



DCMNR Performance Contract

Bord Iascaigh Mhara

1 Parties to the Contract

This performance contract is entered into between the Department of Communications, Marine and Natural Resources (the Department/DCMNR) and Bord Iascaigh Mhara (BIM). The following terms and conditions apply:

2. Duration of the Contract

2. This contract will be for an initial (rolling) period of 3 years and is deemed to commence on [April 1st, 2006]. New targets will be agreed and incorporated into the contract on an annual basis.

3. Background Information

3. Bord Iascaigh Mhara was established under the Sea Fisheries Act 1952 and is responsible for:

Fisheries Development, incorporating the sustainable exploitation of resources; promotion of employment; administration of programmes for the restructuring of the fishing fleet/decommissioning of vessels/on-board safety, the promotion of safety on board fishing vessels and the quality of catch and diversification.

Aquaculture Development, incorporating support for the increased cultivation of existing and new species; the environmental impact of the sector; administration of investment proposals and grant aid; provision of technical/specialist support to the Department and the industry and the promotion of quality, efficiency and competitiveness.

Market Development, incorporating the promotion/marketing of seafood and the development of markets for producers/suppliers; provision of market intelligence and research; product quality and innovation; the development of suppliers' expertise and capability.

Marine Services, incorporating the provision of training and education; the development of accredited courses in conjunction with the industry; the promotion of quality; management of ice plants and BIM's building works.

- 3.2 In its Statement of Strategy 2005 to 2007, The Department has emphasised the following (related) objectives:

To implement national policies, negotiated within the CFP framework, which support a long-term sustainable fishing industry for Ireland's coastal communities.

To promote sustainable development of the seafood sector.

To contribute to the conservation of fish stocks through effective fisheries management systems.

To provide transparent, equitable and user-friendly licensing and registration arrangements for sea fishing boats and ensure compliance with EU determined fishing fleet capacity limits and reporting requirements

To ensure the efficient and effective regulation of aquaculture, so that the development of the sector is on a sustainable basis and in accordance with high standards of environmental protection

- 3.3 The parties to this contract are committed to the pursuit of these objectives and will work in partnership to support the achievement of related outputs and outcomes.

4. Decentralisation/Strategy Development

4. BIM is fully committed to the implementation of its decentralisation programme as a high-level policy objective in line with Government timeframes and will do its utmost to ensure that its arrangements and activities under the programme are in accordance with the assignment of priority status to the BIM decentralisation by the Decentralisation Implementation Group.

- 4.2 Prepare draft National Strategic Plan 2007-2013 for the seafood industry in association with the Department and in consultation with stakeholders and devise draft Operational Programmes for each sector by end October 2006.

5. Performance Targets

5. BIM is committed to the achievement of the following performance targets:

- 5.2 Increase the value of Irish seafood sales by a minimum of per cent in 2006 and 2007 and by an additional 6 per cent in 2008.

- 5.3 Mitigate reductions in seafood exports to zero per cent in 2006 and 2007 and target an increase of 7.5 per cent in 2008.

- 5.4 Increase the value of domestic market sales by a minimum of 8 per cent in 2006 and by an additional 8 per cent per annum thereafter.

- 5.5 Increase the value of annual aquaculture sales by a minimum of 7 per cent (over average 2003 to 2005 values) in 2006 and by an additional 7 per cent per annum thereafter.

- 5.6 Successfully implement and administer programmes to target a 25 per cent reduction in the capacity of the Irish whitefish fishing fleet as follows:

Target a 19 per cent reduction by December 31st, 2006.

Target an additional 6 per cent reduction by April 30th, 2007.

Target further reductions in accordance with future policy requirements.

- 5.7 Promote on-board safety by securing 400 attendances per annum at BIM safety training courses and provide grant-aid for safety equipment on 150 vessels in 2006, 100 vessels in 2007 and 50 vessels in 2008.

- 5.8 Consult with relevant fishermen and develop an agreed framework for the conservation and sustainable management of inshore shell fisheries. Ensure that full agreement is reached on (i) critical technical conservation measures by December 2006 and (ii) sustainable management programmes for lobster and crab by September, 2007 and for shrimp and other molluscs by June, 2008.
- 5.9 Develop and publish a third party assured eco label and environmental management system for the Irish aquaculture industry by June 2007. Complete and publish the full suite of third party assured EN45011 Standard Product Quality Assurance Schemes for the main product groupings from the Irish aquaculture sector, by November 2007. Develop, agree and apply by 2007 a system for (a) prioritisation in 2007 of grant-aid to aquaculture projects and promoters who demonstrate participation in Quality Assurance and Environmental Management Systems, and (b) making such participation a condition of grant aid from 2008 onwards.
- 5.10 Deliver within agreed timeframe as required by the Department on a programme of work for the designation and monitoring of shellfish waters.
- Promote catch and handling quality by developing best practice (at sea and ashore) standards to first point of sale. Submit and agree implementation programme with the Department by March, 2007 and ensure roll-out in accordance with proposed timelines.
- Undertake internal review of training to assess e.g. (i) industry's training needs, (ii) relevance of course content, (iii) availability of training courses in different geographic areas, (iv) effectiveness, etc. Develop and submit training strategy and costed proposals to Department by December, 2006 and implement agreed recommendations by September, 2007.
- 5.13 Undertake review of the value of new business generated by each overseas office over a 3-year period. Consider value of business generated as a multiple of annual operating costs and identify marketing targets and opportunities for cost savings, efficiency for each office by December 2007. Ensure implementation of recommendations by June 2008.
- Research, draft and submit for review and analysis with relevant personnel in the Department, considered and timely (draft) policy options on forthcoming EU regulations and national issues as they arise.
- Complete review of bottom mussel sector as specified by the Department in partnership with Northern Ireland bodies by February 2007 and provide advice and recommendations to the Department thereafter.
- 5.16 Within the context of existing EU requirements and in a timescale agreed with the DCMNR Seafood Policy Division, design and commission an effective information management system, with associated procedures, for recording, cross-referencing and reporting fish sales and transportation information.
- 5.17 Provide ongoing support, advice and expertise to independent group established to investigate financial hardship for wild salmon fishermen. Implement and administer any subsequent scheme in accordance with associated timelines.

- 5.18 Develop and propose initiatives on fuel efficiency and environmentally friendly fishing techniques by December 2006 and implement associated changes in accordance with agreed targets.

Develop, agree and implement costed and clearly defined (i) organisational change, (ii) efficient service delivery, (iii) management development and (iv) stagaire programmes which meet the particular requirements and operating circumstances of BIM. Report on progress towards the achievement of related objectives and key performance indicators to the Department on an annual basis.

- 5.20 The foregoing is intended only as a summary of (selected) high level targets which BIM is responsible for pursuing and achieving during the period of this performance contract. BIM will continue to identify and pursue other strategic and operational targets/priorities as deemed appropriate by its Board and Executive Management Team.

6. Flexibility & Amendment of Targets

6. Both parties recognise that it may become necessary to change, modify, add to or otherwise alter, agreed performance targets during the course of this contract. A necessity for amendments may be prompted by changes in e.g., legislation, government/ministerial priorities, prevailing operating circumstances and/or broader political, economic, financial or related priorities.

- 6.2 Where amendments become necessary, the Department commits to engage in meaningful consultations with BIM. Such consultation will be designed to quantify any increase or reduction in effort required to achieve amended targets, while simultaneously ensuring that other targets are modified to reflect total output requirements.

7 Communication & Information Sharing

7. Both parties commit to the promotion of proactive communications, cooperation and information sharing. Regular meetings (at least quarterly) will take place to identify and discuss e.g. performance against targets, obstacles to the achievement of targets, support and intervention requirements, the ongoing relevance of particular targets, etc.

- 7.2 Both parties will be jointly responsible for proposing, agreeing and scheduling regular meetings. A meeting schedule will be agreed at the beginning of each year.

8. Performance Evaluations

8. Formal evaluations of BIM's performance against specified targets will be undertaken on an annual basis.

- 8.2 As required, evaluations of performance will either be (i) undertaken by the Department and independently audited or (ii) undertaken by an independent third party.

- 8.3 Bord Iascaigh Mhara will be provided with a minimum of 14 days advanced notice of performance evaluations.

- 8.4 Relevant representatives from BIM's management team will be invited to contribute to and inform the performance evaluation process.
- 8.5 Full details of the outcome of performance evaluations will be shared with the Chief Executive of BIM.

9. Performance Related Pay

9. It is intended that the results of formal performance evaluations will be used to determine contingent pay (bonus) awards for BIM's Chief Executive. Arrangements for the calculation and linking of contingent pay to the achievement of performance contract targets have yet to be finalised and will require agreement from the Chief Executive and Board of BIM prior to implementation.
- 9.2 Eligibility for the payment of bonus awards will also be contingent upon the implementation of change, modernisation and related obligations as outlined in Sustaining Progress and future national partnership agreements.

10. Partnership & Responsiveness

10. Both parties are committed to the promotion of partnership, responsiveness and mutual cooperation in their ongoing interactions.
- 10.2 Both parties undertake to ensure that no unnecessary delays will arise in respect of e.g. decision making, responses to correspondence, information requests or related matters.

Both parties commit to keep each other fully apprised and updated on all key issues.

Where it is satisfied with the appropriateness of the request, business case and supporting information provided, the Department commits to support funding and/or other resource allocation applications on behalf of BIM.


- 10.5 Where it is satisfied with the appropriateness of the request, business case and supporting information provided, the Department will intervene to seek cooperation from other government departments/offices/agencies which may be in a position to support BIM in the achievement of strategic and/or operational priorities.

11. Governance

BIM commits to ensure ongoing awareness of, and compliance with, all of its corporate governance, reporting and related obligations.

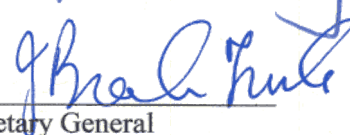
Role of Board

In its oversight role, the Board commits to ensure that BIM meets its mandate, statutory obligations and specific performance targets as outlined in this document. The Chairman undertakes to ensure that performance against targets is monitored on an ongoing basis and that statutory and related obligations are met.

Signed: 
on behalf of the Board

Signed: 
Chief Executive

Signed: 
[Dept. Official – Position]

Signed: 
Secretary General