

BIM EMFAF Work Programme Project Report 2023

BENEFICIARY:	Bord Iascaigh Mhara
PROJECT REFERENCE NUMBER:	23/SFS/ESS-BG010-BR031
NAME OF PROJECT:	An Analysis of the Resilience of the Seafood Sector
IMPLEMENTATION PERIOD:	1 st January to 31 st December 2023

Project Scope

Seafood is among the most traded food commodities globally and the EU is currently the largest seafood market in the world. The expansion of seafood trade has resulted in a range of socioeconomic benefits, including increased employment opportunity and food security. However, it has also made the seafood sector more vulnerable to systemic shocks that disrupt the flow of product and the livelihoods that depend on it. The Covid-19 pandemic has clearly shown this to be the case.

Shocks like these are becoming an increasingly common feature of food systems, including those associated with seafood, a trend that can be expected to continue, given the challenges presented by climate change and biodiversity loss as well as geopolitical shocks such as Brexit and the conflict in Ukraine. Mapping out the seafood sector's reaction and assessing the impacts to demand, distribution, labour, and production is important to help the sector respond, learn, and become more resilient to future shocks. Understanding how the fisheries and aquaculture sector's resilience may, or may not, be different to other food sectors, in response to large-scale disturbances, is important to be able to plan for the future.

Despite the economic shock created by Covid, there is evidence that the Irish seafood sector remained remarkably resilient in 2020 and 2021, even in the face of such severe market disruption. Agile diversification and collaboration allowed many businesses to adapt quickly to the difficult situation faced. The ability of the sector in dealing with Covid to a certain degree is in marked contrast to challenges now being faced due to the rising energy costs. The rising cost of fuel is compounding the already significant strain on the industry caused by Brexit and the Covid pandemic. The industry has not been able to mirror the agile diversification and collaboration seen during Covid to mitigate the impacts of the fuel crisis. The fisheries, aquaculture, and processing sectors have been significantly impacted by high energy costs and raw material prices with the knock-on effects of the crisis being felt in coastal communities across the country. Costs have increased by 200% to 350% compared to a year ago. Any increase in fish prices along with Government supports provided have only partially offset rising costs with the result that the resilience of the industry is being tested in the extreme.

This project aims to take the lessons learned from previous crises and the current energy crisis to assist in understanding and improving the seafood sector's resiliency. The project will consider key immediate, and longer-term actions that have and could be taken to mitigate against the impacts.



Objectives

It aims to review the resilience of the Irish seafood sector to shocks like Covid-19, Brexit, the conflict in Ukraine, climate change. It will determine the lessons learned from current and past shocks and help the sector understand the routes to increased resilience, sustainability, and the security of the Irish seafood sector in the future. It aims to inform the Irish seafood sector and place structures on how to achieve the goals of maintaining the sustainability and social and economic resilience of fishermen, aquaculture growers, the wider seafood industry, and coastal communities reliant on seafood in Ireland in response to future large-scale disturbances.

The outcomes will be divided into two parts.

1. A retrospective timeline of past shocks that consists of a timeline for shocks within aquaculture, fisheries and processing including, but not limited to, the following types of economic shocks:

- Spikes in fuel costs.
- Disease impacting aquaculture operations.
- The 2007/08 financial crisis, Brexit, COVID-19 etc.
- Extreme stock fluctuations (e.g., blue whiting).
- Effect of introduction of new management measures for deepwater species, albacore tuna.
- Impacts of quota transfers and new trading environment created by Brexit.
- Increase in energy and material costs caused by the conflict in Ukraine.
- Labour supply issues.
- Supply chain disruptions.

2. Creating a matrix of potential responses to any future shocks. Details to include date, description, duration, main impacts, policy measures implemented, actions etc. Categorise the different types of shocks e.g., input shocks, supply chain, geopolitical tabulated by event.

Outcomes

After a procurement process, Seaview Marine Economic Consulting was employed to undertake the provisions of scoping study to support the delivery of an analysis of the resilience of the seafood sector. An internal stakeholder engagement workshop is planned to capture all potential shocks.

Summary of Project Spend

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Total Approved Costs	€50,000
Total Eligible Expenditure	€42,128
EMFAF Eligible Expenditure	€21,064
Exchequer	€21,064

Report by: Bronagh Carey

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an Aontas Eorpach

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