#### **Draft Terms of Reference for STECF EWG**

# Criteria and indicators that could contribute to incorporating sustainability aspects in the marketing standards under the CMO

## **Background and general objectives**

One of the measures established under the common market organisation (CMO) are regulatory marketing standards for fishery products. The current marketing standards<sup>1</sup> (all of which exist for more than 20 years) lay down uniform quality characteristics for certain fishery products sold in the EU, whatever their origin.

In 2019, an evaluation of the implementation of the marketing standards was carried out to assess whether the existing marketing standards were still fit for purpose. The results of the evaluation are reflected in a Commission Staff Working Paper<sup>2</sup>.

The evaluation identified shortcomings regarding the effectiveness of the current marketing standards framework in achieving the objectives set out in the CMO Regulation of 2013<sup>3</sup>. In particular, the existing marketing standards do not sufficiently contribute to a level playing field on environmental and social aspects and have not been equipped to deliver on the objective of enabling the EU market to be provided with sustainable products. Consequently, the revision of the marketing standards is included as an initiative under the Farm to Fork Strategy for a fair, healthy and environmentally-friendly food system<sup>4</sup>.

For that purpose, the Commission would like to engage the scientific community and, in particular, this STECF EWG to help with the development of robust policy options for the revision of the EU regulatory marketing standards in terms of incorporating sustainability aspects.

The STECF EWG will be able to build on preparatory work that was subject to a separate contract preceding the launch of the EWG. This preparatory work consists of two reports (for fisheries and aquaculture, respectively) that provide a mapping of existing methodologies providing sustainability assurance claims, incl. the identification and description of the criteria and indicators used in these methodologies.

On that basis, the main objective of this EWG will be to assess the identified criteria and indicators in terms of their potential to be incorporated in regulatory marketing standards,

<sup>&</sup>lt;sup>1</sup> Council Regulation (EC) No 2406/96 of 26 November 1996 laying down common marketing standards for certain fishery products, OJ L 334, 23.12.1996, p. 1–15

Council Regulation (EEC) No 1536/92 of 9 June 1992 laying down common marketing standards for preserved tuna and bonito, OJ L 163, 17.6.1992, p. 1–4.

Council Regulation (EEC) No 2136/89 of 21 June 1989 laying down common marketing standards for preserved sardines and trade descriptions for preserved sardines and sardine-type products, OJ L 212, 22.7.1989, p. 79–81.

<sup>&</sup>lt;sup>2</sup> Commission Staff Working Document <u>SWD(2019) 453 final</u> of 20 December 2019

<sup>&</sup>lt;sup>3</sup> Regulation (EU) No 1379/2013 of the European Parliament and of the Council of 11 December 2013 on the common organisation of the markets in fishery and aquaculture products, amending Council Regulations (EC) No 1184/2006 and (EC) No 1224/2009 and repealing Council Regulation (EC) No 104/2000, OJ L 354, 28.12.2013, p. 1–21, recitals (18) and (19).

<sup>&</sup>lt;sup>4</sup> Communication from the Commission to the EP and Council - Farm to Fork Strategy

ideally for both fishery and aquaculture products (FAPs) on the EU market, independently of their origin (domestic and imports).

### **Specific objectives**

The specific objectives of the EWG will be to help:

- identify sustainability aspects (environmental and possibly social) that could be addressed through the marketing standards; and
- propose transparent methods of measuring and communicating along the supply chain such sustainability aspects, based on scientifically sound, simple and verifiable criteria and indicators.

#### **Tasks**

Task 1: Assess existing sustainability criteria and indicators for fisheries and aquaculture products in the EU.

The EWG should assess the feasibility of using a number of existing criteria and indicators for regulatory marketing standards. For this assessment, the EWG is requested to take into account to which degree the information and data underlying these criteria and indicators is publicly and easily available to the actors along the supply chain, both for domestic and imported products, for example:

- traceability information for fishery and aquaculture products made mandatory by the EU regulation, e.g. control regulation, CMO, FIC
- Scientific advice provided by independent bodies at international and EU level, e.g. in relation to MSY
- EU and international standards on environmental, social and economic sustainability, e.g. ILO ratifications

This assessment should cover the different types of FAPs, i.e. wild unprocessed fish, farmed unprocessed fish and processed products consisting of one main FAP ingredient.

Some of the existing indicators are calculated at stock level or aggregated at the level of ecosystems (e.g. MSY) while others are estimated at the fishing fleet level (e.g. AER, Balance indicators). Consequently, the EWG would need to take this aspect into account when investigating the feasibility of using such existing indicators at product level.

# Task 2: Explore possibilities to assign or combine sustainability criteria / indicators

The EWG should identify for the various types of FAPs possible combinations of criteria / indicators used for the assessment of sustainability. The dimensions of sustainability covered by each combination could be different (environmental and/or social).

Ideally, the EWG should for each type of FAP identify different combinations that vary in terms of criteria and complexity to offer a range of possibilities.

For each identified combination, the EWG should propose a grading / weighting method that could ideally lead to one or several product scores or thresholds. For each combination, the EWG is required to provide all sources of data / information and the necessary calculations to obtain the final sustainability score or grading of the product.

# Task 3: Limits of the different combinations of criteria / indicators

In order to assist the Commission in identifying realistic policy options for regulatory marketing standards, the EWG should provide a critical analysis of the different combinations identified. In particular, the EWG should analyse them in the light of the following aspects:

- Scientific soundness of the chosen measures and indicators
- **Breadth** in terms of the product scope covered
- **Effectiveness** in terms of distinguishing more sustainable from less sustainable products
- **Verifiability** of the measures and indicators (incl. availability of necessary data and complexity of data gathering)
- **Simplicity** and clarity in terms of conveying a clear message through the supply chain and possibly the consumer

Importantly, the analysis should also identify the general challenges (or obstacles, if applicable) of defining certain sustainability criteria and indicators (or combinations thereof) that could, in practice, be translated into EU regulatory marketing standards.