



UNITED FISHING AGENCY, LTD.



COVID-19 Impacts to Hawaii Longline Fishery and Associated Seafood Industry

Situation Summary: April 27, 2020

Background Info

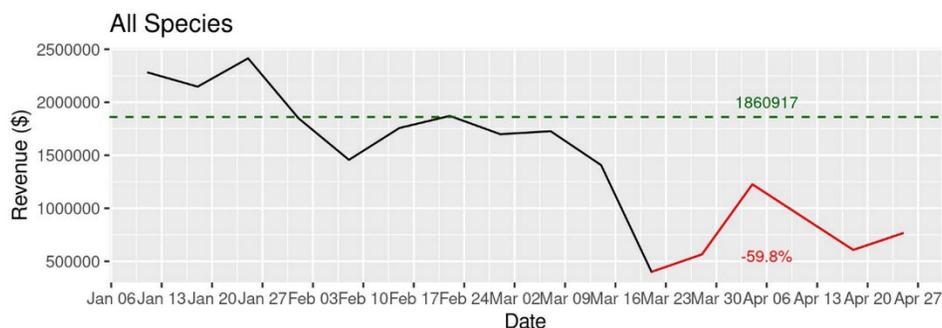
The Hawaii longline fishery, comprised of 140 locally owned vessels, is the largest food producing industry in the State of Hawaii (32 million pounds produced in 2019).

The dockside landed value of the fishery is around \$105 million annually, ranking Honolulu Harbor in the Nation's top ten ports in terms of fisheries economic value (6th in 2018). The longline fishery represents approximately 90% of commercial fishing landings and revenue in Hawaii.

The Hawaii longline fishery supplies ice-chilled, high quality fish (ahi, swordfish, mahimahi, opah, etc.) to Hawaii and US mainland foodservice and retail seafood markets; products are principally marketed as fresh fish and not sold frozen. The United Fishing Agency (Honolulu Auction) and several local seafood distribution companies are critical to the Hawaii fishing industry and seafood supply chain. Hawaii's commercial fishing and seafood industry has been estimated by the US Department of Commerce to annually generate around \$867 million in sales impacts, \$269 million in income impacts, \$392 million in value-added impacts, and 9,900 full-and part-time jobs.¹

Current Situation- April 27

After 10-days of decline, average fish prices increased slightly from April 15-25, mostly due to increases in opah, mahimahi, and other "white meat" fish. Ahi prices continued to be low. Overall, weekly revenue is down around 60% from 5-year average.



There are around 60 Hawaii-based longline vessels tied up in Honolulu Harbor, with 80 on the fishing grounds and expected home within next two weeks. Continued low market prices may again force a large percentage of Hawaii longline vessels to tie up, resulting in gaps in fish supply.

Substantial reductions in fresh fish supply landed by Hawaii longline vessels impacts Hawaii food security amidst the COVID-19 situation.

¹ National Marine Fisheries Service. 2018. Fisheries Economics of the United States, 2016. U.S. Dept. of Commerce, NOAA Tech. Memo. NMFS-F/SPO-187a, 243 p

HLA, UFA, and the Hawaii Seafood Council are now working with the Hawaii Foodbank to supply their programs.

COVID-19 Impacts April 1-15

The Hawaii Longline Association (HLA) instituted trip limits of 15,000 lbs per vessel to reduce supply. The United Fishing Agency (UFA) is holding the daily auction volume to a cap of 60,000 lbs, which is around 70% of the historical daily average. In comparison to March 15-30, ahi prices increased in first 10 days of April and nearly returned to pre-COVID-19 average prices. Auction level prices for species like opah, monchong, billfish, ono remained very low. These normally valuable fish comprised about 30% of total landings and play an important role in vessel profitability.

The recovery in ahi prices were fleeting, as prices reduced sharply during from April 12-15.

COVID-19 Impacts March 15-30

Fish prices at the Honolulu auction (United Fishing Agency) suffered extreme reductions on March 14, 2020. During the following two weeks, there was an 80% decline in the value of dockside landings. The primary reason for the decline was the rapid elimination of foodservice (restaurant, hotel, catering) orders. Several Hawaii wholesale distribution companies each laid off large percentages of their employees. About 100 longline vessels tied up for 2 weeks.

Recovery from COVID-19 Impacts and Government Support

Until restaurants and tourism markets return, Hawaii's seafood industry will continue to face significantly reduced revenue, and lower supply from vessels tying up.

Hawaii residents consume seafood at twice the national average and is important culturally for Hawaii's diverse communities. Already there is a reduced supply of seafood products available to Hawaii residents due to COVID-19 impacts. If predicted food protein (e.g. pork, beef) shortages are realized, Hawaii residents could be faced with serious food security challenges.

Government support is needed to incentivize fishing vessels to operate and for HLA and UFA to increase supply volumes to meet community food requirements. Seafood distribution companies play an integral role in the supply chain and also need government support to maintain operations.

Hawaii's fishing and seafood industry is a key economic sector and must be recognized as such in government recovery planning initiatives. For example, Governor Ige's April 8, 2020 Proclamation on the Hawaii Economic and Community Resiliency and Recovery Plan lists "agriculture" as a key economic pillar, but fisheries are not mentioned. As noted previously, the Hawaii longline fishery is the largest food producing industry in the State.

In support of Hawaii food security and self-sufficiency efforts, Governor Ige's administration and elected officials are requested to ensure that Hawaii's fishing and seafood industry are included in funding programs and economic planning and recovery initiatives.

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