

Brussels, 11 July 2003

OPINION

of the

Committee of the Regions

of 2 July 2003

on the

Communication from the Commission to the Council and the European Parliament: A strategy for the sustainable development of European aquaculture

(COM(2002) 511 final)

The Committee of the Regions,

HAVING REGARD TO the Communication from the Commission to the Council and the European Parliament: A strategy for the sustainable development of European aquaculture (COM(2002) 511 final);

HAVING REGARD TO the decision taken by the Commission on 22 October 2002, under the first paragraph of Article 265 of the Treaty establishing the European Community, to consult it on the matter;

HAVING REGARD TO the decision taken by its President on 23 September 2002 to instruct the Commission for Sustainable Development to draw up an opinion on this subject;

HAVING REGARD TO the Communication from the Commission: A European Union Strategy for Sustainable Development (COM(2001) 264) final ;

HAVING REGARD TO the document of the Sub-Committee on Aquaculture of the FAO's Committee on Fisheries following its meeting in Beijing, China on 18-22 April 2002;

HAVING REGARD TO its Opinion of 14 November 2001 on the Green Paper on the future of the Common Fisheries Policy (COM(2001) 135 final) – CdR 153/2001 fin¹;

HAVING REGARD TO its Opinion on the Proposal for a Council Regulation (EC) on the common organisation of the markets in fishery and aquaculture products (COM(1999) 55 final – 99/0047 (CNS)) - CdR 182/99 fin²;

HAVING REGARD TO its Opinion on the Communication from the Commission on the reform of the Common Fisheries Policy ("Roadmap") (COM(2002) 181 final – 2002/2174 (COS)) – CdR 189/2002 fin³,

the Communication from the Commission – Community action plan for the eradication of illegal, unreported and unregulated fishing (COM(2002) 180 final – 2002/2176 (COS)),

the Proposal for a Council Regulation on the conservation and sustainable exploitation of fisheries resources under the Common Fisheries Policy (COM(2002) 185 final – 2002/0114 (CNS)),

the Communication from the Commission setting out a Community Action Plan to integrate environmental protection requirements into the Common Fisheries Policy (COM(2002) 186 final – 2002/2175 (COS)),

the Proposal for a Council Regulation amending Regulation (EC) No. 2792/1999 laying down the detailed rules and arrangements regarding Community structural assistance in the fisheries sector (COM(2002) 187 final – 2002/0116 (CNS)),

and the Proposal for a Council Regulation establishing an emergency Community measure for scrapping fishing vessels (COM(2002) 190 final – 2002/0115 (CNS));

WHEREAS Community aquaculture helps supply the EU fishery products market, which has an increasing deficit, with high-quality products characterised by their level of food safety and hygiene, and their compliance with the highest environmental requirements;

WHEREAS the market must be seen as a key factor in the development of aquaculture in a context of sustainable development;

WHEREAS public authorities need to contribute towards the positive image and promotion of Community aquaculture;

WHEREAS the highest standards of quality, safety and respect for the environment are necessary in order to secure the development, competitiveness and sustainability of the sector;

WHEREAS the interaction between aquaculture and the environment is generally positive in the case of extensive fish culture, while where intensive aquaculture is concerned there is a general need to adopt environmental protection measures;

WHEREAS aquaculture development must be a key factor in the planning and overall management of Community coastal areas;

WHEREAS development in the sector brings a need to speed up administrative procedures as far as possible, by establishing flexible systems for issuing permits while still ensuring strict compliance with legislation on quality, safety, hygiene and the environment;

WHEREAS the extensive legislation on safety, animal health and environmental protection needs to be continually updated and poses a serious obstacle to investment for small enterprises;

WHEREAS there is a need for specific instruments for traceability and to measure toxicity, harmonised at EU level, to ensure that the sector develops correctly, but at the same time preventing excessive precautions that could jeopardise the viability of many companies;

WHEREAS the development of the Community aquaculture market needs to be seen as an ongoing process, i.e. account must be taken of potential developments in this market owing to the development at Community level of marketing instruments or the strengthening of producers' organisations;

WHEREAS it is absolutely essential for the viability of the sector that checks are carried out – with the same thoroughness as with Community products - to ensure that all products entering the EU market, whether from candidate countries or third countries, comply with Community legislation;

WHEREAS the main forms of aquaculture - including continental aquaculture, which is hardly mentioned in the Commission Communication - must be properly described;

WHEREAS it is essential that the criteria for distinguishing between extensive and intensive aquaculture are clearly defined;

WHEREAS extensive aquaculture, including shellfishing, makes a positive contribution to the economy, employment and the planning of integrated management of sustainable economic activities in coastal areas, as well as reducing harmful effects or even having a positive environmental impact on its surroundings;

WHEREAS the development of the individual market for each aquaculture product needs to be analysed in-depth to prevent erroneous diagnoses being made;

WHEREAS aquaculture not only supplies the Community market with fishery products in which it has a deficit, but also creates new job opportunities in coastal areas that often lack other alternatives;

WHEREAS there is a general consensus regarding the current insufficiency of Community R&D funding and, in particular, the considerable R&D needs of Community aquaculture;

WHEREAS FIGF funding has helped develop new species, but is not enough in some cases to meet the rate at which demand for them is growing;

WHEREAS the dependence of aquaculture on fish oils and fishmeal could lead to bottlenecks during its development, especially in the light of the expected reduction in this type of industrial fisheries owing to its negative effects on stocks of species intended for human consumption;

WHEREAS aquaculture offers a clear alternative for promoting the protection and development of the rural economy, especially in coastal areas affected by adjustments in fishing fleet capacity;

WHEREAS aquaculture may complement fishing activity and production, but can by no means replace it;

WHEREAS aquaculture is an integral part of the current Common Fisheries Policy (CFP);

HAVING REGARD TO its draft opinion (CdR 20/2003 rev. 2) adopted on 28 April 2003 by its Commission for Sustainable Development (Rapporteur: **Mr Gamallo Aller**, Secretary-General for relations with the EU and external cooperation, Autonomous Community of Galicia) (E/EPP);

adopted the following opinion at its 50th plenary session of 2 and 3 July 2003 (meeting of 2 July).

1. Views of the Committee of the Regions

1. The CoR warmly welcomes the Commission's initiative to devote a communication exclusively to an analysis of aquaculture as part of CFP reform, thereby clearly distinguishing it from the fisheries sector.
2. The CoR urges the Commission to step up funding for aquaculture development at Community level, the effects of which have in general been very positive in terms of both market supply and the sustainable economic development of coastal areas.
3. The CoR believes it is important to clarify that aquaculture is not an alternative to the fisheries sector, but a complement to it. Indeed, this is a particularly worrying statement if aquaculture is intended to provide the main alternative for people who have lost their jobs in the extractive fisheries sector.
4. The Commission rightly states that the market has to be the driving force of aquaculture development. The CoR agrees with the Commission that private investors are the leading force for progress and must ensure economic viability, while the public authorities must ensure that economic viability goes hand in hand with respect for the environment and product quality. Here the CoR calls for a more systematic study of market trends and capacity, and of possible market gluts, and for the findings to be disseminated among the sector's operators.

5. The CoR agrees with the Commission that the fundamental issue is maintaining the competitiveness, productivity and sustainability of the aquaculture sector. The CoR therefore calls on the Commission to establish or strengthen the necessary market mechanisms to enable the sector to compete under equal conditions in a globalised market, in particular by ensuring that all aquaculture products, whether from inside or outside the Community, meet the same guarantees in terms of quality and respect for the environment.

The challenges

6. The Commission considers that the main challenge must be to encourage the economic viability of Community aquaculture. The CoR shares this view and believes that priority must be given to economically sustainable aquaculture development offering high-quality products and environmental protection guarantees.
7. The Commission argues that various forms of "environment friendly" aquaculture (whether marine or continental aquaculture) need additional support and specific labelling relating to the area of origin or the feeding regime.

The CoR therefore calls on the Commission to boost the financial resources allocated to the planned development of extensive, ecological and environment-friendly aquaculture, and to establish the necessary measures to introduce certification and ecological labelling at Community level. The CoR therefore believes it is necessary to introduce firm support for extensive aquaculture, with no other limitations than those of the market, as there is solid evidence of its positive impact.

8. The CoR welcomes the Commission's initiative to step up research into alternative protein sources to replace fish oils and fishmeal in aquaculture feeds, to prevent bottlenecks during the future development of the sector. It also considers that analyses should be conducted in order to verify the presence of certain substances (e.g. Omega 3) in the composition of future alternative feed sources for aquaculture products.
9. The Commission believes that the challenge of developing offshore cage technology will give new impetus to Community aquaculture development. The CoR calls on the Commission to provide the necessary financial resources in the form of start-up and research funding to facilitate such development, within a framework of integrated coastal zone management.
10. The CoR calls on the Commission to present a report on the case for setting up a separate common market organisation (CMO) for aquaculture products before publishing new regulations on aquaculture.
11. The CoR also urges the Commission to consider dividing the current Advisory Committee on Fisheries and Aquaculture into two - an Advisory

Committee on Fisheries and an Advisory Committee on Aquaculture - as the two sectors face very different issues and only really share the market. The fact that these two areas are separate at advisory level in the Member States is a powerful argument used by the sector in this context.

12. The CoR agrees with the Commission that public support through the FIG has proven to be insufficient, as costs are still too high for the "poor" aquaculture subsectors and it is almost impossible, for example, to finance trans-national campaigns to promote aquaculture.
13. The CoR believes it is essential to safeguard food safety and support the tightening-up and harmonisation of checks in all Member States, inter alia by means of checks by Community bodies. It therefore welcomes the Commission's intention to update Community legislation and take the necessary measures to ensure product quality and prevent the kind of crises that have affected other food sectors.
14. The Commission considers it evident that the Community's aquaculture development strategy must be consistent with sustainable development strategies. The CoR welcomes this approach and stresses the need to step up R&D programme funding at Community level in the area of integrated coastal zone management, in particular environmental protection.

The CoR believes it would be a good idea to adopt an aid strategy that requires the highest quality and environmental protection standards and that can therefore be co-financed by specific funding under the FIG and Community R&D programmes. Community aid should ease the burden of setting up new companies and help these new companies compete with imported aquaculture products.

15. The CoR believes that priority must be given to competitiveness so that Community products can compete in the emerging aquaculture market, not only in terms of price and quality, but also by offering environmental protection guarantees that are financially supported by the relevant FIG funding, and by clearly indicating the product's origin (Community or otherwise) at all stages of processing.
16. The CoR believes it is particularly important for funding to reflect the positive assessment of extensive aquaculture and the "ecological" re-stocking of species. Similar attention should be paid to the "ecological" re-stocking of indigenous species in rivers and lakes, inter alia in the context of wider rural development and rural tourism programmes.
17. The CoR calls on the Commission to make a clear commitment by authorising the relevant budget lines so as to meet R&D investment needs, in particular regarding the development of new species, and also encompass research in areas, such as pharmaceuticals, that are not addressed by private initiative owing to the initial limitations of the market and the sector.

Objectives

18. The CoR does not entirely agree with the Commission's approach concerning the objectives of Community aquaculture. The CoR believes that priority must be given to achieving the sustainable development of the sector. While the economic dimension of sustainability is mainly the concern of the private sector, responsibility for the environmental dimension of sustainability must be shared with the Community authorities. The CoR believes the latter could play a key role regarding the competitiveness of Community products by promoting instruments such as certification, and quality and environmental labelling.
19. While the CoR endorses the Commission's objective of creating long-term secure employment, in particular in fisheries-dependent areas, it does not believe it is wise to see Community aquaculture development as a way of remedying some of the negative consequences of the crisis in the fishing industry. Stepping up efforts to ensure natural, sustainable supplies of our wild fish species is, of course, a top priority. Aquaculture cannot compensate for a collapse of the fishing industry, whether in terms of food production or employment.

However, the CoR calls on the Commission to present specific Community-funded initiatives that promote R&D in aquaculture, the setting-up of new companies, the farming of new species and integrated coastal zone management and, above all, that properly develop market aspects, a key issue for Community aquaculture development. The harmonious development of Community aquaculture - while not claiming to be the solution to the crisis in the extractive fishing industry - will have a considerable impact on the economy in Community coastal areas, in particular by regenerating fisheries-dependent areas that are affected by this crisis.

20. The CoR also stresses that aquaculture should be eligible for assistance under the Regulation on support for rural development from the EAGGF, as it is clear that aquaculture installations can help maintain populations, in particular in the Community's outermost areas and in the Objective 1 areas of structural policy.
21. The CoR calls on the Commission to consider the case for setting up a CMO for aquaculture products as a framework for meeting the challenges facing it in the markets - in particular, with regard to the setting-up of producers' organisations and the need for instruments for regulating the market. Such instruments would be designed to act as safety mechanisms in the event of severe temporary imbalances caused, for example, by large-scale imports through illegal market practices such as dumping.
22. The CoR endorses the Commission's objectives for food quality and safety, and compliance with environmental legislation by the sector. However, it calls on the Commission to make the corresponding commitments, taking as a starting point the fact that it bears the main responsibility for ensuring safety and compliance with Community legislation, and for introducing the relevant checks. The CoR therefore believes it is essential to draw up major incentives

in terms of co-funding and support for compliance with food quality and environmental legislation.

2. Recommendations of the Committee of the Regions

1. The Commission's proposed general action of increasing production is not very fitting as the various Community aquaculture subsectors and products face different cyclical and structural situations and in some cases do not require measures intended to increase production, as subsequently argued by the Commission itself. The CoR therefore proposes that the Commission establish measures that encourage the competitive development of Community aquaculture and meet the growing demand for aquaculture products – owing, inter alia, to stagnation in the supply of caught fish – in a market that has a serious deficit in Community products.
2. At all events, the CoR calls on the Commission to make a financial commitment that is consistent with the challenges facing Community aquaculture. The objectives established must be accompanied by the corresponding public co-funding, primarily in the area of monitoring, training, and research and development of farming technologies, in particular clean technologies.
3. The Commission's priorities in terms of new species, alternative protein sources for fish feed and the promotion of ecologically beneficial aquaculture must be properly reflected in actions co-funded by the Structural Funds and Community R&D programmes. Likewise, consideration must be given to support for processing and marketing - in particular certification and designations of origin - so that funding is, at the very least, proportional to aid received by the Community agriculture sector.
4. The CoR considers that FIG structural funding for aquaculture development should be clearly distinguished. In particular, the unhindered development of extensive aquaculture should be encouraged.
5. The CoR calls on the Commission to provide the Community aquaculture sector with an economic crisis mechanism to enable it to overcome natural disasters (such as red tides and toxic algal blooms) and man-made disasters (such as oil spills).
6. The CoR fully supports the measures proposed by the Commission to ease the space restrictions affecting aquaculture. This activity must play a key role in the integrated management of Community coastal areas.
7. The CoR calls on the Commission to analyse in greater depth those aspects relating to the marketing of aquaculture products. It therefore asks it to present a report on the case for regulating specific aspects by means of a common market organisation for aquaculture products, and an assessment of the advisability of setting up such a CMO, before approving new regulations in this area.

At all events, the CoR believes there is a need for price regulation measures, market intervention mechanisms in the event of serious imbalances, and incentives and instruments to regulate supply and encourage members of the sector to join producers' organisations. The CoR also believes it is important for the Commission to introduce new rules for the recognition of producers' organisations that are adjusted to the aquaculture sector, and that ensure that all sizes of producer firms are properly represented.

8. The Communication's chapter on training is limited to a brief introduction of the subject. The CoR considers training to be a particularly important element for aquaculture development and therefore calls on the Commission, in coordination with the Member States, to present a summary of the basic needs of Community aquaculture in the area of vocational, university and ongoing training, accompanied by proposals to improve, adapt and help finance such training at Community level. The CoR also asks the Commission to include this chapter in the budget lines eligible for EAGGF funding for rural and coastal development.
9. The CoR asks the Commission to set up a separate Advisory Committee on Aquaculture. In this context, the CoR urges the Commission to analyse the impact of enlargement on the functioning of the Advisory Committee. It also calls on the Commission to simplify and update legislation governing aquaculture.
10. The chapters on public health and animal health lack specific proposals, in particular for certification and labelling schemes. The CoR calls on the Commission to conduct an epidemiological study at Community level and to assess the impact on Community aquaculture production of declaring whether areas are free or not from given diseases.

The CoR calls for financial resources to be made available for R&D to help prevent further crises like those relating to excessive levels of dioxin, as well as for the detection of harmful substances, the replacement of antibiotics by vaccines, and research into red tides and harmful algal blooms. Funding should therefore be provided for research programmes to ensure the sustainable development of both continental and marine aquaculture.

11. The CoR welcomes the Commission's concern to improve the public image of intensive aquaculture, in particular concerning animal welfare. Accordingly, the CoR welcomes the Commission's legislative initiatives on the protection of farmed fish, with the proviso that these must include actions and support to help bring fish farms into line without causing serious economic problems for their owners.
12. The CoR supports the Commission's decision to study interactions between aquaculture and the environment, and the environmental measures and actions proposed. The CoR highlights the Commission's invitation to the Member States to recognise the positive role of extensive fish farming. The CoR also calls on the Commission to introduce Community funding to promote the restocking of species from local broodstock at Community level.

13. The CoR urges the Commission to make the financial commitment needed to meet the proposed objectives. In this connection, it welcomes the increase in research funding for companies and calls on the Commission to ensure that the considerable R&D needs of aquaculture are properly specified in future Community Framework Programmes, in particular with regard to the development of new species and new technologies.
14. The CoR calls for an increase in FIFG funding to promote the consumption of Community aquaculture products and, in particular, for an information campaign to be launched to answer any questions or doubts that consumers may have concerning the quality, safety and compliance with environmental legislation of EU aquaculture products. A specific designation and labelling should also be introduced so as to distinguish Community products.
15. The CoR warmly welcomes the Commission's explicit intention to play a decisive role in the economically and environmentally sustainable development of Community aquaculture, respecting the strictest environmental and quality standards. To this end, the CoR thinks that schemes for recovering and exploiting aquaculture-related energy (e.g. from falling water, biogas or heat) should be supported both financially and by simplifying the relevant administrative procedures.
16. By the same token the CoR asks the Commission to submit, with the legislative measures it adopts, the corresponding budgetary allocations for boosting the development of a strategic subsector which has an enormous potential positive impact on the Community's coastal regions, and which is the subject of a common policy. The CoR thinks that the expectations which the communication has raised in the Community aquaculture sector must not be disappointed, bearing in mind the important role which the sector is called on to play in the integrated planning of the Community's coastal regions and in the supply of fishery products of which the Community has a serious deficit.
17. The CoR asks the Commission to adapt the current market measures to the aquaculture sector. Before adopting new measures in the sector, it asks the Commission to submit an assessment of the case for establishing a common market organisation for aquaculture products, with the specific aim of guaranteeing these products a safety net in the event of serious market imbalance. The fact that some of the sector's products also appear in Annex V of the basic market regulation (Council Regulation (EC) No. 104/2000) denies them access to certain safeguard measures enjoyed by other fisheries products. At all events, the CoR considers that the current potential and the future development of Community aquaculture amply justify such measures and the corresponding budgetary allocations, as occurs with other less socio-economically important products (e.g. tobacco) which have their own common market organisation.
18. Lastly, the CoR asks the Commission to exercise the requisite competences regarding the aquaculture sector by providing the budgetary measures needed to meet the Community-level challenges mentioned in the communication. In particular, the Commission should undertake to:

- provide financial support for the development of Community aquaculture, without eating into the budget allocated to the fisheries sector;
- give a decisive boost to the development of extensive aquaculture;
- co-finance development of the cultivation of new species, with new funds;
- use the Community budget to support the modernisation of installations, the development of clean technologies, and adjustments to meet the highest environmental and safety standards;
- provide financial incentives for the processing, marketing, certification and labelling of Community aquaculture products;
- promote Community aquaculture products by establishing and developing the certification instruments most appropriate for each case, and financing promotional campaigns at Community level;
- step up controls on imported aquaculture products and establish the requisite safeguard instruments in cases where there is a risk of severe disruption of the market in Community products;
- include, when the time comes, a priority heading within the Community's R&D framework programme to meet research demands in the aquaculture sector;
- step up the integrated management of the Community's coastal areas;
- co-finance the adaptation and improvement of training in aquaculture.

Brussels, 2 July 2003

The President

of the

Committee of the Regions

The Secretary-General

of the

Committee of the Regions

Albert Bore

Vincenzo Falcone

¹ OJ C 107 of 3.5.2002, p.44

² OJ C 374 of 23.12.1999, p.71

³ OJ C 128 of 29.5.2003, p.6

CdR 20/2003 fin EN-ES/CAT/ht .../...

CdR 20/2003 fin EN-ES/CAT/ht