

Circular

Number : 18/08 (replaces Circular 20/07)
Subject : INFORMATION CONCERNING SALE OF MACKEREL FOR CONSUMPTION PURPOSES.
To : Buyers and fishing vessels of mackerel for consumption purposes
Place : Bergen Date : 30th June 2008

1. Minimum prices for mackerel for consumption purposes.

The following minimum prices are valid from Monday 30th June 2008:

Group 1	(average weight 600 g and over):	NOK 8.25 pr kg
Group 2	(average weight between 575 g and 599 g)	NOK 8,00 pr kg
Group 3	(average weight between 550 g and 574 g)	NOK 7,75 pr kg
Group 4	(average weight between 525 g and 549 g)	NOK 7,50 pr kg
Group 5	(average weight between 500 g and 524 g)	NOK 7.00 pr kg
Group 6	(average weight between 475 g and 499 g)	NOK 6.75 pr kg
Group 7	(average weight between 450 g and 474 g)	NOK 6.50 pr kg
Group 8	(average weight between 425 g and 449 g)	NOK 6,00 pr kg
Group 9	(average weight between 400 g and 424 g)	NOK 5.50 pr kg
Group 10	(average weight between 375 g and 399 g)	NOK 5,00 pr kg
Group 11	(average weight between 350 g and 374 g)	NOK 4.50 pr kg
Group 12	(average weight between 325 g and 349 g)	NOK 4,00 pr kg
Group 13	(average weight below 325 g)	NOK 3.50 pr kg

Mackerel below 200 g per fish shall be graded and paid at minimum NOK 1.00 pr kg.

2. Routines for determining the official average weight.

The routines for determining the official average weight per fish in the catch have been extended.

This means that vessels reporting mackerel to Norges Sildesalgslag must give information concerning **the average weight per fish in the catch based on sampling on board**. The reported average weight will be used at the auction. **Mackerel under 200 g per fish must be graded and shall not be included when determining the average weight based on sampling onboard.**

When reporting mackerel the vessels are also obliged to give information about;

- **the share of mackerel in their catch above 600 g**
- **the share of mackerel in their catch between 400 g og 600 g**
- **the share of mackerel in their catch below 400 g**

Furthermore, the average weight per fish in each entire catch shall be determined on the basis of good and representative sampling before grading takes place. At least 3 – 5 samples must be taken per 100 tonnes of fish discharged. Each sample should contain approximately 25 kilograms. **The result of the sampling will determine the official average weight per fish in the catch. Representatives from the vessel and the buyer are responsible for sampling and both parties shall always be present when samples are taken and weighed.**

Representatives from the vessel and from the buyer are obliged to state the official average weight per fish in the catch on the delivery note.

3. Routines that shall apply if the official average weight differs from the reported average weight.

If the official average weight differs from the reported average weight there are certain regulations that will enter into force:

1. If the official weight differs from the reported weight but is within the same size group, the auction price shall apply.
2. If the official weight differs from the reported weight and the official weight is in a new size group (up or down), the auction price shall apply if the difference is 10 grams or less (up or down).
3. If the official weight differs from the reported weight by more than 10 grams (up or down) and the official weight is in a new size group, the price shall be determined by the minimum price in the new group plus the **“auction premium”**. The auction premium is defined as the extra price achieved at the auction above the minimum price measured in per cent of the minimum price.
4. If the official weight differs from the reported weight **by more than 50 grams downward**, the price shall be determined by the minimum price in the new group plus 50 % of the **“auction premium”**.

Some examples to illustrate the regulations regarding price and average weight pr fish.

Example 1: Reported catch is reported to contain an average weight pr fish of 495 grams. Then the catch belongs to Group 6. At the auction it achieves a price of NOK 8.00 pr kg, i.e. an auction premium of 18.52 % (NOK 8.00 pr kg / NOK 6.75 pr kg) above the minimum price. At the unloading the official average weight shows 510 grams pr fish.

In this case the price will be NOK 8.30 pr kg – the minimum price for the new group (Group 5) of NOK 7.00 pr kg plus the auction premium of NOK 18.52 % (NOK 7.00 pr kg * 1.1852).

Example 2: Reported catch is reported to contain an average weight pr fish of 455 grams. Then the catch belongs to Group 7. At the auction it achieves a price of NOK 7.00 pr kg, i.e. auction premium of 7.69 % (NOK 7.00 pr kg / NOK 6.50 pr kg) above the minimum price. At the unloading the official average weight shows 440 grams pr fish.

In this case the price will be NOK 6,46 pr kg – the minimum price for the new group (Group 8) of NOK 6.00 pr kg plus the auction premium of 7.69 % (NOK 6.00 pr kg * 1,0769).

Example 3: Reported catch is reported to contain an average weight pr fish of 495 grams. Then the catch belongs to Group 6. At the auction it achieves a price of NOK 8.00 pr kg, i.e. auction premium of 18.52 % (NOK 8.00 pr kg / NOK 6.75 pr kg) above the minimum price. At the unloading the official average weight shows 548 grams pr fish.

In this case the price will be NOK 8.89 pr kg – the minimum price for the new group (Group 4) of NOK 7.50 pr kg plus the auction premium of 18.52 % (NOK 7.50 pr kg * 1,1852).

In example 3 the official weight differs by more than 50 grams upward compared to reported catch. In example 4 we have a case where official weight differs by more than 50 grams downward compared to reported catch;

Example 4: Reported catch is reported to contain an average weight pr fish of 576 grams. Then the catch belongs to Group 2. At the auction it achieves a price of NOK 10.00 pr kg, i.e. auction premium of 25 % (NOK 10.00 pr kg / NOK 8.00 pr kg) above the minimum price. At the unloading the official average weight shows 524 grams pr fish.

In this case the price will be NOK 7,88 pr kg – the minimum price for the new group (Group 5) of NOK 7.00 pr kg plus 50 % of the auction premium of 25 % (NOK 7.00 pr kg * 1,1250).

The examples above are based on the minimum prices valid from 4th August 2008.

4. Reporting and delivery.

When reporting catches to Norges Sildesalgslag the following telephone numbers shall be used:
55 54 95 50 or 55 54 95 00

The date when the vessel started on its catch shall also be reported. Likewise, if fish have been overpumped or parallellpumped from a different vessels seine, vessels are obliged to inform about this when reporting to Norges Sildesalgslag.

With reference to Norges Sildesalgslag's Business Rules, a buyer is obliged to accept a reasonable deviation between reported quantity and official quantity. In cases of larger deviation, vessels have to prepare themselves for price reductions or, in the worst case, that the buyer will cancel the purchase.

5. Complaints regarding the quality of the mackerel.

With all complaints regarding quality of the mackerel, Norges Sildesalgslag has to be contacted. Norges Sildesalgslag will only accept lower prices for catches compared with the auction prices if there are reasons for the complaints. In that respect, inspectors from Norges Sildesalgslag will inspect the fish, either when unloading or afterwards (by looking at a (frozen) sample later), and give their statement regarding the quality of the fish. If the quality is acceptable the auction price shall apply, if not, price reductions may apply.

6. Information.

Our website www.sildelaget.no provides more information related to our activities. Do not hesitate to contact us if you have any questions.

7. Contracts of delivery.

See Circular 36/07.

Kind Regards
NORGES SILDESALGSLAG

Jarle A. Hansen

Kenneth Garvik

Copy:

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