**Ministry for Food, Agriculture and Fisheries**

# Developing aquaculture in the EU

## Danish views

## 1. Background

The global aquaculture production is growing fast. It has surpassed the production of catch fisheries, and it is still increasing at a great pace.

Aquaculture in the European Union has demonstrated its productive capacity and its great potential. Its expertise, the quality and benefits of its products (safety for health, availability, freshness, etc.) are well-known factors. In addition, European aquaculture uses production methods ever more protective of the environment.

Aquaculture production in the EU on the other hand is stagnating while it is the fastest growing food production globally. The result is that import of fish to the community is increasing, EU competitiveness on the global market for fish is being challenged, employment and economic perspectives in a number of less favourable regions are under pressure, the European citizens access to healthy locally produced fish products is dwindling, and European food policy is limited in its prospects.

The main cause of this situation seems to be an inconsistent and non-transparent EU regulatory framework that leaves Member States with little knowledge on how to bring about an increased aquaculture production.

A coherent EU policy for aquaculture should be developed in order to obtain a simplified and uniform legislative framework for the sector, and the perspectives for an EU aquaculture should be broadly communicated. On the national level sufficient policy priority should be devoted to the sector.

## 2. A Community objective for aquaculture

The Community should target and plan for an increase in aquaculture production that reduces the dependency of imported fish significantly. The development of production volume must take place in a “Green Growth” mode, where production accounts for its environmental footprint.

The strategy should be based on:

1. **Green Growth** as the policy principle
2. **A coherent Community policy** as driver for national development
3. **Research and development** for a better future position

And it should be supported by a number of supporting initiatives aiming at enhancing the performance of aquaculture within the EU and on the global market.

### 2.1. "Green Growth" – a sustainable development of aquaculture

Green Growth shall bring the Community in the forefront with regard to a competitive production with a continous reduced environmental impact.

Traditional growth addresses the demand of the individual. The call for production to account for its environmental effects illuminates the need to integrate and render visible the environmental costs as part of the production and the setting of price. It is necessary for society to deal with these effects of production in a way that ensures that

- The environmental footprint is reflected in the cost of the production.
- The product cost related to environmental protection is made transparent and the market's appreciation of "green" products is supported

This will ensure that the environmental friendly production gets the benefit of its low impact on nature in the form of a more easy access to produce and an advantage on the market. Green Growth should constitute an incentive mechanism for producers to obtain high value at low impact.

Green Growth must be based on private investments. It is thus essential to ensure that the traditional basis for growth and competition is intact, that innovation and investments are high and that the accountability for the environmental impact is introduced with a pace that takes global competition and market forces into account. The EU should facilitate this process.

### 2.2. A coherent Community policy

Aquaculture is covered by numerous Community regulatory instruments not all of which share identical objectives. They relate to inter alia the Water Framework Directive, the Strategy for the Marine Environment, the Natura 2000 Initiative, regulations on organic aquaculture, the introduction of exotic species, and so on. Products must also comply with Community hygiene and animal welfare provisions. Aquaculture is directly affected by horizontal initiatives such as the promotion of Integrated Management of Coastal Zones, the integrated marine policy and the framework programmes for research and development.

The Commission points to aquaculture producers difficulties in obtaining national licenses for growth and to the need for spatial planning for the location of aquaculture.

Community policies of relevance for aquaculture should be identified and qualified in relation to their importance for the development of the sector and a Community set of guidelines to help the national development of the industry should be established**.**

### 2.3. Research and development (R&D)

R&D is crucial to aquaculture. Additional support should be made available under the Framework Research Programme. The use of the European Fisheries Fund (EFF) for innovation and development in aquaculture should be given higher priority.

The strategy should focus on profitable R&D. The sector needs results that can be transformed into increased production. R&D, industry needs and the solving of public regulatory problems must work together.

### 2.4. Supporting initiatives

A number of supporting initiatives can be added to the points mentioned above. These initiatives should aim at enhancing the performance of aquaculture within the EU and on the global market.

*Education and good governance in the industry*

The pace of the aquaculture development depends on the ability of the individual producer to adapt and develop his industry. The EU should consider the European Fisheries Fund (EFF) to include extended support for educational programmes and exchange of experience between Member States.

Environment friendly aquaculture should furthermore be advanced by the aquaculture organizations through good governance programmes based on best practices and best available techniques (BAT). The Commission should support development and exchange of information on BAT.

The development of programmes, standards and certification schemes, e.g. EMAS (Eco-Management and Audit Scheme) should take place with the active involvement of all stakeholders, and it should contribute to the fulfilment of the Green Growth principle.

*Certification*

EU aquaculture industry produces with high costs and high standards with regard to environment. The qualities of a production based on these requirements must be made understandable, visible and suitable for consumer's appreciation if the products are to compete on the EU and the global markets. The investments in environmental effective production must be followed by public support for documentation, traceability, certification schemes and marketing of "green" products. In the end it is the consumer's willingness to pay for the cost of low environmental impact that sets the speed of the continuous restructuring of the production.

*Financial support*

The development of aquaculture must be market driven and the products must compete on the global market. Strong indications suggest, that public support in the form of operational regulations and efficient administration and implementation of rules will create added value to the sector and society beyond the value that can be imagined by pouring subsidies into the sector. However the European Fisheries Fund (EFF) has an important role to play in supporting a swift transition and building up of the sector within the regulatory framework described above. That requires a design of the national

EFF programmes that ensures that subsidies for aquaculture supports the principles of Green Growth, and that they are reserved for productions where national rules are implemented to a degree that ensures the investments to be attractive on the commercial loan market. Subsidies within the EFF framework should primarily be directed towards innovation and development, investments in Green Growth and guarantee schemes in relation to extinction of diseases. A more favourable support for young people entering the industry should be considered as well.

*Food safety and animal welfare*

EU legislation on hygiene of foodstuffs should remain a horizontal policy. More research on e.g. toxic algal blooms, which threaten public health and cause damage to fisheries and aquaculture, is necessary, as they represent serious limiting factors for aquaculture production. Research in relation to microbiological contamination in aquaculture establishments for bivalve molluscs could also be relevant as these can be a limiting factor for production. Animal health and animal welfare should address the specific requirements of aquaculture.

*Fair competition*

The European Union applies a number of requirements relating to food, environment and livestock. These requirements must be uniformly applied in Member States to ensure fair competition and to support the incentive mechanisms of Green Growth. Import of products from third countries must take place in full accordance with EU hygiene requirements. At the same time the EU has to ensure a cost effective import control in order to ensure that EU producers and exporters can obtain the necessary raw material without suffering from disfavouring logistic and bureaucratic circumstances.

*Recognition of aquaculture*

A Community communication strategy should be put in place to ensure an image for European aquaculture that is aligned with reality and prospects. Communication is critical to the development. A strong and coherent communication platform should be established on Community level in order to present facts and address criticism and misconceptions about the industry.

Acceptance of the sector by the public and by the authorities requires better knowledge and recognition of the industry, its products, its role in the EU food strategy and the conditions in which the producers operate.

On a global scale the communication should ensure a sound basis for the development of Green Growth on basis of a qualified consumer perception of sustainability, high quality and safe products.

## 3. Conclusion

The proposals made in this paper are intended to encourage the development of European aquaculture in a manner that contributes to Europe's food strategy, that takes leadership in a competitive production promoted by a conceptual approach where the cost of the environmental impact is sought covered by enhanced production value and marketing initiatives to support consumers choice for low impact products.

Competitiveness is essential for a further development of the sector. Aquaculture is an economic activity in an open and globally competitive market and new investments in Green Growth will only be possible if basic conditions to produce in a profitable way are acceptable. Bringing about Green Growth is a gradual process based on producer's incentive and ability to invest. The present situation suggests that a Community set of guidelines to help the development of the industry could improve the situation**.**