CFP: Which Future for Aquaculture?

Salzburg, 11 May, 2012

Opening session

Nikolaus Berlakovich, Minister of Agriculture, Forestry, Environment and Water Management of Austria

- Important to promote aquaculture in order to safeguard jobs and lessen dependency on imports.
- EU's high quality standards lead to higher costs. There is a need to produce more fish to meet EU needs.
- Joint Statement prepared in the lead-up to the Conference and which is supported by 21 Member States highlights important issues linked to the promotion of freshwater aquaculture in the CFP.
- Important not only for Austria that sufficient funds from the EMFF are allocated to aquaculture. The sector can be expanded only if adequate funds are available.
- The existing funding framework covers traditional investments in the construction of new as well as in the expansion and modernisation of existing aquaculture installations. For Austria, these traditional investment grants account for 95% of the total amount of support.
- With its very low annual production, Austria is but a small producer among EU countries in terms of quantity, but the quality of Austrian products is excellent and sustainable production practices are applied. It is a special concern to ensure that those enterprises will be able to expand and to produce sustainably also in the future – the latter being a major component of our reform targets.
- Austrian strategy, 'AQUACULTURE 2020 - Austrian Strategy for the Promotion of National Fish Production', aims to increase domestic production from the current amount of 3,100 tonnes to 5,500 tonnes by 2020. This objective requires an increase in production by almost 80% and an increase in the rate of self-sufficiency for freshwater fish.

Maria Damanaki, EU Commissioner for Maritime Affairs and Fisheries

- Aquaculture a key element of the CFP reform proposal. The Commission's ambition is to prepare the ground for a consensus on how to move the different segments of European aquaculture forward.

The Commissioner proposes:

- Identifying obstacles through a consultation process.
- Reducing time to create business or obtain license. (The problem is not only Brussels red tape, but also regional and national bureaucracy.)
- Tackling competition for space represents a challenge. Need to investigate the potential for co-location of aquaculture with other activities. (E.g. aquaculture with wind farms or solar plants.)
- Many aquaculture sites are close to or in Natura 2000 sites, which creates uncertainty. So the Commission is developing guidelines (July) to support local and national authorities and the sector.
- Improving consumer information and highlighting the quality of the product.
- Establishing an advisory council to provide consultation for business.
- The future fund has been designed to promote aquaculture and create jobs, stimulate innovation and promote traditional forms of aquaculture.
- To achieve this end, the Commission proposes to set up a voluntary process for cooperation based on strategic guidelines, which will be form a framework for multi-annual national plans. The best way forward is through cooperation at all levels in order to reach common targets. The Commission also aims to develop a mutual learning process that involves the scrutiny of specific policies, programmes or institutional arrangements presented as good practices in the national strategic reports. It will facilitate the exchange of best practices.

Struan Stevenson, MEP, UK

- Half of all food fish production globally comes from aquaculture, but the growth in the EU remains very low: 0.5% increase per annum. “None of the EU’s initiatives have been able to reverse stagnation”.
- Burden of red tape holds back our primary producers. West European countries concentrate on high-value fish such as salmon for export, while in the East there is a focus on low-value fish for the internal market, e.g. carp. Production in Mediterranean countries is in decline (i.e. Italy, Spain and Greece), but Norway has seen a 65% increase in the past 10 years. Over the same period, there has been a 200% increase in Turkey.
- Aquaculture suffers from bad marketing (as portrayed by environment groups): we need an ‘Eco-label’. FAO funding should be based on environmentally friendly practice – i.e. an ecosystem approach to aquaculture.

- A ‘multifunctional’ future is possible – for example incorporating such activities as ecotourism and angling.

Session 1 Aquaculture in the context of the CFP

Guido Milana, MEP, Italy

- The Commission proposals for a new CFP are now being discussed in the European Parliament.

- Emphasis on dependence on overseas imports: 1.2 million tonnes of fish are produced through aquaculture in the EU, but 5.2 million tonnes are consumed – i.e. only around 20% home produced.

- “We have to do away with national egoism” – we must attain targets jointly, he said. In the coming months, the Parliament will be providing proposals – we need to be on the same wavelength.

- Spatial regulations need to be addressed. The EU is doing well inland but not on rivers, lakes and seas. We need to ensure spatial planning is more efficiently carried out and defined.

- Biodiversity has to be prioritised – our planet can’t on its own produce enough food. Every effort needs to be made to best cultivate and support waters. Overfishing is the predominant problem for aquaculture.

- Research needs to be supported – we need to find ways of reducing the connection between feed and fish; we need to find new connections.

- Costs have to be reduced – feeds and feed stuffs have to have a low impact on the end product. Fish waste must be treated.

Petr Bendl, Minister of Agriculture of the Czech Republic

- A growing demand in Europe is being satisfied by export countries that don’t live up to EU high standards.

- We have to focus not only on innovation in the production chain, but also investment in aquaculture farms.

- The pan-European problem of overpopulation of the cormorant needs to be tackled.

- Mr Bendl concluded that he expects that the European Maritime and Fisheries Fund (EMFF) will reduce the administrative burden on producers. “The increased importance of aquaculture needs to be reflected in the allocation of funds 2014-2020,” he added.

Cutting red tape

Thomas Bjerre Larsen, Danish Environmental Protection Agency

- In Denmark, production was decreasing because of a lower level of licensing and fewer farms being established.

- The Water Framework Directive (WFD) is ensuring good water quality, and focuses on reducing the discharge of organic materials. Procuring the passage of fish and fauna is also included in the directive. In 2010, an aquaculture council reached a consensus on how to achieve a stable ground for increased production and reduction of the environmental footprint of fish farms. It drew up 11 proposals (within WFD), focusing on such areas as results-based management, tradable pollution, outlet control, implementing new knowledge, standards for medicine and water treatment, damming of river and streams, location, administration reduction, innovation and research and certification.

- Mr Larsen also spoke about the model fish farm project in Denmark that is funded by the Danish government and the EU. The aim of the project is to make approval of fish farms easier. He said that it is very important to change from food quotas to outlet controls that limit the pollution caused by the fish farm.

- Denmark has set up a helpdesk that offers technical advice to farmers.

Green inland aquaculture

Anna Pyc, Polish Trout Breeders Association, Aller Aqua

Inland aquaculture is mostly micro and small enterprises.

Two of the top 10 freshwater fish are farmed inland – rainbow trout (western and northern countries), common carp (eastern countries). While consumers think of farmed fish as being of lower quality than that caught in the wild, Ms Pyc highlighted some areas that represent opportunities for producers:

- Promoting high-quality fish coming from the EU.
- Eco-labelling to improve image of farmed fish.
- Competitive pricing based on a level playing field.

We have to recognise the local social and economic value of fish farming. Sites are often in areas of high unemployment, she said. The health risks pose a big constraint on creating a new business and at present there are no real measures to deal with them.

Marketing and labelling

Per Baummann, Swedish Food Retailers Federation

- If it was sustainably farmed and of high quality, fish from aquaculture would be attractive to the 'discerning' consumer, according to Mr Baummann. However, there is no

guarantee that consumers will pay more. Though investments are high, land-based ponds represent a growth opportunity and are central to a thriving aquaculture.

- Research into feed – i.e. development of sources such as sewage waste – is needed. We should try to produce essential amino acids for predatory fish. Investment needs to be substantial, however, in order to "show what green growth really means", he said.

Debate

The final part of the morning's session gave an opportunity to ministers and governments representatives, as well as other delegates, to share their views and experiences with their counterparts and colleagues.

Franc Bogovič, Minister for Agriculture and the Environment, Slovenia: Support to the Commission proposal to establish a coordinated approach and exchange of best practices. A level playing field should be established for imports as well as export; we need to find space for family business as well as big business; EMFF should support productive investments.

Lajos Bognár, State Secretary for Rural Development, Hungary: Implementation of legislation needs to be co-ordinated and there needs to be a simplification of administrative procedures.

Risto Artjoki, Ministry of Agriculture and Forestry, Finland: Support to the Commission proposal to develop and promote aquaculture; need for regional co-operation (positive experience with Baltic States); framework for development necessary; EU should support the development of a code of good conduct for in the development of sustainable aquaculture.

Carlos Dominguez, Ministry of Agriculture, Food and Environment, Spain: need for a public instrument to improve consumer knowledge and communicate the benefits of aquaculture products; need for level playing field; welcome the proposed advisory council for aquaculture; willing to contribute to cutting red tape at national level.

Magdalena Lacko-Bartosova, Ministry of Agriculture and Rural Development, Slovakia: support to productive investments in traditional forms of aquaculture; need for change consumer habits; support to diversification of aquaculture businesses.

Brian Thomsen, Danish Aquaculture Organisation: All food producers need to have greater environmental space; licenses are preferable to subsidies.

Gerd Conrad, Ministry of Agriculture and Nutrition Consumer Protection, Germany: Family enterprises are overburdened and need appropriate support (EMFF).

Courtney Hough, Federation of European Aquaculture Producers (FEAP): need to establish targets to reduce imports (possible issue to be addressed in the November conference in Galicia).

Austrian Carp Pond Farmers – no ecologically valuable ponds without pond farmers; need to address animal deceases and cormorant issues as a priority.

Pier Antonio Salvador, API – Associazione Piscicoltori Italiani: need for more recognition of the work of farming associations; need for administrative simplification for micro and small enterprises when applying to EU funding

Willie Cowan, Scottish Government: need for market-driven production; Scotland has established targets to be reached by 2020 – increase by 50% finfish production and by 100% shellfish production.

Mogens Schou, Minister Adviser on fisheries and aquaculture, Ministry of Food, Agriculture and Fisheries of Denmark

- Need for a comprehensive strategy for enhancing the potential of European aquaculture and to align environmental and aquaculture policies;
- need for national and local authorities to pay more attention to aquaculture; need to change conception; need to adopt a result-based approach.

Session 2 Adding value to aquaculture

Agriculture and its environmental services

François Simard, International Union for the Conservation of Nature (IUCN)

Aquaculture can be of benefit to nature providing services to the environment (eco-system services). There is not one single ecosystem but there are several diverse ecosystems in the EU: the response should be adapted to each of them.

Sustainable development must address three questions:

- Environmentally acceptable?
- Socially equitable?
- Economically viable?

Adopting an eco-system approach means identifying and bringing together all stakeholders, decentralising management and addressing the impact of the industry on other activities and vice versa.

The precautionary principle addresses the following issues:

- The impact of fish farms on local ecosystems
- The effect of the use of GMO as raw materials
- Cumulative effects of fish farms and agriculture on a watershed
- A cost versus benefits risk analysis
- Knowledge building and good governance

Aquaculture can be compatible with natural protected zones (Natura 2000). It needs to be integrated into societies and eco-systems.

Adding value to the product

Mary Ferns, South East Shellfish Co-Operative, Ireland

- Need to address overregulation.
- Research in the past has been academia led; it must be industry led.
- As a primary producer, it's better to have less product but of a higher value, than vice versa.
- It's easier to add value to better product. Farmed salmon is one the areas where Ireland has added most value in terms of flavour and slicing etc.
- Aquaculture, particularly in seaweed, can bridge some gaps in production, and seasonality. Ireland's first caviar went down well at a recent trade with Russian and European buyers.
- Less product but higher prices in recent years. It is difficult to expect the consumer to further pay for higher prices.
- Practitioners have a role to play in bringing about the level playing field by being good at what they do.
- Need for EU support to undo the bottlenecks and the licensing problem, the industry will continue to grow.

Adding to the value of the product

Ferenc Lévai, Aranyponty Fishing Inc., Hungary

"We are not doing anything new, just slightly modified" said Mr Lévai in reference to the multifunctional approach adopted by his farm in Hungary. His farm is one of the largest in Hungary – 80% carp followed by pike. The farm is involved in the whole process from hatching to marketing. Production is:

- Environmentally friendly – the site is visited by egrets, great white herons and geese and is an area of high biodiversity.
- Mostly fishmeal-free (formulated feed not popular due to high price).

Emphasis on cultural values of freshwater aquaculture:

- A fishing museum is being built.
- It is home to much wildlife and an opportunity for city kids get to see animals – e.g. the water buffalo.
- Angling is possible.
- A restaurant offers locally sourced fruit, vegetables and meat.

Only a small area of the farm is devoted to organic production because costs of registration for total area to be organic would be too much. Organic fish in rice fields helps to remove some of the pests in the fields.

European Fisheries Funds (EFF) have been used to reconstruct fishpond, modernise infrastructure, and buy a fish transport lorry and an excavator. The farm has ambitious plans for the future: the 'pond in pond system'. The idea is to put cages in the fish ponds in which can be put high-value fish; effluent and nutrients can be used for the carp. The farm is also looking into installing a hydroelectric station (which will lower cost of production) and solar panels for warm water.

Adding value later in the chain

Markus Payr, *Fischspezialist* (specialist in fish), Austria

Mr Payr gave an overview of his small farm in Austria:

- It employs four people and is a good example of a farm that has added value to its operations. "It is possible with a farm such as mine to make a good living," he said.
- He took over the farm 10 years ago took and became self-employed.
- It produces rainbow trout, brown trout, lake trout, Arctic char, lake char and Danube salmon.
- It carries out research projects – 10% of its profits are invested in research.
- A big river flows through the region containing crayfish, which is caught to sell to caterers.
- The emphasis is on freshness. Fish are immediately caught once an order is received. Everything is processed within one or two hours – no storage. Filleting is done manually. 'Classical' processing is practiced: smoking, caviar, tartar, etc. The farm's caviar and carp is produced to meet the seasonal Christmas demand.
- Together with the neighbouring region, the farm has organised fish tasting.

"We are proud of the fact that we have so many innovative products," he said. "More and more customers prefer regional products and like having products at certain seasons."

- The farm was eligible for funds from EFF.