

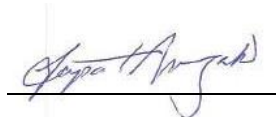
- The problems the industry faces this season in relation to crewing, potential infections, potential quarantines, possible needs to sanitize vessels, requirements for safe distancing, sourcing protective clothing supplies, testing crew for possible infection, crew availability and other similar issues will require an inordinate amount of management time during the fishing season when we should be devoting attention to producing the best possible quota application proposal. This added pressure on management could result in not having the time or focus to presenting the best possible quota application and thereby result in an unfavourable recommendation from the FAC for a five-year allocation.
- In addition, significantly more management efforts and time will have to be devoted to the issues surrounding the landing of vessels in Greenland ports under strict controls affecting the discharge and resupply of vessels, restrictions on crews, crew exchanges and crew emergencies. Regardless of how well the industry plans its visits in Greenland, issues will arise that will require significant management time and could affect the success of this season's fishery.
- Problems created by Nunavut's restrictions on entry into the territory and prohibitions on landing in the territory's ports, as the industry's vessels have routinely done every fishing season to pick up/drop off crew and spare parts.
- Due to the special level of restrictions imposed by GN we will be faced with additional restrictions and controls unlike what any other fishery in Canada will have to contend with. The recently announced conditions Nunavut's Chief Public Health Officer stipulated for an easing of the restrictions suggest it could be several months before there is any easing of them.
- As a result of the stay at home orders issued by GN, we are faced as a Nunavut company with a number of additional problems as we must work from home and are prohibited from inter-community travel. Further, the overburdened internet service, especially in our high Arctic communities, renders video conferencing virtually impossible. Therefore, we will be unable to engage in meaningful consultation with our stakeholders while preparing a major five-year quota application. "In view of the importance attached to the requirement for director, stakeholder and community engagement throughout the 2019 revised "Allocation Policy for Commercial Marine Fisheries" it is essential that quota applicants be able to engage in **meaningful consultations** with its community owners in order to properly prepare their allocation applications. This is simply not possible in the current crisis environment and the restrictions related to it.
- Owing to the fact that we are Nunavut companies, we will have to deal with three different jurisdictions and sets of rules in Nunavut, Newfoundland and Greenland.
- All of these limitations will undoubtedly drive up industry operating costs and negatively affect our profitability. In fact, as the Federal Government has recognized our industry as an essential service it has identified the need for special assistance to keep us operating and deal with the additional hurdles we must overcome. Staying on top of these programs and making application to the various programs will occupy considerable management time.

- The industry is facing an very uncertain market outlook for our products this year as the worldwide food service markets where the bulk of our products are sold have been heavily disrupted and we do not have any indication at this time when they will stabilize and at what price levels. This will also have in the short-term a negative impact on profitability and will likely require significant adjustments to our businesses.
- We have no idea when we will return to what is now being called “a new normal”. It is, however, clear that this will take a number of months and likely at least this full fishing season. What if we are faced with a second wave of infections this fall or next winter, as some experts predict? When will a vaccine be available?
- Faced with such instability and uncertainty how can one accurately produce with any degree of confidence a five- year business plan?
- If we present now an application for a multi-year allocation, we will have to live with the consequences of this potential mistake for the next five years.
- NWMB and FAC will be faced with issues considering and studying applications if you are still required to work from home.
- It may not be possible to appear in person before the FAC or NWMB to explain and defend our applications, thereby resulting in less effective presentations and consideration of our applications.
- In the case of AFA, our fishing season has already been seriously disrupted by the impact throughout the world of Covid-19. We have been engaged for several months in our plans to purchase a new vessel that would increase our harvesting capacity. However, we have not been able to complete the purchase because the vessel must undergo significant modifications at a shipyard to improve its ice classification. Until restrictions are eased in Poland, we cannot get the vessel in the shipyard to complete the required work. We had hoped to have the vessel fishing this season but owing to the virus it will be delayed to next season.

We believe we have presented strong arguments as to why delaying the multi-year quota application and maintaining the current allocations for another year is a wise course of action that will permit us to focus on surviving the crisis we face because of Covid-19.

Thank you for your consideration.

Sincerely,



Jaypetee Akeeagok,
Executive Chairman

cc: Honourable Bernadette Jordan, Minister of Fisheries and Oceans
Arctic Fishery Alliance Board of Directors
Mr. Lootie Toomasie, President & CEO, Arctic Fishery Alliance