



ALL HANDS 2024 MEETING REPORT

MARKET OVERVIEW & HIGHLIGHTS

To begin with a gross understatement, this last year has been challenging for the Alaska seafood industry. In 2024, at the request of the wild Alaska Pollock and Salmon sectors, ASMI's Global Food Aid Program (AGFAP) worked assiduously with USDA to get them to understand the value of sustainable wild Alaska seafood to its programs. Hard work is paying off...U.S. Government purchases of \$218 million were beyond 2023 in just the first 6 months of 2024. They have been an invaluable support for the Alaska WAP and Salmon sectors as they navigated extended inventories from the abundant Pink and Red salmon harvests in 2022 and 2023 and huge persistent market challenges from increased Russian quotas and harvests of WAP and associated depressed global prices. It has been a win-win for Alaska and for USDA as the agency strives to improve access to healthy seafood products among the growing population of food and nutrition insecure Americans.

Alaska seafood fits perfectly into USDA's programs. It is a sure way to enhance their offerings and provide meal items consistent with the latest, science based Dietary Guidelines for Americans (DGA 2020-2025), which recommends two weekly servings of healthful seafood for everyone from 1 year of age. This is a tall order, since there is a wide consumption gap across the seafood category in the USA (and globally), and among USDA food and nutrition safety net participants in particular.

While United States Government (USG) sales are not by definition a marketing plan, they provide a huge opportunity for Alaska seafood producers to expose millions of American consumers to seafood who might not have sought it out on their own. AGFAP utilizes the full range of programs and new initiatives available to the seafood category. Our work with USDA to expand their Alaska seafood offerings and purchase volumes never slows down as we look to any and all openings to expand the scope and variety of Alaska seafood for USDA's program clients.

This coming year (2025) is again shaping up to be a very tough one for Alaska seafood. Currently, all sectors of Alaska Seafood are experiencing a demand contraction due to general recessionary trends around the world as well as the long-lingering market supply disruptions from Covid. The effects are significantly magnified by an over-abundance of cheap Russian products that are flooding world markets. Overall marketplace distortions, much increased operating expenses, a strengthening U.S. dollar and loss of global markets from planned trade competition/disruption led by Russia and China are some of the biggest factors.

Alaska seafood still comprises the largest share of USG seafood purchases and includes wild Alaska Pollock (WAP) and salmon (Pink and Red/Sockeye). USDA purchases both frozen and canned forms. However, limited cold storage in various regions of the nation means that USDA looks to shelf stable options to help mitigate the limited cold storage at food banks and distribution centers, while supplying



quality protein options to their consumers.

With the small harvest of Wild Alaska Salmon in 2024 (Pinks) and the concentration on the frozen market (Sockeye), the supply of canned product available for all sectors of the market is very tight....this includes products to USDA!

This year we will be looking to develop alternative options, like canned WAP and Herring to augment Alaska's sustainable shelf-stable seafood supply so that other canned protein such as canned beef, chicken and pork don't take over.

GOVERNMENT SALES IN FY24

In CY 2024 to date, USDA purchased \$218 million of WAP and salmon (Pink and Sockeye/Red). This is already a significant increase over 2023's purchases.

This year, the Alaska pollock and salmon industries requested our assistance to access USDA programs and purchases. The Alaska Global Food Aid Program (AGFAP) actively worked to expand Wild Alaska Seafood in all food and nutrition programs, through specialized marketing and messaging, leveraging nutrition science and policy, product innovation and development, and advocacy with key agency decision makers up to the level of the Secretary.

Increasing access to nutritious, consumer-ready seafood choices in all programs exposes USDA clients to sustainable wild Alaska seafood products they can find in their grocery stores. They then can seek out Alaska seafood products as retail customers when they have the economic means to purchase seafood.

Our consistent work with USDA on behalf of Alaska seafood through all channels available, including baseline entitlement programs, Section 32 Authority for bonus buys, and through Commodity Credit Corporation (CCC) funding, has resulted in purchases that go way beyond the annual purchases of the past.

In February 2024, ASMI's Section 32 requests for canned Pink Salmon and frozen Wild Alaska Pollock products, in response to long inventories and extenuating market/economic conditions, were approved by the Secretary of Agriculture for distribution through 2024. We also worked with USDA to purchase WAP through new funding available from the Commodity Credit Corporation (CCC). Alaska suppliers were very competitive in these procurements and more companies were able to sell into the program. We also supported significant purchases of canned Sockeye, frozen Sockeye portions and Pacific Rockfish fillets.



SETTING UP FOR FY25

We submitted this fiscal year's first Section 32 request to the Secretary of Agriculture in October 2024 at the behest of the Alaska Pollock sector.....It is now in the review process where we are very involved . It includes Pollock Fillet Block, Fish Sticks, Nuggets and Fillet Portions.

We have advised USDA that there may only be sufficient canned Pink Salmon for baseline "entitlement" USDA food and nutrition programs. Due to the limited supply of canned salmon for FY25, we are advising that with sufficient notice, canned Herring and canned Alaska Pollock, which are 100% U.S. sourced shelf stable products, could be available in significant volume for any international food aid needs

The USG is allocating additional funds to foreign assistance and trade mitigation through USDA/FAS and USAID in FY24 and FY25. USAID and USDA indicated their intent to expand and test out new shelf-stable options through a \$50 million pilot program to complement ongoing international food assistance programs. Shelf-stable protein is highly desirable, and we may have the opportunity to pilot test a container or two of canned WAP and/or Herring. Canned Pink salmon continues to be successfully integrated and programmed in the McGovern Dole Food for Education and Child Nutrition (MGD) program in Sri Lanka. This Wild Alaska product was a life saver during Covid when canned Pink salmon was given as a take-home ration. This follows many years of canned Salmon (Pink and Keta) being used in MGD and Food for Progress programs across the globe in the 2000's until the food-aid commodity mix changed. USAID and USDA are now contemplating a return shelf stable protein products.

We are awaiting the pilot's start up in 2025. We have started to plan for one or more pilot project with an NGO or two in Africa, Asia and/or Latin America. We are seeking NGO partners to conduct the pilot. Our focus will be on canned Wild Alaska Pollock as this has a great flavor profile and consistency and has good commercial potential – overseas and domestically. It is 100% shelf stable and could withstand conditions in food assistance countries. We draw on our twenty years of experience developing successful pilot and demonstration projects with canned Salmon, Herring and Seafood Powder in school meals, maternal and child health clinics, communities and programs for people living with HIV/AIDs in Liberia, Uganda, Guinea-Bissau, Cambodia, Guatemala and Bolivia (see <https://www.alaskaseafood.org/alaska-seafood-101/global-food-security/> for examples). Our well-tested protocols to test consumer and program acceptability comprise project specific study design, interviews and focus groups, weight and height measurements. If appropriate and funding availability, we could do a randomized controlled trial, as we have conducted several in Guinea-Bissau.



SUPPORTING INDUSTRY TO REACH MILLIONS OF CONSUMERS

Our efforts at the level of the office of the Secretary and with specific senior USDA staff, allow us to facilitate interagency action and advocacy to help our seafood suppliers keep our Wild Alaska Seafood products flowing into and within the USDA system.

2025 will again bring an Administration change which will no-doubt cause a re-shuffling of appointed officials and possible retirement of senior management in all agencies, including the USDA. There is always a hiatus as the transition happens, so this can be an ongoing process.

- We anticipate the need to reach out to new officials and staff and provide education about the relevant Alaska seafood sectors and their priorities and issues to make sure they understand and can efficiently address them.
- We continue to work on getting WAP Nuggets into the national school lunch program food catalog, since they are now well established in food banks and commonly consumed across the country in schools.
- We work with USDA Food & Nutrition Service (FNS) and Agricultural Marketing Services (AMS) at the undersecretary level and with senior staff on a sustained basis to provide support as needed for all of our industry purchase needs. To this end, and at USDA's request, we are exploring the addition of QR codes for food assistance products with a link to specialized ASMI materials and recipes to introduce and roll out not only new product forms and species but those above that are already in the system. We started with QR codes on cans in the latest purchases of canned Pink salmon. We will evaluate the effort in 2025.
- We are continually working to include ALL of our USDA products permanently in TEFAP programs (regular food bank supply purchases).
- We are still at it with USDA to develop some new products for USG programs, including the new salmon nugget, Alaska Pollock surimi and canned, and consideration of new species like pacific Cod and Herring.



ENSURING SEAFOOD'S PLACE IN U.S. NUTRITION POLICY & PROGRAMS

We work closely with our Alaska Congressional Delegation and a coalition of all seafood stakeholders on ASMI's behalf to promote a consistent science-based seafood message in all US nutrition policy. We continuously harp on the need for Seafood recommendations be included in the rules for ALL food and nutrition programs. To align with those recommendations, more seafood purchases are needed for the programs. Beyond our work on Government sales, our key efforts to include Alaska seafood in USG nutrition and policy initiatives in FY24 and FY25 comprise:

- **PROMOTING SEAFOOD CONSUMPTION RECOMMENDATIONS:** AGFAP has its hand firmly in monitoring nutrition policy, with the current committee work on the next Dietary Guidelines for Americans (DGA) 2025-2030. We want to make sure that the Committee continues to recommend at least 2 weekly servings of seafood for Americans of all ages from 12 months old (and as a first food as early as 6 months), including nursing and pregnant women. Since the DGA is the basis for USG nutrition policy, we advocate that all USG food and nutrition programs adjust to reach these goals to expand seafood consumption as part of a health-promoting diet.
- **PROVIDING ADVOCACY & SCIENTIFIC SUPPORT FOR ASMI & ALASKA SEAFOOD:** AGFAP continues its advocacy and scientific support through coalition building, hearings, public and scientific events, and commenting on food and nutrition policy initiatives to protect seafood's interests. Our consultant, Dr. Nina Schlossman, engages in nutrition science and policy in Washington DC and globally, on our behalf ,to support Alaska seafood. Dr. Schlossman further supports ASMI and Alaska Seafood through her faculty position at Tufts University Friedman School of Nutrition Science and Policy and her long-term work with USAID and USDA on their food assistance supply chain optimization efforts.

OUTLOOK

USG priorities and programs shift emphasis to meet critical needs and policies. The Bonus and emergency Government purchases should not be viewed as a long-term marketing strategy, as they are designed to support industry only when it needs it and can supply USDA's needs at an advantageous price. They are nevertheless expanding the market for wild Alaska seafood, as more consumer seafood products are introduced through USDA programs.



USDA now has 6 consumer-ready Alaska seafood species in 14 product forms for its clients: Pacific Rockfish (fillets), WAP (sticks, fillet portions, and nuggets, in addition to frozen block that is transformed into consumer products by school districts) and 4 Salmon species – Pink (canned) and Sockeye (canned and fillet portions), Keta (canned) Coho (fillet portions), including Kosher and Halal options of canned for all salmon species.

This year, more than 30 million school children lunched on Wild Alaska Pollock breaded fish sticks, 60 million people of all ages took home Alaska Pollock fillet portions, breaded sticks and nuggets as well as canned Pink and Red salmon and sockeye fillet portions through food banks, tribal distribution centers and communities. 7 million pregnant and postpartum women are now able to purchase canned salmon in grocery stores to feed their children from 1-5 years of age through the WIC program.

Continued need is anticipated for nutritious foods across America with expanded attention to seafood. The new public-private “Food is Medicine” initiative will surely open opportunities for ASMI to educate chefs, doctors, nurses and other health professionals to the nutrition and health promotion benefits of wild Alaska seafood. ASMI’s recipe bank will be a huge resource for consumers and health professionals alike. While the initiative started with fruit and vegetable prescriptions, we will continue to push healthy sustainable Alaska seafood as medicine and as healthy dietary choices.

The respect and preference for Wild Alaska Seafood is solidly established. However, USDA’s support extends to other seafood sectors nationwide and new suppliers, including from a variety of Atlantic, Pacific, Great Lakes and Gulf fish (farmed) and shrimping industries that are getting on board with USDA. We are constantly at work to position the value and quality of sustainable Alaska Seafood in the programs and navigate the price-point orientation of some programs. Regional politics plays a significant role in the balance of products offered, but Alaska is still holding its own with its proportional 60+% of the seafood purchases.

We expect USDA Food and Nutrition safety net programs to continue to feed growing numbers food insecure Americans and will look to more seafood options to fill the need and follow DGA seafood recommendations. These opportunities for Alaska Seafood come with more competition from other seafood sectors across the USA. We stand ready to respond to any trade or policy changes and initiatives that come with the new Administration.

We look forward to working with industry again this year to support the Alaska Seafood Industry’s priorities and needs as they arise and expand opportunities for new Wild Alaska Seafood products.

Bruce Schactler
Global Food Aid Program Director