

## **The Fishing Industry: New Challenges**

The panel session ‘The Fishing Industry: New Challenges’ was held on 11 September 2018 on the first day of the fourth Eastern Economic Forum.

McKinsey & Company Senior Partner Yermolai Solzhenitsyn, the moderator of the session, outlined the key themes of the discussion in his introductory speech: the allocation of investment quotas, shipbuilding, and the logistics of selling fish products.

Setting the stage for the discussion, Federal Agency for Fishery Deputy Director Pyotr Savchuk spoke about plans for the construction of 33 new vessels, including 24 trawlers that are to be built at Russian shipyards. The plan also calls for the construction of 18 onshore processing plants (9 enterprises each in Russian Far East and North).

Savchuk said this decision should change the structure of the fishing industry and lay the foundation for the reform of the entire shipbuilding industry. He believes that the experience of building large-capacity fishing trawlers could be extended to the refrigerated fleet and small boats. The new onshore plants should become points of attraction for fish processing within Russia’s jurisdiction. Stable development trends should be seen in the industry over the next 15 years. “We need our own Russian end product”, Savchuk said.

The panellists outlined what they see as problems in the industry and suggested developing and introducing a mechanism to adjust investment projects.

The experts also noted that having stable legislation concerning long-term quota fixing is key to the success of the entire fishing industry. Decisions taken this year on changes in the regulation of quotas (the regular revision of quotas within 2–3 years as well as the lifting of quotas) will prevent the industry from developing.

Representatives of fish industry companies hope that their position will be heard at the Global Fishery Forum on 13–15 September in St. Petersburg, where joint decisions on controversial issues will be developed.