Seafood from Acuaculture

SOURCING POLICY

lueYou

Seafood from Aquaculture

Scope of Policy	This policy refers to all seafood origins and supply chains from aquaculture
Applicability	All farmed seafood products packed under the Blueyou brand
Version	V 3.0 October 2023
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Revision Frequency	Annually
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1. Blueyou's Commitment and Policy Summary

Aquaculture has a unique potential to supply food of high nutritional value to a growing world population. And aquaculture is the opportunity for mankind to create sustainable food systems that no longer exceed the planetary boundaries, by shifting its food production from land-based to aquatic habitats and creating blue food systems which make use of abundant nutrients in our oceans.

Blueyou's sourcing policy for farmed seafood is based on five main pillars: (1) Promote nature-based, extensive production systems that are integrated into natural aquatic food webs and do not depend on external feed from agriculture or wild capture fisheries; (2) Foster regenerative aquaculture systems that restore habitats and ecosystem function, leading to nature-positive outcomes, enhancing biodiversity and resilience of aquatic foodscapes; (3) Identify and promote blue food products and production systems with a low ecological footprint; (4) Support best practices and drive robust certification for feedbased, intensive farming systems in order to mitigate negative impacts and (5) Develop community-based, Fair Trade seafood production systems which generate fair value, social inclusion, and provide livelihoods for coastal communities to thrive.

2. Background and Rationale

Over the past four decades, the aquaculture sector has been the fastest growing food industry, and there are strong indications that aquaculture continues to expand on a global scale to meet the growing demand for proteins. While fisheries production has stagnated in the past four decades since the 1980s at around 90 Mil tons per year, aquaculture production has been growing since the 1980s.

In 2022, the entire seafood production was 177 Mil tons, whereas 90 Mil tons (51 %) came from capture fisheries and 87 Mil tons (49 %) from aquaculture. Aquaculture remains the fastest growing food production system in the world, expected to continue growing at the observed rate of 4.5 % per year, and will therefore have to close the gap of increasing blue foods demand. By 2030 global seafood production is expected at 202 Mil tons. By then, aquaculture will have exceeded fisheries production and will have grown to 106 Mil tons¹.

However, most of the sector's growth has been associated with the expansion of feedbased farming systems: Over the past 25 years, the contribution of non-fed systems to the overall farmed seafood output has been steadily decreasing from 40 % [1995] to 26 % [2020]. This means that a significant share of the aquaculture expansion is based on feed produced in agriculture and wild capture fisheries (fishmeal and fish oil). For feed-based seafood production systems, feed production is responsible for more than 70 % of the Product Carbon Footprint (PCF)².

¹ FAO. 2022. The State of World Fisheries and Aquaculture 2022, FAO 2 Gephart et al., 2021, Environmental performance of blue foods, Nature



Unfortunately, the aquaculture industry is on track to repeat the same mistakes made by the farmed animal industry on land: Instead of promoting lower trophic, filter-feeding or herbivorous species that can be grown without feed input or plantbased feedstuffs mostly, the industry promotes and finances intensive, feed-based farming of carnivorous species, which directly leads to further overshooting of the planetary boundaries. Given the urgency to reduce the global impact of our food systems on the planet, it is obvious that promoting further expansion of feed-based aquaculture will not solve the blue food transition challenge.

Humanity cannot afford to convert more forests into arable land for growing crops to feed animals. Blue food systems offer major advantages in comparison to land-based animal husbandry due to more efficient energy conversion of intakes – but only if we make use of efficient aquatic food webs. Such food webs start with sunlight, natural nutrients, and plankton – and not with artificial fertilizers, pesticides and genetically modified crops grown on exhausted soils of former forest lands. Rewilding nature on land means we need to move our future food systems into our oceans – and develop seafood systems which are integrated into aquatic food webs fed by sunlight in our oceans.

As in the fisheries sector, coastal communities will play a key role in transforming the farmed blue food sector into a more planet-friendly, socially inclusive future. The development and promotion of nature-based, low-input and regenerative seafood production systems will be key for stopping biodiversity loss, reducing carbon emissions, and preventing further eutrophication of aquatic systems. It is obvious that nature-based low-input production systems are the only solution to produce future foods without exceeding our planetary boundaries, but convincing people of this transition has been challenging. Due to their relatively lower outputs, such nature- and local community-based seafood production systems usually do not get the attention of investors, industry, and markets.

However, despite the lower outputs, communities can earn better net incomes from nature-based extensive aquaculture systems in intermediate terms due to lower production costs, lower risk, and more resilient ecosystems, relative to intensive systems depending on feed input. Blueyou's mission is to change investors' appetite for the falsely incentivized intensive production systems towards nature-based, restorative origins.

3. Strategic Network Partners and Organizations

Blueyou actively engages, partners, and collaborates with various organizations for the implementation of this policy. Our strategic network of collaboration partners includes the following organizations and initiatives:

- Organic aquaculture programs
- Fair Trade USA Seafood Program
- Blue Food Assessment (BFA)
- International Union for the Conservation of Nature (IUCN)
- The Nature Conservancy (TNC)
- Conservation International (CI)



4. Policy Requirements and Standards

Requirements and Standards

Performance Objectives

1.	Legal compliance	Blueyou ensures to be in full compliance with all national and international laws and regulations of the aquaculture sector and the secondary seafood processing industry. Blueyou actively promotes best practices and supports farm stakeholders, feed suppliers, hatcheries, and local authorities in the effective implementation of existing laws, regulations, ordinances and the corresponding local enforcement systems.	Minimum standard for all origins
2.	Habitat impacts	Blueyou does not procure seafood from production systems that have caused critical habitat conversion of sensitive ecosystems such as mangrove forests and wetlands. If critical conversion happened in the past, Blueyou requires producers to restore habitats accordingly.	Minimum standard for all origins
3.	Discharge	Aquaculture operations must implement best practices and systems that minimize the discharge of harmful effluents into the aquatic environment	Minimum standard for all origins
4.	Feed conversion	Blueyou promotes farming systems that result in a low conversion ratio of external feed inputs into farmed species' biomass ³ .	Minimum standard for all origins
5.	Marine feed ingredients	Aquaculture suppliers that rely on the use of marine feed ingredients must demonstrate the use of responsibly produced fishmeal and fish oil from sustainable fisheries ⁴ or processing by-products from fish processing.	Minimum standard for all origins
6.	Use of chemicals	Blueyou does not procure seafood that has been raised by using toxic, persistent and/or illegal chemicals, drugs and additives.	Minimum standard for all origins
7.	No GMO	Blueyou does not procure seafood species that are genetically modified and promotes the use of GMO-free feed ingredients and raw materials.	Minimum standard for all origins
8.	Introduced species	Blueyou does not commercialize exotic (newly introduced) seafood species unless (1) the species' introduction has been compliant with all relevant national and international regulations and laws and (2) there is no scientific evidence for a negative impact on biodiversity and ecosystems.	Minimum standard for all origins
9.	Origins of juveniles	Blueyou does not source seafood from farming systems that depend on the collection of juveniles from the wild. Only farming sy ¹ stems using hatchery-reared juveniles are accepted by default – except for bivalves, for which wild seed collectors are the most reasonable option. Farming systems that partly rely on wild-caught juveniles are only accepted as sources if (1) the respective wild stock is not overfished or (2) the operator integrates an effective stock enhancement program for the wild stocks of the respective species.	Minimum standard for all origins

3 Blueyou may provide guidance and benchmark indicators for feed conversion ratios (FCR) and feed conversion efficiencies (FCE) for specific species and farming systems.

4 According to standards of IFFO RS and / or MSC



Requirements and Standards

Performance Objectives

-	Blueyou promotes Integrated Multi-Trophic Aquaculture (IMTA) systems to maximize the efficiency of natural resource use and to support more resilient and productive aquatic farming systems.	Multitrophic systems	10.
-	Blueyou develops programs for restorative seafood production and promotes products resulting from these programs on global markets. Restorative farming programs focus on bivalves, lower trophic fish, seaweed, crabs, and shrimp.	Promotion of restorative aquaculture	11.
More than 60% of all farmed seafood origins are small-scale communities- based operations by Dec 2026	Blueyou gives sourcing preference to seafood harvested by traditional, small-scale, and community-based farming operations. Blueyou develops partnerships and programs with coastal communities for improved market access and the creation of added value. Blueyou actively develops Fair Trade models with community-based farming projects and promotes FTUSA-certified farmed seafood on global markets.	Promotion of small-scale and communty- based farming operations	12.
 > 90% of all farmed seafood origins are subject to certification by independent ISEAL Alliance scheme such as ASC, Organic or Fair Trade USA [minimum standard in place] 100% of all feed-based systems are certified ASC or Organic [minimum standard in place] 	Blueyou actively works with third-party verification, assessment, and certification schemes to credibly identify and verify sources of sustainably farmed seafood. Blueyou promotes standards which have been developed in line with ISEAL-Alliance criteria such as the Aquaculture Stewardship Council (ASC), organic certification schemes and Fair-Trade USA. Also, Blueyou aligns its sourcing activities in line with existing NGO-managed aquaculture assessment schemes such as the Monterey Bay Aquarium's Seafood Watch™ program, giving sourcing preference to "Best Choice"-ranked products.	Certification	13.



5. Implementation of Policy

This policy is implemented by Blueyou's impact and science team under the lead of the head of the aquaculture program, in close collaboration with sourcing and quality management.

6. Key Impact Metrics and Reporting

Key Impact Metrics (KIM)	 Share of farmed origins from small-scale, community-based operations Share of farmed origins from nature-based, extensive, zero-input systems Number of small-scale farmers and families in Blueyou's programs Share of certified origins by ISEAL alliance (Organic, ASC, FTUSA) 	
Impact Monitoring	Annually by April 30	
Reporting	Annual impact report by Blueyou, published on official website	

