



HUNATIP Workshop “Making aquaculture a vital part of the European sustainable food system,” 14 October 2024

The need for an aquaculture policy reform, Brian Thomsen, chair of the Aquaculture Advisory Council

Introduction

European nations were less than 50% self-sufficient in food after the second World War and experienced food shortages and famine. The European Economic Community was founded on ambitious commitments towards increasing food production and securing farmers income.

The Common Fisheries Policy (CFP) is rooted in the 1957 Treaty of Rome that established the European Economic Community. Article 43 calls for the Commission to propose a Common Agricultural Policy and it subsumed fisheries under the heading of “Agriculture.” At the time aquaculture was not a part of the Unions curriculum. The first acts specifically relating to fisheries were adopted in 1970 and the first Common Fisheries Policy appeared in 1983 establishing a community system for the conservation and management of fishery resources.

Contrary to aquaculture agriculture and fisheries are deeply rooted in Europe’s history, development and culture.

Union strategies on aquaculture

In 2002, the Commission recognised the importance of aquaculture in the frame of the reform of the Common Fisheries Policy and this led to the first “Strategy for the sustainable development of European aquaculture. The strategy includes several objectives:

- Increase employment in aquaculture by between 8,000 and 10,000 full-time job equivalents over the period 2003-2008.
- Increasing the Union’s aquaculture production growth rate to 4 % per year.
- Solving the conflicts for space.
- Promoting market development.
- Improving the governance in the aquaculture sector.
- Assuring the availability to consumers of products that are healthy, safe and of good quality.
- Promoting high animal health and welfare standards.
- Ensuring an environmentally sound industry.

It calls for reflection that the EU aquaculture sector produced 1.3 million tonnes of fish and molluscs in 2000. In 2022 production had decreased to 1,1 million tonnes. Annual growth rates of 4 % would have increased the output to 3 million tonnes.

The strategy was revised in 2009 when the Commission published “A new impetus for the Strategy for the sustainable development of European Aquaculture”.

It concluded that EU aquaculture production had stagnated since 2002, in stark contrast with the high growth rate in the rest of the world.



It notes that the consumption of aquatic foods will continue to rise, that this demand cannot entirely be met by fish from the wild and that the rapidly expanding demand will have to be met from aquaculture production. The EU must therefore meet these challenges and prepare for this growing demand to satisfy consumer demands.

The strategy also highlights that important challenges limiting the development of European aquaculture depend on national policies and that public authorities must establish an appropriate framework and lift the bottlenecks in national legislation. The strategy highlights several issues that remain valid in 2024:

- Access to space.
- Environmentally friendly aquaculture.
- Protection of shellfish waters.
- Proper implementation of the WFD and the MSFD as regards aquaculture activities.
- Animal health and animal welfare.
- Veterinary medicines.
- Sustainable fish feed.
- Improving the sectors image.
- Better implementation of EU legislation.
- Reducing the administrative burden.
- Develop harmonized indicators to monitor the development of the sector.

The 2013 reform of the CFP included “Promoting sustainable aquaculture” with the objective to contribute to food security and supplies, growth and employment. The reform introduced the open method of coordination and the current measures: Non-binding Commission strategic guidelines, Member States Multiannual National Strategic Plans and the exchange of best practices.

The Commission published the first set of strategic guidelines in 2013. The document repeated that the EU aquaculture production is stagnating, in contrast with strong growth in other regions of the world. It estimated the gap between the consumption of aquatic foods in the EU and the volume of captures from fisheries to 8 million tonnes and pointed out that this gap can be partly filled by sustainable EU aquaculture.

The strategy focused on 4 priority areas to unlock the potential of EU aquaculture: Administrative procedures, access to space, competitiveness and a level playing field.

The brings us to the current strategic guidelines. The framework has changed over the years, new policy areas have come into play, new challenged and opportunities have emerged but the essential bottlenecks to unlock the potential of EU aquaculture have not changed fundamentally since 2002.

In fact, it can be argued that the situation has gone from bad to worse.

- Access to space has evolved into a fight for space. Per example in Denmark a new policy agreement calls for 390.000 hectares of agricultural land to be converted into forest and solar panel developers



are buying up agricultural land at high prices.

- It has become increasingly difficult to obtain or renew permits to discharge nutrients as the member states strive to comply with EU environmental directives. Per example Denmark must reduce nitrogen emission by some 13.000 tonnes to reach good ecological status
- New EU environmental legislations have been introduced per example the Nature Restoration Law, the Farm-to Fork strategy and the EU Biodiversity strategy.
- Policy agendas are becoming more and more overloaded, and it is becoming more and more difficult to develop and execute transitions.
- Public debates have undergone dramatic changes fuelled not least by the development in social media and operators must engage to maintain licenses to operate.
- The complexity of sustainability has increased as new emerging issues are being introduced like animal welfare, climate and biodiversity. Per example the new ASC Farm Standard has evolved into a staggering 220 pages document.

In this context it can be argued that growth beyond organic growth in the primary sectors is a zero-sum game. There is no free space for aquaculture settlers to inhabit. The space must be acquired using market instruments and/or allocated by policy decisions.

Agriculture, forestry and fishery employs almost 9 million people or constituents and aquaculture accounts for less than 1%. The aquaculture sector has de facto very limited political power, but we do have a stronghold as both the European Parliament, The European Economic and Social Committee, The Committee of the Regions and the Council support the 2021 strategic guidelines and agree on the need to give priority to aquaculture.

It must also be noted that the Council has recently concluded on the need to prioritise aquaculture and that this is essential to ensure the provision of nutritious, healthy and safe food, reduce the high EU dependency on imports of aquatic products, and create economic opportunities and jobs.

A stocktaking exercise 2024 shows that:

- EU aquaculture production has stagnated in volume since 2000
- Employment in the sector has decreased
- The CFP objective on promoting sustainable aquaculture to contribute to food security and supplies, growth and employment has not been met and the
- EU's self-sufficiency rate for aquatic products reached its lowest level in 2021 at 38 pct.

The question we must ask is if the open method of coordination remains fit for purpose in 2024?

Aquaculture Policy Reform

The AAC has concluded that it is not and on this we published a recommendation on an Aquaculture Policy Reform in July this year.



It is important to underline that the AAC is confident that the European Commission will deliver on the actions foreseen in the Strategic Guidelines and that the AAC agrees that the guidelines address the relevant and important issues. The Commission analysis, the strategy and the actions were fit for purpose at the time, but adjustments are needed as we approach 2025. We will address this at the upcoming mid-term assessment of the Strategic Guidelines. The weak point is the execution of the strategy in the MS.

The AAC finds that the current policy framework and measures notably the open method of coordination have not proven efficient in unlocking the potential of the EU aquaculture sector. The main problem is the lower policy prioritization given to aquaculture in MS as compared to agriculture and fisheries and the root cause is the lack of political commitment in the MS to develop sustainable aquaculture. This situation leads to 4 policy implementation failures:

- The non-binding strategic guidelines has limited impact on MS legislation/governance.
- Shortcomings in relation to the content and implementation of the multiannual national strategies.
- Efficient and timely follow-up measures on progress and impact have not been established.
- The policy objective of promoting sustainable aquaculture is not quantifiable due to the lack of indicators to monitor progress and impact.

The recommended aquaculture policy reform includes 5 elements:

1. Establishing an Aquaculture Sustainability Regulation

The Farm to Fork strategy includes a legislative proposal for a framework for sustainable food systems to accelerate and facilitate the transition towards fairer and more sustainable EU food systems.

The ASR should be a framework regulation introducing four elements:

- Quantified and progressively increasing targets for the supply of sustainable aquaculture products.
- Clear targets for a set of key sustainability indicators including animal welfare.
- Sustainability criteria in public procurement of aquaculture products.
- A performance and Evaluation Framework (PMEF).

2. Establishing a Performance and Evaluation Framework

- Introducing annual surveys to monitor progress on MS quantitative growth targets
- Establishing indicators and targets for sustainable aquaculture.
- Regular monitoring to assess progress and impact of Member States Multiannual Strategic Plans and the Strategic Guidelines.
- Regular monitoring of MS compliance with Commission Guidance.

3. Establishing a CMO regulation on aquaculture products.

Establishing a CMO regulation on aquaculture products is instrumental in building a separate identity for aquaculture. The ambiguous use of the term “fisheries” creates legal uncertainty and implementation confusion in MS. The new regulation should include:



- Expanding marketing standards to include environmental, animal welfare and social aspects.
- Revise consumer information requirements as proposed by the MAC/AAC.
- Updating the objectives of POs.

4. Amending the legal framework for POs and IBOs

Food security and supply, growth and employment, animal welfare and environmental impact are policy objectives that should be mandatory for POs and IBOs.

5. Improving coherence between aquaculture policy objectives and EU environmental directives.

Most MS have not established specific legislation on aquaculture activities, and most EU legislation applicable to aquaculture is not specific to the sector. Applicable EU environmental legislation consists of directives that MS authorities must transpose into regulations applicable to the sector. The transposition in the absence of national legislation on aquaculture may not always be consistent among MS or among authorities within the same MS. This causes uncertainty among operators over the applicable legislation.

The AAC emphasises that the complexity of the EU regulatory framework on aquaculture is amplified due to the lower policy prioritisation given to aquaculture in the MS.

The Council has called on the Commission to present a proposal to improve the coherence between the objectives of a growing sustainable aquaculture sector in the EU and EU environmental legislation. The AAC recommends that the findings in the proposal be included and considered in the APR.

The European Commission has launched the “strategic dialogue on the future of agriculture in the EU” and aims to prepare a vision for the fishery sector with a 2040 perspective with references to the importance of food security and sufficiency and the growing impact of new challenges and obligations. The AAC invites EU institutions and MS to take the proposed policy reform on aquaculture into its next phases.

The AAC has a split opinion on the CFP. The “other interest groups” favours the alignment of agriculture, fisheries and aquaculture in a new Common Food Policy, whereas “representatives of sector organisations” favours establishing a separate Common Aquaculture Policy. The AAC finds, that the proposed Aquaculture Policy Reform will prepare the EU aquaculture sector for a possible Common Food Policy.

