DRAFT REPORT


Committee on the Internal Market and Consumer Protection

Rapporteur: Cristian-Silviu Busoi
Symbols for procedures

* Consultation procedure
*** Consent procedure
***I Ordinary legislative procedure (first reading)
***II Ordinary legislative procedure (second reading)
***III Ordinary legislative procedure (third reading)

(The type of procedure depends on the legal basis proposed by the draft act.)

Amendments to a draft act

Amendments by Parliament set out in two columns

Deletions are indicated in *bold italics* in the left-hand column. Replacements are indicated in *bold italics* in both columns. New text is indicated in *bold italics* in the right-hand column.

The first and second lines of the header of each amendment identify the relevant part of the draft act under consideration. If an amendment pertains to an existing act that the draft act is seeking to amend, the amendment heading includes a third line identifying the existing act and a fourth line identifying the provision in that act that Parliament wishes to amend.

Amendments by Parliament in the form of a consolidated text

New text is highlighted in *bold italics*. Deletions are indicated using either the ᵃ symbol or strikeout. Replacements are indicated by highlighting the new text in *bold italics* and by deleting or striking out the text that has been replaced.

By way of exception, purely technical changes made by the drafting departments in preparing the final text are not highlighted.
DRAFT EUROPEAN PARLIAMENT LEGislATIVE RESOLUTION


(Ordinary legislative procedure: first reading)

The European Parliament,

– having regard to the Commission proposal to Parliament and the Council (COM(2015)0045),

– having regard to Article 294(2) and Article 114 of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C8-0037/2015),

– having regard to Article 294(3) of the Treaty on the Functioning of the European Union,

– having regard to the opinion of the European Economic and Social Committee¹,

– having regard to Rule 59 of its Rules of Procedure,

– having regard to the report of the Committee on the Internal Market and Consumer Protection and the opinions of the Committee on International Trade and the Committee on Agriculture and Rural Development (A8-0000/2015),

1. Adopts its position at first reading hereinafter set out;

2. Calls on the Commission to refer the matter to Parliament again if it intends to amend its proposal substantially or replace it with another text;

3. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

Amendment 1

Proposal for a regulation
Recital 2

Text proposed by the Commission

(2) At the same time, seal hunting is an integral part of the culture and identity of the Inuit and other indigenous communities and makes a major contribution to their subsistence. For those reasons, seal hunts

Amendment

(2) At the same time, seal hunting is an integral part of the culture and identity of the Inuit and other indigenous communities making a major contribution to their subsistence, providing food and income to

¹ Not yet published in the Official Journal.
traditionally conducted by Inuit and other indigenous communities do not raise the same public moral concerns as the hunts conducted primarily for commercial purposes. Moreover, it is broadly recognised that the fundamental and social interests of Inuit and other indigenous communities should not be adversely affected, in accordance with United Nations Declaration on the rights of Indigenous Peoples and other relevant international instruments. For those reasons, by way of exception, Regulation (EC) No 1007/2009 allows the placing on the market of seal products which result from hunts traditionally conducted by Inuit and other indigenous communities and which contribute to their subsistence. support the life and sustainable livelihood of the community, preserving and continuing the traditional existence of the community and the cultural heritage of bartering. For those reasons, seal hunts traditionally conducted by Inuit and other indigenous communities do not raise the same public moral concerns as the hunts conducted primarily for commercial purposes. Moreover, it is broadly recognised that the fundamental and social interests of Inuit and other indigenous communities should not be adversely affected, in accordance with the United Nations Declaration on the rights of Indigenous Peoples and other relevant international instruments. For those reasons, by way of exception, Regulation (EC) No 1007/2009 allows the placing on the market of seal products which result from hunts traditionally and sustainably conducted by Inuit and other indigenous communities and which contribute to their subsistence. The Commission should consider developing appropriate measures to counter the potential negative effects that the implementation of Regulation (EC) No 1007/2009 can have on the Inuit and other indigenous communities.

Amendment 2

Proposal for a regulation
Recital 2 a (new)

Text proposed by the Commission

Amendment

(2a) In accordance with Convention C169 on Indigenous and Tribal Peoples in Independent Countries, adopted by the International Labour Organisation in 1989, Inuit and other indigenous communities have the right to self-identification, and by virtue of that right
they freely pursue their economic, social and cultural development. That right should be preserved.

Or. en

Amendment 3
Proposal for a regulation
Recital 3

Text proposed by the Commission

(3) A genuinely humane killing method cannot be effectively and consistently applied in the hunts conducted by the Inuit and other indigenous communities, just like in the other seal hunts. Nonetheless, it is appropriate, in light of the objective pursued by Regulation (EC) No 1007/2009, to make the placing in the Union market of products resulting from hunts by the Inuit and other indigenous communities conditional upon those hunts being conducted in a manner which reduces pain, distress, fear or other forms of suffering of the animals hunted to the extent possible, while having regard to the traditional way of life and the subsistence needs of the Inuit and other indigenous communities. The exception granted in respect of seal products resulting from hunts conducted by Inuit and other indigenous communities should be limited to hunts that contribute to the subsistence need of those communities and are therefore not conducted primarily for commercial purposes. Thus, the Commission should be enabled to limit, if necessary, the quantity of seal products placed on the market under that exception in order to prevent the use of the exception by products resulting from hunts which are conducted primarily for commercial purposes.

Amendment

(3) In light of the objective pursued by Regulation (EC) No 1007/2009, the placing in the Union market of products resulting from hunts by the Inuit and other indigenous communities should be made conditional upon those hunts being conducted with due regard to animal welfare, in a manner which reduces pain, distress, fear or other forms of suffering of the animals hunted to the extent possible, while having regard to the traditional way of life and the subsistence needs of the Inuit and other indigenous communities. The exception granted in respect of seal products resulting from hunts conducted by Inuit and other indigenous communities should be limited to hunts that contribute to the subsistence need of those communities. In order to prevent the use of that exception by products resulting from hunts which are conducted primarily for commercial purposes the power to adopt acts in accordance with Article 290 TFEU should be delegated to the Commission in order to limit, if necessary and only when relevant evidence is presented and where appropriate after a consultation with all stakeholders, the quantity of seal products from certain hunts from being placed on the market under that exception.
Amendment 4
Proposal for a regulation
Article 1 – point 1
Regulation (EC) No 1007/2009
Article 3 – paragraph 1 – point a a (new)

Text proposed by the Commission

(a) the hunt is conducted in a sustainable manner that does not threaten the conservation status of seals being targeted;

Amendment

Or. en

Amendment 5
Proposal for a regulation
Article 1 – point 1
Regulation (EC) No 1007/2009
Article 3 – paragraph 1 – point b

Text proposed by the Commission

(b) the hunt contributes to the subsistence of the community and is not conducted primarily for commercial reasons;

Amendment

(b) the seal products contribute to the subsistence of the community, including in order to provide food and income to support life and sustainable livelihood of the community;

Or. en

Amendment 6
Proposal for a regulation
Article 1 – point 1
Regulation (EC) No 1007/2009
Article 3 – paragraph 1 – point c
Text proposed by the Commission

(c) the hunt is conducted in a manner which reduces pain, distress, fear or other forms of suffering of the animals hunted to the extent possible taking into consideration the traditional way of life and the subsistence needs of the community.

Amendment

(c) the hunt is conducted by members of the community that possess a hunting licence, and in a manner which has due regard to animal welfare and which reduces pain, distress, fear or other forms of suffering of the animals hunted to the extent possible taking into consideration the traditional way of life and the subsistence needs of the community.

Or. en

Amendment 7

Proposal for a regulation
Article 1 – point 1
Regulation 1009/2009/EC
Article 3 – paragraph 5

Text proposed by the Commission

5. If the number of seals hunted, the quantity of seal products being placed on the market pursuant to paragraph 1 or other circumstances are such as to indicate that a hunt is conducted primarily for commercial purposes, the Commission shall be empowered to adopt delegated acts in accordance with Article 4 in order to limit the quantity of products resulting from that hunt that may be placed on the market.

Amendment

5. If there is relevant evidence indicating that the number of seals hunted, the quantity of seal products being placed on the market pursuant to paragraph 1 or other circumstances, are such as to prove that a hunt is conducted primarily for commercial purposes, the Commission shall be empowered to adopt delegated acts in accordance with Article 4a in order to limit the quantity of products resulting from that hunt that may be placed on the market.

Or. en

Amendment 8

Proposal for a regulation
Article 1 – point 3 a (new)
Regulation (EC) No 1007/2009
Article 5 a (new)
Text proposed by the Commission

3a. The following article is inserted:

"Article 5a

Public information

1. The Commission and Member States shall ensure that the public is properly informed that the seal products placed on the market originating from hunts conducted by Inuit and other indigenous communities in accordance with Article 3(1), comply with applicable legal rules.

2. The Commission shall ensure that awareness-raising campaigns referred to in paragraph 1 of this Article are also conducted under Objective II set out in point (b) of Article 3(1) of Regulation (EU) No 254/2014 of the European Parliament and of the Council*.


Amendment 9

Proposal for a regulation

Article 1 – point 3 b (new)

Regulation (EC) No 1007/2009

Article 7

Present text

Amendment

3b. Article 7 is replaced by the following:

"Article 7
1. **By 20 November 2011** and **thereafter every 4 years**, Member States shall submit to the Commission a report outlining the actions taken to implement this Regulation.

2. **On the basis of the reports referred to in paragraph 1**, the Commission shall report to the European Parliament and to the Council on the implementation of this Regulation within 12 months of the end of each reporting period **concerned**.

1. **By 31 December 2016** and every **four years thereafter** Member States shall submit to the Commission a report outlining the actions taken to implement this Regulation.

2. The Commission shall submit to the European Parliament and to the Council a report on the implementation of this Regulation within 12 months of the end of each reporting period **referred to in paragraph 1**.

3. **In its first report submitted in accordance with paragraph 2**, the Commission shall assess in particular the impacts of this Regulation on the fundamental and social interests of the Inuit and other indigenous communities, including their right for food and income to support life and sustainable livelihood of the community."

Or. en
EXPLANATORY STATEMENT

Background

Following a proposal presented by the European Commission on 23 July 2008, in 2009, the European Parliament together with the Council adopted the Regulation (EC 1007/2009) on trade in seals products, banning the trade in seal products in the European Union. It applies to seal products produced in the EU and to imported products as well. The EU opted for a "total" ban, with two main exceptions for: products from hunts conducted by Inuit or other indigenous communities (the so-called IC exception) and products from hunts conducted for the sole purpose of the sustainable management of marine resources on a small scale and non-profit basis (the so-called MRM exception). The aim of the Regulation is to ensure that products derived from seals hunted for commercial purposes are no longer found on the EU market.

The Seal Regulation and its implementing act (Commission Regulation (EU) No 737/2010), was challenged by Canada and Norway in the World Trade Organisation (WTO). The final rulings of a WTO panel and the WTO Appellate Body were adopted by the Dispute Settlement Body (DSB) of the WTO on 18 June 2014. They upheld the general ban on seal products as being justified for moral concerns regarding animal welfare but dismissed the two exceptions. On 5 September 2014, Canada and the European Union informed the DSB that they had agreed that the reasonable period of time for the European Union to implement the DSB recommendations and rulings shall be 16 months from the date of adoption of the panel report. Accordingly, the reasonable period of time expires on 18 October 2015. Despite the short period of time, the European Commission adopted its proposal for amending the current Regulation on trade in seal products only on 6 February 2015.

The Commission's proposal

The purpose of this legislative proposal is to implement the WTO recommendations and rulings with regard to the Basic Regulation from 2009 on trade in seal products. It also creates the legal basis for bringing Regulation (EU) No 737/2010 in compliance with the said rulings. The Regulation from 2010 aimed as an implementing regulation for the one in 2009.

The Commission has submitted a proposal in line with the WTO rulings and recommendations by:

a) Opting for certain modifications to the initial formulation of the exception, with regard to the IC exception. In particular, Article 3(1) provides that seal products may be placed on the market if they result from a hunt that fulfils five conditions:

1. The hunt is conducted by Inuit or other indigenous communities (in the ‘chapeau’);
2. The hunt has been traditionally conducted by the community (under point a);
3. The hunt contributes to the subsistence of the community (under point b);
4. The hunt is not conducted primarily for commercial reasons (under point b); and
5. The hunt is conducted in a manner which reduces pain, distress, fear or other forms of suffering of the animals hunted to the extent possible (under point c).

b) Removing completely the MRM exception from the Regulation, as the WTO ruling did not
accept the raison d’être of the exception. According to the rulings such hunts cannot be distinguished from commercial hunts and banning only the latter is discriminatory. Under Article 3(5), the Commission may adopt delegated acts in order to limit the quantity of seal products resulting from certain hunts that may be placed on the market. Such a cap on seal products may only be imposed in case of indications that the hunt concerned “is conducted primarily for commercial purposes”. Such indications may relate to the number of seals hunted, the quantity of seal products being placed on the market or other circumstances established by the Commission.

The position of the rapporteur

The rapporteur welcomes the proposal of the Commission of aligning the current legislation to the WTO rulings and recommendation, but in the same time considers that the proposal came from the Commission's side with a slight delay. Even more, since there is no impact assessment of the basic Regulation, nor any implementation reporting, as provided in Article 7 of the current legislation, the rapporteur regrets that the decision making for the new Regulation will not be based on proper and informed foundation.

Having in mind that the aim of new Regulation is to implement the WTO recommendations and rulings with regard to the Basic Regulation from 2009 on trade in seal products, the rapporteur agrees with the deletion of the MRM exception and amends the proposal as regards the IC exception, taking into consideration in particular the right to self-determination of the Inuit or other indigenous communities.

The rapporteur also reconciled the inconsistency between Article 3(5) and Article 3(1), found in the initial text of the Commission's proposal. The inconsistency referred to a hunt that is conducted primarily for commercial reasons does not fulfil the requirement under point b of Article 3(1). For that reason, the IC exception does not apply, which means that no seal products resulting from the relevant hunt may be placed on the market, which also determines that the cap is zero. Instead of leading to the adoption of a cap, indications that a certain hunt is conducted primarily for commercial reasons would be expected to give rise to action for the enforcement of the ban set out in Article 3(1).

Thus, the rapporteur has therefore amended the proposal in a manner to iterate that seal hunting is an integral part of the culture and identity of the Inuit and other indigenous communities making a major contribution to their subsistence, providing food and income to support life and sustainable livelihood of the community, preserving and continuing the traditional existence of the community and the cultural heritage of bartering. The rapporteur also underlines that only when relevant evidence indicating that the number of seals hunted or the quantity of products being placed on the market are such as to prove that a hunt was conducted primarily for commercial purposes the Commission shall be empowered to adopt delegated acts in order to limit the quantity of products resulting from that hunt that may be placed on the market.

The rapporteur also inserted a new Article referring to the need of citizens being properly informed regarding the seal products placed on the EU market originating from Inuit and other indigenous communities' hunts are of legal origin. Awareness-raising campaigns meant to inform the public on the above mentioned could be also conducted under Objective II of the Consumer Programme Regulation.
Last, but not least, the rapporteur considers that reporting process was not transparent enough and did not meet the criteria established in Article 7 of the current regulation. The amendment proposed by the rapporteur for Article 7 establishes new deadlines that the Commission and also Member States shall meet with no due retard. The rapporteur considers that on the final report, the Commission shall assess in particular the impacts on the fundamental and social interests of the Inuit and other indigenous communities, including their right for food and income to support life and sustainable livelihood of the community.