



Recommendations for the inclusion of indicators of economic sustainability in the STECF's *The EU aquaculture sector report*

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Introduction

The Farm to Fork Strategy foresees the development of a legislative framework for sustainable food systems aimed at facilitating and accelerating the transition towards a sustainable EU food system.¹

The Joint Research Centre's *Concepts for a sustainable EU food system* report notes that a practical assessment framework is essential for any policy intended to achieve sustainability and that this calls for indicators of and corresponding thresholds for sustainability. The report further notes that clear targets for sustainability indicators are essential for monitoring progress towards sustainability.²

The Scientific, Technical and Economic Committee for Fisheries (STECF)'s report on criteria for and indicators of sustainability for seafood products proposes environmental and social indicators of sustainability but notes that economic issues are comparatively less addressed.³

Following the above-mentioned STECF report, the Market Advisory Council (MAC) provided advice on incorporating sustainability aspects into the marketing standards framework,⁴ which, considering economic criteria, called on the European Commission to assess:

- the relevance of and appropriate criteria and data requirements for establishing economic criteria for fisheries and aquaculture; and
- the potential negative trade-offs of using short-term economic criteria vs longer-term environmental and social criteria by considering the best available science on the matter.

The *Study on state-of-the-art scientific information on the impacts of aquaculture activities in Europe* concludes that the scientific literature rarely addresses the economic impacts of aquaculture.⁵

The biannual STECF economic report on the EU aquaculture sector includes five economic performance indicators (Gross Value Added (GVA), Return on Investment (ROI), Earnings before interest and taxes (EBIT), labour productivity and capital productivity) but does not discuss them in the context of economic sustainability.⁶ Thus, the report does not provide clear conclusions on the status of the sector's economic sustainability.

¹ European Commission, 'A Farm to Fork Strategy for a fair, healthy and environmentally-friendly food system', COM(2020) 381 final: https://eur-lex.europa.eu/resource.html?uri=cellar:ea09f73-9ab2-11ea-9d2d-01aa75ed71a1.0001.02/DOC_1&format=PDF.

² Joint Research Centre, Bock, A., Bontoux, L. and Rudkin, J., *Concepts for a sustainable EU food system*, 2022: <https://publications.jrc.ec.europa.eu/repository/handle/JRC126575>

³ STECF, *Criteria and indicators to incorporate sustainability aspects for seafood products in the marketing standards under the Common Market Organisation* (STECF-20-05), 2021: <https://ar.chimer.ifremer.fr/doc/00694/80610/83857.pdf>

⁴ MAC, *Incorporation of sustainability aspects in the marketing standards framework*, 15 October 2021. <https://marketac.eu/marketing-standards-sustainability/>.

⁵ European Climate, Infrastructure and Environment Executive Agency (European Commission), MRAG, Wageningen Marine Research; Poelman, Marnix et al., *Study on state-of-the-art scientific information on the impacts of aquaculture activities in Europe*, 2021.

⁶ STECF, *Economic report on the EU aquaculture* (STECF 22-17), 2023: <https://publications.jrc.ec.europa.eu/repository/handle/JRC132648>.

Opinion

The AAC and MAC agree with the Joint Research Centre that sustainability indicators with clear targets/thresholds are essential for monitoring progress towards sustainability.

The AAC and MAC believe that the EU's new multiannual plan for data collection⁷ will contribute to strengthening economic data coverage and quality,⁸ as data collection now includes freshwater aquaculture.

The AAC and MAC believe that indicators of economic sustainability are imperative for establishing a practical assessment framework for the economic sustainability of aquaculture.

The AAC and MAC believe that in the context of the potential EU sustainability label in the upcoming legislative proposal for a sustainable food system framework,⁹ the pillars of sustainability must be considered.

Recommendations

The Commission is advised to include in the next STECF terms of reference for the next economic reports on aquaculture a special chapter on economic sustainability. This chapter should propose indicators of economic sustainability and the corresponding thresholds/targets and should include examples of sustainability calculations. The indicators should be applicable at both the farm and sector levels. The AAC and MAC suggest ROI, EBIT, labour productivity and capital productivity as examples of valid and reliable indicators of economic sustainability.

⁷European Commission Delegated Decision (EU) 2021/1167: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32021D1167>

⁸ On previous occasions, the MAC provided advice on the improvement of data collection and the STECF economic reports—for example, MAC, *Data collection by the Scientific, Technical and Economic Committee for Fisheries (STECF)*, 2020: <https://marketac.eu/data-collection-by-stecf/>.

⁹ For the MAC's detailed view on the upcoming proposal for a sustainable food system framework, please see MAC, *Sustainable food system – setting up an EU framework*, 2022: <https://marketac.eu/sustainable-food-system-setting-up-an-eu-framework/>.



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