FEDERATION OF EUROPEAN AQUACULTURE PRODUCERS

Office –Holders of the EP Fisheries Committee

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Liege, 14th October 2013

Concerns: The Amendments proposed for a Regulation on the European Maritime and Fisheries Fund (EMFF)

The Federation of European Aquaculture Producers (FEAP) has reviewed the amended proposal by the Committee on Fisheries of the European Parliament for a Regulation on the European Maritime and Fisheries Fund (EMFF)[1]. The FEAP believes that this Regulation, rather than encouraging development of European aquaculture, to the contrary it will have a severe negative impact if adopted as it stands.

As reported in the study on 'Indicators for Sustainable Aquaculture in the European Union' (JRC Report EUR 25557), 'the analysis of aquaculture sites and their contribution to employment confirms that aquaculture activities offer important contributions to some coastal and rural economies in terms of employment opportunities'.

The Compromise Amendments of the EP Committee on Fisheries for the EMFF proposal contains almost 600 amendments, of which many deserve further comment but we limit our response to the four most critical issues which are described as follows.

1. Intensive aquaculture

The proposed definitions for different types of aquaculture divide aquaculture farms according to nutritional inputs and subjective comments on farming stocking densities. Extensive farming depends largely on seed whereas intensive farming depends on nutritionally complete diets plus seed. It follows from a number of amendments proposed that intensive farming is seen as being "non grata" in the Union.

Following the definition of intensive aquaculture provided, it has to be noted that this sector represents **90%** of today's EU fish farming.

The underlying rationale is three-fold:

1. that intensive fish farming is not sustainable
2. that intensive fish farming relies predominantly on fishmeal and fish oil products
3. that intensive aquaculture operations have a severe negative impact on the environment

The amendments aim to provide certain definitions but completely avoid defining 'sustainable aquaculture'. *These statements and/or lack of definition give credence to underlying subjective and negative opinions.*

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[1] European Parliament, Committee on Fisheries, 7.8.2013, A7-0282/2013

As noted in the Strategic Guidelines for the sustainable development of EU Aquaculture[2], 'special care should be taken when dealing with vulnerable and protected areas, through sound planning and assessment procedures; positive experiences with the integration of aquaculture in Natura2000 sites show the possible compatibility of a profitable commercial activity with the conservation of biodiversity'. ***The terminology 'special care' does not mean prohibition, as indicated by the Commission's document 'Guidance document on aquaculture activities in the Natura 2000 Network'[3].***

With substantial efforts being made to render aquaculture activities to be entirely compatible with, as examples, the Birds and Habitats Directives, the prohibition of EMFF support for aquaculture in such protected areas appears to be counterproductive.

The effective exclusion proposed of 'intensive farming' from any practical EU support runs contrary to Community and Member State policies, the Commission's Communications on European Aquaculture[4] and will impact negatively on employment and economic activity in coastal and rural areas and open the door to unregulated and unsustainably-produced imports from third countries.

On the other hand, the 'sustainable intensification' of agriculture is supported both by the FAO and other European policies, producing 'more from less'. The production of fish – in terms of food conversion efficiency and carbon footprint – is much more efficient than other livestock production systems. The production of 1 kg of beef emits 10 times more CO_2 than 1 kg of salmon.

EU intensive farming operations are probably the most environmentally effective livestock production system in the world. The fact that EU fish farming uses feeds that contain ever-increasing percentages of plant and alternative sources of protein and oils has evidently been ignored (see http://www.feap.info/Default.asp?SHORTCUT=603).

If intensive farming - using market-accepted species - with nutritionally-complete and innovative diets is blacklisted, these industries will, in the long term, relocate their activities outside the EU. Most of the EU-financed R&D activities have also focused on "intensive" farming and improving production and environmental performance; not only will the research sector look to make best use of their knowledge and experience elsewhere, but also their operational bases and competencies will have to be rethought.

Our market position (for salmon, trout, seabass and seabream) will therefore risk being taken by the aquaculture production of countries such as Norway, Turkey and Chile. *The proposed amendments will not change the EU market demand for these products.*

The net effect of the EMFF Amendments proposed would therefore be a decline in EU aquaculture, increased growth in aquaculture outside the Union and increased import of carnivorous fish produced 'intensively'

2. Sustainability and environmental impact

The evident predisposition of the Amendments proposed on the environmental aspects of aquaculture points to a fundamental position taken towards growth and development, noting that – overall - EU aquaculture has stagnated and even declined in the last decade.

Current policies are driving agriculture to produce 'more from less' through 'sustainable intensification' while the EMFF amendments point to aquaculture producing 'less from less' leading to 'unsustainable extensification', with a focus on unidentified herbivorous (exotic?) species – whose position(s) in the market are unknown.

[2] COM(2013) 229 final
[3] http://ec.europa.eu/environment/nature/natura2000/management/docs/Aqua-N2000%20guide.pdf
[4] COM(2009) 162 final and COM(2013) 229 final

With an 8 million ton supply gap, this is hardly the approach needed for growth, development of EU aquaculture and a rising contribution to EU food security.

For EU producers "non-impact growth in aquaculture" remains a fairy tale, particularly if they wish to be on a level playing field - and be competitive with - non-EU exporters to the EU market. If we wait for research to come up with a wonder technology that will enable the production of selected herbivorous or new species without increased environmental impact, it is unlikely that any producers will be around to see that day.

The time has come for policy makers to vote for jobs and economic growth within the EU. The priority for aquaculture should be to develop more effective farming methods, competitively and environmentally, thus providing a situation for growth in the farming of market-appreciated fish, increased exports of EU products and technology. **In essence: Blue growth**.

It has to be accepted that the opportunity cost is negligible and that the 'environmental footprint' of aquaculture can be managed and also be reduced.

The basic fact is that, if we want aquaculture to grow and develop, one must accept that the current fish species will continue to dominate and that an initially larger but easily manageable environmental footprint will be incurred.

3. Exotic species

Amendment 339 omits to give support to aquaculture operations using exotic species. The definition in amendment 126 includes, as an example, rainbow trout, which is the major species farmed in a several EU member states (Italy, Denmark, Finland, Germany, France). It is important to note that developments in other sectors that serve aquaculture (such as fish feed, technology, research and development) are driven by the species being farmed. A decision to omit rainbow trout from support will block further aquaculture development in the affected Member States.

Diversification of aquaculture in the EU will also be possible through the production of other 'exotic' species as long as there is compliance with Regulation 708/2007. Application of this stringent Regulation guarantees that the production of these species does not affect the local environment while offering new economic and employment opportunities.
Regulation No 708/2007 – amended by Regulation 304/2011 - "*concerning use of alien and locally absent species in aquaculture*" deals with "exotic species". It follows from preamble 11 "*Some alien species have commonly been used in aquaculture for a long time in certain parts of the Community. The activities connected therewith should therefor benefit from a differential treatment facilitating their development without any additional administrative burden on condition that the source can provide stock that is free of non-target species. Member states who wish to restrict the use of such long-used species in their territory should be permitted to do so*." Annex IV of the Regulation includes a list of species for which the Regulation does not apply (except for Articles 3 & 4) and contains, amongst others, rainbow trout and common carp.

Hence, we strongly recommend that the EMFF refers to and respects Regulation No 708/2007.

A complementary legislative proposal (COM(2013) 620 final) on the prevention and management of the introduction and spread of invasive alien species confirms this position.

4. Communication

Engaging with improved market strategies and organisational structures is a major component of the new Common Organisation of the Markets for fisheries and aquaculture products. The focus (Article 71) on supporting communication campaigns for organic, eco-labelled or environmentally sustainable products targets a panacea.

Organic fish represent under 1% of the total EU production and eco-labelling targets a yet-to-be developed Union-wide label.

The FEAP believes that communication activities should encourage, support and encompass sustainable EU aquaculture activities and not be restricted to minor EU production components.

5. Conclusion

Markets, production and financial competitiveness remain the key to growth. There are many technological solutions available to reduce environmental impact but it must be remembered that these all have an additional cost.

The core of policymaking for both the Common Fisheries Policy and the EMFF is to measure the pro and cons of a proposal so as to take the best decision possible – based on balanced sustainability criteria that include the relevant economic, social and environmental conditions identified.

Stable employment, safe food, carefully managed environmental impact, quality certification and innovation are cornerstones of the EU's finfish aquaculture industry that is capable of growing and immediately addressing the EU seafood deficit.

This commitment and investment requires due recognition and respect in terms of continued support and encouragement through EU policies and legislative instruments instead of dangerously threatening jobs and the future of thousands of companies across Europe by giving credence to unfounded and unscientific bias by way of acceptance of these amendments.

On behalf of the FEAP,

Arnault Chaperon

President

Background documentation

As reported in the study on 'Indicators for Sustainable Aquaculture in the European Union' (JRC Report EUR 25557), 'the analysis of aquaculture sites and their contribution to employment confirms that aquaculture activities offer important contribution to some coastal and rural economies in terms of employment opportunities'.

The study also notes that there are **four main categories of production**. These categories are characterised by different opportunities and constraints and would therefore deserve to be treated according to distinct policy targets.

- Capital intensive marine fish production with high input and output, increasing labour productivity and profitability. This sector has potential to compete on the increasingly globalised market (e.g. EU Market) but is currently facing a series of administrative and environmental constrains which hinder further expansion.
- Low input freshwater production, often with low labour productivity and high species diversification, serving mainly local markets (e.g. carp). In this category, limited demand and strong international competition is limiting the profitability and growth, however the extensive and artisanal production may play a role in environmental and recreational aspects (e.g. regarding biodiversity and preserving cultural landscapes).
- Labour intensive shellfish production. This segment faces limited environmental concerns. Although affected by loss in competitiveness, this sector has a very important social dimension given the high number of employed persons.
- High input and technology driven production in recirculation systems. This segment, despite the high energy demand is not posing environmental concerns and is not competing for space. It requires higher however investments and has at the moment good profitability prospect only for niche and targeted markets.

Note that these categories do not define extensive or intensive production

The Compromise Amendments of the EP Committee on Fisheries for the EMFF proposal contains almost 600 amendments; those that refer to aquaculture are enumerated in the following

Intensive aquaculture

The proposed definitions in amendments 127, 135 and 140 divides aquaculture farms according to nutritional inputs and subjective comments on farming densities.

- No. 161: Enhance competitiveness and viability of extensive and semi intensive aquaculture
- No. 168: Reducing dependence of fish food and oil
- No. 339: No support to intensive aquaculture in marine protected areas or at Natura 2000 sites
- No 340: Reduced dependence on fish meal and oil
- No. 364: Intensive aquaculture is excluded from Nature 2000 areas
- No. 377: Lists – wrongly – a number of negative impacts presumably related to intensive aquaculture
- No. 381: Favours the conversion of farming carnivorous species into farming herbivorous species
- No. 388: Favours *extensive and semi–intensive* aquaculture methods
- No. 390: Favours *extensive and semi–intensive* aquaculture methods

Sustainability and environmental impact

The amendments highlight 'sustainable' farming and the reduction of environmental impact:

- No. 164: Limiting the ecological footprint by aquaculture
- No. 169: Eliminating the impacts of aquaculture activities on ecosystems
- No. 337: Support limited to sustainable aquaculture enterprises
- No. 339: Support limited to investments which have a lower impact on the environment
- No. 340: Stimulate innovation in sustainable aquaculture
- No. 340: Develop knowledge which, in particular, reduces the impact on the environment
- No. 352: Reduce the environmental impact
- No. 362: Reduce the environmental impact of the operations
- No. 363: Sustainable aquaculture with low environmental impact
- No. 365: Decrease the ecological footprint of aquaculture
- No. 372: Minimise the ecological footprint of their activity.
- No. 374: Substantially reduce the impact of aquaculture on the environment
- No. 375: Substantial reduction of the impact of aquaculture enterprises
- No. 377: Limiting the negative impact of aquaculture enterprises
- No. 447: Aquaculture products obtained using methods with low impact on the environment
- No. 463: Processing of sustainable aquaculture products

The FEAP notes the absence of a clear definition of sustainable aquaculture and who is in a position to decide whether an activity is sustainable so as to qualify for EMFF support.

Exotic species

Amendment 339 omits support to aquaculture operations using exotic species. The definition in amendment 126 includes e.g. rainbow trout, which is the dominant species farmed in a number of EU member states.

Council Regulation No 708/2007 "*concerning use of alien and locally absent species in aquaculture*" deals with "exotic species". Amended by Regulation 304/2011.

Annex IV of the Regulation includes a list of species for which the Regulation does not apply (excepting Articles 3 & 4) and contains, amongst others rainbow trout, brook trout, arctic char, common carp and the Pacific cupped oyster.

A complementary legislative proposal (COM(2013) 620 final) on the prevention and management of the introduction and spread of invasive alien species confirms that 708/2007 applies for aquaculture.