

## Working Group 2: EU Markets

### Minutes

Tuesday, 17 September 2024 (10:00 – 13:30 CET)

Copa Cogeca (Meeting Room A), Rue de Trèves 61, 1040 Brussels

Interpretation in EN, ES, FR

#### Welcome from the Chair, Pierre Commère

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

**Adoption of the agenda and of the last meeting's minutes (04.06.24):** adopted

#### Action points

- **State-of-play of the action points of the last meeting – information**
- Trade Agreements & Trade Policy Instruments:
  - Based on the interventions made at the meeting, Secretariat to prepare draft advice on the EU-Norway trade relationship, which will be followed by an urgent written procedure
    - Advice on EU-Norway trade adopted on 24 July 2024
- Place of China in the Global Supply Chains of Fishery and Aquaculture Products:
  - Presentation and proposal of draft advice on application of the Forced Labour Regulation and the Corporate Sustainable Due Diligence by Oceana to be rescheduled to the September 2024 meeting
    - Agenda item scheduled for 12:45 CET
- Better protecting sharks through sustainable fishing and trade:
  - Secretariat to informally exchange with the most interested members, to fully reach consensus on the draft advice and to simplify the text, while maintaining the general agreement reached by the Working Group on the recommendations
  - After informal agreement is reached among the most interested members, a formal urgent written consultation of the Working Group to be launched
    - Informal exchanges held with WWF, Oceana, EAPO, CONXEMAR, OPP Burela, FEDEPESCA, Europêche, ORPAGU
    - Advice on sharks adopted on 7 August 2024

#### Illegal, Unreported and Unregulated (IUU) Fishing

- **Overview of the existing procedures against third countries by Pawel Swiderek (MARE B4)**

The Chair recalled that it was established practice to hold an exchange once per year with the Commission on the existing procedures against third countries in relation to IUU fishing.



Pawel Swiderek (DG MARE) took the opportunity to inform that, following-up on the entry into force of the revision of the fisheries control system, the use of the CATCH IT system for EU importers and Member States' authorities will be mandatory from 10 January 2026 onward. DG MARE will organise a dedicated meeting with the EU stakeholders' associations (e.g., importers, processors, traders) to share information on the new obligations, documentation, and the mandatory digital tools for catch certifications for imported and, in certain situations, exported fishery products. Mr Swiderek expressed availability to exchange with the MAC to determine relevant EU associations to participate in the meeting. Information on changes to the catch certification scheme and introduction of CATCH is available on the official website of DG MARE, but it is not always easy for stakeholders to find it.

Mr Swiderek highlighted that, although DG MARE was awaiting the appointment of the new Commissioner responsible for fisheries policy, IUU dialogues with third countries continued. The aim of the dialogues was to promote a level-playing-field in the globally for the benefit of the EU. He recalled that, in the Commission's website, a summary of the decisions of the Commission and of the Council was available. He clarified that the "yellow cards" were essentially notifications from the European Commission to third countries to encourage them to improve their fishing practices and management and warn them of the possible consequences. While "yellow cards" indicate a risk of non-compliance, these do not have a direct impact on trade flows.

Mr Swiderek provided an update on various ongoing dialogues undertaken by DG MARE:

- Vietnam: Difficulties are present due to the different layers of communication (technical, political). There were improvements to the national legislative framework to include more control tools, but effective implementation remained a challenge. Even though there is a commitment by that the national government, the same is not the case for the regional provinces. While the control of the fishing fleet is correctly framed in the legislation, there are still issues related to the application of measures and sanctions for the identified non-compliance. Additionally, there are problems related to third-country imports into Vietnam for processing and re-exporting to the EU. Due to the important trade flows, the dialogue with Vietnam remains a priority for DG MARE.
- Ecuador: Due to the exports of tropical tuna, the dialogue with Ecuador is a priority. The dialogue was hampered by the political instability in the country and continuous changes in the governmental counterparts. Despite these challenges, Ecuador remains committed to addressing the problems raised by the Commission. The main problems are the effective control of the processing sector and the control of the fishing fleet. The strong link between the industry and the national authorities are a challenge for the implementation of the control measures. From the side of DG MARE, there is some optimism for the medium-term, as there is a significant economic interest from Ecuador to export to the EU.
- Ghana: While an important supplier to the EU market, Ghana received a "yellow card" for the second time. The initial focus was on the tuna fleet, while now, the Commission's approach is to address broader issues, such as sustainable use of resources, flagging and control of fishing vessels, especially in the trawling sector. The new fisheries Minister of Ghana



expressed a strong commitment to address these issues, especially transshipment. Ghana is currently updating its legislative framework with support from the EU and from the FAO. Nevertheless, in the view of DG MARE, a mere revision of the legal framework will not be sufficient to address the underlying issues.

- Panama: Even though Panama does not provide many direct exports into the EU market, it is an important flag State for transshipments. A new administration is trying to accommodate the suggestions from the Commission, but tensions remain on the issue of effective control over activities of the vessels as Panama follows an open registry policy. In the view of DG MARE, the issues need to be addressed more comprehensively, as the current enforcement measures are not sufficiently dissuasive. DG MARE is trying to coordinate with other Commission services on the issues to be addressed with Panama as regards open registry policy.
- Senegal: The country is quite relevant due to the direct trade flows, the importance of Dakar port and the Sustainable Fisheries Partnership Agreement with the EU. Senegal is an important port State for transshipments and landings. There are challenges and the country is so far refraining to address them even though there is a recognition that these exist. The legislation needs to be updated to comply with the Port States Measures Agreement and the United Nations's Convention on the Law of the Sea. Currently, different actors are operating in Senegal. DG MARE will be focused in building trust and providing support, even though progress is expected to be slow.

On “red carded” countries, Mr Swiderek highlighted that there are no significant direct impacts on the EU market, since the trade flows were already very limited before the issuance of the cards (e.g. Trinidad and Tobago, Cameroon). Nevertheless, due to the recent revision of IUU Regulation, fishing vessels from these countries are now prevented from using EU ports, which will notably affect their fleets (e.g. Cameroon).

Mr Swiderek also provided an update on ongoing informal dialogues with Thailand and Philippines, countries for which the “yellow card” notification had been removed. Regarding Thailand, DG MARE is closely monitoring the legislative developments. There is a strong pressure from the government and from the industry for a revision of the existing fisheries control provisions. DG MARE is in contact with the Thai administration. In the view of DG MARE, there should be no pull back from the previous improvements. Regarding the Philippines, which has an important trade balance with the EU, the situation is challenging, and an active dialogue is ongoing. In the view of DG MARE, the situation is not satisfactory. While the new administration is trying to address the issues raised by DG MARE, notably on Vessel Monitoring Systems, there is a legal challenge at national level of the new requirements. DG MARE indicates that lack of adequate fisheries controls impacts on the catch certification and on trade flows, particularly for the exports of tropical tuna products into the EU.

- **Exchange of views**

Vanya Vulperhorst (Oceana) requested more information about the import checks undertaken in relation to products from “yellow-carded” countries, particularly the actions, beyond mutual assistance, to ensure that Member States thoroughly control imports from high-risk countries.



Julien Daudu (EJF) expressed concern about the ongoing legislative revision of fisheries legislation in Ghana, which, in the context of upcoming elections, was taking place under a fast-track procedure, which would impact the level of scrutiny. Mr Daudu mentioned that, at recent meeting between the Long Distance Advisory Council and the Ministerial Conference on Fisheries Cooperation among African States bordering the Atlantic Ocean, the Executive Director for fisheries in Ghana requested more information about the new CATCH IT system.

Regarding Panama, Mr Daudu expressed concern about catches in unregulated areas being issued official documents to validate transshipments without adequate control, since the port authorities referred back to the flag States. Mr Daudu drew attention to a report recently published by IFREMER, CRPMEM Guyane, and WWF on illegal fishing by operators from third countries in the waters of French Guyana, which indicated that fishing effort in the region doubled when compared to the previous decade, and that there was potentially illegally fishing undertaken by operators from Brazil, Suriname and Guyana. He also asked for information about ongoing negotiations with South Korea.

The Chair requested information on the state-of-play of the training to be provided by the European Commission to the authorities of third countries on the CATCH IT system.

Pawel Swiderek (DG MARE), regarding Panama, acknowledged that there were compliance issues and that the described transshipment practices were not a correct implementation of the Port States Measures Agreement. Mr Swiderek encouraged stakeholders to make available to DG MARE any relevant information on the matter.

Regarding South Korea, Mr Swiderek expressed availability to receive information from stakeholders. The Commission representative informed that there was regular dialogue with the country, including on the Port State Measures Agreement and on transshipments. Under the Agreement, control of vessels using national ports (having conducted transshipment activities) is a responsibility of the port State.

Regarding Ghana, Mr Swiderek echoed Mr Daudu's concerns about the potential expediting of the legislative procedure, as there was a lack of transparency from the national authorities. He mentioned that the responsible Minister was seeking legal changes before the elections for political reasons. In Mr Swiderek's view, there was a need to transpose into national law the international obligations including regarding transshipment operations. He highlighted that Director-General Vitcheva held exchanges with the Ghanaian authorities at the margins of the meetings with African, Caribbean and Pacific Group of States. While the European Commission cannot interfere with the national legislation of third countries, it would remain available to provide support. If the legislation meets international obligation, these would be a basis for further dialogue and focus on implementation.

Regarding import checks on products coming from "yellow-carded" countries, Mr Swiderek explained that the Commission was actively following-up with Member States based on their reporting obligations, but that there was no obligation for specific follow-up of "yellow-carded" countries. This is not indicated as a risk in the applicable implementation provisions. Nevertheless, these implementation provisions are undergoing revision, so various criteria for risk identification will be set and "yellow carded countries" would be one among many more. In practice, some Member States are focusing on such countries more and are reporting on these matters. Various national authorities



are involved, including fisheries, customs, and sanitary authorities. Under the new approach of risk management, digital tools will support more uniform procedures and implementation as well as more harmonisation.

Regarding the training process of third countries authorities on the CATCH system, Mr Swiderek drew attention to the organisation of an ongoing webinar by DG MARE for Southeast Asia<sup>1</sup>. For 2024, DG MARE planned to hold seven regional seminars, and several have already taken place. Training for African authorities would be provided in Autumn 2024. Outreach efforts are ongoing. An e-learning platform will be made available to assist third countries. DG MARE is developing these materials to assist also EU Member States and stakeholders in the creation of catch certificates and processing documentation, since importers will be responsible for the introduction of information and documents in the CATCH. He emphasised that DG MARE is promoting the direct use of CATCH by the third countries.

The Chair underscored the importance of simplified information to assist public authorities and stakeholders in the implementation of the CATCH system.

Pawel Swiderek (DG MARE), regarding the report on illegal fishing by operators from third countries in the waters of French Guyana, informed that DG MARE was exchanging with the French authorities on the matter. DG MARE reached out to several of the neighbouring countries to raise the issue, as there was a lack of effective control of their fishing fleets. He added that the issue would also be addressed with the Outermost Regions Advisory Council (CCRUP).

- **Way forward**

The Chair expressed availability to cooperate with the CCRUP on the matter of illegal fishing in the waters of French Guyana.

### Trade Agreements & Trade Policy Instruments

- **Update on latest trade developments by Pawel Szatkowski (MARE B3), including:**
  - **European Economic Area (implementation of new agreements)**

The Chair requested information on the timing for the entrance into force of the new agreements of the European Economic Area (EEA).

Pawel Szatkowski (DG MARE) informed that the bilateral agreements were officially signed the previous week in Brussels. Some challenges with the implementation were expected. The provisional application will take place from the third month from the notification of ratification by the countries.

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<sup>1</sup> After the meeting, Mr Swiderek explained, via email message, that the webinar for Southeast Asia countries took place on 17 September. In August, there was a presentation to ASEAN countries. On 9 September, there was a presentation to ASEAN countries and to Australia under the Regional Plan of Action on IUU.



The notification by Iceland was expected to take place before 1 December. The ratification by Norway required parliamentary approval, so it would likely take place in early 2025.

- **Farmed Atlantic salmon cartel case**

The Chair explained that there was an ongoing investigation by the Commission services of a potential cartel by Norwegian companies in the farmed Atlantic salmon sector, which was a competition issue.

Pawel Szatkowski (DG MARE) explained that, as it was a competition file, DG COMP was leading on the matter, not DG MARE. Due to the applicable confidentiality rules, it was not possible to deliver statements regarding cartel cases.

The Chair expressed understanding for the described approach. The Chair commented that, as a matter of fact, since the launch of the investigation, the prices for farmed Atlantic salmon had dropped, but this could also be due to other unrelated factors.

- **Export ban on Norwegian Atlantic farmed salmon (production grade)**

The Chair explained that, under Norwegian legislation, the export of Norwegian Atlantic farmed salmon of “production” grade was not allowed. Nevertheless, filleted products made from this raw material could be exported, which was creating distortions in the EU market. The Chair highlighted that Denmark officially submitted questions to the European Commission on the potential violation of World Trade Organisation rules.

Pawel Szatkowski (DG MARE) thanked the members for the advice provided. Mr Szatkowski informed that the matter was led by DG TRADE. A dedicated team of lawyers was analysing the potential technical barrier to trade, including compatibility with the World Trade Organisation rules and with the EEA Agreement. There was official communication from DG TRADE to the Norwegian authorities inviting the launch of bilateral dialogue, but no response was received. He expressed hope that the matter would be addressed in the context of the EEA Agreement.

The Chair expressed satisfaction in knowing that there were efforts to launch a dialogue.

- **Southeast Asia (Indonesia, Philippines, Thailand)**

Pawel Szatkowski (DG MARE) informed that not many negotiations took place between the EU and Southeast Asian countries since the update provided at the June 2024 meeting. An official round of negotiations with Indonesia took place in July, but the negotiations were not concluded, which was likely due to the expected changes in the Indonesian government. General agreement was reached on the trade and sustainable development chapter, which was based on the EU’s proposal. Outstanding issues remained on market access. Mr Szatkowski highlighted that regular exchanges with the Member States were taking place. Market access, particularly for tuna products, was a sensitive issue, which could have an impact in the negotiations with other Asian countries.

Regarding Thailand, Mr Szatkowski informed that no new negotiations took place since June 2024. The next round of negotiations was scheduled for December 2024. There was agreement on the trade



and sustainable development chapter, but no offers were exchanged or scheduled on market access. The discussions on rules of origin were pending.

As for the Philippines, Mr Szatkowski informed that the first round of negotiations was scheduled for October 2024. The meeting was expected to focus on exploratory discussions and preferences for the potential texts.

Mr Szatkowski added that, concerning Malaysia, a stock taking exercise was ongoing, as negotiations were likely to restart soon.

- **Exchange of views**
  - **European Economic Area (implementation of new agreements)**

The Chair wanted to know whether the provisions for the European Union, Iceland and Norway entered into force simultaneously or varied in accordance with the timing of the ratifications.

Poul Melgaard (Danish Seafood Association) highlighted that there were very significant delays in the entering into force of the agreements, since the negotiators had reached provisional agreement back in November 2023. Mr Melgaard emphasised the importance of the trade of marinated herring for Denmark, Sweden, and Poland. Mr Melgaard wanted to know if it would be possible to receive a retroactive reimbursement of the tariff duties paid by EU importers for these products. He also wondered about the possibility of “bridging” tariff quotas under the Autonomous Tariff Quotas Regulation or other measures to face the concerns of the EU industry.

Mr Melgaard also highlighted that, once the bilateral agreements are implemented, there will be a very significant quantity of quotas available that the industry will not be able to use due to the large volume at once. As an example, there will be quotas for 50 thousand tonnes of marinated herring. In his view, there was a need for provisional solutions to help both the EU and Norway.

Pawel Szatkowski (DG MARE) responded that, despite a request from Norway in that direction, the European Commission was against the implementation of tariff quotas before the entrance into force of the bilateral agreements. On the retroactive reimbursement of quotas, Mr Szatkowski emphasised that the quotas would apply from the moment of implementation, even though he recognised that the situation was not ideal for the EU operators. No actions were planned regarding the likely underutilisation of the quotas once these enter into force. As for the possibility of “bridging quotas” under the Autonomous Tariff Quotas Regulation, he explained that the Commission would not proceed with that approach, since the quotas would be available in the near future. Additionally, the previous negotiations on the Autonomous Tariff Quotas Regulation were challenging, so the Commission was not seeking a reopening of the legislation.



Concerning the timing of the entrance into force of the provisions for the European Union, Iceland and Norway, Mr Szatkowski expressed availability to check internally<sup>2</sup>.

- **Export ban on Norwegian Atlantic farmed salmon (production grade)**

Poul Melgaard (Danish Seafood Association) highlighted that, on 11 March 2024, the European Commission registered the export ban as a potential trade barrier due to the significant distortions in the EU market. Nevertheless, six months later, no meetings between the EU and Norway on the matter took place. While the Norwegian authorities claimed to be looking into the matter, there was a lack of substance and a lack of dialogue. Mr Melgaard stated that the EEA Agreement was an opportunity to settle the issue, which was a problem of market access.

Mr Melgaard argued that there were no valid reasons for the ban on the export of Norwegian Atlantic farmed salmon, since there were no problems from a hygiene perspective or a reputational perspective, as the process permits to eliminate any potential defects in the raw material before the product reaches the final consumers. In his view, the ban was a protective measure to help the Norwegian industry with a competitive advantage in the international market. The revenue of the Norwegian sector increased by 1400%. At the same time, the EU industry must pay a 2% duty on the import of raw material and can only access the most expensive grades.

The Chair agreed on the importance of the matter, stressing that the EU salmon processing industry was in jeopardy.

Pawel Szatkowski (DG MARE) took note of the comments and expressed availability to exchange with DG TRADE colleagues on the matter. Mr Szatkowski encouraged the members to send any relevant information on the topic to the European Commission, including to DG TRADE.

Poul Melgaard (Danish Seafood Association) stated that information on the matter had already been shared with DG TRADE.

- **Southeast Asia (Indonesia, Philippines, Thailand)**

The Chair asked whether, besides Malaysia, were there expectations to resume trade negotiations with other countries in Southeast Asia.

Pawel Szatkowski (DG MARE) responded that there were no plans to start trade negotiations with additional countries in the area.

## Scientific, Technical and Economic Committee for Fisheries

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<sup>2</sup> After the meeting, via email message, Mr Szatkowski informed that the protocols and the Financial Mechanism agreements are separate, so each enters into force / provisional application based on the notifications for that particular one. If Iceland and the EU have notified already, while Norway has not, the fish protocol with Iceland would provisionally enter into force before the protocol with Norway.





- **Presentation of the 2023 Economic Report on the EU Fish Processing Sector by Giacomo Petrucco (MARE A4)**

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

Giacomo Petrucco (DG MARE) emphasised the importance of the report in facilitating economic data to DG MARE, to the Member States, and to international organisations. Mr Petrucco explained that the objectives of the report were to provide an in-depth look at the factors affecting the economic performance, to provide a special focus on the spike in energy costs that is associated with the Russian of Ukraine and the following inflation along the value chain, and to inform on trends in performance, social aspects and other aspects of policy relevance based largely on the scientists' expert knowledge. He outlined that the structure of the report was consistent with previous editions, which included chapters covering recent developments, economic data and performance indicators, employment and social indicators, an outlook for 2022, and a nowcast for 2023, plus national chapters.

Mr Petrucco highlighted the main findings and trends up to 2021. In 2021, there were approximately 3,200 fish processing enterprises in the EU, with a turnover of €29.4 billion and more than 111,000 employees. Notably, 98% of these businesses were small and medium-sized enterprises. The number of micro-enterprises decreased between 2013 and 2021, whereas larger enterprises increased. Despite rising production costs, EU fish processing enterprises generated a positive Gross Value Added (GVA) of approximately €5.7 billion and an operating cash flow of €2.7 billion in 2021. The economic indicators from 2013 to 2021 showed a trend of strong performance, with Spain leading in turnover, followed by France.

Mr Petrucco further highlighted that the sector successfully managed the effects of the COVID-19 pandemic. Although raw material costs had risen, demand for fishery and aquaculture products had also increased. The Russian aggression on Ukraine and the resulting inflation drove up global energy prices. However, the impact on the fish processing industry has been minimal, with energy costs accounting for only 2% of total production costs. The projections for 2022 and 2023 showed varying effects of the energy crisis across countries, with Italy experiencing a significantly higher increase in energy prices than other Member States.

On the main findings for social aspects, Mr Petrucco stated that the report highlighted the significant role of women in the labour force, with the majority of workers falling within the 40-64 age group. Most of the workforce was from EU countries, working in their countries of origin. As for the main findings for raw materials, the Commission representative explained that raw material and fish purchases remained the dominant cost factor for the sector, accounting for over 70% of total production costs. Nevertheless, there is limited data on raw materials, as only 15 Member States submitted data, and only 9 of them provided detailed information on raw materials. As such, the analysis was strongly influenced by the heterogeneity of the data and the fact that providing such data is voluntary. The report noted that, like the cost of fuel, Russia's aggression on Ukraine had an impact on raw material imports, particularly whitefish. In his view, moving forward, more detailed data on different types of activities as well as more disaggregated data should be provided.

- **Exchange of views**



The Chair highlighted that the comprehensiveness of the report, even the information was more detailed for some Member States than others. The Chair recalled that the analysis under the economic report used data from several years prior. The 2023 edition focused on data from 2021.

Patrick Murphy (IS&WFPO) wanted to know whether a systematic approach was taken across the Member States, particularly whether the Member States were all performing in the same manner.

Giacomo Petrucco (DG MARE) explained that the results were projected across all Member States and that individual trends were provided. Mr Petrucco stated that there were positive trends in the industry and that there was an overall decrease in the number of microenterprises. Spain, Italy, and France were the main Member States in terms of employment and turnover. The Commission representative recognised that the expert group had difficulties in combining the data from the various Member States in a heterogeneous manner.

Patrick Murphy (IS&WFPO) stated that, in his view, the findings of the report did not accurately reflect the reality faced by the Irish processing industry.

Giacomo Petrucco (DG MARE) took note of Mr Murphy's comment. The general trend had been positive from 2013 to 2021.

The Chair encouraged Mr Murphy to review the national chapters of the report for further insights.

Stefan Meyer (Bundesverband der deutschen Fischindustrie und des Fischgrosshandels e.V.), on the 9 out of 15 Member States providing data on raw materials, requested information on the type of data provided. Mr Meyer also wanted to know if the Commission looked into employment perspectives, such as career perspectives and life-long learning, as the sector aims to maintain workers and consider the employment outlook for the future.

Giacomo Petrucco (DG MARE) responded that the data on raw materials was limited, even though it is the main cost for the sector. In his view, more data is needed on the origin and species. Mr Petrucco stated that the chapters on social aspects highlighted the importance of employment, providing information on gender diversity, age groups, and nationality. These parameters showed that the sector was growing, despite the pandemic and the inflation.

Stefan Meyer (Bundesverband der deutschen Fischindustrie und des Fischgrosshandels e.V.) emphasised the importance of looking into the individual pathways of employment. In Germany, there was a decrease in legal entities, but employees remained in the sector. Therefore, in his view, it was important to monitor sectoral hubs in geographical areas and to maintain knowledge.

Giacomo Petrucco (DG MARE) took note of Mr Meyer's remark.

Sergio López García (OPP Burela) expressed concern about the quality of the data, as only 9 out of 15 Member States provided details on raw material, leaving significant gaps. Mr López wanted to know about Mr Petrucco's expectations to improve the data, including through a potential obligation of reporting data. He also wondered about the possibility of improving the timeline of the report, since the use of data from two years prior meant it was somewhat obsolete.



Giacomo Petrucco (DG MARE) responded that there is no mandatory data call and that no changes are foreseen. The Expert Working Group had access to additional information on the raw materials from Eurostat, but this data did not cover all the variables for a comprehensive analysis. As for the timeline, Mr Petrucco underscored that nowcast and previsions are included in the report, which are usually quite accurate. In the case of the COVID-19 pandemic, the impacts were less significant than originally predicated.

Aodh O'Donnell (IFPO) stated that, for Ireland, for the 2020-2024 period, the main driver of change was Brexit, not Ukraine, as there was a 15% reduction in fishing quotas.

The Chair recalled that, under the advice adopted by the MAC in 2023 on the economic report on the fish processing industry, there were recommendations on the need for mandatory data.

- **Consideration of draft advice on the 2025 Economic Report on the EU Fish Processing Sector**

The Chair recalled that, from 23 July to 3 September 2024, the Secretariat circulated a questionnaire to the members to gather feedback for the Terms of Reference of the next economic report on the EU fish processing sector. Responses were provided by Conxemar and PACT'ALIM.

The Secretary General provided an overview of the structure and content of the draft advice, briefly summarising each section.

Stefan Meyer (Bundesverband der deutschen Fischindustrie und des Fischgrosshandels e.V.), concerning section 7 “special chapters”, suggest requesting a special chapter on the identification of geographical clusters of seafood processing establishments in the Member States. Through the already available lists of establishments, which include information on addresses, combined with employment data, it would be possible to have a detailed picture of clusters per local area.

The Secretary General provided an overview of the recommendations in the draft advice.

*The Working Group expressed agreement with the amended draft advice on the 2025 Economic Report on the EU Fish Processing Sector.*

- **Way forward**

The Chair proposed to put forward the draft advice to the Executive Committee for consideration and potential approval. As the Executive Committee would be meeting on 18 September 2024, the Chair asked Bundesverband der deutschen Fischindustrie und des Fischgrosshandels e.V. to send their full input for section 7 in advance.

## Due Diligence

- **Presentation of proposal of advice on due diligence in the fisheries and aquaculture sector by Amélie Laurent (Oceana)**

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



The Chair recalled that, in 2023, advice on the forced labour in the fisheries and aquaculture sector had been adopted. At the initiative of Oceana, new advice on due diligence would be considered.

Amélie Laurent (Oceana) recalled that, in the context of previous presentations by the Outlaw Ocean project and by EJF, there had already been exchanges about the relevance of recommendations on due diligence. Ms Laurent highlighted that, in terms of policy context, it was important to consider the Corporate Sustainability Due Diligence Directive (CSDDD), the Forced Labour regulation, and the Fisheries Control Regulation.

Ms Laurent explained that the CSDDD would apply, from 2027, to both EU and non-EU companies with a turnover of more than € 450 million. Similar rules are already in place in France and Germany. Even though SMEs are not directly covered by the directive, they will be impacted and will receive capacity building assistance. She provided the example of an oil spill in Peru involving a Spanish company, which demonstrate the difficulties associated with liability.

Ms Laurent explained that the Forced Labour Regulation, which will enter into force in 2027, introduces a new mechanism for addressing cases of forced labour. She exemplified that it would be quite relevant for State-enforced forced labour, such as the Uyghur forced labour case. Sector-specific guidelines are being considered. A public database will be created to outline the risks associated with specific products and countries, although enterprises themselves will not be named.

Ms Laurent further explained that, under the recently revised Fisheries Control Regulation, the use of forced labour would be considered a “serious infringement”.

Ms Laurent provided an overview of the sections of the draft advice proposed by her organisation. The draft advice requests the consultation of the MAC by the Commission services during the development of due diligence guidelines. She also encouraged members to provide examples of best practices to be included in an Annex.

- **Consideration of the draft advice**

The Chair suggested to potentially separate the list of questions included in Oceana’s proposal into an email message or a letter, instead of advice.

The Secretary General provided an overview of the different sections of the draft advice.

Stefan Meyer (Bundesverband der deutschen Fischindustrie und des Fischgrosshandels e.V.) expressed concern that the provision of advice may be premature, as the CSDDD and the Forced Labour Regulation were not yet implemented. Mr Meyer argued that the Commission should clarify whether the priority for companies should be disengagement or improvements. The CSDDD called on companies not to leave the countries in which they operate but backs a constructive way forward.

Janne Posti (Conxemar) expressed agreement with Mr Meyer.

Amélie Laurent (Oceana) disagreed with Mr Meyer’s view that it was too early, as the sector should be proactive and prepare, and the Commission would be preparing guidelines in the meantime. Ms



Laurent expressed availability to follow the Chair's suggestion of separating the questions from the rest of the draft advice.

Vanya Vulperhorst (Oceana) underscored the importance of a proactive approach. Ms Vulperhorst highlighted that the advice was an opportunity for value chain operators to demonstrate their own initiatives on due diligence, while also identifying potential gaps and shortcomings.

Laure Guillevic (WWF) expressed support for the initiative, arguing that it was a positive starting point to address the legislative file, as implementation will start in 2027. Ms Guillevic informed that DG JUST would be leading on the file. In her view, the MAC should provide advice on the matter.

The Chair suggest proceeding with a letter to the European Commission with the questions raised. At the next meeting, following the answers, draft advice could be considered again.

Amélie Laurent (Oceana) emphasised the importance of knowing the timeline for the development of the guidelines by the European Commission, to ensure the involvement of the MAC.

Jennifer Reeves (MSC) expressed support for the development of guidelines by the Commission. Ms Reeves expressed availability to share the labour template used by her organisation but added that it had been criticised by other NGOs. She also expressed availability to bilaterally exchange with NGO representatives about the matter.

Rosalie Tukker (Europêche) highlighted the importance of the topic. Ms Tukker informed that her organisation, as part of the social partners in sea fisheries, had exchanged with the European Commission on the matter. In her view, the MAC should also be involved. She expressed agreement with the Chair's suggestion of separating the questions from the rest of the draft advice.

Amélie Laurent (Oceana) mentioned that, as the directive would enter into force in 2027, the European Commission would likely be developing the guidelines through 2025 and 2026. Ms Laurent expressed agreement with the Chair's suggested approach of proceeding with the questions, while working on the draft advice in January 2025.

The Secretary General provided an overview of the questions to the Commission, as listed in section 4 of the draft advice proposed by Oceana.

Stefan Meyer (Bundesverband der deutschen Fischindustrie und des Fischgrosshandels e.V.) argued that, due to the legal implications, the questions should be submitted in a formal letter to DG MARE, instead of an email message, which should also encourage the involvement of the other relevant Commission services.

The Secretary General stated that, following the preparatory work undertaken by the Working Group, at the 18 September 2024 meeting, the Executive Committee could be asked to approve the letter.

Stefan Meyer (Bundesverband der deutschen Fischindustrie und des Fischgrosshandels e.V.), regarding question ii of subsection 4.1 on forced labour, emphasised the importance of distinguishing between EU and non-EU products as well as distinguishing inland fisheries and aquaculture products.

Rosalie Tukker (Europêche) expressed agreement with Mr Meyer.



Stefan Meyer (Bundesverband der deutschen Fischindustrie und des Fischgrosshandels e.V.), regarding question ii of subsection 4.1 on beneficial ownership, expressed doubts about the appropriateness of raising the issue in the context of fisheries control. Ultimate beneficial ownership is relevant to fight cartel and criminal activity, while due diligence was not the right tool to address this. Mr Meyer added that he was favourable to increased transparency and mechanisms to increase transparency on ultimate beneficial ownership.

Vanya Vulperhorst (Oceana) clarified that the question was a follow-up to the letter of reply from DG MARE to the advice of the MAC and of the Long Distance Advisory Council on the Chinese long-distance fleet. Under the revised Fisheries Control Regulation, forced labour would be considered a serious infringement. She explained that DG MARE had made proposals in various Regional Fisheries Management Organisation to establish mechanisms on ultimate beneficial ownership, which could help in the development of a framework for due diligence.

Daniel Voces (Europêche) argued that ultimate beneficial ownership was not directly relevant when discussing due diligence. Mr Voces underscored that governments already have access to the information for EU companies. In practice, there would be a significant amount of bureaucracy for operators without an overriding public interest to justify it.

Vanya Vulperhorst (Oceana) highlighted that, in the context of the Indian Ocean Tuna Commission, information on ultimate beneficial ownership is made publicly available.

Julien Daudu (EJF) recalled that, in the past, the MAC adopted advice on flags of convenience. Therefore, an update from DG MARE on the planned study on nationals involved in convenience flags should be requested.

Daniel Voces (Europêche) highlighted that there was a compromise among the legislators on the SMEFF Regulation (Sustainable Management of External Fishing Fleets), so it was important to wait and see how the legislation will be improved.

Stefan Meyer (Bundesverband der deutschen Fischindustrie und des Fischgrosshandels e.V.) argued that question iv on import controls in subsection 4.1. was too vague. The focus should be on the type of information available as well as the collection and management of data.

Rosalie Tukker (Europêche) expressed interest from her organisation in the inclusion of additional questions in the letter.

- **Way forward**

The Secretary General proposed for the most interested members to informally exchange with the Secretariat on the questions to be posed in the letter to DG MARE, which would then be put forward to the Executive Committee for consideration and potential approval via a written procedure.

## AOB

None.





### Summary of action items

- Illegal, Unreported and Unregulated (IUU) Fishing:
  - Secretariat to exchange with DG MARE on the identification of interested members for the planned dedicated meeting on the CATCH IT system.
  
- Scientific, Technical and Economic Committee for Fisheries:
  - Draft advice on “2025 Economic Report on the EU Fish Processing Sector” to be put forward to the Executive Committee for consideration and potential adoption.
  
- Due Diligence:
  - Secretariat to informally exchange with the most interested members on the development a letter to DG MARE on the Corporate Sustainability Due Diligence Directive, which will then be put forward to the Executive Committee for consideration and potential approval via a written procedure.





## Attendance List

Representative	Organisation	Role
Adrien Simonnet	Union du Mareyage Français (UMF)	Member
Alessandro Manghisi	Aquaculture Stewardship Council (ASC)	Member
Alexandre Bonneau	SNCE	Member
Alonso Abreu Lozano	OPP80 Punta del Moral	Member
Amélie Laurent	Oceana	Member
Àngels Segura Unió	AECOC	Member
Anna Rokicka	Polish Association of Fish Processors (PSPR)	Member
Aodh O'Donnell	IFPO	Member
Clémence Robert	France	Observer
Daniel Voces de Onáindi	Europêche	Member
Gaetane Le Breuil	European Fishmeal	Member
Gerd Heinen	European Commission	Expert
Giacomo Petrucco	European Commission	Expert
Iñigo Azqueta Ruiz-Gallardón	FEICOPESCA / ANFACO-CECOPECA	Member
Isabel Alonso Cabezas	Spain	Observer
Janne Posti	Conxemar	Member
Javier Ojeda	Federation of European Aquaculture Producers (FEAP)	Member
Jean-Marie Robert	Les Pêcheurs de Bretagne	Member
Jens Mathiesen	Danish Seafood Association	Member
João Pereira	FRUCOM	Member
José Carlos Escalera Aguilar	FECOPESCA	Member
Juana Parada	OR.PA.GU.	Member
Julien Daudu	Environmental Justice Foundation (EJF)	Member
Katarina Sipic	EU Fish Processors and Traders Association (AIPCE) / European Federation of National Organizations of Importers and Exporters of Fish (CEP)	Member
Laure Guillevic	WWF	Member



Representative	Organisation	Role
Linda Zanki Duvnjak	Ribarska Zadruga Friška Riba	Member
María Luisa Álvarez Blanco	FEDEPESCA	Member
Marian Brestovansky	European Salmon Smokers Association (ESSA)	Member
Mariano García García	Cofradía “Virgen del Carmen” de Isla Cristina	Member
Massimo Bellavista	COPA COGECA	Member
Maximilian Schwarz	Market Advisory Council (MAC)	Secretariat
Nicolás Fernández	Organización Productores Pesqueros Artesanales Lonja de Conil (OPP72)	Member
Patrick Murphy	Irish South & West Fish Producers Organisation	Member
Pawel Szatkowski	European Commission	Expert
Pawel Swiderek	European Commission	Expert
Pedro Luis Casado López	Asociación de Armadores Punta del Moral (OPP80)	Member
Pedro Reis Santos	Market Advisory Council (MAC)	Secretariat
Pierre Commère	PACT'ALIM	Chair
Pim Visser	NOVA	Member
Quentin Marchais	ClientEarth	Member
Rosalie Tukker	Europêche	Member
Sergio López García	OPP7 Burela	Member
Stefan Meyer	Bundesverband der deutschen Fischindustrie und des Fischgrosshandels e.V.	Member
Thomas Kruse	Danish Fishers Producer Organisation / Danish Pelagic Producer Organisation	Member
Trond Davidsen	Norwegian Seafood Federation	Observer
Vanya Vulperhorst	Oceana	Member
Yannis Pelekanakis	Hellenic Aquaculture Producers Organisation (HAPO)	Member
Yobana Bermúdez Rodríguez	EU Fish Processors and Traders Association (AIPCE)	Member

