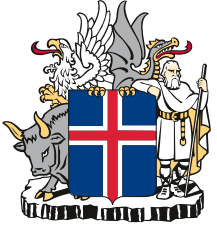


22 October 2022



# Tariffs and trade in value added products (salmon)

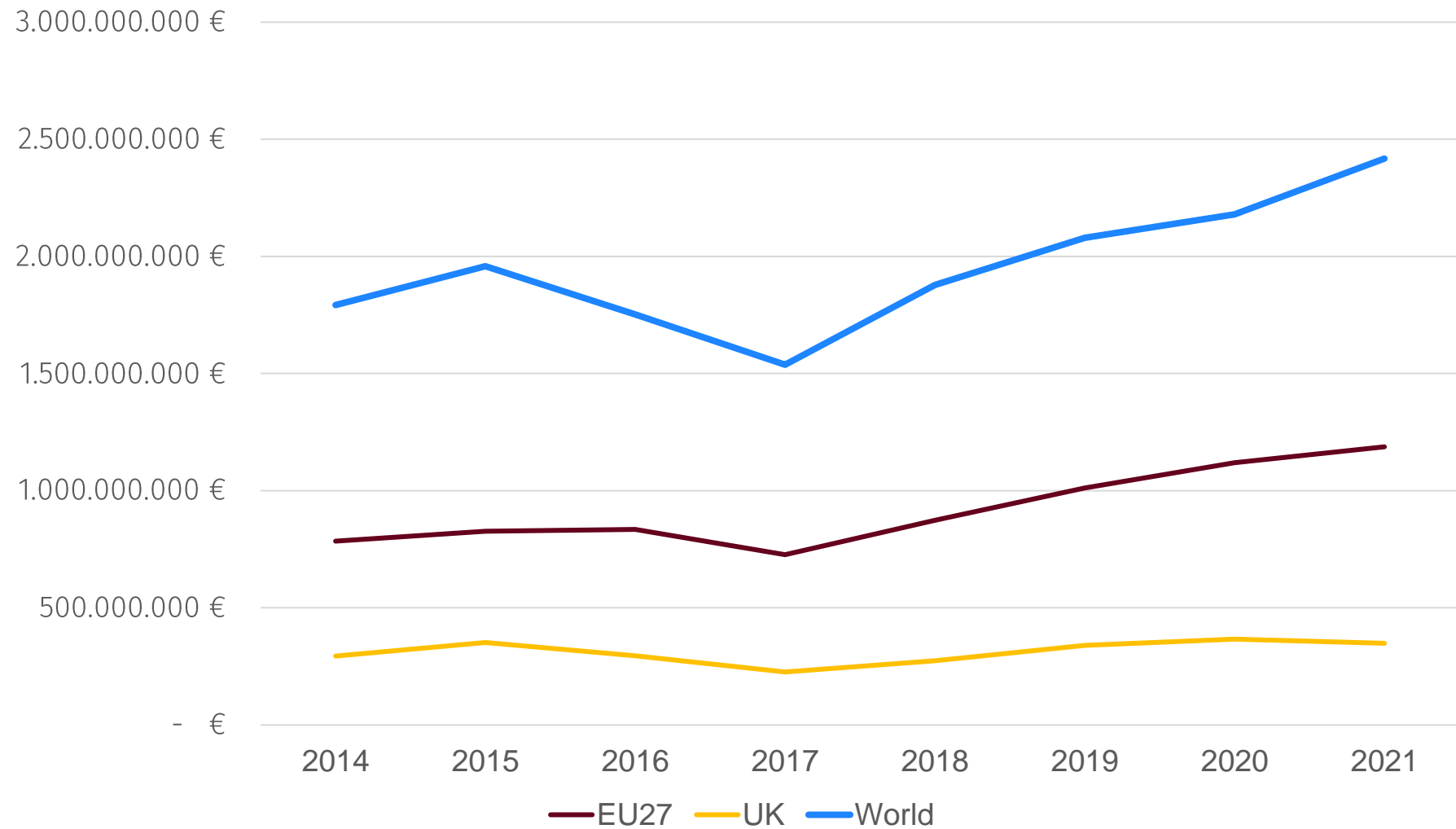
## Iceland and the EU

Ögmundur Magnússon, Ministry for Foreign Affairs



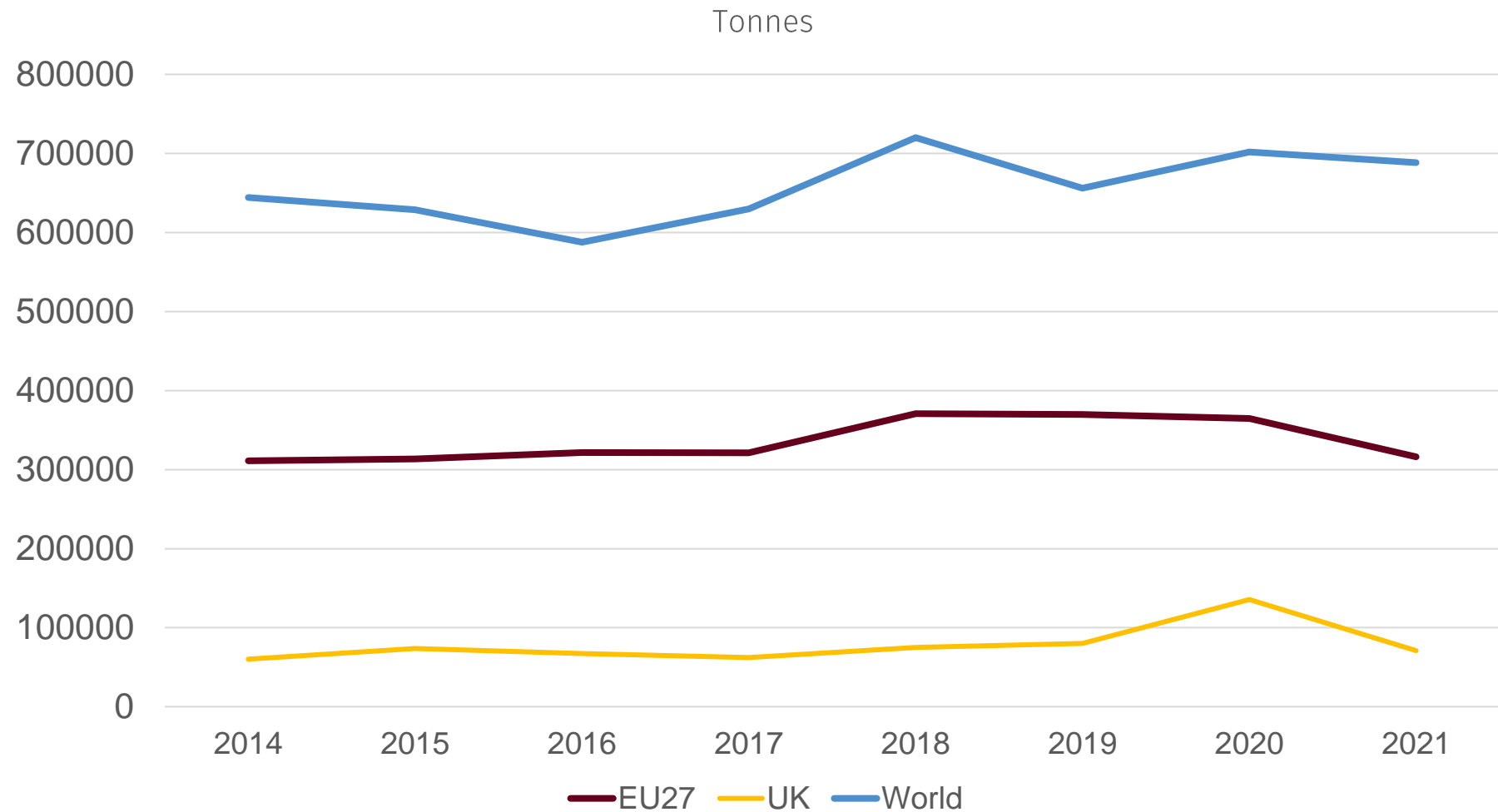
# Iceland's exports

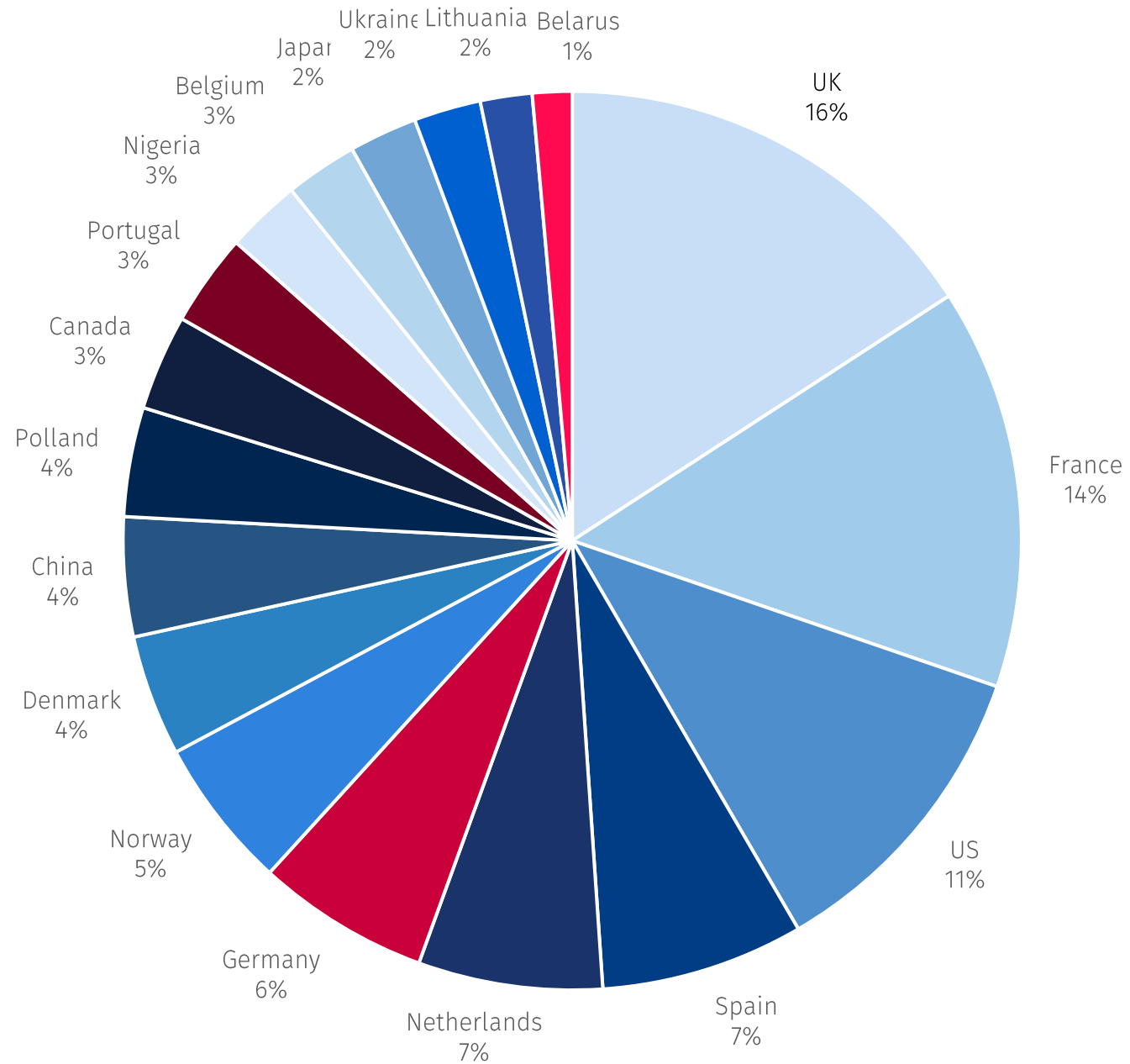
Value





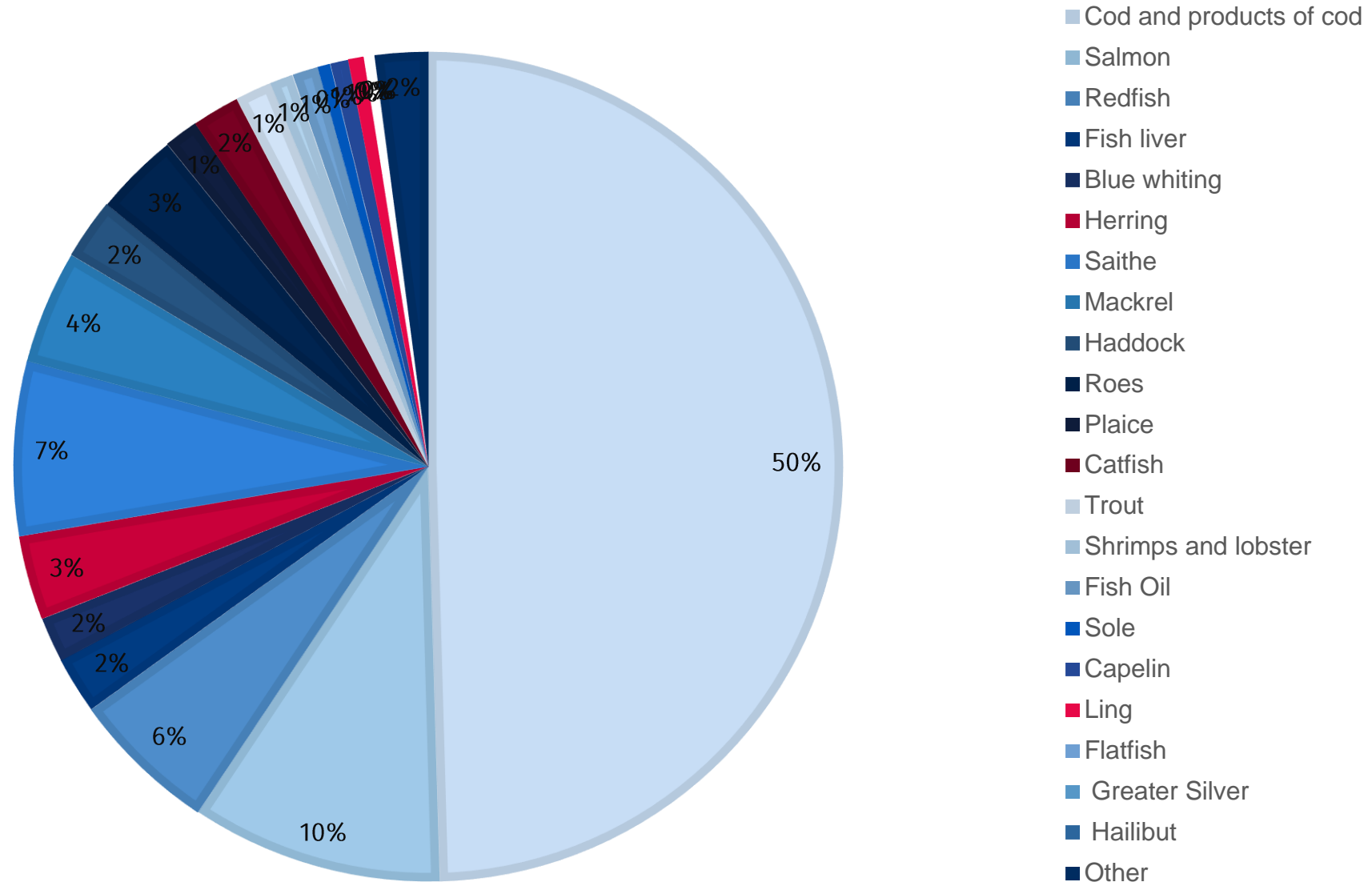
# Iceland exports - Volume







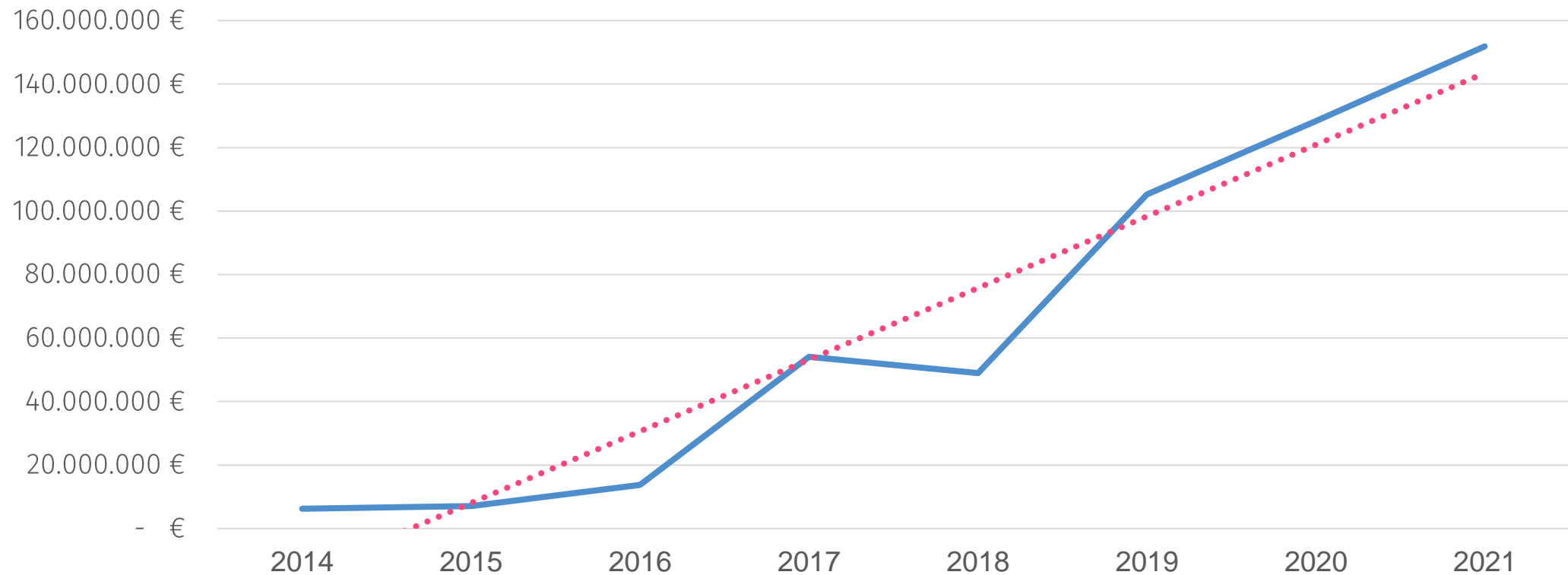
# Composition of Fish exports to the EU ( value - 2021)





# Salmon exports to the EU from Iceland

EU statistics 2014-2021





# Current trade framework for fisheries exports

- Icelandic exports of seafood products to the EU is governed by a patchwork of different legal arrangements and systems of tariff rate quotas:
  - 1972 Free Trade Agreement (Protocol 6)
  - EEA Agreement (Protocol 9)
  - ‘Permanent’ Tariff Rate Quotas from 1996
  - ‘Temporary’ Tariff Rate Quotas –negotiated every 7 years
  - GATT and Autonomous Quotas
- **Complicated and cumbersome**



# System of TRQs for Iceland

- Seafood exporters in Iceland can use the following TRQs when exporting to the EU market:
  - 7 Permanent Quotas
  - 4 Temporary Quotas (expired 30 April 2021)
  - GATT/autonomous quotas (autonomous quotas set annually??)

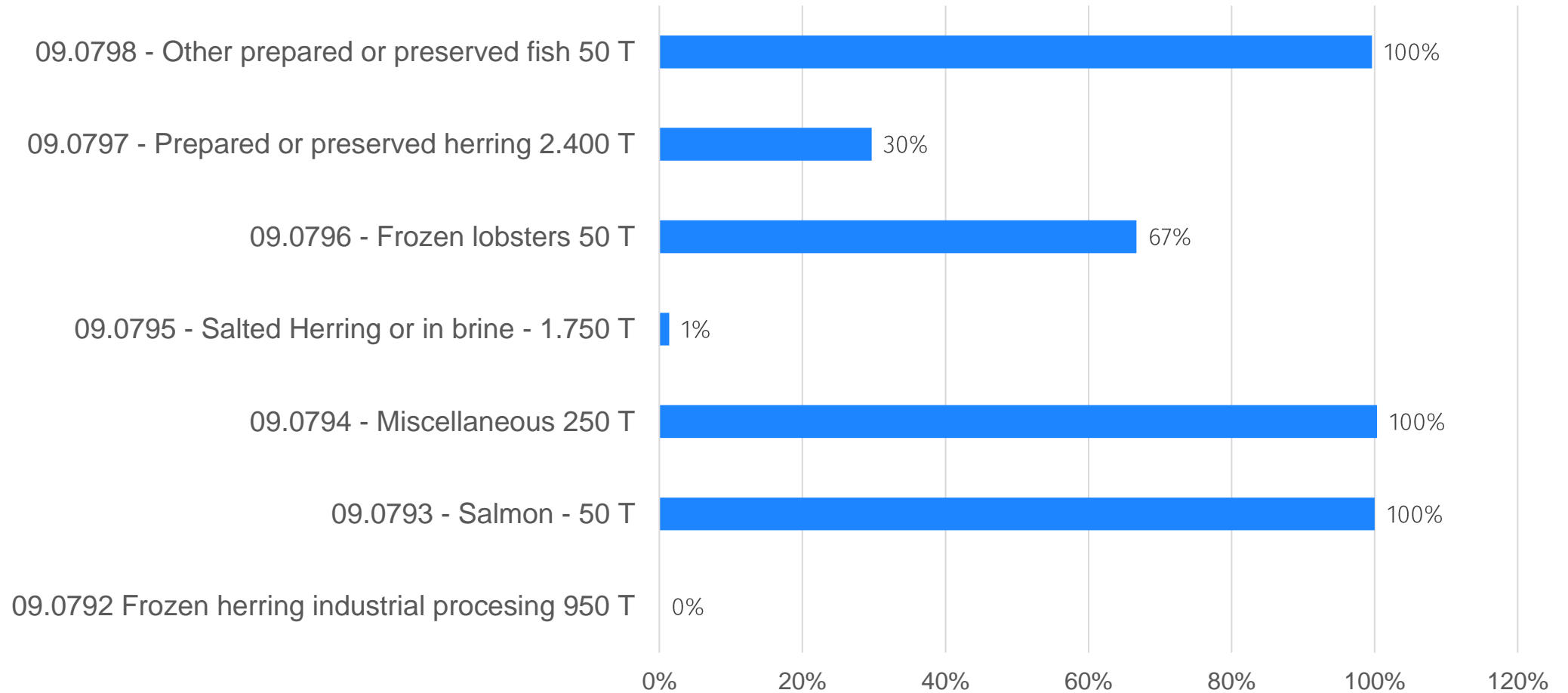




# Permanent quotas with the EU

Average fill rate

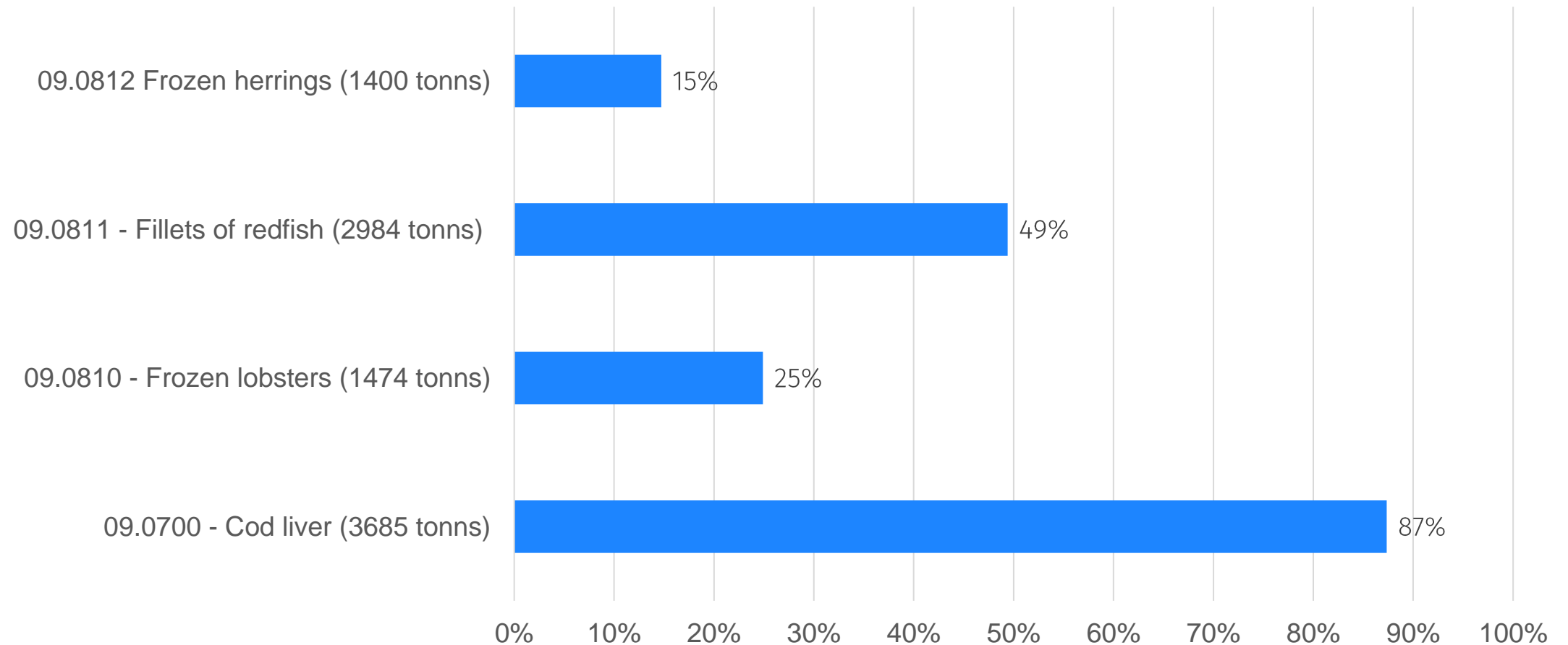
Chart Title





# Temporary Quotas with the EU 2016-2021

Negotiated in conjunction with contributions to the financial mechanism





# Market access - Classification of salmon and products

|  |  |
|--|--|
| <b>0301 -Live fish</b>                                 |  |
| 03019911   | live salmon  |
| <b>0302- Fish fresh or chilled - excluding fillets</b> |  |
| 03021400   | fresh or chilled atlantic salmon   |
| 03021900   | fresh or chilled salmonidae - other  |
| 03029100   | fresh or chilled fish livers, roes and milt - of salmon                    |
| 03029900   | fresh or chilled fish fins, heads, tails, maws and other edible fish offal |
| <b>0303- Frozen fish- excluding fillets</b>            |  |
| 03031300   | frozen, atlantic salmon  |
| 03039190   | frozen fish livers, roes and milt  |
| 03039900   | frozen fish fins, heads, tails, maws and other edible fish offal           |
| <b>0304 Fillets of fish</b>                            |  |
| 03044100   | fresh or chilled fillets atlantic salmon                                   |
| 03045200   | fresh or chilled meat, whether or not minced (excl. fillets)               |
| 03048100   | frozen fillets of salmon   |
| <b>0305- Fish, dried salted or in brine or smoked</b>  |  |
| 03053910   | fillets of salmon salted or in brine, but not smoked                       |
| 03054100   | smoked salmon , incl. fillets (excl. offal)                                |
| 03056950   | salmon, only salted or in brine (excl. fillets and offal)                  |
| 03057200   | salmon fish heads, tails and maws, smoked, dried, salted or in brine       |
| 03057900   | fish fins and other edible fish offal, smoked, dried, salted or in brine   |
| <b>1604 - Prepared and preserved fish</b>              |  |
| 16041100   | prepared or preserved salmon, whole or in pieces (excl. minced)            |
| 16042010   | prepared or preserved salmon (excl. whole or in pieces)                    |



|  |  | MFN  | IS Pref |
|--|--|------|---------|
| <b>0301 -Live fish</b>                                 |  |      |         |
| 03019911   | live salmon  | 2%   | 2%      |
| <b>0302- Fish fresh or chilled - excluding fillets</b> |  |      |         |
| 03021400   | fresh or chilled atlantic salmon   | 2%   | 2%      |
| 03021900   | fresh or chilled salmonidae - other  | 8%   | 2,4%    |
| 03029100   | fresh or chilled fish livers, roes and milt - of salmon                    | 10%  | 0%      |
| 03029900   | fresh or chilled fish fins, heads, tails, maws and other edible fish offal | 10%  | 10%     |
| <b>0303- Frosen fish- excluding fillets</b>            |  |      |         |
| 03031300   | frozen, atlantic salmon  | 2%   | 2%      |
| 03039190   | frozen fish livers, roes and milt  | 10%  | 0       |
| 03039900   | frozen fish fins, heads, tails, maws and other edible fish offal           | 10%  | 10%     |
| <b>0304 Fillets of fish</b>                            |  |      |         |
| 03044100   | fresh or chilled fillets atlantic salmon                                   | 2%   | 2%      |
| 03045200   | fresh or chilled meat, whether or not minced (excl. fillets)               | 8%   | 2,40%   |
| 03048100   | frozen fillets of salmon   | 2%   | 2%      |
| <b>0305- Fish, dried salted or in brine or smoked</b>  |  |      |         |
| 03053910   | fillets of salmon salted or in brine, but not smoked                       | 15%  | 15%     |
| 03054100   | smoked salmon , incl. fillets (excl. offal)                                | 13%  | 13%     |
| 03056950   | salmon, only salted or in brine (excl. fillets and offal)                  | 11%  | 11%     |
| 03057200   | salmon fish heads, tails and maws, smoked, dried, salted or in brine       | 13%  | 13%     |
| 03057900   | fish fins and other edible fish offal, smoked, dried, salted or in brine   | 13%  | 13%     |
| <b>1604 - Prepared and preserved fish</b>              |  |      |         |
| 16041100   | prepared or preserved salmon, whole or in pieces (excl. minced)            | 5,5% | 5,50%   |
| 16042010   | prepared or preserved salmon (excl. whole or in pieces)                    | 5,5% | 5,50%   |



# Most important lines and tariff treatment

|  |  | MFN  | IS Pref       | 2021                 |
|--|--|------|---------------|----------------------|
| <b>0301 -Live fish</b>                                 |  |      |               |                      |
| 03019911   | live salmon  | 2%   | 2%            | 14.580 €             |
| <b>0302- Fish fresh or chilled - excluding fillets</b> |  |      |               |                      |
| 03021400   | fresh or chilled atlantic salmon   | 2%   | 2%            | 116.970.710 €        |
| 03021900   | fresh or chilled salmonidae - other  | 8%   | 2,4%          | 530.480 €            |
| 03029100   | fresh or chilled fish livers, roes and milt - of salmon                    | 10%  | 0%            | 731.480 €            |
| 03029900   | fresh or chilled fish fins, heads, tails, maws and other edible fish offal | 10%  | 10%           | 421.190 €            |
| <b>0303- Frozen fish- excluding fillets</b>            |  |      |               |                      |
| 03031300   | frozen, atlantic salmon  | 2%   | 2%            | 1.519.870 €          |
| 03039190   | frozen fish livers, roes and milt  | 10%  | 0             | 15.810.680 €         |
| 03039900   | frozen fish fins, heads, tails, maws and other edible fish offal           | 10%  | 10%           | 919.550 €            |
| <b>0304 Fillets of fish</b>                            |  |      |               |                      |
| 03044100   | fresh or chilled fillets atlantic salmon                                   | 2%   | 2%            | 5.290.810 €          |
| 03045200   | fresh or chilled meat, whether or not minced (excl. fillets)               | 8%   | 2,40%         | 1.174.420 €          |
| 03048100   | frozen fillets of salmon   | 2%   | 2%            | 699.660 €            |
| <b>0305- Fish, dried salted or in brine or smoked</b>  |  |      |               |                      |
| 03053910   | fillets of salmon salted or in brine, but not smoked                       | 15%  | 15%           | 1.790 €              |
| 03054100   | smoked salmon , incl. fillets (excl. offal)                                | 13%  | 13%           | 64.610 €             |
| 03056950   | salmon, only salted or in brine (excl. fillets and offal)                  | 11%  | 11%           |                      |
| 03057200   | salmon fish heads, tails and maws, smoked, dried, salted or in brine       | 13%  | 13%           | 3.353.460 €          |
| 03057900   | fish fins and other edible fish offal, smoked, dried, salted or in brine   | 13%  | 13%           | 4.328.570 €          |
| <b>1604 - Prepared and preserved fish</b>              |  |      |               |                      |
| 16041100   | prepared or preserved salmon, whole or in pieces (excl. minced)            | 5,5% | 5,50%         | 15.650 €             |
| 16042010   | prepared or preserved salmon (excl. whole or in pieces)                    | 5,5% | 5,50%         | 740 €                |
|  |  |      | <b>Total:</b> | <b>151.848.250 €</b> |



# Fish offal – 10% duty

|  |  | MFN  | IS Pref |
|--|--|------|---------|
| <b>0301 -Live fish</b>                                 |  |      |         |
| 03019911   | live salmon  | 2%   | 2%      |
| <b>0302- Fish fresh or chilled - excluding fillets</b> |  |      |         |
| 03021400   | fresh or chilled atlantic salmon   | 2%   | 2%      |
| 03021900   | fresh or chilled salmonidae - other  | 8%   | 2,4%    |
| 03029100   | fresh or chilled fish livers, roes and milt - of salmon                    | 10%  | 0%      |
| 03029900   | fresh or chilled fish fins, heads, tails, maws and other edible fish offal | 10%  | 10%     |
| <b>0303- Frosen fish- excluding fillets</b>            |  |      |         |
| 03031300   | frozen, atlantic salmon  | 2%   | 2%      |
| 03039190   | frozen fish livers, roes and milt  | 10%  | 0       |
| 03039900   | frozen fish fins, heads, tails, maws and other edible fish offal           | 10%  | 10%     |
| <b>0304 Fillets of fish</b>                            |  |      |         |
| 03044100   | fresh or chilled fillets atlantic salmon                                   | 2%   | 2%      |
| 03045200   | fresh or chilled meat, whether or not minced (excl. fillets)               | 8%   | 2,40%   |
| 03048100   | frozen fillets of salmon   | 2%   | 2%      |
| <b>0305- Fish, dried salted or in brine or smoked</b>  |  |      |         |
| 03053910   | fillets of salmon salted or in brine, but not smoked                       | 15%  | 15%     |
| 03054100   | smoked salmon , incl. fillets (excl. offal)                                | 13%  | 13%     |
| 03056950   | salmon, only salted or in brine (excl. fillets and offal)                  | 11%  | 11%     |
| 03057200   | salmon fish heads, tails and maws, smoked, dried, salted or in brine       | 13%  | 13%     |
| 03057900   | fish fins and other edible fish offal, smoked, dried, salted or in brine   | 13%  | 13%     |
| <b>1604 - Prepared and preserved fish</b>              |  |      |         |
| 16041100   | prepared or preserved salmon, whole or in pieces (excl. minced)            | 5,5% | 5,50%   |
| 16042010   | prepared or preserved salmon (excl. whole or in pieces)                    | 5,5% | 5,50%   |



Preferential  
treatment  
closest  
competitors

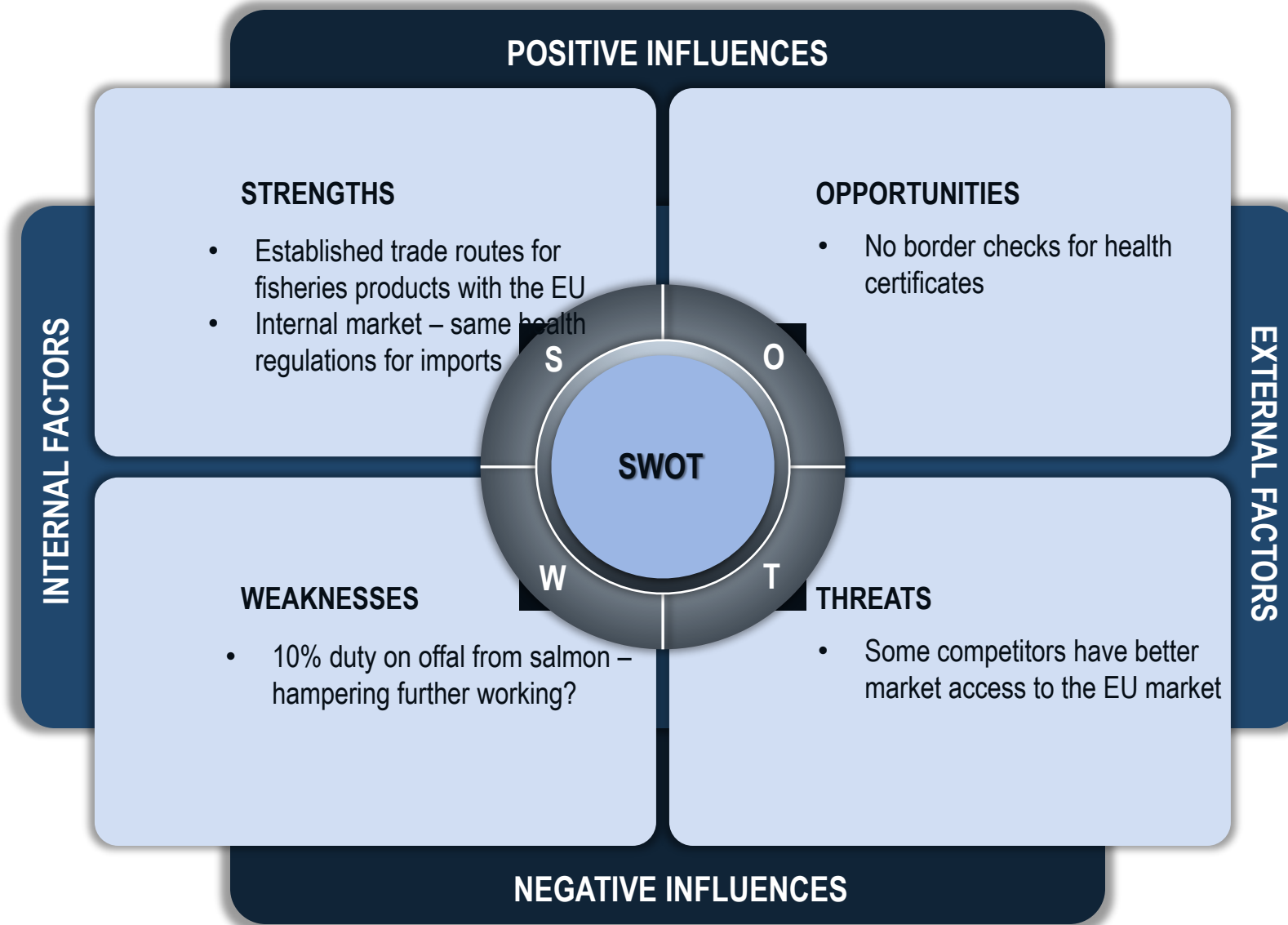
|  |  | MFN  | Iceland | Norway | Faroes | UK | Chile |
|--|--|------|---------|--------|--------|----|-------|
| <b>0301 -Live fish</b>                                 |  |      |         |        |        |    |       |
| 03019911   | live salmon  | 2%   | 2%      | 2%     | 0%     | 0% | 0%    |
| <b>0302- Fish fresh or chilled - excluding fillets</b> |  |      |         |        |        |    |       |
| 03021400   | fresh or chilled atlantic salmon   | 2%   | 2%      | 2%     | 0%     | 0% | 0%    |
| 03021900   | fresh or chilled salmonidae - other  | 8%   | 2,4%    | 2,4%   | 0%     | 0% | 0%    |
| 03029100   | fresh or chilled fish livers, roes and milt - of salmon                    | 10%  | 0%      | 3%     | 0%     | 0% | 0%    |
| 03029900   | fresh or chilled fish fins, heads, tails, maws and other edible fish offal | 10%  | 10%     | 10%    | 0%     | 0% | 0%    |
| <b>0303- Frosen fish- excluding fillets</b>            |  |      |         |        |        |    |       |
| 03031300   | frozen, atlantic salmon  | 2%   | 2%      | 2%     | 0%     | 0% | 0%    |
| 03039190   | frozen fish livers, roes and milt  | 10%  | 0       | 3%     | 0%     | 0% | 0%    |
| 03039900   | frozen fish fins, heads, tails, maws and other edible fish offal           | 10%  | 10%     | 10%    | 0%     | 0% | 0%    |
| <b>0304 Fillets of fish</b>                            |  |      |         |        |        |    |       |
| 03044100   | fresh or chilled fillets atlantic salmon                                   | 2%   | 2%      | 2%     | 0%     | 0% | 0%    |
| 03045200   | fresh or chilled meat, whether or not minced (excl. fillets)               | 8%   | 2,40%   | 2,40%  | 0%     | 0% | 0%    |
| 03048100   | frozen fillets of salmon   | 2%   | 2%      | 2%     | 0%     | 0% | 0%    |
| <b>0305- Fish, dried salted or in brine or smoked</b>  |  |      |         |        |        |    |       |
| 03053910   | fillets of salmon salted or in brine, but not smoked                       | 15%  | 15%     | 15%    | 0%     | 0% | 11,5% |
| 03054100   | smoked salmon , incl. fillets (excl. offal)                                | 13%  | 13%     | 13%    | 0%     | 0% | 9,5%  |
| 03056950   | salmon, only salted or in brine (excl. fillets and offal)                  | 11%  | 11%     | 11%    | 11%    | 0% | 0%    |
| 03057200   | salmon fish heads, tails and maws, smoked, dried, salted or in brine       | 13%  | 13%     | 13%    | 13%    | 0% | 0%    |
| 03057900   | fish fins and other edible fish offal, smoked, dried, salted or in brine   | 13%  | 13%     | 13%    | 13%    | 0% | 0%    |
| <b>1604 - Prepared and preserved fish</b>              |  |      |         |        |        |    |       |
| 16041100   | prepared or preserved salmon, whole or in pieces (excl. minced)            | 5,5% | 5,5%    | 5,5%   | 5,5%   | 0% | 0%    |
| 16042010   | prepared or preserved salmon (excl. whole or in pieces)                    | 5,5% | 5,5%    | 5,5%   | 5,5%   | 0% | 0%    |



# Tariffs to the EU on Icelandic fisheries products

- Tariffs around 17 million euros in 2021
- 68% of trade in seafood tariff free in 2021 – 95% in 1994
- The EU´s most recent FTA´s grant zero duties to almost all fisheries products ( Japan, UK, Vietnam, Canada, MERCOSUR, New-Zealand)
- TRQ´s do not represent producers needs. Underutilised and provide limited value. (trending downwards).
- Ongoing negotiations on the financial mechanism – use the opportunity to achieve better market access.







Thank you