

DRAFT MINUTES 20th meeting of LDAC Working Group 5

Horizontal Issues

Wednesday, 5 April 2017. 9.30am to 4.30pm Hotel Renaissance. Rue du Parnasse 19. 1050 Brussels, Belgium

Chair: Ms. María José Cornax Vice-chair: Mr. José Carlos Castro

1- Welcome and opening of the meeting

The chair, Ms. M^a José Cornax, welcomes the participants to the meeting. The full list of participants is annexed to this report.

2- Approval of the minutes of the last WG5 meeting - Brussels, 18 October 2016.

The minutes of the last WG5 meeting are approved, with no additional comments.

3- Approval of the Agenda.

The agenda is approved with no additional comments.

4- Information about the coordination meeting among Working Groups Chairs (Madrid, 1 March 2017).

Mr. Alexandre Rodríguez, Secretary General, introduces this section and indicates that holding these meetings prior to the Working Groups in order to prepare the meetings and coordinate outstanding actions is very positive. He then summed up the conclusions of this meeting, highlighting that it was agreed to intensify relations not only with DG MARE but also with other Directorate Generals. He also updated the actions relating to international ocean governance, the new draft Regulation on Sustainable Management of the External Fleet (also called FAR), as well as the possible International Conference on North Atlantic fisheries and the FARFISH project.



5- Updated report of the Commission on Negotiations of EU Trade Agreements with third countries: State of affairs of the Interim Economic Partnership Agreements with the ACP countries; and of negotiations of the Full Economic Partnership Agreements.

The EC representative, Mr. Joao Nunes is grateful for the invitation to this meeting. He informs that negotiations on the Free Trade Agreements (FTA) will continue with some of the members of the EU in 2017:

• The CETA with Canada was ratified by the Parliament and the provisional implementation may take place soon.

• The TTIP is currently on hold and negotiations may take a while to start up again.

• Negotiation of the FTA with Japan is well under way. All the problems are not expected, but they hope to conclude it within the coming months.

• Some progress was made in Indonesia and Philippines, but they are currently in the first rounds of negotiations. There is a possibility of negotiations with the ASEAN starting up again, but this is still not clear.

• Mercosur is a complex negotiation given that they act as one single trade block although they have a multilateral nature. The next round will take place in July.

• Australia and New Zealand still have no mandate. They are waiting for a Council opinion in this regard, and if the Commission achieves a mandate, negotiations may start after summer.

In other cases, the EC is trying to modernise existing FTAs. This is the case of Mexico, which is ongoing (there is a round this week), and for Chile, regarding which a first round of negotiations is expected at the end of this year.

There could be some sort of renegotiation with Norway or Iceland in the event of ad hoc requests from those countries.

The Commission team is also working on the adaptation of the new Combined Nomenclature to guarantee that each product is imported according to the respective customs code. There are also some specific political scopes in the FTAs that are relevant for fishing. We are trying to include a reference to sustainable management of fish stocks in all the new or modernised FTAs.



References have also been included to fishing subsidies in line with the UN Sustainable Development Goals (SDGs).

The prohibition of harmful fishing subsidies is currently being negotiated within the WTO, but the Commission is also trying to include this issue in the provisions of the FTAs that contribute to overcapacity, overfishing and IUU fishing.

Insofar as services and investments are concerned, DG MARE is willing to facilitate the action of EU economic agents in third countries. Depending on the specific circumstances, assistance with the institutional framework, contact network and liaison with the authorities is offered.

The aim is always to ensure a certain level of certainty, but we will continue to address some challenges. One of the major challenges over the coming years will be the Brexit process, but special attention will also be paid to the question of Western Sahara following the ruling of the EU Court of Justice on the Association Agreement with Morocco and the progress made in the frameworks of the EPAs with ACP countries.

The current state of play of the EPAs is as follows:

- Western Africa: Provisional EPA with Ivory Coast and Ghana in force.
- Central Africa: Provisional EPA with Cameroon in force.
- Eastern-Southern Africa: Interim EPA with Mauritius, Seychelles, Zimbabwe and Madagascar.
- Eastern Africa: Ratification process in progress, ratified with Kenya and signed with Rwanda.
- South Africa: The agreement is provisionally applied (awaiting ratification by all EU member States to SADC members.
- Cariforum: Agreement in force. The next steps are to continue working on greater implementation and to agree upon a joint monitoring system.
- Pacific: In force with Papua New Guinea and Fiji.



Round of questions from WG5 members:

Mr. José Carlos Castro, ANFACO, highlights that the community market is fundamental and priority for the destination of fisheries products originating in the aforementioned countries; hence the interest of LDAC members that are community operators in being informed about the state of the trade negotiations with third countries. He would like the rules of origin, which should follow community standards, to be taken into account for canned tuna. Re- Philippines he recalls that they have just entered the GSP+, a situation that is difficult to understand for a community operator

On the other hand, he asks about the stalemate in negotiations with Indonesia or Philippines, highlighting his concern about the possibility of them accessing the community market via a preferential agreement. Respect to the agreement with Chile, he states that the European industry has an offensive interest. He wants the EC to find a better access for the Chilean canned product market. On the other hand, he indicates that Fiji has requested global sourcing, which, in his opinion, lacks justification.

The EC representative, Mr. Joao Nunes, underscores, regarding Asian countries, which DG MARE is willing to defend its interests in the negotiations, bearing in mind all the comments made during this meeting.

Mr. Juan Manuel Trujillo, ETF, indicates that the ILO has published a report on working conditions in Thailand, which affirms that only the operating method has changed, but not the situation. To avoid the fisheries legislation, they carry out transhipments, thus avoiding the controls, which creates both social and economic dumping. The report is available at the following link: http://ldac.ldac.eu/download-doc/156863.

He highlights that although this problem is well-known, the situation is still the same and has not improved, so he requests the trade sanctions proposed by the EU to be contemplated.

Mr. Edelmiro Ulloa, ANAMER/AGARBA/ANAPA/ACEMIX, with respect to the negotiations of the agreement with Chile, states that the blockage suffered by the European longline vessels that fish in the Pacific, on access to landing at Chilean ports, should be taken in account.



Mr. Ulloa also requests the revision or updating of the trade agreement to be conditional upon or linked to the opening of access to the ports.

The EC representative, Mr. Joao Nunes, respect to Thailand, highlights the importance of the comments made by Mr. Trujillo on social dumping, and he is also grateful for the suggestion made about the proposal of including access to the ports of Chile in the negotiations. They will take this into account in coming negotiation meetings.

Ms. Mª José Cornax, OCEANA, asks for more information about the WTO negotiations on fishing subsidies.

The EC representative responds that there is a proposal dating back to last October, with several rounds, as well as proposals from Peru and Argentina. They want to reach points of consensus with a view to having a consolidated draft text for the Buenos Aires meeting in December this year. He also comments that some WTO members think that this calendar is too ambitious, although the EU is still fighting for it to be determined.

Mr. Marc Ghiglia, UAPF, requests information about the Transpacific Trade Agreements. Mr. Joao Nunes, EC representative, indicates that this type of agreement will not enter into force for the moment due to the recent change in the American Administration. The Pacific countries have resumed their start position, so the negotiation must be started again.

ACTION

It is agreed to distribute the ILO report on working conditions and abuses in Thailand among all members and those attending WG5.



6. Position of the LDAC on International Governance of the oceans and seas.

6.1. Reflections from the Working Groups for drafting an opinion.

Mr. Alexandre Rodríguez, Secretary General, sums up the opening session that was held the previous day, and regarding which there is a specific summary available as a working document for this meeting. Three years after the entry into force of the last Regulation on the CFP, a preliminary mid-term evaluation can already be made on whether the objectives foreseen for the external dimension of the CFP are being met, with a level playing field and coherence regarding the internal dimension and contribution to the global sustainable fisheries management of the oceans. Among other aspects, he highlights the need to strengthen the role of the RFMOs and carry out regular evaluations on their functioning.

Ms. M^a José Cornax, OCEANA, proposes separating the key ideas into five blocks or underlying themes in order to prepare a position for the New York Conference.

- 1. Legal instruments and institutions to improve governance;
- 2. Governance of the RFMOs, fostering their role, with emphasis on the management of the Arctic and Indian Oceans;
- 3. Illegal, unreported and unregulated fishing;
- 4. Marine Protection Areas and other maritime uses;
- 5. Transparency and inter sectoral consultation processes. The stakeholders' role.

Mr. Marc Ghiglia, UAPF, indicates that their main concern is a level playing field, and they would not like to return to the debate on international legal instruments or hierarchy in areas beyond national jurisdiction (BBNJ). Another problem at institutional level is not knowing if all the RFMOs are open structures, and the dialogue with the Commissions with high sea competences may pose problems. An example of this is OSPAR, which, on having a closed structure, may hinder fluent collaboration with the RFMOs. He believes that it would be highly appropriate to make a list of the problems, identifying the collaboration that could be established to solve them. On the other hand, he highlights the importance of scientific knowledge, and that decisions must always be taken based on the proposals made by them.



In his opinion, the information and knowledge available must be of a minimal quality before decisions are taken, in order to have a starting point that is based on scientific data that nobody can put in doubt. Regarding the fight against IUU fishing, he believes that the model developed by the EU is a positive one, although the flag states must collaborate, so it would be a very good idea to define some basic conditions in the RFMOs.

Ms. M^a José Cornax, OCEANA, believes that in general not much feedback is received about issues relating to management on the high seas, so she suggests requesting the EC to improve the information flow as well as its transparency.

Mr. Raul García, WWF, believes that, regarding these aspects, the NGOs and industry must work together, even including such important aspects as food safety or employment conditions in the debate. He thinks that the RFMOs are fundamental and effective tools for governance, hence the importance of defending their role at an international level. In his opinion, any opinion for the EC connected to sustainable fishing and protection of the marine biodiversity is very positive.

Ms. M^a José Cornax, OCEANA, clarifies that the defence of fishing, in addition to food safety, is associated with having healthy marine ecosystems. It would be a good idea to highlight, in the opinion, the need to strengthen the role of the RFMOs and foster the Kobe process. She requests clarification about the mandates and competences of the multilateral international organisations of the Indian Ocean, namely the IOC, IOTC and SWIOFC.

Ms. Helene Bours, CFFA-CAPE, on NEAFC indicates that the dialogue with coastal States must be reinforced. The creation of new RFMOs should also be supported as much as possible when those waters or species are not regulated. An example would be the case of Western Africa and CECAF.



Mr. Iván López, AGARBA, believes that we must foster scientific councils, as greater knowledge about the different fisheries is necessary. Furthermore, there should be a holistic and comprehensive analysis of the environmental impact of different economic activities other than fishing, such as extractive hydrocarbon or mining activities. Finally, he indicates that a RFMO in the Arctic is necessary, although doing this with the coastal states is, in his opinion, a very complicated matter.

Mr. Julio Morón, AGAC, indicates that with respect to coherence, the already existing regulations must be implemented. As the RFMOs and the SFPAs already exist as management tools and bodies, it is not a question of reinventing the wheel but of improvement their operation and ensuring compliance and implementation of already adopted management measures. He highlights the case of SWIOFC which is now meddling in tuna management measurements, which the IOTC has competence for and is familiar with, which is why the EC has been asked to clarify its mandate, insofar as the SWIOFC should not interfere in these questions (as its scope of action is demersal fisheries). As the EU only holds the status of observer in SWIOFC and that the latter is already trying to gain importance and influence the IOTC, he highlights that this is going to lead to abusive measures against the EU community flag fleet and they are going to have a serious problem of governance with the Asian fleets.

Ms. M^a José Cornax, OCEANA, supports the reflections made and says that the impact of the different maritime uses must not only be environmental but also social-economic with economic type exploitations with regard to the fishing activity. She points out the importance of implementing fundamental sustainable fishing measures in the Indian Ocean, such as the UN Resolution that forbids drift nets.

Ms. Mireille Thom, WWF, believes that, in order to advance, a discussion on the problems found by the EU in the RFMOs would be very positive. She believes that it would be highly beneficial for all stakeholders (fisheries sector, NGOs...) to intervene in the debate to reach an understanding among all the parties and identify actions that could be carried out together in order to help.



Mr. Iván López, AGARBA, suggests separating conservation from exploitation, although the type of activity developed does not matter, in fact there must be predetermined standards for any new activity that might arise.

Ms. Mª José Cornax, OCEANA, points out that in order to implement and carry out activities whose aim is to protect sustainability, the national parks should be mentioned.

Ms. Vanya Vulperhost, OCEANA, believes that it must not be too ambitious and that it is better to ensure that already existing measures are satisfied.

Mr. Alexandre Rodríguez, Secretary General, sums up examples that could be included in the opinion on the problem of future management of marine resources in the Arctic, the creation of new RFMOs to regulate fisheries in international waters (Southwest Atlantic FAO 41 or CECAF for pelagic and demersal in Western Africa).

ACTION

The idea of creating a Task Force is suggested, which could be made up of: Ms. M.J Cornax, Ms. Helen Bours, Mr. Marc Ghiglia, Mr. Julio Morón and Mr. Iván López (in the second round).

Members of WG5 will be invited, if they wish, to participate in the joint LDAC-MAC task force to prepare a draft opinion that will analyse the Commission's response to the LDAC opinion of November on improvement of application of IUU Regulation. All WG5 members will be informed about the composition and functions of this group by drawing up some terms of reference, whose first draft will be presented for discussion at future WG2 meetings of the MAC in Brussels (16 May) and at the LDAC Executive Committee in Paris (30 May).



6.2. Contribution of the LDAC to the "Our Oceans" EU Conference (Malta, October 2017)

Mr. Alexandre Rodríguez, Secretary General, indicates the clear mandate of the EC to search for tangible and direct commitments to contribute to ocean conservation, announcing specific timelines and concrete budget appropriations. Likewise, he clarifies that the commitments must be new and not based on agreements already acquired at previous conferences or other events, or already adopted legislation.

Mr. Javier Garat, CEPESCA, informs that the possible commitments of industry will be discussed at the coming General Meeting of Europêche.

Mr. Iván López, AGARBA, believes that the possibility of LDAC drafting an opinion on this issue is complicated, but however, we will continue to think about what we can do. In his opinion, the work that this Advisory Council is carrying out is already an example in itself.

Mr. Björn Stockhausen, Seas at Risk, suggests that the EC should organise joint meetings and not separate ones, for example, with the NGOs, the ACs, etc. He believes that the LDAC could consider something creative for the Malta Conference. He also informs that at the last meeting, the EC indicated that a coordination meeting would be held, although no date has yet been set.

Ms. Mª José Cornax, OCEANA, suggests the possibility of discussing this matter at the next General Meeting. This initiative is approved.

ACTIONS

The discussion on the international governance of the oceans will be included in the agenda for the next Ordinary General Meeting that will be held in Paris on 30 May.

Once available, the WWF report entrusted to a consultancy on the preliminary evaluation (3 years) of the application of the External Dimension of the CFP will be distributed: successes and shortcomings.



Based on the questions identified in the discussions that took place in the inaugural session and the different Working Groups, a development group of WG5 will prepare a Draft Opinion on the international governance of oceans, including aspects such as:

* The "Kobe process" when dealing with cross-cutting issues that affect several RFMOs;

* The need by the EU to define a global strategy for the Indian Ocean;

* The strengthening and fostering of existing RFMOs in the management of fisheries and in the assessment of the impact of human activities on the marine environment; * The creation of new RFMOs in high sea areas or international waters (as is the case of the Arctic or the Southwest Atlantic FAO 41);

* The effective execution of evaluation studies on the functioning of the RFMOs;

* The improvement of sectoral policy coherence processes inside and outside the EU;

* The demand for integrated governance for all economic sectors (for example, observance of vulnerable marine ecosystems by all sea resource exploitation activities).

* Other aspects to be identified.

6.3. IMO Number Obligation Proposal for non-community vessels that export their fishing products to the Community Market (EJF)

Ms. Irene Vidal, EJF, presents a draft opinion on the IMO number, an action that would help control imports originating from IUU fishing. She indicates that almost all the RFMOs have adopted the requirement of the IMO numbers as a mandatory measure, although the degree of compliance is not very high. The idea proposed is that the IMO number must be demanded for all vessels that market their products in the EU market.

Mr. Juan Manuel Liria, FEOPE/CEPESCA, considers this to be a positive proposal, although he does not like the table enclosed, suggesting that it should be clarified why some vessels indicate length and others the GT, for example. He thanks the EJF for the proposal as he believes this could help improve the control and traceability of fishing products originating from third country vessels and companies.

Mr. Iván López, AGARGA, congratulates EFJ for the initiative and supports it.



Ms. Irene Vidal EJF, answers that there could be a problem with the WTO as the measure is not discriminatory, so she suggests eliminating the tables that establish a comparison between the functioning of this measure in the RFMOs from the opinion.

Mr. José Carlos Castro, ANFACO/CECOPESCA, also congratulates EJF. He believes the initiative is very positive and that, although some details of the text must be reviewed, a priori, he gives his support.

Mr. Raul García, WWF, asks is anyone knows the EC opinion in this regard.

Ms. Irene Vidal, EJF, is grateful for the congratulations, indicating that this is a joint NGO Coalition effort against illegal fishing comprised of EJF, WWF, OCEANA and PEW. She then answers that, apparently, the EC does not want to introduce this measure through a new legislative channel, fearing that it might be in conflict with WTO rules.

Mr. Daniel Voces, Europêche observer, states that this measure would help achieve a level playing field for community and non-community fleets. He is surprised that the EC has not taken this measure into consideration, to include it in the Regulation against IUU fishing or in the FAR Regulation. He offers his assistance to collaborate wherever necessary.

Mr. Iván López, AGARBA, indicates that sometimes DG TRADE does not take positive initiatives into account, so, as in this case, it would be good for the LDAC to also put forward this idea to the European Parliament, providing there is support from all the members.

Mr. Iván López, AGARBA, considers this is a very positive idea, indicating that it could be one of the commitments for the Malta conference.

Mr. Alexandre Rodríguez, Secretary General, specifies that there is sufficient legal grounds in terms of Internal Law instruments, as both in the yearly UN Resolutions on Sustainable Fishing of the United Nations and in the review of the New York Agreement on Application of the UNCLOS for Straddling and Highly Migratory Stocks, there is a mention of measures to fight against IUU fishing, including support to a global record of vessels and to the use of the IMO number, so this could be included in the opinion as reference and grounds.



Mr. Javier Garat, CEPESCA, has no doubts that this initiative will receive the approval of the Commission and will be applied to the community fleet. However, he would like it to be a requirement for imports, in agreement with that mentioned about achieving a level playing field.

Ms. Irene Vidal, EJF, indicates that meanwhile the EJF has consulted scholars and expert jurists in the WTO, and they believe that there should not be any problems of incompatibility or of them representing a discriminatory measure. She asks members to send their comments on the draft opinion for it to be approved at the next General Meeting to be held in May.

ACTION

The Secretariat will translate into the three working languages and will launch a consultation on the draft Opinion written by the NGO Coalition, in respect of which the compulsoriness of the IMO number for non-community vessels that market their fishing products in the community market is requested. Later, if fitting, the revised version will be taken before the Executive Committee for its in-person approval at the Paris meeting on 30 April.

7. Fisheries Transparency Initiative (FiTI)

7.1. Recommendations of the Advisory Group Meeting in Gothenburg (November 2016)

The summary document can be found at the following link:

http://ldac.ldac.eu/attachment/1bf3a0ca-1504-4c13-b8cc-be983a5dd6eb

7.2. Commission Response to LDAC Opinion on FiTI (22/12/2016).

Mr. Alexandre Rodríguez sums up the LDAC opinion on support to this initiative sent to the Commission and its response. Both documents are available for consultation on the website:

- * LDAC opinion: http://ldac.ldac.eu/attachment/8786e30f-9665-4c17-8835-b84eb189e1d6
- * EC Answer: http://ldac.ldac.eu/attachment/05ef0a99-052d-4f60-86d8-6a7247b31f22



7.3. Setting of FiTI International Board: Invitations / call for candidates.

Ms. Andrea Durighello, FiTI Secretariat, delivers a presentation, which is available at the following link: <u>http://ldac.ldac.eu/attachment/932e6fee-621d-4fff-9f02-1985a22f6c2d</u>.

• Round of questions from members and attendees:

Mr. Iván López, AGARBA, asks if they believe that Mauritania will agree to disclose data of the activities of the Chinese and Russian fleets in the waters of its EEZ.

Mr. Javier Garat, CEPESCA, does not think that he will be able to form part of the International FiTI Group insofar as he observes a considerable lack of collaboration at institutional level both by the Governments of Mauritania and of the Republic of Guinea. However, he will decide upon his participation within the framework of the Conference on "Our Oceans" in October.

Ms. Andrea Durighello, FiTI Secretariat, begins by thanking Ms. Mª José Cornax, OCEANA, for her participation in the FiTI meetings. Then she answers the questions, highlighting that transparency must be applied to all vessels, and if Mauritania does not inform about the Chinese vessels they will not obtain conformity with FiTI standards.

In fact, FiTI is inspired by the Extractive Industry Transparency Initiative (EITI), whose founder is the actual President of FiTI, the main difference being that FiTI is based on fisheries activities and that these resources are renewable.

About Mr. Garat's comment, she comments that she understands the reasons he has set out.

Ms. M^a José Cornax, OCEANA, believes that a study must be made of what the countries are currently doing and what could be achieved, stating that more information must be forthcoming.

Mr. Raul García, WWF, asks about the EC role in this initiative. He also suggests including Senegal when discussing the fishing agreements between the countries of Western Africa and the possibilities of regional and local developments.



Mr. Juan Manuel Trujillo, ETF, believes that there must be a criterion to configure the composition of the International Board, and he considers that the LDAC must be represented therein.

Ms. Andrea Durighello, FiTI Secretariat, indicates that, from the onset, the EC has been involved, that there was even an EU representative at the International FiTI Conference held in 2016 in this regard. EU support is fundamental, as well as the support of representatives from the European fishing sector.

With respect to small-scale fishing, she indicates that these are included in the reports, although the focus has been placed on large-sale fishing. However, they will involve small-scale fishing in a balanced geographical manner.

ACTIONS

The presentation delivered by the Secretariat of FiTI (Fisheries Transparency Initiative) will be placed at the disposal of anyone interested. The LDAC will continue to be informed about FiTI progresses at future meetings of the Working Groups, with a summary of the conclusions of the II Annual Conference in Bali on 27 April.

The LDAC Secretariat will help FiTI identify candidates from the European fishing sector who may cover the vacancies as members of the Governing Council of FiTI. They will also attend future meetings of FiTI as observers if there is a clear and express mandate from members.

The Secretariat will wait until the Commission provides information about its official position regarding FiTI, as follow-up to the response to the opinion whereby it established that the Commission would adopt a decision in this regard at the start of this year.

7.4. Meetings calendar: II International FiTI Conference – Bali, 27 April 2017.

The General Secretary, Mr. Alexandre Rodríguez, informs that the II International FiTI Conference will be held on 27 April in Bali, requesting those attending who are also members of the LDAC to share its conclusions.



8. Fishing Authorisation Regulation (FAR)

8.1. Update by the Commission on the state of the legislative procedures of the new Fishing Authorisation Regulation (FAR):

Mr. Emmanuel Berck, Deputy Head of Unit of Fishing Agreements and EC representative for this item, starts by highlighting that the EU aspires to be an international leader in terms of transparency and responsibility in the information about fishing activities in non-EU waters. He informs that the Commission proposal is currently being discussed at the European Parliament.

Although the Commission's proposal for Regulation was approved in December 2015 and it was adopted in June 2016 by the Council in the form of a General Position, it did not receive sufficient support insofar as it eliminated the clause on revocation of the concession of fishing authorisations for cases of severe infringements. He underscores that, only in the cases where Member States do not take measures due to lack of action, could the EC intervene. With respect to the approach, some changes have been made, in some cases to simplify the proposal. They still have to consider its terms, highlighting the importance of doing so with transparency and being clear in their intermediation work between EP and Council.

The EP has adopted its report, highlighting the work of the MEP rapporteur, Ms. Linnea Engström, which has enjoyed ample support. A number of topics are also added to the prologue suggested by the EC, such as, for instance: The EP proposes extending the obligations to all vessels, not just to those measuring more than 24 metres long for high seas. Modifications and clarifications have also been made respect to the chartering conditions and to the definition, as well as changes in the requirements to be included in the databases, including the identity of the owner or beneficiary of the vessel, in order to obtain more revealing public information.

Mr Berck also highlights that there will likely be a debate on the topic of scientific surplus and on whether to extend it beyond the fishing agreement to private agreements and to high seas. He highlights that the Council has mixed views about this proposal.



With regards to the abusive reflagging, Mr Berck underlines the importance of avoiding this issue, indicating that this proposal has a lot of support and that they hope it will move forward without problems.

These topics, together with the technical measures and other more political measures are those that are currently being discussed. There will be a discussion of the trilogue on 27 April, and another two debates are expected to take place at the end of May and June. Meanwhile, they will still be meetings of a highly technical nature. What they are hoping for is that at the end of June, there will already be a unanimous commitment on the table.

Ms. Mª José Cornax, OCEANA, thanks Mr Berck for the complete report provided and opens the floor to questions from the membership.

• Round of questions from WG5 members:

Mr. Juan Manuel Liria, FEOPE/CEPESCA, indicates that for the Spanish sector, this Regulation is necessary, although, as they have indicated at several previous meetings of the working groups, they are against article 5 of the Commission proposal as they consider it to be a "dual penalty or sanction" (fine plus removal of temporary fishing permit or licence), when severe infringements occur, insofar as this is already stipulated in the Control Regulation. In his opinion, this point is not correct as no additional penalties should be introduced. He highlights that the execution of industrial processes is one of the activities of a vessel and that errors made in good faith may be committed. This is very serious as in the case of many Spanish vessels, which can only fish in external waters as they have a special differentiated licence, this type of penalty could lead to a shipping company having to stop its activity for one year. This would be economically unfeasible for their subsistence and would also be disproportionate. He repeats his request for article 5 to be eliminated from the original proposal and for the Council's vision to prevail.



Mr. Daniel Voces, observer from EUROPECHE, supports Mr. Liria's comments. Although they do not oppose the sanctioning system per se, they do not agree with how it is conceived in the FAR Regulation. Respect to abusive reflagging, he supports the EC stance. On the article on data of the public register, they do not believe it is appropriate to air public information and he does not understand the benefit of providing confidential data about the shipping companies for them to become of public domain when the Commission already receives and is familiar with these data.

Mr. Edelmiro Ulloa, ANAMER/AGARBA/ANAPA/ACEMIX, insists on the comments made by Mr. Liria and Mr. Voces regarding their opposition to the dual sanction that would exist if article 5.1. is maintained, and on the negative impact that this will have on the Spanish long-distance fleet. If a company is sanctioned with one year without the possibility of fishing, the company may even disappear. He highlights the competitive advantage of the Asian and Chinese fleets that do not comply with such rigorous regulations and that will occupy that space and will supply the community market with even more fish. He recalls that the work of the Spanish long-distance fleet is fundamental to supply the community market and for food safety.

The EC representative, Mr. Emmanuel Berck, responds on the subject of infringements, saying that this topic has been discussed at length. From the EC viewpoint, there is no dual sanction. They know that some vessels only have a licence to fish in external waters, but they do not understand the fleet's fear, as if they are going to respect all the standards, there would be no grounds for this. However, he would like to hear all the arguments to be able to evaluate them.

Respect to the situation of inactive or dormant agreements, he is aware of the fleet's interest. He also highlights that with the FAR Regulation there will be a procedure whereby all guarantees in the processes will be ensured. In fact, it will improve the legal framework and legal certainty. He also points out that within a couple of years, the reactivation of the dormant agreement will be relevant.



With regards to abusive re-flagging, he repeats that the provisions have been welcomed and accepted. Regarding the public data register, they are waiting to discuss the procedure, and the clauses or conditions of the articles. They hope that it will be in line with public data protection, so they will study what they can do within the existing regulation.

Ms. Vanya Vulherpost, OCEANA, sums up the main conclusions from the NGO viewpoint. On the idea of dual sanction, she indicates that public money is earmarked to the SFPAs, so in the event of a sanction, the operator in question should not benefit from a public grant. She highlights the need to know, in the database or register, the benefit of the ship-owners as well as the degree of compliance with the standards. In fact, other extractive sectors, she points out, share and publicly transfer this type of information. Likewise, she calls for a mention of sustainability in inactive or dormant agreements.

Mr. Javier Garat, CEPESCA, wants to pass on, as main message, that the Spanish fleet supports having a good fishing authorisation regulation and that will receive the unanimous support from the fishing sector. Although, they agree to the majority of the articles, they request greater simplification and responsibility by the Commission, as, in practice, it could generate an increase in red tape.

Respect to art. 5 and the dual sanction, he believes that it violates the principle of nondiscrimination, insofar as it does not propose anything similar for non-community fleets that operate in European waters in agreement with the principle of reciprocity. He also recalls that the principle of proportionality must be respected, highlighting that the consequences of not operating for one year can lead to a company closing down and making it economically unfeasible due to faults that could be committed unintentionally.

The Regulation on the fight against IUU fishing already indicates a catalogue of sanctions and penalties, hence he does not believe that adding more to cover the same aspect is reasonable. Another additional problem is that each member state has a different regulation. Spain has a great regulation that other countries are lack.



On the other hand, he believes that having dormant agreements for 20 years, as is the case of Gambia, makes no sense. In the event of the case of a legal problem arising, the EC could report that this agreement is not being complied with, to thus be able to negotiate a private agreement. On the topic of surplus, he agrees that this can be used as a target reference, although it is more complicated in the case of demersal, but he wants the Regulation to be reasonable and to be possible to meet.

Mr. Juan Manuel Liria, FEOPE/CEPESCA, explains to the EC that the fleet is not afraid of sanctions or of complying with the regulation. Spain has the strictest control system in Europe and although there are few sanctions, in the charges filed, often the cases brought are due to chance events or with no will to commit offences, and hence the risk of a possible sanction, for example, due to the inadequate marking of a box, which, in Spain, is considered as a severe infringement.

Mr. Luis Vicente, ADAPI, supports the explanation given by the Spanish fleet, highlighting that the mission of this Commission proposal should be to lobby Member States that do not comply with the implementation of the Control Regulations and that have an unsuitable infringement framework.

The EC representative, Mr. Enmanuel Berck, indicates that he is aware that errors can be made, but he insists that it would be highly positive to receive all this kind of information and know how the sanction system is applied by the different EU member states. However, he highlights that he is aware of vessels that have committed infringements and in which the respective flag state has not taken measures, which leads to a bad reputation for the actual Commission and for the entire EU. For this type of cases, the EC must be able to have the capacity to take measures in the case of lack of action by a Member State.

Mr. Marc Ghiglia, UAPF, insists on the comments made by Mr. Garat, regarding the differences between the regulation complied with within European waters and the regulation that is applied to long distance fleets. He indicates that when an error is notified there is no way back, which leads to consequences.



Mr. Iván López, AGARBA, endorses the opinions of the Spanish industry. Although he highlights that they all agree about the objectives, the disagreement is about how to put this regulation into practice. He underlines that industry wants this standard, but well-devised, hence he requests the EC to bear in mind the opinions expressed at this meeting. Another question asked is why the EC has not demanded non-complying countries to do so. In the case of Spain, they are currently leaders due to the application by the EC at the time of an action plan and special control.

He also asks how come there are so many differences in the sanctions stipulated by the different countries. He believes that the EC also has responsibility here.

Mr. Emmanuel Berck, EC representative, recalls that both the Council and the EP must approve the Commission text with its amendments. The Commission has already published the proposal in the OJEU, after having heard all the member states. Regarding trade matters, they wish to continue setting an example respect to the fight against IUU fishing and that is why they will include fishing policy tools in the negotiations.

8.2. Follow up of LDAC Opinion (November) and Commission's response (December).

Mr. Alexandre Rodríguez sums up the opinion on FAR of the month of November, available at: http://ldac.ldac.eu/attachment/9941fe4f-3fcc-4dca-8507-68b01f905401

And the response received by the EC, a document that can be consulted at the following link: http://ldac.ldac.eu/attachment/b8ef6d89-b8a7-4b52-93f5-97f9889f39e9 .

ACTION

It is agreed that this topic will be dealt with and followed at the next WG5 Meeting.



9. Combating illegal, unreported and unregulated fishing (IUU)

9.1. Updated report from the Commission about the "yellow" and "red" card process

Ms. Desirée Kjolsen, EC representative, informs about new aspects in terms of the cards of the following countries:

Good news is that yellow cards were removed from Curacao and from the Solomon Islands in February.

- <u>Cambodia</u>: They have had a red card for more than 3 years. There are no great signs of progress, although they have produced a written national action plan to combat IUU fishing presented at the end of 2016.

- <u>Thailand</u>: They have a yellow card. A technical assessment was carried out some days ago and there is a spirit of collaboration. They have achieved serious commitments at implementation level. However, they must improve in many outstanding topics in addition to the situation of political lack of stability that hinders progress.

- <u>Taiwan</u>: Yellow card. There is greater cooperation, and progress has been shown in IUU fishing. They are currently drafting a national action plan. However, they still have problems, for instance, with the revision of their legislative framework or in measures related to the monitoring and control of the long-distance fleet and the documentary verification of the catch certificates.

- <u>Comoros</u>: They must increase their cooperation, as the commitments have still not been implemented. They believe that there is still illegal fishing activity. If they do not prove to have improved within a short period of time, they will have to take the relevant measures.

- Other countries:

On the other hand, Ms. Kjolsen points out that useful debates with China took place last week and she believes they are making progress. They will hold meetings with different countries (with Japan in May; with South Korea in June; with USA in July). In addition to a meeting in Rome when they will discuss catch certificates, the regulation against IUU fishing and the International Law of the Sea.



With respect to the United Nations Conference, she highlights that there will be a side event on IUU fishing, indicating the importance of the "Our Oceans" Malta Conference on international governance.

On the other hand, Ms. Kjolsen informs that, last February, the EC participated as observers at an Interpol workshop on environmental crimes with colleagues from other DGs, where they also addressed the links with illegal fishing and fishing crimes. They have launched a project for Member State authorities in order to check the catch certificates, the imports or the competent authorities of each country.

• Round of questions from members:

Mr. Juan Manuel Trujillo, ETF, indicates, about Thailand, that from his viewpoint there have been no advances and he will send the LDAC a report by the ILO in this regard. Mr. Raul García, WWF, asks about Ecuador and China.

Ms. Desirée Kjolsen, EC representative, responds that there will be a meeting with China about illegal fishing. They are currently exchanging opinions, trying to monitor vessels that fish illegally. Although they are responding, this is done only partially. Their impression is that it is difficult to discuss with China, although the EC would like to improve cooperation with this country. During this year, they will hold a new meeting with them, to exchange more information and discuss the topic of the implementation of the regulation on IUU fishing.

With respect to Ecuador, he points out that they have made progress as they have had many debates, they have returned to the active dialogue they had in 2015, which had come to a standstill after the 2016 earthquake. At the end of the year they will get in contact again.

Mr. José Carlos Castro, ANFACO, asks about the database, if it is advanced, as this is a very important question. He highlights the existing connection between illegal fishing and the poor working conditions. He highlights the need for the database to be up and running in 2018.



Ms. Desirée Kjolsen, EC representative, informs that the database has been developed and will soon be integrated into the TRACES system. Respect to the link between illegal fishing and poor working conditions, she agrees with LDAC's posture and believes that drafting a document in this regard is positive.

Action:

Mr. Juan Manuel Trujillo, ETJ, will send an ILO report, published recently on the situation of Thailand regarding labour rights, to the LDAC Secretariat, for distribution to all members.

9.2 Answer from the EC to the LDAC Opinion to improve the application of the IUU Regulation. Coordination with the Market Advisory Council (MAC).

Mr. Alexandre Rodríguez, Executive Secretary, sums up the opinion sent as well as the answer obtained from the EC. Both are available at the following links:

- Opinion: http://ldac.ldac.eu/attachment/7fbb35f9-83bd-4882-866f-59c69b67a763
- Answer: <u>http://ldac.ldac.eu/attachment/71ff5348-ddc0-4787-8492-786b277b8115</u>

On the other hand, he informs that he attended the General Meeting of the MAC, explaining the work that LDAC has carried out in this field, agreeing on the coordination of both ACs for this issue, even though the perspectives may be different. The idea is to be able work with a view to adopting joint decisions. After a Webex meeting it was agreed to create a working group made up of Mr. José Carlos Castro, Irene Vidal, Mª José Cornax and Juan Manuel Liria, with the Secretary's coordination and supervision. However, it is open to any other member wishing to participate.

9.3 Report on other international IUU fishing meetings (NIOZ, Chatham House...)

Alexandre Rodríguez, Secretary General of the LDAC, summed up the content and main conclusions of both events. The reports and presentations given are available on the respective LDAC website.



10. Ban on shark trading by sea container transport companies

10.1 Report of Commission-Sector-NGO dialogue progress

Mr. Javier Garat, CEPESCA, sums up the problem, which consists in international shipping companies starting to inform the fishing companies that they were not going to transport more shark, due to a campaign promoted by the WWF delegation in Hong Kong. This campaign is aimed against fishing practices and shark species that have nothing to do with the activity carried out mainly by the Spanish and Portuguese surface-set longline fleets.

Therefore, the companies that fish blue shark and shortfin mako have been seriously affected, with considerable economic losses, due to this ban on the transport of their products.

This continuous situation in time (more than 6 months already) has created a climate of despair as they see that the efforts they make to comply with the regulation do not result in any benefit. Currently, the attached fin regulation only affects EU freezer vessels. In fact, despite the effort made to apply this measure to the rest of third country competitor fleets, such as China, Japan or Taiwan, this measure has been opposed, and the RFMOs, where the sharks are targeted species, have not managed to adopt this regulation, meaning that the Spanish and European fleets operate under different conditions. This, together with the ban on the sea transport of shark has turned into a "perfect storm" that is considerably hindering operations for this type of fleets.

Meetings were held with WWF Europe, shipping company representatives, Commission officials and longline sector representatives, reaching an agreement that, to guarantee there would be no problems in the control, all the catches would be processed at a designated European port.

The European fleet was willing to make this effort (as they also processed it in other countries), but as WWF Europe presented this solution to its counterparts in Hong Kong, they responded that this initiative was not sufficient. After that, WWF prepared a comprehensive report with which they share many questions but they do not contemplate raising the ban on sea shark transport, which, they argue, is a business decision of the shipping companies.



The conclusion is that they will allow the transport of species that have an FIP (Fisheries Improvement Project) or are certified by MSC, something that the fishing companies consider to be blackmail, on being under the umbrella and influence of the actual WWF.

However, he believes that this fleet could have an FIP with WWF, as he is aware that their shipping companies want to improve the situation so that the fishery is as sustainable as possible, they wish to support governance measures in the RFMOs, but they do not tolerate, as a result of pressure from an NGO in any country, jeopardising a sustainable and legal activity due to the shipping companies' fear of negative publicity.

The fishing companies affected are willing to continue with the dialogue to see how it can be solved, but they request the support of LDAC members and of the Commission, in order to try to convince the shipping companies to authorise the transport of these goods.

Mr. Raul García, WWF, explains that, apart from not having first-hand knowledge of this campaign and taking the European office by surprise, they do not have an internal organisation document on this issue. WWF is currently in the process of modifying its internal structure to address issues relating to the international governance of the seas, hence this topic is going slower than they might wish. On the other hand, he explains that the FIPs are not opportunist and they represent an opportunity for collaboration between industry, scientists and NGOs. He informs that at a meeting with the different shipping companies, only one has considered possible exceptions to the ban. The initiative comes from the Hong Kong government, which is why he also suggests using diplomatic channels through the EU offices in that country. Finally, WWF agreed to organise a working group on sharks, which 32 shipping companies have adhered to, and the impact of this topic as well as the affected fleets are being studied.

Mr. Iván López, AGARBA, agrees to the use of a diplomatic channel; however, he believes that with the tools and regulations that the European vessels have as well as specific traceability measures, they should help solve the problem.

The EC representative, Mr. Manuel Catalan, after hearing the explanations, understands better the problems and the different postures. He suggests that we send all possible information to him in order to be able to find a satisfactory solution for all parties.



Ms. Juana Parada, ORPAGU, explains that the transport problem in the shipping companies occurs during distribution to the final destination. They have documentary evidence that they transport dry fin of Asian fleets. She highlights the importance of bearing in mind the TARIC code that is used, as now the generic code is chosen, so maybe the best thing would be to differentiate the two species with a specific TARIC code. She also asks the NGOs to focus on non-complying fleets, such as the Chinese fleet.

Mr. Edelmiro Ulloa, ANAMER/AGARBA/ANAPA/ACEMIX, explains that the shipping companies that apply the ban on transport have implemented it based on a document of the WWF and of other NGOs. If the argument is lack of traceability, he does not understand this as the European fleet has a documented traceability system, but however, the Asian fleet carries out transhipments at high seas to its own merchant ships, so this measure does not affect them.

Mr. Manuel Catalan, Commission representative, explains that the customs code is not only related to the inclusion in CITES but it also has commercial and statistics identification aspects, so it is difficult to formulate changes. There should be a harmonised identification system, but this could only be applied in our case in the form of a community regulation on access to the EU market. Changing the TARIC code would be complicated when recalculating all the statistical information and it would entail implications for the WTO.

Ms. M^a José Cornax, OCEANA, suggests continuing to receive periodic reports and assessing, if demanded by the affected parties, the preparation of a draft LDAC opinion on this subject.

Action:

Mr. Javier Garat, Cepesca, and Mr. Raul García, WWF, will send their arguments in writing in order to prepare a draft letter requesting the Commission to find an immediate solution to this problem via diplomatic channels on behalf of all stakeholders. The Secretariat and key members will monitor the different meetings that address this issue in the national sphere (Spain and Portugal) and in the community sphere (Brussels).



11 Report on external meetings with LDAC participation.

11.1 Annual meeting between the CIEM and the Advisory Councils (19-20 January 2017) Mr. Alexandre Rodríguez, Secretary General, sums up the events of the meeting. The full Secretary's report can be found at the following link: http://ldac.ldac.eu/download-doc/147352

11.2 Advisory Board Meeting of the European Control Agency (3 March)

Mr. Alexandre Rodríguez comments on the conclusions of the meeting.

The Secretary's report can be found at the following link:

http://ldac.ldac.eu/download-doc/148948

12 Date and place of next meeting.

It will be held in Brussels, in the month of October of November 2017, awaiting confirmation.

The meeting is adjourned at 5.10 pm.



ANNEX I

List of participants at the LDAC Working Group 5 Brussels, 5 April 2017

MEMBERS

- 1. María José Cornax. OCEANA
- 2. Edelmiro Ulloa. ANAMER/AGARBA/ANAPA/ACEMIX
- 3. Julio Morón. OPAGAC
- 4. José Carlos Castro. ANFACO-CECOPESCA
- 5. Helene Bours. CFFA-CAPE
- 6. Björn Stockhausen. Seas at Risk
- 7. Irene Vidal. EJF
- 8. Victoria Mundy .EJF
- 9. Juan Manuel Liria. FEOPE/CEPESCA
- 10. Javier Garat. FEOPE/CEPESCA
- 11. Juana Parada. ORPAGU
- 12. José Manuel F. Beltrán. OPP-Lugo
- 13. Lise Johnsen. DPPO
- 14. Katarina Sipic. CONXEMAR
- 15. Marta Llopis. CONXEMAR
- 16. Raúl García. WWF
- 17. Mireille Thom. WWF
- 18. Vanya Vulperhost. Oceana
- 19. Luis Vicente. ADAPI
- 20. Erik Olsen. Living Sea
- 21. Marc Ghiglia. UAPF
- 22. Despina Symons.EBCD
- 23. Sandra Sanmartin. EBCD
- 24. Juan Pablo Rodríguez. ANABAC
- 25. Sara Fröcklin. SSNC
- 26. Juan Manuel Trujillo.ETF
- 27. Alexandra Maufroy.ORTHONGEL
- 28. Francisco Portela Rosa. VIANAPESCA



OBSERVERS

- 1. Emmanuel Berck. EC B3 (FAR)
- 2. Desirée Kjolsen. EC B4 (IUU)
- 3. Manuel Catalán. EC B3 B3 (Acuerdos Comerciales y Económicos de Partenariado)
- 4. Joao NUNES. EC B3 (Trade Agreements and EPAs)
- 5. Andréa Durighello Secretaría FiTI (Fisheries Transparency Initiative)
- 6. Ramón de la Figuera, Subdirector General de Acuerdos y Organizaciones SEGEPESCA.
- 7. Carmen Paz Marti.EP
- 8. Anabel Andujar.EP
- 9. Michael Earle.EP
- 10. Ulrika Ekfeldt.EP
- 11. Axel Matell.EP
- 12. Eszter Hidas. WWF MAC
- 13. Cristina Fernández. Seafish
- 14. Katrin Herren. RARE
- 15. Gunilla Tegelskär Greig. Swedish Agency for Marine and Water management
- 16. Anna Boulova. FRUCOM
- 17. Borja Velasco.REPER
- 18. Sigita Meskeleviciute. Lithuanian Administration
- 19. Daniel Voces. Europeche
- 20. Alexandre Rodríguez. Secretario General LDAC
- 21. Manuela Iglesias. Secretaría LDAC