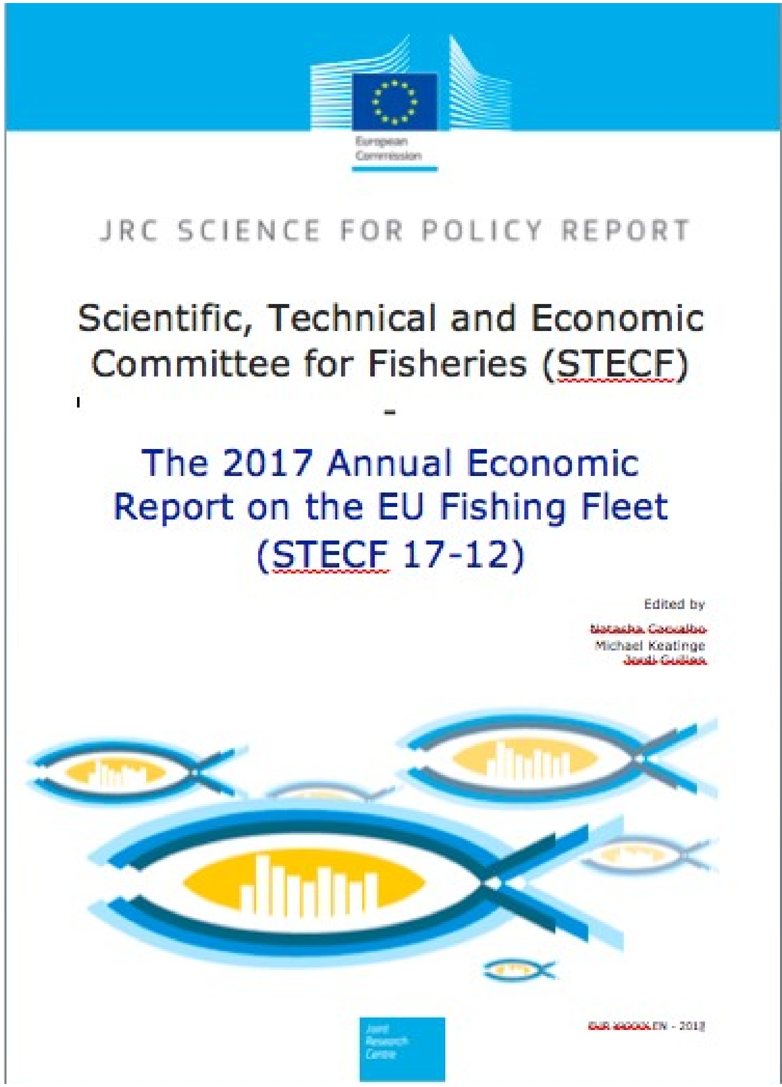
European Commission

THE EU FISHING FLEET

TRENDS AND ECONOMIC RESULTS

Michael Keatinge



The 2017 Annual Economic Report

A comprehensive overview of the latest information available on the structure and economic performance of EU Member States (MS) fishing fleets.

Compiled from surveys undertaken by Member States within the Data Collection Framework

Two Working Groups,

33 experts

Member States,

Commission (DG Mare)

Joint Research Centre,

Ispra.

Clara Ulrich (Chair)

Angel Calvo

Natacha Carvalho,

Jordi Guillen,

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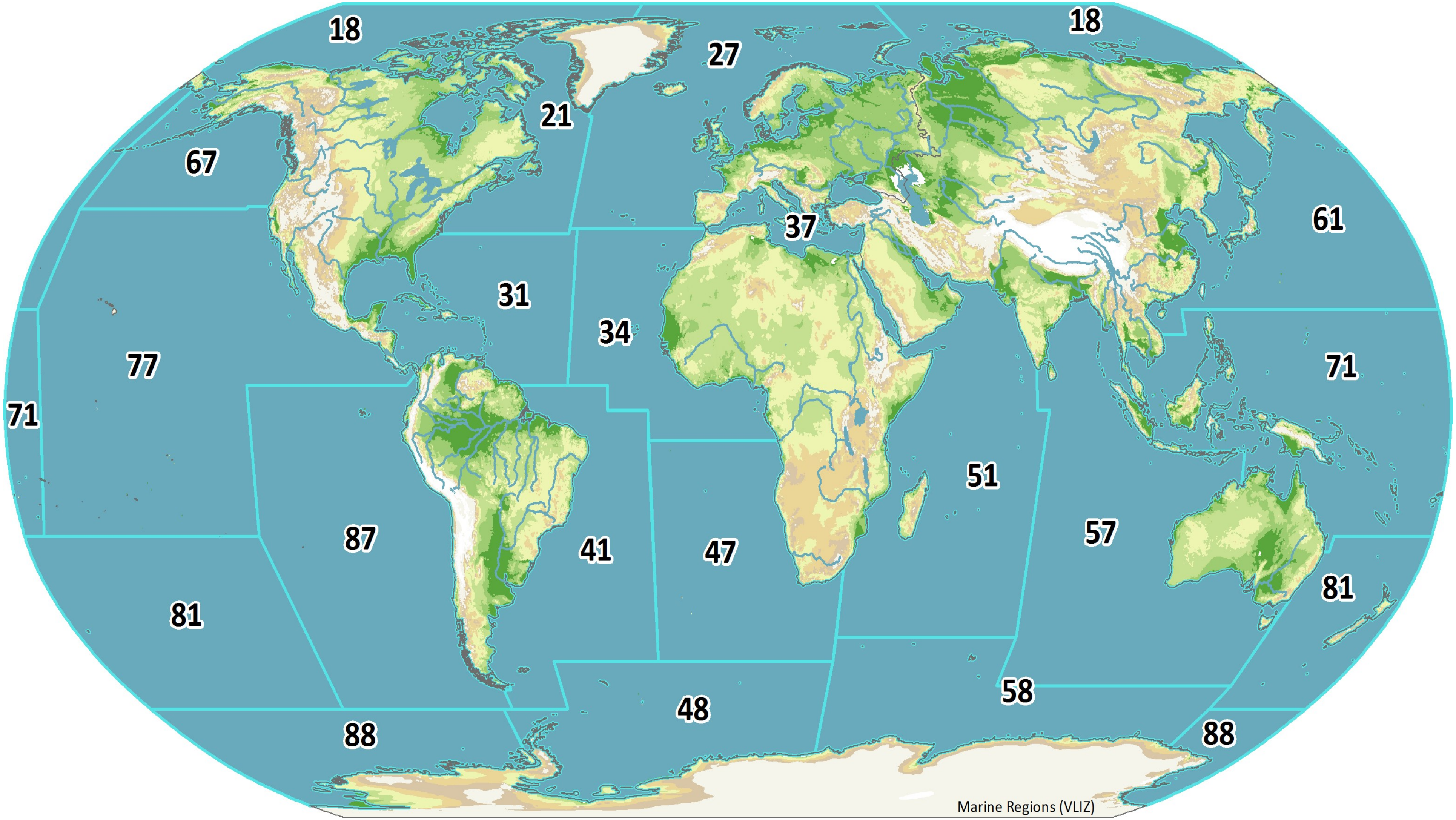
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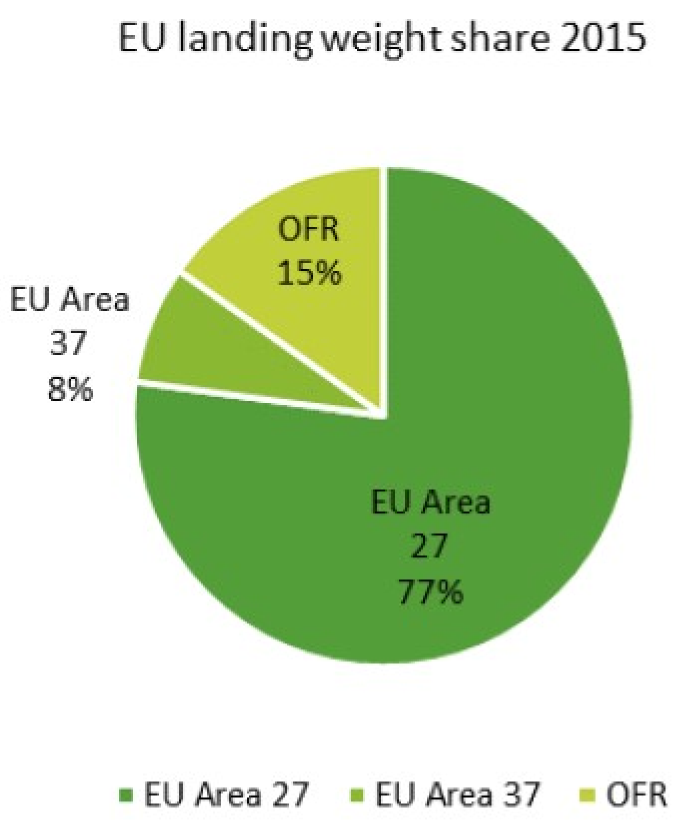
Marine Regions (VLIZ)

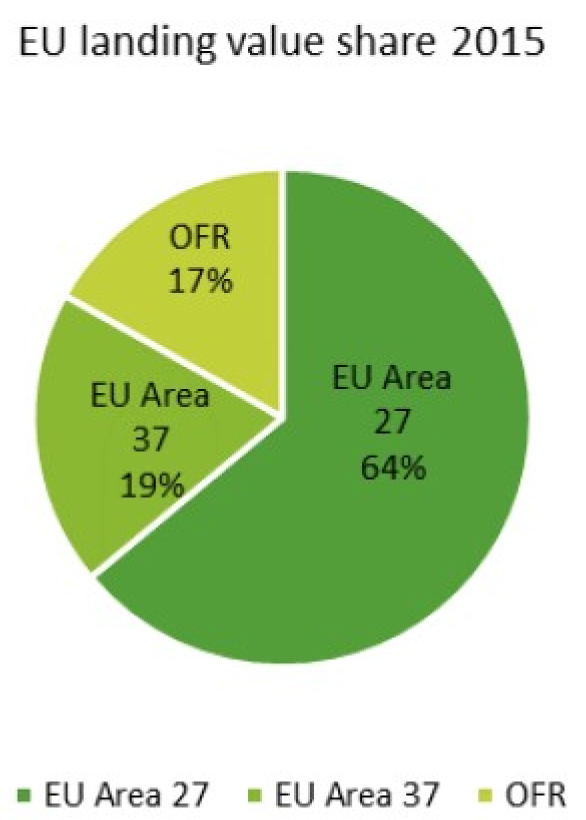
- OFR: Other Fishing Regions
- Most activity in OFR carried out by distant water fleet.
- Vessels >24m operating mainly in Other Fishing Regions .
- Vessels operate in outermost regions, international waters, or through bilateral agreements with 3rd countries.

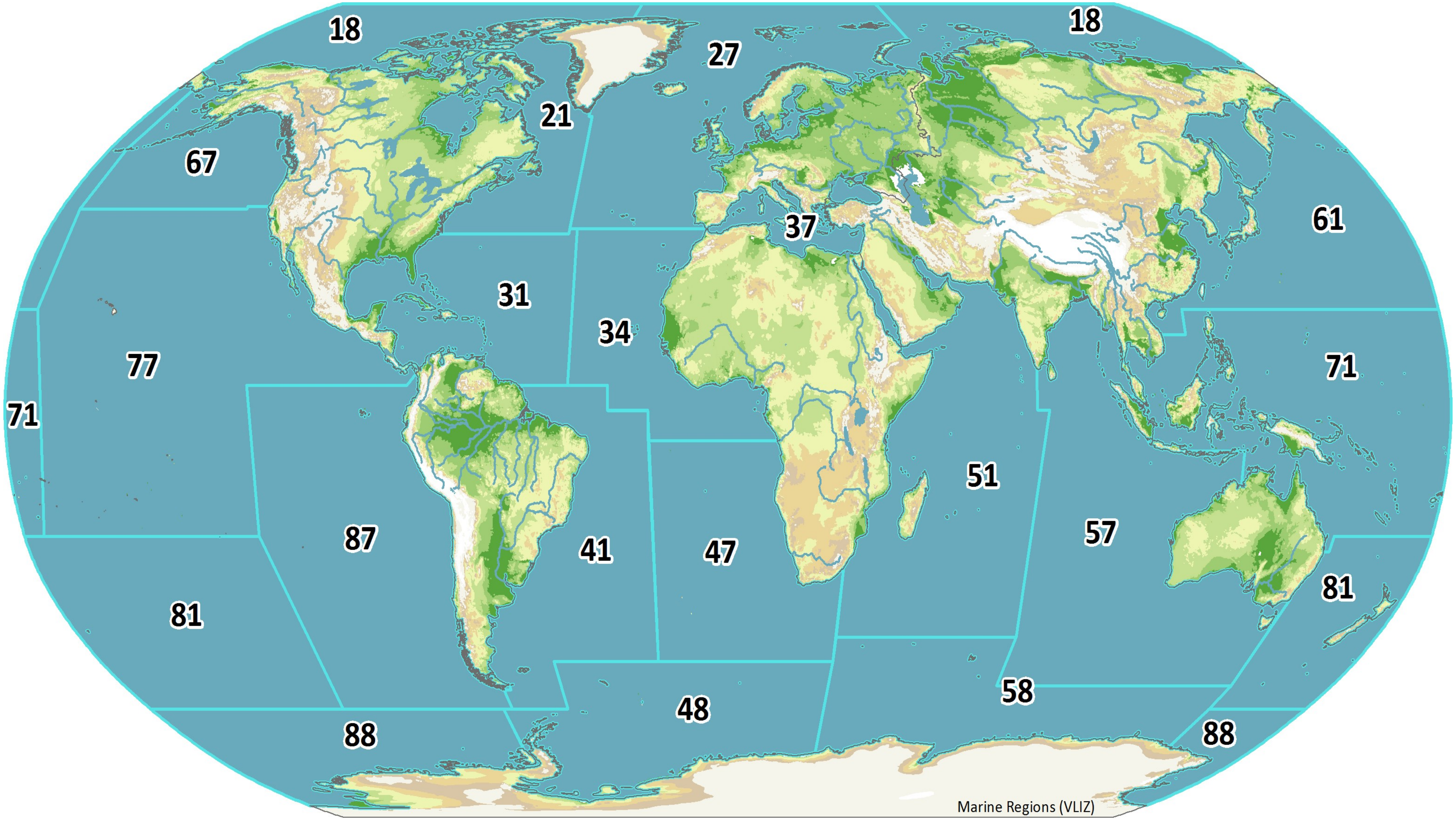
EU has 2 types of fishing agreements with non-EU countries:

1. Northern agreements – these are excluded.
2. Sustainable fisheries partnership agreements (SFPA)
   - 11 tuna agreements: Cape Verde, Ivory Coast, Gabon, Liberia, Sao Tomé and Principe, Senegal, Comoros, Madagascar, Mauritius, Seychelles, and Cook Islands
   - 4 mixed agreements: Guinea-Bissau, Mauritania, Morocco, and Greenland.

Share of landings weight and value by main fishing region.



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Marine Regions (VLIZ)

Other Fishing Regions

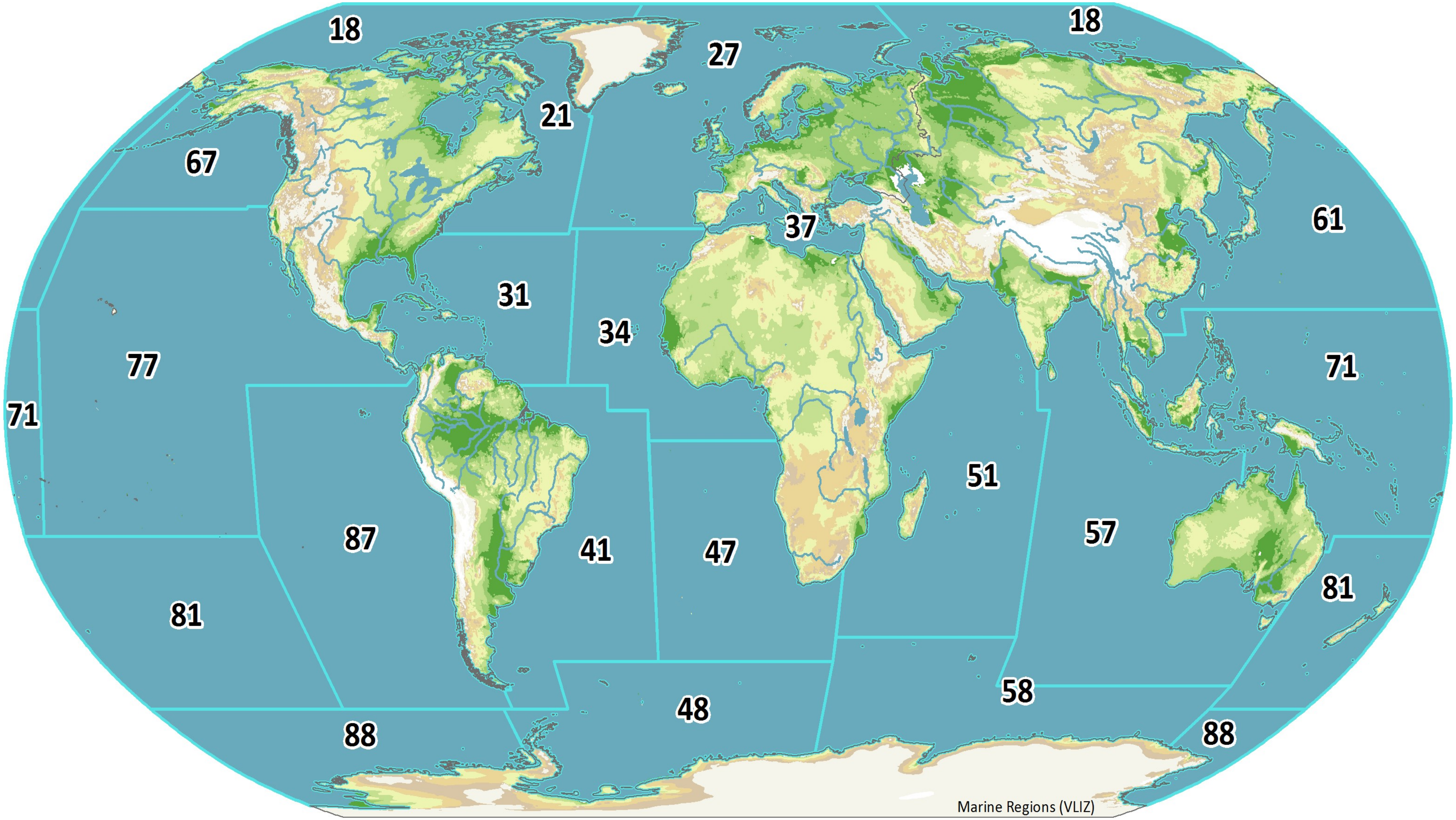
a) Non-EU waters of Northeast Atlantic (FAO area 27), Mediterranean & Black Sea (FAO area 37),

Other Fishing Regions (OFR)

a) Non-EU waters of NE Atlantic (FAO 27), Mediterranean & Black Sea (FAO 37),

b) Non-EU waters within the Atlantic

- Northwest Atlantic (FAO 21), East
- Central Atlantic (FAO 34)
- Southwest Atlantic (FAO 41)
- Southeast Atlantic (FAO 47),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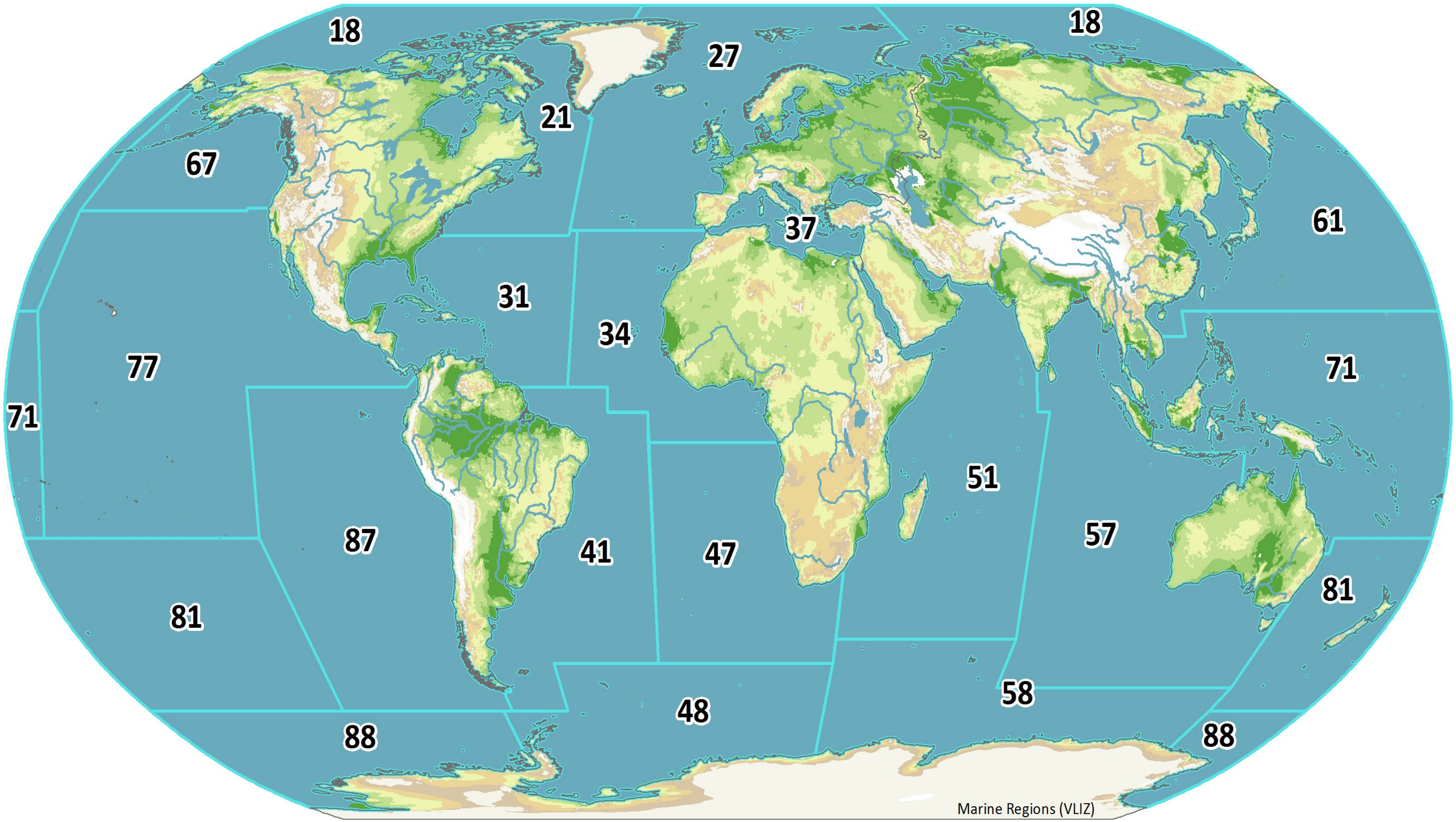
Marine Regions (VLIZ)

Other Fishing Regions (OFR)

a) Non-EU waters of NE Atlantic (FAO 27), Mediterranean & Black Sea (FAO 37),
b) Non-EU waters within the Atlantic
c) Indian Ocean (FAO 51, 57)
d) Pacific, Antartica
e) Outermost Region waters located in these areas.
The Portuguese Outermost Region of the Azores are not included as these are in the Northeast Atlantic (FAO area 27).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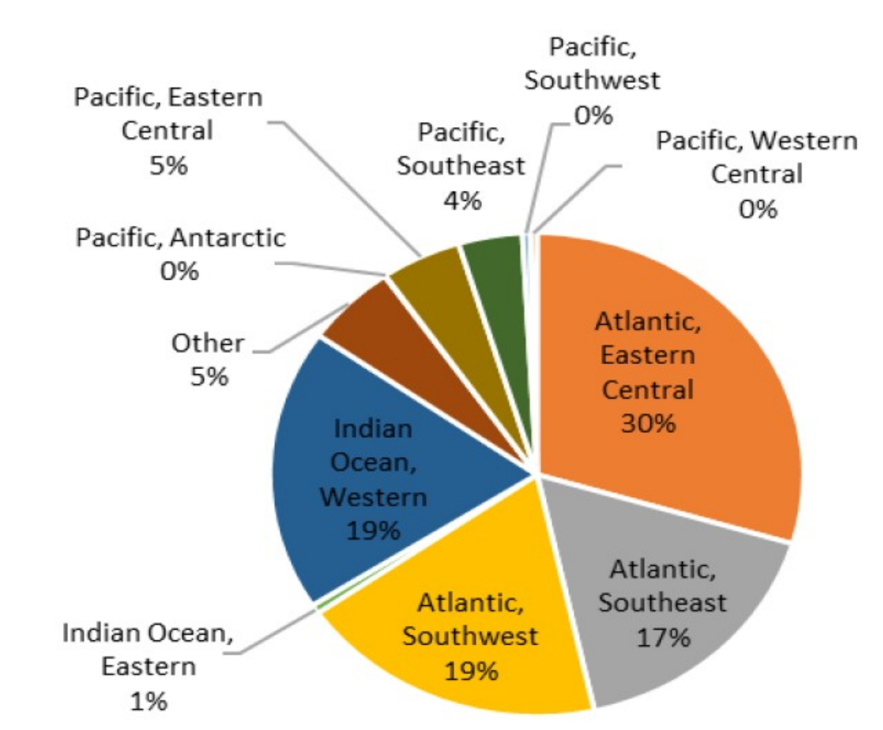
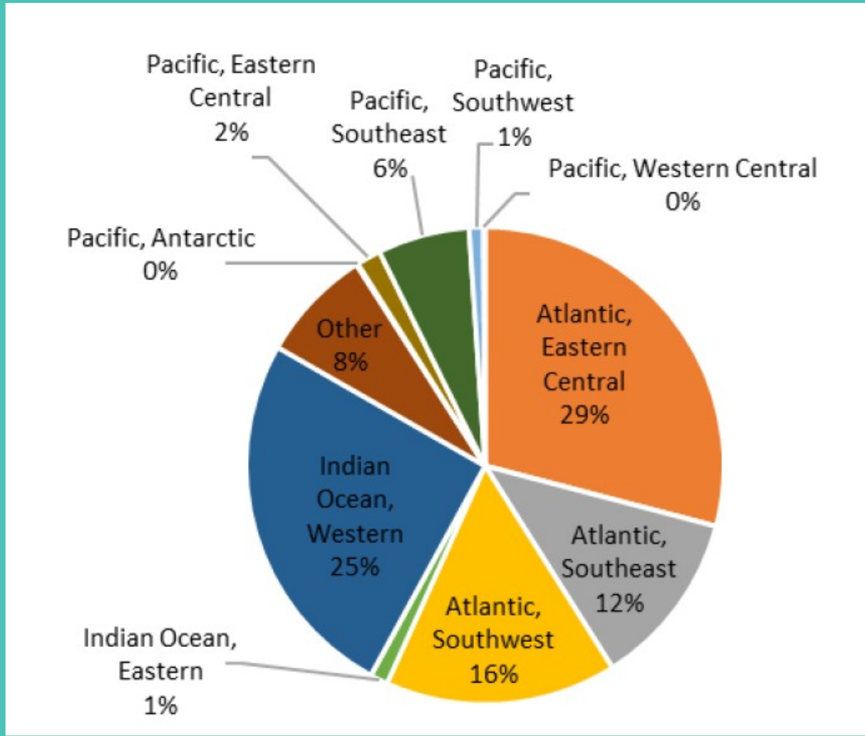
Marine Regions (VLIZ)

Share of landings by main fishing region (left) and value





Atlantic: 66% Indian Ocean 20% Pacific 9% Other 5%

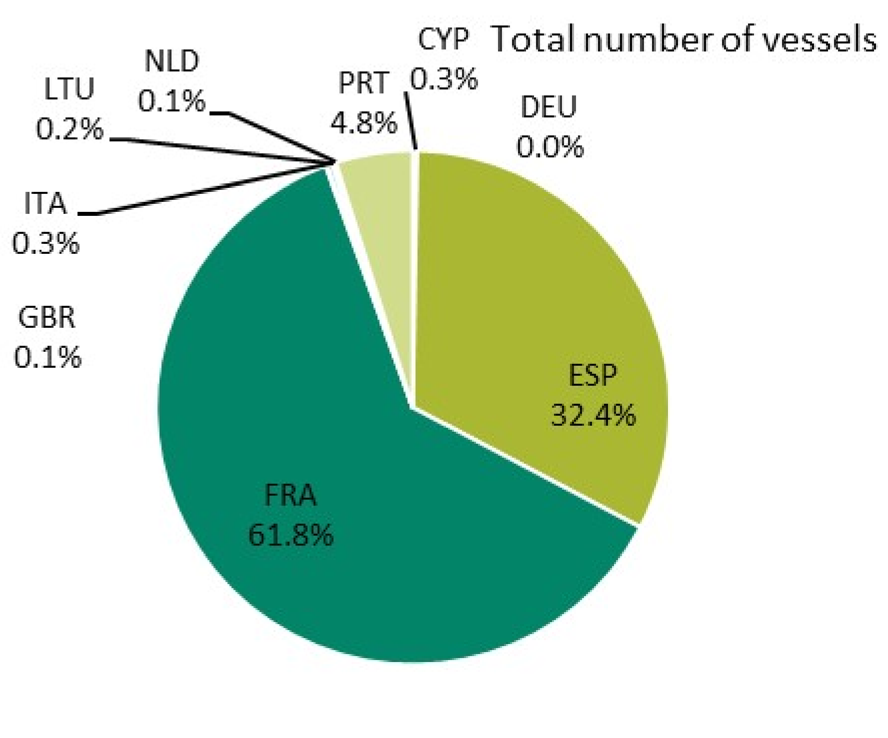
Atlantic: 57% Indian Ocean 26% Pacific 9% Other 8%

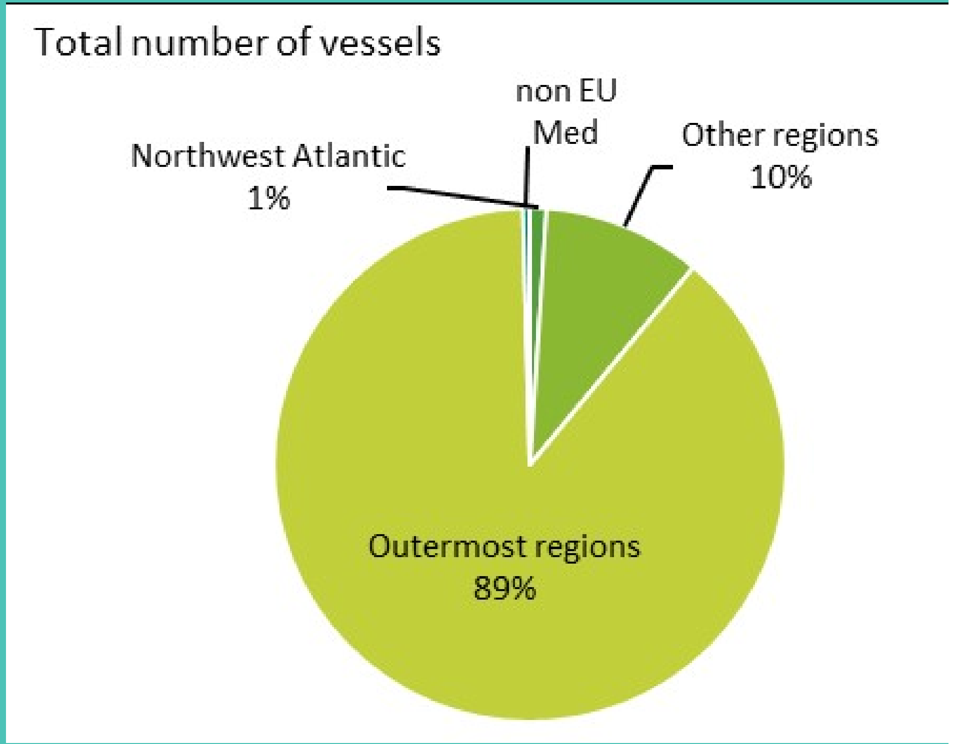
EU - World's largest maritime territory - 25 million km².

a) Northwest Atlantic FAO 21. Spain & Portugal, traditionally target redfish, halibut, cod and other demersal species.
b) Other Regions South and central Atlantic, Indian Ocean, Pacific Ocean and Antarctica).
   Fishing activity in these areas accounted for around 81% of the total value generated in 2015 within the entire OFR. The Spanish fleet is the main player, where the large distant water fleets mainly exploit tuna along with a number of other species.
c) Outermost Regions EU MS territories outside FAO area 27 Guadeloupe, Guyana, Martinique, Mayotte, Réunion, St Martin & Saint-Barthélemy; Canaries, Madeira, Azores not included.

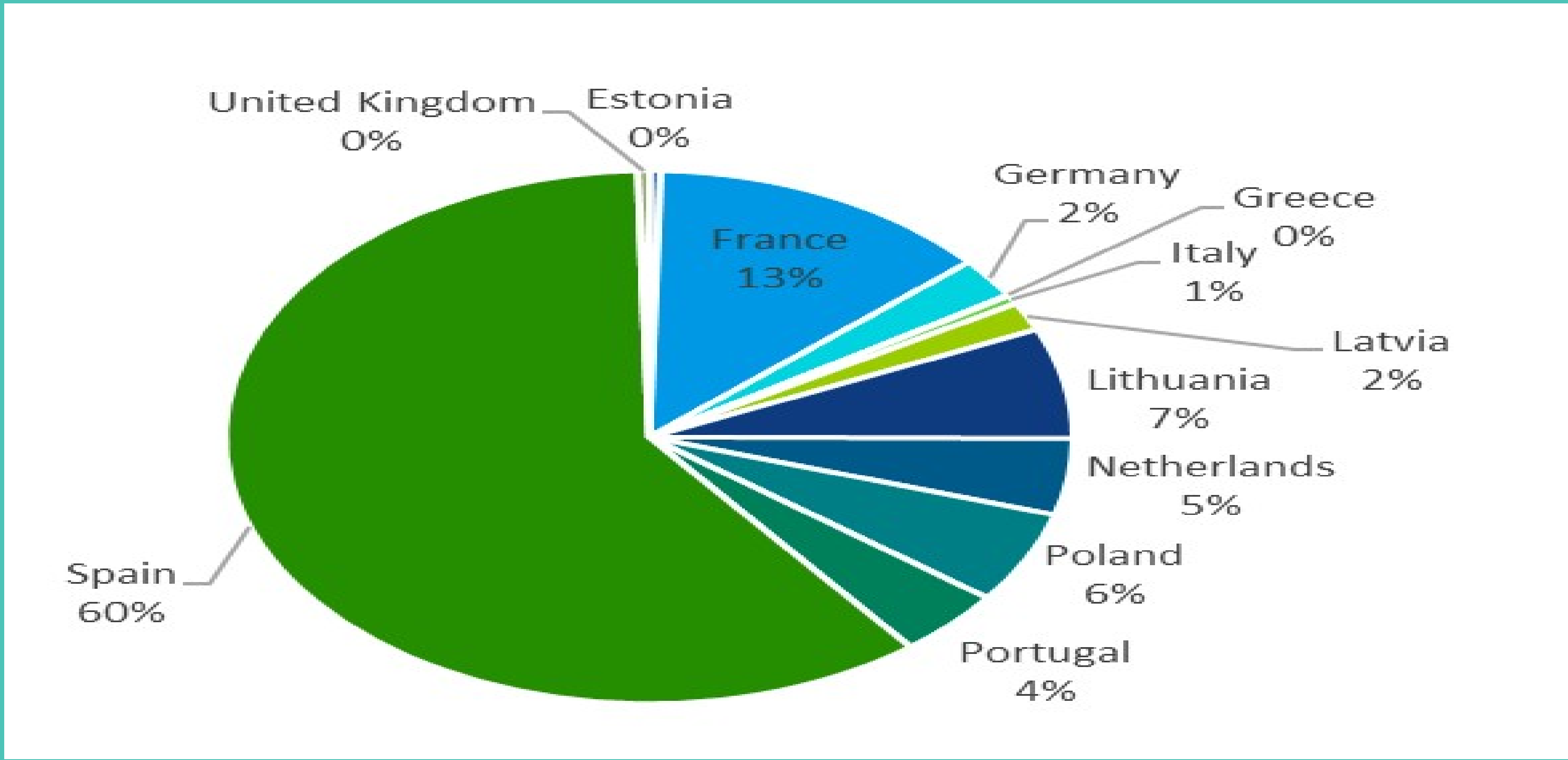
Fleet

The French, Spanish and Portuguese fleets most predominant, 99% of the total vessels.
Most of them however belong to the outermost region fleets (89%)

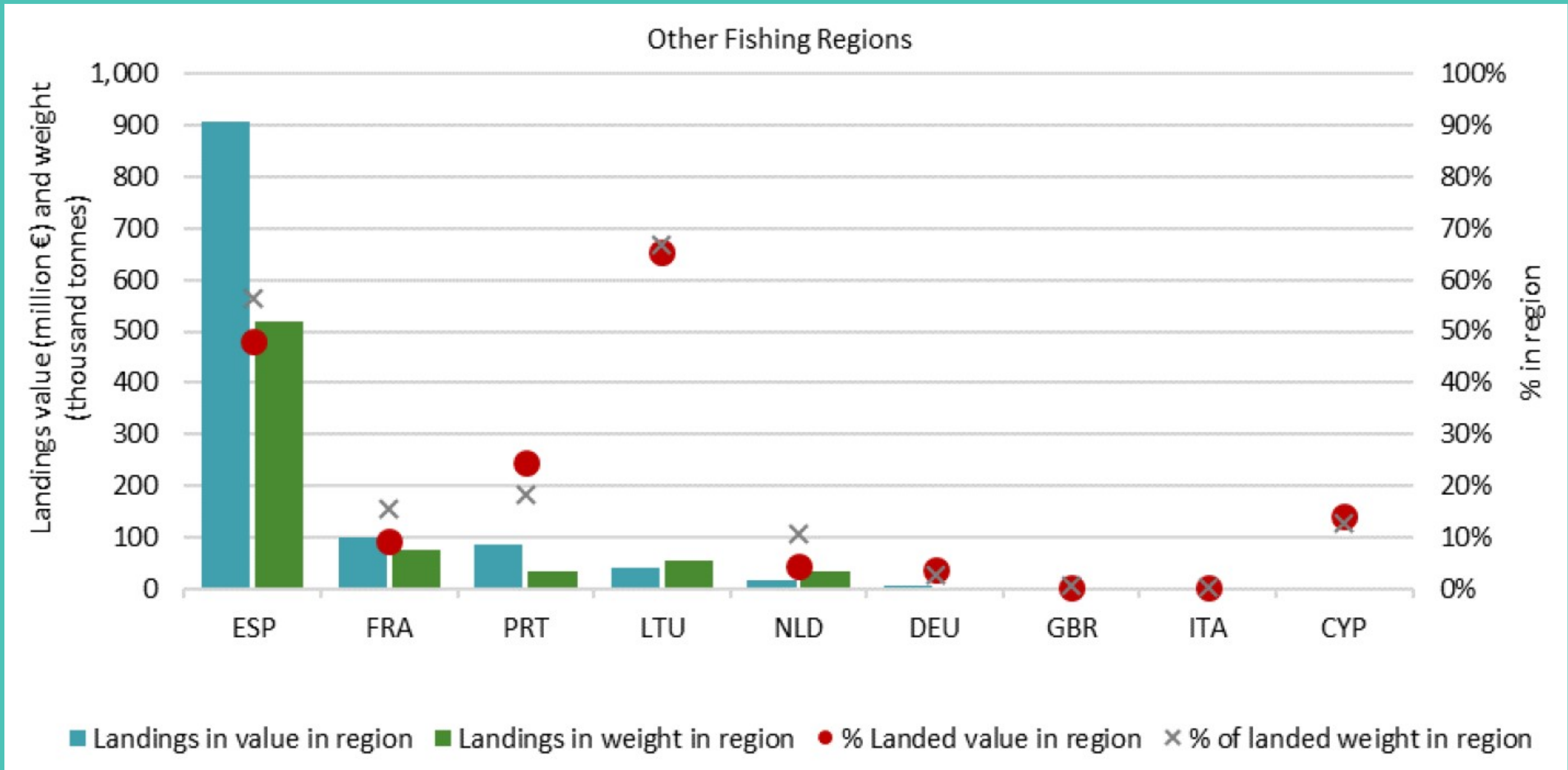




Share of landings (weight) by Member State



Importance of the Other Fishing Regions for Member States'

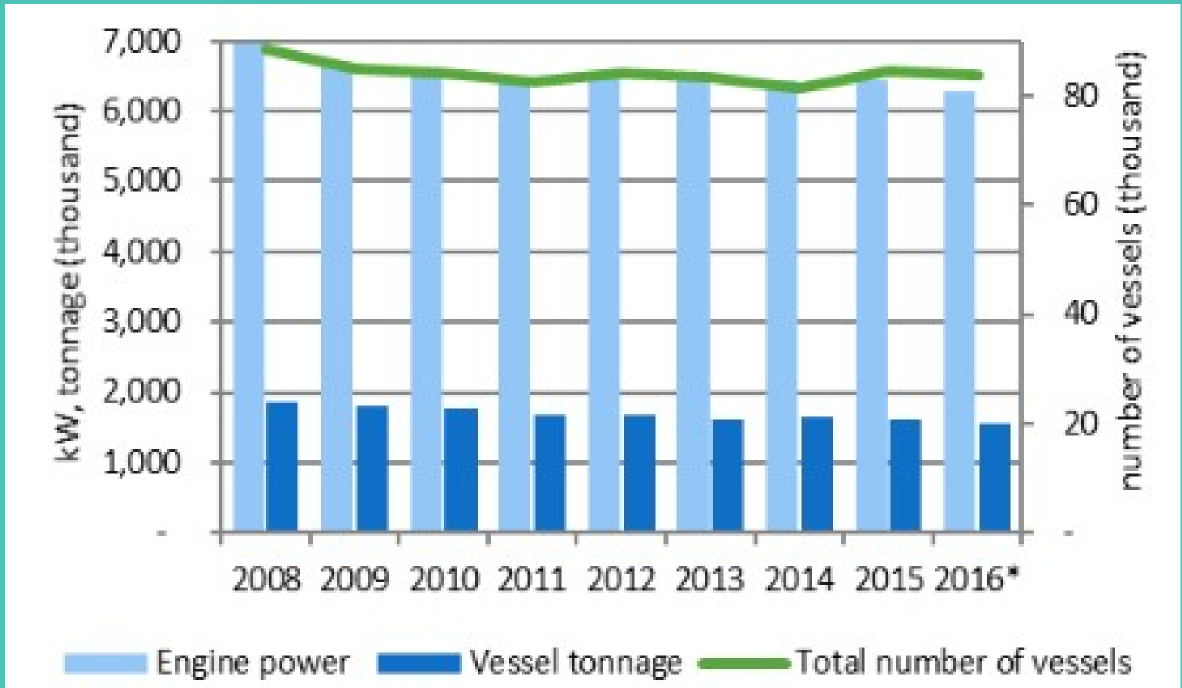


Lithuania takes 67% of their landings in the OFR, Spain (56%), Portugal (18%) France (16%).

Summary of the Main Findings

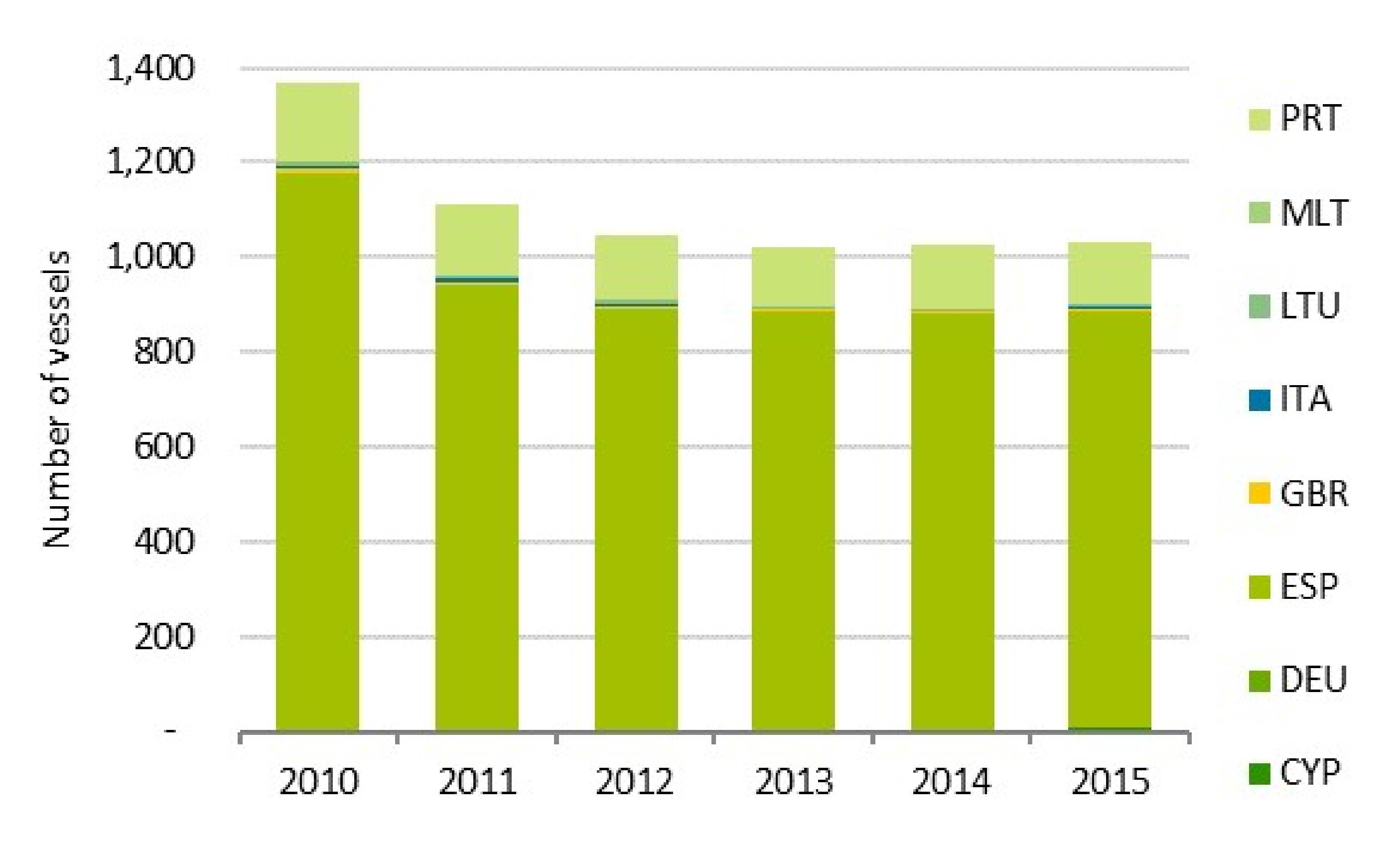
1. Fishing capacity,
2. Effort,
3. Employment,
4. Landings,
5. Income
6. Costs
7. Profitability

Fleet Capacity and Structure

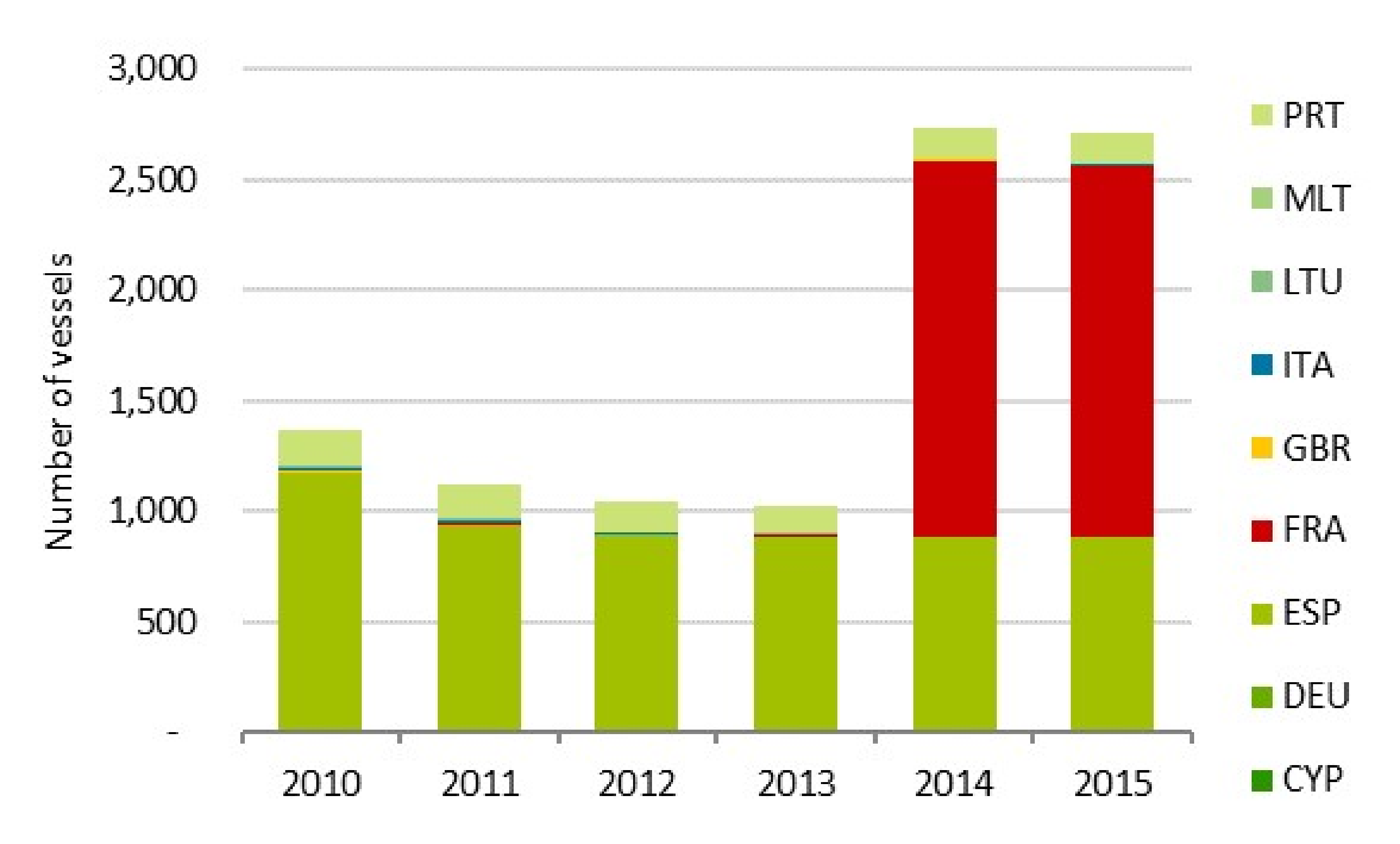


- 84,420 Vessels
- 1.62 million GT
- 6.44 million kW
  - ✧ 20,444 Inactive
  - ✧ 63,976 Active

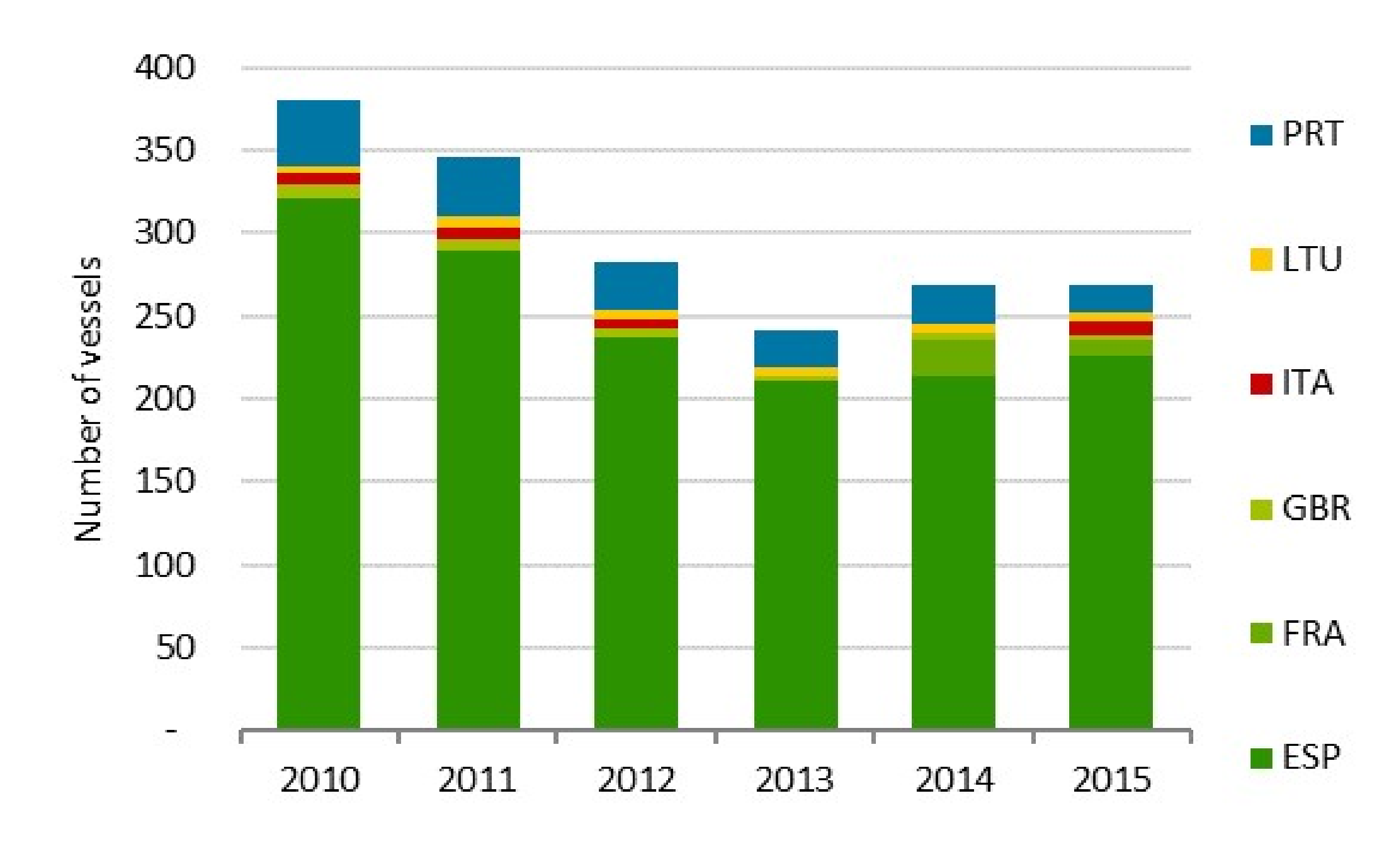
Fleet Capacity (OFR Ex France)



Fleet Capacity (OFR Inc France)



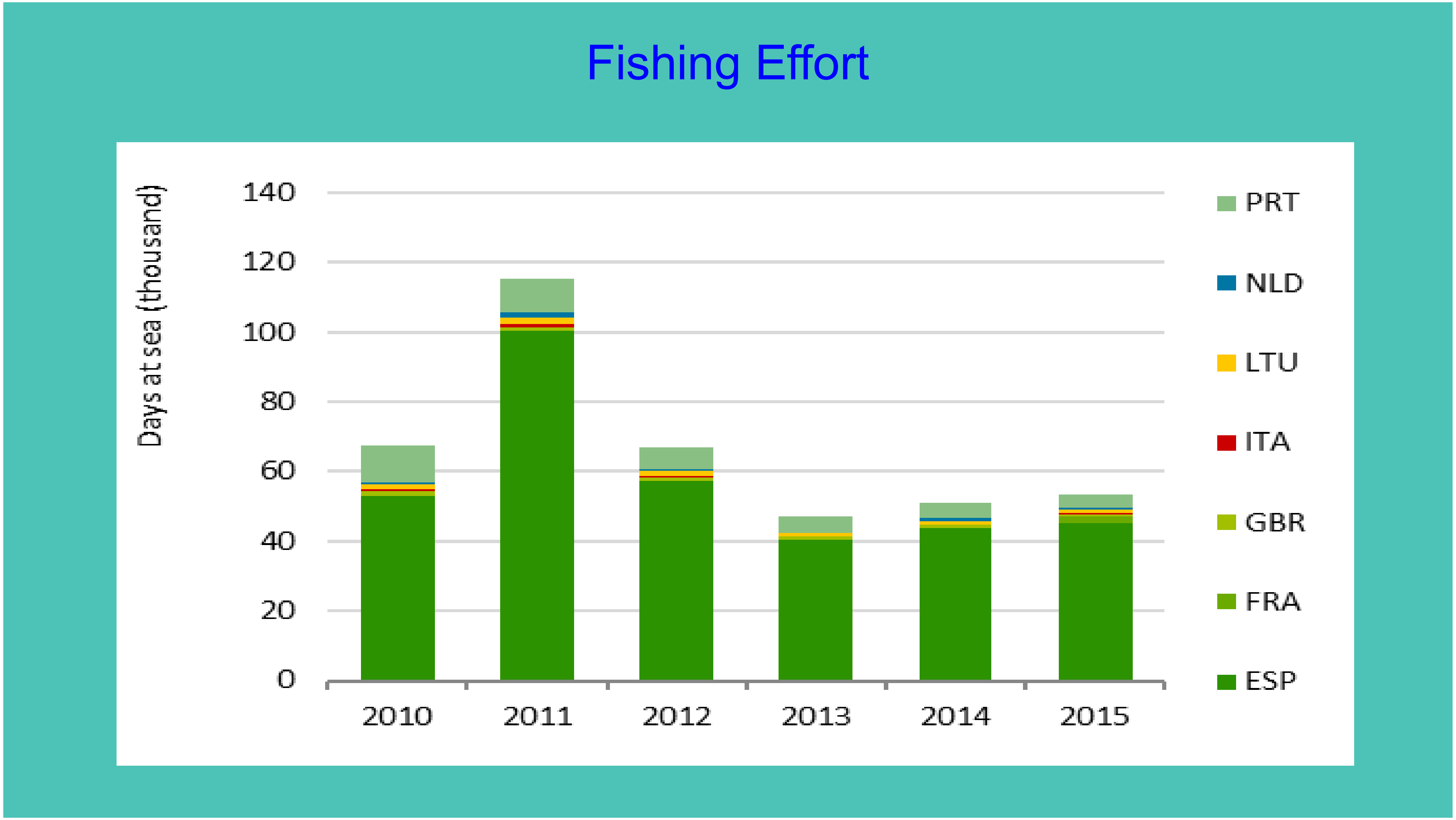
Fleet Capacity (Other Regions)



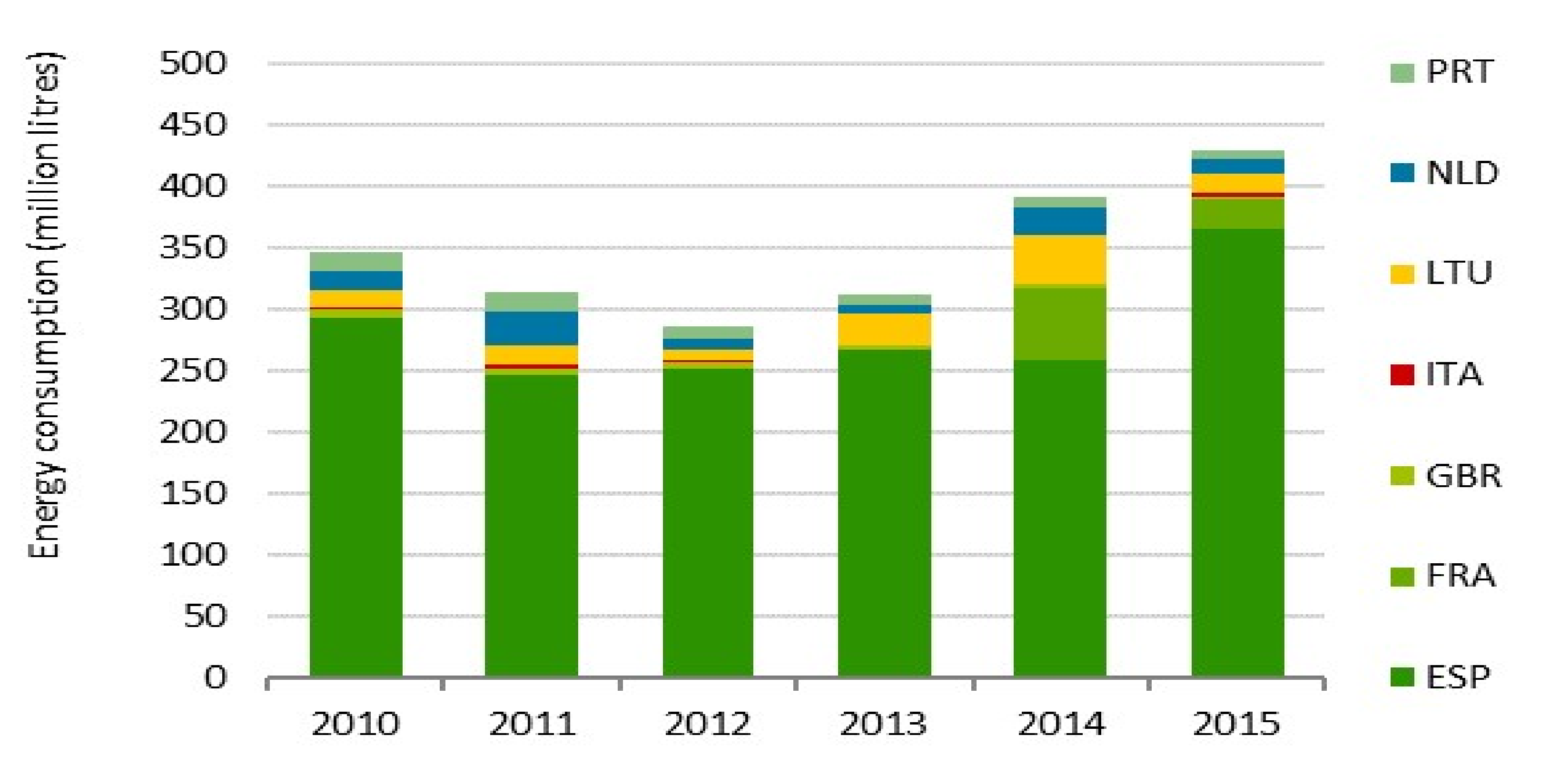
Fleet Capacity

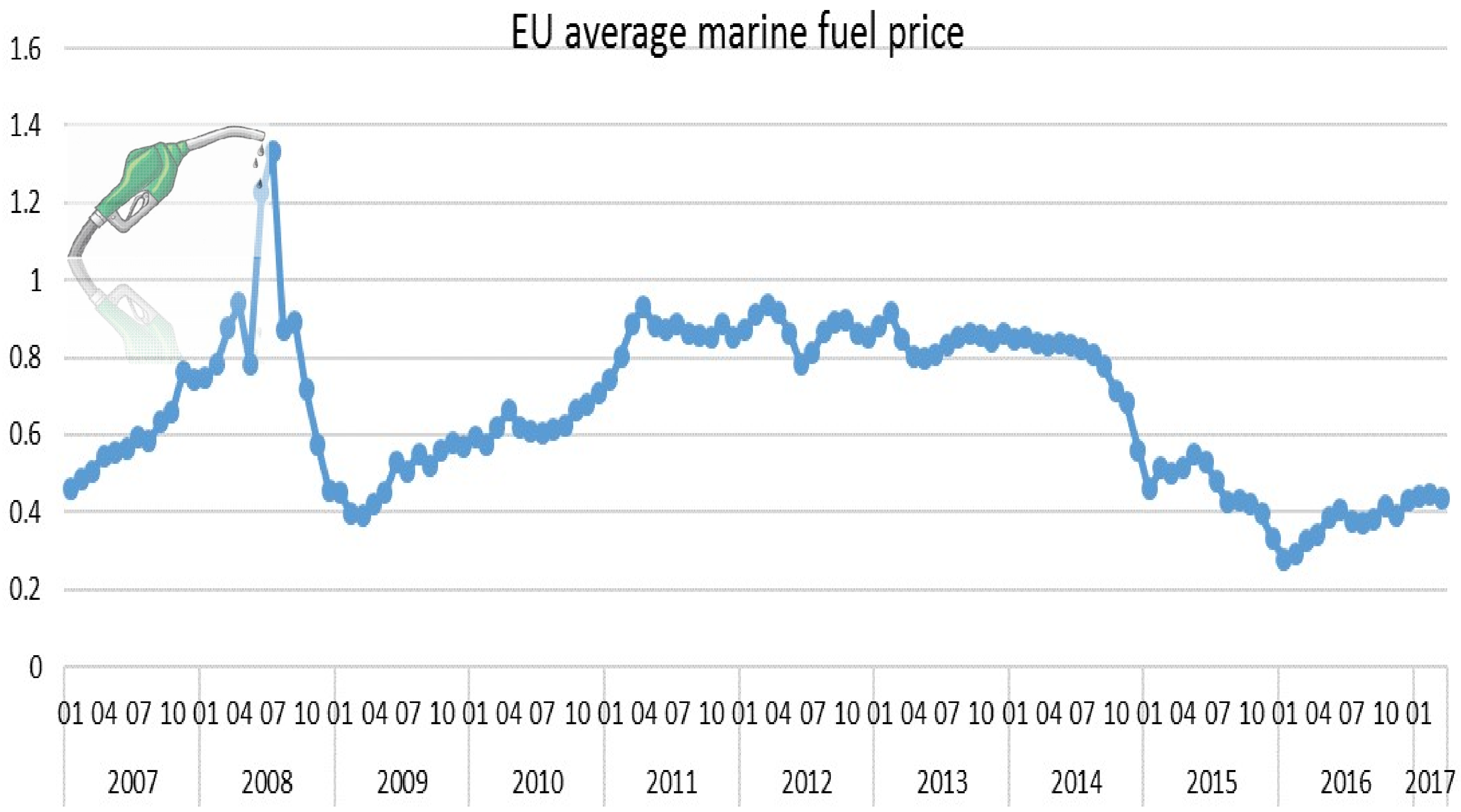
Of the active vessels, 74% were small-scale coastal vessels, 25% were large-scale and **1% distant water vessels.**

Due to the reduced number of vessels (enterprises), several MS, including Germany and the Baltic States, do not deliver sensitive data on their distant water fleets, making coverage at the EU and regional levels incomplete.

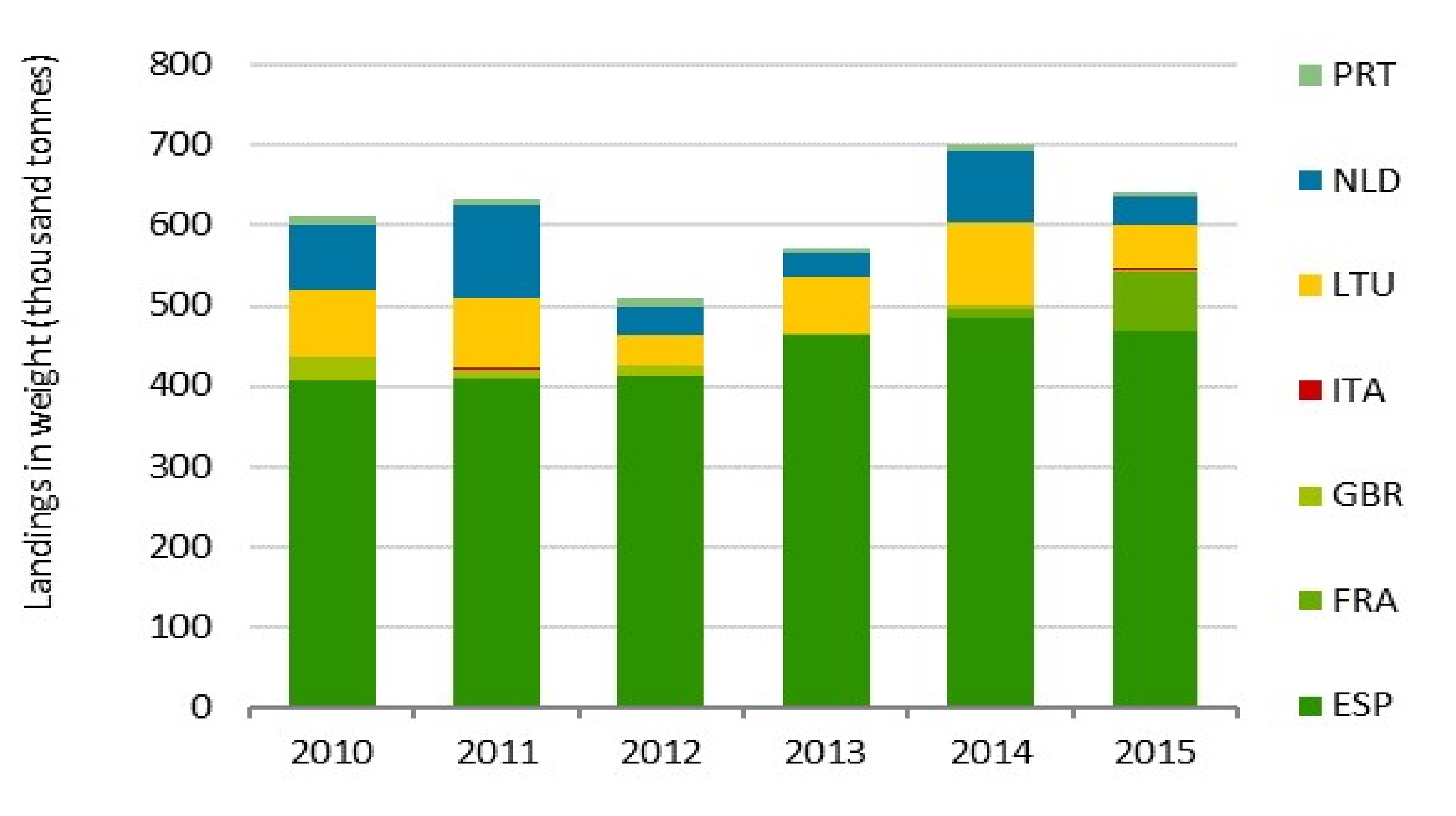

Fishing Effort
Days at sea (thousand)
140
120
100
80
60
40
20
0
2010
2011
2012
2013
2014
2015
PRT
NLD
LTU
ITA
GBR
FRA
ESP

Fuel Consumption (lit)

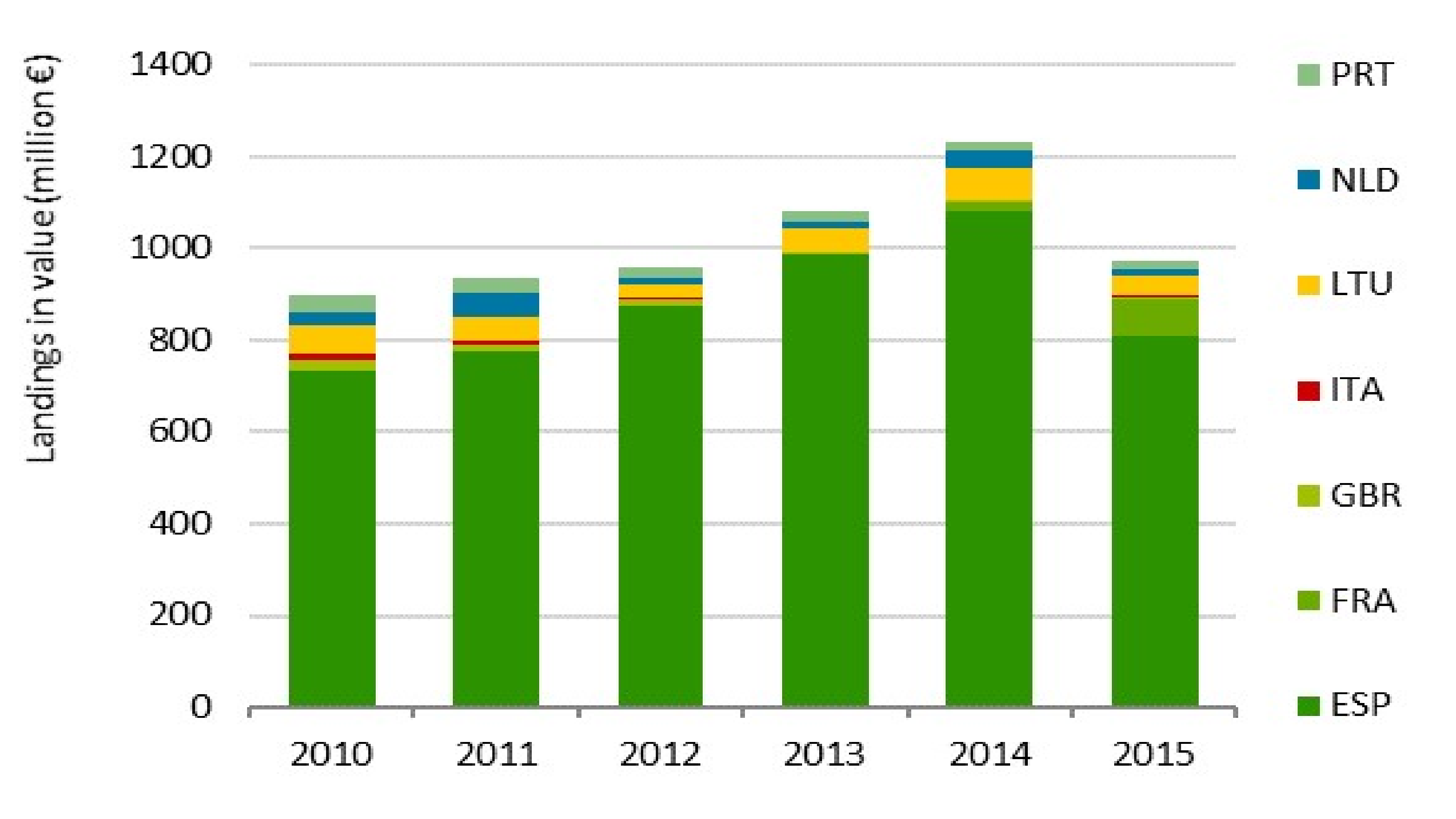



EU average marine fuel price
1.6
1.4
1.2
1
0.8
0.6
0.4
0.2
0
01 04 07 10 01 04 07 10 01 04 07 10 01 04 07 10 01 04 07 10 01 04 07 10 01 04 07 10 01 04 07 10 01 04 07 10 01 04 07 10 01
2007
2008
2009
2010
2011
2012
2013
2014
2015
2016
2017

Trends on landings weight



Trends on landings value

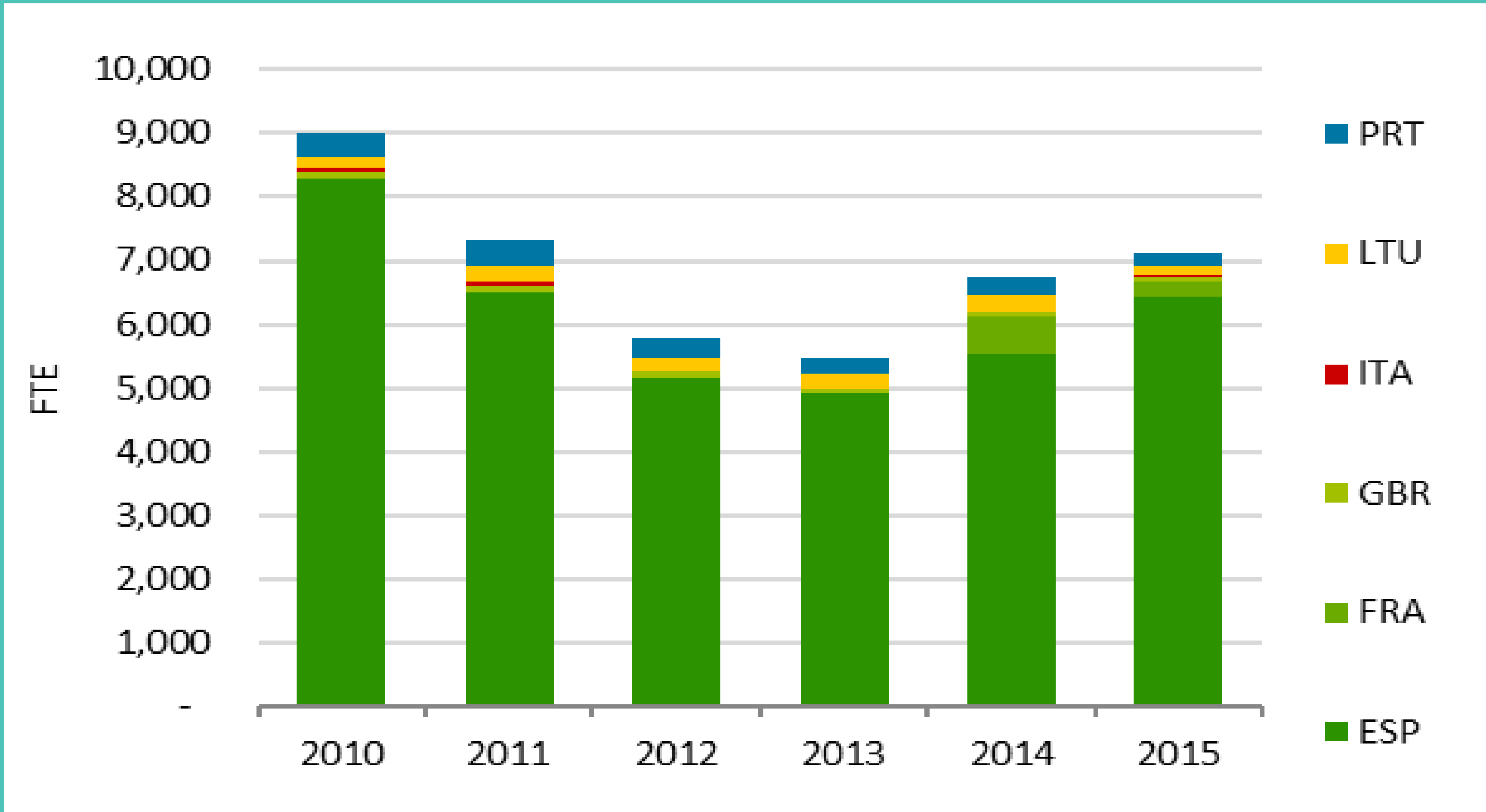


Landings

Spain and France were again the leading countries, together accounting for 84% of the total weight and 91% of the value of landings; almost entirely landed by the DWF.

The total value of landings in 2015 decreased by 20.9% compare to 2014, first time since 2010, when value of landings had a constant annual growth

Employment

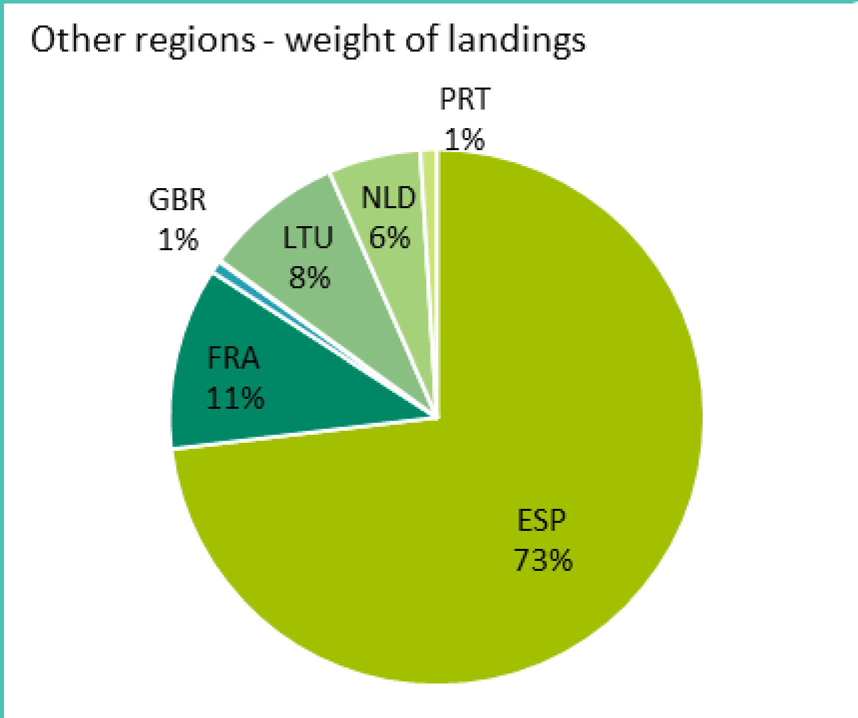


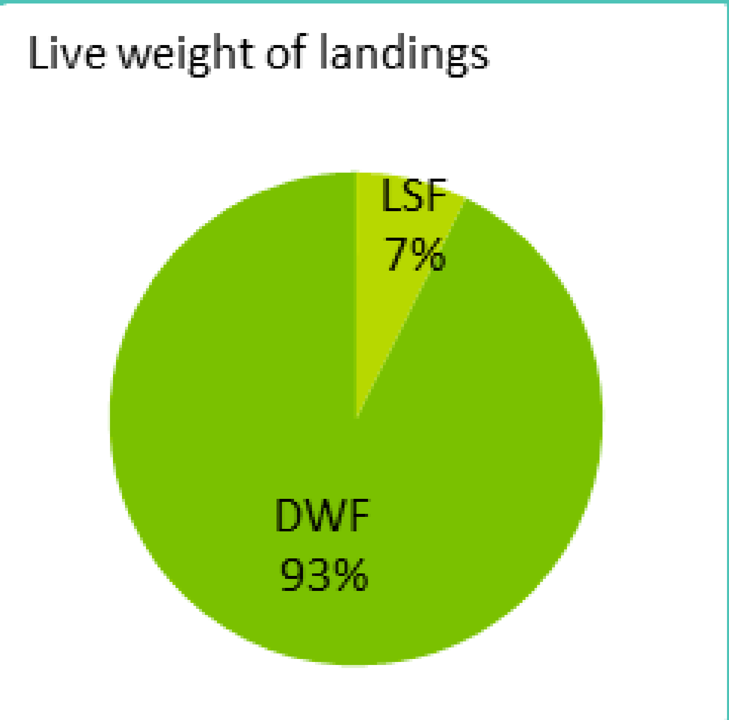
10,000
9,000
8,000
7,000
6,000
5,000
4,000
3,000
2,000
1,000
-
FTE
2010
2011
2012
2013
2014
2015
PRT
LTU
ITA
GBR
FRA
ESP

Performance Indicators

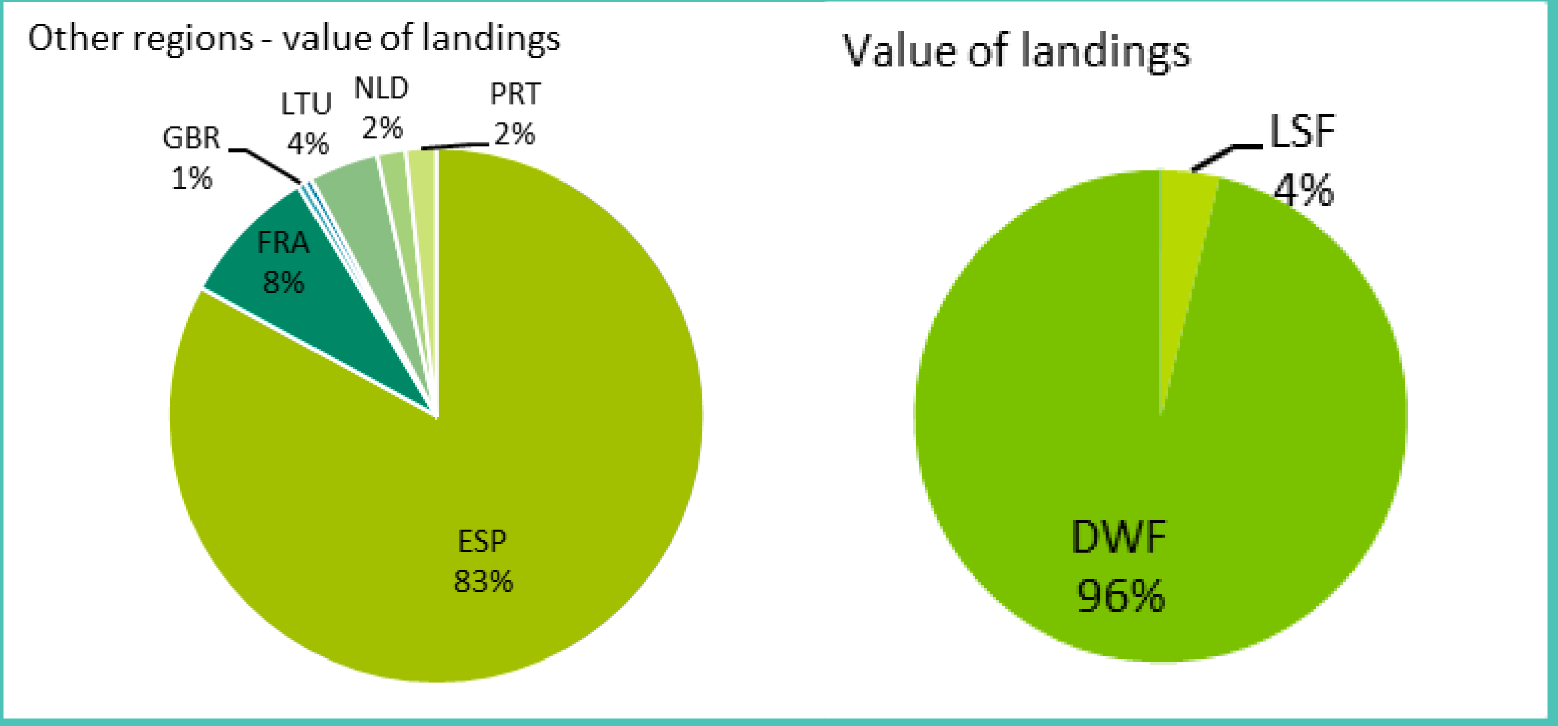
	2015	Change
Days at Sea '000	53.507	+5%
Fishing Days '000	51.580	+4%
Fuel Consumption M €	€178	+13%
Landed weight '000 tonnes	643	-8%
Landed Value M €	€1,004	-21%

Landings (Volume)

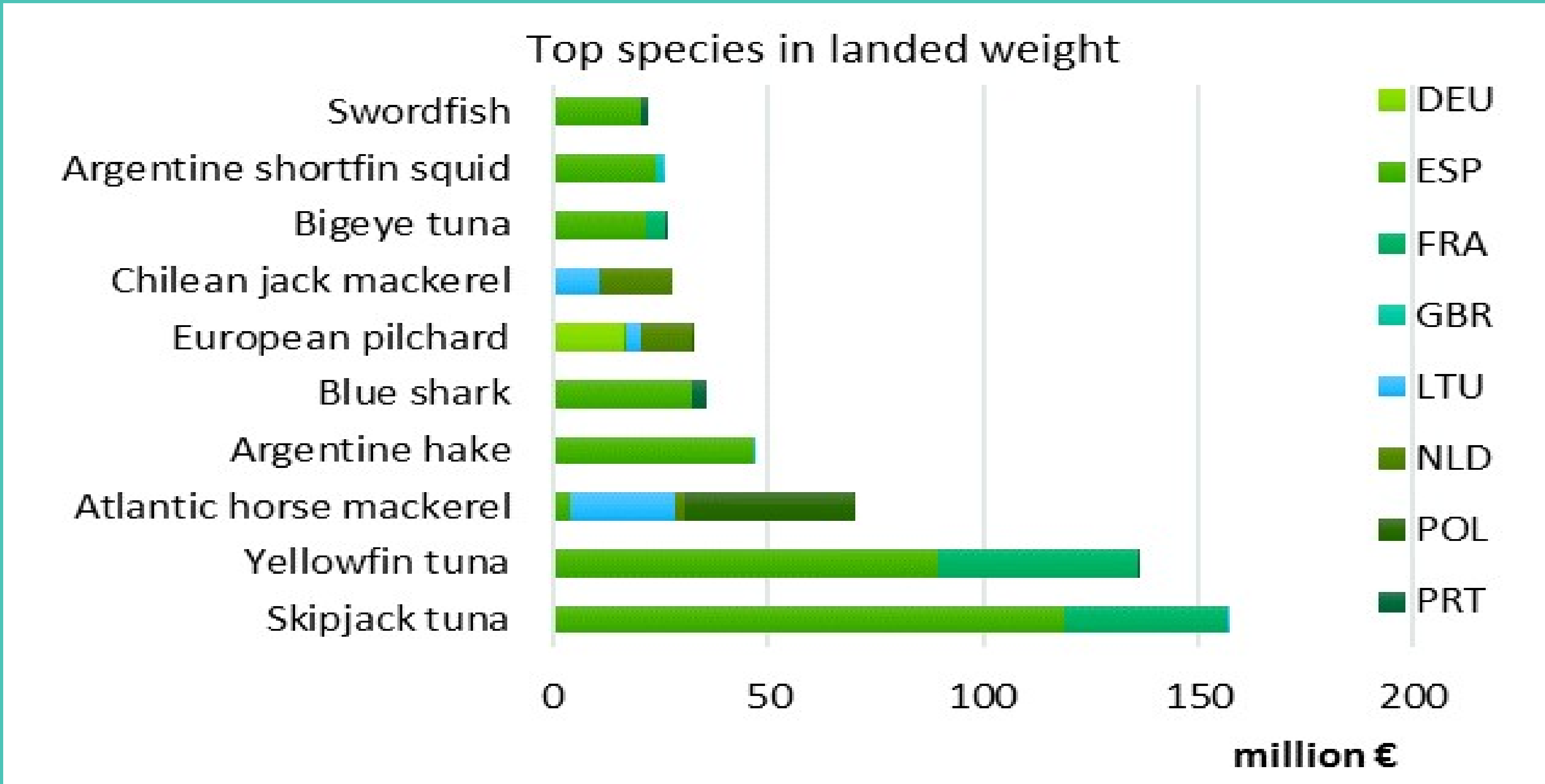




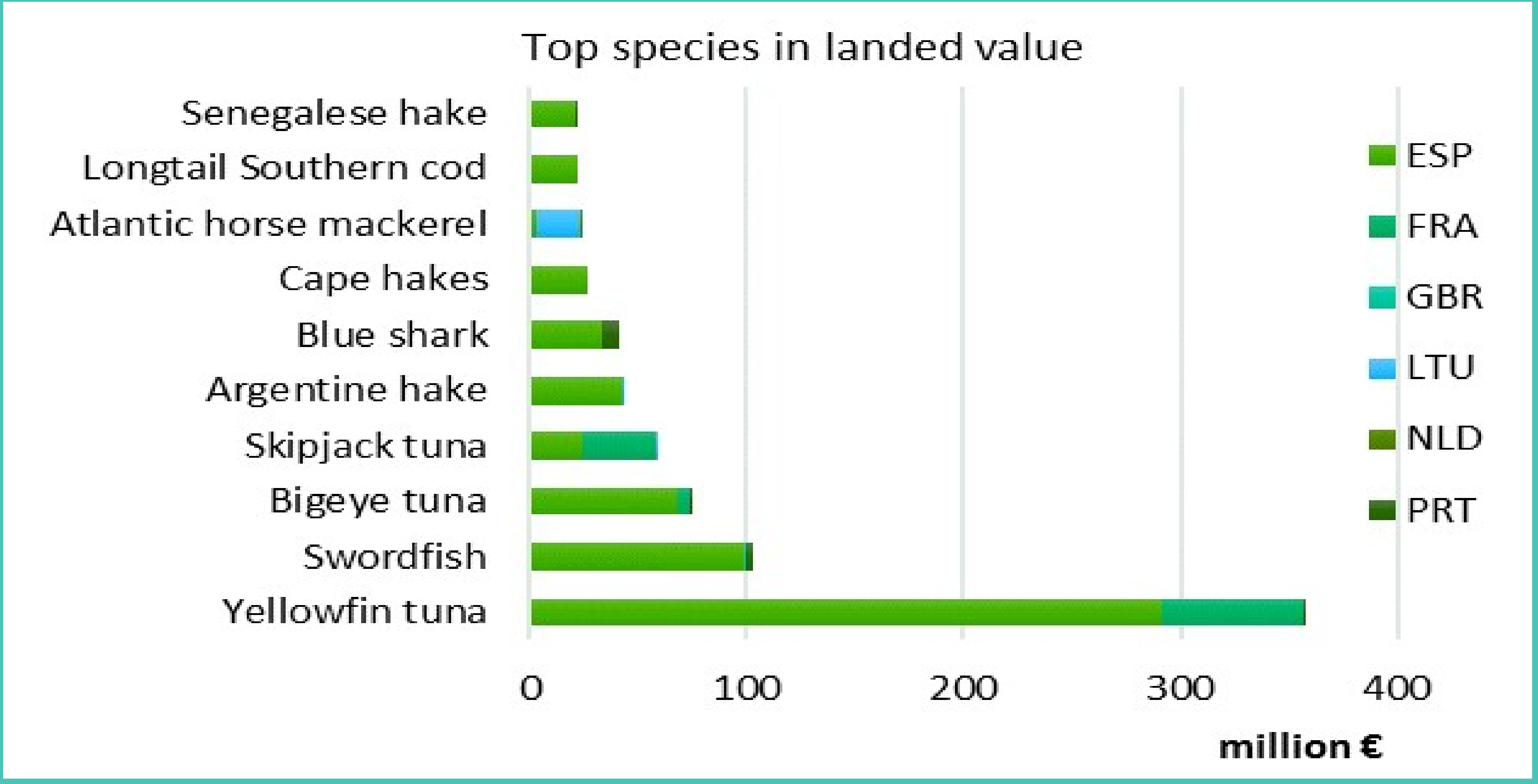
Landings (€ Value)



Landings (Top 10 Species, Volume)



Landings (Top 10 Species Value)



- Skipjack tuna (166,000 tonnes) most landed by weight, followed by
- Yellowfin tuna (143, 000 tonnes)
- Atlantic horse mackerel (70,000 tonnes).
- 61% of total weight of landings in Other Regions.
- Skipjack tuna & yellowfin tuna - Spain 70.4% & France 28.6%.
- Atlantic horse mackerel landings – Poland 56.6% & Lithuania 34.5%

In terms of value

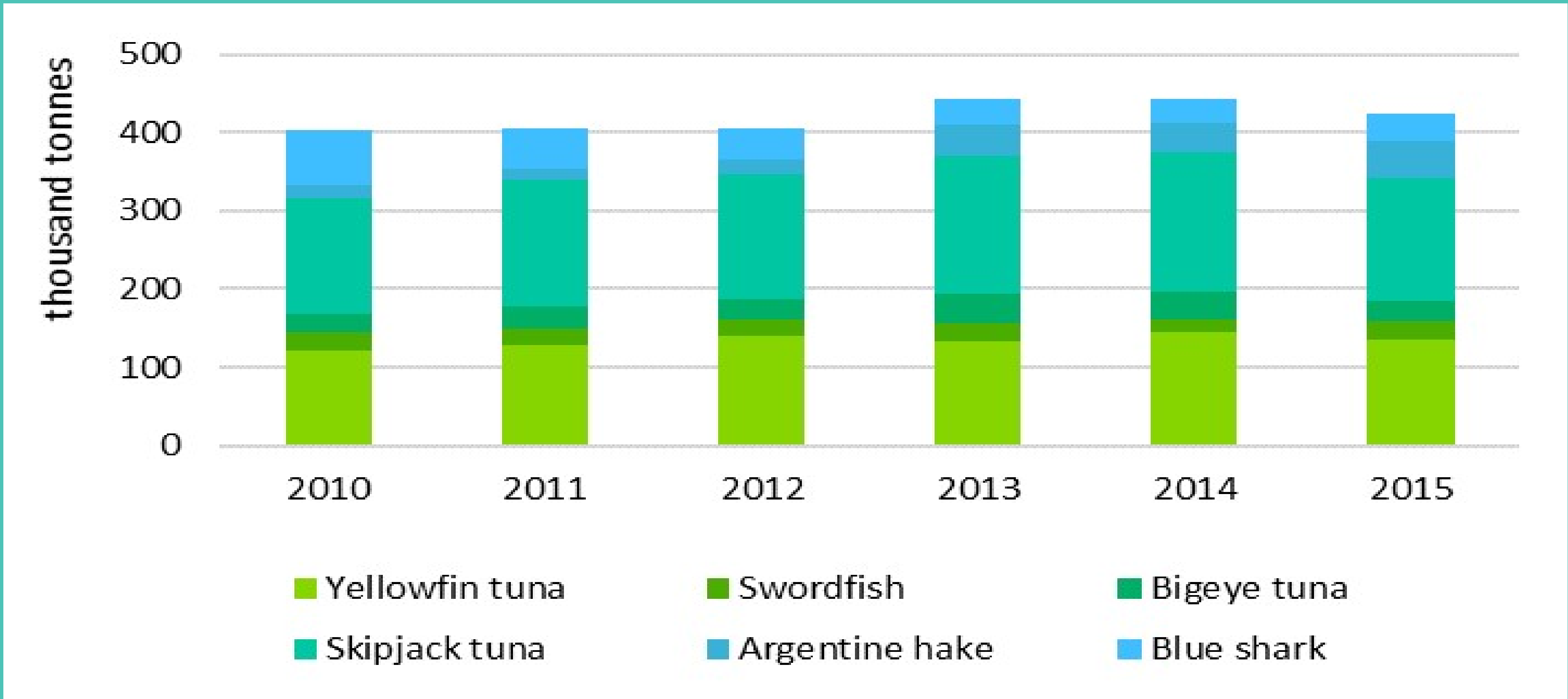
- Yellowfin tuna (€372 million)
- Swordfish (€122.8 million),
- Bigeye tuna (€88.8 million)
- Skipjack tuna (€63.1 million)

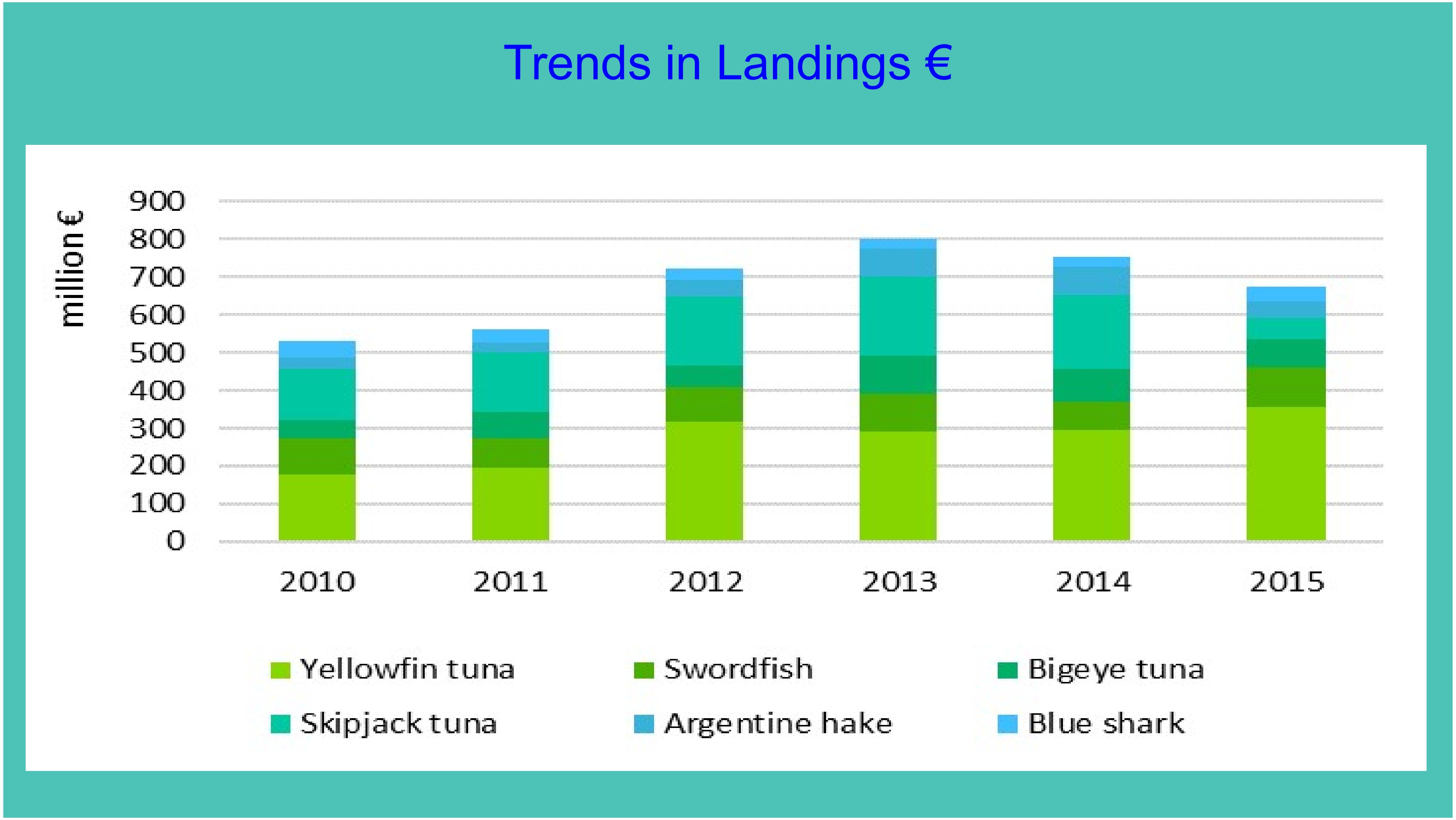
Price: Skipjack: €1.1 (2014) ------ €0.4 (2015)

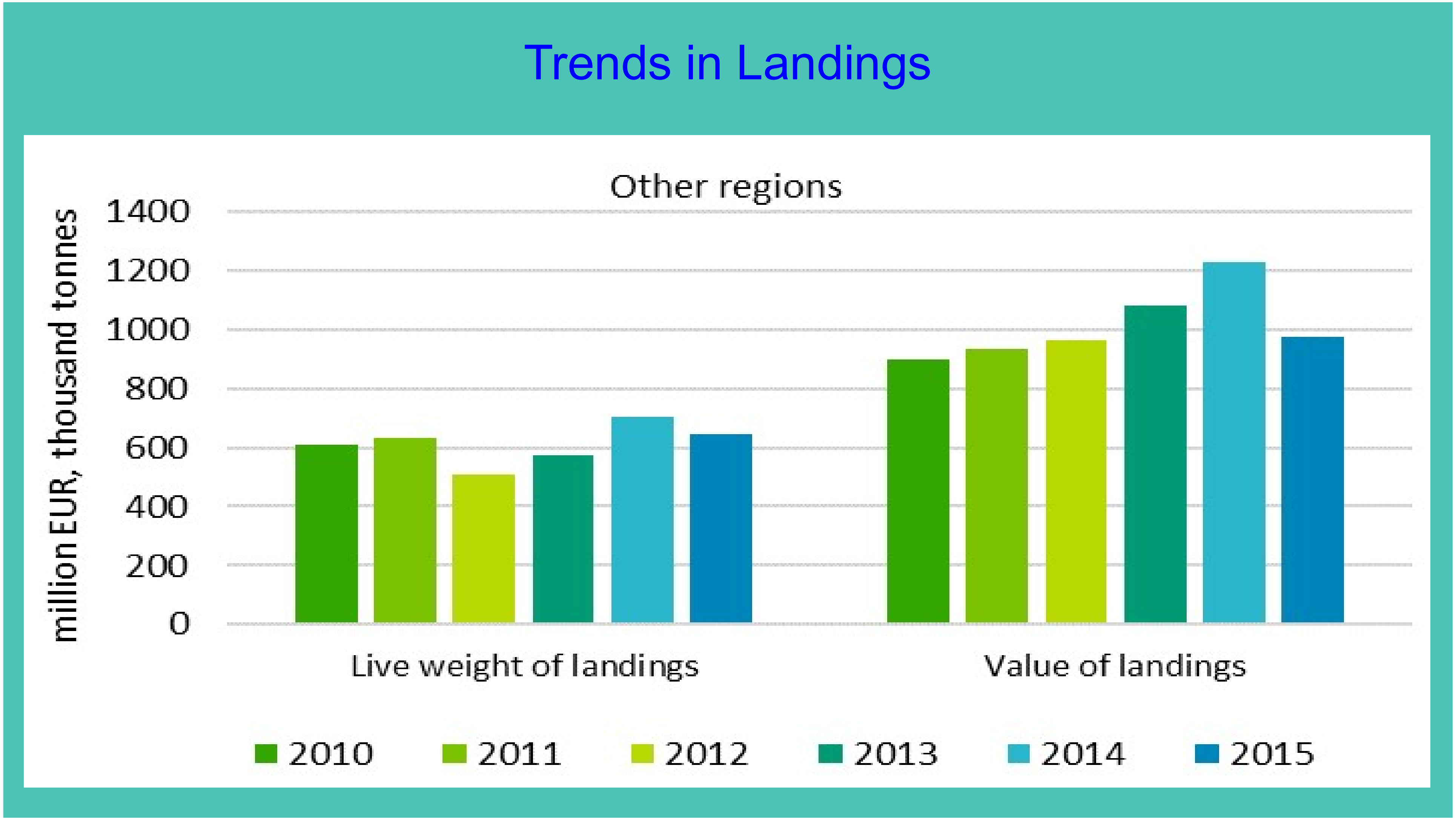
Yellowfin: +27.4% Swordfish +7%

- Yellowfin tuna = 45.6% of total value of landings in the region

Trends in Landings




Trends in Landings €
million €
900
800
700
600
500
400
300
200
100
0
2010
2011
2012
2013
2014
2015
Yellowfin tuna
Swordfish
Bigeye tuna
Skipjack tuna
Argentine hake
Blue shark


Trends in Landings
Other regions
million EUR, thousand tonnes
1400
1200
1000
800
600
400
200
0
Live weight of landings
Value of landings
2010
2011
2012
2013
2014
2015

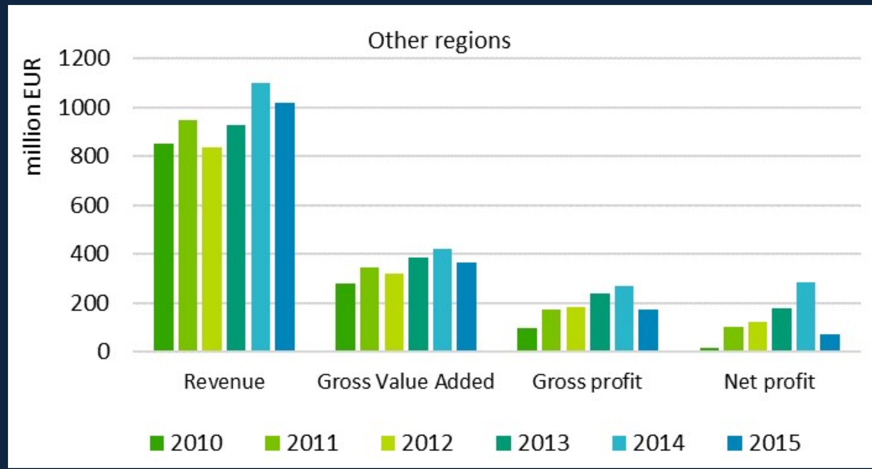
Summary of the Main Findings

Covers the period 2008-2017

1. Fishing capacity,
2. Effort,
3. Employment,
4. Landings,
5. Income
6. Costs

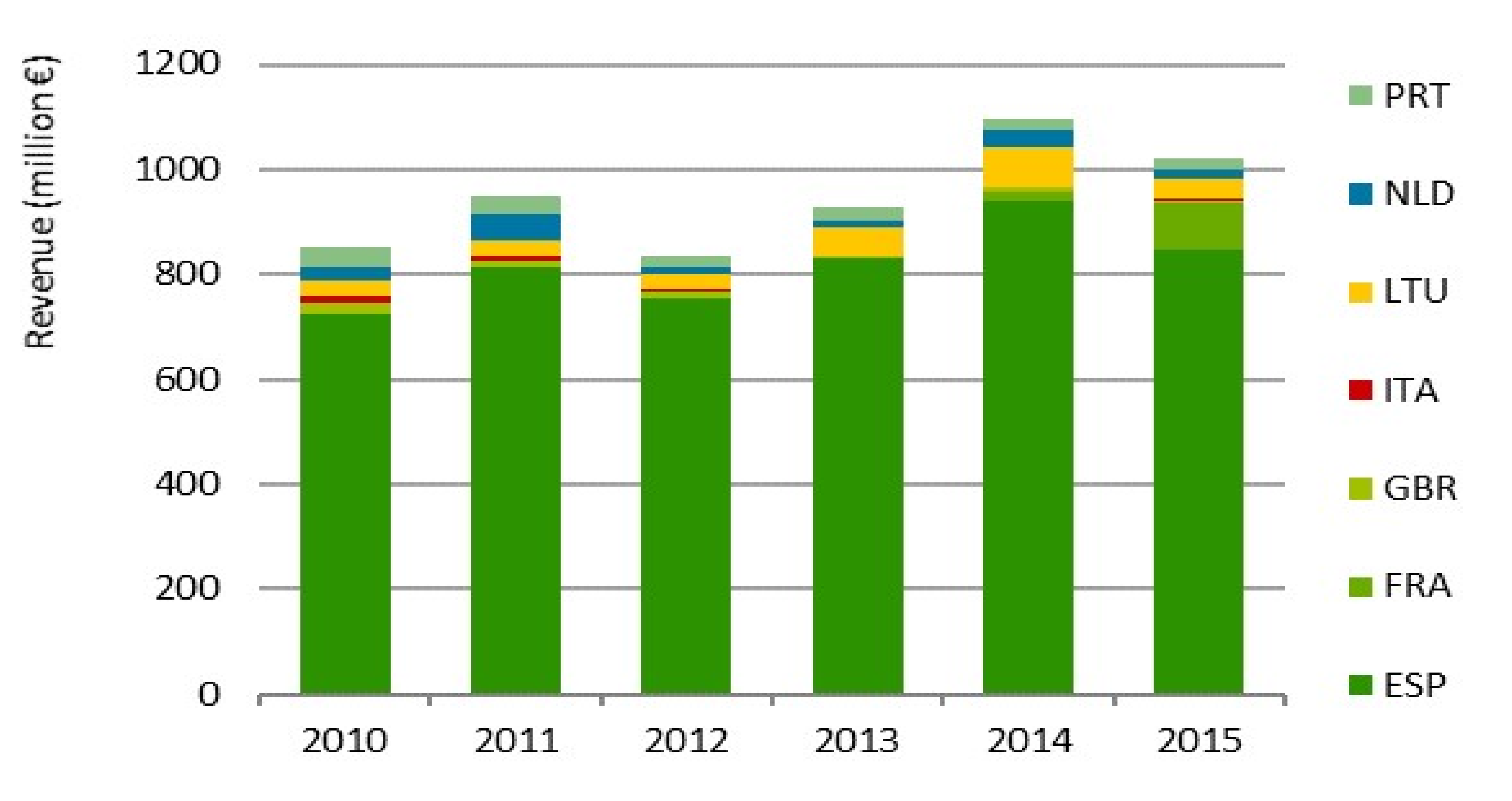
What we have learned

- Fleet size stable
- Landed weight & value down



- Revenue down
- Fuel costs remain low

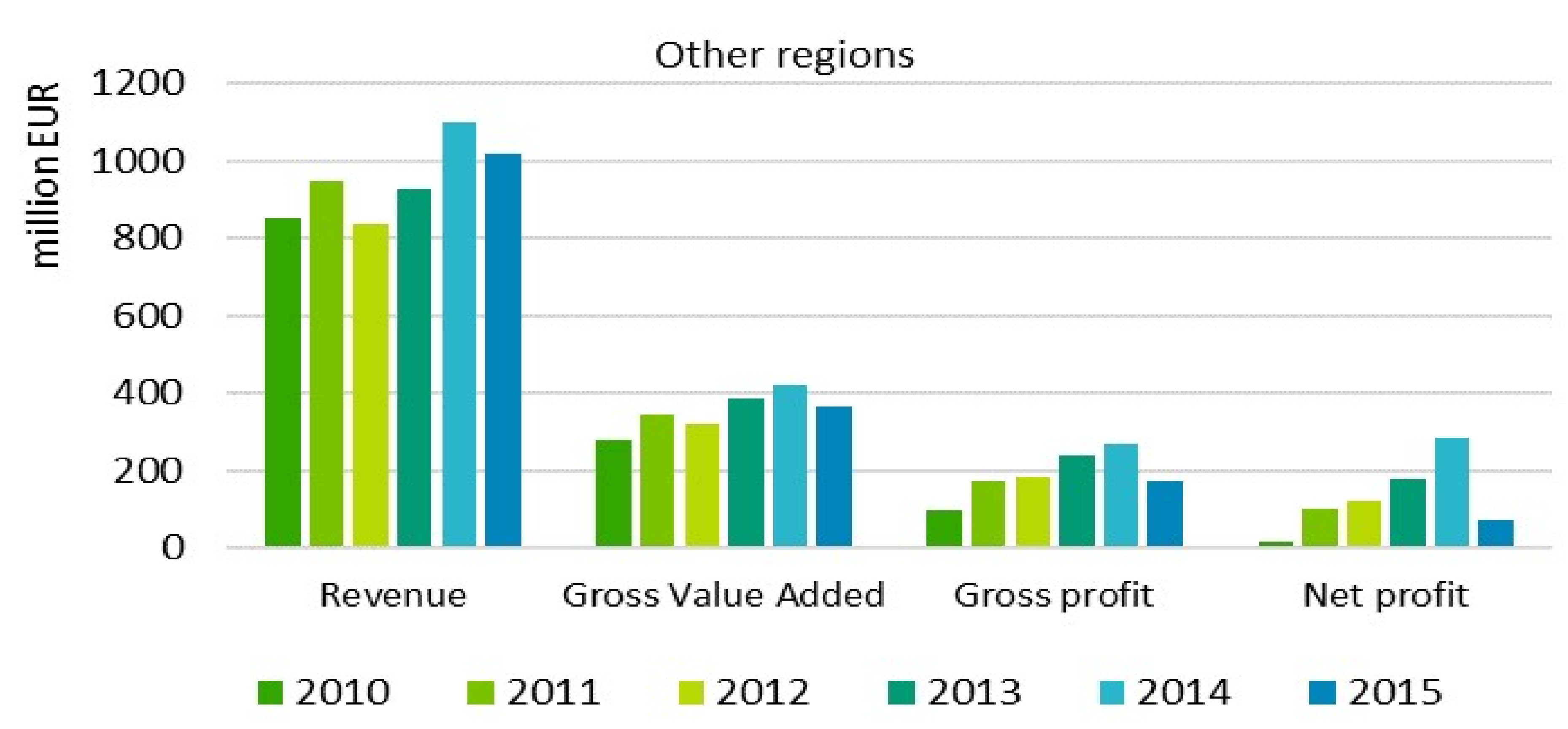
REVENUE


Revenue (million €)
1200
1000
800
600
400
200
0
2010
2011
2012
2013
2014
2015
PRT
NLD
LTU
ITA
GBR
FRA
ESP

Total costs in 2015 relative to 2014 (€ 000,000)

	2014	2015	Change
Revenue	€1,201	€1,019	-15%
Labour Costs	€183	€191	+4%
Fuel Costs	€216	€178	-18%

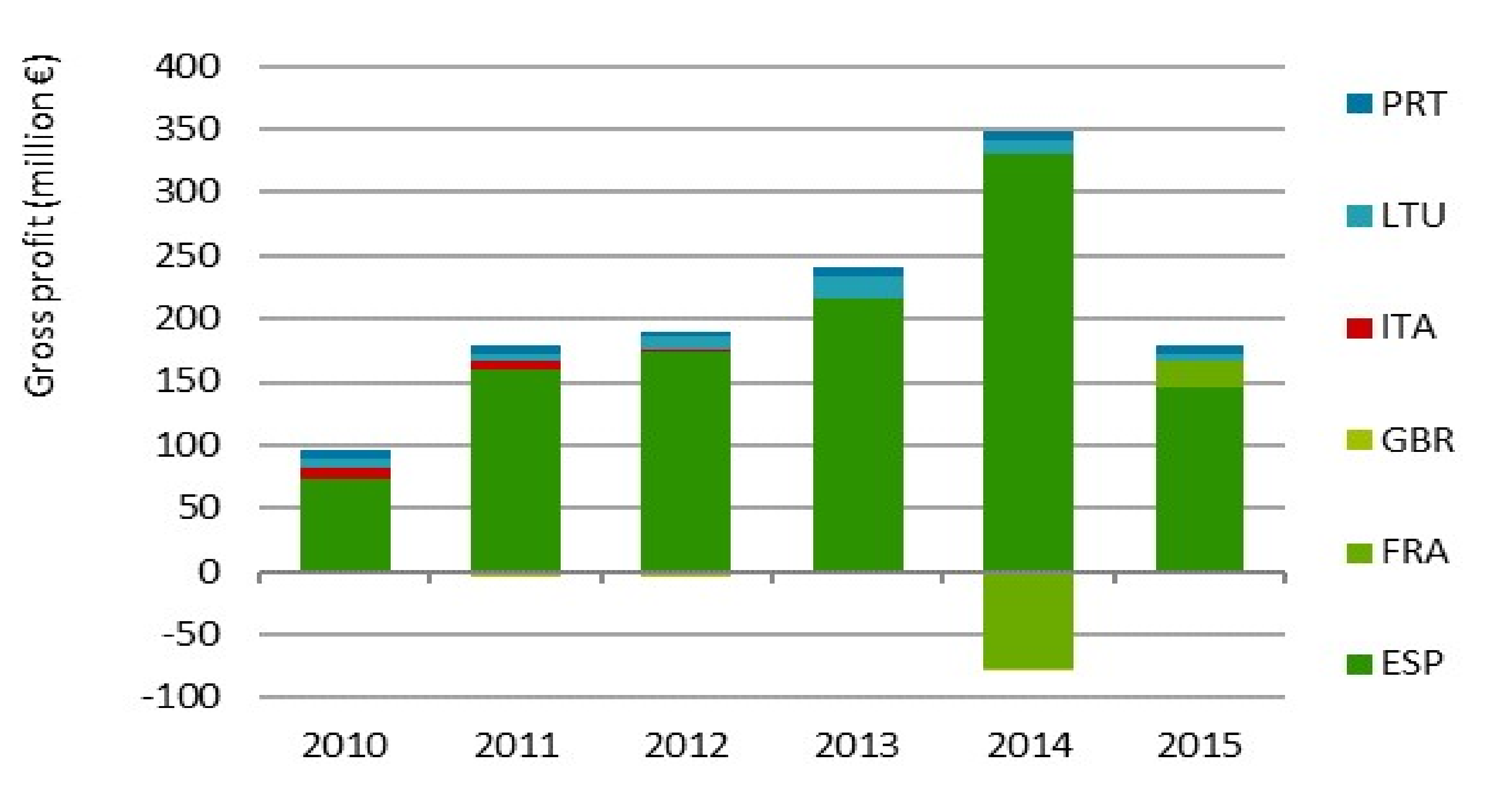
ECONOMIC PERFORMANCE



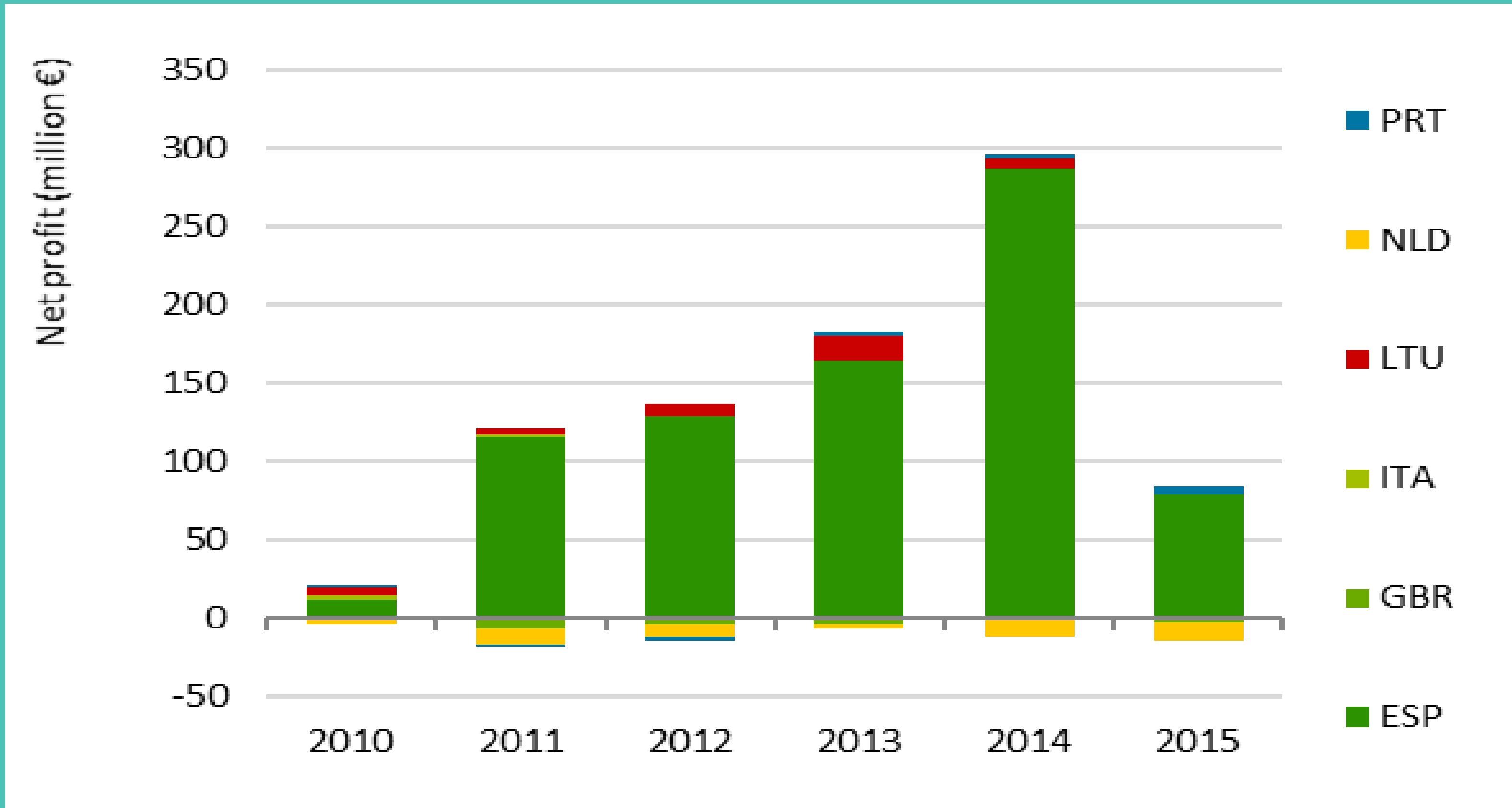
Total costs in 2015 relative to 2014 (€ 000,000)

	2014	2015	Change
Revenue	€1,201	€1,019	-15%
Labour Costs	€183	€191	+4%
Fuel Costs	€216	€178	-18%
Gross Profit	€350	€171	-50%
NET PROFIT	€279	€73	-75%

GROSS PROFIT



NET PROFIT


Net profit (million €)
350
300
250
200
150
100
50
0
-50
2010
2011
2012
2013
2014
2015
PRT
NLD
LTU
ITA
GBR
ESP

Performance Indicators

- Revenue increased -15%
- LABOUR +4%
- FUEL -18%
- 19% drop in cost of Fuel major factor
- Gross Profit down 15% to €171 million
- Gross Value down 30% to €363 million
- Net Profit down 75% to €73 million