Aquaculture and Fisheries: Shared Threats and Shared Opportunities

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Bivalves with Benefits

- Sustainable seafood
- Green jobs
- Nutritious & delicious
- Cultural icon
- Ecosystem services to boot!
  - Remove nutrients - Stabilize sediments
  - Provide habitat - Reduce turbidity
Fish Supply

Assumes:
- Aquaculture follows recent trend
- Capture fisheries remain stationary
  - 211 million tons fish in 2030

Is the supply enough to feed future population?

<table>
<thead>
<tr>
<th>Fish supply (mt)</th>
<th>2010 (baseline)</th>
<th>2030 (projection)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aquaculture</td>
<td>59</td>
<td>123</td>
</tr>
<tr>
<td>Capture fisheries</td>
<td>88</td>
<td>88</td>
</tr>
<tr>
<td><strong>Total supply</strong></td>
<td><strong>147</strong></td>
<td><strong>211</strong></td>
</tr>
<tr>
<td>% of aquaculture:</td>
<td>40</td>
<td>58</td>
</tr>
</tbody>
</table>

Source: FAO FISHSTAT
Roger Bing’s Conclusions

- Predicts a global shortfall of seafood supply on the order of 51 million metric tons in 15 years.
- We import 91% of the seafood we consume in the US.
- This is a food security and job security issue. Prices will go up. US consumers will stop eating healthy seafood and switch to cheaper proteins.
“There is really no difference between fishing and aquaculture – they are just two extremes of a spectrum of seafood extraction techniques.”  Roger Bing
Fishermen and Farmers United by Challenges

- Water quality
- Predators
- Storms
- Disease / parasites
- Sea level rise
- Ocean acidification
- Labor intensive

- Access to commercial dock space
- Regulations
- Cheap imports
- Customers can’t open our products
Fishermen and Farmers
United by Opportunities

- Nutrition trends
- Locavore movement
- Omega-3 fatty acids
- Sustainable seafood movement

- Nutrient credit markets
- Global markets
- Demand projections
- Eco-tourism
Despite Challenges
Optimism Prevails

Fishermen and farmers are optimists by nature

- Opportunities for growth
- Opportunity for innovation
- Opportunity to work on the water, make a living off sustainable, delicious, nutritious shellfish
So what’s new?
Membership

- 220 Grower-members (up 25%)
- 13 Shellfish Dealers (many growers are also shellfish dealers)
- 26 Equipment suppliers
- Restaurant Allies
Industry Snapshot

- ~1500 farms from Maine to Florida
- Primarily small farms with less than 10 employees
- Collectively harvest >$168M
  - 45% clams, 55% oysters
  - Production growing 5-10% / yr
  - Oyster production doubled in 5 yrs
What’s New?

- Launched a new web site
- Hired a lobbyist
- Got new crop insurance in Farm Bill
- Finally got the FDA to Act on EU Trade
- New regulatory hurdles
- Oyster markets tightening
2018 Legislative Priorities

- Jones Act Exemption
- Resolve the EU Trade embargo
- Crop Insurance in the Farm Bill
- Preservation of research funding
EU Trade

EU Trade embargo initiated in 2011

FDA promised limited opening.. in 2016!

Assurances: “moving quickly”

Pending announcement in the Federal Register – WA and MA should be allowed to ship to Europe and Spain and Netherlands would be allowed to send product to the US.

More states should be added “quickly”
Regulations

- Restrictions on dredge harvest
- Protected resources issues with farms
  - Right whales, red knots, eelgrass, sturgeon, sea turtles, essential fish habitat.....
  - Plastic debris...
ISSC

Meets in October in San Diego

Debate changes to the NSSP

Proposals due in May

Industry has input, state regulators have the votes, FDA has veto power

We push back on unworkable rules and we have had success in making rules more palatable.
Interstate Seed Transport

- Decades long effort to rationalize regs.
- Pathogens don’t respect state borders
- You can’t introduce a pathogen that is already established
- Inspections expensive
- Some states have zero tolerance policies
Interstate Seed Transport
Three pronged approach:

1. Hatchery Certification
2. Mapping the distribution of pathogens
   Where are pathogens established vs. where are they rarely or never seen
3. Establishment of an advisory board
   Describe a “decision tree”
   Provide “best available science” to advise state regulators on import decisions
NPDES Discharge Permits

Olympic Forest Coalition files suit in Washington against Pacific Shellfish (Coast Oysters) on the legality of the Clean Water Act NPDES permit exemption.

ECSGA joins Amicus brief

55 hatcheries and remote setting operations in jeopardy.

Working with EPA to establish a workable General Permit
Jones Act

- Merchant Marine Act of 1920
- Deals with cabotage between US ports & requirements for US flagged vessels
- Seamen injured at sea
  - Designed to pick up where state workers compensation leaves off
- Insurance costs up to 3X more
- Lawsuits carry unlimited liability
- Vague definition invites lawsuits
Jones Act

- Bill to exempt aquaculture workers (same exemption as in Longshoremen’s Act)
- Shellfish Aquaculture Improvement Act HR-5061
- Strategy to define “Seaman” more narrowly
Crop Insurance Wins!!!

- NAP (through Farm Service Agency) is cheap – but not great
  - In 2012 Farm Bill added bottom-planted shellfish

- Whole Farm Revenue Program
  - Added Shellfish farms in 2018 Farm Bill
  - USDA Risk Management Agency
  - Listening sessions to lower premiums, reduce record-keeping and make it easier to apply
Growing Pains

- NIMBY wars
  - Floating gear draws fire
Growing Pains - Markets

- Southern states are fixing their regulations and embracing intensive aquaculture.
- Gulf production has been down since the BP spill.
- Gulf growers jumping into intensive oyster production.
- West Coast considering restricting seed supply to maintain prices
Growing Pains - Markets

- New growers dumping product into weak fall markets
- Poor quality product
- Local competition driving down prices
- Lack of commitment to marketing
  - Sell the story
  - Go on the road – avoid local competition
  - Find new customers
Growing Pains – Seed Supply

- Some real and self inflicted
- Demand is seasonal
- Price of larvae doesn’t support cost
- Only buy what you can grow
- Order early, put down a deposit, pay your bills
Communications

• Web site  www.ECSGA.org
• ECSGA LISTSERV & SWAPMEET
• Newsletter – online and paper
• Public outreach and education (fliers, brochures, Vibrio education)
• Point of contact for press questions

• Facebook - ECSGA – become a “fan”
• Twitter - @ShellfishFarmer
• Instagram – @ECSGA
Best Management Practices

- Top industry priority
- Helping growers develop individualized operational manuals
  - Be a good neighbor
  - Don’t make a mess
  - Don’t get people sick
- Develop it into a marketing tool complete with customized brochure
Membership and Budget

- **Strategy to increase membership**
  - Membership increases ~20% each year
  - But we are still missing most of industry

- **New category for Restaurant Allies**

- **Attract sponsorships and advertisers**

- **Our budget limits what we are able to achieve**
What are your priorities?
Meeting at 4:00

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