

Working Group 2: EU Market Minutes

Wednesday 29 January 2020

11:00-13:10

Avenue de Cortenbergh 168,
1000 Brussels

Welcome from the Chair, Andrew Kuyk

Adoption of draft agenda and minutes of last meeting (02.09.19): adopted

Action points of the last meeting

- **State of play of the decisions made during the last meeting – information**

The Chair highlighted that the MAC was able to conclude the advice on the Level Playing Field under Year 3.

IUU Regulation

- **Exchange of views on legislative developments**

Click [here](#) to access EJF's PowerPoint presentation.

The Chair drew attention to the study on import control schemes published by the EU IUU Coalition.

Environmental Justice Foundation proceeded with a presentation of the report.

The Chair thanked EJF for the comprehensive presentation. The Chair argued that there should be as much harmonisation as possible in the top three seafood markets. A high degree of alignment is beneficial for operators and is also an essential anti-fraud measure.

CFFA-CAPE highlighted that the EU has consistently asked for an harmonised system of import controls, but that the other large actors have not followed that. They wanted to know if the report had been shared with other markets and their reactions. They also wanted to know what NGOs and other stakeholders could do to change their attitude.



Environmental Justice Foundation informed that they have shared the report. Japan is currently in the process of assessing individual control schemes worldwide. There is room for improvement in the alignment of the EU and USA. They shared hope that Japan will take into account the recommendations of the report. Japan is also meeting with EU and USA official to discuss control schemes.

Visfederatie highlighted that many private companies are international players operating in different markets, so there will be pressure for the market operators. USA companies believe that the EU's system is too complicated, but are on the same page. Concerning the EU IUU Coalition's request for improvements on fishing method and fishing gear, they wanted to know if these were essential to prove legality of catches.

Environmental Justice Foundation invited the members to promote the report with other private partners. Regarding the catching method, legality factors into it, because, in some catching areas, certain catching methods are not allowed.

- **Way Forward**

The Chair recalled that the Commission had an external mission to Japan, at the end of last year, to present the EU's system, adding that it was a very positive step. The Chair asked the Commission about how this issue was evolving and the way forward.

The European Commission explained that, for two years in a row, DG MARE has received funding from the EEAS to promote the catch documentation system as well as electronic traceability in Japan. Last October, the Commission discussed with Japanese representatives on how to improve their system and how to introduce new elements. Part of the European industry participated. Japan is opening towards internal traceability and the implementation of an import control scheme. The Commission will be meeting their Japanese colleagues in a few weeks to discuss, in detail, the implementation of the EU's catch documentation scheme.

Across the years, the Commission worked to harmonise systems. There was agreement on the FAO guidelines in 2017. It is fundamental for governments to be involved in the certification. The Commission appreciates that American colleagues are taking first steps towards import control measures.

Concerning gear type, the Commission does not see the need to connect gear type to legality, even though it is relevant for sustainability purpose. It is the task of the flag State to ensure that the correct gear type is used in the correct area. In relation to the Catch IT System, there is a possibility to include more information on the electronic component. On the port of landing, under the proposal of the revision of the IUU Regulation, the Commission introduced that requirement. On the IMO number, the EU cannot stop trade by smaller vessels that are not required to have an IMO number.



In connection to the harmonisation of the system, the Commission highlighted the importance of ensuring that data elements are provided. There must be a common data language. The Commission is trying to find a solution that will suit all countries and documentation schemes.

ETF argued that the IMO number is fundamental to ensure compliance. Traceability must be as clear as possible. Common denominators are important to ensure traceability.

The European Commission replied that, if a fleet is not fishing in the high seas, an IMO number is not legally required, even though they might have a unique identifier.

Good Fish Foundation, in relation to the catch method information, wanted to know how correct information on labels for consumers could be guaranteed.

The European Commission replied that there could be a benefit in including it in the catch certificate, but that it is not necessary to ensure the legality of the catch.

The Chair emphasised that the IUU Regulation is clearly about legality. There are other instruments dedicated to sustainability and consumer information. There should be coherence, but the IUU Regulation does not necessarily have to cover all matters. The Chair asked for more information on future developments and timescale for digitalisation and modernisation of the IUU Regulation.

The Commission replied that, before the conclusion of the discussions on the Control Regulation, it would be difficult to start work on that.

Control Regulation

- **Exchange of views on latest developments on the review of the regulation**

The Chair recalled that the previous term of the European Parliament did not conclude the work on this legislative file. The PECH Committee has restarted the work, which will also include a new set of amendments, requiring several months. The Chair suggested recirculating the MAC's advice on the Control Regulation to the new PECH Committee members, for their information. The Chair argued that it was not necessary to revisit the advice, since the Commission's proposal remains the same. Once the legislative process is over, the MAC should re-evaluate.

CFFA-CAPE agreed with the proposal to recirculate the advice, highlighting that the relationship between the MAC and the EP is to simply inform.

Killybegs Fishermen's Organisation proposed to also recirculate the advice to the Member States.



CFFA-CAPE mentioned that it could be beneficial to have representatives of the European Parliament present in future discussions.

The Chair agreed with CFFA-CAPE's suggestion.

Europêche, taking into account the timeline set out by the PECH Committee's Rapporteur, argued that it is important to recirculate the MAC's advice as soon as possible. The PECH Committee is aiming to conclude this legislative file by the end of the year.

Trade Agreements

- **Consideration of an advice on Free Trade Agreement between the European Union and the Socialist Republic of Viet Nam**

The Chair explained that the FTA has been signed and is under provisional application. The Chair highlighted that Vietnam is a very important player in the global supply chain, expressing hope that the FTA will help improve supply chains.

The European Commission stated that they took note of the opinion adopted by the PECH Committee. The INTA Committee consented to the FTA and recommended to the Plenary to do the same. The issue of IUU is always a concern and there is language on the commitments to fight IUU. Not fulfilling all conditions on IUU and the existence of a "yellow card" does not preclude the signing of a trade agreement. Even with a signed agreement, the Commission can still block imports of seafood products with a "red card". The Plenary will vote on the trade deal at its next meeting. The Commission and the Council expect that the FTA will enter into force before the Summer.

The Commission representative proceeded with an update on other trade issues. On Thailand, the resuming of the trade talks are foreseen, but there is no additional information on the period and parameters. DG MARE will be voicing the concerns of the seafood sector. The Commission welcomes both the views of individual stakeholders and advices from the MAC on this.

On ACP countries, the Commission welcomed the MAC's advice on the updated negotiating guidelines, adding that it is useful and important to have the views of the entire sector both internally and during negotiations with trading partners. The Commission always argued for strong environmental and social provisions, and cooperation in RFMOs, in FTAs. The Commission also defends the ILO Convention worldwide, but there is a credibility issue, since only a few Member States have ratified it. On Azerbaijan, there is an ongoing round of negotiations and the MAC's views would be welcomed.

On Autonomous Tariff Quotas, the Commission has launched the process for 2021-2023. The Commission already requested the opinions of the main trade associations and invited all parties



to share their views. The Commission is open to meetings and comments. The idea is to go for a three years period, which provides the best balance between predictability and changes in the market. The regulation should be published, at the latest, in December. The Commission aims to send the proposal to the Council before the Summer.

ETF underscored that it is important to encourage the signing of the ILO convention and its application. The EU is capable of setting the path for other economies.

FRUCOM, in relation to the Vietnam FTA, wanted to know if only the vote by the EP Plenary and the ratification by the Vietnam's side were missing.

The European Commission clarified that, after the vote in Plenary, there is an additional step by the Council.

ANFACO-CECOPECA, in relation to Thailand, highlighted that millions of protesters have complained about a governmental order eliminating the opposition party. There is still a lot to do to achieve fisheries control and to ensure that 100% of the products respect the minimum acceptable standards. There are also many democratic questions to be considered. In relation to ATQs, they expressed that all products should be respected. Objective criteria is needed.

ADEPALE asked for more information on the Brexit transition period. They also wanted to know how the trade negotiations will look like and how DG MARE will be involved.

The Chair recalled that the advice on ACP countries was concluded through written procedure. In relation to Vietnam, the MAC should go beyond general exchanges of views, and should assess matters through a lens of formulating an advice. Taking into account the timeline, it might be too late, but, if the members want to, the MAC can proceed with an advice, in a similar manner to the EP. As for ATQs, different parts of the supply chain will have different views, so it would be rather difficult to reach a consensus.

The European Commission explained that the EU-UK negotiations are a very specific case and trade issues and fisheries access are linked. This matter will not be dealt by the usual trade team of DG MARE, but by a task force to steer the entirety of the negotiations. In relation to ACP countries, the Commission is defending EU standards on rules of origin.

CFFA-CAPE suggested meeting with the Commission to discuss the implementation of the sustainability chapter of the Vietnam FTA. There are issues of human trafficking and child labour in Vietnamese fisheries. The Commission could explain how FTAs are being used to address these topics in the discussions.

LDAC's Secretariat expressed support for CFFA-CAPE's suggestion. The LDAC has discussed the MAC's advice on the Level Playing Field, which was very much appreciated. LDAC is preparing a



formal endorsement to the Commission of this advice. LDAC is interested in following-up on several recommendations. LDAC will have WG meetings in March and will invite the Commission and request additional efforts to proceed with an IUU auditor in Vietnam.

The Chair, in relation to the ATQs topic, stated that different parts of the supply chain will have different views, but that it could be included as an agenda item in May.

Killybegs Fishermen's Organisation expressed understanding on the difficulties of discussing ATQs, but argued in favour of discussing. There are areas where consensus will be possible.

ANFACO-CECOPECA argued that the Regulation should be looked at in a wider perspective. Objective criteria is needed. The EU should take a leadership position and set standards based on objective criteria.

CFFA-CAPE suggested a Focus Group, since a WG meeting might not be productive. They suggested to come back to the issue at the Executive Committee taking place the following day.

WWE asked for information on the status of the MAC's advice on the Level Playing Field.

The Secretary General explained that they received information from DG MARE that a reply is being finalised. Since the advice touches on issues covered by many different units of DG MARE, it requires additional time to be approved by all Heads of Unit. The Commission has asked the MAC to focus on smaller advices with more targeted topics.

Market Trade Flows

- **Presentation by Mike Turenhout (Visfederatie)**

Click [here](#) to access the presentation.

Mike Turenhout (Visfederatie) proceeded with a presentation of the EU seafood market based on the AIPCE-CEP Finfish Study 2019.

CFFA-CAPE asked for more information concerning the reference to “fisheries agreements” in the last slide.

Mike Turenhout (Visfederatie) replied that, when following trade flows, the volumes caught under FTAs are not always clear. These are put as export into the EU trade statistics, it is not clearer if there are considered for the production values. It is not clear the relation with the food balance. More information would allow a better understanding of the impact to the industry and of the availability of seafood in the EU market.



CCFA-CAPE argued that many of those questions are answered in the *ex post* evaluation of the SFPAs.

FEAP called on the MAC to support the growth of aquaculture. Aquaculture has grown more than fisheries in the past five years and is increasing worldwide expect in Europe. The lack of development of the EU's aquaculture sector also has a negative impact on the processing industry.

Visfederatie stated that the MAC has held several discussions with the Commission on the use of EUMOFA. Each WG should look at the specific needs for the EUMOFA system. There are some needs in terms of information flows.

Killybegs Fishermen's Organisation highlighted the Commission's comprehensive response to the MAC's advice on EUMOFA. There should be a follow up by WG2. In relation to the data presented, they wanted to know if there were differences when compared to EUMOFA.

Mike Turenhout (Visfederatie) explained that the data is mostly the same, but there are some small changes. AIPCE-CEP used different conversion rates for some products. The Finfish also has the purpose of checking EUMOFA's data.

Killybegs Fishermen's Organisation argued that the MAC should determine what these differences are and ask the Commission about these.

The Chair emphasised that it is important to have as much insight on the EU's seafood market as possible, including the role of aquaculture. The Chair suggested that the Executive Committee should reflect on how to articulate in identifying problem and developing a dialogue with the Commission.

AOB

None



List of attendees

Representative	Organisation
Alexandre Rodríguez (observer)	Long Distance Advisory Council's Secretariat
Alonso Abreu Lozano	Asociación de Armadores de Punta del Moral (OPP80)
Andrew Kuyk	AIPCE-CEP
Anna Boulova	FRUCOM
Andrea Albertazzi	ETF
Ángeles Longa	EMPA
Arnault Chaperon	FEAP
Béatrice Gorez	CFFA-CAPE
Christine Absil	Good Fish Foundation
Cristina Fernández (observer)	United Kingdom (Seafish)
Daniel Voces de Onáindi	Europêche
Desirée Kjolsen	European Commission
Eduardo Míguez	Puerto de Celeiro S.A. – OPP77
Emiel Brouckaert	EAP0
Erik Bjørn Olsen	Danish Society for a Living Sea
Georg Werner	Environmental Justice Foundation
Guus Pastoor	Visfederatie
Janne Posti	Marine Stewardship Council
Javier de las Peñas Rivero (observer)	Spain
Jens Mathiesen	Danish Seafood Association
Joanna Żurawska-Łagoda (observer)	Poland
João Nunes	European Commission
José Carlos Escalera Aguilar	Federación de Cofradías de Pescadores de Cadiz (FECOPESCA)
Juan Manuel Trujillo Castillo	ETF
Katrin Vilhelm Poulsen	WWF





Market Advisory Council

Representative	Organisation
Lil Kerherve	European Commission
Marc Eskelund	EUfishmeal
María Luisa Álvarez Blanco	FEDEPESCA
Massimo Bellavista	COPA COGECA
Mathilde Voisin	Market Advisory Council
Mike Turenhout	Visfederatie
Nicolás Fernandez Muñoz	OPP72
Patrick Murphy	IS&WFPO, CLG
Pedro Reis Santos	Market Advisory Council
Pierre Commère	ADEPALE
Roberto Carlos Alonso Baptista de Sousa	ANFACO-CECOPECA
Rosalie Tukker	Europêche
Sean O'Donoghue	Killybegs Fishermen's Organisation Ltd
Sergio López	OPP LUGO

