



MINUTES

INTER-ADVISORY COUNCILS (INTER-ACs) MEETING 15 July 2021 - 09:30-13:00

1. Opening remarks – Director For Fisheries Policy, Mediterranean and Black Sea

Ms. Lena Andersson Pench (DG MARE, Director for Fisheries Policy, the Mediterranean and the Black Sea), welcomed participants to the third inter-Advisory Councils (ACs) meeting of 2021, an opportunity to take stock of the work achieved on the functioning of the ACs and address financial and administrative matters.

She emphasised the importance of the ACs as governance tools to ensure comprehensive stakeholders consultation in the implementation of the CFP, and welcomed the recent adoption of the European Maritime, Fisheries and Aquaculture Fund (EMFAF) Regulation¹. She highlighted the work of the DG MARE to get the grant agreements signed as soon as possible, and reminded participants of the upcoming introduction of lump sums as from January 2022.

The complete draft regulation amending the rules on the functioning of the ACs, as well as the Annual Communication adopted on 9 June 2021², will also be presented at this meeting. The latter provides an overview of the progress made on sustainable fishing and introduces the main orientations that the Commission will base on for proposing 2022 fishing opportunities. Advisory Councils were invited to contribute to the ongoing [public consultation](#) (open until 30 August).

Ms. Andersson Pench further invited members of the Advisory Councils to engage with the managing authorities in the context of the preparation of the national EMFAF programmes, as many of them are still in consultation phase.

2. Financial matters

The Commission (DG MARE unit E1 – Budget, audit and public procurement) provided a state of play on the EMFAF Regulation, which was adopted on 7 July 2021 and entered into force on 14 July 2021. The EMFAF Committee will meet for the first time on 19 July 2021 and will adopt the EMFAF annual work programme for 2021. DG MARE confirmed that the procedure for the grant agreements' (GAs) signature would start on 22 July 2021 once a written vote of the EMFAF committee on the work programme is completed. Retroactivity rule will be applied which means that the costs will be eligible from the beginning of the financial year of the ACs concerned.

The Commission indicated that given the current exceptional circumstances and as a temporary measure, the authorising officer can accept signed copies of contracts or GAs in pdf format by email provided that the beneficiary also sends, when the situation allows it, an electronically

¹ OJ L 247, 13.7.2021, p. 1–49. [URL](#)

² COM (2021) 279 final. [URL](#)

signed copy with qualified electronic signature or by post an identical copy of the contract/agreement with their blue ink signature.

The Commission presented the procedure for signature of the GAs, which should be as follows:

- The Commission sends the GA in pdf format ('sealed' with a qualified electronic seal - QES) by email, by ARES external transmission or by Areslook to the beneficiary,
- The Commission asks the beneficiary to sign the GA,
- If the beneficiary cannot sign with QES, they will have to print the GA, initial each page, sign by hand (blue-ink) and send it back by post,
- Once signed and registered, the Commission sends the signed GA to the beneficiary by email or by Areslook, informing the beneficiary that the GA was signed by the Commission electronically, using a QES compliant with Regulation (EU) No 910/2014 (eIDAS Regulation).

The Commission introduced the next key steps as regards financial management of the ACs, which are the introduction of the new corporate model grant agreement and the transition to lump sums financing as of 1st January 2022. The lump sums amount will be different for each AC based on the entire cost linked to the AC's activities while taking into consideration the operational specificities. It will be linked to a set of basic requirements and to the outputs set out by the AC in its Annual Work Programme, as approved by DG MARE.

The finalised methodology for calculating the lump sums will be presented in the autumn. The Commission indicated that the amounts will remain very close to these announced in 2020, as the same criteria will be used, with small adaptations to the current state of play, as listed below:

- (i) the average amount spent between 2016 and 2019;
- (ii) the number of members in each AC's General Assembly;
- (iii) the distance between the AC members and the AC headquarters;
- (iv) the number of languages interpreted and the number of languages translated.

The Commission provided clarification on the interpretation of Article 6.6 of the financial guidelines for the ACs which reads that "*the AC that is a contracting authority within the meaning of Directive 2015/24/EU must comply with the applicable national public procurement rules.*" Article 2(1) of Directive 2014/24/EU defines "*contracting authorities*' as *State, regional or local authorities, bodies governed by public law or associations formed by one or more such authorities or one or more such bodies governed by public law.*". Since ACs do not fit this definition, the rules on procurement in Annex I of the financial guidelines for the ACs and the Framework Partnership Agreement (FPA) apply.

Q&A

Underlying the inherent difficulty of planning projected outputs, which are often qualitative rather than quantitative, as well as the importance of running costs for the ACs, Ms. Sally Clink (BSAC) asked how the Commission would be taking this uncertainty into account when planning the overall lump sums amounts. The Commission indicated that it will seek maximum flexibility in the methodology that will be developed for calculating lump sums, in order to take into account the unavoidable share of uncertainty in outputs.

Mr. Alexandre Rodríguez (LDAC) asked whether the amount for lump sums would be calculated every year or whether the amount would be set for the whole duration of the FPA (4 years). He

inquired about possible inter-annual flexibility mechanisms and asked the Commission when ACs would have to produce the estimation of their costs. Stressing that the FPA aims to provide legal rather than financial certainty, the Commission explained that lump sums amounts would still be calculated annually as to match the Commission's annual work programme and that no inter-annual flexibility would be introduced. The budget forecast that ACs used to provide before the GA are signed will not be needed anymore, as the amount of the agreements will be based on the lump sums amount that the Commission will itself calculate. Asked about a possible update of the financial guidelines for ACs, the Commission confirmed that they would be adjusted to fit the new template for the annual work programme (AWP), but indicated that financial requirements and principles will remain the same.

Mr. Pedro Reis Santos (MAC) asked whether the Commission, when using the criteria for calculating lump sums for the MAC and the AAC, will base on the same reference period as other ACs (2016-2019), as these years correspond to their first years of activity when costs were lower and using them could result in unequal treatment. The Commission indicated that it will come back to the MAC after the meeting on this, while also indicating that the methodology that will be developed will be as flexible as possible to cater for the potential growth in ACs' membership.

Ms. Rosa Caggiano (MEDAC) and Mr. Yordan Gospodinov (BLSAC) pointed at the very difficult financial situation faced by the MEDAC and the BLSAC, which financial years started in January 2021 and which have not been able to receive financial support since. The Commission took note of the concerns expressed and stressed that everything was being done to speed up the process and get the GAs signed as quickly as possible now that the EMFAF Regulation is adopted.

Echoing remarks from the LDAC, Ms. Sally Clink (BSAC) indicated that it would be worth considering multiannual financial programming for the ACs, since many actions roll over from year to year. The Commission explained that while financial support to ACs would keep being calculating on an annual basis, ACs are encouraged to adopt a longer term approach in their AWP. Setting the budget annually is also easier as outputs are difficult to forecast on the long term.

Indicating that ACs need to send the Commission the provisional budget for the following year one month before expiration of the ongoing one, Ms. Marina Illuminati (MEDAC) stressed the need to receive from the Commission the reference lump sums amounts well before the end of the year. She also asked whether the usual way of proceeding to the advanced payment and outstanding balance payment would remain. The Commission indicated that the methodology is currently being developed with DG BUDG and that amounts will be communicated before the next inter-AC meeting set to take place late November 2021. The budget forecast that ACs used to provide before the GA are signed will not be needed anymore, as the amount of the agreements will be based on the lump sums amount that the Commission will itself calculate. Even though the 80% prefinancing will remain, lump sums are based on outputs which means that the Commission will have to analyse outputs before it proceeds to the signature of the full balance payment.

Ms. Lena Andersson Pench welcomed the entry into force of the EMFAF regulation as it will allow for a swift signature of the GAs. She expressed her wish to move forward on the transition to lump sums financing, which she said will require some work in the beginning but will provide many benefits on the long term, both in workload and flexibility.

3. Presentation by DG MARE of the 2022 Annual Communication

The Commission (DG MARE unit D3 – CFP and structural support, policy development and coordination) presented a summary of the Annual Communication for 2022 fishing opportunities, adopted on 9 June 2021. The objectives of the Communication are two-fold: on one side, reporting on the state of play and progress made towards more sustainable fishing, looking at the socio-economic performance of the sector and the landing obligation; on the other side, presenting the Commission's orientations for 2022 fishing opportunities. A [public consultation](#) is running until 31 August.

Progress towards sustainable fishing is noticeable in the North East Atlantic, with a fishing mortality ratio close to 1. In the context of 2021 fishing opportunities, almost all TACs with MSY advice were set at MSY (for stocks managed by the EU exclusively). Many TACs were set in line with precautionary advice. Additional measures were taken most specifically for Kattegat Cod, Western Baltic Herring and Eastern Baltic Cod. The Commission pushed for high sustainability standards, including for stocks negotiated with third countries. The agreement reached with the UK on fishing opportunities for 2021 sets a strong ground for further negotiations in the autumn. Despite slight improvements in fishing mortality, the situation remains unfavourable in the Mediterranean and the Black Sea, with fishing mortality ratio twice above sustainable levels. Fishing opportunities adopted for this year result from the transposition of measures adopted under the GFCM in 2018/2019 and further implementation of the West Med multi-annual plan (MAP).

In 2020, the number of vessels continued to decrease and in all Member States, the capacity of the fleet is below capacity ceilings set by the CFP Regulation. The Commission will be monitoring closely specific fleet segments whose capacity is close to ceilings. A 2018 assessment carried out by the Commission showed that more than half segments are not in balanced according to the sustainable harvest indicators (SHI). The Commission subsequently sent reminders to the Member States of their obligation to establish an action plan addressing those imbalances.

COVID-19 pandemic led to an average 17% decrease in landing value. Strong and rapid support provided by the Commission through amendments to the EMFF made EUR 136M available to the sector in compensation payments. The sector remained profitable despite the crisis, with net profit margins of about 14% (EUR 800M), albeit noticeable differences across regions and fleet categories. This shows the resilience of the sector, also made possible by a decrease in fuel prices and efforts made by the sector in previous year towards sustainability.

Compliance with the landing obligation remains an issue, with challenges in terms of control and enforcement. Remote electronic monitoring (REM) is the most effective and cost efficient way of improving control and was proposed under the revised fisheries control system. 7 Delegated Regulations were adopted last year, either temporary discard plans or laying down specific measures in the context of MAPs. The possibility of having a quota exchange pool for addressing choke species in mixed fisheries was well taken up by regional groups and successfully implemented. The Commission welcomed the increased focus on projects aimed at increasing selectivity and called for the continuation of efforts.

The Communication also lays down the main orientations for next year's fishing opportunities. In the North East Atlantic, the objective is to set as many TACs as possible in line with MSY and introduce remedial measures under the MAP for what concerns stocks with zero-TAC advice.

Following Brexit, a majority of the stocks are no longer decided upon exclusively by the EU. The Commission will be pursuing its efforts to make sure that negotiations reach high sustainability standards and best possible alignment between the EU and the UK for ensuring a level playing field. In the Mediterranean and the Black Sea, the objective is to further implement the West Med MAP and pursue further reduction in fishing mortality to reach MSY by 2025. The Commission's proposal for 2022 fishing opportunities will cover GFCM measures, those already adopted and those to be adopted in November's annual session.

The first Commission proposal will be adopted in August for the Baltic, followed by the Mediterranean and the Black Sea in September, then by the Atlantic and the North Sea in October. The proposal for the Baltic will be discussed at the October Council, and at the December Council for all other sea basins.

Q&A:

In reply to Ms. Daniela Costa (CCRUP), who pointed out the absence of reference to outermost regions in the Commission's presentation, the Commission explained that the Staff Working Document (SWD) accompanying the Communication provides further information on all sea basins, including outermost regions. Fishing opportunities for outermost regions are negotiated within the framework of Regional Fisheries Management Organisations (RFMOs) and will be agreed upon at the December Council.

Mr. Sean O'Donoghue (MAC) regretted that orientations for 2022 fishing opportunities build on economic data from 2020, calling for better alignment with scientific advice data and need for appropriate socio-economic projections. He also said the overall impact of the COVID-19 pandemic to be higher than the indicated 17%, especially in some regions and fleet segments, with an estimated average 30% decrease in landing value. The Commission agreed that the 17% figure does not say much about the disparities across regions and fleets and referred to the SWD accompanying the Communication for such assessment.

Ms. Sally Clink (BSAC) explained that the BSAC had already sent their advice for 2022 fishing opportunities, taking into account all aspects highlighted in the Annual Communication, including zero-TAC advices. Highlighting the challenge of the landing obligation implementation, she called on all members to pursue efforts through projects aimed at better selectivity.

Mr. Antonio Marzoa Notlevsen (MEDAC) further stressed the deep socio-economic impact that COVID-19 had on the industry, especially on micro-enterprises making up most of the fleet in the Mediterranean. He called for greater consideration of the socio-economic pillar of the CFP.

Mr. Javier Lopez (SWWAC) asked the Commission whether recovery plans would be foreseen for stocks below the safe biological limit (e.g. Western Baltic Cod, North Sea Cod), including timeframes and targets for the recovery of these stocks. The Commission referred to the MAPs as the main tools to ensure the recovery of these stocks and recalled its commitment to agreeing on appropriate measures with the Council, such as precautionary advice. Mr. Lopez also called for better taking into account precautionary advice for data limited stocks. Pointing at the continuation of illegal discarding and overfishing, Mr. Lopez asked the Commission whether fishing opportunities would still be proposed based on the assumption that the landing obligation is fully implemented. The Commission said to be following very closely the negotiations on the new Control Regulation to improve compliance with the landing obligation, while discussions with the Member States on how they can improve their programme on control and enforcement

are taking place. For what concerns TAC setting, the Commission will base on best available scientific advice, which itself includes lack of control as an important parameter. The landing obligation is one of the aspects that will be looked at under the Technical Measures Report to be published in September 2021.

4. Functioning of the Advisory Councils

a. Presentation of the draft Delegated Act amending Delegated Regulation (EU) No 2015/242

The Commission (DG MARE unit D3 – CFP and Structural Support, Policy Development and Coordination) presented the draft delegated act amending the detailed rules on the functioning of the Advisory Councils, many inclusions of it building on suggestions and input received from the ACs since December 2020.

The objectives of the act were presented. These include:

- 1) Improving the balance between sector organisations and other interest groups (OIGs) in chairing positions by requiring, through an added paragraph 2 in Article 4, that the chairperson and first vice-chairperson are from two different groups of stakeholders;
- 2) Strengthening the requirements for appropriate representation of OIGs by adding a specific reference to Article 4.7. This reference to OIGs stands as an extra incentive to comply with the 60/40% ratio provided for in the CFP Regulation, although the Commission acknowledges it is not easy to conciliate with the open door policy;
- 3) Specifying the working methods of the ACs to ensure compliance with CFP objectives and principles of transparency and respect of all opinions, through an amendment of Article 5. These inclusions reflect existing provisions of the CFP Regulation. The initial idea of providing a template for ACs to send their recommendations will not be further explored as to let ACs enough flexibility in drafting the advice.
- 4) Introducing, through an added Article 7a, a requirement for external and independent performance reviews, to be carried out every 5 years.
- 5) Specifying the criteria for the classification of the members into the two categories of stakeholders (sector organisation and OIGs), through the inclusion of a new annex I and the amendment of Article 4.3. The Commission explained that these criteria are not eligibility rules, but rather aim to provide certainty over the classification of an organisation joining an AC.

The criteria for the classification of organisations into the two categories of stakeholders (Annex I to the draft Delegated Regulation) were presented. Criteria to be classified ‘sector organisation’ or ‘other interest groups’ are not cumulative, meaning that as soon as one criteria is met, the organisation should be classified in the corresponding category. The criteria for ‘sector organisations’ build on the definition of the sector provided in the CFP and Control Regulation. They look at the membership, the funding and the representativeness of individual organisations to assess their affiliation to the category ‘sector organisations’. Criteria for OIGs cover organisations promoting horizontal principles (environmental protection, consumers’ rights,

health, animal welfare, equality, etc.), organisations in recreational or sport fishing and organisations having interests in the use of the sea or maritime space different than commercial fishing or aquaculture.

After presentation of the draft act to the ACs (15 July) and the Member States (16 July), a [public feedback](#) will run until 10 September. Once finalised, the act will be sent to the European Parliament and the Council for scrutiny, a process that can take up to 4 months. Expected adoption date is late 2021/early 2022.

Q&A

Ms. Beatrice Gorez (LDAC) welcomed the proposal from the Commission, notably for what concerns balanced representation of stakeholders, which she said is likely to increase the attractiveness of the ACs for NGOs. In relation to point 2(b) of annex I, she suggested that organisations representing other interests at sea (i.e. energy, mining, etc.) should not be part of the ACs but rather of a separate platform where to discuss with fisheries organisations.

The Commission restated that the purpose of the criteria is not to set eligibility rules nor to push for new kinds of organisations within the membership of the ACs. Rather, they are criteria that should help them decide on the classification of the organisation within the two groups of stakeholders. They must be as inclusive as possible to make sure all potential cases are covered in order to have certainty over which category an organisation should belong.

Mr. Giampaolo Buonfiglio (MEDAC) highlighted the good practices of MEDAC in terms of balancing chairing positions between the sector and OIGs, in line with the 60/40% ratio. He asked why the rule laid down in Article 4.3 would also apply to working groups, since these are technical more than decision-making bodies, and underlined the difficulty of complying with the seats allocation ratio in the General Assembly, unless the open door policy is dropped. In relation to performance reviews, Mr. Buonfiglio asked whether ACs would have to hire a contractor or whether the Commission would appoint one, and if such performance reviews would replace financial audits. Seconding Ms. Gorez, Mr. Buonfiglio warned that the proposed criteria would risk broadening the ACs' membership and lead to a dilution of fisheries interest into wider considerations. He also explained that sources of funding are difficult to check by secretariats, thus making the use of the associated criteria challenging. Last, in relation to Article 4.7 of Regulation (EU) No 2015/242, he asked the Commission to specify what parameter should be used to determine the appropriate representation of small scale fleets according to their weight in the Member States.

The Commission agreed that working groups are not bodies mentioned in the Regulation as such, however they play a key role in drafting advice and initiating work, therefore they should be subject to the same rule of balancing chairing positions, where possible. This should ensure that discussions are driven in a way that welcomes all opinions.

The Commission clarified that performance reviews would not replace financial auditing and would be carried out by external bodies selected by the ACs themselves. ACs should therefore include a dedicated budget item each time a performance review is needed.

In relation to funding, the Commission acknowledged the difficulty of collecting accurate information on the sources of funding of member organisations. However, information on sources of funding are part of the basic set of information than an organisation within ACs should provide, in line with the transparency principle enshrined in the CFP Regulation. Member

organisations were encouraged to register to the [EU transparency register](#), as this will help ACs implement the associated criteria.

The Commission clarified that the reference to small scale fleets in Article 4.7 is not an addition of the draft amending act but a provision of the existing Delegated Regulation. As the situation of the small-scale fleet varies across sea basins, the Commission leaves it up to ACs to select the indicator to best determine the appropriate representation of the small scale fleets according to their weight in the Member States.

Ms. Mo Mathies (NWWAC) stressed the difficulty of maintaining NGOs within ACs membership, due to their limited financial and human resources. Pointing out the low recognition of compromise by NGOs, she asked the Commission how it could help in further attracting members. The Commission said to stand ready to work with the ACs and take initiative to attract NGOs to ACs membership, and referred to the presentation given by the MAC at the inter-AC meeting of 18 January 2021.

Mr. David Pavón (CCRUP) explained that translations would make it easier for the CCRUP to provide feedback on the act. He also positioned in favour of specific discussion fora for stakeholders having interests in the use of the sea not linked to fisheries or aquaculture. The Commission explained that translations would be distributed as soon as available, towards the end of the public feedback period.

Mr. Jan Kappel (BSAC) suggested to give both categories of stakeholders (sector organisations and OIGs) an equal voting weight, or to create a third category of stakeholders for recreational or sport fishing. The Commission explained that the possibility to have a 50% voting weight for both categories was explored but was found not in line with the current CFP rules.

Ms. Charlotte Musquar (AAC) indicated that Article 4.7 should also refer to the need for appropriate representation of aquaculture microenterprises. She also invited the Commission to include, in point 2(a) of Annex I to the draft Delegated Regulation, specific reference to organisations active in the field of animal health, research, training and education. The Commission took due note of these comments.

b. Better planning - (25 minutes, Q&A included) Valérie Tankink (MARE D3)

The Commission (DG MARE unit D3 – CFP and Structural Support – Policy Development and Coordination) updated participants on the work undertaken on better planning of meetings. Stressing the need to ensure the Commission’s participation at technical level to ACs individual meetings while providing for joint meetings to address matters of common interest, the Commission announced that reflection had been initiated internally to develop a common planning tool for more transparency and predictability in the way meetings are planned. The Commission highlighted Ms. Vitcheva’s willingness to take part in meetings, asking for timely notification when such attendance is foreseen. ACs were invited to pull efforts and provide joint advice whenever issues of common interest are identified.

The next inter-AC will take place in the autumn, around late November (tbc). After the summer, the Commission will come back to the ACs to consult on the Technical Measures Report and Action Plan to conserve fisheries resources and protect marine ecosystems.

5. AOB

Mr. Stephen Mangi Chai (MRAG) thanked ACs for their participation in the study that is currently being carried out under the CINEA/DG MARE CFP framework contract to evaluate the CFP regionalisation process. Focus group discussions are planned to take place towards the end of September or beginning of October 2021, once the analysis of the interviews and surveys is finalised. They will delve deeper into a limited number of key topics identified during the first phase (interviews and surveys).

Ms. Tamara Talevska (NSAC) invited the Commission to reflect on possible needs for advice in relation to the topic of gender equality, which the NSAC intends to frame as 'social sustainability' in its work programme. She also invited other ACs to join this work. The Commission welcomed this initiative as very timely, as the social dimension is one of the aspects that the 2022 CFP report will specifically look into (not limited to gender equality). The Commission will get back to the NSAC with further directions.