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The Honorable Madeleine Z. Bordallo
U. S. House of Representatives
Natural Resources Committee
Subcommittee on Insular Affairs, Oceans and Wildlife
427 Cannon HOB
Washington, D.C. 20515-5301

Dear Congresswoman Bordallo:

Time is of the essence if the United States is to catch up with the rest of the world in offshore aquaculture.

In the past the proposed permitting and regulatory standards formulated for offshore aquaculture were far too restrictive to expect a U.S. commercial venture to compete in the present global market. The cards are now stacked in favor of imports because of low labor costs and nonrestrictive rules and regulations in the exporting countries. If the United States is expected to compete in aquaculture production, the permitting and regulatory agencies must consolidate and streamline the process for obtaining permits and operating an offshore aquaculture business.

Offshore aquaculture will change the norm in various areas and cost/benefit must be weighed against actual and perceived negative factors. Too much regulation will restrict or prevent business development

There definitely is a need for an adequate federal permitting and regulatory system for offshore aquaculture. In regulating the industry care must be exercised so as not to over regulate because of opposition unrelated to the actual potential harm of ocean farming.

Some groups are against offshore aquaculture because they think that the Exclusive Economic Zone (EEZ) should be reserved for recreational use only. Their argument is that the zone should be treated as federal land and rules and regulations must mirror those that regulate deer, wild turkey, bear and other game hunted on land. The resources of the EEZ are common property of all U.S. citizens and should be managed to benefit all, not just those that can physically access the resources because of proximity or economic means.

Some object to offshore aquaculture production because of competition, ignoring the free market system in this country.

Other groups feel that offshore aquaculture techniques must be perfected before allowing any development of commercial aquaculture. Unfortunately, this expectation is unrealistic. Allowing carefully monitored development of a viable offshore aquaculture industry is past due.

The world population growth, coupled with projected increases in seafood consumption and curtailment of U.S. wild-caught seafood, will result in a marked rise in imports. Already, the United States trade balance in seafood is a negative \$9 billion.

Over 80 percent of all seafood consumed in the United States is imported, almost half of this is aquaculture, and the largest aquaculture producers are across the Pacific Ocean in Asia. The transport of seafood over this great distance leaves a very large carbon footprint, which in turn negatively impacts the health of the ocean.

The regional fishery management councils, especially the South Atlantic Fishery Management Council, are regulating many commercial and charter fishermen out of business. While these regulations are required by law, they are also devastating to the seafood industry. This drastic reduction in wild-caught seafood not only causes job and revenue loss but also reduces the high quality protein available for U.S. citizens.

We have two choices, to accept this reduction in U.S. caught seafood and increased imports, or to produce more seafood in the U.S. aquaculture sector providing much needed jobs by a primary producing industry.

The maximum potential for world capture fisheries was reached some years ago and is now in a static mode of about 93 million metric tons per year. Any increases in production will come from fish farms both onshore and offshore either U.S. or foreign grown, preferably United States grown.

The overarching question is, will the United States seriously consider offshore aquaculture or be satisfied with a continuing increase of imported seafood from sources employing methods much more damaging to the environment? If the growing is done here then total control of the entire process from conception to consumption will be done here, and it will be accomplished using some of the strictest environmental regulations in the world.

Emphasis on the need for a comprehensive federal permitting and regulatory system should not stand in the way of accomplishing the task for which the regulatory system is being developed.

Permitting procedures and property rights are critical factors in obtaining and maintaining a viable offshore aquaculture business. Since so many different government agencies have jurisdiction connected to or inside the EEZ conflicting enforcement policies can unnecessarily interfere with the normal flow of business activity.

Ecosystem management and business practices are separate issues. The regulatory measures on the business side of the house should be flexible and recognize market economics as the driving force. Interference in normal business issues like setting production limits could dampen the enthusiasm of entrepreneurs interested in participating in this new industry.

Already much work has been accomplished in formulating rules and regulations governing the culturing and growing of fish and shellfish in open ocean waters. It started almost three decades ago.

1980 National Aquaculture Act (NAA) “It is in the national interest, and it is national policy, to encourage the development of aquaculture in the United States.”

1985 Reauthorized and renewed The National Aquaculture Improvement Act (NAIA) Some Changes:

- 1) capture fisheries could be adversely affected by competition from commercial aquaculture
- 2) extent and impacts of the introduction of exotic species in the U.S. waters as a result of aquaculture activities

1988 The changes were addressed in, “Aquaculture and Capture Fisheries: Impacts in U.S. Seafood Markets”

2005 National Offshore Aquaculture Act of 2005 (S. 1195) Senators Stevens and Inouye, to establish and implement a regulatory system for offshore aquaculture in the U.S. (EEZ) amendments SA 766, 767, 768, and 769

2007 National Offshore Aquaculture Act of 2007

2009 The Gulf of Mexico Fishery Management Council (GMFMC) completed a Fishery Management Plan (FMP) for offshore aquaculture activity for the Gulf of Mexico

After 29 years last Thursday, 3 September, 2009, the National Oceanographic and Atmospheric Administration (NOAA) approved plans to permit open-ocean aquaculture in the Gulf of Mexico; however, companies are not allowed to begin operations until NOAA develops a comprehensive national policy for sustainable marine aquaculture.

Extra effort should be exerted to complete this comprehensive national policy. Any increases in U.S. production of seafood that counters imports will help to reduce the negative \$9B seafood trade balance and provide much needed jobs to those who lost their jobs in the wild catch fisheries because of reductions to correct overfishing.

Ironically much of the research and technology that paved the way for profitable aquaculture ventures in foreign countries, especially in Asia, were developed in the United States. These countries have devised systems to permit, regulate, grow and export great quantities of their aquaculture products very efficiently and the U.S. imports much of this seafood.

Continuing to import these seafood products from questionable sources while not allowing or restricting U.S. production is a transfer of responsibility. In this instance, the U.S. is abdicating its ability to control certain aspects related to health, safety, sustainability and quality.

Thank you for the opportunity to provide our comments.

Sincerely,

William A. Cox

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Vice Chairman (SCSA)