

Procedure file

Basic information		
CNS - Consultation procedure Regulation	1999/0047(CNS)	Procedure completed
Fishery and aquaculture products: common organisation of the market COM		
Amended by 2006/0081(CNS) Repealed by 2011/0194(COD)		
Subject 3.15.02 Aquaculture 3.15.06 Fishing industry and statistics, fishery products		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	PECH Fisheries		27/07/1999
		PPE-DE FRAGA ESTÉVEZ Carmen	
	Committee for opinion	Rapporteur for opinion	Appointed
	BUDG Budgets		
Council of the European Union	Council configuration	Meeting	Date
	Fisheries	2237	17/12/1999
	Fisheries	2220	22/11/1999
	Fisheries	2170	30/03/1999

Key events			
16/02/1999	Legislative proposal published	COM(1999)0055	Summary
12/03/1999	Committee referral announced in Parliament		
30/03/1999	Debate in Council	2170	
22/11/1999	Vote in committee		Summary
22/11/1999	Committee report tabled for plenary, 1st reading/single reading	A5-0067/1999	
02/12/1999	Debate in Parliament		
02/12/1999	Decision by Parliament	T5-0136/1999	Summary
17/12/1999	Act adopted by Council after consultation of Parliament		
17/12/1999	End of procedure in Parliament		

Technical information	
Procedure reference	1999/0047(CNS)
Procedure type	CNS - Consultation procedure
Procedure subtype	Legislation
Legislative instrument	Regulation
	Amended by 2006/0081(CNS) Repealed by 2011/0194(COD)
Legal basis	EC Treaty (after Amsterdam) EC 036; EC Treaty (after Amsterdam) EC 037; EC Treaty (after Amsterdam) EC 028
Stage reached in procedure	Procedure completed
Committee dossier	PECH/4/10826

Documentation gateway					
Legislative proposal		COM(1999)0055 OJ C 078 20.03.1999, p. 0001	16/02/1999	EC	Summary
Committee of the Regions: opinion		CDR0182/1999 OJ C 374 23.12.1999, p. 0071	15/09/1999	CofR	
Economic and Social Committee: opinion, report		CES0846/1999 OJ C 329 17.11.1999, p. 0013	22/09/1999	ESC	
Committee report tabled for plenary, 1st reading/single reading		A5-0067/1999 OJ C 194 11.07.2000, p. 0004	22/11/1999	EP	
Text adopted by Parliament, 1st reading/single reading		T5-0136/1999 OJ C 194 11.07.2000, p. 0016-0073	02/12/1999	EP	Summary
Follow-up document		COM(2006)0558	29/09/2006	EC	Summary
Follow-up document		SEC(2006)1218	29/09/2006	EC	

Additional information	
European Commission	EUR-Lex

Final act
Regulation 2000/104 OJ L 017 21.01.2000, p. 0022 Summary

Fishery and aquaculture products: common organisation of the market COM

PURPOSE: the updating of the common organisation of the market for fishery and aquaculture products. **CONTENT:** this proposal seeks to bring about an important reform of the common market for fishery and aquaculture products, in accordance with the objectives and principles laid down in the Commission's communication of 16/12/1997 on the future of the market for fishery products, in particular to: - permit of the COM's contribution to the principle of the responsible resource management; - improve the transparency and knowledge of the market and products, including to the consumer; - make the operators, especially producer organisations and their members, aware of and responsible for the optimal management and utilisation of resources; - encourage partnerships between players along the production chain, to gear down the efficiency of the actions of each of them on the market; - favour the use of forward-looking methods of adaptation of supply and demand by producer organisations; - contribute to market stability by encouraging the use of planned and contractualised marketing; - reform the mechanisms of intervention in such a way as to reduce to a minimum the definitive withdrawals from the market, and favour provisional withdrawal and the exploitation of products; - permit the supply of the market and the processing industry in conditions in line with the

requirements of international competitiveness. Lastly, this proposal seeks to complement, clarify and facilitate the use of the COM regulations by those involved, in particular by avoiding the proliferation of methods of application. To reach this objective, the new basic regulation is more detailed, in particular with respect to professional organisations, and the more technical aspects will be dealt with using the management committee procedure.?

Fishery and aquaculture products: common organisation of the market COM

The committee adopted a draft report by Carmen FRAGA ESTÉVEZ (EPP/ED, E) approving the Commission proposal subject to a number of amendments. One of the most important innovations of the proposal is that, in order to improve consumer information and make inspections easier, it would become compulsory to label each product visibly with information on commercial designation, method of production and catch area. The committee wished to add other points, such as the fishing method used (in the case of fish caught at sea), the minimum legal size in the catch area, the calibre and the origin of the product (e.g. farmed or caught in the Community or imported from a third country). Regarding the operational programmes for each fishing year, the committee thought aquaculture should be included in the programmes proposed by the Commission. On the question of withdrawal prices, the Commission wishes to reduce aid so as to discourage the fishing of products for which there is no buyer on the food market, while at the same time increasing the aid for carry-over and private storage. Although the committee acknowledged that the present withdrawal regime must be altered, it argued for a less drastic solution. Thus, while the Commission would not allow financial compensation for withdrawals above 8% of the annual quantities placed on the market by a producer organisation, MEPs wanted to change this figure to 10%. The committee also felt that, as regards carry-over aid, there seemed to be no good reason for making a distinction between fresh and frozen products. On the issue of trade arrangements with third countries, the Commission proposes to replace the existing tariff quota system with the total or partial suspension of tariff duties for an indefinite period for certain fisheries products intended for the processing industry. To ensure that shortages in products for the processing industry do not arise on the Community market, the committee suggested that the Council, acting by a qualified majority and on a proposal from the Commission, should be able to decide on a total or partial suspension of customs duties in line with criteria proposed by Parliament.

Fishery and aquaculture products: common organisation of the market COM

In adopting the report drafted by Mrs. Carmen FRAGA ESTEVEZ (EPP/ED, E), the European Parliament seeks to improve information to the consumer and to facilitate inspections by making it compulsory to indicate in respect of each product the commercial designation, the production method (including the gear type used), the minimum legal size in the catch area, the calibre, the catch area and the origin of the product (farmed or caught in Community fisheries or imported from a third country). The Parliament is in favour of the extension of operational programmes to aquaculture products. It also called for the Member States to be able to grant additional aids to producers organisations that, in the context of these operational programmes, develop measures to enhance the value of the species caught and to adjust supply to demand. As far as the Parliament is concerned, no financial compensation shall be granted in respect of quantities withdrawn exceeding 10% of the quantities withdrawn exceeding 10% of the quantities put up for sale by each producer organisation (the Commission proposed 8%). As far as the compensatory allowance for tuna is concerned, the Parliament set the triggering threshold at 91% of the Community producer price (as opposed to 85% proposed by the Commission). With regard to trade with third countries, the Parliament proposes that the Council, acting by a qualified majority and on proposal from the Commission, decide the total or partial suspension of common customs tariff duties. Lastly, the Parliament approves the annual fixing of reference prices by product category valid for the Community with a view to preventing disturbances arising from supplies from third countries at abnormal prices or in conditions liable to jeopardise the stabilisation measures.?

Fishery and aquaculture products: common organisation of the market COM

OBJECTIVE : To establish a common organisation of markets in fishery products, ensuring that the rules governing the organisation, including the intervention mechanisms, contribute positively to the sustainability of fishing practices. **COMMUNITY MEASURE :** Council Regulation 104/2000/EC on the common organisation of the markets in fishery and aquaculture products. **CONTENT:** The following measures are introduced: - Consumers' information is improved by the introduction of labelling requirements for fishery products when offered for retail sale, as requested by the European Parliament. - Producer organisations: the objective is to strengthen the role and responsibility of producer organisations, imposing on them new obligations concerning the sound management of resources. Compensation will be offered but on a temporary basis. All producer organisations are required to implement anticipatory measures to manage the output of their members and there are penalties if this obligation is not fulfilled. There is provision for the grant of temporary compensation to producer organisations to offset costs arising from this obligation. The aid scheme for the creation of producer organisations and the introduction of quality improvement plans have been transferred to the regulation on structural assistance in the fisheries sector. An additional aid may be granted to producer organisations that develop measures for improving the organisation and the functioning of fish as well as measures allowing for a better balance of supply and demand. This aid will be partly funded from the FIGG. - Intervention: the amount of financial compensation and the quantities eligible will be gradually reduced in 2001-2003, and the level of co-responsibility of producer organisations will be increased. The quantities eligible for carry-over aid (financial aid to be granted to fish being stocked for human consumption at a later stage) will be substantially increased, and the list of permitted processing methods will be extended. Under the mechanism of independent withdrawals and carry-over, only a limited protection may be permanently withdrawn, and the total volume of intervention eligible for compensation remains at fixed percentage of quantities offered for sale. Private storage aid for products frozen on board vessels can be granted to producers' organisations. - Compensatory allowance for tuna for canning · this can be granted under certain conditions, to producers' organisations to compensate for the opening of the Community market to imports. - Trade with third countries · autonomous total or partial suspension of duty is proposed for an indefinite period. - Aquacultural products · a number of these products have been subjected to the rules governing the drawing up of operational programmes and quality plans by Producers' Organisations and those concerning consumer information. **ENTRY INTO FORCE:** 28/01/2000. The Regulation shall take effect on 01/01/2001.?

Fishery and aquaculture products: common organisation of the market COM

This document constitutes a report from the Commission on the implementation of Council Regulation 104/2000/EC on the common organisation of the markets in fishery and aquaculture products, and is made pursuant to Article 41 of that Regulation. It is based upon stocktaking of the application of the common organisation of the markets ("the CMO"). The current CMO laid down in Regulation 104/2000 has moved away from a mere intervention system and now lays more emphasis on sustainability-supportive fishing and marketing activities. The CMO is run on the basis of 23 implementing Regulations.

Marketing Standards: the common marketing standards are essential for the proper functioning of the internal market and the intervention mechanisms. Regulation 2406/96/EC excludes products of freshness category B from financial compensation for withdrawals. A Commission working paper has confirmed that the improvement of product quality was mainly related to the decrease in landings of category B products. The observance of marketing standards varies significantly with the Member States. The implementation depends largely on the volumes of landings: in coastal fisheries with reduced amounts, fish is usually sorted using traditional practices. The application of the standards improves where producer organisations (POs) are involved in controls performed in single points like auctions. With the refinement of applicable conservation measures, the relationship between marketing standards and minimum biological sizes is an issue which may need to be revisited.

Producer Organisations: the operation of POs has contributed to the sustainable use of resources and the improvement of marketing conditions. The involvement of POs in intervention and fisheries management varies with the Member States. Four Member States applied the extension of POs' rules to non-member producers. The measures most frequently extended were catch restriction as well as a ban on landings and first sale. The observance of certain withdrawal prices was also applied in Belgium and Italy. Despite an extension of withdrawal rules, no Member State granted compensation to non-members for products which could not be marketed. The operational programmes have contributed to improve the organisation of POs' activities and their financial returns. Yet there are factors outside the control of POs which may affect their production and marketing possibilities, i.e. climatic and biological fluctuations, conservation measures. The operational programmes provide POs with anticipatory instruments and thus more responsibilities in the management of fishing and marketing operations. They also allow national authorities to follow-up the fisheries activities of the POs all along the year. Available information shows that operational programmes have been working in a satisfactory manner. The POs very seldom revised the programmes in spite of the bad market situation and increased withdrawals for certain products during 2001-2004. In order to play a more effective role on the markets, the programmes should focus more on measures to spread out supplies throughout the fishing year and the establishment of links between producers and downstream stages of the marketing chain.

Interbranch Organisations: in 2005 there were only 4 organisations recognised in 3 Member States: 2 in Spain (catch and aquaculture sectors), one in France (aquaculture) and one in Italy (catch and aquaculture). The reasons for this low number are not entirely clear and may be due to poor co-operation between the different sub-sectors of the value chain. The extension of rules to non-members has not been applied yet.

Prices and Intervention: prices for many important commercial species have not followed production cost trends in recent years. For a number of whitefish species, for example, average first-sale prices stagnated or even decreased between 2000 and the first half of 2005. The increasing share of imports on the EU market for fish and the development of aquaculture are often blamed for stagnating or falling fish prices. However, there is no evidence for that. Actually, the contribution to reducing fishers' income is probably less important than other factors, such as the concentration of sales in big distribution chains and greater competition between fish and other food products, putting considerable pressure on wholesalers to cut their prices and profit margins. This reverberates all along the market chain but hits primary producers. The CMO has largely reduced the overall level of intervention. This is reflected in a moderate yearly expenditure between EUR 9 million and EUR 12 million for 2001-2004. These figures are significantly lower than ECU 33 million reached in the 1990s.

With regard to withdrawals, the CMO has decreased the compensation for fish withdrawn from the market. Withdrawals are intended to occasional excess production which the market cannot absorb. During 2001-2004, the quantities withdrawn accounted for less than 2% of the production of pelagic species and around 1% of the production of whitefish. Yet withdrawals of white fish species with reduced Community production increased significantly in 2002 and 2003. In the context of decreasing stocks, the withdrawal of species subject to conservation measures can be questioned, in particular if the fish taken off the market is destined to destruction.

The CMO has substantially increased the aid for processing and storage of products with a view to their reintroduction into the market. The carry-over operations contribute to reduce the destruction of fish and to enhance the returns of products. The procedures for granting the aid are more complex than those concerning withdrawals. The grant of advances is related to the aid but is not linked to the value of the stored product. In certain circumstances, the possibility of withdrawing fish permanently from the market could be more attractive to POs than the processing and storage of products.

The report comes to the following conclusions:

1. The policy to reduce the levels of intervention has proved to be effective. The expenses derived from withdrawals have decreased in accordance with the objectives of Regulation No 104/2000.
2. A steady shift from wasteful withdrawals to carry-over operations can be observed. Recourse to intervention very much differs with the Member States.
3. The operation of the CMO has confirmed the important role of POs. The introduction of operational programmes as a tool for balancing supply and demand has been well received by both Member States and POs.
4. The introduction of inter-branch organisations was no success. This may reflect an unsatisfactory co-operation between the different operators of the marketing chain.
5. Market prices have not followed trends in production costs in spite of the establishment of conservation measures and recovery plans for a number of species. This makes the balancing out of the objectives laid down in Article 33 of the Treaty even more complex.
6. The Community market is increasingly dependent on imports from third countries in order to satisfy the needs of consumers and processing industry.