requested

In the order of multiannual financial framework headings and budget lines.

Heading of multiannual financial framework	Budget line	Type of expenditure	Contribution			
	Number	Diff./non-diff.	from EFTA co untries	from candidate countries	from third countries	within the meaning of Article 21(2)(b) of the Financial Regulation
	[XX.YY.YY.YY]		YES/NO	YES/NO	YES/NO	YES/NO

[1] Diff. = Differentiated appropriations / Non-diff. = Non-differentiated appropriations.
[2] EFTA: European Free Trade Association.
[3] Candidate countries and, where applicable, potential candidates from the Western Balkans.

3.2. Estimated financial impact of the proposal on appropriations

3.2.1. Summary of estimated impact on operational appropriations

– ☐ The proposal/initiative does not require the use of operational appropriations.

– X The proposal/initiative requires the use of operational appropriations, as explained below:

EUR million (to three decimal places)

Heading of multiannual financial framework	No 2	Sustainable growth: natural resources

DG MARE			Year **N**	Year **N+1**	Year **N+2**	Year **N+3**	Year **N+4**	Year **N+5**	**TOTAL**
○ Operational appropriations									
Budget line[1] 08.05.01	Commitments	(1a)	17.296	17.296	17.296	17.296	17.296	17.296	**103.781**
	Payments	(2a)	17.296	17.296	17.296	17.296	17.296	17.296	**103.781**
Budget line	Commitments	(1b)							
	Payments	(2b)							
Appropriations of an administrative nature financed from the envelope for specific programmes[2]									
Budget line		(3)							
TOTAL appropriations for DG MARE	Commitments	=1a+1b +3	17.296	17.296	17.296	17.296	17.296	17.296	**103.781**
	Payments	=2a+2b +3	17.296	17.296	17.296	17.296	17.296	17.296	**103.781**

[1] According to the official budget nomenclature.

[2] Technical and/or administrative assistance and expenditure in support of the implementation of EU programmes and/or actions (former 'BA' lines), indirect research, direct research.

○ TOTAL operational appropriations	Commitments	(4)	17.296	17.296	17.296	17.296	17.296	17.296	**103.781**
	Payments	(5)	17.296	17.296	17.296	17.296	17.296	17.296	**103.781**
○TOTAL appropriations of an administrative nature financed from the envelope for specific programmes		(6)							
TOTAL appropriations under HEADING 2 of the multiannual financial framework	Commitments	=4+6	17.296	17.296	17.296	17.296	17.296	17.296	**103.781**
	Payments	=5+6	17.296	17.296	17.296	17.296	17.296	17.296	**103.781**

Heading of multiannual financial framework	7	'Administrative expenditure'

This section should be filled in using the 'budget data of an administrative nature' to be previously entered in the Annex to the Legislative Financial Statement (Annex V to the internal rules), which is uploaded to DECIDE for interservice consultation purposes.

EUR million (to three decimal places)

		Year **N**	Year **N+1**	Year **N+2**	Year **N+3**	Year **N+4**	**TOTAL**
DG MARE							
○ Human resources							
○ Other administrative expenditure							
TOTAL DG MARE	Appropriations						

TOTAL appropriations under HEADING 7 of the multiannual financial framework	(Total commitments = Total payments)						

EUR million (to three decimal places)

		Year **N**	Year **N+1**	Year **N+2**	Year **N+3**	Year **N+4**	**TOTAL**
TOTAL appropriations under HEADINGS 1 to 7 of the multiannual financial framework	Commitments						
	Payments						

3.2.2. Estimated output funded with operational appropriations

Commitment appropriations in EUR million (to three decimal places)

Indicate objectives and outputs ⇩			Year **2025**		Year **2026**		Year **2027**		Year **2028**		**Year 2029**		**Year 2030**		**TOTAL**	
	OUTPUTS															
	Type	Average cost	Number	Cost	Number	Cost	Number	Cost	Number	Cost	Number	Cost	Number	Cost	Total number	Total cost
SPECIFIC OBJECTIVE																
- Access				14.096		14.096		14.096		14.096		14.096		14.096		84.581
- Sectoral				3.200		3.200		3.200		3.200		3.200		3.200		19.200
Subtotal for specific objective																
TOTALS				17.296		17.296		17.296		17.296		17.296		17.296		**103.781**

3.2.3. Summary of estimated impact on administrative appropriations

– X The proposal/initiative does not require the use of appropriations of an administrative nature

– ☐ The proposal/initiative requires the use of appropriations of an administrative nature, as explained below:

EUR million (to three decimal places)

	Year **N**	Year **N+1**	Year **N+2**	Year **N+3**	Enter as many years as necessary to show the duration of the impact (see point 1.6)			**TOTAL**
HEADING 7 of the multiannual financial framework								
Human resources								
Other administrative expenditure								
Subtotal HEADING 7 of the multiannual financial framework								
Outside HEADING 7[1] of the multiannual financial framework								
Human resources								
Other administrative expenditure								
Subtotal outside HEADING 7 of the multiannual financial framework								
TOTAL								

The appropriations required for human resources and other expenditure of an administrative nature will be met by appropriations from the DG that are already assigned to management of the action and/or have been redeployed within the DG, together, if necessary, with any additional allocation which may be granted to the managing DG under the annual allocation procedure and in the light of budgetary constraints.

[1] Technical and/or administrative assistance and expenditure in support of the implementation of EU programmes and/or actions (former 'BA' lines), indirect research, direct research.

3.2.3.1. Estimated human resources requirements

– X The proposal/initiative does not require the use of human resources

– ☐ The proposal/initiative requires the use of human resources, as explained below

Estimate to be expressed in full-time equivalent units

		Year **N**	Year **N+1**	Year **N +2**	Year **N +3**	Enter as many years as necessary to show the duration of the impact (see point 1.6)		
O Establishment plan posts (officials and temporary staff)								
20 01 02 01 (Headquarters and Commission's representation offices)								
20 01 02 03 (Delegations)								
01 01 01 01 (Indirect research)								
01 01 01 11 (Direct research)								
Other budget lines (specify)								
O External staff (in full-time equivalent units: FTEs)[1]								
20 02 01 (AC, END, INT from the 'global envelope')								
20 02 03 (AC, AL, END, INT and JPD in the delegations)								
XX 01 xx **yy zz** [2]	- at headquarters							
	- in delegations							
01 01 01 02 (AC, END, INT – indirect research)								
01 01 01 12 (AC, END, INT – direct research)								
Other budget lines (specify)								
TOTAL								

XX is the policy area or budget title concerned.

The human resources required will be met by staff from the DG who are already assigned to management of the action and/or have been redeployed within the DG, together, if necessary, with any additional allocation which may be granted to the managing DG under the annual allocation procedure and in the light of budgetary constraints.

Description of the tasks to be carried out:

Officials and temporary staff	
External staff	

3.2.4. Compatibility with the current multiannual financial framework

The proposal/initiative:

– X can be fully financed through redeployment within the relevant heading of the Multiannual Financial Framework (MFF).

Explain what reprogramming is required, specifying the budget lines concerned and the corresponding amounts. Please provide an Excel table in the case of major reprogramming.

[1] AC = contract staff; AL = local staff; END = seconded national expert; INT = agency staff; JPD = junior professionals in delegations.

[2] Sub-ceilings for external staff covered by operational appropriations (former 'BA' lines).

– ☐ requires use of the unallocated margin under the relevant heading of the MFF and/or use of the special instruments as defined in the MFF Regulation.

Explain what is required, specifying the headings and budget lines concerned, the corresponding amounts, and the instruments proposed to be used.

– ☐ requires a revision of the MFF.

Explain what is required, specifying the headings and budget lines concerned and the corresponding amounts.

3.2.5. Third-party contributions

The proposal/initiative:

– X does not provide for co-financing by third parties

– ☐ provides for the co-financing by third parties estimated below:

Appropriations in EUR million (to three decimal places)

	Year **N**	Year **N+1**	Year **N+2**	Year **N+3**	Enter as many years as necessary to show the duration of the impact (see point 1.6)			Total
Specify the co-financing body								
TOTAL appropriations co-financed								

3.3. Estimated impact on revenue

– X The proposal/initiative has no financial impact on revenue.

– ☐ The proposal/initiative has the following financial impact:

  – ☐ on own resources

  – ☐ on other revenue

  – please indicate if the revenue is assigned to expenditure lines ☐

EUR million (to three decimal places)

Budget revenue line	Appropriations available for the current financial year	Impact of the proposal/initiative[3]						
		Year **N**	Year **N+1**	Year **N+2**	Year **N+3**	Enter as many years as necessary to show the duration of the impact (see point 1.6)		
Article …….								

For assigned revenue, specify the budget expenditure line(s) affected.

Other remarks (e.g. method/formula used for calculating the impact on revenue or any other information).

[3] As regards traditional own resources (customs duties, sugar levies), the amounts indicated must be net amounts, i.e. gross amounts after deduction of 20% for collection costs.