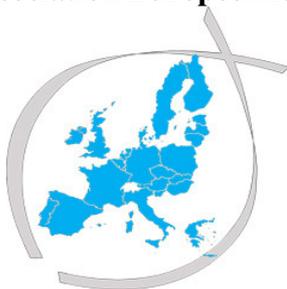


European Association of Fish Producers Organisations
Association Européenne des Organisations de Producteurs dans le Secteur de la Pêche



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EAPO Position Paper on Production and Marketing Plans

A. Introduction & Background

Producer Organisations (POs) are an integral part of the catching sector of the European Fishing Industry. While the level of PO membership differs between Member States, POs have become the fundamental means by which the catching sector interacts with both their Administrations and the Commission itself. Their role has expanded beyond their initial obligations in relation to marketing of their members products and they are now correctly identified as being essential to ensuring that the objectives of the reformed CFP including those in relation to conservation are delivered.

The current requirements in relation to the recognition and requirements for Producer Organisations (PO) are set out in Regulation 104 of 2000 on the Common Organisation of the Markets (COM) in fishery and aquaculture products.

Title II Chapter One sets out the conditions for the grant and withdrawal of recognition for Producer Organisations. POs must apply for recognition within the relevant Member State and must prove that they comply with requirements set out in Article 5 of the Regulation. Their membership must consist of a minimum number of producers and/or cover a minimum volume of marketable production. Amongst other functions POs are to encourage their members to plan their production in accordance with demand and to use sustainable production practices. In the revised COM EAPO considers that these provisions would still apply.

Article 9 of the Regulation sets out the requirement that each PO must at the start of each year draw up an Operational Programme (OP) comprising of the marketing strategy to be followed by the organisation and its members to manage production in light of market demands. The OP can also contain catch and production plans, and anticipatory measures for instance to deal with species which consistently present a problem. The primary purpose is to include all stages of production and marketing. These OPs are first submitted to the relevant Member State and thereafter to the Commission for approval. This however has led to a great variety in the content of these operational programmes.

Under the proposed revised COM the revised Article 7 includes a number of additional obligations for POs and under the proposed revised Article 32 each PO must submit on an annual basis a Production and Marketing Plan (PMP) which sets out how they will achieve the objectives laid down in the revised COM that are in conformity with the revised Common Fishery Policy (CFP). The proposed European Maritime and Fisheries Fund (EMFF) under article 69 provides financial support for the preparation, implementation and reporting of the PMPs. Taking into account the Commission's commitment to strengthen the role of POs in achieving the objectives of the new revised CFP this

support is particularly important to the continued existence of POs particularly given that this will be the primary means by which POs will access funding under the revised EMFF.

EAPO has discussed the PMPs on a number of occasions with representatives of the Commission and has emphasised the importance to clearly define the content of such PMPs before the revised COM is implemented. Furthermore EAPO has stressed it is essential to understand in drawing up the content for the production and marketing plans that a “one size fits all approach” will not work given the nature, diversity and priorities of POs throughout the EU. The content of the plans must be appropriate for the individual PO and reflect a specific operating environment. This EAPO position paper on the production and marketing plans addresses all these issues.

B. Objectives of the Production and Marketing Plans

As stated earlier the proposed reform of the CFP calls for a strengthening of the role of POs. The proposal recognises that POs have played a central role in managing markets and resources on a local, national and European level and now proposes that they take on the responsibility to achieve the objectives of the future revised CFP.

Therefore the financial means are required to enable them to respond to the European Community ambitions by being in a position to implement and to act as local agents to install the new CFP measures particularly in relation to marketing, fisheries management and conservation.

The Production and Marketing Plans (PMPs) must be seen as a tool box where POs can choose the most appropriate tools to their situation and operating environment that respects the rights and interests of their members and also aims to reinforce the role and the mission of the POs to reach the objectives of the new CFP.

By putting in place and being actively involved in management plans for the stocks for example through quota allocations, fishing rights and conservation measures POs contribute to the creation of long term sustainable conditions for the supply security of fishery products. These management measures are defined in cooperation with PO members in order to rationalize and reinforce their participation.

POs are actively participating in the processes of product normalisation, selection and traceability which act to preserve the resource and to limit the discards of commercial species. These actions will lead to improved control and certification of good practice that will optimise the value of the resource while respecting the consumer interests.

POs are the focal point in the value chain by developing modern markets and improving the marketing of the products through promotion in cooperation with the other members of the chain. As such POs play a key role in the improvement of the producers income and assist the producers to achieve a fair standard of living.

Over the years the POs have succeeded to put in place partnerships with scientists to develop tools for data management and for the handling and the analysis of information so that measures can be taken respecting scientific advice and aiming at the maintenance or re-establishment of MSY values by applying an ecosystem approach to fisheries management.

All of the above and any future actions must find a place in a framework adapted for and shared by the different parties having an interest in the relevant sea basins, within a regionalized policy including species conservation and answering to the environmental, economic and social sustainability objectives.

C. Contents of the Production and Marketing Plans

EAPO has considered and discussed at some length amongst its members what should be included in the contents of the production and marketing plans. In light of those discussions EAPO is of the unanimous view that following key principles should be applied.

1. A “one size fits all” is totally inappropriate. As stated in the introduction the nature, diversity, size and operating environment of POs varies enormously throughout the EU.
2. A tool box of voluntary measures should be identified which the individual POs can choose from to match their nature, diversity, size and operating environment. Below EAPO has identified eight different types of measures with some examples of possible action items. It is critical that the individual POs can pick and choose the most appropriate types of measures and action items that best suits their circumstances from the lists in producing and implementing their production and marketing plans.
3. The EU financing of the production and marketing plans at a level of 100% is essential to enable the POs to be in a position to draw up and implement the plans and to meet the new strengthened role envisaged for the POs under the revised CFP.

ACTIONS UNDERTAKEN WITH A VIEW TO PLANNING PRODUCTION – TYPE 1	
These actions must be put in place taking into account the existing principles in each Member State in respect of the role and the tasks delegated to the POs. Generally the objective is to enable the POs to obtain an as complete as possible expertise in the production of their members in order to achieve adequate and coherent production capacities and possibilities of access to the resources at the disposal of the PO, according to the needs and expectancies of the market.	
Action Items	Funding Eligibility
<ul style="list-style-type: none"> • Preparation of plans for the management of fishing resources per stock and/or per type of fishery, depending on the quotas allocated. 	<ul style="list-style-type: none"> - Internal human resources of the PO
<ul style="list-style-type: none"> • Management of fishing rights (special fishing permits) consistent with the fishing opportunities allocated to the PO. 	<ul style="list-style-type: none"> - Internal human resources of the PO
<ul style="list-style-type: none"> • Monitoring, controlling and forecasting the quota uptake, data acquisition, processing and consolidation of information. 	<ul style="list-style-type: none"> - Internal human resources of the PO - Technical tools, in particular IT tools, for data acquisition, cross-referencing and processing - IT development
<ul style="list-style-type: none"> • Adjustment of the rights of access to the fishing resource and management of exchanges and transfers pertaining to these rights. 	<ul style="list-style-type: none"> - Internal human resources of the PO
<ul style="list-style-type: none"> • Management of the forecasting of contributions, data acquisition, processing and distribution of information. 	<ul style="list-style-type: none"> - Internal human resources of the PO - Technical tools, in particular IT tools, for data acquisition, and processing - IT development
<ul style="list-style-type: none"> • Storage, packaging, transport, receipt, first processing material. 	<ul style="list-style-type: none"> - Internal human resources of the PO - Investments in technical equipment - Technical services
<ul style="list-style-type: none"> • Other measures aiming at production planning. 	

ACTIONS UNDERTAKEN WITH A VIEW TO MAINTAINING HIGH-QUALITY PRODUCTION – TYPE 2
 These actions aim at improving the quality and the traceability of the products from catch to first sale. The purpose is to guarantee collectively the required respect throughout the operations of standards or objectives that can be designated individually to each member vessel of the PO.

Action Items	Funding Eligibility
<ul style="list-style-type: none"> Standardised sorting on the basis of the specifications of the PO, grading at the fish auction and/or at sea. 	<ul style="list-style-type: none"> Internal human resources of the PO Performance of services with accredited quality organisations
<ul style="list-style-type: none"> Traceability of the products. 	<ul style="list-style-type: none"> Internal human resources of the PO Technical tools, in particular IT tools, for data acquisition, processing and distribution (fishing grounds, catch dates,...) IT development
<ul style="list-style-type: none"> Cold chain and preservation of the product by cooling and other preservation methods. 	<ul style="list-style-type: none"> Internal human resources of the PO Investments in technical equipment Technical services
<ul style="list-style-type: none"> Obtaining and/or maintaining certifications or other quality references. 	<ul style="list-style-type: none"> Internal human resources of the PO Performance of services with certifying bodies
<ul style="list-style-type: none"> Quality control, preparation and control of specifications. 	<ul style="list-style-type: none"> Internal human resources of the PO Performance of services with accredited quality organisations or certifying bodies
<ul style="list-style-type: none"> Internal control of compliance with the requirements as to quality (species, size, presentation, quality) and health (parasites, residues and other contaminants). 	<ul style="list-style-type: none"> Internal human resources of the PO Performance of services with accredited quality organisations or certifying bodies
<ul style="list-style-type: none"> Other measures aiming at improving or maintaining a high-quality production. 	

MEASURES RELATING TO THE ENVIRONMENT – TYPE 3

The actions covered by this must be adapted to each PO's own context, be it in respect of fishery matters concerned, operating areas used by the members, gears, etc. The objective is to allow an adequate management of direct and indirect impacts of the activity by the member vessels of the PO in order to sustain the resource and to maintain a good environmental status.

Action Items	Funding Eligibility
<ul style="list-style-type: none"> Studies at sea, tests and experiments, change in technologies and equipment in favour of more selective equipment and machinery or equipment and machinery with less impact on the marine environment. 	<ul style="list-style-type: none"> Internal human resources of the PO Investments in technical equipment Technical services
<ul style="list-style-type: none"> Change in fishing methods, including assistance in the transition towards more selective machinery or machinery with less impact on the marine environment. 	<ul style="list-style-type: none"> Internal human resources of the PO Investments in technical equipment Compensation of commercial losses during the transition period
<ul style="list-style-type: none"> Knowledge and mapping of fishing activities in connection with the existing or planned protected marine areas. 	<ul style="list-style-type: none"> Internal human resources of the PO IT investments, SIG and mapping Technical services
<ul style="list-style-type: none"> Implementation and/or improvement of any system reducing emissions of the vessels (gas, exhaust,...). 	<ul style="list-style-type: none"> Internal human resources of the PO Investments in technical equipment Technical services
<ul style="list-style-type: none"> Actions promoting energy savings and/or energy consumption optimisation. 	<ul style="list-style-type: none"> Internal human resources of the PO Investments in technical equipment Technical services
<ul style="list-style-type: none"> Management of discards, co-products and by-products. 	<ul style="list-style-type: none"> Internal human resources of the PO Investments in technical equipment on board the vessels (preservation of discards) Technical services
<ul style="list-style-type: none"> Environmental management of waste at sea. 	<ul style="list-style-type: none"> Internal human resources of the PO Investments in technical equipment on board the vessels (preservation of discards)
<ul style="list-style-type: none"> Technical support, advice, analyses and collective actions linked to one or several environmental measures. 	<ul style="list-style-type: none"> Internal human resources of the PO External advice
<ul style="list-style-type: none"> Environmental diagnosis of the vessel. 	<ul style="list-style-type: none"> Internal human resources of the PO External advice
<ul style="list-style-type: none"> Other environmental measures . 	

ACTIONS RELATING TO THE IMPROVEMENT OF MARKETING – TYPE 4

This chapter contains the actions aiming at knowledge and understanding of the market and at anticipating the market situation of the products landed by the PO members. These actions prepare the commercial operations targeting a better positioning of the products based on the expectancies of the consumers.

Action Items	Funding Eligibility
<ul style="list-style-type: none"> Storage costs within the framework of a well thought-out marketing strategy. 	<ul style="list-style-type: none"> Internal human resources of the PO Technical services
<ul style="list-style-type: none"> Preparation for sale, computerisation and management of stocks. 	<ul style="list-style-type: none"> Internal human resources of the PO Technical tools, in particular IT tools (stock management) IT development
<ul style="list-style-type: none"> Creation or improvement of a sales department or office. 	<ul style="list-style-type: none"> Internal human resources of the PO Technical tools, in particular IT tools (sales database)
<ul style="list-style-type: none"> Development of innovative marketing tools and methods (conclusion of contracts, pre-sales, auction, direct sales, networking...). 	<ul style="list-style-type: none"> Internal human resources of the PO Technical tools, in particular IT tools (acquisition of information of floating stocks, pre-sales system...) IT development
<ul style="list-style-type: none"> Market studies, market research and consumer tests, presence at fairs. 	<ul style="list-style-type: none"> Internal human resources of the PO Technical tools, in particular communication tools External studies and commercial support
<ul style="list-style-type: none"> Publicity, promotion of products with a designation of origin or of brands of producer organisations. 	<ul style="list-style-type: none"> Internal human resources of the PO Technical tools, in particular communication tools External studies and marketing support
<ul style="list-style-type: none"> Publicity, generic promotion. 	<ul style="list-style-type: none"> Internal human resources of the PO Technical tools, in particular communication tools External studies and marketing support
<ul style="list-style-type: none"> Publicity, promotion of brands with a quality label or eco-label. 	<ul style="list-style-type: none"> Internal human resources of the PO Technical tools, in particular communication tools External studies and audit
<ul style="list-style-type: none"> Creation of new products. 	<ul style="list-style-type: none"> Internal human resources of the PO External studies and marketing support
<ul style="list-style-type: none"> Creation/Improvement of Internet/ Intranet site. 	<ul style="list-style-type: none"> Internal human resources of the PO External ICT services
<ul style="list-style-type: none"> Programming policy for fisheries and production planning, depending on the markets. 	<ul style="list-style-type: none"> Internal human resources of the PO External studies
<ul style="list-style-type: none"> Other measures aiming at the improvement of marketing. 	

MEASURES RELATING TO RESEARCH AND EXPERIMENTATION – TYPE 5	
The involvement of the fishermen in the technical and scientific programmes results in a sharing of knowledge and expertise and can complements the sampling and other research information. Such collaboration leads to decisions about more appropriate management measures.	
Action Items	Funding Eligibility
<ul style="list-style-type: none"> Participation in scientific programmes, data collection for the improvement of knowledge of fishing resources and the marine environment. 	<ul style="list-style-type: none"> Internal human resources of the PO Technical tools Technical services
<ul style="list-style-type: none"> Experimentation/research at the time of dissemination of the results among the members. 	<ul style="list-style-type: none"> Internal human resources of the PO Technical tools Technical services
<ul style="list-style-type: none"> Other measures relating to research and experimental production. 	<ul style="list-style-type: none"> Internal human resources of the PO Technical tools Technical services

MEASURES FOR THE PREVENTION AND MANAGEMENT OF CRISES – TYPE 6	
Fishery is a hunting activity and is as such subject to natural fluctuations. As the untreated product is highly perishable the balance between supply and demand is not always optimal. In case of cyclical weaknesses of the market or the hunting production, exceptional commercial operations can be activated in all levels of the value chain. Such activation should be planned an programmed before a crisis situation is appearing.	
Action Items	Funding Eligibility
<ul style="list-style-type: none"> Withdrawals, excluding free distribution. 	<ul style="list-style-type: none"> Internal human resources of the PO
<ul style="list-style-type: none"> Promotion and communication within the context of crisis prevention and/or management. 	<ul style="list-style-type: none"> Internal human resources of the PO Technical tools, in particular communication tools External studies and marketing support
<ul style="list-style-type: none"> Training in the field of crisis prevention and/or management. 	<ul style="list-style-type: none"> Internal human resources of the PO External training
<ul style="list-style-type: none"> Contribution to the administrative costs for the creation of a mutual fund. 	<ul style="list-style-type: none"> Internal human resources of the PO

TRAINING EFFORTS (other than crisis prevention and management training) AND MEASURES AIMING AT PROMOTING ACCESS TO ADVICE – TYPE 7	
Action Items	Funding Eligibility
<ul style="list-style-type: none"> Training in the use of software relating to the implementation of one or several measures pertaining to the national strategy. 	<ul style="list-style-type: none"> Internal human resources of the PO Technical tools, in particular communication tools External training
<ul style="list-style-type: none"> Training and technical support relating to the implementation of one or several measures pertaining to the national strategy. 	<ul style="list-style-type: none"> Internal human resources of the PO Technical tools, in particular communication tools External training
<ul style="list-style-type: none"> Other training efforts (other than crisis prevention and management training) and measures aiming at promoting access to advice. 	<ul style="list-style-type: none"> Internal human resources of the PO Technical tools, in particular communication tools External training
<ul style="list-style-type: none"> Assessment of sustainable development at the level of the PO, quality certification of the PO. 	<ul style="list-style-type: none"> Internal human resources of the PO External audit

OTHER MEASURES – TYPE 8	
Action Items	Funding Eligibility
<ul style="list-style-type: none"> ICT investments, development or adjustment of software relating to one or several measures pertaining to the national strategy. 	<ul style="list-style-type: none"> IT tools External IT services
<ul style="list-style-type: none"> Investments in actions undertaken by companies that contribute to the achievement of the OP's objectives. 	

D. Key Performance Indicators

The starting point for nomination of the KPIs should be the objectives as set out in the revised CFP such as those covering marketing, stock management and conservation measures. In addition it is possible to set action items against some of the action items listed above. Below are some examples of a potential KPI toolbox for market related activities but should only be considered as indicative with individual POs free to pick and choose as appropriate.

Market Related Activities

1. Production

- 1.1. Number of stock/fishery plans produced
- 1.2. Number of special licenses allocated
- 1.3. Number of quota transfers facilitated
- 1.4. Quantity Produced
 - 1.4.1. Quantity produced from fisheries at or above MSY
 - 1.4.2. Quantity produced from fisheries subject to analytical TAC
 - 1.4.3. Quantity produced from certified product
 - 1.4.3.1. Environmental certification
 - 1.4.3.2. Quality certification
 - 1.4.4. Quantity produced chilled
 - 1.4.5. Quantity produced frozen
 - 1.4.6. Quantity produced with other preservation measures
- 1.5. Quantity of production subject to intervention (%)
- 1.6. Number of actions directly influencing production planning

2. Market Confidence and Information

- 2.1. Number of fisheries in assessment for or holding certification
- 2.2. Number of fisheries involved in fisheries improvement projects
- 2.3. Number of fully documented fisheries
- 2.4. Number of market events or studies
- 2.5. Number of generic promotions
- 2.6. Number of promotions of product with a quality or eco-label
- 2.7. Number of promotions of products with designation of origin or PO brand

E. Procedure for Submission and Approval

Each PO will select the applicable useful instruments in the toolbox to reflect in the PMP to be presented to the competent national authorities. A PMP should normally be presented within the first six weeks of the year the plan applies to. However, the possibility should also exist to include multi-annual strategic planning in a PMP and accordingly a procedure for a multi-annual approach should also exist. Each plan should set out the financial support required for preparation and implementation work carried out by the PO. A PMP should focus on the target species of the PO membership and any species of which the volume is less than 10% of the total volume produced by the PO membership should not be included.

The competent national authorities should review the presented plans within 12 weeks after the start of the period to which they apply. In view of the potentially fast evolving environment in which fisheries operate principles for revision of the plans by the POs should be agreed. PO's are to establish periodic reporting of the activities mentioned in the PMPs. Together with the preparation and the implementation, this reporting is a requirement for eligibility for funding. In view of the increased involvement of POs in the fisheries management they should also be involved in the drawing up of the national operational programmes required under the EMFF regulation.

F. Procedure for Drawing Down Funds

Financial Support for Production and Marketing Plans

The EMFF proposal (article 69) provides support for the preparation and implementation of production and marketing plans referred to in Article 32 of [Regulation (EU) No on the common organisation of the markets in fishery and aquaculture products]. Expenditure related to production and marketing plans shall be eligible for a 100% contribution under the EMFF only after approval by the competent authorities in each Member State of the annual report referred to in Article 32 (4) of [Regulation (EU) No on the common organisation of the markets in fishery and aquaculture products]. The financial support granted per year shall not exceed 3% of the average annual value of the marketed production at first sale of each producer organisation in the period 2009-2011. For any newly recognised producer organisation, the support granted per year shall not exceed 3% of the average annual value of the marketed production at first sale of their members in the period 2009-2011. The proposal also provides that the Member State concerned may grant an advance of 50% of the financial assistance after approval of the production and marketing plan in conformity with Article 32 (2) of [Regulation (EU) No on the common organisation of the markets in fishery and aquaculture products]. The support shall be granted to producer organisations and associations of producers organisations.

Drawdown Procedures

1. The financial support to POs as contained in the EMFF shall relate to the preparation and implementation of the production and marketing plans. POs shall submit their production and marketing plans to the Member State concerned within six weeks of the start of the year that the plans apply to. The plans shall set out the financial support required for preparation and implementation work carried out by the POs in compiling the plans. The financial support shall not exceed the 3% of the average annual value of the marketed production at first sale of their members in the period 2009-2011.
2. Member States must decide to approve or not to approve the plans within 12 weeks of start of the year that the plans apply to. Once approved POs can immediately request an advance of 50% of the financial support requested provided it has a bond in place covering the 50% advance.

3. POs may request a further 30% of the financial support after 8 months from the beginning of the year in question provided it has submitted an interim report verifying that it has implemented up to that date the production and marketing plans that have been approved and that it has a bond in place covering the additional 30%.
4. POs can drawdown the final tranche of the financial support from the concerned Member State within twelve weeks of the subsequent year. The final tranche will subject to the POs providing within six weeks of the subsequent year a final implementation report on the production and marketing.

(EAPO – 9 January 2013)