



**Ms. Deirdre Morgan**  
**Secretary to the Independent Review Group**  
**Department of Agriculture, Food and the Marine.**  
**National Seafood Centre**  
**Clonakilty**  
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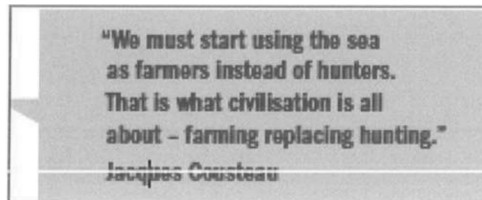
**Re: Submission to the Independent Aquaculture License Review Group.**

Dear members of the Review Group,

As Sales and Processing Director of Marine Harvest Ireland, I wish to thank you for this opportunity to make my submission to this review of the current Aquaculture License system.

At the outset, may I state that Ireland is limited in its Natural Resources, the Marine ecosystem may be one of its greatest, which at present, and for many generations, has been ignored and underutilized at the expense of job creation in peripheral regions, and return to the exchequer.

The current Aquaculture License system continues this dereliction of our Ocean Wealth and I trust that the members of this Review Group will put in place the necessary requirements to meet and implement the Review objectives in order that we may, once and for all, look to our Oceans as a fertile source of food production to the benefit of future generations.



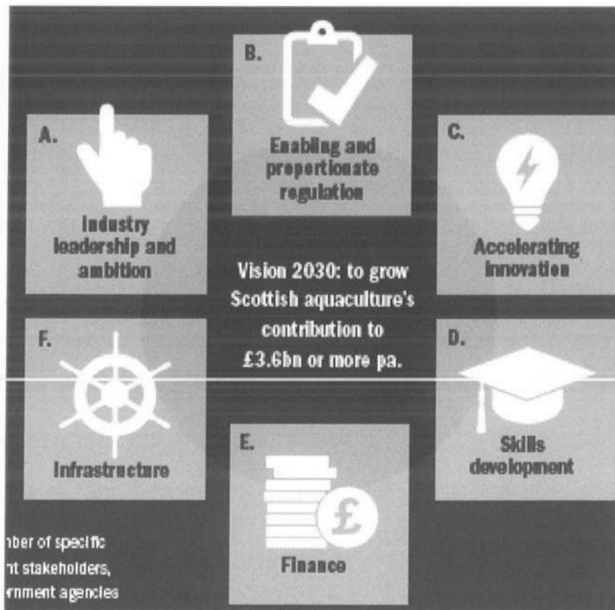
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My colleagues, in their various submissions, will outline the legal pathway through the current impasse, for your consideration.

I, having spent most of the past 30 year dealing with our customers, our employees and the market, will focus on the on-going economic loss, as we fail to reach the Government targets of 2020, but look with some confidence to achieving the targets set out in Food Wise 2025.

Food Harvest 2020 was presented to the Minister in 2010; ambitious targets for Aquaculture of 78% volume growth were set and welcomed by the Industry. A modest revenue target of €1b for total Seafood was also set. When we look at the confirmed BIM figures for 2015 we realize that rather than increasing, Aquaculture volumes have declined by -15% from the baseline figures used for Harvest 2020, On current market valuation figures for 2015, this failure to reach the targets results in a loss of revenue of €159m per year. Our Industry welcomed the targets and were confident of achieving them; however the failure that is the current Aquaculture License system means that the targets set out by Government for 2020 will certainly not be met, at a cost to both lost employment in rural Ireland and lost revenue for the exchequer.

The Revenue target of €1b by 2020 for our total Seafood sector was, when compared to our nearest neighbor Scotland, not at all ambitious. The current Aquaculture revenue generated in Scotland stands at £1.8 billion; their vision for 2030 is impressive.



When we compare the Faroes Islands, which is approximately a quarter of the size of County Mayo, we see very clearly what success looks like.



**Faroese**  
 1,399 km<sup>2</sup>  
 Pop 49,709  
 2016  
 Vol 68,271  
 Revenue €442m

Food Wise 2025 contains three priorities for the seafood sector;

- Expand the raw material base.
- Enhance the industry's structure and skills.
- Optimize product added value, export markets and environmental sustainability.

Without a functional license system, none of the above will be achieved. Without a structure, expanding the raw material base is not possible. Currently our Industry is not attracting young graduates or skilled husbandry personnel as they see no future career prospects, all of our processing plant personnel are currently off work (Jan & Feb 2017) due to stock shortage. Unfortunately the Banks do not provide a 10 month mortgage package. Finally without continuity of supply, keeping our competitors from taking our markets on the value added retail counters, is proving difficult.

In all business models the "first mover advantage" lends significant benefit in capturing market share. Ireland were first to understand and implement the organic standards for seafood (salmon & mussels) and gained "first mover advantage". The decades of delay within the current Aquaculture License system has resulted in Norway now taking the mantle of market leader in organic salmon from Ireland.

This lack of focus, commitment and resolve, places at risk the vast potential of our Industry.

In conclusion, I am confident that the information supplied by the various contributors to this review will give sufficient knowledge to you, the License Review Group, in order for you to make sound recommendations for change on each of the four objectives.

What I am not confident about, and what is silent in the review process, is the implementation of the changes in a timely fashion. When we look at the various strategic initiatives undertaken in the past,

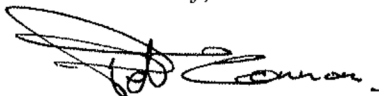
- Steering a New Course (Dec 2006 “the Cawley Report”).
- Sea Change.
- Harnessing our Ocean Wealth (July 2012).

Excellent strategic and forward looking documents, all left to decay, their recommendations ignored.

If we are to be honest and get to the core of this issue, we must acknowledge that the Department that is tasked with the implementation of this review has no interest (by their own admission) in the development of our Industry. When questioned, they will frankly state that theirs is a regulatory function only, and it is up to the Minister to develop the Aquaculture Industry. This would never be accepted in the Beef Industry, and we should, must, no longer accept this in our Aquaculture Industry. The need therefore, to have within the Department, both a compliance section and an Industry developmental section, working to fixed timelines and key performance indicators is critical.

Thank you for taking the time to read this submission, may I wish you well in your deliberations and the courage to implement change that will allow Ireland realize the potential of her Oceanic coastline.

Yours sincerely,



Pat Connors

SALES & PROCESSING DIRECTOR  
MARINE HARVEST IRELAND