Conference Report

European Aquaculture: the path for growth

A Coruña: 23rd November 2012

This report presents a record of the discussion that took place at the conference "European Aquaculture: the path for growth" held in A Coruña, Spain, on 23rd November 2012. The conference was hosted by the European Commission, the Spanish Ministry of Agriculture, Food and Environment, the Presidency of the Government of Galicia.

OPENING SPEECHES

Carlos Negreira Souto, Mayor of A Coruña

Mr. Souto welcomed participants and noted the appropriateness of holding the conference in A Coruña given its history and close links the sea. He noted that Galicia has been supporting sustainable aquaculture, as evidenced by the development of the Galician Aquaculture Strategy, and the successful creation of employment in the region. He suggested that the European Union must be a leader in aquaculture and that collectively we must be proactive to ensure that the European Union continues to play an important role in global aquaculture.

Alberto Núñez Feijóo, President of the Government of Galicia

Mr. Feijóo welcomed participants, and thanked them for choosing Galicia as the venue for the conference. He reported that Galicia produces over 232,000 tonnes of aquaculture products a year and creates over 6,000 jobs in the sector, plus three times that number in indirect employment. He noted the importance of a training institute for aquaculture in Galicia and observed that aquaculture is an important part of the culture and socio-economic status of Galicia. As a result, the Galician government has organised numerous working parties on aquaculture and the reform of the Common Fisheries Policy, and the Galician Aquaculture Strategy provides for the planning and management of the sector up to 2030. Mr. Feijóo also noted that the Galician Aquaculture Act will be important in strengthening the sector. He highlighted that aquaculture growth must be sustainable in environmental, social and financial terms, and that all parties must work together to ensure that this is the case.

PRESENTATIONS ON THE CURRENT STATE OF PLAY OF THE AQUACULTURE SECTOR IN THE EUROPEAN UNION MEMBER STATES. *Moderator: Carlos Dominguez, Secretary General for Fisheries, Spain*

EUROPEAN AQUACULTURE PERFORMANCE INDICATORS. ***Stephan Lechner, Director of the Institute for the Protection and Security of the Citizen, Joint Research Centre***

Mr. Lechner presented the findings of a study on European Aquaculture Performance Indicators completed by the Joint Research Centre, to be published by the end of the year. He noted that measuring the sector is important as the starting point and basis for improving the sector, and suggested that indicators are a measurement tool which are not political, and which remove the need for guessing and 'gut feelings' about the sector. He highlighted a number of obstacles in developing indicators and briefly discussed the methodology used to overcome these obstacles. The study defines 12 different indicators (6 economic, 2 social, and 4 environmental), and reports on

these indicators for the freshwater, marine and shellfish sectors. He highlighted a few key findings which included the fact that:

- Marine sector production is increasing, while shellfish and freshwater production is stagnating or declining;
- Employment is greatest in the shellfish sector, and is strongly concentrated in Spain, France and Italy;
- Contributions of aquaculture sector employment to total employment are very small at the European Union level but significant at the local level;
- The number of hectares occupied by aquaculture is not very large, and more important than finding space is finding the 'right place' for expansion given competition over land and coastal use;
- Other factors hindering growth include a lack of clear priorities, fragmentation of competences for the authorisation of new sites, and environmental concerns; and
- The intensity of production for different species differs significantly between countries highlighting different competitive positions and the social importance of the sector in different Member States.

FIRST IDEAS TO INCLUDE IN THE DRAFT STRATEGIC GUIDELINES FOR SUSTAINABLE DEVELOPMENT OF EUROPEAN UNION AQUACULTURE. ***Ernesto Bianchi, Head of Unit, DG Maritime Affairs and Fisheries***

Mr. Bianchi highlighted FAO data showing significant global increases in aquaculture production and projected consumption of fisheries products, while noting that the volume of European Union aquaculture production is static. He also noted that in the European Union only 10% of fish consumption is from European Union aquaculture, 25% comes from European Union capture fisheries and 65% is imported. He suggested that every additional percentage point in the contribution of European Union consumption coming from aquaculture could represent around 2,000 jobs and investment of EUR 30-50 million.

He noted that the European Commission has been engaging with participants and stakeholders over a number of years on the issue of Strategic Guidelines for Aquaculture, with the aim of fostering concerted action between stakeholders. As discussed in the background conference paper, he suggested that four key areas appear to be of special importance and could represent key objectives of the Strategic Guidelines, namely:

1. Simplification of administrative procedures, in particular for licencing. It typically takes much longer to obtain aquaculture licences in most Member States than in many other sectors such as offshore wind-farms and agriculture, and that typical time periods are far in excess of the European Union benchmarking standard for target licencing time for new small and medium-sized enterprises. There is an important need to map administrative bottlenecks so as to better understand them.
2. Securing allocation of water and space for freshwater and marine aquaculture in coordinated spatial planning. The European Commission is proposing that Member States put in place coordinated spatial planning to given clarity to stakeholders and support rational decision-making. In many Member States there is considerable potential space which could be used for aquaculture growth.
3. Promote business diversification to provide additional sources of income and sustainable aquaculture growth. This may be an objective primarily for the business sector, and the European Commission takes a broad view of the diversification necessary in terms of cost reductions, marketing/packaging improvements, and combining aquaculture with other economic activities. There is a need to focus and coordinate money available at the European Union and national level for research on such issues.

4. Exploit all competitive factors, such as the European Union's high standards. The European Commission believes that the European Union has a competitive advantage in terms of standards and the proximity of production to consumption in the European Union, which need to be better publicised and exploited. This requires action from everyone to support producer organisations to ensure better access to markets for locally produced fish, and to support, implement and control labelling requirements and standards so as to improve the image that consumers have of European Union aquaculture.

Mr. Bianchi outlined a series of next steps, as follows.

- Stakeholder feedback on the Strategic Guidelines for Aquaculture will be received by the European Commission for the next two weeks (to Mare-a2@ec.europa.eu);
- Publication of the European Union Guidelines will take place in February 2013; and
- Submission of multiannual national plans and European Maritime and Fisheries Fund operational plans will take place by Member States by the end of 2013.

He also highlighted that the proposed Aquaculture Advisory Council will bring stakeholders together to formulate suggestions and provide advice to the European Commission and Member States.

QUESTIONS AND DISCUSSION ON PRESENTATIONS

Questions were posed to Mr. Lechner which related to expanding or modifying the suite of indicators to better assess the European Union position compared to the global picture, to provide indicators highlighting the positive aspects of European Union aquaculture, and to have indicators which are more environmental in scope and which start from the position of having aspirational targets for the sector and then defining indicators based on those targets. In response, Mr. Lechner noted that developing a broader suite of indicators is not possible at the present time due to a lack of data which would allow for complete data to be provided across all Member States. This in turn meant that indicators had to be chosen in a pragmatic way based on what data are available, rather than working backwards from targets or an ideal suite of indicators. He acknowledged the limitations of this approach, while also noting that having targets for which indicators are not available would generate obvious problems in terms of measuring progress, and stressed the hope that new/other indicators could be used in the future.

Comments were made that at a global level, freshwater production accounts for around 80% of aquaculture production, and sufficient focus in the European Union must be placed not just on mariculture, but also on freshwater/inland aquaculture. Mr. Lechner noted that at the European Union level, the indicators proposed in the Joint Research Centre report do now allow for indicators for the freshwater sector on its own. Mr. Bianchi also stressed that the Strategic Guidelines for Aquaculture will not just be for coastal aquaculture but also for mainland aquaculture, and that recognising the importance of inland aquaculture, the European Commission has stopped referring to marine planning and now talks about spatial planning.

In response to a question from the session moderator, Mr. Bianchi suggested that the driving force for future growth and development of the aquaculture sector will probably come from a combination of policy concerns over capture fisheries production limits in the context of increasing consumption in the European Union, potential to be increasingly competitive in export markets, and the benefits of aquaculture in supporting growth and jobs in local and coastal areas.

STRUCTURED DEBATE ON THE PROPOSED STRATEGIC GUIDELINES FOR THE PROMOTION OF AQUACULTURE. ***Moderator: Ernesto Penas Lado, Director, DG Maritime Affairs and Fisheries***

In framing the debate, Mr. Penas Lado noted that the European Commission has a research policy for aquaculture with considerable support from the European Union, a framework of grants, a stable legislative framework, and an existing market. He urged participants therefore to focus their comments and questions on the four main potential objectives of the Strategic Guidelines for Aquaculture highlighted in the background discussion paper, stressing the desire of the European Commission to listen to the participants' views on these issues, while also being open to discussion on other issues.

The discussion on the objectives of the Guidelines provided for wide participation in the debate by the participants at the conference. A large number of questions were posed and many comments made on different issues. A number of recurring themes surfaced during the debate, and are presented below, in no particular order of importance.

Bureaucratic, administrative and legislative constraints

The conference agreed that bureaucratic and administrative constraints are a major obstacle to aquaculture growth in the European Union. It was noted that there are many different administrative levels involved in most Member States in approving and granting aquaculture licences. This highlights the need for strong political will and support for the sector at all levels. It was suggested that while fisheries/aquaculture Ministries may be supportive of aquaculture growth, there is an urgent need to generate political support both at higher political levels, and also at lower local administrative levels. The session moderator stated that the European Commission understands the risk of the lack of support by lower administrative levels for aquaculture, and that a main goal of national plans to be developed by Member States should be to foster such support. The specific issue of constraints that Natura 2000 places on aquaculture development in the European Union was also raised by a number of participants. The session moderator reported that the European Commission is actively working on the relationship between Natura 2000 and aquaculture development.

A level playing field, and informing the consumer to support a better image of aquaculture

Producer and government representatives from many countries represented at the conference stressed the need for a 'level playing field' in relation to the standards imposed on European Union producers and those imposed on imports to the European Union from third countries, and suggested that in many cases lower standards and subsidies make it difficult for European Union producers to compete on a level playing field. Related to this issue, and raised several times in the debate, is the need for consumers in the European Union to be better informed about the high standards of European Union products. The issue of better information to consumers about the origin of products was also raised, particularly in regard to the need for better labelling requirements so that de-frosted products imported from outside of the European Union are labelled as such even if processed within the European Union.

Meeting the food security gap

Many participants noted the increasing gap between global demand for seafood and global supplies, and expressed concern that while the aquaculture sector globally has been growing significantly, production in the European Union is largely static in volume terms. A representative from the Food and Agriculture Organisation of the United Nations noted that global aquaculture growth is slowing and is now around 7% per year and is predicted to fall to 4% per year by 2030, and that considering predicted increases in population and per capita income, this could result in a 50 million tonne global deficit in seafood by 2030. It was also observed that European Union aquaculture production might need to grow by at least 4% if the percentage of European Union seafood supply provided by

imports is not to increase. A participant from Norway commented that the success and growth of Norwegian aquaculture has been based on new technology and clustering of aquaculture activities, and that this may provide some lessons for the future of the sector in the European Union.

The role of NGOs, and issues of participation

It was observed by a participant that NGOs can play a leading role in shaping public opinion, which can make it difficult for local authorities to support aquaculture licencing when NGOs take a negative position on aquaculture; it was suggested that it would therefore be helpful if the European Commission could support work to show that aquaculture can be sustainable and need not necessarily have adverse environmental impacts. Producers represented at the conference also suggested that it would be helpful for better engagement by NGOs if they could try to speak with 'one voice' on issues of sustainable aquaculture. NGO participants at the conference in turn responded that many NGOs are in favour of the sector's development but are trying to work together with producers and consumers to develop a heightened sense of sustainability. They suggested that in supporting sustainability the Guidelines and their implementation should be specific about a vision for environmental, social, and economic sustainability, and that the precautionary principle should be mentioned given existing gaps in knowledge. In response to these points the session moderator welcomed the constructive tone of much NGO dialogue, and reported that the European Commission has a strong interest in ensuring full participation by NGOs in the development of the Guidelines. An example was also provided to the conference of how conservation and industry groups in the eel sector in the European Union have been working together to develop a standard, showing that perceived gaps between NGOs and producers can be breached.

The need for good participation by all stakeholders in guiding the future management and development of the aquaculture sector in the European Union was highlighted by a number of participants. The session moderator highlighted that the proposed Aquaculture Advisory Council will provide a forum for participation by all parties and has been proposed by the European Commission in part because of the positive experiences of fisheries Regional Advisory Councils in supporting participatory dialogue.

Freshwater aquaculture and the issue of differentiation

A number of participants (e.g. from Poland, Latvia, Slovakia) stressed the need for the Guidelines to sufficiently and specifically cover inland/freshwater aquaculture, and referred to issues of specific importance to inland aquaculture (such as the negative impacts on inland aquaculture of cormorant populations). Participants highlighted the need for differentiation in the Guidelines and approaches taken by Member States, given the very many different types of companies, production methods, species, and locations of aquaculture production in the European Union. The session moderator confirmed that the Guidelines will allow for flexibility in the format of national plans and that the European Commission is expecting Member States to develop national plans and strategies relevant to their needs.

Fish health and welfare

Participants at the meeting raised the need for improved fish health and welfare, with the motivation for such improvements including the welfare of fish for the sake of the fish, as well as the financial benefits to producers of improving welfare and reducing fish disease. It was suggested that globally around $5 billion may be lost each year due to disease and poor fish health. It was therefore recommended that the Guidelines include mention of this important issue, and that Member States have specific plans to address the issue of fish health and welfare.

NATIONAL STRATEGIC PLANS FOR AQUACULTURE – A PRACTICAL TOOL TO SUPPORT SUSTAINABLE AQUACULTURE DEVELOPMENT: LESSONS FROM EXISTING PRACTICES. *Moderator: Ernesto Penas Lado, Director, DG Maritime Affairs and Fisheries*

PRESENTATION OF GALICIAN AQUACULTURE STRATEGY. ***Juan Carlos Maneiro Cadillo, General Secretary of Maritime Affairs of Galicia***

Mr. Cadillo provided a presentation on the Galician aquaculture sector and the Galician Aquaculture Strategy. He first provided background information on the sector in Galicia, and noted the strong role of research, representative organisations, government and European Union support in developing the sector. He then presented the Strategy, which has been introduced into the wider Galician plan, and covers the period 2014 to 2030. The overall objectives of the Strategy are a dynamic, sustainable and equitable sector in terms of environmental, social and economic aspects, and coordination and planning. Implementation of the Strategy has important political, administrative and financial implications which all have to be planned and coordinated, and so the Strategy also has objectives in relation to these issues. Underpinning the objectives are a number of specific actions relating to issues such as planning, innovation, marketing, financing, and participation.

PRESENTATION OF THE IRISH PLANNING FRAMEWORK FOR AQUACULTURE DEVELOPMENT. ***Donal Maguire, Director of Aquaculture Development Services- Irish Sea Fisheries Board (BIM)***

Mr. Maguire provided some context in terms of global development trends and rising long-term demand for seafood. He suggested that marine areas offer the space in which to develop the aquaculture sector. Turning to the Irish context, he noted that Ireland is very dependent on imports of seafood. The Irish planning framework focusses on supporting growth in production of salmon given strong market demand and rising trend in prices, but also of shellfish and multi-trophic aquaculture. A key strategy for the salmon sector is to move offshore because: there is less conflict with other competing stakeholders; it is more remote from rivers and interactions with wild salmonids; there is better flushing and a more stable growing environment; and there is a locally reduced environmental impact. The Irish Sea Fisheries Board is working with the Marine Institute of Ireland to investigate suitable locations, and the intention is for the Irish Sea Fisheries Board to apply for the production license, to hold the license on behalf of the taxpayer and find a suitable commercial investor, and to oversee the development and operation (enforced through a legally-binding contract). He concluded by noting that making such developments work financially will require large scales of production given the significant investments required.

CLOSING SPEECHES

Miguel Arias Cañete – Minister of Agriculture, Food and Environment of Spain

Mr. Cañete stressed the importance of the conference and its role in supporting a better future for the aquaculture sector in the European Union. He noted the global growth in aquaculture, the stagnation in European Union production, and the large scale of imports of aquaculture products from other countries. He suggested that there is huge potential for growth in aquaculture in the European Union, and that growth could be ensured with financial support and a requirement for imports to comply with the same standards as European Union production. He observed that the new European Maritime and Fisheries Fund shows that there is a clear political will to turn aquaculture into a more competitive and innovative sector, supplying the market and supporting local/coastal development, and for it to be based on sound environmental practices. He also highlighted the importance of producer organisations and improved traceability in a strengthened aquaculture sector. He concluded by noting that the conference represents the end of a process to develop the Guidelines which was started in Salzburg, Austria, but also the starting point for a strengthening of European Union aquaculture in the future, and thanked all participants for their contributions.

Maria Damanaki – Commissioner for Maritime Affairs and Fisheries, European Commission
Commissioner Damanaki stated that she was pleased that the discussion at the conference had been so substantive, and that so many lessons had been learned. And she promised that the Guidelines being prepared by the European Commission will take into account the suggestions made during the conference.

She stressed that the challenge of filling the food security gap between European Union fish consumption and European Union fish catches, and the role that European Union aquaculture can play in filling that gap if certain obstacles can be overcome. She noted that aquaculture is a competence shared by the European Commission with Member States and local authorities, and that it is therefore critical to have clarity about roles and responsibilities and who is going to do what.

In the context of competencies, she observed that two key obstacles to aquaculture growth are the time it takes for licencing, and the space available for aquaculture. Both issues are ones of national competencies, with licencing and allocation of space being essentially the responsibility of Member States. She further noted that while it is certainly true that in many Member States there is bureaucracy in issuing licences, it can also the case that licences may not be given because it is not popular for local administrations to do so.

She suggested that the European Commission's competency and potential to help resolve the obstacle of the time it takes for licensing can be through: exchanging good practices and guidelines; helping Member States with their national plans and provision of financial support. The European Commission can also help with the issue of perception, by providing data to show that aquaculture can be sustainable and combined with other activities. With regards to the obstacle of space, spatial planning tools are critical, and the European Commission can assist by disseminating tools and spreading positive examples of aquaculture development.

Commissioner Damanaki commented that the European Commission has three main competencies in supporting a sustainable and growing aquaculture sector.

The first is in supporting science.,The European Commission hopes to have budget in the future to support relevant research and science, for example on indicators, improving fish health, and diversification.

The second main competence is in changing for the better the image of aquaculture, especially given that there is poor information in the public domain and a lack of an understanding by consumers about the true impacts of aquaculture. The European Commission would like to demonstrate to citizens that aquaculture can play a positive role within Natura 2000 sites if carefully set up. The European Commission is also working with stakeholders on an information campaign, and considers that improved labelling (e.g. a requirement for products to be labelled as fresh or de-frosted) would bring about considerable benefits to both consumers and aquaculture producers in the European Union.

Finally, she suggested that a third area of European Commission competence relates to the issue of the 'level playing field'. She noted that the European Commission must follow World Trade Organisation rules, but that the European Commission could gear up as regards controls (e.g. on health, and traceability) and push for a level playing field, as long as the same standards are applied to all products. She also however noted that the European Commission has to act at an international level to do so, and there must be credibility and a good image outside the European Union about the

European Union's own practices. She suggested that the reform of the Common Fisheries Policy is a prerequisite for such credibility.

The Minister of Agriculture, Food and Environment of Spain, then formally declared the conference closed.