ECONOMIC PERFORMANCE OF DEMERSAL FLEETS IN THE NORTH SEA AND NORDIC COUNTRIES

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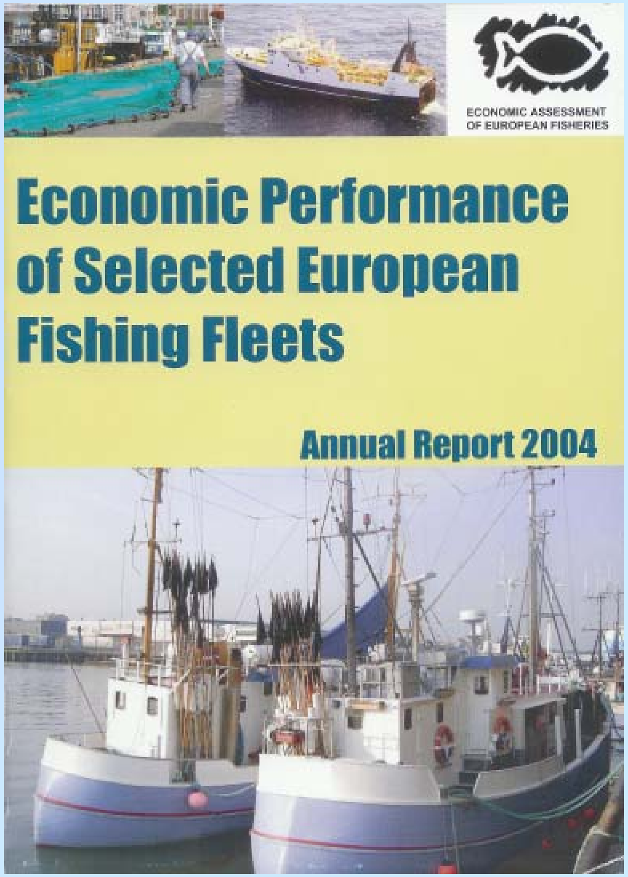
SOURCE OF DATA

- 20 institutes
- 20 countries
- 90-100 individual fleet segments
  - 60 EU-15, 20 new MS, 15 Non-EU
  - 60% of value of landings
  - 40% of employment
  - 55-60% of GT / kW
  - 30-40% of number of vessels



INDICATORS 1999 – 2003/4

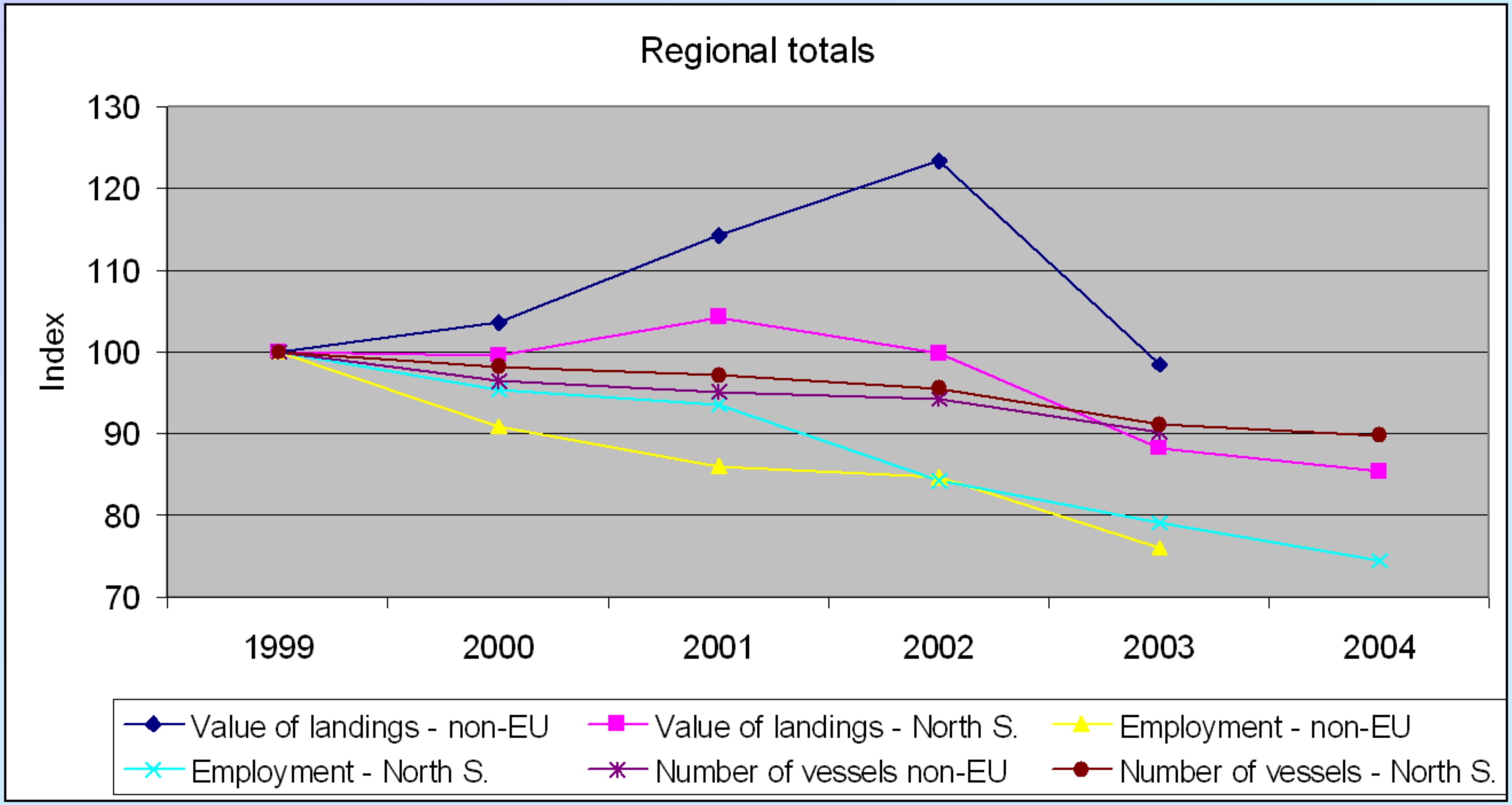
	1999	2004	Change
EU-15			
Value of landings (bln)	7.5	7.0	-7%
Employment	227,500	176,800	-22%
Number of vessels	92,600	76,600	-17%
Mln kW	6.7	6.4	-4%
North Sea countries			
Value of landings	2.0	1.7	-15%
Employment	26,403	19,683	-25%
Number of vessels	11,761	10,556	-10%
Mln kW	1.9	1.7	-11%
Nordic countries	1999	2003	
Value of landings (bln)	2.0	2.0	-1%
Employment	22,100	16,800	-24%
Number of vessels	4,016	3,625	-10%
Mln kW	1.4	1.4	2%

ECONOMIC ASSESSMENT OF EUROPEAN FISHERIES

PRODUCTIVITY INDICATORS
(1000 Euro)

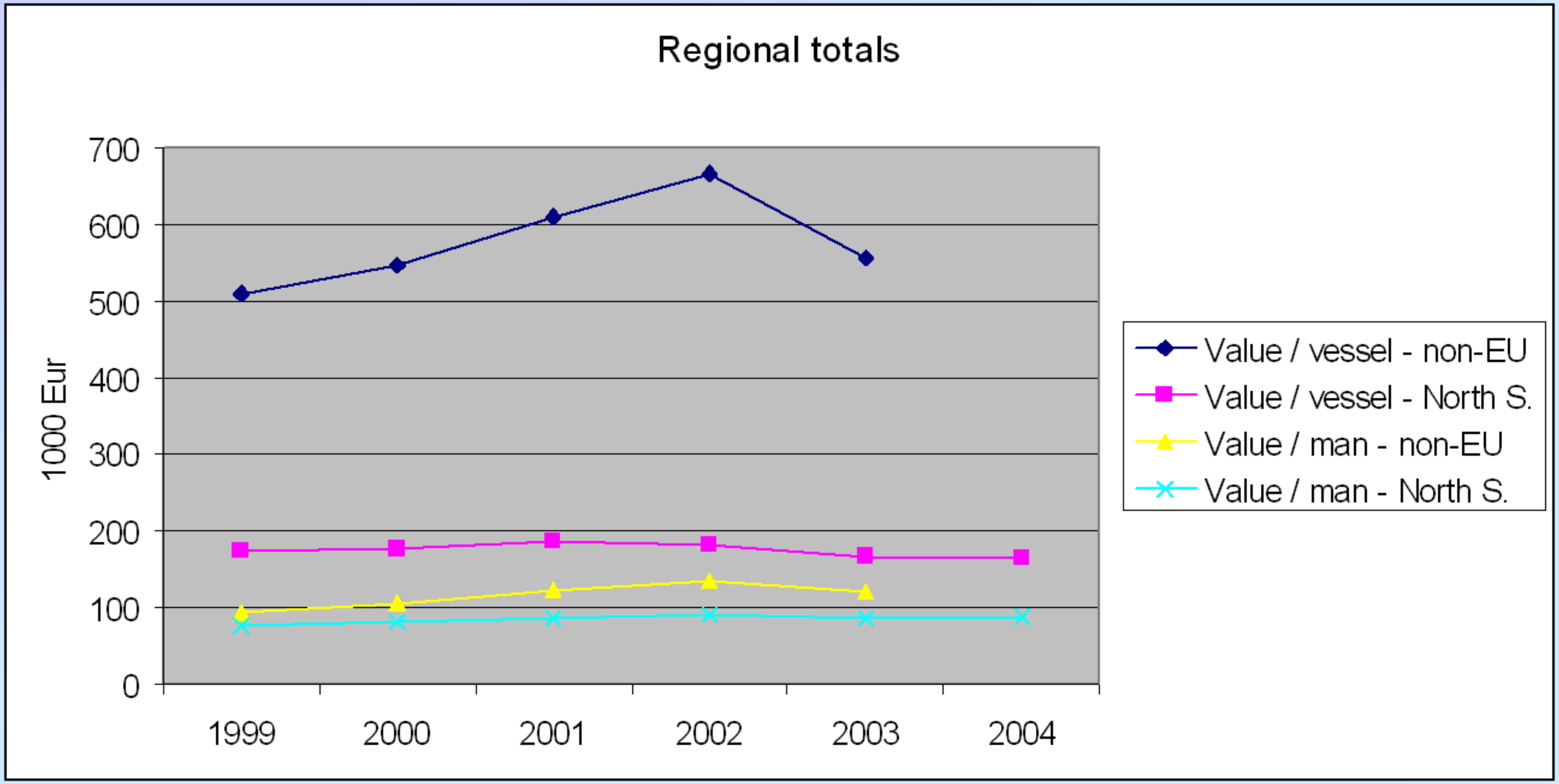
EU-15	1999	2004	
Value / vessel	81	91	13%
Value / employed	33	40	20%
Value / kW	1,119	1,094	-2%
North Sea countries			
Value / vessel	170	161	-5%
Value / employed	76	86	14%
Value / kW	1,053	1,000	-5%
Nordic countries	1999	2003	
Value / vessel	498	552	11%
Value / employed	90	119	32%
Value / kW	1,448	1,413	-2%

SECTOR TRENDS
North Sea and Nordic countries

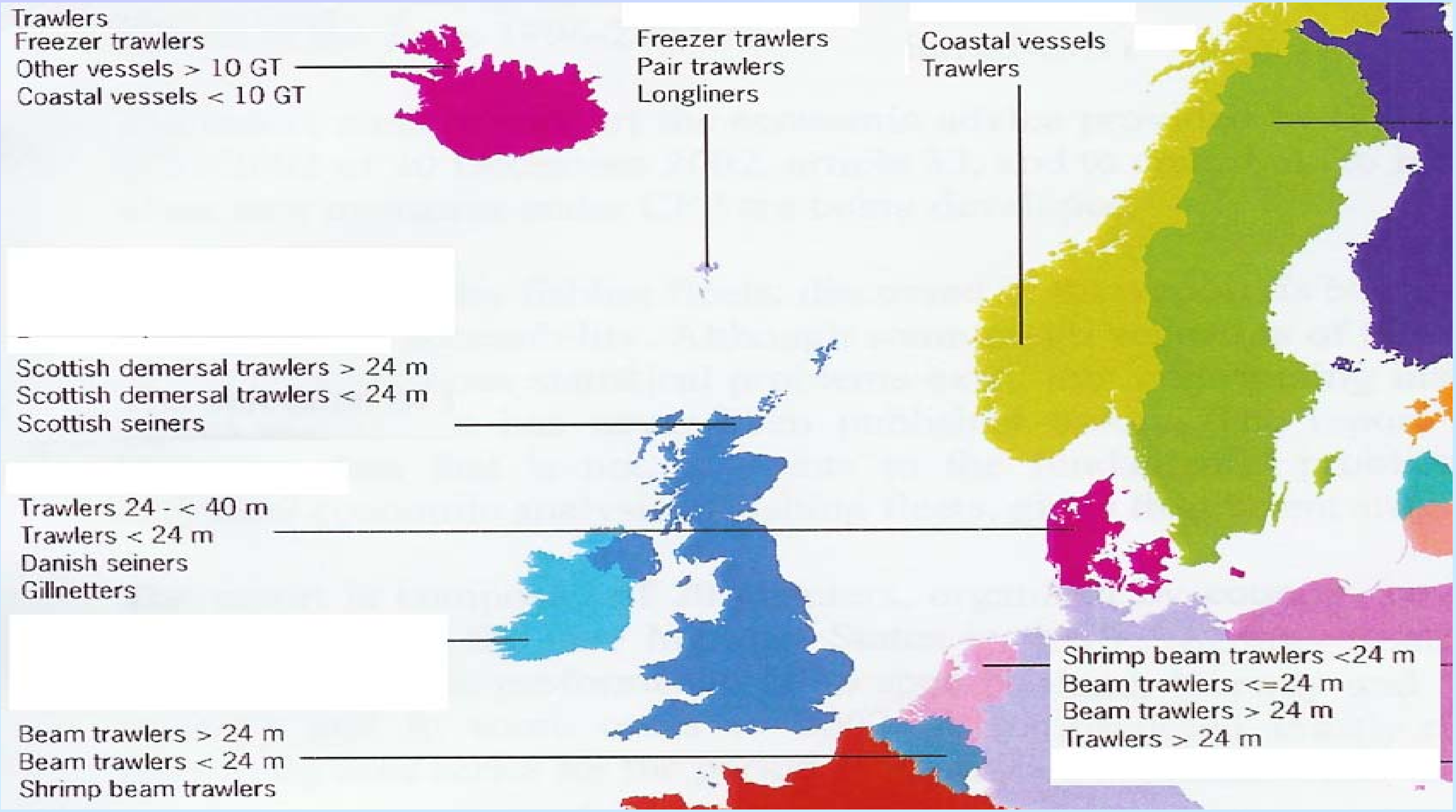


PRODUCTIVITY BY REGION

North Sea and Nordic countries



DEMERSAL SEGMENTS

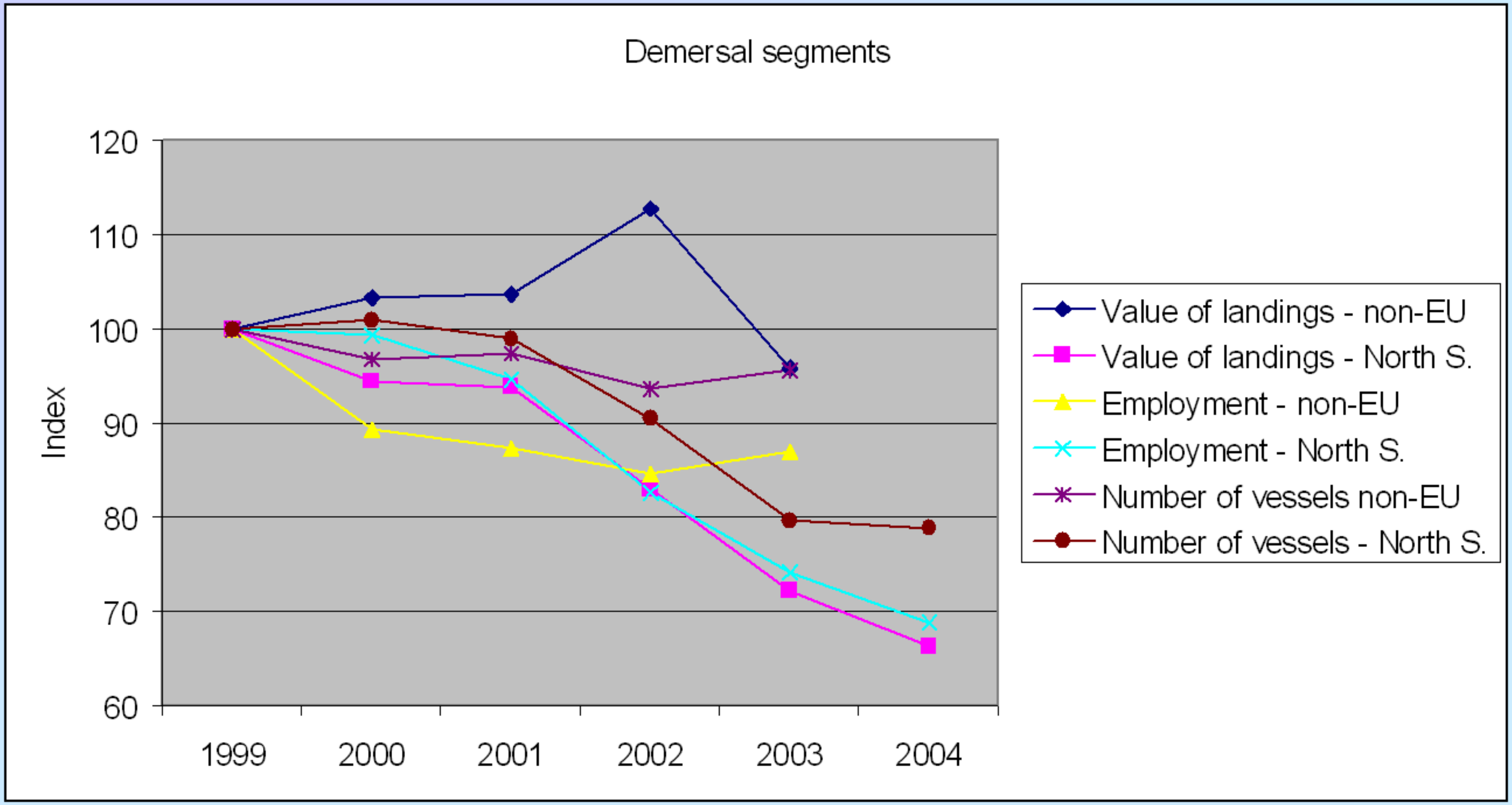


DEMERSAL SEGMENTS

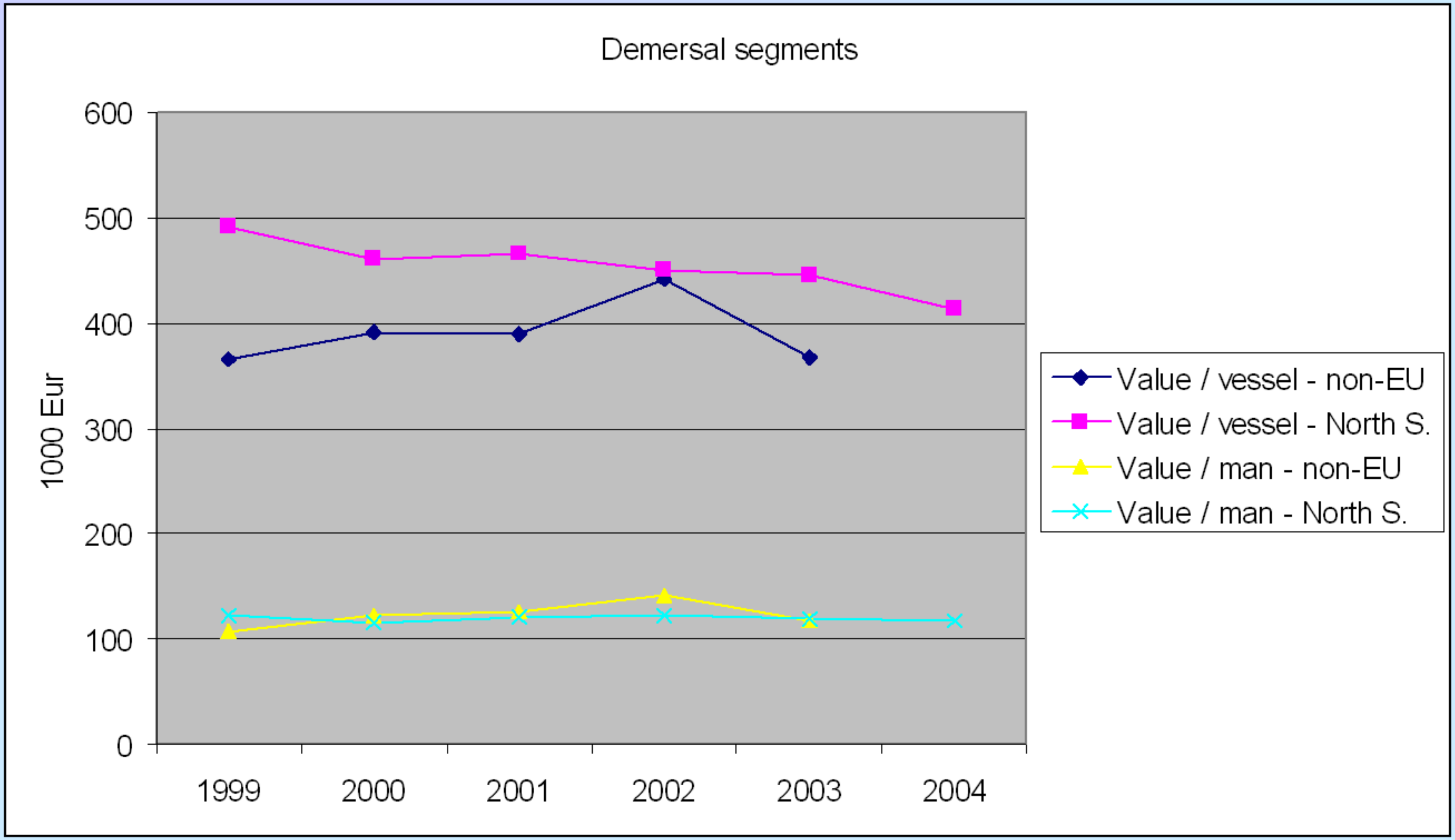
(value in 1000 Euro)

Nort Sea segments	1999	2004	Change
Value of landings (bln)	1.1	0.7	-36%
Employment	8,632	5,943	-31%
Number of vessels	2,149	1,696	-21%
Mln kW	0.8	0.6	-25%
Value / vessel	512	413	-19%
Value / employed	127	118	-8%
Value / kW	1.4	1.2	-15%
Nordic segments	**1999**	**2003**	
Value of landings	1.0	1.0	0%
Employment	9,844	8,560	-13%
Number of vessels	2,858	2,734	-4%
Mln kW	0.7	0.6	-2%
Value / vessel	350	366	5%
Value / employed	102	117	15%
Value / kW	1.5	1.6	2%

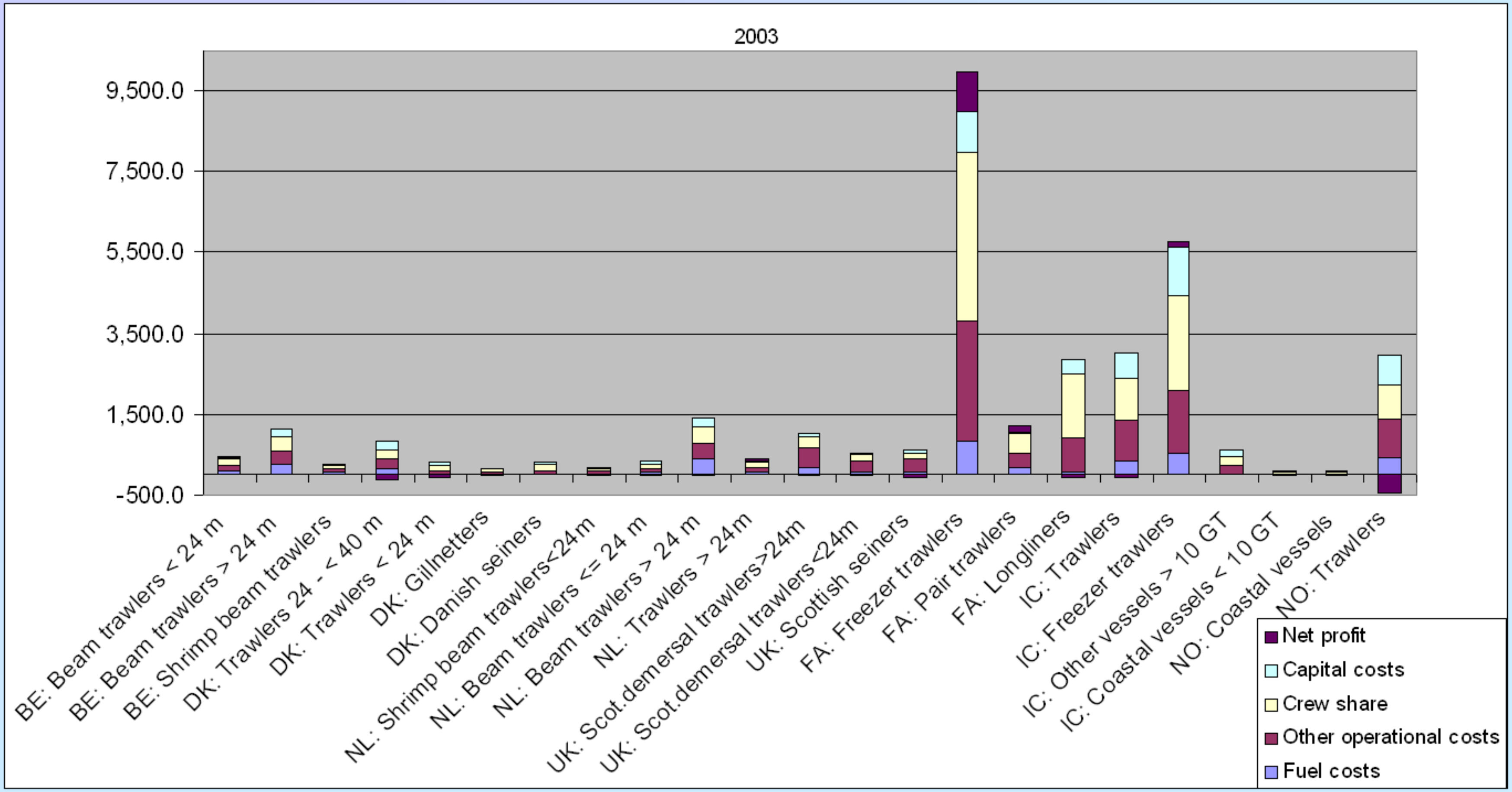
PRODUCTION, FLEET AND EMPLOYMENT



PRODUCTIVITY

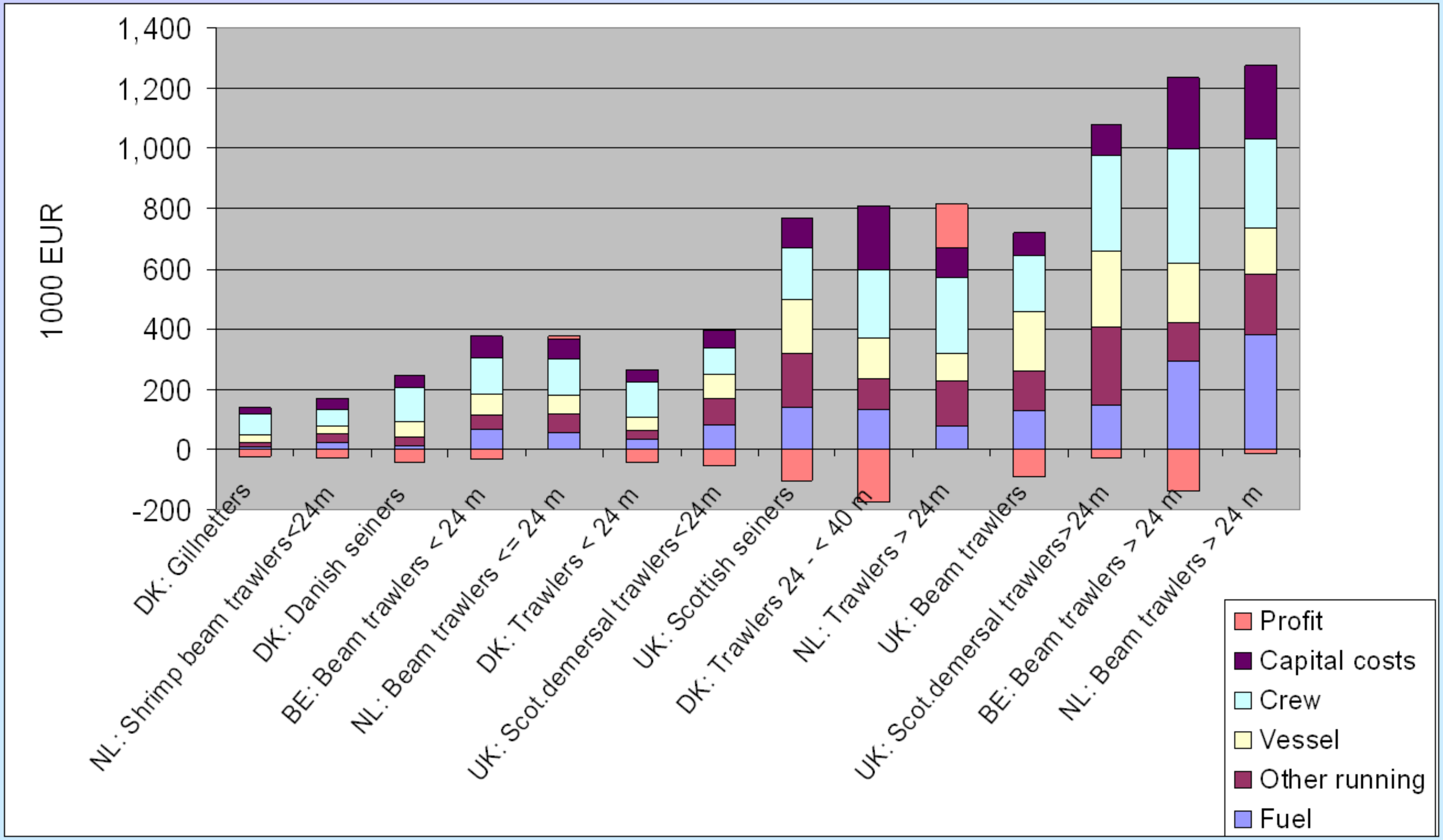


COSTS AND PROFITS



COSTS AND PROFITS,
North Sea segments, 2004

ECONOMIC ASSESSMENT OF EUROPEAN FISHERIES



FUEL PRICE AND PROFIT IN 2005

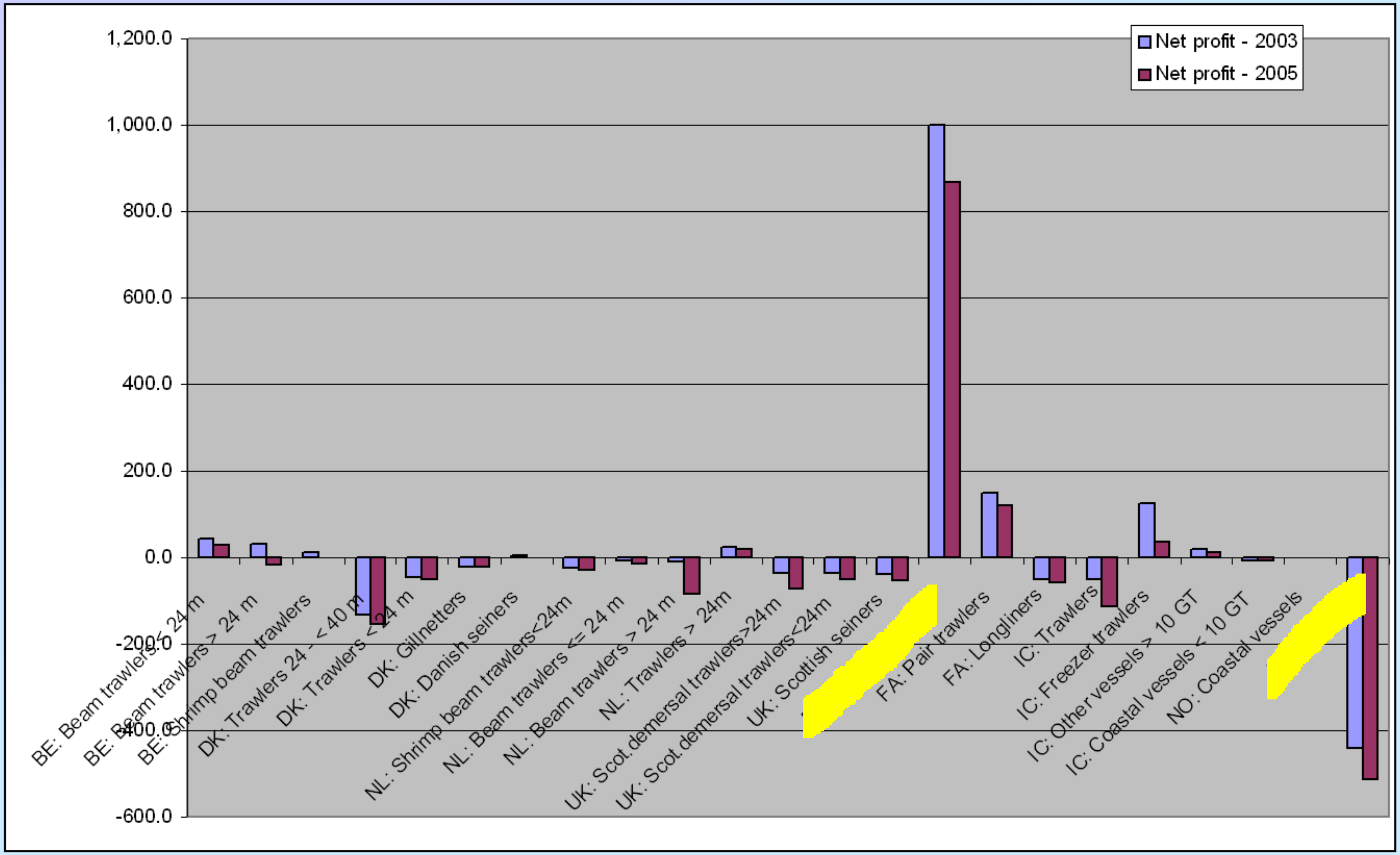
ECONOMIC ASSESSMENT OF EUROPEAN FISHERIES

Assumptions

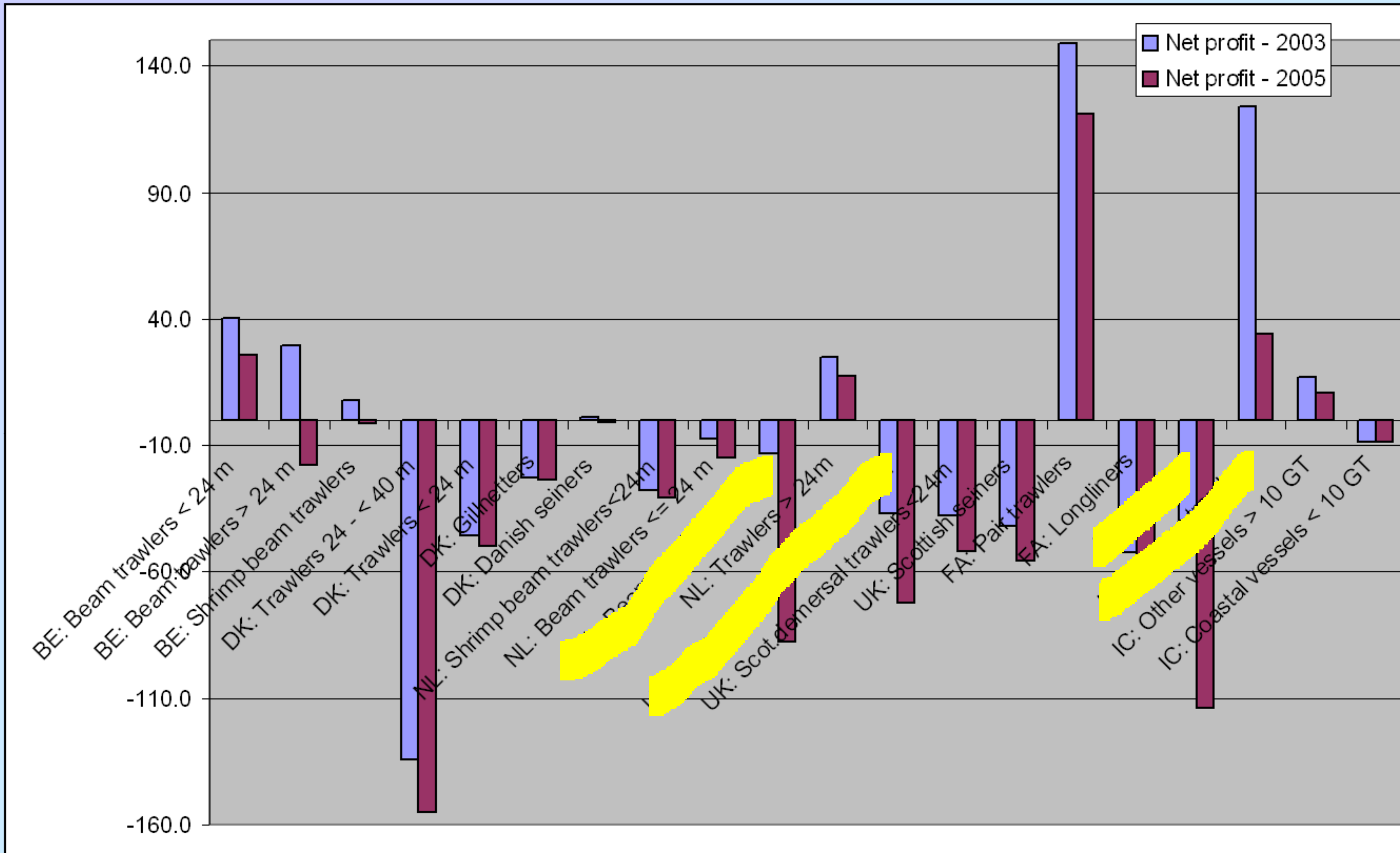
- **Fuel costs +30%**
- **Value of landings per vessel equal to 2003**
- **Operational and capital costs per vessel equal to 2003**

NET PROFIT 2003 - 2005

ECONOMIC ASSESSMENT OF EUROPEAN FISHERIES



NET PROFIT 2003 - 2005



CONCLUSIONS

ECONOMIC ASSESSMENT OF EUROPEAN FISHERIES

- **Employment in fisheries declines by 5-6% per year, while the number of vessels decreases by about 2%.**
- **North Sea countries faced a relatively faster decline in the value of fisheries production than other areas.**
- **Average productivity per vessel or per man in the EU is substantially lower than the productivity of the Nordic countries, due to numerous small scale fishing fleets.**
- **The demersal fisheries in the Nordic countries are relatively more stable than those of the North Sea, where revenues per vessel are falling by about 4% per year.**
- **Nordic operators run small numbers of very large vessels, compared to the North Sea fleets.**
- **Only very few segments are on average profitable**
- **Fuel price rise in 2005 will mainly affect a small number of very specific fleet segments.**