

## Cuna del Mar CEO: 'Window of opportunity' for US aquaculture bill is closing

By Jason Smith and Jason Huffman

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US Congress building. Credit: Orhan Cam/Shutterstock.com

Robert Orr, the CEO of US offshore aquaculture-focused investment fund Cuna del Mar, believes the time is now for Congress to pass legislation that would make it easier to maintain offshore aquaculture facilities in federal waters because, he fears, the "window of opportunity" is closing.

"I think if they don't do something in the next 12 to 18 months, they're going to lose another decade," he told *Undercurrent News* in a recent interview.

"It doesn't mean it's now or never but the US is going to be substantially behind other areas of the world that are moving much quicker toward sustainable aquaculture or any other kind of aquaculture set up," he said. Sources expect senator Roger Wicker, a 12-year Mississippi Republican, to soon bring forth yet again some variation of his Advancing the Quality and Understanding of American Aquaculture (AQUAA) Act (S. 3138), a bill he previously introduced in late June 2018. It died along with the 115th Congress in January 2019 despite having the support of fellow Republican senator Marco Rubio, from Florida, and a bipartisan-supported companion bill in the House.

Assuming Wicker's new bill looks just like S. 3138, it would streamline the permitting process for putting aquaculture farms in federal waters -- 3 to 200 miles offshore -- while also providing funds for research purposes.



Robert Orr, CEO, Cuna del Mar

A companion bill, HR 6966, also known as the AQUAA Act, was introduced by representative Steven Palazzo, also a Mississippi Republican, in the House in September. That bill, which was co-sponsored by representative Collin Peterson, a Minnesota Democrat, was referred to the House Agriculture Committee's panel on livestock and foreign agriculture where it also died with the previous Congress.

Proponents for the legislation have one advantage this time, too: In January Wicker was appointed chair of the Senate Committee on Commerce, Science and Transportation, the panel that oversees the National Oceanic and Atmospheric Administration (NOAA), a seemingly strong position to be in for him to advance legislation. It was the same committee that S. 3138 earlier failed to get out of.

However, for a number of reasons, observers on Capitol Hill believe another try at the AQUAA Act during the 116th Congress would face barriers too great and numerous to survive in the current Congress. That includes strong opposition in the House of Representatives, where Arizona Democrat Raúl Manuel Grijalva is now chairman of the Natural Resources Committee, and also from Alaskan Republican senators Dan Sullivan and Lisa Murkowski.

Also, as reported earlier by *Undercurrent*, there is a group of about 140 wild harvesters who are organized and ready to attack the bill. Noah Oppenheim, executive director of the Pacific Coast Federation of Fishermen's Associations & Institute for Fisheries Resources and leader of the effort, told Undercurrent on Monday that his group remained ready to attack.

"We're watching for any newly reintroduced legislation and will engage if appropriate," he said.

## It won't likely get any easier

Still, Orr believes the timing isn't going to get any better after the next election, and he wants to make a big push now. He has a few good reasons, including Cuna del Mar's portfolio and its past experiences.

Cuna del Mar is the major investor behind: Boston, Massachusetts-based submersible net-pen and hatchery designer and builder InnovaSea Systems; San Diego, California-based genetics, nutrition and fish health researcher the Center for Aquaculture Technologies; and fish farmers Open Blue Sea Farms in Panama and Earth Ocean Farms in Mexico.

The farming operations are based in other countries, Orr told *Undercurrent*, in large part because the Panamanian and Mexican governments have been a lot more amenable to aquaculture. Orr had particular praise for Mexicos' Fomento permit, a type of experimental permit for new aquaculture technologies.



Senator Roger Wicker, a Mississippi Republican.

Cuna del Mar, backed by the Walton family of US retailer Walmart, previously spent "millions" of dollars in an attempt beginning in 2014 to obtain permission to build a 5,000 metric ton capacity test farm in federal waters outside of San Diego, he recounted. The so-called Rose Canyon Fisheries project, which was a partnership with the Hubbs-Sea World Research Institute, planned to farm yellowtail jack, white seabass and striped bass.

But the process proved to be too difficult, the Cuna del Mar exec said.

"Two and a half, almost three years, and a couple of million dollars later trying to get all the permits and do all the modeling, trying to go back and forth to deal with all of the various agencies, we were unable to get there," he said. "We just said, 'Look, we can't care more than the various agencies and current administrations and the states and federally."

He said NOAA, which at the time maintained responsibility for regulating aquaculture under the Magnuson-Stevens Act, was "extraordinarily fair and helpful through the entire process" but added that the entire process proved to be too much.

However, if there was any question about whether NOAA's National Marine Fisheries Service lacks the authority to oversee fish pens in federal waters, a 2018 ruling from a federal judge in New Orleans, Louisiana, made it clear, agreeing with the advocacy group Center for Food Safety in a lawsuit filed against the agency over an effort to better establish aquaculture in the Gulf of Mexico.

## Not looking for laxer standards

InnovaSea is one of at least 15 companies, including also Cargill, Red Lobster and Pacific Seafood, that belong to the Stronger America Through Seafood (SATS), the group formed in June 2018 to lead the lobbying push for aquaculture in federal waters. InnovaSea CEO and chief technology officer David Kelly is a SATS board member.

In addition to finding several champions for the legislation in Congress, SATS has continued to organize letter-signing campaigns and hold educational meetings for congressional staff to attend, the latest in March.

Also, Margaret Henderson, SATS' campaign manager, said work is continuing behind the scenes.

"We do not have a bill introduced as yet. It is taking longer than we had hoped but, that said, everything in Washington takes time, so it's not surprising. But there is a lot of activity occurring," she said.

Henderson agrees with Orr that the window to pass legislation under the administration of president Donald Trump, who she said has "issued explicit support for increasing US seafood production through aquaculture", is limited by the electoral calendar.

If the 116th Congress doesn't pass the bill by the time it adjourns in August of 2020, a few months before the next election, it's going to have to wait again until 2021 where the political climate is yet to be determined.

"We were hoping for reintroduction earlier in 2019 so we could have passage by August of 2020 and that's taking longer than anticipated," she said, adding that SATS is working to pass a bill that has strong bipartisan support. "For any issue, if you have a house divided, which we do, we have a Republican Senate and a Democratic House, things take a little bit more time. But the reality is, aquaculture is not a partisan issue, it's an American issue."

If the legislation isn't passed by 2020, Henderson said, it will "reset" the process under a new Congress and, potentially, a different president.

Orr stressed, meanwhile, that the champions of US offshore aquaculture aren't looking for laxer standards, merely a streamlined process.

"We need standards, we want environmentally sustainable standards and operating systems. [The AQAA Act is] not looking to change current regulations but to make them much



Members and friends of the Stronger America Through Seafood coalition at a reception in Washington, D.C., in 2018.

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indeterminate amount of time, to go through months, if not years, of trying to get a permit."

In Mexico, by contrast, it's much easier to get permission to temporarily set up test cages for experimental aquaculture under the country's "Fomento" permit system.

"And then they'll examine that and see that everything is going well and give you a full commercial permit. They've got processes and the government there is supporting that and seeing the opportunity there," he said.

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