Draft Terms of Reference for STECF EWG-22-13

Environmental aspects of aquaculture products: criteria and indicators

Background and general objectives

In the context of the Farm to Fork Strategy, the Commission is assessing a potential revision of the existing EU marketing standards for fishery and aquaculture products (FAP). In the context of possible incorporation of a sustainability element in a new standard, the STECF EWG 20-05 was tasked to assess the existing sustainability criteria and indicators for fisheries and aquaculture products in the EU, independently of their origin (domestic and imports).

The work of the STECF resulted in a report STECF-20-05 on *Criteria and indicators to incorporate sustainability aspects for seafood products in the marketing standards under the Common Market Organisation* that provided an analysis of sustainability aspects that could be addressed through marketing standards and proposed a methodology for measuring and communicating these sustainability aspects along the supply chain. STECF noted that the report provided a sound basis for the further development of policy options to include sustainability criteria in the marketing standards for fishery and aquaculture products, while acknowledging that substantial work is still needed to develop a fully operational system. The STECF suggested to develop a scoring system step by step, starting with a System 1 for products for which more limited data is available based on simple indicators (e.g. in the case of aquaculture, information on species, type of production system and country of origin), while products benefiting from key additional data (mostly at farm level) may allow for a more reliable assessment of sustainability criteria under a System 2.

The assessment of environmental sustainability criteria can rely in addition on relevant information available on the governance and regulatory requirements for aquaculture activities in the country of origin of the product. There are some references in the STECF report to this, for example in relation to the requirement of an environmental impact assessment, the application of an area-based management approach, or the existence of a waste disposal system in the country of origin.

The consideration of governance and regulatory requirements is important, to allow differentiating already between products according to whether their country of origin has in place requirements for aquaculture activities that mitigate the risk of impacts for a given type of production or not. This information is relevant since it informs about conditions related to sustainability of aquaculture products, without requiring information at farm level, which is more difficult to obtain. Although an assessment of sustainability based on data at farm level would allow for a more accurate score, this involves a major challenge – data verification (most of the input parameters needed for the criteria identified in the STECF report are currently not available in the traceability information, so they rely on self-assessments by operators). This is why at this stage the Commission suggests that the STECF EWG focuses further work on information that can be more easily available, such as the one that can be provided by the country of origin of the product.

Given the relevance of the application of regulations in place that minimize and mitigate such risks in the country of origin, further work should be done on this aspect. This would require defining more in detail the type of governance and regulatory framework that is efficient in minimizing and mitigating risks, taking into consideration the existing FAO recommendations and technical guidelines on management of aquaculture.

Another important aspect of sustainability to consider in relation to aquaculture is the welfare of farmed animals. This is an element that is of increasing concern to citizens and consumers. Therefore, it would be necessary to introduce this sustainability angle to have a more complete assessment of sustainability of aquaculture products.

Such work will be relevant not only as part of the work necessary for a future sustainability scoring system, but it will also contribute to the to the implementation of the Strategic Guidelines for a more sustainable and competitive EU aquaculture for the period 2021-2030¹ adopted by the Commission in May 2021. As part of this implementation, the Commission will develop a guidance document on environmental performance in the aquaculture sector that will, among others, include the identification of environmental indicators and voluntary targets for environmental performance and the mapping of good practices relevant for environmental performance. The Commission is planning to adopt this document in 2023. A detailed definition of the different governance and regulatory aspects necessary to manage the risks of aquaculture activities will contribute to the development of this guidance document which, though not legally binding, can become a reference for EU aquaculture and contribute to the objective of increasing its environmental sustainability.

Future work as part of the implementation of the Strategic Guidelines will also include the identification and definition of common environmental indicators for reporting by Member States, which would be encouraged to commit to report such data to national authorities on voluntary basis. The Commission will also, as part of the implementation of the Strategic Guidelines on EU aquaculture, support the development of a code of good practices on the welfare of farmed aquatic animals, as well as fish-welfare indicators throughout the production chain.

It is also worth noting that the work of the STECF EWG would also be relevant to the work under the future Sustainable Food Systems legislative Framework envisaged in the Farm to Fork Strategy. Such framework should also apply to aquaculture products as part of the food system.

Objectives

Objectives of the EWG will be to:

- continue the development of the environmental sustainability assessment for aquaculture products by: (1) establishing a more detailed and comprehensive classification of the aquaculture production system types (including the intermediate forms of production systems not covered by the report, which represent a combination of aquaculture and fisheries operations), and (2) defining good governance and regulatory practices to mitigate risks for each production type. These good practices should be based on the relevant FAO recommendations and technical guidelines on the sustainable management of aquaculture

¹ Strategic Guidelines 2021-2030

- activities. This will be the basis for consideration of not only the characteristics of each production method, but also the existence in the country of origin of legislative or other measures regarding the management of the potential risks of each production method;
- introduce animal welfare criteria in the sustainability assessment: the evaluation of the criteria will take into consideration the existence in the country of origin of legislative measures or other type of measures addressing fish welfare aspects throughout the production chain, including transport and slaughtering. To the extent such indicators exist (e.g. EFSA opinions or other relevant documents defining such indicators), indicators could be species-specific.

Tasks:

<u>Task 1: develop a globally usable categorization of production system types according to the EU DCF and EUMAP classification systems</u>

The STECF-20-05 report gives particular attention to the production system type for the analysis of sustainability of aquaculture products. It suggests that information on the production system type should be considered as mandatory, including for imported aquaculture products. The Commission acknowledges that this information provides an important dimension when assessing the sustainability of aquaculture products, but it is not known if and when this information would become mandatory (along with the species and country of production which are currently mandatory). Nevertheless, with a view of having that as a policy option in the future, given the current discussion about the revision of the marketing standards as well as horizontal legislation on sustainable food systems, the Commission finds the work done so far important and would like to have such categorization developed. Intermediate forms of production systems, which represent a combination of aquaculture and fisheries operations, should be included as well, since they were not covered by the previous report.

<u>Task 2: define animal welfare criteria and indicators</u> to complement environmental criteria and indicators already defined.

Task 3: define the good practices in terms of governance and regulatory requirements to mitigate risks for each production type and criteria

Defining good practices in terms of governance and regulatory requirements to mitigate the different types of risks of aquaculture activities can complement the assessment of sustainability that is based on species and production system on the basis of easily available information per country of origin. These good practices should be based on the relevant FAO recommendations and technical guidelines on the sustainable management of aquaculture activities.

Task 4: Integrate the elements defined in Tasks 1 to 3 into a scoring system based on information on species, production system type and country of origin.