

BIM EMFAF Work Programme Project Report 2023

BENEFICIARY:	Bord Iascaigh Mhara
PROJECT REFERENCE NUMBER:	23/SPIS/DIS-BG011-BR069
NAME OF PROJECT:	Maximising the value from an under-utilised resource: blue whiting
IMPLEMENTATION PERIOD:	1 st January to 31 st December 2023

Project Scope

Blue whiting (*Micromesistius poutassou*), as a member of the cod family (Gadidae), is neutral tasting and has a delicate white flesh. The TAC (Total Allowable Catch) for this large volume fishery increased by over 80% to 1,359,629MT in 2023. As it is a small fish (90-160 grammes), easily damaged and somewhat difficult to process (e.g., fillet) it has mainly been reduced to fishmeal or exported as a cheap whole frozen commodity. Killybegs is strategically located close to the main blue whiting spawning grounds. Therefore, in addition to accessing Ireland's national quota, a large volume of non-Irish vessels fish over 500,000MT (2023) of blue whiting along Ireland's west coast and regularly land into Killybegs to discharge. In 2019 BIM carried out a large-scale study on blue whiting demonstrating that good quality blue whiting can be processed into a variety of value-add formats, and that there is market demand that represents a viable commercial opportunity. At that stage Irish pelagic processors were focused on commodity processing and were not keen to diversify. Given the Brexit related loss of pelagic quota and spiralling costs in recent years, there is a need for pelagic processors to focus more attention on large volume accessible species and extract more value. This project sought to build on the previous 2019 project to assess markets, the trading environment, and the appetite of pelagic processors to diversify to further process blue whiting.

Objectives

- To carry out an appraisal of the product development options for blue whiting to include market demand, potential price points, specifications, customer networks and competitors.
- To assess the investment costs for the various development options.
- To carry out a robust financial appraisal to assess ROI.
- To develop appropriate business model options for review.
- To develop investor pitches for blue whiting.
- To communicate the opportunities through various network and host various workshops to discuss the opportunities with interested partners.
- To provide enablers to support commercial traction, including funding options, grants, technical and business supports.

Outcomes

Poseidon Aquatic Resource Management Ltd. was recruited to support the project along with Col Fisher as in-market consultants with specific experience on blue whiting. International markets were assessed to gauge both demand and price indications for value-add processed blue whiting products. It was evident that demand exists for consistently available affordable value products, particularly during economically challenging periods. Engagement with Irish fishers revealed some interest in landing higher quality blue



whiting for human consumption, however the high prices being currently paid for fish landed for fishmeal means a suitable price differential for higher quality landed product will prove challenging. Engagement with Irish pelagic processors revealed an increased level of interest in further processing of blue whiting for human consumption, largely due to the drop in raw material volumes of mackerel and horse mackerel being landed. In addition, pelagic processors in Killybegs have invested over €50 million in processing technologies over the past 18 months which increases their processing capabilities and reveals an increased appetite to diversify. The 80% increase in TAC in 2023 suggests the blue whiting resource is healthy. However, the strong recruitment means the landings comprise a large proportion of small fish (<70g) which is difficult to process. The detailed market insights, along with perspectives from national and international processors were collated and strategic options have been developed to support diversification. Financial supports along with other enablers have been included in the outputs.

Summary of Project Spend

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Total Approved Costs	€70,000
Total Eligible Expenditure	€69,058
EMFAF Eligible Expenditure	€34,529
Exchequer	€34,529

Report by: Michael Gallagher

Date: January 2024



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an Aontas Eorpach

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