EC/Denmark/Greenland fisheries agreement: period from 1 January 2004 to 31 December 2006. Modification of the 4th Protocol

2003/0236(CNS) - 16/10/2003 - Legislative proposal

PURPOSE : to conclude the modification to the Fourth Protocol in the fisheries agreement between the EC and Greenland and Denmark. PROPOSED ACT : Council Regulation. CONTENT : A midterm review has been completed on the above-mentioned Fourth Protocol, and this proposal is based on the findings of that review. The main amendments are as follows: - deletion of paper-fish: change in fishing quotas: The quotas have been reduced in order to fix fishing opportunities, which are really available. This is the case with cod (from 2,000 t to pm), redfish (from 31,000 t to 25,500 t), catfish (deleted), blue whiting (deleted), and capelin (deletion of western quota of 25,000t). At the same time, the Community has the option to fix higher quotas, in most cases up to the levels of the Fourth Protocol, for cod and redfish, in the event of stock recovery with an additional financial compensation; - the new fishing opportunities include quotas on the Western shrimp stock (4,000 t). The increased fishing opportunities include the Atlantic halibut (800 t), the Greenland Halibut (4 200 t) and the introduction of a quota of snowcrab (1 000 t). Furthermore, a quota for all bycatches (2,000) has also been introduced; - in light of scientific advice, a yearly revision may be operated; - the article on the promotion of experimental fisheries has been modified to introduce cephalopods and clams. An Annex has been introduced, detailing the modalities for experimental fisheries. In the case of success of the experimental campaigns, the Community will be granted 50% of the fishing possibilities of the new species. - payment of licences is introduced for all fisheries, with rates based on 3 % of landing prices. The rates may be adapted periodically by administrative arrangement between the Parties, taking into account the market and fisheries situation. This is a completely new and key element which should ensure the sound management of the resources, the sound management of Community finances, as well as the coherence with the CFP and the commitment to progressively increase the vessels owners participation. The financial contribution deriving from the direct payment of licences by the vessels owners will be deducted from the Community compensation. In order to optimise the use of fishing possibilities, the present proposal foresees a mechanism that permits the Commission to temporarily transfer the fishing possibilities during the year in progress that are not utilised by one Member State benefiting from a fishing quota to the catch quota of another Member State, on demand. This transfer, considering it is a temporary nature, does not pre-judge the allocation and future fishing possibilities between Member States and respects the principle of relative stability. The budget support for the structural reform of the fisheries policy and sector is a new element. The amount comprises EUR 500,000 for increasing the scientific capacity and budget of the Greenland Institute for Natural Resources. The review will take place not later than 30 June 2005. In accordance with the Fishery Agreement, the Local Government of Greenland will continue to be paid EUR 42.82 million per annum, as set out in the Fourth Protocol. However, the Revised Protocol introduces two main modifications: - the compensation for the fishing possibilities is assessed to be of a value of EUR 31,760,679, in light of the modified fishing possibilities. The Fourth Protocol had an estimated value of the fishing possibilities of EUR 28 million. The remainder of the annual compensation, EUR 11,059,321 per annum, will cover a budget support for the structural reform of the fisheries policy in Greenland. With the introduction of licence fees, there will be a positive financial impact in form of a reduction of the Community budget in the range of EUR 0 to EUR 2,944,645. The amount will depend on the rate of utilisation of the fishing possibilities, as well as the final level of the fees to be determined between the Commission and the Greenland Authorities. FINANCIAL IMPLICATIONS : - Budget headings: B7-8000 (110301): International fishery agreements; - Total allocation for action (Part B): min. EUR 119,685,065 - max EUR 128,519,000 Period of application: 01/01/2004-31/12/2006 A. Overall multiannual estimate on expenditure: Total for three years: Commitments Minimum EUR 119, 626, 065 Maximum EUR 128,460,000 Payments- Minimum EUR 119, 626, 065 Maximum 128.460.000. B. Technical and

administrative assistance and support expenditure: Commitments and payments (total) EUR 59,000. C. Overall financial impact of human resources and other administrative expenditure: Commitment and payments total EUR 172.380. Seven staff in total.