

# SEAFOOD

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# 2040

## **Annual Report for Year 2**

September 2019 – September 2020

*The future is a seafood industry that is sustainable and thriving*

## **Seafood Industry Leadership Group**

**CHAIR** – Dr Neil Auchterlonie, Consultant

**SECRETARY** – Kimberly Cullen, SF2040 Programme Manager, Seafish

**PROCESSING** – Stuart Price, Head of Category Fish, Nomad

**PROCESSING** – Nathan de Rozarieux, Sustainability Advisor, FalFish Ltd.

**RETAIL** – Ally Dingwall, Aquaculture & Fisheries Manager, Sainsbury's Supermarkets Ltd.

**SUSTAINABILITY** – Nigel Edwards, Group CSR Director, Hilton Food Group

**AQUACULTURE** – James Fox Davies, Director, Fowey Shellfish and Chair of the SF2040 ALG

**YOUNG SEAFOOD LEADERS NETWORK** – Cameron Moffat, Sustainability Manager, Young's

**WILD CATCH** – Andrew Locker, Director, Locker's Trawlers

**WILD CATCH** – Paul Trebilcock, Chief Executive, Cornish Fish Producers' Organisation

**SCIENCE** – Dr Mark Berry, Chair, Seafish Expert Panel

**SEAFISH LEAD** – Hazel Curtis, Director of Corporate Relations

**DEFRA LEAD** – Nicola Robinson, Assistant Director, Domestic Fisheries, Marine and Fisheries Division

## **Aquaculture Leadership Group**

**CHAIR** – James Fox Davies, Director, Fowey Shellfish

**SECRETARY** – Kimberly Cullen, SF2040 Programme Manager, Seafish

**OFFSHORE MUSSELS** – John Holmyard, Managing Director, Offshore Shellfish Ltd

**SHELLFISH TRADE ASSOCIATION** – David Jarrad, Director, Shellfish Association of Great Britain

**FIN FISH** – Oliver Robinson, Chairman, British Trout Association

**OYSTER FARMER** – Martin Syvret, Director, AquaFish Solutions

**OYSTER HATCHERIES** – Kelsey Thompson, Managing Director, Morecambe Bay Oysters

**REGULATOR** – Roger Covey, Principal Advisor, Natural England

**REGULATOR** – Robert Whiteley, Marine Fisheries Specialist, Natural England

**REGULATOR** – Michael Gubbins, Senior Scientist, Cefas

**REGULATOR** – Dr Christopher Sweeting, Evidence, Marine Management Organisation

**ACADEMIA** – Professor Lewis Le Vay, Director, Centre of Applied Marine Sciences, Bangor University

**SEAFISH LEAD** – Dr Stuart McLanaghan, Head of Responsible Sourcing

**DEFRA LEAD** – Ruth Allin, Policy Head - Freshwater Fisheries & Aquaculture Team

**DEFRA LEAD** – Sara Catahan, Policy Advisor - Freshwater Fisheries & Aquaculture Team

**DEFRA LEAD** – Rebecca Redrup, Policy Advisor - Freshwater Fisheries & Aquaculture Team

## Foreword

A great deal of effort has gone into the preceding twelve months' delivery of the SF2040 programme and it is my pleasure to write a foreword for this Year 2 Annual Report even if my involvement has only really just commenced. The previous Chair, Alison Austin OBE, and the Programme Manager, Kim Cullen, achieved a great deal in Year 1 as documented in the first SF2040 Annual Report and continued to do so throughout Year 2 when I came on board. With the assistance of the Seafood Leadership Industry Group (SILG) and the Aquaculture Leadership Group (ALG), and the support of Seafish, Defra and England's seafood industry, we continue to make progress with delivery against the original 25 recommendations of the Strategic Framework.

In taking forward a full seafood supply chain approach, SF2040 is somewhat unique in approach, but in these times of uncertainty with Brexit and the Covid-19 pandemic, the inclusive manner by which the programme progresses its work represents the best opportunity for the thriving and sustainable seafood industry that is the vision of SF2040. This is clearly a very difficult and challenging time for the fisheries, aquaculture, foodservice, and processing industries but it has been exciting to see the delivery of some of the programme coming through in 2020, much of which in turn will generate further opportunities.

It has been especially pleasing to hear so often of the high regard that SF2040 is held in by key public organisations such as Defra that support seafood production in England. The engagement of these bodies with the programme is essential in achieving the vision for a thriving and sustainable industry.

An ongoing review of the SF2040 recommendations is looking at new opportunities to take forward, and provides an occasion to reassess our priorities for 2021 and beyond. The latter months of 2020 and early months of 2021 will include additional planning for SF2040 both in terms of delivery and future funding. This is an important time for the programme as we make plans for our work over the coming years.

My thanks must go to the members of SILG and ALG for all the fruitful discussions, advice and input they have provided, to Alison Austin for her help and advice, and to Seafish, for hosting the SF2040 programme and leading on the delivery of several recommendations. In particular at Seafish, Kim Cullen has been an effective programme manager. SF2040 is built on the foundations of collaboration, science and best practice, and I have no doubt that this continuing partnership of government and industry will provide a strong foundation for success.

**Dr Neil Auchterlonie, Chair, Seafood 2040**

## SF2040: Year 2 Ambitions

The primary goal for the first year of the SF2040 programme was to turn the Strategic Framework with 25 recommendations into reality. This was achieved and documented in the [Year 1 Annual Report](#). In that report, six ambitions were presented for the second year of SF2040 and this document details progress toward the achievement of those ambitions:

1. Continue to engage with key stakeholders such as Defra, Seafish, Cefas, and the regulators to secure their ongoing support for the SF2040 recommendations.
  - a. Engage with Defra and regulators to address the regulatory roadblocks in the aquaculture sector.
  - b. Seek opportunities to continue the work within the aquaculture recommendations beyond the relatively short lifespan of ALG and continue long-term planning to expand the sector.
2. Continue to progress the recommendations where specific work is already actioned and where the SF2040 Secretariat and the SILG and ALG committees have influence.
  - a. Finalise Year 2 budget identifying the recommendations where small, effective projects can be achieved by Sept 2020 as well as continuing to target the recommendations that need to progress with EMFF funding.
  - b. Complete the research project on Recommendation 6 including the wide dissemination of results.
3. Collaborate with the Young Seafood Leaders Network to improve their engagement in the programme and encourage their contributions. This is an excellent opportunity to meet with the future leaders of the industry and discuss the industry they want to work in and what can be achieved.
4. Contribute to the National Food Strategy in collaboration with Defra, Seafish, and the Seafood Industry Alliance to ensure seafood and aquaculture are part of the review and eventual strategy.
5. Review the SF2040 recommendations – now three years old – to test relevance and direction and update them where appropriate to better reflect the needs in the current landscape.
6. Seek funding opportunities to continue the SF2040 programme for another two years past September 2020

## Progress against the Year 2 Ambitions

### **1. Continue to engage with key stakeholders such as Defra, Seafish, and the regulators to secure their ongoing support for the SF2040 recommendations.**

Seafish continues to facilitate and deliver elements of the SF2040 programme. Defra is leading on several recommendations as well and has considerably broadened their engagement in Year 2. For example, Defra teams such as Trade Policy; Inshore Fleet Reform; Future Fisheries; and Access and Licensing have participated in the Recommendation Refresh process.

Further government engagement has been achieved with Natural England, Cefas, and other regulators to address the regulatory roadblocks in the aquaculture sector and to provide evidence and feedback for the English Aquaculture Strategy.

There are two stakeholder groups within the SF2040 programme, the Seafood Industry Leadership Group (SILG) and the Aquaculture Leadership Group (ALG). Both are comprised of industry and government members and meet regularly.

- SILG: The aim of SILG is to prioritise the SF2040 work programme and support the partnership of government and industry. The group met five times in Year 2. In January 2020, the then Fisheries Minister, George Eustice MP, joined a SILG meeting and discussed SF2040 progress, opportunities

provided by leaving the EU and other policy matters. Mr Eustice's key message was to encourage the progress of the recommendations into well-defined policy and action.

From the start of the pandemic, frequent online meetings ensured momentum for the recommendation refresh and the rest of the work programme during a very challenging time for England's seafood industry. [Minutes](#) are publicly available on the SF2040 pages of the Seafish website.

- **ALG:** The ALG, with expertise on aquaculture matters, champions and guides Recommendations 13 and 14 on behalf SILG. An overall aim is to reduce bureaucratic and regulatory barriers to growth of aquaculture production, innovation and productivity. ALG [minutes](#) are available on the SF2040 ALG webpage of the Seafish website.

## **2. Continue to progress the recommendations where specific work is already actioned and where the SF2040 Secretariat and the SILG and ALG committees have influence.**

Progress on key projects during the second year of SF2020 is presented here, while an overview of progress on all recommendations, by priority, is in Annex 1 (page 7).

- **Recommendation 4: Establish seafood nutritional profiles** - This recommendation is complete. Forty-two professionally designed nutritional profiles are available on the [Seafish Asset Bank](#). They provide the macronutrient, vitamin and mineral value of species typically caught in English waters. The profiles are ideal for those working directly with consumers such as the nutrition, fishmonger, and fish fryer sectors.
- **Recommendation 6: Review the impacts of a population shift to 2 a week seafood consumption to better quantify the substantial socio-economic impacts of improved population health** - This recommendation is completed. Consultants sought to answer a question not previously addressed, 'what could be the potential value to the economy of health benefits if people ate more fish?' They analysed available economic and population health data, specifically relating to cancer and Type 2 diabetes. Results indicate potential substantial savings on health spending if people in England double their seafood intake. The novel method used means this should be considered a preliminary study. Some key health areas, e.g. cardiovascular health, were not included due to lack of data. Further research is now required to validate and extend the scope of this first study, and this will be included in a refreshed version of Recommendation 6.
- **Recommendation 11: Eliminate data deficiency and have stock management plans in place for English fisheries** - This recommendation is ongoing. The outputs are long-term and fundamental to support a sustainable and thriving English seafood industry. There are several relevant initiatives, and SILG is considering how best to bring information together to enable effective use of it. A specific project is the Southwest Ecological Risk Assessment for Mixed Fisheries, to which the SF2040 budget contributed £20k. Managed by Seafish and partnered with Morrison's, Falfish, and local Producer Organisations, this project will assess the sustainability of fishing data-deficient stocks, which account for 50% of the value of landings in south west England. Research will assess impacts of fishing on key species and the wider marine environment and the project will improve data collection.
- **Recommendation 13: Establish the ALG and deliver an English strategy and other initiatives** - This recommendation was achieved in part. The programme has delivered a realistic, action-oriented and forward-thinking English Aquaculture Strategy for the next 20 years, with Government supported growth aspirations and a delivery plan. Commissioned in May 2020, a robust stakeholder engagement process identified opportunities for species and systems as well as growth aspirations to 2040. This government-supported plan will be released in November 2020.

- **Recommendation 16: Devise & deliver single cross-sector seafood training and skills** - This recommendation was achieved in part. The research identified key challenges facing the fishing, aquaculture, processing, fishmonger, and fish fryer sectors in skills, training, recruitment and retention. Findings included the impacts of Brexit and COVID-19 and were disaggregated by region and sector. The report was released in September and the SF2040 Chair presented findings at a Common Language Group online meeting in October 2020.

### **3. Collaborate with the Young Seafood Leaders Network (YSLN)**

Given the 20-year time frame, it is important that the SF2040 programme engages with future industry leaders to discuss the seafood landscape which they want to help build. The YSLN, facilitated by Seafish, offers an excellent opportunity for that engagement. A YSLN member sits on SILG and ongoing dialog is anticipated.

### **4. Contribute to the National Food Strategy**

As with Defra, Seafish, and the Seafood Industry Alliance, SILG was keen to ensure that seafood and aquaculture were part of the National Food Strategy (NFS). The SF2040 Secretariat responded to the NFS Call for Submissions to request that both were key components of the strategy. Despite the SF2040 Secretariat's efforts, the NFS team has not yet engaged.

### **5. Review the SF2040 recommendations – now three years old – to test relevance and direction and update them where appropriate to better reflect the needs in the current landscape**

The ongoing recommendation refresh project is key to ensure the programme is relevant to government and industry and that the framework continues to be meaningful to all parties. Each recommendation will be revised to reflect industry needs and government priorities after the EU Exit and amidst the instability that COVID-19 presents.

### **6. Seek funding opportunities to continue the SF2040 programme past September 2020**

The SF2040 programme is funded through the European Maritime Fisheries Fund (EMFF). The grant was reallocated to allow continuation from September 2020 to February 2021; there was no new money. The priority during this period will be to apply to the new government fisheries fund to continue. SF2040 also needs alternative, or complementary, funding and this will be addressed throughout the next 12-month period and beyond.

## **SF2040: Future Ambitions**

The plan for SF2040 from October 2020 and beyond includes the following activities:

1. Apply to government fisheries fund in January 2021 to secure funding for March 2021 onwards
2. Complete the recommendation refresh
3. Continue to engage with the Fisheries Minister
4. Publish Recommendation 6 and Recommendation 16 research results and the English Aquaculture strategy
5. Continue to facilitate SILG and ALG meetings
6. Plan the first year of implementation under the English Aquaculture Strategy with ALG – the priorities, the projects, the partners, and the timeframes
7. Continue to advance SF2040 recommendations through facilitation, communication, and stakeholder engagement
8. Work with the Seafish Expert Panel and increase their overall engagement in SF2040 delivery

## Annex 1: Advancing the 25 recommendations in the SF2040 framework

SILG prioritised the 25 recommendations in 2019 and these remained in place during Year 2:

- Stage 1: work to begin October 2018
- Stage 2: work to begin July 2019
- Stage 3: work to begin April 2020

Tables 1 and 2 list prioritised recommendations in Stages 1 and 2 and progress achieved during Year 2. RAG ratings reflect overall progress, with red meaning little progress to date. Typically, those recommendations labelled red are either long-term priorities in which incremental progress is expected or at a standstill until Brexit negotiations are complete.

Table 3, listing Stage 3 Recommendations, has no RAG ratings because these are low priority and in some instances outside the influence of SILG and the SF2040 Secretariat. Activity that impacts on these recommendations is monitored. For example, the Seafish Regulation team monitors the Brexit negotiations which impact on Recs 19-25 and the SF2040 programme manager follows up with the team to document updates.

**Table 1: Stage 1 Recommendations (September 2018 - ongoing)**

Recommendation		RAG	Progress
1	Establish SILG; agree collective ownership of SF2040 and responsibility to deliver; establish Seafish as secretariat; investigate funding	GREEN	Achieved; SILG is established, includes all English seafood sectors, and drives SF2040 in partnership with Seafish, government, and industry.
4	Establish seafood nutritional profiles; ensure benefits are reflected in Govt recommendations	GREEN	Achieved; 42 profiles provide nutritional information of species found in England's waters. They were professionally designed and are available via the Seafish Asset Bank.
6	Review the impacts of a population shift to 2-a-week seafood consumption to better quantify the substantial socio-economic impacts of improved population health on government budgets	GREEN	Achieved; the SF2040 programme manager successfully applied for EMFF funds and the research was conducted. The findings are currently under review for publication.
7	Build a shared understanding of barriers & opportunities around seafood consumption, and agree shared consumer growth strategies in retail, food service & public sector	GREEN	Achieved; Seafish research, the 2018-19 'State of the Nation', analysed seafood consumption and identified the barriers and opportunities. Love Seafood by Seafish, a new consumer-oriented initiative released in October 2020, will deliver the new consumer growth strategy.
11	Eliminate data deficiency and have stock management plans in place for English fisheries	AMBER	Activity by Seafish, Defra, CEFAS, industry and universities is underway to improve data limitations and stock management plans. For example: <ul style="list-style-type: none"> <li>• SF2040 budget contributed £20k toward the Southwest Ecological Risk Assessment for Mixed Fisheries.</li> <li>• Individual fisheries and species work, e.g. sprats, sardines, scallops</li> <li>• Fisheries Bill contains fisheries plans and Provides a legal framework and how it applies to Defra, IFCAs, and MMO</li> <li>• National Shellfish Fisheries Plan (Seafish leading) Covers the improvement of data limitations of stocks</li> </ul>

			<ul style="list-style-type: none"> <li>Inshore Fisheries Reform (Defra, Seafish &amp; industry) Developing a harvest strategy standard</li> </ul>
13	Establish the ALG and deliver an English strategy and other initiatives	AMBER	Achieved in part; ALG is established and the English Aquaculture Strategy (EAS) is developed. The EAS highlights areas for industry activity and growth and where government can usefully intervene. Further actions remain to review ongoing barriers including poor water quality, a complex regulatory framework, and policy ambiguity (e.g. for Pacific oysters).
14	Promote aquaculture as an emerging sector that behaves responsibly. Provide clear policy leadership and vision to support an expansion of aquaculture	AMBER	Defra and regulators reviewed current regulation impacting marine and freshwater aquaculture aiming to reduce regulatory burden on the industry. There are two phases: <ul style="list-style-type: none"> <li>Guidance on complying with current regulations</li> <li>Full review of current regulatory framework</li> </ul> Defra is completing Phase 1. The SF2040 programme manager will help to facilitate Phase 2 in 2021.
15	Identify barriers to maintaining and improving key infrastructure and facilities, from deep water berths, ice production and vessel new build and maintenance, to physical and virtual auctions, digital connectivity, distribution and storage	AMBER	The SF2040 programme manager contributed questions to a Seafish review of England's Northeast inshore fishing ports and a Seafish audit of small ports. The SF2040 programme now has data on the barriers to growth and maintenance. However, given EU Exit and varying types of ports and funding mechanisms, more data will be required to provide a truly comprehensive picture of the challenges facing English ports.
17	Enhance business capability – work with Defra to discuss replacement funding mechanism for EMFF (only this part of 17)	GREEN	SILG and ALG participated in Defra's consultation for an EMFF replacement scheme. This part of Recommendation 17 has been achieved and Defra and MMO are in the process of developing the new scheme.

**Table 2: Stage 2 Recommendations (July 2019 - ongoing)**

Recommendation		RAG	Progress
2	Establishment of SEP and common approach to research through a shared Seafood Science and Innovation Strategic Framework and other initiatives	AMBER	The Seafish Expert Panel (SEP) was established during Year 1. The Chair sits on SILG. The SF2040 Secretariat and Seafish identified ways to use SEP's scientific and technical expertise to improve links and understanding between researchers, academics and England's seafood industry.
5	Review the environmental credentials for English & UK seafood production	RED	The SF2040 programme manager explored this recommendation with Seafish but no formal review process has been yet established. Environmental credentials implies consumer understanding of sustainability. Seafish will develop this idea further within the Love Seafood initiative.
8	Deliver industry-wide generic seafood consumer campaigns highlighting health, taste, sustainability and affordability	AMBER	The initiative, Love Seafood by Seafish, delivers against this recommendation. Various campaigns under the Love Seafood brand will influence consumer attitudes towards seafood.
9	Create domestic market demand for a wider variety of English-caught species	AMBER	The 'SeaForYourself' campaign spearheaded by Defra and supported by Seafish ran March to July 2020. It was a successful awareness raising campaign via social media and



			<p>radio to inspire the UK population to cook and eat more seafood caught in local waters.</p> <p>The new Love Seafood initiative by Seafish aims to increase domestic demand for all seafood and will feature species caught around the UK.</p>
10	Review the impact of a preferential English landings regime	RED	There are dependencies that directly impact on the revision of this recommendation: Fisheries Bill, Brexit negotiations and an understanding of port and supply chain infrastructure to handle the influx of fish. The SF2040 programme manager follows up with Defra to discuss progress.
12	Strengthen the role of Producer Organisations to better support fisheries management and provision of data	AMBER	Defra and the MMO regularly meet with UKAFPO and POs to understand their views on fisheries management issues and areas where improvements can be made.
16	Devise & deliver single cross-sector seafood training and skills. Map skills, recruitment and retention needs and issues across the entire value chain. Review of best practice with regards to training, skills development and workforce retention, within the UK and overseas	GREEN	Achieved in part; the SF2040 programme manager successfully applied for EMFF funds to review skills and recruitment issues across the supply chain. Research included a breakdown of certain active regions and individual sectors (e.g. fishing, aquaculture, etc.). The final report was disseminated Sept 2020.
19	Establish a Seafood Exporter's Group (SEG) to promote opportunities and drive progress; devise & deliver an Export Strategy and Action Plan	AMBER	Seafish established a pan-UK Exporter's Forum. The Department for International Trade (DIT) has prioritised seafood and is working with Seafish to deliver seafood export webinars focusing on key export markets. The SF2040 programme manager is working with DIT to align communications.
20	Ensure seafood is fully factored in to the Govt's export growth and promotion activities	AMBER	DIT has a staff member focussed on seafood for export growth and there are two Defra teams, Trade Policy and Export Food and Drink Strategy, which are actively engaged with England's seafood industry. Defra also has established a Fisheries Business Panel that meets throughout the year.
21	Conduct a review of current English seafood products to assess if any could benefit from PGI status	AMBER	Seafish and Defra indicate that uptake on GI status is low across England's seafood industry. Those that want GI status already have it. Overall, it is perceived as an expensive process and of little value to the industry. Only six seafood businesses participated in Defra's EU-GI consultation.

**Table 3: Stage 3 Recommendations (April 2020 - ongoing)**

Recommendation		Progress
3	Establish Best Practice Programme as a pathway to demonstrable improvement, with agreed specified standards developed for 4 key strands of sustainability: People, Planet, Production, and Transparency & Good Governance	No progress during the first two years of SF2040. SILG is likely to change this recommendation to make it more pragmatic.
17	Enhance business capability – assess current provision against the business requirements of the supply chain to identify gaps and opportunities and other initiatives	Largely not progressed except for one action (see Table 1). Due to COVID-19, Defra and Seafish have suggested revising the text to reflect the concept ‘resilience’ in light of business capability. This recommendation will alter to reflect impacts of COVID-19.
18	Maximise the use and value of the seafood resource – investigate opportunities to reduce waste and maximise value in production	Not progressed during the first two years of SF2040. It will be re-evaluated by SILG during the recommendation refresh process.
22	Consider the establishment of seafood friendly trade hubs to ease export routes	Not progressed during the first two years of SF2040. It is anticipated SILG will change this recommendation to make it more pragmatic which will improve chances of progress.
23	Ensure adequate resource is provided by UK Govt to facilitate favourable international free trade and preferential tariff agreements negotiated with seafood producing nations	Achievement is underway; government resource in seafood matters has increased via DIT and the Defra Trade Policy team. Work toward international free trade agreements (FTAs) and continuity agreements is ongoing. The UK government has negotiated a FTA with Japan. Other FTAs in negotiation are USA and New Zealand. The SF2040 programme manager follows up with the Defra Trade Policy team.
24	Establish mechanisms to ensure that national raw material commodity needs are calculated by agreement with industry sector bodies such as SIA and are translated into tariff quotas that align with sector requirements	Not progressed during the first two years of SF2040. It will be re-evaluated by government, industry and SILG during the recommendation refresh process. Brexit negotiations have impacted on the original intent of this recommendation.
25	Review and revise Border Control customs processes to expedite efficient logistics and tariff relief recovery	Not progressed during the first two years of SF2040. To be re-evaluated by government, industry and SILG during the recommendation refresh process. Brexit negotiations have impacted on the original intent of this recommendation.