

## EUROPEAN PARLIAMENT


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A3-0323/93


**REPORT**

by the Committee on Agriculture, Fisheries and Rural Development

on the Commission proposal for a Council regulation on the conclusion of the Agreement in the form of exchanges of letters between the European Economic Community, of the one part, and the Government of Canada, of the other part, concerning their relations in the fisheries sector  
(COM(93) 0214 final - C3-0223/93)

Rapporteur: Mr John Joseph McCARTIN

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 PE 205.738/fin.  
Or. FR

\* Consultation procedure requiring a single reading  
\*\* I Cooperation procedure (first reading)

\*\* II Cooperation procedure (second reading) requiring the votes of a majority of the current Members of Parliament  
\*\*\* Parliamentary assent requiring the votes of a majority of the current Members of Parliament

**C O N T E N T S**

	<u>Page</u>
Procedural page . . . . .	3
A. LEGISLATIVE PROPOSAL . . . . .	4
DRAFT LEGISLATIVE RESOLUTION . . . . .	7
B. EXPLANATORY STATEMENT . . . . .	8
ANNEX . . . . .	12
Opinion of the Committee on Budgets . . . . .	13
Opinion of the Committee on External Economic Relations . . . . .	14

By letter of 15 June 1993 the Council consulted the European Parliament, pursuant to Article 43 of the EEC Treaty, on the Commission proposal for a Council regulation on the conclusion of the Agreement in the form of exchanges of letters between the European Economic Community, of the one part, and the Government of Canada, of the other part, concerning their relations in the fisheries sector.

At the sitting of 21 June 1993 the President of Parliament announced that he had referred this proposal to the Committee on Agriculture, Fisheries and Rural Development as the committee responsible and to the Committee on Budgets and the Committee on External Economic Relations for their opinions.

At its meeting of 10-11 June 1993 the Committee on Agriculture appointed Mr McCartin rapporteur.

By letter of 22 September 1993 the Council requested the urgent procedure pursuant to Rule 97 of the Rules of Procedure. This request was rejected by the European Parliament on 29 September 1993.

At its meetings of 28-29 June, 4-5 October and 3-4 November 1993 the Committee on Agriculture, Fisheries and Rural Development considered the Commission proposal and draft report.

At the last meeting, on a recommendation from the Subcommittee on Fisheries, it adopted the draft legislative resolution unanimously.

The following were present for the vote: Vázquez Fouz, vice-chairman and acting chairman; Lane, vice-chairmen; Arias Canete (for McCartin, rapporteur); Carvalho Cardoso, Colino Salamanca, Dalsass, Dessylas (for Ainardi), Funk, Görlach, Mantovani (for Saridakis) Marck, Morris, Partsch (for Martin), Santos López and Welsh.

The opinions of the Committee on Budgets and the Committee on External Economic Relations are attached.

The report was tabled on 4 November 1993.

The deadline for tabling amendments is 11 November 1993 at 12 noon.

A

LEGISLATIVE PROPOSAL

Commission proposal for a Council regulation  
on the conclusion of the Agreement in the form of exchanges of letters  
between the European Economic Community, of the one part, and the Government of  
Canada, of the other part, concerning their relations in the fisheries sector  
(COM(93) 0214 final - C3-0223/93)

This proposal was approved with the following amendments:

Commission text<sup>1</sup>

Amendments

(Amendment No. 1)  
Recital 4

Whereas the relations between the two  
Parties in the fisheries sector are  
based in particular on access to  
surplus resources in Canadian waters;

Whereas the relations between the two  
Parties in the fisheries sector are  
based in particular on effective and  
non-discriminatory access to surplus  
resources in Canadian waters, as  
determined by an impartial scientific  
evaluation;

(Amendment No. 2)  
Recital 5

Whereas specific provisions should be  
laid down for terminating cooperation  
if the Community is unable to  
maintain it owing to special  
circumstances;

Whereas specific provisions should be  
laid down for terminating cooperation  
if the Community is unable to  
maintain it owing to special  
circumstances or if the  
implementation of the Agreement and,  
in particular, the granting of  
effective and non-discriminatory  
access to surplus resources proves to  
be unsatisfactory;

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<sup>1</sup> OJ No. C 167, 18.6.1993, p. 7.

(Amendment No. 3)  
Article 4(1)

In the event of difficulties as provided for in point IV(d) of the Memorandum of Understanding, the Commission shall immediately forward a report accompanied by its opinion to the Council and the Member States to the effect that the conditions for terminating the Agreement are fulfilled. Within 10 days of the forwarding of the opinion to the Council, any Member State may raise the matter in the Council. The Council, acting by a qualified majority, may decide not to terminate the Agreement. Unless a decision not to terminate is taken within one month following the forwarding of the opinion to the Council or unless a Member State raises the matter in the Council within the above-mentioned 10 days, the Agreement shall be terminated by the Commission.

In the event of difficulties as provided for in point IV(d) of the Memorandum of Understanding, the Commission shall immediately forward a report accompanied by its opinion to the Council and the Member States to the effect that the conditions for terminating the Agreement are fulfilled. It shall simultaneously forward the report to the European Parliament, for information. Within 10 days of the forwarding of the opinion to the Council, any Member State may raise the matter in the Council. The Council, acting by a qualified majority, may decide not to terminate the Agreement. Unless a decision not to terminate is taken within one month following the forwarding of the opinion to the Council or unless a Member State raises the matter in the Council within the above-mentioned 10 days, the Agreement shall be terminated by the Commission.

(Amendment No. 4)  
Article 5(1)

Where the Government of Canada decides, in accordance with point III(b) of the Memorandum of Understanding, to offer the European Economic Community possibilities of fishing surplus resources in its fishing zone, the Council, acting by a qualified majority on a proposal from the Commission, shall take a decision on allocation between the Member States within two months following receipt thereof.

Where the Government of Canada decides, in accordance with point III(b) of the Memorandum of Understanding, to offer the European Economic Community possibilities of fishing surplus resources in its fishing zone, the Council, acting in accordance with Article 43 of the Treaty, shall take a decision on allocation between the Member States within two months following receipt thereof.

(Amendment No. 5)  
Article 6(1a) (new)

Before any renewal of the agreement or before the conclusion of additional protocols, the Commission shall report to the European Parliament on its implementation as well as on the development of relations with Canada in the fisheries sector at the bilateral level and in the international bodies concerned.

**DRAFT LEGISLATIVE RESOLUTION**

embodying the opinion of the European Parliament  
on the Commission proposal for a Council regulation on the conclusion of the  
Agreement in the form of exchanges of letters between the European Economic  
Community, of the one part, and the Government of Canada, of the other part,  
concerning their relations in the fisheries sector  
(COM(93) 0214 final - C3-0223/93)

The European Parliament,

- having regard to the Commission proposal to the Council (COM(93) 0214 final)<sup>1</sup>,
  - having been consulted by the Council pursuant to Article 43 of the Treaty (C3-0223/93),
  - having regard to the report of the Committee on Agriculture, Fisheries and Rural Development and the opinions of the Committee on Budgets and the Committee on External Economic Relations (A3-0323/93),
1. Approves the Commission proposal subject to Parliament's amendments and in accordance with the vote thereon;
  2. Calls on the Council to notify Parliament should it intend to depart from the text approved by Parliament;
  3. Asks to be consulted again should the Council intend to make substantial modifications to the Commission proposal;
  4. Instructs its President to forward this opinion to the Council and Commission.

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<sup>1</sup> OJ No. C 167, 18.6.1993, p. 7

EXPLANATORY STATEMENTINTRODUCTION

Ever since the sixteenth century, the Grand Banks of Newfoundland off the east coast of Canada have been a favourite fishing ground for European fishermen, attracted by the exceptional quantities of cod found there.

That age-old practice suffered an abrupt decline in 1977 when Canada, on the basis of the principles of the newly-emerging Law of the Sea<sup>1</sup>, introduced a 200-mile Exclusive Economic Zone (EEZ) encompassing 93% of the fishing zones and more than 80% of the cod resources.

The conclusion of fisheries agreements between Canada on the one hand and the Community, Spain and Portugal on the other initially enabled European fishing vessels to maintain a certain level of activity in the waters that had become Canadian.

Moreover, fisheries in what remained of the international waters was managed from 1979 onwards by a specialist multilateral organization, the North-West Atlantic Fisheries Organization (NAFO).

However, relations, both bilateral and within NAFO, deteriorated rapidly, culminating in 1987 in a total impasse. From then on, the Community fixed its own quotas in the NAFO zone following a strategy which differed from the one followed - at Canada's instigation - by NAFO itself, which was to determine total allowable catches on the basis of  $F_{max}$  for the Community and  $F_{0.1}$  for Canada, which considerably reduced the quotas set aside for the Community. For its part, Canada denied Community vessels all access to its waters and its ports.

For further details of that conflict, please see the document on relations between the EEC and Canada in the fisheries sector published by Parliament's Directorate-General for Research.

Since 1991 the Commission has concentrated on restructuring the fleet and conserving resources. That has led to new thinking on fishing on the high seas and facilitated a gradual convergence of Community and Canadian views on the management of fisheries in the NAFO zone. It also enabled dialogue to be resumed, at the highest level, in April 1992. The outcome of that dialogue was a round of negotiations, which led to the agreement under consideration.

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<sup>1</sup> The concept of a coastal state's Exclusive Economic Zone (up to 200 nautical miles from the coast), which is distinct from the traditional concept of territorial waters (generally 12 nautical miles), specifies the responsibility of the coastal state for the fisheries resources and its absolute priority of access to them.

The 1982 United Nations Convention on the Law of the Sea (UNCLOS), which enshrines the concept of the EEZ, also lays down an obligation on the coastal state to make available to third parties surplus resources that it either does not wish to or cannot fish itself.



## SUBSTANCE OF THE AGREEMENT

The agreement concerns both the way in which relations between the Community and Canada are organized bilaterally and the way in which both parties are to conduct themselves within NAFO. It contains the following elements:

### - bilateral relations:

- . a Community commitment to apply the measures necessary for protecting stocks which both parties agree to be currently in a poor condition; this commitment entails stricter surveillance, rules on mesh-size - a minimum of 130 mm - the application of the single-net rule, and other technical measures;
- . the opening of Canadian ports to Community vessels, the possibility of cooperation with Canadian undertakings, particularly in exploiting fisheries agreements concluded between Canada and third countries;
- . access to Canadian surpluses of redfish, witch and halibut under an arrangement comparable to the one applied by Canada to other countries;
- . a guaranteed minimum catch quota for cod in zone 2J3KL<sup>1</sup>, under a NAFO procedure;

### - relations within NAFO

- . confirmation of the principle that the Community is to participate effectively in the mechanisms of NAFO, an organization whose role is that of an arbitrator in scientific matters, with the two parties undertaking to support similar strategies within that body;
- . cooperation in monitoring the NAFO zone (especially exchange of inspectors);
- . a commitment to combat the use of flags of convenience;
- . the introduction of a procedure for settling disputes.

## APPRAISAL

A crucial factor in the resumption of the dialogue and the conclusion of the memorandum of agreement under consideration is the very poor condition of cod stocks in the NAFO zone - both stocks in Canadian waters and overlapping stocks. The deterioration is such that, in 1992, the Canadian authorities imposed a complete ban on fishing in zone 2J3KL, which was a severe blow to the fishermen concerned. One year after the introduction of the ban, there is still no sign of stocks increasing.

The disappearance of that precious resource serves neither the interests of Canada nor of the Community. The fact that the stock has plummeted has caused both parties to examine their own positions and to accord priority to the search for a compromise.

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<sup>1</sup> See attached map of NAFO zones.

The agreement, as worded, manifests a joint preoccupation with conservation objectives. NAFO's role as the conciliation authority is confirmed. Cooperation between the two parties is sought in a number of areas.

Although both sides have made concessions, in practice the Community could find itself at a disadvantage if the implementation of the agreement encounters difficulties over time.

The Community undertakes immediately to adopt an extremely strict policy and accepts NAFO arbitration without a guarantee that Canada's conduct within NAFO will be any fairer than it has been in previous years.

In return, Canada undertakes to guarantee its support for the Community being granted appropriate fishing quotas in NAFO zone 2J3KL, provided that the Canadian and NAFO management strategies are identical. That would be achieved by ensuring that the two sides consulted one another on a regular basis. In view of the present condition of the stocks, it will, at all events, be some years before that quid pro quo could be genuinely attractive.

Nor has Canada entered into any quantified commitments as regards access to surpluses. Only by observing its future conduct will the Community be able to determine whether any allocation of surpluses among third countries is carried out equitably.

This agreement should therefore be approached with the caution its importance merits. It is a fine thing that the Community is thus able to settle a dispute that had an inordinate influence on all its relations with an important partner and that a climate of constructive cooperation could be instituted with a view to conserving resources. However, the legitimate interests of our fishermen should not be sacrificed for the benefit of their Canadian counterparts.

Without wishing to play down the change of attitudes on both sides or to overlook the scale of the catastrophic condition of the resource at issue, it is striking how hastily the negotiations were conducted, in the absence of specific time-limits, at least in the area concerned.

That haste has resulted in various ambiguities. The text does not clearly indicate the different roles of the bilateral and multilateral (NAFO) domains. A careful reading shows, however, that the agreement does not conflict in that regard with the general principles of international law.

In particular, the determination of the 2J3KL cod quota does in fact distinguish between the zones falling under Canadian sovereignty and those which require an independent NAFO decision.

However, the complex series of consultations and prior recommendations will only produce the desired rapprochement if both parties (Europe and Canada) agree to play the game, and more specifically, if Canada does not attempt to impose, within NAFO, objectives that are unacceptable to the Community, always supposing that the agreement - as a cursory reading might suggest - does not give Canada the right to decide the level of the Community quota in the NAFO zone.

This caution is, perhaps, unjustified: it is to be hoped that the good will displayed by the two parties in signing the agreement will continue to be in evidence in its implementation, in which case the Community will derive a positive benefit.

It is reasonable to expect that the maturity acquired through consideration of the conservation requirements will produce a genuinely satisfactory implementation. Nevertheless, the follow-up should be strictly monitored by the Community to head off the ever-present risk of drift.

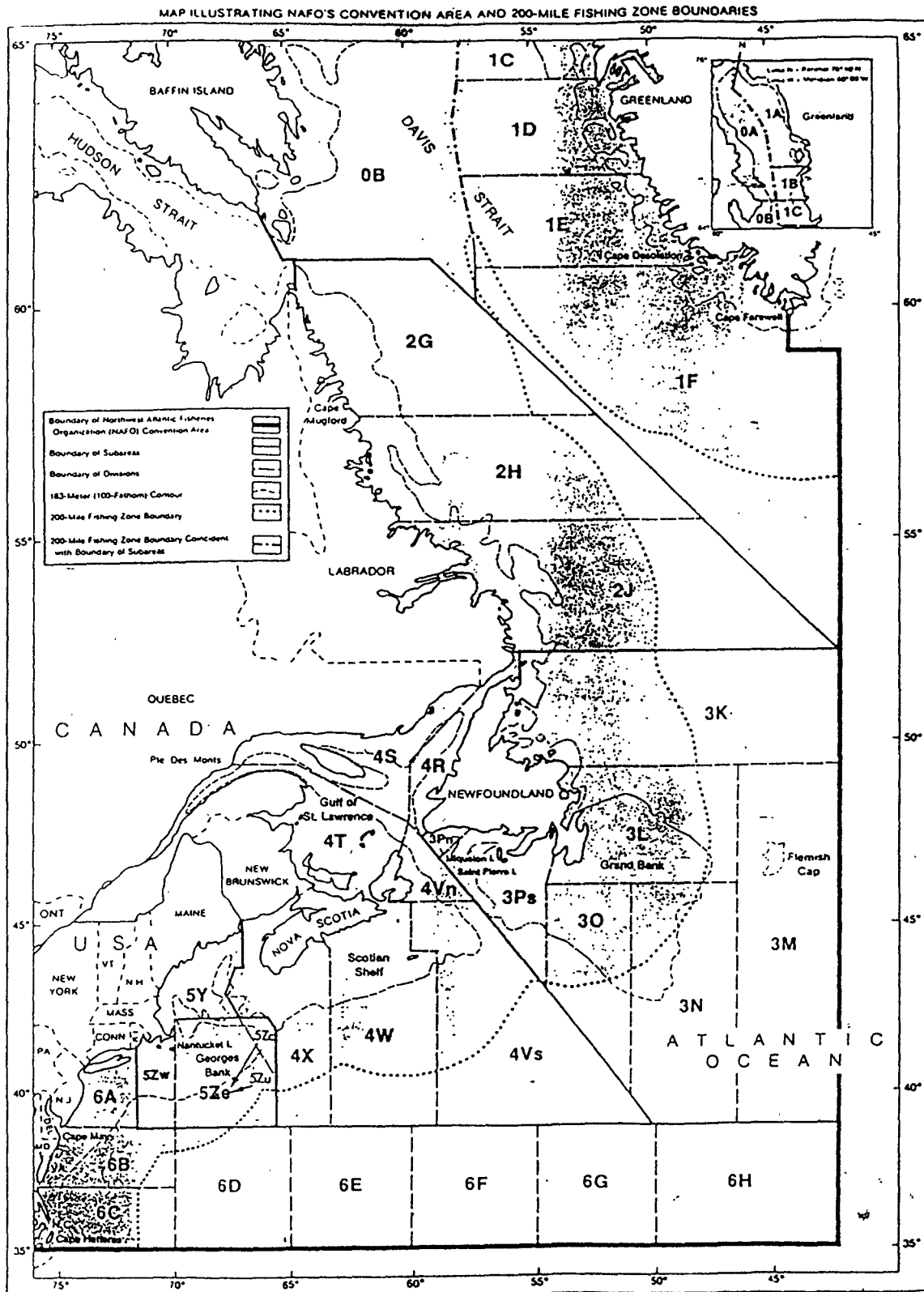
#### CONCLUSION

In itself, the signing of a new fisheries agreement marks a crucial turning point in the recent history of relations between the European Community and Canada, even if only token potential catches are actually available to Community vessels in the short term. Consequently, Parliament should approve the agreement, as the Canadian Parliament already has.

However, a free rein should not be given to the results of diplomatic negotiations which were, it is true, sensitive, but in which a part was played by factors extraneous to the economic activity concerned.

Parliament must therefore insist that the Community's interests in the fisheries sector are effectively safeguarded within the framework of the agreement. It must be able to verify that the agreement is not to be simply a pretext for providing Canadian fisheries products with easier access to the Community market without any quid pro quo in terms of access to resources, or for permitting Canada to impose, within NAFO, a management strategy which serves solely Canada's own national interest.

For that reason the follow-up to the agreement must contain an express reference to the granting of effective and non-discriminatory fishing possibilities, determined on the basis of an impartial scientific evaluation, and the Commission must be able to perform its role with the independence necessary for safeguarding the general Community interest. The rapporteur therefore proposes that Parliament adopt the amendments submitted to that effect.



OPINION

of the Committee on Budgets

Letter from the chairman of the committee to Mr Franco BORGIO, chairman of the Committee on Agriculture, Fisheries and Rural Development

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Brussels, 5 October 1993

Subject: Proposal for a Council regulation (EEC) on the conclusion of the Agreement in the form of exchanges of letters between the European Economic Community, of the one part, and the Government of Canada, of the other part, concerning their relations in the fisheries sector (COM(93) 0214 final - C3-0223/93)

Dear Mr Borgo,

At its meeting of 30 September 1993/1 October 1993 the Committee on Budgets considered the proposal for a regulation at issue.

The Committee on Budgets notes that this agreement of a special kind seeks to end the long conflict (lasting eight years) between Canada and the Community both over Community fishermen's access to the resources of the Canadian Exclusive Economic Zone and to Canadian ports, and over the conservation and rational management of fish stocks within NAFO (North-West Atlantic Fisheries Organization).

The agreement is like a gentleman's agreement between the two parties, particularly when providing for compliance with the rules of the North-West Atlantic Fisheries Organization and access for Community vessels to Canadian ports and facilities.

The agreement has no direct financial impact on the Community budget. Nevertheless, the stricter Community inspections in the NAFO zone provided for in the agreement should result very quickly in an increase in the appropriation currently fixed at ECU 2 million (commitments) for Item B2-902 relating to inspection and surveillance in maritime waters.

The Committee on Budgets has decided to deliver a favourable opinion on this proposal.

Yours sincerely,

(sgd) Thomas von der VRING

The following were present for the vote: von der Vring, chairman; Cornelissen, vice-chairman; Arias Canete, Colom I Naval, Elles, Forte, Frimat, Goedmakers, Kellett-Bowman (for Cassidy), Marques Mendes, Napoletano, Samland, Alex Smith, Theato and Tomlinson.

OPINION

(Rule 120 of the Rules of Procedure) (new Rule 147)

of the Committee on External Economic Relations  
for the Committee on Agriculture, Fisheries and Rural Development  
Draftsman: Mr Guy Jean GUERMEUR

At its meeting of 20 July 1993 the Committee on External Economic Relations appointed Mr Guermeur draftsman.

At its meetings of 20 September and 6 October 1993 it considered the draft opinion.

At the last meeting it adopted the conclusions as a whole unanimously.

The following took part in the vote: Cano Pinto, acting chairman; Guermeur, draftsman; de Vries, Izquierdo Rojo (for Dido'), Miranda De Lage, Peijs, Sainjon, Suárez González and Visser (for Mihr).

I. FISHERIES-RELATED PROBLEMS BETWEEN CANADA AND THE COMMUNITY

1. Before 1977, Community vessels fished intensively in the North-West Atlantic.

In 1977 the coastal states, in particular Canada, extended their jurisdiction over fishing areas up to a 200-mile limit. Since then Community fisheries have been subject to two separate sets of regulations:

- (a) in Canadian waters, the fisheries agreements concluded between Canada and the Community and, before their accession, between Canada and Spain and between Canada and Portugal;
- (b) in international waters adjacent to the fishing area under Canadian jurisdiction, the regulations laid down by the NAFO, which was set up in 1979.

2. As regards Canadian waters, the Community initially tried to maintain its traditional fishing rights.

However, Canada strove to develop its fishing capacity and its processing industries by keeping third countries' fishing fleets away from its essential stocks of cod, which are of major economic interest both to Canada and to the Community. Canada then naturally sought new export markets, particularly in Europe.

A fisheries agreement was concluded in December 1981 between the Community and Canada for six-year period with the possibility of tacit renewal. The agreement has remained in force but there have been no arrangements made under it since 1987.

Since then, Community fishing vessels have not had access to Canadian waters, nor have they had fishing quotas allocated to them by Canada.

The Community's actual fishing rights covered a quota of 9500 tonnes of cod in the 2J and 3KL divisions of the NAFO area.

At the end of 1985, Canada refused to grant Community vessels permits relating to the 2J and 3KL divisions, including the part of the 3L division which is within the NAFO area and thus outside the Canadian area. This was possible because of Canada's dominant position within NAFO. The accession of Spain and Portugal increased the Community's interest in the NAFO area, with the number of Community vessels operating there increasing from 10 to 120. To complicate the whole affair, bilateral treaties are applied with a greater or lesser degree of accuracy:

- (a) Canada/Portugal, granting Portugal 10 000 tonnes of cod in exchange for the undertaking to import a certain quantity of Canadian fisheries products (mainly wet salted cod);
- (b) Canada/Spain, which was denounced on 10 June 1986; since then Spanish fishermen have concentrated on the NAFO area;

(c) France/Canada: bilateral agreement. The French are granted fishing quotas in the 2J and 3K divisions for the 1989-1991 period out of 'non-surplus' stocks which are not available to the vessels of third countries.

3. Canada tries to take advantage of its privileged position by authorizing access to resources in exchange for access to the markets of the beneficiary countries.

Gradually, Canada has come to consider the Community as a party with which fisheries relations are unsatisfactory. As a result, not only does the Community not have fishing rights in Canadian waters but Community vessels do not have the right to use Canadian ports on a normal basis, other than in an emergency.

Community vessels are simply denied access and transit rights, which hinders their participation in international trade.

## II. NAFO AND COMMUNITY FISHERIES ACTIVITIES

1. The Community's other fisheries activities in the North-West Atlantic are concentrated on the international waters immediately adjacent to Canadian territorial waters and mainly concern stocks of cod, redfish and flatfish. NAFO is an international fisheries organization responsible for managing these stocks and for conserving the resources of the regulatory area by setting total allowable catch (TAC) levels and by allocating quotas to the contracting parties in respect of a group of stocks (eight or nine species). Certain stocks are found solely in the regulatory area, whilst others straddle this fishing area and the area under Canadian jurisdiction.
2. By extending the limit of its jurisdiction to 200 miles in 1977, Canada obtained almost complete control over the major fishing areas of the Newfoundland Grand Banks. 'The fishing grounds in international waters which are subject to NAFO regulations consist of two small areas of the Grand Bank - the Nose in the north and the Tail in the south, covering about 7% of the total area of the Grand Bank - plus Flemish Cape, which is 300 miles off the Canadian coast. Thus Canada has 93% of the cod fisheries of the Grand Bank and controls the rest of the fishing'<sup>1</sup>.
3. Canada plays a leading role in NAFO's activities and imposes on it its management objectives. It has even offered the other contracting parties the opportunity to catch part of their NAFO quota within the 200-mile zone.

In fact, by imposing its own strategy on the fleets working within the international zone, Canada is causing them serious losses.

To increase the authorized catch quota the Community is proposing a quota based on  $F_{max}$  (the fishing mortality rate from which the maximum long-term average annual catch from a fish stock is obtained). Canada prefers  $F_{0.1}$  (a fishing mortality rate, based on economic criteria, which is less than  $F_{max}$ ). The average annual catch authorized is therefore less than under  $F_{max}$ .

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<sup>1</sup> Note on EEC-Canada fisheries relations, 28 April 1991, Delegation for relations with Canada, PE 151.051, pp. 7-8



The Community has ended up by systematically rejecting the NAFO quotas, which were instigated by Canada.

As authorized by the NAFO Treaty, it has tabled objections to the Fisheries Commission proposals so as to avoid being bound by them and has set its own quotas unilaterally, basing them, as far as possible, on the  $F_{max}$  principle.

4. Since 1985, NAFO has recommended a ban on cod fishing in 3L division outside Canadian waters, which has led to an objection from the Community and a further unilateral quota.

The Community quotas may be described as reasonable insofar as they are based on scientific information and opinion. In the long term it is no more in the Community's interest than in Canada's to exhaust stocks.

5. It should be noted that on 31 August 1993 Canada announced the closure of five fishing areas, in addition to the quota reductions of some 60% instituted in 1992.

### III. SUBSTANCE OF THE AGREEMENT IN THE FORM OF AN EXCHANGE OF LETTERS TO WHICH THIS OPINION RELATES

1. The memorandum of understanding summarizes the aims of the Treaty by emphasizing:
  - the need for effective and long-term conservation of fishing resources in the North-West Atlantic;
  - fisheries and stock management and conservation measures in accordance with Article XI of the NAFO Convention;
  - the establishment of a dispute settlement mechanism, linked to the NAFO objection procedure;
  - the implementation of measures to prevent vessels flying the flags of states which are not contracting parties to the NAFO Convention from carrying out fishing activities in the NAFO regulatory area which are contrary to the objectives of that convention;
  - the possibility of preventing imports of fish caught in the NAFO regulatory area by vessels flying the flags of states which are not contracting parties to the NAFO Convention;
  - the application of practical measures to ensure that the necessary proposals are satisfactorily implemented: inspections, monitoring, restrictions on the number of vessels and fishing days, surveillance vessels, etc.;
  - the setting, each year, by Canada of a total allowable catch (TAC) which the NAFO Fisheries Commission will set by allocating to the contracting parties an amount equal to 5% of the TAC for the NAFO regulatory area in accordance with the distribution key established by the Commission and in conformity with the NAFO Convention.

2. The Canadian government has decided:
  - (a) to permit Community fishing vessels to enter and use Canadian ports in accordance with Canadian laws, rules and conditions;
  - (b) to make available to the Community allocations of fish designated by Canada as surplus to its needs on a basis comparable to the arrangements for licensing other foreign vessels to fish in the Canadian fishing zone, taking into account the traditional interest of the Community in receiving, in the event of any surpluses being available, allocations of groundfish (such as in particular redfish, witch and Greenland halibut);
  - (c) to permit Community vessels to participate with Canadian companies in commercial agreements concluded under developmental or other fisheries programmes in accordance with policies established by the Government of Canada.
3. In brief:
  - Canada and the Community propose that NAFO allocate to the Community two-thirds of the five per cent of the total allowable catch of 2J 3KL cod which may be fished each year in the NAFO regulatory area;
  - the Community will consider new surveillance measures and a permit system applicable to any Community vessel operating within the NAFO regulatory area and intended to provide better management of fishing activities to ensure that actual catches are in accordance with quotas.

#### IV. CONCLUSIONS

The Committee on External Economic Relations:

1. Notes that the importance of the fisheries sector, both to Canada and to the Community, has continued to provoke major differences of view and serious disagreements;
2. Welcomes the new agreement, which represents a not insignificant step forward in the exploitation of fishing grounds in the North-West Atlantic in a more balanced fashion which is in the common interest of all the parties;
3. Points out by way of preliminary comment that the conservation and management of fish stocks in the NAFO area do not properly fall within the scope of a bilateral fisheries agreement;
4. Regrets the Commission's failure, in the negotiations and consultations with Canada, to follow the usual practice of holding them in the presence of the Member States, thus acting contrary to the spirit of Article 113 of the Treaty;
5. Accepts that the proposed technical measures are well-founded, provided that their compatibility with the aims of the Agreement is monitored each year and that they are, if necessary, revised and adjusted;

6. Regards the catch quota allocated to the Community as an initial gesture of good will;
7. Regrets, nonetheless, the failure to include a clause specifying a fixed percentage of the TAC set by the Canadian government, instead of the provision making available the quantities of fish considered by Canada to be surplus to its harvesting requirements;
8. Considers the present fisheries agreement to be excessively slanted in favour of Canada and Canadian industrial interests and against the fishing fleets of the Member States;
9. Considers, at all events, that the agreement with Canada will have a fairly modest impact on the future of Community fishermen, whose difficulties stem not only from catch levels but also from the particular conditions of access to a Community market which is wide open to fish imports of any origin, in contravention of the 'Community preference' principle;
10. Calls for the extremely precarious situation of fisheries in the French territory of Saint-Pierre et Miquelon to be taken into account in the implementation of the agreement;
11. Hopes that the agreement, which is essentially technical in nature and geared to fisheries production with Canada, will be supplemented by an agreement relating to the organization of imports of Canadian fisheries products into the Community and will, if possible, involve all the countries which have signed the NAFO Convention.
12. Hopes that in the preparation of NAFO decisions, the Community will exert a degree of influence corresponding to its historic importance in fishing activities in the area and, especially, to the significance of its fisheries market.

The Committee on External Economic Relations calls on the Committee on Agriculture, Fisheries and Rural Development to adopt conclusions 1 to 12 above and to incorporate them appropriately in the motion for a resolution attached to its report.

