

BENEFICIARY: **BORD IASCAIGH MHARA**
PROJECT REFERENCE NUMBER: **19/SSMDS/DI005**
NAME OF PROJECT: **Project Atlantic**
IMPLEMENTATION PERIOD: **1st January to 31st December 2019**

Project Scope

The consistent supply of raw material is one of the major issues facing seafood processors in Ireland which hinders the growth of the sector. This was recognized in the Foodwise 2025 strategy and Bord Iascaigh Mhara (BIM), Ireland's Seafood Development Agency, was tasked with the objective of determining and enabling the Irish seafood sector to add value to the increased landings into Irish fishery ports. BIM's mission is to grow a thriving Irish seafood industry, expand the raw material base, add value and develop efficient supply chains.

The Exclusive Economic Zone (EEZ) of Ireland is one of the largest in the EU with highly productive fishing grounds. The Irish fleet catches around 30% of the volume and 24% of the value of fish captured in ICES¹ Area VI & VIIa-c,f-g, (North-West of Ireland/West of Scotland, the Irish Sea and the Celtic Sea). The remaining 70% (over 500,000 tonnes), mainly caught by non-Irish fishing nations of the European Union (EU), represents a potential opportunity for the Irish seafood sector. If more of this catch is landed into Ireland with added value created locally, the Irish seafood sector could benefit significantly.

In 2017, BIM commissioned Poseidon Consultants to produce a report and strategy to expand the raw material base for the Irish seafood sector and add value to Irish landed fish. The report identified that significant quantities of whitefish and other demersal species are already being landed by Irish and international (mainly Spanish, French and UK) vessels and recent years have seen considerable growth in international landings, mainly at Castletownbere, Co. Cork. BIM will lead the project with an internal team together with a number of external consultants with expertise in particular areas as required.

The ability of Irish seafood buyers to access and purchase raw material landed in Ireland is hampered by:

- A lack of information on what is to be landed;
- A lack of transparency in the sales systems used in Irish ports; and
- A misperception that the prices paid in Ireland are less than elsewhere in Europe.

Fishing ports elsewhere in Europe have introduced information and sales systems to help address these issues by providing advanced landing information, price information and in many cases the opportunity to bid for fish remotely.

¹ ICES - International Council for the Exploration of the Seas, provider of scientific advice on fisheries in the North East Atlantic area.

Objectives

BIM will develop Project Atlantic to determine and enable the Irish seafood sector to add value to the increased landings into Irish fishery ports through the following actions:

- Develop links between Irish and international interests.
- Research current supply chain with a view to identify efficiencies and reduce cost.
- Research online sales channels for Irish-landed fish.
- Create growth opportunities for Irish co-ops and processors through open and transparent sales.
- Develop business case and financial model for first point of sale operations in Ireland.

To enable a first point of sales center to be set up in Ireland, a new company (NewCo.) will need to be set up, which will operate as a commercial entity to trade fish Nationally and Internationally. It is envisaged that this NewCo. will consist of several key industry stakeholders and external partners.

Budget: €250,000

Achievements/Spend

A Spanish market validation assessment was completed in 2019 to explore first point of sale options for whitefish landed in Ireland from Irish and international vessels. In conjunction with Bord Bia, this involved meeting with targeted international wholesalers and retailers in Spain. The objective was to understand future needs of market players and to assess their interest in doing business with an Irish first point of sale centre which would be strategically located in a major Irish fishing port.

As part of the business model development, a detailed design and building costings plan was developed to inform the project on the proposed costs of the proposed facility. Estimates on processing equipment, building running costs, overheads and staff costs were included to accurately assess the viability of the project.

The project steering group made up of industry and state stakeholders met in Q1 2019. The business case and financial model for the proposed concept was presented to the project steering group. The concept and model were well received, and the project team was tasked with moving the project forward to the next level. The next level, the proof of concept phase, will consist of contracting existing facilities to test the business concept. This will run for a period of 18 months and based on the results, the plan will be to scale up and fully commercialise. As it was decided that the project was to progress to next phase, it was agreed that the steering group had served its purpose and it was disbanded. Throughout 2019, the proof of concept phase of the project was further developed to include detailed costings and throughput targets.

Under the direction of the Irish Strategic Investment Fund (ISIF), project partners met with a number of the industry stakeholders individually to discuss in detail the opportunity and the best way to proceed. Four industry stakeholders have expressed an interest in moving the project to the next phase. The next phase will be for all parties to agree a corporate structure, equity share and investment requirements, this is due to be completed in 2020.

SUMMARY OF SPEND:

Total Approved	
Total Eligible Expenditure	€153,450.80
Total Drawdown	€153,450.80
EU – 50%	€76,725.40
Exchequer – 50%	€76,725.40

Report by: Tomás Cooper

Date: May 2020