

**ACTION FICHE 1 FOR AN 'EXPERT SUPPORT FACILITY – THIRD PHASE' UNDER PRIORITY 1 & 2 OF THE LONG-TERM COMPONENT OF THE INSTRUMENT FOR STABILITY**

**1. IDENTIFICATION**

Title/Number	<b>Expert Support Facility – Third Phase</b>		
Total cost	€2.5 million, of which: €1.5 million from budget line 19 06 03 €1 million from budget line 19 06 02 01		
Aid method / Method of implementation	Centralised direct management through Framework Contracts and administrative arrangement with the Joint Research Center		
DAC-code	15210	Sector	Security system management and reform

**2. RATIONALE**

**2.1. Sector context**

The 2003 European Security Strategy<sup>1</sup> (ESS) listed a number of diverse but interlinked threats which coincide with the many challenges covered by the long-term component of the Instrument for Stability (IfS). Proliferation of weapons of mass destruction, terrorism, organized crime and trafficking in drugs, human beings, small arms and light weapons, etc. are of concern for every state and must be addressed jointly.

The relevance of the Expert Support Facility (ESF) is further confirmed as a flexible tool to support the definition and setting up of measures implementing the ESS, by enabling to benefit from the specific knowledge and expertise available in the EU. In as sensitive and highly technical domains as the proliferation of weapons of mass destruction on the one hand and global and trans-regional threats to security on the other, considerable expertise is needed to identify and prepare actions included in the 2007-2011 Strategy and beyond, as well as to identify other priorities and longer term needs of beneficiaries, and to address them in the best possible way. To this end, the beneficiaries of the Instrument for Stability and the Commission must be able to draw upon the expertise provided by EU Member States' public and para-public institutions to support the identification, programming and implementation of Art. 4(1): 'Counteracting Global and Trans-regional Threats' and 4(2): 'Non-Proliferation of Weapons of Mass Destruction' of the IfS<sup>2</sup>.

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<sup>1</sup> European Security Strategy, *A Secure Europe in a Better World*, Brussels, 12 December 2003.

<sup>2</sup> The expertise of international organisations, academics and NGOs' might also be used in limited cases where MS do not express interest or do not possess the appropriate expertise.

## 2.2. Lessons learnt

The first and second phases of the ESF were launched in 2008 and 2009. Initially, priority was given to the preparation of the programming exercise for 2009-2011 by early consultations with beneficiaries and field assessment missions to identify their priorities within the IfS Strategy 2007-2011 in the areas covered by the Art. 4(1) and 4(2) of the IfS. This was done primarily appealing to EU MS expertise.

In order to involve high quality experts from the MS specialised services, an informal consultation was sent to the MS permanent representations and ESF contact points and posted on CIRCA, seeking expertise and support in 5 Areas:

- Fight against trafficking along the Cocaine Route;
- Critical maritime routes;
- Counter-Terrorism and financial and organized crime;
- Improving biosafety/biosecurity laboratories in high risks areas;
- CBRN training Centre on Safety and Security.

The response has been positive, leading to five consortia composed of 50 experts from 9 EU MS, selected on the basis of their experience and area of specialization. Contracts have been awarded to four public and para-public organisations in EU Member States.

The team of multidisciplinary experts, drawing upon the judiciary, law enforcement, research institutions and specialised laboratories and services, under the supervision and support of the Commission, has carried out a number of in depth analysis and consultations in beneficiary countries covering Western Africa, Northern Africa and the Mediterranean, the Sahel, South-Eastern Asia, Central and South America and the Caribbean.

The first phases of the ESF allowed to carry out between 2008 and early 2009 more than 40 visits in beneficiary countries, including on:

- Cocaine Route Trafficking (Senegal, Guinea Bissau, Cape Verde and Ghana; Venezuela, Panama Colombia, Brazil, Ecuador, Trinidad & Tobago, Barbados, Dominican Republic, Cuba, Panama, Peru; Vienna –UNODC- and Lisbon –MAOC-N);
- Critical Maritime routes (Singapore, Malaysia and Indonesia (Straits of Malacca) and Djibouti, Saudi Arabia and Yemen (Horn of Africa/Gulf of Aden), plus London (International Maritime Organisation);
- Counterterrorism & Organised Crime (Mauritania, Niger and Mali, plus Algeria –CAERT-, Morocco and on Money laundering and Financial Crime (Argentina, Brazil and Colombia; Trinidad & Tobago, Barbados, plus St. Lucia & Kitts);
- Bio-safety / Bio-security (Malaysia, Thailand, Jordan, Egypt, United Arab Emirates (UAE), Philippines);
- CBRN training Centre on Safety and Security (Singapore, Indonesia, Jordan, Egypt, Morocco, UAE).

This could significantly contribute to the better involvement and pre-endorsement of beneficiaries already at the indicative programming phase, and a better definition of priorities for the years 2009-2011.

Experience gained from this exercise shows that early involvement of beneficiaries is key and indicates that Member States' services are able to provide high quality expertise even at short notice.

As envisaged already during the second phase, the experience also indicated that, given the scale of the activities and number of experts involved, a more formalized procedure (Framework Contract with organisations in EU Member States) should be pursued in the future. The Framework Contract is aimed at Agencies, Departments and Ministries and all public sector organisations of Member States relevant for Priorities 1 & 2 of the IfS. A limited number of Lots have been established comprising individual organisations or consortia thereof, for a validity of up to five years (initially three years). Full transparency of the procedure will be ensured under the responsibility of the Commission, including for what concerns the selection of candidatures.

Secondly, cooperation with the Joint Research Centre (JRC) has been continued on the basis of the administrative arrangement signed in 2008. The JRC has continued to support the implementation of the ESF in the following areas: nuclear security threats, export control on dual use goods, illicit CBRN trafficking and proliferation, CBRN materials security, reconversion of WMD scientists, and money laundering tracking, critical maritime transport routes. Additionally, the following areas are within the scope of such support, and others may be considered in due time: advanced marking and tracing systems for small arms and light weapons, bio-risk and preparedness, web mining and intelligence and global geospatial infrastructure, geospatial intelligence and analysis. The JRC has in particular provided support for a number of specialised workshops in the areas of Priority 1 (Art. 4.2) and has contributed to part of the Critical Maritime Routes programme under Priority 2 (Art. 4.1).

### **2.3. Complementary actions**

The present action complements other instruments of financial and technical cooperation, including geographic and thematic programmes, as well as other tools for implementation of EU policies concerning security, and in particular the crisis-related interventions of the Instrument for Stability, both in its short-term and long-term components (Art. 3 and 4.3).

### **2.4. Donor coordination**

Intra-EU coordination was enhanced by the mobilisation of EU Member States by the Commission. Furthermore, the experts mobilised so far were specifically given the task of identifying priority areas and actions already addressed by donors, including the Commission, EU Member States and other relevant actors (*inter alia* UNODC, WCO, IMO, Interpol, US, ...) in order to create synergies and contribute to coherence of EU action.

## **3. DESCRIPTION**

### **3.1. Objectives**

The overall objective of the ESF is to contribute to the aims of the long-term component of the IfS by ensuring the best use of the resources in terms of the priorities to be addressed and the impact of responses. Actions under the ESF will enhance coordination with other donors, particularly but not exclusively EU Member States.

The specific objective is to establish the ESF as a flexible structure aiming at the provision of more reliable and effective technical assistance to beneficiaries in the areas covered by the IfS. To this end, the ESF is responsible for the support to the preparation and implementation of trans-regional and/or multi-purpose projects and programmes at the programming and implementation levels, as a centre of expertise.

After the first years of operations within the Framework Contract (FWC), the possibility to extend the ESF in order to support actions financed under other priorities areas within the IfS or to other instruments, institutions, or Member States will be assessed as appropriate. The present phase will continue to focus on Priorities 1 & 2 of the IfS (articles 4.1 and 4.2 of the IfS Regulation), in particular to test the FWC approach.

### **3.2. Expected results and main activities**

The ESF will contribute to the analysis which will constitute the basis for programming and implementation of Art. 4(1): 'Counteracting Global and Trans-regional Threats' and 4(2): 'Non-Proliferation of Weapons of Mass Destruction' of the IfS in the following years. Like in the first two phases, on the basis of requests from beneficiary countries and Commission services, the expected results to be achieved and the corresponding activities to be undertaken by the second phase of the ESF may include the following:

- The capacity to support and to assist beneficiary countries in the framework of regional or trans-regional initiatives (short term training, legal advice, national security strategy support, etc.) to be later followed-up under the IfS is enhanced;
- The development of quality policy, strategies and overall programming is enhanced through the advisory groups and through access to quality studies undertaken by appropriate EU and third country experts and the establishment of sustainable relationships with the beneficiary countries:
  - (1) Organising and facilitating workshops/seminars/conference/study visit programmes with high-level specialists gathered under consortia led by EU MS;
  - (2) Undertaking studies covering risk analysis, assessments, identification/definition of needs, feasibility, analysis,
  - (3) Identifying synergies with actions by other donors;
- Support is provided in the identification and formulation of projects and programmes in support to and taking into account the real needs and priorities of beneficiary countries:
  - (1) Conducting needs-assessment missions;
  - (2) Consulting and informing beneficiary countries in order to ensure their ownership;
  - (3) Drafting project proposals, terms of references, etc.;
  - (4) Ensuring the final endorsement by the beneficiary countries.
- Deployment of experts on a short-, mid- or long-term basis for the carrying out of fact-finding and needs-assessment missions; the provision of ad-hoc technical assistance, advices, trainings, capacity building inputs, etc.; or the concrete implementation in full or in part of programmes and projects:
  - (1) Taking delivery of and processing requests from beneficiary countries and Commission services for expert deployments;
  - (2) Recruitment of experts via public and/or para-public bodies already pre-selected under framework contract procedure;
  - (3) Preparing the experts through documentations, meetings and briefings in Brussels and/or the field.
  - (4) To the extent possible, consider the possibility of train the experts on EC policies and procedures

- (5) Support in making logistical arrangements for the deployment of selected experts;
  - (6) Managing contracts with EU MS and other partners<sup>3</sup>, notably processing payments;
- Programmes and projects implemented in/with beneficiary countries are monitored and evaluated:
    - (1) Monitoring the ongoing programmes and projects financed under the IfS and providing recommendations on necessary corrective measures;
    - (2) Carrying out evaluations of programmes and projects including the assessment of outputs, outcomes and impacts;
  - A sustainable institutional memory of actions in counteracting trans-regional threats is maintained in the Commission and, when appropriate, shared with relevant stakeholders, in particular EU Member States:
    - (1) Maintaining and updating a restricted database gathering lessons learnt (mission, monitoring and evaluation reports, etc.) from EC and partners' programmes and projects to be made accessible to relevant stakeholders with the prior approval of the Commission and taking due account of issues relating to the use and access to classified information;
    - (2) Maintaining a publicly accessible website containing publicly available information on EC's programmes and projects under Art. 4(1&2) of the IfS in order to guarantee them high visibility as well as other useful information on security-related issues;

Both the database and the website will be developed in accordance with Regulation (EC) No 45/2001 to ensure adequate level of protection of individuals with regard to the processing of personal data by the Community institutions and bodies and on the free movement of such data.

Furthermore, the data stored (expert details, reports, analysis and other documents concerning sensitive issues) will be protected against unauthorised access. Access to the database as well as to a "members only" area shall be conditional to prior authorisation.

Building on the first phases and taking into account the IfS Indicative Programme 2009-2011 period, thematic areas to be covered in the framework contract scope have been divided into seven (7) Lots, as follows:

- Lot 1 (Prevention of CBRN illicit trafficking and deceptive financial practices)
- Lot 2 (Support for bio-safety and bio-security)
- Lot 3 (Redirection of former weapon scientists and engineers)
- Lot 4 (Multilateral Nuclear Assurances)
- Lot 5 (Counterterrorism)
- Lot 6 (Illicit Trafficking/Organized Crime; Drugs, Arms and Trafficking in Human Beings)
- Lot 7 (Critical Infrastructure, including maritime security and safety)

All the actions are intended not to duplicate Common Foreign and Security Policy actions.

Member States will be regularly informed of planned activities through the network of National Contact Points and when appropriate through the relevant Council Committees

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<sup>3</sup> Including international organisations and other relevant bodies and agencies as appropriate.

(CODUN, COTER, etc) in order to ensure a common political framework and full complementarity with the Council.

The Joint Research Centre (JRC) will also contribute to the objectives of the long-term component of the IfS by ensuring the optimum use of available expertise. The JRC will contribute within its established areas of excellence *inter alia* via: (1) Execution of studies: strategic risk analysis, threats assessments or fact-finding missions, needs assessment, feasibility; (2) Deployment of experts and (3) Definition of new IfS projects.

### **3.3. Risks and assumptions**

There are no particular risks in the design and implementation of this action. The consultation launched in the first phases of the ESF and during the invitation to express an interest for the FWC, proved that among the MS there is potential for mobilization of the type of expertise in question. To avoid the risk of discrimination, attention will continue to be paid to transparency and to the fair treatment of EU MS, including in terms of eligibility of organisations to participate to the framework contract procedure.

### **3.4. Crosscutting Issues**

All actions under the ESF will be carried out according to good governance and with respect of human rights. Gender issues will also be mainstreamed, notably during experts' selection.

### **3.5. Stakeholders**

The main stakeholders are the beneficiary organisations and countries which will directly benefit from this expertise both through direct assistance and through the improvement of the assistance provided to them. The impact will go beyond the amelioration of EC assistance as their knowledge on trans-regional threats will be both directly and indirectly enhanced, thereby improving their own policies and actions.

Other stakeholders are EU MS and the Commission which will also benefit from this enhanced knowledge as well as from an increased coordination.

## **4. IMPLEMENTATION ISSUES**

### **4.1. Method of implementation**

The implementation method will be direct centralised management.

In order to ensure coherence, the ESF activities and functioning will be guided by a Steering Body representing the concerned Commission services. The Steering Body will meet indicatively on a quarterly basis to set priorities, provide guidance, advice, feedback and recommendations on actions to be carried out by the ESF. In specific cases, meetings of the Steering Body could also be extended to representatives of EU MS.

The Commission will be responsible for ensuring the necessary commitment of national authorities/entities and for concluding the arrangements with the EU Member States and other potential partners<sup>4</sup> and for launching all necessary procedures.

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<sup>4</sup> Including international organisations and other relevant bodies and agencies.

In particular, the Commission has launched a framework contract procedure in order for the Member States organisations or services to be able to provide the expertise that can contribute to the tasks of the ESF in a standardised process. In order to ensure the necessary management and logistical support, the direct mobilisation of individual experts is not to be applied and organisations in EU Member States have been targeted. In order to ensure fair treatment of Member States and maximise the response, the eligibility of organisations in EU Member States has included any public and para-public organisations, including –not exhaustively– ministries, departments, the judiciary, police forces, as well as laboratories and research or academic institutions. In exceptional cases, private bodies owned or participated by public bodies and having an official mandate from the Member State have also been considered eligible.

The direct award of contracts to organisations in EU Member States to be called to respond to the framework contract procedure is based on Article 242 of the Implementing Rules, and more specifically on indents b) and h). Given the nature of the subjects to be covered (counterterrorism, organised crime, illicit trafficking, etc.), Organisations in Member States provide the best guarantees in terms of ensuring the special and essential interests of the EU involved, EU visibility, in addition to address confidentiality and security concerns. A prior approval from the authorising officer (Director General level) has been obtained.

At the time of submission of this Fiche 179 expressions of interest have been received from 18 EU Member States. The signature of the Framework Contract with entities and consortia is planned indicatively by July/September 2009.

Activities under the third phase of the ESF will be complemented by the database containing reports and studies prepared during expert missions. Access to the data will be ensured via web site. Given the sensitive nature of some data, access will be restricted to the Commission, Member States and selected beneficiary countries' interlocutors and any personal data will remain restricted at EU level. Data will be handled according to the Regulation (EC) No 45/2001 and protected against unauthorised access with respect of personal data protection and confidentiality requirements. The Commission is responsible for setting up and maintain the website and database, whose management will remain centralised. The database design, elaboration and testing phases will have been completed by the first half of 2009, and thereafter the system will go into production in order to be operational by end 2009.

Indicative figures and an indicative planning for the assignments to be launched in 2009 and early 2010 have been also communicated to Member States (ESF Focal points and IfS Management Committee). In case the expertise required cannot be covered by the ESF framework Contract, the Commission might recur to standard procedures.

The JRC will continue to play an important role in the ESF. After the first years of operations the existing Administrative Arrangement will be assessed with a view to a possible follow up.

Regular meetings with Member State representatives concerning activities which are performed and planned under the ESF will continue to be organized by the Commission. Information and planning about the ESF has been given during the IfS Management Committee meeting in December 2008, and a clarification meeting was held in March 2009. Member States have also been invited and attended the Validation Workshops of the ESF held in February 25-26 2009 (Cocaine Route of Trafficking in Latin America, the Caribbean and West Africa) ) and March 9-10 2009 (on Critical maritime Routes from the Straits of Malacca to the Horn of Africa and the Gulf of Aden). The same is planned for Priority 1 Workshops in 2009.

#### **4. 2. Procurement and grant award procedures**

All contracts implementing the action must be awarded and implemented in accordance with the procedures and standard documents laid down and published by the Commission for the implementation of external operations, in force at the time of the launch of the procedure in question.

#### **4.3. Budget and calendar**

The allocation for the present action will be €2.5 million of which €1.5 million from the budget line 19 06 03 and €1 million from the budget line 19 06 02 01. This budget will cover the costs incurred under the third phase for a period of 24 months.

The major part of resources will continue to be dedicated to fund activities with Member States' services aimed at beneficiary countries. Further determination of main priorities for budget allocation will be determined by the Commission with full information provided to Member States.

Any remaining balance from this action may be reallocated to the budget of another action, preferably within the same priorities. Expenditures made for assignments in relation to a specific project under the IfS will be covered by the related project budget.

#### **4.4. Performance monitoring**

This action will be monitored according to EC standard procedures. The number of experts and organisations mobilised, reports and analysis produced as well as beneficiary countries' feedback are planned to be amongst the performance indicators.

Regarding specifically the FWC, annually the workings will be discussed between the EC and Member States' representatives. Six months before the end of validity of the FWC (ie indicatively by early 2011) an assessment of the first three years of operations will be carried out and adjustment may be introduced in view to the possible extension for a further two years.

#### **4.5. Evaluation and audit**

An audit will be carried out at the end of the action by independent auditors. Furthermore, this action is subject to examination by the European Court of Auditors and the European Anti-Fraud Office.

#### **4.6. Communication and visibility**

As the operator of the ESF is the Commission itself, the maximum EC visibility will be ensured. EU visibility will also be guaranteed since the expertise will first and foremost be drawn within EU Member States. Specific requirements will be included in the terms of reference of experts' missions so as to make sure that they act on behalf of the EC and that the latter is identified as donor.

Finally, the website will produce and disseminate as much information as possible on projects and programmes funded under the IfS and thereby put the EC contribution to the fight against WMD proliferation and trans-regional threats high in evidence. All measures will be in accordance with the rules on the visibility of external actions laid down in the Communication and Visibility Manual for EU external actions of April 2008.

**ACTION FICHE 2 FOR SUPPORTING THE FIGHT AGAINST ORGANISED CRIME ON THE COCAINE ROUTE UNDER PRIORITY 2 'COUNTERACTING GLOBAL AND TRANS-REGIONAL THREATS' OF THE LONG-TERM COMPONENT OF THE INSTRUMENT FOR STABILITY**

**1. IDENTIFICATION**

Title	Supporting the fight against organised crime on the cocaine route – Phase I (COCAINE ROUTE I)		
Total cost	€6.5 M from budget item 19.06.03		
Aid method / Management mode	Project approach – Centralised direct management  Joint Agreement to an International Organisation through a standard contribution agreement with UNODC for the first component Centralised direct management through direct attribution of service contract(s) to a Member State organisation or consortia thereof for the second component Centralised direct management through the direct award of grants for the third and fourth components		
DAC-code	15210	Sector	Security system management and reform

**2. RATIONALE**

**2.1. Sector context**

The drugs problem can be viewed from various perspectives, ranging from the political, to health, to research, to everyday practice in the field and to operational cooperation against drug trafficking. Legislation and policies through which the approach will ultimately take shape have to take account of all these aspects and bring them together in coherent and consistent propositions.<sup>5</sup>

Drug trafficking is one of the major activities of organised crime worldwide, creating insecurity and connected closely with other forms of trafficking as well as with money laundering and corruption, which are all major hindrances to development and constitute a possible source of terrorist financing. The basic principles and priorities agreed upon in the EU Drugs Strategy 2005-2012 and the EU Drugs Action Plan 2009-2012.<sup>6</sup> will be likewise taken into due account. The present project will concentrate on cooperation against trafficking with a strong concentration on the fight against organised crime.

In recent years, there has been a marked increase in the trafficking of cocaine from Latin America via Caribbean towards West Africa to Europe.

<sup>5</sup> Cited from EU Drugs Strategy (2005-2012), Art.7.

<sup>6</sup> EU Drugs Strategy 2005-2012 (CORDROGUE 77/ 15074/04); EU Drugs Action Plan for 2009-2012 (2008/C 326/09).

Around 85% of all cocaine seizures were made in North, Central and South America. Seizures are continuing to increase in West and Central Europe and they have begun to increase in West Africa until 2007.<sup>7</sup> Out of the total number of cocaine seizures made in Europe in 2007, 22% had been smuggled via Africa to Europe up from 12% in 2006 and 5% in 2004, while the most frequently mentioned country of origin of cocaine trafficked to Africa is Colombia, followed by Peru.<sup>8</sup> A decline in seizures, and probably in trafficking, has been observed in 2008 and in the first quarter of 2009.<sup>9</sup> Nothing indicates this is a permanent trend and may be related to the difficulties of the organised crime to adapt to changing political situations in West Africa.

It is in particular the lack of regional and interregional cooperation between Latin America, Caribbean (LAC) and West Africa (WA) which allows organised crime to continue to operate in these countries. On the one hand, the proximity of Caribbean islands with South America, their geographical set up, the differences in their legal systems, financial difficulties and inability of governments to ensure an efficient protection of the borders and national waters makes these islands a natural corridor for drug trafficking.<sup>10</sup> On the other hand, the geographical position of West Africa, instability of the region, widespread corruption, the high poverty rates including social indicators such as food insecurity, infant mortality, illiteracy and unemployment, porous borders, lack of police and customs operational capacity, little or no interagency cooperation, weak judiciary systems and already mentioned lack of cooperation allowed organised crime organisations to establish themselves in the region, gain support from parts of the population and increase their criminal operations.<sup>11</sup>

Drugs are smuggled from Latin America via the Caribbean region as transit and storage area towards West Africa and then to Europe mostly by sea and air routes. Large quantities of drugs are often concealed among legitimate cargos, yachts and in high powered or fishing vessels<sup>12</sup>. Drugs also arrive in Western Africa via small unscheduled airplanes. Another part is shipped to West Africa and then to Europe by parcel-post systems or repacked into smaller consignments and shipped by air via couriers swallowing and carrying as much as 1 kg in their stomach as well as through checked in luggage containing large quantities of cocaine.<sup>13</sup>

Furthermore, the illicit trafficking in drugs is closely connected with other forms of organised crime, in particular with money laundering. There is evidence of highly complex illicit financial flows on both routes to and from Europe which are instrumental to the concealment, laundering and investment of criminal proceeds. Professionals in this field make use of ever changing and progressively impenetrable modalities and mechanisms which benefit of insufficient international cooperation, inconsistencies of legal regulations, political obstacles

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<sup>7</sup>The new trend in cocaine trafficking using West and Central Africa as a transit area for cocaine shipments to Europe can be demonstrated on the seizure figures. Seizures made in Africa rose from less than 1mt over 1998-2002 period to 15 mt in 2006; African cocaine seizures are now equivalent to 2, 1% of the global total up from 0, 3% in 2005 and 0, 1% in 2000. Source: UNODC 2008 World Drug Report.

<sup>8</sup>International Narcotics Control Board 2008 Report.

<sup>9</sup> There has been a substantive decline of seizures transiting Africa, from 28% in 2007 to 7% in 2008. UNODC, World Drug Report 2009.

<sup>10</sup> It is estimated that about 60-80% of all shipments transiting Eastern Caribbean are destined to Europe. Source: Report of the Lot 1 and Lot 3 experts of the Expert Support Facility on West Africa and on Eastern Caribbean.

<sup>11</sup> Report of the Lot 1 experts of the Expert Support Facility on West Africa.

<sup>12</sup> Often drugs are offloaded at sea from large vessels to smaller local fishing boats and transported easily ashore anywhere on the largely uncontrolled coastline of West Africa. In a recent period a new trend of using submersibles emerged in the cocaine trafficking from South America towards Caribbean. Sources: Reports from SOCA, Reports from the EU-LAC Intelligence Sharing Working Group, International Narcotics Control Board 2008 Report.

<sup>13</sup>Drug trafficking organisations have begun using a so called "shotgun approach", whereby a large number of couriers are dispatched on the same flight, thereby making it difficult for law enforcement agencies to identify and arrest all couriers in/on board of the same flight. Source: International Narcotics Control Board 2008 Report

and lack of governance of the global financial markets. Criminal groups are increasingly resorting to the non-banking financial sector that is insufficiently regulated in the LAC region. Therefore, following the objectives of the Indicative Programme 2009-2011 for the Instrument for Stability, this project will focus on enhancing the capacity for international cooperation of law enforcement and judicial services of the beneficiary countries for contributing to the fight against international criminal networks. In the first phases of implementation the interventions will focus more on Western Africa where the threat has appeared more recently and the gap in capacity is very high. In this phase initial trans-regional links will be gradually established with Latin America and Caribbean, as the West Africa region could benefit from the experiences already developed there. The project will also strengthen the already existing capacities in Latin America and the Caribbean to fight against organised crime, and seek establishment of links with Caribbean and West Africa.

## **2.2 Lessons learnt**

Lessons can be learned from several projects or operations dealing with drugs trafficking and supporting the operational capacity and cooperation of the law enforcement agencies in this regard covering one or more countries in West Africa, Caribbean or Latin America. However there is only one on-going EC-financed project of trans-regional nature covering both West Africa and Latin America regions and focusing on supporting law enforcement cooperation against cocaine trafficking in Latin America and West Africa showed that the capacities of national authorities from country to country are very different. The lack of national coordination when it comes to intelligence, inadequate legislative framework, the language barriers and the actual relations among the countries also proved to be challenging.<sup>14</sup> This project also showed the need to involve the national authorities into the project implementation from the first moment, so as to ensure ownership and sustainability.

Lessons can be drawn from similar programmes and projects and operations implemented on the regional and national level<sup>15</sup>, and from the project EU-LAC Intelligence Sharing Working Group (ISWG). With respect to the above-mentioned projects, essential for drawing lessons concerning intelligence exchange in particular, assessments will be launched and taken into account in order to consider refinements and possible integration of such initiatives<sup>16</sup>.

Further lessons can be drawn from the reports prepared by experts from EU Member States visiting selected countries of West Africa, Latin America and Caribbean in the course of 2008 and beginning of 2009 under the Expert Support Facility. A clear lesson from past anti-drug projects is that the mere provision of training and searching equipment is not sufficient for effectively deterring drug traffickers and criminal organisations. The establishment of multi-agency profiling units and/or the establishment of mechanism to share intelligence at regional -and in a further stage on trans-regional- level are prerequisites for effectively deterring criminal networks. However, because of the high corruption level, assistance programmes that simply provide IT solutions for databases and/or secure exchange of information even with the accompanied training are likely to fail unless the integrity of those using the system can be guaranteed. Although IT can have an important role to play, to be effective IT systems requires the existence of trust among users of the system and a national capacity to generate relevant intelligence.

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<sup>14</sup> This is why a step by step approach is recommended focusing first on limited number of prioritised countries in West Africa and Latin America and later stages follow up with consequent activities involving more countries.

<sup>15</sup> Such as the EC financed joint customs operation COCAIR conducted in 2008 by WCO and Interpol at selected airports in West and Central Africa.

<sup>16</sup> The UNODC-led law enforcement cooperation in Latin America and West Africa and the ISWG will respectively end their activities in early 2010 and October 2009 (with possible time extension).

Another lesson learned concerns trainings and their lack of sustainability. They are often provided by international experts but once the training is implemented the relation stops and often the impact is limited. It is important to seek the establishment of long term relationship via mentoring or the establishment of partnerships. The experience also showed that it is essential that the training is implemented by serving officers. Their involvement in sensitive projects will also facilitate the establishment of trust and confidence among services – precondition for the sharing of intelligence.

The experiences also showed the need to balance regional and national support and to integrate national efforts and intelligence into regional coordination centres. At the same time, effective regional actions require the existence of solid national anti-drug capacity, adequate legal frame works and judicial cooperation.

### **2.3 Complementary actions<sup>17</sup>**

There are a number of projects on national or regional level financed via the European Development Fund (EDF), the Development Cooperation Instrument (DCI) or other EC financial instruments in the countries of West Africa, Caribbean and Latin America, dealing both with supply and demand reduction of the drugs. The activities foreseen under the present action build on and complement these projects.

In *Latin America* there are a number of projects supporting the Andean Community in the fight against illicit drugs financed under the DCI. A regional programme of €6 million supporting the anti-drugs policies in Latin America is being prepared. There are also a number of national projects in the countries of Latin America in the field of fight against the drugs.

In the *Caribbean*, projects on the fight against drug trafficking are financed via the 9<sup>th</sup> EDF, targeting both supply and demand reduction.

Several national anti-drug projects under the 9<sup>th</sup> EDF are being implemented in countries of *West Africa*. In addition, a CFSP mission is supporting the Security Sector Reform (SSR) in Guinea Bissau<sup>18</sup>. Concrete interventions in the field of drug trafficking and money laundering are currently prepared under the Regional Indicative Programme for West Africa for the 10<sup>th</sup> European Development Fund (2008 – 2013).

Relevant projects financed under other EC financial instruments, such as "Improving drug treatment, rehabilitation and harm reduction: European, Latin American and Caribbean cities in partnership" and "EU-LAC Intelligence Sharing Working Group" (ISWG), as well as the project "Law enforcement intelligence cooperation against cocaine trafficking from Latin America to West Africa" (COLACAO)<sup>19</sup>, are being implemented. ISWG and COLACAO are ending soon and are both subject to assessment. This assessment will be aimed at developing complementary, coherent and efficient tools for intelligence sharing that take into account, integrate and build upon the results achieved until now.

There are a number of projects and activities in West Africa, Latin America and Caribbean which are or have been implemented by EU Members States (especially France, Germany, Italy, Netherlands, Spain, Portugal and UK), international organisations or USA such as UK's operation Westbridge, Interpol's project OASIS and WHITE FLOW, or the UNODC/WCO "Container Control Programme". EU MS have also taken action in this area within the

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<sup>17</sup> As there are an extensive number of complementary actions, more exhaustive list could not be inserted in the Action Fiche but is available to the EC.

<sup>18</sup> Joint Action 2008/112 of 12 February 2008 on the European Union mission in support of Security Sector Reform in the Republic of Guinea-Bissau (EU SSR Guinea-Bissau), O.J. L 40, 14.2. 2008, p.11-15.

<sup>19</sup> The "EU-LAC Intelligence Sharing Working Group" project will finish its activities in October 2009 and the "Law enforcement intelligence cooperation against cocaine trafficking from Latin America to West Africa" project in February 2010..

"Shared Parameters in Intelligence Sharing and Capacity Building on Drug Trafficking - West Africa" project.

The future activities in West Africa, Latin America and Caribbean can build on experiences from EU Member States activities and operations in EU such as "Maritime Analysis and Operation Centre-Narcotic" (MAOC-N) and "European Centre of Coordination of the Fight against drugs" (CECLAD- *Centre Européen de Coordination de la Lutte Anti Drogue*).

## **2.4 Donor coordination**

Coordination with the beneficiary countries and other relevant actors is sought in different fora. Coordination with African countries is sought in the framework of the political and technical dialogue with the African Union (AU) and the Regional Economic Communities (RECs) pursuant to Article 8 of the Cotonou Agreement. This includes notably the Africa-EU Troikas and sectoral ministerial meetings, Commission-to-Commission Dialogue, and the EU-AU Task Forces. In the context of this action more specific political dialogue takes place in the framework of the formal ECOWAS-EU dialogue in the form of a ministerial troika including also the United Nations Office for Drugs and Crime (UNODC) regional office in Dakar, taking place twice a year. Troikas are supplemented by regular meetings of the Heads of Mission in Abuja.

Coordination with Latin America and Caribbean is ensured via Drugs Coordination and Cooperation Mechanism. Mention is also to be made of cooperation with the Andean countries in the frame of the EU-CAN High Level Dialogue on Drugs.

Coordination with the Council of the EU and Member States in addition to the above settings is ensured in the different Council Working Groups, the most relevant ones being those on drugs (HDG), on Africa, Caribbean, Pacific (ACP), on relations with Africa (AFRICA) and Latin America (COLAT).

In addition, the Council together with the current and future presidencies is setting up an informal Task Force of EU Member States which are closely involved and interested in the West Africa region.

At an international level, coordination is ensured with the beneficiary countries and other donors through the Commission on Narcotic Drugs as well as through informal contacts made by Commission Headquarters and Delegations.

Within the framework of this action, a project steering committee chaired by the European Commission will be set up to ensure the coordination with beneficiaries and implementing partners of this action. The Steering Committee will have a variable composition considering the different components and the core members in addition to the EC will be representatives from EU Member States' services (including liaison officers) and from the relevant regional organisations. Stakeholders from all regions involved could also be invited in consultative fora to discuss common issues<sup>20</sup> or as observers. ECOWAS, AMERIPOL, Grupo de Acción Financiera de Sudamerica (GAFISUD), CFATF, Regional Security System (RSS), Organisation of Eastern Caribbean States (OECS), CARICOM, CAN, and Mercosur, representatives from EU Member States' services (including liaison officers) Europol and Interpol UNODC, WCO, and selected representatives of the relevant services of the beneficiary countries might be involved.

## **3. DESCRIPTION**

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<sup>20</sup> A similar event took place in February 2009 in the Workshop organised by the EC where selected expert level representatives from West Africa, Latin America and the Caribbean were called to validate the broad priorities of the programme.

### **3.1 Objectives**

The overall objective of this action is to enhance the capacity for international cooperation of law enforcement and judicial service of beneficiary countries for contributing to the fight against international criminal networks, while fully respecting human rights.

The specific objectives are:

- A.** To strengthen the anti-drug capacities of beneficiary countries in WA at selected airports;
- B.** To strengthen cooperation in contrasting maritime trafficking and supporting capacity building in fight against international criminal networks in West Africa;
- C.** To enhance the capacity of law enforcement, judicial and prosecuting authorities of LAC countries in tackling transnational organised crime;
- D.** To support the fight against money laundering and financial crime in LAC countries.

### **3.2 Expected results and main activities**

The activities will be developed in four separate axes, with the aim to link them up gradually. The first component will focus on strengthening the capacity in the air vector and the second one mainly on the maritime vector in West Africa. These fields have been identified as those requiring immediate support, while links will progressively be made with Latin America and Caribbean. The third and fourth component will focus on targeting the problems and reinforcing the capacities in Latin America and Caribbean.

For all components the geographical coverage of the concerned regions Latin America, Caribbean and West Africa will be established gradually.

#### **A. "Airport Communication Project (AIRCOP)"**

The component will focus its activities on the selected international airports in West Africa<sup>21</sup> and Morocco with follow up linkage to the selected airports in Latin America, starting with Brazil, in order to intercept cocaine shipments by air. The project is in line with the ECOWAS Regional Response Action Plan addressing the growing problem of the illicit drug trafficking. The project will be conducted jointly by UNODC, WCO and Interpol with the participation of the EU experts and officers.

The main expected results are expected to be:

- Joint Airport Interdiction Task Forces established;
- Relevant staff trained and equipped;
- Agreements or Memorandum of Understandings established between concerned international airports, airline companies where applicable and law enforcement services;
- Establishment of an operational communication network;
- Intelligence exchange increased;
- Increased use of controlled deliveries and special investigation techniques;
- Mentoring relations established and operations conducted.

Main activities are planned inter alia to include:

1. Establishment of Joint Airport Interdiction Task Forces (JAITF) at selected airports in West Africa composed of members from the police, customs, immigration services and other

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<sup>21</sup> Benin, Burkina Faso, Cap Verde, Cote d'Ivoire, The Gambia, Ghana, Guinea Bissau, Guinea, Liberia, Mali, Mauritania, Niger, Nigeria, Senegal, Sierra Leone, and Togo. The list of the countries may be modified, reduced or extended.

relevant law enforcement agencies by supporting the national authorities in elaborating and signing inter-agency cooperation agreements;

2. Support the preparation and conclusion of cooperation agreements or Memoranda of Understanding between JAIFTs and where applicable airline companies;
3. Specialised training on intelligence collection and sharing and risk profiling as well as secure communication procedures with a focus on identifying drug couriers, suspicious freights, cargoes and postal packages, including practical on-site training and on site mentoring should be supported;
4. To provide relevant equipment for the JAIFT such as computers, communication and photographic equipment and inspection and testing tools;
5. Secure access and connection to real-time secure communication systems using the WCO CEN COMM communication system and Interpol's I-24/7 and provide the relevant training;
6. Carry out at least a joint operation on the model of the previous operations undertaken in the region organised by UNODC, WCO and Interpol supported by international experts. Linkages should be made with selected international airports in Latin America starting with Brazil.

### **B. Support to cooperation in contrasting maritime trafficking and supporting capacity building in fight against international criminal networks in West Africa**

The component will focus its activities in selected countries of West Africa, mainly Senegal, Cape Verde, Guinea Bissau, Togo and Ghana. The list of the countries might be extended or refined based on the needs. It should to the extent possible use the ECOWAS structures<sup>22</sup>, and always be coherent with ECOWAS Response Plan. It will complement and build on the projects conducted in the region by EU, EU Member States, USA or international organisations such as UNODC and WCO, as well as corresponding projects in Latin America and the Caribbean. Preparatory activities might be sought within the Expert Support Facility, while the project will initially mainly aim at the establishment of a regional maritime training function.

The main expected results are expected to be:

- Operational staff at priority seaports in West Africa trained and equipped;
- Selected anti-drug offices trained and equipped;
- Anti drugs prosecutors trained and appropriate documentation provided in concerned Courts
- Joint Maritime Control Units/maritime intelligence units set up and cooperating;
- Vetted officers selected in the seaports and maritime intelligence units;
- Cooperation among seaport authorities enhanced and improved.

Main activities are planned inter alia to include:

1. Support the set up of or reinforce of capacity of national central anti-drug offices, responsible for coordinating in priority countries and/or conducting drug-related investigations at seaports as well as coastal and maritime areas. Building on this activity, regional and Latin American intelligence and maritime cooperation with West Africa should be developed, resulting in the setting up of a regional intelligence and maritime coordination centre or of dedicated national structures dealing with intelligence and maritime coordination.

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<sup>22</sup> Where appropriate the project will cooperate with the International Maritime Organisation and coordinate with its initiatives on the regional level.

2. Support the set up of Joint Maritime Control Units working in network and linked to European container control units based on a computerised network system, including providing basic equipment. All units should be coordinated at regional level.

3. Support the set up of small vetted units located in seaports or sensitive coastal areas should be supported by training and mentoring provided by the EU trainers and active operational officers jointly with EU liaison officers in the country. This training will focus on basic investigation capacity building as well as on intelligence collection and analysis<sup>23</sup> and target customs officers as well as coastguards, border police and other concerned services. It should be implemented by the EU officers active in operational services in EU seaports<sup>24</sup>.

4. Organise regional operational trainings gathering selected operational control officers from West African seaports/maritime intelligence units. This activity could foster the creation of the regional maritime intelligence network. In this regard the project should seek the possibility of setting up a regional maritime training function and in a broader sense the establishment of a regional law enforcement training function. Training sessions could provide a good opportunity to initiate and/or foster cooperation with selected countries from Latin America and/or Caribbean<sup>25</sup>.

5. Explore the feasibility of setting up of a computerised maritime information system building on already existing platforms. In this regard cooperation with Interpol should be sought. Possibilities to use the Caribbean Radamec Control System maritime information system or MARINFO as a model and basis should be also explored.

### **C. Enhance the capacity of law enforcement, judicial and prosecuting authorities in tackling transnational organised crime in Latin America and Caribbean region**

The project will entail the member states of AMERIPOL<sup>26</sup> with selected non-member states. The training and operations should see the gradual involvement of West African representatives.

The main expected results are expected to be:

- Capacity enhanced to exchange information and coordinate investigations;
- Investigation and prosecutorial capacity of the relevant services enhanced;
- Concerned officials well trained, with a certain level of knowledge;
- Regional cooperation fostered.

Main activities are planned inter alia to include:

1. Enhance the capacity to tackle transnational organised crime:

- Tutoring and on job training could be carried out;
- Exchange programmes might be organised with relevant EU agencies and interested EU MS;
- Technical assistance could be provided, in particular through relevant services from EU Member States;
- Cooperation with Interpol should be ensured and the use of Interpol's information exchange systems I-24/7 should be further supported

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<sup>23</sup> The training should be specifically concentrated on mother ships and other suspected movements of boats.

<sup>24</sup> In a later stage cooperation should be supported with already existing vetted units in Latin America (e.g. Brazil, Colombia, progressively other LAC countries).

<sup>25</sup> Such as Brazil, Ecuador or Colombia as well as countries in eastern Caribbean –Barbados and Trinidad and Tobago).

<sup>26</sup> Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Cuba, Dominican Republic, Ecuador, El Salvador, Guatemala, Haiti, Honduras, Jamaica, Mexico, Paraguay, Peru, Uruguay. Permanent observers are: Germany, Italy, Spain, Canada, Europol, Interpol or USA.

- Cooperation with Europol should be sought, supported and enhanced;
- Preparation, development and improvement of AMERIPOL's data base and the intranet platform could be fostered, in conformity with international data protection standards;
- Relevant handbooks, researches and studies could be prepared focused on legislation, investigation procedures and/or judicial proceedings in the member countries;
- National units should be strengthened and cooperation enhanced.

2. Enhance the capacity of the law enforcement officers, judges and prosecutors via specialised seminars, trainings and workshops:

- joint trainings on operational investigation methods could be carried out, specifically focused on money laundering and drugs trafficking as well as on financial crime, currency counterfeiting and youth criminality;
- Specialized trainings should be carried out on secure systems of information exchange;
- these regional trainings should be supported by EU Member States and conducted in cooperation with the relevant institutions in the countries of the region as well as with existing regional organisations and platforms;

3. Support the intelligence exchange among the involved countries:

- The establishment of protocols for safer, faster information exchange with possible support from/cooperation with Europol should be supported;
- Intelligence analysis projects with EU Member States and Europol could be developed;

4. Trans-national joint operations should be carried out and strengthened with associate countries building on already conducted operations. Linkages with the LAC non member countries will be pursued beyond AMERIPOL Member States, in collaboration with RSS and OECS. This will include intelligence exchanges where feasible.

5. Judicial cooperation, networking and capacity building in this regard should be supported, if feasible in cooperation with the Latin-American Association of Public Prosecutors.

#### **D. Support to the fight against money laundering in Latin America and Caribbean**

The project will be implemented with the GAFISUD and its Member States<sup>27</sup> and the cooperation with fellow organisations and platforms, such as in particular the Financial Action Task Force of the Caribbean (CFATF)<sup>28</sup> and Financial Action Task Force on Money-Laundering (FATF) as well as with RSS<sup>29</sup> and OECS<sup>30</sup> including Trinidad and Tobago, and heads of the Financial Intelligence Units (FIUs) of Eastern Caribbean will be supported.

The main expected results are expected to be:

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<sup>27</sup> Member States are Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, México, Paraguay, Peru and Uruguay. Observers are the United Nations, World Bank, IMF, INTERPOL, INTOSAI, Egmont Group, Germany, Inter-American Development Bank, Spain, USA, France, and Portugal. The following fellow organisations also attend sessions: Financial Action Task Force on Money-Laundering (FATF); Financial Action Task Force of the Caribbean (CFATF) and the Organisation of American States, through CICAD (Inter-American Commission against Drug Abuse).

<sup>28</sup> Member States are Antigua & Barbuda, Anguilla, Aruba, The Bahamas, Barbados, Belize, Bermuda, The British Virgin Islands, The Cayman Islands, Costa Rica, Dominica, Dominican Republic, El Salvador, Grenada, Guatemala, Guyana, Republic of Haiti, Honduras, Jamaica, Montserrat, The Netherlands Antilles, Nicaragua, Panama, St. Kitts & Nevis, St. Lucia, St. Vincent & The Grenadines, Suriname, The Turks & Caicos Islands, Trinidad & Tobago, and Venezuela

<sup>29</sup> Member States are: Antigua and Barbuda, Barbados, Dominica, Grenada, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines

<sup>30</sup> Member States are: Anguilla, Antigua and Barbuda, British Virgin Islands, Dominica, Grenada, Montserrat, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines

- Gaps analysis carried out with regard to their legal framework on money laundering;
- Assessments on the non-banking financial sector, criminal prosecution and investigation carried out and shared among the member states and with other relevant platforms;
- Legal capacity enhanced to adapt national legislation and regulations with a view to preventing and countering money laundering and financial crime;
- International cooperation fostered.

Main activities are planned inter alia to include:

1. Further support the activities of GAFISUD towards its member states and foster international cooperation with similar platforms:

- reforms to the laws and regulations on money laundering in line with international conventions and FATF recommendations, specifically focused on non-banking sector and on the operational activities of financial intelligence units as well as law enforcement and judicial authorities in the member countries, should be supported;
- Specialised trainings and workshops for members states practitioners in the field of legislation, investigation, prosecution and judiciary should be conducted and the awareness in this regard should be raised. These specialised trainings and workshops should be implemented also with the participation of experts from the non-GAFISUD member states seeking the cooperation especially with the Caribbean;
- Activities to provide access to practitioners and private and public sector with knowledge and jurisprudence in the field and lessons learned could be fostered;
- Conducted analysis and evaluations should be made available to all relevant stakeholders;
- inter-regional meetings with the CFATF, RSS, OECS including Trinidad and Tobago and FIUs of Eastern Caribbean should be carried out aiming to support the exchange of experiences and knowledge;
- Cooperation with these platforms and relevant stakeholders should be supported.

2. Evaluations and analysis could be carried out

- the component should support the legislative and economic analysis of the non-banking financial systems of member countries in the following fields and those who could come later to attention – money exchange offices (*Casas de Cambio*); money transfer agencies; insurance companies; financial cooperation and mediation (*Cooperativas de Intermediación Financiera*); stocks and commodities; pyramid schemes;
- analysis of criminal offences provided through the region; of the effective impact of criminal investigations and prosecutions in money laundering, handling of stolen goods and other similar offences (including those related to obligations binding over financial operators and professionals) could be carried out.

### **3.3 Risks and assumptions**

A number of preconditions are to be met to ensure the viable and successful implementation of this action. The main risk is the political instability within the countries of the concerned regions that might entail a disruption of the project and negative impact through staff replacement. Another risk is linked to the political tensions that may hamper cooperation and thereby undermine the good execution of the project.

It is assumed that the beneficiary countries or at least a core of prioritised countries at the beginning will demonstrate good political will and be disposed for sub-regional, regional and trans-regional cooperation and exchange of information. Finally it is assumed that committed beneficiary countries will ensure sustainability and durability to the project by making available the necessary human, financial and material means to make use and maintain the equipment and applications provided.

As the cooperation with the regional organisations singled out for components C and D (AMERIPOL, GAFISUD) is at a very early stage, their implementation capabilities need to be closely monitored.

To mitigate these risks number of feasibility studies and identification/assessment mission (e.g. in the scope of the Expert Support Facility) have been carried out. Based on this, careful selection of the prioritised leading countries has been undertaken. This is also the reason why for the implementation a gradual approach as for the number of the prioritised countries as well as of the activities is planned. Further assessments are likewise planned prior to implementation (technical feasibility, preparation of terms of reference and technical specifications, etc).

### **3.4 Cross cutting issues**

All activities of the projects will be carried out in conformity with the principles of good governance and internationally recognised human rights standards as well as taking into account further drugs- related principles and gender issues. A constant monitoring will be conducted to prevent that equipment provided and the capacities enhanced can be used to commit violations of human rights. Training to law enforcement agencies will integrate human rights and gender issues. Special attention will be paid to the gender issues in the selection of the experts.

### **3.5 Stakeholders**

Key stakeholders will be the competent ministries, law enforcement services and judicial authorities of the targeted countries of West Africa, Latin America and Caribbean. Of particular importance will be the law enforcement services active at airports and seaports. EU Member States' technical services will play an important role in the project.

Other stakeholders will be AMERIPOL, GAFISUD, RSS, OECS, CFATF, CARICOM (IMPACS), OAS-CICAD, FAPL (Argentinean Foundation for the prevention, study and analysis of money laundering and financing of terrorism), the Andean Community, Mercosur, IMO, ECOWAS, UEMOA, as well as UNODC, WCO, Interpol, Europol and the USA.

## **4. IMPLEMENTATION ISSUES**

### **4.1 Method of implementation**

**A.** First component "Airport Communication Project (AIRCOP)":

The implementation method will be joint management through the signature of a standard contribution agreement with an International Organisation. The United Nations Office on Drugs and Crime (UNODC) will be the implementing partner, as it has considerable capacity in this field and is the UN service mandated to assist Member States in their struggle against illicit drugs. UNODC is dependent on the UN Secretariat, as confirmed during the 5<sup>th</sup> FAFA working group in April 2008. Hence it is covered by the four pillars analysis performed for the UN Secretariat.<sup>31</sup>

**B.** Second component "Support to cooperation in contrasting maritime trafficking and capacity building in fight against international criminal networks in West Africa":

The implementation method will be direct centralised management through a direct attribution of service contract(s) to EU Member State organisations or consortia. The direct award of a service contract (negotiated procedure) is based on Article 242 b) of the Implementing Rules

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<sup>31</sup> Final Report International Organisations – completion of compliance analysis with internationally accepted standards, , 7 March 2008.

as amended, "where the services are entrusted to public sector bodies [...] and relate to activities of an institutional nature [.....].The negotiated procedure is furthermore justified by the confidentiality and sensitivity linked to the subject matter (e. g. intelligence sharing), as well as for the special nature of the services involved (Article 242 (h) IR) (e. g. organised crime investigations). The choice of organisations from EU Member State is the only one that can ensure the necessary quality and specialisation of services, confidentiality and coordination. Attention will be paid to avoid discrimination and ensure fair treatment of EU Member States' organisations particularly when coming to eligibility criteria.

**C. Third component "Enhance the capacity of law enforcement, judicial and prosecuting authorities in tackling transnational organised crime in Latin America region":**

The implementation method is proposed to be a direct award of a grant to the Police Community of the Americas (AMERIPOL) based on article 168, f) of the Implementing Rules (article 110-1 of the Financial Regulation). AMERIPOL is based in Colombia, Bogota and was founded in November 2007. Given its specialisation and its coverage reaching a vast number of countries in the LAC region, it is technically the best option in terms of local ownership, sustainability and impact. AMERIPOL is in fact the only specialised organisation that groups South, Central American as well as some Caribbean countries<sup>32</sup>. This activity is not covered by the scope of any Call for Proposals. The active involvement of interested EU MS services and EU agencies (e.g. Europol, Eurojust) in the implementation of this component will be sought according to standard EC procedures, in complementarity with the grant to be awarded to AMERIPOL. The implementation capacity of AMERIPOL, e.g. in sensitive areas such as intelligence exchange, will be taken into account.

**D. Fourth component "Support to the fight against money laundering in South America and Caribbean":**

The implementation method is proposed to be a direct award of a grant to the Financial Action Task Force of South America against Money Laundering (GAFISUD)<sup>33</sup> based on article 168, f) of the Implementing Rules (article 110-1 of the Financial Regulation). GAFISUD was formally established in November 2000 and its secretariat is located in Argentina. It is technically the only organisation in the field of money laundering in the Latin America region able to address and implement the issues related to fight against organised crime in the field of money laundering and with ability to cooperate with non-member countries and other similar platforms in Caribbean. It is the best option in terms of ownership, sustainability and impact. This activity is not covered by the scope of any Call for Proposals.

#### **4.2 Procurement and grant award procedure**

All contracts implementing the action must be awarded and implemented in accordance with the procedures and standard documents laid down and published by the Commission for the implementation of external operations, in force at the time of the launch of the procedure in question and/or laid down and published by the International Organisation concerned.

#### **4.3 Budget and calendar**

The overall budget for all activities will be €6.5 million.

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<sup>32</sup> AMERIPOL's Member States are Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Cuba, Dominican Republic, Ecuador, El Salvador, Guatemala, Haiti, Honduras, Jamaica, Mexico, Paraguay, Peru, Uruguay. Permanent observers are: Germany, Italy, Spain, Canada, Europol, Interpol and USA.

<sup>33</sup> GAFISUD is a regional inter-governmental organisation bringing together Latin-American countries in view of combating money-laundering and terrorism financing through the continuous improvement of national policies and the strengthening of cooperation between Member States.

For first component will be allocated an indicative budget of €2.3 million and will have a duration of 36 months.

For second component will be allocated an indicative budget of €2 million and will have a duration of 36 months.

For the third component will be allocated an indicative budget of €1.5 million and will have a duration of 36 months.

For the fourth component will be allocated an indicative budget of €0.7 million and will have a duration of 24 months.

These amounts have to be considered indicative and subject to adjustments prior to the signature of specific agreements and contracts.

#### **4.4 Performance monitoring**

Careful monitoring will be ensured all along the projects implemented by the European Commission. A mid-term Results Oriented Monitoring (ROM) might be envisaged in the course of the projects as feasible, in close consultation with EU Member States given confidentiality needs.

There will be indicators of output, outcome and impact to measure progress. In terms of output number of trainings, equipment, operations and IT applications will be taken into account. In terms of outcome the level of information exchange, the level of cooperation will be evaluated. In terms of impact the increased controls and arrests linked to drugs trafficking as well as the increased seizures of drugs/money will be the references.

#### **4.5 Evaluation and audit**

An evaluation and audit will be carried out at the end by independent experts. Indicators referred to above for the measurement of the progress will also be used for the final evaluation.

#### **4.6 Communication and visibility**

In order to ensure visibility, the implementing partner will display the EU logo on all publications including reports, newsletters and any type of outreach material. The EC will be identified as the source of funding in any contact made with the beneficiaries and the public.

EU visibility will be further enhanced by the joint participation of EU Member States and the European Commission. The EC will be identified as the source of funding in any contact made by EU Member States with the beneficiaries. Measures ensuring the visibility of the EU financing will be in accordance with the rules on the visibility of external actions laid down in the Communication and Visibility Manual for EU external actions of April 2008. Nonetheless, confidentiality of some of the outputs and activity might lead to specific arrangements restricting their circulation and information thereon.

In cooperation with UNODC the provisions laid down in Article 11 on Visibility and 12 on Ex-post publicity of the Financial and Administrative Framework Agreement (FAFA) between the European Community represented by the European Commission of the European Communities and the United Nations will apply. The terms of the Joint Action Plan on visibility signed between the European Commission and the UN clarifying the scope of the visibility clauses of the FAFA will also be applicable as well as the Joint guidelines to be developed as soon as they enter into force.

### **Action Fiche 3 - Critical Maritime Routes from the Malacca Straits to the Horn of Africa and Gulf of Aden – Phase I, under priority 2**

**'Counteracting Global and Trans-regional Threats' of the long-term component of the Instrument for Stability**

**5. IDENTIFICATION**

Title/Number	<b>Critical Maritime Routes from the Malacca Straits to the Horn of Africa and Gulf of Aden – Phase I (CMR I)</b>		
Total cost	EC contribution: €5 million (Budget Line 19.06.03)		
Aid method / Method of implementation	Project approach – centralised direct management Direct centralised management through ReCAAP regional mechanism for the first component Direct centralised management through a direct attribution of service contracts to MS organisations for the second component Direct centralised management through an Administrative Arrangement with the JRC for the third Component		
DAC-code	15210	Sector	Security system management and reform

**6. RATIONALE**

**6.1. Sector context**

Maritime routes are crucial to trade and international security. Representing the largest proportion by volume of world trade, maritime transport faces a number of multi-dimensional security threats. The Instrument for Stability programming document for 2009-2011 for the first time caters for a transregional (and potentially, global) programme that singles out two regions for particular attention. These are the Western Indian Ocean and the Gulf of Aden and Horn of Africa area, where piracy and armed robbery at sea represent a major threat to security and the Straits of Malacca and Singapore, where, although, piracy attacks and armed robbery at sea have significantly been reduced the problem is not yet eradicated and persist peculiar problems of navigation safety and other hazards.

The European Union (EU) engagement in the “hot spot” areas around the Gulf of Aden and the Straits of Malacca is very much in Europe’s interest. Europe commands the largest economy of the world and around 90 % of its global trade, including the raw materials for industry and energy production is transported with ships. The respective maritime traffic carries the highest share of the global overall traffic volume and will continue to increase significantly after the current financial and economic crisis. Safe and secure Sea lines of communication and port operations lower the insurance premiums and the opportunity costs for shipping and its materiel, personnel and administrative overhead. The Malacca Straits, the Gulf of Aden and Bab El Mandeb Strait all constitute “hot spots” of risks and threats crossed by some major sea lines of communication between Europe and Asia. Improved sea lines of communication, together with an ameliorated and more stable situation on land, will also contribute to stop the unacceptable detention of sailors and ship personnel by the pirates

operating from bases in Somalia and acting in the Gulf of Aden and in the Indian Ocean (in March 2009 around 200 crew were held hostage<sup>34</sup>). By contrast, recent security arrangements in Southeast (SE) Asia have somewhat lowered the risk of piracy, armed robbery and illicit trafficking<sup>35</sup>. These safety and security arrangements might serve as a “blueprint” to be proposed to the littoral countries from the Gulf of Aden to the East African coast. In this regard the Regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia (ReCAAP) and the “Cooperative Mechanism” initiated in SE Asia is proposed to be used as model for a “Cooperative Mechanism for the Gulf of Aden” in the medium term.

The threats to safety and security and their overlapping areas are of very different nature in the areas of concern and will be presented separately below in more detail, highlighting where appropriate the points in common. It needs also to be considered that connected to maritime security and safety are issues of illicit trafficking of different nature via maritime transport, in particular regarding containers.

### **2.1.1. Straits of Malacca and Singapore**

The region<sup>36</sup> encompasses internal waters, territorial seas, archipelagic waters, contiguous and exclusive economic zones and straits used for international navigation of which the maritime jurisdiction concerning some areas and waters is disputed. The three costal states<sup>37</sup> are Singapore, Malaysia and Indonesia, whereas the main user States, although more difficult to define precisely<sup>38</sup> include Japan, China, India, Australia and the USA, in addition to the EU.

A diminishing rate of piracy incidents is observed in the waters of Indonesia. At the same time armed robbery and all kinds of criminal acts against smaller ships and fishery are not decreasing in the same amount<sup>39</sup>. The overall descending trend is evident comparing figures further back in time for the region<sup>40</sup>, but very recently there are signs that incidents may be on the rise again. A continuing need for coastal surveillance, port security in the narrow passages of the region can be thus ascertained.

Even more relevant, the safety of navigation in the archipelago structure of the Malacca Straits is a permanent challenge. A framework of aids to navigation in high intensity traffic zones as well as in all areas of difficult navigation is necessary<sup>41</sup>. A well arranged pilotage and coordinated regulations and a comprehensive surveillance are preconditions for safe navigation consistently with regulations issued by the IMO and better safety and security awareness is needed. Oil spills and especially transport by sea of hazardous and noxious materials are still a considerable concern for safe navigation (in addition to endanger the environment) and coastal states need support from the International Community in this respect as well.

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<sup>34</sup>See also IMB Piracy Reporting Centre: <http://www.icc-ccs.org>

<sup>35</sup> Other factors might be related to the economic and poverty situation in Indonesia.

<sup>36</sup> The region is limited in the Northwest by the Andaman Sea, bordered by the Andaman and Nicobar Islands, which are parts of India, in the Northeast by the South China Sea, surrounded by Thailand, Cambodia and Vietnam, and the Celebes and Sulu Sea bordered by the Philippines and to the East by the Banda Sea.

<sup>37</sup> Technically “Owner” States.

<sup>38</sup> It can be stated that Japan, China, India, Australia and the USA have a number of different engagements in the region and try to become, or to remain a well-accepted partners for security and safety matters in the region.

<sup>39</sup> In terms of incidents, 100 piracy and armed robbery were reported in Asia in 2007, of which 77 were actual and 23 attempted. In 2008, a further slight decrease occurred, with 96 reported incidents. In contrast, there were 135 incidents reported in 2006, of which 100 actual and 35 attempted.

<sup>40</sup> 148 incidents in 2005, 200 in 2004.

<sup>41</sup> That means narrow passages and passages with a limited water depth, for example.

The question of sovereignty is of great importance and a very sensitive one. Another issue of growing importance is the ongoing discussion about the Freedom of the Seas<sup>42</sup>, Passage Rights and the 1982 Law of the Sea (UNCLOS)<sup>43</sup>.

### 2.1.2. Gulf of Aden and Horn of Africa

The littoral waters of Somalia and the Gulf of Aden (including the Bab El Mandeb Strait and in general the coast off Somalia) have in 2008 become the most dangerous ones, with a dramatic increase in the number of incidents as well as showing the improved capacity of the pirates and the criminal syndicates, which operate in the background for logistics and money laundering<sup>44</sup>. Recently, concerns about human beings trafficking and illegal migration in the region with linkages to criminal networks have increased, as well. In 2008, 111 reports of pirate attacks and 42 actual hijackings have been reported, with numbers in 2009 that do not appear decreasing<sup>45</sup>. The majority of Somali pirates seem to be recruited from the local fishermen of Puntland or the former Navy and Coast Guard of Somalia. The lack of capacity of the Somali government to deal with this phenomenon has led the UN to adopt resolutions allowing international interventions in the national waters of Somalia and for the international community to mobilise itself.

Given that at the status is not yet feasible to consider the Transitional Federal Government of Somalia (TFG) as an effective partner for cooperation in establishing maritime security off its coast, the two countries that have been taken into consideration primarily have been the Republic of Yemen (Yemen) and the Republic of Djibouti (RDD), facing each side of the Bab el Mandeb Straits.

Concerning Yemen, after unification and the solution of dispute on the borders with Saudi Arabia and Oman, some instability has persisted in relation to the tribal areas, in part uncontrolled by the central Government. The Aden Container Terminal provides the port with world-class container handling facilities and may grow also depending on its ability to improve security. In addition, the development of the Liquefied Natural Gas (LNG) site of Balhaf and the responsibility over the Strait are leading this country to face challenges regarding maritime security, for which it needs support of User States. The Yemen's Coast Guard (YCG) Development Plan and the Yemen National Security Plan for Combating Piracy and Armed Robbery against ships can be used as a basis for cooperation showing commitment on capacity building and multinational cooperation.

The Republic of Djibouti is open to international community involvement in the region, *inter alia* hosting the main base for operation Atalanta. The RDD stability, the security of Bab el Mandeb and the future of the port of Djibouti are the three elements that underpin RDD relevance in regional and international cooperation. The recent investment of Dubai Port Authority (DPA) in the port of Djibouti has a major effect for the country's economy and is a strong incentive for Djibouti to continue its commitment to enhanced maritime security in the area. It is also essential to maintain via Djibouti a secure access to the sea for Ethiopia and the stability of Somalia. It is also vital for the Amisom, which strongly relies upon operation

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<sup>42</sup> The doctrine that the high seas in time of peace are open to all nations and may not be subjected to national sovereignty (freedom of the seas).

<sup>43</sup> The focus is furthermore on the different definitions and perceptions related to "Piracy" and "Armed Robbery". Accepting the UNCLOS definition, piracy does not cover politically motivated attacks and therefore restricts the universal jurisdiction of a state. It puts emphasis on the high seas and considers incidents inside territorial waters as armed robbery

<sup>44</sup> Regarding ransoms paid to the pirates, no precise figures exist, but the IMB and the industry estimate them to as much as 200M USD.

<sup>45</sup> Data from IMB.

Atalanta for its logistic lines. The recent decision to make the Coast Guard autonomous and the plans to reinforce it also in collaboration with the international community are additional elements confirming RDD's commitments as demonstrated also in IMO fora (see below).

Like for SEA, the preservation of sovereignty rights is of utmost importance for the littoral countries of the Red Sea as well as for the other countries around the Gulf of Aden. With the presence of naval forces from the US-led anti-terrorist coalition (Operation Enduring Freedom), the EU (Operation ATALANTA) and now a NATO deployment, there are concerns on the sea areas being "internationalised". This needs to be taken into account.

## **6.2. Lessons learnt**

There are no previous reviews or assessments made in this area of work, as no previous EC-financed efforts have addressed it. Nonetheless, a certain number of lessons learnt can be drawn by the relative success enjoyed in SE Asia thanks to enhanced regional cooperation within ReCAAP. It seems clear that a process driven by coastal states and aimed at joining efforts and in general ensuring a constant and structured flow of information sharing and analysis can lead to tangible results in the medium term. It also shows that involvement from User States is important, especially in the early stages, but can never substitute for owner states' primary efforts. Attention to the respect of sovereignty of coastal states is paramount, as it is the need of coherence to the international legal frameworks<sup>46</sup>.

## **6.3. Complementary actions**

### **2.3.1. Straits of Malacca and Singapore**

In SEA there is considerable ongoing cooperation in the field of maritime security and safety. The most prominent cooperation effort is ReCAAP, a regional intergovernmental mechanism to promote and enhance cooperation against piracy and armed robbery in Asia. The ReCAAP Agreement entered into force on 4 September 2006 and sets out obligations of member countries to effect measures to prevent and suppress piracy and armed robbery against ships. It also lays out a framework for cooperation based on the main pillars of information sharing, capacity building and operational cooperation. As a platform for cooperation, the ReCAAP countries have established an Information Sharing Centre (ISC), which has helped to improve the national response and capability of member countries to prevent and suppress piracy and sea robbery in the region. Through its reports, the ISC contributes to the pool of information which ship-owners and shipmasters access to help them take preventive measures against attacks in regional waters. Within ReCAAP, several projects have been identified, of which the most worthwhile and feasible to be supported by the EC are described below<sup>47</sup>.

Further ongoing activities for the improvement of maritime security and safety are the initiative "Eyes in the Sky" and "Malsindo" started in 2004-2005. Eyes in the Sky consists of joint patrols of Malaysia, Indonesia, Singapore and Thailand by aircraft with each of the littoral states and Thailand contributing two aircraft to conduct the patrolling. Malsindo includes the tripartite coordinated patrol by the navies of the littoral states.

It is to be underlined that there has been no previous involvement of the EU and the EC in the area. This suggests a modest and pragmatic approach.

### **2.3.2. Horn of Africa/Gulf of Aden**

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<sup>46</sup> Starting with UNCLOS.

<sup>47</sup> Projects such as the removal of wrecks, although abstractly worthwhile and still underfunded could not however be considered for both financial reasons and lack of value-added for the EC intervention.

The immediate concern for the international community has been to maintain the humanitarian food and health programme for the Somalia population and to fight the endemic piracy off the Coast of Somalia including inside uncontrolled territorial waters.

Since 8 December 2008 the Council of the EU (Council Joint Action 2008/851/CFSP) has been conducting a military operation to help deter, prevent and repress acts of piracy and armed robbery off the coast of Somalia. This military operation, named EU NAVFOR Somalia - Operation ATALANTA, was launched in support of UNSC Resolutions 1814, 1816, 1838 and 1846 which were adopted in 2008 by the United Nations Security Council. Its aim is to contribute to: (1) the protection of vessels of the World Food Programme (WFP) delivering food aid to displaced persons in Somalia; (2) the protection of vulnerable vessels sailing in the Gulf of Aden and off the Somali coast and the deterrence, prevention and repression of acts of piracy and armed robbery off the Somali coast. ATALANTA was originally scheduled to last for a year, but EU ministers have agreed in the General Affairs and External Relations Council to extend its mandate for another year.

Furthermore, the EC is helping to improve security on the ground in Somalia, mainly through the United Nations Development Programme (UNDP). The EC has agreed to support training for the Somali police through the UNDP Rule of Law and Security (ROLS) programme. It also provides financial and capacity-building support to AMISOM, the African Union's peace-keeping mission in Somalia: €15 million from the Africa Peace Facility have been provided since March 2008, and a further €20 million have been approved for the December 2008 - May 2009 period.

Four million Euros have also been provided under the Instrument for Stability (IfS), short term component, as an "Immediate Support Package to Somalia's Transitional Federal Institutions". This Decision provided for an EC contribution to the 'Start-Up Package' (SUP) of donor assistance which was set up to provide Somalia's Transitional Federal Institutions (TFIs) with the resources and means to administer and manage core government functions.. Overall, the EC has committed €215.8 million for development aid through the European Development Fund for the period 2008 to 2013. The main areas of development cooperation are governance, education, the productive sectors and rural development.

Regarding trial and detention of pirates, following the Exchange of Letters of 6 March 2009 between the EU and the Government of Kenya (GoK) the "conditions and modalities for the transfer of persons suspected of having committed acts of piracy and detained" by the ATALANTA operation and "for their treatment after such transfer" were set out. The Commission agreed to support assistance to help the GoK cope with the extra demands placed on its legal system as a result of receiving and process the transferred pirate suspects.

EU Member States are present in the area through support in particular to Djibouti surveillance systems and maritime security in general and the presence of several trainers and advisers (French in particular) and to Yemen (in particular UK, France and Italy, which has recently offered a project to monitor and control the most critical part of the Yemeni coast by setting up a National Control Centre in Sana'a, an Area Control Centre in Aden and six Local Control Centres<sup>48</sup>). The USA is active with a number of initiatives beyond naval presence in the area: this includes considerable training and assistance, as well as equipment provision particularly on maritime law enforcement aimed at Maritime Administration, Navy and Coast Guard personnel. Such assistance has been centred on mostly Eastern African coastal states with particular focus on Kenya and Tanzania. In Kenya, the US has notably financed in 2008

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<sup>48</sup> This would be the first of three phases for a global surveillance of the Yemen coast line.

a USD 5 million programme on maritime law enforcement, with an equivalent amount being planned for 2009<sup>49</sup>.

Finally, following a European Parliament resolution adopted on 23 October 2008, a subsequent Pilot project (1 M Euro) is planned and will be implemented by the European Commission. It will aim to develop and test measures that could contribute towards better maritime awareness and protection for Community vessels in areas threatened by piracy.

#### **6.4. Donor coordination**

There have been a number of internationally promoted initiatives that have aimed at coordinating donors' involvement to address instability, violence and poverty in Somalia itself and to address the threat caused by the increasing acts of piracy originating from its territory.

The Nairobi International Conference on Piracy around Somalia co-organized by the UN and the Kenyan Government at Ministerial level was held in Nairobi on December 11, 2008 and allowed to tackle at high level the problem of piracy both in land and off-shore aspects.

More directly relevant for the present project, the International Maritime Organisation (IMO) launched before the most recent increase of incidents in the Gulf of Aden region the Western Indian Ocean Dialogue with the aim to promote maritime security on a regional basis, with a particular focus on the prevention, detection and suppression of piracy and armed robbery against ships in the Western Indian Ocean, Gulf of Aden and Red Sea. The process started with the sub regional seminar in Sana'a, Yemen in April 2005, followed up by the sub regional workshop in Muscat, Oman in January 2006 and by the sub regional meeting in Dar es Salaam, Tanzania in April 2008). It culminated in the sub regional meeting in Djibouti (January 2009). The Djibouti meeting reached the adoption of the "Djibouti Code of Conduct" concerning the repression of piracy and armed robbery against ships in the Western Indian Ocean and the Gulf of Aden. This included resolutions to establish a training centre for the region in Djibouti, information sharing and cooperation between the participating nations and the build-up of an information sharing centre in Sana'a. The Code of Conduct represents the main basis and reference at political level for the actions included in this project for what concerns the Gulf of Aden component as it groups all relevant stakeholders<sup>50</sup>.

With more sectoral focus, the Regional Maritime Security Conference, held in Sana'a, Yemen (February 2009) and co-organised by the UK, allowed a discussion concerning in particular the roles of the coastal states' Coast Guards.

At international level, it is also to be underlined the set up of the Contact Group on Piracy off the Coast of Somalia (CGPCS), pursuant to UNSC Resolution 1851, established on 14 February 2009 to facilitate discussion and coordination of actions among States and

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<sup>49</sup> Coordination with the US on assistance in the region is on-going.

<sup>50</sup> Comoros, Djibouti, Egypt, Ethiopia, France, Jordan, Kenya, Madagascar, Maldives, Oman, Saudi Arabia, Seychelles, Somalia, South Africa, Sudan, Tanzania and Yemen were present as coastal states. As observers (User States) Canada, Iran, India, Indonesia, Italy, Japan, Nigeria, Norway, Philippines, Singapore, United Kingdom and United States, in addition to UN bodies: UN Department for Peacekeeping Operations (UNDPKO), UN Office on Drugs and Crimes (UNODC), UN Political Office for Somalia (UNPOS) and World Food Program (WFP), Intergovernmental organizations: International Criminal Police Organization (INTERPOL), League of Arab States, Regional Co-operation Agreement on Combating Piracy and Armed Robbery against ships in Asia (ReCAAP), African Union, Intergovernmental Authority on Development (IGAD), North Atlantic Treaty Organization (NATO) and the Organization of the Islamic Conference and Non-governmental organizations: BIMCO, INTERTANKO and the Port Management Association of Eastern and Southern Africa (PMAESA). The EC actively attended.

organizations in order to suppress piracy off the coast of Somalia<sup>51</sup>. Four Working Groups (WGs) have been set up, including WG1 on operational coordination and information sharing and regional capability development, WG2 on judicial aspects of piracy, WG3 on strengthening shipping self-awareness and WG4 on improving diplomatic and public information efforts on all aspects of piracy. The CGPCS has convened regularly and the European Commission has been an active participant to its works.

Lastly, concerning Somalia itself, the Donors' Conference in support of the Somalia Security Institutions and the African Union Mission in Somalia (AMISOM) took place in Brussels on 23 April 2009 convened by the United Nations Secretary-General under the auspices of the African Union, European Union, the League of Arab States and the United Nations, in line with the UNSC resolution 1863(2009). At this conference, 213 millions dollars were pledged by the participants in support for AMISOM, for the Somali security forces and the civilian Somali Police Force. It is envisaged that a future reconstruction conference would deal with wider needs including institution-building and development of livelihoods in Somalia, in the course of 2009.

## **7. DESCRIPTION**

For implementation purposes and considering the novelty and difficulties of EC involvement, it is proposed to structure the project along three components, the first two addressing the two priority areas of concern described above and the third of a horizontal nature of relevance to both areas. Most of the resources have been allocated to the Gulf of Aden area given the more extensive needs and the less developed state of cooperation. Further phases of the project might adjust and modify the proposed approach.

### **7.1. General Objectives**

The overall objective is to contribute to the security and safety of navigation of the two areas of the Straits of Malacca and Singapore and of the Gulf of Aden and Bab El Mandeb Straits, thereby helping to secure shipping and trading lines of communication for both coastal and user states involved.

The Specific Objective for Component 1 (South East Asia) is support existing cooperation by contributing to better safety of navigation the Straits of Malacca and Singapore.

The Specific Objective for Component 2 (Horn of Africa and Gulf of Aden) is to support regional cooperation and building capacity of selected coastal states.

The Specific Objectives for Component 3 (horizontal) is to support networking and build up of expertise on maritime affairs and to contribute to risk analysis and containers' monitoring.

### **7.2. Expected results and main activities**

#### **A. South East Asia - Malacca and Singapore Straits. Results and Activities**

The main result will be the enhanced level of knowledge and information sharing on Hazardous and Noxious Substances (HNS) thereby improving the safety of navigation, and environmental protection of the Straits.

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<sup>51</sup> The original members of CGPCS were: Australia, China, Denmark, Djibouti, Egypt, France, Germany, Greece, India, Italy, Japan, Kenya, Republic of Korea, The Netherlands, Oman, Russia, Saudi Arabia, Somalia TFG, Spain, Turkey, United Arab Emirates, United Kingdom, United States, Yemen, the African Union, the European Union, NATO, the UN Secretariat and IMO.

The project is to be developed with four clusters, not to be financed exclusively by the EC and the common data bank has been singled out at the status as the priority project worthy of EC support<sup>52</sup>. The information collated in the common HNS Databank may also be useful input for the Marine Electronic Highway (MEH)<sup>53</sup> demonstration project. Furthermore other States in the region, i. e. ASEAN Member States, may be given access to any of the established common HNS Databank or established their own similar common HNS Databanks.

Activities can include:

- Establish a common HNS Databank at the focal point of each littoral State
- Include information on the list of materials classified as HNS, the physical and chemical properties of the materials
- Establish the appropriate response procedures.

Each littoral State will be responsible to update the information, which will enable quick identification of substance involved in an HNS spill to enable appropriate response.

Consideration may also be given to a limited participation of the EC contributing to the MEH project and the Demonstration project of AIS class B transponders for Small Ships<sup>54</sup>. In fact, with the main exception of the HNS project and limited parts of MEH and AIS class B projects, the other projects developed under the regional mechanism are largely covered by other donors' funding or are beyond the scope of the IfS. The contributions to the Class B AIS transponders information together with the MEH project would provide a more complete traffic situation of the Straits, which would serve to enhance navigational safety<sup>55</sup>.

### **B. Horn of Africa and Gulf of Aden (Bab el Mandel Strait)**

The main result will be in the medium term an enhanced level of information sharing and coordination, thereby contributing to better coordination with the international community and of the response capacity of coastal states to respond to security, piracy and safety threats.

Other major expected results to which the project intends to contribute include:

- Set up of an Information Sharing Centre (ISFC) in Sana'a for exchange of information in order to enhance maritime security and to prevent and suppress acts of piracy and armed robbery against ships in the region;
- Set up of the Training Centre on Maritime Affairs for the region in Djibouti, for including development and training of law enforcement officers and coast guards of the region ;

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<sup>52</sup> The other three components already entirely financed by other donors include (1) SOP – a standard operating procedure for Joint HNS Spills Combat modelled after the existing SOP for Joint Oil Spill Combat in the Straits of Malacca and Singapore; (2) Local, national or regional response centres; (3) Training and exercises: at regional and national levels.

<sup>53</sup> The MEH is a system that collects, stores, updates and provides real-time data relating to navigational, meteorological, hydrographical, vessel traffic, environmental and emergency information/situation/infrastructure. It is intended to prevent ship collisions, making navigation safer and more efficient, tracking and monitoring illegal operations and discharges by vessels to enhance environmental protection

<sup>54</sup> The project enhances the safety of navigation within the Traffic Separation Scheme (TTS) of the Straits of Malacca and Singapore by preventing collisions between small ships and bigger ocean-going ships. ESF Final report "Critical Maritime Routes", Phase II

30. AIS improves the safety of navigation in a ship-to-ship mode for collision avoidance and as a mean for littoral States to obtain information about a ship and its cargo. It is also used as a tool for ship-to-shore for traffic management and as information source for security reasons, and preventing piracy acts. AIS Class B will be installed in ships/boats with a size smaller than 300 gross tonnes (GT). They are designed to operate with Class A units (installed on larger ships) on VHF data link.

<sup>55</sup> Detailed information and assessment are available for all projects of the ReCAAP mechanism.

- Reinforced capacity of coastal states' coast guards and administrations, starting with Yemen and Djibouti, to ensure - the surveillance and security of territorial waters
- In the medium to long term, set up of a regional cooperation mechanism along the blueprint of ReCAAP, linking the Sana'a and Djibouti Centres with a view to interlink the Kenyan and Tanzanian Maritime Rescue and Search Centres at regional level.

Activities related to the Training Centre in Djibouti (to be defined further in the technical assessment phase prior to start of implementation), might include *inter alia*:

- Establishment of training sessions of Coast Guards, law enforcement officers, naval forces, administration staff.
- Define the limits of the organisation and the educational project (courses contents);
- Selection of an equivalent EU training centre(s) in Europe acting as a “parent” partner;
- Support the set up the administration for support of the centre;
- Participation to the Training Centre's operations (funds and experts);
- Participation to the functioning (documentation, funds and experts);
- In due time, connect the centre to an equivalent one in the region<sup>56</sup> and South-East Asia.

Activities for the Information Sharing Centre in Yemen (to be defined further in the technical assessment phase prior to start of implementation), might include *inter alia*:

- Define communications needs and expertise;
- Contribute to the provision of essential equipment (communications, etc);
- Accompany the process with mentoring and technical assistance.
- Support the linkages with the Mombasa and Dar es Salaam focal points (Maritime Search and Rescue Centres), as per the IMO "Code of Conduct".

Activities for the capacity building of Coast Guards and of national administrations where appropriate (to be defined further in the technical assessment phase prior to start of implementation) might include *inter alia* regarding Yemen:

- Maritime Law Enforcement Training Courses;
- Improved, sustainable communications including back-up requirements;
- Development of common procedures;
- Implementation of VTS and AIS for the YCG plan;
- Training packages for the proper use of the data transmitted by the AIS and the correlation between data from the newly established coastal radar chains and the port radars;
- Logistic support in order to maintain operational availability of ships and boats;
- Training of interaction and cooperation between the fishermen and the fishery protection and environmental protection as executed by the Coast Guard;
- Experts Meetings and study visits in academies and training facilities of EU MS.

For Djibouti, among the activities that might be supported after the technical assessment phase prior to start of implementation are *inter alia*:

- Training and formation (Law enforcement, boarding, legal procedures, fusion and sharing of information, data processing, logistic procedures, etc.)
- Lectures and technical training courses, in the field, in regional centres or in Europe
- Exercising ashore and at sea in national and multinational scenarios
- Assets and equipment to fulfil national responsibilities for search and rescue.

Combined activities and if feasible exercises between the Yemen Coast Guard, the Djibouti Gendarmerie Maritime/Coast Guard and other agencies in the region<sup>57</sup> may also be supported.

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<sup>56</sup> In the region the only known possibility may be the Emirates Centre for Strategic Research in Abu Dhabi.

All training activities will be open to participation of Somaliland and Puntland's officials and when feasible, of the TFGs'.

EC financing to the activities above are to be considered as a contribution, as not necessarily they will all be supported by the EC. In addition, there are important requirements in terms of equipment and materials that the present project will not be able to finance<sup>58</sup>.

For the regional cooperation mechanism aspects, the main result to be expected in the medium term will be the enhanced regional response capacity, in close cooperation with the IMO:

Activities in the first (preparatory) phase) might include:

- Establishment of the training centre in Djibouti;
- Financing of regional meetings between Coastal States;
- Mentoring and tutoring;
- Financing of exchanges and study visits to the EU and in cooperation with ReCAAP.

Support to the Contact Group's work on regional capability development could be included, including on needs assessment and resulting recommendations.

This would complement the proposed support to the IMO Djibouti Code of Conduct and help ensure a holistic and balanced EU approach to the region.

### **C. Horizontal Component Results and Activities**

The main results are expected to be:

- Better insight into the research and analysis promoted in the SEA countries and a better coordination between with the EU and the EU Member States
- Enhanced confidence and a better understanding by research and information sharing on maritime safety and security.
- An improved level of risk analysis and monitoring of suspicious containers;
- In the medium term, an improved capacity to detect illicit trafficking and cargo.

Possible activities may include:

- Participation in programmes to enhance safety of navigation and linking up SE researchers to European networks towards exchange of experiences and common work
- Common exchanges and research on transport safety and satellite monitoring of navigational and environmental hazards.
- Extend the scope of Contraff's data collection and risk analysis on the container routes of SE and GoA;
- Sharing and promotion of the software tool to SE and GoA authorities (Customs, Ports);
- Demonstration and testing in joint exercises (mutual assistance between customs and administrations);
- Training.

In particular, and without excluding other possibilities, two networks at EU level managed by the JRC are considered to be relevant for SE Institutes and partners. In a second phase this

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<sup>57</sup> If feasible these may include for example the Coast Guard of Saudi-Arabia or the Coast Guard of Oman.

<sup>58</sup> These may be discussed with other donors as appropriate. By way of examples, the experts under the Expert Support Facility found that Provision of patrol vessels (35 m) and surveillance aircraft/helicopters for the Yemen Coast Guard capable of patrolling the littorals as well as support for infrastructure projects including buildings, breakwaters and Jetties is urgently needed for Yemen and for Djibouti, material assets' needs include patrol vessels, pilot vessels, surveillance aircrafts and helicopters, including spare parts, maintenance and repair.

could also be proposed in the GoA area. The first is the extension of ECCAIRS (European Co-ordination centre for Accident and Incident Reporting Systems) system to selected SE institutes.<sup>59</sup> The second is establishing linkages and common activities with the European Group of Experts on Satellite Monitoring of Sea-based Oil Pollution (EGEMP)<sup>60</sup>.

### **7.3. Risks and assumptions**

Concerning the projects in SE the risks are considered low. On HNS (as well as MEH and AIS Class B projects) needed technology and expert knowledge is available. The overall assumption is that SE coastal states will continue the good level of collaboration, under ReCAAP facilitation and the technical leadership of Singapore. On the horizontal component its nature of pilot phase will allow to adjust the approach in case the assumption of a low risk, well accepted type of action will not be verified.

Concerning the second component (HoA/GoA), the risks are more important and stem in part from the unstable and unsecure condition of Somalia, which might affect its neighbours or otherwise indirectly pose a risk. However, this is mitigated, in addition to the recent improved prospects of the TFG, by the fact that the project itself is designed not to include any activity based in Somalia itself and working with neighbours instead. Concerning the risks directly linked to the project, they stem from three orders of reasons. Firstly, the security situation in the region should be considered when planning EU engagement. The second is technical (lack of capacity of coastal states). Yemen and Djibouti have limited experience and limited number of specialists available and the cooperation is in a nascent status. The Centres must remain small and simple organizations and considerable support and mentoring will be needed. A third order of risks stem from political factors and in particular of possible resistance of neighbouring countries suspicious of greater international community's involvement in the area. This is however a manageable risk, considering that the respect for sovereignty will be a constant reference and that the main interested countries have already expressed at high level their commitment in sustaining the process (see IMO Regional meeting in Djibouti). The concrete collaboration of the Kingdom of Saudi-Arabia towards an information centre in Sana'a is unclear, but given the strong desire in the region to act, this should also not be insurmountable.

### **7.4. Crosscutting Issues**

All activities of the projects will be carried out in conformity with the principles of good governance and internationally recognised human rights standards as well as taking into account gender issues. Monitoring will be conducted to prevent that training and equipment provided can be used to commit violations of human rights.

The most important cross-cutting issue is the environment. The illegal dumping of wastes and unsustainable exploitation of fisheries in the case of the waters off Somalia and the additional risks of oil spills and of hazardous and noxious substances (particularly relevant for SE Asia) are a considerable risk that is going to be partially tackled through achievement of better levels of information sharing and cooperation as well as of capacity of coastal states.

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<sup>59</sup> ECCAIRS was developed by the JRC under mandate of DG TREN (see <http://eccairsportal.jrc.ec.europa.eu/Products.80.0.html>).

<sup>60</sup> EGEMP was set up by the JRC under mandate of DG Environment in 2004. See also <https://maritimeaffairs.jrc.ec.europa.eu/web/egemp>

## **7.5. Stakeholders**

The key stakeholder are the International Maritime Organisation (IMO) and the Contact Group on Piracy off the Coast of Somalia, of which the IMO as well as the EC is part. The International Maritime Board (IMB) is also to be associated. UNODC (for the Horn of Africa component) and INTERPOL have also been developing their activities specifically related to piracy in particular. Other UN agencies may also be relevant in specific cases (UNDP, DPKO).

In SE Asia, the key stakeholder is ReCAAP. Other proposed agencies from the littoral States in SE Asia are the Directorate General of Sea Transportation, Ministry for Transportation, Indonesia, the Maritime and Port Authority, Singapore, the Marine Department, Malaysia and as research institutes, the Maritime Institute of Malaysia (MIMA), the Indonesian Institute for Maritime Studies, the Institute of Defence and Strategic Studies in Singapore and the National Security Coordination Centre in Singapore.

In the HoA and GoA component, the TFG should be consulted when appropriate. For Djibouti, the Port of Djibouti and Dolareh, the Maritime Affairs Authority (Transport Ministry), the Naval Force (Defence Ministry/Navy), the Coast Guard (Navy) and the Gendarmerie Maritime (Ministry of Internal Affairs) are essential stakeholders. For Yemen, it will be mostly the Yemen Coast Guard, and when relevant the Maritime Administration (Ministry of Transport).

Furthermore, considering the linkages to be established with the focal points in Mombasa and Dar es Salaam as per the Code of Conduct, the Governments of Kenya and Tanzania are to be involved. Saudi-Arabia, the GCC and Oman, although not directly involved in the implementation, may be included in consultations as stakeholders.

EU Member States, and particularly those present in the area either as participants to ATALANTA or as bilateral donors will be essential stakeholders.

The US is also an essential player and Japan and the Nippon Foundation have assisted financially coastal states of SEA in the recent past and have recently expressed interest in supporting also those of the HoA/GoA area<sup>61</sup>.

## **8. IMPLEMENTATION ISSUES**

### **8.1. Method of implementation**

For Component 1 the method of implementation is proposed to be a direct award of a grant based on article 168, f) of the Implementing Rules (article 110-1 of the Financial Regulation). ReCAAP (see also above) is the only responsible organisation for its Member States (Coastal States) and has the monopoly and unique technical competence and specialisation over the implementation of any activity on maritime security and safety, including cooperation ones, in the Straits of Malacca and Singapore. This activity is not covered by the scope of any Call for Proposals. Since however the legal possibility for ReCAAP to accept directly a grant according to EC procedures could not be ascertained in time, the exact modalities according to the Financial Regulation will have to be assessed further.

For Component 2, the implementation method will be direct centralised management through a direct attribution of service contracts to Member State organisations or consortia thereof. The direct award of a service contract (negotiated procedure) is based on Article 242 b) of the

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<sup>61</sup> Japan has also sent warships in 2009 to the area to protect merchant ships.

Implementing Rules as amended, "where the services are entrusted to public sector bodies [...] and relate to activities of an institutional nature [.....].The negotiated procedure is necessitated by the confidentiality and sensitivity linked to the subject matter (piracy, maritime security), as well as for the special nature of the services involved (IR Article 242, h). In the sensitive area of maritime security and the fight against piracy, with the consequent security risks and the presence of armed pirates and of the Navies of several States, the choice of MS organisations is the only one that can ensure the necessary security, quality and specialisation of services, confidentiality and coordination.

For Component 3, the proposed implementation method is direct centralised management. The implementation for the activities is planned to be entrusted to the Joint Research centre, due to its past experience and specific competences, including in a number of related initiatives. The tasks will be defined in appropriate Administrative Arrangement(s) in accordance with the Financial Regulation.

A Steering Committee (SC) will be established comprising the European Commission, EU Member States' services, the IMO, ReCAAP and concerned services of its member states (Singapore, Indonesia and Malaysia) as well as for the second component, Djibouti and Yemen. The SC will have a variable composition considering the differences between the two regions. Coordination during implementation will also be sought in existing coordination starting with the Contact Group (see above). Coordination with the IMO and cooperation with the IMB will also be sought.

## **8.2. Procurement and grant award procedures**

All contracts implementing the action must be awarded and implemented in accordance with the procedures and standard documents laid down and published by the Commission for the implementation of external operations, in force at the time of the launch of the procedure in question. Participation in the award of contracts for the present action shall be open to all natural and legal persons covered by the IfS Regulation.

## **8.3. Budget and calendar**

The overall budget for all activities will be €5 million.

The first component (SE Asia) will be allocated an indicative budget of €0.5 million for a duration of 24 months. Such amount is indicatively broken down into contributions for the HNS project (up to €0.2 million), the MEH and the AIS Class B transponders (up to €0.3 million). It is not possible to precisely determine at this time the contributions of other donors for Component 1 (SE Asia), as the EC-financing will be a complement to the identified projects under the ReCAAP mechanism. These amounts will be further determined following dialogue with ReCAAP representatives and its member states.

The second component will be allocated an indicative budget of €4 million for duration of 36 months. This amount is expected to be further broken down into contributions to the set up of the regional mechanism and coordination (up to €0.2 million), the Documentation and Training Centre (up to €1.5 million), and the Information Sharing Centre (up to €1.5 million). For the contribution to the reinforcement of the Coast Guards' Capacity, up to €0.8 million are estimated in the present phase. These amounts will be further determined following technical assessments and in dialogue with the representatives of Yemen and Djibouti. Most of these amounts will be implemented through service contracts, with a part that might include supply contracts for technical equipment. Technical feasibility studies are planned to be launched through the Expert Support Facility to determine the technical specifications especially for Component 2.

For the third component, the overall amount for the present project (Phase I) is €0.35 million, for an initial duration of 24 months (Pilot Phase)

€0.15 million will be reserved for evaluation and audits and for visibility.

#### **8.4. Performance monitoring**

Careful monitoring will be ensured all along the projects implementation by the European Commission services. A mid-term ROM might be envisaged in the course of the projects, in close consultation respectively with ReCAAP and EU Member States given confidentiality needs.

There will be indicators of output, outcome and impact to measure progress. In terms of output number of trainings, and equipment provided will be taken into account. In terms of outcome the level of information exchange, the level of cooperation (joint activities, etc) will be evaluated. In terms of impact, in the long-term term the amelioration of security (in number of incidents) will be the references.

#### **8.5. Evaluation and audit**

An evaluation and audit will be carried out at the end by independent experts. Indicators for the measurement of the progress will also be used for the final evaluation.

#### **8.6. Communication and visibility**

In order to ensure visibility, the implementing partners will display the EU logo on all publications including reports, newsletters and any type of outreach material. The EC will be identified as the source of funding in any contact made with the beneficiaries and the public. In the first component, the visibility of EC contributions within the ReCAAP mechanism has been discussed and is pledged to be ensured starting with the International Conference to be organised in October 2009 in Singapore. EU visibility will be further enhanced by the joint participation of EU Member States and the European Commission (second component). The EC will be identified as the source of funding in any contact made by EU Member States with the beneficiaries. Measures ensuring the visibility of the EU financing will be in accordance with the rules on the visibility of external actions laid down in the Communication and Visibility Manual for EU external actions of April 2008. Nonetheless, confidentiality of some of the outputs and activity might lead to specific arrangements restricting their circulation and information. For the horizontal component, the implementation by the JRC will ensure maximum EC visibility.