



The EU Aquaculture Sector. Economic Report 2021

STECF Expert Working Group (EWG 20-12)

1-5 February

Terms of reference

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Background and objectives

The report on the EU Aquaculture Sector is one of the main sources of economic and socio-demographic data for scientific advice on the performance of the EU aquaculture industry. It is also increasingly used by scientific bodies, national administrations and international institutions.

Following the 2020 DCF/EU-MAP call for economic data on the EU aquaculture sector, **the EWG is requested to analyse and comment on the economic performance of the EU and national aquaculture sectors** between 2008 and 2018 (2019 when available).

The report should provide an in-depth look at the different factors affecting the economic performance of the EU aquaculture industry with a **special focus on the major drivers and issues affecting the sector**. Besides interpreting and explaining the quantitative values, the report should contain qualitative information and analysis on the drivers and trends in aquaculture performance and other aspects of policy relevance **based largely on the scientists' expert knowledge**. The main objectives of the report is **to obtain high quality interpretation of all data outputs** to ensure the usefulness of the report for DG MARE's policy development, Member States and the industry. Among other, the relevance and role of some or all of the following factors could be taken into account: markets and trade determinants of aquaculture production, competitiveness, market prices and consumption, sustainability, innovation, links and interconnections with the local fishing fleet and the fish processing sector, the role of European Maritime Fisheries Fund support, contribution to the local communities and the Blue Economy, strengths, weaknesses, opportunities and threats.

To achieve that, the main socio-economic **indicators**, if possible and where relevant, **should be put into context with homologous figures** at the EU and national levels, e.g., national average salaries, GDP, etc. Imputation of missing values may be required to obtain coherent time series and indicators that reflect a robust estimate of EU aggregates.

Experts are asked to **analyse the sector and its components**.

Given the social importance of this activity in many communities, particular **emphasis should be paid to the socio-demographic aspects** of the analysis including trends on employment, salaries, labour productivity and breakdown of the aquaculture employment by gender, education level and nationality (nationals, EU nationals, non-EU nationals).

The final draft of the EWG report will be reviewed by the STECF during its plenary meeting in Spring 2021.



Structure and content

Being the basis for the structure of the report, the EWG is requested to work and comment on, at least, the following items:

- An **executive summary** containing the key findings (abstract)¹. This should also include a **2-3 lines** abstract of the main features / data **for each Member States**.
- An **overview of the economic performance of the EU aquaculture sector**. This should include the drivers and main trends based on expert knowledge. It must include the following:
 - o EU aquaculture sector overview. This would include the evolution for the EU total for the main variables as well as a comparison across aquaculture segments (marine finfish, marine shellfish, freshwater).
 - o Economic data and performance indicators (e.g. production, revenue items, cost items, earnings, profitability, etc.).
 - o Employment and socio-demographic indicators (e.g. employment by gender, labour productivity and average salaries, education level, nationality, etc.).
 - o Comparative across Member States highlighting the differences and similarities of national industries.
 - o Analysis of economic performance by aquaculture segment (marine finfish, marine shellfish, freshwater) and species.
 - o Drivers, trends and outlook.
- **National chapters** on the economic performance of the fish processing industry providing:
 - o National aquaculture overview including industry structure.
 - o Production and sales.
 - o Economic performance indicators.
 - o Employment and socio-demographic indicators.
 - o Structure and performance of aquaculture segments.
 - o Description of trends and drivers based on expert knowledge.
 - o Outlook.

In the sections of drivers and outlook, the expert should use their expert knowledge to provide an indication about what they considered have been the main consequences of the outbreak of COVID-19 in the EU aquaculture sector and the expected recovery path.

- **Special topic on nowcast:**

Economic data series will be available up to 2018 or, in a few cases, up to 2019. Those data start to be a bit outdated by the time the report becomes public in late 2020 or early 2021. Experts should analyse which leading indicators could be the basis for the “nowcast” estimation of a selection of indicators (i.e. for 2019 and 2020) and propose a tentative methodology to do so. The methodology will be then apply to make a preliminary attempt of the nowcasting exercise, which could be improved in upcoming reports. This becomes more paramount on the wake of the COVID-19 pandemic.
- **Annexes**
 - o Data coverage and quality.
 - o Potential complementary charts and tables not included in the main text.

¹ The abstract should focus on content and avoid procedural issues, which should be addressed through different channels.



Streamlining of the report and data issues

After six reports, efforts should be invested in streamlining the structure and content of the report. In particular, the following should be taken into account:

It shall be considered whether some specific (sub)sections provide limited value added and therefore should be dropped from the report. The possibility of improving the readability of the report by grouping some of the charts and tables should be explored.

Given the increasing length of the time series, **the tables in the report could be shortened by presenting only indicative numbers** (e.g. one out of two years or one out of five). However, the last three years should appear in the time series tables (both for the EU overview and the national chapters). **The workbook(s)** accompanying the report **should still include the whole database** with all years in the series.

The narrative should add value to the figures compiled in the charts and tables. This could be achieved by highlighting a few figures with special relevance and by explaining what are the drivers and/or consequences.

The experts are expected to add value to the report **from their knowledge of the sector**. This should be an important criteria for the selection of experts invited to participate in the working group. Given that the latest available values will refer to 2018 in a report to be prepared in late 2020, **experts should provide a forward looking spin to the report** about their knowledge about the developments in the sectors throughout 2019 and 2020.

The main **socio-economic indicators**, if possible and where relevant, should also be **put into context with** homologous figures at the **EU and national levels** (e.g., national average salaries, GDP, etc.), or in relations with the other fisheries sectors (the fishing fleet and fish processing).

Given the experience of the past with missing data and that the collection and transmission of data on fresh aquaculture is only done on a **voluntarily basis**, the **use of complementary source of data (e.g. from Eurostat and FAO)** may be required for some countries.

When aggregating national indicators to obtain the EU totals, special attention should be made to maintain a homogeneous number of Member States. The data for **EU total** should reflect an estimation of the actual evolution and **should not be distorted by the inclusion (or exclusion) of Member States throughout the analysed period**. The compilation of EU aggregates may require the use of imputation in some Member States. The imputation of missing values should follow similar principles to the ones approved by the STECF plenary in 2019 for the fish processing sector.

The economic report on the aquaculture sector **is produced on a biennial basis**. **This should be taken into account when presenting the information and making the interpretations**. Besides the long-term evolution, a special focus should be made not only on the last year, but rather on the last two years, when relevant. Indications on the latest developments should be presented in annual terms and not with respect to the previous report (which implies an increase or decrease over two years).

A discussion and explanation about **data coverage, data issues** and how they were addressed should be included in an Annex.



Data transmission

The EWG is requested to ensure that all unresolved data transmission (DT) issues encountered prior to and during the EWG meeting are reported on-line via the Data Transmission Monitoring Tool (DTMT). Guidance on precisely what should be inserted in the DTMT, log-on credentials and access rights will be provided during the EWG.