



# **ECONOMIC PERFORMANCE OF NORTH SEA DEMERSAL FLEETS**

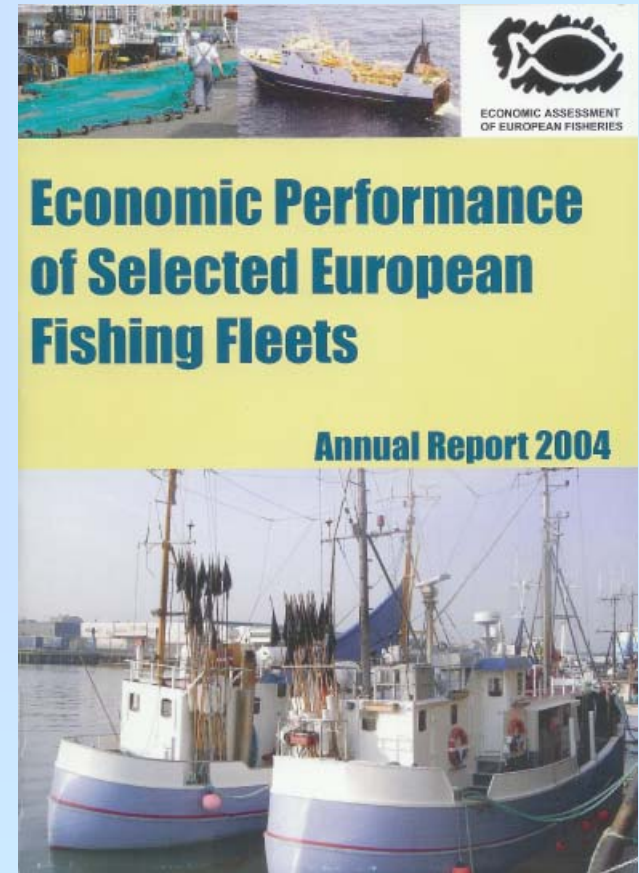
Pavel Salz, Framian  
Kurhaus, 22. November 2005

# SOURCE OF DATA



## ANNUAL REPORT 2005

- 19 institutes
- 19 countries
- 80-90 individual fleet segments
  - 60 EU-15, 20 new MS, 13 Non-EU
  - 60% of value of landings
  - 40% of employment
  - 55-60% of GT / kW
  - 30-40% of number of vessels

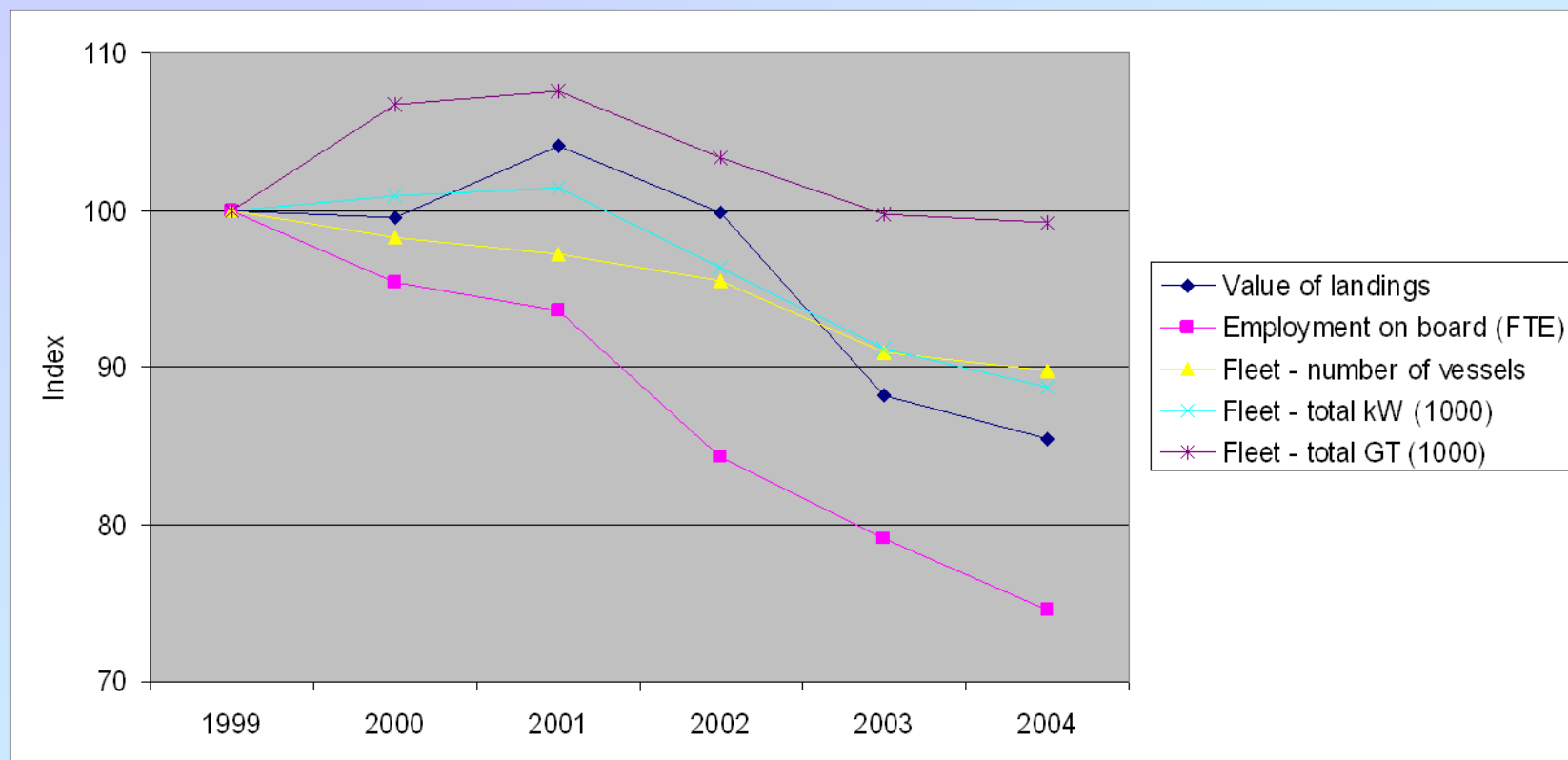


# MAIN INDICATORS 1999 – 2004



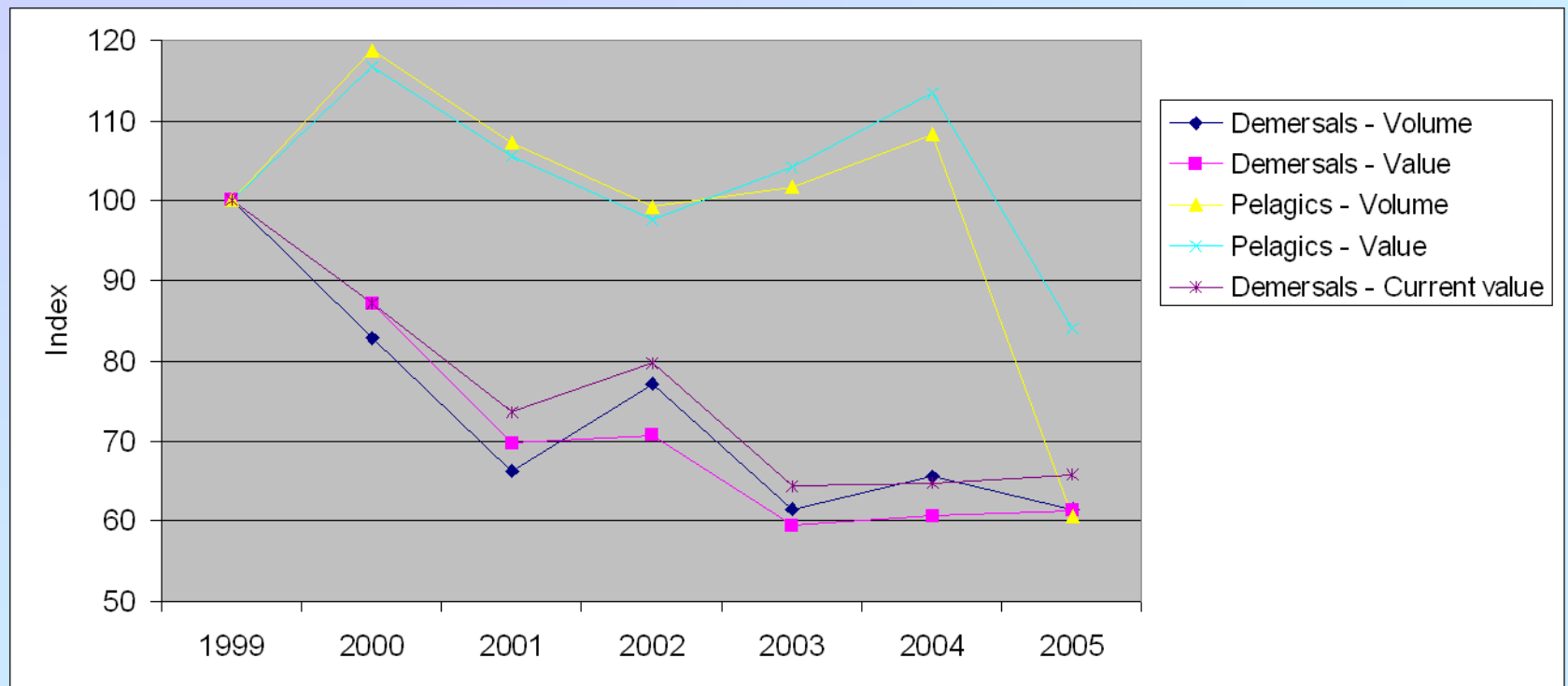
	1999	2004	Change
<b>EU-15</b>			
Value of landings (bln)	7.5	7.0	-7%
Employment	227,500	176,800	-22%
Number of vessels	92,600	76,600	-17%
Mln kW	6.7	6.4	-4%
<b>North Sea countries</b>			
Value of landings	2.0	1.7	-15%
Employment	26,403	19,683	-25%
Number of vessels	11,761	10,556	-10%
Mln kW	1.9	1.7	-11%
<b>North Sea segments</b>			
Value of landings (bln)	1.1	0.7	-34%
Employment	8,632	5,943	-31%
Number of vessels	2,149	1,696	-21%
Mln kW	0.8	0.6	-19%

# TRENDS IN 5 NORTH SEA COUNTRIES



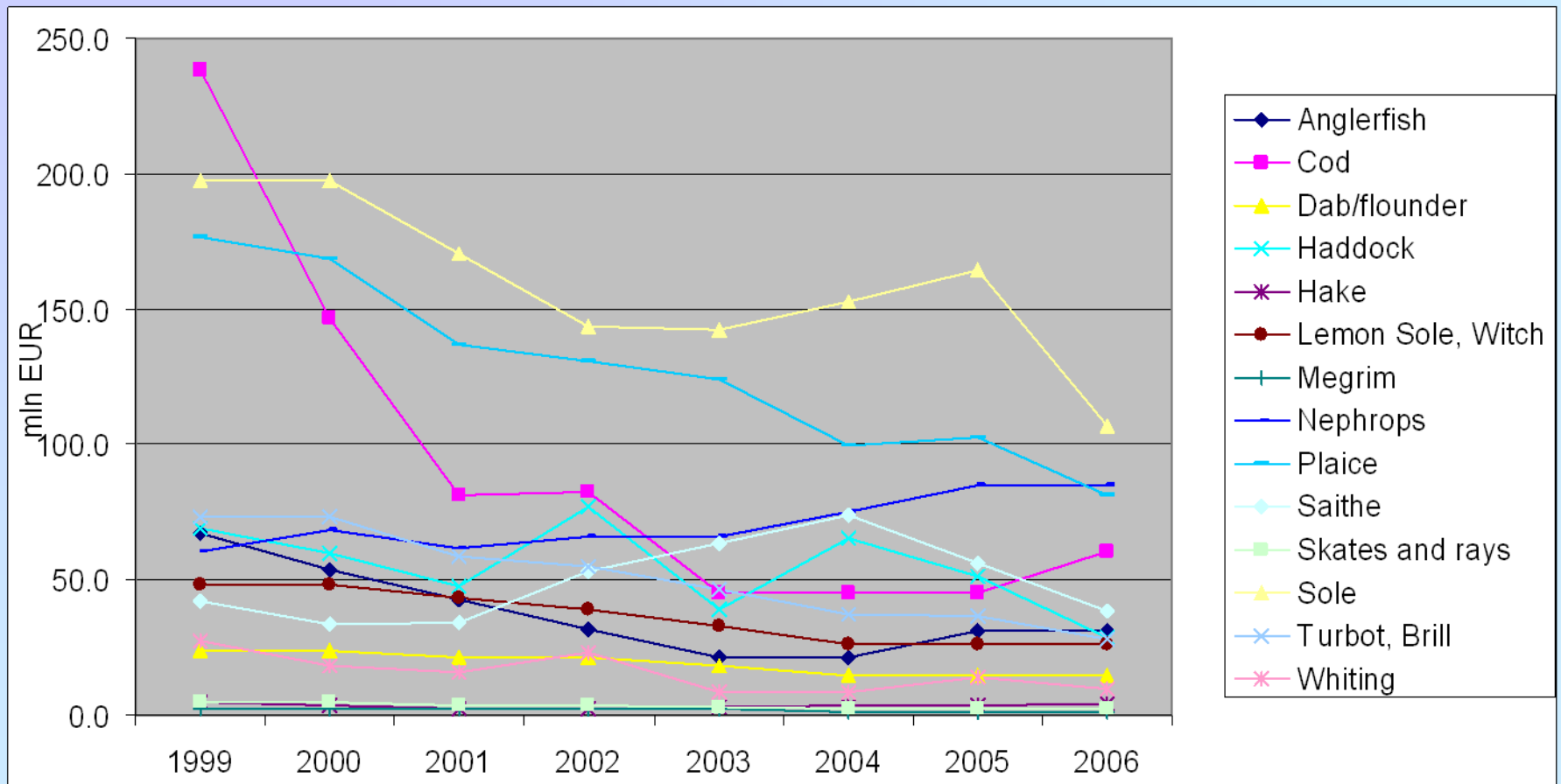
# NORTH SEA STOCKS

## Value and volume of demersal and pelagic species

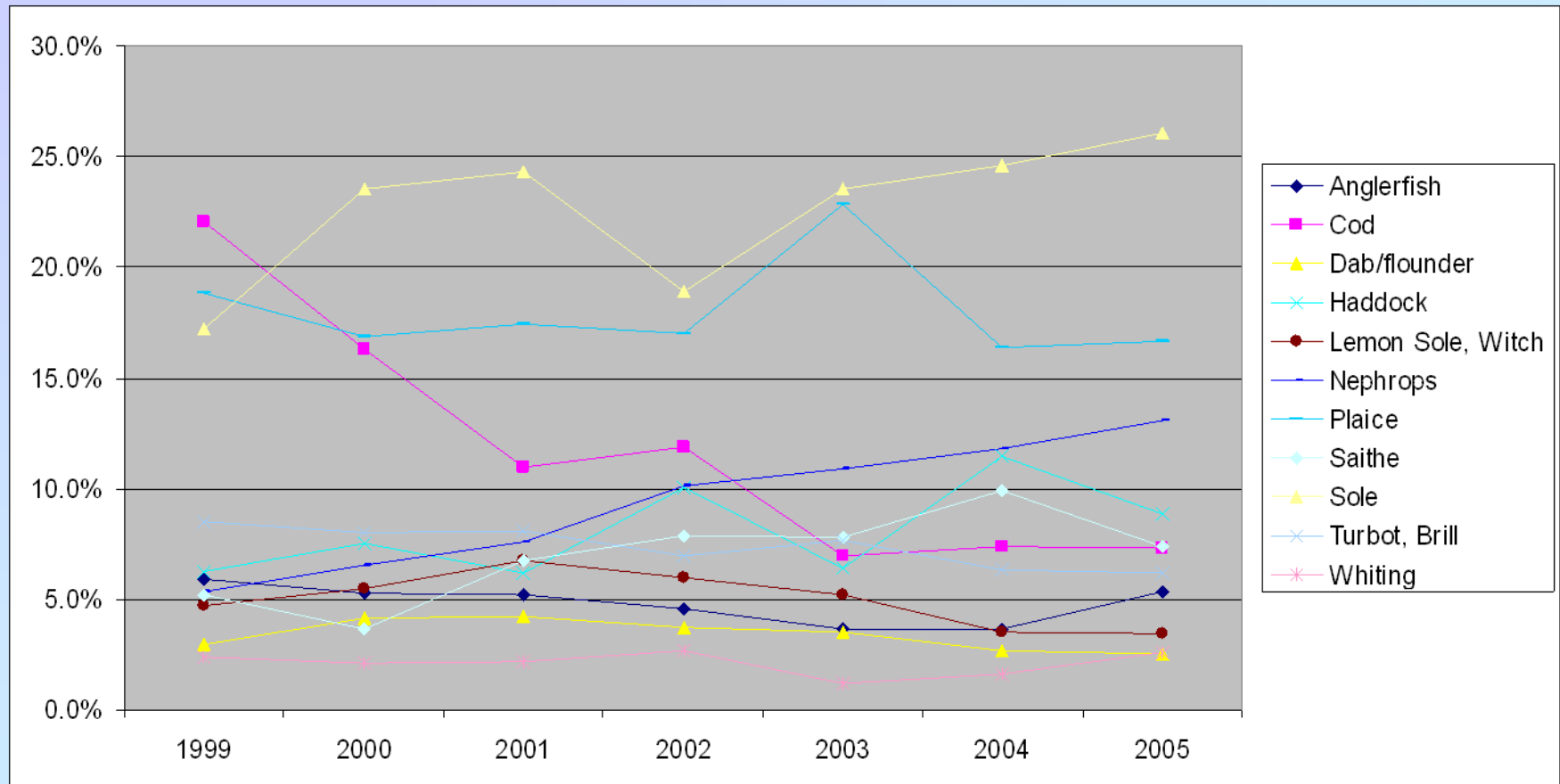




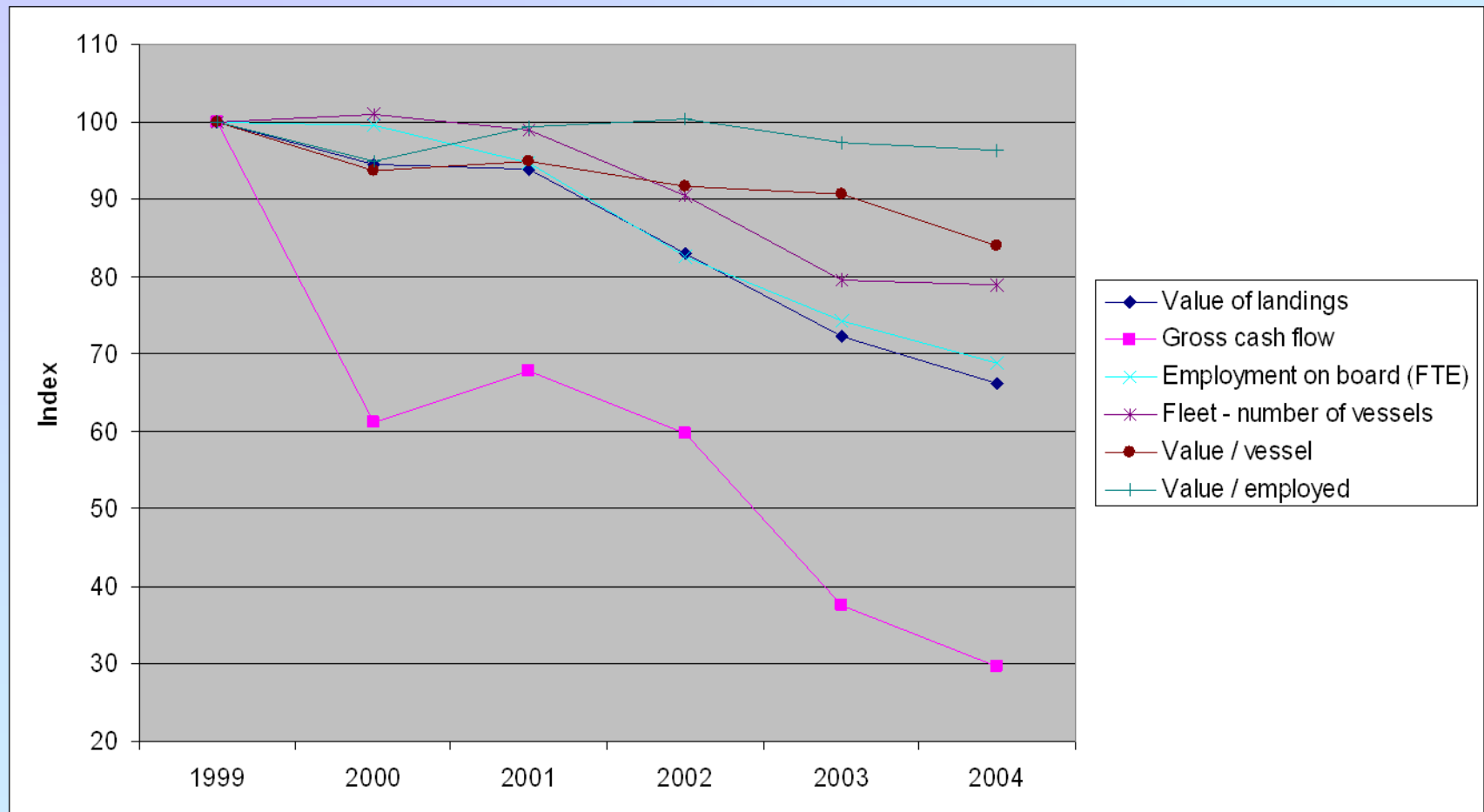
# VALUE DEMERSAL TACs



# SHARE OF SPECIES IN VALUE



# TRENDS IN DEMERSAL FLEETS



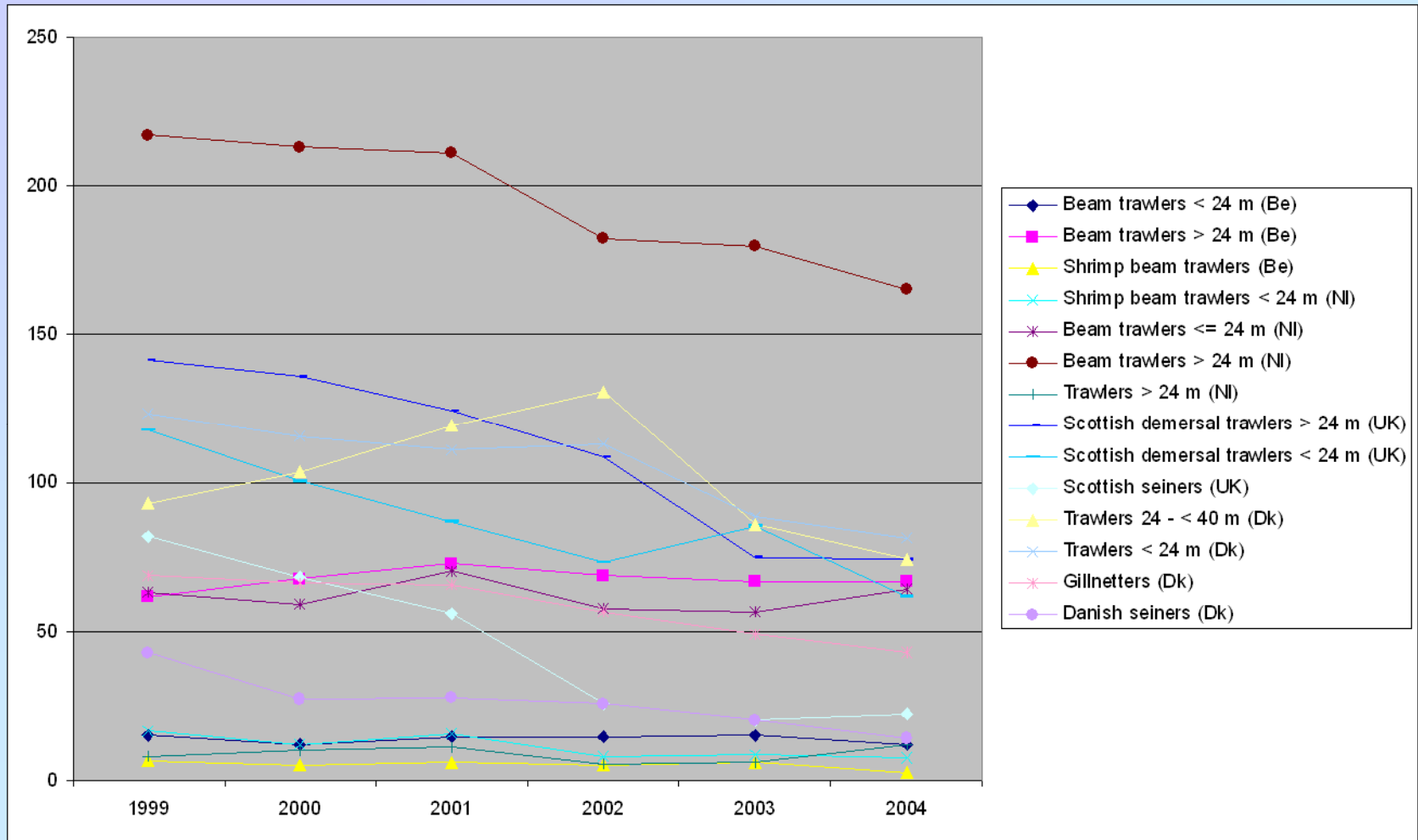


# NORTH SEA FLEETS

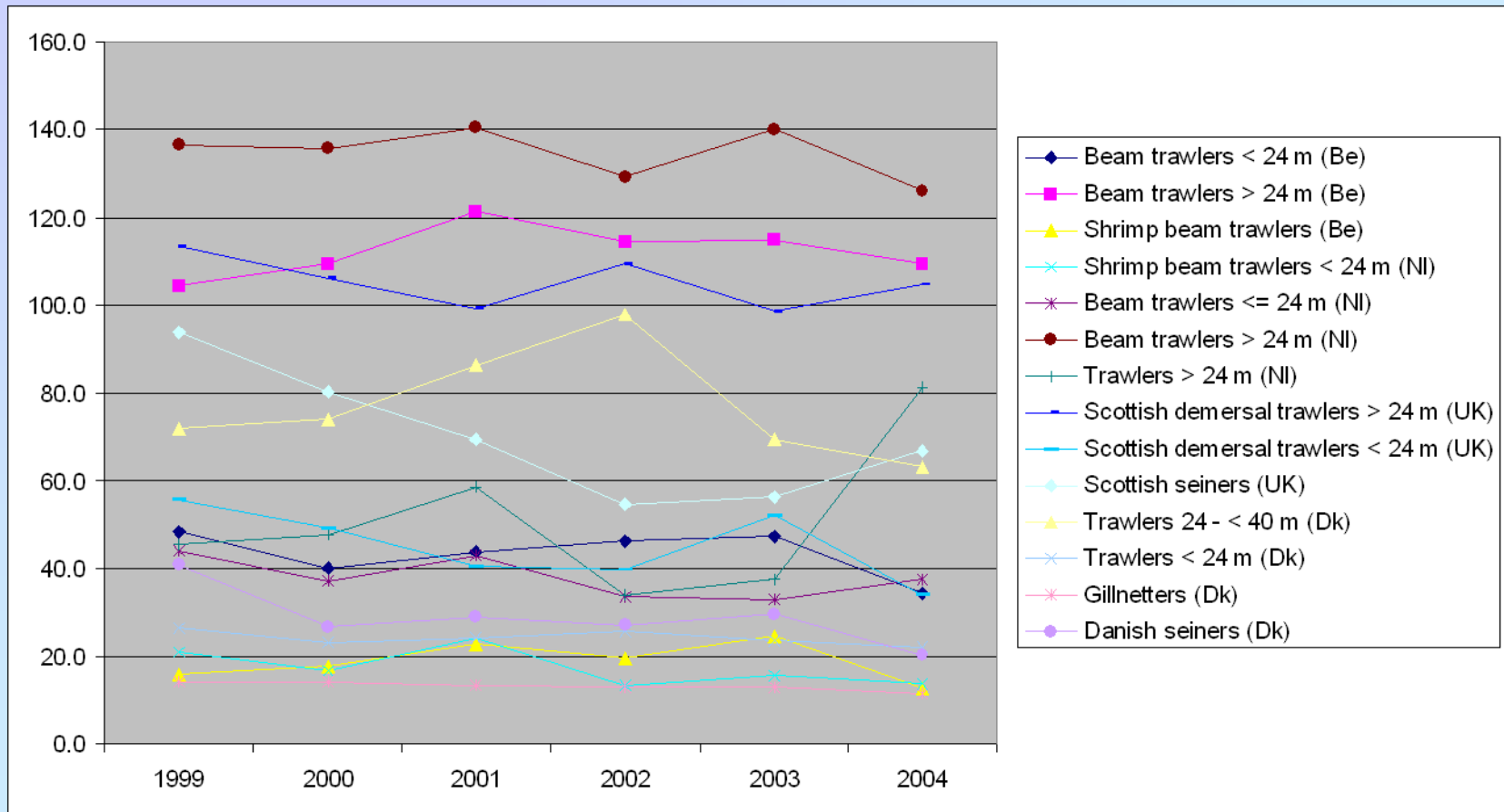


	2002	2004	2005	05/04
<b>Value of stocks</b>	758	616	626	2%
<b>Value of landings (mln Eur)</b>	1,057	700	751	7%
<b>Costs (mln Eur)</b>				
- fuel	106	145	189	30%
- other operational costs	346	252	211	-16%
- crew	392	241	236	-2%
- capital costs	150	136	130	-5%
<b>Gross cash flow</b>	213	63	115	84%
<b>Net profit</b>	63	-74	-15	
<b>Number of vessels</b>	2,149	1,696	1,495	-12%
<b>Value / vessel (1000 Eur)</b>	492	413	502	22%
<b>Employment</b>	8,632	5,943	4,834	-19%
<b>Share / man (1000 Eur)</b>	45	41	49	21%

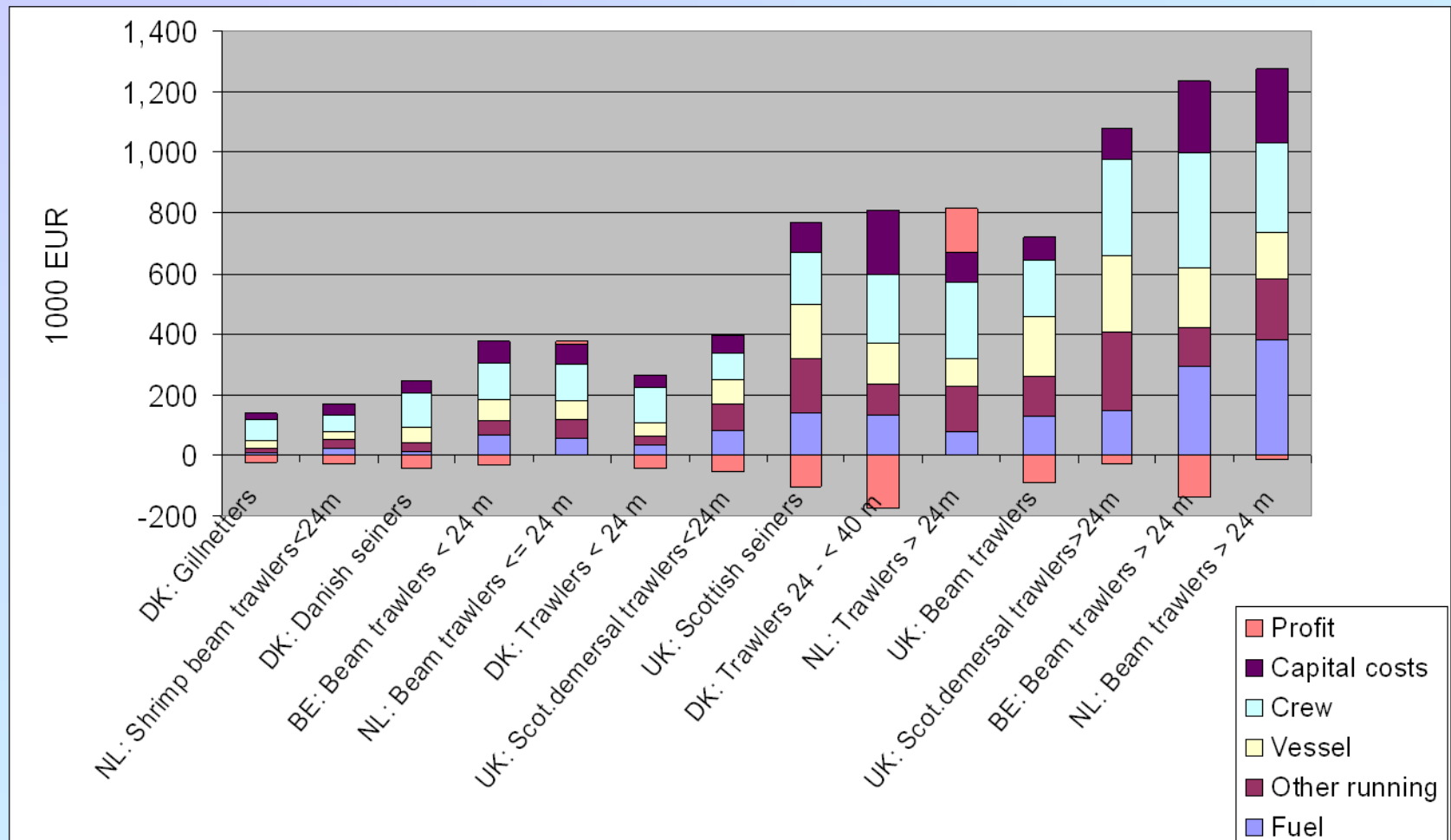
# PRODUCTION VALUE BY FLEET



# LANDINGS VALUE PER VESSEL



# COSTS AND PROFITS, 2004



# OUTLOOK 2005



	2002	2004	2005	05/04
<b>Value of stocks</b>	<b>758</b>	<b>616</b>	<b>626</b>	<b>2%</b>
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# CONCLUSIONS



- Value of the North Sea demersal fisheries has decreased by about one third since 1999.
- Aggregate loss of North Sea fleets reached in 2004 over 70 mln Eur, i.e. about 10% of the production value.
- The decrease in the number of vessels and fishermen creates an impression of constant revenues.
- None of the 14 fleet segments achieves acceptable results.
- Gross cash flow is sufficient to cover interest payments.
- Despite higher fuel price, 2005 will not be worse than 2004.



# THREAT OR OPPORTUNITY ?