

Alaska Mariculture Initiative

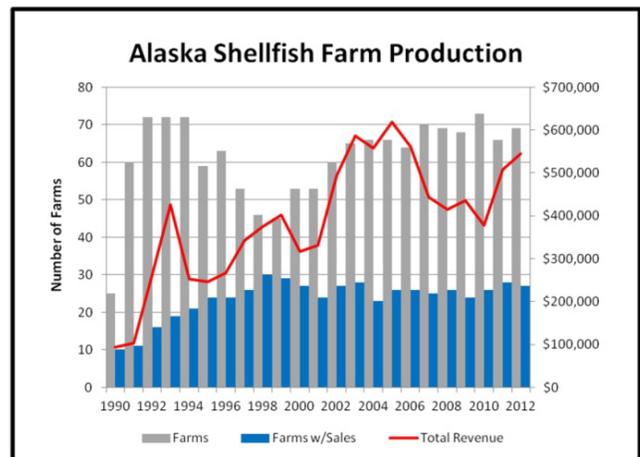
May 1, 2014

Vision: Grow a \$1 billion industry in 30 years!

Alaska's mariculture industry (enhancement, farming, and restoration of shellfish and aquatic plants) could grow to \$1 billion in thirty years. Is this attainable? Absolutely – with a coordinated effort, a public-private partnership, and a strategic plan designed to reach this goal. The ex-vessel value of Alaska seafood in 2012 was approximately \$2 billion, of that the salmon hatcheries contribute roughly \$100-300 million, depending upon the year. Examples of other geographic regions with smaller shorelines yet significant annual aquaculture production are Washington (\$110 M), New Zealand (\$400 M), Norway (\$5 B), and China (\$54 B).

Problem = Unrealized Potential

Since Alaska's *Aquatic Farm Act* was passed in 1988, growth in this new industry has been mostly stagnant. ***The Alaska Fisheries Development Foundation (AFDF) will spearhead the Alaska Mariculture Initiative to expedite the development of the mariculture industry.*** As a part of the Initiative, AFDF will complete a strategic planning process inclusive of all stakeholders and agencies (including coastal communities, industry, the State of Alaska, NOAA, and interested conservation groups), and develop the partnerships necessary to implement the plan. The project will meet the goals and objectives listed below.



Goal 1: Expand stakeholder base, create partnerships & increase capacity to be effective

- **Objective:** Expand the vision of the mariculture industry to include ***aquatic farming, wild fishery enhancement, and restoration*** (species include King crab, Dungeness crab, geoduck, scallop, pinto abalone, sea cucumber, mussel, clam, sea urchin, oyster & many aquatic plants)
- **Objective:** Coordinate efforts of the partnership to promote, support, develop and expand the mariculture industry and increase its capacity to be effective

Goal 2: Develop a clear & comprehensive strategic plan, including a written commitment to implement the plan by the various stakeholders and agencies

- **Objective:** Convene strategic planning conference in Alaska, including experts from other regions with successful mariculture industries
- **Objective:** Develop a strategic plan using results of the conference & partnerships
- **Objective:** Gain commitments, or sign Memorandums of Agreement, by all participating stakeholders and agencies regarding implementation of the strategic plan

The ***Alaska Mariculture Initiative*** will also integrate with the following policies and priorities which have recently been adopted:

- ***National Shellfish Initiative*** launched by NOAA Fisheries' Office of Aquaculture in 2011 aimed at increasing the populations of bivalve shellfish through commercial production and restoration;
- ***USDA Investment Strategy in Support of Rural Communities in Southeast Alaska 2011-2013*** which identifies mariculture development as worthy of further USDA investment;
- ***Alaska Mariculture Development Prospectus*** (draft) published in June 2013 by the Alaska Department of Commerce as a means to generate discussion and ideas among mariculture stakeholders with the goal of creating a unified approach to move the industry forward.

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Anticipated Benefits/Outcomes: The *Alaska Mariculture Initiative* will expedite mariculture development in Alaska through the creation of partnerships, a strategic plan and a mechanism to implement the plan, launching Alaska down the path to the creation of a new billion dollar industry based on a renewable resource with numerous economic benefits for communities.

Examples of Success: Many examples exist worldwide of successful wild fishery enhancement, shellfish farming, and restoration operations, including:

- **British Columbia** 1,000 FT jobs in rural coastal communities; \$33 million in annual sales <http://bcsga.ca>
- **Washington** 3,200 people employed with \$27 million in payroll; over \$100 million in annual sales; providing a total economic contribution of \$270 million <http://pcsga.org/wprs/wp-content/uploads/2013/04/Washington-Shellfish-Initiative.pdf>
- **New Zealand** aquaculture industry produces \$400 million in annual sales & is projected to grow to \$1.1 billion by 2025: <http://aquaculture.org.nz/industry/overview/>
- **Alaska salmon enhancement** produced between \$110 million and \$300 million in ex-vessel value each year since 2010; hatcheries repaid most of initial loans from the State with interest

Challenges:

- Remote areas - extremely remote sites which increase costs & logistics
- Infrastructure investment - seed production, growth techniques, product development require initial investment
- Organizational capacity - new & emerging industry lacks capacity & coordination to address challenges
- Workforce - lack of workforce requires recruitment, training, development
- Regulatory hurdles - perceived competing uses for sites & perceived environmental issues
- Environmental issues - sea otter predation & ocean acidification



AFDF Background: Since 1978, AFDF has helped turn challenges into opportunities for Alaska's seafood industry by focusing on areas of research & development prioritized by industry. Successes include development of surimi in Alaska, fish oil research & development, encouraged development of over 400 value-added seafood products (including salmon burgers, salmon bacon, salmon babyfood, salmon jerky), and promoted winning value-added products. During a recent Board strategic planning session, AFDF identified mariculture development as a new area of focus for the organization.

Target Partners: State of Alaska, NOAA, USDA, EDA, University of Alaska, Alaska Sea Grant, OceansAlaska, Alutiiq Pride, Sealaska – Haa'Aani, Alaska Shellfish Growers' Association (ASGA), United Fishermen of Alaska, seafood processors, fishing industry groups, local communities, Southeast Conference, SW Alaska Municipal Conference, Juneau Economic Development Council.

