

QUESTIONNAIRE ON TRADE IN FISH AND FISHERY PRODUCTS
BETWEEN EU AND MERCOSUR

JUNE 2010

Introduction

In May 2010, the European Commission decided to relaunch the negotiations on an Association Agreement with the Mercosur (Argentina, Brazil, Paraguay and Uruguay). The EU began free trade negotiations with Mercosur in 1995. These were suspended without agreement in 2004.

In the EU-Mercosur Summit that took place in Madrid on 17 May 2010, the Heads of State and Government recalled their importance in view of reaching an ambitious and balanced agreement between the two regions, which would deepen relations and offer great political and economic benefits to both sides. A first negotiating round will take place by the end of June.

The following questionnaire has been prepared to give the fisheries sector the opportunity to provide us with information that will help the Commission establish priorities and take decisions throughout the negotiating process. The starting point for these negotiations will be based as much as possible on the work already done in 2004. However, the Commission believes it would be useful to obtain stakeholders' input in order to make the necessary adjustments to the EU's position.

The Commission, subject to the application of the EU's rules on access to documents, will treat the information that you provide as confidential. EU rules on access to documents allow the Commission to withhold access to a document where disclosure would undermine the commercial interests of a natural or legal person or harm the EU's relations with third countries, unless there is an overriding public interest in disclosure. Please indicate clearly if this is the case in your reply.

For each question and as far as it is relevant, please provide an answer.

In addition, where possible, we would appreciate receiving quantification of your interest, prioritisation within sectors and your recommendation for solutions where you identify a problem.

The questionnaire will be included on **Directorate-General Trade's web page** for consultations of civil society. You are invited to reply to the questionnaire by **5 July 2010**.

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Background information

Trade

During the period 2007-2009, the EU exported to Mercosur an average of 11.500 tonnes per year of fish and fishery products worth €35 million. During the same period, Mercosur exported on average 214.000 tonnes of fish annually worth on average €535 million. However, it should be noted that during that period exports from Mercosur showed a downward trend, decreasing by 30%. In any case, the trade balance is clearly in favour of Mercosur as regards fisheries trade with the EU, consisting of €500 million.

Mercosur's main exports to the EU consisted of frozen shrimps, molluscs (squid, octopus, scallops), hake (frozen and fillets) and saltwater fish. There were also exports anchovies to the EU in less significant amounts. The EU exported to Mercosur mainly cod (both dried and salted and frozen). Other products the EU exported to Mercosur consisted of sardines (frozen and preserved), frozen sharks, mackerel and tuna (frozen and preserved).

Initial tariff offers

There were several discussions on tariff offers before negotiations were suspended in 2004. As far as fishery products are concerned, liberalisation in 10 years was envisaged by both sides. However, the specificity of sensitive products was taken into account.

The EU's offer to Mercosur tabled in 2004 was conditional on improved conditions for EU investments in Mercosur's fisheries sector.

I. TRADE IN FISH AND FISHERY PRODUCTS

(Please note questions under headings I, II and III also apply, *mutatis mutandis*, to aquaculture products and/or the aquaculture industry)

1) General

- a) Please indicate your area of business (shipowner, fisherman, importer, exporter, processor, etc.)
- b) What is your interest or potential interest in trade in the fisheries sector between Mercosur and the EU?
- c) How do you assess Mercosur's export potential for fish and fishery products?
- d) Are you already exporting to Mercosur or importing from Mercosur?
- e) Do you have or are you interested in establishing a commercial presence in the fisheries sector in Mercosur? Have you experienced any barriers to establishing a commercial presence in the fisheries in the past? If so, please specify, including whether it refers to a specific country in the region

2) Questions related to tariffs

- a) Please specify your overall **offensive** interest, i.e. what kind of fish and fishery products would you like to export to Mercosur¹?
- b) Please describe your priorities with respect to the tariff dismantling for Mercosur (i.e. early tariff elimination) and interconnections with other trade areas (e.g. rules of origin; safeguards; removal of non-tariff barriers).
- c) What is your **defensive** interest, i.e. what kind of fish and fishery products are sensitive for EU stakeholders¹ in our trade relations with Mercosur¹?
- d) Do you have problems of tariff classification when exporting to Mercosur? If so, please specify.

3) Questions related to rules of origin

- a) What preferential rules of origin would you like to apply for fish and fishery products in an agreement with Mercosur?

¹ if possible, please indicate the tariff line of the Combined Nomenclature (Official Journal of the European Union, L 287, 31 October 2009, available at: <http://eur-lex.europa.eu>)

4) Trade facilitation (import, export, transit procedures and internal market in Mercosur)

Please respond with yes/no and where possible provide comments to expand on the replies to the following:

- a) Have you experienced general problems with import, export, transit procedures and requirements in Mercosur, including when landing fish products in the ports from Mercosur?
- b) Have you experienced problems when marketing fish products inside Mercosur (e.g. across countries)?
- c) Have you experienced specific problems related to:

- export restrictions
- transparency/publication of and access to trade regulations
- documentary requirements
- data requirements
- fees and charges
- inspections and controls during clearance
- other customs procedures
- discriminatory treatment
- lack of uniformity in application of procedures
- customs valuation
- co-ordination between different border agencies or between Provincial authorities
- use or non-use of information technology
- application or non-application of relevant international standards
- procedures for legal recourse/appeal

5) Sanitary and Phytosanitary Measures (SPS)

- a) Please specify if you have encountered (or may potentially encounter) any Sanitary and Phytosanitary (SPS) barriers when trying to export fish and fishery products into Mercosur.

6) Questions related to investment in the fisheries sector

- a) Do you have you an interest in investment in the fisheries sector in Mercosur? If so, please specify in which country
- b) Please give your assessment of the situation for EU operators or investors in relation to investment in the fisheries sector in Mercosur. Please specify whether you have encountered difficulties in relation with:
 - formal restrictions on foreign equity or foreign ownership limitations;
 - limitations as regards access to fishing licenses;
 - limitations on the movement of personnel;

- residency requirements for members of boards/senior management;
- non-transparent ownership and control conditions;
- Mercosur competition legislation as it relates to investment.

7) Questions related to services

- a) Do you have you an interest in services in the fisheries sector in Mercosur? If so, please specify.
- b) Have you experienced any difficulties in accessing and/or providing services in any of the countries of Mercosur? What kind of difficulties and how do you think the agreement with Mercosur should address these?

8) Questions related to sustainable fisheries

- a) How important is it in your sector to be able to give assurances about the sustainability (especially social and environmental) of conditions throughout the supply chain, and what issues arise in relation to Mercosur?
- b) Do you have any matters to raise regarding sustainable fisheries in relation with the Mercosur countries (i.e., participation in Regional Fisheries Management Organizations, fisheries international agreements, fight against IUU, commitments to global fisheries governance, etc)?

9) Other issues

- a) Are there any other issues that are not mentioned in this questionnaire that you would like to address?