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1. Introduction

The EU seal regime

Regulation (EC) No 1007/2009¹ of the European Parliament and of the Council on trade in seal products (the Regulation) prohibits the placing on the EU market of seal products.

The trade ban applies to seal products produced in the EU and to imported seal products. The Regulation was amended by Regulation (EU) 2015/1775² in order to reflect the outcomes of World Trade Organization (WTO) rulings in the EC-Seal products case³. As a result, the current EU seal regime provides for two exceptions to the ban:

- 1) It allows the placing on the market of seal products where those products come from hunts conducted by Inuit or other indigenous communities, provided the specific conditions set out in Article 3(1) of the Regulation, as amended, are fulfilled.
 - Article 3(1a) of the same Regulation, as amended, also provides that, at the time of its placing on the EU market, a seal product shall be accompanied by a document attesting compliance with the conditions set out for benefiting from the "Inuit or other indigenous communities exception". The attesting document should be issued by a body recognised for that purpose by the European Commission, in accordance with Article 3 of Commission Implementing Regulation (EU) 2015/1850⁴ (the Implementing Regulation).
- 2) It also allows the import of seal products where it is of an occasional nature and consists exclusively of goods for the personal use of travellers or their families (Article 3(2) of the Regulation, as amended).

Reporting obligations under Regulation (EC) No 1007/2009, as amended

Article 7 of the Regulation, as amended, sets out that Member States shall submit to the Commission, by 31 December 2018 and every four years thereafter, a report outlining the actions taken to implement this Regulation. The Commission shall then submit to the European Parliament and to the Council a report on the implementation of the Regulation within 12 months of the end of each reporting period. In its report, the Commission shall assess the functioning, effectiveness and impact of the Regulation in achieving its objective.

¹ https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32009R1007

² https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2015.262.01.0001.01.ENG

³ http://trade.ec.europa.eu/wtodispute/show.cfm?id=475&code=2

https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32015R1850

The Commission report should also assess the impact on the socioeconomic development of the Inuit or other indigenous communities⁵.

The first Commission Report on the implementation of the Regulation, covering the period from 18 October 2015 (date of application of Regulation (EU) 2015/1775) to 31 December 2018, was adopted on 10 January 2020⁶.

This report covers the period from 1 January 2019 to 31 December 2022. It is based on the contributions received from the EU Member States, the United Kingdom, and the three recognised bodies in Canada and Greenland.

2. Background

In 1983, in response to widespread concerns about the annual killing of certain seal pups, the EU adopted Council Directive 83/129/EEC⁷ to prohibit the import of products from two seal pup species, Harp seal ('whitecoat') and Hooded seal ('blue-back'), into the EU. It initially applied until 1 October 1985. Its validity was first extended until 1 October 1989, and then indefinitely through Council Directive 89/370/EEC⁸.

Seals are hunted within and outside the EU and used for obtaining products as diverse as omega-3 capsules and garments incorporating processed sealskins and fur. Citizens and consumers expressed concerns as to the possible presence on the market of seal products obtained from animals killed and skinned in a way that causes suffering. In response, several Member States adopted legislation regulating trade in seal products by prohibiting the import and production of such products, while no restrictions were placed on trade in these products in other Member States. Those differences adversely affected the operation of the internal market and constituted barriers to trade. Therefore, the EU adopted Regulation (EC) No 1007/2009 of the European Parliament and of the Council (the Regulation), which introduced a prohibition on the placing on the EU market of seal products.

At the same time, the EU was prompted by governments and organisations outside the EU who represent Inuit and indigenous peoples, to recognise that seal hunting was an integral part of the socio-economy, nutrition, culture and identity of these communities, contributing to their subsistence and development, which should not be adversely affected, in accordance with the United Nations Declaration on the Rights of Indigenous Peoples of 2007. They claimed that seal hunts traditionally conducted by Inuit or other indigenous communities did not raise the same public moral concerns as those conducted primarily for commercial reasons. Therefore, by way of exception, the Regulation allowed the placing on the market of seal products which resulted from hunts traditionally conducted by Inuit or other indigenous communities, as long as due regard was paid to animal welfare and suffering was reduced to the extent possible. The exception was limited to hunts that contribute to the subsistence of those communities.

The 2009 Regulation also allowed, by way of exception, the placing on the market of seal products where the hunt was conducted for the sole purpose of the sustainable management of marine resources. It also allowed the import of seal products of an occasional nature and consisting exclusively of goods for the personal use of travellers or their families.

⁵ See Recital 8 of Regulation (EU) 2015/1775

⁶ https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1578667308224&uri=COM%3A2020%3A4%3AFIN

⁷ https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:31983L0129

⁸ https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:31989L0370

In 2010, Canada and Norway launched dispute settlement proceedings at the World Trade Organization (WTO) against the Regulation and its initial Implementing Regulation (EU) 737/2010. In 2013, the WTO concluded that, by allowing certain seal products to enter the EU market through the Inuit and the marine resource management exceptions, the EU seal regime was producing a detrimental impact on the competitive opportunities of Canadian and Norwegian products vis-à-vis Greenlandic imported and EU domestic products. Indeed, at the time, only Greenland had officially applied for the recognition of an attesting body.

In order to bring its regime in line with the rulings of the WTO, the EU adopted Regulation (EU) 2015/1775, which modified the EU seal regime by removing the exception for marine resource management. The removal of that exception was without prejudice to the right of Member States to continue regulating hunts conducted for the purpose of the sustainable management of their marine resources. It, however, prevented these Member States from allowing the placing on the EU market of the products derived from such hunts, unless these would fall under the "Inuit or other indigenous communities" exception, which remained in force. The amended Regulation also strengthened coherence with the objective of the Regulation by explicitly adding animal welfare considerations as a condition for the use of the "Inuit or other indigenous communities" exception.

To ensure a uniform implementation of the Regulation, the Commission adopted the Implementing Regulation, which i) specifes the requirements for the import of seal products for the personal use of travellers or their families; ii) lists the criteria for the recognition of bodies responsible for issuing documents attesting compliance with the "Inuit or other indigenous communities" exception; and iii) specifies the role of the Member States' competent authorities for the control of the attesting documents and the recording of data included therein.

Under Article 3(1)a of the Regulation, as amended, seal products placed on the EU market under the "Inuit or other indigenous communities" exception must be accompanied by an attesting document issued by a body recognised for that purpose by the European Commission, in accordance with Article 3 of Commission Implementing Regulation (EU) 2015/1850 (the Implementing Regulation).

So far, the European Commission has recognised three bodies:

- Greenland Department of Fisheries, Hunting and Agriculture⁹ (now called Department of Fisheries and Hunting)
- Government of Nunavut (Canada)¹⁰
- Government of the Northwest Territories of Canada¹¹

3. EU Member States' reports

The 27 EU Member States were requested to provide their national reports to the Commission through answering a questionnaire. All but three Member States (France, Greece and Malta) provided their national report. The further mention "all the Member States" should therefore be understood as "all but the three Member States that did not provide their report". This section summarises the inputs received.

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⁹ https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32015D1027(02)

¹⁰ https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2020.426.01.0056.01.ENG

¹¹ https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32017D0265

a) Competent authorities

In accordance with Article 6(1) of the Implementing Regulation, each Member State shall designate one or several competent authorities responsible for (a) the verification, upon request of the customs authorities, of attesting documents for imported seal products; (b) the control of the issuing of attesting documents by recognised bodies established and active in that Member State, and (c) the preservation of a copy of attesting documents issued for seal products originating from seal hunts in that Member State. The Commission has made the list of designated competent authorities available on its website¹².

Even though no bodies, established and active in the EU, have been officially recognised so far for issuing attesting documents, some Member States have peoples who meet the definition of "Inuit or other indigenous communities" and would therefore be allowed to hunt seals for their subsistence and to place seal products on the EU market. Those Member States could apply for one of their bodies to be officially recognised for issuing attesting documents. In that case, Article 6(1) (b) and (c) of the Implementing Regulation would be relevant.

b) "Inuit or other indigenous communities" exception

Denmark and Estonia were the only Member States to report that seal products were placed on their market, based on the conditions set out in the "Inuit or other indigenous communities" exception. The Danish customs recorded seal product imports from Greenland for a total value of DDK 8 347 944 (= EUR 1 122 337 with the exchange rate of 17.01.2023) and a total volume of 32 109 kg, in comparison with the 10 502 kg reported for the previous period, which covered three years instead of four. For the first time, Estonia reported seal product imports from Greenland for a total value of EUR 1 555.67 and a total volume of 34.16 kg. The products imported by Denmark and Estonia mainly included unassembled tanned or dressed sealskins, but also articles of apparel, clothing accessories and other articles of sealskin, such as shoes and boots from seal leather.

c) Exception for the personal use of travellers or their families

None of the Member States' competent authorities was notified by its customs authorities of a possible issue with the occasional import of seal products for the personal use by travellers or their families.

d) Inward processing

The import of seal products for processing and re-export of the processed goods is not banned under the Regulation. In Estonia, tanned sealskins (2 405 pieces in 2019; 1 682 in 2020; 2 030 in 2021 and 1 875 in 2022) were imported from Canada and Norway for inward processing by a shoe manufacturer which then re-exported all the processed goods.

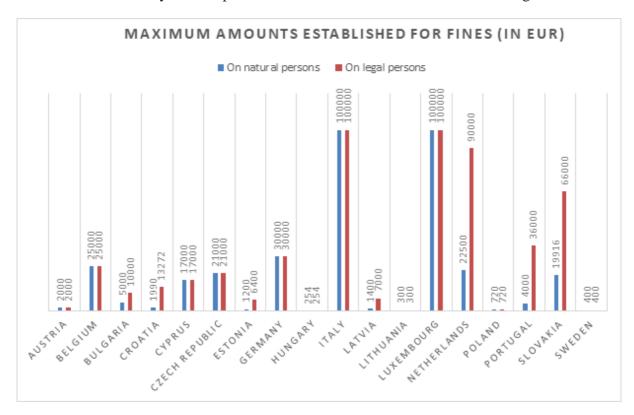
e) Penalties and enforcement

All the Member States reported having rules in place on penalties applicable to infringements of the provisions of the Regulation. They range from fines, confiscation and destruction of the goods (in all the Member States), to imprisonment (in Cyprus, Denmark, Latvia and the Netherlands). No Member State imposed such penalties during the period of reference.

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¹² https://environment.ec.europa.eu/topics/nature-and-biodiversity/trade-seal-products_en

The chart below shows the maximum amounts established for fines in the 18 Member States that communicated this information. In eight of them, the amounts for fines differ according to whether the offence is committed by a natural person or by a legal person. In Denmark and Finland, the maximum amount for fines is not stipulated in the national legislation. It would have to be estimated by the competent authorities in case of violation of the Regulation.



<u>Note</u>: For the Netherlands, the above maximum amounts concern offences that have not been committed deliberately. In case of intent, the fine can rise to EUR 90 000 for natural persons and EUR 900 000 for legal persons.

Two imports of seal products were stopped by the Belgian customs. The first case was a package coming by post from the United States with a dietary supplement containing an extract of seal thyroid (omega-3 capsules). The second case was a seal skull for which the necessary documents were not provided. The Swedish customs carried out almost 4 000 documentary checks of import declarations. Seven of them were supposedly covering seal products but wrong combined nomenclature codes¹³ had actually been used. These declarations were corrected by the Swedish customs.

f) Information through a QR code

To ensure the proper functioning of the "Inuit or other indigenous communities" exception and to improve the information on the EU seal regime, the recognised bodies may place a QR code label on the seal products that they certify. This QR code links to a webpage¹⁴ providing information on the EU seal regime.

Fifteen Member States (Belgium, Croatia, the Czech Republic, Denmark, Estonia, Finland, Ireland, Latvia, Lithuania, Poland, Portugal, Romania, Slovakia, Slovenia and Sweden) have

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¹³ https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:L:2022:282:FULL&from=EN

¹⁴ https://environment.ec.europa.eu/topics/nature-and-biodiversity/trade-seal-products_en

reported being aware of the existence of this QR code, and none of the Member States has been contacted by its customs authorities or other enforcement bodies for advice in relation to the QR code.

g) Seal hunt in the EU

Seal populations in the EU are mainly concentrated in the Baltic Sea. According to a holistic assessment of the state of the Baltic Sea¹⁵ by the Baltic Marine Environment Protection Commission, also known as HELCOM, three seal species are resident in the Baltic Sea. The Grey seal occurs in the whole region, whereas the Baltic ringed seal is restricted to the eastern and northern Baltic Sea, and the Harbour seal to the southwestern Baltic Sea and the Kattegat.

The Habitats Directive¹⁶ aims to contribute towards ensuring biodiversity through the conservation of natural habitats and of wild fauna and flora in the EU. Its Annex II, listing the species requiring the designation and management of special areas of conservation, includes:

- *Halichoerus grypus* (Grey seal)
- Monachus monachus (Mediterranean monk seal)
- *Phoca/Pusa hispida botnica* (Baltic ringed seal)
- Phoca/Pusa hispida saimensis (Saimaa ringed seal)
- *Phoca vitulina* (Harbour seal)

The Mediterranean monk seal and the Saimaa ringed seal are priority species and therefore also listed in Annex IV of the Habitats Directive, which means that Member States must take the requisite measures to establish a system of strict protection for these species. The three other species (Grey seal, Baltic ringed seal and Harbour seal) are also listed in Annex V, meaning that Member States should take measures to ensure that their taking in the wild as well as their exploitation is compatible with their being maintained at a favourable conservation status.

During the reporting period, as the removal of the "sustainable management of marine resources" exception from the initial Regulation was without prejudice to the right of Member States to continue regulating hunts conducted for that purpose, Ringed, Harbour and Grey seals have been hunted on the territory of Denmark, Estonia, Finland and Sweden. In their report, these four Member States briefly described the purpose of the hunt, the conditions in which it was conducted, the method applied, how animal welfare was given due regard, and the impact of this hunt on the seal population, on ecosystems and on human activities. The text below illustrates the views expressed in the four national reports.

In **Denmark**, there is no hunting season or quota for seals. Shooting seals can only be authorised through a derogation, within a radius of 100 meters from the fishing gear and outside breeding and moulting periods, to prevent serious damage to fisheries. In addition, derogation shooting of Grey seals is not allowed within Natura 2000 sites designated for that species. From 2018, derogations have also been granted for shooting seals in streams, with a positive impact on brood stocks of fish populations under pressure. Derogation shooting is subject to using a rifle of approved calibre, passing a specific rifle test and having a Danish hunting licence. The hunter is encouraged to aim for the head for an instant kill. In Bornholm, Grey seals may be shot throughout the year, as there are no breeding grounds in that area. Seal populations are monitored in Denmark with yearly counting. Denmark reported that the

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¹⁵ http://stateofthebalticsea.helcom.fi/biodiversity-and-its-status/marine-mammals/

¹⁶ https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A01992L0043-20130701

number of seals shot through derogation shooting during the reporting period (134 Harbour seals and 9 Grey seals) has had no significant impact on the population size.

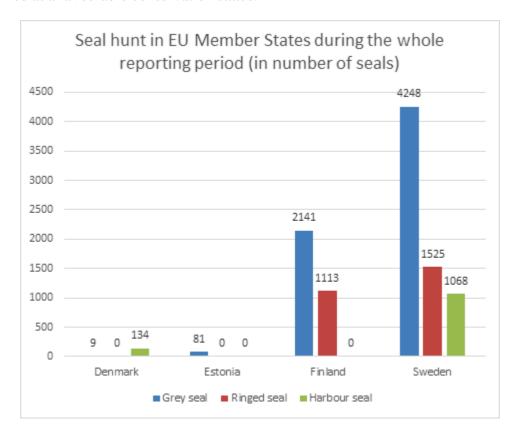
In **Estonia**, seals may be hunted to ensure a sustainable management of marine resources and the subsistence of the hunters and families from the local communities of Estonia's small islands, to keep their cultural heritage and traditions alive. The seal hunt is strictly regulated and animal welfare is fully considered. Seal hunt may only take place in designated areas, during the hunting season, and hunters must have passed a shooting test and use specific weapons and ammunitions. Based on the latest Estonian monitoring report, the number of Grey seals in Estonian waters is on an upward trend, and the largest number of Grey seals in the last 20 years was counted throughout the Baltic Sea in 2021. Estonia reported that a small-scale hunt, limited to a yearly quota of 1% of the seal population, which represented 55 individuals per year during the reporting period, is necessary to reduce damage to fisheries, but it is not allowed in the special protection areas designated for the Grey seal.

In **Finland**, seal hunt is carried out for sustainable management of marine resources, to prevent damage to commercial fisheries. Hunting quotas are established for Grey seals and Ringed seals. Throughout the reporting period, the hunting quota for Grey seals in mainland Finland was 1 050 individuals per year. The average hunting quota for Ringed seals in the Bothnian Bay area during the same period was 335 individuals per year, while the average hunting quota for Grey seals in the Åland island, an autonomous region of Finland, was 480 individuals per year. The seal hunt is also subject to a hunting season, specific technical characteristics for guns and ammunitions, and passing an examination with a prior course on hunting ethics to apply a killing method causing immediate death. No hunting is allowed on threatened seal populations (e.g. Ringed seal in the Gulf of Finland and Archipelago Sea). Finland reported that the estimated yearly increase of the seal population is higher than the number of hunted seals, and that there is evidence that seals eat fish from fishing gear unless this gear is seal-proof. However, only traps, fykes (long bag-shaped fishing nets held open by hoops) or similar gear can be partly made seal-proof, while maintaining viable commercial fishing. Seals eat 3 to 5 kilos of fish per day, which may jeopardise fish species or populations protected by EU or national legislation. Recreational and commercial fishing with gill nets decreased by 30-40% over the last decades in the outer archipelago and even completely stopped in certain areas due to seal predation. The positive effect of a hunt close to fishing gear is only temporary as new seals emerge within a few days or even hours. Therefore, seal hunt cannot be considered the only way to mitigate the problems caused by seals.

Sweden's wildlife management includes licence hunting of Grey seals since 2020 and Harbour seals since 2022, and "protective hunting" of Ringed seals. Protective hunting is allowed and strictly regulated in areas where the growing seal population is causing serious damage to local fisheries, destroying the fishing gear and eating the catches. As opposed to protective hunt, licence hunt is not restricted to the areas where seals are causing damage to fisheries. There is a hunting quota. The average hunting quota for Grey seals during the reporting period was 1 692 individuals per year, while it was 712 individuals for Harbour seals and 346 individuals for Ringed seals. Ammunitions are strictly regulated, the killing method used must cause immediate death, avoiding unnecessary suffering, and hunting seals from a boat requires the boat to stand still. Research is ongoing to develop seal-proof fishing equipment. Sweden reported that the number of seals hunted to protect the fishing sector only represents a small share of the seal population.

The chart below gives the total number of seals hunted during the reporting period by the four EU Member States authorising this hunt for the sustainable management of their marine

resources. In Finland and Sweden, the quotas are set for a hunting season and not by calendar year. The hunting season starts in autumn and ends the following year in spring. Under the Habitats Directive, Member States are responsible for ensuring that the taking of specimens of these species, which are listed in Annex V of the Directive, is compatible with their being maintained at a favourable conservation status.



In **Latvia**, seal hunt applications were received during the reporting period, but denied. After the recent approval of a seal management plan, the hunting of a small number of adult Grey seals is allowed as of 2023, to prevent damage to fisheries when no alternative method can be found.

h) Overall assessment by the EU Members States

Member States were asked to provide an overall assessment of three aspects of the Regulation on their territory: its functioning (ability to perform its regular function), effectiveness (capacity to produce a desired result) and impact (for example, changed market for seal products).

Eight Member States (Bulgaria, Croatia, Cyprus, Czech Republic, Hungary, Ireland, Lithuania and Slovakia) mentioned that there has been no trade in seal products on their territory during the reporting period and that they were therefore unable to assess the functioning, effectiveness and impact of the Regulation. Five Member States (Germany, Italy, Luxembourg, Romania and Slovenia) did not provide any assessment.

Seven Member States (Austria, Belgium, Denmark, the Netherlands, Poland, Portugal and Spain) consider that the Regulation is fit for purpose and that procedures are in place at their customs authorities to implement it properly. They have not experienced any problem with

the Regulation so far. The Netherlands committed to reinforce the cooperation between their competent authorities and customs in this regard.

Estonia, Finland, Latvia and Sweden consider that the Regulation functions well as a means to control the trade of seal products but its impact has gone beyond its intended purpose. According to them, the ban has contributed to the present poor state of coastal fishing and has significantly downgraded the value of seals as a game species. In their view, it is important to include the management of seal populations in the ecosystem-based management plans for EU waters. They claim that their seal populations are closely monitored and that the small number of seals hunted during the reporting period has had an almost insignificant impact on their population size and conservation status. These Member States consider that a seal hunt carried out to sustainably manage marine resources, with full respect of animal welfare and with all parts of the caught animal being used instead of wasted, should not raise public moral concerns. According to Swedish hunting ethics, an animal must be hunted in a humane manner and the resulting resource should be fully used for the hunt to be considered acceptable. As the seal hunters, after collecting what they need for their personal use, have to destroy or dump this valuable resource, Sweden considers that the ban goes against these ethics and makes the seal hunt less attractive. These Member States highlighted that, meanwhile, the increasing seal population is causing damage to fishing gear and catches, infesting all fish species with seal worms, killing harbour porpoises, and catching large adults of cod, salmon, sea trout and pike, with economic consequences for recreational fishing tourism. To alleviate the situation, Sweden enacted a national decree in 2020, which provides that, if a male Grey seal causing damage to fisheries or to aquaculture is legally hunted, the prejudiced party is entitled to financial aid for the appropriate processing of the carcass. In Finland, around 350-400 fishermen per year are affected by damage caused by seals. Compensation can be given for the costs incurred for salvaging and submitting seal carcasses of legally hunted seals to an approved facility for destruction. No compensation is given for the hunt itself. The support is intended to encourage increased seal hunting, but Finland considers that lifting the seal trade ban would be an even stronger incentive. It would also eliminate the need for compensation and the related administrative costs.

Estonia, Finland, Latvia and Sweden admit that trade in seal products has never been a large sector with significant economic turnover. However, in the coastal areas, trade has the potential to contribute as a source of income and nurture cultural values. A lift of the ban would help exploit this potential, create a national market and export opportunities for seal products, and increase the value of seal products and even the volume of imports to the EU from Inuit or other indigenous communities, as the placing on the EU market of seal products would not be wrongly perceived as totally banned anymore. These Member States claim that small-scale sale as handicraft by local communities in the EU should be allowed, in order to compensate for the expenses of the hunt and to showcase the creativity and traditions of these communities. If a lift of the ban is not possible, Estonia, Finland, Latvia and Sweden advocate for considering the reinstatement of the sustainable management of marine resources exception for Member States that include protective and licence seal hunt in their wildlife management plans. In 2019, the Swedish Parliament called on the government to work towards a lift of the ban or at least an exception to the ban.

4. Report by the United Kingdom

For the current exercise, the United Kingdom was still requested to provide its national report to the Commission. The reporting period for Great Britain was from 1 January 2019 to 31 December 2020, which was the end of the transition period jointly agreed by the EU and

the United Kingdom following the United Kingdom 's withdrawal from the EU. For the United Kingdom in respect of Northern Ireland, the reporting period was the same as for the EU Member States (i.e. until end 2022) by virtue of the Windsor Framework¹⁷, which includes the Seals Regulation.

Therefore, the elements below applied to Great Britain until the end of the transition period and they continue to apply in and to the United Kingdom in respect of Northern Ireland.

The United Kingdom Seal Products Regulations 2010 implement the EU Regulation. His Majesty's Revenue & Customs, Home Office and Border Force Agency are instructed to act in accordance with the EU and domestic legislation and relevant guidance on the seal regime. The processes are in place for the EU Regulation to function effectively.

The rules on penalties are contained in the Seal Products Regulations 2010. Anyone guilty of an offence is liable to a fine not exceeding GBP 75 000. The maximum amount is the same for fines imposed on legal persons.

During the reporting period, no seal products were placed on the United Kingdom market under the "Inuit or other indigenous communities" exception.

The United Kingdom reported that there is no seal hunt on its territory as marine mammals, including seals, are protected under legislation that makes it an offence to intentionally kill, injure or take any wild marine mammal.

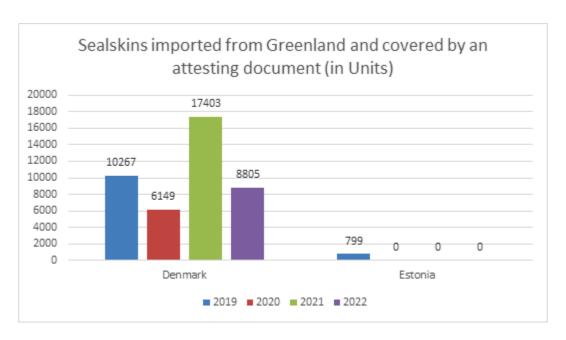
5. Reports by the recognised bodies

For the current exercise, the recognised bodies of Canada and Greenland were asked to answer a questionnaire. The reporting period was the same as for the EU Member States, i.e. from 1 January 2019 to 31 December 2022.

a) Attesting documents

The Greenland Department of Fisheries and Hunting issued attesting documents to accompany sealskins from Ringed and Harp seals, which were put on the EU market in Denmark and Estonia. The chart below shows the number of units of sealskins imported from Greenland by these two EU Member States during the reporting period. The Greenland Department of Fisheries and Hunting also mentioned the export of 281 sealskins to Italy and 18 sealskins to Portugal in 2019, but these imports were not reported by the relevant EU competent authorities.

¹⁷ Since 24 March 2023, by virtue of Joint Declaration No 1/2023 of the Union and the United Kingdom in the Joint Committee established by the Agreement on the Withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community, the Protocol on Ireland/Northern Ireland should be known as the 'Windsor Framework'.



The Government of Nunavut (Canada) issued two attesting documents, in 2020 only, to accompany two Ringed seal skulls and two Ringed seal skins exported to Belgium, and one complete seal skull with two tusks exported to Italy. These imports were not reported by the relevant EU competent authorities.

The Government of the Northwest Territories of Canada issued two attesting documents, in 2022 only, to accompany one fur trimmed coat for the Czech Republic and the same for France. Here again, these imports were not reported by the relevant EU competent authorities.

The recognised body of Nunavut identified several issues with the attesting documents and urged the EU to consider whether it would be acceptable for them to (1) issue one single certificate for multiple pelts; (2) issue a certificate to Nunavut handicraft workers who attest to only using seal pelts resulting from hunts by Inuit in their work; (3) not be obligated to specify the name of the EU Member State where the product will be placed on the market; and (4) explore other means of proving the Inuit origin than a physical certificate, for example a stamp tattooed on the pelts or tags with the QR code and a stamp embossed by the Government of Nunavut, which is nearly impossible to imitate.

In 2021, the Government of the Northwest Territories developed a Seal Certification Programme to identify seal products harvested by Inuit/Inuvialuit hunters and crafted by Inuit/Inuvialuit/indigenous peoples of the Northwest Territories. Once the seal product is complete, it is affixed with a Seal Certification tag (see below).



The recognised body of the Northwest Territories considers that pelts from seals harvested by Inuit/Inuvialuit in the Northwest Territories should be automatically certified and that the EU should provide financial or technical support to operationalise the exemption. Penalties for non-compliance do exist and have not been needed thus far.

b) Seal hunt under the "Inuit or other indigenous communities" exception

Article 3(1) of the Regulation, as amended, allows the placing on the market only where the seal products result from hunts traditionally conducted by Inuit or other indigenous communities, contributing to their subsistence, and with due regard to animal welfare.

In this respect, the recognised bodies mentioned that three main principles of sealing guide Inuit and Inuvialuit: (1) sustainable harvest, whereby resources are protected from over-harvesting and managed to maintain the place of seals within the global ecosystem; (2) complete use whereby the meat provides food, the pelts are used for clothing and the oil is a rich source of omega-3 acids; and (3) humane harvest, whereby seals must be treated with respect and hunted only for what is needed, and the kill itself is clean and quick.

c) Processing of data and protection of personal data

The three recognised bodies are using an electronic system for the exchange and recording of data contained in the attesting documents. None of them reported issues related to the protection of personal data at the time of processing the attesting documents.

d) Information through a QR code

Upon request from Greenland, the Commission agreed with the placing of a QR code label on seal products, with a view to better informing consumers of the existence and legitimacy of the "Inuit or other indigenous communities" exception, and facilitating the placing on the EU market. This QR code links to a webpage¹⁸ providing information on the EU seal regime.

Great Greenland is placing a QR code on all its sealskins. Local artisans, craft makers or small sewing houses are allowed to add their own logo next to the QR code. Nunavut has a QR code that links to information on the exception in the EU seal regime. The QR code is placed on all attested items and available as needed by artisans and craft makers. In the

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¹⁸ https://environment.ec.europa.eu/topics/nature-and-biodiversity/trade-seal-products_en

Northwest Territories, a QR code is placed on the seal products made from the documented/certified pelts.

e) Overall assessment by the recognised bodies

The recognised bodies were asked to provide an assessment of three aspects of the Regulation and the "Inuit or other indigenous communities" exception on their terriroty: the functioning and effectiveness of the exception, the impact of the Regulation on the socio-economic development of their Inuit or other indigenous communities, and the impact on the Regulation on their seal populations.

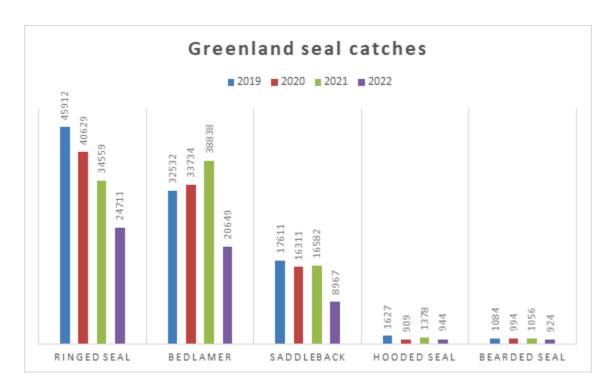
Greenland acknowledges EU's commitment to respecting and promoting indigenous peoples' rights, including the right to engage freely in their economic activities. However, in practice, they consider that the EU seal regime is having adverse effects on these communities. They see a need to raise awareness and improve information to European citizens on the legality of trade in products from seals hunted by Inuit or other indigenous communities, hereby restoring consumer confidence in seal products.

Nunavut shares the same opinion and would like to replace the attesting document with small tags with a QR code. Nunavut considers that certification requirements have imposed an undue burden and disincentive on Inuit producers and EU purchasers. Nunavut would welcome support from the EU to undertake outreach activities with EU manufacturers, museums and retailers as regards the existence and functioning of the exception.

For the Northwest Territories, the direct benefits of the Inuit exception would be vastly improved if the EU agreed that all seals harvested by Inuit/Inuvialuit in the Northwest Territories were considered compliant and, therefore, automatically certified. The level of subsistence harvesting has remained fairly consistent, and the domestic and local market for seal products and raw materials has remained healthy throughout the last reporting cycle. However, the export market has been limited to non-existent.

In Greenland, hunting and trading in seal products is of fundamental socio-economic and cultural importance to Inuit communities. In the period 2019-2022, the number of seals sold to the Great Greenland A/S tannery increased by almost 6% in comparison with the previous reporting period, but is far from the pre-EU ban levels.

The total numbers of seals caught in Greenland in the period 2019-2021 has decreased by 6% in comparison with the previous reporting period. The graph below shows the seal catches in Greenland by species in the four years of the reporting period. The numbers do not include the last three months of 2022.



The value of traded skins from ringed, bedlamer and saddleback seals to the Great Greenland Tannery in the reporting period has not reached the pre-EU ban levels either.

The Greenland Ministry of Fisheries and Hunting questions the rationale behind the seal regime and notes that sustainable seal hunting with full respect of animal welfare would have been possible without it. The Ministry is concerned that no prior assessment was carried out, including on the perceived concerns of today's European citizens as the basic justification for the Regulation, and on possible less trade-restrictive ways of addressing potential concerns. The Ministry is also concerned that the EU seal regime, even with the Inuit exception, is not fulfilling the Blue Economy concept that the EU supports in all aspects of sustainable use of living resources, except for seal species.

In Nunavut and in the Northwest Territories, the year-round harvest, consumption, design and sale of seal products has been a long-standing component of the cultural expression and economic livelihood of the Inuit/Inuvialuit society. Inuit/Inuvialuit today depend on seals for food security and income in a territory with the highest prices on store-bought food and limited employment opportunities. Inuit/Inuvialuit largely market their seal products locally and do not export them to the EU. Primary reasons include a fear of being in contravention of the EU seal regime, barriers to trade which have resulted from the ban itself (loss of interest from buyers, lack of connections with potential buyers), no experience of international trade, and confusion about certification of pelts vs products from certified pelts. As yet, the Regulation has not had a positive impact on the socio-economic development of Inuit/Inuvialuit. The EU seal regime has opened a door, but is seen as a policed instrument.

According to Nunavut and the Northwest Territories, there has been no impact on seal populations as a result of the Regulation, nor did the exception increase harvesting. The harvest was and continues to be conducted according to harvest regulations and Inuit/Inuvialuit values.

6) Conclusion

The Regulation seems to work well in preventing the placing on the EU market of seal products not covered by the "Inuit or other indigenous communities" exception. Member States have established penalties in case of infringement, but they have not yet imposed any. Only Belgium reported non-compliant imports, which were stopped at its customs.

As they already expressed in their previous reports, the EU Member States of the Baltic Sea would welcome a reinstatement of the "sustainable management of marine resources" exception, which was removed in 2015 to bring the Regulation in compliance with a ruling of the World Trade Organization. They consider that the ban has negative socio-economic impacts in the EU Member States of the Baltic Sea.

The recognised bodies in Canada consider that the Regulation is perceived in the EU as a total ban on trade in seal products, that the "Inuit or other indigenous communities" exception is not sufficiently well known in the EU, and that this has an impact on the economic development of their Inuit/Inuvialuit communities. The exports of seal products from Canada to the EU are insignificant. Greenland continues exporting seal products to the EU, mainly to Denmark. A small number of imports from Greenland and Canada were not reported by the relevant EU competent authorities.

The Commission will launch, in 2024, an evaluation of the Regulation on Trade in Seal Products and of the Seal Pups Directive to assess their functioning, effectiveness and impact against their objectives, and whether they remain fit for purpose. This will involve an assessment of their socio-economic impact and of their impact on the seal populations. On the basis of the evaluation findings, the Commission will consider whether further measures are needed.