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Implementation of the agreement in the form of an exchange of letters between the European Union and the Kingdom of Morocco on amending Protocols 1 and 4 of the Euro-Mediterranean Agreement establishing an association between the European Communities and their Member States, of the one part, and the Kingdom of Morocco, of the other part

2020 Report on the benefits for the people of Western Sahara on extending tariff preferences to products from Western Sahara.

EXECUTIVE SUMMARY

The EU–Morocco agreement amending Protocols 1 and 4 to the EU-Morocco Association Agreement (hereafter “the agreement”), which extends the tariff preferences provided for under the Association Agreement to products originating in Western Sahara, entered into force on 19 July 2019.

The agreement is the result of an extensive process of negotiation that began on 29 May 2017, when the Council authorised the Commission to negotiate on behalf of the EU an international agreement, in the form of an Exchange of Letters, to amend the Association Agreement as necessary. On 16 July 2018, the Commission proposed a Council Decision on the conclusion of the agreement, which was adopted on 28 January 2019. Prior to that, on 16 January 2019, the European Parliament adopted a non-legislative resolution giving its consent to this agreement.

This report provides an update to the report presented by the Commission services and the EEAS on 15 June 2018 concerning the extension of the existing EU-Morocco tariff preferences to products from Western Sahara and the related benefits for the people concerned¹. It also aims at assessing the impact of the Agreement, particularly on sustainable development and with regard to the advantages for the people concerned and the exploitation of the natural resources of the territories in question, as provided for under the Agreement. This means i.a. assessing the potential effect of the Agreement on exports from the territory to the European Union (EU), taking into account the real origin of the products in question. In order to provide a wider picture regarding the overall situation in Western Sahara and as background, it contains a description of the latest developments with respect to the UN-led peace process and the respect for fundamental rights. This report does not address the consultation process carried out in 2018 to assess the consent of the concerned population, which was already covered by the 2018 report.

The report contains data on production, employment and other indicators up to the end of 2019, and data on exports to the EU of products originating in Western Sahara up to October 2020. The main tool for the elaboration of this report has been, as provided for in the Agreement, an exchange of information with Morocco to assess the impact of the agreement, which is due to take place on an annual basis. In this respect, the Agreement establishes that the EU-Morocco Association Committee “shall decide the modalities for the exchange of information”, which were adopted by Decision No 1/2020 of the EU-Kingdom of Morocco Association Committee of 16 March 2020². Information from other publicly available sources has also been used, although the information available from these sources is limited.

As a consequence of the restrictions on travel due to the COVID pandemic, the fact-finding mission to Western Sahara of the Commission services had to be postponed to 2021. The scope of this report therefore concentrates on the update of the trade and economic figures carried out through desk research and according to available data, notably those provided by the competent authorities of Morocco. Such a mission on the spot, which is expected to corroborate the findings of this report, is due to be carried out in time for the presentation of

¹ Document 52018SC0346R (<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52018SC0346R%2801%29>)

² OJ L98 31.03.2020 (<https://eur-lex.europa.eu/legal-content/ES/TXT/?uri=CELEX:22020D0468>)

the next report.

Overall, the information available is consistent with the findings of the 2018 report. Export and employment figures show an increase, which to a large extent can be considered as due to the granting of the tariff preferences under the Agreement. The report thus confirms that the agreement is resulting in benefits for Western Sahara and its population in terms of exports, economic activity and employment.

The main findings per sector are the following:

(a) Agriculture

Since the publication of the 2018 report, there has been an increase in the production of agricultural products, which has risen from 64,000 tonnes recorded in 2016 to 92,000 tonnes in 2019, with a total cultivated area of 1,300 Ha as compared with 900 Ha in 2018. Thus, the increase in production corresponds proportionally to the increase in the cultivated area, which indicates a stable level of productivity per Ha.

In 2019, the total volume of exports of agriculture products from Western Sahara was 59,400 tonnes (no figures were available when the 2018 report was elaborated). It is estimated that in 2019 14,000 agricultural jobs depend directly on exports to the EU.

Thus, the entry into force of the agreement confirms the expected positive effects in terms of production (and therefore in terms of employment and investment) and in terms of exports.

(b) Fishery products

The fishery sector showed an increase of Western Sahara's exporting performance in comparison with the 2016 data from the previous 2018 report. Total exports to the EU in 2019 reached 124,000 tonnes with a total value of EUR 434.44 million, compared to 54,637 tonnes exported in 2016 (a 127% increase). The level of employment - direct and indirect - connected to the fishery sector increased from 90,000 jobs in 2016 to 111,090 jobs in 2019 (a 23.43% increase).

As also highlighted in the previous report, the economic activities in Western Sahara rely largely on these two sectors. The entry into force of the Agreement has definitely supported and increased the exports in both sectors.

At this stage, it is therefore possible to assess that the entry into force of the agreement has confirmed the expected results in terms of production, employment and investment, and in terms of exports in the two most strategic sectors.

Apart from the sectors described above, no other sectors of export from Western Sahara to the EU have been identified as relevant for the purpose of this report.

It can be stated that, in the absence of the preferences granted by the Agreement, in all likelihood, the increase in exports, production and employment would not have taken place, and that a very significant part of these activities would have been performed by other exporters of the region (which all benefit from tariff preferences with the EU).

At the same time, the smooth functioning of the Agreement has also facilitated the resumption of a fruitful dialogue with Morocco, which is expected to lay the foundations for the development of closer relations with this important neighbour, to the mutual benefit of the EU and Morocco.

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1. INTRODUCTION

In its judgment of 21 December 2016 in Case C-104/16, the Court of Justice of the European Union ruled that the Association Agreement and the Liberalisation Agreement between the Union and Morocco did not apply to Western Sahara. Following the Court judgment, the practice of applying the trade preferences set out in the Association Agreement and its protocols on a de facto basis to products originating in Western Sahara, a non-self-governing territory, could not continue, unless Protocol 1 (access to the EU market for Moroccan agricultural products, processed agricultural products, fish and fishery products) and Protocol 4 (concerning rules of origin) were amended to establish that products originating in Western Sahara should be treated in the same way as those from Morocco.

The necessary amendments were made through an agreement in the form of an exchange of letters introducing the required amendments to Protocol 4 and Protocol 1 of the EU-Morocco Association Agreement with a view to respecting the obligations of the Court judgment of 21 December 2016 and providing a legal basis for granting preferences to products from Western Sahara. In this way, trade with Western Sahara could remain undisrupted while maintaining access to the EU market at a stable level, since no new preferences were granted. The amended Association Agreement thus prevents Western Sahara from suffering a disadvantage as compared with other regional competitors, which benefit from tariff preferences on different grounds (association agreements or the Generalised System of Preferences).

Given that the matter is related to the Common Commercial Policy, the legal basis that permitted the amendment to the Agreement was Article 207 of the Treaty on the Functioning of the European Union (TFEU), in conjunction with Article 218(6)(a)(i) and the first subparagraph of Article 218(8). It is in this respect it is recalled that Art. 207 TFEU (1) in fine provides that “the common commercial policy shall be conducted in the context of the principles and objectives of the Union's external action”. Those principles and objectives of the Union’s external action include the respect for and promotion of the universality and indivisibility of human rights and fundamental freedoms, the respect for human dignity, the principles of equality and solidarity, and respect for the principles of the United Nations Charter and international law.

The purpose of the report is to present the findings and the result of the monitoring of the implementation of the Agreement, which extends to products originating in Western Sahara the tariff preferences provided for under the EU-Morocco Association Agreement, and which entered into force on 19 July 2019. The Agreement is complemented by a Decision adopted by the EU-Morocco Association Committee on the exchange of information between Morocco and the EU to be able to assess the impact of the Agreement.

Before the entry into force of the Agreement, access to statistical information was very limited. This is today possible thanks to a system set up by Morocco to provide the EU and Member States' customs direct access to regular information on exports to the EU, which comprises i.a. goods originating in Western Sahara. This mechanism is complemented by the provisions for administrative and customs cooperation between the EU and Morocco provided for in the Association Agreement with Morocco, which enable Member States' customs authorities to identify the origin of imports from Western Sahara.

All these elements have been in place and operational since the entry into force of the

agreement.

The IT system set up by Morocco consists of a data information system under which statistics by product are collected on exports to the EU by region, and which includes specifically data on all exports of products originating in Western Sahara. The information provided covers, by product on the basis of the Harmonized System codes, information on the volume (quantity) and value of those exports, and has a breakdown by Member State of data in terms of volume. Data has been introduced since the entry into force of the Agreement on 19 July 2019 and is uploaded on a monthly basis into the dedicated IT system. Access to the database has been provided to the Commission and to the Member States' customs. The Commission services carry out regular analyses of the statistics, which allow the identification of any significant changes in trade patterns that may require further in-depth examination. The Commission services consider that the data available in the IT system on the exports covered by the Agreement are reliable and accurate.

Additionally, the customs cooperation procedures of the Association Agreement with Morocco provide for the tools to verify the origin of the products exported to the EU, and to take remedial action, as it may be necessary. According to the information received, the Agreement is being implemented as intended. The Commission has received no report of any difficulties or irregularities from either economic operators or customs authorities.

This report provides an update on the previous report published on 15 July 2018, presenting more recent data collected by the mechanisms provided for in the Agreement and available through other sources. For this purpose, the Commission services have used the Eurostat and Traces databases, the information provided by the Moroccan authorities on the basis of the Decision 1/2020 of the EU-Kingdom of Morocco Association Council, and other publicly available information.

The system for the exchange of information has provided an increased quantity and quality of information on Western Sahara since the entry into force of the Agreement, and the information is now available from July 2019 to October 2020. In accordance with the Agreement, this report focuses exclusively on the evaluation of "*the impact of this Agreement, in particular on sustainable development, especially with regard to the benefits for the populations concerned and the exploitation of the natural resources of the territories concerned*"³.

In its non-legislative resolution of 16 January 2019⁴, the European Parliament asked the Commission "*to ensure that a mechanism will be put in place for Member States' customs authorities to have access to reliable information on products originating in Western Sahara and imported into the EU, in full compliance with EU customs legislation*", that such a mechanism should "*make available detailed and disaggregated statistical data provided*

³ Cf § 7 of the recital of the COUNCIL DECISION (EU) 2019/217 of 28 January 2019 of the Agreement.

⁴ P8_TA(2019)0016 EU-Morocco Agreement on the amendment of Protocols 1 and 4 to the Euro-Mediterranean Agreement (Resolution) European Parliament non-legislative resolution of 16 January 2019 on the draft Council decision on the conclusion of the agreement in the form of an Exchange of Letters between the European Union and the Kingdom of Morocco on the amendment of Protocols 1 and 4 to the Euro-Mediterranean Agreement establishing an association between the European Communities and their Member States, of the one part, and the Kingdom of Morocco, of the other part (10593/2018 – C8-0463/2018 – 2018/0256M(NLE))

timely on such exports” and asked the Commission “to present to Parliament an annual assessment of the conformity of this mechanism with EU customs legislation”.

This report also addresses this request from the European Parliament.

As in the previous compilation, this report considers the economic activity in the two regions of Laâyoune-Sakia el Hamra and Dakhla-Oued Ed Dahab in order to assess the economic impact of the agreement. This is because the territory of Western Sahara does not correspond exactly to the ‘southern provinces’ referred to by the Moroccan authorities in their publications or in information exchanged with the Commission (the three regions of Laâyoune-Sakia el Hamra, Dakhla-Oued ed Dahab and Guelmim-Oued Noun); the region of Guelmim-Oued Noun is not affected by the economic impact for the purpose of this report as there is no relevant production in the Western Saharan part of this region of goods exported to the European Union.



The assessment covers the period since the last report up until 2019. Nevertheless, available trade data with Western Sahara from the first three quarters of 2020 are included in order to confirm tendencies and to assess, insofar as possible, a preliminary impact of the COVID-19 pandemic on economic activities in Western Sahara.

2. IMPACT OF THE AGREEMENT ON THE WESTERN SAHARAN ECONOMY AND THE USE OF NATURAL RESOURCES

The Western Sahara’s regions of Laâyoune-Sakia el Hamra and Dakhla-Oued ed Dahab show the characteristics of a small market economy whose main industries are fishing and fish processing, phosphate mining, agriculture (especially early-growing fruit and vegetables and pastoral nomadism), trade and craft industries. Other sectors, such as tourism and tobacco, are still nascent. According the latest available data provided by the Moroccan authorities, the population was 597,339 in 2019. The most populated cities are Laâyoune-Sakia el Hamra with 196,331 inhabitants, and Dakhla-Oued ed Dahab with 75,000 inhabitants.

In terms of GDP per capita, in 2007, it was estimated to be EUR 2,050. In 2017, according to the data provided by Morocco, the GDP per capita for these two regions was respectively EUR 7,822 in Dakhla-Oued ed Dahab and EUR 4,182 in Laâyoune-Sakia el Hamra, thus showing a significant increase as compared with a decade earlier.

Data to determine the share in the GDP of each sector (agriculture, fisheries, industry, services, mining, administration) in these two regions separately are not available.

Western Sahara has therefore largely an export-driven economy, with a limited domestic market. With the entry into force of the Agreement, it enjoys preferential trade tariffs on its exports to the EU market. Phosphate production is a major industry in Western Sahara. However, statistics show that there are no exports of Western Saharan phosphates to the EU. This is due, as indicated in the 2018 report, to the fact that there is not yet a production in Western Sahara of processed phosphate products and that there are no interest in the EU to process raw phosphates from Western Sahara. Raw phosphates from Western Sahara are likely to be used in Morocco to manufacture phosphate derivatives that are then exported to the EU under preferences as the processing carried out in Morocco is sufficient to confer preferential origin under the Association Agreement with Morocco. Therefore, in respect to phosphates the agreement has had no impact, and this sector is not analysed in this report.

2.1.1 Trade in the agricultural sector of Western Sahara⁵

In the 2018 report, it was indicated that 64,000 tonnes of early-growing crops were harvested in the territory in 2016, covering an area of some 900 hectares. These were high added-value crops, 78% of which were tomatoes (50,000 tonnes of various types and varieties) and 22% melons (14,000 tonnes).

According to the data available for 2019, the total production of agricultural products was 92,000 tonnes. The total production by region was namely:

- 68,000 tonnes in Dakhla-Oued ed Dahab.
- 24,000 tonnes in Laâyoune-Sakia el Hamra.

These data show an increase of 43.75% from 2016 to 2019, which could be due to a proportional increase of the production area and expansion of plantation infrastructure.

The production in the three regions is mainly intended for local supply and for export to various foreign markets, such as the EU but also Russia and Sub-Saharan Africa.

The production of the Dakhla region is processed in the region of Agadir before being exported to the EU.

In terms of exports, a total of 59,400 tonnes were exported from Western Sahara to the EU (total value EUR 69.80 million).

⁵ By way of comparison, in terms of exports from Morocco to EU in 2019, 1,404 million tonnes of agricultural products were exported to the EU with a total value of EUR 1,752 million. As for the fishing sector, the total captures landed at Morocco ports in 2019 was 1,457,800 tonnes with a total value of EUR 1,043 million. In terms of exports, the total amount of captures, landed and exported from Morocco to the EU, was 295,000 tonnes with a total value of EUR 1,211 million.

By product, the data referring to 2019 is:

- Tomato: 50,100 tonnes
- Melon: 9,300 tonnes

In the 2018 report, it was estimated that in 2016, the customs value of imports into the EU was of some EUR 65 million corresponding to 50,000 tonnes of tomatoes and 14,000 tonnes of melons. Without tariff preferences, in 2018 such exports from Western Sahara would have been subject to approximatively EUR 6.6 million in customs duties.

Taking into account the data provided for 2019, the application of tariff preferences to EU imports of 9,300 tonnes of melons would mean saving of EUR 850,000 in customs duties. For tomatoes, assuming that all Western Saharan exports have benefitted from preferences (50,100 tonnes), the savings in customs duties is estimated to be around EUR 5.3 million, as long as the specific duty did not apply. Therefore, the total amount of savings in terms of duties for 2019 is about EUR 6.15 million⁶.

On the other hand, even if figures remain relatively low⁷, it is important to remain vigilant regarding the development of agriculture in Western Sahara in the coming years. The rapid addition of new agricultural land in this territory in the future, and a subsequent possible sensitive increase of exports to the EU, might well give rise to defensive reactions in the EU. This is all the more the case if these tariff concessions to Western Sahara were to be perceived by EU operators as an additional, and deeply linked, outlet for tomatoes to the current trend of increasing exports of Morocco.

2.1.2 *Trade in the fishery sector in Western Sahara*

The 2018 report concluded that Western Sahara has a sizeable fish processing industry, including 141 sites authorised to export to the EU. EU estimates of exports of fishery products from the territory range from EUR 100 million in 2015 to EUR200 million in 2016. Some 45,000 jobs depended directly or indirectly on those exports to the EU, or half of the total employment in the fisheries sector. Exports from Western Sahara amounted to 44,891 tonnes in 2015 and 54,637 tonnes in 2016. According to figures from Morocco, exports from Western Sahara to the EU amounted to EUR121 million in 2015 and EUR134 million in 2016.

According to the data from 2019, the captures in Western Saharan waters amounted to 1,067,000 tonnes with a total value of EUR 496,408 million. The distribution by region is the following:

⁶ For this calculation, the unit price for 2019 was set at EUR 1,043 per tonne for melons (45.5 million tonnes imported, at a customs value of EUR 47.5 million), with a regular customs duty (applicable in the EU under the most-favoured nation clause) of 8.8%. For tomatoes, the unit price is set at EUR 1,202 per tonne (481.70 million tonnes imported, at a customs value of EUR 579.13 million), with a regular customs duty of 8.8 to 14.4% depending on the time of year, with some 80% of exports taking place between early November and late April (8.8 % duty).

⁷ By way of comparison, Morocco's exports to the EU of fresh tomatoes in 2019 amounted to 413,854 tonnes, compared with Western Sahara's exports of 50,000 tonnes in the same year.

- Dakhla-Oued ed Dahab with 618,900 tonnes with a total value of EUR 281,952 million.
- Laâyoune-Sakia el Hamra with 448,100 tonnes with a total value of EUR 214,456 million.

In terms of exports from Western Sahara to the EU, in 2019 the total amounted to 124,900 tonnes, with a total value of EUR 434,437 million.

	TOTAL CAPTURES (tonnes)	EXPORTS TO UE (tonnes)
Morocco	1,457,800	295,200
Western Sahara	1,067,000	124,900

The distribution by region is:

- Dakhla-Oued ed Dahab with 60,100 tonnes with a total value of EUR 240.607 million.
- Laâyoune-Sakia el Hamra with 64,800 Tonnes with a total value of EUR 193,830 million.

By product, the main products exported are:

Region	Product	2019
		Volume (millions tonnes)
Dakhla Oued Ed- Dahab	FROZEN FISH PRODUCTS :	50.9
	FROZEN SARDINE	22.2
	FROZEN OCTOPUS	13.4
	CUTTLEFISH AND SQUID FROZEN	7.7
	SQUID CONGEALED	4.0
	FROZEN MACKEREL	2.0
	FROZEN SHELLFISH	0.2
	OTHERS	1.5
	FISH FLOUR	5.5
	CANNED FISH:	2.1
	CANNED SARDINE	1.3
	CANNED MACKEREL	0.9
	FRESH FISH PRODUCTS	1.4
	OTHERS	0.2
	TOTAL	60.1
Laâyoune Sakia El Hamra	FROZEN FISH PRODUCTS :	36.3
	FROZEN SARDINE	19.1
	FROZEN OCTOPUS	8.5
	SQUID FROZEN	3.3
	CUTTLEFISH AND SQUID FROZEN	3.1
	FROZEN MACKEREL	1.1
	FROZEN SHELLFISH	0.4
	OTHERS	0.7
	FISH FLAVOUR	13.9
	FISH OIL	7.3
	CANNED FISH:	7.0
	CANNED SARDINE	5.4
	CANNED MACKEREL	1.6
	OTHERS	0.3
	TOTAL	64.8

2.2. Impact on employment and investment in Western Sahara

2.2.1. Impact on employment

Given that the main sectors that generate economic development in the region are agriculture and fisheries, the analysis to determine the impact that the entry into force of the agreement has had on the regional economy focuses on these two sectors.

- Agricultural sector

In relation to the agricultural sector, there were 6,847 farms in the region (including all types of activity and products) in 2016. Agricultural activity seemed to be a major source of employment, generating the equivalent of 35,000 jobs in a region with less than 600,000 inhabitants and an unemployment rate at around 15%⁸.

The level of employment in Western Sahara depending on exports to the EU is stable, and according to 2019 data the number of direct employment connected with export activity remains stable at 14,000 jobs, similar to the figures contained in the 2018 report.

- Fishing sector

In the 2018 report, approximately 90,000 jobs were considered directly and indirectly connected to the fisheries activity. According to the available data of 2019, the level of employment is reaching 111,090 jobs, which is an increase of 23%.

Region	Direct employment on land	Direct employment on see	Indirect employment	Total
DAKHLA-OUED ED –DAHAB	9,470	14,358	28,400	52,228
LAAYOUNNE-SAKIA AL HAMRA	7,931	27,231	23,700	58,862
TOTAL	17,401	41,589	52,100	111,090

The number of establishments connected with the fishing sector is 165, divided between the two regions:

- Dakhla-Oued ed Dahab with 98 establishments, and
- Laâyoune-Sakia el Hamra with 67 establishments.

This shows an increase over the 141 establishments recorded in the 2018 report. The two sectors of agriculture and fisheries are both labour intensive, hence the entry into force of the Agreement should be considered as a key factor for maintaining and even increasing the rate of employment, and therefore a strong asset to mitigate migratory pressures, especially in time of economic crisis.

2.2.2. Impact on investments

There are reports of increasing investments in the region, both from Moroccan sources as well as from international investors.

On the one hand, the Moroccan Government is boosting its investments in this region. The “continuation of the implementation of the 2016-2021 development program” of the region is part of the 2021 finance bill orientations. According the presentation of the finance bill

⁸ Ministry of Finance web for 2019 <https://www.finances.gov.ma/Es/Pages/Estadisticas.aspx>

project, investments have been revised upward from Moroccan dirhams (MAD) 77 billion (EUR 7 billion⁹) to MAD 85 billion (EUR 7.8 billion). At the end of March 2020, 158 projects have been finalized for a global cost of MAD 11.68 billion (EUR 1 billion) and there are 318 ongoing projects for a cost of MAD 40.64 billion (EUR 3.7 billion)

The series of investments consist in the finalisation of more than 700 projects covering four pillars:

- Pillar 1 - A new dynamic of growth and regional poles of competitiveness: Economic zones, renewable energies, mining resources, support for small enterprises, agriculture, tourism, crafts, social and solidarity economy, employment.
- Pillar 2 - Inclusive human development: access to basic social services, human development programmes, women's participation in the new development dynamic.
- Pillar 3 - Sustainable development and territorial planning: combating desertification, protected areas, water resources and development of environmentally friendly desalination plants, national and international connectivity through the opening up and digital development of the territory, urban development.
- Pillar 4 - Culture as a lever for development: in view of the important role played by the Hassanian culture in the symbolic and unitary capital of the local consciousness and its economic potential, the new model emphasizes culture as a lever for development and aims at highlighting the cultural specificity of the territory in order to strengthen its cultural vitality.

Details on these programmes is provided for in Annex I to this report.

Another important project is the seawater desalination plant, mainly to provide drinking water but also for irrigation, in Dakhla and Boujdour. According to the timetable, the plant in Dakhla is in the final phase of construction. Such infrastructure will make it possible to increase the cultivated surface area to 5,000 hectares, as part of a Public and Private irrigation project which could create around 10,000 permanent jobs.

On the other hand, Western Sahara regions are making efforts to attract investments, and private investments also continue to increase in projects mainly related to the agricultural sector (new agricultural cooperatives) and fishing (new facilities for the conservation and processing of fish). Projects related to the tourism sector have also been initiated, mainly in the Dakhla-Oued Ed Dahab. Overall, international investments are increasing, which underlies the importance of EU export markets for the Western Sahara economy¹⁰.

⁹ The exchange rate utilised for the conversion of MAD to EUR is 1 EUR = 10.9 MAD.

¹⁰ As examples of recent investment decisions, a Memorandum of Understanding has been recently signed between the investment regional centre of Dakhla-Oued Eddahab and the Oxford Business Group to prepare a Focus Report on Dakhla (The Report Dakhla 2021) for the analysis of business environment in the city, especially on key sectors: agriculture, fisheries, aquaculture, tourism and renewable energies, in addition to education and training. In addition as part of the recent agreement between the US and Morocco, an US company (Soluna technologies) is investing in renewable energies with USD 2.5 billion in wind parks.

2.3. Trends in the first half of 2020 and the impact of COVID-19

Taking into account the information provided by FOODEX¹¹ and the data provided by Moroccan authorities, a comparison of the first semester 2019 with the first semester of 2020 shows the negative impact of the COVID-19 crisis on products originating in Western Sahara to the EU.

Product	January – June 2020 (tonnes)	January – June 2019 (tonnes)
Fish	53,181	55,800
Tomato and Melon	26,956	27,600

In relation to the data on fish, the impact of the COVID-19 pandemic on the sector is likely to be a result of the confinement measures and the lower demand for the product in the European market.

However a comparison of the July-September 2019 trends with July-October 2020 shows a recovery of exports both of agricultural and fishery products, which may be due to the easing of the COVID pandemic during this period:

Product	July –Oct 2020 (tonnes)	July –Oct 2019 (tonnes)
Fish	61,543	46,713
Tomato and Melon	24,231	22,287

Against this backdrop, it is possible to assume that the entry into force of the Agreement has allowed mitigating the downward economic spiral sparked by COVID-19 in the recent months.

2.4 Impact on the use of natural resources

The primary constraint in Western Sahara is water, due to the type of terrain and the lack of rainfall. Research shows that there is groundwater in the region, though it is hard to put an exact figure to the level of reserves and their rate of replenishment.

Water for early-growing crops has so far come from groundwater (also used for drinking water). According to Morocco, groundwater is present in a large area (90,000 km²), is deep (up to 1,800 m) and contains an estimated 3 billion m³ of permanent reserves. The General Monograph of the Region of Dakhla-Oued ed Dahab, produced by the Directorate-General for Local Authorities of the Moroccan Ministry of the Interior, says: “[There is a] sedimentary basin (called Laâyoune-Dakhla) extending along the Atlantic coast in the west and covering an area of some 110,000 km² on the continent. It is relatively rich in extensive underground water reserves, but not enough is known about them and they are quite varied in depth, lithology, productivity and water quality. In hydrogeological terms, however, there are

¹¹ FOODEX, the Food Export Control and Coordination Organization, is a public structure under Morocco’s Ministry of Agriculture, Fisheries, Rural Development, Water and Forests, created in 1986, which supports exports of agri-food and maritime products. This organisation has been in charge of setting up the IT system which provides information on exports from Western Sahara to EU according to the EU-Morocco agreement.

signs that the basin includes several layers of groundwater, containing a potentially major but non-renewable water source”¹².

As for the water management, essential for the development of agricultural activities, despite the large reserves of groundwater, the use of the water table is rationalized due to the generalization of drip systems for crops. According to Morocco, less than 3 million m³, or some 0.1% of available volume, is currently used for agriculture. Since the 2018 report, the most prominent information on irrigation water concerns the launch of the project to build a desalination unit for the irrigation of up to 5,000 hectares of arable agricultural land, whose start was foreseen in 2020. This project consists in building a seawater desalination plant in Dakhla. It will be supplied with wind energy by a park with a capacity of 26 MW. This project is expected to generate 10,000 permanent jobs.

The Dakhla Desalination Project

The project of desalination of seawater for irrigation in Dakhla, set up under Law 13-09 on renewable energies, is designed to provide drinking water but also used for irrigation in the area of Dakhla and Boujdour. The cost of the project is estimated at almost MAD 2 billion (or some EUR 180 million). The public financing is of MAD 1.5 billion, and the remainder (MAD 0.5 billion) is being provided by private investors.

Announced in 2016 as part of the development program for the Dakhla-Oued Eddahab region, this project was entrusted to private operators, under two separate contracts, in order to co-finance, design, build and manage the future wind-powered desalination unit, as well as the irrigation infrastructure, in better technical, economic and financial conditions.

Located in the town of Bir Anzarane at a distance of 1 km from the coastline and about 130 km north of Dakhla, the desalination station has a desalinated water production capacity of 90,000 to 100,000 m³ per day (or 30 million m³/year).

According to the information available¹³, the cost of building the irrigation network amounts to MAD 338 million. MAD 1.64 billion of this sum is spent on the seawater desalination plant, to be supplied with energy by a wind farm with a capacity of 40 MW. The irrigation network is planned for a length of around 130 km serving 5,200 hectares of arable farmland. These lands will be exploited by investors under Public Private Partnership (PPP) contracts launched by the Agency for Agricultural Development.

The plant will have a reverse osmosis desalination technology and will include a wind farm relating to energies renewable, designed to meet the electrical energy needs of the desalination. In its wake, the project aims to create 10,000 permanent jobs, mainly in the Dakhla-Oued Eddahab region, and will benefit young entrepreneurs, small and medium-sized farmers with innovative projects, as well as major agricultural promoters (especially for greenhouse market gardening dedicated to export). It is estimated that it will generate a

¹² Information provided in the 2018 report, section 3.2.1.3, use of resources. No update of this study is available as due to the cost of such evaluation no new assessment has been carried out

¹³ Cf inter alia: <https://aujourd'hui.ma/economie/pres-de-2-milliards-dh-pour-une-unite-de-dessalement-de-leau-de-mer-et-un-parc-eolien-a-dakhla>
<https://fr.le360.ma/economie/dakhla-2-milliards-de-dirhams-pour-un-projet-dirrigation-204659>
<https://lematin.ma/journal/2019/megaprojet-dakhla-starting-blocks/327448.html>

yearly value added of around MAD 500 million (approximately EUR 45 million). The start of the work is planned for early 2021 for the desalination plan, and mid 2021 for the irrigation network.

Other sectors offer investment opportunities in the Dakhla-Oued Ed Dahab region, in particular the renewable energy sector, which has been identified as a driver of growth and which has a strong potential for job creation. Three wind projects aimed at supplying electricity to the local grid are currently already underway.



3. THE IT SYSTEM SET UP BY MOROCCO TO PROVIDE INFORMATION TO THE EU ON EXPORTS OF PRODUCTS ORIGINATING IN WESTERN SAHARA

3.1 Main features of the system

In its non-legislative resolution of 16 January 2019¹⁴, the European Parliament asked the Commission “to ensure that a mechanism will be put in place for Member States’ customs authorities to have access to reliable information on products originating in Western Sahara and imported into the EU, in full compliance with EU customs legislation”, that such a mechanism should “make available detailed and disaggregated statistical data provided timely on such exports” and asked the Commission “to present to Parliament an annual assessment of the conformity of this mechanism with EU customs legislation”.

¹⁴ P8_TA(2019)0016 EU-Morocco Agreement on the amendment of Protocols 1 and 4 to the Euro-Mediterranean Agreement (Resolution) - European Parliament non-legislative resolution of 16 January 2019 on the draft Council decision on the conclusion of the agreement in the form of an Exchange of Letters between the European Union and the Kingdom of Morocco on the amendment of Protocols 1 and 4 to the Euro-Mediterranean Agreement establishing an association between the European Communities and their Member States, of the one part, and the Kingdom of Morocco, of the other part (10593/2018 – C8-0463/2018 – 2018/0256M(NLE)).

Morocco has agreed to set up a mechanism that will cover the exports covered by the Association Agreement as amended by the Exchange of Letters. This mechanism, which was set up very quickly by Morocco, systematically and regularly provides accurate data to enable the European Union to have transparent and reliable data on the origin of these exports to the Union.

This system makes it possible to know all exports to the Union, by region, i.a. of products originating in Western Sahara that comply with the origin requirements of the Agreement, on the basis of the criteria of tariff headings and production, including data such as the quantity in tons, and the value. The data are encoded on a regular basis and made available on a monthly basis. The Commission has direct access to this data, as well as the customs authorities of the Member States of the Union.

The system covers all exports covered by the Association Agreement with Morocco as amended by the Exchange of Letters, by region, and therefore not only from Western Sahara. However, it allows to identify imports of products originating from the territories corresponding to Western Sahara. These territories correspond to three regions, i.e. Laâyoune-Sakia el Hamra, Dakhla-Oued Ed Dahab and Guelmim-Oued Noun. Although there is an only partial overlap between two of these territories and Western Sahara, the information contained in the database on exports from these regions correspond to exports from Western Sahara: on the one hand, there is no production recorded in the Western Saharan part of Guelmim-Oued Noun of the products concerned (agriculture and fisheries) that are exported to the EU; on the other hand, all exports recorded in the system in Laâyoune (a region which is in part in Morocco) correspond to exports from Western Sahara, as there are no exports from the Moroccan area of this territory recorded in the system. Therefore, the information on the regions of Laâyoune and Dakhla covers all exports from Western Sahara under the Agreement.

This system provides for a direct access to precise statistical data on products originating in the regions covered by the Association Agreement, as amended by the Exchange of Letters, and exported to the Union. The system contains data on originating/produced agriculture and fishery goods exported from the region(s) concerned, regardless of the place where they may have been conditioned or boarded for export. Therefore, the criterion of origin is respected.

The data are provided by month, and are available from 20 July 2019 (the following day to the entry into force of the Agreement). The data are collected by the Moroccan authorities on an ongoing basis, but are introduced every month after being validated. The data are broken down by EU Member States of destination if such export data exist in the defined period (by month) and for the Member State concerned.

The database covers all goods that are currently exported from the two abovementioned regions to the EU (vegetables and fishery products), but should there be exports of other products that develop, then the database will be expanded to cover them.

This system is supplemented by the administrative and customs cooperation procedures provided for in the Association Agreement. These provisions enable the customs authorities of the Member States to obtain reliable information on the origin of such imports where this proves necessary for the performance of their duties.

This system has been operational since September 2019, and henceforth the data have been made available to both the services of the Commission and the Member States' customs.

3.2 Assessment of the system and conformity with EU customs legislation

The system put in place by Morocco enables the EU to have reliable statistics on the imports into the EU of products originating from the two regions coinciding for the essential with Western Sahara. The criterion used for the elaboration of export data are the origin of the products, as provided for by the Agreement. Thus, all exports of agricultural or fishery products originating in Western Sahara that are exported to the EU are recorded at aggregated level in the system as exports from those two regions, even if they had been exported from, or packaged in, a port or a location outside the regions of Western Sahara (e.g. Agadir).

This information enables a statistical monitoring of such exports, which can help – together with other trade statistical tools available by the Commission – to identify the trends in imports from Western Sahara and to detect sudden changes in trade patterns that may require further enquiry.

This system is supplemented by a tool available to customs under the Association Agreements: the provisions on administrative cooperation for the management of the provisions on origin of the Association Agreement, which are destined to ensure their proper application¹⁵. These provisions set up a procedure for the verification of the origin of products to make sure that they are entitled to preferential treatment, whether of Moroccan or Western Sahara origin. They provide for procedures for the verification of movement certificates and invoice declarations, to be carried out randomly or whenever the customs authorities of the importing State have reason to doubt the authenticity of such documents, the originating status of the products concerned or the fulfilment of the requirements necessary to comply with the origin rules. This verification is to be carried out via a request to the Moroccan customs authorities, which are bound to respond to the questions posed by Member States' customs under the terms provided for under the Agreement (which refers to products originating in Western Sahara).

Under these provisions the requesting customs authorities shall, except in exceptional circumstances, refuse entitlement to the preferences covered by the amendment to the EU-Morocco Agreement as agreed by the exchange of letters, in case of reasonable doubt by the customs authorities of the importing Member State that the products concerned originate in Western Sahara as provided for under the agreement, on the basis of information provided for in the invoices, the IT system set up by Morocco or other evidence, if:

- a) there is no reply by the Moroccan authorities to the customs authorities' request within a certain period (10 months), or
- b) the reply does not contain sufficient information to determine the authenticity of the document in question or the real origin of the products¹⁶.

The IT system set up by Morocco provides information to the Commission and to Member States' customs at aggregated level per region and per product, and as such does not contain any element that could be considered in contradiction with EU customs legislation. This mechanism is a region-based statistical tool that provides information at aggregated level on the import per product of goods originating in Western Sahara; it does not provide by itself

¹⁵ Protocol No 4 to the Agreement concerning the definition of originating products and methods of administrative cooperation, in particular Title V on Arrangements for Administrative Cooperation.

¹⁶ Paragraphs 1 and 6 of Article 33 of Protocol No. 4 of the Association Agreement.

information at consignment level that could be collected directly by customs authorities on the basis of the customs declarations and movements certificates.

The procedures for verification of origin are provided for in the Association Agreement and are applicable directly by Member States' customs authorities. To the Commission's knowledge, the legality of both the Moroccan IT system and of the actions undertaken by Member States' customs under the administrative cooperation procedures have not been subject to any legal challenge before the courts.

4. OVERALL FRAMEWORK AND FUNDAMENTAL RIGHTS

4.1 Political and cooperation framework

Official international sources on the human rights situation in Western Sahara remain scarce, while unofficial sources of assessment are very polarised. This section will thus concentrate on the former, which are mainly to be found in the latest available UN sources (see the latest report by the UN Secretary General on Western Sahara to the UN Security Council of 23 September 2020 in Annex 3).

Western Sahara is considered by Morocco as an integral part of its own territory, where its overall national policy concerning human rights therefore equally applies. By way of consequence, and without prejudice to the EU's own position on Western Sahara (which is recalled in the Agreement), the situation of human rights in Western Sahara has traditionally been followed by the EU pursuant to the institutional framework governing bilateral EU-Morocco relations.

The human rights situation was last officially addressed in the framework of the 24th EU-Morocco Association Council held on 27 June 2019, and the planned EU-Morocco sub-committee on Human rights, originally scheduled for the first semester of 2020, had to be postponed for sanitary reasons linked to the pandemic of COVID-19.

The adoption and entry into force in July 2019 of the EU-Morocco agreement extending preferential tariffs to products originating in Western Sahara contributed to the normalisation and relaunch of EU-Morocco relations and, as such, to maintaining their dialogue and constructive cooperation on the protection of human rights, which could have been otherwise affected or compromised. Moreover, it can be inferred that the overall contribution of the said agreement to the socio-economic development of Western Sahara has also had a positive spill over effect on the protection of human rights, in particular in their socio-economic dimension, which was a strong claim of most of the Sahrawi stake-holders consulted in 2018 in the run up to the entry into force of the agreement.

This continued EU engagement and cooperation policy is largely in the spirit of the recommendations expressed in the latest report of the UN Secretary General on the situation of Western Sahara (23 September 2020) and the latest resolution of the UN Security Council (2548) on Western Sahara (30 October 2020). At the same time, the EU has remained committed to providing humanitarian assistance to the Sahrawi refugees in the camps and increased its involvement in resilience-oriented activities.

4.2 The current situation

After three years of standstill, EU-Morocco political relations were relaunched in January 2019 with a visit of HRVP Mogherini to Rabat. For the first time in four years, an Association Council subsequently took place in Brussels on 27 June 2019. On the occasion of the meeting, a Joint Political Declaration was adopted. This Declaration, the first of its kind, emphasized shared values, including regarding human rights and good governance, as one of the main areas of future cooperation. In parallel, the EU Delegation continued to organize regular meetings with Member States to discuss ongoing developments pertaining to human rights, including through interactions with the National Human Rights Council (CNDH), the Inter-ministerial Delegate for Human Rights (DIDH) and civil society. The human rights situation was also a key component in the thematic Gender Group which met periodically, co-chaired by Belgium and the EU in 2019.

For the year 2019, the overall assessment of the human rights situation in Morocco, as reflected in the EU annual report on human rights in the world, indicated that Morocco made a series of important efforts regarding the promotion and protection of human rights and fundamental freedoms in order to move ahead in the reformist human rights agenda set out in the 2011 Constitution. Results were overall uneven, however, with progress in some areas and remaining long-term challenges that still need to be tackled in some others.

Besides significant steps forward, the EU report notably noted, however, that the cases of journalists and citizens prosecuted for criminal offenses related to freedom of expression, including in social media, also increased in 2019. Morocco maintained last year's rank as number 135 on the 2019 World Press Freedom Index by Reporters without Borders, albeit with a slightly higher negative score this year. Freedom of assembly and association remain sensitive areas too, with the reported restrictions to registration.

The 'EU-Morocco Action Plan implementing the advanced status' for the period 2013-2018, which was extended by two years in 2019, is the basis for EU actions in Morocco. The focus areas for dialogue and cooperation include: the strengthening of processes and institutions that guarantee democracy and the rule of the law, in particular the CNDH; decentralisation and regionalisation; the reform of the justice system; the promotion and protection of human rights and fundamental freedoms; freedom of expression and media professionalization and freedoms of association and assembly, promotion of women's rights and gender equality, children's rights and the rights of vulnerable people; cooperation with the Council of Europe; and the fight against corruption.

In 2019, the EU provided financial and technical support to Morocco in the field of democracy and human rights through budget support to promote gender equality, good governance, the implementation of the migration policy and reform of the justice sector. The EU acknowledges the important role played by civil society, including through its support to civil society actors.

In particular, the 2019-20 Annual Action Programme (AAP) includes a specific action to support human rights in Morocco ("Hoqouq wa Himaya"), with an overall funding of EUR 5 million, which will contribute to good governance in the field of human rights by supporting the constitutional body for human rights, the CNDH, and the Inter-ministerial Delegation on Human Rights. Other complementary actions include support to the public administration reform (EUR 40 million) and support to the capacities of the Moroccan Parliament (EUR 4 million). In addition, throughout 2019 the implementation of the

"Moucharaka Mouwatina" ("Citizen Participation") programme 2018-2020, in support of civil society to promote socio-economic rights at the local level, continued in four different regions of Morocco. Its objective is to strengthen the role of civil society in the development and monitoring of public policies within the framework of the process of advanced regionalisation initiated in Morocco, along three priority lines: youth, environment and gender equality. Progress was also achieved in the implementation of the EU budget support programme 2015-2020 in the field of justice (EUR 70 million), which contributes to significantly reinforcing the judicial system, including through capacity-building of justice actors and to raise awareness on human rights.

Morocco is a State party to all major United Nations conventions on human rights, and cooperates in the reporting cycles. Morocco was a member of the Human Rights Council (HRC) between 2014 and 2016, and is an active member of several core groups, authoring several resolutions which promote human rights in important areas. Its last Universal Periodic Review (UPR) took place in 2017. Morocco, which observes a de facto moratorium, continued to abstain from voting for the international abolition of the death penalty, when a resolution on the matter was presented to the UN Third Commission. A national mechanism for the prevention of torture has been put in place by the CNDH.

4.3 Western Sahara and related UN process

Western Sahara is listed by the United Nations as a non-self-governing territory, whose status remains the object of a negotiation process conducted under the auspices of the UN. This dedicated UN-led process assists the parties in achieving a just, lasting and mutually acceptable political solution, which will provide for the self-determination of the people of Western Sahara in the context of arrangements consistent with the principles and purposes of the Charter of the United Nations.

In this context, two roundtable meetings were held in Geneva in December 2018 and March 2019 under the auspices of the then Personal Envoy of the UN Secretary-General for Western Sahara, Horst Köhler. Delegations representing Morocco, the Frente Polisario, Algeria and Mauritania took part to the meetings. However, the UN-sponsored process has remained on hold since the resignation of former Personal Envoy Köhler in May 2019.

The mandate of the UN peacekeeping mission in Western Sahara, MINURSO (Mission des Nations Unies pour l'Organisation d'un Référendum au Sahara Occidental) was renewed for a period of one year by the UNSC Resolution 2548 of 30 October 2020. The EU conveyed its resolute support to the UN process and to increased regional cooperation. In line with the latest UNSC resolution, the EU welcomed the momentum initiated at the end of 2018 – early 2019 in the political process and looks forward to the resumption of consultations between the incoming Personal Envoy and Morocco, the Frente Polisario, Algeria and Mauritania in this regard, in order to build on the progress achieved.

The EU has repeatedly expressed its concern about the long duration of the conflict and its implications for security and human rights at a regional level. The EU has consistently encouraged the parties to continue their respective efforts to enhance the promotion and protection of human rights in Western Sahara while welcoming the strengthening of the CNDH operating in Dakhla and Laayoune.

The EU has also followed up on alleged individual cases of human rights violations through

its contacts with civil society organisations, human rights defenders, the CNDH and its regional offices, particularly regarding freedom of assembly and the right to protest. According to independent sources, in 2019 local human rights NGOs continued to face obstacles to their legal registration.

5. MAIN CONCLUSIONS

■ *Confirmation of trends from the report of 2018 and a positive impact in terms of trade.*

The data available since the entry into force of the agreement show that the agricultural and fishery industries from Western Sahara have benefitted, most notably with respect to exports of fishery products. Both sectors show positive results, with increases in terms of production, which has a positive effect on the level of employment and rate of investment.

In terms of tariff preferences, depriving Western Sahara of such preferences would have caused a disadvantage as compared with other regional economic actors, all of which enjoy tariff preferences in their exports to the EU, which would have resulted in a loss of export markets for the economy of Western Sahara. The commercial margin of some Western Sahara exporters (e.g. canned fishery products) is limited, which means that the existence or not of tariff preferences makes an important difference in terms of market access.

■ *Implementation of the agreement: exchange of information system.*

The agreement is being implemented smoothly. The main tools for a proper implementation are in place and function properly. The first exchange of information as set out in the Decision No 1/2020 of the EU- Kingdom of Morocco Association Committee of 16 March 2020 was carried out in a spirit of cooperation, and the system that provides on a monthly basis information on exports from Western Sahara to EU is also in place and functions adequately.

■ *Positive dialogue between the contracting Parties*

There is a positive and constructive dialogue between the European Commission and the Moroccan authorities in order to resolve any issue that might arise in the implementation of the Agreement. There are regular contacts at technical level in order to clarify or further enrich the information provided and to discuss potential challenges in order to ensure the correct implementation of the agreement.

■ *Continuous monitoring of the impact.*

At this stage and after one year since the entry into force of the agreement, the Commission services continue to monitor the implementation of the agreement and manage the information provided by the Moroccan authorities. Special attention will focus on the possible side effects of the COVID-19 crisis on the implementation of the agreement.

The future report will benefit from the possibility by the Commission services to visit production facilities in Western Sahara and to interact with economic operators and other representative interest and social organisation. The Moroccan authorities have already

expressed their willingness to facilitate the visit as needed.

■ *Investments in infrastructure*

The report provides information on a number of infrastructure projects undertaken by Morocco in Western Sahara in support of the economic development of the region.

■ *Use of natural resources*

The report does not contain new information with respect to the use of groundwater. However, it notes the launch of an important desalination project based on the use of renewable energy in the Dakhla area, which will provide for sufficient water supply both for the population and to replace the use of ground water, in addition to providing electricity and generating employment.

■ *Overall political and human rights situation*

The EU looks forward to the swift resumption of the UN-sponsored efforts towards the settlement of the conflict under the guidance of a future Personal Envoy of the UN Secretary General. The EU's pragmatic approach, including with respect to trade arrangements applicable to products from Western Sahara, are conducive to a better socio-economic environment and dovetail our continued engagement in support of the UN endeavours.

ANNEX 1

Relevant projects from the Development Program in the regions of Laâyoune-Sakia el Hamra and Dakhla-Oued ed Dahab (2016-2021)

The Development Program in the regions of Laâyoune-Sakia el Hamra and Dakhla-Oued ed Dahab for 2016-2021 focuses on the investment in different relevant sectors such as phosphates, renewable energies, agriculture, port and road infrastructures.

The breakdown by region is as follows:

1. Region of Laayoune Sakia Al Hamra (269 projects): MAD 47,287 billion (57%).
2. Region of Dakhla Oued Eddahab (155 projects): MAD 21,196 billion (25%).

As of November 2019, the progress of the programme shows that approximately 75% of the projects are either completed or in progress. The budgets actually committed for all the projects at the end of November 2019 reached MAD 40.5 billion, i.e. an overall financial commitment rate of 50%.

A. Completed projects (135 projects, MAD 8,289 million)

Completed main projects include the following:

- The extension of the Akhefennir wind farm (extension capacity of 100 MW, including all taxes and charges is MAD 1,800 million).
- Two solar energy parks in Nour in Laayoune and Boujdour (MAD 1,328 million).
- The reinforcement of the drinking water supply of the city of Dakhla (MAD 250 million).
- Liquid sanitation in the city of Dakhla (MAD 245 million).

B. Projects in progress (302 projects, MAD 44,862 million)

These main ongoing projects include in particular:

- The connection of Dakhla city to the national electricity network (MAD 2,372 million).
- The Foug El Oued Technopole (MAD 2,080 million).
- Projects for the development of small pelagic areas in Dakhla (MAD 1,402 million).
- Projects for the development of camel, goat and sheep red meat in the region of L51-1 (MAD 845 million).

C. Projects in the process of being started (13 projects, MAD 8,095 million).

In particular:

- Seawater desalination project for the irrigation of the 5,000 ha north of Dakhla (MAD 2,000 million) the Public Private Partnership Agreement of which has just been signed.

D. Projects still to be launched mainly in 2020 (269 projects, MAD 21,969 million)

The remaining important projects to be launched are in the following order:

- The New Port Dakhla Atlantic (NPDA) in the tender to construct a new infrastructure by 2030 with a bid of EUR 966 million; the first phase of 10,000 million was due to start in 2019.

ANNEX 2

In the latest report on Western Sahara to the UN Security Council of 23 September 2020, which covers the whole territory of Western Sahara, the UN Secretary General noted that:

“68. In its resolution 2494 (2019), the Security Council strongly encouraged enhancing cooperation with the Office of the United Nations High Commissioner for Human Rights (OHCHR), including through facilitating visits to the region. Lack of access by OHCHR to Western Sahara continues to result in substantial gaps in human rights monitoring in the Territory. Human rights defenders, researchers, lawyers and representatives of international non-governmental organizations also continue to experience similar constraints.

69. OHCHR remained concerned about the continued trend of restrictions on the rights to freedom of expression, peaceful assembly and association in Western Sahara by Moroccan authorities. During the reporting period, OHCHR received reports of harassment, arbitrary arrest and sentencing of journalists, lawyers and human rights S/2020/938 20-12400 13/18 defenders. OHCHR also received several reports about torture, ill-treatment and medical neglect in Moroccan prisons, with civil society organizations and lawyers advocating for the release during the COVID-19 pandemic of Sahrawi prisoners such as the Gdeim Izik group and a group of students.

70. I received letters from Morocco on 14 August and 24 August 2020 that provided information concerning the “daily promotion and protection of human rights and fundamental freedoms” in the Territory, including information on the specific incidents outlined in my regular reports to the Security Council, as well as information regarding alleged “violations of human rights, fundamental freedoms and international humanitarian law in the Tindouf camps”.

71. Furthermore, the human rights situation in Western Sahara has been adversely affected by the COVID-19 crisis, especially with regard to economic and social rights. OHCHR received reports of negative consequences of border closures, impediments to humanitarian aid and decreased economic activities in the Tindouf refugee camps. OHCHR also received reports of harassment, arrest and ill-treatment by Frente POLISARIO security forces of bloggers, doctors and nurses engaged in documenting COVID-19 cases in the Tindouf camps.”

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