



ECONOMIC ASSESSMENT  
OF EUROPEAN FISHERIES

# **ECONOMIC PERFORMANCE OF SELECTED EUROPEAN FISHING FLEETS**

**ANNUAL REPORT 2005**

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This report has been carried out under EC Contract FISH/205/12. It does not reflect EC's views and in no way anticipates the Commission's future policy in this area.

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# Abbreviations and terminology

Bln	billion
EUR	Euro
FTE	Full time equivalents
GRT	gross registered tonnage
GT	gross tonnage
kW	kilowatt
mEUR	mln Euro
Mln	million

*Economic terms (see also appendix 23)*

Value of landings	Revenues from sale of fish, sometimes incl. other minor income (vessel rent, etc.).
Gross value added (GVA)	Contribution to gross national product (GNP), sum of remuneration of labour (crew) and capital (owner).
Gross cash flow (GCF)	Value of landings minus all expenses, excl. depreciation and interest. This amount is available to cover capital costs – depreciation and interest.
Net profit	Value of landings minus all expenses, incl. depreciation and interest. This amount is before tax.
Invested capital	Value of the active fleet, after depreciation.
Other running costs	Costs depending on vessel activity, excl fuel, e.g. sale of fish, ice, food, repair of fishing gear, etc.
Vessel costs	Costs which are independent of vessel activity, e.g. insurance, part of maintenance, etc.
Depreciation	Decrease of the value of the vessel and equipment due to age, use, etc.
Interest	Opportunity costs of capital, i.e. potential interest income which would have been received if the capital value would be in a bank deposit.
Nominal value	Value calculated at current prices, containing effects of inflation
Real value	Value calculated at constant prices so that effect of inflation is eliminated.
Break-even revenue	Revenue level at which all costs are covered and net profit is zero.
Productivity	Production value (real or nominal) per unit of input (man-year, kW, etc.)

## Fishing fleets presented in the report

# Introduction

This Annual Economic Report 2005 on 'Economic performance of selected European fishing fleets' has been prepared under EC contract FISH/2005/12. It is a continuation of three Concerted Actions, which produced similar reports in the years 1996-2004<sup>1 2</sup>.

The report aims to support the economic advice provided by STECF according to the EC Regulation 2371/2002 of 20 December 2002, article 33, and to contribute to inclusion of economic considerations when new measures under CFP are being developed.

The selection of the fishing fleets, discussed in this report, is based on practical considerations of data availability or accessibility. Although some major segments of the various national fleets are not (yet) covered and various statistical problems exist, the contributing institutes have succeeded in bringing together data that has never been published before. The report shows data that is available and identifies data that is not. It points to the fundamental problems relating to the possibilities of empirical economic analysis of fishing fleets, given the current state of knowledge and statistics.

The report is composed of 19 chapters, organised by country, covering all EU Member States with marine fisheries (except France), the new Member States in the Baltic area as well as Iceland, Norway and Faeroe Islands. Economic performance of 89 specific segments of fishing fleets of 2004 is discussed and outlook for 2005 is presented. A parallel statistical appendix supplements each chapter, presenting time series for the period 1999-2004.

All chapters are set up in an identical manner. They contain general information on the total national fishing fleet and elaborate the economic performance of several specific fleet segments, which can be identified in that country. The national fleets as well as the fleet segments are discussed in terms of their main characteristics, economic and technical indicators, economic performance in 2004 and the outlook of the results for 2005, based on indications of the first six to nine months of 2005. The sections on individual fleet segments present furthermore a pie chart showing the share of that segment in the total production value of the national fishing fleet.

The appendices are also organised by country and by fleet segment, with a given sequence of tables. The first table x.0 contains the most recent data regarding the composition of the national fleet by fleet segment. It is meant as a general overview. The three following tables provide further details on the national fleet. Table x.1.1 gives time series on economic and capacity indicators, table x.1.2 on total catches of the main species in value and volume and table x.1.3 offers overview of the composition of the national fleet by size and age classes. The data on the various fleet segments are presented in a similar manner in three tables, segment by segment.

The texts as well as the tables contain information on monetary values in Euro. The values of national currencies presented in earlier reports until 2001 were recalculated into Euro. Consequently some trends may have changed, because of the influence of changes in exchange rates.

Data presented in this report is in most countries collected according to the requirements of the data collection regulation EC Reg. 1639/2001.

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<sup>1</sup> Concerted Action: Co-ordination of Research in Fishery Economics (CT94 1489), 1994-1997; and Concerted Action: Promotion of Common Methods for Economic Assessment of EU Fisheries, FAIR PL97-3541, 1998-2001.  
Concerted Action: Economic Assessment of European Fisheries, Q5CA-2001--01502

<sup>2</sup> The 2001 report was financially made possible by the Danish Research Institute for Agricultural and Fisheries and Economics.



The interpretation of the economic figures provided in this report should be made with care. First of all, the data is based on samples, surveys and estimations with proxies. The reliability is as good as can be achieved with the means available. Further improvements need to be implemented in the future. Secondly, the results are assessed from an economic and not from a fiscal point of view. This means particularly that full costs of capital (depreciation and interest) are imputed, which in some cases depresses the apparent net profit, which is profit before tax. In fiscal terms, the fishing companies will have usually higher profit before taxation than indicated in this report because their capital costs may be lower. In order to address this problem, the main indicator used for analysis is gross cash flow. Gross cash flow lies close to the views on running business in the fishing companies.

Another issue to consider is the crew share. In many countries the crew members are considered as self-employed. This implies that they also need to cover the expenses of various social security schemes and pension, which would be at least partly covered by employer if they would be employees of the company. To determine the disposable income, it is therefore not sufficient to subtract only the income tax. Also comparisons to income levels of employees in other industries should take into account that fishermen often have a status of self-employed.

The economic data is developed mostly along one common method, presented in Appendix 23. However, in some countries a different approach had to be followed. Main differences can be found in the calculation of the capital value of the fleets and consequently in the capital costs of interest and depreciation.

The appendix 22 contains information about the reliability of the presented data. The total population (number and average size of vessels in a given fleet segment) is compared to the number and average size of vessels in the sample (i.e. vessels on which data was collected). Furthermore the (relative) standard error and the value of the Student's t-test are presented. The meaning of these indicators is explained in the introduction to this appendix.

The authors are well aware of many limitations and problems of this report. In order to develop a publication, which will be of increasing use to industry representatives, administrators and policy makers, the authors would appreciate receiving comments, additions and criticisms regarding contents, presentation or any other aspect of this report. A useful source of information can be only developed in dialogue with the users. Names and addresses of all contributing partners can be found at the end of the report.

## Executive summary

The report presents economic results for 2004 of 19 national fleets and 89 specific fleet segments, representing about 55-60% of the total fishery sector of the EU in terms of value, 65-70% in terms of volume of landings and about 40% of employment. Coverage by country varies between 3-4% for Greece and 100% for Italy and other countries. In this edition updated statistics were not available for France.

European fishing fleets employed in 2004 about 201,000 people on board. The value of total production is estimated at EUR 8.9 bln. However, for some countries (particularly Spain and France) only data for 2001-2002 is available. As the fishing sector continued to shrink the two values indicate probably the upper limit.

In the European Union alone some 185,000 fishermen produced in 2004 approximately EUR 6.8 bln worth of fish. Compared to the year 2003, the value of production has decreased by EUR 0.6 bln (8%) and the employment by 3%.

Out of the 89 specific segments on which data is presented, the short term performance of 52 segments has deteriorated compared to 2002/2003. These 52 segments represented 59% of the total production value and 50% of crewmen of the surveyed fleets. Only 14 segments, with 10% of the production value (9% of employment), managed to improve their short term results.

In longer term perspective (2002-2004) 45 segments (70% of the production value and 69% of employment) still operate at or above the break-even level, i.e. they are able to cover all their costs, incl. depreciation and interest on own capital. Their performance is classified as strong or reasonable.

There are significant differences in productivity among fleet segments, countries and regions. Fleet segments of EU-15 covered in the report achieve an average value of landings per employed of some EUR 56,000. In the four new Members States average labour productivity amounts to approximately EUR 15,000, while in the Nordic non-EU countries the fleets generate about EUR 148,000 per person. Considering that the report largely covers the relatively more productive fleet segments, the labour productivity in the segments which are not covered is substantially lower. For the fisheries in the EU-15 this can be estimated at about EUR 28,000. The difference in productivity can be at least partly explained by higher capital intensities - in the EU-15 segments there are 50 kW/man in the new Member States 33 kW/man and the segments of the three Nordic countries have 100 kW/man.

## European overview

### *Main findings*

This Annual Report 2005 on the *Economic Performance of Selected European Fishing Fleets* presents data on 89 fleet segments and 19 national fleets, i.e all relevant EU Member States (excl. France) and three Nordic non-EU countries.

The total fisheries production of these countries can be estimated at 10 mln tonnes of fish worth EUR 8.9 bln. The sector employed some 201.000 people, working on board 83,000 vessels. The EU-25 produced approximately 5.7 mln tonnes of fish with an estimated value of EUR 6.8 bln. Some 185,000 fishermen were employed in the sector.

*Table 0.1 Main indicators by country, 2004*

Variable	Value of landings	Employment on board (FTE)	Volume of landings (1000 t)	Fleet - number of vessels <sup>3</sup>	Fleet - total kW (1000)
Belgium	86	546	24	123	66
Denmark	352	3,200	1,072	1,242	296
Finland	21	574	87	330	56
France	1,078 <i>b</i>	13,824 <i>a</i>	594 <i>b</i>	5,640 <i>c</i>	900 <i>c</i>
Germany	176	2,133	238	2,162	161
Greece	291	30,200 <i>c</i>	91	19,022	563
Ireland	194	5,159	316	1,414	214
Italy	1,380	35,195	288	14,873	1,213
Netherlands	380	2,245	520	388	365
Portugal	347	21,345	166	10,089	391
Spain	1,500 <i>e</i>	47,757	930 <i>a</i>	14,532	1,149
Sweden	91	2,223	269	1,672	223
United Kingdom	740	11,559	655	6,641	828
Estonia (d)	9	2,174	64		
Latvia (d)	19	951	81	184	35
Lithuania	52	2,423	156	264	63
Poland	40	3,795	154	1,235	135
Faeroe Islands	185	2,000	336 <i>e</i>	79 <i>e</i>	51 <i>e</i>
Iceland	820	4,498	1,728	1,468	488
Norway	1,123	9,412	2,374	1,913	894
<b>Total</b>	<b>8,882</b>	<b>201,214</b>	<b>10,141</b>	<b>83,271</b>	<b>8,091</b>
- EU-25	6,754	185,304	5,704	79,811	6,658
- non EU	2,128	15,312	4,438	3,460	1,434

a = 2001, b = 2002, c = 2003, d = Baltic fleet only, e = estimate

<sup>3</sup> The total number of registered fishing vessels in the EU amounts to approximately 90,000. In some countries, vessels which did not meet specific activity criteria were classified as not being professionally active. Therefore the number of vessels presented in this report is lower than the figure originating from the EU fleet register.

In 2004 the fisheries sector has again contracted compared to earlier years. Trends of the fisheries sector in EU-15 are presented in fig 0.1. Employment and volume of landings were in 2004 about 30% below the level of 1998. Value of landings and the number of vessels have decreased at a lower pace and were 15% and 19% respectively lower than 6 years earlier. The real value of landings, i.e. after accounting for inflation, has decreased by about 24%.

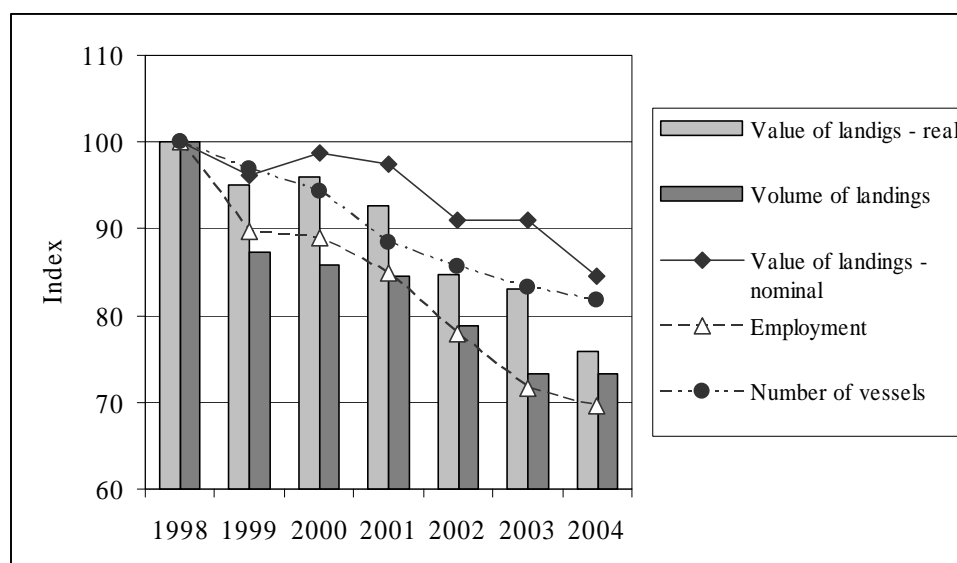


Fig. 0.1 Trends in fisheries of EU-15

#### Coverage of the report

Coverage of the fisheries of individual countries is presented in table 0.2. Overall, the 89 segments included in this report represent 57% of European fisheries in terms of value of landings and almost 39% in terms of employment. As for individual countries the coverage varies from less than 3-4% in Greece to 100% for Italy, Netherlands, and others. Coverage of various other countries is also quite high. The remaining countries are presented to the limit of the current data availability.

It may be expected that implementation of the Council decision on data collection (EC Reg. 1543/2000 and 1639/2001) will lead to an improvement of data availability and quality in the coming years. Furthermore, in various EU Member States relevant data do exist (particularly on fleets, effort and catches), but these are not yet accessible for the purposes of this report.

Table 0.2 Coverage of the countries

(fleet segments presented in the report as % of the national total)

Variable	Value of landings	Employment on board	Volume of landings	Number of vessels	Fleet - total kW
Belgium	95%	93%	88%	94%	96%
Denmark	84%	85%	87%	78%	87%
Finland	100%	100%	100%	100%	100%
France	n.a.	n.a.	n.a.	n.a.	n.a.
Germany	93%	105%	94%	93%	93%
Greece	4%	1%	4%	0%	3%
Ireland	87%	44%	27%	57%	60%
Italy	100%	100%	100%	100%	100%
Netherlands	100%	100%	100%	100%	100%
Portugal	32%	23%	58%	3%	34%
Spain	22%	10%	13%	4%	15%
Sweden	98%	56%	98%	31%	71%
United Kingdom	52%	35%	26%	15%	36%
Estonia (a)	75%	24%	84%	n.a.	n.a.
Latvia (a)	100%	100%	100%	100%	100%
Lithuania	100%	100%	100%	100%	100%
Poland	100%	100%	100%	100%	100%
Faeroe Islands	95%	70%	n.a.	n.a.	n.a.
Iceland	100%	100%	100%	100%	100%
Norway	46%	46%	64%	64%	50%
<b>Total</b>	<b>57%</b>	<b>39%</b>	<b>68%</b>	<b>32%</b>	<b>53%</b>
- EU-25	52%	37%	57%	30%	49%
- non EU	71%	67%	81%	80%	72%

a) Data covers the Baltic Sea fisheries only, but not the distant water fleets.

#### Methodology for the evaluation of economic performance

Economic performance of individual fleet segments is evaluated in short and medium term. For the medium term performance, the average realised revenues for 2002-2004 (in some case 2001-2003) were compared to the required 'break-even revenue'. The break-even revenue represents a level of production at which all costs are covered, so that the segment could implement regular replacement investments in the long run. It may be safely assumed that economic results at break-even level usually imply very satisfactory profitability in fiscal terms.

Medium term indicator (mti) = Average revenue 2002-2004 / Break-even revenue 2002-2004

Table 0.3 Classification of the medium term performance

Range	Classification	Symbol	Comments
mti $\geq$ 105%	Strong	++	Companies have no problems meeting all their financial obligations.
95% $\leq$ mti < 105%	Reasonable	+	All costs are more or less covered, at low level of profits or losses
85% $\leq$ mti < 95%	Weak	-	Minor losses lead to deterioration of solvability.
mti < 85%	Very weak	--	Losses, probably also in fiscal terms, have been incurred in previous years. The commitment of the banks to support the fishing company may be gradually eroded.

For the short term performance, gross cash flow of 2004 was compared to the average gross cash flow of 2002-2003. Gross cash flow is a good short term indicator in fisheries. Positive

gross cash flow means that the company is capable of paying for all of its operational costs and meeting at least part of its obligations to its creditors (bank). Empirical research shows that companies can survive short term (1-2 years) losses as long as the cash flow remains positive. Three performance classes are distinguished:

Short term performance (stp) = Gross cash flow 2004 / Average gross cash flow 2002-2003

*Table 0.4 Classification of short term performance*

Range	Classification	Symbol	Comments
Stp $\geq$ 105%	Improvement	+	Gross cash flow in 2004 exceeds the earlier years by more than 5%.
95% $\leq$ stp < 105%	Stable	+/-	Gross cash flow of 2004 is within +/- 5% of the 2002-20033 value.
Stp < 95%	Deterioration	-	Gross cash flow of 2004 is by more than 5% below the earlier years.

#### *Economic performance in 2004*<sup>4</sup>

Details on costs and earnings of 89 specific fleet segments can be considered as a relatively reliable proxy for the performance of European fishing fleets which are operated commercially on year round basis. These are the relatively larger vessels. The covered fleets represent only 32% of the total number of vessels, with 53% of total kW and 39% of employment. However, they land 68% of the European catches in tonnes and 57% in value. The results of the small scale fisheries may therefore be very different, although certainly not better, rather worse, than the fleets covered.

Selected economic indicators per fleet segment are summarised in table 0.10. Particular attention is drawn to the columns on 'Short term' and 'Medium term' economic performance.

Tables 0.5, 06 and 0.7 present the trends in short and medium term economic performance in 2004, compared to years 2001-2003. The short term performance has deteriorated for 52 segments (59% of the landed value and 50% of employment). In the short term gross cash flow of 2 segments has improved or remained stable. These segments represent 33% of the production value and 36% of employment of the covered fleets. 45 segments representing 70% of the total value of landings (69% of employment) show reasonable or strong results in the medium term, i.e. the value of landings amounted to at least 95% if the required break-even revenues.

<sup>4</sup> In some cases data for 2001 had to be used as a proxy.

*Table 0.5 Short and medium term performance in 2004 (number of segments)<sup>1</sup>*

Medium term	Short term				Total
	Deterioration (-)	Stable (+/-)	Improvement (+)	Not available	
Very weak (--)	19		2		21
Weak (-)	5	1	1		7
Reasonable (+)	7	1	3		11
Strong (++)	21	5	8		34
Not available		1		15	16
<b>Total</b>	<b>52</b>	<b>8</b>	<b>14</b>	<b>15</b>	<b>89</b>

*Table 0.6 Economic size of fleet segments according to their performance in 2004  
(% of value of landings, 100% = EUR 5,045 mln)<sup>1</sup>*

Medium term	Short term				Total
	Deterioration (-)	Stable (+/-)	Improvement (+)	Not available	
Very weak (--)	13%		1%		14%
Weak (-)	7%	0%	2%		9%
Reasonable (+)	6%	3%	4%		14%
Strong (++)	34%	20%	3%		56%
Not available		0%		8%	8%
<b>Total</b>	<b>59%</b>	<b>23%</b>	<b>10%</b>	<b>8%</b>	<b>100%</b>

*Table 0.7 Economic size of fleet segments according to economic performance in 2004  
(% of employment, 100% = 78,665)<sup>1</sup>*

Medium term	Short term				Total
	Deterioration (-)	Stable (+/-)	Improvement (+)	Not available	
Very weak (--)	13%		1%		14%
Weak (-)	2%	0%	1%		3%
Reasonable (+)	6%	1%	4%		11%
Strong (++)	30%	25%	3%		58%
Not available		0%		14%	14%
<b>Total</b>	<b>50%</b>	<b>27%</b>	<b>9%</b>	<b>14%</b>	<b>100%</b>

1. Interpretation aid: for top left cell in the tables 0.5-07: The figures imply that e.g. 19 segments (table 0.5) had a very weak economic performance in medium term and their situation deteriorated further in 2004. These segments represent 13% of the value of the landings of all segments included in the report and they employ 13% of the crews covered by the report.

Table 0.7 shows that 69% of the crews work on board vessels which still perform satisfactorily in medium term. However, this does not necessarily mean that the level of their income improved or at least remained constant. Some 50% of the crews experienced deterioration of their income, because the gross cash flow of their vessels decreased compared to 2002-2003.

Table 0.8 specifies the segments according to their short and medium term performance.

*Table 0.8 Classification of segments according to short and medium term performance*

Medium term	Short term		
	Deterioration (-)	Stable (+/-)	Improvement (+)
Very weak (-)	DK: Danish seiners DK: Gillnetters DK: Trawlers < 24 m DK: Trawlers 24 - < 40 m ES: Trawlers < 24 m ES: Trawlers > 24 m FI: Trawlers > 24 m GE: Baltic coastal vessels GE: Baltic trawlers	IC: Coastal vessels < 10 GT IC: Pelagic trawlers/purse seiners LA: Trawlers > 24 m NL: Shrimp beam trawlers < 24 m NO: Pelagic trawlers PL: Pelagic trawlers 24 - < 40 m PO: Gillnetters, north > 40 GT UK: Beam trawlers UK: Scot. demersal trawlers < 24 m UK: Scottish seiners	LA: Trawlers < 24m SP: Galician purse seiners
Weak (-)	BE: Beam trawlers > 24 m FI: Trawlers < 24 m NL: Pelagic freezer trawlers	IC: Trawlers PO: Longliners	FI: Gillnetters NO: Trawlers
Reasonable (+)	BE: Shrimp beam trawlers FA: Longliners PO: NAFO trawlers PO: Trawlers	SP: N and NW trawlers UK: Scallop trawlers UK: Scot. demersal trawlers > 24 m	NL: Beam trawlers > 24 m GE: Demersal freezer trawlers NL: Beam trawlers <= 24 m NO: Coastal vessels
Strong (++)	BE: Beam trawlers < 24 m DK: Purse s. / trawlers = 40m FA: Freezer trawlers FA: Pair trawlers FA: Pelagic trawlers/purse s. GE: Pelagic freezer trawlers GE: Shrimp beam trawlers IC: Other vessels > 10 GT IT: Mediterranean trawlers IT: Midwater pair trawlers	LI: Atlantic trawlers LI: Coastal vessels < 12 m LI: Gillnetters PO: Coastal purse seiners SP: 300 fleet SW: Gillnetters >= 12 m SW: Nephrop trawlers SW: Pel. trawlers/purse s. > 24 m SW: Shrimp trawlers UK: North. Ir. nephrops trawlers UK: Scottish nephrops trawlers	IC: Freezer trawlers IT: Purse seiners IT: Small scale fisheries LA: Gillnetters NO: Trawlers / purse seiners GR: Thermaikos trawlers < 24m GR: Thermaikos trawlers > 24m IT: Dredgers LI: Baltic trawlers NL: Trawlers > 24m SW: Cod trawlers < 24 m SW: Gillnetters < 12 m SW: Pelagic trawlers < 24 m

*Outlook for 2005 and 2006 – fuel price rise*

Out of the 89 segments presented in this report, data for 87 segments is sufficient to assess the consequences of the increase of fuel price during the first 10 months of 2005.

The aggregate size of these 87 segments is:

- Number of vessels	-	26,433
- Engine power	-	4,282,000 kW
- Landings	-	6,814,000 tonnes
- Value of landings	-	5,013 mln EUR
- Employment	-	78,484 fishermen

Several scenarios of the consequence of a structural fuel price increase are presented in the table 0.9, under the assumption that the above aggregate parameters for the segments will remain approximately constant. Evidently the performance will deteriorate further should the value of landings decrease further, following the trend shown in fig. 0.1.

*Table 0.9 Aggregated consequences of fuel price increase on surveyed fleets (mln EUR)*

	Fuel costs	Crew share	Gross cash flow	Net profit	Gross value added
Situation 2004	808	1,656	1,000	262	2,657
Fuel price +25%	1,010	1,577	877	139	2,454
Fuel price +50%	1,212	1,497	754	16	2,252
Fuel price +100%	1,616	1,338	510	-228	1,848

In many countries fishermen are paid on share basis, often percentage of the value of landings after costs of fuel have been subtracted. For the 87 fleets, the average crew share amounts to 39%. Consequently, when fuel price rises, part of the expenses is born by the crews.



The table 0.9 shows that these fleets have spent in 2004 aprox. EUR 808 mln on fuel. At the same time they realized an aggregate profit of EUR 262 mln. The fuel prices was in October 2005 approximately 60% higher than the price at the end of 2004. If the fuel price would structurally increase by 50%, than the crew share would deteriorate by 10% and the gross cash flow by 25%. The aggregate net profit would approach zero. However, this relatively still positive result is largely a consequence of the performance of the 6 segments of the Italian fleet. Most other segments would not only face a net loss but also their gross cash flow would be close to zero, so that they would not be able to meet their debt obligations.

*Table 0.10 Selected indicators for individual segments*

	Short term	Medium term	Value of landings / vessel (1000 EUR)	GVA / value of landings	GVA / crewman (1000 EUR)
<b>Belgium</b>					
Beam trawlers < 24 m	-	++	343	47%	47
Beam trawlers > 24 m	-	-	1,093	43%	85
Shrimp beam trawlers	-	+	125	32%	16
<b>Denmark</b>					
Purse s. / trawlers >= 40	-	++	1,831	54%	130
Trawlers 24 - < 40 m	-	--	631	41%	49
Trawlers < 24 m	-	--	219	51%	42
Gillnetters	-	--	117	62%	45
Danish seiners	-	--	203	55%	43
<b>Finland</b>					
Trawlers < 24 m	-	-	76	55%	22
Trawlers > 24 m	-	--	363	45%	50
Gillnetters	+/-	-	83	41%	15
Coastal vessels	+/-	na	31	53%	11
<b>Germany</b>					
Demersal freezer trawlers	+	+	4,625	56%	74
Shrimp beam trawlers	-	++	152	58%	38
Pelagic freezer trawlers	-	++	11,000	60%	124
Baltic trawlers	-	--	169	45%	29
North Sea trawlers	na	na	896	0%	0
Baltic coastal vessels	-	--	7	48%	7
<b>Greece</b>					
Thermaikos trawlers > 24 m	+	++	271	55%	37
Thermaikos trawlers < 24 m	+	++	151	48%	24
<b>Ireland</b>					
NW Polyvalent <- 12 m	na	na	70	65%	34
Polyvalent 12 <- 18 m	na	na	171	24%	16
Polyvalent 18 <- 24 m	na	na	504	23%	20
Polyvalent >= 24m	na	na	608	34%	28

	Short term	Medium term	Value of landings / vessel (1000 EUR)	GVA / value of landings	GVA / crewman (1000 EUR)
<b>Italy</b>					
Mediterranean trawlers	-	++	204	56%	34
Purse seiners	+/-	++	340	68%	29
Midwater pair trawlers	-	++	402	63%	41
Dredgers	+	++	114	78%	45
Multipurpose vessels	na	na	104	66%	22
Small scale fisheries	+/-	++	39	69%	16
<b>Netherlands</b>					
Shrimp beam trawlers < 24 m	-	--	139	43%	29
Beam trawlers <= 24 m	+	+	374	52%	58
Beam trawlers > 24 m	+/-	+	1,260	42%	76
Trawlers > 24 m	+	++	813	61%	148
Pelagic freezer trawlers	-	--	7,688	40%	85
<b>Portugal</b>					
Trawlers	-	+	347	41%	13
Coastal purse seiners	-	++	232	59%	8
NAFO trawlers	-	+	1,608	44%	20
Longliners	-	-	471	38%	11
Gillnetters, north > 40 GT	-	--	152	54%	6
<b>Spain</b>			103	0%	0
300 fleet	-	++	1,128	60%	51
N and NW trawlers	-	+	507	53%	31
Galician purse seiners	+	--	236	72%	36
<b>Sweden</b>					
Pel. trawlers/purse seiners > 24 m	-	++	674	24%	26
Pelagic trawlers < 24 m	+	++	149	65%	57
Shrimp trawlers	-	++	191	29%	19
Cod trawlers >= 24 m	na	na	415	0%	0
Cod trawlers < 24 m	+	++	189	46%	36
Nephrop trawlers	-	++	82	29%	14
Gillnetters >= 12 m	-	++	73	41%	13
Gillnetters < 12 m	+	++	36	57%	15
<b>United Kingdom</b>					
Scot. demersal trawlers > 24 m	-	+	1,046	37%	68
Scot. demersal trawlers < 24 m	-	--	339	27%	20
Scottish seiners	-	--	667	25%	36
Beam trawlers	-	--	631	27%	29
North. Ir. nephrops trawlers	-	++	162	20%	9
Scottish nephrops trawlers	-	++	229	25%	18
Scallop trawlers	-	+	294	28%	33
<b>Estonia</b>					
Trawlers < 24 m	-	--	9	67%	2
Trawlers > 24 m	-	--	88	42%	6

	Short term	Medium term	Value of landings / vessel (1000 EUR)	GVA / value of landings	GVA / crewman (1000 EUR)
<b>Faeroe Islands</b>					
Pelagic trawlers/purse s.	-	++	4,000	56%	103
Freezer trawlers	-	++	7,800	67%	99
Pair trawlers	-	++	1,404	50%	76
Longliners	-	+	2,105	65%	49
<b>Iceland</b>					
Trawlers	-	-	2,926	56%	110
Pelagic trawlers/purse s.	-	--	2,806	52%	97
Freezer trawlers	+/-	++	7,451	57%	167
Other vessels > 10 GT	-	++	683	58%	123
Coastal vessels < 10 GT	-	--	70	49%	27
<b>Latvia</b>					
Trawlers > 24 m	-	--	141	35%	8
Trawlers < 24 m	+	--	53	44%	8
Gillnetters	+/-	++	93	50%	8
<b>Lithuania</b>					
Coastal vessels < 12 m	-	++	2	58%	1
Baltic trawlers	+	++	108	67%	13
Atlantic trawlers	-	++	2,565	23%	6
Gillnetters	-	++	52	27%	3
<b>Norway</b>					
Coastal vessels	+	+	102	62%	31
Trawlers	+	-	3,271	51%	67
Trawlers / purse seiners	+/-	++	5,463	59%	164
Pelagic trawlers	-	--	1,120	43%	51
<b>Poland</b>					
Demersal trawlers < 12 m	na	na	12	73%	3
Demersal trawlers 12 -< 24 m	na	na	35	29%	3
Demersal trawlers 24 -< 40 m	na	na	39	-32%	-2
Pelagic trawlers 24 -< 40 m	-	--	204	32%	10
Longliners < 12 m	na	na	36	54%	6
Gillnetters 12 -< 24 m	na	na	34	35%	3
Gillnetters 24 -< 40 m	na	na	36	35%	2
Passive gear vessels < 12 m	na	na	13	67%	4
Polyvalent 12 -< 24 m	na	na	43	57%	6

## Summary by region

The fleet segments presented in this report may be broadly divided into fisheries in six main regions North Sea, Baltic Sea, three Atlantic areas and the Mediterranean Sea. Segments which operate in two or three of these regions during the year have been included in regions which are most important for their earnings. A summary is presented in the table 0.11. It must be stressed that this table does not contain the totals for the specified regions, but only the aggregations of the fleet segments included in this report.

*Table 0.10 Regional summary - main indicators of the presented fleet segments, 2004 a)*

	North Sea	Baltic Sea	North Atlantic	Central Atlantic	South Atlantic	Mediterranean	Other	Total
Number of segments	16	30	16	9	6	8	2	87
Value of landings (mEUR)	824	204	1,614	616	199	1,393	164	5,013
Gross cash flow (mEUR)	89	24	314	46	27	473	27	1,000
Net profit (mEUR)	-79	-16	25	-21	-7	369	-10	262
Gross value added (mEUR)	372	82	893	252	109	878	72	2,657
Employment on board	6,906	8,681	12,791	7,497	6,437	35,399	773	78,484
Volume of landings (1000t)	1,146	699	3,772	212	159	292	534	6,814
Number of vessels	2,013	4,301	2,816	1,727	629	14,927	20	26,433
Total kW (1000)	753	467	1,134	406	180	1,231	112	4,282
VL / man (1000 EUR)	119	23	126	82	31	39	212	64
GVA / man (1000 EUR)	54	9	70	34	17	25	93	34
kW / vessel	374	109	403	235	286	82	5,590	162
VL / vessel (1000 EUR)	409	47	573	357	316	93	8,185	190
VL / kW (EUR)	1,095	436	1,423	1,518	1,104	1,132	1,464	1,171
VL / tonne (EUR)	719	291	428	2,914	1,251	4,765	306	736

VL = value of landings, GVA = gross value added

a) German North Sea trawlers and Swedish Cod trawlers > 24 m are excluded due to insufficient data.

There are significant differences in productivity per employed, vessel or kW among the various regions. The low average productivity of the Baltic fisheries is largely caused by the performance of the vessels in the new Member States and the fact that in coastal fleets of Sweden and Finland fishing is a part time activity. Apart from the Baltic, in the other areas there is relatively little difference in the value of landings per kW, while the difference in the value of landings per crewman is very substantial. The most important regional difference is in the average value of landings per tonne. This value is the Mediterranean 6-7 times higher than in the North Sea and 11 times higher than in the North Atlantic.

The positive net profit of European fleets is exclusively produced by the Mediterranean (Italian) fleets. Fishing fleets in all other areas achieve just about break-even level or make a loss.

## North Sea

The North Sea covers ICES areas IV and IIIa – Skagerrak and Kattegat. The analysis of the performance of the North Sea fleets in 2004 is based on data regarding 17 segments from Belgium, Denmark, Germany, Netherlands and the United Kingdom. Trends are evaluated on the basis of 15 segments, due to insufficient time series on 2 German fleets.

### Capacity in 2004

In 2004, the 17 North Sea fleet segments consisted of 2,040 vessels with a total of 769,000 kW and some 7,000 people on board. Compared to 2003, employment decreased by about 6.5% while the fleet size remained relatively constant.

Table 0.12 Capacity indicators, North Sea segments

	2004	Change 2004/2003, %
Employment	7,041	-6.5%
Number of vessels	2,040	-0.7%
Total kW (1000)	769	-0.4%

### Trends 1998-2004

Nominal value of landings, volume of catches and employment decreased between 1998 and 2004 by about 32%, i.e. 6-7% per year. The number of vessels and the aggregate engine power decreased in a slightly slower pace - by 20%. Between 2000 and 2002 the fleet has operated at a break-even point, but since 2003 the losses have been increasing and reached an estimated EUR 79 mln in 2004.

Productivity per unit of physical capital (value of landings per vessel or per kW) has been decreasing – in real terms by almost 5% per year. The crew share has decreased substantially in 2000, due to increasing fuel price in that year. As the fuel price decreased in 2001-2002, the earnings per crewman have recovered, but decreased again in 2003 and 2004 due to a 20% drop in value of landings. In 2004 the real crew share per man was 17% below the level of 1998.

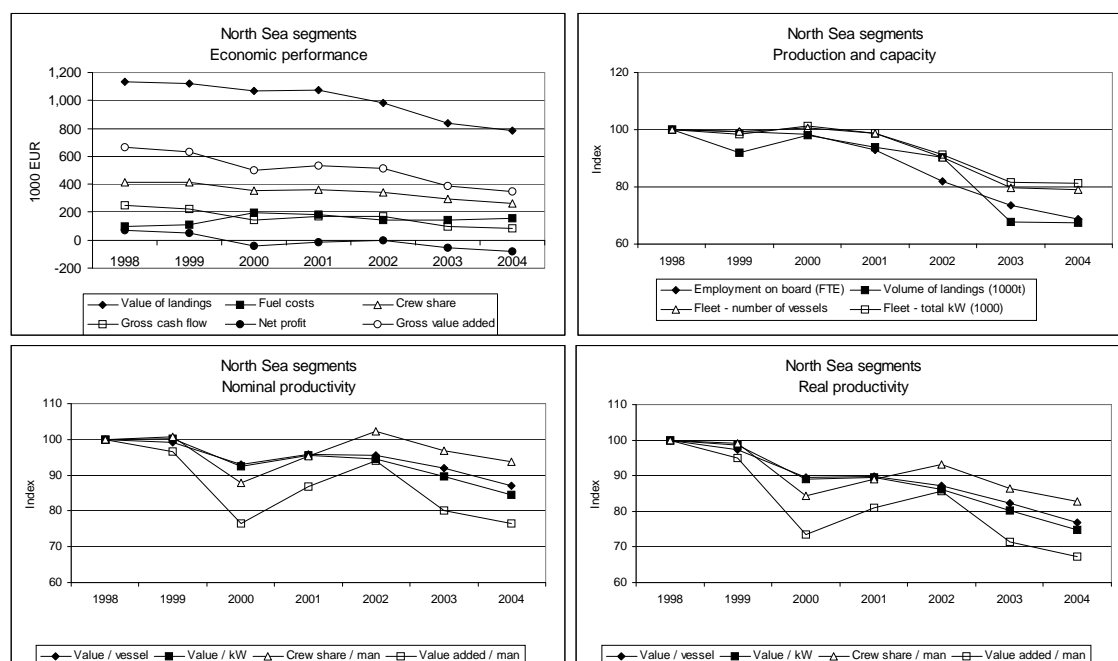


Fig. 0.2 Trends of the North Sea segments

## *Economic performance in 2004*

Table below highlights changes in the economic performance of the analysed North Sea segments. In 2004, 13 segments reported deterioration in the short term economic performance representing 69% of the value of landings. In the medium term only 8 segments still have a strong or reasonable performance. In 2003 16 out of 17 segments were still classified as strong or reasonable

*Table 0.13 Short and medium term performance in 2004  
(number of segments and value of landings)*

Medium term	Short term			Na	Total
	Deterioration	Stable	Improvement		
Number of segments					
Very weak	7				7
Weak	1				1
Reasonable	2	1	1		4
Strong	3		1		4
Na				1	1
<b>Total</b>	<b>13</b>	<b>1</b>	<b>2</b>	<b>1</b>	<b>17</b>
Value of landings (mEUR)					
Very weak	303				303
Weak	67				67
Reasonable	77	165	64		306
Strong	136		12		148
Na				24	24
<b>Total</b>	<b>583</b>	<b>165</b>	<b>76</b>	<b>24</b>	<b>848</b>

## *Outlook for 2005 and 2006*

The total value of landings of the 16 segments<sup>5</sup> amounted to some EUR 824 mln in 2004. The total fuel costs were about EUR 163 mln. If the average fuel price in 2005 and 2006 would be 35% above the 2004 level, then the fuel costs would increase by EUR 57 mln. The crew share would in that case decrease by about EUR 24 mln, i.e. 9%, and the net loss would increase by some EUR 33 mln to a total of EUR 112 mln.

## *List of North Sea segments*

### *Belgium*

Beam trawlers < 24 m  
Beam trawlers > 24 m  
Shrimp beam trawlers

### *Germany*

North Sea trawlers  
Shrimp beam trawlers

### *United Kingdom*

Scot. demersal trawlers < 24 m  
Scot. demersal trawlers > 24 m  
Scottish seiners

### *Denmark*

Danish seiners  
Gillnetters  
Purse s. / trawlers >= 40  
Trawlers < 24 m  
Trawlers 24 - < 40 m

### *Netherlands*

Beam trawlers <= 24 m  
Beam trawlers > 24 m  
Shrimp beam trawlers < 24 m  
Trawlers > 24 m

<sup>5</sup> German North Sea trawlers are excluded due to lack of costs data.

## Baltic Sea

The Baltic Sea covers ICES areas IIIb-d. The analysis of the performance of the Baltic Sea fleets in 2004 is based on data regarding 31 segments from all Baltic countries. Trends are evaluated on the basis of 23 segments, due to insufficient time series on most Polish fleets.

### Capacity in 2004

In 2004, the 31 Baltic Sea fleet segments consisted of 4,314 vessels with a total of 475,000 kW and some 8,700 people on board. The size of the sector declined by several percent compared to 2003.

Table 0.14 Capacity indicators, Baltic Sea segments

	2004	Change 2004/2003, % <sup>6</sup>
Employment	8,727	-3.6%
Number of vessels	4,314	-2.1%
Total kW (1000)	475	-1.4%

### Trends 2001-2004

Nominal value of landings decreased by 26% between 2001 and 2004. Volume of landings and employment decreased 6% and 11% respectively. The number of vessels and the aggregate engine power decreased by 8%. The gross cash flow deteriorated significantly from EUR 56 mln in 2001 to only EUR 20 mln.

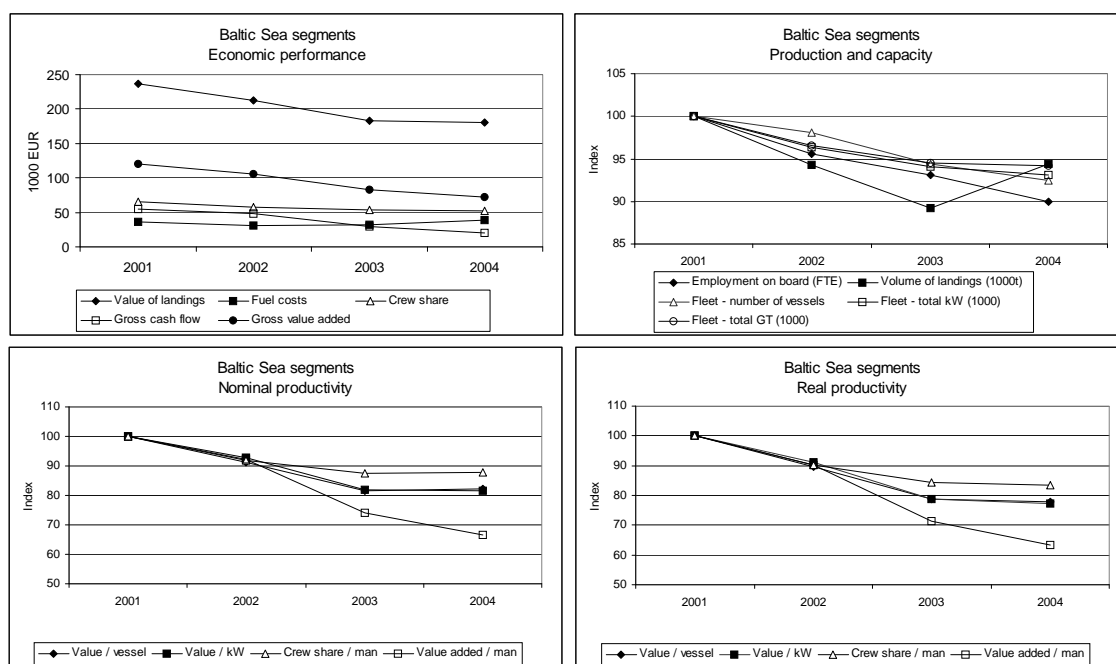


Fig. 0.3 Trends in the Baltic Sea fisheries

Productivity per unit of physical capital (value of landings per vessel or per kW) has been decreasing – in real terms by little over 5% per year. The real labour productivity has decreased substantially: crew share per man by 20% and gross value added per man by 40%. This implies a significant deterioration of the contribution of the fishing industry to the local and regional income.

<sup>6</sup> The change is calculated excluding 8 of the Polish segment, due to lack of data for 2003.

## Economic performance in 2004

Table below highlights changes in the economic performance of the analysed Baltic Sea segments. In 2004, 14 segments reported deterioration in the short term economic performance representing 34% of the value of landings. In the medium term only 11 segments still have a strong performance. These segments represent 45% of the value of landings.

Table 0.15 Short and medium term performance 2004  
(number of segments and value of landings)

Medium term	Short term			Na	Total
	Deterioration	Stable	Improvement		
	Number of segments				
Very weak	7		1		8
Weak	1	1			2
Reasonable					
Strong	6	1	4		11
Na		1		9	10
Total	14	3	5	9	31
	Value of landings (mEUR)				
Very weak	71		3		73
Weak	4	1			5
Reasonable					
Strong	57	5	32		94
Na		7		29	36
Total	132	14	35	29	209

## Outlook for 2005 and 2006

The total value of landings of the 30 segments<sup>7</sup> amounted to some EUR 824 mln in 2004. The total fuel costs were about EUR 47 mln. If the average fuel price in 2005 and 2006 would be 35% above the 2004 level, then the fuel costs would increase by EUR 16 mln. The crew share would in that case decrease by about EUR 6 mln, i.e. 10%, and the net loss would increase from EUR 16 mln in 2004 to about EUR 26 mln in 2005-2006.

## List of Baltic Sea segments

### Estonia

Trawlers < 24 m  
Trawlers > 24 m

### Finland

Coastal vessels  
Gillnetters  
Trawlers < 24 m  
Trawlers > 24 m

### Latvia

Gillnetters  
Trawlers < 24 m  
Trawlers > 24 m

### Poland

Demersal trawlers < 12 m  
Demersal trawlers 12 -< 24 m  
Demersal trawlers 24 -< 40 m  
Gillnetters 12 -< 24 m  
Gillnetters 24 -< 40 m  
Longliners < 12 m  
Passive gear vessels < 12 m  
Pelagic trawlers 24 -< 40 m  
Polyvalent 12 -< 24 m

### Germany

Baltic coastal vessels  
Baltic trawlers

### Sweden

Cod trawlers < 24 m  
Cod trawlers >= 24 m  
Gillnetters < 12 m  
Gillnetters >= 12 m  
Nephrop trawlers  
Pel. trawlers/purse s. > 24 m  
Pelagic trawlers < 24 m  
Shrimp trawlers

### Lithuania

Baltic trawlers  
Coastal vessels < 12 m  
Gillnetters

## North Atlantic

<sup>7</sup> Costs data is not available for the Swedish cod trawlers > 24 m.



The North Atlantic covers ICES areas I-VI, excl. the North Sea. The analysis of the performance of the North Atlantic fleets in 2004 is based on data regarding 16 segments from Norway, Iceland, Faeroe Islands, Portugal, Germany and Lithuania. Trends are evaluated on the basis of 14 segments<sup>8</sup>.

### Capacity in 2004

In 2004, the 16 North Atlantic fleet segments consisted of 2,810 vessels with a total of 986,000 kW and some 10,530 people on board. Fisheries in the area vary from very small coastal boats to large purse seiners and freezer trawlers.

Table 0.16 Capacity indicators, North Atlantic segments

	2004	Change 2004/2003, %
Employment	10,533	-3.3%
Number of vessels	2,810	-0.7%
Total kW (1000)	986	-3.0%

### Trends 1998-2004

Nominal value of landings and volume of catches increased by 10-12%. At the same time employment decreased between 1998 and 2004 by 15%. While the number of vessels dropped by 4%, the aggregate engine power increased by 17%. The fleet has been mostly profitable. Only small losses occurred in 1999 and 2000.

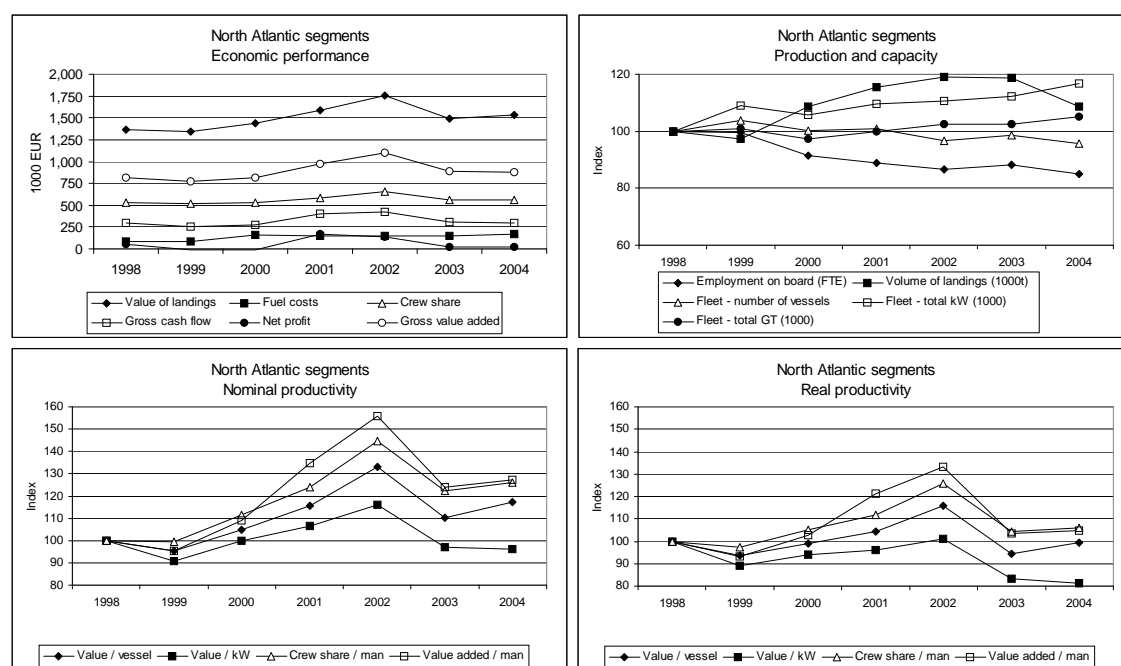


Fig. 0.4 Trends in the North Atlantic fisheries

Value of landings per vessel was in 2004 17% higher than in 1998, but the value of landings per kW dropped by 4%. The real labour productivity has increased by 5-6% over this period. The productivity does not show any clear trend as the total value of landings was rising between 1998 and 2002 and then dropped again.

### Economic performance in 2004

Table below highlights changes in the economic performance of the analysed North Atlantic segments. In 2004, 11 segments reported deterioration in the short term economic

<sup>8</sup> There is insufficient data on the German and Lithuanian segments to include them in the trends analysis.

performance representing 52% of the value of landings. In the medium term 11 segments still have a strong or reasonable performance.

*Table 0.17 Short and medium term performance 2004  
(number of segments and value of landings)*

Medium term	Short term			Na	Total
	Deterioration	Stable	Improvement		
Number of segments					
Very weak	3				3
Weak	1		1		2
Reasonable	2		2		4
Strong	5	2			7
Na					
Total	11	2	3		16
Value of landings (mEUR)					
Very weak	199				199
Weak	123		101		224
Reasonable	63		150		212
Strong	458	520			978
Na					
Total	843	520	251		1614

*Outlook for 2005 and 2006*

The total value of landings of the 14 segments amounted to some EUR 1,531 mln in 2004. The total fuel costs were about EUR 166 mln. If the average fuel price in 2005 and 2006 would be 35% above the 2004 level, then the fuel costs would increase by EUR 58 mln. The crew share would in that case decrease by about EUR 24 mln, i.e. 4%, and the net profit of EUR 20 mln in 2004 would turn into a loss of EUR 14 mln.

*List of North Atlantic segments*

<i>Faeroe Islands</i>	<i>Iceland</i>	<i>Norway</i>
Freezer trawlers	Coastal vessels < 10 GT	Coastal vessels
Longliners	Freezer trawlers	Pelagic trawlers
Pair trawlers	Other vessels > 10 GT	Trawlers
Pelagic trawlers / purse seiners	Pelagic trawlers / purse seiners	Trawlers / purse seiners
	Trawlers	
<i>Germany</i>	<i>Lithuania</i>	<i>Portugal</i>
Demersal freezer trawlers	Atlantic trawlers	NAFO trawlers

## Central Atlantic

The Central Atlantic covers ICES areas VI, VII and VIIIa,b,d. The analysis of the performance of the Central Atlantic fleets in 2004 is based on data regarding 9 segments from Ireland, Spain and the United Kingdom. Trends are evaluated on the basis of 5 segments<sup>9</sup>. For 2004 there was no data available on the French fishing fleets.

### Capacity in 2004

In 2004, the 9 Central Atlantic fleet segments consisted of 3,400 vessels with a total of 794,000 kW and some 14,500 people on board. There has been little change compared to 2003.

Table 0.18 Capacity indicators, Central Atlantic segments

	2004	Change 2004/2003, %
Employment	14,469	-1.2%
Number of vessels	3,399	-1.4%
Total kW (1000)	794	+1.9%

### Trends 1998-2004

Nominal value of landings of the 5 segments decreased between 1998 and 2004 by about 8%. Employment was down by 20%. The number of vessels and the aggregate engine power decreased by 8-9%.

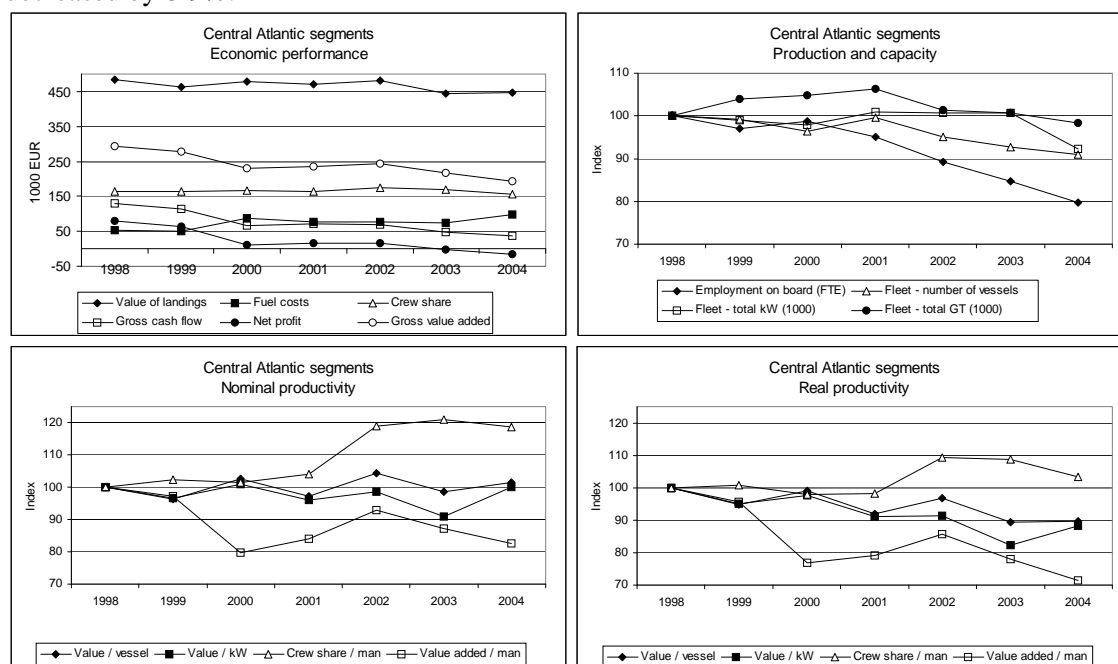


Fig. 0.5 Trends in Central Atlantic fisheries

Productivity per unit of physical capital (value of landings per vessel or per kW) remain rather constant, although inflation has produced a real decrease by about 10%. The real crew share per man was in 2004 3% above the 1998 level. Real gross value added per man was 29% below the 1998 value. This implies that while remuneration of the crew has kept pace with inflation, the net results deteriorated.

<sup>9</sup> Time series are insufficient for the Irish segments.

### *Economic performance in 2004*

Table below highlights changes in the economic performance of the analysed Central Atlantic segments. In 2004, all 5 segments for which sufficient data is available reported deterioration in the short term economic performance. In the medium term 4 segments still have a strong or reasonable performance.

*Table 0.19 Short and medium term performance 2004  
(number of segments and value of landings)*

Medium term	Short term			Na	Total
	Deterioration	Stable	Improvement		
Number of segments					
Very weak	1				1
Weak					
Reasonable	1				1
Strong	3				3
Na				4	4
Total	5			4	9
Value of landings (mEUR)					
Very weak	81				81
Weak					
Reasonable	65				65
Strong	302				302
Na				168	168
Total	448			168	616

### *Outlook for 2005 and 2006*

The total value of landings of the 9 segments amounted to some EUR 616 mln in 2004. The total fuel costs were about EUR 164 mln. If the average fuel price in 2005 and 2006 would be 35% above the 2004 level, then the fuel costs would increase by EUR 42 mln. The crew share will in that case decrease by about EUR 18 mln, i.e. 9%, and the net loss would increase from EUR 7 mln in 2004 in EUR 45 mln.

### *List of Central Atlantic segments*

<i>United Kingdom</i>	<i>Ireland</i>	<i>Spain</i>
Beam trawlers	NW Polyvalent <- 12 m	300 fleet
Scallop trawlers	Polyvalent 12 <- 18 m	
North. Ir. nephrops trawlers	Polyvalent 18 <- 24 m	
Scottish nephrops trawlers	Polyvalent >= 24 m	

## South Atlantic

The South Atlantic region covers ICES areas VIIc,e, IX and X. The analysis of the performance of the South Atlantic fleets in 2004 is based on data regarding 6 segments from Portugal and Spain.

### Capacity in 2004

In 2004, the 6 South Atlantic fleet segments consisted of 823 vessels with a total of 254,000 kW and some 8,500 people on board. Number of vessels and employment decreased by almost 6%, while the engine power remained constant.

Table 0.20 Capacity indicators, South Atlantic segments

	2004	Change 2004/2003, %
Employment	8,518	-5.7%
Number of vessels	823	-5.9%
Total kW (1000)	254	0.0%

### Trends 1998-2004

Nominal value of landings decreased between 1998 and 2004 by 8%. Taking account of inflation this decrease amounted to 22%. Volume of catches and employment decreased in this period by 20% and 15% respectively. The number of vessels and the aggregate engine power decreased more slowly, by 12% resp. 5%.

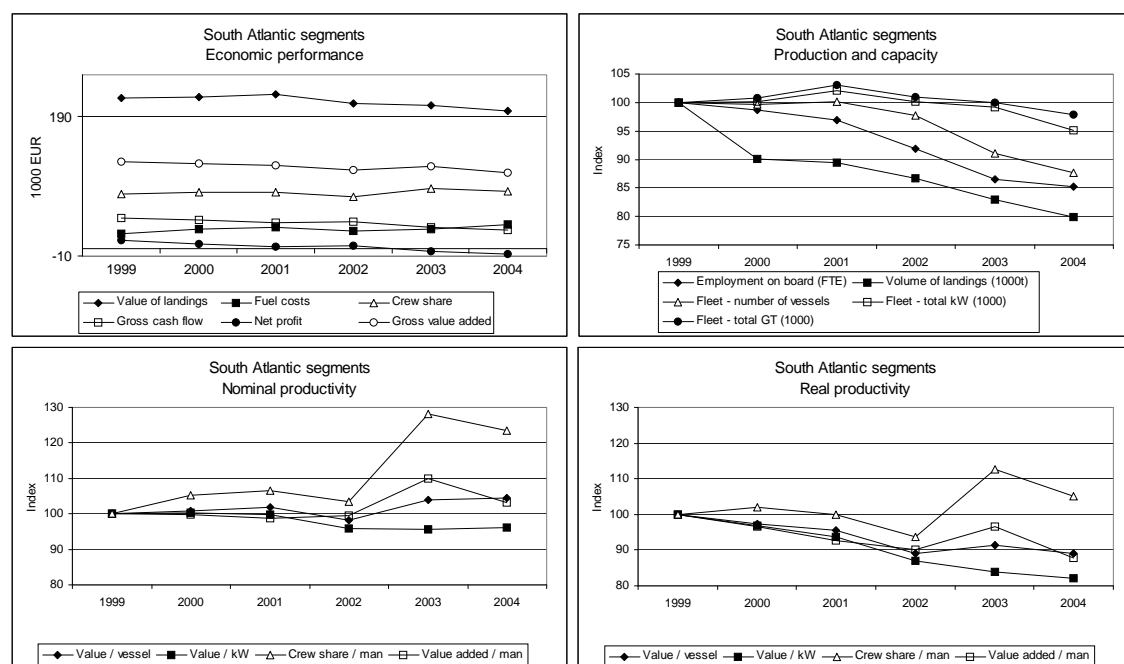


Fig. 0.6 Trends in the South Atlantic fisheries

Productivity per unit of physical capital (value of landings per vessel or per kW) has remained relatively constant. In 2004 value per vessel was 4% above 1998 level and value per kW 4% below. The labour productivity has decreased substantially in 2000, due to increasing fuel price in that year. The nominal crew share per man has steadily increased and was in 2004 23% above 1998. In real terms this improvement amounted to mere 5%.

### *Economic performance in 2004*

Table below highlights changes in the economic performance of the analysed South Atlantic segments. In 2004, 5 segments reported deterioration in the short term economic performance representing 77% of the value of landings. In the medium term 3 segments still have a strong or reasonable performance.

*Table 0.21 Short and medium term performance 2004  
(number of segments and value of landings)*

Medium term	Short term			Na	Total
	Deterioration	Stable	Improvement		
Number of segments					
Very weak	1		1		2
Weak	1				1
Reasonable	2				2
Strong	1				1
Na					
Total	5		1		6
Value of landings (mEUR)					
Very weak	4		46		50
Weak	12				12
Reasonable	103				103
Strong	34				34
Na					
Total	153		46		199

### *Outlook for 2005 and 2006*

The total value of landings of the 6 segments amounted to some EUR 199 mln in 2004. The total fuel costs were about EUR 35 mln. If the average fuel price in 2005 and 2006 would be 35% above the 2004 level, then the fuel costs would increase by EUR 13 mln. The crew share would in that case decrease by about EUR 6 mln, i.e. 7%, and the net loss will increase from EUR 7 mln in 2004 to EUR 13 mln..

### *List of South Atlantic segments*

#### *Portugal*

Gillnetters, north > 40 GT

Longliners

Trawlers

Coastal purse seiners

#### *Spain*

Galician purse seiners

N and NW trawlers

## Mediterranean

The analysis of the performance of the Mediterranean fleets in 2004 is based on data regarding 6 segments from Italy and 2 small segments from Greece. Therefore it largely reflects the situation in Italian fisheries.

### Capacity in 2004

In 2004, the 8 Mediterranean fleet segments consisted of 15,800 vessels with a total of 1,314,000 kW and some 39,000 people on board. The Mediterranean fisheries are by far the most numerous in terms of number of vessels and men in Europe.

Table 0.22 Capacity indicators, Mediterranean segments

	2004	Change 2004/2003, %
Employment	39,016	-0.5%
Number of vessels	15,796	-1.9%
Total kW (1000)	1,314	+0.1%

### Trends 1998-2004

Nominal value of landings decreased between 1998 and 2004 by 13%, volume of catches by 35% and employment 30%. The number of vessels and the aggregate engine power decreased by 21% and 12% respectively.

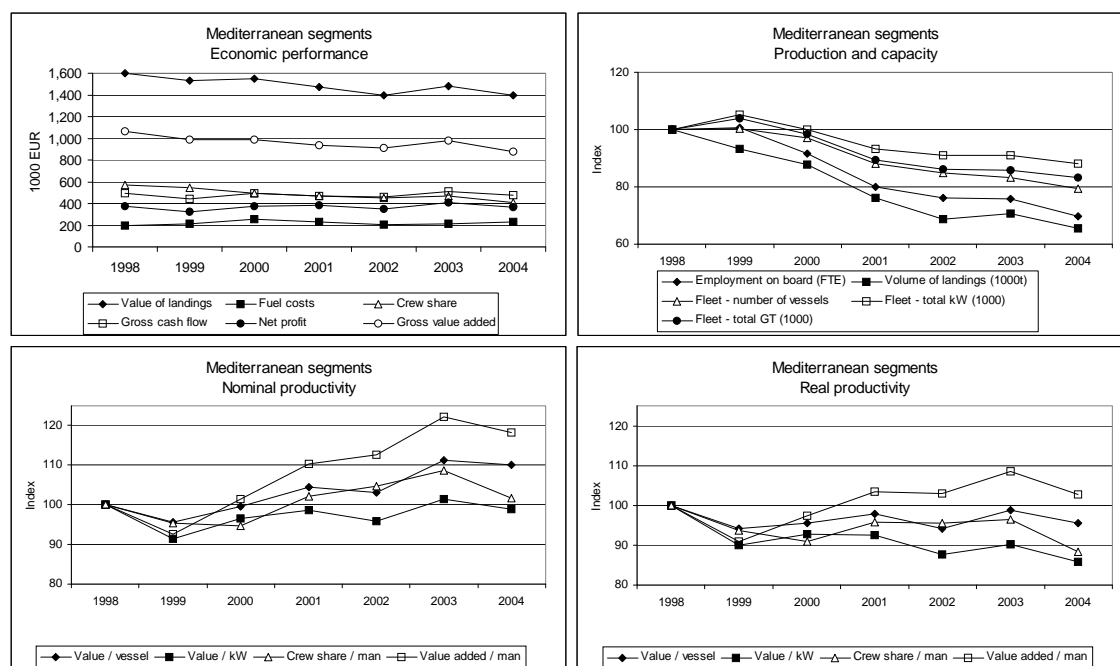


Fig. 0.7 Trends in Mediterranean fisheries

Value of landings per vessel was in 2004 10% above the 1998 level. Productivity per kW has remained approximately constant. Real labour productivity has also remained quit constant, only in 2004 it has experienced a drop.

### *Economic performance in 2004*

Table below highlights some major changes in the economic performance of the analysed Mediterranean segments. In 2004, only 2 segments reported deterioration in the short term economic performance representing 48% of the value of landings. In the medium term 5 segments still have a strong or reasonable performance. Performance of the Mediterranean segments is among the strongest in Europe.

*Table 0.23 Short and medium term performance 2004  
(number of segments and value of landings)*

Medium term	Short term			Na	Total
	Deterioration	Stable	Improvement		
Number of segments					
Very weak					
Weak					
Reasonable					
Strong	2	2	3		7
Na				1	1
<b>Total</b>	<b>2</b>	<b>2</b>	<b>3</b>	<b>1</b>	<b>8</b>
Value of landings (mEUR)					
Very weak					
Weak					
Reasonable					
Strong	671	459	94		1,224
Na				168	168
<b>Total</b>	<b>671</b>	<b>459</b>	<b>94</b>	<b>168</b>	<b>1,393</b>

### *Outlook for 2005 and 2006*

The total value of landings of the 8 segments amounted to some EUR 1,393. mln in 2004. The total fuel costs were about EUR 227 mln. If the average fuel price in 2005 and 2006 will be 35% above the 2004 level, then the fuel costs will increase by EUR 80 mln. The crew share will in that case decrease by about EUR 28 mln, i.e. 7%, and the net profit will deteriorate by EUR 51 mln to a total of EUR 318 mln.

### *List of Mediterranean segments*

#### *Italy*

Mediterranean trawlers  
Midwater pair trawlers  
Purse seiners  
Small scale fisheries  
Dredgers  
Multipurpose vessels

#### *Greece*

Thermaikos trawlers > 24 m  
Thermaikos trawlers < 24 m



