

REPORT *Summary*

Meeting: **Inter-AC**
Parties: **DG MARE, ACs**
Date: **17 November 2022**
Location: **Interactio (online)**
Chair: **Deputy head of Unit D3**
Rapporteur: **Tamara Talevska**

1 CMO report –Presentation of the outcome of the stakeholder consultation feeding into the preparation of the CMO report

The Common Markets Organisation (CMO) report was launched in 2021 together with the CFP Report. Qualitative comments were submitted by stakeholders of which 1/3 were Spanish stakeholders. The CMO contributes effectively to the CFP on market competitiveness, market stability, transparency etc. Identified challenges are: which POs are instrumental to structure input supply and the different treatment of POs by the MS (lack of coherence). Information for consumers were deemed fit for purpose, but it was questioned why some outlets/restaurants are not covered in consumer information. There is a need to introduce new mandatory information, such as date of catch, harvest, origin of flag state etc. On competition rules input was limited. The ability of POs to programme the quantities is a necessity to avoid food waste. Stakeholders/consumers would appreciate real time data on the market. The Commission is finalizing CMO report, which is well advanced. This consultation was relevant for the Commission, and views and concerns were well understood. This will be reflected in the upcoming CMO Report.

The Commission noted that all comments were taken into account in the drafting of the report, which will be identifying the challenges and future actions. When the report is published, the Commission agreed to come present it to ACs. For the moment there will be no revising of the CMO. With regards to timing, the CFP and CMO reports will be published simultaneously, where the CFP is more complex. Both are planned to be published beginning of 2023 (January).

2 STECF Annual Economic Report (AER) data: Update on the preparation of the 2023

The AER reports on socio-economic performance of EU fleets. The Commission felt that reports keep improving. The Commission had received request for 2023 annual economic

report, where the MAC had requested analysis of CO2 emissions of the fleet. Other ACs asked to produce report on fuel price impacts on fleets. The STECF is planning to prepare the TOR for next report. All requests will be processed in the context of available resources. There are usually 2 meetings of the group: 1. Gathering the data, 2. Drafting of the report. Annual economic data are important to understand how the sector is developing and performing.

The MAC sought clarity around the 2023 timeline, the LDAC asked to place more experts in the STECF Expert Group and to ensure a proper training for the newcomer stakeholders, to simplify reporting and to devote space to interpretation of data (trends), and PELAC asked for producing a more timely and accurate report (current report is based on 2-year-old dataset, which is becoming increasingly an issue during current crises (Covid, Brexit, Ukraine)). The MEDAC noted that it is important to study the socio-economic effects of the management tools adopted. For this reason the MEDAC established its socio-economic WG. The MEDAC also called for the EU as the leading seafood market to show more confidence in achieving production capacity and food sovereignty.

The Commission responded that the TOR are being prepared and discussed with STECF beginning of January, therefore any potential comments would need to be submitted as soon as possible. The socio-economic analysis is taken into consideration for decision-making by analysing impacts on industry. The MS are currently preparing their operational programmes in which they will specify how they would like to support the sector. The processing report is coming after aquaculture report (end of 2022). A training for stakeholders is a good proposal, but timing is challenging. The Commission agreed to come back with more information on this. The volume of the report is indeed 400 pages + annexes, however the main results are presented in a leaflet. The Commission also drew attention to the DG MARE+JRC collaboration called the Blue Observatory, where all results will be presented in a dashboard, a user-friendly platform for presenting socio-economic performance of fleets. This feature will be available soon. Regarding the timing of the data used the Commission explained that the outcast is made, and that the predictions there are similar to findings later.

[3 Director-General Charlina Vitcheva address](#)

DG Vitcheva noted that Inter-AC meetings present a forum for exchange of good practices, discuss common challenges, and offers the Commission opportunity to provide updates on key policy files. She welcomes AC meetings in Brussels, which facilitates the Commission's attendance. The Commission is doing its utmost to continue to participate in meetings. Meetings outside Brussels are less likely due to drastic limitations of mission's budgets. The AC catalyze stakeholder engagement, enabling policy makers to benefit from inputs and ensures building of trust. The consultation process with ACs is absolutely essential.

On the Deep-sea Access Regulation Vitcheva noted that this file was discussed at the Inter-AC in January 2022 and said the Commission expects the ACs to fully engage when consulted. The AC Chairs are there in the capacity of the AC memberships and should

represent the whole community – it is therefore important that they have the mandate to relay AC position and share information back to their members.

Vitcheva expressed gratitude to ACs for providing smart, innovative, unprecedented solutions in challenging times and during transitions (such as the energy transition). She assured that all key policy files are consulted with ACs and that recommendations are always considered in preparation of new legislation.

Vitcheva informed that she recently presented and discussed important files to the new Council presidency of 2023 Sweden. She also reminded that for the first time in the history of ACs the Commissioner (Sinkevicius) invited ACs to a consultation ahead of December Council. This is the first in line of such meetings as the Commissioner plans to meet ACs on a regular basis.

On the fuel crisis which threw some businesses at serious risk and caused volatility on energy markets, **Vitcheva** said that the Commission was quick in undertaking necessary short-term measures. A month after crisis (Ukraine), trigger crisis mechanism under EMFAF was launched, and in April a proposal for compensation measures under EMFAF was tabled, including the temporary framework for state aids, with increased ceiling up to 300.000 EUR.

There will be intense exchanges next year to follow up on four upcoming reports. First is the Communication on Energy transition dealing with ways to break reliance on fossil fuel. Sector must become more energy efficient and resilient to energy crisis. New technologies and solutions will be proposed, and existing solutions which are not scaled up listed. The Commission intends to facilitate scale up, invest in new solutions, remove bottlenecks to deployment of solutions etc. The second file is the Action plan for conservation of fish resources and protection of marine ecosystems. Objective of which is synergies between fisheries and environmental dossiers. Crucial collaboration between DG ENV and DG MARE one of the measures to be promoted will be presented beginning of January 2023. The third file comprises the Fishers of the Future dealing with aspects on the future of the profession of the sector. The fourth file are then CMO & CFP Reports. This is in line with the Commission's initiative on sustainable food systems, on how to shape marketing standards, initiatives related to sustainability of products etc.

New governance adopted in 2013 CFP reform established ACs as privileged partners. The Commission is working to better disseminate the use of AC advice. To this end it invites ACs to present most important recommendations at DG MARE conferences in order to reach broader audience and share advice across topics and teams in DG MARE.

The 2023 is dubbed Year of skills, which is essential for fisheries sectors. All skills, from digital, to green transition, are undergoing transition that needs upscaling. Better investment in skills is needed, as well as effective matching aspirations of businesses and people. Planned activities in this regards are: Call on Blue Careers, funded under the EMFAF.

On administrative front, Vitcheva highlighted that recent changes in ACs functioning (implemented with the DA on the functioning of ACs) resulted in improvements, i.e. nominating vice-chairs from OIGs. The lump sum methodology is due to be applied, which will allow the

ACs to focus on recommendations rather than accounting. Spare time should be used for achieving consensus on recommendations.

Kenn Skau Fischer, NSAC, briefly presented NSAC work, particularly FG on social aspects, and webinar on climate change. He highlighted the possibilities of sector to adapt to new fuels and measures as relayed in the Decarbonisation advice, however there is still a long way to go. More effort is needed at EU level in helping to improve engines, developing new engines, making green fuels accessible. In the Social Aspects FG the NSAC will focus on transition of fisheries sector, recruitment of young people and general social sustainability.

Vitcheva mentioned [Mission Ocean](#), which will focus on carbon free economy in the North Sea and the Baltic. The enabler of mission ocean is digital twin ocean putting together the datasets, modelling, analysis, functionality between data to show digital replica of the ocean, to build scenarios and model how climate change will evolve. The idea is to use this to underpin policy and business decisions. She mentioned several decarbonization solutions, both the existing and developing ones and noted that the Commission is working to reduce bottlenecks and scale up appropriate solutions. She encouraged stakeholders to send in inputs even after official consultation deadline and promised all will be reviewed.

On the Deep Sea Regulation **Vitcheva** noted it is a complex technical matter which took 4 years to finalize (it was originally planned for 2018, but came out end of 2022). She added that ICES assures that it provided a sound and robust advice. A call for evidence ended in beginning 2022 and ACs were informed about this at the Inter-AC. Unfortunately, feedback cannot be taken onboard retroactively. There will be further dialogue on VMEs. The moment the new advice comes from ICES (in January 2023), it will go through STECF, and amendments can be proposed to the implementing act afterwards.

4 European Sustainable Food System

There is currently no overarching EU framework law on sustainable food policy/systems and this initiative aims to change that. The idea is to have a new framework to promote sustainability (all three pillars) of all EU legislation related to food. National plans for sustainability will be encouraged. This initiative aims to make the EU food system sustainable and to integrate sustainability into all food-related policies. It will lay down general principles and objectives, together with the requirements and responsibilities of all actors in the EU food system. More specifically, it will lay down rules on: sustainability labelling of food products; minimum criteria for sustainable public procurement of food; governance and monitoring. Impact assessment is in process now. There are push and pull measures. Push measures aim to eliminate unsustainable food. Pull measures will indirectly act to make sustainability more attractive for business and consumers. Sustainability labelling ought to be harmonized and public procurement sustainable.

After public consultation during 28 April -21 July 2022, there is now an ongoing Impact Assessment (IA), including the analysis of the economic, environmental and social impacts.

On 15 February 2023 the IA will be submitted to Regulatory Scrutiny Board, and in the second half of 2023 the initiative will be adopted.

Peter Breckling, NSAC, asked if the level of imports in the EU are accounted for in the regulation and how this reflects on the objective of food security. **The Commission** responded that food security is included in IA. Regarding the imports the Commission responded that this is a framework regulation and that sectoral or implementing acts will need to be adopted to provide further details on that. Imports levels will be considered at that point.

5 Key points for AC work in 2023

a. Strategic foresight initiatives ('Fishers of the future')

The representative of DG MARE referred to the strategic foresight initiatives¹. This is a process by which we can think more deeply about future and reflect on the decisions that should be made today. What is driving the process. Predicting for the future is challenging, but preparing for it is necessary.

Strategic foresight is part of a toolbox of regulatory framework. Vice-President Maroš Šefčovič was the first ever member of the College of Commissioners in charge of strategic foresight. The Commission produced an annual Strategic Foresight Report, which informs the Commission Work Programmes and multi-annual programming exercises. This exercise is conducted through a participative and cross-sectoral foresight process, led by Commission services in consultations with Member States, discussion with the European Strategy and Policy Analysis System (ESPAS) and external stakeholders. DG Mare is one of the contributors to these reports. Strategic Foresight helps improve policy design, develop future-proof strategies and ensure that short-term actions are coherent with long-term objectives by using a number of different techniques, including Horizon scanning: a systematic scan and collection of events and trends, the output being a future-scape or visual mapping of new signals of change. As part of this, Fishers of the future initiative will be launched next year to attract a new generation of workers to the fishing industry and generate employment in coastal communities.

b. European year of skills²

The representative of DG Mare informed that 2023 will be the European Year of Skills, following the announcement in the 2022 State of the Union address. The year will stress the importance of skills development to leave no one behind while boosting Europe's recovery. It is the key initiative of the European Commission. The green and digital transitions are opening up new opportunities for people and the EU economy. Having the relevant skills empowers

¹ [Strategic foresight | European Commission \(europa.eu\)](#); [EUR-Lex - 52022DC0289 - EN - EUR-Lex \(europa.eu\)](#)

² [Commission kick-starts work on the European Year of Skills - Employment, Social Affairs & Inclusion - European Commission \(europa.eu\)](#)

people to successfully navigate labour market changes and to fully engage in society and democracy. Focus will be on young people. A workforce with the skills that are in demand also contributes to sustainable growth, leads to more innovation and improves companies' competitiveness. In fisheries, the initiative will be financed under EMFAF. Blue career calls will be launched to create job opportunities. COM will keep the ACs posted on several campaigns connected to the initiative and on any further developments related to it.

6 Ecosystem-based Fisheries Management

Presentation of the study recently published on ecosystem based approach to fisheries management.

DG MARE presented the recent study³ on ecosystem based approach to fisheries management (EAFM), made by DG MARE Unit 3. The EAFM is defined in the Regulation 1380/2013⁴ on the CFP as integrated approach to managing fisheries activities, mitigating their negative impacts.

Based on a review of the literature, it was possible to identify a hierarchical typology of EAFM challenges that distinguished three main types of EAFM challenges:

1. Challenges to mitigate fishing impacts on fishing opportunities and the wider ecosystem, including by-catch, habitat impacts and impacts on food webs.
2. Challenges to improve the advisory process and its knowledge base by incorporating the effects of the environmental (ecological) context on fish, fishing opportunities and fisheries. This includes any environmental effects (e.g. from climate) on target and non-target species or habitats affecting their vulnerability and/or spatiotemporal distribution as well as the effects of other anthropogenic pressures, such as the effect of eutrophication or contaminants on productivity.
3. Challenges to improve the decision-making process. These include all potential effects of the social context on fisheries management and its governance. This, in turn, includes economic aspects, such as where short-term profits may be at odds with long-term sustainability; management aspects, such as a lack of clear policy targets, and social aspects, including stakeholder disagreements and low levels of participation.

Addressing these EAFM challenges can advance an EAFM and ultimately improve performance in terms of achieving the policy objectives and societal goals identified in the defining step. To assess the current state of affairs pertaining to the implementation of an

³ [the implementation of ecosystem-based approaches applied-HZ0922512ENN.pdf](#)

⁴ 'ecosystem-based approach to fisheries management' means an integrated approach to managing fisheries within ecologically meaningful boundaries which seeks to manage the use of natural resources, taking account of fishing and other human activities, while preserving both the biological wealth and the biological processes necessary to safeguard the composition, structure and functioning of the habitats of the ecosystem affected, by taking into account the knowledge and uncertainties regarding biotic, abiotic and human components of ecosystems

EAFM it was necessary to identify and define the key EAFM components, i.e. the fisheries (both commercial and recreational), the management measures and their legal settings. Recommendations include better involvement of stakeholders, interdisciplinary and transdisciplinary information should be included, also information on fisheries management. The EAFM is already being implemented, but this is an iterative process.

7 Financial and organisational matters

1) **AC membership: how to encourage organisations to get interested and involved in AC work**

NWWAC presented the membership drive strategy. NWWAC had experienced reduction in NGO members a few years ago and decided to prepare a strategic membership drive strategy. They contracted Mindfully Wired Communications. They updated the Rules of Procedure and sent direct invitation letter to 13 NGOs. This had very little effect on the membership and some OIGs even left the AC. There was also close to no response from social media campaign. NWWAC will continue the efforts to acquire new members. They are looking for the Commission's support in these efforts. In their view, this could be done by communicating that ACs do important work, by publishing the ACs' submissions and their direct impact on policy development and by carrying out a potential strategic social media campaign to focus on and highlight the work of the ACs. In conclusion: the awareness of the work of the ACs is low.

DG MARE underlined that the new Delegated Act related to ACs was aimed at improving the functioning of the ACs. The Director General underlined the important role played by the ACs in the fisheries management process.

MAC stated that they had also faced difficulties in attracting new members among the NGOs, because not so many of them work on market issues and seafood policy, NGOs are more focused on the fishing opportunities. In his view, the Commission should encourage stakeholders to join and also raise awareness on the AC work.

MEDAC representative stated that to attract new members and facilitate participation, MEDAC had decided that NGOs pay half of the annual fees.

2) **Financial matters: update on state of play of the introduction of the lump sum and answers to any specific questions/issues raised by ACs.**

DG MARE presented a short overview of the grant management lump sums. She thanked all ACs for making the necessary steps to move to the new system. Detailed budget estimates were received from ACs for first financial year for which the new system has been applied. Following assessment of the ACs' budget estimates and exchanges with the ACs, the lump sum amounts for the period 2022-2023 have been agreed. For the 2023 grants, the ACs will be called to submit their budget estimates together with the application. Next steps for the ACs

consist of implementation of the work programmes. Substantial deviations compared to the planned activities as indicated in the work programme should be communicated to DG Mare.

DG MARE stated that funds granted under lump sums but not used by the ACs cannot be recovered by the Commission as long as the objectives of the annual work programme have been achieved. Nevertheless, the Commission should be notified as it will take into account for the grant calculation for next year.

NWWAC was surprised to hear that the Commission will claim underspent funds in the new budget. She referred to the previous discussions on the lump sum methodology and underlined that the ACs had been informed that the Commission will not ask to give any unspent money back. She pointed out that COVID had a substantial impact on the ACs spendings, especially in relation to the meetings and travelling. During the last two years, the budgeted travel costs had been unspent due to the fact that all meetings were held online. At present, the travelling is going back to normal levels. Some other ACs also underlined that in their understanding, the unspent money should not be claimed by the Commission. She underlined that the Commission had never informed the ACs that the unspent money will be claimed by the Commission and that these amounts would have impact on the grant. The lump sum has been fixed for 4 years.

DG MARE stated that the Commission will not claim the unspent money, however the unspent amounts will have an impact on the future grant. She explained that when planning the transition to lump sums 2 years ago, the Commission had no indication of the current inflation rate of 10-12%. The Commission's budget is based on 2% inflation assumption. The Commission could continue to apply fixed lump sums for the period of 4 years but with a 2% adjustment only. Considering the current inflation rate, the AC budgets would then be much lower. Therefore, the best solution is to determine the grant amount on the basis of forecasts for the coming year, provided by the ACs. She underlined that the Commission recommends a decrease of budgeted travel costs compared to the historical ones, to be in line with green policy. The financial issues will be addressed in the meeting with the ACs Secretariats in the subsequent meeting (now scheduled for 29 November 2022).

8 AOB

Presentation of Fisheries management GIS online tool by NWWAC.

A web-based map the tool was developed by the NWACC and a contractor: Mindfully Wired Communications. It will present maps with layers that include useful information for fisheries, such as protected areas, fisheries regulations, present and planned wind farms, cables etc.

BSAC expressed support for the initiative and informed that it had been presented to the BSAC ExCom. The BSAC members are interested to join the training meeting to present the tool. Depending on the decision of the ExCom, the BSAC will consider developing such a tool for the Baltic.

DG MARE thanked all Advisory Councils for active participation and informed that the next Inter-AC is scheduled for 9th March 2023 (TBC), in person.