REPORT

of the Committee on Agriculture, Fisheries and Rural Development

on the Commission proposal for a Council regulation on the conclusion of the Agreement on Fisheries and the Marine Environment between the European Economic Community and the Republic of Iceland (COM(92) 0531 final - C3-0479/92),

Rapporteur: Mrs Brigitte LANGENHAGEN
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By letter of 22 December 1992, the Council consulted the European Parliament, pursuant to Article 43 of the EEC Treaty, on the Commission proposal to the Council for a regulation on the conclusion of the Agreement on Fisheries and the Marine Environment between the European Economic Community and the Republic of Iceland.

At the sitting of 18 January 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 External Economic Relations for its opinion.

At its meeting of 26-27 January 1993 the Committee on Agriculture appointed Mrs Langenhagen rapporteur.

At its meeting of 23-24 March 1993 it considered the Commission proposal and the draft report.

At the latter meeting, on the recommendation of its Subcommittee on Fisheries, it adopted the draft legislative resolution unanimously.

The following took part in the vote: Vázquez-Fouz, vice-chairman and acting chairman; Lane, vice-chairman; Bocklet, Böge (for Dalsass), Brito (for Ainardi), Carvalho Cardoso, Colino Salamanca, Görlach, Kofoed, Mantovani (for Borgo), March, Medina Ortega (for Morris), Mottola, Fartsch (for Garcia), Plumb, Saridakis, Schlechter, Sierra Bardaji and Simmonds.

The opinion of the Committee on External Economic Relations is attached.

The report was tabled on 24 March 1993.

The deadline for tabling amendments is 12 noon on 15 April 1993.
Commission proposal for a Council regulation on the conclusion of the Agreement on Fisheries and the Marine Environment between the European Economic Community and the Republic of Iceland

**Commission text**¹

(Amendment No. 1)
Article 2a (new)

The Council shall adopt, on a proposal from the Commission and after consulting Parliament, the rules required for the implementation of this Agreement and, in particular, of Articles 4 and 5 thereof.

(Amendment No. 2)
Article 2b (new)

The Commission shall submit annually to the Council and to Parliament a detailed report on the state of implementation of this Agreement.

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DRAFT LEGISLATIVE RESOLUTION

embodying the opinion of the European Parliament
on the Commission proposal for a Council regulation
on the conclusion of the Agreement on Fisheries and
the Marine Environment between the European Economic Community
and the Republic of Iceland

The European Parliament,

- having regard to the Commission proposal to the Council (COM(92) 0531
  final)¹,

- having been consulted by the Council pursuant to Article 43 of the Treaty
  (C3-0479/92),

- having regard to the report of the Committee on Agriculture, Fisheries and
  Rural Development and the opinion of the Committee on External Economic
  Relations (A3-0106/93),

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.

EXPLANATORY STATEMENT

INTRODUCTION

1. Although fisheries are specifically excluded from the scope of the Treaty of Porto establishing the EEA, the very fact that fisheries products were included implied that separate agreements would have to be concluded to cover mutual fishing activities. This has been done through a series of bilateral exchanges of letters with all three EFTA countries concerned.

2. In the case of Iceland, there was an agreement for setting up a framework for fisheries relationships beyond the simple exchange of limited quotas; but this attempt has had to overcome a certain amount of mistrust.

3. In no other country in the world is the fishing industry so important as in Iceland, with 80% of export revenue originating from fisheries products. Of those, over 70% are from sales to the European Community.

4. It is no wonder, then, if the negotiations for the conclusion of the EEA focused on fisheries, with much controversy in respect of the Community's bargaining motto 'access to resources against access to markets', a principle that the Icelanders could not accept as such.

5. The present situation of imbalance between an excessively large EC fleet and diminishing stocks in Community waters, with constant pressure from the owners of factory vessels seeking access to additional fishing zones gives the Icelanders, who still recall the 'Cod War' in the 70s, the feeling that out Common Fisheries Policy is a 'natural catastrophe', to quote the Icelandic Minister for Fisheries.

GENERAL FRAMEWORK

6. The Agreement establishes the principle of systematic cooperation, not only with the multilateral organizations but also on a bilateral basis which could be the lever to increase the mutual level of confidence. It is nevertheless regrettable that no joint activities with common aims and common financing are foreseen to bring together EC and Icelandic researchers beyond the simple exchange of results. They are however not excluded, and one may hope that such cooperation will emerge within the framework of the Agreement.

7. This cooperation includes scientific research, especially on the question of the level of stocks. The major advance, going beyond the scientific aspect, is nevertheless the principle of systematic annual consultations for quota exchanges, the exploitation of exchanged quotas being conducted on the principle of non-discrimination.
8. Finally, although the Agreement is 'on fisheries and the marine environment' and although Article 3 of the Agreement is specifically devoted to cooperation in the latter field, the vagueness of this reference is somewhat intriguing: a new title may be something, but where is the new substance? Your rapporteur assumes that actual programmes will be set up or developed in cooperation between the parties.

EXCHANGE OF QUOTAS

9. On 28 October 1992, Parliament adopted the report by Mr Lataillade¹, approving the exchange of quotas established in the exchange of letters referred to above, i.e. 3000 tonnes of redfish in Icelandic waters against 30 000 tonnes of capelin in EC waters.

10. These quantities have given rise to two different kinds of criticisms: about the total quantities involved, and on the balance on both sides. As regards the latter point, one has to consider that redfish is a high-quality product, for immediate human consumption, whereas capelin is mostly used as a raw material for fishmeal, etc. The difference in tonnage does not therefore reflect the actual market value of these amounts. Fishing techniques ensure that there is more certainty of redfish being caught than capelin. Your rapporteur can confirm, therefore, that the EC is not losing out in this exchange.

11. What is more regrettable is the low level of this exchange: both 3000 tonnes of redfish and 30 000 tonnes of capelin account for 2 weeks' activity of the Icelandic fleet on these species alone, which are not by far the biggest ones in terms of volume. But could more have been achieved, given the mistrust mentioned above? At all events, the volumes in question were no secret; they had been circulated for months before the Agreement was signed. Your rapporteur hopes that this Agreement may give rise to exchanges of larger quantities in the not too distant future.

CONTROL

One should note the stringent requirements laid down by the Iceland side concerning control: an inspector must be on board every EC vessel fishing in Icelandic waters, at the shipowner's expense. This extreme requirement indicates both the concern of the Icelanders and the fact that no control is easy. It also means, and this should give cause for thought, that, when they see the prospect of heavy catches, fishermen are prepared to bear the cost of proper control.

12. Although this Agreement was previously announced in the exchange of letters referred to, it is strange that such a procedure has been followed: it would certainly have been more consistent to establish the quota exchange within the framework of the more general Agreement, and the political will to conclude the EEA is not an excuse for such bizarre behaviour.

13. Your rapporteur thinks therefore that Parliament has to be cautious about the way in which the Agreement is implemented, and she suggests that our Institution should insist on proper information and consultation.

CONCLUSION

14. Your rapporteur welcomes this Agreement and recommends approval, more for the sake of its potential than of its actual substance. This approval should nevertheless be subject to proper recognition that Parliament must be in a position to monitor the way in which it develops.
OPINION

of the Committee on External Economic Relations

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

Brussels, 15 February 1992

Subject: Commission proposal for a Council Regulation (EEC) on the conclusion of the Agreement on Fisheries and the Marine Environment between the European Economic Community and the Republic of Iceland (COM(92) 531 final - C3-0479/92)

Dear Mr Borgo,

At its meeting of 15 February 1993 the Committee on External Economic Relations considered the Commission proposal for a Council Regulation on the Agreement on Fisheries and the Marine Environment between the European Economic Community and the Republic of Iceland.

The agreement, initialled on 27 November 1992, provides essentially for an exchange of the Icelandic quota of redfish for the Community quota of capelin. It reflects closer relations between the Community and Iceland, now that the latter is part of the European Economic Area.

The fisheries agreement ensures the conservation and rational management of fish stocks and protects the marine environment in the jurisdictions of Iceland and the Community.

Part of the fishery resources of these areas consists of common stocks or highly interrelated stocks that extend beyond their respective fisheries zones and in which both Parties have a mutual interest which demands cooperation between the Parties concerned. The North East Atlantic Fisheries Commission has been established to promote the conservation and optimal utilization of the fisheries resources in the North Atlantic Area through international cooperation and consultation with respect to these resources.

Iceland and the Community have therefore taken the following necessary measures:

- consultation in the appropriate fora on matters pertaining to the marine environment,
- annual consultation on the allocation of fishing opportunities with a view to obtaining a mutually satisfactory balance in their relations in the fisheries field,
- permission by the other Party to allow fishing vessels to fish within their quota,
- agreement on limits for the issue of fishing licences,
- regulation of fishing in order to conserve stocks,
- exchange of scientific and technical information necessary for the smooth running of fishing within the framework of the agreement.

This agreement is a further step towards integrating all European countries into a harmonious whole. It deals with a particularly technical and precise field and aims to bring a practical solution to a specific area.

It is an example of strengthening links between the EC and an EFTA country within the framework of the European Economic Area. The REX Committee welcomes the agreement, approves the Commission proposal unanimously ¹ and recommends that the Committee on Agriculture, Fisheries and Rural Development follow suit.

Yours sincerely,

Willy de Clercq

¹ The following were present for the vote: De Clercq, chairman; Hindley, Marck (for Lemmer), McCartin (for Moorhouse, pursuant to Rule 111(2), Ortiz Climent (for Gallenzi), Peijs, Sonneveld (for Chabert) and Suarez Gonzalez.