

Pelagic Industry Issues Group (PIIG)

Note of meeting held at Jury's Inn, Aberdeen. Wednesday 25 September 2019.

For the Pelagic Industry Issues Group minutes and meeting presentations see:
<https://www.seafish.org/article/the-pelagic-industry-issues-group>

1. Welcome, introductions and apologies

Marcus Coleman welcomed everyone to the meeting.

Attendees

Alan McRobb	Nor Sea Foods
Aoife Martin	Seafish
Andrew Duthie	Klondyke Fishing Company
Anneli Lofstedt	University of Aberdeen
Cameron Moffat	Young's Seafood
Scott McKenzie	Northbay Pelagic
Francis Clark	Nor Sea Foods
Helena Delgado Nordmann	Tesco (dialled in)
Ian Gatt	Scottish Pelagic Fishermen's Association
Jennifer Russell	Anderson Solutions
Jess Sparks	Seafish
Karen Green	Seafish
Katie Bridgen	University of the Highlands and Islands
Lynne Forman	Dawnfresh
Marcus Coleman	Seafish (Chair)
Mike Mitchell	M&S
Rannva Danielsen	Seafish
Robert Duthie	Denholm Seafoods Ltd
Sinclair Banks	Lunar Freezing
Steve Mackinson	Scottish Pelagic Fishermen's Association
Susan Kenyon	University of Aberdeen

Apologies were received from:

Allan Crockart	Klondyke Fishing Company Limited
Andrew Pillar	Interfish
Arina Motova	Seafish
Brian Isbister	Shetland Fishermen
Derek McDonald	Aberdeenshire Council
Robert Stevenson	Lunar FPO Ltd
Simon Leiper	Pelagia Shetland Ltd

2. Minutes of the previous meeting on 27 September 2018 and outstanding actions. Marcus Coleman, Seafish.

The final minutes were accepted as a true reflection of the meeting and have been added to the PIIG web page. Attendees were asked to take note of the meeting guidelines. In the following minutes Seafish will provide a link to the various presentations given at the meeting but not

summarise the whole presentation. In the main we do not attribute the comments made at the meeting.

Focus on mackerel: role of Government and the supply chain. Fish stock status and Marine Stewardship Certification (MSC)

3. MSC developments and mackerel. Ian Gatt, SPFA.

Ian explained the role of the Scottish Pelagic Sustainability Group (SPSG) which was formed in 2007. The Mackerel Industry Northern Sustainability Alliance (MINSA) group of seven associations and groups formed in 2014 and accounts for 60% catch of the North East Atlantic (NEA) mackerel catch. The sole focus of MINSA is MSC certification for NEA mackerel. There has been a huge investment made into the pelagic industry both in vessels and processing factories with a lot of work looking into pelagic stock science. The International Council for the Exploration of the Seas (ICES) published its mackerel advice for 2019 in October 2018. There were issues with the ICES advice with industry questioning the quality of the assessment. ICES instigated an inter-benchmark exercise to address issues relating to the assessment, in particular the mackerel tagging data. In March 2019 MSC certification for NEA mackerel was suspended. Despite new ICES advice being published the MSC certificates for the NEA mackerel fisheries have not been reinstated despite the latest scientific advice showing a healthy stock and increased biomass estimate. Despite the increase in the estimated stock level of mackerel, the absence of a long-term management plan, combined with a lack of international agreement on stock allocation, has led to an overall uptake above the catch level recommended by ICES. The key driver is to find a solution to the stock sharing issues which is having a huge impact on the market.

MINSA Mackerel Fact Sheet. 2 September 2019.

This fact sheet sets out the events leading to the MINSA Marine Stewardship Council (MSC) suspension, and outlines the process that has ensued to date, which has led to the mackerel suspension being retained.

4. Market facing position. Mike Mitchell, M&S.

It is admirable the work that MINSA has put in and for the market-facing sector we want to work together on this. Many retailers and processors are members of the Sustainable Seafood Coalition and as such have committed to SSC Codes of Conduct which are voluntary agreements on responsible sourcing and labelling, developed by SSC members. Mike explained the SSC decision tree and how buyers would use this to support purchasing decisions to allow them to make claims for sustainably or responsibly sourced. The blue tick to denote MSC certification is an easy tick to allow these claims to be made. MSC is not the only route but alternative routes can become more difficult. There are also provisions made for fisheries currently operating under a Fishery Improvement Programme (FIP). Currently NEA mackerel is not MSC certified and it is not in a FIP.

Discussion

- **Question.** How much detail can be included within this decision tree i.e. would percentage overshoot of the TAC be considered? **Answer.** The model had to be developed with broad applicability with scope for interpretation.
- **Q.** The absence of a long-term management plan, combined with a lack of international agreement on stock allocation, is the issue for NEA mackerel. Could efforts to try to influence Coastal States to agree on sharing arrangements or could a MINSA corrective action plan be seen as some sort of FIP? **A.** We have to recognise we need a political solution and retailers and the catching sector need to work together in parallel to try to resolve this. For retailers to continue to sell NEA mackerel they have to be able to make a claim of responsible sourcing. FIPs would normally start with some sort of audit which would become the basis for the FIP.

- **Q.** What is the endgame? **A.** It has to be the re-certification of NEA mackerel either through MSC or some other GSSI benchmarked standard.
- This is an international effort. Efforts are being made to bring retailers together to work on an advocacy plan and a common position to ensure sourcing policies are not at risk. This includes the intention to issue a joint letter to try to persuade the Coastal States to come to an agreement on sharing arrangements. 31 companies are aligned with this across 16 different countries.
- With the new mackerel season this is creating a lot of uncertainty as to what to buy, where to buy it from and what customers think. The market is dependent on retailers continuing to source NEA mackerel and each retailer will make their own individual decisions on this, however there is a bigger political picture and questions were raised about how retailers would be prepared to go to exert pressure on the other Coastal States to come to an agreement.
- **Q.** What is the role of Government here? **A.** The EU is part of the Coastal States agreement negotiations. They will not take into account market-facing issues they focus on the ICES advice. UK Government is aware of the issues facing the industry.
- **Q.** Do we envisage that the issues of quota allocation and sharing arrangements will be resolved in the near future? **A.** Migration is the key issue. The stock is moving and historical geographical boundaries are no longer relevant.

ACTION

- The next step is to form an SSC working group to engage with the catching sector.
- Seafish is updating its mackerel fact sheet and can support wherever possible.

5. ICES advice on widely distributed fish stocks (EU and NEAFC) and fishing opportunities for 2020. Steve Mackinson. Scottish Pelagic Fishermen's Association.

https://seafish.org/media/PIIG_Sept2019_ICESScientificAdvice.pdf

Steve gave a top-line summary of the ICES advice. New advice was due to be formally published on 1 October 2019.

- North Sea herring – biomass declining with weak recruitment in 2016 and 2017 with some uncertainty in the assessment.
- West of Scotland herring – the trend is for a decline in biomass. There is likely to be a full benchmark in 2020.
- Irish Sea herring – has remained much the same.

ACTION

- Circulate link to ICES advice/SPFA fact sheet.

6. Economic evaluation of the EU/Faroe Islands bi-lateral agreement. Jennifer Russell, Consultant.

This is the fifth time this analysis has been produced. The report is not yet completed and there have been some data challenges this year. This year's analysis shows similar picture as previously that the Faroese fleet makes significantly more use of the fishing possibilities provided under the agreement than the EU fleet does. Of greatest importance to the Faroese fleet is the pelagic fishing possibilities in the EU waters provided under both the quota exchange and access entitlement elements of the agreement. The estimated sales values of landings made by the UK, EU and Faroese fleets from the quota exchange element of the agreement were presented, as well as figures on the uptake of access entitlements and the estimated sales values of the landings made from the other party's waters. **Note:** *Because of the data challenges at the time of the meeting the actual figures could not be quantified so have not been included in these notes. The report was*

completed on 8 November 2019 but will not be added to the Seafish website until after the 12 Dec 2019 General Election.

Discussion and comments

- This is extremely useful and compelling evidence to be used in our negotiations. The industry will need the final report by mid to late November.
- This issue is high up the agenda.

ACTION

- Seafish to circulate links to the report when published.

Supporting the industry – industry activities

7. Progress on industry self-sampling programme for the pelagic sector. Steve Mackinson. SPFA.

https://seafish.org/media/PIIG_Sept2019_MackerelSelfSampling.pdf

The aim is to show that industry can be relied upon to provide quality biological data useable for assessment and to use the knowledge gained to design and implement an efficient, less demanding, sampling programme that all the pelagic vessels will engage with. We want to provide a destination in ICES for the data and hopefully join Scottish data with other countries pelagic fleets doing self-sampling data (such as Norway, Netherlands, Denmark). Marine Scotland is now acknowledging the value of the data and we have established a clear line of sight from sampling to data application. The focus now is to have up to 10 vessels engaged with this by November and hopefully two more in the near future and we want a data sharing agreement/MoU with Marine Scotland Science. These are steps on the pathway to the ICES database.

8. Fats as ecosystem indicators. Susan Kenyon, University of Aberdeen.

https://seafish.org/media/PIIG_Sept2019_FatsAsEcosystemIndicators.pdf

Ecosystem indicators are measures used to assess the state of the environment. Fat content is used as an indicator because it represents body condition in fish. It is energy dense and very responsive to internal and environmental changes and can be used as a proxy of habitat suitability. Herring and mackerel are ideal study species and industry data is ideal to capture long-term changes. There are declines in fat content throughout fishing season and these changes will be investigated over space and time to see if they are impacted by food availability and temperature. This could be used as an early warning indicator of what is happening to a stock.

ACTION

- It is likely there could be more data from processors and this will be investigated.

9. European fish availability and nutritional recommendations: enough fish to satisfy guidelines? Anneli Lofstedt, University of Aberdeen.

https://seafish.org/media/PIIG_Sept2019_NutritionalRecommendations.pdf

The aim of the study is to assess whether the nutritional recommendations of European countries are being satisfied by current fish availability. Across Europe 236 grams per capita per week is the average recommendation. This study is continuing but has shown that overall European guidelines are satisfied by fish availability with 54% of nutritional guidelines satisfied by current fish availability, and 20% of nutritional guidelines satisfied by production for food use only. However there is a lack of awareness about the fulfilment of the guidelines and greater consistency is needed between the guidelines, availability and consumption.

10. Seafish economics team update. Rannva Danielsen, Seafish.

https://seafish.org/media/PIIG_Sept2019_SeafishEconomics.pdf

The results for the Seafish economic analysis of the processing sector quarterly labour report (April to June 2019) showed that 51% of the processing workforce are EU nationals. There were 14 pelagic and mixed pelagic processors in the sample and it covered 1,740 FTE employees. This economic analysis has looked at factors affecting recruitment and the ease of recruitment and whether this is changing. There is some question over the continuing need for this analysis and how frequently this should be undertaken.

Seafish has just launched the first edition of a new magazine for the processing sector, named 'Cutting Edge'. The magazine tells the stories behind the processing industry performance data and shares examples of innovative work being done by processing businesses. Seafish has also launched a new Processing Enquiry Tool containing data from the 2018 processing census and 2017 financial data. The tool aims to make data available in a format which is easy for processing businesses, as well as government and researchers, to use and manipulate. The group was also updated on progress re the Seafish Trade and Tariff Tool with the full public version now online.

Discussion

- It is difficult to believe the results of the labour survey with 64% experiencing no difference on ease of recruitment. For us recruitment is a massive issue and this has got much worse in the last six months. We can't recruit qualified filleters and we can't recruit anyone who wants to train to do this.
- There are ongoing discussions re immigration and visa options and with some discussion around the possibility of potentially of a seafood-specific visa scheme to help ease the situation.
- There was also discussion around the data used in the Trade and Tableau Tool. Whilst this uses HRMC data (and it has to use HRMC data) there were concerns that the pelagic data is just not correct.

ACTION

- **Trade and Tableau Tool.** For more information [see](#)
- For more information on the new **Processing Enquiry Tool** [see](#)

10. Export support and discussion.

Seafish activities in 2019 have included:

- **Seafood Expo Global, Brussels: 7-9 May 2019.** Seafish fund the design, installation, and management of a branded exhibition space. Not merely just a stand, the area includes a 12-capacity private meeting room, which is available to all industry stakeholders to book hourly slots for meetings with clients, running workshops, Q&A sessions, or hosting briefings. The exhibition space also features an open-plan area furnished with numerous tables and chairs, available to industry stakeholders on an ad hoc basis to conduct meetings, with light refreshments on offer. In addition to seafood companies, 2019 also saw the exhibition space utilised by DEFRA, Asda, and the Department of International Trade. The exhibition space provides Seafish with a platform to promote the UK seafood industry as safe, responsible, sustainable, and one of high quality and high value produce. All within a global seafood trade environment. *It has just been announced that the Expo is moving to Barcelona in 2020 and this was welcomed.*
- **Japan Seafood & Technology Expo: 21-23 August 2019.** In collaboration with Seafood Scotland, Seafish part-fund the design, installation, and management of a Seafood from Britain pavilion. The pavilion includes a demonstration kitchen, which is funded entirely by

Seafood Scotland via EMFF. The product being sampled throughout the expo was provided by exhibitors and included whitefish, pelagic, and shellfish. The pavilion provides a number of tables and chairs for stakeholders to base themselves and arrange meetings with existing clients, suppliers, distributors, marketers, or media. This gives UK companies the opportunity to establish themselves and compete in a key UK seafood export market. The Seafood from Britain pavilion was fully subscribed this year, with 11 UK companies joining us. Attending companies acknowledged the show as one of the busiest and most productive in recent years. *Japan was viewed as essential and a must going forward in terms of Japan being a window to the Far East and great for building profile.*

- **China Fisheries & Seafood Expo: 30 October–1 November 2019.** Seafish fund the design, installation, and management of a Seafood from Britain pavilion. The pavilion includes a demonstration kitchen, with UK chefs showcasing product supplied by exhibiting companies. Exhibiting companies pay their own individual booths if they wish to display and sample product, or they can use the communal meeting area to base themselves for the duration of the show, giving them a platform to arrange and conduct meetings. Use of the communal meeting space is free of charge. China is the globe's largest seafood trade show in terms of floor space, number of exhibitors, and volume of visitors. Asia's appetite for seafood is predicted to rise by 78% by 2050, driven by higher urbanisation rates, economic growth, and a rapidly growing middle-class. This is quickly becoming a key UK export market, and the demand for UK seafood in Asia is only likely to rise. To date 12 companies are confirmed to accompany Seafish in China – the highest number since we started attending the show. *China is in the middle of the mackerel season so is not as good in respect of timing, however the pelagic industry should be represented and there should be a Scottish, pelagic presence there. There is currently no confirmed pelagic representative joining us in China this year and the industry will follow up on this.*

11. Update on the Seafood Innovation Fund. Aoife Martin, Seafish.

https://seafish.org/media/PIIG_Sept2019_SeafoodInnovationFund.pdf

The Fund was launched in July 2019 and is managed by CEFAS. It will provide £10m over three years focused on supporting innovation initiatives in the seafood sector (Year 1: £2m, Year 2: £4m, Year 3: £4m). There are two awards available: feasibility/proof of concept studies with funding of up to £50k for projects up to three months in length, and full R&D projects with funding up to £250k for projects up to 18 months in duration. Processing is included. The aim of the fund is to deliver longer-term, cutting-edge innovation across the seafood sector and help to take innovative ideas from early stage research to commercial viability. It does not replace EMFF and does not fund the commercialisation of existing technology. Year 1 applications closed 12 September and it was heavily subscribed. There will be a call for business ideas for the next round. Seafish (through the Seafish Expert Panel) will be running a matchmaking service to align businesses with a research partner.

ACTION

- More information to follow on the matchmaking service.

12. Date of the next meeting.

The date for the next meeting was not set but is likely to be in late September 2020 in Aberdeen.

ACTION

- Circulate link to [Preparing your business for EU exit](#). This is a 'living' guide covering issues arising from the UK's future relationship with the EU. This concentrates specifically on the day-to-day scenarios likely to be encountered by industry in the event of a 'deal' or 'no deal' being reached between the UK and EU by exit day.