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REPORT

on the implications of Chinese fishing operations on EU fisheries and the way forward (2022/2148(INI))

Committee on Fisheries

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MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

on the implications of Chinese fishing operations on EU fisheries and the way forward (2022/2148(INI))

The European Parliament,

- having regard to Regulation (EU) No 1380/2013 of the European Parliament and of the Council of 11 December 2013 on the Common Fisheries Policy, amending Council Regulations (EC) No 1954/2003 and (EC) No 1224/2009 and repealing Council Regulations (EC) No 2371/2002 and (EC) No 639/2004 and Council Decision 2004/585/EC¹,
- having regard to Council Regulation (EC) No 1005/2008 of 29 September 2008 establishing a Community system to prevent, deter and eliminate illegal, unreported and unregulated fishing, amending Regulations (EEC) No 2847/93, (EC) No 1936/2001 and (EC) No 601/2004 and repealing Regulations (EC) No 1093/94 and (EC) No 1447/1999²,
- having regard to Council Regulation (EU) 2020/1998 of 7 December 2020 concerning restrictive measures against serious human rights violations and abuses³,
- having regard to the Commission proposal of 14 September 2022 for a regulation of the European Parliament and of the Council on prohibiting products made with forced labour on the Union market (COM(2022)0453) and to Parliament's draft report on that proposal,
- having regard to the Commission proposal of 30 May 2018 for a regulation of the European Parliament and of the Council amending Council Regulation (EC) No 1224/2009, and amending Council Regulations (EC) No 768/2005, (EC) No 1967/2006, (EC) No 1005/2008, and Regulation (EU) No 2016/1139 of the European Parliament and of the Council as regards fisheries control (COM(2018)0368) and to Parliament's report on that proposal,
- having regard to the Commission proposal of 23 February 2022 for a directive of the European Parliament and of the Council on Corporate Sustainability Due Diligence and amending Directive (EU) 2019/1937 (COM(2022)0071) and to Parliament's draft report on that proposal,
- having regard to the Commission communication of 20 May 2020 entitled 'A Farm to Fork Strategy' (COM(2020)0381) and to its resolution of 20 October 2021 on that strategy⁴,

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¹ OJ L 354, 28.12.2013, p. 22.

² OJ L 286, 29.10.2008, p. 1.

³ OJ L 410 I, 7.12.2020, p. 1.

⁴ OJ C 184, 5.5.2022, p. 2.

- having regard to the Commission communication of 20 May 2020 entitled 'EU Biodiversity Strategy for 2030' (COM(2020)0380) and to its resolution of 9 June 2021 on that strategy⁵,
- having regard to its resolution of 8 July 2021 on the establishment of Antarctic Marine Protected Areas (MPAs) and the conservation of Southern Ocean biodiversity⁶,
- having regard to the position of the Committee on Fisheries of 14 March 2023 in view of the preparation of the recommendation by the Committee on International Trade on the Commission proposal for a Council decision on the conclusion, on behalf of the European Union, of the Protocol Amending the Marrakesh Agreement Establishing the World Trade Organization (COM(2022)0582),
- having regard to the UN Convention on the Law of the Sea of 10 December 1982, in force since 16 November 1994 and ratified by China on 15 May 1996,
- having regard to the International Convention of 1 November 1974 for the Safety of Life at Sea (SOLAS),
- having regard to the Convention of 6 March 1948 establishing the International Maritime Organization (IMO),
- having regard to the Work in Fishing Convention (Convention No 188) of the International Labour Organization of 14 June 2007,
- having regard to the Torremolinos Protocol of 2 April 1993 relating to the Torremolinos International Convention for the Safety of Fishing Vessels and the 2012 Cape Town Agreement to enhance fishing safety,
- having regard to the Agreement under the United Nations Convention on the Law of the Sea on the conservation and sustainable use of marine biological diversity of areas beyond national jurisdiction of 4 March 2023,
- having regard to the joint advice of the Long Distance Fleet Advisory Council and the Market Advisory Council of 13 December 2022 on addressing China's global distant water fleet activities: implications for fisheries governance,
- having regard to the report of the European Market Observatory for Fisheries and
 Aquaculture Products (EUMOFA) of 29 November 2022 entitled 'The EU Fish Market
 2022 Edition',
- having regard to the study by the Policy Department for Structural and Cohesion Policies of the Directorate-General for Internal Policies of 9 December 2022 entitled 'Research for PECH Committee – Role and impact of China on world fisheries and aquaculture',

⁵ OJ C 67, 8.2.2022, p. 25.

⁶ OJ C 99, 1.3.2022, p. 214.

- having regard to the Agreement on Port State Measures to Prevent, Deter and Eliminate Illegal, Unreported and Unregulated Fishing, approved at the UN Food and Agriculture Organization (FAO) Conference of 22 November 2009, and in force since 5 June 2016,
- having regard to the 2022 FAO report entitled 'The State of World Fisheries and Aquaculture 2022 – Towards Blue Transformation',
- having regard to the Agreement between the EU and the People's Republic of China of 16 July 2018 entitled 'Blue Partnership for the Oceans: Towards Better Ocean Governance',
- having regard to the Protocol amending the Marrakesh Agreement establishing the World Trade Organization – Agreement on Fisheries Subsidies, adopted at the 12th Ministerial Conference on 17 June 2022,
- having regard to the joint communication from the Commission and the High Representative of the Union for Foreign Affairs and Security Policy of 12 March 2019 entitled 'EU-China – A strategic outlook' (JOIN(2019)0005),
- having regard to its resolution of 5 July 2022 on the Indo-Pacific strategy in the area of trade and investment⁷,
- having regard to the Fisheries Law of the People's Republic of China, adopted on 20 January 1986, and the proposed reform published by the Chinese Ministry of Agriculture and Rural Affairs on 28 August 2019,
- having regard to China's 13th five-year plan for the development of its distant-water fisheries, published in 2017 and its 14th five-year plan, published on 1 July 2022,
- having regard to the joint statement by Chile, Colombia, Ecuador and Peru of
 November 2020 concerning foreign-flagged fishing vessels in zones adjacent to waters under the national jurisdiction of each country,
- having regard to the US Maritime Security and Fisheries Enforcement Act, adopted on 20 December 2019,
- having regard to the US President's National Security Memorandum/NSM-11 of 27 June 2022 on Combating Illegal, Unreported, and Unregulated Fishing and Associated Labor Abuses,
- having regard to the National Five-Year Strategy for Combating Illegal, Unreported, and Unregulated Fishing (2022-2026) of 19 October 2022, drawn up by the US Interagency Working Group on IUU Fishing,
- having regard to report of the US Congressional Research Service of 12 April 2022 entitled 'China's Role in the Exploitation of Global Fisheries: Issues for Congress',

⁷ OJ C 47, 7.2.2023, p. 15.

- having regard to the report of the Overseas Development Institute of 2 June 2020 entitled 'China's distant-water fishing fleet: scale, impact and governance',
- having regard to the report of the Environmental Justice Foundation of 30 March 2022 entitled 'The Ever-Widening Net: Mapping the scale, nature and corporate structures of illegal, unreported and unregulated fishing by the Chinese distant-water fleet',
- having regard to the report of the Global Initiative Against Transnational Organized
 Crime and Poseidon Aquatic Resource Management Ltd entitled 'The Illegal,
 Unreported and Unregulated Fishing Index', published on 23 December 2021,
- having regard to the IUU Fishing Action Alliance Pledge to stimulate ambition and action in the fight against illegal, unreported and unregulated fishing, agreed on 28 June 2022,
- having regard to Rule 54 of its Rules of Procedure,
- having regard to the report of the Committee on Fisheries (A9-0282/2023),
- A. whereas Article 28 of Regulation (EU) No 1380/2013 states that the EU should conduct its external fisheries relations with a view to ensuring sustainable exploitation, management and conservation of marine biological resources and the marine environment:
- B. whereas Article 12 of Regulation (EC) No 1005/2008 (The IUU Regulation) states that the importation of fishery products obtained from illegal, unreported and unregulated (IUU) fishing should be prohibited; whereas the EU, as the largest import market for fishery products in the world, has a central role to play in the fight against IUU fishing worldwide; whereas the zero tolerance policy on IUU should apply equally to all countries, irrespective of size;
- C. whereas there are currently four third countries with a red card and eight third countries with a yellow card; whereas the People's Republic of China (PRC) has never been subject to a procedure under the IUU Regulation, despite considerable evidence of its significant and growing involvement in IUU fishing, as analysed in a study of December 2022 on 'The role and impact of China on world fisheries and aquaculture', commissioned by the Committee on Fisheries;
- D. whereas, in accordance with Article 30 of the IUU Regulation, and at the request of the Commission, the European Fisheries Control Agency (EFCA) will assist the EU in cooperating with third countries and international organisations dealing with fisheries, including regional fisheries management organisations (RFMOs), to strengthen coordination and compliance with measures, especially those aimed at combating IUU fishing;
- E. whereas, according to Article 31(3) of the IUU Regulation, a third country may be identified as a non-cooperating third country if it fails to discharge its duties under international law as a flag, port, coastal or market state to take action to prevent, deter and eliminate IUU fishing; whereas the yellow card procedure in the IUU Regulation is

- meant to act as a warning and allows the EU to engage in a dialogue with a non-cooperating third country;
- F. whereas, in the absence of reliable official figures, it is estimated that China possesses the world's largest fishing fleet, including the world's largest distant-water fishing fleet, with over 2 700 vessels according to official Chinese figures, and that it is the world's largest importer of fishmeal⁸; whereas the EU's distant-water fleet is comparatively much smaller, with 259 vessels;
- G. whereas the overexploitation of marine biological resources in its own territorial waters and exclusive economic zone, and the deterioration of habitats due to pollution, could be seen partly as the reasons why China has now developed the largest distant-water fishing fleet and aquaculture industry in the world; whereas the scale of China's seafood production, extraction and consumption has far-reaching repercussions on fish management and conservation, and food security around the world; whereas China's distant-water fleet is a major competitor for the Union's fishing fleet;
- H. whereas China is the third largest exporter of fishery and aquaculture products in terms of value to the EU, after Norway and the United Kingdom; whereas over 80 % of the fish consumed in China comes from aquaculture⁹; whereas China's aquaculture production in 2020 totalled around 70.5 million tonnes, which on its own represents 58 % of global aquaculture production and 63 % of Asian aquaculture production; whereas imports from the PRC amounted to EUR 1 815 371 000 in 2022, i.e. 5.6 % of total EU imports; whereas the EU's trade balance with the PRC for fishery and aquaculture products is running at a considerable deficit (EUR 1 095 600 000);
- I. whereas the Organization for Economic Co-operation and Development estimates that subsidies for Chinese fishing between 2008 and 2017 represented around 41 % of all global subsidies;
- J. whereas China had the worst overall score for IUU fishing of the 152 coastal states examined in both 2019 and 2022 for the IUU Fishing Index; whereas China's fleet is far from being the only fleet involved in IUU fishing, but has a far-reaching impact around the world because of its size and global presence;
- K. whereas the EU is committed to the development and management of sustainable fisheries, including measures to improve monitoring, inspection, control and surveillance capacities to combat IUU fishing, as well as to ensure competitiveness and a level playing field;
- L. whereas China has not yet ratified key international conventions to tackle IUU fishing, including the FAO Agreement on Port State Measures and International Labour Organization Convention No 188 on Work in Fishing;

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⁸ Pauly, D. et al., 'Research for PECH Committee – Role and impact of China on world fisheries and aquaculture', European Parliament, Policy Department for Structural and Cohesion Policies, Brussels, December 2022, pp.14 and 28.

⁹ European Market Observatory for Fisheries and Aquaculture Products, 'The EU Fish Market – 2022 Edition', 29 November 2022.

- M. whereas the PRC is a signatory to the World Trade Organization's (WTO) June 2022 Agreement on fisheries subsidies;
- N. whereas the PRC ratified the Agreement to prevent unregulated high seas fisheries in the central Arctic Ocean in June 2022;
- O. whereas the EU and the PRC signed a bilateral agreement in 2018, known as the Blue Partnership, which aims to improve cooperation on global ocean governance; whereas the standing Blue Partnership working group meets once or twice a year; whereas this association is based on three pillars that align with the EU's policy on international ocean governance strengthening the ocean governance framework, including fishing and measures to combat IUU fishing, fostering the conditions for a sustainable blue economy and promoting cooperation on science, research and marine data;
- P. whereas the joint advice of the Long Distance Advisory Council and the Market Advisory Council of 15 December 2022 states that 'the pace at which cooperation between the EU and China in fighting IUU fishing is achieved is not commensurate with the rapid expansion of the Chinese distant water fishing fleet and the global impact of its vast, unsustainable, and opaque activities';
- Q. whereas the US Treasury's Office of Foreign Assets Control has placed sanctions, under the Magnitsky Act, on several Chinese fishing companies, covering a total of 157 vessels, for the alleged use of forced labour;
- R. whereas China's global marine catch is currently between 14 and 16 million tonnes, of which 3 to 4 million tonnes come from distant water fishing, including a large proportion caught in the waters off West Africa and off the western coast of South America (Ecuador and Peru)¹⁰;
- S. whereas, in order to ensure that the Union's production of fishery products is not jeopardised and that there is an adequate supply of fishery products for its processing industry, the Council, on the basis of a Commission proposal, may biannually reduce or suspend import duties for a number of fishery products within tariff quotas of an appropriate volume¹¹; whereas 39 % of the tuna fillets imported into the EU in 2017 under the 0 % autonomous tariff quotas came from China¹²;
- T. whereas according to EUMOFA data, China exported 5.35 million tonnes of fishery and aquaculture products in 2017 (9 % to the EU), with a nominal value of EUR 19.17 million (EU imports represented 8 % of this value); whereas the EUMOFA data for 2021, the last year for which figures are available, also reveals that Chinese

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¹⁰ Pauly, D. et al., 'Research for PECH Committee – Role and impact of China on world fisheries and aquaculture', European Parliament, Policy Department for Structural and Cohesion Policies, Brussels, December 2022, pp.14 and 28.

¹¹ Council Regulation (EU) 2020/1706 of 13 November 2020 opening and providing for the management of autonomous Union tariff quotas for certain fishery products for the 2021-2023 period, OJ L 385, 17.11.2020, p. 3.

¹² Opinion of the Long Distance Advisory Council, 'EU autonomous tariff quotas (ATQs) for certain fishery products Tuna loins for the period 2021-2023', July 2020.

- seafood exports fell to 3.71 million tonnes (10 % to the EU), with a nominal value of EUR 18.1 million (EU imports accounting for 8 % of this value);
- U. whereas the Chinese seafood imported into the European market is the product of opaque operations and severely undermines the competitiveness of the EU single market; whereas this has severe economic and labour repercussions for companies in the sector and throughout the supply chain;
- V. whereas China tightened its rules on fishing in distant waters in 2020; whereas, in 2017, China committed to limiting its distant-water fleet to 3 000 vessels by 2020;
- W. whereas maritime strategy is an essential part of China's plan to expand its power; whereas the politicisation and militarisation of its civil maritime sector can be observed, including with respect to fishing; whereas the EU should consider the strategic sovereignty challenges related to fishing, particularly in its outermost regions;

Ensuring maximum transparency

- 1. Deplores the Chinese authorities' lack of transparency concerning the number of vessels making up its distant-water fleet; is concerned and bewildered that, in the absence of reliable official figures, the various estimates of the size of China's distant-water fleet range from 2 900 to 16 966 vessels; notes that the total Chinese fishing fleet contains up to 564 000 vessels, according to the FAO; recalls that the FAO insists on transparency, recognising that 'improvements are needed to more accurately assign China's distant-water fishery catches by area and disaggregate catches by species'; regrets that the 'control' regulation adopted by China applies only to its distant-water vessels, which represent only a fraction of its entire fleet; calls on the Commission to encourage and guide the PRC Government in implementing standards governing distant-water fishing with a view to moving towards sustainable fishing techniques;
- 2. Is concerned that some parts of the disputed South China Sea, one of the most fished seas in the world, are considered by China as 'domestic waters', which leads to the exclusion of Chinese fishing vessels operating in the area from being counted as part of its distant-water fleet, as well as to increased tensions, as China tries to assert its dominance in the area through their activity;
- 3. Encourages the Commission to support innovation and research to develop monitoring, tracking and geolocation instruments for vessels on the high seas by supporting the implementation of international initiatives designed to coordinate data systems and provide complete, precise data and transparent information on the location, origin and activity of fishing vessels;
- 4. Welcomes the fact that the trilogue agreement to reform Regulation (EC)
 No 1224/2009¹³ on fisheries control requires fishery products imported into the EU and caught at sea to indicate the IMO number of the fishing vessel, or another unique vessel identifier if the IMO number does not apply;

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¹³ Council Regulation (EC) No 1224/2009 of 20 November 2009 establishing a Community control system for ensuring compliance with the rules of the common fisheries policy, OJ L 343, 22.12.2009, p. 1.

- 5. Demands that the Commission take measures to stop the use of flags of convenience; calls for public access to information on the beneficial ownership of fishing vessels of all flags; calls on the Commission to improve its system for identifying vessels engaged in IUU fishing, as provided for in Implementing Regulation (EU) 2022/1184¹⁴, so that a boat's country of origin can be identified even if its flag state is unclear and so that boats on which human rights violations have been detected are also included;
- 6. Asks the Commission to request more transparency from the Chinese authorities on the fishing activities undertaken by and the fishing agreements entered into by the country's distant-water fleets; calls on the Commission to launch a catch identification system in cooperation with the PRC, based on the recommendations in the FAO Voluntary Guidelines for Catch Documentation Schemes; points out the importance of using all the international tools available in the fight against IUU fishing; notes, with concern, that the opaque nature of these agreements could encourage IUU fishing and make it difficult for the governments affected and other interested parties to monitor the activities of China's distant-water fleet; calls on the Commission to initiate, with its international partners, a strategy for monitoring bilateral agreements entered into by China with a view to preventing distortion of competition whether in supply chains or trade;
- 7. Notes the multiplication of fishing agreements between the PRC and third countries; is concerned that these agreements could harm the interests of local industry, put the population's food security at risk and distort fair competition; deplores the lack of transparency on these agreements, licences and authorisations, particularly regarding possible unsustainable cumulative effects on the fisheries resources of third countries that also have fisheries agreements with the EU; is concerned about the news regarding overfishing in the waters off West Africa, especially in the Gulf of Guinea and Lake Volta in Ghana, in which China's distant-water fleet is reported to be involved;
- 8. Requests that China ratify and implement the FAO Agreement on Port State Measures, and other international agreements and treaties designed to combat IUU fishing as soon as possible, as well as ensuring fishing vessels on the high seas follow international agreements on marine ecosystem management and conservation measures; invites coastal states to disclose the infringements made and sanctions applied on distant-water fishing vessels;
- 9. Welcomes the initiative of the Commission's Directorate-General for Maritime Affairs and Fisheries (DG MARE) to launch, on 10 May 2023, a website containing data on the fishing authorisations granted to EU vessels fishing outside EU waters and non-EU vessels fishing in EU waters; urges the fisheries authorities of third countries and RFMOs to adopt similar measures; underlines the importance of also applying the existing legislative system for EU fleets to fleets from third countries with a view to enforcing the same standards on the transparency of fishing activities and traceability of products;

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¹⁴ Commission Implementing Regulation (EU) 2022/1184 of 8 July 2022 amending Regulation (EU) No 468/2010 establishing the EU list of vessels engaged in illegal, unreported and unregulated fishing, OJ L 184, 11.7.2022, p. 9.

Defending the EU against unfair trade practices

- 10. Asks the Member States to strictly enforce EU law on the catch report and traceability system; believes that the digitalisation of IUU catch certificates via the CATCH system will reduce opportunities for fraudulent imports and alleviate the administrative burden on Member States; calls on the Member States and the Commission to provide information on how many products that are caught by Chinese vessels subsequently enter the EU market; points out the need to harmonise and step up customs and port controls, as well as on commercial platforms, of all imported fishery products in order to restrict the movement of products deriving from illegal fishing on the single market; calls for enhanced certification of origin for imported fishery products so that fisheries are subject to European legislation rather than flag state legislation, in order to ensure that products entering the single market come from sustainable sources and their origin and compliance have been checked and that it contributes to preserving public health and preventing the distortion of competition;
- 11. Is concerned about the numerous reports from governments and non-governmental organisations of IUU fishing by vessels flying a Chinese flag and alleged IUU fishing by stateless vessels that could be the responsibility of the Chinese authorities and Chinese-owned vessels flying the flag of a third country; points out that these illegal practices include fishing without a licence, fishing for protected species, fishing with prohibited gear, shark finning, failing to declare catches and disabling the automatic identification systems used for tracking;
- 12. Is concerned about the news regarding the presence of a number of Chinese vessels fishing unchecked in the high seas adjacent to the exclusive economic zones of some Latin American countries, including Ecuador and Argentina; points out that the EU fleet operating in these fishing grounds often faces unfair competition for fishery resources, such as Argentine shortfin squid (Illex argentinus) and Patagonian squid (Loligo gahi); believes that the establishment of RFMOs to ensure an adequate global coverage of areas and species, especially in areas without any RFMO structure at all (for example, the South Atlantic), is important in order to promote the conservation and sustainable exploitation of fishery resources and fair competition at global level; urges the Commission to cooperate with all the parties involved to work towards achieving this goal;
- 13. Welcomes the Agreement reached in the UN on the conservation and sustainable use of marine biological diversity of areas beyond national jurisdiction, and urges the EU and China to ratify it and bring it into effect;
- 14. Regrets the complex and sometimes arbitrary bureaucratic conditions imposed by the Chinese authorities on certain EU firms that wish to export fishery products to China; calls on the Commission to work with the Chinese authorities to put an end to this situation;
- 15. Is concerned about the news regarding aggressive action by a number of Chinese vessels, such as the attacks on the Spanish fishing vessel 'Playa de Rodas' in February 2020 during which six vessels flying Chinese flags were involved in ramming it, sending death threats to it and attempting to sabotage and collide with it;

- 16. Encourages China and the countries with which it has signed fisheries agreements to strengthen their capacity to monitor, detect, prevent and respond to IUU fishing incidents; calls on the Commission to consider increasing technical and financial support to that end via the EFCA; calls on the Commission to provide technical assistance and promote capacity-building, using all possible channels in the framework of the common fisheries policy, in line with the EU's international ocean governance goals, in order to encourage and support coastal states with which the EU maintains dialogue in stepping up their fight against IUU fishing and strengthening the sustainability and transparency requirements in the conditions for accessing their exclusive economic zones (EEZs);
- 17. Calls, more generally, for the fight against IUU fishing to be stepped up, in particular in international waters and in the areas covered by the authorities of coastal states that do not have sufficient control capabilities; considers that this can be achieved through joint operations such as PESCAO (Improved regional fisheries governance in western Africa); commends the EFCA for its role in the PESCAO project, established by Commission Decision C(2017)2951 of 28 April 2017; points out that this project, which includes the goal of strengthening the prevention of IUU fishing, is due to end in December 2023; calls on the Commission to start an evaluation of the PESCAO project and, if necessary, to define new priorities and make this type of project more effective, as well as extending it and providing it with additional resources; notes that navies have specific distant-water capabilities and that some Member States entrust fishing control operations to their navies; stresses that the European fisheries control funding framework should be changed to allow navies to take part in anti-illegal fishing operations in the areas mentioned, alongside their operations to combat piracy;
- 18. Underlines the importance of the Coordinated Maritime Presence (CMP) in the Gulf of Guinea, which, since being implemented in March 2021, has had a very positive impact in terms of reducing IUU fishing, piracy and other illegal activities in the area (trafficking of drugs, arms and humans, significant crime in ports, serious marine pollution, etc.); recalls that this CMP will be revised by February 2024 at the latest; calls on the Council to pay special attention to the Gulf of Guinea and to make progress on the work towards renewing this CMP;
- 19. Encourages EU seafood producers to diversify their primary processing partners; calls on the Commission and the Member States to foster a growing sustainable aquaculture production in the EU and reduce the barriers to its development, as well as promoting innovation in complementary feed sources, such as algae, to avoid further dependence on fishmeal imports;
- 20. Stresses that China has considerably increased its exports of some products to the EU, such as tuna, by means of autonomous tariff quotas; notes that the autonomous tariff quotas mechanism may create market distortions; considers that autonomous tariff quotas of a non-appropriate volume could cause unfair competition with EU fleets and with countries that enjoy preferential access (the African, Caribbean and Pacific Group of States, the EU's Generalised Scheme of Preferences); calls on the Commission, therefore, to continue assessing the relevance of those tariff quotas in view of their impact on the European fishing industry and to adapt them where necessary; calls on the

- European authorities to exercise caution and step up controls to ensure that any exports benefiting from autonomous tariff quotas are not a product of IUU fishing;
- 21. Notes that the European Court of Auditors has recently observed that Member States' checks on the legality of imported seafood are uneven; calls on the Commission to ensure that all actors involved commit to the rapid, uniform and global implementation of the CATCH IT system once its use becomes mandatory EU-wide for all fishery and aquaculture products imported into the EU, as well as promoting the voluntary use of the system by third countries;
- 22. Notes that China subsidises its fleets operating in the exclusive economic zones and on the high seas; recalls that this support takes a number of forms, including direct subsidies (aid for fuel, vessel modernisation and replacement), tax exemptions, insurance premiums and loan discounts, etc.; points out, again in the absence of official figures, that Chinese Government subsidies to its fishing sector in 2018 are estimated to have totalled USD 7.2 billion, representing 20 % of all global fishing subsidies; stresses that these subsidies have boosted the rapid development of China's distant-water fleet, with the ensuing risk of overcapacity and overfishing; stresses that the recent signing, in June 2022, of the WTO Agreement on fisheries subsidies should limit the sums disbursed; urges the Chinese authorities to ratify and implement this agreement as soon as possible;

Protecting fisheries resources, human rights and food sovereignty

- 23. Notes that the intensity of the Chinese fishing fleet's activities is on the way to depleting fisheries resources, diminishing the positive impact resulting from the efforts made by, among others, the EU fleet; takes the view that the status of all targeted fisheries resources globally should be scientifically assessed with a view to determining the level of exploitation; calls for the EU to maintain its ambition of leading by example, while continuing to promote a level playing field for EU operators vis- à-vis third country operators;
- 24. Advocates the establishment of management plans, including regional ones, in countries with which the EU has signed sustainable fisheries partnership agreements (SFPAs); notes that the SFPA with Mauritania, which includes a management plan for pelagic species, has reduced the fishing pressure imposed by all vessels targeting these stocks; highlights the importance of such management plans to avoid direct and indirect effects contributing to overfishing in the EEZs of the countries concerned and negative socioeconomic effects, with specific attention to be given to the local artisanal fleet, as well as the negative implications on trust in the EU as a partner;
- 25. Stresses that introducing better governance of fisheries in developing countries should be a priority in order to combat IUU fishing and build suitable infrastructure, train a workforce qualified in port controls and organise an effective defence system to cope with interference at sea; recalls that IUU fishing primarily takes place in the EEZs of developing countries, which are very economically and socially dependent on fishing and lack the resources needed to combat interference by foreign vessels in their waters;

- 26. Asks the Commission to devise a strategy to address the fact that China is importing increasing amounts of fishmeal from the rest of the world, especially from countries along the West African coast; stresses that these, and any such imports elsewhere, could cause massive damage to the local fishing sector and jeopardise food security in Africa; welcomes the promising and recent progress made on the use of plant-based protein in sustainable fish feed, and urges the Commission and the Member States to support this development;
- 27. Is deeply concerned about the information regarding inhumane working conditions on board some Chinese fishing vessels; urges China to ratify, as soon as possible, the International Labour Organization's Work in Fishing Convention (No 188);
- 28. Stresses that the EU must step up its cooperation with the United Kingdom, the US, Japan and other key players in fisheries and ocean policy, using its diplomatic and trade instruments to encourage China to make progress on the necessary reforms of its fisheries governance framework; welcomes the fact that, in 2022, the US President instructed his Secretary of State, in coordination with the US Mission to the European Union, to cooperate with the EU, Japan, other members of the G7 and other partners to tackle harmful fishing practices in West Africa, Latin America, the Caribbean and the Indo-Pacific region; reminds the Commission of the need for the EU to be a leader in international negotiations in order to promote its ambitions, vision and goals for sustainable fisheries;
- 29. Urges the Commission to step up its cooperation with the US Government to take a global approach in the fight against IUU fishing and the worst labour and human rights abuses associated with the phenomenon; calls on the Commission and the Council to properly enforce Regulation (EU) 2020/1998¹⁵ against Chinese companies already sanctioned by the US Treasury and, if necessary, to extend this measure to other companies accused of human rights violations that are also blocking economic growth prospects for local populations;
- 30. Highlights the need for the EU to extensively cooperate with third countries on fisheries, particularly on fisheries control;
- 31. Welcomes the fact that the members of the FAO have given it a specific mandate to promote social sustainability in fisheries and aquaculture value chains, including the recognition and protection of human and labour rights; notes that the FAO's Fisheries and Aquaculture Division intends to draw up guidelines consisting of a general part and six sections focusing on industrial fishing, small-scale fishing, aquaculture production, processing, distribution and retail; invites the FAO to pay special attention to the global impact of China's fisheries and aquaculture sector when developing these guidelines;
- 32. Welcomes the fact that both the EU and China are participating in the FAO Blue Ports initiative, which aims to develop guidelines on best international practices for fishing ports that are in the process of transitioning to blue economy models in order to improve

 $^{^{15}}$ Council Regulation (EU) 2020/1998 of 7 December 2020 concerning restrictive measures against serious human rights violations and abuses, OJ L 410 I , 7.12.2020, p. 1.

- their sustainability by protecting the environment and promoting the associated social and economic benefits;
- 33. Calls on the Commission to assess all Chinese initiatives aimed at combating IUU fishing, and in the light of such assessments, to take appropriate actions under the IUU Regulation;

Ensuring dialogue between China and the EU continues

- 34. Encourages collaboration with China at global level, under the banner of the FAO, RFMOs and the WTO, with a view to devising global policies and regulations to combat IUU fishing;
- 35. Invites the EU and China to cooperate closely, and in a transparent manner, on the sustainable use of marine biological resources and on ocean governance in particular in the fisheries sector, and in combating IUU fishing and implementing an adequate traceability system; calls on the Commission to assess the results of the Blue Partnership initiative with the PRC;
- 36. Welcomes the fact that China's 14th five-year plan for the development of its fisheries includes the following targets: enhancing law enforcement, enhancing the protection of aquatic life and promoting the sustainable use of fishery resources, enhancing the safety of fishing activities involving foreign parties, promoting open development and win-win cooperation, boosting international cooperation in the fishing industry, and continuing to improve the capacity for honouring agreements; urges China to meet these targets, including the measures concerning its distant-water fleet;
- 37. Welcomes the fact that the draft reform of China's Fisheries Law, published in 2019, refers to sustainability and conservation as vectors of the transformation of Chinese fisheries, clarifies the penalties for IUU fishing and establishes new control mechanisms for its distant-water fleet; hopes that this proposal by the Ministry of Agriculture and Rural Affairs will be adopted as soon as possible by the National People's Congress; invites the Chinese authorities to update its legislation as quickly as possible in order to tackle IUU fishing and overfishing effectively;
- 38. Notes that the human and financial resources allocated to DG MARE and the EFCA to deal with China and cooperation with third countries are insufficient to cover the true needs; calls for a better balance to be struck so as to ensure that dialogue continues;
- 39. Urges the Commission to ensure that its fisheries policy on China is consistent with all of its other policies, especially its trade, social and development cooperation policies; urges the Commission and the European External Action Service to consider setting up an interdepartmental working group on IUU fishing under the supervision of a Commission vice-president; suggests that this working group should coordinate the efforts of the Commission's various Directorates-General, the European External Action Service, the EFCA and the Joint Research Centre; notes that a similar group has already been set up in the US, namely the Interagency Working Group on IUU Fishing established under the US Maritime Security and Fisheries Enforcement Act, which brings together 21 federal departments and agencies;

40. Welcomes the fact that the EU recently joined the IUU Fishing Action Alliance; urges the members of the Alliance to coordinate their national systems for tackling IUU fishing and, in particular, to look into the possibility of jointly issuing yellow and red cards or other similar instruments;

41. Instructs its President to forward this resolution to the Council, the Commission, the Vice-President of the Commission / High Representative of the Union for Foreign Affairs and Security Policy and the European Fisheries Control Agency.

EXPLANATORY STATEMENT

The rapporteur has chosen to highlight four main strategic lines of action with which to address the implications of Chinese fishing activities.

The first is the transparency of these activities. We must learn more about the fishing efforts undertaken by Chinese fleets and the conditions under which they operate, so that the legislator can react effectively and appropriately. Estimates of the size of china's distant-water fleet vary between 900 and 2900 vessels. Insufficient information is currently available on the catches made by Chinese vessels, the subsidies they receive and the content of the agreements signed by China with third countries. This lack of data is a major obstacle to the sound management of fisheries resources and makes it impossible to guarantee that the fisheries sector is regulated and sustainable and respects human rights. The rapporteur therefore considers acquiring this information and encouraging China to move towards greater transparency to be a priority.

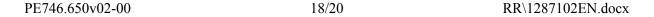
The second line of action is protecting our European fishing industry from unfair trade practices. The only way to ensure sustainable management of fisheries resources is by enforcing rules that are both strict and ambitious, such as those laid down in the common fisheries policy. However, these requirements imposed on our fishers can only be meaningful if they also apply to the products we import into the EU. China thus represents a singular threat to the viability of the European fisheries sector owing to its growing importance for the European market and the lack of transparency of its fisheries. The rapporteur therefore proposes stricter traceability requirements for the products we import to guarantee compliance with our social and environmental standards and, in particular, to ensure that they do not come from IUU fishing. The rapporteur also calls for fairer competition to be ensured by means of the effective implementation of the agreement sealed at the WTO in June 2022 to prohibit harmful fishing subsidies.

The third line of action proposed by the rapporteur concerns the need to protect fisheries resources at global level, as well as human rights and food sovereignty. The EU's stated aims in terms of environmental protection and respect for human rights must also be echoed at international level if they are to be achieved. This is also the purpose of Article 28 of the Common Fisheries Policy and the ongoing work on banning products made with forced labour and the duty of care of companies, which the rapporteur refers to in his draft report. China, owing to its intensive fishing activities and lack of transparency, is exerting considerable pressure on the world's fisheries resources. This sometimes comes at the expense of human rights, with widespread allegations of forced labour. This pressure on stocks is also jeopardising food security, particularly in West Africa, where resources essential to feeding local populations are instead used produce fishmeal. China alone accounts for 50% of the world's fishmeal imports, which is why this report is so timely. Quite apart from the obvious issue of the sustainability of fisheries resources, food sovereignty and safeguarding human rights around the world are at stake. The rapporteur therefore calls for restrictive measures to be taken against companies that do not respect human rights, and for the state of stocks to be ascertained where necessary (in particular those targeted by China for the production of fishmeal).

For fourth line of action, the rapporteur stresses the need to continue dialogue between the EU

and China with a view to ensuring more sustainable fisheries. Fisheries is one of the issues on which agreements can still be sealed within multilateral bodies. The United Nations High Seas Treaty of March 2023 WTO agreement on fisheries subsidies of June 2022 are the two most recent examples. China has also made progress in combating IUU fishing in recent years. The rapporteur therefore calls for continued dialogue both bilaterally with China, and at multilateral level (within the FAO, RFMOs and WTO) to achieve more sustainable and better regulated fisheries.

In short, the EU can and must take action to make fisheries more sustainable in the world. This starts with the continuous improvement of our own practices, in consultation with stakeholders, to show the way forward. But the efforts made by our fishers will be in vain if the rules apply only to them and fail to take account of the fishing activities of third-country fleets. China, as a major global fisheries player, has a key role to play. It must therefore make strides towards more transparent, sustainable and better regulated fisheries.



INFORMATION ON ADOPTION IN COMMITTEE RESPONSIBLE

Date adopted	20.9.2023
Result of final vote	+: 22 -: 0 0: 0
Members present for the final vote	Clara Aguilera, João Albuquerque, François-Xavier Bellamy, Izaskun Bilbao Barandica, Isabel Carvalhais, Maria da Graça Carvalho, Asger Christensen, Francisco Guerreiro, Niclas Herbst, Ladislav Ilčić, France Jamet, Pierre Karleskind, Predrag Fred Matić, Francisco José Millán Mon, Bert-Jan Ruissen, Marc Tarabella, Theodoros Zagorakis
Substitutes present for the final vote	Ska Keller, Gabriel Mato, Lucia Vuolo
Substitutes under Rule 209(7) present for the final vote	Massimiliano Smeriglio, Emma Wiesner

FINAL VOTE BY ROLL CALL IN COMMITTEE RESPONSIBLE

Ladislav Ilčić, Bert-Jan Ruissen
France Jamet
Marc Tarabella
François-Xavier Bellamy, Maria da Graça Carvalho, Niclas Herbst, Gabriel Mato, Francisco José Millán Mon, Lucia Vuolo, Theodoros Zagorakis
Izaskun Bilbao Barandica, Asger Christensen, Pierre Karleskind, Emma Wiesner
Clara Aguilera, João Albuquerque, Isabel Carvalhais, Predrag Fred Matić, Massimiliano Smeriglio
Francisco Guerreiro, Ska Keller
F N I

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Key to symbols:

+ : in favour
- : against
0 : abstention