



The 2012 Seafood Conference Iceland

**EU common fisheries policy, likely changes
and opportunities for
Iceland**

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The reform of the Common Fisheries Policy: State of play (I): The Basic Regulation

- *Proposal presented in June 2011*
- *General Approach of the Council in June 2012*
- *Position of the European Parliament yet to come:*
 - *PECH Committee vote in November 2012*
 - *Plenary vote 1st quarter of 2014*

The reform of the Common Fisheries Policy: State of play (II): The European Maritime and Fisheries Fund (EMFF)

- *Proposal presented in September 2011*
- *General Approach of the Council October 2012*
- *Position of the European Parliament yet to come:*
 - *PECH Committee vote in January 2013*
 - *Plenary vote 1st quarter of 2014*
- *Adoption needed before end of 2013*

The reform of the Common Fisheries Policy: State of play (III): The CMO Reform

- *Proposal presented in June 2011*
- *General Approach of the Council in Sept. 2012*
- *Position of the European Parliament yet to come:*
 - *PECH Committee voted in October 2012*
 - *Plenary vote end 2012*

The reform of the Common Fisheries Policy: Main agreed or agreeable elements (I)

- *On the Basic Regulation:*
 - *MSY objective*
 - *ITQs only voluntary; only intra-national*
 - *Discard policy*
 - *Regionalization*
- *On the EMFF:*
 - *Wider scope of fleet aid*
 - *Shared management for the Integrated Maritime Policy (IMP)*
 - *Emphasis on coastal development*
- *On the CMO reform:*
 - *Simplification of price regimes*
 - *Stronger POs and inter-branch organizations*
 - *Clear mandatory labelling; framework for voluntary labelling*
 - *Intelligent marketing*

Allocation of Fishing Rights/General

- *Governed by Article 43(3) TFEU:*
 - **The Council, on a proposal from the Commission, shall adopt measures on fixing prices, levies, aid and quantitative limitations and on the fixing and allocation of fishing opportunities.**
- *General principle: The Council allocates fishing rights to Member States. Allocation of fishing rights to individuals is for the competence of the authorities of Member States (Article 20 of current Basic Regulation):*
 - **1. The Council, acting by qualified majority on a proposal from the Commission, shall decide on catch and/or fishing effort limits and on the allocation of fishing opportunities among Member States as well as the conditions associated with those limits. Fishing opportunities shall be distributed among Member States in such a way as to assure each Member State relative stability of fishing activities for each stock or fishery.**
 - **2. When the Community establishes new fishing opportunities the Council shall decide on the allocation for those opportunities, taking into account the interests of each Member State.**
 - **3. Each Member State shall decide, for vessels flying its flag, on the method of allocating the fishing opportunities assigned to that Member State in accordance with Community law. It shall inform the Commission of the allocation method.**
 - **4. The Council shall establish the fishing opportunities available to third countries in Community waters and allocate those opportunities to each third country.**
 - **5. Member States may, after notifying the Commission, exchange all or part of the fishing opportunities allocated to them.**

Allocation of Fishing Rights in Member States (general)

- *No preestablished rules at EU level*
- *Initial allocation can be individual, but generally is done towards organizations (POs, regional committees, "Cofradias", regions, etc). These take care of individual allocation and quota consumption*
- *Track records are the main criteria but others are used*
- *ITQs are not uncommon, but exist under different modalities*

Study describing these modalities:

An analysis of existing Rights-Based Management (RBM) instruments in Member States and on setting up best practices in the EU

http://ec.europa.eu/fisheries/documentation/studies/rbm/index_en.htm

Allocation of Fishing Rights in some Member States (a few examples)

SPAIN:

- *Limited Licensing system in the shellfish fishery (PERMEX)*
- *Initial allocation to groups of producers (by gears, area, organization)*
- *ITQs for demersal fish in NEAFC, swordfish and blue fin tuna*

UK:

- *Initial assignation to*
 - *i) 20 PO's, on the basis of track record*
 - *ii) non-sector, guaranteeing a minimum level*
 - *iii) <10 m, guaranteeing a minimum level*
- *ITQ's for a number of fisheries; market value of ITQ's highly increased recently*

THE NETHERLANDS:

- *ITQs for flatfish, roundfish and pelagics, coupled to*
- *Limited Transferable Licensing (LTL)*

FRANCE:

- *No transferability. Allocation of quota by Committees and POs; gestion of individual rights by these bodies.*

The Common Market Organisation

Legal references:

- *Council Regulation (EC) No 104/2000 on the common organisation of the markets in fishery and aquaculture products*
- *23 implementing Commission Regulations giving detailed rules*

Instruments

- *Common marketing standards*
- *Consumer information provisions*
- *Organisation of the sector: producer & interbranch organisations*
- **Price & intervention mechanisms**
- *Trade arrangements with third countries*

Price and intervention

Legal references

- *Articles 17-27 of Council Regulation (EC) No 104/2000*
- *12 implementing Commission Regulations*

Main features

- *Intervention triggered when market prices fall below threshold*
- *Council fixes annually:*
 - **Guide prices for fresh & frozen products of EU importance**
 - **Community producer price for tuna intended for processing**
- *Commission adopts intervention parameters based on guide prices:*
 - **Withdrawal prices**
 - **Selling prices (for products frozen on board)**

Price and intervention (cont.)

Main features (cont.)

- *Intervention based on EU prices*
 - **Withdrawal of products off the market for human consumption**
 - **Carry-over for reintroduction onto the market at a later stage**
 - **Private storage for products frozen on board vessels**
 - **Compensatory allowance for tuna intended for canning**
- *Intervention based on prices fixed by POs:*
 - **Autonomous withdrawals**
 - **Autonomous carry-over**
- *Financing by the European Agricultural Guarantee Fund EAGF (fisheries markets)*

The new CMO: expected outcome

Simplification:

- Just 1 Council Regulation and 8 implementing acts
- Price intervention reduced to (transitional) storage aid
- Simpler marketing standards (no more size/freshness categories)
- Financing just from one fund (EMFF)

Empowerment of operators

- Stronger PO's and inter-branch organizations; transnational organizations
- Market intelligence (observatory)

New intervention logic

- Single storage mechanism, to be phased out
- Focus on planning of production/supply

Labelling for responsible consumption

- Extension to processed products; include date of catch
- Framework for voluntary labelling

Investing in the EU fisheries sector

Framework: the EEA agreement and the four freedoms

- *In particular, Part III of the EEA Agreement: Free movement of persons, services and capital:*
 - **Right of establishment: Chapter 2, Annexes VIII-XI**
 - **Freedom to provide services: Chapter 3, Annexes IX-XI**
 - **Freedom of movements of capital: Chapter 4, Annex XII**
- *As summary: identical conditions as those for EU Member States (the reciprocal rights are not the same (exceptions granted to Iceland and Norway): no discrimination).*
- *The exercise of these freedoms can be regulated by Member States, but the regulation should apply equally to all EEA countries and EU member States (again, no discrimination)*
- *Following accession: no changes.*