

## Visit to Oceanpick Pvt Ltd, Sri Lanka. Nov 2024. TJ / AC.

After 25 years in an executive level in the Sri Lankan textile industry, Irfan Thassim decided that he wanted to do something more meaningful with his life. Growing up near the sea, he had always had a passion for the oceans and was aware that the fisheries around Sri Lanka were under pressure, not just from its own fishing industry but also from neighbouring countries whose fishing fleets regularly breach Sri Lanka's fishing zones.

Irfan had a vision of Sri Lanka growing its own marine fish to take the pressure off the wild stocks, feed the domestic market and help local communities by creating job opportunities. He began carrying out extensive research, speaking with aquaculture experts from around the world and quickly determined that the sea perch Barramundi (*Lates calcarifer*) was the fish with the most potential for his venture.

Initiating an aquaculture start-up takes guts, optimism, tenacity, a thick skin and good relationships with very patient investors. All those who have ventured into commercial aquaculture know very well the long and exhausting series of financial, regulatory and operational hurdles that stand in the way before a single fingerling hits the water. Irfan is arguably more courageous than most, having started his open water aquaculture company Oceanpick Pvt Ltd without any experience of aquaculture, in Sri Lanka, a country that has little or no prior history of commercial fish farming and that is tackling very real economic and infrastructure challenges.



Fast forward to 2024, via a difficult journey of hard knocks, steep learning curves, economic crises, covid and constant cash flow headwinds, and against all the odds, Sri Lanka now has its first open ocean aquaculture operation. A lone ranger with passion and a vision, Irfan has, in 12 years built a working aquaculture operation from scratch through grit, perseverance and conviction, ignoring the naysayers, challenging the cynics and educating the uninformed.

Oceanpick Pvt Ltd, is now producing almost 2000 MT of barramundi per year. The company comprises a domestic hatchery, 25 marine cages, two offices, a warehouse, a BRC certified

processing line and 140 employees. The operations are Aquaculture Stewardship Council (ASC) and Best Aquaculture Practice (BAP) sustainability certified and SMETA social and ethical standards accredited. Oceanpick has developed into one of only a few marine cage barramundi farms in the world and one of only two to hold ASC and BAP sustainability certification.



Oceanpick's Round Island barramundi brand is selling on the Sri Lankan domestic market and is also exported to Australia, Europe, India and the US. Australia is Oceanpick's biggest market by far – their barramundi are outcompeting Australian barramundi in the retail supermarkets Coles and Woolworths – offering a higher quality at a more competitive price than the Australian grown products. Their fish were recently voted the best quality barramundi at a tasting by Marriott chefs in Sydney where the Round Island brand beat all the others – even the well-established Australian brands.





Although the road has been difficult, Irfan and his dedicated team are doing it – they are executing his vision, and from a little known, start-up aquaculture company in a country with no history of marine aquaculture, Oceanpick punches well above its weight, and Kangamiut is fortunate to have the opportunity to exclusively represent their Round Island products on the European market.

Straight off the plane on arrival into Colombo, Thomas and I were greeted by Irfan, Dakshini Bulathsinhala (Chief Commercial Officer) and Niruth Madawala (Senior Commercial Accountant) and we then had a 5-hour journey by road across the country to the northeast coastal town of Trincomalee where the hatchery and farm are located. Getting around Sri Lanka



is a slow process – the road infrastructure is mostly basic, traffic is busy, and the pace is dictated by tuk tuks, scooters, stray dogs, cows and the odd elephant! We spent almost 20 hours driving during our trip and soon learnt that ‘not far’ means at least a couple of hours of



dodging, weaving, stop starting and generally avoiding death by oncoming traffic. Sri Lanka is a beautiful, unspoilt gem, still covered in wild jungle so taking time to navigate through its heart was an experience to savour.

Irfan really knows how to bring in good people and has hand-picked his team from all over the world. Their high skill level and commitment is clear to see, and it was a pleasure to meet and spend time with them; Hasamini Thilakarathne is their manager of Onshore Productions and a MSC graduate of the Arctic University in Norway. Hatchery and nursery General Manager Aslam Pathiri is an expert in fish breeding and fingerling production, having worked all over the world for other companies including Naqua the large aquaculture company in Saudi. He was recently awarded one of the top ten best global hatchery technicians in the Hatchery International awards. Mahendra Wijeratne who has an extensive background in engineering is their Chief Operating Officer and recently appointed is aquaculture consultant Eric Vigne who brings many years of marine fish production experience and will now be heading up OP's overall operations. Sameera Edirisinghe is OP's QA & Sustainability Manager who has been instrumental in gaining the ASC certification for Oceanpick and who oversees all their quality accreditations.



We were able to experience the full Oceanpick operations from egg to plate. At the hatchery we were given a great presentation of the production process by the excellent hatchery team. Oceanpick now produces its own fry from broodstock with Australian bloodlines – producing several million fingerlings per year. They employ a strict biosecurity protocol at the hatchery and do not allow direct access to visitors, however they brought out some young barramundi fry for us to observe. Barramundi are grown to 10g in the hatchery and then transferred to the sea cage nursery at around 4 weeks of age where they then grow until around 500g before being



transferred to the larger grow out cages. A 1.2kg harvestable barramundi takes around 18 months to grow from egg to maturity.



Before building their hatchery, OP was flying in live juveniles from Australia, but this was extremely costly, and they suffered a very high mortality rate. Now with their own broodstock and hatchery system they can produce healthy and robust fingerlings in numbers that well exceed their production requirements. There are plans to upgrade the hatchery in 2025-26 to be



able to produce other reef species in addition to barramundi such as grouper and snapper. Irfans' vision includes a multi species production to be able to supply customers with several marine fish options.

The next stage of the visit was out to the sea cages. They are anchored about 1km from the shore in a sheltered area of Trincomalee bay which is the third or fourth largest natural harbour in the world. The cages are located where the ocean floor is at circa 25 metres depth, however



within a short distance the sea floor drops to over 1000 metres. The upwelling of fresh cool water from the ocean depths creates a continuous current and turnover of water in the bay, resulting in excellent conditions for growing healthy fish. The waters are utterly pristine and average 27 – 29oC all year round despite air temperatures ranging from high 20's to high 30's. It was incredibly tempting to jump into the beautiful water and swim with those fish!

We climbed onto one of the sea cages to watch the fish being fed. As feeding automation is costly, the fish are still hand fed. However, feeding by hand is accurate and effective because feed waste is minimised and therefore, they can achieve an efficient feed conversion ratio. Feed, labour and electricity / fuel are the three major cost centres of any aquaculture operation, and this is the same for Oceanpick, so any efficiency gains in these areas are critical.



After that we boarded the harvest vessel and watched the harvest process. The fish are crowded into a smaller area of the cage and then netted out by a hydraulic crane into prepared bins containing a saltwater ice slurry. The fish are quickly gilled and bled by hand and put on ice. This rapid bleed and chill process gives a high-quality bloodline free product that is cooled to below 4oC within 20 minutes of harvest. The fish looked in excellent condition with perfect fins and scales and uniformity in size – a clear sign of a well-managed, healthy production system.







The fish are transported overnight in the cooler hours across country to Colombo where they are processed and packed at Ocepick's partner processing facility Ceylon Fresh. This is a large seafood processing operation whose main business is processing fresh tuna and airfreighting this all over the world. Back in Colombo we were given a presentation and tour of the Ceylon Fresh facility by the Ceylon Fresh GM and the Oceanpick team including Chandana Wijesena (General Manager) who has a permanent office at the facility.



Again, due to the costs of automation, all processing is done by hand. Skilled filleters are efficient at maximising yield which from a barramundi is around 45%. The cost of labour is low in Sri Lanka with the average Ceylon Fresh worker taking home around 150 USD / month. Hard to imagine but this is above the going rate – fish processing is a competitive business in Colombo and so they pay a higher rate to retain good workers.

We saw the product processed and packed for dispatch to Pacific West in Australia and Harbour Bay Foods in the US. Oceanpick aims to sell all of the fish, with markets for almost every part including the swim bladder (a high price item for Malaysia markets). They can produce almost any product format including private label and are quick to develop new product formats for their customers.





The last and most fun part of the egg to plate OP experience was to taste the finished product. Oceanpicks' brilliant chef prepared for us a selection of Round Island barramundi dishes from a fillet grilled with lime and seasoning to spicy fish curry to a smoked butter sauced portion. All were utterly delicious.

There is no doubt that we have a great product with OP barramundi and a fantastic relationship with Irfan and his team. The potential is there for us to build Oceanpicks' market in Europe and to develop the awareness for the species at a time when global markets are looking for more marine fish. Barramundi is an aquaculture species that is rapidly growing in popularity outside of the traditional producing areas like Australia and SE Asia. We have an opportunity to build something new with this species and to become experts in it for the European market – eventually bringing in other producers.

The potential for us is to grow the market for Round Island products in line with Oceanpicks' growth in production. They have the licence approval to increase the number of production sites and if the market is there, they can ramp up production to 5000 – 7000 MT within the next 4-5 years.

Our strategic target with OP is to sell 2 containers a month from April 2025 and then increase to 5 containers a month (over 1000 MT / yr) by end 2026 with the potential to increase from there. If we don't do it – somebody else in Europe or the US will, so we should give it our best shot! OP barramundi is a product that ticks all the boxes – there is growth potential, it is responsibly produced, fully certified, competitively priced, high quality, healthy and delicious, versatile and processed to precise formats, and most importantly it is produced with integrity by a group of incredible, genuine people with whom we have a great relationship. What is the downside?







The most special part of our trip for me personally was how we were met with such warmth, hospitality, kindness and generosity, not just by Irfan and Dakshini who we have known for some years now but by the whole OP team. The Sri Lankan people are overwhelmingly open and welcoming. It is a country that has faced many challenges in its past, most recently a 30 year territorial civil war that ended in 2009. Economically it has faced hard times, but it is rebuilding and with the positivity and tenacity of its people and industry innovators like Irfan, the future for Sri Lanka and Oceanpick looks bright.

