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A letter to all investors in Scottish salmon farming:

Fidra is writing to companies which hold investments in producers of Scottish salmon. Scottish salmon has an international reputation with consumers for its high quality, with many shoppers associating the farmed salmon on supermarket shelves with images of remote sea lochs located within the pristine Scottish environment. Yet, with increased public and media pressure, and recent high-profile coverage of the practices and negative impacts of salmon farming, it has never been more important for stakeholders throughout the supply chain to understand and communicate the provenance of Scottish salmon products.

Fidra recognises that Scottish salmon farming, and in particular the grow out phase using open net pens, can have significant impacts on the surrounding marine environment. The report from the Scottish Parliament's Rural Economy and Connectivity (REC) Committee inquiry had 65 recommendations, the majority of which were on the environmental impact of the Scottish salmon industry¹. Fidra's [Best Fishes](http://www.bestfishes.org.uk/)² project highlights these major environmental impacts, from chemical treatments to the waste products of the fish, and believes the Best Fishes project can be used by suppliers and retailers to inform their sourcing of salmon, in turn encouraging best practice through the selection of farms showing lowest environmental impacts.

As investors in **producers of Scottish salmon**, we are writing to request that you engage the management teams of **those producers** to address urgently three key areas:

1. Increased transparency and traceability in the Scottish salmon supply chain.

Increased traceability and transparency in the supply chain of Scottish salmon is an important prerequisite for positive change across the industry. Steps required include:

- development of **traceability programmes** that allow labelling of goods at point of sale with information such as name of farm and certification. For example, the use of the IBM platform (<https://www.ibm.com/blockchain/solutions/food-trust>) which couples barcode/QR code on packaging with an information platform
- development of **sustainability dashboards** for individual companies, down to farm level (e.g. [1] <https://dashboard.huonaqua.com.au/>, [2] <http://dashboard.tassalgroupp.com.au/>, [3] <https://www.cermaq.com/wps/wcm/connect/cermaq/cermaq/our-sustainable-choice/asc-dashboard/>)
- publication of **3rd party audits** from certification schemes, as already undertaken by the Aquaculture Stewardship Council (ASC). At present, this is not done by any individual company in Scotland.
- **farm level reporting of compliance** with the Controlled Activities Regulation (CAR) licence issued by the regulator, the Scottish Environment Protection Agency (SEPA), including details of failures and resulting penalties or action taken.

2. Operational best practice

In addition to increased transparency, a commitment to best operational practices is urgently required. These include:

¹ <https://digitalpublications.parliament.scot/Committees/Report/REC/2018/11/27/Salmon-farming-in-Scotland#Summary-of-conclusions-and-recommendations>

² <https://www.bestfishes.org.uk/>

- across the board **certification of farms by best practice schemes** such as ASC, GLOBAL G.A.P., RSPCA and Soil Association (organic),
- a concerted move to use **alternatives to forage fish sources** of omega 3 in feed, such as algal oil or fish processing waste
- increased innovation, especially **digitisation and automated monitoring of environmental parameters**, such as automated monitoring stations sending information to a central, publicly accessible platform
- awareness of and **response to REC Committee's recommendations** and statutory obligations, including how recommendations are being addressed. Specifically, to solve current environmental issues before expanding the industry, such as those associated with sea lice, disease, medicine use, waste and deterring marine predators.

3. Broader environmental impact requires immediate action

Further to the areas highlighted by the REC Committee, and parameters covered by current regulation, Scottish salmon companies also need to address the following highly pertinent issues:

- the **lack of publicly accessible information on acoustic deterrent devices (ADDs)**, used to deter marine predators, which are currently unregulated and unrecorded, specifically
 - make and specifications of ADD (i.e. frequency it operates at),
 - no. of ADDs and positions,
 - frequency of use;
- **plastic use and waste**, for example through
 - policies on responsible sourcing, i.e. products made or recycled products,
 - policies on responsible disposal, i.e. recycling (including requirement of suppliers to remove and recycle equipment,
 - monitoring of plastic use and waste, including microplastics,
 - research/sourcing into alternatives to plastic, and reusable/recyclable replacement of single use plastics;
- **climate change awareness and mitigation**, through
 - policies to show awareness of climate change impacts (i.e. increased water temperatures and salinity, algal blooms, disease, sea lice),
 - processes in place to mitigate impacts (i.e. larger smolts, early harvest, algal bloom tracking, sea lice and disease prevention (deeper nets/higher flow/offshore siting)
 - planning and review processes/policies for dealing with climate change impacts, including precautionary actions.

We hope you share our concerns that these matters should be addressed by **producers of Scottish salmon**, and will ask for action to be taken towards achieving the outcomes outlined above.

With kind regards from the Fidra team