

EUROPEAN PARLIAMENT

Working Documents

1984-1985

7 May 1984

DOCUMENT 1-221/84

Report

drawn up on behalf of the Committee on Agriculture

on the proposals from the Commission of the European Communities to the Council (Doc. 1-1553/83 - COM(84) 68 final)

for

- I. a Regulation on the conclusion of the Agreement on fisheries between the European Economic Community, on the one hand, and the Government of Denmark and the Government of Greenland, on the other

- II. a Regulation on the conclusion of the Protocol on the conditions relating to fishing between the European Economic Community, on the one hand, and the Government of Denmark and the Local Government of Greenland, on the other

- III.a Regulation laying down certain specific measures in connection with the special arrangement on fisheries applicable to Greenland

Rapporteur: Mr R. BATTERSBY

PE 89.740/fin.
Or En

By letter of 7 March 1984, the President of the Council of the European Communities requested the European Parliament to deliver an opinion, pursuant to Article 43 of the EEC Treaty, on the proposals from the Commission of the European Communities to the Council for:

- I. a Council Regulation (EEC) on the conclusion of the Agreement on fisheries between the European Economic Community, on the one hand, and the Government of Denmark and the Government of Greenland, on the other,
 - II. a Council Regulation (EEC) on the conclusion of the Protocol on the conditions relating to fishing between the European Economic Community, on the one hand, and the Government of Denmark and the Local Government of Greenland, on the other,
- and
- III. a Council Regulation (EEC) laying down certain specific measures in connection with the special arrangement on fisheries applicable to Greenland.

On 15 March 1984, the President of the European Parliament referred these proposals to the Committee on Agriculture as the committee responsible and to the Committee on Budgets for an opinion.

At its meeting of 21 March 1984, the Committee on Agriculture appointed Mr BATTERSBY rapporteur.

The committee considered the Commission's proposals and the draft report at its meeting of 25 April 1984, and at the same meeting the committee decided unanimously to recommend to Parliament that it approve the Commission's proposal without amendment.

The committee then unanimously adopted the motion for a resolution as a whole.

The following took part in the vote: Mr Colleselli, vice-chairman and acting chairman; Mr Battersby, rapporteur; Miss Brookes (deputizing for Mr Hord), Mr Dalsass, Mr Gautier, Mr Goerens (deputizing for Mr Jürgens), Mrs Le Roux (deputizing for Mr Maffre-Baugé), Mr Marck, Mr M. Martin (deputizing for Mr Pranchère), Mr d'Ormesson, Mrs Pauwelyn (deputizing for Mr Maher), Mr Provan, Mr Stella (deputizing for Mr Ligios) and Mr Vgenopoulos.

The present report was tabled on 2 May 1984.

The opinion of the Committee on Budgets is attached.

The deadline for tabling amendments to this report appears in the draft agenda for the part-session at which it will be debated.

C O N T E N T S

	<u>Page</u>
A MOTION FOR A RESOLUTION	5
B EXPLANATORY STATEMENT	8
Opinion of the Committee on Budgets.....	12

The Committee on Agriculture hereby submits to the European Parliament the following motion for a resolution together with explanatory statement:

MOTION FOR A RESOLUTION

closing the procedure for consultation of the European Parliament on the proposals from the Commission of the European Communities to the Council for:

- I. a Regulation on the conclusion of the Agreement on fisheries between the European Economic Community, on the one hand, and the Government of Denmark and the Government of Greenland, on the other,
- II. a Regulation on the conclusion of the Protocol on the conditions relating to fishing between the European Economic Community, on the one hand, and the Government of Denmark and the Local Government of Greenland, on the other,
and
- III. a Regulation laying down certain specific measures in connection with the special arrangement on fisheries applicable to Greenland,

The European Parliament,

- having regard to the proposals from the Commission to the Council (COM(84) 68 final)¹,
 - having been consulted by the Council pursuant to Article 43 of the EEC Treaty (Doc. 1-1553/83),
 - having regard to the Memorandum concerning the proposal by the Danish Government amending the Community Treaties (Doc. 1-380/82),
 - having regard to the report by the Legal Affairs Committee on this Memorandum, which was approved by the Parliament (Doc. 1-264/83),
 - having regard to the report by the Committee on Agriculture and the opinion of the Committee on Budgets (Doc. 1-221/84),
 - having regard to the result of the vote on the Commission's proposals,
- A. whereas the European Parliament has already very recently expressed an opinion on Greenlandic fisheries in the report by the Committee on Agriculture (Doc. 1-1394/83),

¹ OJ No. C 73, 14.3.84, pp 6, 7 and 10

- B. bearing in mind that the Treaty amending, with regard to Greenland, the Treaties establishing the European Communities was signed by the representatives of the Member States after due and proper consultation of the European Parliament,
- C. whereas it has been agreed that Greenland will acquire the status of an OCT, subject to ratification by the Parliaments of the Member States of the Community, with special provisions guaranteeing preferential access to the Community market more favourable than that granted under Part IV of the EEC Treaties to other OCTs, subject to a satisfactory solution for fisheries,
- D. whereas the Agreement on fisheries between the European Economic Community on the one hand, and the Government of Denmark and the Local Government of Greenland, on the other, has already been signed,
1. Welcomes the fact that many of the ideas put forward by the European Parliament in its recent report on Greenlandic fisheries have been incorporated into the Agreement;
 2. Welcomes the fact that the Agreement provides access to Greenlandic waters for the Community distant waters refrigerated trawler fleet, with provisions for increasing the catch levels if the possibilities for this exist, and calls on the Commission to ensure that full use is made of these facilities;
 3. Believes that improvements to the operation of the Agreement which has been signed can still be obtained;
 4. Stresses in this connection that whereas the Agreement mentions in general terms the need for consultation, it would be beneficial to create a Joint Committee to ensure continuous and harmonious consultation between the two parties;
 5. Stresses, furthermore, that while there are adequate and proper provisions for suspending the Agreement in the event of serious violations by either party causing substantial deterioration of the other party's position, insufficient attention has been given to the detailed method of avoiding such problems, and cites, in this respect, the need for adequate policing to ensure stock conservation;
 6. Is also concerned that while the Agreement is for ten years, there is no real commitment by either party to renewal, since the Agreement may be denounced at the end of that period without the need for stating the grounds for such denunciation;

7. Recognizes that the Protocol which details the conditions relating to fishing has a validity of five years (commencing on 1 January 1985) which is a practical necessity since it is impossible to set detailed catch levels on a scientific basis for a longer period than this, and also because the financial compensation paid by the Community may need to be revised after this period, but regrets that there is no provision for an automatic roll-over of the Protocol for a specific period if agreement is not reached on terms satisfactory to both parties, within a certain time-scale, for the second term of five years.
8. Also believes that insufficient attention has been given to establishing mechanisms for developing Greenlandic fisheries, providing assistance in processing technology, marketing and related activities, and the establishment of Greenland/EEC joint ventures, which would have mutual benefits for both parties;
9. Notes in this connection that the Commission is preparing overall proposals applicable to all OCTs from 1985 onwards, and hopes that special provisions will be made which recognize the particular importance of fishing for Greenland, within the framework of these proposals;
10. Believes that, with the addition of these practical suggestions, which are not contradictory to the Fisheries Agreement that has been signed, the interests of both parties have been satisfactorily accommodated;
11. Approves, subject to the above, the Commission's proposals for the appropriate Council regulations;
12. Instructs its President to forward to the Council and the Commission, and the Local Government of Greenland, as Parliament's opinion, the Commission's proposals as voted by Parliament and the corresponding resolution.

EXPLANATORY STATEMENT1. Introduction

The Commission proposals contain a draft Treaty amending the ECSC and EEC Treaties together with a Protocol which replaces Protocol No. 4 on Greenland annexed to the Act of Accession of 22 January 1972. This amending Treaty has now been signed by all parties, following the Memorandum from the Government of the Kingdom of Denmark which initiated the amendment procedures, on which the Parliament was consulted and gave an opinion¹. The Parliament is therefore now consulted only on the three proposals for Council regulations which concern:

- (i) the Fisheries Agreement of a minimum of ten years duration;
- (ii) a Protocol detailing catch levels and financial compensation to be paid by the Community, lasting for five years and commencing on 1 January 1985;
- (iii) specific measures to be taken in the event of suspension or adjustment of the Fisheries Agreement

2. Background

The sensitive issues and difficulties which have been encountered in the negotiations are amply, and well described in the Commission's proposals, and it is not intended to repeat these here. Further, a report on Greenlandic fisheries was recently approved by the European Parliament² which set out the Parliament's view on the subject. The Agreement on fisheries between the EEC, on the one hand, and the Government of Denmark and the Local Government of Greenland, on the other, was signed on 13 March 1984, and it is important that the Parliament should give its opinion on the Council regulations which are necessary to implement this Agreement.

3. Outcome of the negotiations

The Commission correctly points out that all the matters to be considered are interdependent and must be seen as component parts of a single and coherent whole. Greenland will acquire OCT status and preferential access to the Community market on terms more secure and therefore more favourable than that to be granted to OCTs under Part IV of the EEC Treaty providing

1 Report JANSSEN van RAAY - Doc. 1-264/83

2 Report BATTERSBY - Doc. 1-1394/83

that there is a satisfactory solution for fisheries. The Fisheries Agreement is of long duration, to be automatically renewed after the first ten years for successive periods of six years, unless formally denounced. The Protocol detailing catch levels and financial compensation will last from 1 January 1985 to 31 December 1989. In the event of violation of the Agreement, specific measures may be undertaken by the Commission. The effect of this package is to give the Community adequate guarantees and the means to maintain the link between access to resources (for the Community) and access to the market (for Greenland).

With regard to Greenland's fishing resources and the Community's share in them, the proposals meet with agreement on both sides, taking account of the need for conservation, while ensuring an equitable share-out of economic benefits, and allowing for fluctuations that may occur from year to year.

To summarise the essential figures, the Protocol covering fishing activities to 31 December 1989 grants the following annual quotas:

	<u>Western stock</u> <u>NAFO 0/1)</u>	<u>Eastern stock</u> <u>ICES: XIV/V)</u>
Cod	12,000 tonnes	11,500 tonnes
Redfish	5,500 tonnes	57,820 tonnes
Greenland halibut	1,850 tonnes	3,750 tonnes
Halibut	200 tonnes	-
Shrimps	1,300 tonnes	3,050 tonnes
Catfish	2,000 tonnes	-
Blue whiting	-	33,000 tonnes

In addition to the annual quotas, Greenland will each year contribute towards establishing a balance between the reciprocal fishing possibilities of the Community and the Faroe Islands, as provided for in the EEC-Faroes Fisheries Agreement.

In return for fishing possibilities, the Community will grant Greenland financial compensation which is fixed during the period of validity of the Protocol on fishing at 26.5 MECU a year. Greenland is prepared to give the Community priority with regard to any supplementary catch possibilities, against appropriate payment.

3. Observations

The package which has been proposed is therefore one which the Parliament can approve. However, it is felt that a number of improvements could be made, which are perhaps more of the implementing type, in order to avoid problems in the operation of the Agreement. The measures in themselves are formally adequate, and there is no doubt on both sides a built-in incentive to make them work. However, while the proposals in the Agreement on fisheries specify that the parties shall hold consultations on stocks (Article 6) and consultations on matters relating to the implementation and proper functioning of the Agreement (Article 13), the Parliament believes that it would be sensible to create a joint committee which could meet either on a regular or ad hoc basis, to ensure that these consultations are continuous and harmonious.

The same reflection may be made about the provisions which exist in the event that the position of one of the parties deteriorates substantially because of a serious violation by the other party (Article 9). It is surely better to try and avoid serious violations by consultation, rather than implementing consultation after they have occurred.

One of the key problems in Greenlandic fisheries has been the lack of proper and strict surveillance to ensure stock conservation, and it is surprising that no effective mechanisms or procedures have been envisaged for providing proper policing of the Agreement.

A further consideration is that while the Agreement on fisheries is for ten years, there is no real commitment by either party to renewal, since the Agreement may be denounced at the end of that period without the need for stating the grounds for such denunciation. The Council's view is that a ten-year Agreement is satisfactory and that it is up to the parties to make the Agreement work so that it will be renewed. The Parliament recognises that there is tacit agreement to automatically renew the Agreement unless there are very serious reasons for not continuing with it, so that it is in the long-term interest of both partners to ensure the harmonious development and operation of the Agreement.

The same sort of consideration applies to the Protocol detailing conditions relating to fishing which has a validity of five years commencing 1 January 1985. It is clearly impossible to set detailed catch levels on a scientific basis for a longer period than that, but Article 13, which deals with the renewal of the Protocol for its second term of five years is also rather vague, merely saying that the parties

should determine the fishing arrangements for the following period 'in good time'. It would perhaps be better to have provided for an automatic roll-over of the Protocol for a specific period if agreement is not reached on terms satisfactory to both parties within a specific time-scale on the arrangements applying to the second five-year term.

Finally, the Parliament believes that more attention should have been given to means of establishing mechanisms for developing Greenlandic fisheries, providing assistance in processing technology, marketing and related activities, and the establishment of Greenland/EEC joint ventures, since these operations could have mutual benefits. While such activities need not form part of the Agreement on fisheries itself, they should be considered as part of the package of measures proposed. The Commission has stated that it is preparing overall proposals applicable to all OCTs from 1985 onwards, and it may be that it is within the framework of these proposals that these measures could be implemented.

4. Conclusions

The Parliament can wholeheartedly approve the package of measures proposed by the Commission, and already signed by the contracting parties. The suggestions made above are more intended to improve the operation of the Agreement, and to avoid disputes, than as a criticism of the measures. It would have been desirable, as the Parliament pointed out in its report on Greenlandic fisheries¹, for the Commission to keep the Parliament informed of its proposals before the signature of the Agreement, but clearly it was necessary to achieve agreement between the contracting parties as soon as possible, so that the Parliament could give its opinion before the end of its legislature. Nevertheless, this Parliament urges its successor to insist on full consultation on the implementing legislation evolving from the Council's basic regulations relating to the Agreement on fisheries between the Community and Greenland during the preliminary stages of this implementing legislation.

¹ Report BATTERSBY - Doc. 1-1394/83

OPINION OF THE COMMITTEE ON BUDGETS

Letter from the chairman to Mr CURRY, chairman of the Committee on Agriculture

Subject: Proposals for Council Regulations

- on the conclusion of the Agreement on fisheries between the European Economic Community, on the one hand, and the Government of Denmark and the Local Government of Greenland, on the other
- on the conclusion of the Protocol on the conditions relating to fishing between the European Economic Community, on the one hand, and the Government of Denmark and the Local Government of Greenland, on the other
- laying down certain specific measures in connection with the special arrangement on fisheries applicable to Greenland

(COM(84) 68 - Doc. 1-1553/83)

Dear Mr Curry,

The Committee on Budgets considered the abovementioned Commission proposals at its meeting of 17-18 April 1984.

According to the Commission, the envisaged payments from the Community to Greenland now amount to 26.5 m ECU per annum. The committee accepted the financial implications of these agreements with Greenland, having particular regard to the preservation of jobs in the fisheries sector in the Community, and recommends that the Committee on Agriculture deliver a favourable report. The committee also agrees to consideration of the report in the plenary without debate.

Yours sincerely,

Erwin LANGE

The following took part in the vote: Mr Lange, chairman; Mr Notenboom, vice-chairman; Mr Abens, Mr Croux, Mrs Hoff, Mr Kellett-Bowman, Mr Langes, Mr Louwes, Mr Newton Dunn and Mr Pfennig.