

PSCHA 2023 AGM MINUTES (DRAFT)

ATTENDEES (Over 40 licenses presented including 22 via proxy)

Cory Jackson, Bob Hegedus, Thom Liptrot, John Parkin, Glen Dennis, Alfa Wong, Geoff Krause, Mark Ulanowski, Mike & Bonnie Dennis, Clint Ridgway, Connor Lindsay, William Strong, John Lindsay, Charles Greaves, George Dennis, Sheila Wood, Sang Zheng, Paulo Demee, Tony Wong, Barb Shanks, Darin Macy, Justin Macy, Erin Wylie, Pauline Riding, Shirley Li, Christina Burridge, Ernest Von Rosen, Brian Arnold

APPROVAL OF AGENDA

Cory Jackson motioned, Bob Hegedus seconded. Passed.

APPROVAL OF 2022 MINUTES

Charles Greaves motioned, John Parkin seconded, Passed

President's Report (Thom Liptrot)

After last years success of re-surveying and getting Howe Sound re-opened, we suggest re-surveying Quatsino, Nanaimo / Ladysmith, Sooke and Victoria. I believe the Sunstar wasting disease has had an impact on our survey results. Fisherman struggled in South East Barkley this season. The first boat quit after 2 days. A more experienced boat came in and finished up the quota, but it took a lot of effort. We recently surveyed West Barkley with poor results. We did however, get an 8000 lb quota for this area. I'm suggesting we give SE Barkley a five-year rest and combine West Barkley with this quota area. The changing tides agreement with The Haida has funded surveys in the Charlottes. This past year the Haida re-surveyed the Louis Island area and Skincuttle. Surveys are planned for Shuttle/ Lyell islands this coming year.

2023 Management Plan

We have a new quota of 8000 lbs assigned to West Barkley/ Ucluelet Harbour this year. The remaining 4000 lbs will have to be taken in Nootka. Howe Sound survey results came up with an availability quota of 80,000 lbs. I think this may be too high and have suggested a quota of 64,000 lbs. DFO has a meeting with First Nations in Howe Sound soon to move forward on this opening. This year's management plan has 29 licenses in the north, 28 in central, 22 ECVI, and 6 licences in West coast VI. Two licences for Haida which are being held in the PicFI Program will not be fished again. We will move these quotas to the south coast this year. Gulf Island quota, area 18, has a whale closure area that has affected access to fishing area. The closure ends November 30th, so we are proposing an extension to season for this area.

Tony at Seaworld would like to have the sea cucumber opening date later due to past 3 years water temperatures rising as quality decreases with warm product. Alfa Wong says using ice damages the product, as does excessive handling. Broken skin, residue from meat. Motion to start season on Oct 7th. Charles Greaves motioned. Paulo Demee seconded. Passed.

License Movement

License Area	License # chosen in Lottery
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From P to G	51	
From P to G	49	
From P to G	65	
From P to W	14	
From P to W	31	
From C to W	56*	*WCV1 First Nation so makes sense to Move this one 2023
From P to G	50	

Motion to accept Lottery Results

Charlie Greaves motioned. William Strong seconded. Passed.

Financials (Barb Shanks)

Currently our GIC holdings are invested at rates between 4.5 & 5.45%. These holdings had been getting returns of 1-1.2% so much better returns in this current environment.

Sheila Wood motioned to accept the financials as presented. John Parkin seconded. Passed.

Motion to Elect Directors and Officers

Slate: Thomas Liptrot (President), Bob Hegedus (VP), Clint Ridgway (VP), Barb Shanks (Treasurer/Secretary)

Other directors: Paulo Demee, John Parkin, Cory Jackson, Raf Kalus, Alfa Wong

George Dennis motioned, Charles Greaves seconded. Passed.

Monitors Report (Darin Macey)

Darin presented his 2022 Canadian Pacific Sea Cucumber Fishery Season Summary.

Motion to accept D&D Pacific to continue with the validation contract.

Barb Shanks motioned. George Dennis seconded. Passed.

Discussion from our on-ground monitors.

Cory Jackson had no issues in the north other than it going a bit slow.

Thom Liptrot – Tofino quota went well. Central – no problem with sea otters. 14 boats. Kitasoo complained about Finlayson South.

Clint Ridgway AC – Okover - use different measurement tool

BC Seafood Alliance – Power Point with Christina Burrige

Northern Shelf Bioregion MPA Network

Draft Scenario 1

\$125 million economic loss

Draft Scenario 2

- Did not recognize MPT advice
- Fundamentally about Reconciliation not ecological protection, designed to deliver FN community priorities
- Economic costs would have been far greater than indicated in provincial study as open areas become fragmented, lost funding for science, reduced investment etc.
- No ability to mitigate impacts while still achieving conservation targets

Where are we now?

- February 2023 Network Action Plan endorsed by federal governments and 16 First Nations
- NAP is essentially Scenarion 2 with the management measures (closures) removed and socio-economic analysis difficult or impossible
- Potential closures go into various regulatory review processes for risk analysis and consultation
- Loss of flexibility and ability to mitigate
- RDG and Minister have acknowledged lack of trust in process and need to remedy but we don't know what this will look like or whether a role for MPT

Potential Impacts of Implementing NAP aka Scenarion 2

- Overlay draft zoning & estimate percentage NSB catch impacted by fishery on 1 KM2 DFO grid catch data
 - CC lost geoduck access 32%
 - CC lost prawn access 50%
 - CC lost red urchin access 51%
 - HG lost sablefish access 20%
 - CC lost rockfish access 34%

Reconciliation and Risks to Science and Management in Pacific Region

- Reallocation of access through more localized protection, science and management means lower harvests, loss of operational flexibility and loss of data
- Exacerbates long-standing risks:
 - Fragmentation of stock and fishery monitoring systems from rapid advancement of marine zoning (marine planning, court decisions and Reconciliation agreements without concurrent advancement of scientific and management capacity)
 - Scale: where scale of management and scale of ecological processes is mismatched, eroding management control processes
 - Insufficient resources for survey capacity (vessels, field personnel), HQPP for stock assessment and modelling, fish ageing, biological sampling, and fishery managers
 - Lack of strategic Science plans for groundfish and invertebrate stocks and fisheries

Why We need a Reconciliation Transition Plan for BC Commercial Fisheries

1. Northern Shelf Bioregion (NSB) MPA Network/Central Coast NMCA
2. Coastal First Nations FRRRA
3. GayGahlda Framework Agreement with Haida
4. Central Coast MOU for NMCA
5. Reallocation w/o compensation through chipping away at access (salmon, crab, YE rockfish)
6. Risks to science, fisheries management and industry contributions in Pacific Region
7. Potential Changes to West Coast

The Parties recognize that transformative change in the collaborative governance, management, conservation and use of Fisheries Resources is required to support reconciliation of the relationship between Canada and Indigenous Peoples and the Parties intend that this Agreement will support transformative change.

Coastal First Nations Fisheries Resources Reconciliation Agreement

There will be a shift away from coastwide fisheries management to area-based management, and this may require changes to stock assessment models, TACs, effort controls, and monitoring.

Licencing Policy

- Elements of FOPO report still under consideration by DFO
- Beneficial ownership survey analysis likely not due until summer then consultation and development of any policy options if necessary 1825 BC responses received out of 2126 licenses. Responses much more complex than expected
- All party call for a ban on future foreign ownership
- Minister recently acknowledged the complexity and potential costs of changes to the current regime
- Opportune time to dust off the Shared Risks and Benefits proposal and propose that an approach based on this could mitigate unintended socio-economic consequences of conservation measure while minimizing costs to DFO
- OUR KEY POSITION IS THAT LACK OF ACCESS THREATENS OUR FISHERIES AND INFRASTRUCTURE

Legal Update

- Changed legal counsel from Bernard LLP to Mackenzie Fujisawa
- Opinion provided on challenging both roe herring closures/TAC reduction and Central Coast crab lack of mitigation
- The Fisheries Act and case law (eg Gulf Trollers) give the Minister absolute discretion and conservation and Reconciliation (directed at fishing) are valid considerations in exercising that discretion
- Reinforced by Canada's successful appeal last month of the Notice of Civil Claim brought by geoduck
- Next steps?

Trade & other issues

- China Cifer applications for modifications must be submitted by CFIA to China by June 30
- New list for live establishments; new process for adding species to China list
- US MMPA: exemption period extended to end of 2023
- Boat to plate traceability: likely can live with changes to labelling, Fish List, etc.
- Monitoring trade agreements in process
- Working with BC to establish eligibility for carbon tax exemption (as with farmers) as well as fuel tax exemption
- AFF funding for Landmark study on methodology for assessing carbon footprint of BC Fisheries, extended to 31 December.

Marketing & Expo Reports (Geoff Krause)

As mentioned by Darin, the fishery achieved about 98% of the TAC this year and from what I have been hearing, market weakness is not an issue. Total wholesale export revenues for the fishery increased from about \$14 M last year to about \$15.4 M this year based on numbers from Stats Canada. Looking at averages from BC Year in Review documents to 2018 suggest the landed value is around 80% of the wholesale value so revenues to harvesters should be around \$ 12 M CAD, equivalent to about \$8.87/lb.

As far as marketing goes, we just finished off our last Agri-Marketing Program gig, a two year project that came at the tail end of the pandemic. We did not do everything we hoped for, but did manage to attend the Seafood Expo Global (SEG) in Barcelona in April 2022 the Seafood Expo Asia (SEA) in Singapore last September and the Seafood Expo North America (SENA) in Boston in March. Of the three, the SEA is still the best. As summarized in the following summary table: the 2022 SEA (102 visitors for Urchins and Cukes combined, avg score 5.13) beat out both other shows this past year- the April

2022 SEG (19 @4.74) and the March 2023 SENA (38 @ 4.66). Our results at the SEA and SENA seem to be hovering around where we were prior to the pandemic while the SEG is lower at least as far as the number of visitors goes. Even though our sales are primarily into China (\$12 M), Hong Kong (\$1.7 M) and the US (\$1.5 M), I think all 3 shows are worth the effort. China is looking like they are undertaking a Great Leap of some sort - again. These have not ended well in the past so perceptions of risk to trade with and travel to China are rising. There is a renewed focus on national security on all sides as

geostrategic rivalries are moving into center stage so having options is good. Anyways- the total budget spend this past year was \$66 K including 10% for

		2014	2015	2016	2017	2018	2019	2021	2022	2023
SEA	Number	126	93	105	84	83			101	
	Score	5.5	5.38	5.52	5.09	5.35			5.04	
	Show score	693	500	580	428	444			509	0
CFSE	Number	71	102	74	92	62		54		
	Score	4.84	5.2	4.49	4.6	4.53		4.67		
	Show score	344	530	332	423	281		252		
SENA	Number			53	45	64	56		42	38
	Score			5.89	5.00	4.58	4.69		4.57	4.66
	Show score			312	225	293	263		192	177
SEG	Number				55	38			19	25
	Score				4.68	4.47			4.7	4.84
	Show score				257	170			89	121

administration so PSCHA should be getting about \$33 K back from the program. As for the other parts, we had some crossed wires and things kind of fell apart this past year with the social media part of things. I am not casting any blame for that but we are going to be seeing about getting Ernest to take care of that for us moving forward. We also updated our brochures- they are now all up to date with the same information and available in English, Simplified Chinese, French and Spanish. We might want to get Korean versions as well- but we should get more sales there first.

I put together another program for the next 3 years, based around the same ideas as last time. We are looking at Canada, China, Hing Kong, Singapore, USA, Spain (EU), South Korea, Vietnam, Thailand, Malaysia, and Brunei and hoping for some travel to most, if not all over the next 3 years. The main destinations will be built around the SEA (Singapore) and Restaurant and Bar Hong Kong (RBHK), the China Fisheries and Seafood Expo (Qingdao), SENA (Boston) and the SEG (Barcelona) but some will also include side trips to other countries of interest, mainly as listed above for now.

I built a budget out to year 3 that is averaging around \$135 K/year with PSCHA chipping in around \$35 K/yr, "partners" just under \$30 K/yr and the program in the neighborhood of \$60- 65 K/yr. The partners bit is members- you guys- including representatives for processors and exporters. Just as a reminder- the deal for members is that at least half of the travel costs are covered/reimbursed meaning it offers a great opportunity to explore parts of the world that you might otherwise miss because of the expense. I'll also just point out that when exporters join us, we generally get more interest because visitors want to talk about business details and commitments that those of us representing PSCHA cannot really do. Having fishermen along though lends an air of authenticity to the effort that is really appreciated all round.

One other detail- a bunch of the countries from Asia are part of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (aka - the CPTPP). Another potential bonus with these is that there is a possibility the travel and other direct costs of marketing to them may attract 70:30 funding from the government. South Korea also has a Free Trade Agreement with us, and while I don't know if the same possibility stands for them, it is worth noting that they have bought cukes from us in the past and are now buying a lot of urchins from us.

The proposal is now going through the review and approval process. I cannot be sure how it is going to turn out but I am hopeful. We are not likely to hear about any approval until August or maybe even September, but I think we have a good chance of getting most of what we are looking for. The thing is - we kind of have to get moving on making arrangements soon if we are going to make a success of upcoming trips. The first one up is the Seafood Expo Asia (SEA) in Singapore and we should be getting started this week on arrangements. There is an F1 race in Singapore the week after the show so it sounds like rooms are going to be getting snapped up. I have included preliminary side trips to Hong Kong to check out the Restaurant and Bar show there - just walking it this year but hopefully we'll be able to get a booth there in upcoming years- and South Korea just before we go to Singapore. Hong Kong,

South Korea and Singapore are strong markets and I believe orders will follow suit in short order- as long as we can get some exporters who are willing to give it a bit of a go involved. Singapore in particular is one of the richest markets in the world and a favoured destination for many wealthy expat Chinese it loves seafood but to succeed there we need guys willing to help make it happen. If you have any interest in attending the SEA in September, please let Thom or myself know. PUHA is joining us and we're hoping the UHA will be with us as well. Having 6-7 people along, including a couple -3 processors, would be awesome. I believe there is a good chance we can continue to grow our presence there in a way that makes sense for all three groups and find some significant opportunities. Still- as above, we need to get rolling on it pretty quick.

One other potential concern coming up is an emerging El Nino (warm water) developing this year after 3 years of La Nina (cold water) off our coast. It's a bit early to say at this point how it will affect our surface temperatures and, possibly just as important, salinities- but it's sounding like it might be a big one. Keeping in mind projections for the future bode higher and more variable ocean temperatures and rainfall patterns, this is something I would advise keeping a pretty close eye on. I think developing methods to track and catalogue water temperature and salinity (time stamped and mapped) at harvest locations is a good idea as there are some big changes projected to come down the road. Having such knowledge could help the industry develop work-arounds as the weather and/or oceanographic conditions are going sideways and impacting access, abundance and/or quality and even fishing conditions (eg. vis).

Discussion on 2023 Management Plan

New quota in Ucluelet. Not full quota. Will let it rest after this year. The pounds were taken out of Nootka. There's a meeting with First Nations next week. Some issues arising with Howe Sound, quite a big of quota there. We propose 4 quotas. There's 29 in N, 28 in C, 22 in EC (2 in picu) – propose to move them, probably not going to be fished, and there's 6 in WC.

Whale closure area is till Nov 30 with talks of extension. Impacts 4 good spots.

Motion to Adjourn. 3pm

Thom Liptrot motioned. Glen Dennis seconded. Passed.

Reports (Please contact Barb for copies of these reports if you'd like them)

D&D 2022 Season Summary
2023-24 Sea Cucumber Fishery
BC Seafood Alliance

