

Circular

Number : 16/19
Subject : BIDDING AREAS AND -GUIDELINES RELATED TO DIRECT SALE OF PELAGIC SPECIES FOR CONSUMPTION PURPOSES.
To : Buyers and fishing vessels of pelagic species for consumption purposes
Place : Bergen Date : July 17th 2019

1. THE BIDDING AREAS.

a) Eastern Area:

Nr	Område	35	Rørvik
		37	Træna, Værøy, Bodø
		38	Værøy
		39	Bodø
4	Rügen, Stettin	41	Svolvær/Hopen (Lødingen)
6	Sverige Vest	42	Lødingen
7	Skagen		
8	Hirtshals	45	Torsken (Senjahopen / Sommarøy, Tromsø)
9	Thyborøn	46	Senjahopen/Sommarøy
10	Hanstholm	47	Tromsø
13	Egersund, Sirevåg	58	Honningsvåg
16	Karmsund (Skudesnes, Husøy, Haugesund)		
19	Austevoll		
20	Florø, Måløy	69	Kirkenes/Murmansk
25	Ålesund (Moltu – Harøysund)		
31	Smøla		
32	Uthaug		

b) Western Area:

Kode	Område
A	Dingle
B	Killybegs
D	Aberdeen
E	Peterhead
F	Fraserburgh
I	Lerwick
K	Færøyene
P	Vestmannareyjar
R	Seydisfjordur, Neskaupstadur, Fæskrudfjordur, Eskifjordur
S	Raufarhøfn, Torshøfn, Vopnafjordur
U	Siglafjordur, Akureyri
V	Bolungarvik

2. BIDDING AREA GUIDELINES FOR NORWEGIAN SPRING SPAWNING HERRING.

1. Catches caught north of 68° 00' N;

- a) Catches larger than 150 tonnes and less than or equal to 600 tonnes must minimum have the following bidding area:

Træna (37) – Tromsø (47)

- b) Catches larger than 600 tonnes must minimum have the following bidding area:

Smøla (31) – Tromsø (47)

2. Catches caught between 65° 00' N and 68° 00' N;

- a) Catches larger than 150 tonnes and less than or equal to 600 tonnes must minimum have the following bidding area:

Smøla (31) – Lødingen (42)

- b) Catches larger than 600 tonnes must minimum have the following bidding area:

Florø (20) – Tromsø (47)

3. Catches caught between 63° 00' N og 65° 00' N;

- a) Catches larger than 150 tonnes and less than or equal to 600 tonnes must minimum have the following bidding area:

Ålesund (25) – Træna (37)

- b) Catches larger than 600 tonnes must minimum have the following bidding area:

Austevoll (19) – Lødingen (42)

4. Catches caught south of 63° 00' N ;

- a) Catches larger than 150 tonnes and less than or equal to 600 tonnes must minimum have the following bidding area:

Florø (20) - Uthaug (32)

- b) Catches larger than 600 tonnes must minimum have the following bidding area:

Egersund (13) – Træna (37)

5. The following procedures must apply for catches of 150 tonnes or less:

As a minimum two of the three areas (37, 41 eller 45) must be included if sale/delivery takes place in this area. If all of the three areas are included in the bidding area, buyers can be excluded in area 45 and 37. For example the following bidding area can be established; area 39 in the south, area 41 in the centre and 45 in the north.

3. BIDDING AREA GUIDELINES FOR BLUE WHITING.

The following bidding areas must apply for catches caught west of Ireland/Scotland:

1. Catches caught south of 57° 30' N must minimum include Killybegs (B) - Killybegs (B) (this does not mean that Killybegs must be included in the bidding area unless the vessel passes Killybegs).
2. Catches caught north of 57° 30' N must minimum include Lerwick (I) – Peterhead (E). If a vessel also wants to include Norwegian facilities in the bidding area, Lerwick (I) - Peterhead (E) must also be included in the bidding area.
3. Catches caught north of 60° N must minimum include Lerwick (I) if Norwegian facilities are included in the bidding area.

4. BIDDING AREA GUIDELINES FOR CAPELIN.

a) Catches caught in the Icelandic Economic Zone, Greenland fishing zone and around Jan Mayen.

The following guidelines must apply:

1. For catches equal to and less than 500 tonnes (applies both for consumption and fish meal and oil purposes) Norges Sildesalgslag's general rules applies, see Business Rules § 6.6 under V and VI.
2. Catches larger than 500 tonnes (applies both for consumption and fish meal and oil purposes) must include Norwegian buyers in the bidding area and the following minimum bidding area applies:
 1. Træna (37) – Tromsø (47)
 2. Florø (20) – Uthaug (32)
 3. Egersund (13) – Ålesund (Moltu-Harøysund) (25)

b) Catches caught in the Barents Sea.

The following guidelines shall apply:

1. Catches equal to and less than 300 tonnes must minimum have the following bidding area:

Senjahopen (46) – Honningsvåg (58)
2. Catches larger than 300 tonnes must minimum have the following bidding area:

Træna (37) – Honningsvåg (58)

5. BIDDING AREA GUIDELINES FOR CATCHES CAUGHT SOUTH OF 62° N.

1. Catches **larger than 100 tonnes and less than or equal to 150 tonnes** must minimum have the following bidding area:
 - 1 Egersund (13) – Austevoll (19)
 - 2 Austevoll (19) – Ålesund (25)
 - 3 Florø (20) – Smøla (31)
2. Catches **larger than 150 tonn and less than or equal to 200 tonnes** must minimum have the following bidding area:
 - a) For catches caught north of 60° N:

Egersund (13) – Ålesund (25)

b) For catches caught on 60°N and south of 60° N:

- 1 Egersund (13) – Austevoll (19)
- 2 Austevoll (19) – Ålesund (25)
- 3 Florø (20) – Smøla (31)

3. Catches **larger than 200 tonnes** must minimum have the following bidding area:

Egersund (13) – Ålesund (25)

In addition, the following must apply:

- a) Catches equal to 400 tonnes and larger caught in EU-water must in addition minimum include Peterhead (E) – Lerwick (I).
- b) Catches of North Sea Herring equal to 400 tonnes and larger and caught south of 60° N must in addition minimum include Skagen.
- c) Catches equal to 300 tonnes and larger caught north of 60° N must in addition have the following bidding area:

Egersund (13) – Uthaug (32)

NB! When buying raw material with high stomach content (4) the buyer must seek to unload the vessel immediately after arrival.

6. OTHER BIDDING AREA GUIDELINES.

Furthermore, the following guidelines must apply, regarding setting of bidding areas:

- 1) The vessel set Bidding Area 1 – minimum pursuant to General rules and the abovementioned framework. If the highest bid comes from buyers within Bidding Area 1, the vessel is obliged to deliver to the buyer with the highest bid within Bidding Area 1.
- 2) In addition, the vessel on voluntary basis can define a Bidding Area 2, beyond Bidding Area 1. Bidding Area 2 must minimum be set pursuant to General Rules and the abovementioned framework. If the highest bid comes from buyers within Bidding Area 2, Norges Sildesalgslag will try to contact the vessel. If immediate contact can not be obtained, the catch will be sold to the buyer with the highest bid within Bidding Area 1. If contact is obtained, the vessel must choose between the highest bid within Bidding Area 2 or the highest bid within Bidding Area 1. The vessel will only be informed about the highest bid within Bidding Area 2.
- 3) In cases with auctions where there are only bids from buyers within Bidding Area 2, the vessel must choose between the highest bid in Bidding Area 2 or try to be sold at the subsequent auction.

- 4) Buyers who are not included in Bidding Area 1 or Bidding Area 2, are not entitled to participate at the auction.

To avoid any auction delays, the vessel will not be contacted unless the value (quantity*price) of the highest bid within Bidding Area 2 is minimum NOK 50.000.- higher than the value of the highest bid in Bidding Area 1.

In general, it is very important that the captain of the vessel or the person who acts on behalf of the vessel answers the telephone and is capable to take a prompt decision regarding the auction.

Factories passed by a vessel must be included in the bidding area:

All operational factories that a vessel pass in northern/southern direction (and possibly eastern/western direction) must be included in the bidding area. This means that all factories that are located closer to the catch area than the closest factory in the reference bidding area must be included in the bidding area.

Extending/shifting bidding areas:

The abovementioned minimum bidding areas can be extended or shifted in northern or southern direction, if the geografic area at least is maintained. The extension must in addition be realistic in that respect that new buyers are potensial buyers of the current catches.

And, if a factory at the outer edge of a bidding area is out of service, the bidding area must be enlarged correspondingly in the opposite direction.

Extrordinary weather conditions:

Due to bad weather conditions Norges Sildesalgslag can deviate from the prinsiples lined out above.

Kind Regards

NORGES SILDESALGSLAG

Knut Torgnes

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Copy:

Norwegian Seafood Federation,
Norwegian Seafood Association,
Norwegian Fishermen's Association,
The Norwegian Fishing Vessel Owner' Association,
Ministry of Trade, Industry and Fisheries,
Directorate of Fisheries,
Scottish Pelagic Fishermen's Association and
Killybegs Fishermen's Organisation Ltd