

Initial Focus Group on Trade Minutes

Wednesday, 3 March 2021

15:00 - 16:00 CET

Zoom online meeting

Welcome from the Chair, Poul Melgaard Jensen

Adoption of the agenda and the last meeting's minutes (17.02.21): adopted

Trade Flows

- **Presentation on trade balance sheets by Mike Turenhout (Visfederatie)**

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

Mike Turenhout (Visfederatie) provided an overview of the EU seafood market and supply. According to AIPCE's Finfish study, in 2019, there were 9.5 million tonnes imported, of which 1.4 from EU aquaculture and 4.7 from EU fisheries. The total supply was of 15. Million tonnes. In terms of supply, the main sources are in the EU. Imports come mainly from Norway, China, USA, Vietnam, Iceland, Ecuador, and Russia. The EU supply was 6.1 million tonnes, while the non-EU supply was 9.5 million tonnes. Most of the seafood available in the EU is used for EU consumption (80%), while 6% is for non-food uses (e.g., fishmeal) and 14% is to export to third countries (usually products that are not consumed in Europe). The EU consumption was of 12.3 million tonnes. The EU consumption per capita is 23.9 Kg. There is a growing competition on seafood worldwide due to an increase of population and GDP. The raw data of the Finfish study can provide data of 2019, while EUMOFA can only provide data for 2018. When comparing the Finfish study with the EUMOFA market report, there are no significant differences. There is a slight difference due to different classification of products for non-human consumption. In the view of AIPCE-CEP, there are certain products that have a percentage of human and non-human consumption. Conversion factors are used to translate seafood volumes into raw fish equivalent. These also vary between the Finfish study and the EUMOFA report, since AIPCE-CEP takes into account recent trends in the market, for example for filleting.

- **Exchange of views**

The Chair emphasised that the purpose of the Focus Group was to, at least, describe the problems and attempt to provide answers to these. The Chair exemplified that, in the case of Alaska Pollock imported from China, in the description of the statistics, China does not have any catches, since it is



processing the product. It is important to explain that the statistics can hide the origin. It is also necessary to see how to integrate catches by EU vessels in third countries' waters.

Vanya Vulperhorst (Oceana) highlighted that Oceana found that there were no set conversion factors for species outside RFMOs. The member asked for more information on the conversion factors used by AIPCE-CEP. For example, if for non-EU species, AIPCE-CEP used the conversion factors established by partner countries. Plus, if for EU species, the EU conversion factors were used.

Mike Turenhout (Visfederatie) explained that there are two different types of conversion factors: for fisheries and for trade. For fisheries, AIPCE-CEP uses the same conversion factors as the Commission. For trade, AIPCE-CEP chooses to make mutations in the factors for increased precision. There are two different data sets used.

Vanya Vulperhorst (Oceana) asked if the trade conversion factors were based in AIPCE-CEP's internal knowledge.

Mike Turenhout (Visfederatie) responded that the basis was the German conversion factor list, but it evolved over time. AIPCE-CEP continuously evaluates the conversion factors.

Vanya Vulperhorst (Oceana) stated that it would be relevant to highlight that the conversion factors come from internal knowledge and there are no global level common conversion factors for trade.

Mike Turenhout (Visfederatie) stated that it could be relevant to maintain a continuous discussion with EUMOFA and potentially combine the two lists. This is being discussed in AIPCE-CEP.

Vanya Vulperhorst (Oceana), in relation to EU landings, asked if it included landings of non-quota species.

Mike Turenhout (Visfederatie) responded that the landings only cover quota species. It is a shortcoming for both the Finfish study and the EUMOFA market report.

The Chair agreed that it is an important point that only EU quota species are covered. The Chair exemplified that, in Danish waters, there were significant catches of Norway Lobster, even though there were no EU quotas. The Chair emphasised that the presentation was an important contribution to define the EU market, plus it is possible to break it down into different species.

Guillaume Carruel (EAPO) asked about the link between the decrease in seafood consumption and the increase in global competition.



Mike Turenhout (Visfederatie), highlighted that, in 2019 and 2020, the EU catches were lower compared to the previous years. The quotas were not fully used. This is unfortunate, since this supply could be used for EU consumption and exports. In 2020, it was connected to the COVID-19 pandemic.

Guillaume Carruel (EAPO) wondered if there was any link to a change in consumer demand.

Mike Turenhout (Visfederatie) responded that was not the caught. The landing fish is sold, so there is a market for the fish. Processing and trading partners will find an outlet. There are other reasons for the underutilisation of quotas, for example weather conditions.

Guillaume Carruel (EAPO) exemplified that, in the beginning of the COVID-19 pandemic, there was no market for some fish species.

Mike Turenhout (Visfederatie) highlighted that it was a situation connected to the pandemic and the closure of the HORECA channels. This is an external factor, which is different to the drop of landings in 2019.

Structure of the Report

- **Proposal from the Chair**

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

The Chair provided an overview of the proposed structure for the FG report. Part 1 would cover the composition of the EU seafood market. Part 2 would cover the trade instruments, which would be divided into different groups. SFPAs would need to be added. Part 2 should be rather summarised. Part 3 would cover the most important species / products with a list of the origin countries and the relevant trade instruments. The Chair suggested that the Commission services might be able to help with the data for Part 3. The Chair proposed to have a key person for each part. The Chair volunteered to be the key person for Part 2 and suggested Mike Turenhout for Part 1. In relation to Part 3, it could be more difficult to determine the key person.

- **Identification of most relevant fish species / product**

Mike Turenhout (Visfederatie) expressed support for the proposed structure. Under Part 2, the reason why there are different instruments should be included. The strengths and weaknesses of the instruments could also be a good addition. The member agreed with the selection of key people, but added that everyone should contribute to the final report. Regarding the most relevant fish species / products, the member wondered about the criteria to define these, for example: most imported species, the most conflicting with EU catches and aquaculture, or with the most added value.



The Chair clarified that it would be a structure for a preliminary report. Then all members would be able to contribute to the final version.

Vanya Vulperhorst (Oceana) suggested the inclusion of a top five of the main imported species. There should be data to justify the species selected, in order to avoid an arbitrary choice.

The Chair agreed. The Chair thanked EAPO for the submitted suggestions and added that members could still suggest additional species / products. The Chair proposed to set out criteria for the selection of species.

Guillaume Carruel (EAPO) expressed agreement. The suggestions from EAPO were some preliminary ideas. The member suggested a top 5 of the categories mentioned by Mike Turenhout.

- **Way forward**

The Chair stated that the key person for each Part would coordinate the work.

The Secretary General suggested that the FG could discuss the criteria for the most relevant species / products. The Secretariat could contact MARE A4 Unit, in order to know if the Commission already has information on the share of the species / products per trade instrument.

The Chair agreed that criteria should be defined. Amount should be part of this.

The Secretary General recalled the criteria suggested by Mike Turenhout earlier: most imported, most added value, and most conflicting with EU production.

Mike Turenhout (Visfederatie) wondered if sustainability should also be included.

The Secretary General mentioned that Linnéa Engström (MSC) would likely have information on that, potentially on the species with most sustainability certification.

Mike Turenhout (Visfederatie) suggested the use of a top 5 per category of criteria. For imports, it is possible to take a quantitative approach. For conflict between EU production and imports, a more qualitative approach would be needed.

Vanya Vulperhorst (Oceana) highlighted that WWF looked at risk of IUU fishing, for example trade from yellow-carded countries.

Katrin Poulsen (WWF) offered to provide the study mentioned. Looking at potential issues of sustainability and risks of IUU would be relevant. In relation to a previous intervention from the Chair,



emphasised the relevance of looking into trade flows that might conceal the origin due to processing. The member wondered about how that point could be described, plus if it would be relevant to add a similar analysis in the intra-EU trade. There is less information available on intra-EU trade flows. For example, it seems like the Netherlands imports high amounts of seafood, but this is likely due to the port of Rotterdam.

The Chair responded that it would be difficult to find a response in the statistics. On intra-EU trade, it would be very difficult to achieve it.

Katrin Poulsen (WWF) suggested that the FG report could suggest a recommendation to make this information more available.

The Chair expressed agreement.

Mike Turenhout (Visfederatie) agreed with the suggestion. The member highlighted that more questions will likely come up. He suggested that the FG should develop a list of proposed recommendations and questions, which could be put forward to the WG and the Commission.

The Chair agreed that the report should cover statistical reliability problems. Part 3 requires more work on the species to be covered. The Chair proposed a new week deadline for members to send criteria suggestions to the Secretariat.

The Secretary General suggested to initiate contacts with the Commission concerning the availability of data for Part 3.

Katarina Sipic (AIPCE-CEP) volunteered to assist Mike Turenhout with Part 1.

AOB

- **Date of the next meeting**

The members agreed that the next meeting would take place after the one week deadline to propose criteria to determine the most relevant species / products under Part 3. The exact date would be determined through a Doodle poll.



Summary of action points

- Identification of criteria to determine the most relevant species/products:
 - o Secretariat to circulate email asking members to choose criteria
- Availability of data for Part 3 of the FG report:
 - o Secretariat to contact DG MARE to determine if the data is available and, if not, how the data could be collected
- Listing of potential recommendations to WG2 and DG MARE:
 - o Report to include a list of potential recommendations and identified statistical reliability problem (e.g., lack of information on intra-EU trade and masking of origin of production due to processing)



List of attendees

Representative	Organisation
Guillaume Carruel	EAPO
Katarina Sipic	AIPCE-CEP
Katrin Poulsen	WWF
Mike Turenhout	Visfederatie
Pedro Reis Santos	MAC Secretariat
Poul Melgaard Jensen (Chair)	Danish Seafood Association
Stavroula Kremmydiotou	MAC Secretariat
Vanya Vulperhorst	Oceana

