

Working Group 2: EU Markets

Minutes

Monday, 2 December 2024 (14:30 – 16:00 CET)

Zoom

Interpretation in EN, ES, FR

Welcome from the Chair, Pierre Commère

Click <u>here</u> to access the Chair's presentation.

Adoption of the agenda and of the last meeting's minutes (17.09.24): adopted

Action points

- State-of-play of the action points of the last meeting information
- 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
 - List of contacts sent to MARE B4
 - Online seminar to take place in January 2025
- 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
 - Adoption of the advice: 18 September 2024
 - Reply of DG MARE: 14 November 2024
- Due Diligence:
 - Secretariat to informally exchange with the most interested members on the development of 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
 - Secretary General informally consulted with PACT'ALIM, Oceana, Europêche, Fischverband, and EJF
 - Letter approved by Executive Committee: 4 November 2024

Fisheries Control Regulation

• Update on Commission's preparatory work for additional rules for traceability of fresh and frozen fishery and aquaculture products and marking of lots to be adopted through a delegated act by Anne Gautrais-Le Goff (MARE D4)

Click <u>here</u> to access the presentation.





The <u>Chair</u> recalled that the meeting had been extraordinarily scheduled following the interest expressed by MARE D4 in exchanging with stakeholders concerning the ongoing preparatory work for additional rules for traceability of fresh and frozen fishery and aquaculture products and markings of lots to be adopted through a delegated act.

Anne Gautrais-Le Goff (DG MARE) thanked the members for their availability to exchange on the ongoing preparatory work. The additional rules would be introduced through a delegated act to be adopted in the course of 2025, in view of their application by 10 January 2026 and would focus exclusively on products under Chapter 3 of the Combined Nomenclature. She clarified that the text and content she was presenting had not been formally adopted by the Commission and should not be considered as an official position but work in progress. The draft text had been previously shared with the Member States via the relevant expert groups. She encouraged the members to share their views on the draft text.

She stated that the additional rules built on the delegation of powers set in Article 58, paragraph 12 of the revised Fisheries Control Regulation, to lay down rules on the following:

- 1) the minimum technical requirements for recording and transmitting traceability information;
- 2) additional methods for marking lots;
- 3) rules for further cooperation between Member States to access traceability information,
- 4) additional traceability requirements for lots of products containing several species and lots of products resulting from merging or splitting, and;
- 5) the requirement for information on the geographical area of the catch.

She explained that there would be two new articles in a delegated act and that the existing rules on traceability set under Articles 66 and 67 of Implementing Regulation 404/2011 that had become obsolete following the revision of the Fisheries Control Regulation will be repealed.

She provided an overview of the paragraphs of the draft text of the first article titled "Traceability information of lots of fisheries and aquaculture products falling under Chapter 3 of the Combined Nomenclature", emphasising that the Commission was not aiming be prescriptive with the new requirements. More detail could be provided via the recitals.

- First paragraph: the systems that operators would have to have in place should be digital and align with global and international standards to ensure interoperability and verifiability of the traceability data.
- Second paragraph: operators would be required to digitally record and store traceability data for at least three years. Originally, the Commission services considered setting differ recording periods for fresh products and for frozen products, but that feedback from Member States indicated that such an approach would overly complicate the implementation, so a unified recording period would be proposed instead.
- Third paragraph: would cover the issue of lots of 30kg maximum made of several species. For such lots, information on traceability would be required on the three species comprising the greatest weight in the lot as well as the total quantity of fishery products in that lot, instead of quantities per species.





- Fourth paragraph: in the case of lots of several species of individuals below the minimum reference size (MCRS), traceability information would have to clearly indicate that the lot is contains below MCRS and is not intended for direct human consumption.
- Fifth paragraph: concerning the definition of "aquaculture production unit", intends to allow Member States to refer to the existing definition of "aquaculture establishment" provided by Regulation (EU) No 2016/429.
- Sixth paragraph: intends to clarify that, for lots of frozen fishery and aquaculture products, the traceability requirements would apply after the date of application of that delegated regulation. This last paragraph was drafted following the concerns expressed by operators during the fact-finding missions undertaken by DG MARE D4, to allow that frozen products not fulfilling the new traceability requirements could be purchased well in advance of being placed on the market.

The Commission representative provided then an overview of the paragraphs of the draft text of the second article titled "Marking of lots of fishery and aquaculture products", emphasising the importance of marking lots to ensure traceability throughout the supply chain.

- First paragraph: each lot would have to be clearly marked.
- Second paragraph: as a minimum, a lot would have to be marked with a unique identification number.
- Third paragraph: allows that the marking could be affixed to each lot by way of an identification tool, such as a QR code, barcode, or electronic chip for unique identification and easy tracing. The lot identification tools would have to be developed based on internationally recognised standards and specifications, such as the GS1 standards.

Furthermore, the Commission representative took the opportunity to provide a brief update on progress on the work for the study on traceability of specific fishery and aquaculture products foreseen by paragraph 9 of Article 58 of the revised Fisheries Control Regulation. She informed that the Terms of Reference of the study were being finalised. She thanked the MAC for the advice provided on the matter, emphasising that the recommendations had been taken into consideration. The study was expected to be launched in the first semester of 2025 and last 18 months, in order to allow the Commission services to develop the future delegated act sufficiently in advance for its application by 10 January 2029.

She highlighted that the two draft Articles presented would be part of a wider delegated act for the implementation rules of the revised Fisheries Control Regulation.

Exchange of views

<u>Pim Visser (NOVA)</u> expressed concern about potential discrepancies in the interpretation of the Fisheries Control provisions followed by national policymakers and inspectors in comparison with the Commission services. Mr Visser argued that it was important to ensure a common interpretation across regulatory bodies and stakeholders. He wondered if DG MARE D4 was envisaging specific actions to ensure a common interpretation.

<u>Anne Gautrais-Le Goff (DG MARE)</u> responded that her unit remained available to address potential questions raised by the Member States and stakeholders. DG MARE D4 periodically undertakes audits





and verification missions across the European Union to ensure that Member States implement the rules in the same way and control that operators do equally. Such actions would continue to take place. Additionally, on traceability rules, DG MARE D4 was in the past maintaining a "Q&As document" that could be updated in accordance with the revised rules. She recalled that, in a previous opportunity, DG MARE D4 answered several written questions submitted by the MAC. She expressed availability to continue exchanging on further questions.

Giorgio Rimoldi (Unione Italiana Food) recalled that the legislative framework divided fishery and aquaculture products into two groups: Chapter 03 and Chapter 16 of the Combined Nomenclature, even though the presentation referred to "fresh and frozen" and to "processed/preserved and prepared". In practice, there are products, such as salted anchovies, classified under Chapter 03 that have been somewhat processed. Mr Rimoldi wanted to know whether, under the delegated act, there would be specific rules for these types of products.

<u>Anne Gautrais-Le Goff (DG MARE)</u> clarified that the terminology used in the presentation was meant to make the subject more understandable, particularly for non-experts, by referring to Chapter 03 products as "fresh and frozen" and to Chapter 16 products as "processed". The delegated act would cover all products under Chapter 03 of the Combined Nomenclature. She added that a change to the classification of the Combined Nomenclature would require a legislative decision by the colegislators.

<u>Àngels Segura Unió (AECOC)</u> wondered about the difference of approach in the two articles. While the Commission services did not seek to be prescriptive, the second draft article explicitly referenced GS1 standards. Ms Segura wanted to know whether there was a reason for the different approach, since the first draft article did not mention specific standards.

<u>Anne Gautrais-Le Goff (DG MARE)</u> maintained that the Commission does not seek to impose prescriptive requirements for traceability systems, even though a few Member States expressed preference for more detailed rules on the traceability systems. On the other hand, during the fact-finding missions, the Commission representatives found that, when marking lots, many companies use QR codes and barcodes based on GS1 standards, which was the reason to mention these standards in the second draft article on marking.

The <u>Chair</u> recalled that, prior to the meeting, FRUCOM send a question in writing to the Secretariat concerning the requirements for aquaculture production units, particularly those outside the EU.

Anne Gautrais-Le Goff (DG MARE) recalled that, under the draft text, there was a reference to the definition of "aquaculture establishment" of Regulation (EU) No 2016/429. The Commission could also take the approach of not including any wording on the definition of "aquaculture production unit" if the reference to the definition of "aquaculture establishment" is not found helpful. Otherwise, the Commission could also provide a new definition, but, in her view, it was more appropriate to provide legal definitions in the main basic legislative act, instead of in delegated ones. She added that some Member States expressed preference for a more statistical definition of "aquaculture production unit", but that, in her view, there was value in following the definition provided by the Animal Health Law.















<u>João Pereira (FRUCOM)</u> acknowledged the response and informed that his organisation would discuss it internally before addressing Ms Gautrais-Le Goff again.

Way forward

The <u>Chair</u>, as a way forward, proposed to proceed with a collection of feedback from the members, which would allow the formulation of recommendations to assist DG MARE in preparation of the upcoming delegated act. The Chair also proposed to follow-up with Ms Gautrais-Le Goff at the next meeting.

<u>Anne Gautrais-Le Goff (DG MARE)</u> expressed availability to provide an update at the next meeting, emphasising the importance of a close collaboration. She explained that the aim was to finalise the draft text of the upcoming delegated act for an adoption as in early as possible in 2025, given that the rules should apply by January 2026.

AOB

• Presentation on new traceability requirements for fishery and aquaculture products under Chapter 03 of the Combined Nomenclature by Guus Pastoor (AIPCE-CEP)

Click <u>here</u> to access the presentation.

The <u>Chair</u> informed that, prior to the meeting, AIPCE-CEP requested the opportunity to present their views on the upcoming traceability requirements for Chapter 03 products. The Chair confirmed with the Working Group the relevance of proceeding with the mentioned presentation.

<u>Guus Pastoor (AIPCE)</u> highlighted that the new traceability requirements presented challenges for processing and trading companies. Small companies would face difficulties in the implementation of the rules, while large companies questioned the relevancy of new requirements. Mr Pastoor recalled that the aim of the Fisheries Control Regulation was to ensure legal and safe products, while there were other pieces of legislation already in place to meet similar aims. He proceeded to outlined five main points.

First, on flexibility in the creation of first lots, Mr Pastoor underscored that there is an imbalance between businesses in their ability to digitalise their processes. Therefore, it was important to introduce flexibility in the definition of first lots, especially for smaller businesses that may lack the resources to implement the required digital systems independently. There should be a "gatekeeper approach", allowing businesses to delegate first lot formation to downstream actors. This would alleviate administrative burdens and reduce the impact on smaller operators.

Second, on responsibility of EU-importers, Mr Pastoor highlighted the challenges faced by EU importers when requesting the definition of first lost information for the export to the EU. The Fisheries Control Regulation should leverage existing frameworks, such as under the Regulation on Illegal, Unreported and Unregulated Fishing, to avoid duplicating efforts. There should be a reassessment of the import process to ensure accurate and practical information collection without undermining EU competitiveness, as EU importers would face a competitive disadvantage from requiring information beyond the internationally recognised standards documents.













Third, on pooling of lots, Mr Pastoor stated that there are fisheries with multi vessel catches or multi species catches as well as aquaculture businesses with multiple production units where it would not be technically feasible to separate these before or during the creation of the first lot. The delegated act should allow for pooled lots, while also providing guidelines for their formation. He acknowledged that the Commission was planning to require traceability information for the top three species by weight, which was, in his view, a step in the right direction, even though more flexibility might be needed.

Fourth, on internal traceability in processing, Mr Pastoor expressed concern about potential interference with the internal traceability systems already established for food safety reasons. The creation of lots for intermediate products during processing for compliance with the Fisheries Control Regulation would be unnecessary and burdensome. In his view, control points for traceability should focus on the entry and exit of the products from the processing facilities, enabling efficient traceability while respecting existing production practices and processing routines.

Fifth, on freedom of methodology, Mr Pastoor emphasised the need for flexibility in the technical tools used throughout the supply chain. In his view, operators should be allowed to relabel lots and introduce their own identification systems to align with internal warehouse and tracking systems. Such freedom would be vital to ensure combability and efficiency across diverse supply chain actors.

The <u>Chair</u> drew attention to the importance of fact-finding missions by DG MARE officials and the selected consultants for a proper understanding of the practical implications of the proposed rules. The Chair also encouraged DG MARE to maintain dialogue with the stakeholders.

Anne Gautrais-Le Goff (DG MARE) responded that she was aware of several of the concerns raised by Mr Pastoor. Concerning flexibility for operators, the Commission services were aiming to develop rules with added value, while avoiding unnecessary burdens on operators as well as avoiding a "one-size-fits-all" approach. With that in mind, the rules of the delegated act would not be prescriptive on any specific digital traceability system, allowing companies to adopt solutions compatible with their operations. The fact-finding missions showed that many companies already had digital systems in place. She added that, under paragraph 12 of Article 58 of the revised Fisheries Control Regulation, the Commission was allowed to set more rules on traceability for lots after the placing on the market, further cooperation between member States on access to lot information, or on geographical areas, but chose not to.

On the transfer of information from the first operator, she expressed availability to discuss the matter with the Member States. As fishing logbooks will be electronic, the transfer of information to the first buyer should be relatively easy. Stakeholders should inform their national authorities about potential difficulties in accessing this information. In the case of imports, the Commission representative recalled that the intention is not to create additional rules. The CATCH IT system, the safety focal portals, and other elements will be taken into account. She expressed availability to work together with the operators in the development of solutions, taking in account the trade-related challenges.

The <u>Chair</u>, regarding the reference to exchanges with national authorities on facilitating access to data from electronic fishing logbooks, mentioned that difficulties were met when addressing the French authorities.





























Summary of action items

- Fisheries Control Regulation

- Secretariat to collect feedback from the members on the upcoming additional rules for traceability of fresh and frozen fishery and aquaculture products and marking of lots, allowing for the consideration of draft advice at the next meeting.
- o Follow-up exchange with Ms Anne Gautrais-Le Goff (MARE D4) to be scheduled under the draft agenda of the next meeting.















Attendance List

Representative	Organisation	Role
Adrien Simonnet	Union du Mareyage Français (UMF)	Member
Alexandre Bonneau	SNCE	Member
Alfonso Menoyo	Europêche	Member
Amélie Laurent	Oceana	Member
Àngels Segura Unió	AECOC	Member
Anna Rokicka	Polish Association of Fish Processors (PSPR)	Member
Anne Gautrais-Le Goff	European Commission	Expert
Anne-France Mattlet	Europêche	Member
Antonio Recuna	Conxemar	Member
Aodh O'Donnell	IFPO	Member
Arthur Yon	FROM Nord	Member
Caroline Gamblin	PACT'ALIM	Member
Cristina Borges	Portugal	Observer
Elena García Caballero	Spain	Observer
Fanny Devaux	European Fisheries Control Agency (EFCA)	Observer
Gaëtane Le Breuil	European Fishmeal	Member
Gerd Heinen	European Commission	Expert
Giorgio Rimoldi	Unione Italiana Food / ANCIT	Member
Guus Pastoor	EU Fish Processors and Traders Association (AIPCE)	Member
Hommel Kassa	SNCE	Member
Iñigo Azqueta Ruiz-Gallardón	FEICOPESCA / ANFACO-CECOPESCA	Member
Isabel Alonso Cabezas	Spain	Observer
Janne Posti	Conxemar	Member
Javier Ojeda	Federation of European Aquaculture Producers (FEAP)	Member
Jens Høj Mathiesen	Danish Seafood Association	Member
Joanna Żurawska-Łagoda	Poland	Observer















Representative	Organisation	Role
João Pereira	FRUCOM	Member
John Lynch	Irish South & East Fish Producers Organisation (ISEFPO)	Member
Justina Radzewicz	Poland	Observer
Katarina Sipic	EU Fish Processors and Traders Association (AIPCE) / European Federation of National Organizations of Importers and Exporters of Fish (CEP)	Member
Lara Bermúdez	Conxemar	Member
Laure Guillevic	WWF	Member
Luis García	Conxemar	Member
Malgorzata Kieliszewska	Poland	Observer
Maria Jose Cornax	European Fisheries Control Agency (EFCA)	Observer
Maria Spatioti	EuroCommerce	Member
María Luisa Álvarez Blanco	FEDEPESCA	Member
Massimo Bellavista	COPA COGECA	Member
Maximilian Schwarz	Market Advisory Council (MAC)	Secretariat
Mike Turenhout	Visfederatie	Member
Mirta Novak	Croatia	Observer
Mo Mathies	North Western Waters Advisory Council	Observer
Myfanwy Cortis	Malta	Observer
Nadia Ruiz	European Fisheries Control Agency (EFCA)	Observer
Olivier Hottlet	FRUCOM	Member
Patrick Murphy	Irish South & West Fish Producers Organisation	Member
Pedro Galache	European Fisheries Control Agency (EFCA)	Observer
Pedro Reis Santos	Market Advisory Council (MAC)	Secretariat
Pierre Commère	PACT'ALIM	Chair
Pim Visser	NOVA	Member
Poul Jensen	Danish Seafood Association	Member
Rafael Piñero Scapachini	EuroCommerce	Member















Representative	Organisation	Role
Roberto Alonso	ANFACO-CECOPESCA	Member
Sarah Hautier	EuroCommerce	Member
Sergio López García	OPP7 Burela	Member
Sofía Gómez	FEDEPESCA	Member
Szilvia Mihalffy	Federation of European Aquaculture Producers (FEAP)	Member
Thibault Pivetta	European Mollusc Producers Association (EMPA)	Member
Thomas Kruse	Danish Fishers Producer Organisation / Danish Pelagic Producer Organisation	Member
Vanya Vulperhorst	Oceana	Member
Yas Farjad	France	Observer
Yves Reichling	Feedback EU	Member











