

European Association of Fish Producers Organisations

Association Européenne des Organisations de Producteurs dans le secteur de la pêche



EAPO / AEOP

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**Letter by e-mail attachment to:
European Commission DG MARE Unit B3: Celine Idil**

EAPO21-18

Oostende, 10 March 2021

Dear Ms. Idil,

Subject: EAPO's position on import quotas requested by the processing industry in connection to EU's renegotiation with Norway of the Financial Mechanism

The Financial Mechanism for the European Economic Area (EEA) is to be renegotiated as it is expiring at the end of April 2021. In connection with this, certain duty-free tariff quotas on fishery products will also be renegotiated.

First EAPO would like to remind that these duty-free imports have to be considered in the wider context of all fish products imported from third countries with reduced or no tariffs. In addition to the EEA agreement, the EU has put in place General Scheme of Preferences (GSP, GSP+, EBA) -geared towards developing countries-, and Autonomous Tariffs Quotas (ATQs). ATQs allows a set quantity of fish products to enter the EU market with no or reduced tariffs. The rationale for this is to provide the EU processing industry with cheap raw products. However, in practise it often translates into products from third countries competing or replacing EU products. Finally, the EU has free trade agreements with an extensive number of countries around the world. We find it important that an overall picture of the free trade possibilities is assessed before decisions are taken on the Norwegian duty-free imports. Overall EAPO is of the opinion that EU producers and processors should strive together to convince EU consumers to purchase more EU fishery products.

Comments on specific requests made by the EU processing industry

The EU processing industry has put forward proposals that include preferential treatment for various herring products. EAPO believes that such preferential treatments of Norwegian fresh and chilled herring products risk leading to price reduction affecting small scale European producers. Increased duty-free imports of fresh and chilled herring from Norway risk leading to price pressure and reduced profitability for the fishing sector which is a direct threat to local coastal communities. Because of their

fragile qualities, fresh and chilled products are sold on a regional market, and often at a higher price compared to e.g. frozen products that compete on a global market.

However, EAPO acknowledges that some processing industries are heavily dependent on fish coming from outside EU. Thus, EAPO recommends that preferential treatments of Norwegian direct landings of fresh herring are kept at a level, which takes into account interests from both the processing industry and fishers.

In order to protect EU jobs on land, especially in small ports and on local markets, EAPO underlines that only direct landings of fresh whole herring into EU ports should be covered by the preferential treatment and not fresh and chilled products trucked or shipped directly into EU markets.

For frozen and processed herring products, EAPO is concerned that increased tariff free imports will result in loss of jobs in the primary processing sector in EU coastal communities. The EU should endeavour to secure, that as much of the added value to imported fish products is generated within the EU processing sector, already struggling with COVID-19 and the aftermath of Brexit.

Some of the import quotas that the industry wants to expand are permanent. However, the particularly difficult financial situation for the fisheries sector linked to the COVID-19 situation and the negative impact of Brexit should be taken into account. Granting such indefinite advantages that threaten the EU industry is unacceptable and should be avoided at all cost.

EAPO is not opposed to a tariff free environment in principle, but this should also be based on maximising internal procurement. It is an important matter of food security and economic sustainability for the sector.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'P. Visser', with the name 'PIM VISSER' printed in small letters below it.

Pim Visser,
President