

Flexible quota trading for 'pool' members

Sylvia Bates

Hanstholm Fiskeriforening is one of the largest of the fishermen's pools in Denmark – each one a collective of fishermen collaborating to deal with quotas, regulations and industry challenges. To date, Hanstholm's pool has 295 members representing 292 vessels from all over Denmark.

"We expected 81 when we started" said Henrik Amdisen, consultant for the collective. "There were 80 Hanstholm fishermen and they were the group we thought would be involved. But now we have members from all over the country, making this one of the two largest pools."

Less than 2% of Danish fishermen are not in a pool. But not all members are Danish; a minimum of two-thirds of the vessels must be owned by Danish fishermen, with one third being owned by other nationalities.

Quotas issued annually by the Ministry of Food, Agriculture and Fisheries is allocated to the pool as

a whole, which in turn is allocated quotas to members. There are rules for membership in a pool, with members only able to move out or to another pool at the end of the year before new quotas are set.

The Hanstholm Fiskeriforening website is a crucial tool for managing catches and quotas. It creates a profile for vessel owners, with details of quota and catches. There is a high level of privacy – while outsiders can access the site, the data is designed to protect users. For members, the key part is ability to instantly trade quotas at any time. This data is protected, and only viewable by the members involved.

"A vessel at sea lands a catch it perhaps has no quota for, or haws already has used it up," Henrik Amdisen explained. "They can go online where they can rent enough of another person's quota so they can keep and land their catch. Nobody can see who sold or bought quota, only what they land." The site is updated daily and is also linked to the



GROUP: Henrik Amdisen, who advises the Hanstholm fishermen's pool collective as a consultant, said that they were surprised at the number of fishermen joining the pool, which is one of the two largest in Denmark

Ministry website.

"It is much harder to trade quotas if you are not a pool member. Outside, you have to go to the ministry and they then come to us, which can take weeks. It is more efficient to be in the pool. It is also a good system as vessels that have quota for fish they will not likely catch in their preferred area, like the Baltic, can lease out to those who will use it, like vessels in Hanstholm fishing in the North Sea."

Supporting catch quotas

Hanstholm Fiskeriforening supports the Danish government's recent initiative to introduce catch quotas – a regime that allows participating vessels to have larger quotas – on the condition that nothing is discarded and that cameras on board record all of the activity.

Twelve Hanstholm fishing vessels have already been fitted with five cameras each, linked to the hydraulics that set them to record each haul as it is brought on board. The recorded data is stored on a hard disk on board and retrieved every two months, in return for which the boats have the significant incentive of an additional 30% quota

"It is very good for us – most of those vessels are in Norwegian waters, which have a no discard policy anyway," Henrik Amdisen

Fishmeal producer expanding

Sylvia Bates

Peter Jensen, administrative director of Hanstholm Fiskemelsfabrik A/S, the smallest of Denmark's three fishmeal producers, is cautiously optimistic for the next year and the development plans for the new harbour.

"The high stock and fishmeal prices in 2010 were unstable but now prices have settled and we see a small decrease in overall prices compared to recent years," he said, adding that while prices fluctuate, there is always demand for fishmeal, but alongside quota reductions there is tough competition for raw material.

"We are doing OK for supply now - we are on budget and got

all the raw material we wanted so far for 2011," he told *FNI*.

Despite the recent cuts in blue whiting quota, Peter Jensen is not fazed; "We don't have a problem with lack of blue whiting this year as we weren't dependent on it. Previously it only comprised 15 to 20% of our raw material."

Unsurprisingly sandeel quota is a major bone of contention for all interested parties in Denmark. "There are new regulations every year," Jensen said. "It is a difficult subject as only 10% of mortality rate for sandeel is due to fishing. Different quotas in different areas make it difficult for fishermen to work with authorities efficiently."

Changing regulations and

quotas for the sandeel fishery have made life difficult for the North Sea fleet in recent years. Varying stocks in different areas have made sampling less practical.

"Fishermen cannot fish in more than one area on the same trip and this is inefficient for vessels. Low quota also makes things hard because there are different quotas for each area," Peter Jensen said, commenting that even more change is likely next year.

"Quota is always given at the last minute, for a very short season, which is not flexible or efficient," he told *FNI*.

Hanstholm Fiskemelsfabrik has expanded in the last few years, with a newly increased storage capacity with two new

silos. This increases their raw material storage to 10,000 tonnes. Other company investments include the upgrading of equipment and increasing the production capacity.

"This will increase production from 1200 to 1500t - a 25% increase," Peter Jensen explained, adding that there will also be a new staff building to be completed by April 2012 to provide improved facilities for the thirty-eight employees. While Hanstholm Fiskemelsfabrik may be the smallest producer in Denmark, supply from the factory finds its way all over the world.

"We supply all across the EU, including Norway, Greece and Italy. We also send elsewhere to other markets, such as Nigeria. We have a high quality product that is also GMP approved. It's no surprise that our biggest



GROWTH: Peter Jensen at fishmeal producer Hanstholm Fiskemelsfabrik said that while prices fluctuate, there is always a demand for fishmeal – as well as strong competition for raw material



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Danish Fishing Equipment Group
Cell +45 2634 0610

Business Sector Manager Michael Hansen
Michael.Hansen@dk-export.dk



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