

DRAFT MINUTES WORKING GROUP 1: EU PRODUCTION

Friday 19 October 2018
10:00-13:00
Place Jourdan 1, 1040 Brussels

Welcome from the Chair

The Chair of Working Group 1, Sean O'Donoghue, welcomed those present.

Adoption of the agenda and minutes of last meeting (23.05.18)

The agenda of the meeting was adopted with an item on the on Action points decided upon from last meeting.

With regards to the minutes of last meeting (23.05.18), two comments were made by LIFE. The Chair underlined that the minutes are a record of what was actually said at the meeting. These have been faithfully reflected by the Secretariat.

LIFE considered that the final bullet point on page 1 reading "Inclusion of the relevant issue raised in the Life report small scale fisheries and PMPs Completed" is not true and therefore would like to remove it from the minutes.

The Chair added that on page 1 the Secretariat reflected accurately what happened during the meeting and it was agreed to have a comment added to the minutes which was not mentioned during WG1 for which LIFE would provide wording to the Secretariat.

It was also agreed that on page 5 LIFE would amend its response with a wording that would be provided to the Secretariat.

(NOTE:

On page 1, the comment will be the following: "*LIFE comments that the key issue of relevance for small-scale fisheries in PMPs is the need for measures to be taken to encourage the appropriate and representative participation of small-scale producers, as per Recital 8 of the CMO (Regulation No 1379/2013, December 2013. No mention of this is made in the MAC PMP Guidelines*".

On page 5: amendment

"LIFE stated that they miss measures to achieve social objectives including the appropriate and representative participation of small scale producers in POs in the PMP Guidelines.")

Follow up on the action points of the last meeting

The Chair went through the [action points of the last WG1 meeting](#).

- Follow up on the Interim evaluation of the direct management under the European Maritime and Fisheries Fund (EMFF) - Completed
- Meeting with the evaluation team/consultancy carrying out the evaluation - In progress
- Propose ACs to coordinate in writing a letter in response to that impact assessment – In progress
- Reconvene the FG once EMFF proposal published - Completed
- Annual economic report of the EU fleet meeting 11-15 June: invitation MAC - Completed
- Volunteer from MAC to attend the meeting - Completed
- Invite STECF Chair to WG1 on an annual basis - Completed

Marketing Standards

Pim Visser (VisNed) gave a presentation on the [MAC draft advice on EU Marketing Standards for fishery and aquaculture products](#). He expressed the results that came out from their [questionnaire](#) (15 responses, mainly from members that are at association level) were incorporated in draft advice paper. In parallel, there is a [public consultation](#) launched by the European Commission (COM). Some members of the MAC contributed to the questionnaire of the Focus Group (FG) and might not have participated to the public consultation, which is a very technical document. The FG evaluated the regulatory framework of some of the regulations, i.e. on sardines, tuna and bonito and fresh fisheries and aquaculture products. Although the MAC received only 15 responses, these came from umbrella organisations that reflect the opinion of their members.

The Chair invited the WG to go through the report in detail. The COM is going through their own process, however the MAC has decided to look into this regulation seriously. He felt that the next step would be to go through the Regulation in more precise detail and try to come up with what we consider that should be in a new proposal. The idea would be to send the proposal to COM for their consideration.

The Chair reviewed the draft page by page:

- Page 1

No specific comments were made. The regulatory framework, will be amended if needed.

- Page 2-3

VisNed expressed that all the responses to the questionnaire are reflected in this piece of text. Overall, there is a general awareness of the Regulation, that it is being implemented and applied. He added that the freshness categories are giving no extra information to buyers. The recommendation is to come to a standard harmonised way to proceed, not in the regulation but the regulation could refer to that process (that could take up to 2 – 2.5 years).

- Freshness Categories

Les Pêcheurs de Bretagne agreed with the lack of harmonisation regarding the freshness

categories. The Chair thought this was a valid point and underlined the need to seriously look into this as the freshness gradings are no longer valid to him. These should be put into guidelines.

VisNed clarified that the reflection revolved around the “fit for human consumption” or not categories. Once the product is fit for consumption, it should be up to the market parties to distinguish them. If there is a system to distinguish them, then it should be harmonised.

AIPCE underlined that the “fit for human consumption” category is the responsibility of the veterinary authorities. Regarding the “fit for human consumption” products, the question is to know who will be paying the bill to check the products; authorities or sector.

The Chair concluded that the MAC would recommend for the quality standards to be put into guidelines rather than in the regulation.

COM invited the MAC to think more EU market wise, rather than at national or regional level.

Les Pêcheurs de Bretagne commented that freshness categories are mainly used at local or regional level, therefore if the MAC has the opportunity to redefine those categories he would recommend starting with something similar to the 1996 Regulation, i.e. starting implement at the local-regional level.

- Size Categories

EMPA proposed to reword paragraph 2 to «*POs or interbranch organisation*».

AIPCE expressed that the “minimum marketing size (MMS)” is unclear; who is responsible for it: POs or interbranch organisations? He felt it should be the market organisations.

The Chair agreed that the MAC should seriously look into the MCRS from a marketing point of view.

COM expressed some concerns with regard to the paragraph as POs/IBOs are allowed to do so only under specific mechanisms that involve a thorough checks that the exception to competition rules is justified. Therefore there is no possibility for POs to set MMS that would apply throughout the EU market. The only possible way would be through a continuous use of the extension of rules instrument that you could only apply as a PO in the specific area where you are representative.

Regarding the interbranch organisation, replying to EMPA, COM expressed that national organisations are not interbranch organisations within the meaning of the CMO Regulation.

COM agreed with AIPCE, that if there is only one actor in the chain setting the sizes, this could be problematic. Another element is to know how MCRS relate to imports, thus ensures a level playing field with MMS standards for imported products. This is a very sensitive issue.

The Chair acknowledged the comments made by the COM.

VisNed will work on the rewording of the paragraph making a link to the imports which will be forwarded to the Secretariat.

AIPCE clarified that, in practice, POs set certain sizes because of quotas reason, which is different than setting MMS.

EAPO underlined that the aim of this paragraph is to make sure that there is no distinction between MCRS (coming from the Control regulation) and then the MMS (coming from the marketing standards). We have to make sure these two are exactly the same.

COM thought that this had already been fixed by the Art.47.2 of the CMO and its amendment coming from the omnibus where it is said that where there are MCRS they shall constitute MMS.

The Chair invited the FG to rewrite the paragraph taking into account imports and competition.

- Standards the MAC would like to see implemented and reasons why

COM pointed out the special case of the sardines in particular regarding a potential issue on dual quality food. The current regulation was essentially drafted for one sardine species, i.e. *sardine pilchardus*. However, COM was asked by WTO to expand the array of products which could be called sardines. For canned sprat the consumer in Latvia does not have the same rights in terms of quality levels as other consumers from countries commercialising *sardine pilchardus* have.

ANFACO-CECOPECA expressed that by large the industry is happy with the sardine and tuna regulation.

Pim Visser will further this topic at the FG.

- Page 4

This page will be fully revised in view of today's meeting discussion.

To conclude, the Chair invited the FG to reconvene in the near future. One of the central points to be addressed is the freshness categories and the MMS-MRCS, and the sardines.

VisNed expressed the view that before the end of the year, the FG will meet in order to redraft the FG advice in advance of the MAC February 2019 meetings.

The Chair invited the FG to deliver the final draft by mid-January 2019 in order to have a proper discussion in February 2019 at WG1.

Michael Keatinge gave a detailed presentation on the EU Fishing fleet Trends and Economics results. This presentation takes place annually in Working Group 1 of the MAC.

LIFE asked for clarification regarding the figures related to average wages.

The Chair wondered if the MAC could establish a mechanism with STECF to address the various issues that MAC members could see in the report. The MAC would also like to express what it would like to include in such reports.

STECF added that they have very little to go on when it comes to fish prices (i.e. total volume landed and the total value of that landing). Trying to understand the changes in prices is much bigger exercise. He added that another point is that STECF has not made the links with EUMOFA, so we need to have a debate about this. He expressed that the MAC may need to open a dialogue with the COM to address a new project on this issue.

EMPA: regretted that aquaculture was not represented in such reports, and wondered if STECF was planning of doing a similar report for aquaculture products.

STECF expressed that a similar report regarding aquaculture has been published.

CEP hoped to have an STECF representative presenting the EU Fish processing sector report at a next MAC WG2 meeting, particularly about maximising the value of EUMOFA and making sure there is a correspondence.

The Good Fish Foundation wondered if STECF had looked at how mackerel fishery could distort the picture of the total EU catch in line with scientific advice.

STECF replied that they did, and added that if we start looking at price data, demand, supply etc it is going to take a considerable amount of time and expertise.

The Chair looked forward to developing a relationship between the MAC and STECF. He concluded that WG1 would explore with the COM how to add value to the STECF, as well as create linkages with EUMOFA. A roadmap on how to progress on this issue needs to be plotted. At the MAC February meetings, the WG will discuss with the COM on how to address those issues.

Updates on:

- **EMFF**

The Chair underlined that this topic is a key issue for WG1.

Christophe Vande Weyer (COM) presented the timeline of the EMFF proposal:

- 12/06/2018: COM proposal was published
- 12/09/2018: [Draft report](#) from MEP Mato was sent to the COM.

- 12/10/2018: amendments to the EP draft report will be tabled
- Currently, regarding the Council, they are scrutinising the proposal article by article. A first conclusion should be published under the Austrian presidency. The final conclusion should only be done by the end of 2018.
- X/01/2019: vote in PECH Committee
- After the EU elections but before the summer 2019: the trilogues will take place.

The idea is to have the actual programming by MS by 2020 and the start of implementation from 01/01/2021.

COM underlined that the MAC was supposed to give an advice to the COM, and not to the co-legislators. The Chair clarified that under the CFP, Article 44, the ACs can provide advices to COM and the MS. The MAC fully realises that as the proposal is published, MAC comments to the COM will only be for information purposes. .

- **EUMOFA**

COM expressed that the current contract is expiring mid-December but the procurement procedure for the next contract is going on, therefore continuity will be ensured. A mid-term evaluation of the EMFF expenditures in direct management will shortly be published. This report will conclude that EUMOFA is delivering very well on market intelligence. The recommendation will be to maintain EUMOFA in its current function, including its current level of financing.

The Chair stressed that EUMOFA has been on WG1 agenda for a few meetings. WG1 is interested in knowing how it can further interact and improve EUMOFA.

Summary of actions & decisions taken

The Chair concluded by listing the 2 key actions points for the next meeting:

- 1) MAC advice on the Marketing standards:
Focus Group to reconvene before the end of the year. Final draft to be delivered mid-January 2019 in order to have a proper discussion in February 2019.
- 2) MAC opinion on the EMFF: urgent adoption via written procedure if necessary. To be sent to co-legislators.
- 3) Explore the most efficient way with regards to the interaction between MAC and STECF
- 4) Further discussions on suggestions to interact and improve EUMOFA from the MAC.

End of the meeting



Market Advisory Council

NAME		ORGANISATION
Andrew	Kuyk	CEP
Arnault	Chaperon	FEAP
Bruno	Guillaumie	EMPA
Brian	O'Riordan	LIFE
Christine	Absil	Good Fish Foundation
Christophe	Vande Weyer	European Commission
Claudia	Orlandini	LIFE
Claudia	Vinci	AIPCE-CEP
Daniel	Voces	Europêche
Eduardo	Miguez López	Puerto Celeiro OPP 77
Emiel	Brouckaert	EAPO
Erik	Bjorn Olsen	Living Sea
Guus	Pastoor	AIPCE
James	Warwick	SEAFISH
Janne	Posti	MSC
Jarek	Zielinski	PSPR
Jean-Marie	Robert	Les Pêcheurs de Bretagne
Jessica	Demblon	Market Advisory Council
Jose Basilio	Otero Rodriguez	Federación Pescadores de Lugo
Katarina	Sipic	Conxemar
Katrin	Vilhem Poulsen	WWF
Nicolas	Fernández	OPP 72
Patrick	Murphy	Irish South & West Fish Producers Organisation, CLG (IS&WFPO, CLG)
Pim	Visser	VisNed
Roberto Carlos	Alonso Baptista de Sousa	ANFACO-CECOPESCA
Sandra	Sanmartin	Market Advisory Council
Sean	O'Donoghue	KFO
Sergio	López García	OPP Lugo