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COMMITTEE ON FISHERIES

SUB-COMMITTEE ON FISH TRADE

Fourteenth Session

Bergen, Norway, 24–28 February 2014

MONITORING IMPLEMENTATION OF ARTICLE 11 OF THE CODE OF CONDUCT FOR RESPONSIBLE FISHERIES (CCRF)

Executive Summary

This paper provides a summary of activities undertaken by FAO Members to support the implementation of Article 11, Post-harvest Practices and Trade, of the Code of Conduct for Responsible Fisheries (CCRF). The paper also highlights areas where implementation of Article 11 poses a challenge for FAO Members.

The information in this paper is collated and analysed on the basis of self-assessment questionnaires submitted by FAO Members between 21 May and 13 September 2013. The questionnaire used is a new spreadsheet-based questionnaire containing the same questions used for the previous questionnaire (for presentation to the thirteenth session of the COFI Sub-Committee on Fish Trade (COFI:FT)) but this has been simplified in order to improve the response rate.

The current response rate, representing 60 percent of FAO Members, compares very positively with the 22 percent response rate for the last session of COFI:FT.

Suggested action by the Sub-Committee:

- Provide guidance on how to support and broaden implementation of Article 11 of the CCRF;
- Recommend actions toward further improving the reporting process by FAO Members. In particular, decide whether to continue monitoring the implementation of Article 11 through the current simplified spreadsheet based questionnaire or to put the questionnaire online; and in case the implementation of Article 11 continues to be monitored through the simplified questionnaire, consider a few minor changes to the instructions.

INTRODUCTION

1. The twelfth session¹ of COFI:FT agreed to monitor the implementation of Article 11, Post-harvest Practices and Trade, of the CCRF through a questionnaire to be distributed to FAO Members. It also agreed that this trade-specific questionnaire should be biennial and alternate with the questionnaire monitoring the overall implementation of the CCRF.
2. A standard questionnaire was developed and dispatched, and the findings of this first survey regarding FAO Members' implementation of Article 11 of the CCRF were discussed at the thirteenth session² of COFI:FT. Responses were received from only 15 Members and from the European Union (Member Organization) (hereafter referred to as EU), responding in the name of the 27³ member states, corresponding to 22 percent of FAO Members.
3. FAO Members encouraged the Secretariat to improve the response rate of the questionnaire. Some of the measures considered by the Secretariat were putting the questionnaire online and simplifying the spreadsheet-based questionnaire by removing macro-based features. At the time, the latter method was chosen because the Fisheries and Aquaculture Department was in the midst of a major initiative to put the full COFI CCRF questionnaire online. It was felt that the results from this initiative should be tested first and then a possible alignment of the separate questionnaires on aquaculture (for the COFI Sub-Committee on Aquaculture (COFI:AQ)) and on fish trade (for COFI:FT) with the main COFI questionnaire could be examined by the relevant committees.
4. The simplified questionnaire⁴ facilitated improving the response rate from 22 percent to the current 60 percent of FAO Members.

QUALITY OF THE COMPILED QUESTIONNAIRES AND FURTHER IMPROVEMENTS

5. Responses were received from 88 Member Nations and from one Member Organization, the EU (submitting one questionnaire on behalf of its 28 member states⁵), for a total of 116 Member Nations, representing 60 percent of FAO Members. On average, in the questionnaires received, 93 percent of questions were answered, with the remaining 7 percent corresponding to empty cells or "not applicable" replies. Two questionnaires were received after the deadline and the related responses have not been included in this paper. The improved response rate and the completeness of the questionnaires, comments and data submitted constitute very positive feedback with regard to the new questionnaire and indicate a high level of interest and involvement by FAO Members. In addition, many Members provided what appears to be a very honest score, and this can be assessed by the consistency of the scoring among the different sections of the questionnaire and by the comments provided.
6. The response rate within the different regions (number of responding countries per region) follows: 100 percent for North America, 71 percent for Africa, 55 percent for Latin America and the Caribbean, 52 percent for Asia, 43 percent for Near East, 38 percent for Europe⁶ and 25 percent for Southwest Pacific. Although the result of this monitoring exercise is very positive, the Secretariat believes the response rate could be further improved for the fifteenth session of COFI:FT.

¹ Buenos Aires, Argentina, 26–30 April 2010.

² Hyderabad, India, 20–24 February 2012.

³ By the time the thirteenth session of COFI:FT was held in February 2012, the EU member states were 27. On 1 July 2013, Croatia became the 28th EU member state.

⁴ The questionnaire was dispatched by FAO in the six official languages of the Organization (Arabic, Chinese, English, French, Russian and Spanish) to all FAO Members, COFI and COFI:FT participants on 21 May 2013. In the period between 21 May 2013 and 13 September 2013, cumulative and individual follow-ups were sent to the FAO Representatives and to COFI and COFI:FT participants as well as Permanent Representatives and Regional offices. The closure date for acceptance was 13 September 2013.

⁵ Responses received directly from EU member states were not taken into consideration in the analysis as the EU responded on their behalf.

⁶ The responses from Europe include non-EU European countries and the EU itself, counted as one.

7. A decision needs to be made on whether to continue with the simplified electronic questionnaire or to develop an online questionnaire (to be completed by FAO Members every two years) on the same web-based platform as the general COFI questionnaire, which was launched recently⁷.
8. If the questionnaire remains in the spreadsheet format, the following minor modifications to the instructions are proposed to improve clarity:
- Instructions, benchmarking system: Remove “*only one tick is allowed per question*”, as various questionnaires were received with only one question answered per section; and
 - Question five: Rephrase “*identify emerging issues in the implementation of Article 11 of the Code*” as it was not clear to FAO Members how to respond with a yes/no answer to this question. The following phrase is suggested “*Identify whether or not the following topics are considered (yes or no) as emerging issues in the implementation of Code provisions on post-harvest Practices and Trade*”.
9. If, instead, the questionnaire is put online and is integrated into the main COFI questionnaire⁸, the modality needs to be decided, i.e. whether it will be merged with the main COFI questionnaire, replacing the existing COFI general questions on Article 11, or included as an additional separate section. Also, given the different timing of COFI and COFI:FT, the section of the main questionnaire related to fish trade will have to be considered as a separate one, to be completed biennially by FAO Members before COFI:FT.

STRUCTURE OF THE QUESTIONNAIRE AND ANALYSIS OF THE DATA

10. The questionnaire monitoring the implementation of Article 11 was subdivided into six sections and included ten questions in total as specified below:
- Section I - *Responsible fish utilization* – Questions one and two;
 - Section II - *Responsible international trade* – Question three;
 - Section III - *Laws and regulations relating to fish trade* – Question four;
 - Section IV - *Emerging issues in the implementation of Article 11* – Question five;
 - Section V - *Current challenges* – Questions six to nine; and
 - Section VI - *Additional comments* – Question ten.
11. The **first four questions** of the questionnaire (Sections I to III) asked FAO Members to report on the extent to which they had implemented measures related to responsible fish utilization, responsible international trade and laws and regulations related to fish trade, with possible responses ranging from 1 (not implemented, or just started) to 5 (almost all is done, or complete). Not applicable (“n/a”) replies were also accepted when the question did not apply to the national or sub-national context.
12. The **fifth question** (Section IV) requested FAO Members to identify, through a yes/no answer plus some free text, emerging issues in the implementation of Article 11.
13. The **following five open-ended questions** (Section V and VI) asked FAO Members to identify current challenges related to the implementation of Article 11 of the CCRF with regard to safety and quality assurance systems, the post-harvest sector, international trade in fish and fishery products, laws and regulations, as well as to provide additional comments.
14. The results obtained from the questionnaire follow in the paragraphs below. As a result of the different response rates, comparison with the results of the previous questionnaire was not made at the

⁷ The online responses by member countries will be analysed and discussed at the next COFI to be held from 9 to 13 June 2014, therefore, data on the response rate of this new on-line reporting tool are not yet available.

⁸ COFI:AQ recently supported the establishment of a web-based platform for reporting on the implementation of the CCRF for provisions relevant to aquaculture and culture-based fisheries.

aggregate level. Comparison at country level would have been meaningful, but would have also undermined confidentiality requirements.

15. A statistical summary of FAO Members' responses to the first five questions is available as COFI:FT/XIV/2014/Inf.8. The responses have been broken down according to whether the Members⁹ belong to the G77 or the OECD¹⁰ groups. In addition, in order to enrich the analysis and highlight key emerging issues potentially requiring further support with respect to specific geographic areas, the responses were subdivided by region: Africa (including 39 percent of the total replies received), Asia (15 percent), Europe¹¹ (10 percent), Latin America and the Caribbean (20 percent), Near East (10 percent), North America (2 percent) and Southwest Pacific (4 percent).

RESPONSIBLE FISH UTILIZATION

16. This section was sub-divided into two components: 1) monitoring the implementation of measures related to safety and quality for fish and fishery products, and 2) monitoring the implementation of measures related to the post-harvest sector.

17. *To what extent have measures related to safety and quality for fish and fishery products been implemented?* Members across the board reported a good level of compliance with the implementation of measures related to the safety and quality for fish and fishery products. This is particularly the case for OECD group, which reported its highest level of implementation under this section. This indicates the existence of an enabling institutional and technical environment related to safety and quality assurance system. In the case of G77 countries, the responses were more nuanced with a lower level of implementation, especially for the following areas:

- Enforcement of a national environmental and/or residue monitoring plan;
- Setting, monitoring and enforcement of standards for safety and quality of products in the domestic markets; and
- Implementation of traceability requirements.

18. *To what extent have measures been implemented in the post-harvest sector?* This section showed the lowest overall level of implementation, both for G77 and OECD countries. As in the previous case, the reported level of implementation of measures in the post-harvest sector was higher for the OECD group than for the G77 group. The overall level of implementation of measures in the post-harvest sector was lower than for measures related to the safety and quality of fish and fishery products. This was particularly the case in relation to the implementation of measures taken to assess and reduce post-harvest losses and to monitor environmental impacts of post-harvest activities, where the Members reported that "some implementation had been done, but still largely insufficient". Interestingly, the G77 group reported a substantial level of adoption of measures to promote human consumption of fish, indicating that the nutritional value of fish and/or the promotion of a diversified diet are recognized and considered as a priority by governments.

RESPONSIBLE INTERNATIONAL TRADE

19. The OECD group reported a higher level of implementation of measures related to international trade compared with the G77 group. Both groups reported lower levels of implementation for the same areas:

- Measures are in place to verify that fish and fishery products originate from sustainable fisheries and aquaculture; and
- The impacts of trade in fish and fishery products (imports and exports) on food security and income are evaluated and monitored.

⁹ In this paper, "Members" refers to FAO Members who responded to the questionnaire.

¹⁰ The responses from the OECD group include the different non-EU OECD countries and the EU response, counted as one.

¹¹ The EU is counted as one.

LAWS AND REGULATIONS RELATING TO FISH TRADE

20. This section had the highest overall level of implementation by Members, in particular the G77 group. The only shortcomings relate to the countries' responses for the:

- Provision of changes to trade laws and regulations for sufficient transitional periods, derogations and other similar arrangements; and
- Notification of changes to trade laws and regulations, where applicable, to the World Trade Organization (WTO) interested States and other relevant international organizations.

EMERGING ISSUES IN THE IMPLEMENTATION OF ARTICLE 11 OF THE CCRF

21. This section was sub-divided into four components:

- ***Ecolabels and certification requirements:*** 63 percent of the Members reported that ecolabels and certification requirements were an emerging issue.
- ***IUU regulations:*** 79 percent of the Members reported that illegal, unreported and unregulated (IUU) regulations were an emerging issue.
- ***Traceability requirements:*** 66 percent of the Members reported that traceability requirements were an emerging issue.
- ***Other:***
 - Other emerging issues reported by respondents included the need to have the respective governments' support to ensure compliance with the CCRF and to align internal policies with international market requirements;
 - The Members also reported some difficulties in implementing the CCRF because of the complicated coordination among all the different responsible ministries/authorities involved at national level;
 - Members noted that monitoring and tracking are not easy when implementing IUU regulations because of the lack of proper coast guards or fishing vessel monitoring systems. As a result of this, international trade from vulnerable fisheries was reported to still be affecting sustainable development of fisheries and responsible use of aquatic resources;
 - The need to have qualified human resources trained in sustainable fisheries management was highlighted by several Members, including the need to have the CCRF translated into local languages, in order to facilitate its dissemination and implementation;
 - Other emerging issues reported by respondents include the limited capacity to measure the environmental impact of fisheries and fishing activities (e.g. carbon footprint) and to calculate and mitigate the impact of climate change on fisheries, especially in relation to small-scale production;
 - The need and difficulty to establish and implement a traceability system for all the activities related to fisheries, especially for traditional fisheries, was also noted by several Members.
 - Requirements for organic fish farming were also reported as an unclear area.

CURRENT CHALLENGES

22. The remaining five questions were open-ended. A synopsis of the answers received is provided for each question.

Related to quality and safety assurance systems

23. In general, Members reported the lack of effective capacities, technical know-how, physical facilities, resources, infrastructures, compliant equipment, clear quality standards, control systems, reliable sampling schemes and accredited test laboratories to respect hygiene requirements and support the establishment of a safety and quality control and surveillance system of fish and fishery products, especially for small-scale fisheries.

24. Owing to the resistance of human habits to change, living standards of individual consumers and lack of awareness on quality and safety issues in general, the production and consumption of non-quality products was reported still to be considerable. In this regard, the responsibility of the different governments to educate and to insure the right of consumers to food safety has been highlighted.

25. In the absence of a clear national policy, safety and quality assurance standards seem challenged, in most cases by the ability and experience of single fishing companies and fish processors, to comply with the requirements given the available resources. Members reported outdated or non-existent policy/legislative/regulating frameworks, lack of institutional capacities, quality management programmes and appropriate plans to protect, support and guarantee safety of fish and fishery products and ensure environmental protection. In addition, food safety control is often handled by different government ministries/agencies, with duplication of roles and an unclear definition of responsibilities, complicating the management of the issue.

26. The evolving nature of the international food safety legislative requirements has financial implications for inspections, monitoring and surveillance and requires continuous training and refresher courses for inspectors. Members noted the cost of compliance with new safety and quality assurance requirements, highlighting the impact of this cost on the price of the products.

27. The challenge of implementing quality and safety assurance systems for products to be consumed in the domestic market was highlighted, especially in the small-scale fisheries sector. The higher cost of producing good quality products may make them too expensive for market segments with limited purchasing power.

28. An inconsistency between increasingly strict requirements for food safety from developed countries and the lack of management capacity in developing countries to adhere to international standards and access international markets was noted as a concern.

29. The lack of equivalency in food control and certification systems among international trading partners and the need to establish mutually recognized standards was reported.

30. The lack of national control systems, risk assessment techniques and surveillance plans for contaminants and diseases in fisheries and aquaculture and the lack of an integrated rapid alert system to identify potential hazards and apply the Hazard Analysis and Critical Control Points (HACCP) approach were also reported by FAO Members as issues that need to be addressed.

Related to the post-harvest sector

31. The main challenge for Members in the post-harvest sector, especially for small-scale fisheries, is to increase the value of the sector by reducing post-harvest losses, by increasing the production of value-added products, and by improving responses to domestic and international market demands.

32. Inadequate transport networks, poor infrastructure for landing, storage, distribution and commercialization, difficulties in accessing modern processing facilities, poorly equipped vessels, lack of food packaging materials from local manufacturers, absence of a proper cold-chain and ice industry, lack of drinking and/or clean water supplies and insufficient logistic support, including power interruptions, were identified as the main challenges in the post-harvest sector, as well as the major causes of enormous losses and reduced quality of products. The lack of financial resources and the high cost of energy for storage and processing operations were also reported.

33. Moreover, the insufficient capacity and knowledge of good practices for fish management, post-harvest handling, preservation methods (smoking, drying, salting) and added-value techniques, hygiene and sanitation, especially by small-scale operators, was highlighted, together with the use of inappropriate chemicals for fish preservation and processing and the lack of specialized personnel to train fish inspectors and advise fishers. Capacity building in fish processing and quality assurance were reported as a major need. The lack of information on market prices, standards and regulations was reported by some Members.

34. Numerous environmental concerns were reported resulting from the lack of monitoring systems and data necessary to measure the environmental impact of post-harvest activities.
35. Interest in promoting value-added production that adheres to internationally recognized standards, as reported by some Members, is faced with difficulties in positioning the related products in the markets. This is because the high cost and risk of fisheries production, together with higher import duties imposed on processed fish products, result in higher prices that make it too expensive.
36. The lack of national regulatory programmes for traceability, sanitary inspections and control systems before and after harvest, during transport, storage and processing and, in general, an inadequate attention to the post-harvest sector by public institutions in the areas of policy, budget, environmental protection, risk minimization, quality assurance, research in fish technology and extension services, were reported. The implementation of HACCP in fish processing and aquaculture units was reported as an issue by member countries.
37. A high level (ranging from 20 to 40 percent) of post-harvest losses was reported by some Members, while others highlighted difficulties in the qualitative and quantitative evaluation of post-harvest losses at the national level. The need to encourage those involved in fish processing, distribution and marketing to reduce losses and waste, to use by-catch and inputs (water/energy/wood) in an environmentally sound manner was highlighted. Another challenge reported for the post-harvest sector was the development of an efficient and sustainable aquaculture industry, as it would provide an alternative to capture fisheries.
38. Proliferation of private ecolabels was reported as a major problem, as each label has different criteria for qualifying products, some of which are contradictory. Accreditation of laboratories for quality/safety control was reported as a problem, thus the need to consider alternative models for certification (use of accredited third parties for example) was stressed. The necessity to implement catch certification schemes on species-by-species basis or product-by-product basis was also noted.

Related to international trade in fish and fisheries products

39. Several Members expressed concern with the increasing market constraints and tariff and non-tariff measures unilaterally imposed by importing countries. These include unclear standards and guidelines, stringent or non-transparent measures, frequent changes in the regulations and maximum limits allowed, costly and non-harmonized certification requirements; government subsidies and measures that are not in compliance with the principles contained in the WTO Sanitary and Phytosanitary (SPS) measures agreement, including the use of food safety standards that do not align with Codex Alimentarius or that are not based on risk assessments. In addition, some Members reported limited resources available to enable the relevant officers to attend international meetings or trade fairs/exhibitions, amplifying their marginalization.
40. Access to international markets, especially EU markets, was reported as a major issue, and measures imposed by importing countries are still perceived as discriminatory, distortive for the markets and limiting the consumer's freedom of choice.
41. Insufficient coordination among importing countries or international food standard bodies was reported by Members, resulting in the application of different and contradictory quality standards and/or regulations.
42. Most of the Members reported that it is their own responsibility to ensure that international and domestic trade in fish and fishery products accords with sound conservation and management practices. They also highlighted the need for a national policy in food safety, e.g. the establishment of a food safety Competent Authority. This agency would work with the relevant Ministries to ensure official control, surveillance and compliance monitoring with respect to fish and fishery products, safety and quality, traceability, ecolabelling, labour, IUU fishing, HACCP measures, SPS requirements along with sustainable exploitation and social responsibility schemes.
43. The promotion of international trade of fishery products is seen by some Members as an incentive to improve implementation of safety measures along the value chain for domestic production/consumption.

44. High levels of informal trade were cited as a challenge by many, including the consequent weak information or data on fish trade at national and regional levels.

Related to laws and regulations

45. In general, the lack of a legal framework at the national level, regulating the main issues related to safety and quality assurance, post-harvest and international trade, was reported. In some cases, difficulties in absorbing national laws into provincial or municipal regulations were highlighted. In other cases, the existence of an appropriate national law was reported, although it was not effectively implemented or properly enforced/updated in a timely manner in order to recognize changes in industry practice and new technologies. Concern with the lack of means and capacities and with the slowness in the decision making process was noted.

46. Members also reported concerns with the lack of coordination among governmental agencies and with jurisdictional overlaps and duplication of some regulations.

47. One of the most challenging issues highlighted by several Members was the lack of cooperation among states in the field of regulations and responsibility over fisheries control and fish activities to reduce IUU fishing. In general, a weak observance of laws by the stakeholders along the fisheries value chain was reported, and significant efforts still seem necessary to prevent illegal practices and commercial fraud (mislabelling, species substitution, etc.) on imports and exports of fishery products.

48. The need to engage the industry, competent authorities and consumers in the decision-making process was reported, so that consumers become aware of the key emerging issues and are willing to pay additional costs for safe, legal and environmentally sound products and practices. As a result, the industry could invest more and the competent authority would be in a better position to implement laws.

49. The need to simplify regulatory frameworks was highlighted by Members, together with the need to make laws and regulations more specific, streamlined, transparent, comprehensible, periodically reviewed and harmonized with international standards and any other relevant recognized provisions and requirements. Possibly, laws and regulations should also be translated into local languages, in order to facilitate their dissemination and application.

50. The need to protect at-risk species and to have national contingency and monitoring plans and good practice guidelines for producers and processors in the fisheries and aquaculture sector was highlighted by Members.

51. Concerns with lengthy processes for elaborating, drafting and promulgating laws were noted.

ADDITIONAL COMMENTS

52. Although some Member governments reported gradual improvements in their fisheries administrations, including research, aquaculture, law enforcement, licensing components and extension, more efforts and resources are still needed, especially in the following fields where FAO support is sought to:

- Establish fisheries training institutions in the countries and capacity building of staff on food safety, post-harvest practices and international trade requirements;
- Clearly formulate national quality and safety assurance systems in order to improve domestic consumption and to comply with international standards and guidelines;
- Set up clear national regulations and investment plans for the fisheries sector;
- Support research in fishing technology and fisheries management in order to promote greater sustainability of marine resources while safeguarding consumer health;
- Support the development of efficient market intelligence tools and information management systems for fisheries and aquaculture in order to have access to reliable and complete market data needed to understand the status of the sector, increase market transparency and efficiency, analyse market dynamics, and support business decisions and policy making;

- Support the adoption of the CCRF as a guide for policy development and implementation.

53. Members reported the need to have all countries, governmental and non-governmental organizations and all those involved in fisheries, cooperate in a responsible way in order to achieve maximum goals to protect consumers' health and preserve capture fisheries, fish farming and inland habitats.

CONCLUSION

54. The global responses to the questionnaire indicate a high level of participation by FAO Members as well as a good overall level of implementation of measures related to post-harvest practices and trade, although there are regional and intra-regional differences most likely related to the different development status of the sector.

55. The responses highlight concerns, ongoing efforts and difficulties in relation to a number of key emerging issues recognized and reported by Members of paramount importance for the development of the fisheries sector in the different countries.

56. In particular, ecolabel and certification requirements, IUU regulations and traceability requirements were highlighted as emerging issues, and the lowest level of implementation was reported for measures that:

- Support the implementation of traceability requirements;
- Assess and reduce post-harvest losses;
- Monitor and address the environmental impacts of post-harvest activities; and
- Evaluate and monitor the impacts of trade in fish and fishery products (imports and exports) on food security.

57. Production of this document was only possible thanks to FAO Members' generous efforts in providing such detailed comments to the questionnaire. This feedback is considered a key source of national information, which will allow the identification of relevant regional and global gaps and will be very useful in the planning and improvement of FAO's activities.