



# Recommendation on the definition and realities of small-scale aquaculture

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**Index**

Index ..... 2

I. Definition ..... 3

II. Overview of realities ..... 3

III. Recommendations ..... 4

    III.1 Recommendations for the European Commission ..... 4

    III.2 Recommendations for the Member States ..... 5



## **I. Definition**

This recommendation defines small-scale aquaculture as enterprises employing fewer than 10 people and with an annual turnover and/or annual balance sheet total not exceeding EUR 2 million<sup>1</sup>.

In small-scale aquaculture, owners also work on the farms, which are often family businesses.

## **II. Overview of realities**

This recommendation attempts to shed light on the difficulties that small-scale aquaculture primary producers face, reflected in the higher production cost per kilogram of product, but also on how small-scale producers add value in different ways to society.

Aquaculture primary production, independent of company size, delivers value for society, including quality food, taxes, jobs, food security, the smart use of nutrients, recreational options, biological diversity, cultural values and a positive climate impact. On top of this is gastronomical diversity<sup>2</sup>.

It is estimated that EU aquaculture employs 39,000 Full-time equivalent (FTE) (2019 nowcast) working in around 15,000 enterprises, an average of 2.6 FTE per enterprise. More than 80% are micro-enterprises, employing less than 10 employees<sup>3</sup>. When considering the shellfish farms alone, the figure would be closer to 99%. The jobs created by these companies cannot be delocalised, therefore adding great value to the local society.

Aquaculture is a complex activity that involves many elements; some are the same as those faced by other primary producers, and some are specific to aquaculture.

The working hours of an aquatic farmer are spent on several issues, including planning production; tending aquatic animals/plants and their environment; doing maintenance on equipment; protecting the farm from predators; purchasing supplies; preparing products to be sold and the planning, marketing and selling of products. Farmers also need to develop their businesses and spend time acquiring new knowledge.

Farmers need liquidity to buy feed, energy and other supplies and, of course, to undertake financial accountancy.

In addition to the above tasks, there is an administrative workload due to the large body of EU legislation covering this industry, all of which aquaculture producers have to comply with. This includes activities such as the use of space and water, taking care of the health and welfare of animals farmed and ensuring the safety of the products used in the farming process (for example, feed or veterinary treatments) for the environment and human health, as well as time and money being spent on licensing, environmental controls, veterinary inspections and statistics. Usually, the number of administrative tasks is almost the same as for large industrial companies. In many cases, administrative costs are not size dependent.

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<sup>1</sup> This definition is in line with the definition of a microenterprise in the Commission Recommendation (2003/361/EC).

<sup>2</sup> Rebecca E. Short et al., "Harnessing the diversity of small-scale actors is key to the future of aquatic food systems", *Nature Food*, September 2021, <https://doi.org/10.1038/s43016-021-00363-0>

<sup>3</sup> Scientific, Technical and Economic Committee for Fisheries (STECF) – The EU Aquaculture Sector – Economic report 2020 (STECF-20-12), EUR 28359 EN, Publications Office of the European Union, Luxembourg, 2021, ISBN 978-92-76-36192-3, doi:10.2760/441510, JRC124931



The EU-related administrative workload – typically increased at national or regional levels – would represent an equal burden for all producers competing in the market if the playing field were levelled so that all products complied with comparable legislation with high traceability.

The smaller the workforce, the greater the number of activities that have to be managed by the same person. Many small-scale producers are ‘all-rounders’. Their work should be more acknowledged and disseminated more widely, as this is a hidden source of competence that could be better used to support increased sustainable aquaculture in the EU.

Small-scale producers have difficulties assimilating the knowledge developed by EU-funded research that addresses issues for all scales and types of aquaculture. This is due to a lack of time, language issues and the use of specialised researcher vocabulary.

For funding opportunities, small-scale farmers often find it too difficult to apply and do not have the time to do so.

We need both large- and small-scale producers. Large-scale production offers many benefits of scale and can deliver food at a much-needed lower market price. Small-scale production delivers food at a higher price can be viewed as generating more jobs per kilogram of product produced. In the case of fin fish, it can be viewed as generating more jobs per kilogram of feed used. Sustainable feed ingredients are limited. Small farms distribute food production, increasing food security, pay more tax and incur higher administration costs per kg produced fish. Small scale involves sourcing more necessities locally, paying more for them but supporting local. Small scale pond farms are deeply integrated with local ecosystems and contribute to the biodiversity in different aspects in what have become protected areas. By paying high production losses to wildlife, small pond farms have suffered economically and disappeared in an alarming tempo (a decrease of up to 90% of farms in some regions in the last 20 years). The local cultural landscape, the natural ecosystem and the biodiversity is changing in those regions with the decreasing number of small-scale pond farmers.

A research project could be undertaken to investigate the optimum mix of different production scales for producing the most beneficial mix of values for EU citizens using our common resources of nutrients, energy and space.

### **III. Recommendations**

#### **III.1 Recommendations for the European Commission**

- Commission a study with the aim of assessing how a mix of different scales of aquaculture primary production contributes best to societal values.
- Support professional organisations to increase ‘hands-on’ competence exchange between EU small-scale aquaculture primary producers in different Member States (MS).
- Give more acknowledgement to the innovations and applied research going on at the farm level by farmers.
- Small-scale farmers cannot finance much-needed applied research. Applied research should be valued at the same level as other published research to enhance career opportunities for



researchers that produce real-life useable research findings for small-scale farms and to ensure better communication of research results.

- Enhance the dissemination of EU research in ways that can be absorbed by small-scale producers. To enable this, finance is an open method of coordination process between farmers, their organisations and scientists (for example, the mirror platform of the European Aquaculture Technology and Innovation Platform (EATIP)).
- Support Producer Organisations (POs) in informing small-scale producers of the benefits of engaging more in, for example, events and dissemination activities.

### **III.2 Recommendations for the Member States**

- Involve the Aquaculture Advisory Council (AAC) in defining the kind of data on small-scale aquaculture that is collected and analysed by the Scientific, Technical and Economic Committee for Fisheries (STECF). The analysis should be done at the MS level and then gathered by the STECF.
- Support POs to increase ‘hands-on’ competence exchange between EU small-scale aquaculture primary producers.



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