THE BUSINESS OF SEAFOOD

2020

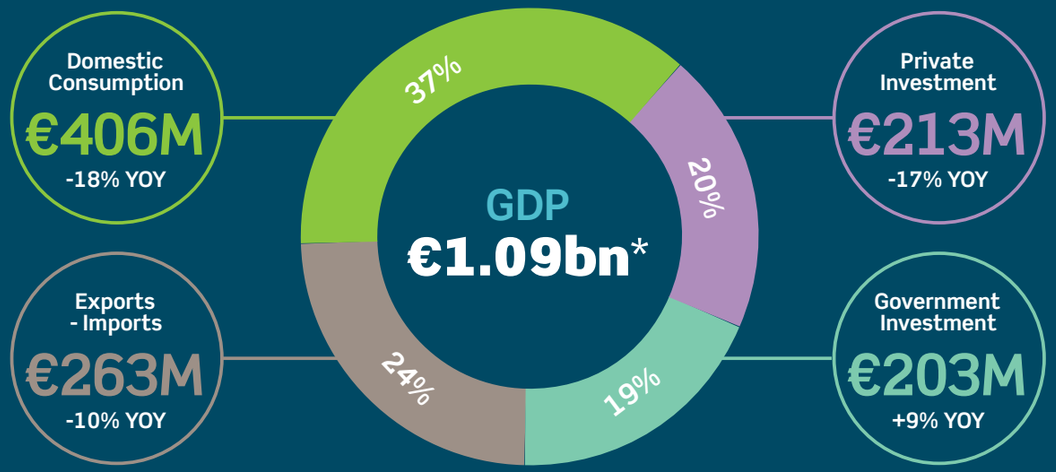
A Snapshot of Ireland's Seafood Sector

BIM

€1.09bn

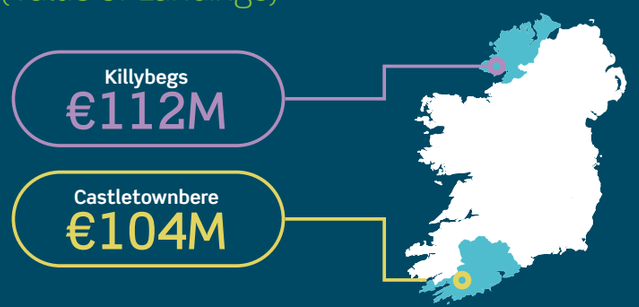
Estimated GDP of Irish Seafood industry

The Irish Seafood Economy 2020



* Actual total €1,085M

Our Biggest Fishing Ports
(Value of Landings)



€346M -18%

of seafood was landed by Irish and non-Irish vessels into our ports in 2020:

Irish landings €214M
Non-Irish €132M

€180M Value of Aquaculture +2% growth

€526M Value of Irish Seafood -12% growth

2,030 Number of registered fishing vessels in 2019

160 Number of seafood processors

309 Number of aquaculture production units

16,430 People are employed around our coast (direct and indirect employment)

Domestic Sales Value €406M

€316M Retail Value

€90M Food Service Value

Top Selling Species

SALMON (Up 3%) **€120M**

COD (Up 4%) **€46M**

€327M worth of seafood was imported into Ireland in 2020

€188M worth of seafood was imported from the UK (58%)

€590M Export Value

-8% Value Growth

THE BUSINESS OF SEAFOOD 2020

-11.6% GROWTH on 2019

Ireland's Main Export Markets

-16% **EU €321M**

+9% **UK €93M**

+87% **AFRICA €75M**

Rising Tide

Resilience in the face of adversity

Due primarily to the global Covid-19 pandemic Ireland's seafood economy declined in 2020, with a drop of 12% (-€142million) compared to 2019, giving a total value of €1.1 billion. This was driven mainly by a reduction of 18% in domestic consumption due to the closure of the food-service sector with additional impacts of a 17% reduction (-€44 million) in private investment and an 8% decline (-€50 million) in exports. Global markets faced severe disruption from the Covid-19 pandemic, and when added to the continued uncertainty from the UK's departure from the EU, this made for challenging trading conditions.

Despite these challenges the seafood sector remained resilient and adapted to the disruption the market faced. While there was a decrease of 18% in domestic consumption to €406 million, mainly due to a fall in sales in food service, this was somewhat offset by a 6% increase (€18m) in retail sales. There was also a reduction in private investment to €213 million (-17%) reflecting the uncertainty in the markets leading to cautious activity from many seafood businesses. There was also a decline in our seafood balance of trade (exports – imports) which fell by €28 million (-10%) to €263 million. Overall investment in the sector was €416 million, equivalent to 39% of seafood GDP, a slight increase compared to 2019, underlining the importance of strong public sector support through times of economic turbulence.

2,881
People employed in fisheries

Direct and indirect seafood employment
16,430

The seafood sector remained remarkably resilient in 2020, even in the face of severe market disruption caused by the Covid-19 pandemic, leading to an effective closure of the food service sector both nationally and globally for a significant part of the year. Overall, the seafood economy contracted in 2020, driven largely by the fall in domestic consumption of €90m. Overall volume of seafood production reduced by only 3%, with value decreasing by 12%. Reductions in the volume and value of wild caught seafood and farmed shellfish where offset by a 15% increase in farmed finfish production.

Despite the pandemic and even with reduced demand in the food service sector, employment in the seafood sector remained stable in 2020, and there continued to be more than 16,000 people employed both directly and indirectly in the seafood industry. Employment remains high in coastal regions, reaching 16% in Donegal, 7% in Cork, 6% in Galway-Clare and 6% along the coastal region of the east coast, generating significant socioeconomic value in these areas.

Consumption: Demand for Irish seafood holds up

Demand for Irish seafood remained relatively strong in 2020 despite the reduction in global demand for seafood and a reduction in seafood consumption worldwide due to the Covid-19 pandemic. Overall, the volume of exports increased by 2% although the value of exports reduced by 8% to €590 million. The value of exports of salmon continued to increase in 2020 by 10% despite a 3% decrease in volume. The shellfish sector saw the highest impact with volume and value of exports declining 33% and 29% respectively due mainly to the closure of the hospitality sectors in Europe and Asia. Exports of pelagic species grew in value by 7%, driven by increased exports of blue whiting, horse mackerel and mackerel, mainly to African countries.

The European Union remained the main market for Irish seafood exports, although the value of exports saw a reduction of 16% to €321 million. There was also a significant reduction in exports to Asia where the markets effectively closed during March and April. Exports to the UK market increased in terms of volume and value while there was a significant increase in exports of pelagic species to Africa to €75 million, an increase of 87%. This resulted in Africa overtaking Asia as Ireland's third biggest export market.

Reflecting the difficulties in the food service sector globally, domestic consumption declined in 2020 by €90m million to €406 million, representing a reduction of 18% compared to 2019. Sales in the food service sector more than halved to €90 million compared to 2019. This was offset by a 6% increase in retail sales as companies adapted to the restrictions imposed on the hospitality sector because of Covid-19 and leveraged the increased demand from retail that emerged. This very much demonstrated the resilience of the processors, who still managed to trade despite market disruption, inconsistent supply of raw materials and the need to introduce health and safety measures in processing factories that resulted in decreased production.

Production falls overall, but prices remain stable

The value of seafood production fell in 2020 by 12% to €526 million, a decrease of €70 million compared to 2019, with overall volume falling by 3% to 290,400 tonnes. Lower prices due to the lack of market demand and the closure of food service sector resulted in an 18% decrease in the value of wild-caught fish to €346 million, a reduction of €78 million. The landed value of Irish landings decreased significantly by 26%, while landings from non-Irish values remained steady, falling by only 1% compared to 2019.

Among the top 10 most important species for Irish vessels, mackerel and Dublin Bay prawns remained the most valuable species landed. The volume of landings of mackerel increased by 17% while the value of these landings increased by 3% due to lower prices. The volume and value of Dublin Bay prawns' landings fell significantly by 40% and 38% reflecting the disruption to the international food service sector throughout the year. Despite this, prices for Nephrops remained relatively stable, falling only 3% over the year. Whitefish species such as haddock, hake, whiting and megrim showed a similar pattern with reductions in volume and value but stable prices. The price of monkfish grew by 17% in the year, offsetting the decline in volume so that the overall value only declined by 3%, which reflected the strong demand for this species in the Spanish domestic market.

In contrast to wild caught production the volume and value of the farmed finfish sector increased by 15% in volume and value as salmon production grew, with demand in the organic sector remaining strong despite the global market volatility. The farmed shellfish sector fared less well given its reliance on food service. Volume fell by 7% with value reduced by 15% to €51 million. Production of oysters and seabed cultured mussels fell significantly by 14% and 11% respectively, with a corresponding decrease in value of 19% and 15%.

Continued investment in the seafood sector

In 2020, Government investment in the seafood sector continued to grow, amounting to €213 million, an increase of 9%. Support from the European Maritime and Fisheries Fund (EMFF) along with a national investment programme contributed to a wide range of projects in improving the infrastructure in fishing ports and harbours, grant aiding fishermen, fish farmers and fish processors, R&D and innovation projects, as well as direct supports to the sector to offset the impacts of Covid-19.

Private investment reduced by €44 million (-17%), totalling €213 million in 2020 reflecting the major uncertainty faced by seafood businesses during the Covid-19 pandemic. However, confidence in the seafood sector by financial lending institutions remained strong and helped to encourage private investment to continue to invest where in a position to do so.

Private investment was also aided by the continued availability of grant aid through the EMFF and government grants. During the year, BIM continued to administer 14 grant aid schemes providing financial support in key areas including capital investment, sustainability, innovation, skills development, coastal community development and safety.

The Brexit deal brings future challenges

In addition to the disruption to the markets, the UK's decision to leave the European Union continued to bring uncertainty for the Irish seafood industry in 2020 with fears over loss of access to UK waters and difficulties in importing and exporting seafood to and from Ireland. As the year progressed and, with the prospect of a no-deal scenario intensifying, anxiety grew in the sector, particularly amongst the catching sector, given more than 30% of landings by Irish vessels are traditionally caught in UK waters.

As it transpired the Trade and Cooperation Agreement (TCA) was signed with the UK on Christmas Eve. While the TCA guaranteed continued access to UK waters, it came at the price of transfer of significant quota from the EU to the UK over the period 2021 to 2026 onwards estimated around €199 million based on 2020 quota levels. The aggregate final (2026) quota transfer by Ireland is estimated to be €43m which amounts to a 15% reduction compared to the overall value of the 2020 Irish quotas. These quota reductions are front-loaded in 2021 and this will increase the pressure on the catching and processing sectors due to a reduction of raw material available.

Additionally, with the UK no longer in the European Union, there will be new requirements and increased documentation for seafood businesses exporting and importing to and from the UK, which will increase costs and make the logistics of transiting through the UK landbridge to mainland Europe much more difficult. It remains to be seen how the sector will adapt to the new challenges introduced by the TCA, combined with the continued disruption caused by the Covid-19 pandemic. However, the seafood sector has demonstrated its resilience and adaptability during 2020 which will help to maintain Ireland's strong global reputation for producing high quality, sustainably sourced seafood going forward.

Breakdown of Seafood
Gross Domestic Product

GDP Components	2018 Value €M	2019 Value €M	2020 Value €M	Growth Rate 2020	% of Seafood Economy
DOMESTIC CONSUMPTION	€486	€493	€406	-18%	37%
PRIVATE INVESTMENT	€267	€257	€213	-17%	20%
GOVERNMENT INVESTMENT	€170	€185	€203	+9%	19%
EXPORTS - IMPORTS	€316	€292	€263	-10%	24%
GDP	€1,239	€1,227	€1,085	-12%	100%

Employment
in the Irish Seafood Sector

16,430 Direct and Indirect Total Employees

7,840 Indirect Total Employees

8,590 Direct Total Employees

FISHERIES	AQUACULTURE	PROCESSING
2,881 Total Employed	1,852 Total Employed	3,857 Total Employed

Breakdown of
Employment By Region

NORTH **16%**

NORTH WEST **4%**

WEST **6%**

SOUTH WEST **4%**

SOUTH **7%**

SOUTH EAST **5%**

NORTH EAST **6%**

Region	Total Population	Coastal Population	Coastal Employed	Direct Seafood Employment	Downstream Seafood Employment	Share of Coastal Employment
NORTH	159,192	74,989	27,488	2,008	4,481	16%
NORTH WEST	292,630	64,059	25,328	614	1,085	4%
WEST	376,875	64,704	27,034	998	1,718	6%
SOUTH WEST	342,606	90,323	36,718	883	1,462	4%
SOUTH	542,868	115,533	49,815	1,787	3,458	7%
SOUTH EAST	808,737	91,681	36,467	1,170	1,948	5%
NORTH EAST	2,238,957	83,775	36,139	1,130	2,278	6%
REPUBLIC OF IRELAND	4,761,865	585,064	238,989	8,590	16,430	7%

Source

Where does Irish seafood come from?

The volume of seafood produced by the Irish seafood sector surpassed 220,000 tonnes with a value of €394m. While less than 20% of this volume was produced by the aquaculture sector it contributed 46% of the total value.

The volume of landings into Irish ports fell by 4% in 2020, to 252,000 tonnes, this decline being driven by the Irish fleet, landing 10% less than 2019 while landing volumes of non-Irish vessels increased by 17%. The value of landings fell 18% in 2020 to €346m with the Irish fleet contributing the most to this decline falling by 26% in value. Most ports saw a decline in the volume and value of landings in 2020 with Killybegs seeing a 9% decline in volume (8% in value) and Castletownbere landings declining by 16% in volume (20% in value). Mackerel was the most valuable species landed by the Irish fleet with over 60,000 tonnes landed worth €80m. This was an increase in value of 3% on 2019. Landings of Dublin Bay prawn declined by around 40% in volume and value terms after a difficult year in which many of the main international markets for this species were shut down.

Aquaculture production decreased by 1% in volume however value increased by 2% to €180m. This growth was again led by salmon production with volumes and value up by 15% year on year. The collapse of international demand had significant impacts on prices and production of oysters and mussels with volume declining 7% to 24,000 tonnes with value declining 15% to €51m.

€180M

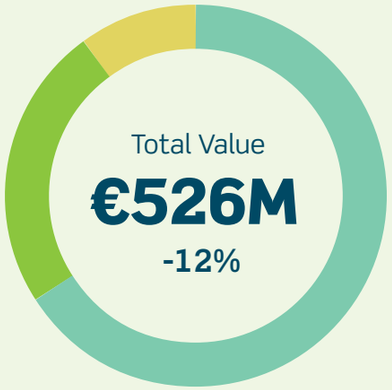
value of aquaculture production

Total volume in tonnes

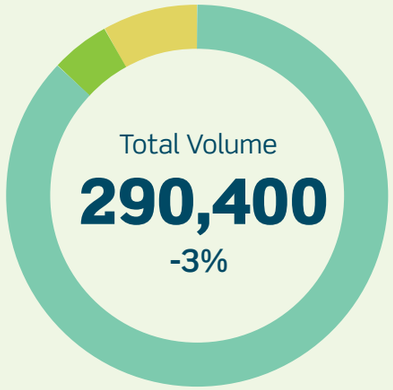
38,000

The Source of **Irish Seafood**

By **Value (€)**



By **Volume (tonnes)**



SEA-CAUGHT FISH

€346M
-18%

Irish €214m -26%
Non Irish €132m -1%

252,400
-4%

Irish 181,400 -10%
Non Irish 71,000 +17%

FARMED FINFISH

€129M
+15%

14,000
+15%

FARMED SHELLFISH

€51M
-15%

24,000
-7%

Regional value of **Domestic Fish Landings**

€346M in 2020

252,400 tonnes

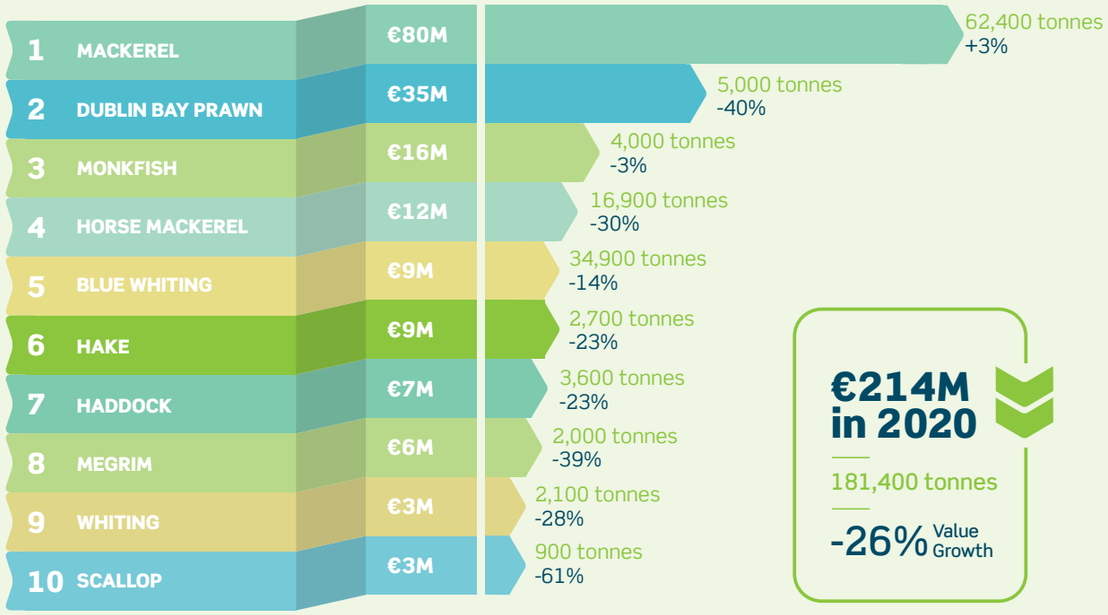
-18% Value Growth

	Value of Landings €M*				Volume of Landings Tonnes*			
Port	Irish	Non -Irish	Total	Share of Non-Irish	Irish	Non-Irish	Total	Share of Non-Irish
KILLYBEGS	103	9	112	8%	113,800	30,300	144,100	21%
CASTLETOWNBERE	21	83	104	79%	7,100	22,000	29,100	76%
KILMORE QUAY	6	8	14	57%	3,300	2,300	5,600	0%
DINGLE	11	0	11	0%	3,400	0	3,400	42%
HOWTH	11	0	11	0%	4,600	0	4,600	0%
DUNMORE EAST	8	0	8	0%	2,600	0	2,600	0%
CLOGHERHEAD	7	0	7	0%	1,000	0	1,000	0%
ROS A MHIL	7	0	7	0%	1,200	0	1,200	0%
GREENCASTLE	7	0	7	0%	2,400	0	2,400	0%
UNION HALL	7	0	7	0%	1,500	0	1,500	0%
OTHER	26	32	58	55%	40,500	16,400	56,900	73%
GRAND TOTAL	214	132	346	38%	181,400	71,000	252,400	38%

*All data relating to Irish and non-Irish landings in the 2020 BIM Business of Seafood report is based on provisional data provided by the Sea Fisheries Protection Authority at the time of publication and should be considered as preliminary.

Value of total seafood
Landings by Irish Fleet

Breakdown of **Top 10** Landed Species by Value



€214M in 2020

181,400 tonnes

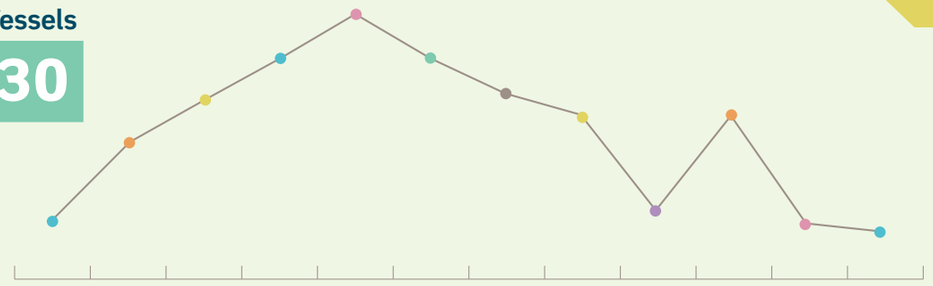
-26% Value Growth

* The landed volumes are estimates based on provisional data provided by the SFPA and should be considered as preliminary

Irish
Fishing Fleet

Total Irish Fishing Vessels

2,030



Segment	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Polyvalent General	1,305	1,356	1,401	1,434	1,466	1,431	1,411	1,421	1,381	1,420	1,417	1415
Polyvalent Potting	491	492	488	487	490	489	477	440	395	435	359	358
Specific	147	156	149	150	148	139	134	146	142	153	134	129
Aquaculture	67	81	87	96	106	107	109	102	97	100	91	92
Pelagic	23	23	24	23	23	23	23	23	23	23	23	23
Beamer	11	11	12	12	13	13	13	14	13	14	14	13
Grand Total	2,044	2,119	2,161	2,202	2,246	2,202	2,167	2,146	2,051	2,145	2,038	2,030

Polyvalent Segment

This segment contains the vast majority of the fleet. These vessels are multi-purpose and include small inshore vessels (netters and potters), and medium and large offshore vessels targeting whitefish, pelagic fish and bivalve molluscs.

Specific Segment

Vessels which are permitted to fish for bivalve molluscs and aquaculture species.

Refrigerated Seawater (RSW) Pelagic Fleet

Vessels engaged predominantly in fishing for pelagic species (herring, mackerel, horse mackerel and blue whiting, mainly).

Beam Trawler Fleet

Vessels dedicated to beam trawling, a simple trawling method used predominantly in Irish inshore waters except in the southeast, where it is used to catch flatfish such as sole and plaice.

Aquaculture Segment

These vessels must be exclusively used in the management, development and servicing of aquaculture areas and can collect spat from wild mussel stocks as part of a service to aquaculture installations.

Aquaculture Production

By value/volume

By **Value (€)**

Salmon
€127M
+13%

Seabed Cultured Mussels
€7M
-15%

Other Finfish
€2M
+12%

Total Value
€180m
+2%

Irish Rock Oysters
€37M
-19%

Rope Mussels
€6M
-11%

Other Shellfish
€1M
-6%

By **Volume (tonnes)**

Salmon
13,400
+14%

Seabed Cultured Mussels
4,400
-11%

Other Finfish
600
-1%

Total Volume
38,000
-1%

Irish Rock Oysters
9,000
-14%

Rope Mussels
10,300
-1%

Other Shellfish
300
-1%

Processing

Irish Seafood Processing

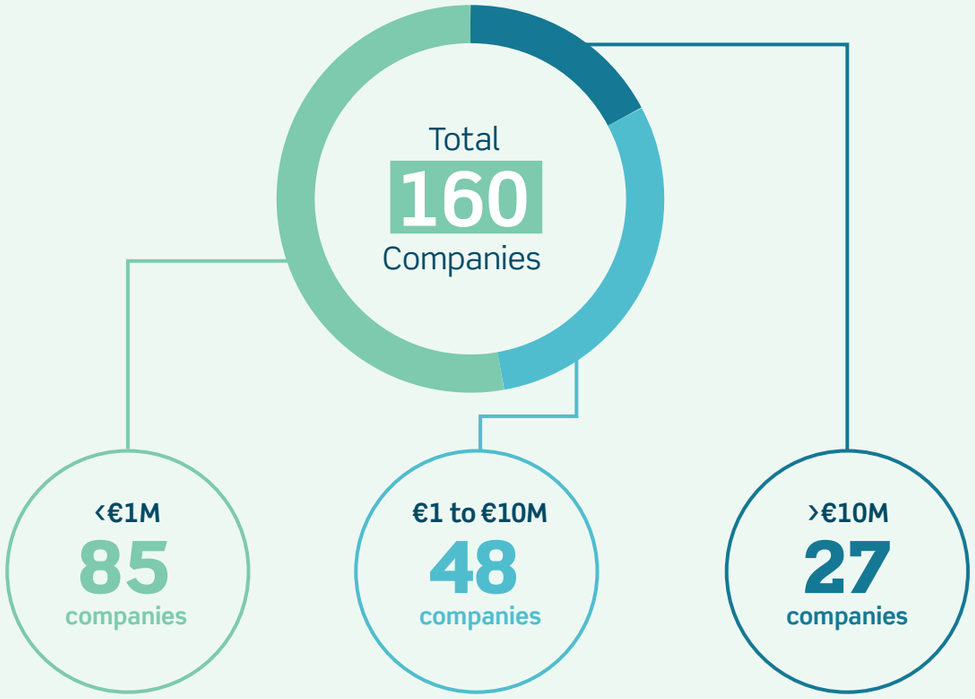
Covid-19 emerged in early 2020 and escalated as a severe disrupter in many key markets, having a profound impact on the processing sector. Rolling lockdowns and travel restrictions curtailed demand for higher value shellfish and whitefish products, particularly as food service channels imploded on the continent, as the normally busy holiday seasons were essentially cancelled. This collapse was somewhat mitigated by processors adapting to the surge in demand for packaged fresh and frozen retail products and pivoting towards online home delivery opportunities. Markets for the more affordable pelagic products remained robust in West Africa and Asia, however escalating logistics costs and freight bottlenecks, particularly in China, remained stubbornly problematic.

160
companies provide

3,727
jobs including full time, part time and casual employment

Number of Seafood **Processing Companies**

Breakdown by Revenue



Breakdown by Revenue and by Main Seafood Category

Category	‹ €1M	€1M - €10M	› €10M	Total	Growth 2020
WHITEFISH	39	20	14	72	-2%
SHELLFISH	29	14	3	46	-2%
SALMONIDS	13	13	4	29	-2%
PELAGIC	4	2	7	13	-2%
TOTAL	85	48	27	160	-2%
BREAKDOWN OF INDUSTRY	53%	30%	17%	100%	

Irish Seafood Processing **Companies by Region**

NORTH **22**

NORTH WEST **8**

WEST **22**

SOUTH WEST **17**

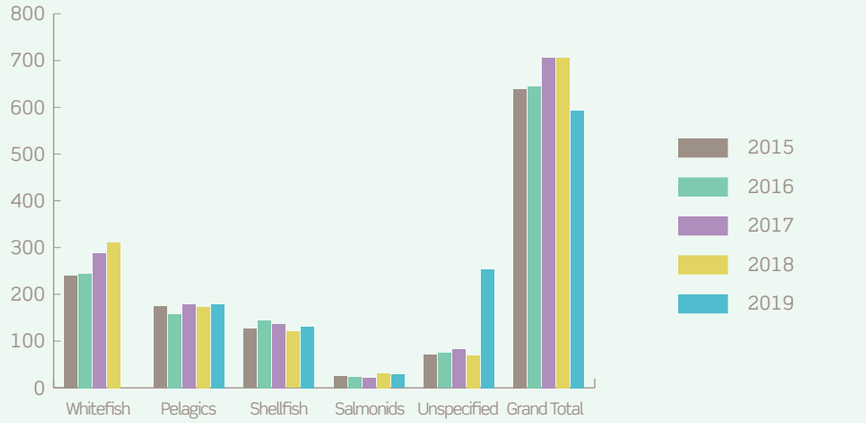
SOUTH **29**

SOUTH EAST **30**

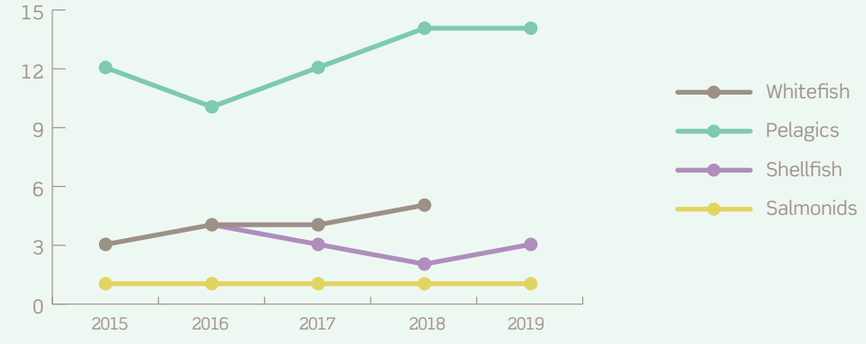
NORTH EAST **32**

Time Series of the **value and average turnover** of the Irish Processing Sector

VALUE €M



AVERAGE TURNOVER PER COMPANY €M



Seafood Consumption
in Ireland

Overall, seafood consumption in Ireland fell 18% in 2020 to €406m, this decline was driven by the closures of the hospitality sector throughout the year.

Food Consumption – Retail
Sales of seafood in the retail sector rose by 6% in 2020 to €316m. The format of sales varied significantly with less perishable forms seeing stronger increases as consumers purchased larger volumes of products throughout the various lockdowns. Frozen sales increased by 17% in value with ambient sales increasing by 10%. Fresh sales increased by 2% with one major retailer removing fresh counters from its stores. Modest growth of 3% and 4% was seen in sales of the most popular species, salmon and cod. Strong growth was seen in sales of prawns, pollock, tuna and mackerel while the highest growth rates were achieved for sales of mussels (72%) and crab (57%).

Food Consumption – Hospitality
The food service sector was severely impacted in 2020, suffering the highest impact of all economic sectors in the country. Throughout the various lockdowns no indoor dining was permitted and in the periods of less restrictions dining indoors was strictly limited. The sector adapted as much as possible offering food to go and delivery. The impact in 2020 showed a 56% decrease in the estimated value of the seafood hospitality sector. Among protein food categories the estimated impact on the seafood sector was the highest, with bacon and dairy the other sectors to see an impact above 50%.

-18% growth

€406M

estimated value of seafood consumed in Ireland

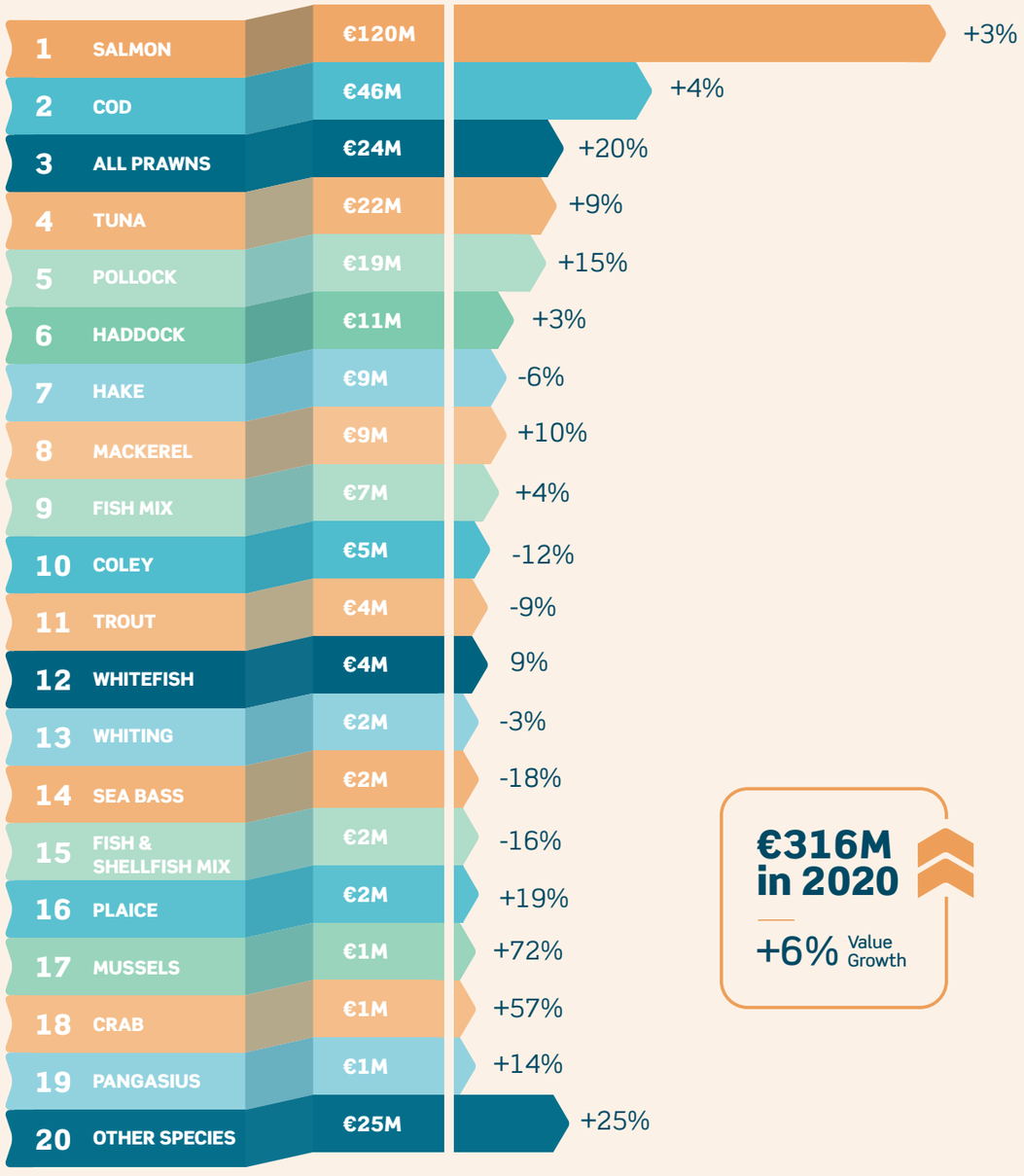
2020 estimated value of seafood consumed in the foodservice sector

€90M

-54% growth

FOOD CONSUMPTION
– Retail

Top 20 Retail Species by Value 2020

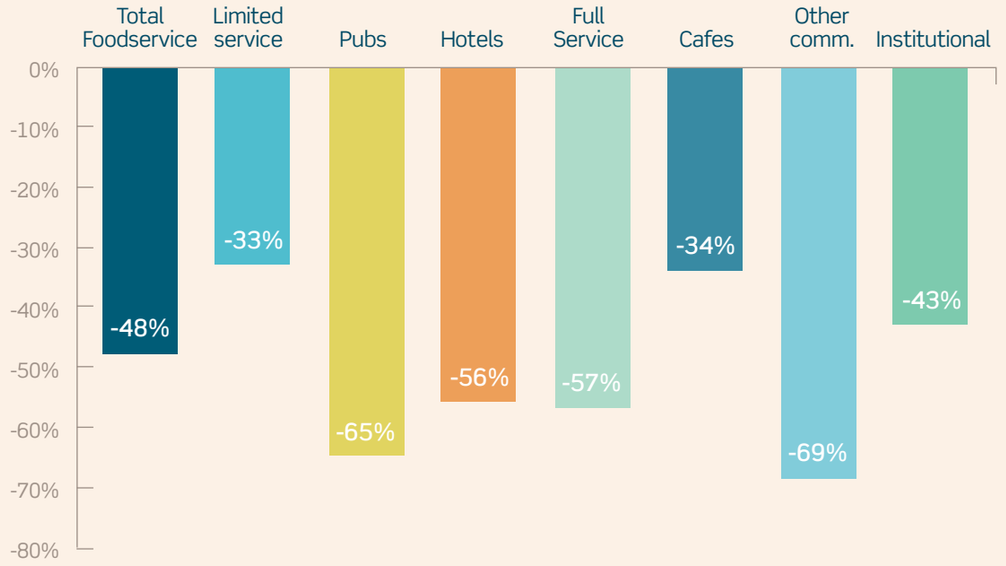


€316M in 2020

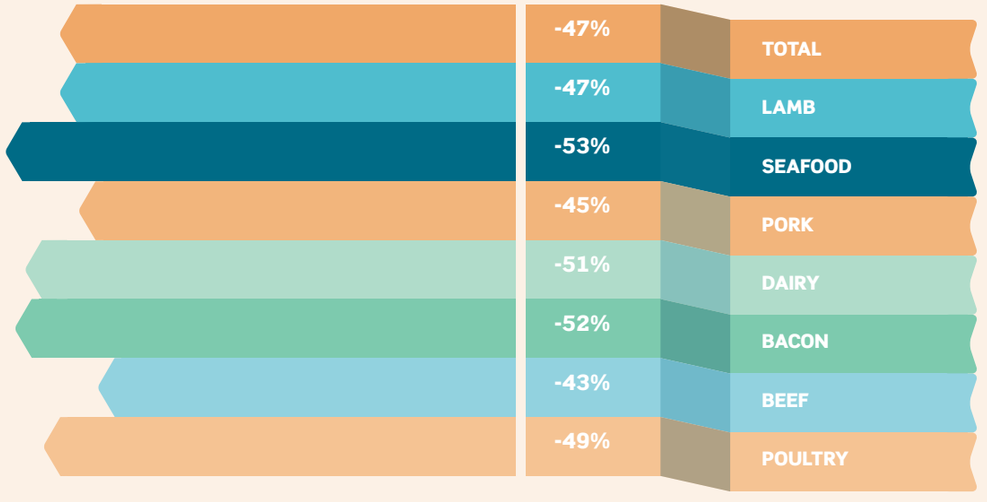
+6% Value Growth

FOOD CONSUMPTION
– Hospitality

Foodservice Sector Impact Republic of Ireland 2020



Foodservice Purchases 2020 Impact



Trade

Imports and Exports of Seafood

There were significant impacts on trade of seafood throughout 2020 due to the varying waves of infection occurring across countries and continents. Overall, the sector performed very strongly considering the turmoil that affected the world with volume exported actually increasing by 2%. Prices fell 9% leading to an overall decline in export value of 8%. The shellfish sector saw the highest impact with volume and value declining 33% and 29% respectively. The closure of the hospitality sectors in Europe and Asia had significant impacts on the Irish shellfish sector with Dublin Bay prawns, crab, oysters, whelks, shrimps and prawns all seeing value declines above 25%. The pelagic sector grew in value by 7%, driven by exports of blue whiting, horse mackerel and mackerel, mainly to African countries. Exports of salmon continued to increase in 2020 by 10% despite a 3% decrease in volume. The average price of Irish organic salmon continued to increase, growing by 13% in the year.

Imports of seafood increased 1% in volume but decreased by 6% in value due to lower prices. The volume of salmon imported declined by 15%, with increasing prices leading to a 9% decline in value. Shrimps and prawns, tuna and breaded whitefish were the main products imported that saw increases, reflecting the increase in sales in retail of less perishable seafood products in the frozen and ambient sectors. Dependence on the UK as a source of seafood imports continued to decline with volumes falling 18% in 2020 (value declined 17%). Major substitution of imports occurred from the EU with volumes increasing by 110% driven by a price decrease of 44% resulting in a value increase of 17%. This suggests that Irish importers of seafood are increasingly diversifying the source of their products away from the UK in response to Brexit.

EXPORTS
Value Change of -8%

Value Change of -6%
IMPORTS

Irish Seafood Imports

Breakdown of **Top 20** Imported Species by Value 2020

€327M in 2020

152,800 tonnes

-6% Value Growth

Main Import Markets

UK **€188M**

EU **€98M**

ASIA **€15M**

NORDICS (non- EU) **€12M**

REST OF WORLD **€10M**

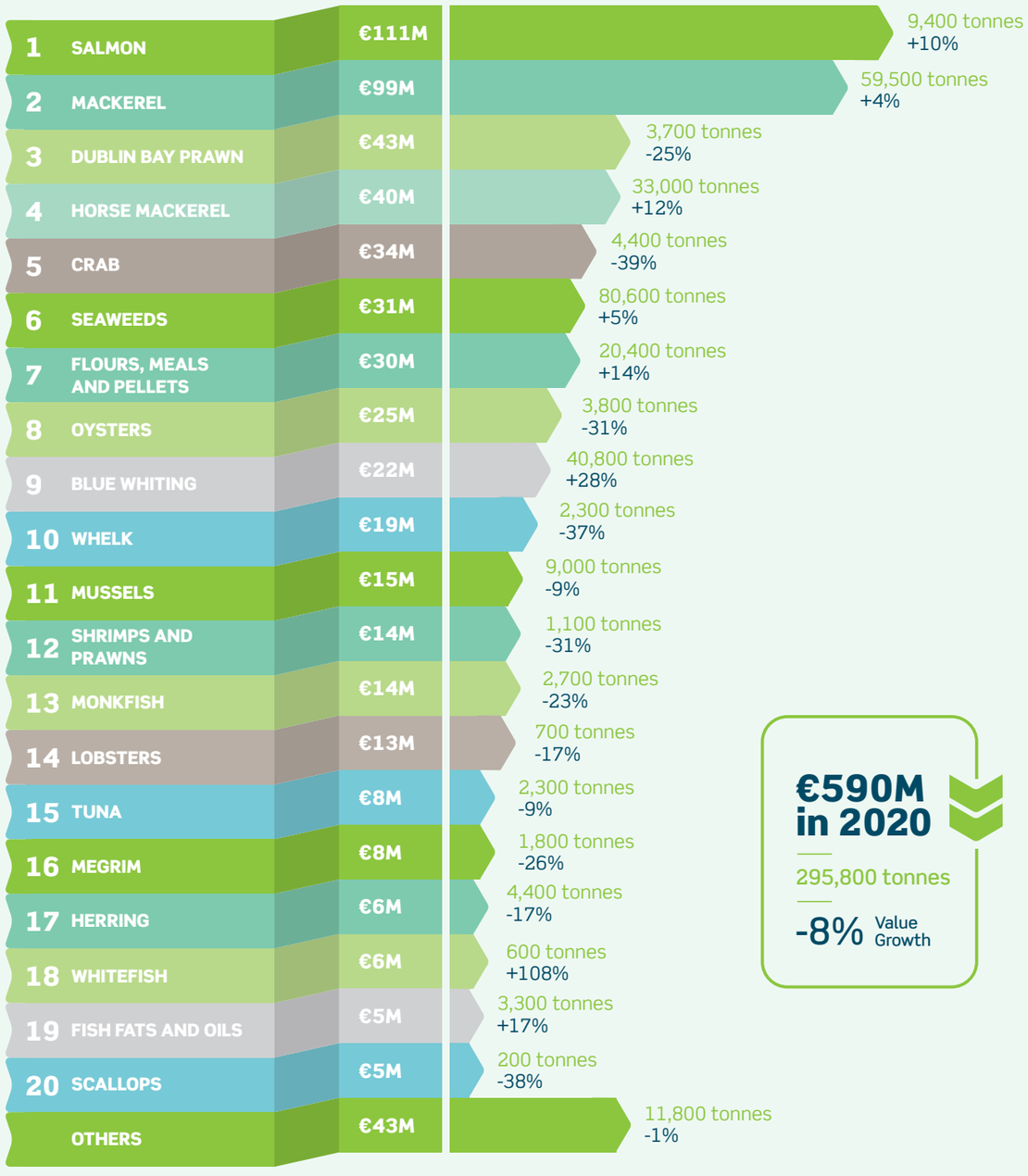
AFRICA **€4M**

Import Markets

Main Markets	Value (€M)			000' Tonnes	
	2019	2020	Value growth in 2020	2019	2020
UNITED KINGDOM	227	188	-17%	62,600	51,100
EUROPEAN UNION	84	98	+17%	15,100	31,800
ASIA	17	15	-9%	2,900	2,700
NORDICS (NON-EU)	12	12	-3%	68,500	64,000
REST OF WORLD	5	10	+107%	1,200	2,100
AFRICA	4	4	+20%	800	1,100
GRAND TOTAL	349	327	-6%	151,100	152,800

Irish Seafood Exports

Breakdown of **Top 20** Exported Species by Value 2020



€590M in 2020

295,800 tonnes

-8% Value Growth

Main Export Markets

EU
€321M

UK
€93M

AFRICA
€75M

ASIA
€54M

MIDDLE EAST
€25M

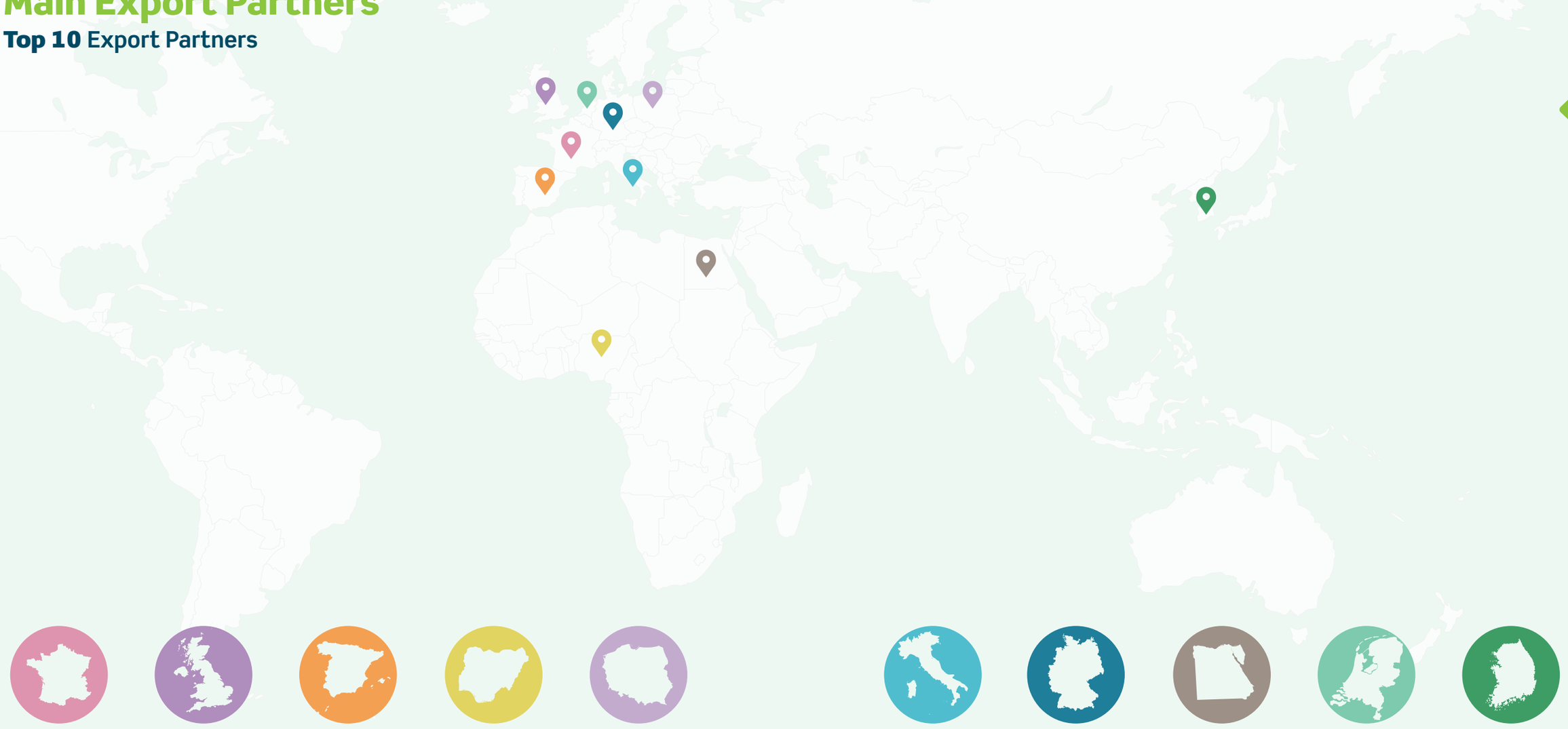
REST OF WORLD
€22M

Export Markets

Main Markets	Value (€M)			000' Tonnes	
	2019	2020	Value growth in 2020	2019	2020
EUROPEAN UNION	381	321	-16%	106,000	87,800
UNITED KINGDOM	85	93	+9%	50,600	52,600
AFRICA	40	75	+87%	49,400	76,500
ASIA	93	54	-42%	38,900	23,500
MIDDLE EAST	18	25	+43%	20,200	27,400
REST OF WORLD	23	22	-4%	25,200	28,000
GRAND TOTAL	640	590	-8%	290,300	295,800

Main Export Partners

Top 10 Export Partners



FRANCE
€115M
-22%

Salmon **30%**

Oysters **14%**

Crab **14%**

UNITED KINGDOM
€93M
+9%

Flours, Meals and Pellets **30%**

Salmon **11%**

Mackerel **10%**

SPAIN
€53M
-18%

Monkfish **15%**

Dublin Bay Prawn **14%**

Megrim **14%**

NIGERIA
€49M
+77%

Mackerel **51%**

Blue Whiting **31%**

Horse Mackerel **17%**

POLAND
€44M
+59%

Salmon **81%**

Mackerel **13%**

Herring **3%**

ITALY
€39M
-32%

Dublin Bay Prawn **65%**

Shrimps and Prawns **11%**

Mussels **5%**

GERMANY
€24M
+2%

Salmon **65%**

Mackerel **20%**

Herring **4%**

EGYPT
€19M
+43%

Horse Mackerel **31%**

Mackerel **27%**

Blue Whiting **18%**

NETHERLANDS
€18M
-18%

Mussels **24%**

Mackerel **21%**

Seaweeds **14%**

KOREA, SOUTH
€19M
+18%

Whelk **95%**

Seaweeds **4%**

Marine Animal Feed Ingredients **1%**

Covid-19

In early 2020 the main trade impacts occurred in China, the origin of COVID-19, in January, normally the period of highest exports to that market. High volumes of exports go to China in the early months of the year leading up to the Chinese New Year celebrations. As can be seen in the figure, exports declined significantly in January and nearly completely in February and March. Exports only recovered somewhat in the second half of the year.

Exports to France were impacted in January due to low supply of salmon with the main Covid-19 impacts occurring in March and April. Exports recovered well for the remainder of the year until December which saw a 30% decline compared with 2019.

Monthly exports to Italy were already down 25% in January before Covid-19 impacts due to oversupply of Dublin bay prawns with the highest impact occurring in April, with a decline in value of around 50%. By July, trade had recovered to previous levels, but further partial lockdowns ensured a 25% volume decline for the remainder of the year.

Of our major EU markets trade with Spain has been affected the least due to the strong demand for seafood in the retail sector. Major impacts can be seen in March at the height of the pandemic and again, in November and December when seafood sales in the hospitality sector predominate.

Exports to the UK actually increased in 2020, by 4% in volume and 9% in value driven by increased volumes of mackerel and fish meal with very strong price growth in salmon exports, particularly in the run up to Christmas.

Export Value to China

-71%

- €31M in 2020

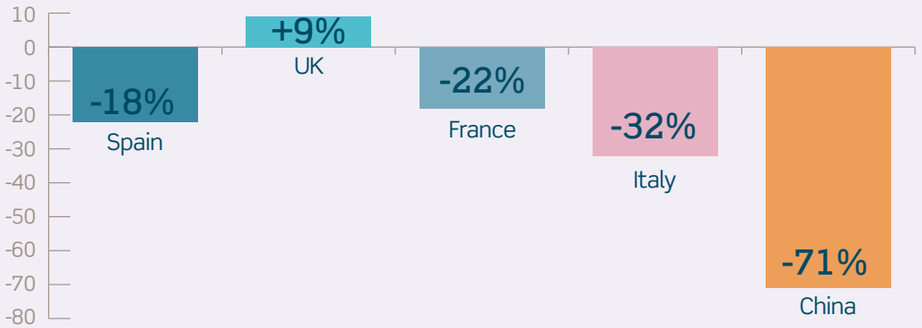
Exports to France

-€33M

-22% growth

Covid 19 Market Value Impact

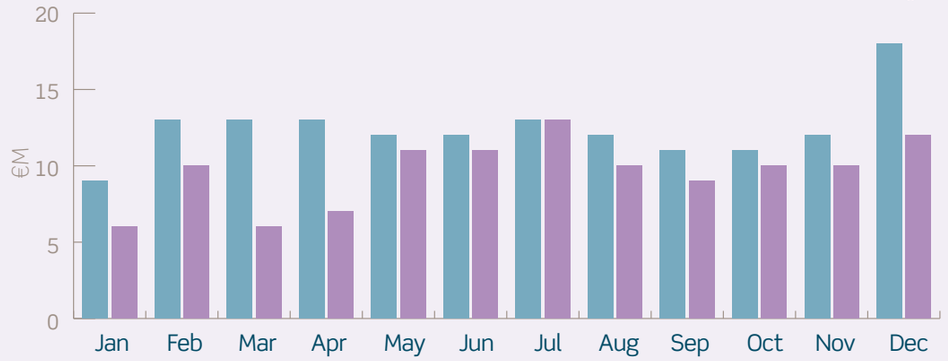
Top Export Markets Value Growth 2020



France

2019 2020

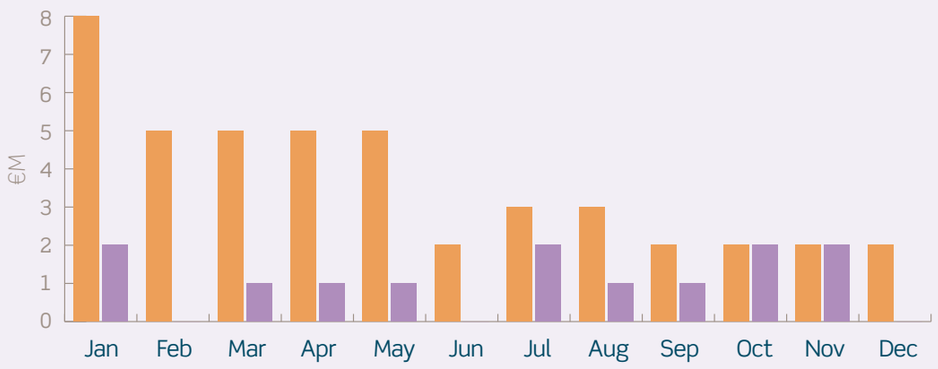
€115M in 2020 | **-22%** Value Growth



China

2019 2020

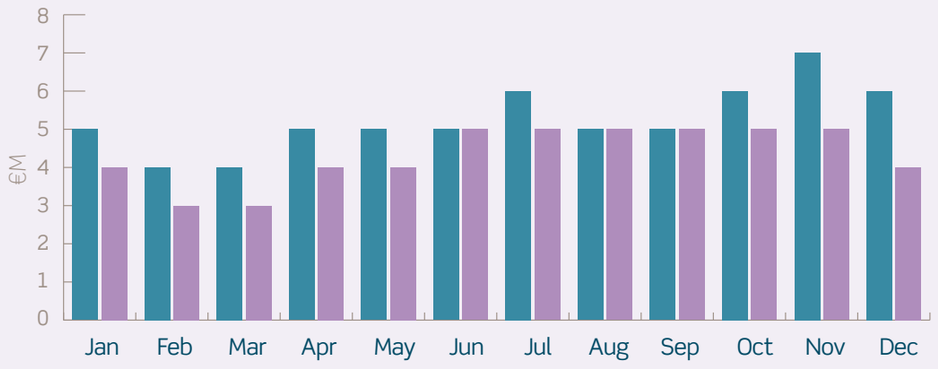
€13M in 2020 | **-71%** Value Growth



Spain

2019 2020

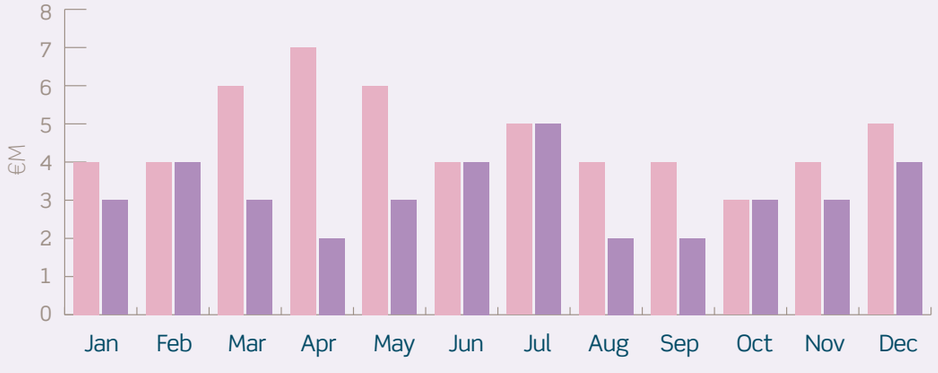
€53M in 2020 | **-18%** Value Growth



Italy

2019 2020

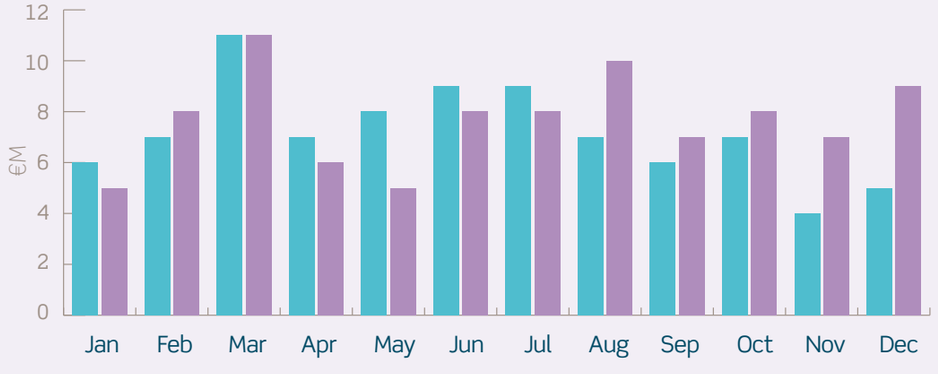
€39M in 2020 | **-32%** Value Growth



UK

2019 2020

€93M in 2020 | **+9%** Value Growth



Irish Fleet Performance

Economic Performance of Ireland's offshore fishing fleet

The capacity of the national fleet has remained relatively stable over the period 2008 – 2019 albeit with small temporal fluctuations in the vessel numbers. The economic performance of Ireland's offshore fleet (which comprises 220 vessels over 18 metres) during the period 2009 - 2020 indicates a general recovery since the height of the economic downturn in 2010. Since 2016 the offshore fleet has generated consistent strong gross profits above €50m per annum.

The fleet continues to face significant challenges, including increased operating costs as well as the sourcing and retention of skilled crew. While some segments of the offshore fleet are highly profitable, others demonstrate weak profitability reflecting the distinct issues facing different fisheries exploited by the offshore fleet, such as market access, global demand and supply factors.

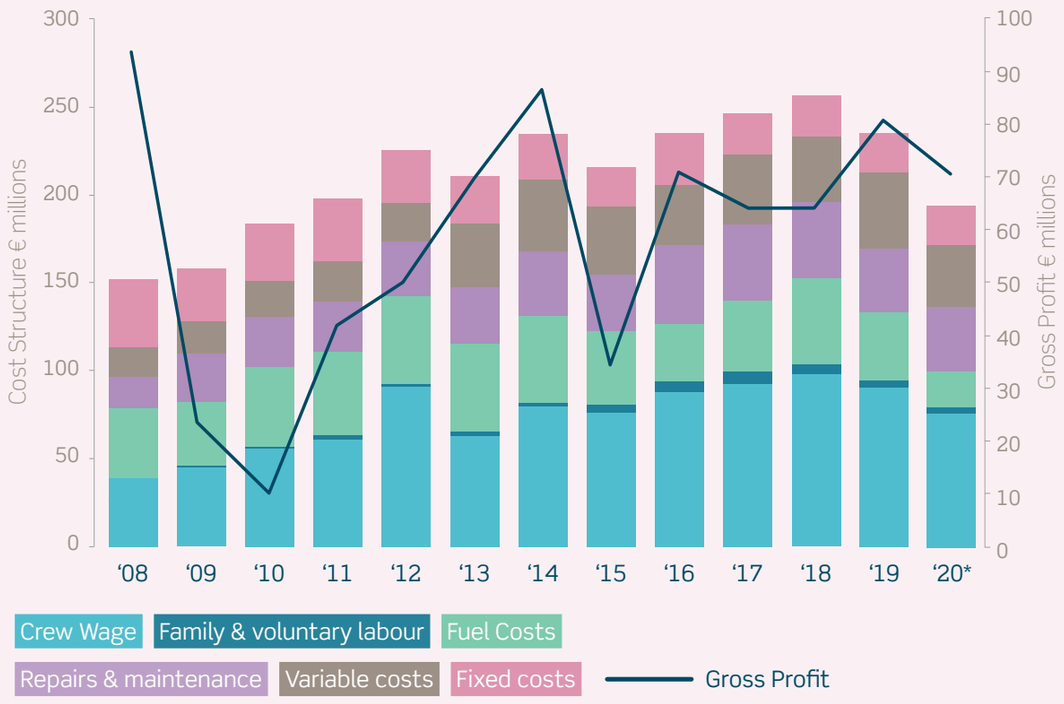
220
vessels in total

Total number of Days at Sea
38,704

Economic Performance
of the Offshore Fleet

Fleet	Length (overall)	National Segment	Number of Vessels	Days at Sea	Employment FTE		Landings: Live Weight (Tonnes)	Revenue €'000	Fuel oil used per tonne landed: Lit/Tonne	Gross Profit Margin %	Net Profit Margin	Profitability
Mid-water Trawlers	≥ 40 metres	Pelagic	20	1,374	231		122,895,278	95,956,822	139	52%	37%	High
	24 - 40 metres	Pelagic & Polyvalent	11	1,109	74		27,784,257	25,411,237	100	17%	-4%	Weak
Demersal Trawlers & Seiners	24 - 40 metres	Polyvalent	47	11,032	377		21,137,702	51,745,099	1,431	3%	-4%	Weak
	18 - 24 metres	Polyvalent	68	14,038	435		16,544,248	56,726,897	1,398	16%	7%	Reasonable
	12 - 18 metres	Polyvalent	40	4,398	121		3,300,239	11,224,900	1,227	27%	17%	High
Drift & Fixed nets	18 - 24 metres	Polyvalent	13	1,911	52		1,339,872	3,817,250	1,893	-1%	-10%	Weak
Beam Trawlers	24 - 40 metres	Beam Trawl	14	3,399	99		2,868,839	8,860,826	2,462	-3%	-5%	Weak
Dredgers	24 - 40 metres	Specific	7	1,443	51		2,161,023	12,255,595	813	86%	86%	High
Subtotal			220	38704	1440		198,031,458	265,998,626	448	29%	18%	High

Cost Structure and Profitability
of the Irish Offshore Fleet



The impacts of
Brexit

After lengthy negotiations throughout 2020, the EU and UK finally agreed a Trade and Cooperation Agreement (TCA) on the 24th December. As part of the TCA, the EU agreed to the transfer of quota to the UK, recognising the level of catches by EU vessels operating in UK waters.

The transfer of quota from the EU to UK is set out in an Annex to the TCA. It contains a list of 105 fish stocks of which the UK will receive an increased quota share for 64 of these over the next five years from 2021.

In total, the quota transfers across EU Member States are estimated at €199 million based on 2020 quota shares and prices. For Ireland this equates to an overall loss of quota of €43 million, which amounts to a 15% reduction compared to the overall value of the 2020 Irish quotas. In 2021, the reduction of quota is estimated at €26 million. The main impact on the Irish fleet is from Ireland's two biggest fisheries, mackerel and Dublin Bay prawns, which see quota losses of 26% and 14% respectively.

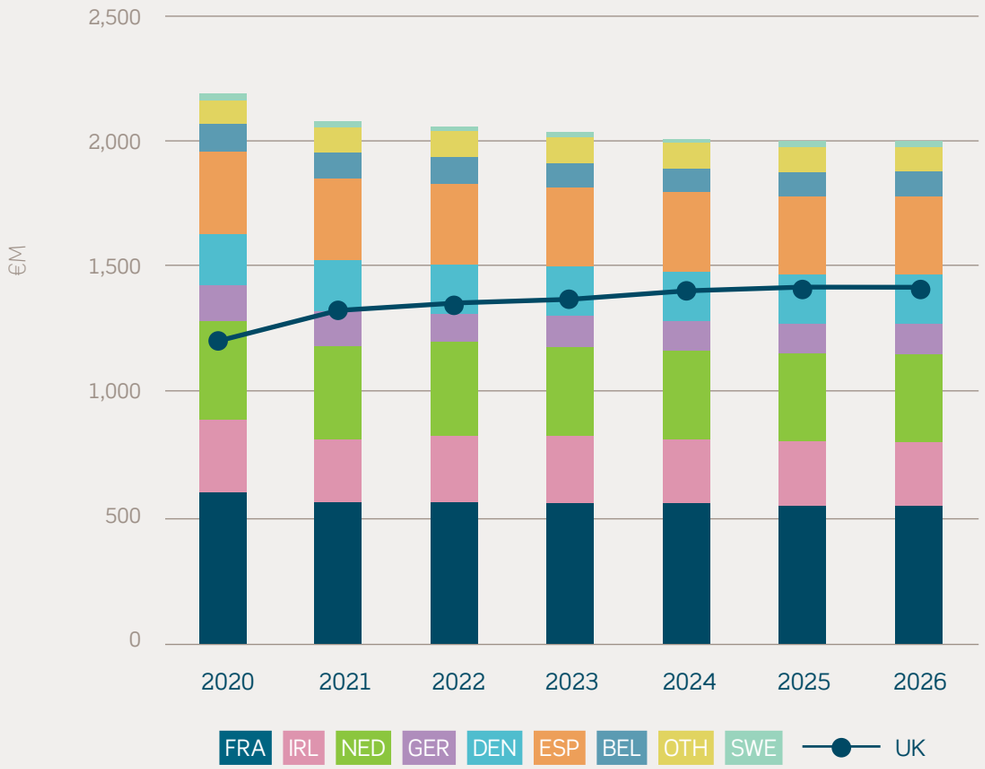
In terms of the overall value of EU fleets, the estimated impact shows the Irish fleet with the highest losses in the short and longer term (9% in 2021 increasing to 15% by 2026). The impact on the French fleet leads to only a 4% reduction in fleet value while for the Netherlands, Germany and Belgium, the other main fleets affected, the estimated losses in fleet value are 9%, 8% and 8% respectively.

Undoubtedly, Ireland has been disproportionally impacted by the quota transfers under the TCA compared to other Member States and the loss of quota will have a significant impact on the longer-term viability of the Irish fleet.

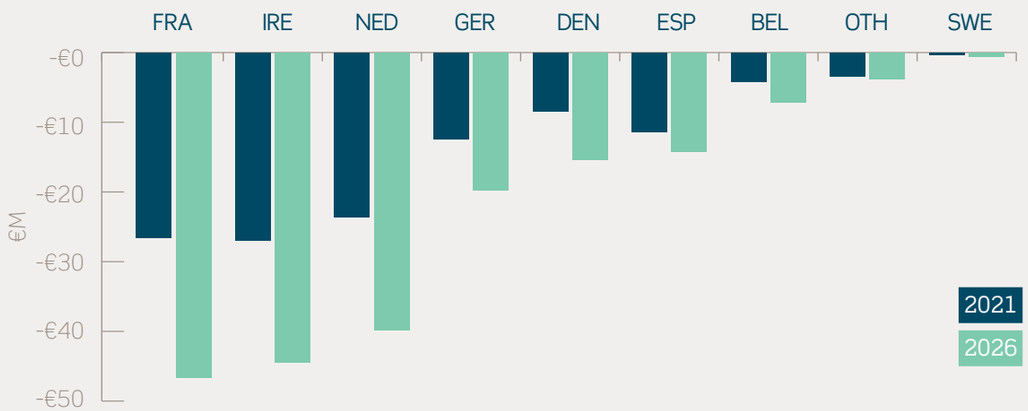
-€43M
Loss in Irish Quota Value

Impact on Fleet Value
-15%

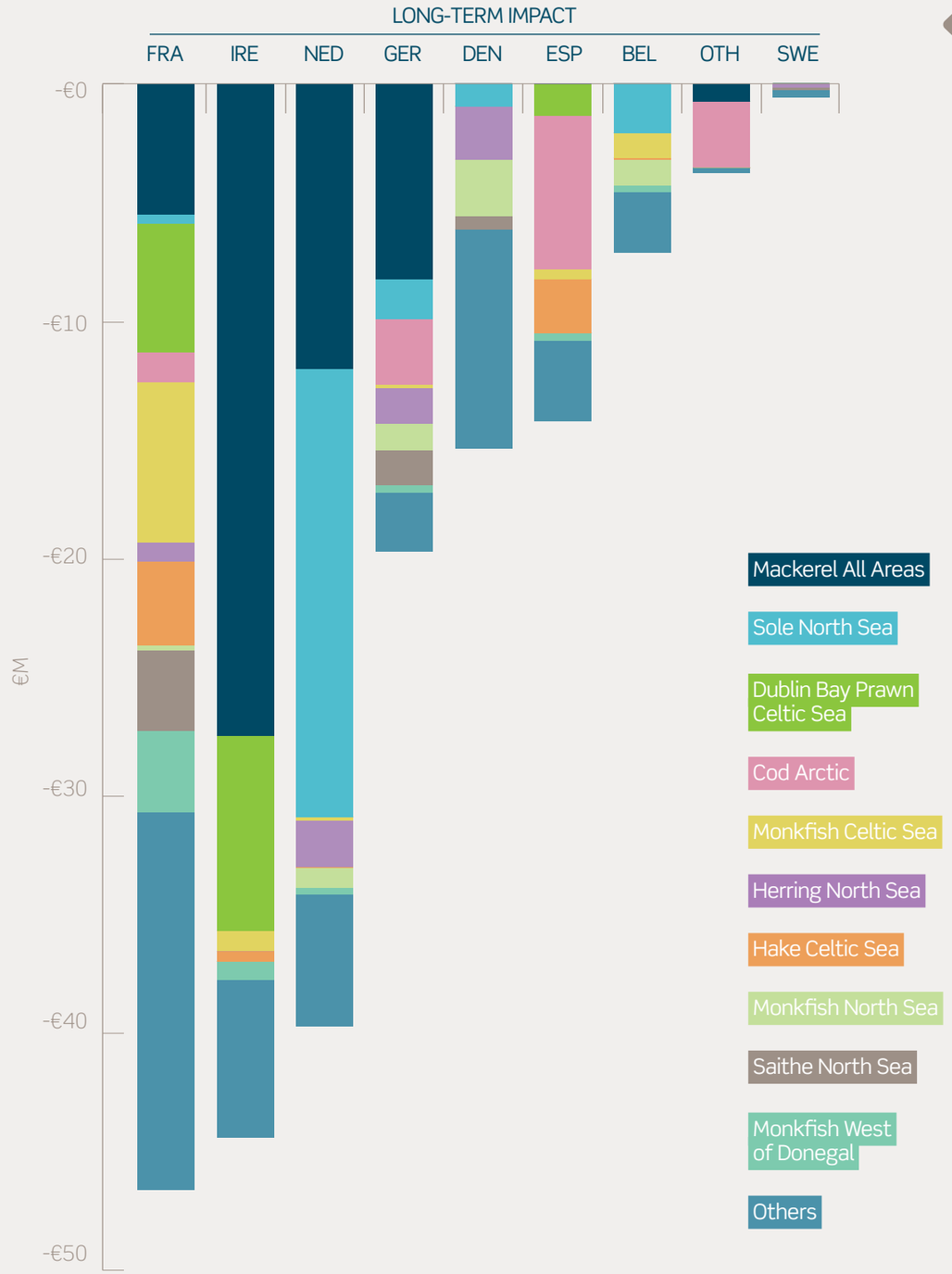
Value of EU Quotas
shared with UK



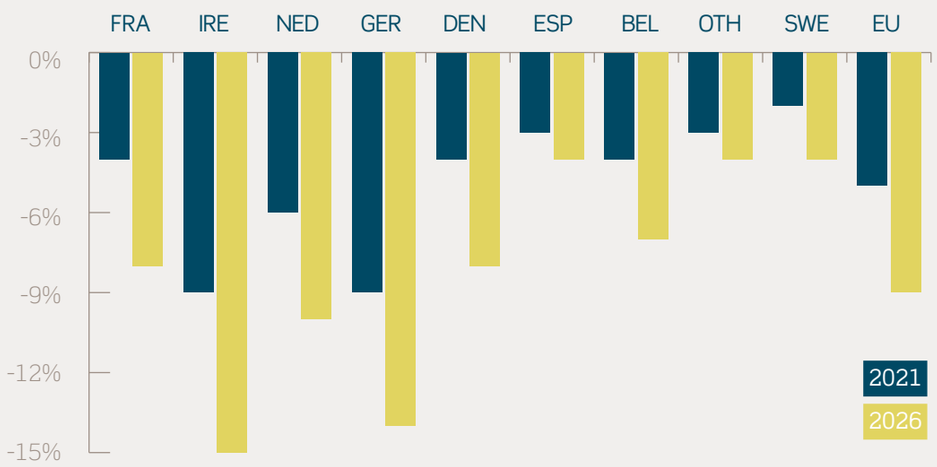
Impact on Value
of EU Fishing Fleets



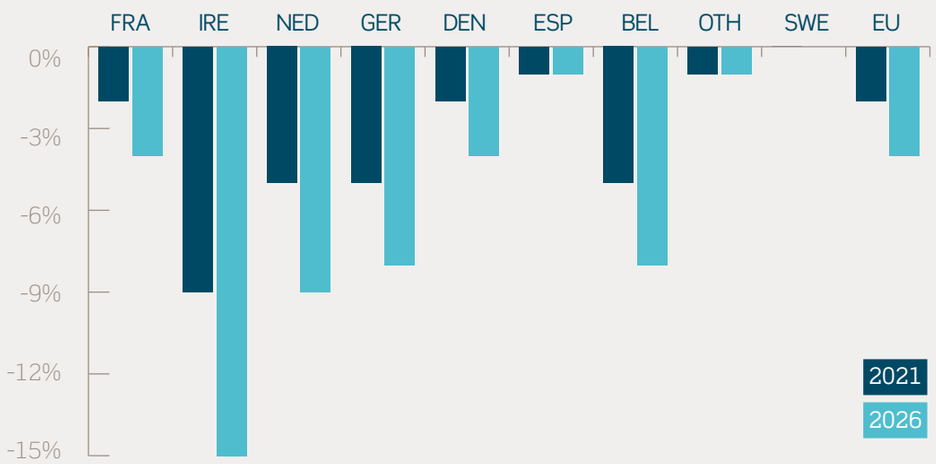
Value Impact
by Main Stocks



Impact on Value
of shared quota on EU fishing fleets



Impact on Total Value
of EU Fleets



Port Study

Summary

The seafood sector is a primary driver of rural economies around the coastline of Ireland and acts as an anchor in these locations around which other supporting service sectors develop. In many of the ports and hinterlands assessed in this study common characteristics describe regions of poor agriculture land, at significant distance from major urban settlements, with low levels of transport connectivity.

The 10 ports selected here are the ports with the highest volume and value of seafood landings in Ireland and are located all around the coastline in the northeast, east, southeast, southwest, west and northwest corners of the island. The hinterlands around these ports were designated as the local zones of influence of these ports through dialogue with local stakeholders and to capture all the major seafood activity in the localities.

From 859 seafood producers identified within the port hinterlands, 435 participated in the survey with a return rate of 50%.

The main findings were:

For every 4 employed in Seafood sector

3 EMPLOYED DOWNSTREAM

Highest employment multiplier (2.12)

KILLYBEGS

Highest GVA multiplier (2.28)

HOWTH

Highest wage multiplier (2.17)

CASTLETOWNBERE

Killybegs

The seafood sector employs **2,133 FTEs, 1,006 directly** (378 fishing, 146 aquaculture, 482 processing) and **1,127 downstream**.

Processing is main driver of seafood economy.

Highest multiplier for employment; **every 100 jobs generates 112 jobs downstream**.

In the Killybegs hinterland the seafood economy accounts for **29% of all economic activity** and **45% of all employment**.

Castletownbere

The seafood sector employs **1,684 FTEs, 950 directly** (560 fishing, 200 aquaculture, 190 processing) and **733 downstream.**

Fishing is main driver of seafood economy.

Highest multiplier for wages; **every €1,000 wages generates €1,170 in wages downstream**.

In the Castletownbere hinterland the seafood economy accounts for **42% of all economic activity** and **53% of all employment**.

Ros an Mhil

The seafood sector employs **689 FTEs, 439 directly** (169 fishing, 128 aquaculture, 142 processing) and **251 downstream**.

Aquaculture main driver of seafood economy.

Highest multiplier for wages; **every €1,000 wages generates €1,000 in wages downstream**.

In the Ros an Mhíl hinterland the seafood economy accounts for **12% of economic activity** and **17% of employment**.

Union Hall

The seafood sector employs **578 FTEs, 340 directly** (124 fishing, 35 aquaculture, 182 processing) and **238 downstream**.

Processing is main driver of seafood economy.

Highest multiplier for wages; **every €1,000 wages generates €1,040 in wages downstream.**

In the Union Hall hinterland the seafood economy accounts for **17% of economic activity** and **18% of employment**.

Dingle

The seafood sector employs **500 FTEs, 330 directly** (110 fishing, 115 aquaculture, 105 processing) and **170 downstream**.

Processing is main driver of seafood economy.

Highest multiplier for wages; **every €1,000 wages generates €940 in wages downstream.**

In the Dingle hinterland the seafood economy accounts for **8% of all economic activity** and **12% of all employment.**

Dunmore East

The seafood sector employs **237 FTEs, 179 directly** (112 fishing, 44 aquaculture, 23 processing) and **57 downstream**.

Fishing is main driver of seafood economy.

Highest multiplier for wages; **every €1,000 wages generates €670 in wages downstream.**

In the Dunmore East hinterland the seafood economy accounts for **6% of economic activity** and **12% of employment.**

Kilmore Quay

The seafood sector employs **839 FTEs, 500 directly** (240 fishing, 52 aquaculture, 208 processing) and **339 downstream**.

Fishing is main driver of seafood economy.

Highest multiplier for wages; **every €1,000 wages generates €910 in wages downstream**.

37% In the Kilmore Quay hinterland the seafood economy accounts for **36% of economic activity** and **37% of employment**.

Howth

The seafood sector employs **814 FTEs, 441 directly** (199 fishing, 4 aquaculture, 238 processing) and **373 downstream**.

Processing is main driver of seafood economy.

Highest multiplier effect for GVA; **every €1,000 in GVA generates €1,280 in GVA downstream**.

8% In the Howth hinterland the seafood economy accounts for **6% of economic activity*** and **8% of employment**.

*NB: this does not include the contribution of seafood to tourism in Howth which is the main driver of the local economy here.

Clogherhead

The seafood sector employs **481 FTEs; 262 directly** (182 fishing, 0 aquaculture, 80 processing) and **219 downstream**.

Processing is main driver of seafood economy.

Highest multiplier effect for GVA; **every €1,000; GVA generates €860 in GVA downstream**.

11% In the Clogherhead hinterland the seafood economy accounts for **10% of all economic activity** and **11% of all employment**.

Greencastle

The seafood sector employs **488 FTEs, 330 directly** (202 fishing, 67 aquaculture, 61 processing) and **158 downstream**.

Fishing is main driver of seafood economy.

Highest multiplier for wages; **every €1,000 wages generates €560 in wages downstream.**

13% In the Greencastle hinterland the seafood economy accounts for **11% of economic activity** and **13% of employment**.

Terms of Reference

Pelagic Fish

Pelagic fish swim in mid-waters or near the surface. Oil rich fish such as mackerel, herring, boarfish and tuna are common examples.

Demersal Fish

Demersal fish are those which live on or near the sea bed. Round and flat white fish fall into this category and include cod, hake, haddock and flatfish such as flounder, sole, turbot, plaice and halibut.

Regions by County:

North: Donegal

North West: Mayo, Sligo and Leitrim

West: Galway and Clare

South West: Kerry and Limerick

South: Cork

South East: Wicklow, Wexford and Waterford

North East: Louth, Meath and Dublin

Data Sources

Landings data are supplied by the Sea Fisheries Protection Agency (SFPA), www.sfpa.ie.

Value of landings are estimated by BIM.

Aquaculture data is collected through the BIM Annual Aquaculture Survey.

Processing data is collected through the Data Collection Framework and economic data is provided by the Central Statistics Office (CSO).

Population data is sourced from the CSO Census 2016, www.cso.ie.

Seafood population and employment statistics estimated by BIM using Census 2016 data.

Employment data in seafood sector collected through the Data Collection Framework by BIM.

Retail data is supplied by KANTAR World Panel.

Foodservice consumption estimated by BIM using Bord Bia 'Irish Foodservice Channel Insights' data.

The total processing employment on page 7 includes wild seaweed harvesters.

Import and Export data supplied by EUROSTAT.

Government investment is sourced from the Revised Estimates for Public Services of the Government of Ireland.

Economic performance of the fishing fleet is sourced from BIM's Data Collection Framework data.

Data on quotas is sourced from the Official Journal of the European Union.

Please note some figures have been rounded for the purposes of this publication.

The data used in this publication includes provisional data which may be subject to updates throughout the year.

Please consult the data sources cited above for original and updated data.

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