



PRESS RELEASE FROM THE PORTUGUESE COD INDUSTRY ASSOCIATION (AIB)
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Portuguese Cod Industry warns against unfair practices in the cod market and calls for intervention from the Norwegian Government and the European Union

The Portuguese Cod Industry Association denounces market distortion caused by the importation of Russian cod via Norway and demands urgent measures.

The Portuguese Cod Industry Association (AIB) firmly opposes the unethical and unfair competition tactics used by some Norwegian industrialists, which are disrupting the European cod market. The issue stems from Norway's continued import of Russian cod, free from customs duties, which is then processed and exported to Europe, including Portugal. Despite this practice is legal under Norwegian law, it creates an unfair playing field for Portuguese and European industries.

An Industry that is facing economic challenges and raw material shortages, AIB and its members have decided not to participate in the seminar *The Future of Cod*, organized by the Norwegian Seafood Council (NSC), scheduled to take place in Lisbon on February 5. This decision stems from the need to take a firm and institutional stand against this market distortion, which jeopardizes the sector's sustainability and neglects European sanctions against Russia. In this serious context, AIB also repudiates not having been invited as speaker which demonstrates a complete disregard for an association that represents over 80% of Portugal's cod industry and 2,500 direct jobs

While Portuguese and European industries strictly comply with the sanctions imposed on Russia due to its invasion of Ukraine, some Norwegian companies continue to purchase Russian cod, generating substantial profits, inflating prices in Europe, and ultimately financing the Russian economy, which is currently a war economy— potentially even paying inflated prices compared to what would result from fair competition within the European market.

The importation of Russian cod by Norway and its subsequent exportation to the European Union has severe consequences:

1. **Market distortion and artificial price inflation** – Companies purchasing Russian cod benefit from more competitive prices and a more stable supply. Meanwhile, industries complying with sanctions face raw material shortages and significant cost increases, creating artificial inflation in consumer prices.
2. **Unfair competition** – Portuguese companies, traditionally major clients of Norway, are forced to compete in an unlevel playing field, jeopardizing investments, jobs, and the sector's viability.

3. **Loss of trust and strained partnerships** – Norway, historically recognized for good trade practices, is compromising its credibility by allowing this distortion to persist, undermining the trust that its international partners place in its impartiality and commercial ethics.

Luísa Melo, President of AIB's Board of Directors, states that "this was not a decision taken lightly. It's a matter of a clear protest, against the lack of ethics and unfair competition practiced by certain Norwegian industrialists who are distorting the European market and disrupting the sector's balance, impacting also consumers with artificially inflated prices. We deeply respect the historical relationship between Portugal and Norway, and precisely because of this connection, we must alert the Norwegian Government, European policymakers, and Norwegian cod industrialists, calling for urgent measures and warning that these practices are, undoubtedly, on the wrong side of History."

AIB appeals for an urgent correction of this situation and calls for an action, namely from Norwegian Government and the European Union:

- **To the Norwegian Government** – To deeply review its policies and prevent its industrial sector from acting as a stream for Russian cod into the European market. By allowing duty-free importation and re-exportation of this cod, Norway is indirectly facilitating The sanctions breaking, favoring certain industrialists and bringing disadvantage of their international trading partners.
- **To the European Union** – To strengthen monitoring and implement stricter regulations on cod processed in Norway, ensuring effective compliance with sanctions.
- **To Norwegian industrialists** – To uphold good practices by rejecting these unfair strategies and contributing to market transparency and balance.

The future of the cod sector demands concrete measures and a serious commitment to ethics, sustainability, and fair trade. AIB reiterates its cooperation for transparent and constructive dialogue but cannot ignore practices that compromise market balance and integrity.

Portugal and Norway should be on the same side, collaborating to find structural solutions that guarantee the future of the industry. Both countries face common challenges, such as reduced fishing quotas and the need to ensure the resource sustainability.

"We believe that this situation does not reflect the true spirit of the Norwegian people and industry, recognized for their commitment to strong ethical and commercial values. We want to believe that the absence of specific sanctions on Russian fish and the exception from duties and taxes was a lapse by the Norwegian government and is imperative the correction as soon as possible. For all these reasons, and until this situation is not reviewed and resolved, we find institutionally impossible to participate in NSC events and initiatives, which, despite their potential, currently place us on opposite sides with conflicting interests," concludes Luísa Melo.

About AIB – The Portuguese Cod Industry Association

Founded in Portugal in 1993, the Cod Industrialists Association represents over 80% of Portugal's cod industry, accounting for 2,500 direct jobs and an annual turnover exceeding 500 million euros, of which more than 100 million relates to foreign markets.

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