

# MARKET ADVISORY COUNCIL

## Work Programme Year 3

1 October 2018 - 30 September 2019

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## Introduction

The Market Advisory Council (MAC) is a stakeholder-led organisation created in 2016 under the legal form of a non-profit organisation based in Brussels and co-funded by the European Commission.

The MAC is made up of 62 European and national organisations from 11 Member States representing the whole value chain. Members include organisations from the catching and aquaculture sector, processors, trade unions and environmental organisations among others.

The MAC provides evidence-based advice to the European Commission and the Member States in relation to various issues regarding the markets of fishery and aquaculture products. Its main goal is to achieve a better understanding of the markets for aquaculture and fishery products facilitating a better implementation of the Common Fisheries Policy and common organisation of the market.

The MAC is unique among Advisory Councils in that it is a horizontal body, covering activities across the entire supply chain, from primary production (of both capture and farmed fish) through processing, marketing and trading, to retail and consumption, including food safety, consumer information and other relevant regulatory issues. Its membership reflects this broad spectrum of interests, including those of non-industry stakeholders.

In its third year of operation, which runs from 01 October 2018 to 30 September 2019, the MAC wishes to apply for grant-aid from the EU Commission, in accordance with the relevant provisions in force.

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## Main objectives

Many of the issues the MAC needs to address are horizontal in nature, impacting on more than one part of the chain and involving several different players. Experience of operation in previous years has shown the need for a flexible and responsive structure to meet the challenges involved. It has been decided that the best way of achieving this is through a tripartite Working Group structure reporting to an Executive Committee which is responsible for the delivery of formal advice reflecting Working Group recommendations. The flexibility in the organisation of the work under the MAC has allowed the organisation of joint Working Groups to tackle those issues under the remit of several Working Groups. In order to facilitate the drafting of advices and have a tangible product to present to the Working Groups, the MAC has also constituted several Focus Groups entrusted with the preparation of papers.

### Objectives

- 1. Ensuring the collective voice of all stakeholders in the value chain is heard with regards to market issues both by responding to Commission's request for advice and by identifying new other areas that members of the MAC consider necessary to address.**

The principal aim of the Market Advisory Council for Fishery and Aquaculture Products is to bring together European stakeholders (including primary producers [catching, aquaculture], traders, exporters, importers to/from third countries, processors, wholesalers, distributors, retailers, consumers, environmental or development non-governmental organisations, consumer organisations, and any other interest group affected by the CFP) in order to allow a transparent and representative dialogue in submitting recommendations and suggestions to the Commission and to the Member States in market-related issues. The cross-sectorial nature of the MAC provides a unique platform for stakeholders to share views and expertise to inform policy evidence-based policy making.

- 2. Contributing to achieve a better understanding of the markets for aquaculture and fishery products.**



Broadly speaking, the MAC will direct its work to help the Commission and Member States to achieve a better understanding of the markets for aquaculture and fishery products. The MAC will assist in this respect in the necessary to promote a more coherent common organisation, a better image of seafood products and an increased consumption.

### **3. Facilitating implementation of the CFP.**

Ultimately, the advice produced by the MAC will be directed by the objectives of the Common Fisheries Policy and in particular its provisions relating to the Common Market Organisation. But this should not without preclude the possibility of issuing recommendations on the basis of any other legal instruments that touch upon market-related issues. The MAC intends to assist the Commission and policy-makers to effectively implement the CFP and the CMO by issuing recommendations and opinions in respect of the non-exhaustive list of topics described in detail below.



# MAC priorities and deliverables for Year 3

## Marketing Standards

The MAC agrees on the importance of a level playing field for the procurement of the EU market, which should only be supplied with legal and sustainable products. In that context, it will aim to provide advice on the functioning and coverage of current standards and to identify any scope for rationalisation or improvement. The MAC will continue carrying out its substantive work in the ongoing process.

Timeline: before the end of the year 2018.

Discussed during the Working Group 1 meeting of 19<sup>th</sup> October 2018.

## Future Funding Priorities for EMFF

The EMFF programme is the principal means of providing publicly funded financial support for the industry as a whole. During its Year 1 work, the MAC has made several observations relating to problems in accessing existing measures and to the need for greater coherence and consistency in their application, while recognising that this is in part due to decisions by individual Member States within the frameworks laid down. In this regard, the MAC forwarded the Commission its advice in March 2018. The MAC will keep following up on this critical matter actively engaging in discussion and dialogues with a view to providing advice to Member States. The MAC will also address the storage aid (article 67) considering all opinions and rationales behind these.

Timeline: as soon as possible and at the latest by mid-December 2108

## Revision of Control Regulation

The Control Regulation impacts across the market procurement chain as a whole. The MAC supports Commission's broad review objectives of simplification and increased effectiveness, and the mitigation of differential levels of implementation between Member States. This is of particular concern in relation to market control and traceability. The MAC will keep examining ways in which existing arrangements might be improved, in particular in relation to the interaction between the Control Regulation, the operation of the CMO and food law and labelling in the Food Information for Consumers Regulation. As it happens with the EMFF, the MAC will



follow up on the Control Regulation and will aim at providing any support or advice to the Commission and Member States in the process, keeping in mind the importance of simplification and easy implementation by stakeholders, and easy / effective control by the authorities.

Timeline: before the end of the year 2018.

Discussed during the Working Group 2 meeting of 18<sup>th</sup> October 2018.

### **Certification schemes**

The MAC is aware that the role of third party certification schemes is a continuing subject of interest in many fora. Although no formal proposals are currently in prospect, following consideration of the report prepared by the Commission in pursuance of Art 36 of Regulation 1379/2013, the MAC is open to further discussion of the impact of existing schemes, both in business to business transactions and in relation to final consumers. A first discussion took place in May 2018. The Commission kindly provided documents and studies to facilitate discussions, which will be used as from October 2018. A Focus Group is likely to be established in order to address the issue. The MAC will bear in mind the need to provide an advice by mid-February.

Timeline: as soon as possible and at the latest by February 2019.

### **Dual Quality Food**

The MAC is aware of concerns that have been raised in relation to so-called dual quality foods. It has already examined some aspects of this during the course of its Year 1 work, but understands that the Commission wishes to have specific information in relation to canned tuna products in the light of the requirements of Regulation 1536/92. The MAC would be happy to contribute to this request.

Timeline: After deliberation among MAC members, a response to the Commission is currently being drafted.

### **Trade Agreements**

The EU market is heavily dependent on imported supplies to meet consumer demand. As part of its work to improve understanding of consumption trends and price developments, the MAC will continue to monitor and offer advice on both offensive and defensive opportunities in relation to the various ongoing EU negotiations with third countries on possible new free trade



deals. Understanding the interest other ACs have in providing input in this regard, representatives of other ACs will be invited to actively participate in MAC meetings.

### **Level Playing Field**

The MAC is currently exploring possible standards, rules or practices that may distort the level playing field, both at EU level (with a special emphasis in aquaculture) and with regards to products imported from third countries. The MAC intends to provide an overview of the different regulations applicable to the European fisheries sector, European aquaculture sector and third country imports, which will be accompanied of several case studies.

Timeline: February 2019 – April 2019.

### **IUU Regulation**

The MAC has already issued advice in Year 1 (jointly with the LDAC and MEDAC) on the need for modernisation and improvement of the IUU Regulation, in particular in relation to the development of an electronic catch certification system. There is clearly a potential link between this and the possible development of a fully digitalised traceability system for fishery products in general. The MAC will therefore consider the need for further advice taking account of the review of the Control Regulation and progress with the implementation of the landing obligation which also has implications for catch recording and traceability.

Timeline: advice to be produced in the second half of Year 3.

### **Plastics**

Understanding the urgent need to tackle the environmental problems that today cast a long shadow over the production, use and consumption of plastics, the MAC will organise a full day event on Plastics under Working Group 3 to explore ways in which it can contribute to finding solutions. The work done under the Working Group is aimed at producing an advice In light of the Plastic Waste Strategy of the European Commission, taking into account the different sectors along the supply chain affected by the presence of plastics.

Timeline: advice to be produced in the second half of Year 3.

### **Other Work**



In addition to the above, each of the 3 Working Groups will keep under review the specific areas of interest for which it is responsible, responding as appropriate to ad hoc Commission requests for advice.



## Operational structure

The MAC normally covers expenditure related to the organisation of meetings. As the MAC is established in Brussels, meetings normally take place in Brussels. This is the most convenient location for the majority of the stakeholders and for the Secretariat in liaising with meeting venues, interpreters, catering and logistics related to events.

The MAC will organise a set of meetings in Bilbao in February 2018 following a private sponsorship offer, which would cover part of the expenses as contributions-in-kind. Negotiations will continue in the first months of Year 3 and budgetary changes in this respect will be recorded in due time in the budget.

The operational hierarchy of the MAC is organised in the following structure:

### 1. General Assembly.

All members are invited to participate in the General Assembly, which takes place at least once a year (in February and/or April in 2019). The General Assembly is updated by the Chairs of the MAC and Working Groups on the decisions taken and advices adopted and are entrusted with the adoption of the budgets, work programme, election of chairs of the MAC and Working Groups, among other tasks reflected in the Statutes.

### 2. Executive Committee.

All decisions relating to the MAC are made by an Executive Committee with a maximum of 25 members (i.e. 15 fishing industry, and 10 other interest groups) reflecting the 60/40 balance required. Year 2 welcomed EJF as part of the Executive Committee, which now consists of 15 members of the industry and 7 NGOs and other interest groups, leaving 3 seats in the 40% vacant.

Meetings of the Executive Committee take place at least twice a year. The Executive Committee addresses policy issues, debates the input from Working Groups, proposes the budget and annual programme of the AC and the annual report and any other task entrusted by the Statutes.



Two meetings of the Executive Committee are foreseen for year 3: February 2019 and June 2019.

### 3. Management group.

The management group is comprised of the Chairs and Vice-Chairs of the MAC, Chairs of the Working Groups and rapporteurs of Working Groups. They meet whenever is needed to discuss informally the functioning of the MAC and to exchange views on the implementation of the work programme.

### 4. Working Groups.

The Working Groups implement the work programme within the limits of their competencies, established annually by the Executive Committee. Additional Working Groups may be created as required in the future. Working Groups adopt proposals of opinions, advices and papers to be endorsed by the Executive Committee.

Working Groups are held over a period of normally 2 days in order to ensure an efficient use of the budgetary resources. Meetings of the Working Groups take place at least 3 times a year. For year 3, meetings are scheduled in October 2018, February 2019 and April 2019.

The following is an indicative allocation of responsibilities between the 3 Working Groups. The list of items is merely indicative of the scope of the three Working Groups constituted, a graphic representation of the matters that are addressed or may be addressed in each Working Group. The non-exhaustive list of items is intended as a guide to the organisation of work, rather than itself constituting a formal programme of activity for the year ahead.

#### Working Group 1: EU Production

- Common Market Organisation: producers & interbranch organizations, marketing and planning, stabilisation of markets
- European Maritime and Fisheries Fund (2014-2020) and future funding priorities for the next period
- Evaluation of first sale



- Economic viability of the fleet – collaboration with STECF
- Evaluation and revision of Marketing Standards on sizes and freshness (Council Regulation (EC) No 2406/96)
- Implications of the EU Control Regulation on EU Production

#### Working Group 2: EU Market

- Supply (annual status and trends)
- Trade with third countries: Community Custom Code, General System of Preferences (GSP), Free Trade Agreements, Economic Partnership Agreements, World Trade Organisation
- Monitoring of community imports and tariff situation; tariff suspensions and tariff quotas for fishery and aquaculture products with the aim of providing advice or input if necessary
- Monitoring and assessment of unfair/disloyal practices in 3rd countries
- Assisting responsible institutions and Member States, when needed, to develop programmes or activities of promotion of social, employment and environmental aspects of the international trade in fishery and aquaculture products; campaigns directed to increase the consumption of fish and aquaculture products as healthy and sustainable food.
- Price developments ‘from sea to table’ (from the fisherman / aquaculture producer to the consumer) with the aim of providing advice or input as necessary
- Studying market efficiency and diversity in the Member States; contributing to a better and more efficient / cost effective EUMOFA
- Understanding the dynamics and drivers of the market throughout the whole chain
  - Analysing market trends and consumer behaviours, with the aim of providing evidence to inform policy development and the work of others in relation to: responsible sourcing and processing
  - open and useful / efficient consumer information
  - explaining and justifying the health benefits of eating seafood, including benefit / risk analyses when appropriate
  - improving standards across supply chains
- Implications of IUU fishing in EU market
- Implications of the Control Regulation in EU market



- Annual Report on Economic Performance of the EU Fish Processing Industry Sector & EU Aquaculture sector - collaboration with STECF

### Working Group 3: EU control and sanitary issues, consumer rules

- Consumer information
- Proper functioning of article 35-38 about consumer information of regulation 1379/2013 on the common organization of the markets in fishery and aquaculture products in all member States
- Labelling issues
- Voluntary information on fish and aquaculture products
- Traceability in seafood products
- Implementation of IUU Regulation-issues other than tackled by WG2
- Plastic in the oceans : from macro plastic to micro plastics – European plastic strategy
- Dual quality food
- Certification schemes

## 5. Focus Groups.

The MAC has decided to establish small groups to prepare drafts on different topics. The items included in those drafts reflect discussions held in first instance in the relevant Working Group without the possibility of going beyond. The maximum amount of members a Focus Group can have is 10 and these are in charge of reflecting and addressing all points of view. The drafts prepared within a Focus Group are put forward for adoption in the corresponding Working Group.

The Focus Groups that have been established during Year 2 and will continue to do the necessary to get their drafts adopted are:

### A. Focus Group on Marketing Standards

The draft prepared under this FG will be put forward for adoption in October 2018, therefore after this date, the FG will be disbanded.



B. Focus Group on Level Playing Field

This FG, created upon initiative of the MAC, will continue the work started in Year 2 as from November 2018.

C. Focus Group on Control Regulation

The draft prepared under this FG will be put forward for adoption in October 2018, therefore after this date, the FG will be disbanded.

D. Focus Group on EMFF

The first meeting of this FG will take place in October and will continue its works during 2019.

Other FG may be created during Year 3 if needed. At this particular moment there is no plan to constitute any other.

An indicative schedule of meetings can be found in [Annex I](#).



## Other matters

- The MAC will continue its work with regards to the discussions opened by the NWWAC in 2017 with regards to the role, composition and functioning of the ACs, which refer specifically to the Brexit scenario. The MAC was present in the first meeting in this regard, held in Dublin in 2017, and in one organised by the PELAC in April 2018 in The Hague. A representation of the MAC, comprised of the Chair of the council and the Secretariat, will attend the next meeting scheduled, held in Madrid and organised by the LDAC, and any further subsequent ones.

The MAC started the process of developing a common advice on this regard. The MAC agrees with UK participating in the ACs during the interim period and leaves the door open for third countries to participate in the MAC afterwards.

- In preparation for the elections in 2020, the last months of Year 3 (autumn 2019) will see a review of the Chairmanships and work done so far within the Executive Committee. Actions will be taken in order to call candidates and organise transparent and fair elections in January 2020.
- Given the success of the event organised in collaboration with the European Commission on Production and Marketing Plans, and since the MAC is in an ideal situation as it represents the whole supply chain across the whole geographical area of the EU, the MAC would like to explore the possibility of organising another major event in an issue of relevance for the MAC.

This event would ideally address consumer matters, as a way to come closer to the general consumer public. The MAC regrets the lack of consumer organisations within its structure.

- The MAC will continue the distribution of the Guidelines on PMPs. In this respect, an event will be organised with Member States to present the publication.



# Annex I

## MAC Meetings

The information presented below is indicative of MAC operations in Year 3 and has been adopted by the members of the MAC. Focus Groups will take place when needed, as well as management meetings.

All dates and topics for discussion are subject to change, and will be directed by the requirements of the Commission and proposals originating from MAC members.

Meeting type	Estimated date	Location	Main priorities
<b>InterAC Meeting</b>	16 October 2018	Brussels	-Taking stock of ongoing proposals -Administrative and financial issues
<b>Working Group 2</b>	18 October 2018	Brussels	-Adoption of opinion on Control Regulation -Annual report on EU processing sector
<b>Working Group 3</b>	18 October 2018	Brussels	-Ecolabels: establish a FG to address this matter - Dual quality food : drafting of MAC opinion - Plastics: proposal of way forward
<b>Working Group 1</b>	19 October 2018	Brussels	-Adoption of MAC advice on Marketing Standards -Annual report on EU Fishing Fleet
<b>FG EMFF</b>	19 October 2018	Brussels	-Consideration of proposal and exploring way forward
<b>“Bexit” meeting</b>	4 December 2018	Madrid	-UK interaction with ACs -Update from ACs and key issues identified
<b>FG Level Playing Field</b>	December 2018	Brussels	-Continuation of the work started the year before: consideration of draft opinion
<b>FG on Ecolabels (TBC)</b>	December 2018	Brussels	-Drafting an opinion from the MAC on the matter
<b>General Assembly</b>	February 2019	Bilbao	-Discharge of accounts -Update on the work done within Working Groups -Update on administrative matters -Adoption of new Rules of Procedure
<b>Executive</b>	February 2019	Bilbao	-Endorsement of opinions on: LPF,



<b>Committee</b>			Ecolabels, Dual quality food, Plastics
<b>Working Group 1</b>	February 2019	Bilbao	-Consideration of opinion EMFF - Items related to WG1 (see above)
<b>Working Group 2</b>	February 2019	Bilbao	-Adoption of opinion LPF - Items related to WG2 (see above)
<b>Working Group 3</b>	February 2019	Bilbao	-Adoption of opinion on Ecolabels, Dual quality food, Plastics -Items related to WG3 (see above)
<b>Working Group 1</b>	May 2019	Brussels	- Items related to WG1 (see above)
<b>Working Group 2</b>	May 2019	Brussels	- Items related to WG2 (see above)
<b>Working Group 3</b>	May 2019	Brussels	-Items related to WG3 (see above)
<b>Executive Committee</b>	September 2019	Brussels	-Administrative, communication and financial issues. Adoption of advices.

For further information please contact [secretary@marketac.eu](mailto:secretary@marketac.eu)

