

Working Group 2: EU Market Minutes

Wednesday, 9 September 2020

15:00 - 18:00 CET

Zoom online meeting

Welcome from the Chair, Andrew Kuyk

Adoption of draft agenda and minutes of last meeting (03.06.20): adopted

Control Regulation

- **Introduction**

The Chair recalled that the MAC had already provided advice on the Commission proposals for reform of the EU Fisheries Control System, as published on 5 November 2018. The Council had since moved forward with a number of suggested amendments, but parallel work in the European Parliament had started afresh after the election of the new Parliament in May. That had resulted in the tabling of a very large number of further amendments, which were still undergoing discussion in the PECH Committee. The purpose of the agenda item was to hear direct from the Committee rapporteur on progress in those discussions and to exchange views on key issues. The Working Group would reflect on next steps at its meeting on 22 September.

- **Presentation of MAC Advice on EU Fisheries Control System (2018)**

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

The Chair provided a presentation of the MAC Advice on EU Fisheries Control System, including the legislative developments and the main arguments put forward by the MAC.

- **Presentation by MEP Clara Aguilera, EP PECH Committee Rapporteur**

The Chair invited Ms Aguilera to share her thoughts on the work done by the EP PECH Committee and the timeframe, plus potential relevant contributions by the MAC.

Clara Aguilera MEP highlighted that, like in the MAC, the EP PECH Committee is composed of different groups with varying interests. Therefore, it is not always easy to reach a wide consensus. More than 70 political compromises have been presented to the parliamentary groups in order to develop joint positions. There were more than 1000 amendments. In terms of timeframe, the



first intention was to hold a vote at the November EP PECH Committee meeting, but the most likely is to take place at the December meeting. The trilogues II would start as soon as possible in January. It is unlikely to have a final approval before the 2021 Spring.

Traceability and consumer information on the origin of food are two of the controversial topics and is also covered by the European Green Deal. This might be developed under the Control Regulation or under the Farm to Fork Strategy initiatives. The objective is to reach harmonisation of control systems. There is a wide variation of controls and sanctions among Member States, which leads to unreasonable discrimination. The most important is to reach unification in the EU of the controls, while knowing that vessels are different, particularly due to their sizes. The control systems and the sanctions should be homogeneous.

There are several issues that would be relevant to discuss, such as discards, waste, and the landing obligation. Some political groups have proposed to foresee that the catches whose size is below the allowed for human consumption could be donated for charitable and social purposes. Therefore, MS Aguilera would like to know the MAC's view regarding the potential utilisation of these products.

On lots, there are proposals to return to the definition of lots of Directive 91/2011. Both fresh and processed products should have total traceability. If there is a mix of lots, it should be clearly differentiated in the label, including the origin. Origin labelling for fresh and processed products is foreseen by the European Green Deal and is part of the discussions on the Farm to Fork Strategy. There are two options: introduce this under the Control Regulation or, at a later stage, under other Farm to Fork Strategy initiatives. Ms Aguilera recognises that there are difficulties, but still she supports full traceability on origin and the provision of this information to consumers. The political groups are divided on the possibility to include this under the Control Regulation.

Another topic is the direct sales of seafood products. Currently, direct sales up to 50€ per consumer are allowed, but the Commission's proposal sets this at 5kg per consumer per day. A part of political groups want to increase the number of KGs. In her view, it would be better to maintain the Commission's proposal. Direct sales have value for small-scale fisheries. 5kg is a reasonable amount. The consequences for seafood retailers must also be considered. Therefore, she would like to hear the MAC's view on this proposal.

On recreational fisheries, Ms Aguilera argued that recreational fisheries must provide data. The catches cannot be ignored, particularly for species with overexploitation risks. All fisheries must have an adequate system for control. Artisanal fishing is another of the debates with the most differences between and within groups. There is no agreement on the size of the vessels to be covered by geolocation systems. In her personal experience in Andalusia, it is possible to install geolocation systems on smaller vessels, such as the green boxes. Therefore, the MEP would like



to hear the MAC's view on covering all vessels except for the very small ones (maximum 8 or 10 meters). The MEP also expressed openness to views on other issues from the MAC.

- **Exchange of views on latest developments on the review of the regulation**

The Chair highlighted that three of the mentioned topics were highly relevant for the MAC's Working Group 2: lots, direct sales, and recreational fisheries. As for the need for harmonisation of control systems and sanctions, in earlier discussions, there was wide support for greater consistency and harmonisation. In his view, traceability has two functions: ensuring the correct information passed in the supply chain, including, when necessary, the consumer, and allowing data collection, ensuring that there are no gaps in the supply chain.

The Chair invited the members to intervene in a first round on the general principles and the topic of products that do not enter the supply for human consumption.

Pierre Commère (ADEPALE), in relation to lots and traceability, highlighted that it is not only canned products that need to be considered, but all processed products. They drew attention to the confusion between traceability and information to consumer. Both are very important, but these are different concepts. There are several amendments to separate processed products, but the reality is that the industry supports and applies traceability, for example for sanitary requirements. Regarding the information on traceability, this information must be defined at the moment of catch. It is important to determine the lot of the catch and aquaculture right from the beginning. It is also important to distinguish between the fishing lot and the product lot.

Sean O'Donoghue (KFO), concerning the level playing field on sanctions and control, emphasised that everyone is in favour of a level playing field. However, on sanctions, there are several Member States that operate under a Common Law, while others follow an administrative system. There is no common legal system in the EU, so it is impossible to have the same sanctions in the different legal jurisdictions in the EU. They requested more information on the phasing-in period for the implementation of the reviewed legislation.

Daniel Voces (Europêche) expressed agreement with the objective of harmonisation of sanctions, even though it is necessary to respect the different national systems. On the use of discards for social and charitable purposes, Article 15(1) of the Common Fisheries Policy already provides the possibility of doing this for catches below the minimum conservation sizes. This could also be for fish oil, food additives, pharmaceutical uses, and cosmetics. As seen during the COVID-19 pandemic, fishers support social actions, such as free seafood for low income families. Nevertheless, the objective of the fishers is to have income, therefore, on the charitable use of discards, it is needs to be studied. In the first instance, fishers want to sell fish for human consumption, and, then, consider other uses that maximize their sales.



Jacinto Insunza (FNCP) expressed agreement with the use of discards for charitable purposes, which is something that is already taking place in certain cases.

Vanya Vulperhost (Oceana), on the simplification and harmonisation of the regulation, stated that the NGOs support Ms Aguilera's attempt to simplify and harmonise the sanctions and control system in the EU. This is quite relevant for the implementation of the Control Regulation. Currently, there are Member States that are not implementing the penalties points system and do not do serious infringements. In order to remedy this, more aligned sanctions are needed, but also to have more transparency. More information from the Member States or the European Commission to the public. This is also relevant for the traceability, which has been in place since 2009, but has not been implemented in every Member State. NGOs are in favour of traceability in all products marketed in the EU, both fresh and processed, and produced and imported. Imported products should be covered by Article 58 of the regulation. Prepared and processed products should be covered by Articles 56 and 58.

Christine Absil (Good Fish Foundation), on the concept of traceability, emphasised traceability has been dealt with in the supply chain for several years, but this was traceability to react mostly to food safety problems. The consumers' view on traceability is to have transparency connected with consumer information, but also connected to risk mitigation, for example to avoid IUU risk.

Purificación Fernández (OPPC-3), in relation to the harmonisation of control systems and sanctions, emphasised that systems in the Member States need to be harmonised, particularly in the sanctions. It is also important for the legislation to be as specific and clear as possible. The lack of inspection criteria should be solved by Member States working together to develop common criteria. Taking into account the specificities of the fisheries sector, wondered if it would be possible to include an Article on criteria discrepancies in the interpretation of the rules, so that the Commission or Member States together could take these cases to the Court of Justice.

Sergio López García (OPP Lugo), on the harmonisation of the regulation, urged Ms Aguilera to be ambitious. One of the largest problems of the current regulation is that the legal norms of each Member State are very different. Harmonisation should not only be for vessels, but also for the markets. The use of discards for social causes would not be a problem. It is an opportunity to provide social help. The problem is that the landing obligation is not realistic and needs to be revised. There are socio-economic problems connected to the landing obligation.

Carla Valeiras Alvarez (EuroCommerce), on digital traceability, wanted to know if open standards would be used to ensure interoperability of the system. There are many retailers that already have systems in place. Therefore, it is important to know what the European Parliament is doing to ensure that these systems can continue to function.

Daniel Weber (European Fishmeal) provided a [video](#) on the Danish electronic control system.



The Chair invited members to present their views on lots.

Krishan Kent (Fiskbranschens Riksförbund) provided a [PowerPoint presentation](#) on the definition of lots under the draft Control Regulation. The definition of lot under Article 56a, 2. a) and b) raises no issues in the moment before the product is placed on the market. It should be possible to create lots according to the market requirements further along the chain. In an ideal world, a fisher lot would be sold and be the same as the production lot. This would allow full traceability, since the product would be related to one vessel, one region, and one product. In reality, in their experience in Sweden, the practice is much more complex. In the example provided, there are four fisher lots, each with its own identification number. Companies in the market will buy parts of this catch, in order to ensure that they purchase products that meet the requirements of their markets, which varies depending on the country, channel, and segment of focus. These fisher lots become production lots. As an example, production lots can be fillets of different sizes. Each package has fillets from different fisher lots. When supplying large quantities, it would be extremely difficult to know the fillets per vessel. Therefore, Article 56a, 2. a) and b) should only be applicable to landing. Then, it should continue under the already in place lot regulation, meaning that the industry is able to redefine the lot, in order to customize the product, while still having traceability. The traceability is adapted to the product and facilitates the distribution of the product and the correct information.

Anna Boulova (FRUCOM) highlighted that the Article on lots refers to single species coming from the same vessel, the same group of vessels, or the same aquaculture unit. There is a practical problem, since it is one aquaculture unit, while a group of vessels is allowed. This is particularly a problem for developing countries where aquaculture production units are very small. In order to provide a meaningful delivery for buyers, the products are grouped.

Jacinto Insunza (FNCP) agreed that traceability must be as wide as possible, using technology, with some exceptions for smaller lots. It is important to fully identify origin in both fresh and processed products. Traceability must reach the final consumer for all products.

The Chair invited members to comment on the exemption for direct sales.

Jacinto Insunza (FNCP) emphasised that the sales of fisheries products should always be controlled by the fishing auctions, including for statistical and sanitary purposes.

The Chair, on recreational fisheries, highlighted that, in previous instances, there was consensus in the group that recreational fisheries need to be brought inside the control system.

Clara Aguilera MEP thanked the members for the discussion, which was very useful to know the different opinions in the sector. Ms Aguilera expressed openness to holding another meeting with



the MAC before the approval of the file. On harmonisation, everyone recognised the importance of harmonisation on rules and sanctions, even though some recognise that there are difficulties due to different legal systems in Member States. It is important to bring these legal systems closer. It will probably not be possible to reach full harmonisation, but that should be the aim, in order to reach as much progress as possible. Otherwise, there will be inequalities in the implementation. Among the sector, there are complaints of discrimination.

On the legislative calendar for approval of the revised regulation, the adoption can culminate in the next Spring. That is the political will. The entry into force of the regulation is not yet closed. Clara Aguilera has proposed that the entry into force of the entire regulation would require the installation of new systems, so it would require 5 years for entry into force, allowing sufficient time for all countries and the sector to adapt. There are arguments that, in reality, administrations and the sector will only worry in the last six months.

On the differentiation of traceability and consumer information, Ms Aguilera emphasised that she does not doubt that there is total traceability in the products. Labelling information is different from traceability. Still, there are two remaining points of discussion. It is not yet clear what is the appropriate labelling to reach the consumer, particularly for processed products. This could take place by requiring origin information under the Control Regulation or under the European Green Deal. The Farm to Fork Strategy already mentions the need to establish nutritional profiles and a labelling system that takes into account the origin of all products. It is possible to amend the Control Regulation to cover processed products more fully. For example, there is tuna sold as being from the Cantabrian Sea, but that has a different origin. It is important to clarify the origin of the products.

On the use of discards for charitable purposes, Ms Aguilera explained that, up to now, these can be used for other industries but not for human consumption, while OPP Lugo had highlighted that the problem is that the landing obligation does not work. Effectively, the landing obligation is not working. It is a very ambitious rule for which there is not sufficient technology to ensure the required controls. This is another debate. Currently, the discussion is only about the use of discards for charitable purposes.

On the interoperability systems for traceability, Ms Aguilera explained that they are not planning to make changes. There should be traceability that ensures food safety. As for the difficulties connected to the changes in lots along the supply chain, the MEP recognised that it is important to consider these difficulties.

On direct sales, Ms Aguilera mentioned that it did not seem to be a major issue for the MAC. In her view, these direct sales of fresh products could be problematic for the retail sector. As final comments, it is important to ensure that all the information is transmitted, so that there is appropriate labelling for the consumer. Sometimes, it is not possible for the supply chain to



provide all the information, since there was a gap along the chain. The MEP expressed openness to meet again to discuss specific topics on the revision of the regulation.

The Chair thanked Ms Aguilera for her participation and availability for further meetings. The Working Group will continue discussions on the Control Regulation at the next meeting.

IUU Regulation

- **Presentation by EJF of draft proposal**
- **Consideration of draft advice on key data elements**

The Chair explained that this was a first draft proposal by EJF and, as such, open to discussion and amendments. The Chair invited members to provide their first views, in order to continue work at the next meeting.

Georg Werner (EJF), on the rationale of the draft advice, importing States tend to require different information for the consignments, meaning the key data elements (KDEs). This data is requested to monitor seafood imports and to determine the legal origin and prevent fraud. At the moment, the largest seafood markets in the world are the EU, USA, and Japan. Currently, Japan does not have an import control system as such, but complies with a number of RFMOs rules. Japan is in the process of building its own traceability system for seafood imports.

There are different systems of imports. The EU has the catch document scheme. The EU's system covers all wild caught fisheries by non-EU countries. The information supplied by the importer is validated by third countries. On the hand, the US system focuses on 13 species. The importer of the consignments is required to maintain records of the chain of custody of the product. The information is not validated by a third country.

Earlier in the year, the IUU Coalition published a comparative study on key data elements and import control schemes. The study looks into a baseline of key data elements to guarantee the legal origin of seafood products. The draft advice includes the 17 KDEs in the annex, but only as information to the reader. Currently, the import control systems are quite different, but this should not hinder better alignment. If large importing countries request similar data, even the systems are different, these can be more aligned. The EU requests 13 of the KDEs, while the USA requests 12. The EU and the USA are around 60% of alignment.

On the benefits of better alignment of information, it would prevent trade diversion of illegally caught seafood and close loopholes for IUU products. There would be benefits for economic operators, since there would be less compliance costs and reduce bureaucratic burden, thus facilitating trade. The draft provides a series of recommendations to the European Commission.



The Commission should work with colleagues to ensure that existing import controls schemes are as efficient as possible and that future schemes are as robust as possible and follow best practices. Any future harmonisation of schemes should follow the lessons learned with better standards. The EU should work with RFMOs to align KDEs. The Commission should engage with other market States to promote harmonisation of import control schemes. Import controls schemes should be electronic and allow inter-operability between States and RFMOs, permitting cross-checks.

Jacinto Insunza (FNCP) expressed support for the harmonisation of import control systems.

Guus Pastoor (Visfederatie) highlighted that, for the processing sector, one of the major issues is that differences between markets are never beneficial, especially in terms of logistics and rules. They welcomed the initiative. Controls should be tight and without loopholes. Therefore, AIPCE-CEP should be able to support the document, even it is still necessary to look into the details.

AOB

None



List of attendees

Representative	Organisation
Andrew Kuyk (Chair)	AIPCE-CEP
Anna Boulova	FRUCOM
Annelie Rosell	Swedish Pelagic Federation PO
Arnault Chaperon	FEAP
Béatrice Gorez	CFFA-CAPE
Bernhard Feneis	COPA COGECA
Carla Valeiras Alvarez	EuroCommerce
Catherine Pons	FEAP
Christine Absil	Good Fish Foundation
Clara Aguilera MEP	European Parliament
Cristina Fernández (observer)	United Kingdom (Seafish)
Daniel Voces de Onáindi	Europêche
Daniel Weber	European Fishmeal
Eduardo Míguez	Puerto de Celeiro S.A. – OPP77
Emiel Brouckaert	EAPO
Georg Werner	Environmental Justice Foundation
Guillaume Carruel	EAPO
Guus Pastoor	Visfederatie
Haydeé Fernández	CONXEMAR
Jacinto Insunza Dahlander	Federación de Confradías de Pescadores
Jean-Marie Robert	Les Pêcheurs de Bretagne
Jens Mathiesen	Danish Seafood Association
José Carlos Escalera Aguilar	Federación de Cofradías de Pescadores de Cadiz (FECOPESCA)
Juan Elices	Spain
Katarina Sipic	AIPCE-CEP



Representative	Organisation
Katrin Vilhelm Poulsen	WWF
Krishan Kent	Fiskbranschens Riksförbund
Laura Rodriguez	MSC
Linnea Engström	MSC
María Luisa Álvarez Blanco	FEDEPESCA
Maria Luisa Sevilla Andrada	European Parliament
Massimo Bellavista	COPA COGECA
Matthias Keller	Bundesverband der deutschen Fischindustrie und des Fischgrosshandels e.V.
Nicolás Fernandez Muñoz	OPP72
Olivier Hottlet	FRUCOM
Patrick Murphy	IS&WFPO
Pedro Reis Santos	Market Advisory Council
Pierre Commère	ADEPALE
Pim Visser	VisNed
Purificación del C. Fernández Alvarez	OPPC-3
Quentin Marchais	ClientEarth
Roberto Carlos Alonso Baptista de Sousa	ANFACO-CECOPECA
Rosalie Tukker	Europêche
Santiago Folgar Gutiérrez	AVOCANO
Sean O'Donoghue	Killybegs Fishermen's Organisation Ltd
Sergio López García	OPP LUGO
Signe Aaskivi	EFCA
Stavroula Kremmydiotou	Market Advisory Council
Thomas Kruse	Danish Fishermen PO
Vanya Vulperhorst	Oceana

