



INVESTING IN NIGERIAN SHRIMP TRAWLING

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FISHING COMPANIES WITH INVESTMENTS AND OPERATIONS IN THIRD NON-EU COUNTRIES: AFRICA CASE STUDIES



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CORNELIS VROLIJK GROUP (CV)



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- Operates nine large pelagic freezer trawlers under Dutch, French and British flag
- Produces +/- 200,000 tonnes sea-frozen pelagic fish per year.
- Nigeria historically an 800,000t p.a. market for this product (1970s – present). (Population 250 million. 2023 GDP \$530bn)
- Good business connection with **Primlaks** Group in Nigeria as an importer of sea frozen pelagic fish (1970s – present)



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Motivation to invest in Nigeria

- 1995 Nigerian banking crisis. **Primlaks** needed to raise cash very quickly
- **CV** decided to assist by buying 15 of **Primlaks** shrimp fishing trawlers.
- **CV** then established contact with the Dutch company marketing **Primlaks** sea-frozen shrimp in Europe. That company eventually acquired by CV and renamed **Primstar BV**
- Decision to place all this business into a single Nigerian joint-venture company 50/50 between **CV** and **Primlaks**.
- Formation of **Atlantic Shrimpers Limited**





Prim7stars, Premium Brand for Quality Shrimp

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Joint Venture structures

- Important to get legal advice in both Europe and Africa on terms of any joint-venture agreement. Important for partners to sign a legal contract.
- Relationships are good at the start but there is a need to assume they may turn bad and cover dispute resolution procedures and the law covering the JV contract.
- Determine how profits are used. Distributed or re-invested. Include in JV agreement to avoid differences of opinion.
- Determine board structure/voting rights/chairman's role. Deadlock resolution.
- Use global accountancy firms for audit work where possible.



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Atlantic Shrimpers Limited

- Founded 1996 in Lagos, Nigeria
- Now owns and operates 72 x 25 metre shrimp trawlers
- Employs 1300 people, predominantly Nigerians
- Lands 4,000t shrimp (export) + 7,000t fin-fish (local markets) per year.
- Two main species – *penaeus notialis* (White) and *penaeus monodon* (Wild Tiger)



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Regulatory and Business considerations

- DG SANTE food import regulations. Establishment lists. (EU Reg 2022/2292)
- Establishing contact between EU and relevant Nigerian 'Competent Authority'
- EU Health and Food Audit and Analysis Directorate - country inspection.
- EU Public Health requirements - EU Reg 853/2004.
- Close relationship with Nigerian 'Competent Authority'



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Nigerian regulatory authorities

- Federal Department of Fisheries (FDF) now part of Ministry of Blue Economy (formerly Agriculture and Fisheries). Fishing Licences.
- Nigerian Maritime Administration and Safety Agency (NIMASA) Annual vessel surveys for Safety Certificate.
- Nigerian Navy (monitor vessels at sea). Issue Sailing Permits each trip.
- Nigerian Port Authority (NPA). Manage port entries and loading/discharge.
- Nigerian Investment Promotion Commission



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Improving local operations

- Fisheries science connections with European bodies. Sustainability points.
- Establishing a Commercial Social Responsibility (CSR) document
- International certification of Nigerian shrimp fishing operations. e.g. *Friend of the Sea*
- Supplying local fin-fish by-catch to the Nigerian market. (Fish Shops.)
- Building more modern and efficient vessels. (In Netherlands)
- Putting satellite monitoring and AIS systems on all our shrimp trawlers.







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- New vessels built in the Netherlands
- Achieved 15% fuel efficiency in entire fleet
- Waste management at sea
- Lighter fishing gear. More efficient trawl doors



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Other achievements

- Robust traceability system
- In house laboratory - certified ISO 9001-17025 in 2022
- TED certified by US inspectors
- FSSC certification 22000 since 2021
- In house floating floating dry-dock for bi-annual dry-docking

