SEG Commercial Meeting 2 November 2016 in Brussels

Notes / Minutes

Theme: Building the Sustainable Supply Chain

Attendees: Andrew Kerr, Alex Koelewijn, Alexander Wever, Richard Fordham, Peter Wood, Peter Neusinger, Morten Lauritzen, Mogens Mathieson, Arne Koops, Paulo Vaz, David Bunt, Mickael Valée, Alexis Pengrech, Marc Adrien Marcellier, Jérémie Souben, Thierry Quemener, Guillaume Le Priellec, Cy Griffin, Renee Matthieu

Apologies: Rodolfo Barrera

1. **Welcome and Introductions**
   Alex welcomed us all. Each gave a brief introduction to the meeting.

2. **Scene Setting and link to developments with SEG Science and SEG Conservation Teams including the latest from some of the many eel recovery programmes**
   Andrew emphasised that whilst there are commercial rivalries, the importance of collaboration to achieve sustainable supply as being fundamental to the survival of the eel, the industry / fishery and therefore our businesses and a future.
   Andrew reminded the meeting of the conclusions of the last SEG conference at Fishmongers Hall London. The goal from the Eel Regulation the 40% silver eel escapement is a long-term objective and do get there we need:
   - Short term meaningful targets
   - Full Traceability and transparency in the supply chain

   The launch at the conference of the SEG Theory of Change Model has been widely appreciated and is crucial in communicating with Govts, Agencies and NGOs on SEG's common vision, aims and outcomes. A key part of that is to demonstrate and ensure the fishery and commercial interests make a net positive benefit for eel.
   Andrew also described the workings of the SEG Leadership Group of Andrew (Chair), Willem Dekker (Science), Alex Koelewijn (Commercial) and Cy Griffin (Conservation).
   Cy, being present, gave a brief outline of the Wetlands International European Association roles and network. The Eel is a flagship species for wetlands. Other species that are struggling are also challenged by the impacts of habitat loss and degradation, often more so than through human exploitation.
   The recent ICES report has been published. The Advice is precautionary and has to be in the absence of good data on eel stocks – it concludes that as it is not possible to determine the impact (if any) of fishing on the stock other than at zero the advice has to be precautionary.
   Also note the change to the wording re Anthropogenic <u>impacts</u> (rather than <u>mortality</u>) being as close to zero as possible. This subtle change in wording has significant influence on how the fishery and industry might operate to achieve a positive or net benefit and how this should become the goal of the commercial interests.
   Florian Stein is making a bid to the EU for about E100k to help fund SEG meetings called 'COST'.
   The UK is spending £125M on unblocking eel migration pathways over the next 4 years.
   Interreg Atlantic is a £3M project being led by the UK West Country Rivers Trust for eel – focussing on improving the sustainability of eel fisheries in Europe.
   Andrew presented the SEG accounts and reminded the meeting of the importance of membership funds to enable SEG to function for the benefit of the eel and the industry.

Jérémie Souben the French Fisheries officer agreed the need to collaborate at the European Level but felt that it is difficult to communicate the aim of SEG across the diverse sectors in France. Peter Wood asked if this was because SEG had revealed the level of illegal trade from France, Spain and Portugal. Renee a collector from the Loire expressed frustration that the word 'illegal trade' was the only message being associated with France. The French traders want to improve their industry's sustainability and visibility and show their fishery and industry as legal and sustainable. They are the leaders at investing to improve traceability through different tools as spreading the national eel file and teledéclaration systems (e.g. Telecapêche or Telecacivelle). Andrew repeated that this is why traceability is crucial and is the headline. The illegal trade damages not only conservation, but the reputation and therefore the whole business. Alex said that the actual fishing and landings that take place within the Quota are legal. The problem is the 'system' that allows a large surplus to be caught and then enables the fish to reach the traffickers.
The whole meeting was agreed on the importance of being legal and building a legal fully traceable and transparent sustainable supply chain.
Peter Wood felt that the Regulations have had unintended consequences, so we need to influence to change them for the better. Alex agreed, and that we need one voice (SEG) to influence the bureaucrats. A discussion on the merits or otherwise of Brexit ensued.
Andrew praised the merits of the Telecapêche system to aid traceability it was not a solution in itself but part of a programme to achieve traceability version 2 was planned for introduction in March 2017 and would add the end customer to the system as a further aid to traceability. Renee agreed, but believed that the 'losses' occurred outside France.
Article 12 from the Regulation puts an obligation on all member states to show where their eels go.

By 1st July 2009 Member States shall: take the measures necessary to identify the origin and ensure the traceability of all live eels imported or exported from their territory.
PW believes the Regulation has created the illegal market by creating a huge margin. He advocated a limited and controlled trade to Asia. The opposite view was that the Asian market was insatiable.
Marc-Adrien believed discussion on the illegal trade is too confusing and too complex.
Mickael Vallee, representing fishermen of the Loire, agreed that Traceability from the fishermen was happening and that visibility thereafter is critical to help control the illegal trade.
PN argued for Traceability at the sales end – rather than just from production – so that the fish are caught by quota for a specified market under a NDF (no detriment finding) certificate. This would close the traceability loop at the end, rather than being open-ended and the opportunity for losses from the system.
A limited and reduced market inside Europe is part of the problem just as much as the market demand from Asia. Both sides were compounding the problem.

3. Progress with ISEAL and timeline to Membership

David's summary covered

- Full traceable and transparency
- Meeting the Eel Regulation
- Availability of the Assessors McAlister Elliott
- The 2017 stakeholder consultation exercise and revised standard

Dutch and German supermarkets have stated they will consider selling eel again when the supply chain is ISEAL membership is achieved.

4. **Review of 2016 from perspective of developing the SEG sustainable Supply Chain**
Alex described a series of experiences and challenges from 2016.
The 60:40 is perceived by many as not achievable. However, the French European market study of 2014 showed total demand at about 30 tons with some 15 tons to both restocking and consumption so the gap in reality is much smaller.

Telecapêche is a voluntary tool to show traceability and the update from March 2017 will further link the daily reported catch from fisherman to collector, customer and officials.

Agreed that the eel needed one voice in communication with Brussels. However factual information is needed with regard to restocking practices and contracting.

- How is restocking done across Europe and in each country?
- Scientists say 60:40. How will politicians help it happen (with £$E). It is a conservation measure that bureaucrats want to do cheaply and without full regard that it is a natural phenomenon and not an industrial process – lowest cost is not necessarily the optimum. This approach in recent seasons had led to low quality and non-delivery.
- Andrew suggested that a subgroup should form and establish the facts.
- This could develop as a Grant bid – to do research & report to the EU. Each country could use the report to contact their own Governments. It would need an independent person to chair and write the report.
- e.g. WIEA to lead with EMFF funding.
- Andrew will take to the SEG leadership group to develop this further

5. **Brexit Implications**

- Much discussion and posturing characterised the current situation. The start of the two-year extraction is likely to be in March 2017. It is proposed that all EU legislation will move across in one act of the UK parliament and then be reviewed over subsequent years 2019 onwards.
- An extreme possible outcome is that UK might not be able to trade with Europe. It would take a scientific or political decision on whether UK could go against CITES and trade with Asia.
    - **SEG would work in the long-term interest of the eel and on behalf of all countries**

6. **Eel Stewardship Funds - Creating a level playing for contributing funds towards recovery**

Alex presented the European Stewardship Fund model now working effectively in the Netherlands and Germany. Very large sums of money were now being created to fund recovery. It is only right that the consumer who enjoys the eel should pay.

Alex then showed a map slide where 180M people in Europe can’t gain access to their cultural right to buy eel.

He took the meeting through a SWOT analysis of the commercial situation. Concluding it was time to act to create more national eel stewardship funds that became linked together through the European Stewardship Fund to create a level playing field:
For more info see: http://www.esf.international/

Portugal (Paolo) – possibly opportunities in future. At present consumers are less aware and hence have less need to pay a little more to be responsible. 300 – 500t being sold to consumers via the restaurant market.
In **Sweden**, there is a mark-up for product with the SEG Standard from one company – SSE. These additional funds to towards funding SEG. About 80 – 100t for consumption market in Sweden. Alex calculated that at a Euro a Kilo this could create 50 to 100k each year to a Swedish fund.
Denmark. Exports 99%. 50t consumed in Denmark again this would create some 50k.
France. Glass eel consumption is small. The dead glass eel trade doesn't exist or is marginal. 1000 tons of wild yellow eels are eaten of which only 100t is from commercial fishermen. Local caught and consumed. Dish dependent on the Region. This could be used to try and create a fund. Recreational catch for consumption was estimated at 1200t in 2007. Seek to gain a fund from Glass eel fisheries – but care in not passing it on and paying for it twice.
UK. Market is small. Main player in Northern Ireland doesn't want to participate. Recreational fishing possibly a bigger impact than previously thought. ICES report 4.4.4 asks for figures. In some places, recreational fyke nets are licensed to catch 200kg a week.

The Conclusion is the need to find a model that works for each country. Must also be a level playing field such that any member state doesn't impact on the market of others.

Andrew concluded the meeting with a call for close collaboration – despite our differences, these conversations help us to understand each other better. We have to become more effective for the survival of the eel and then the survival of the commercial interest.

All agreed we should meet 2 – 3 times per year to maintain this momentum- in a way that suits a sustainable industry best.

David to circulate minutes and presentations and put presentations on the website.