

ASSOCIATION OF NATIONAL ORGANISATIONS OF FISHING ENTERPRISES IN THE EU

Preferential market access (ATQs) continues to be extended to products of questionable reputation, without any sustainability criteria

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The EU will grant zero duty access to more than 900,000 tons of imported seafood, compared to 831,000 tons in the previous regulation.

The Council adopted today a new regulation for preferential market access (Autonomous Tariff Quotas)¹. The newly adopted regulation grants the EU's fish processing industry the right to import seafood products not available in sufficient quantities in the EU at reduced rates or duty-free. As a novelty, the EU denies Russia the right to enjoy duty-free treatment for its fisheries products. Europêche supports this position that is in line with the sanctions following the Russian invasion of Ukraine. The sector hopes that this measure applies as well to Russian fishery products processed in other non-EU countries such as Norway or China, later sold in the EU market.

Europêche wished that the Council would have taken such strong stance also regarding the sustainability of the ATQ system. The Commission is building its latest EU fisheries policies proposals under the imperative to tackle a climate and biodiversity crises, resulting in an increasing array of rules and restrictions applying to EU vessels. And yet, the EU gives away free market access for foreign seafood supply under the ATQ system without adhering to the fundamental principles of sustainability, reciprocity and mutual benefit. This paradoxical approach not only undermines the coherence of the proposed policies but also exposes a critical loophole, allowing a lack of accountability in ensuring that global seafood imports align with the sustainability objectives championed within EU borders.

While in 2022 an external study was undertaken on autonomous tariff quotas' sustainability, absolutely no impact assessment was conducted for this new regulation to check whether ATQs supplies are coherent with the current EU policy initiatives on sustainable sourcing and trade. No sustainability criteria was neither added to the new proposal. While the EU Commission initially proposed a two-year period regulation to integrate some sustainability rules as soon as possible, the Council went back to the usual three-year implementation period.

Daniel Voces, director of Europêche, reminds that: "The European trade policy is our most powerful weapon to achieve fair competition and the promotion of core principles such as sustainability and social fairness in the field of fisheries. Including sustainability in the ATQ system is paramount to safeguard EU's own fishing interests."

Javier Garat, president of Europêche, adds that "The 2024-2026 regulation on ATQs was adopted by the Council three months after the proposal from the Commission, which shockingly has not been published at any point of the negotiation. This has never happened and cannot happen. Transparency

¹ https://www.consilium.europa.eu/en/press/press-releases/2023/11/27/import-of-fishery-products-council-adopts-autonomous-eutariff-quotas-for-2024-to-2026/

has been put aside during this process, and with it the principles of democracy, accountability, public participation and trust".

Regarding the new quotas, hake, flat fish and tuna loins are of particular concern for the EU fleet.

Flatfish quotas in the EU are abundant and absolutely no shortage in raw material occurs. There was no need for the extra supply to the European market and no justification for maintaining an ATQ of 7500 tons. Likewise, the Ukrainian war is impacting the commercialisation of Pacific and Argentine hake, for which the 40 000 tons ATQ mainly benefiting (at 95%) China's production², was no longer necessary.

Likewise, there was a real need for decreasing the 35 000 tons of tuna loins quotas, which are heavily impacting the European fleet. China, Indonesia, Thailand, and Vietnam benefit and receive a 98% allocation of tuna loin quotas. These countries are particularly criticized, considering that they do not respect minimum global standards, far from EU advanced rules, on management and control of fishing activities, working conditions, health and sustainability of resources. It is to be noted that Vietnam was yellow-carded in 2017, still in force at present, and still can enjoy duty-free treatment. Likewise, the European Parliament Committee on Fisheries also heavily criticized flagged Chinese vessels for IUU fishing³.

On the market side, the ATQ quota for tuna loins is exhausted on the first days of January each year, namely on January 4th in 2023. This massive entrance of low standards, cheap raw material creates a price distortion, preventing the European fleet to sell its products into the European Union. It is not only the fleet which raised concerns against it. The vast majority of stakeholders within the EU advisory councils for the market and the long-distance fleet advocated to suppress the ATQs for products originating from China, including tuna loins⁴, considering China's link to IUU fishing and serious labour abuse⁵. West African ACP countries, long-term partners of EU and whose canneries work with EU flagged vessels, also called for a progressive reduction of the tuna loins ATQs⁶.

Javier Garat, president of Europêche, concluded: "The problem is that China's expanding fishing fleet is depleting the world's oceans in the very same waters where our vessels operate. Even worse, the unsustainable fish they capture ends up in our market. On top of that, the EU is granting tariff derogations to these products without any reason or merit, other than the low price. This has to stop."

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² Average 2020-2022

https://www.europarl.europa.eu/RegData/etudes/STUD/2022/733101/IPOL_STU(2022)733101_EN.pdf

⁴ https://www.ldac.eu/images/EN_LDAC_Opinion_on_ATQ_for_Tuna_Loins_2021-2023_R.10.20.WG1.pdf

⁵ https://ldac.eu/images/LDAC-MAC Joint Advice China Distant Water Fleets 13Dic2022.pdf

⁶ https://www.comhafat.org/fr/files/actualites/doc actualite 35205163.pdf