**The North Sea Advisory Council**

**Report of Ex Com Meeting 29th October, 2018**

**Martin’s Brussels EU Hotel
Boulevard Charlemagne 80
1000 Brussels**

**Brussels**

**Rapporteur: Katrina Ryan [Draft 2]**

**1 Welcome & Introduction**

* 1. The meeting commenced 30 minutes late, at 11:30, to allow time for Executive Secretary Lorna Duguid to arrive, following travel difficulties. Chairman Niels Wichmann welcomed all attendees to the meeting in Brussels, noted the importance of the session – as it would determine ‘the seat of the NSAC’ for the future – and a *tour de table* was conducted. The agenda was adopted.
	2. The meeting commenced prior to Lorna Duguid’s arrival, so the Chair was only able to offer apologies for two of his own Danish colleagues: Kenn Skau Fischer and Svend-Erik Andersen. Full details of apologies and nominated representatives would be given at the start of the GA meeting that would be held in the afternoon.

**2 Location of the NSAC: Recap of process & agreement of selection process**

2.1 A series of presentations were to be given by NSAC members proposing their country as the location of the NSAC in future. Niels Wichmann proposed that Guus Pastoor be appointed as time-keeper for the presentations, before vacating the Chair and handing over to NSAC Vice Chairman Mike Park, SFF, who would act as a neutral Chair and who would not be voting in the ballot on the future location of the NSAC. Wichmann was due to present on behalf of the Danish Fishermen’s Organisation during the session. Park thanked Wichmann and noted that voting sheets would be distributed by Lorna Duguid upon her arrival, highlighting that votes would be cast during a subsequent General Assembly, not the Executive Committee meeting. The ExCom meeting would provide an opportunity for detailed discussion and questioning, prior to the ballot later in the day. Further discussion would also be allowed during the General Assembly.

Presenters had 15 minutes to put forwards their proposals, followed by 10 minutes allocated for questions.

**3 Presentation of proposals to host NSAC office**

3.1 The first presentation was given by Peter Ronelov Olsson, of the Swedish Fishermen’s Producer Organisation and Swedish Fishermen’s Federation. Olsson highlighted the fact that Advisory Councils are currently spread-out across European Member States, with the BSAC in Denmark, the PELAC in the Netherlands, the LDAC in Spain and so on. He noted that no Member State currently hosts two Advisory Councils. He proposed that the NSAC should be based in Gothenburg, and described the strong communications and travel links in the city. He noted that a number of large and successful companies were based in Gothenburg, and that processes for setting up a business and a bank account in Sweden are extremely straightforward. Olsson said the biggest problem in Gothenburg is securing office space, and this was not an issue for his proposal – the SFPO is currently based in the Fishermen’s Association building, and this would be available as office space for the NSAC. In time, the SFPO are planning to move out from this venue, so there would be no conflict with the two organisations residing in the same location. The offices offer a sea view, and are located within Gothenburg harbour. Providing further detail on establishing a company, Olsson elaborated that the only company ‘type’ that takes time to establish is a ‘limited company’. However, the SFPO already owns a limited company ‘shell’ which is could transfer to the NSAC. Heavy taxes in Sweden apply only to work, and not to companies. Sweden is a friendly, cooperative country and Gothenburg offers a great pool of expertise to source staff for the NSAC. Olsson said the NSAC would be run smoothly and they were offering an ‘open door’ – any NSAC requirements could be met. He concluded by re-emphasising his opinion that no Member State should host more than one Advisory Council, when some Member States don’t yet host any.

 At this point in the meeting, Lorna Duguid arrived, and the floor was opened to questions.

 Guus Pastoor asked if, in Sweden, non-profit organisations can attain value-added tax status, or at least be in a position to re-coup payments of VAT on contracts. Olssson confirmed this would not be a problem.

 Peter Breckling asked Olsson to detail what, if any, support the Swedish government are offering to the proposal. Olsson said that Swedish fishermen are paying for the office space until support from the government can be secured – they are ‘glad to do it, because business is good’. Support from government would be sought.

 Pascale Colson asked what the statutes of the new ‘creation’ would be – would it be a non-profit organisation? And, if so, how would it also work as a company? Olsson said that this would be achieved by setting the statutes of a limited company as non-profit.

 Mike Park asked if SFPO had anyone in mind for the staff positions of the NSAC, noting that some knowledge of fisheries would be important, as would be the ability to draw together different perspectives and draft NSAC positions. Olsson said that they had ‘names in their head’ but had not approached anyone at this time. He said it would not be a problem to recruit well-education, multi-lingual people in Sweden.

 Lorna Duguid asked for further clarification on the transfer of the ‘shell’ limited company. She asked what guarantees could be offered that existing liabilities for the company would not be transferred to the NSAC. She also asked if the name ‘North Sea Advisory Council’ was available to register within Sweden. Olsson said there were no risks with regards to transfer of liabilities, and the whole process would be fully transparent. He had not checked the business name, but assumed it was available. Duguid asked what currency the bank account for the NSAC would be run in, Olsson responded that a new account would be set up – this would just require a short visit to a bank. There were no further questions to Olsson.

3.2 The next proposal had been submitted by NSAC Member VisNed and the Dutch Elasmobranch Society,. Noor Visser of VisNed, introduced herself – she has a BA in law and wrote her thesis on the Landing Obligation – and gave the presentation. She highlighted the central location of the Netherlands within Europe, and its strong transport links. She said there were many organisations with a stake in the North Sea based in the Netherlands, as well as another Advisory Council, the PELAC, which they saw as an advantage. In terms of legal structure, the NSAC could be set up as a ‘foundation’ or an ‘association’ within the Netherlands. In either case, the aim would be to stay as close to the current company structure as possible. An association structure has members and was seen as being a more democratic option, but a foundation structure – used by the PELAC – was also possible. Noor Visser showed a graphic of how the different elements of the NSAC in the Netherlands would work together, and indicated that the Secretariat function could be made up of permanent staff, or could be tendered out. In terms of budget, Noor Visser said it would be straightforward to remain within the existing budget, with the possibility of some efficiency savings by virtue of sharing office space with the PELAC. This meant there was potential to raise the cap on travel expenses. In terms of a transfer process from the current arrangement, VisNed and the Dutch Elasmobranch Society were proposing an ad-hoc transfer group to focus on this, including Lorna Duguid, Niels Wichmann, Noor Visser, Pim Visser and Irene Kingma. It was noted that VisNed have applied to manage the NSAC Secretariat during the ‘interim period’ (November 19th 2018 – March 2019). Concluding, Visser said that the Netherlands’ bid was a ‘proposal, not set in stone’ and could be adapted to suit the needs of the NSAC as delineated by the General Assembly. Mike Park opened the floor to questions and comments.

 Peter Breckling responded to the intent to keep the working structures of the NSAC close to the existing model. He said that industry wanted to see more impact from their involvement in ACs, and that this represented an opportunity to do something new. Pim Visser reiterated that the proposal could be adapted – it should be viewed as a ‘framework’ and there were ‘plenty of opportunities’ to innovate.

 Pascale Colson asked for clarification on how the Secretariat would remain independent under the set-up presented by VisNed. She also commented that she was not sure an association model would be the best way for the NSAC to function. Pim Visser responded that the Secretariat would remain entirely independent of the association, and that – as with the current model – the Chair of the Executive Committee would provide guidance to the Secretariat. With regards to the choice between an association and a foundation, Visser said they both have ‘full legal capacity’ and the same rights. He had shared an explanatory note on the two models with NSAC members ([see bid documentation here](http://nsrac.org/forthcoming-meetings/executive-committee-meeting-29th-october-2018-brussels/)). He noted that the MAC in Belgium uses an association model, and the PELAC uses a foundation model.

 Lorna Duguid referred to a diagram shown during the presentation, which indicated the creation of a secretary and a treasurer for the General Assembly. She asked if this was an obligation of the proposed legal structure of the NSAC in the Netherlands. Pim Visser said that Dutch law requires that you have office-bearers within an association, and that his thinking was that three office-bearers would ultimately be required, however the number and nature of these office-bearers could be determined by the General Assembly.

 Niels Wichmann remarked that the proposal was being modelled on the structure of the PELAC and added that had recently seen a notification that the PELAC had hired a new Executive Secretary, with the sign-off on that decision being from an industry figure. In light of this, he questioned whether the Secretariat would be independent. Pim Visser said the proposed structure was not a copy, but a similar model. He suggested NSAC statutes would indicate who could sign ‘on behalf of the association’, he also noted that the PELAC structure was established in 2004 (and was a foundation) so some of the requirements for running that AC would not be the same as for the NSAC in 2019.

 Lorna Duguid asked for further information on the future position of the NSAC with regards to VAT. The NSAC is currently VAT exempt, meaning it cannot charge VAT but also does not need to pay it. She said if the NSAC had to start paying and reclaiming VAT, that would have a significant impact. Pim Visser responded that this would need discussing with a VAT expert: whether it was preferable to be VAT exempt, or to function as a VAT registered non-profit.

 Peter Breckling asked about the projected reduction in costs. He said, as a member, he wants to see money spent, to make the most possible political impact. He added ‘please spend the money and don’t reduce costs’. Pim Visser said that the reduction in costs could come from hiring a full-time Executive Secretary as staff, as well as a part-time book-keeper and part-time admin assistant. With savings made from shifting to a staff model from consultancy charges, the cap on travel expenses could be raised. He added that the PELAC had recently advertised an Executive Secretary and received a high number of excellent applications – including seven outstanding candidates, of which only one could be employed. VisNed would be looking to share the job role with some of these candidates.

3.3 Niels Wichmann then presented on behalf of DFPO, replacing his colleague Kenn Skau Fischer who had been unable to attend the meeting due to travel disruption. He mentioned that a proposal had been made the previous Executive Committee meeting on the 20th September for the NSAC to be hosted in Copenhagen, and that this has been interpreted by some as an ‘attempt to hijack the Secretariat’. He insisted that the priority had been, and still was, a smooth transition. The most important thing to achieve was a well-functioning Secretariat, regardless of its location. He asked how many NSAC members had visited the company headquarters in Aberdeen. He said the location of the Secretariat had no bearing on the location of NSAC meetings. He noted that a new company in Denmark could be created online, and, once set-up, the company could be run by anyone. In terms of banking, he proposed that two accounts be set up – mirroring the current arrangement in the UK – to handle two separate currencies. With regards to the office location, he said the DFPO have good offices in Copenhagen, which the government will fund indefinitely, in the same way the Danish government funds premises for ICES, EuroFish and other organisations (including the BSAC, which resides within the same offices). Space for the NSAC is available as of the 1st November. The proposed company set up would be a ‘non-profit form of association’, VAT registered and able to claim VAT back on all payments. On staffing, Wichmann commented that a full-time Executive Secretary would be sought, although they ‘could not do more than Lorna has done’. Additional support for the Secretary would be provided, either through a second part-time member of staff or through a tendered position. Sally Clink, of the BSAC, has volunteered to offer advice on administration and AC procedures. With ICES and Eurofish also based in Copenhagen, office space within the NSAC premises would be made available to members attending meetings with those organisations. He reiterated that the most important thing was that a well-functioning Secretariat was in place, and concluded that if members agreed no two ACs should be located in the same country, they should vote for Sweden as the new host nation.

 Pim Visser asked what the involvement of the Danish Government would be in the interim period. Wichmann responded that the Government was prepared to pay set-up costs. The Secretariat, which will be independent and have its own working relationship with the owners of the office premises, would hand their contract over to the government to pay.

 Pascale Colson asked how it could be assured that the Secretariat would remain neutral when set-up was being conducted by the DFPO. Wichmann responded that the DFPO was only interested helping out with the work of the transition and set-up, and that the reins would then be handed over to the Secretariat entirely.

 Lorna Duguid noted that DFPO have proposed a new set of statutes for the NSAC. She asked if this was a requirement of the move to Copenhagen, or if the existing statutes could be used. Wichmann said the existing statutes could be used, as it would be possible to register the company in English. Amendments made to the proposed statutes were in the interests of ‘modernising’, but the final shape of the statutes could be determined by NSAC members. There were no further questions.

**4 NSAC members discussion of options**

4.1 Mike Park, in the Chair, encouraged an open discussion of the strengths and weaknesses of the proposals.

4.2 Emiel Brouckaert asked for clarification on what would happen during the transition period with the Swedish bid. Peter Ronelov Olsson explained that the Gothenburg office space would be available as of the 1st of November, and staffing would take no more than a couple of months. Lorna Duguid interjected that her final day in post would be the 30th November. Mike Park noted that the only submission providing and interim solution in full was the Netherlands. Duguid responded that an interim proposalwas not a required element of the bid for the future location of the NSAC and should not be taken into account during the decision making process. A tender for the temporary running of the Secretariat had been run in parallel but was a separate exercise.

 Pim Visser posed a question to the Commission, asking when the ultimate deadline was for entering into a new agreement with the Commission to receive funds. Lorna Duguid responded that the current NSAC contract with the Commission ended in 2 days’ time (31st October). An application for the interim period, taking the NSAC up to the 29th March, had been submitted and by that point the organisation would need to be fully transferred to an EU 27 Member State. The budget for this period has been approved, the NSAC was just waiting on formal acceptance and for the contract to be signed. Pim Visser then asked if the agreement established up to 29th March would need to be entirely re-worked, or if the agreement could be extended – to prevent the need for two contracts. Niels Wichmann said that the current application had been drafted ‘as if nothing would change’ so this would need to be revisited in 2019.

**5 AOB & close of meeting**

5.1 The floor was opening to any other business from members. Pim Visser raised a query regarding Demersal Working Group work. He said it had been decided to address trilogue partners in relation to technical conservation measures. In the letter drafted, the partners are urged to come to a decision before the 1st January 2019, and Visser did not recall discussing this deadline during the DWG meeting. Mike Park said it had been clear within the meeting that the group felt it wasn’t suitable to retain the current technical conservation regulation 850/1998, which by default suggested a decision would have to be reached by January. Visser argued this deadline had the effect of ‘pressuring a compromise’, which would not be in the interests of his members. He felt the NSAC should urge the partners to make a considered and responsible decision, not a hasty one. Niels Wichmann agreed, saying that it was important technical conservation rules were not contradictory to the LO rules, but that is not to say compromise should come ‘at any cost’. Visser and Wichmann agreed a new letter should be drafted.

**6 Date and location of next meeting**

14.1 It was agreed that the next Executive Committee meeting would be held on the 8th February in London.

**15 Actions**

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| **Action** | **Responsibility** |
| 1. The demersal working group to re-draft letter to trilogue partners on technical conservation measures (5.1) | DWG Chair – Barrie DeasPim VisserNiels Wichmann |

**16**

**Attendance**

|  |  |  |
| --- | --- | --- |
| **Family Name** | **Given Name** | **Organisation** |
|  Breckling |  Peter |  German Fisheries Association |
|  Brouckaert |  Emiel |  Rederscentrale |
|  Colson |  Pascale |  DG MARE |
|  Duguid |  Lorna |  NSAC |
|  Gamblin |  Caroline |  CNPMEM |
|  Grossman |  Jenni |  ClientEarth |
|  Manon  |  Joguet |  UAPF |
|  Meun |  Geert |  VisNed |
|  Middlekoop |  Nathaneal |  VisNed |
|  Linberg |  Fredrik |  SFPO |
|  Lindebo |  Erik |  DG MARE |
|  Pastoor |  Guus |  AIPCE |
|  Park |  Mike |  SWFPA |
|  Planthof |  Linda |  North Sea Foundation |
|  Ryan |  Katrina |  Mindfully Wired Communications |
|  Ronelov Olsson |  Peter |  SFPO |
|  Symons |  Despina |  EBCD |
|  Vilhelm Poulson |  Katrin |  WWF |
|  Visser |  Pim |  VisNed |
|  Visser |  Noor |  VisNed  |
|  Wichmann |  Niels |  DFPO |