Increase Seafood Processing Capacity for Our Commercial Fishing Industry

HIGHLIGHTS

$500 million: Approximate revenue dollars contributed per year to the state’s economy

4,000: Number of people employed in both direct and indirect sector businesses

The sector also contributes to the state’s $5 billion tourism industry

INCREASED DEMAND FOR SEAFOOD PROCESSING CAPACITY IN RHODE ISLAND

- Current seafood processors operating in the highly competitive and scale-driven global supply chain for processed fish:
  - Three large squid processors
  - A few small to medium sized processors focusing on other specific species (Jonah crab, whiting, shellfish, etc.)
  - About a dozen small to medium sized dealer/processors handling a wide variety of species
- The single largest barrier to industry growth is lack of infrastructure to handle wastewater. Addressing this long-standing constraint will create jobs and economic opportunity.

PROJECTED IMPACTS

(not mutually exclusive)

1. Provide incentives for seafood processors to install water pretreatment equipment in their plants. These incentives would enable processors to install the needed equipment provided the processor agrees to use the additional water processing capacity to increase processing volumes.

2. Provide incentives for a third-party operator to build a water processing and recycling facility that could handle current and future wastewater from seafood processors (and possibly other food processors)

We are urging the legislature and administration to commit $15M over three years to this priority area.

OUTCOMES

+20M pounds processed
+$40M revenues
+350 - 400 jobs

NOTE:

- Projected costs are dependent on the specific site, size, and operating plan that goes forward (ballpark estimate based on some of the work is that a state support program for just the water processing and recycling facility and related wastewater pre-treatment and hauling equipment would need to include $10 million in direct financial incentives and state support in raising money through bond financing and federal grants).
- Using the proposals and feedback from the large squid processors as a guide suggests that increasing seafood wastewater processing capacity could:
  - Allow up to an additional 20 million pounds per year of new squid/seafood processing in the state.
  - At approximately $2/lb value-added additional revenue, that could add up to $40 million/year in revenue from processors
  - Add an additional 350-400 jobs in seafood processing, fishing, and other indirect businesses

$10M is needed to add water processing capacity for the state’s seafood processors. $5M of matching grants will support seafood business wastewater pretreatment.

Citations for the information shared on this sheet are available upon request. Please contact info@rifoodcouncil.org with questions.