**DRAFT**

**MARKET ADVISORY COUNCIL**

**Year 3 (2018-2019)**

**MAC Scope and Organisation**

The Market Advisory Council (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.

Many of the issues it needs to address are similarly 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 (Excom) 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.

An indicative allocation of responsibilities between the 3 Working Groups is set out below. But this is intended as a guide to the organisation of work, rather than itself constituting a formal programme of activity for the year ahead. Specific priorities and deliverables for the MAC as a whole are set out separately in the attached annex.

**Overarching themes**

Subject to this, the MAC has identified three key areas of work for Year 3 as follows:

1. Facilitating implementation of the CFP & the CMO

2. Contributing to the Commission’s review of the Control Regulation and related work concerning improved implementation of the IUU Regulation.

3. Achieving a better understanding of the markets for aquaculture and fishery products to promote a more coherent common organisation, a better image of seafood products, and an increased consumption.

**Scope and topic areas of the three Working Groups**

**Working Group 1: EU Production**

* Common Markets 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
* 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 ;
* Monitoring and assessment of unfair/disloyal practices in 3rd countries
* Promoting social, employment and environmental aspects of the international trade in fishery and aquaculture products.
* Price developments ‘from sea to table’ (from the fisherman / aquaculture producer to the consumer)
* 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
* Promoting fish and aquaculture products as a healthy and sustainable food
* Promoting seafood ‘produced in the EU’
* Promoting sustainable seafood
* Analyse market trends and consumer behaviours to devise a communication strategy for the sector as a whole, based on:
* responsible sourcing and processing
* open and useful / efficient consumer information, including authenticity and traceability
* 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

**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
* Evaluation and revision of Marketing Standards
* Hygiene Regulations implementation:
* E.g. : Chilling methods without ice
* Additives, colors, processing aids : overview of their legal use in fisheries and aquaculture products
* Contaminants: legislation and developments in fish, fisheries and aquaculture products (heavy metals, PAH’s, Dioxines etc.)
* Veterinary & pesticides residues issues in fisheries and aquaculture products
* Fraud concerns in fisheries and aquaculture products (e.g. coloring fraud, undeclared added water…)
* Public health concerns in fisheries and aquaculture products (e.g. histamine outbreaks …)
* 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
* Unfair trading practices

**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.

**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. The MAC will keep following up on the matter, after having provided the Commission with an advice in March 2018.

**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 inter-action 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 in the process, keeping in mind the importance of simplification and easy implementation by stakeholders, and easy / effective control by the authorities.

**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.

**Consumer information**

The MAC has a special focus on understanding consumer behaviours and consumption trends in Member states, with a view to promoting increased consumption of a natural, healthy and sustainable form of protein. This is a multi-faceted issue which includes both mandatory and voluntary information provided to consumers as well as the systems in place to ensure the accuracy and validation of this information. This could also include observations in relation to issues such as fishing gear and area of catch already provided for in the Common Market Organisation Regulation.

**Certification shemes**

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

**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.

**Unfair Trading Practices**

The MAC is similarly aware of concerns in relation to potentially unfair trading practices within supply chains. The MAC’s unique composition and scope should give it a ready means of exploring these concerns and identifying deficiencies and remedies. The MAC is willing to use its expertise to this end and to provide information to the Commission accordingly.

**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, and on the basis of information provided by the Commission on objectives and progress in these discussions.

**Other Ongoing 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.

**ADVICES SCHEDULED FOR YEAR 3**

Building on the work started in year 2, the MAC foresees the adoption of advices on the following matters. This is not an extensive list, as the work flows are unpredictable.

1. Analysing marketing standards
2. Contribution to a better and more efficient cost-effective EUMOFA
3. IUU – improving stakeholder engagement in the IUU carding process
4. Control Regulation: MAC’s point of view
5. European plastic strategy: MAC’s contribution
6. Dual quality food
7. Unfair trading practices

**TENTATIVE CALENDAR OF MEETINGS**

\*Another session of working groups, focus groups and management meetings may take place.

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| Meeting | Date | Place |
| Working Groups 1,2,3 | October 2018 | Brussels |
| Working Groups 1,2,3, General Assembly and Executive Committee | January 2019 | Brussels |
| Working Groups 1, 2, 3 | April 2019 | Brussels |
| Executive Committee | June 2019 | Brussels |