

DRAFT MINUTES
15th LDAC Working Group 5 meeting

Horizontal Issues
Tuesday, 14 October 2014 from 2 to 6:30 pm

Martin's Central Park Hotel, Brussels

Chairman: Julio Morón
Vice-Chair: José Carlos Castro

1- Reading and approval of the minutes of the 14th WG5 meeting (Brussels, 21 March 2014).

The minutes of the WG5 meeting held in Brussels on 21 March 2014 are approved.

2- Approval of the agenda.

The agenda is approved with no comments or additional items to be included.

3- Current negotiations or negotiations in preparation:

3.1. UE-Thailand negotiations and 3.2. Other negotiations in progress.

North America, Central America and South America

The representatives of the Commission, Messrs. Catalán and Dross, report that in the last few months agreements have been closed with Canada (in September). Negotiations with USA were initiated last year and are now on their 7th round, with another round planned before the end of the year. Negotiations with Mercosur are advancing very slowly.

Regarding Central America, at the beginning of 2014 the agreement came into force, with a specific section devoted to fisheries. There is a desire for cooperation more than for adopting measures on topics such as fighting against IUU fishing.



There is an agreement in force with Mexico since 2000. However, the Mexican authorities wish to bring it up to date. There is no commercial agreement with Cuba, but a partnership agreement with no tariff concessions is being negotiated.

As for the Andean Community, the agreements with Colombia and Peru are in force, whereas that with Ecuador is expected to come into force in 2015 or 2016 (a regulation has been proposed by the Commission and submitted to the Council and the European Parliament for discussion). With regard to Chile, the existing agreement adopted in 2003 is intended to be amended to bring several aspects up to date: rules of origin, sustainability, tariff concessions... Bolivia is not included in any of these groups since it has no relevance for the fisheries sector.

Europe

In terms of bilateral agreements, attention should be drawn to Norway. Some of the provisions of the bilateral agreement have expired and they have been negotiating until the month of July, although negotiations with this country have been suspended for the time being.

As for Russia, it is reported that a discussion was held among the EU ministries on the ban on imports from the EU.

Regarding Nigeria and the exports of pelagic species from the EU to this country, serious obstacles have been encountered and addressing this issue is considered of high importance.

Asia

Negotiations with Vietnam are coming to an end and the aim is to finalise them around March or April 2015. Technical negotiations on fisheries have nearly come to an end; there is a specific article on sustainable fisheries in the sustainable development and trade section. Regarding market access, negotiations continue and they have not been finalised in the fisheries field yet. With regard to the rules of origin, there are still some conflicting opinions, but technical discussions have come to an end. The agreement has been adopted in Singapore. The negotiation process in India and Malaysia has come to a standstill due to the fact that elections were being held.

Concerning Japan, negotiations will take place in Brussels next week. In terms of fisheries and market access, the Japanese act in quite a defensive way due to the importance they attach to this sector.

Rules of origin are not very different to those within the EU, but the main difficulty lies in the requirements relating to property (capital) and crew members on board.

Negotiations with Thailand are currently at a standstill owing to its political situation.

The representative of the EC, Ms. Fouquet, answers a question asked by Mr. Morón on whether they are going to bear in mind working conditions in Thailand in the negotiations. She says that they are aware of these facts and that they are discussing them within the free trade negotiations, but that it is too soon to know to what extent it will be taken into account within the negotiating process and negotiations are at a standstill. Outside the negotiations, the Thai Embassy is also providing information on this matter.

African, Caribbean and Pacific countries (ACP)

Regarding the Economic Partnership Agreements (EPA), those with West Africa and SADC were initiated (in June and July 2014, respectively) and the interim EPA with Cameroon was ratified by the relevant authorities of the country in August 2014.

With regard to the ACP countries and their access to the EU market, the representative of the EC says that the situation is improving.

At present, only Kenya has increased tariffs for exports to the European market due to the fact that an EPA has not been finalised. Nevertheless, Côte d'Ivoire, Ghana and Namibia, important coastal states in terms of fisheries, will benefit from the EPA finalised at regional level providing duty free treatment. On 14 July 2014, Fiji informed the Commission about its steps towards ratification of the provisional EPA and its provisional application (28 July 2014).

Regarding ratification procedures, the EU will start to work with the regions that have signed an EPA with the EU.

Kenya, together with Tanzania, Uganda, Ruanda and Burundi (East African Community, EAC), is still negotiating a global EPA with the EU.

Questions asked by the members

Ms. Boulova asks whether there is a specific deadline by which agreements should be ratified generally speaking, since nothing is said in this regard on the framework Regulation. The representative of the EC responds that there is no official deadline, but that they usually need from 18 to 36 months for an agreement to come into force.

Messrs. Garat and Morón request negotiators in charge of economic partnership agreements and fisheries partnership agreements be more coordinated, referring more precisely to the EPAs with West Africa and Mauritania. They ask whether this matter has been internally discussed within the Commission.

The representative of the Commission, Mr. Swiderek, responds that, within free trade negotiations, the Commission does not have a specific mandate to discuss matters relating to access to resources. This requires a particular mandate. In the case of Mauritania, Seychelles and other countries there is a wide scope for negotiation in terms of fisheries agreements. The FAO Code of Conduct establishes that states shall deal separately with access to markets and access to resources (in terms of mandate and negotiations).

Ms. Gorez enquires how article 11 of the FAO Code of Conduct is applied in practice, in terms of sustainable fisheries, to the case of Nigeria, where there is a partial embargo on pelagic fisheries owing to problems relating to the quality of landings.

Mr. Swiderek replies that there is a double path: on the one hand, there are negotiations through the WTO, where the EU has not been very proactive, and on the other, the informal dialogue held with the Nigerian authorities. The decrease of exports from Nigeria is mainly due to stricter requirements and bureaucratic obstacles in the issuance of permits and administrative licences.

4- New GSP Regulation: Beneficiary countries. Update on the possible integration of the Philippines in the GSP+ for the tuna industry.

The representative of the EC, Mr. Dross, informs that in the context of the GSP Regulation the EU is analysing the formal application submitted by the Philippines. The latter has already been accepted by the Commission, since it complies with provisions on the GSP Regulation. If the EP shows no opposition by simple majority (the Council has agreed not to block this process), on 19 December 2014 the Philippines will be awarded GSP+ treatment. He points out that, on the one hand, there is the GSP+ procedure and, on the other, there is the IUU procedure. They are two independent procedures, with a different set of criteria. The LDAC Chairman, Mr. Cabral, reports on the letter sent to the DG MARE and to the European Parliament Committee on Fisheries regarding the Philippines and expressing their concern regarding the fact that this country does not control illegal fishing.

ACTION: The LDAC Secretariat will distribute the letter where it was claimed that the Philippines should control and fight against IUU fishing as well as the response sent by the EC.

The representative of the EC says that the Philippines and the EU are still discussing on IUU fishing. If the country does not improve the situation regarding the IUU regulation, the Council could apply the relevant sanctions, including trade sanctions.

Mr. Castro points out that it is difficult to justify the fact that the Philippines might be awarded GSP+ status and all the benefits that this entails regarding access of their canned tuna to the EU market, prior to the European Commission's decision concerning the yellow card that country was issued due to the deficiencies detected by the EC relating to their failure to comply with the IUU Regulation. If the country was finally issued a red card, it would be paradoxical since canned tuna from the Philippines produced as a result of IUU fishing would have been entering the Community market with preferential treatment.

For this reason, Mr. Castro argues that the European Commission should work in order to ensure the essential consistency of Community policies and the implementation of a real level playing field that enables the Community tuna fleet to compete with products from third countries in a situation of equality, something that, in his opinion, is unfortunately far from being ensured today.

The representative of the EC disagrees on the lack of consistency of Community policies since GSP+ status is not only awarded in terms of fisheries products (which account only for 3% of total imports of the EU from the Philippines) but of many other such as textiles, oil, etc. and it is a development tool that differs from that to fight against IUU fishing. On the other hand, the Philippines were given a 'yellow card' warning (6 months) but are not included in the IUU list yet. The processing of the GSP+ agreement will follow different paths to those relating to IUU fishing, and trade sanctions will be imposed (import ban on products) if there is evidence that the country is failing to fight against IUU fishing.

Ms. Gorez declares that IUU fishing entails other problems and violations regarding social and labour issues (conditions of crew members on board...).

After a brief exchange of opinions, Mr. Morón concludes that the concern of the LDAC members is clear in this regard, so this issue will be followed up very carefully.

5.- State of play of the interim EPA with ACP countries; and of the negotiations of the complete EPA Agreements.

This matter was already dealt with under item 3 of the agenda.

6- News about the negotiations within the WTO.

The representative of the EC, Mr. Dross, reports that no progress was made within the WTO. After the Bali meeting a mechanism or protocol was drafted in order to facilitate trade agreements, but negotiations were blocked by India.

Negotiations have come to a standstill, but a very important meeting of the WTO General Council will be held on 21 October where fisheries subsidies will be negotiated.

A series of questions are asked by the attendees to the representative of the EC.

Mr. Morón asks what the Commission's prediction is regarding the possibility of reaching a general agreement on fisheries subsidies, since there are many countries interested in progressing along this line.

Mr. Ghiglia enquires whether the EU considers creating a specific aid such as a fishing fuel tax exemption, as it is the case in other non-EU countries.

The representative of the Commission responds that there is a discussion paper where several types of subsidies are grouped into different categories, and it is established which ones are forbidden and which permitted. Regarding the Community fleet, the new EMFF Regulation includes aids relating to energy efficiency and technological innovation for the industry to be more environmentally sustainable.

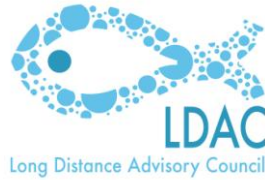
Nevertheless, it is not up to the EU to decide whether member states can keep or withdraw the fuel tax exemption. In the Commission's proposal for the EMFF Regulation no aid for scrapping or for the temporary cessation of activity was included, but the Council and the Parliament agreed to adopt a reviewed text. In any event, the EMFF Regulation is compatible with the objectives pursued by the WTO.

7- Application of the new discards policy

Mr. Goujon briefs those present on the meeting held in Brussels on 5 September 2014 to deal with this matter, highlighting that the Regulation on landing obligation for species subject to TAC and quotas and/or under the minimum landing size especially affects swordfish as far as the LDAC is concerned. The main concern lies on the inconsistent situation that may arise if the EU and the RFOs apply conflicting rules in this regard. Another problem to be borne in mind is that marketing those landings can even ultimately trigger risks for public health.

Ms. Gorez points out that regarding IUU fishing issues, the position of the DG MARE is clear. However, it is very important to see how sustainability of fisheries is promoted by implementing a landing obligation policy. In her opinion, this is not the correct approach and it is not enough while selectivity is not improved.

Mr. Liria highlights that the main concern lies on the fact that the Community fleet should respect the same conditions as the rest of fleets in the RFOs and in international waters to ensure there is a level playing field. Moreover, he points out that it should be made clear what regulated species the Regulation refers to. He gives as an example the case of witch flounder at NAFO or redfish at NEAFC, that would cause discard problems to the Community fleet.



Björn Stockhausen highlights the experience of the SWW AC with regard to the insufficient contact with and consultation by the respective Member States. It remains important for the LD AC to stay in constant contact with its Member States and use every opportunity to meet with them and provide input to ongoing dossiers.

ACTION: It is decided that a small group coordinated by Mr. Liria and the Secretariat work on this issue and draw up a first draft identifying the species/fisheries affected. Antonio Cabral, Marc Ghiglia and Björn Stockhausen volunteer to take part in this drafting group.

ACTION: The Secretariat will distribute the letters received from the French Administration and the Scheveningen Group requesting the LDAC opinion on the discard plans to be submitted to the Commission in March 2015.

8- United Nations meeting (LDAC proposal and Brussels meeting on 5 September 2014)

Ms. Gorez sums up the proposals contained in the LDAC opinion and that were presented at the meeting held on 5 September in Brussels. She requests that the openness shown by the EC in this regard be taken into account, since the LDAC proposals have been listened to.

9- Organising a potential seminar with Member States on the main aspects of the external dimension of the new Common Fisheries Policy.

Mr. Morón explains that the idea is that the Chairs and Vice-chairs of all five LDAC working groups identify the main points they wish to address at the seminar, so that they can be subsequently discussed at the next Executive Committee and the presentations can be prepared and be ready for March, when the working group meetings will be held. This way, the event could be held on April or May 2015 if it is possible from a logistic and budgetary point of view. The idea is to draft a programme based on three subject areas: 1. Sustainable Fisheries Agreements; 2. RFOs and EU policies in terms of international fisheries management; and 3. Responsible and sustainable trade.

ACTION: The Secretariat, together with the Chairs and Vice-Chairs of all five WGs, will coordinate the organisation and content (terms of reference and programme) of this seminar. In addition, the Secretariat will invite the Commission and those Member States interested to actively participate in this meeting.

10- Any other business.

Mr. Garat says that clear protocols are required for the fleet to be able to face potential cases of the Ebola virus. Therefore, he suggests the LDAC request the DG MARE to coordinate the actions so that the way to proceed is clear in the event a case is detected on board. The submission of this request is approved.

The representative of the EC, Ms. Fouquet, reports that they are having a meeting on the Market Advisory Council next week.

Some members highlight the possibility of collaborating with this new Advisory Council and suggest even having some kind of joint meeting.

ACTION: The LDAC will send a letter to the Commission conveying this problem and requesting a clear protocol for action against Ebola for the fisheries fleet, in coordination with member states.

The Commission informs on the material scope and purpose of the future Market Advisory Council (MAC), and on its need for coordination with existing ACs, particularly with the LDAC, especially regarding international trade.

11- Place and date of next meeting.

It is suggested that the next Working Groups meetings be held in March 2015.

12-Closure.

The meeting is closed at 6:15 pm.

ANNEX I. LIST OF PARTICIPANTS

WORKING GROUP MEMBERS

1. Julio Morón. OPAGAC
2. José Carlos Castro. ANFACO-CECOPESCA
3. Beatrice Gorez. CFFA-CAPE
4. Michel Goujon. ORTHONGEL
5. Raúl García. WWF
6. Konstantinos KOKOSIS. EBCD
7. Sandra Sanmartin. EBCD
8. Björn Stockhausen. Seas at Risk
9. Juan Manuel Liria. CEPESCA/FEOPE
10. Marc Ghiglia. UAPF
11. Javier Garat. CEPESCA/FEOPE
12. Pierre Commere. FIAC
13. Juana Parada. ORPAGU
14. Mercedes Rodríguez. OPP-Lugo
15. Maike Metzen. EUROTHON
16. Pablo Lourenzo. AIPCE
17. Vanya Vulperhorst. OCEANA
18. Aurora Vicente. AIPCE
19. Anna Boulova. AIPCE
20. José Ramón Fontán. OP-ANACEF
21. Antonio Cabral. ADAPÍ

OBSERVERS

1. Manuel Catalan. EC
2. Pawel Swiderek. EC
3. Barbara Fouquet. EC
4. Nicolas Dross. EC
5. Konstantinos Kalamantis. EP
6. Irene Vidal. EJF
7. Iván Vazquez. REPER
8. Rafael Centenera. PE

9. Alexandre Rodríguez. NWWAC
10. Manuela Iglesias. LDAC
11. Marta de Lucas. LDAC

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