

Working Group 2: EU Markets

Minutes

Tuesday, 19 September 2023 (14:30 – 18:00 CET)

Copa Cogeca, 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 draft agenda and of the last meeting minutes (07.06.23): adopted

Action points of the last meeting

- **State-of-play of the decisions made during the last meeting – information**
- **Banning Forced Labour:**
 - Members to send comments on the draft study, within three weeks, to the Secretariat, to be forwarded to the external consultants for their consideration
 - After the deadline for comments, a third meeting of the Steering Committee to be scheduled, followed by the circulation of the final version of the study
 - Draft advice on the topic to be considered at the September 2023 meeting
 - Comments from ADEPALE and EuroCommerce forwarded to the consultants
 - Third meeting of the Steering Committee: 5 July 2023
 - Circulation of the final version of the study: pending
 - Consideration of draft advice: scheduled

Trade Agreements & Trade Policy Instruments

- **Presentation of the ongoing negotiations on market access for fisheries and aquaculture products to the EU by Vidar Ulriksen, State Secretary in the Norwegian Ministry of Trade, Industry and Fisheries**

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

Vidar Ulriksen (Norway) thanked the members for the invitation. Mr Ulriksen underscored the importance of the ocean-related activities for Norway, including the maritime sector, energy production, and high quality wild-caught and farmed seafood. Despite the appreciation of Norwegians for their seafood, it is not possible for them to consume everything, which means that most of Norwegian seafood is exported to the world market. According to the FAO, Norway is the second largest exporter of seafood in the world. However, even if seafood trade is global, the closest markets



are also the most important. At country level, last year, seven out of ten of the most important markets for Norwegian seafood were EU countries. When considering the EU as a whole, it is the most important market.

Mr Ulriksen emphasised that Norway and Europe have traded seafood for centuries, expressing confidence that the EU will be the most important for Norwegian seafood also in the future. Large volumes are being traded. A lot of hard work is done in the entire value chain to supply the European processing industry and consumers with high-quality products. The export figures for seafood from Norway to the EU show that it is an important partnership. Under this partnership, Norway is by far the Union's largest supplier. According to Norwegian data, Norway supplies the EU with as much as 27 per cent of the EU's total seafood import. Close to 60 per cent of Norwegian seafood exports go to the EU market, both by volume and by value.

Mr Ulriksen argued that the trade is beneficial to both sides. It leads to substantial activity and employment both in Norway and the EU. In the European seafood industry, large volumes of Norwegian seafood are processed, and sold to consumers all year round. Trade in seafood means jobs. A few years ago, it was estimated that the seafood from Norway contributes to more than 20000 jobs in the EU. If ripple effects are included, the number is estimated to be approximately 40000 in total. In that sense, important values based on marine resources are created together. As a result, it leads to many satisfied seafood consumers.

Mr Ulriksen stated that, as consumers awareness and knowledge about sustainable food production will become more important in the years to come, seafood will become even more important. Climate aspects of food and healthier food systems will lead to a need for increased production of seafood. With this follows both responsibility and opportunity. Responsibility because marine resources must be managed in an eternal perspective for future generations. Opportunity because only the beginning of the potential value creation from marine resources has been seen. The State Secretary provided the example of seaweed and algae which both Norway and the EU hope can become more important in the future. It is challenging, but also very promising. Presently, only a little share of the global food production comes from the ocean. Therefore, it is necessary to look more to the ocean when it comes to future food production and further develop the market for seafood.

Mr Ulriksen underscored that, to promote seafood trade, the trade regime should be good and predictable for the actors involved. All trade relations are, to some extent, a bit complicated in one way or the other. But the trade regime between Norway and the EU for seafood is indeed quite complex. There are five different frameworks that are relevant in this regard:

- 1) a separate protocol – Protocol 9 – to the EEA Agreement,
- 2) the so-called “fish letter” of 1973,
- 3) additional protocols to the trade agreement, as Norway and EFTA had free trade agreements with European countries that became EU members over the years,
- 4) GATT quotas set by the EU, and
- 5) Autonomous quotas set by the EU to secure sufficient supplies to the EU industry and consumers.



Mr Ulriksen highlighted that Norway wants to be an important partner for the EU in seafood trade in the future. As part of this, there is a common interest in securing good and predictable market access. There are several reasons for this:

- First, seafood trade from Norway to EU is met with a highly complicated regime. The current regime consists of a wide range of tariffs and import quotas for different products. Tariffs vary from as low as 0.9 per cent and up to 25 per cent, depending on the product. So-called “tariff escalation” puts higher tariffs on processed products. Even semi-processed products that require further processing in the EU are currently faced with tariffs as high as 20 per cent. Tariff quotas are both permanent and temporary. Until recently there were 39 permanent quotas and 10 time-limited quotas. Many of them have a low volume, some even below 1000 tonnes. In sum, the system is complex and gives little predictability for the businesses involved in this trade.
- Second, Norway is worse off in terms of market access than other countries. Many Norwegian products are still met with tariffs, whereas the EU, in recent times, has offered free market access to important seafood exporting countries such as Vietnam, Canada, Japan, and the UK.
- Third, the EU has a low self-sufficiency rate for seafood, and imports are necessary to supply the EU industry and the EU consumers with a variety of high-quality seafood.
- Fourth, the size and stability of Norwegian seafood production contribute to market seafood value chains more robust and resilient.
- Lastly, Norwegian seafood is “climate smart” food. Production-wise, but also due to the geographical closeness to the EU market. Seafood trade can give important contributions to make food systems more sustainable, healthier and more climate friendly.

Mr Ulriksen recalled that Norway and the EU are in the process of negotiation Norwegian contributions to economic and social cohesion in the EU. At the same time, discussions are ongoing on improvements in the market access for Norwegian seafood. Trade in seafood between Norway and the EU is mainly regulated by Protocol 9 to the EEA Agreement and, based on this Protocol, Norway has zero tariffs for certain products of whitefish. The Protocol does not reduce tariffs for salmon, mackerel, herring, shrimps, scallops and Norway lobster. In addition to this, the trade is managed through a large set of tariff quotas. Some of these are permanent in nature as compensation for when EFTA “lost” free trade agreements due to European countries becoming EU members. Others are temporary, because they have been conducted in relation to the negotiations on the mentioned grants for social and economic cohesion. The State Secretary added that, since the mentioned process had not been concluded, he could not go into detail.

Mr Ulriksen stressed that Norway and the EU are close partners and have a long-standing tradition as well as a strong interdependence when it comes to seafood trade. The bilateral seafood trade is important for exporters and importers alike. It benefits the European processing industry as well as a whole range of activities in sectors such as transport, logistics, retail and restaurants, and, the most important of all, the consumers. Consumers, businesses and governments are increasingly looking at options to make their diets healthier, more sustainable and more climate friendly. Seafood is a climate



friendly food. Trade in such products, sourced from countries geographically close to the EU should be made easier. The State Secretary added that insecure and difficult geopolitical conditions and challenges, in Europe and globally, spoke clearly in favour of taking a fresh look at the actual and potential contribution of seafood for food security and autonomy on the continent.

Mr Ulriksen cautioned that, however, high EU tariffs on Norwegian seafood and a very complex trade regime give importers in the EU and Norwegian exporters incentives to direct trade flows to and from other markets. This leads to increased distances of transportation, and, hence, an increased carbon footprint on the seafood trade. The State Secretary exemplified that there are: 1.6 million tonnes of seafood, 217 tariff lines with trade, 229 tariff lines with trade and duty, 11 GATT quotas, 33 autonomous quotas, 39 bilateral quotas, and 10 bilateral periodical quotas, for exports to one common market. In his view, such complexity should be avoided. The opposite should be sought: more seafood trade between Norway and the EU should be promoted to support the green transition. Given the many positive contributions from seafood to employment and green transition, Norway's position is therefore that trade in seafood should be made better and simpler, not more complex.

Mr Ulriksen summed up that the EU should open its market and import every single fish which may be sourced from Norway free from tariffs. The competition for raw material as well as for processed fish might be fierce in the future. As a very good and close neighbour to the EU, Norway wants to be a steady and reliable supplier of climate friendly produced and transported seafood.

- **Exchange of views**

Guus Pastoor (Visfederatie) stated that there was a great mutual interest in the trade of fisheries and aquaculture products, as demonstrated by the increasing integration of the business. Concerning the ongoing discussions on Autonomous Tariff Quotas, Mr Pastoor mentioned that there were negative views from the European Parliament concerning imports. There are tensions with Russia, while, at the same time, a need for imports. He recognised that applicable trade rules were very complex. In his view, materials should be free of tariffs, if the raw material is not available in the EU. For processed products, a case-by-case analysis is required. In the context of fisheries policy, it can be difficult to solve other policy issues, particularly in the context of raw material vs processed products.

Aodh O'Donnell (IFPO) expressed admiration for the way that Norway values its fisheries and aquaculture sector. Mr O'Donnell underscored that there was a problem in the lack of Coastal States agreement on the sharing of stocks, such as mackerel, including his concerns that Norway persisted with the setting of inflated unilateral quotas. In the EU, there is a responsible scientific-led management of quotas. The Norway-UK bilateral agreement also impacts the overall sustainability. Therefore, there were several stock sustainability and market concerns for Irish operators.

Javier Garat (CEPESCA) expressed agreement with Mr O'Donnell, adding that it was a European-wide problem.

Vidar Ulriksen (Norway) stated that he understood the challenge between raw material and processed products. In his view, an open mind was required. Processors, which are close to the consumers, should have materials to process. Concerning resources management, Mr Ulriksen



highlighted that Norway has a large Exclusive Economic Zone and that there was migration of stocks between the Exclusive Economic Zones of different countries, but added that he could not go into details about mackerel or herring. In the long-term, Norway cannot fish more than the ICES advice.

Patrick Murphy (IS&WFPO), concerning advice from ICES, argued that there should be agreement not to go above the advice. In line with the rules of UNCLOS on protecting migratory stocks, there should be measures to avoid damaging recruitment. Mr Murphy added that damage to the sector should also be avoided.

Aodh O'Donnell (IFPO) stated that Ireland is prepared to share stocks, but that it needs to take place in the context of long-term sustainable management.

Vidar Ulriksen (Norway) responded that he was trying to separate the issues of management of fish stocks and the negotiation on trade matters. Mr Ulriksen highlighted that Norway wants an agreement that covers all species caught. He added that more negotiations would take place.

The Chair, concerning the commercial objectives in the context of the trade negotiations, asked about the compensations that could be provided by Norway.

Patrick Murphy (IS&WFPO), on the impact on trade, highlighted that the loss of MSC labelling had impacted the reputation of production.

John Lynch (ISEFPO) asked about the benefits for EU fishers to simplify access.

Vidar Ulriksen (Norway) highlighted that prices of fisheries and aquaculture products had increased in Norway and that imports to Norway have zero tariffs.

- **Way forward**

The Chair expressed hope that the negotiations would achieve fruitful results for both parties.

Fisheries Control Regulation

- **Presentation on the political agreement reached on the legislative revision by Juan Manuel Elices López and by Cristina Laborda, General Secretariat of Fisheries of Spain**

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

Juan Manuel Elices López (Spain) delivered a presentation on the political agreement reached on the legislative revision of the Fisheries Control Regulation, covering the need for revision, the main changes, controls in the supply chain, traceability, definition of “lot”, rules for processed products, documentation, entry into force, among other issues.

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



Cristina Laborda (Spain) delivered a presentation on the present and future framework for catch certificates in the EU, covering the rules on IUU and the framework for catch certificates, the current implementation of control rules by Spain via the SIGCPI IT system, the current status of the CATCH system, plus the implications of the legislative revision on the CATCH IT system and on the future use of the Spanish SIGCPI system.

- **Exchange of views**
- **Way forward**

Patrick Murphy (IS&WFPO) asked about the definition of “IUU fishing”, particularly whether it would cover the actions of third countries setting catch limits above scientific advice.

Cristina Laborda (Spain) clarified that the example provided by Mr Murphy would not fall under the legal definition of “IUU fishing”.

Juan Manuel Elices López (Spain) highlighted that measures must be taken into account in the context of the Regional Fisheries Management Organisations.

María Luisa Alvaréz Blanco (FEDEPESCA) stated that, under the Commission’s legislative proposal, it was foreseen an exemption from traceability rules for up to 5kg per consumer per day of products sold directly from fishing vessels to consumer. Under the political agreement, the exemption would be up to 10Kg. In Spain, the consumption of fishery products was around 20kg per person per year. Therefore, in her view, the 10kg exemption was excessive. Ms Alvaréz asked about how fisheries control would take place on the products exempt from traceability rules.

Juan Manuel Elices López (Spain) responded that there was control of the landings. The exemption from traceability rules was only when there were no trade intentions. The situation would still be controlled under the usual controls of commercial activities.

Guus Pastoor (Visfederatie) stated that measures against IUU fishing were generally supported by stakeholders, adding that there had been significant improvements in the recent years. Mr Pastoor expressed concern about the ambition of the co-legislators on technological traceability, since there were already difficulties with the existing electronic databases for health certificates. He asked about the actions that would be taken to notify third countries about the mandatory use of the digital system, plus how the EU would be assisting the third countries in the implementation of the system.

Patrick Murphy (IS&WFPO) commented that, officially, each country could meet the requirements on catch limits, but that the situation was different in practice.

Cristina Laborda (Spain) explained that there would be two years for the implementation of the digital system.

EU Market Supply

- **Presentation of “The State of Grocery Retail” report by Els Bedert, EuroCommerce**



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

Els Bedert (EuroCommerce) delivered a presentation on “The State of Grocery Retail” report developed by EuroCommerce and McKinsey & Company, covering the disruption from COVID-19, widening polarisation and uncertainty in consumer behaviour, price sensitivity of high- and low-income groups, decreased expenditure on groceries, and future expectations.

- **Exchange of views**

The Chair expressed appreciation for the relevance of the presentation. The Chair asked about the political pressure on retailers to address the fight against inflation.

Els Bedert (EuroCommerce) responded that pressure on prices had slightly decreased, but not to the pre-pandemic levels.

The Chair asked about the granularity of analysis, particularly if it was possible to assess the impacts on the fishery and aquaculture products.

Els Bedert (EuroCommerce) responded that the report did not analyse to that level, but that retailers do follow the developments concerning fishery and aquaculture products.

The Chair encouraged other federations to deliver presentations on their sectors at future meetings, expressing availability to present about the work of his own organisation.

Banning Forced Labour

- **Consideration of draft advice on forced labour in the fisheries and aquaculture market**

The Secretary General recalled that the study commissioned to the external consultants was circulated via email on 15 September 2023. On the same date, the Secretariat circulated a draft advice, which was based on the recommendations of the consultants.

The Chair, concerning the recommendation to establish a transparent list of companies formally condemned for forced labour practices, wondered about who would be authoring the list.

Georg Werner (EJF) suggested that the transparent list of companies should be extended to also include fishing vessels.

Patrick Murphy (IS&WFPO) asked if Mr Werner wanted to include all fishing vessels on the list.

Georg Werner (EJF) responded that it would be for fishing vessels involved in forced labour practices, including from third countries.

- **Way forward**

Georg Werner (EJF), considering that the circulation of the draft advice took place only a few days before the meeting, requested additional time for the consideration of the text.



Roberto Carlos Alonso (ANFACO-CECOPECA) suggested to proceed with a written procedure.

The Chair proposed, as an action item, to proceed with an ordinary written procedure of two weeks for the consideration of the draft advice.

Role and Impact of China on World Fisheries and Aquaculture

- **Presentation of European Parliament’s draft of an own initiative report on “Implications of Chinese fishing operations for EU fisheries and the way forward” by MEP Pierre Karleskind**

Pierre Karleskind (European Parliament) thanked the members for the opportunity to present his draft report, which would be voted, the next day, in the European Parliament’s PECH Committee. Mr Karleskind drew attention to the issues of overfishing, overexploitation and signals of forced labour and exploitation of crews. The Chinese offshore fishing fleet is a long-expressed threat, but it is difficult to know the extent of its operations. The study of the European Parliament Research Service, the MAC-LDAC advice, and the EJF’s report on the topic were taken consideration, assisting in the drawing of conclusions in the European Parliament’s draft report. The MEP explained that his report was built around four main strategic axes:

- First, ensure maximum transparency concerning reality of captures, fleet size and beneficial ownership of vessels (i.e., flags of convenience), agreements and their contents, and subsidies.
- Second, defending the EU against unfair commercial practices, including through traceability, diversification of the EU’s partners, particularly for primary processing, and rapid implementation of the WTO agreement on fisheries subsidies.
- Third, protecting fisheries resources, human rights and food sovereignty, including via restrictive measures against companies failing to respect environmental sustainability, workers’ rights and IUU fishing rules.
- Fourth, continuation of dialogue with China, which should take place by relying on international agreements, such as the WTO agreement and the BBNJ agreement, and bilateral relations.

Mr Karleskind highlighted that consensual negotiations between the different political groups of the European Parliament took place. The report would be voted in the PECH Committee the next day. The vote in plenary was scheduled for 16 October 2023. The MEP emphasised that the objective was to defend the European fishing sector, particularly via the strengthening of traceability of imported products, the guaranteeing of compliance with social and environmental standards, and a call for the implementation of the agreement against subsidies and unfair practices signed at the WTO.

- **Exchange of views**



Julien Lamothe (ANOP) drew attention to the impacts from the COVID-19 pandemic, the Russian invasion of Ukraine, particularly the costs increase that were impacting the profitability of the sector, while also dealing with unfair competition from imported products.

José Basilio Otero Rodríguez (FNCP) emphasised that there were increasing restrictions on the operations of EU fisheries, while there were increasingly more imports from China.

Pierre Karleskind (European Parliament) explained that the draft report provided suggestions, but that it was not a legislative document. In its approach, the European Commission is also considering the relationship with China via diplomatic channels.

Juan Manuel Trujillo Castillo (EJF) drew attention to labour violations by China.

Pierre Karleskind (European Parliament) responded that he would encourage reflections by the European Commission.

Daniel Voces (Europêche) argued that there was a lack of level-playing-field between the EU and China. The USA are taking measures on this matter. This is a shared concern with Japan. In Africa, there are also some concerns about the behaviour of China. China provides too many subsidies to its fleet, so it is necessary to explore how these are provided. Mr Voces further argued that the EU was not sending the right message under the Autonomous Tariff Quotas mechanism. Therefore, there should be stronger action on subsidies and on the Autonomous Tariff Quotas.

Pierre Karleskind (European Parliament) recalled that the Autonomous Tariff Quotas were set by the Council, not by the European Parliament.

AOB

- **EU-China Blue Partnership for the Oceans**

The Secretary General informed that, following an invitation from DG MARE, he would be attending the second meeting of the Ocean Partnership Forum under the EU-China Blue Partnership for the Oceans, which would take place on 22 and 23 September 2023 in Shenzhen. Information about the event was previously circulated. There would be sessions on sustainable blue economy, international fisheries governance, and global ocean governance. The Secretary General informed that any potential interventions from him would be based on adopted positions of the MAC and asked members about any potential topics to keep in mind.

Juana Maria Parada Guinaldo (OR.PA.GU.) raised the issue of the uncertainty faced by EU operators concerning the list of approved establishments for exporting to China. There were unclear procedures for verification. There was also uncertainty on sanitary standards for Chinese importers.

The Chair noted that the issue raised by Ms Parada was outside the scope of the event.

The Secretary General responded that he would keep the issue in mind, in case an appropriate opportunity to address it arose.





Summary of action points

- Banning Forced Labour:
 - o Draft advice to be considered via an ordinary written procedure of two weeks



Attendance List

Representative	Organisation	Role
Aodh O'Donnell	Irish Fish Producers Organisation (IFPO)	Member
Alen Lovrinov	Omega 3 Producers Organisation	Member
Alexandre Bonneau	SNCE	Member
Alexandra Philippe	Market Advisory Council	Secretariat
Anna Rokicka	Polish Association of Fish Processors (PSPR)	Member
Anne-France Mattlet	Europêche	Member
Anniken Mordal	Norway	Observer
Astrid Hotan	Norway	Observer
Christine Absil	Good Fish	Member
Cristina Laborda	Spain	Observer
Daniel Voces	Europêche	Member
Eduardo Míguez López	Puerto de Celeiro	Member
Fanny Devaux	European Parliament	Observer
Gaëtane Le Breuil	European Fishmeal	Member
Georg Werner	Environmental Justice Foundation (EJF)	Member
Guus Pastoor	Visfederatie	Member
Ingrid Vikanes	Norway	Observer
Jaroslaw Zieliński	Polish Fish Producers Association (PFPA)	Member
Javier Garat Pérez	CEPESCA	Member
Jean-Marie Robert	Les Pêcheurs de Bretagne	Member
Jennifer Reeves	Marine Stewardship Council	Member
Jens Mathiesen	Danish Seafood Association	Member
John Lynch	Irish South and East Fish Producers Organisation (ISEFPO)	Member
José Basilio Otero Rodríguez	Federación Nacional de Cofradías de Pescadores (FNCP)	Member
Juana Maria Parada Guinaldo	OR.PA.GU.	Member
Juan Manuel Elices	Spain	Observer



Representative	Organisation	Role
Juan Manual Trujillo Castillo	ETF	Member
Julien Daudu	Environmental Justice Foundation (EJF)	Member
Julien Lamothe	Association Nationale des Organisations de Producteurs (ANOP)	Member
Katarina Sipic	EU Fish Processors and Traders Association (AIPCE) / European Federation of National Organizations of Importers and Exporters of Fish (CEP)	Member
María Luisa Álvarez Blanco	Federación de Asociaciones Provinciales de Empresarios Detallistas de Pescados y Productos Congelados (FEDEPESCA)	Member
Mariano García García	Federación Andaluza de Cofradías de Pescadores (FACOPE)	Member
Miguel Lizaso	European Commission	Expert
Patrick Murphy	Irish South & West Fish Producers Organisation (IS&WFPO)	Member
Paul Thomas	European Association of Fish Producers Organisations (EAPO)	Member
Pedro Luis Casado López	Asociación de Armadores Punta del Moral (OPP80)	Member
Pedro Reis Santos	Market Advisory Council (MAC)	Secretariat
Pierre Commère	Association Des Entreprises de Produits Alimentaires Élaborés (ADEPALE)	Chair
Pierre Karleskind	European Parliament	Observer
Quentin Marchais	ClientEarth	Member
Rafael Piñero Scapachini	EuroCommerce	Member
Roberto Carlos Alonso	ANFACO-CECOPECA	Member
Rosalie Tukker	Europêche	Member
Sergio López García	OPP Burela	Member
Vanya Vulperhorst	Oceana	Member
Vidar Ulriksen	Norway	Observer
Yannis Pelekanakis	Federation of European Aquaculture Producers (FEAP)	Member
Yobana Bermúdez	EU Fish Processors and Traders Association (AIPCE)	Member

