

Opinion on the proposal for a Council Regulation (EEC) on the Common Organization of the Market in Fishery Products⁽¹⁾

(92/C 313/10)

On 23 April 1992, the Council decided to consult the Economic and Social Committee, under Article 198 of the Treaty establishing the European Economic Community, on the abovementioned proposal.

The Section for Agriculture and Fisheries, which was responsible for preparing the Committee's work on the subject, adopted its Opinion on 10 September 1992. The Rapporteur was Mr Silva.

At its 299th Plenary Session (meeting of 23 September) the Economic and Social Committee unanimously adopted the following Opinion.

1. Introduction

1.1. The Common Organization of the Market in Fishery Products, established by Council Regulation (EEC) No. 3796/81 and amended in 1985 and 1988, is due for further adjustments as of January 1993. These involve a review of the rates determining the quantities of tuna eligible for the compensatory allowance, elimination of national quantitative restrictions and equivalent measures as well as abolition of the autonomous, regionalized price mechanism and possible measures to replace it.

1.2. The Commission has also sought to amend the above-mentioned Regulation in the light of market developments, in order to inject a new dynamism into the common organization of the fisheries market.

1.3. In addition to changes in the legal mechanism, the main amendments address the need to make the Common Fisheries Policy more comprehensive and consistent while boosting synergy between its different aspects, given their distinctive origins.

2. General comments

2.1. The Committee feels that in general the Common Organization of the Market in this sector, with all the changes it has undergone since it was set up in 1970⁽²⁾, has fulfilled its task satisfactorily.

2.2. The Committee would, however, stress the fact that dwindling fish stocks and the concomitant drop in TACs and quotas⁽³⁾ have altered the rationale (quantity/price) behind the CMO arrangements. The drop in landed tonnage for a large number of products

coming under CMO rules has, in spite of price increases for some species, sometimes depressed fisheries' revenues. In some cases the price increases have also created added difficulties for the processing industry which has not managed to recoup the increases.

2.2.1. On the other hand, competition from products from third countries does not encourage price increases which might compensate for the losses triggered by implementing stock-management measures. Here the Committee stresses how crucial price support has become for securing the economic viability of large areas of production.

2.3. Mindful of the objectives set out in the Treaty, the Committee endorses the move to boost the role played by producers' organizations. It does, however, feel that for producers' organizations to be more active and assume greater responsibilities, the right conditions should be created at Community and national level to make them more representative.

2.3.1. One of these conditions could be that Member States, in keeping with their usual practices, ensure effective representation in producers' organizations of shipowners and crews which shoulder a large part of the fishing sector's business risk.

2.3.2. This would also enable all interested parties to play a more effective role in the management of fishing quotas now that the Regulation attributes these responsibilities to the producers' organizations.

2.3.3. As regards the possibility of extending producer organizations' agreements and practices to operators who are not members of these organizations, the Committee stresses that recourse to such arrangements must be on an exceptional basis.

2.3.4. Producers' organizations in outlying areas face greater difficulties in adapting to market requirements. Some of the most remote of the Community's outlying regions such as the Azores, Canary Islands, Madeira and the French Overseas Departments are being increas-

⁽¹⁾ OJ No C 134, 25. 5. 1992, p. 1.

⁽²⁾ Regulation (EEC) No 2142/70 in Special Edition of the Official Journal of the European Communities 1970 (III), December 1972, p. 707.

⁽³⁾ Current estimates highlight the plight of demersal species in particular.

ingly affected by their outlying position and structural shortcomings; for this reason the Commission's decision to step up its aid for establishing and strengthening producers' organizations is fully warranted.

2.4. In line with its previous recommendations⁽¹⁾, the Committee endorses the Commission's efforts to improve CMO mechanisms, in particular its moves to simplify market management measures.

2.5. However, it is not quite clear why moves to simplify the withdrawal and carry-over mechanisms have to be backed up by a cut in financial compensatory amounts.

2.6. The proposal to reduce Community support for tuna production is unwarranted. In actual fact, despite an overall increase in tuna consumption, the present state of the world market in tuna does not warrant a measure which will hit all Community producers, particularly those in the most remote outlying island regions of Spain and Portugal.

2.6.1. The Committee recommends a review of the compensatory payment mechanism's method of functioning. There ought to be increases in the intervention threshold for the compensatory payment, the volume of products which can benefit from this payment and the payment itself.

2.7. The Community is still dependent on imports for supplying its market, particularly for supplies to the processing industry.

2.8. The Committee reiterates⁽¹⁾ its previous emphasis on the need to ensure that imports do not destabilize Community production. Mechanisms regulating trade have to be improved if they are to protect the Community market. Imports will thus be able to play their full role in supplementing Community production.

2.9. In trade with third countries, the Committee emphasizes the need for full application of the principle of access to waters in exchange for market access.

2.10. Improvements in quality together with progress in the quest for new uses for fisheries products are two basic objectives for making all parts of the sector profitable. The Committee regrets that the proposal does not include any specific measures for encouraging improvements in product quality, although it recognizes that the Commission is taking steps in this direction.

3. Specific comments

3.1. Article 6(1)

3.1.1. In the Portuguese version only, amend 'Article 7' to read 'Article 5'.

3.1.2. Amend 'the Member State may grant ...' to read 'the Member State shall grant ...'.

3.2. Article 12

3.2.1. Although it is important to help avoid products being destroyed, the Committee fears that the current provisions could reduce producer organizations' capacity to generate interest.

3.3. Article 21

3.3.1. The reverse should also be possible in the event of an increase in Community production.

3.4. Article 24(2)

Since these are emergency measures, the following wording is recommended at the end of the sentence:

'... within five working days from receipt of the request.'

⁽¹⁾ OJ No C 339, 31. 12. 1991.

Done at Brussels, 23 September 1992.

The Chairman
of the Economic and Social Committee
Michael GEUENICH