

EUROPEAN COMMISSION

> Brussels, 13.5.2024 COM(2024) 199 final

Recommendation for a

# **COUNCIL DECISION**

authorising the opening of the negotiations on behalf of the European Union for the conclusion of an Implementing Protocol to the Sustainable Fisheries Partnership Agreement between the European Union, of the one part, and the Government of Greenland and the Government of the Kingdom of Denmark, of the other part

{SWD(2024) 128 final} - {SWD(2024) 129 final}

# EXPLANATORY MEMORANDUM

# 1. CONTEXT OF THE PROPOSAL

### • Reasons for and objectives of the proposal

The Commission proposes to negotiate a new implementing Protocol to the Sustainable Fisheries Partnership Agreement (the Agreement) with the Government of Greenland and the Government of Denmark<sup>1</sup>, which would meet the needs of the Union fleet and be in accordance with Articles 28, 31 and 32 of Regulation (EU) No 1380/2013 on the common fisheries policy (CFP)<sup>2</sup> and the Council Conclusions of 19 March 2012 on the Communication from the Commission on the External dimension of the CFP<sup>3</sup>.

### • Consistency with existing policy provisions in the policy area

The current implementing Protocol<sup>4</sup> to the Agreement provides access to fishing opportunities for Union fishing vessels in Greenland's waters and significant sectoral support for the sustainable development of Greenland's fisheries.

The Agreement entered into force on 22 April 2021 for a duration of six years from the date of the commencement of its provisional application. It shall be tacitly renewed for additional periods of six years, unless a written notice of termination is given at least six months before the date of expiry. The current implementing Protocol has applied provisionally from 22 April 2021 for a period of four years<sup>5</sup>, following the adoption by the Council on 26 March 2021 of the decision on its signature and provisional application<sup>67</sup>.

The current implementing Protocol allows the EU fleet to fish in Greenlandic waters for cod, pelagic and demersal redfish, Greenland halibut, shrimp, grenadier and capelin, for indicative annual fishing opportunities of 42,726 tonnes. Vessels from seven Member States (Denmark, Estonia, France, Germany, Latvia, Lithuania and Sweden) are involved in the fisheries. The EU also transfers part of the agreed quota to Norway and the Faroe Islands, in exchange for EU vessels' access to their waters. In addition to the fees paid to Greenland by the Union

<sup>&</sup>lt;sup>1</sup> Sustainable Fisheries Partnership Agreement between the European Union of one part and the Government of Greenland and the Government of Denmark, of the other part (OJ L 175, 18.5.2021, p. 3).

<sup>&</sup>lt;sup>2</sup> 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/EC (OJ L 354, 28.12.2013, p. 22).

Council conclusions on a Communication from the Commission on the External dimension of the Common Fisheries Policy 3155th AGRICULTURE and FISHERIES Council meeting Brussels, 19 and 20 March 2012

<sup>&</sup>lt;sup>4</sup> Protocol implementing of the Sustainable Fisheries Partnership Agreement between the European Union of one part and the Government of Greenland and the Government of Denmark, of the other part (OJ L 175, 18.5.2021, p. 3).

<sup>&</sup>lt;sup>5</sup> The current 4 years implementing Protocol will de facto expire on 31 December 2024 since the parties agreed the first year of application would run from the date of provisional application from 22 April 2021 to 31 December 2021 and, for subsequent years, from 1 January to 31 December

<sup>&</sup>lt;sup>6</sup> Council Decision (EU) 2021/793 of 26 March 2021 on the signing, on behalf of the European Union, and provisional application of the Sustainable Fisheries Partnership Agreement between the European Union, of the one part, and the Government of Greenland and the Government of Denmark, of the other part, and the implementing Protocol thereto OJ L 175, 18.5.2021, p. 1–2

<sup>&</sup>lt;sup>7</sup> Council Decision (EU) 2021/2043 of 18 November 2021 on the conclusion, on behalf of the Union, of the Sustainable Fisheries Partnership Agreement between the European Union, of the one part, and the Government of Greenland and the Government of Denmark, of the other part, and the implementing Protocol thereto OJ L 418, 24.11.2021, p. 1–3

fleet, the EU pays annual compensation of EUR 13 590 754 (calculated on the basis of reference prices) for each species. The EU budget also provides for an amount of EUR 2 931 000 to support Greenland's sectoral fisheries policy. The EU contribution is complemented by fees payable by EU vessel owners for licences and catches.

The Agreement is a mixed-species agreement. The allocation of quotas to the Member States is subject to total allowable catch and quota regulation provisions<sup>8</sup>.

Sustainable Fisheries Partnership Agreements (SFPAs) help to promote the CFP objectives internationally, ensuring that Union fishing activities outside Union waters are based on the same principles and standards as those applicable under Union law. In addition, they foster scientific cooperation between the EU and its partners, promote transparency and sustainability for better management of fishing resources and encourage governance by supporting the monitoring, control and surveillance of national and foreign fleets' activities and providing funding to fight illegal, unreported and unregulated (IUU) fishing. SFPAs contribute to the sustainable development of local fishing industries and the promotion of growth and employment linked to maritime activity. They strengthen the EU's position in international scientific and regional fishing organisations (in particular, in the case of Greenland, the International Council for the Exploration of the Sea and the Northwest Atlantic Fisheries Organisation)<sup>9</sup>.

# • Consistency with other Union policies

The negotiation of a new implementing protocol with the Government of Greenland and the Government of Denmark is in line with the EU's external action *vis-à-vis* overseas countries and territories (OCTs), and in particular with its objectives as regards democratic principles and human rights.

# 2. LEGAL BASIS, SUBSIDIARITY AND PROPORTIONALITY

### Legal basis

The legal basis for the proposed decision is Article 218(3) and (4) of the Treaty on the Functioning of the European Union (TFEU).

Article 218(3) of the TFEU provides that the Commission shall submit recommendations to the Council, which shall adopt a decision authorising the opening of negotiations and nominating the Union negotiator. According to Article 218(4) of the TFEU, the Council may address directives to the negotiator and designate a special committee in consultation with which the negotiations must be concluded.

### • Subsidiarity (for non-exclusive competence)

Not applicable, exclusive competence.

# Proportionality

The proposed decision is proportional to the objective of promoting the objectives of the CFP internationally, and of ensuring that Union fishing activities outside Union waters are based on the same principles and standards as those applicable under Union law.

<sup>&</sup>lt;sup>8</sup> Council Regulation (EU) 2019/124 of 30 January 2019 fixing for 2019 the fishing opportunities for certain fish stocks and groups of fish stocks, applicable in Union waters and, for Union vessels, in certain non-Union waters (OJ L 29, 31.1.2019, p. 1).

<sup>&</sup>lt;sup>9</sup> <u>https://www.nafo.int/</u>

### • Choice of the instrument

The instrument is provided for under Article 218(3) and (4) TFEU.

# 3. RESULTS OF EX -POST EVALUATIONS, STAKEHOLDER CONSULTATIONS AND IMPACT ASSESSMENTS

# • Ex-post evaluations/fitness checks of existing legislation

In 2023, the Commission arranged for an independent ex-post and ex-ante evaluation study by an independent consultant<sup>10</sup>. Based on this evaluation study, the Commission carried out an ex-post evaluation of the current implementing Protocol and an ex-ante evaluation on a possible way forward. The conclusions of the ex-post and ex-ante evaluation are set out in a standalone Staff Working Document (SWD).

In the ex-post evaluation of the SWD, the Commission concludes that the current implementing Protocol was overall effective in achieving its objectives, with some areas for improvements. The EU fishing sector has a clear interest in fishing in Greenland and a new implementing Protocol would contribute to improved governance of fisheries in the region.

For the EU, it is important to maintain an instrument allowing deep sectoral cooperation with a major player in ocean governance at sub-regional level, because of the extent of the fishing area under the jurisdiction of Greenland. This will allow the EU to strengthen its role in the Nordic fisheries, also through the exchange of quotas with Norway and the Faroe Islands.

For EU vessels, a new implementing Protocol would mean maintaining access to an important fishing area for the deployment of harvesting strategies in a multiannual international legal framework.

For the Greenlandic authorities, the aim is to maintain relations with the EU with a view to strengthening ocean governance and benefiting from dedicated sectoral support that provides for multiannual funding support for fisheries management.

• Stakeholder consultations

Member States, EU industry representatives, international civil society organisations, the Ministry of Fisheries and civil society in Greenland, were consulted as part of the evaluation.

# • Collection and use of expertise

Not applicable

• Impact assessment

Not applicable

# Regulatory fitness and simplification

Not applicable

<sup>&</sup>lt;sup>10</sup> Pending publication

# • Fundamental rights

The negotiating directives, proposed as an annex to the decision, recommend authorising the opening of negotiations including a clause on the consequences of violations of human rights and democratic principles.

# 4. BUDGETARY IMPLICATIONS

The budgetary implications of the new implementing protocol result from the payment of a EU financial contribution to Greenland. The annual amounts of commitments and payments appropriations are established through the yearly budgetary procedure in compliance with the Multiannual Financial Framework for 2021-2027, and include a reserve line for protocols not entered into force in the beginning of the year.<sup>11</sup>

### 5. OTHER ELEMENTS

# • Implementation plans and monitoring, evaluation and reporting arrangements

Negotiations are expected to start in June 2024.

### • Detailed explanation of the specific provisions of the proposal

The Commission recommends that:

- the Council authorise the Commission to open and conduct negotiations for the conclusion of a new implementing protocol to the Agreement with the Government of Greenland and the Government of Denmark;

- the Commission be nominated as the EU negotiator on this subject;

- the Commission conduct the negotiations in consultation with the special committee, as set out in the Treaty on the Functioning of the European Union;

- the Council approve the negotiating directives annexed to this Recommendation.

<sup>11</sup> 

Article 20 of the Interinstitutional Agreement of 16 December 2020 between the European Parliament, the Council of the European Union and the European Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management, as well as on new own resources, including a roadmap towards the introduction of new own resources (OJ L 433I, 22.12.2020, pp. 28-46).

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#### THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 218 (3) and (4) thereof,

Having regard to the recommendation from the European Commission,

Whereas negotiations should be opened with the Government of Greenland and the Government of Denmark with a view to concluding a new implementing protocol to the Sustainable Fisheries Partnership Agreement,

#### HAS ADOPTED THIS DECISION:

#### Article 1

The Commission is hereby authorised to negotiate, on behalf of the Union, a new implementing protocol to the Sustainable Fisheries Partnership Agreement with the Government of Greenland and the Government of Denmark.

#### Article 2

The negotiating directives are set out in the Annex.

#### Article 3

The negotiations shall be conducted in consultation with the Council Working Party on External Fisheries Policy.

#### Article 4

This Decision is addressed to the Commission.

Done at Brussels,

For the Council The President