European fishing sector and the EU-Thailand free trade agreement

European Parliament resolution of 12 March 2014 on the situation and future prospects of the European fishing sector in the context of the Free Trade Agreement between the EU and Thailand (2013/2179(INI))

The European Parliament,

- having regard to Article 3(5) of the Treaty on European Union on the EU’s relations with the rest of the world,

- 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 (the IUU Regulation),


- having regard to Written Questions E-000618/2013 of 22 January 2013 on abuses in retail trade supply chains and E-002894/2013 of 13 March 2013 on the free trade agreement with Thailand and child labour in the canning industry, and the Commission’s answers thereto,

- having regard to its resolution of 22 November 2012 on the external dimension of the common fisheries policy,

- having regard to Rule 48 of its Rules of Procedure,

- having regard to the report of the Committee on Fisheries and the opinion of the Committee on International Trade (A7-0130/2014),

A. whereas the European fishing sector is exiting a period of crisis that has affected the catch, processing and aquaculture sectors, and this situation has dramatically weakened its competitiveness, particularly when the global market is being liberalised and at the same time, certain developing countries with abundant marine resources are starting to emerge as new fishing powers;

B. whereas the European fishing and processing industry is vital in terms of securing the supply of food to European citizens and a basis for the livelihood of coastal areas that largely depend on those activities; whereas the survival of the sector will be jeopardised if the EU liberalises trade in fishery products with developing countries that wish to export their products to the key Community market, especially if they are offered zero duty;

C. whereas the EU is the world’s largest importer of fishery products and its dependence on imports makes the Community market highly attractive to exporters, in particular bearing in mind that demand for fishery products in the EU is rising by 1.5 % each year;

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D. whereas Thailand is the world’s main producer of canned tuna, with 46% of world production, and its exports of canned tuna to the EU, more than 90,000 tonnes each year, amount to almost 20% of all Community imports from third countries, with the US, the EU and Japan being the main destination markets for exports of fishery products from Thailand;

E. whereas Thailand is the world’s main importer of fresh, chilled and frozen tuna for its canning industry;

F. whereas 80% of tuna is consumed in tinned form and, according to the most recent data available from the Food and Agriculture Organisation’s (FAO) FISHSTAT database, 21% of the global output of canned and prepared tuna is produced in the EU, whilst the remaining 79% is produced in third countries, most of them developing countries;

G. having regard to the trade, economic and strategic importance of Thailand for the EU, and the substantial benefits of the Free Trade Agreement (FTA) between the EU and Thailand for the EU economy as a whole;

H. whereas the EU supports regional integration among ASEAN (Association of Southeast Asian Nations) member countries whereas the FTA with Thailand constitutes an essential pillar in this integration process, of which the ultimate objective is to conclude a region-to-region FTA in the future;

I. whereas the signing of an EU-ASEAN FTA has been a priority objective for the EU since 2007, with the hope of including Indonesia, Malaysia, the Philippines, Singapore, Thailand, Brunei and Vietnam; whereas the lack of progress in the negotiations on this regional agreement has led to the opening of bilateral negotiations with ASEAN member countries, including Thailand, with a political commitment to conclude the FTA within two years;

J. whereas if Thailand, Indonesia and the Philippines are included in the central and western Pacific region, the production of canned tuna in the region accounts for almost half of global production;

K. whereas the changes that have occurred in relation to producers of canned tuna and the production of tuna loins have been accompanied by a trend towards global supply to processing countries with low production costs which are located close to the raw material (such as Thailand, the Philippines, Indonesia, Papua New Guinea and Ecuador), and the number of countries involved in the production and export of canned tuna is rising;

L. whereas Thailand and the Philippines are the main exporting countries of prepared and canned tuna to the EU, with imports from Thailand having risen by 20% whilst those from the Philippines have fallen by 5%;

M. whereas any tariff reduction for canned and prepared tuna could have an impact on the preferences enjoyed by the countries of the African, Caribbean and Pacific Group of States (ACP) and the beneficiaries of the generalised system of preferences (GSP+), under which third countries undertake to comply with certain policies on matters such as respect for human rights, labour, the environment and good governance in exchange for tariff preferences;

N. whereas a tariff reduction would also distort the European market, given that the bulk of the EU tuna canning industry is located in regions that are heavily dependent on fisheries, such
as Galicia, Brittany, the Azores (an outermost region), the Basque Country and Sardinia; whereas the EU tuna industry is the world’s second largest producer of canned tuna and its long-established activity is crucial in terms of creating added value and generating employment within the EU, guaranteeing the highest possible social, environmental and health and hygiene protection standards;

O. whereas the main aim of the preferential rules of origin is to establish the existence of a sufficient economic link between the products imported into the EU and the countries benefiting from the preferences granted by it, in order to ensure that those preferences are not wrongfully diverted to other countries for which they were not intended;

P. whereas a discussion of trade in fishery products refers to trade in a natural resource the sustainability of which is influenced by a wide range of factors, including the sound management and sustainable exploitation of fishery resources and the control of illegal fishing, pollution, climate change and market demand; whereas all of these external factors affect international trade in fishery products and, consequently, fishery products should be considered as sensitive products that may be given special protection;

Q. whereas an adequate and constant supply of raw material is essential for the continued existence and economic development of tuna processing companies in the EU;

R. whereas the World Trade Organisation (WTO) argues that free trade is an instrument for growth the objective of which is sustainable development in social, economic and environmental terms;

S. whereas, in this connection, trade rules represent a basic and fundamental tool for ensuring that trade is beneficial and achieve the objectives of protecting health and the environment and guaranteeing the proper management of natural resources;

T. whereas globalisation has significantly increased the volume of fish traded internationally and there is widespread concern that many producer countries lack sufficient resources to manage and/or exploit fish stocks in a sustainable manner, guarantee an adequate level of health and hygiene protection, mitigate the environmental impact of fishing and aquaculture, and guarantee respect for human rights in general as well as promote labour rights and social conditions in particular;

U. whereas some of the EU’s trade partners show weaknesses in relation to the three aspects of the sustainable development of fisheries: social, economic and environmental;

V. whereas the sustainable management of tuna stocks is guaranteed by the five regional fisheries organisations (RFOs) for tuna; whereas international cooperation between states and with the RFOs is vital in order to safeguard the sustainability of tuna stocks;

W. whereas both the ILO and various NGOs have recently uncovered serious shortcomings with regard to social and labour conditions and respect for human rights in the Thai fishing industry; whereas the media have reported and the Government of Thailand has acknowledged that a section of the Thai fishing industry uses forced labour carried out by immigrants who are victims of human trafficking, and that two multinational tuna canning companies in Thailand use child labour;
X. whereas according to the FAO, it is common practice for Thai fishing vessels to be seized by neighbouring coastal states and their captains accused of illegal fishing in or illegal intrusion into their exclusive economic zone;

Y. whereas in 2013 the Spanish authorities refused permission for tuna from tuna vessels flying the Ghanaian flag to be landed and marketed on the grounds that those vessels were involved in illegal, unreported and unregulated (IUU) fishing, given that they had failed to comply with International Commission for the Conservation of Atlantic Tunas management measures, and whereas private companies based in Thailand had a stake in most of the tuna vessels concerned;

Z. whereas numerous consignments of canned tuna imported from Thailand have been rejected in the EU in recent months owing to their inadequate heat treatment, which is essential in order to neutralise microorganisms which would otherwise pose a risk to human health;

1. Requests that fish products, such as canned tuna imported from Thailand, which have the potential to disrupt the EU’s production of and market for these products, be treated as sensitive products; Believes, furthermore, that any decision concerning greater access for Thai canned and processed tuna should only be taken following rigorous impact assessments and in close consultation with industry, in order to analyse and evaluate the impact that greater access may have in the processing industry and the marketing of seafood products in the EU;

2. Calls for access to the EU market for canned and prepared fish and shellfish from Thailand to remain subject to the current tariff and thus to be excluded from tariff reductions; recommends that long transitional periods and partial liberalisation commitments, including the imposition of quotas, be established for canned and prepared fish and shellfish products should tariff reductions be introduced, so as to safeguard the competitiveness of the Community tuna industry and preserve the significant activity and social dimension associated with the tuna industry in the EU, which provides 25 000 direct and 54 000 indirect jobs;

3. Calls for rigorous impact assessments to be carried out where appropriate, before any type of tariff concessions or any other rules are applied, in order to analyse and assess the impact that those concessions or rules may have on the EU seafood processing and marketing industry;

4. Calls, in the case of sensitive products, for full compliance with solid and coherent strict rules of origin, to be enforced without exception and for cumulation to be strictly limited to those products for which Thailand is mainly a processor rather than a fishing country;

5. Demands that imports of canned tuna and other fish products from Thailand be subject, insofar as is possible, to the same competitive conditions as fish products of EU origin; considers this demand to imply in particular that the FTA must contain an ambitious trade and sustainable development chapter, whereby Thailand undertakes to respect, promote and implement internationally recognised labour standards, as enshrined in the fundamental ILO conventions, including those on forced labour and child labour; considers, furthermore, that respect for human rights, the protection of the environment and the conservation and sustainable exploitation of fisheries resources, the fight against illegal, unreported and unregulated fishing and conformity with the EU’s sanitary and phytosanitary rules should
be strictly enforced; believes, in this connection, that the Commission should regularly report to Parliament on Thailand’s compliance with the above-mentioned obligations;

6. Calls on the Commission to ensure that the IUU Regulation is effectively implemented and that the FTA negotiations result in an explicit reference thereto within the body of the text of the agreement;

7. Considers that the best way to ensure Thailand’s full cooperation in the fight against IUU fishing is to include an explicit reference to the IUU Regulation in the text of the FTA;

8. Calls for the FTA to include a requirement for compliance with International Labour Organisation conventions and greater transparency, surveillance, oversight, and traceability in the Thai fisheries sector, so that fishing activities can be monitored;

9. Insists that product traceability be guaranteed as a vital element in protecting human health and the environment, as well as a fundamental factor and basic tool in controlling illegal fishing;

10. Calls for the FTA to remain consistent with other Community policies and with the promotion of corporate social responsibility strategies; calls for safeguard clauses to be set out;

11. Stresses that Parliament’s decision to give its consent on the FTA will take into account the overall outcome of the negotiations, including those of the fisheries sector;

12. Calls for reciprocity in market access and the elimination of any kind of discrimination in the services sector;

13. Hopes that Thailand, as the world’s largest exporter of canned tuna, will participate in and cooperate with the three RFOs for tuna in the region, i.e. the Inter-American Tropical Tuna Commission, the Western and Central Pacific Fisheries Commission and the South Pacific Regional Fisheries Management Organisation, as well as the Indian Ocean tuna RFO, of which it is a member;

14. Supports the existence of a policy for the conservation and sustainable management of fishery resources;

15. Instructs its President to forward this resolution to the Council and Commission.