

ADVICE

The need to address sustainability concerns of fisheries and aquaculture production in EU-Norway trade relations

Ref. LDAC R-02-24/WG2

Adopted by the ExCom on 10 April 2024

Background / General considerations

The Commission and EEA-EFTA States (Iceland, Liechtenstein, and Norway) reached an agreement at negotiators' level on the EEA Financial Mechanism 2021-2028. The Financial Mechanism sets out the contribution of the EEA EFTA States to reducing the economic and social disparities in the EEA.

The Commission has also reached agreements with Norway on the temporary liberalisation of access to the EU market for some fish and seafood products over the same period (ATQs).

It is to be noted that Norway is the biggest exporter of fish and aquaculture products to the EU, with a 27.4% share¹, and therefore is an important trade partner. However, since Brexit, Norway has adopted an aggressive stance against long-standing EU fishing interests. <u>This is particularly obvious in the subject of fisheries management concerning the Norwegian quota stake of EU fleet's cod quota in the waters around Spitzbergen² and setting excessive, unjustified unilaterally mackerel quotas, leading to overfishing.</u>

Since 2021, using Brexit as pretext, Norway has unilaterally changed the historical allocation keys of the TACs that were in force since 1987 and 1990, undermining the non-discrimination principle embedded in the 1920 Spitzbergen Treaty, with serious repercussions for the European fleet targeting Arctic cod. Following the signature of the political agreement of the EU with the UK in April 2022, the EU's share of the arctic cod TAC was reduced from 4% to 2,8274 %, from which Norway only assigned to the EU fleet a total of 2,052%. In relative terms, this means a decrease of 25% of the fishing rights of the EU in the area with respect to 2022.

¹ <u>https://policy.trade.ec.europa.eu/eu-trade-relationships-country-and-region/countries-and-regions/norway_en</u>

² <u>https://europeche.chil.me/post/eu-fishermen-call-on-von-der-leyen-to-protect-eu-fishing-rights-from-norway-384784</u>



The Norwegian behaviour is not only threatening the competitiveness of EU companies but also creating serious concerns about the sustainability of the Norwegian fish and aquaculture production conditions.

This is particularly true for the aquaculture and the unsustainable production of farmed salmon. Regarding intensive salmon farming, its environmental impacts in Norway have been well documented³. They include pollution, disease spreading to wild populations of salmon, and violations of animal welfare. A recent report also showed how salmon farming in Norway uses fishmeal produced in Mauritania⁴, undermining the livelihoods and food security of millions of people in West Africa. Indeed, fishmeal is produced from fish resources key for the food security in the region, - like sardinella-, that are over-exploited. It needs to be noted that the EU, notably through its sustainable fisheries partnership agreement with Mauritania (Annex 8) and its International partnership policies, is promoting the use of fish for human consumption rather than for processing into fishmeal.

Furthermore, the European Commission has informed Norwegian salmon producers Cermaq, Grieg Seafood, Bremnes, Ler√∏y, Mowi and SalMar of its preliminary view that they breached EU antitrust rules by colluding to distort competition in the market for spot sales of Norwegian farmed Atlantic salmon in the EU.

LDAC recommendations:

1. It is important for the EU to promote, in its relations with Norway, social and environmental sustainability in the production of fisheries and aquaculture products.

The EU should be promoting sustainability with all its trade partners.

We have noted than in the last ten years, the European Union strived to include sustainability issues at the heart of its new trade arrangements, and for that reason sustainability chapters have been introduced in the latest trade agreements. The GSP system itself provides that tariff preferences can be suspended *'in case of serious and systematic infringement of the objectives adopted by Regional Fishery Organisations to which the Union is a party concerning the conservation and management of fishery resources' – exactly what we see Norway doing with impunity. Furthermore, the Trade and Cooperation Agreement (TCA) with the UK contains provisions linking market access and fisheries management.*

³ https://naturvernforbundet.no/content/uploads/2023/06/Impact from salmon farming May-

²⁰²³ Letter-from-Sabima-and-other Norwegian NGOs.pdf

⁴ <u>https://feedbackglobal.org/wp-content/uploads/2024/01/Feedback-BlueEmpire-Jan24.pdf</u>



- 2. Given the shortcomings of Norway when it comes to its fisheries and aquaculture production, we call on the EU to stop the continuation of tax derogations to Norway's fisheries products (i.e., cod, mackerel, salmon, and others) entering the EU market.
- 3. It is important that further negotiations with Norway should be based on a mandate that gives consideration to the need for Norwegian fisheries and aquaculture products to follow international resolutions from RFMOs as well as sustainability rules and standards from FAO in sustainable aquaculture and fish welfare⁵.

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⁵ https://www.fao.org/documents/card/en/c/63d4de9f-50df-49b1-b6d2-b7d0368744ea