

ASSOCIATION OF NATIONAL ORGANISATIONS OF FISHING ENTERPRISES IN THE EU

EP(20)51

Brussels, 28 September 2020

Europêche lodges anti-dumping complaint against Chinese tuna exports

- EU fishing sector requests the abolition of tariff derogations for imported tuna loins -

Europêche has presented today a request to the European Commission for the initiation of an antidumping investigation concerning imports of tuna processed loins - mainly skipjack - originating in China, which are causing serious economic damage to the European fishing industry. The information furnished by Europêche to the European authorities discloses the existence of unlawful aids and tax breaks allegedly granted by the Chinese Administration to the Chinese exporters of both tuna loins and canned tuna. The European fishing sector urges the EU to eliminate any present and future tariff derogations granted to tuna loins, which mainly come from China, to mitigate further market and economic disruption.

Subsidised tuna exports are a trade practice that is not only breaching World Trade Organization (WTO) rules but also threatening sustainable ocean governance. The alleged interventions by the Chinese government undermine free competition and require urgent action from the EU to re-establish a level playing field in terms of tuna trade flows.

Europêche strongly feels that any harmful subsidy or tax relief granted to Chinese exporters should receive full attention from the European Commission. Indeed, the United States has issued already in April 2016 a formal request to the WTO asking for China to clarify fishery subsidies and bring them in line with WTO rules. However, this process seems to be far from completed since, according to Europêche, processing and export of tuna loins might come to Europe on unfair terms, being dumped or subsidised.

Europêche is alerted by the increasing import volumes of tuna loins flooding the EU market at low prices. These low prices are made possible on the one hand by the confronted subsidies from the Chinese government to their producers and on the other hand by EU import tariff derogations granted for 30,000-ton tuna loins per year. Furthermore, a recent study¹ reveals that China has expanded its uncontrolled distant-water fishing fleet to the point that China is threatening food security and the economies of coastal communities around the globe². According to this research, this has been possible thanks to tax exemptions, fuel subsidies and ship construction subsidies which are hardly ever made public by the Chinese authorities. Europêche argues that Chinese seafood products therefore compete

² Urbina, I. (2020). How China's Expanding Fishing Fleet Is Depleting the World's Oceans. *Yale School of the Environment, via* <u>https://e360.yale.edu/features/how-chinas-expanding-fishing-fleet-is-depleting-worlds-oceans</u> Urbina, I. (2020). The deadly secret of China's invisible armada. *Outlaw Ocean Project and NBC News,* via

https://www.nbcnews.com/specials/china-illegal-fishing-fleet/index.html

¹ Gutiérrez, M., Daniels, A., Jobbins, G., Gutiérrez Almazor, G., Montenegro, C. (2020). China's distant-water fishing fleet: Scale, impact and governance. ODI, via <u>https://www.odi.org/sites/odi.org.uk/files/resource-</u> <u>documents/chinesedistantwaterfishing_web_1.pdf</u>

unfairly with seafood produced sustainably by the EU fishing fleet but also with seafood suppliers from developing countries that export to the EU market under preferential market access conditions.

Javier Garat, President of Europêche, declared: "Given the strategic and highly competitive nature of the tuna market we urge the European Commission to initiate an anti-dumping and anti-subsidy investigation with a view to impose as soon as possible countervailing measures against tuna exports to the EU". Mr Garat concluded: "It is not acceptable that countries which are linked to IUU fishing and serious labour abuses benefit from preferential market access; it should be rather the opposite. The EU should work towards achieving a true level playing field between EU produced and third country produced seafood. Autonomous tariff quotas for tuna loins at present are rewarding those who have turned a blind eye towards the sustainability of fish stocks and fair treatment of people".

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Press contacts:

Daniel Voces, Managing Director of Europêche: +32.2.230.48.48 daniel.voces@europeche.org