

Minutes of the Scottish Seafish Advisory Committee Meeting

Held virtually on Thursday 10 November 2022.

Attendees:

Members	Mike Park, Scottish White Fish Producers Association (Chair) Elaine Whyte, Clyde Fishermen's Association Lynne Forman, Associated Seafoods Michael Clark, Nor-Sea Foods / International Fish Cannery Jimmy Buchan, Scottish Seafood Association Iain Matheson, Skye fisherman
Observers	Vikki Halliday, Scottish Government Donna Fordyce, Seafood Scotland
Seafish	Aoife Martin, Director of Operations Helen Duggan, Head of UK Regions (East) Jess Sparks, Regional Manager Arina Motova-Surrnava, Chief Economist / Interim Head of Economics (In-part) Ana Witteveen, Economist Joe Cooper, Economics Researcher
Minutes	Phillip Quirie, Project Co-ordinator and Administrator
Apologies	Sheila Keith, Shetland Fishermen's Association Yvonne Rae, George Campbell & Sons

Welcome and apologies

1. The Chair welcomed everyone to the meeting and shared apologies on behalf of John, Sheila and Yvonne. Members were informed that Colin Hinds had stepped down from the committee. Aoife agreed to discuss committee membership with the Chair.

ACTION 01: Aoife will open dialogue with Mike on committee membership.

Minutes of the previous meeting and action arising

2. The Chair invited feedback on the draft minutes of the meeting held on 11 August 2022. The minutes were approved as an accurate record of the meeting.

ACTION 02: Phillip will upload the approved minutes of the August meeting to the Seafish website.

3. Jess reported that all actions from the previous meeting were complete (Attachment: *01 SSAC 101122 Seafish Update*, page 2).

SSAC work programme update

4. Jess provided an update on the delivery of the Seafish work programme in Scotland. (Attachment: *01 SSAC 101122 Seafish Update*, pages 3-8).
5. Aoife gave a brief update on the work Seafish are coordinating to explore potential new ways to utilise small haddock in the UK supply chain. Project consultants are working on the business case for the recommendations that have been identified through discussions so far. The final workshop is expected to take place later in November.
6. A similar project is underway to explore the potential for mussels to be used more widely as a food ingredient, involving industry, retail, government, and academia. A third project of this type will begin in early 2023 and will explore opportunities to utilise Recirculating Aquaculture System (RAS) technology to farm whitefish in the UK.
7. Aoife confirmed that farmed haddock and cod would attract Seafish levy.

SSAC members update

8. The Chair invited committee members to provide an update from their sector, outlining any pertinent challenges or opportunities.
9. A discussion took place around labour shortages across the Scottish seafood industry. Recruitment and retention of labour remains the number one issue for processors and catchers, with the situation described as critical.
 - Industry finds the application process for skilled labour and transit visas slow, burdensome, and costly and a fundamental barrier in being able to access foreign labour. Engagement with the Home Office on this issue is difficult. When contact is made; Home Office officials demonstrate a lack of practical knowledge of the maritime sector; and show no willingness to review the process or listen to industry concerns.
 - On the Clyde, several fishing vessels have tied-up because there is no available crew.
 - In Skye operators are cancelling orders to build new vessels and opting for secondhand replacement instead. This will lead to the fleet continuing operations with older and less efficient boats, increasing safety risks, and not making reductions in carbon emissions.
10. The Scottish Seafood Association (SSA) have undertaken work with schools to help generate local interest in entering the seafood industry. The SSA ran a pilot programme, giving six young underachieving students placement visits to industry to give them a flavour of what is involved in working life. It was challenging but helped give them a real sense of achievement.
11. Energy costs were reported as another major issue, with processors finding difficulty in committing to contracts without being able to forecast forthcoming energy costs. The cost of energy itself continues to present a serious challenge to economic performance.

12. Marine spatial squeeze is an ongoing concern for fishermen, with ongoing policy to expand the Marine Protected Area and Highly Protected Marine Area networks.
13. Seafood Scotland have recently participated in learning journeys to Singapore and Dubai to explore export opportunities for smaller companies in these markets. They will also be attending Gulfood in Dubai in February, Seafood Expo North America in Boston in March, and Seafood Expo Global in Barcelona in April. Exhibitor recruitment for Boston and Barcelona has gone particularly well, and options are being explored to accommodate all interested parties.
14. Product availability can be problematic for wholesalers and fishmongers, and in manufacturing this has been exacerbated by increased costs and a lack of availability, long lead times for packaging, ingredients, and other raw materials. It was also reported that businesses are starting to see a noticeable drop in sales across all seafood products.

Seafish Corporate Plan 23-28 update

15. Aoife referred to Paper 2 which gave an overview of the priorities identified during the recent Strategic Review and narratives outlining how Seafish will address the priorities in the new Corporate Plan. Members were asked:
 - Are we focusing on the right priorities?
 - Have we pitched the ambition correctly under each priority?
 - Are we looking to focus our resources on the right programmes of work within the priorities?
 - Which areas are of particular interest to the Scottish committee?
 - What particular projects should we be focusing on to help support the sector in Scotland?
 - Have we missed anything?
16. A discussion followed; and the following points were raised:
 - The priorities accurately reflect the needs of the industry in Scotland, but it was commented that it was a pity to see the 'Love Seafood' consumer campaign dropped.
 - A key area of work for Seafish is engaging with industry to communicate the range of work which Seafish delivers and draw industry into the benefits of the services offered.
 - Aquaculture focus: Aoife confirmed the aquaculture support will not be offered to the salmon sector directly but acknowledged that the sector does benefit from the work Seafish does.
 - Fisheries Management: It was felt important that Seafish needs to be aware of the complexities; and political sensitivities in this area, particularly in the work supporting the development of fisheries management plans.
 - It was commented that Seafish should ensure that it is adequately resourced to embark on this broad range of work areas.
 - Aoife noted that the levy framework will be reviewed for the first time in over twenty years; and the scope to include other species and formats will also be considered. It was acknowledged that the speed and scale of work will be dependent on available resource.

Energy implications for UK seafood supply chain

17. Ana gave an overview of work Seafish have done to assess the implications of rising energy costs on the UK seafood processing sector (*Attachment: 02 Energy implications for UK seafood supply chain*, pages 3-6). Ana explained the Energy Intensive Industries Scheme and strong interest from industry to collect and collate energy and trade data from industry to inform any potential government consultation on widening the scope of the scheme.

18. From this work:

- 18 businesses submitted data, covering 29 sites and 5,660 FTE jobs (approx. 31% of total sector FTE jobs in the UK). In Scotland, businesses covering 9% of sites and 35% of FTEs contributed data.
- Ana Explained that government had ultimately decided not to consult as planned, however Seafish has used this information with the Department for Business Energy and Industrial Strategy and Defra to ensure the sector is represented in policy decisions; and will be well placed to engage further should government decide to consult on eligibility in future.

19. Arina continued the presentation, outlining fuel price data and the implications for the Scottish fleet (Attachment: *02 Energy implications for UK seafood supply chain*, pages 7-18). The average annual fuel price in 2022 to date is 81 pence per litre across the UK – an 80% increase from the average of 45 pence in 2021. Arina then detailed the average fuel costs to turnover ratio for Scottish landings of cod, haddock, monkfish, saithe, hake, Nephrops, scallops, as well as all demersal landings and shellfish landings.

Action 03: Jess will circulate the presentation on energy implications for UK seafood supply chain.

UK trade data and analysis for key species of interest

20. Joe gave an overview of seafood trade flow data at Scottish and pan-UK level over the past five years (Attachment: *03 UK trade data and analysis*). UK and foreign vessels landed 281,702 tonnes of fish and shellfish to Scotland in 2021, which made up 70% of all landings to the UK. The UK is a net importer of seafood, with almost 1.2 million tonnes imported versus just over 445 thousand tonnes exported. Scottish and UK landings and import and export data was illustrated for key Scottish species, including monkfish, saithe, cod, haddock, mackerel, herring, Nephrops, and scallops.

21. Joe reminded members that more seafood trade information can be explored on the Trade and Tariff Tool available on the Seafish website: [Seafish Trade and Tariff Tool by Seafish](#). Joe offered his contact details if members wished further info on the data presented. joe.cooper@seafish.co.uk

ACTION 04: Jess will circulate the presentation on UK trade and analysis for key species of interest.

Any other business

22. The Chair provided an update on ICES advice to inform quota setting for 2023. In summary:

- ICES advise significant increases in quota for haddock (over 160% increase) and whiting.
- There is also a significant increase proposed for cod (63%) – if implemented this could be worth circa £20million to industry for that species alone.
- Saithe proposed increase of 19%.
- Nephrops quota proposed -10% for North Sea; +13% for West of Scotland.
- Monkfish advice is for a 30% reduction.

23. The Chair then explained the next step is to open discussions through the various bilateral/trilateral negotiations in December. The main area of Scottish concern is over the advice for monkfish; the

Northern Fisheries Alliance authored a paper outlining the reasons why the monkfish allocation should not be decreased. Mike offered to share the paper with any interested members.

ACTION 05: Mike will send the Northern Fisheries Alliance paper on monkfish to Donna.

Date and format of next meeting and close

24. Prompted by a question from the Chair, members agreed the next meeting should be held in-person at the Seafish office in Edinburgh.

ACTION 06: Phillip will poll members with dates for an in-person meeting in Edinburgh in February or March 2023.

25. The Chair thanked everyone for their participation and closed the meeting.

Action List

	Action	Timeline	Owner
1.	Aoife will open dialogue with Mike on committee membership.	Next meeting	Aoife and Mike
2.	Phillip will upload the approved minutes of the August meeting to the Seafish website.	December	Phillip
3.	Jess will circulate the presentation on energy implications for UK seafood supply chain.	November	Jess
4.	Jess will circulate the presentation on UK trade and analysis for key species of interest.	November	Jess
5.	Mike will send the Northern Fisheries Alliance paper on monkfish to Donna.	November	Mike
6.	Phillip will poll members with dates for an in-person meeting in Edinburgh in February or March 2023.	February	Phillip