

# WORKSHOP ON BLUE GROWTH: SUSTAINABLE DEVELOPMENT OF THE FISHERY & AQUACULTURE SECTOR (SUCCESS H2020)



Santander, 7 - 8 September 2017.

## BLUE GROWTH

*"Blue Growth is the long term strategy to support sustainable growth in the marine and maritime sectors as a whole. Seas and oceans are drivers for the European economy and have great potential for innovation and growth. It is the maritime contribution to achieving the goals of the Europe 2020 strategy for smart, sustainable and inclusive growth.." – (European Commission)*



Brochure and materials delivered to attendees.

## WORKING GROUP

Representatives of institutions highly involved in Blue Growth, such as Ministerio de Agricultura y Pesca, Alimentación y Medio Ambiente (MAPAMA), Oceanic Platform of the Canary Islands (PLOCAN), Coastal Ocean Observing and Forecasting System (SOCIB), IDES-UC, National Association of Sea and Fish Canned Food Producers (ANFACO-CECOPECA), Xunta de Galicia, MSC, Grupo Consorcio, Thünen Institut, EU- DG MARE, AND International, Cantabria Confederation of Cofradías and Office of Food Quality of Cantabria (ODECA) attended the event. The conferences, discussion panels, and the continuous dialogue between the attendants have given rise to remarkable conclusions that will be highlighted through this brief communication.

### ✓ Policies for Blue Growth strategy

- The Blue Growth strategy can boost the growth of the European fishery and aquaculture sector and ensure its sustainability. This requires incorporating and improving information on the marine environment and enhancing marine research and knowledge.

- The Blue Growth strategy entails a major policy integration effort, so far dispersed, which will lead to a better understanding of the impact that these policies can have on a geographical area, as well as to produce positive synergies between different agents and improve the capacity to generate ideas.



Jose Luis González Serrano. General Director of Fisheries Management (MAPAMA)

### ✓ Knowledge spaces in the Blue Growth

- To contribute to the Blue Growth it is necessary to use tools for the economic development of the fishing and aquaculture sector in Europe. Some of these tools are: innovation and technological development through multisector projects, strategic innovation and technological development plans, fisheries diversification, production and marketing plans of producer organizations, strategic aquaculture plans, green economy, and the operational program of the Spanish Federation of Municipalities and Provinces (FEMP).

It is important to keep in mind that sustainable strategies must be equipped with management and monitoring mechanisms, which are simple, agile, and effective.

• **Q: Are there projects based on Blue Growth in progress?**



Discussion panel. Generation of knowledge spaces. Carlos Botana, Octavio Llinás, Joaquín Tintoré, Igor de la Casa.

The tool that can best be adapted to these aims are through knowledge spaces around Blue Growth as it is developing the Vigo Port Authority. These spaces are materialized through centers of excellence of the Blue Growth. Carlos Botana Lagarón, representing the Port of Vigo, explained the work developed in this regard by the institution, which is seeking to be a reference model of Blue Growth at European level, promoting competitiveness, efficiency and sustainability in all its activities, facilities and services in the 2020 horizon. The Port of Vigo benefits from an ecosystem of knowledge formed by academic institutions, research institutions and technology centers. An example of the creation of knowledge spaces within the Blue Growth initiative of the Port of Vigo is the launching of the project "Blue careers" which aims to update and promote the qualification of professionals in the port sector and their adaptability to the market in order to maintain employability and to improve their professional progression.

✓ **New technologies applied to the fishing activities funding**

An important factor for the Blue strategy and the promotion of the sustainability of the European fisheries and aquaculture sector is to facilitate a better access to financing. Providing adequate information to intermediaries and financial analysts would make it possible to create a benchmarking index for fishery and aquaculture products.

*"A price index of fishery and aquaculture products would enable financial agents to hedge risks in the sector by creating a market for derivatives and/or future contracts; and to create a ship valuation system, which would allow and objective quantification of ship severance indemnities or an economic assessment of fishing opportunities and TACs". – Ladislao Luna (IDES-UC)*



Ladislao Luna (IDES UC).

✓ **The impact of certifications and quality labels**

Organizations can request several ecolabels and quality certifications. Ecolabels are a way to guarantee the sustainability of fishery resources.



Conference about eco-labeling of fishery and aquaculture products. Carola González – EU DG MARE



José Luis Fernández – IDES UC- during Q&A

✓ **Why are fishery products certified?**

- To improve the image of the company.
- In response to market pressures (distributors and/or consumers)

✓ **Which are the barriers that companies find to certify their products?**

- According to the companies of the sector, the biggest problem is related to administrative procedures and paperwork, as well as the costs derived from the certification. Smaller companies include the lack of information. However, certification costs may be acceptable to small producers when they are grouped or associated, for example, in the case of Asturian octopus producers to obtain the label MSC.



Packaging examples of products with ecolabels.

✓ **Which is the consumer's perception of quality certifications and ecolabels?**

- European consumers, especially Germans and Italians, are willing to pay a premium price for fishery and aquaculture products with certain attributes related to sustainability of resources.
- In Europe, there is a strong growth in the demand for organic aquaculture products in the period 2012-2016, with an increase of 73%. This growth is led by the UK with sales last year of more than 20,000 tons and an annual growth of 43%. It is followed by countries such as Germany (sales of 14,000 tons and 8% annual growth) and France (sales of almost 5,000 tons and 18% annual growth).
- European consumers of fishery and aquaculture products show greater preference for domestic or local products compared to products from other countries. In Germany, consumers are willing to pay more for local organic aquaculture products, or products from companies that care about animal welfare

✓ **How do product certifications affect sales and margins?**

- There is a slightly positive perception of companies regarding product certifications. This perception is higher when dealing with increasing revenues or sales than when dealing with margins. Larger companies have a more positive perception than small companies.

✓ **Perspectives for organic aquaculture**

The conclusions drawn from the expert discussion during the workshop on this topic are highlighted below.

- Organic aquaculture has gained importance in certain species (salmon, seabream, seabass and trout) and countries (Ireland and Denmark), while in others there is a potential market (organic mussel farming).
- A strong increase in European production and demand is expected in the coming years.
- Producers' dissatisfaction with the economic performance of organic aquaculture is latent, since it cannot be taken for granted (false expectations).
- There is some reluctance of retailers over organic products as it is not well differentiated from other products.
- There is confusion among consumers with different product certifications (ecological, organic, sustainable, bio...)

✓ **Restrictions that limit the development of the market of organic production**

- The higher price paid for these products is an important factor that makes this market still a niche market.
- Limited supply or availability of these products.
- Competition among products with ecolabel or sustainable certification and organic products.



Conference: Organic aquaculture in Europe. Implementation, economic impact and acceptance of the value chain. Dominique Aviat (AND International).



Conference: European consumer perception of fishery and aquaculture products on ecolabelling. Katrin Zander (Thünen Institut).



Discussion panel. Sustainability of fishery and aquaculture products: problems, policies and the impact on the sector. Laura Rodriguez (MSC), Antonio Rodriguez (Xunta Galicia), Rosana Varela (ANFACO CECOPESEA), Eduardo Sanfilippo (Grupo Consorcio), Jose Luis Fernández (IDES UC).

## ✓ Recommendations to promote the development of organic aquaculture

- Promote a significant increase in the level of production of organic farms in order to obtain economies of scale and reduce production and distribution costs.
- Focus production on a few species (salmon, trout and seabass/seabream).
- Strengthen the identity, credibility and readability of organic labels to differentiate themselves from ecolabels.
- Ensure that producers of organic aquaculture, as well as regulatory authorities in each country, have optimal access to regulatory information and European funds to prevent a lack of knowledge from hindering the potential growth of this type of production.
- Inform organic farmers of the actual costs of organic production, especially the costs of certification, which are perceived by the sector as very high when they are not.

## ✓ Social responsibility of the Spanish canning sector.

Spain is the EU's main producer of canned seafood and the second largest in the world after Thailand. It is a consolidated sector, with a sustained growth. It has a significant weight in the social and socio-economic dimension of large areas of the Spanish coast. The seafood canning industry stands out for its tradition, experience and know-how. This sector provides a modern technology that bets on R&D&I, and follows a strategy of differentiation and specialization as a development strategy. However, the maturity of the market acts as a barrier in the implementation of these innovation in the sector.

The sector is strongly committed to sustainability, quality and food safety, as well as other principles of corporate governance. The long-term conservation of fishery resources is key to the future of the sector, thus it is firmly committed to sustainability in order to ensure the supply of resources in a responsible and sustainable way by complying with rules, laws, or regulations and improving scientific knowledge. The sector is also committed to Human Rights and labor rights, strictly respecting the regulatory framework.



*Conference: Social responsibility in the value chain of fishery and aquaculture products: initiatives, challenges and socioeconomic impact. Rosana Varela (ANFACO-CECOPESCA).*

*Discussion panel. Strategies for the sustainable development of the fishing sector in Cantabria. Fernando Mier Lobato (ODECA), Miguel Fernández (Presidente de la federación de Cofradías de Pescadores de Cantabria), y Ladislao Luna (IDES UC).*



Some of the measures to be adopted by associations of processors to promote technological innovation have been the following: optimization of the exploitation of fish for a better use, development of new products, identification of new products / species with commercial interest, extraction of high added-value compounds for use in the pharmaceutical industry, cosmetics and food industry, design of new packaging and improved food shelf life.

In addition, new markets have also been accessed through the development of new products made with emerging species (corvine, halibut, perch, etc.) and new heat treatment systems applicable to the food industry, based on induction technology, have been developed to reduce greenhouse gas emissions and energy consumption.

## ✓ Proposal regarding environmental and socioeconomic sustainability in the European fishery and canning industry.



- An observatory for traceability from different associations in the sector, with the aim of promoting the defense of fair competition in the EU market, allowing to promote monitoring and compliance of illegal fishing regulation (IUU).
- Competing on a level playing field on the EU market for canned tuna.
- International cooperation programs to improve the training of national authorities and local communities with a gender approach and a resources sustainability approach.

## ✓ Recommendations for implementing CSR in the value chain

### ✓ ENVIRONMENTAL issues

- Development of a code of conduct or supplier code, establishing minimum standards that must be fulfilled by the suppliers.
- Choose suppliers with CSR-related certifications.
- Comply with existing codes of conduct.
- Measures to be taken in product processing: reduce water consumption, reduce fish consumption, optimize waste generation, reduce energy consumption, and improve design of packaging.
- Encourage citizen cooperation with the environment (recycling)

### ✓ SOCIOECONOMIC issues

- Promote healthy behavior in the consumer
- Take part in sectorial promotional campaigns that reach the final consumer
- Use labelling to raise awareness about responsible consumption
- Provide the consumer with information about the product and the food (about sustainability or production techniques)
- Disclose a sustainability report

## MAIN CONCLUSIONS ON BLUE GROWTH

- The Blue Growth strategy can boost the growth of the European fisheries and aquaculture sector and ensure its sustainability.
- Most effective tools for improving competitiveness, efficiency and sustainability of activities in fisheries and aquaculture sector are technological innovation, differentiation strategies based on development of new products and processes and the generation of shared knowledge spaces for stakeholders and the sector.
- Information systems can become a driver of Blue Growth strategy in the fisheries and sustainability sector. These information systems can be used to create a benchmark price index for risk management and/or control of costs of production.
- Ecolabels and quality certifications give a good image to the product, but they entail costs that are not compensated with their impact on sales. However, this situation may improve due to the increasing demand of responsible products in Europe.
- Spanish seafood canning sector is a modern sector that focuses on the conservation of fishery resources and technology. However, maturity of this industry is a barrier to the implementation of innovations in this sector.



Aula Bringas. Palacio de la Magdalena.

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