ADDING VALUE
THE IRISH PERSPECTIVE

'CFP: WHICH FUTURE FOR AQUACULTURE'

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ADDING VALUE: THE IRISH PERSPECTIVE
Background

- 7,500km coastline. Island Nation
- Aquatic waters shaped by Atlantic / Gulf Stream & Bog lands
- Green Image, cleans waters, rigorous testing
- Aquaculture Industry: **€131ml Value & 60,000t**.
- Main European Irish seafood markets are France, Spain, UK, Germany and Italy
- Irish Seafood Industry supports **11,600 jobs**. The Irish aquaculture industry continues to contribute significantly to the seafood sector:

  4,987 Fisheries production
  1,936 Aquaculture
  3,507 Seafood processing
  1,185 Ancillary services
- Strict quality guidelines & highly regulated re food safety – consumer trust & confidence. Quality Assurances Schemes.
- Population Ireland 4.58ml – ageing

Food Harvest 2020

In line with positive global perspectives for seafood, the Irish Government has set out a targeted growth strategy for seafood up to 2020. Midterm milestones predict an additional 10,000 tonnes of seafood in aquaculture and €100 million in value added by 2015. Strategy Drivers:

- **Aquaculture:** Favourable policy environment & Sustainability
- **Value-Adding:** Greater collaboration / co-operation
  Confidence and dynamism
  Innovation / new product development through BIM Seafood Development Centre

ADDING VALUE: THE IRISH PERSPECTIVE

- Irish seafood is cultivated in a pristine Atlantic environment, with finfish and shellfish reared in clean water areas.

- Highly regulated – EU & Irish Food Safety Legislation
  - Food Safety Authority of Ireland (FSAI),
  - Sea-Fisheries Protection Authority (SFPA)
  - Marine Institute (MI)
  - Industry - Irish Shellfish Association, (ISA)

- BIM (Irish Sea Fisheries Board)
  - Irish Quality Salmon
  - Irish Quality Mussels
  - Irish Quality Oysters
  - (MSC) Marine Stewardship Council

BIM prioritised 4 Key Elements

1. Environment and Sustainability
2. Skills Development
3. Business Development & Innovation
4. Knowledge and Technology Transfer

This strategy is less about driving large increases in seafood output over the period but more about making sure that BIM is enabling the sector to better leverage the existing resources at its disposal to facilitate the generation of real added value.

Quality V Quantity

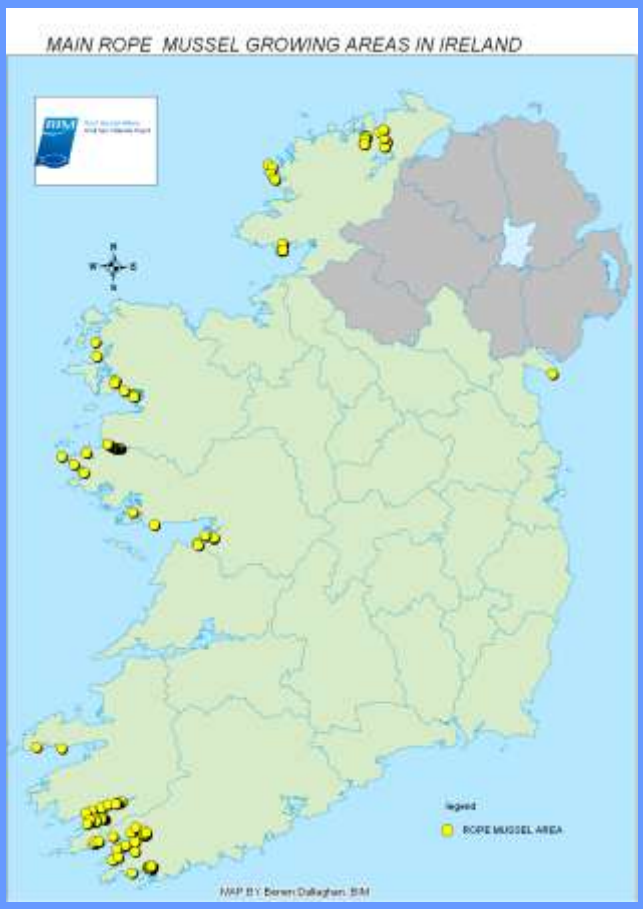
Irish Aquaculture Embracing Organic Certification

KEY PRINCIPLES OF ORGANIC FISH PRODUCTION

- Respect for nature and biodiversity
- Responsible sourcing of seed from sustainable stock
- Sustainable environmental and waste management systems
- Only organic, sustainable and GMO-free feed
- Low stocking densities protect welfare and health
- Natural ingredients are used for pigmentation

Main Organic Certification Bodies – Ireland & UK

Mussel & Oyster Cultivation



Mussel & Oyster Cultivation

- Farmed mussels (Rope / suspended & Dredged / bottom culture) and oysters (gigas / bag & trestle & native flat - bottom culture) feed naturally on wild phytoplankton in the sea. The environmental impact of mussel and oyster farming in Ireland therefore is low.

- Many Irish mussel & oyster farmers are certified under BIM's Quality Seafood Programme which controls product quality, environmental management practice & food safety and product quality.

- Movement in recent times towards organic certification for Irish Rope Mussels. Irish mussel farmers have also been shown to be pioneering by being first to adopt the EU Organic Certification under commission regulation 710/2009

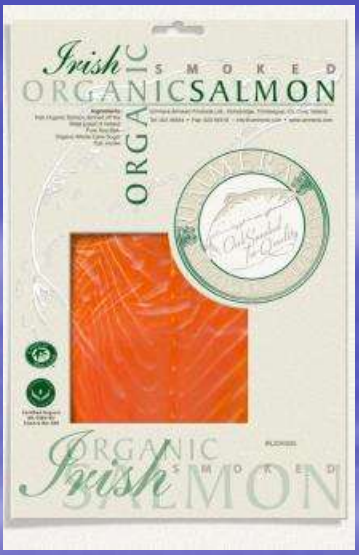
- Value Added: Mainly Rope Mussels in Vac Packs with sauces

Farmed Salmon Developments

- Demand outstrips supply for Irish organic farmed salmon.
- **83%** annual production is organic & certified to quality labels: AB bio, Naturland, Irish Quality Organic & the new European Organic Certification. This ensures a high level of environmental management practices and animal well being.
- Bord Iascaigh Mhara (BIM Irish Sea Fisheries Board) facilitating the development of three deep sea salmon farms, capable of producing up to 15,000 tonnes per farm annually
- Delay in licensing renewals & new licenses limiting expansion both for existing farmers & new entrants
- **Processing Co's offer wide product range - Value Added – Whole, filets, smoked - several flavours, organic, cooked – canapés, roulades etc**

CŒUR DE L'IRLANDE

Organic
Gravadlax


Irish
SMOKED
ORGANIC SALMON
ORGANIC
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SALMON DELIGHTS

Donegal Silver

Organic
Burren
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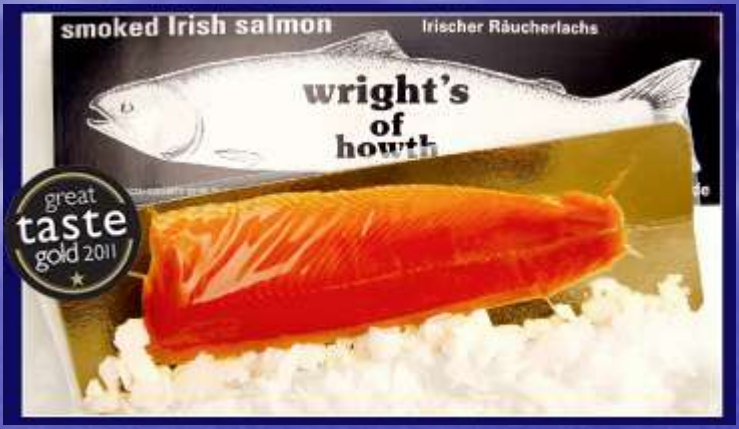
Smoked Irish Salmon

great
taste
gold 2010

Blas na hEireann

ORGANIC
SALMON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UMMERA
QUALITY
IRISH
Smokehouse
SMOKED PRODUCTS

great
taste
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OCEANPATH
the Seafood Specialists

LABEYRIE
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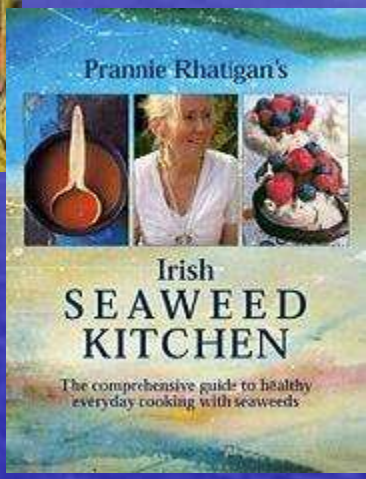
6

AlgAran

Seaweed products for health and beauty



CARR SHELLFISH IRELAND

Cooked Seafood Specialists

ADDING VALUE: THE IRISH PERSPECTIVE SEAWEED

- Seaweed & biotechnology sector currently worth €18ml plan to grow to **€30ml** by 2020.

- Processes **36,000t** (wild) seaweed, high volume, low value products such as animal feeds, plant supplements, specialist fertilisers and agricultural products. A smaller proportion goes into higher value products such as foods, cosmetics and therapies.

- **Home market mainly** (edible seaweed) & value added – agric products, & cosmetic sector. Very few value-added, branded products are being sold abroad.

- Industry needs to introduce **automation & more sophisticated processing** & packaging techniques. Reduce labour costs, move away from the more traditional wild species and applying aquaculture techniques to create sustainable year round supply is also key to industry development.

- **Cultured seaweed offers traceability**, continuity of supply & the possibility of **organic** certification.

- BIM in recent study of this sector are identified the following area for support:- increasing production capacity, improving processing capability, supporting new product development, provision of consumer information and in-store promotional material and improving the profile of seaweed amongst retailers.

SeaHorse Atlantic EQUINE & Pet Care Seaweed Based Products

- Dingle Bay Seafood offered seafood research proposal to Ms. Jane O'Sullivan
- Kenmare Veterinary Centre conducted a six-week feeding trial.
- West Cork Enterprise Board funded a feasibility study.
- UCC IGNITE offered funding and free incubation space .
- BIM Seafood Innovation Centre helped develop a prototype & research.
- Seahorse Atlantic is involved in an EU research project and Company is liaising with potential funders.
- Promoter holds a primary degree in environmental science (zoology) & a masters in marine biology.
- Joint winner of the Sales & Marketing Award annual Ignite Programm Awards at University College Cork.

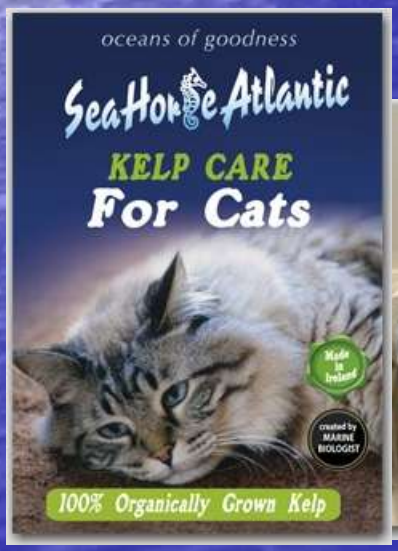
SeaHorse Atlantic EQUINE & Pet Care SEAWEED BASED Products

- Seaweed is grown in Ventry Bay, Dingle on suspended long lines by Dingle Bay Seaweed

- The kelp species SeaHorse Atlantic has chosen to grow has a unique nutritional content that is high in calcium, iron, zinc, copper, manganese and many more nutritional benefits. SeaHorse Atlantic's equine supplement is 100% natural with no invisible ingredients or processing. The unique species of seaweed farmed is naturally high in a wide range of minerals and trace nutrients required by horses.

  Likewise the Pet Care Products are entirely natural and free of artificial additives, processing, our supplement is full of oceans of goodness.

  Market On – line & up coming launch in the UK.



Irelands First Caviar

Goatsbridge Trout Farm 'Farm to Fork'

2nd Generation Agri Farm. Family run independent trout farm.

1961 Diversified into Trout Farm (inland County – Kilkenny) & established fish ponds
Farm to Fork – eggs to fully grown trout

1990 Current generation continued to develop the farm, range and product branding

2010 State of the art Processing and Packaging Plant

Range: – whole, gutted, portioned, fillets (boneless) plus a range of smoked trout products that are constantly in development. Fresh fish – restaurants, wholesalers, from the farm & farmers markets

Hot smoked Trout

2012 Goatsbridge Irish Trout **Caviar**
Idea generated on a visit to Sunburst Trout Farm in North Carolina, USA in 2010.
Developed with assistance:

- Seafood Development Centre, Bord Iascaigh Mhara (Nov. 2009) (BIM –Irish Sea Fisheries Board)
- Teagasc ( )
- Chef – Sunburst Trout Farm

Russian buyers take bait as Ireland's first trout caviar 'goes down a treat
Positive feedback from Russian buyers at Bord Bia (Irish Food Board) plus restaurants & food sector.
Available to retail trade towards end of 2012

2011 Short Listed & Highly Recommended Good Food Ireland Producer of the Year
2010 Short listed for Good Food Ireland Best Producer Award Bord Bia
2010 South East Women in Business – Entrepreneur of the year award (A biochemist & trout farmer cum entrepreneur
2010 JFC Innovation Awards for Rural Business

Challenges Facing Irish Aquaculture Industry

- Current economic climate – also present opportunities. Recessionary effects – reduced prices for seafood, difficulties in obtaining working capital, increasing interest rates.
- Access to the resource – a stronger emphasis on environmental protection and conservation. Competing interests. Lack of public appreciation of our marine resource
- Lack of economies of scale and inefficient logistics chain
  - Less than 10% Processing Co's turnover greater than €10m.
- The growth of low cost imports from countries operating from significantly lower cost bases & less stringent regulations a lack of differentiation of Irish seafood.
- Changing consumer preferences – a premium on convenience, versatility and price.
- High unemployment rate 14.3% - April 2012. ?Rural
- Small home market & low consumption
- Licensing
- Capital Grants lead in time to expenditure too tight – 6 weeks
- Competitive international market - Irish producers / processors must minimise costs – fuel?

A LOT DONE & A LOT MORE TO DO

- A host of innovation partners now exist in Ireland. **Linkages & synergies** must continue with industry & these agencies in order to build on the success of the organic value added salmon, shellfish & seaweed production & processing; in the areas of Product Development, Contract Manufacturing / Incubation Units/ Processing Kitchens, Nutritional Analyses / Taste Testing, Value Added Opportunities, Branding, Marketing & Market Intelligence, Business Development Skills, Diversification, Sustainability, Scale-Up

- Industry continue to capitalise on the facilities at **BIM Seafood Innovation Centre** - €34ml generated in 2011 via new product development / value added – clients

- Continue to capitalise on **growing international market** for aquaculture products & the benefits derived from such products

- Continue the **differentiation** of Irish seafood in the marketplace through ECO, organic and quality labeling to product to leverage greater profitability.

- Industry and relevant agencies and regulators must work together on l**icensing** of aquaculture sites. Create greater awareness of our **indigenous resourse**

- Recent Trade Mission to **China** by Minister Coveney, build & develop thee links & reverse the balance Imports V Exports

- 2011 saw strong growth in the value of **exports to International markets**, led by Asia, Russia and Africa – build.

- Ireland has a great number of excellent restaurants & chefs – greater emphasis on seafood & aquaculture products – continue to capitalise on **benefits of seafood**

- **Farmer's markets** resurgence & most markets now support fish stalls

- Maritime Festivals – **tourism** links

Getting Ireland Out Of The Recession
The Indigenous Way

- Opportunities – piggy back on the success of organic smoked salmon export markets, green image, success of agri industry – partnerships, synergies.
- Estimated the value of seafood exports increased by 13% to an estimated €420 million in 2012. The Aquaculture Sector contributed significantly to this increase & has the ability to continue expansion via value added and organic production.
- Premium product – Quality V Quantity
- "Digging Ireland out of recession – Artisan produce, Food innovation, Guerrilla marketing" 'Local solutions to national problem'
- Carr Shellfish Ireland– Four generations of Craftsmanship & Tradition

There is no doubt that the aquaculture industry, which is indigenous and natural resource based, has the potential to generate further value to the national economy and to the region in which it is based. I'm confident that the structures now in place by all the agencies and the Department will build on the success already created by the aquaculture processing sector.

SAMUEL ADAMS
BOSTON LAGER

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Bio Miesmuscheln
100%
WWF