

2023

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2024



RESIDENT

REPORT



EUROPEAN
FISHMEAL AND FISH OIL
PRODUCERS

European Fishmeal Annual General Assembly 2024

President Report

Welcome to the Annual General Assembly 2024 of European Fishmeal and Fish Oil Producers (EFFOP), the association of European marine ingredients producers.

This report covers the main activities for the end of 2023 and the first half of 2024.

EFFOP Biennial Conference

The General Assembly marks the conclusion of our EFFOP Biennial Conference 2024, and I would like to take a moment to look back at these 3 last days and acknowledge Eesti Kalatootjate Keskühistu for the warm welcome and their involvement in the organisation of the conference. The event has been bringing together European fishmeal and fish oil producers, along with valuable contributions from our associated members. I believe that it was quite a success with the highest attendance ever witnessed at an EFFOP conference.

We can celebrate having achieved several objectives in just a few days. The first was to bring us together – the last time was in Skagen in 2022 – and the second was to facilitate the exchange of knowledge among participants, and to discuss issues of importance to our industry. The title of the conference “Sustainable food systems: blue solutions” is a good illustration of our commitment to address the many challenges we are facing. Finally, we spent some convivial moments together, and enjoyed some nice and lively dinners. These moments are important for an organisation like EFFOP, because it is also thanks to these moments that we forge relationships that enables us to move forward together.

I look forward to seeing you all for the next Biennial Conference in 2026.

Membership

Since autumn last year, we have welcomed new members to EFFOP. It is great to see our association attracting new members. We are growing and strengthening our presence at the European level.

Producer members are national associations or single producers from Denmark, Estonia, Faroe Islands, Germany, Iceland, Ireland, Finland, France, Latvia, Malta, Norway, Spain, and UK. Producer members are represented in the Executive Board. Non-producing associated members are Alfa Laval, GEA, Haarslev, Norwegian Fishermen’s Sales

Organisation for Pelagic Fish, Hedinn, PerkinElmer, JS Proputec, Unit-Pump, 3A Biotech, Fish Facts, JIMCO A/S, Fjell technology, FM Bulk handling and Oestergaard.

2023 Budget

At the General Assembly 2022, a budget of 220,000 Euro was adopted for 2023.

The contribution of national members is based on the total production of the company (also when transnational) they represent. Fee calculation is based on the production two years previous, as this allows the annual GA to adopt budget and fees for the coming year. Associated members pay a fixed, uniform fee.

The increase in the budget was an expression of the determination of EFFOP's members to strengthen the presence of the organisation at European level, to contribute to the revision of EU regulations, to be involved in projects that are relevant to our industry and to develop strategic collaborations with other key stakeholders. Furthermore, the secretariat was expanded in 2023, and alongside Anne Mette Bæk, Managing Director, James Hinchcliffe works as Marine Biologist, Gaëtane Le Breuil as EU Consultant, and Semi Kilic as Consultant.

At a glance

Our industry is at the crossroads of different sectors: fishing, aquaculture, animal feed, etc. We are therefore called upon to take a holistic approach to our industry in order not to lose sight of the other actors involved with us in the food system. This approach not only helps to better understand the dynamics of the sector, but also to identify opportunities and challenges across the value chain.

Our industry is undergoing significant change and must address many challenges, not only related to fisheries management, but also to climate and the environment, energy, security of supply and public health. Complex value chains require efficient solutions, and this is an obligation we have in our industry.

As manufacturers, we depend on the supply of raw materials, which must be responsibly sourced and certified. Unfortunately, it seems to be increasingly difficult to certify stocks, or to even get access to the resources. We are also concerned about the presence of undesirable substances in the marine environment.

The green transition is imperative for European industry, and we need major investments to achieve our own.

Finally, we have an essential role to play in improving circular food systems. We are processing more and more from fish leftovers, making the most of aquatic resources and reducing the environmental footprint of marine ingredients. Circularity is a popular concept these days, but it has been part of our DNA for many years, so we should remember it.

Involvement in legislative changes

Publication of the revised SA BREF

We have worked intensively with the revision of the Slaughterhouses and Animals By-products Industries BREF (SA BREF) since 2019. Anne Mette, Thorkil and Donal represented EFFOP in the Article 13 Forum meetings in Seville. Thanks to the active work of EFFOP's Technical Working Group, they defended our input and revision on the text. The Commission Implementing Decision establishing the best available techniques (BAT) conclusions under Directive 2010/75/EU for Slaughterhouses, Animal by-products and/or Edible co-products Industries have been published on 11 December 2023. This marked the beginning of a 4-year implementation period for factories. The SA BREF document was then published in February 2024.

Thanks to Thorkil, you were given a presentation yesterday on the changes that this revision will mean for the factories.

Fisheries management post-Brexit

Since 2023, EFFOP has been heavily involved in the spatial planning measures for industrial sand eel fisheries proposed by England and Scotland, highlighting the importance of a science-driven approach in the management of sand eel fisheries.

Starting from March 26, 2024, the closure of sand eel fishing encompasses English waters in the North Sea and all Scottish waters. This action significantly limits EU vessels' access to this fishery. This decision will have a significant impact on both EU fisheries and European aquaculture production. European Sand eel fishing has historically been pivotal for the global fishmeal market, supporting industries reliant on fish-based products.

EFFOP underlines that fishmeal and fish oil are vital components in aquaculture feeds. Fishmeal and fish oil are essential sources of limited nutrients like methionine and the omega-3 fatty acids, EPA, and DHA. Furthermore, EFFOP appeals both the UK and the Scottish governments to adhere to the available scientific evidence, which demonstrates that there is no clear evidence of negative or positive effects resulting from the closure of forage fisheries. Adopting scientifically and legally sound approach is needed to fisheries management.

These messages have been communicated widely and were put on the table by Johannes von Holten, Vice-President of EFFOP, and Anne Mette during a meeting with the European Commission in early April. We will continue to spread them while we await the results of the EU-UK consultations on whether the closure is in line with the principles and obligations set out in the EU-UK Trade and Cooperation Agreement.

Revision of maximum levels for undesirable substances

At the beginning of 2024, the European Commission published for feedback a draft delegated regulation reviewing maximum levels and action levels for certain undesirable substances in feed, including arsenic and dioxins and dioxin-like PCBs. EFFOP has contributed to the public consultation, by welcoming the Commission's proposal to revise the maximum level of arsenic in fish oil and raising awareness on the technical and financial feasibility for the industry to comply with the revised limits proposed for dioxins.

In its reply, EFFOP asked the Commission to consider the need for appropriate financial investment to develop effective and affordable decontamination techniques. Without appropriate methods to remove undesirable substances, there is a risk for our industry to not be able to process high quality raw materials. The final developments of this text will be followed closely.

Stabilization requirements for fishmeal in international IMO codes

In 2023, the Maritime Organisation has approved to align the stabilization requirements for fishmeal in the International Maritime Solid Bulk Cargoes Code with the International Maritime Dangerous Goods Code. Fishmeal in bulk is therefore classified as materials hazardous only in bulk (MHB) instead of class 9 (miscellaneous dangerous substances).

The new requirements took effect on 1 January 2024. EFFOP has been involved in this issue for a long time and is still involved, as new proposals were made at the beginning of the year. We will therefore be monitoring the outcome of this debate to ensure that the conclusions meet the requests of European producers as closely as possible and establish fair conditions for the safe transport of fishmeal.

Revision of EU fisheries control regulation

Following the publication of the new EU fisheries control regulation, we are now awaiting the first delegated acts. We are paying particular attention to the conditions for monitoring the landings and weighing of pelagic catches. In a letter sent to the European Commission at the beginning of 2024, we again set out our proposals on this point.

PFAS

Continuing with the sanitary safety aspects, and because EFFOP is committed to improving public health, the organisation has directed increased attention towards monitoring PFAS (Per- and Polyfluoroalkyl Substances) levels in fishmeal and fish oil production since 2023 and has been actively working to identify areas of risk. Other actions have been undertaken by EFFOP, such as the submission of an extensive dataset profiling PFAS to the European Food Safety Authority (EFSA). This dataset shared by EFFOP will serve as a foundational resource for well-informed risk assessments, laying the groundwork for effective risk management strategies in relation to future PFAS levels in feed.

Through this work, EFFOP has demonstrated its commitment to improving overall public health. It is therefore the reason why EFFOP continues monitoring PFAS and collecting data in 2024.

The appointment of James as an expert to EFSA this year is also the result of EFFOP's significant work on this subject.

Fish oil intended for human consumption

The significant challenge for European plants in pursuing the production of fish oil for human consumption due to the co-existence of animal by-products processed within the same establishment is a long-standing issue for EFFOP. The organisation has been engaged in a dialogue with DG Sante for several years, and the last meeting held in November 2023 brought a positive outlook, with the possible acceptance to produce both food and non-food graded fish oil in the same factory, following a clear separation either in space or in time.

EFFOP has launched a working group in April with the aim of writing industrial guidelines endorsed and approved by the relevant European authorities. We hope to enable soon European factories to optimize valuable natural marine resources and provide European consumers with healthy omega-3 fatty acids produced from European fish stocks, while ensuring full compliance with European legislation.

Although this work is still in its early stages, we are optimistic about the possible future perspectives to produce European fish oil for human consumption. It is the first step towards a level playing field on the international stage, contributing to the competitiveness of our industry, and enabling us to strengthen the circular blue economy.

Certifications and standards

On certifications and environmental standards EFFOP holds a significant role in coordinating European input towards Marin Trust, MSC, ASC as well as environmental standards such as PEFCR and LCAs.

As regards MarinTrust, after taking part in the public consultations on the Factory Standard version 3, we followed the publication of the new certification requirements. Thanks to good regular contact with the management team, we will support European factories in applying the new version.

After the publication of the ASC Feed Standard, the Secretariat has organized an online workshop with ASC to provide EFFOP members with information on how to fulfill the assessment asked by their customers. It turned out that certain requirements could not be easily met by European manufacturers, not because of their practices, but because of the lack of a regulatory framework from their governments for risks that do not exist in Europe today. The Secretariat remains mobilized on this issue, in collaboration with ASC and fishermen's organisations, and hopes for a positive outcome.

We acknowledge the members of the EFFOP certification group, who provide us with relevant inputs on the labels used by the profession and shared their concerns and difficulties regarding the implementation of the requirements.

We cannot afford to bypass certification these days if we want to give maximum value to our products. However, some stocks that are important to our industry cannot easily be certified. This is the case for the shared pelagic stocks in the North-East Atlantic. On 19 January, EFFOP hosted an online workshop to take a cross-sectional look at the status of these stocks and the feed industry's perspectives on their future. The conclusions of this workshop were clear: a solution must be found to ensure sustainable fisheries and the possibility of catching these species in the long term, and the industry needs certified marine ingredients. EFFOP is therefore closely following NAPA's work, particularly the ongoing process of extending the FIPs for the three stocks.

We also need to look to the future and ensure that we have different ways of certifying our products. In February, EFFOP organised a meeting with representatives of fisheries producer organisations and Iceland Responsible Fisheries Foundation (IRFF). The certification scheme developed by IRFF meets our expectations: requirements based on the FAO code of conduct, assessment by an independent third party. Together with the other stakeholders, we have therefore asked for the possibility of extending the scope of this certification to include the north-east Atlantic shared pelagic stocks. Depending on the outcome of this request, we may have another certification available.

Life cycle analyses of European marine ingredients production

Last year, EFFOP joined IFFO's LCA project in partnership with the Global Feed LCA Institute. This collaboration aims to increase transparency and accelerate the transition to sustainable feed and food supply chains. Although our industry has always prioritized transparency in sustainability metrics, we now want to go further. Our aim is to take a more holistic and comprehensive approach by using life cycle analysis to measure sustainability throughout our operations. Thanks to the involvement of EFFOP members, we hope to soon have LCA values for European fishmeal and fish oil.

Research

EFFOP has participated in the EU funded MEEESO initiative, (Ecologically and Economically Sustainable Mesopelagic Fisheries) ", a project supported by the EU Horizon 2020 from 2019 to 2023. Within this project, European Fishmeal plays a significant role in Work Package 3 (WP3) titled "Processing and Assessment of Mesopelagic Resources, and Advancement of Fishing Technology." The conclusive project meeting was held in February 2024. In recognition of their involvement, EFFOP has received funding amounting to 31,500 €.

Meeting activity

It is important to raise the voice of fishmeal and fish oil producers and to tell our story ourselves.

To do this, the EFFOP secretariat developed and strengthened closer contact with relevant industry associations, as well as to relevant representatives from EFFOP member states in Brussels, European parliamentarians, and European Commission representatives.

The secretariat is invited to several conferences and events and set up meetings with industry associations and policymakers to discuss some of the most pressing regulatory issues such as the production of fish oil for human consumption, feed safety and PFAS.

We have developed our legislative monitoring in areas such as energy, environment, food, feed, LCA, taxonomy regulation. This is leading to building new partnerships and creating new channels to communicate on assets of European production of fishmeal and fish oil. We obviously keep a close eye on legislative developments affecting the fishing industry, such as the implementation of the revised EU Fisheries Control Regulation, and NEAF control measures.

For example, EFFOP has been participating since November in working groups led by FEFAC: the EU Feed Chain Task Force and the Circular Feed Chain Platform. Thanks to the North-sea Advisory Council, Anne Mette took part in January to a roundtable in the EU Parliament dedicating to the circular blue economy and how make the most use of aquatic side streams. In March, EFFOP participated in the EFSA workshop “Navigating Tomorrow’s Tide: Exploring the Future of Ocean Resources and Their Impact on Food and Feed Security” in Lisbon. This workshop served as a platform for experts to convene and deliberate on the emerging risks concerning food and feed security, focusing on various predicted scenarios for the future in our utilization of the oceans.

These meetings are each time an opportunity for EFFOP to put forward the interests of its members and highlight their role in shaping sustainable food systems.

Finally, EFFOP works closely with IFFO, and we are delighted that the two teams are each taking part in each other's conferences and events.

European Advisory Councils

European Fishmeal is a member of five EU Advisory Councils. This means we have direct access to EU regulatory issues through the Pelagic AC, the Market AC, the Aquaculture AC, the Baltic Sea AC, and the North Sea AC.

We are participating actively in working group meetings as well as executive committee meetings and general assemblies.

In the **Market Advisory Council** discussions focus on how strengthen the competitiveness of European producers by promoting the high quality of the products and the efforts made by businesses in terms of sustainability, both on the domestic and foreign markets. The implementation of the Common Fisheries Policy and the Common Market Organisation (CMO) Regulation in fisheries and aquaculture, are the main regulatory tools discussed. The MAC addressed its recommendations to the European Commission regarding the energy transition in EU Fisheries and Aquaculture, on the substantiation of Green Claims, and on the impacts of the EU Commission's "Marine Action Plan" on the market. Alongside the other members, EFFOP pointed out that marine ingredients are a strategic source of proteins. EFFOP will participate in the recently re-opened focus group to develop recommendations on Product Environmental Category Rules (PEFCR) for fishery products. In fact, EFFOP participated in the dedicated MAC focus group in 2022 and will participate again this year.

The **Pelagic Advisory Council** has a consistent focus on stock monitoring for pelagic fish stocks in the Northeast Atlantic. The Advisory Council follows closely methodology changes to better evaluate stocks biomass and identification. To draft its recommendations on fishing opportunities for 2025, the PelAC relies on ICES advice. In addition, the PelAC has worked to identify the difficulties associated with implementing the new fisheries control regulations in Europe. EFFOP reiterated its proposals for monitoring the landing and weighing of industrial pelagic fisheries.

In the **Aquaculture Advisory Council**, we have participated in focus groups with the following topics: circularity of fish feed, fish welfare, and the valorisation of fish side streams. Our contributions have mainly focused on the nutritional benefits of fishmeal and fish oil for farmed fish. We have raised the responsible sourcing of raw materials for marine ingredients production and the important role of our industry for a more circular blue economy. The increased use of trimmings demonstrates we ensure the full value of aquatic resources and provide the market with low carbon footprint products.

The **Baltic Sea Advisory Council** closely monitored decisions relating to the management of some stocks in the Baltic Sea, especially herring stocks. The Advisory Council has released its inputs on the evaluation of the Multiannual Plan (MAP) for the Baltic Sea and gave its feedback on the proposed changes on the Baltic Sea MAP. Like other members, we support the implementation of effective tools, built jointly with stakeholders to ensure good management of Baltic resources We took part in the energy transition focus group to remind that our industry

is committed to this goal but needs financial support. We participated in the workshop dedicated to predation (seals and cormorants) in the Baltic Sea and pushed to carry out in-depth work on this subject. Finally, EFFOP has been appointed to the BSAC ExCom during the BSAC General Assembly on 15 May. We will then have a stronger voice to guide BSAC general policy and adopt BSAC recommendations.

North Sea Advisory Council is leading the drafting of recommendations to increase the valorisation of fisheries and aquaculture side streams. EFFOP has been involved in the restrict working group and drafted a section specific to the contradiction between the European desire to make food systems more circular and the impossibility of providing European consumers with fish oil from European factories because of the use of animal by-products. We emphasized the need for up-to-date regulations considering today's industrial processes, which allow different raw materials categories to be processed in compliance with hygiene rules that guarantee food safety.

Communication and media

European Fishmeal is active on LinkedIn, where we track key European stakeholders, as well as distribute stories from the industry. We have 1,330 followers on LinkedIn – an increase of 25% in just six months.

Raising our presence on the social media platforms makes us more visible and able to reach more stakeholders such as professionals within and around the industry as well as authorities from all EFFOP member states and within the European Union. Furthermore, we send out regular newsletters to members and a wide circle of relevant stakeholders. Currently, 266 people receive our newsletter.

Strategy and Prospects

EFFOP has been working with the Board on a strategic roadmap in 2021. Since then, EFFOP has remained steadfast in its commitment to advancing the objectives defined by the Board. With a strengthened Secretariat, the organisation is better equipped to concentrate on its international agenda and contribute meaningfully to the industry's advocacy efforts on a global scale.

However, with the arrival of new members within its organisation and on the Board, and a new European mandate starting in June, a review of this roadmap is on the agenda. Later this year, the EFFOP Board will be reunited in Brussels, and it will be a good opportunity to redefine the objectives and strategic orientations of the organisation for the coming years.

Thanks

I would like to end this annual report by thanking all the EFFOP members, associated members – new and old – the Board for its confidence and for electing me President, and the Secretariat for its dedication and its work. I am delighted to chair our organisation and I hope to continue the positive dialogue and fruitful cooperation within the EFFOP.

Production status 2023

An overview of the fishmeal and fish oil production 2017-2023 is given in Appendix 1.

Odd Eliassen
President

Appendices

Appendix 1

Fishmeal production by members 2017-2023 (t)

FISHMEAL	2017	2018	2019	2020	2021	2022	2023
MEAL TOTAL	629.587	641.126	522.721	556.509	493.087	566.235	650.747

Fish oil production by members 2017-2023 (t)

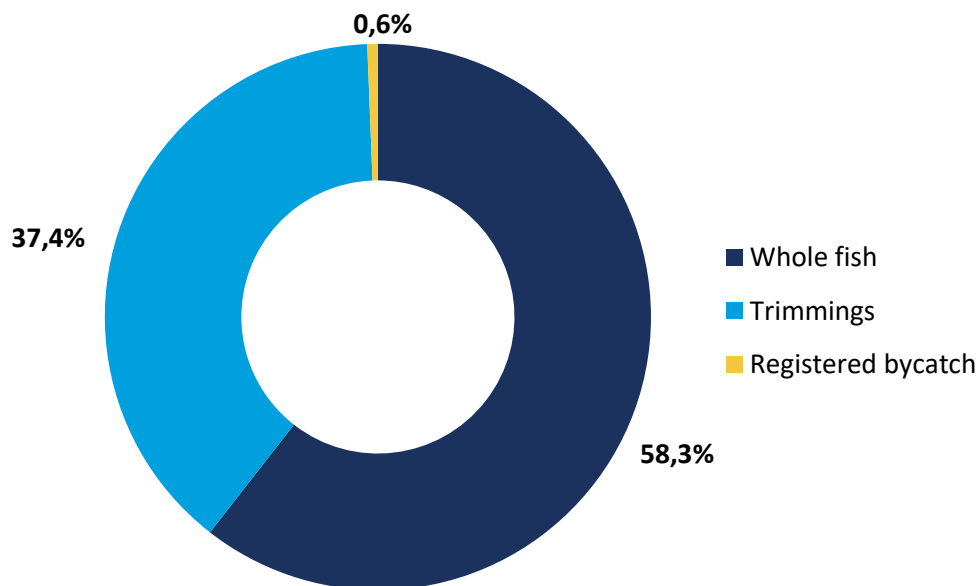
FISH OIL	2017	2018	2019	2020	2021	2022	2023
OIL TOTAL	163.895	177.719	137.577	159.475	155.568	223.034	199.394

Member reported landings of fish, production of fishmeal and fish oil 2023(t)

YEAR 2023	FISHMEAL	FISHOIL	MEAL+OIL	FISH+TRIMMINGS
SUM	650.747	199.394	850.140	3.223.601

Appendix 2

By-products percentage of raw material 2023





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