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Thursday 01 September 2022

"STC don't process, it procures"





Saints Tuna Corporation finally becomes fully operational but Operational Policy causes uproar among local commercial fishermen who have major concerns with regards to the "tiny volumes of fish" to be accepted by STC and their decision to cease the processing of fish for sale by fishermen despite STC Directors suggesting this "was there for public knowledge"

Full Report plus Letters Inside

ST HELENA NEWS

"STC don't process, it procures"



- Liam Yon, SAMS

Saints Tuna Corporation (STC) - the company charged with refurbishing and subsequently running the fish factory in Rupert's - it has been confirmed by the Executive Director of STC Lebert Resulder by tor of STC, Johann Bezuidenhout, that the company has now become operational stating that "it's a massive relief that we actually made it to opening day against all odds" with the refurbishment now complete and operations beginning from Thursday, 25 August.

Despite suffering numerous setbacks and delays, STC is now finally operational and, according to their Directors, "will see to it that the island is provided with Tuna/Wahoo fish and fish products for an entire week/ month/year at the most reasonable

market price possible.'

While this is a big milestone for STC, there are still many concerns from members of the St Helena Commercial Fishermen's Association (SHC-FA) with regards to the operational procedures of the company. Two of the biggest concerns relate to STC ceasing to process fish for sale by commercial fisherman, instead offering to purchase their catches for processing and sale by the company, and also with regard to the low volume of fish being accepted by the

Previously, and as recently as July 2022, STC had indicated that, as has Despite no official statement or announcement as of yet by SHG or been the case during the near 2.5 year refurbishment project, the factory would offer their fish processing services to local commercial fishermen for those fishermen to then sell on to their customers and clients.

"If we have all the processing for the local market, we then propose not to procure your fish but only to process it for the local market. You will be able to sell it to your respective clients as you have been doing for your own account," read one particular paragraph of a letter from STC to members of the commercial fishing community, dated 24 July 2022 and

community, dated 24 July 2022 and titled 'Indicative prices and proposed start of operations'.

Just over a month later though, and STC have now opted to cease the processing of fish for non-members of STC and will only purchase fish for a fee of 70p per kilo for a weight of 5kg to 10kg, and 90p per kilo for a weight of 10kg and above for the local market. This was outlined in the STC's Operational Policy which was reportedly only issued to commercial reportedly only issued to commercial fishermen a day before the company became fully operational.

"On 9 April 2021, STC signed two agreements - it is very clearly stated that STC is contractually obliged to 'Offer to Purchase' fish from non-

members," explained STC Director, Johann. He added that a meeting "with ALL fishermen, STC and the 12 Councillors" was requested on 14 July but, due to having "received no response" STC subsequently wrote a letter to all fisherman on 24 July titled 'Indicative prices and proposed start of operations'. "The objective of the meeting was to discuss our plans going forward where we also offered a suggestion to accommodification." offered a suggestion to accommodate the fishermen not to buy, but to process all commercial fish. This was subject to STC receiving ALL Tuna for processing. STC would therefore not interfere in the local market," said Johann.



THE SENTINEL | Thursday 01 September 2022

Since the closure of St Helena Fisheries Corporation (SHFC), commercial fishermen have been selling their own catches direct to the local market. Johann says that this was an "interim arrangement" approved by SHG with STC obligated "to provide ice and to process the fisherman's

fish at a breakeven fee."
"Mostly due to COVID, the whole refurbishment process was delayed considerably and today the fishermen are allowed to sell directly to households," explained Johann. "This relaxation of the Fishing Ordinance rules should revert back as the arrangement was 'interim', thus temporary. STC is supposed to operate on exactly the same basis that SHFC did, thus receiving ALL fish (specifically Tuna) for processing."
Following on from the aforementioned letter issued by STC in July, Chairman of the SHCFA, Waylon Thomas, reportedly met with STC Directors at the factory where Johann claimed he "categorically stated that STC would not get any more fish from the Association than what they

were delivering currently" – so not ALL fish, as requested by STC.
A Stakeholders Meeting was then held on 18 August for Elected Members and all fishermen. Johann states that "at this meeting, Johann Jr was asked directly if STC will process fish and clearly stated that STC will 'procure' fish from all fishermen, process it and sell it on the market - as per our agreement with SHG." The meeting was reportedly recorded with Johann Snr stating that Johann Jr's answer to the question around processing of fish was "loud and clear" and that "STC don't process,

This latest change in circumstances,

which Johann claims "was there for public knowledge" since the signing of an MOU with SHG in May 2020, has further hindered the already strained relationship, to put it lightly, between STC and the SHCFA.

To this end, the SHCFA, on Tuesday, issued a letter to their customers on St Helena around the whole debacle. In this letter, SHCFA explained that "since the closure of SHFC in January 2020... SHCFA members have predominately been supplying the local market with fresh fish." The "sig-nificant changes triggered 2.5 years ago" and the "consequent actions taken" by fishermen and members of the SHCFA have resulted in the forming of established business relationships with customers and clientele by local commercial fishermen over a 2.5 year period.

SHCFA go on to state that "a day before STC finally reached their milestone, local fishermen received STC's Operational Policy." This was de-scribed as a 'live' document outlining STC's procedures and objectives. The SHCFA say that while "a number of issues" could arise from that Policy document, "the most immediate problem for us as local independent fishermen is that as of Friday, 26
August, STC has opted to cease processing fish for fishermen and only
offer to purchase it." This, the SCHFA state, "will effectively obliterate
the majority of the relationships we have developed with customers over the last 2.5 years."

Referring again to the letter issued by STC on 24 July, the SHCFA believe that STC "gave clear indication that they would process fish for fishermen subject to receiving most of the island's fish processing." They add that to "now observe that this has

changed with virtually zero lead in time or negotiation, is extremely disappointing and has angered some of our members as they have gone from the security of supplying a confirmed clientele base to not even knowing what their market share will be in

ST HELENA NEWS

less than a 24hr period."

In light of these clearly evident concerns of SHCFA and the detriment this will have on the livelihood of local commercial fisherman, SHCFA advised that they "are making all efforts to address the situation and impress upon STC, a company fo-cused primarily in offshore fishing and exports, that they should pursue their primary objectives and respect the local market structures which have been established over a 2.5 year period" adding that they "find it difficult to accept that the previous government would have terminated a monopoly in the form of the St Helena Fisheries Corporation, only to fund and support the establishment of another.

In concluding their letter, SHCFA have asked customers "to be patient" while they "attempt to resolve the dilemma we are faced with which, under current circumstances, could result in some of the most reliable fishermen being forced out of business.'

The reason why this latest statement was made by the SHCFA, relating to fishermen being forced out of business, is because of not only the concern with regards to the processing of fish, but also the other big concern by commercial fishermen with regards to the low volumes of fish that

is being accepted by STC.
Currently, STC are focussing solely
on the local market. That is because they are yet to receive export licences from Public Health in order to be able to export fresh tuna. In terms of frozen tuna exports, STC say un-der the 'prices' section of their Op-erational Policy that these arrange-ments are "to be announced (TBA) at a later stage as current international price indicators show very low prices without realistic margins" and that they "will monitor the international markets frequently to detect potential increase in demand."

So, concentrating on the local market, STC state in their Operational Policy that "the local market can only absorb an approximate volume of one of Tuna par month (and part of Tuna par month (and part of Tuna part month). of 8mt of Tuna per month (2mt per week) or 4mt of processed Tuna per month (1mt per week)." They go on to add that "the factory's processing capacity is a maximum of 1mt per day" which they say means that



ST HELENA NEWS

"STC would have to cap the daily intake of whole Tuna to that volume, in order to avoid indiscriminate stockpiling of a huge volume of freshly caught fish which the factory cannot handle." STC describes this limited capacity as "a fixed and unchangeable fact" admitting that "STC can only take so much whole Tuna volume at one time.'

Because of these limitations, STC have said their position is "that the fisherman should decide between themselves the 'when' and the volume" meaning that commercial fishermen – who rely on the income they receive from fishing – would need to decide when they go to fish and how the overall volume is spread among themselves so that they each can benefit.

In their Operational Policy, STC suggest an "option" that they describe as "fair to all commercial fishing vessels" that they divide the capped weekly/monthly requirement between the vessels.

"A possible fair basis to divide the required quantity of approximately 8mt of whole Tuna per month, or 2mt per week, between all commercial vessels, would be to express each vessels' formal allocated quota as a percentage of the whole commercial inshore Total Allowable Catch This, Peter suggests in his opinion, not even an acknowledgen (TAC) which, for this year, amounts tells him that "Johann is happy right request has been received. to 274mt," say STC. "For example, if Vessel A has a total Yellow Fin Tuna quota of 22mt, it means that it has 8% of the 274mt TAC." They add that with STC requiring 8mt of whole Tuna per month, "then Vessel A should catch and deliver 640kg for the month" in the example given. To put that into perspective, Vessel A

in the example given by STC would, if delivering 640kg of tuna, stand to make less than £450 for the month if purchased by STC for 70p per kilo. That is without taking into consideration all of the necessary expenditure that would be associated with 'Vessel A' for commercial fishing.

STC do add that "once the export licences have been issued, the intake volumes will increase" though this is only "if and when the markets pro-

vidé a reasonable margin."

Moving away from examples, and looking at the real commercial fishing vessels and local fishermen on-Island, SAMS have received feedback on what this will truly mean for

In a 'Dear Editor' letter to SAMS, Michael Sim, who is the youngest commercial fisherman and boat owner on the Island said that "STC's policy has now limited most of the commercial

fishermen to fishing roughly one day per week as they are only able to accept 2mt of Tuna per week, simply because their entire plan is focused on the domestic market only." Mi-chael went on to explain that "with such high costs of fuel, the increase in payment for a bag of ice and other monthly expenditures, my Dad and I will be reduced to earning £19.25 per week.

Having been involved in fishing from a very young age, Michael says that it is his "livelihood and passion" to go fishing, adding that he "did not join this industry to go fishing one day per week." Michael went on to question "How is anyone expected to live off such a small wage when the cost of living on the Island today is so high?

Similarly, Peter Benjamin - a renowned and respected local commercial fisherman - told SAMS that STC's Operation Policy, "basically tells me that my two crew, who have children to feed, and myself, will earn maybe £40 a week each from now on.

Peter went on to add that STC are "offering fish prices that I was getting three years ago when ice was free and diesel was cheap" yet "will only accept tiny volumes of fish."

now to grab full control of the local market and take money out of the fishermen's pockets to maximise his personal profit."

Both Michael and Peter have called for SHG to take action.

"The financial strain that has been placed upon us over these past few years does not allow us to accept this new plan," said Michael. "The question needs to be asked, who, if anybody, does this plan benefit? We need our Government to ask these important questions and if the answers are available, we need you to take action, and fast."

"If STC can't deliver what they promised to the people of this Island in their many press releases then it is about time our government found a better alternative," added Peter. "Otherwise, I and my crew might as well tie the boat up, sleep in our beds every night, and stand outside of the Post Office on a Thursday with our hands out.'

SHG, and in particular the Minister for Treasury, Infrastructure and Sustainable Development, were approached by The Sentinel to comment on this ongoing saga, which they too play a big role in having granted STC £500,000 to refurbish the fish factory. At the time of going to print, not even an acknowledgement of the



Dear Editor,

Finally, after two and a half years of much anticipation, the fish factory is now operational under the management of PQT/STC. This we were made to believe by the previous Government would be positive for our industry and the island, but what has now come to light is exactly what we predicted from the word 'go'.

THE SENTINEL | Thursday 01 September 2022

PQT/STC received a grant of half a million pounds and although parts of the factory may, to many, look both pro-fessional and attractive; this is just the sugar-coating. From the Operational Policy shared with fishers by PQT/STC on the same day they became operational, it appears that the factory is not fit for purpose.

STC's policy has now limited most of the commercial fishermen to fishing roughly one day per week as they are only able to accept 2mt of Tuna per week, simply because their entire plan is focused on the domestic market only. It is hoped that fresh fish air-freight will come online shortly but this too, will only attract a small increase. With such high costs of fuel, the increase in payment for a bag of ice and other monthly expenditure, my Dad and I will be reduced to earning £19.25 per week.

Prior to STC becoming operational, we had our customer base. STC wrote to all fishermen a month ago and advised us that they would continue to process fish for us, so that we could keep our clients. On receipt of their Operational Policy last Thursday however, this option was taken away from us, without any discussion and instead we are now being told that they will buy all our fish for as little as £0.70 per kg in some cases.

Fishing is my livelihood and passion, I did not join this industry to go fishing one day per week. How is anyone expected to live off such a small wage when the cost of living on the island to-day is so high?

Where is the promise of this being the opportunity to expand our fishery? They have failed to deliver what was agreed 2½ years ago. Where are the three offshore fishing boats, which was guaranteed as proof to their commitment to this venture? From what I have been told, SHG's £500k has been spent, but evidence of PQT/STC's promise remains unclear. We as a community must think about this. Are they the right management to take our fishing industry for-

My personal opinion is that STC has lost

will be difficult to build a working relationship with these people as we will be constantly looking over our shoulders and wondering what other surprises they have in store for us, which reduces our ability to continue our businesses. Trust is needed in order to progress and do business and this is missing.

Finally, as the youngest fisherman/boat owner, I am wondering right at this moment in my life, how much longer I will have to wait to see this industry move forward in the best interest of all fishermen. The financial strain that has been placed upon us over these past few years does not allow us to accept this new plan. The question needs to be asked, who, if anybody, does this plan benefit? We need our Government to ask these important questions and if the answers are available, we need you to take action, and fast.

Kind regards Michael Sim



Thank you Liam for the invitation to add a few lines to your Sentinel report on the disaster that is happening right now within our fishing industry.

On Thursday, 18 August, I sat in the Council Chamber with our Elected Members and everybody connected with commercial fishing to hear from the two Johanns, directly, how STC was going to launch their now "fully operational" business on 25 August.

I left that meeting no wiser than I was when I walked in. 'The Two Ronnies' would know more about running a fishery. On Monday, 27 August, most of us who were at the Thursday meeting received an email from Johann Snr containing a letter that maybe you should print in full to let all Saints see what he thinks of us.

He writes: "We are missionaries and our mission is to create an opportunity of a better life for local saints, and not only for local fisherman." Is it just me, or does this man think we are like some of the desperate, poverty stricken peothe trust of most of the fishermen. It ple of Africa? Last time I looked at my

passport, I saw that I was a British citizen. What our fishery needs are genuine investors with deep pockets, not missionaries.

YOUR LETTERS

Then, to really bend me up, on Thursday, 25 August, Johann sends out his 'Non-Members STC Operational Policy' which basically tells me that my two crew, who have children to feed, and myself, will earn maybe £40 a week each from now on. He is offering fish prices that I was getting three years ago when ice was free and diesel was cheap but he will only accept tiny volumes of fish. As far as any exports of frozen tuna goes, forget it. In his own words:

Frozen Export Tuna: To be announced (TBA) at a later stage as current international price indicators shows very low prices without realistic margins. STC will monitor the international markets frequently to detect potential increase in demand.

However, Johann is happy right now to grab full control of the local market and take money out of the fishermen's pockets to maximise his personal profit. Our government gave these people £500,000 of public money to spend on the fish factory refurbishment and the equipment needed to process and export fish from St Helena. This money was supposed to be for the benefit of everybody in the fishing industry; so why can Johánn buy a new £40,000 Landcruiser with it to drive around the island but not buy a new Hiab truck to lift the fish off our boats? STC have stalled the "interim period" for an extra eight months waiting on delivery of the best blast freezer money can buy only to tell me that their promise to "buy all my fish" ain't going to happen anytime soon. How much did this super blast freezer really cost and has the rest of our money been wisely spent? If STC can't deliver what they promised to the people of this island in their many press releases then it is about time our government found a better alternative. Otherwise, I and my crew might as well tie the boat up, sleep in our beds every night, and stand outside the Post Office on a Thursday with our hands out.

Skipper Peter Benjamin



www.sams.sh Thursday 01 September 2022 | THE SENTINEL

YOUR LETTERS

Letter to attendees of the 18 August but, after 2 and a half years, we are Stakeholders Meeting from Johann Snr

Dear all

What I am about to say may sound strange and even not true to some of you – so be it – but it is true.

The whole meeting was focused on rudeness, physical public petitions, hammering my son and myself with questions and not really caring or listening whatever the answer was. One person accused us of future exploitation of fisherman that has not even happened yet, blaming us already for the unfairness towards the "poor fisherman". Not one fisherman can witness that we have ever turned away any fisherman or refused to take his fish and process it, or ever denied a request for ice. What is sad, is that a selected member smilingly stated that the government will put STC in legal breach on the day that it is ready for business and that "we will just go and collect the keys.. and carry on as before"

Although we requested that our own questions be answered first, not one was even mentioned. One topic that is conveniently forgotten by everyone, is that STC, without any state subsidy at all, has stopped the bleeding of tax payers money for the last 14 months. The Island's savings from that, is literally a few hundred thousand pounds and it further means that the government investment in the factory, will be recovered by subsidy savings within two years – at least one "thank you" would have been nice?

What I did conclude after this meeting, is that because the factory is within a week of starting operations, the individuals opposing it and seeking the collapse of the factory project, is getting desperate in their effort to stop the project.

The question nobody seems to ask, is Why? What have we done wrong to be treated like bad people and law breakers? What are the real motives of the people driving this destructive effort? What are we putting in place that will be bad for the island and its people? What chances are there that any potential foreign investors would consider to invest when our true story is made known?

So, what are we doing here and why are we still here? One person blatantly insulted us by his words, but in fact, he was quite correct. He said "any reputable business man would have walked away long ago"

still here... why? I was humiliated in my face many times and on each and every media platform available to local institutions, fisherman and government departments, we were insulted, ridiculed, lied about, made out as liars, bullied, harassed, boycotted, threats of legal persecution, a court case, fishing quota decreased and the non stop conspiracy to derail the fishing factory project. I agree with that person because not only would any business man or investor have walked away long ago, but any human being would! In an effort to stop the abuse, at a stage I was compelled to lodge a request for a restraining order at the SH Police. We, the investor, definitely did not expect this antagonistic treatment from the very people we have come to help rebuild their fishing industry that couldn't sustain itself.

Against that setting, and measured against what you all have seen and experienced with respect to our be-havior, our attitude, our personal contact with yourselves (especially the fisherman), the saints on all social and work levels have we ever hurt, caused damage or offended any saint, including you?? What is your true opinion of us? Can any one of you with a clean conscience witness that you have seen any disrespect, unfriendliness, foul language, unhelpfulness, rudeness, unkindness or non responsiveness from our side?

The questions that should arise in everybody's mind, is why then are they (us) still here? What is keeping them going? Why are they making progress - against all the concentrated efforts to stop them and to get them out? Where does their resilience and perseverance comes from? Isn't it clear that something or someone else is daily providing and strengthening them with the courage and the boldness to carry on and stand up against the wrongs and defend what's right, keeping towards their goals, their promises and objectives which they put in their proposal?

Let me help to let the penny drop and enlighten those who does not want to

believe what they are seeing. Neither me nor my son have self enrichment motives. My wife and I retired comfortably on a beautiful estate on the Westcoast of South Africa, and my son has a very rewarding occupation. Let me tell you who we are and why we are here.

We all have a calling to be of use to the God that created us and to plough back into His Kingdom in this sea-son of our lives the three "T's" that He blessed us with, i.e. our Time, our Treasure and our Talents - and St Helena (and the fishing industry) is dearly in need of it. In a sense, we are missionaries and our mission is to create an opportunity of a better life for local saints, and not only for local fisherman, to share in the blessing and benefits that the fishing industry can bring into their lives, and also to contribute to uplift those saints in need and to provide them with the financial means to regain their dignity that they have lost because of the unique but limited opportunities of island life. Amidst the overwhelming friendliness of the saints, we have also seen and taken to heart the poverty and especially the "no hope" look in the eyes of some saints. We have come to the island on a mission, being called to employ the gifts that we have been blessed with, to benefit all, to bring some hope to the hopeless, and to spread the gospel of salvation, love and kindness of our Lord, to everyone.

That's it. That's who we are and that's what we are doing here. That's why we will not stop and that's why no one can stop us. Scripture says . "no weapon formed against you will prosper and all lies against you will be refuted"(Isaiah 54:17). We are not your enemies, and yes, we are expats, but yet we care, we have been drawn to St Helena for His purposes - not ours, but we go at it with joy and without remorse. A Word to remember... as it is written .. "I will bless those who bless you, and curse those who curse you or uses insolent language toward you" (Gen 12:3)

We will pray for you and God bless you all.

Johan snr



THE SENTINEL | Thursday 01 September 2022 www.sams.sh

Dear Editor,

Upon hearing your very enlightening News item on Tuesday, 30 August, in respect of the status of our fishery, we feel compelled to provide a small quantity of additional information, which will hopefully provide clarity to your listeners and indeed your réaders.

A letter received from the Saints Tuna Corporation on 24 July, gave all recipients clear indication that the processing service currently undertaken by the factory could continue after they became fully operational, subject to STC receiving all processing. This was welcomed news by some of our members however, given STC's caveat of having "all processing", we naturally needed to proceed with caution because it 'felt' as though this was an ultimatum.

The SHCFA, in a follow-up informal conversation with an STC Director, advised that it was highly unlikely that any of the three SHCFA member vessels (the SHCFA currently represent nine commercially licensed ves-

factory's processing service since 1 June 2021, would be able to increase their factory throughput at this time simply because there would be nowhere for them to sell their fish. STC are commencing business with access to only the local market and fresh airfreight – these are small volumes when considering all commercial license holders. We then gave the Director sound advice in respect of what STC needed to do in terms of ascertaining whether the processing route would be a viable option for the company. The Directors of STC needed to détermine what their shareholder vessels intended to do after the factory became fully operational, because to the best of our knowledge, only 1 of the reported 9 shareholders have contributed to factory throughput since 1 June 2021. If all 9 shareholder vessels confirmed factory support, this would ultimately increase factory throughput.

When STC Directors met with all stakeholders on 18 August, it was unclear to all in attendance as to whether the advice provided to STC

YOUR LETTERS

sels) which have been utilising the had been followed. The Directors expected their questions to be asked first, which gave indication that they were still in data collection mode. The Directors left the meeting agreeing to provide fishermen with a number of best case/worst case scenarios. This did not happen and instead, we have received a "live" Operational Policy,

with no option for those who wish to

continue supplying their clients with

These are the stripped down facts.

SHCFA

processed fish.

