

Ms Charlina Vitcheva
Director-General, DG MARE
Rue Joseph II 99, 1049 Brussels

Brussels, 4 November 2024

Subject: Implementation of the Forced Labour Regulation and of the Corporate Sustainability Due Diligence Directive in the Fisheries and Aquaculture Sector

Dear Ms Vitcheva,

The Corporate Sustainability Due Diligence Directive (CSDDD)¹ applies to EU and non-EU companies and parent companies (including supply, production and distribution) with a turnover exceeding 450 million euros and for EU companies over 1,000 employees. The companies will be obliged to conduct environmental and human rights due diligence by 2027 for the first batch of companies. The Commission will issue guidelines, including general guidelines, sector-specific guidelines or guidelines for specific adverse impacts.

The Regulation on prohibiting products made with forced labour on the Union market², which will become effective from 2027, prohibits the sale, import, and export of products manufactured using forced labour. If there are suspicions of the use of forced labour, investigations will be conducted either by the competent authority of the Member State if it takes place within the EU territory, or by the Commission for cases outside the EU. The decision to start investigations will rely on information provided by international organisations, authorities, and whistleblowers. If a link to forced labour is established, products must be withdrawn from the EU market.

These pieces of legislation can play a critical role for the fisheries and aquaculture, since, over the years, cases of forced labour and IUU fishing in the fisheries and aquaculture supply chain have been documented, with products ultimately entering the EU market. To assist in the development of new advice on the mentioned topics, the Market Advisory Council (MAC) would like to request clarification from the Commission services on the implementation of the CSDDD and the Forced Labour Regulation, while also following-up to your letter of reply to our advice on the Chinese distant water fleet³.

¹ https://commission.europa.eu/business-economy-euro/doing-business-eu/corporate-sustainability-due-diligence_en

² https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/13480-Effectively-banning-products-produced-extracted-or-harvested-with-forced-labour_en. On 30 November 2023, following the commissioning of an external study, the MAC adopted advice on forced labour in the fisheries and aquaculture market: <https://marketac.eu/forced-labour/>.

³ The advice was adopted on 13 December 2022: <https://marketac.eu/china-distant-water-fleet-mac-ldac/>.

I. Fisheries policy, Fisheries Control Regulation, follow-up to the letter of reply to the advice on the Chinese distant water fleet

- a) When will the study⁴ on the issue of “flags of convenience”⁵ be published?
- b) How will the implementation of the provision of the Fisheries Control Regulation that makes the use of forced labour a “serious infringement” take place, including for inland fisheries and aquaculture, for imported products and for products coming from EU production?
- c) With regard to the reply to the advice on the Chinese distant water fleet, in which Regional Fisheries Management Organisations (RFMOs) is DG MARE planning to submit proposals to increase transparency on beneficial ownership?
- d) Could you provide an update on the progress to make import controls more consistent across the EU as well as on the work done with the Member States in the dedicated working group on import controls?
- e) What measures is the Commission taking to encourage Member States to better and timely report on their vessels to the FAO Global Record of Fishing Vessels?

II. Forced Labour Regulation

- a) Which Directorate-General of the Commission will lead the implementation of the Forced Labour Regulation, including carrying out investigations and preparing decision? It is important to clarify whether it will be a competence of DG GROW, DG EMPL or DG TRADE or, alternatively, if a new body will be set up.
- b) Will civil society, trade unions, companies and journalists be able to submit information on forced labour cases?
- c) While the Regulation seems primarily focused on imports, as the possibility of forced labour within the EU itself cannot be ignored, could you clarify how intra-EU cases of forced labour, including in the fisheries sector, will be addressed? How will these cases be investigated and dealt with under the Forced Labour Regulation?

⁴ https://cinea.ec.europa.eu/news-events/news/new-emfaf-call-tender-study-practice-open-registers-vessels-2023-07-05_en

⁵ In late 2021, the MAC adopted advice on “Fostering the European Union’s leadership in reducing the detrimental impact of flags of convenience in the fishing sector”: <https://marketac.eu/flags-of-convenience/>.

- d) Could you elaborate on how the Commission intends to coordinate with multiple authorities across different Member States when conducting investigations, particularly when there are disagreements about the presence of forced labour? How will the European Commission make sure that there will be consistent application of the Regulation across the EU to avoid fragmented enforcement?

III. CSDDD

- a) Which Directorate-General of the Commission will lead the development of the guidance and wider implementation of the CSDDD? If DG JUST leads, will other Directorates be involved?
- b) If CSDDD guidelines for the fisheries sector are specifically developed, how will alignment with international standards, such as FAO's Guidelines on Responsible Fisheries or the ILO's Work in Fishing Convention, be ensured?
- c) Considering the relevance of voluntary private certification schemes, as globally recognised standards, to address environmental (e.g., MSC, ASC, MarinTrust) and social (e.g., amfori BSCI, Sedex) matters in the fisheries and aquaculture sector, how could potential sector-specific guidelines relate to these?
- d) Considering the relevance, in the EU market, of the sourcing of seafood from non-EU fisheries and aquaculture, and the potential risks of adverse impacts of supply chain disengagement, especially in developing countries and small economies, how could the potential sector-specific guidelines address responsible disengagement in a practically feasible way?

Your reply to the above questions would be greatly appreciated and assist in the development of new advice by the MAC concerning the implementation of the Forced Labour Regulation and of the CSDDD in the fisheries and aquaculture sector.

We remain available to discuss and to provide clarifications on the mentioned matters.

Yours sincerely,



Yobana Bermúdez
Chair of the Market Advisory Council