



## **PRODUCER ORGANISATIONS AND THE COMMON MARKET ORGANISATION IN FISHERIES PRODUCTS**

The Common Market Organisation (CMO) in fisheries and aquaculture products was the first component of the Common Fisheries Policy (CFP). Its scope for action in the face of the recent crisis in the fisheries sector was seen as limited, given the nature of its intervention mechanisms and the scarce funding allocated to them, leading to a comprehensive reform laying down the new groundwork for the CMO and the entire CFP as of 2014. The revised CMO improves market surveillance and food safety and consumer information, fostering the development of regional product commercialisation.

### **LEGAL BASIS**

Articles 42 and 43(2) of the Treaty on the Functioning of the European Union (TFEU).

Regulation (EU) No 1379/2013 of the European Parliament and of the Council of 11 December 2013 on the common organisation of the markets in fishery and aquaculture products, amending Council Regulations (EC) No 1184/2006 and (EC) No 1224/2009 and repealing Council Regulation (EC) No 104/2000.

### **OBJECTIVES**

The CMO in fisheries and aquaculture products provides for a price and intervention system with the aim of regulating the Union market for fisheries products. Its objectives have been to:

- correct the most negative effects of the imbalance between supply and demand;
- stabilise prices in order to guarantee a minimum level of income for fishermen;
- promote the general competitiveness of the Union fishing fleet on world markets.

The CMO instruments have been:

- Union withdrawals,
- carry-over operations,
- independent withdrawals and carry-overs by producer organisations, including flat-rate compensation and premiums,
- private storage,
- special arrangements for tuna.

All of these mechanisms are focused on the producer organisations (POs). Most of them are located in seven Member States: Spain, Italy, France, the United Kingdom, Germany, Portugal and the Netherlands. These organisations are to be found mainly at the local fisheries level and,

to a lesser extent, in the coastal fisheries and aquaculture sectors and their objective is to improve the marketing of their products. To this end, they may undertake actions such as:

- planning production and bringing it into line with demand, in particular by implementing catch plans;
- promoting concentration of supply;
- price stabilisation;
- promoting methods that encourage sustainable fishing.

Intervention expenditure has been steadily falling, largely due to the decreases in spending on compensation for operational programmes and on Union withdrawals that have been one of the most frequently used intervention mechanisms. Union withdrawals have been overtaken in first place as an item of expenditure by carry-over operations.

The state of the resources and the increase in the price of fuel may limit short-term use of CMO interventions. The four Member States making most use of the CMO instruments have been France, Spain, Portugal and Ireland. The use of the CMO instruments has been increasing in the first three countries, but decreasing in Ireland. Other Member States — the United Kingdom, Denmark, Germany, Sweden, Italy and Belgium — also use CMO interventions, but their expenditure has been substantially lower than that of the first four countries.

In order to promote the development of the fisheries sector, groups that include representatives of production, marketing and processing sectors may ask Member States for recognition as inter-branch organisations. This recognition can be granted by Member States under the control of the Commission. There have been only four recognised inter-branch organisations, and they operate at state level: Comité Interprofessionnel des Produits de l’Aquaculture, C.I.P.A. (France), INTERATÚN (Spain), AQUAPISCIS (Spain) and O.I. FILIERA ITTICA (Italy).

Within the 2014 reform of the CFP, a far-reaching reform of the CMO was deemed necessary, whereby market-oriented instruments would contribute, directly or indirectly, to meeting the main CFP objectives. To address overfishing and unsustainable practices and move away from production strategies based solely on volume, a new CMO was outlined in the proposal for a regulation on the common organisation of the markets in fishery and aquaculture products ([COM\(2011\)0416](#)), intended to support:

- the organisation of the sector, empowering POs and their co-management of access rights as well as production and marketing activities, as key elements to implement the CFP;
- market measures that increase the bargaining power of producers (in fisheries and aquaculture), improve prediction, prevention and management of market crises and foster market transparency and efficiency;
- common marketing standards laying down standard characteristics for fishery products sold in the EU and applied in accordance with conservation measures, designed to promote a transparent internal market that supplies high-quality products;
- market incentives and premiums for sustainable practices; partnerships for sustainable production, sourcing and consumption; certification (ecolabels), promotion and provision of information to consumers;
- additional market measures on discards;
- market intelligence: the Commission has set up the European Market Observatory for Fisheries and Aquaculture Products to contribute to market transparency and efficiency.

## SMALL-SCALE FISHERIES (SSF) PRODUCERS

The EU definition<sup>[1]</sup> of small-scale fishing refers to vessels which are of an overall length of less than 12 metres, operate under a daily working fishing limit of less than 24 hours and do not use towed fishing gear.

In 2013 there were 232 POs in 17 EU Member States, 188 of which were SSF fishers. The greatest number of SSF fisher POs were found in Italy (39), Spain (33), France (24) and the UK (21). The revised CMO presents a great opportunity for SSF producers to gain better access to the market and successfully compete with imported or industrial fishery products. A number of measures, such as the development of a statistical data bank for SSF in the EU, the establishment of and continued support for marketing associations, the creation of an SSF logo, the setting up of enlistment criteria for SSF fishers, and special labelling and promotional campaigns for SSF products, could be carried out as part of the objectives and structure of the CMO. Ultimately, the aim is to give consumers the opportunity to buy fresh, safe and sustainable products, and to guarantee an acceptable income for local SSF fishers.

## ROLE OF THE EUROPEAN PARLIAMENT

Together with the subsequent adoption of the reformed basic regulation on the Common Fisheries Policy, and the new European Maritime and Fisheries Fund, the CMO scheme represents a cornerstone of the latest reform of the European fisheries sector.

The legal act on the common organisation of the markets in fishery and aquaculture products falls under the ordinary legislative procedure, meaning that the Council and Parliament share the competence for adopting it.

The legal text of the act refers to a number of delegated and implementing acts<sup>[2]</sup>. These constitute the secondary legislation<sup>[3]</sup> needed for the application of the basic law. As the main executive branch of the EU, the Commission has the competence to adopt the act, while Parliament and the Council, as co-legislators, have the competence to scrutinise<sup>[4]</sup> the secondary legislation on the basis of their reading of the basic law. The Commission will report to Parliament and the Council on the outcome of the application of the CMO Regulation before the end of 2022.

Research for PECH Committee:

- DG-IPOL Study of 15 April 2016 entitled: ‘Small-scale fisheries markets: value chain, promotion and labelling’<sup>[5]</sup>;
- DG-IPOL Study of 16 September 2013 entitled: ‘Compliance of imports of fishery and aquaculture products with EU legislation’<sup>[6]</sup>;

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[1] Regulation (EU) No 508/2014 of the European Parliament and of the Council of 15 May 2014 on the European Maritime and Fisheries Fund, Article 3(2)(14), OJ L 149, 20.5.2014, p. 1.

[2] ‘European Union legal acts’, <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv%3Aai0032>

[3] [https://ec.europa.eu/info/amending-and-supplementary-acts-0\\_en](https://ec.europa.eu/info/amending-and-supplementary-acts-0_en)

[4] ‘Legislating more efficiently: questions & answers on new delegated acts’, <http://www.europarl.europa.eu/sides/getDoc.do?language=en&type=IM-PRESS&reference=20100323BKG71187>

[5] [http://www.europarl.europa.eu/RegData/etudes/STUD/2016/573443/IPOL\\_STU%282016%29573443\\_EN.pdf](http://www.europarl.europa.eu/RegData/etudes/STUD/2016/573443/IPOL_STU%282016%29573443_EN.pdf)

[6] [http://www.europarl.europa.eu/RegData/etudes/etudes/join/2013/513968/IPOL-PECH\\_ET%282013%29513968\\_EN.pdf](http://www.europarl.europa.eu/RegData/etudes/etudes/join/2013/513968/IPOL-PECH_ET%282013%29513968_EN.pdf)

— European Parliament Library Briefing of 7 September 2012 entitled: ‘Reforming the Common Fisheries Policy (CFP)’<sup>[7]</sup>.

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[7][http://www.europarl.europa.eu/RegData/bibliotheque/briefing/2012/120339/LDM\\_BRI%282012%29120339\\_REV1\\_EN.pdf](http://www.europarl.europa.eu/RegData/bibliotheque/briefing/2012/120339/LDM_BRI%282012%29120339_REV1_EN.pdf)