



WORKING GROUP 2 – EU MARKET

Pierre Commère

Chair

Online (Zoom)

Tuesday, 25 May 2021

AGENDA (CET TIME ZONE)

- 14:00 Welcome from the Chair, Pierre Commère
- 14:05 Adoption of the agenda and of the last meeting's minutes (26.03.21)
- 14:10 Trade
- 14:30 Sustainable Fisheries Partnership Agreements (SFPAs)
- 15:00 EUMOFA
- 15:45 Illegal, Unreported and Unregulated fishing (IUU)
- 16:30 Brexit
- 17:15 Initial Focus Group on Trade
- 17:20 AOB
- 17:25 Summary of actions points

17:30 End of the meeting

ACTION POINTS (26 MARCH 2021)

Code of Conduct for Responsible Business and Marketing Practices:

- Members to send input to Secretariat
- Secretariat to prepare short and general draft advice focused on principles of the code and specificities of the seafood sector to be considered via written procedure
 - Period for Inputs: 6 - 13 April 2021
 - Draft agreed by WG2 under written procedure | Put forward to ExCom

Contingency Plan for Ensuring Food Supply and Food Security:

- Members to send input to the Secretariat
- Secretariat to prepare short and general draft advice covering some of the topics of the target consultation to be considered via written procedure
 - Period for Inputs: 6 - 13 April 2021
 - Draft agreed by WG2 under written procedure | Put forward to ExCom

Trade:

- Secretariat to send written question on EU-USA trade dispute & pacific salmon frozen fillets on behalf of Fischverband
 - Written question sent to MARE B3 on 6 April 2021

ACTION POINTS (26 MARCH 2021)

Brexit - General:

- Deadline of the Secretariat's questionnaire on Brexit to be extended for one week
- Secretariat to prepare draft advice based on the replies to the questionnaire to be considered at the next meeting
 - Secretariat's questionnaire: 29 March – 6 April 2021
 - Draft advice circulated on 30 April 2021

Brexit – General – import of live unpurified bivalve molluscs from the UK:

- Draft advice on import of live unpurified bivalve molluscs from the UK, based on the AAC letter, to be considered via written procedure
 - Advice on live unpurified bivalve molluscs adopted on 14 April 2021

Illegal, Unreported and Unregulated fishing (IUU):

- Sophie Nodzinski (EJF) to prepare draft advice proposal on flags of convenience to be considered at the next meeting
 - Draft advice circulated on 30 April 2021

TRADE

➤ Update on latest developments

- **Marta Moren Abat, International Relations Officer, MARE B3**
- **Angelo Torrente, Policy Assistant (USA & Canada), TRADE D1**
- **Nuria Navarro Diaz, Policy Assistant (Fisheries), TRADE E3**
- **Pawel Szatkowski, Policy Officer (Trade & Customs), MARE B3**
- **François Becquart, International Relations Officer, TAXUD E5**
 - Renegotiation of EEA Agreement
 - Cape Verde – Derogation of Rules of Origin
 - USA – Reintroduction of additional duty for selected seafood imports

➤ Exchange of views & way forward

SUSTAINABLE FISHERIES PARTNERSHIP AGREEMENTS (SFPAS)

➤ Presentation of Evaluation Exercise

- **Benoit Caillart, Associate Director, F&S (MARE's External Consultant)**
- **Marta Moren Abat, International Relations Officer, MARE B3**
 - Evaluation Roadmap's Feedback Period: 28 January – 25 February 2021
 - MAC Advice on Roadmap: 9 March 2021
 - Ongoing targeted consultation of stakeholders
 - Evaluation Report: Fall 2021

➤ Exchange of views & way forward

EUMOFA

➤ “Impact of seafood imports on the EU Small-Scale Coastal Fleet” study

- Sébastien Metz, Fisheries Economist, Sakana (EUMOFA expert)
 - Publication of the study: 14 April 2021
 - EUMOFA Talk (online event): 27 April 2021

➤ Exchange of views & way forward



ILLEGAL, UNREPORTED AND UNREGULATED FISHING (IUU)

- **Presentation of draft proposal on flags of convenience**
 - **Sophie Nodzenski, Senior Campaigner, EJF**
 - Report was presented at the 26 March 2021 Meeting
 - Action item (26 March): preparation of draft
- **Consideration of draft proposal** (Draft V1 circulated on 30 April)
- **Way forward**

BREXIT

- **Presentation of the results of the Secretariat's questionnaire**
 - Secretariat's questionnaire – first circulation: 17 – 24 March 2021
 - Fischverband, ADEPALE, OPP Lugo, CONXEMAR, ANFACO-CECOPECA
 - Secretariat's questionnaire – second circulation: 29 March – 6 April 2021
 - Visfederatie, FEAP, EAPO, AIPCE-CEP

- **Consideration of draft proposal** (Draft V1 circulated on 30 April)

- **Way forward**

BREXIT - QUESTIONNAIRE

1. From a seafood market and trade perspective, do you welcome the EU-UK Trade and Cooperation Agreement?

- Visfederatie: EU-UK TCA is better than none. Constraints with a negative impact. EU processed third country products now face up to 25% tariffs. UK will import these from third countries. Loss of employment and added value in the EU.
- FEAP: Welcomes the agreement. Not frictionless. Additional non-tariff barriers associated with exporting to the EU from a third country – export health certification & customs.
- EAPO: Welcomes the market and trade perspective of TCA. 25% transfer of quota is negative for the EU fishing industry. Welcomes authorisation to fish in UK and EU waters.
- AIPCE-CEP: Welcomes the agreement. More favourable trading terms as opposed to no agreement. Strict rules of origin with very short implementation notice. A large amount of traded processed products does not originate in the EU and these have been facing up to 25% high duties. Exceptions to the wholly obtained rule are welcomed.

BREXIT - QUESTIONNAIRE

2. From a seafood market and trade perspective, how was your sector impacted?

- Visfederatie: Products from non-EU/UK sources face tariffs up to 25%. Trade disruption. Market will be lost in the long-term. Increase in administrative pressure. Catch certificates and health certifications are time consuming, especially for fresh trade. Need for flexibility and simplification.
- FEAP: Need simplification of paperwork to avoid border delays. Export Health Certificate was not designed for perishable products like fish. Introduction of customs declarations, transit documentation, Kent Access Permits, Incoterms, import VAT.
- EAPO: Substantial impact on logistics segment. EU vessels avoid UK ports. Additional sanitary rules and customs formalities. Administrative burden affects the quality of seafood products and the earning of the shipping companies. Need for a transit agreement to simplify administrative, logistical, sanitary requirements.
- AIPCE-CEP: Seafood industry is highly integrated with different stages of processing in different parts of the EU. Products from outside EU/UK would not be “wholly obtained” and faced tariffs up to 18%. Trade is subject to full catch and certification requirements. Transaction costs due to tariffs, rules of origin, border control procedures, additional documentation. Low margin trade will not be commercially viable. More costs, once UK requires health certification. Inconsistencies in entry and exit points.

BREXIT - QUESTIONNAIRE

3. Do you believe that the Brexit Adjustment Reserve provides adequate support for EU seafood market operators?

- Visfederatie: Measures needed: compensate administrative costs, improve speed of trade logistics, ensure enough raw material, solution for bivalve imports, compensate companies trading CITES products, efficient way for groupage trade, solution for rules of origin.
- FEAP: N/A
- EAPO: Fitting mechanism to compensate loss of activity and income. Need for clarity on the allocation conditions and state aid rules. Must allow sufficient range of actions. Funds should be made available rapidly. Low level of administrative burden. Specific legal basis.
- AIPCE-CEP: Support mechanisms to mitigate Brexit impacts are welcomed. Need to see how these will be deployed and if they will be sufficient.

BREXIT - QUESTIONNAIRE

4. Are there areas where the EU should seek harmonisation of rules?

- Visfederatie: Harmonisation of labelling, consumer information, marketing standards is desirable.
- FEAP: Equivalence mechanism on sanitary & phytosanitary standards would be sensible. Labelling, consumer information, marketing rules were transposed into UK law. Firm commitment to dynamic alignment/ongoing harmonisation not expected to be feasible. Major divergence in rules should be avoided, unless there is a good reason for it.
- EAPO: Importance of reinforcing and ensuring the traceability of fishery products throughout the value chain. Environmental, socio-economic and nutritional qualities of EU-seafood products must be recognised. Origin of products should be mandatory. Level playing field has to be ensured.
- AIPCE-CEP: The more harmonisation, the better.

BREXIT - QUESTIONNAIRE

5. Taking into account that UK Overseas Countries and Territories (UK OCTs) are no longer associated with the EU, should the EU envisage measures to mitigate potential harmful effects to the EU's processing industry?

- Visfederatie: Enough supply of raw materials should be guaranteed. If necessary ATQ legislation should be adjusted.
- FEAP: N/A
- EAPO: Possible potential harmful effects to the EU's processing industry should be thoroughly studied with particular emphasis on the need for maintaining EU preference and examining all tariff free quotas entering the EU for all sources.
- AIPCE-CEP: Where necessary, the ATQ regulation should be adjusted to allow adequate supply to the EU processing industry, including from UK overseas countries and territories that are no longer associated with the EU. Furthermore, the rules of origin need to be amended so that the processing in an EU member state qualifies for tariff free exports to UK regardless the origin of the raw material.

BREXIT - QUESTIONNAIRE

6. Do you have specific views on the role, composition and functioning of the Specialised Committee on Fisheries?

- Visfederatie: It is good to stay in close contact with UK. It should be good to keep them in the ACs.
- FEAP: Unclear how aquaculture will be reflected. Overall lack of clarity. Concerned that will focus on catch allocations, access to waters, but have no relevance for aquaculture sector.
- EAPO: Industry representatives can make viable contributions to the Committee. Inclusion of the ACs in the composition of the Committee would be very beneficial.
- AIPCE-CEP: There should be a balanced representation of stakeholders. ACs should monitor the works of the Specialised Committee.

INITIAL FOCUS GROUP ON TRADE

➤ Update on the work

- **Poul Melgaard Jensen, Focus Group Chair**
 - Meetings: 17 February, 3 March, 16 March 2021
 - Development of FG's report:
 - Part 1 – Composition of EU seafood market
 - Part 2 – Overview of trade instruments
 - Part 3 – Most important species/products
 - Request for cooperation with DG MARE on Part 3
 - Interest from TRADE Unit to carry out the study, in collaboration with EUMOFA
 - MARE requested clarification on scope – Clarification sent – Pending further discussion

AOB, ACTION POINTS, END OF MEETING

- **AOB**
- **Summary of action points**
- **End of meeting**