The 2015 Annual Economic Report on the EU Fishing Fleet

Preliminary results

14 July 2015, Brussel

35 Experts

(Anton Paulrud, Chair)

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Angel Calvo Santos (DG Mare focal person)

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Why do people fish commercially?

Large Scale

~~To Catch Fish~~

Money

Making a living
Employment
Food
Culture
Tradition
Fun
…

Small Scale

~~To Catch Fish~~

Make a living

Employment
Food
Culture
Money
Tradition
Fun
…

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Micro/Macro and other perspectives… to keep in mind…

- Unprofitable fishing can occur if other goals exists
- Unsustainable in the long run (in some sense…economic)
- Coastal communities /Cultural heritage
- Thresholds…
- Coastal stocks

Definitions

- ***Revenue (Income):***

  = Income from landings + other income

- ***Gross Value Added (GVA):***

  = DITO – energy costs – repair costs – other variable costs – non variable costs

- ***Gross Profit (GRP):***

  = DITO – crew costs – unpaid labour

- ***Net Profit/Loss:***

  = DITO - depreciation cost – opportunity cost of capital

- Data is for 2013 but …

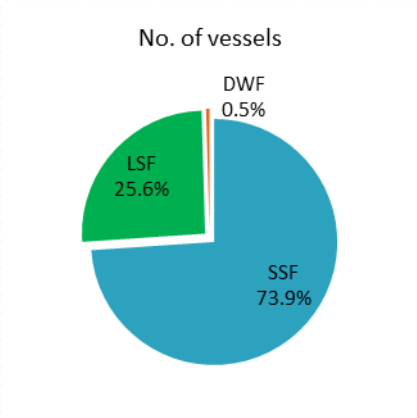
All monetary values have been adjusted for inflation; constant prices (2014)

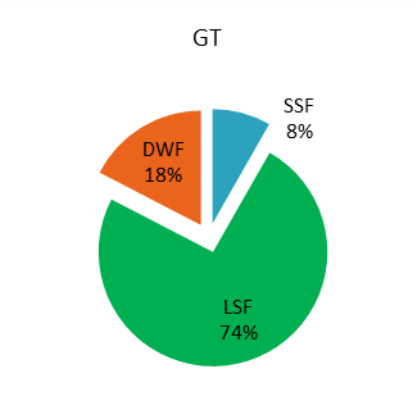
The EU fleet by scale

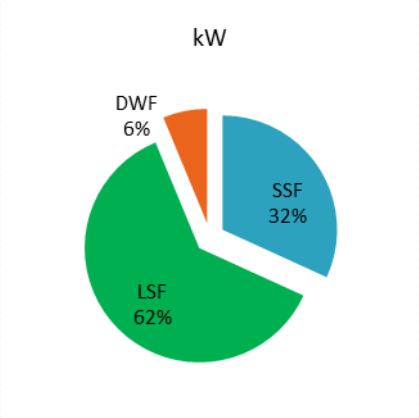
- The small-scale fleet comprised 48,000 vessels, 74% of the total EU fleet in number, 8% in gross tonnage and 32% in engine power.

- The large-scale fleet comprised 16,700 vessels, 26% of the total EU fleet in number , 74% of the gross tonnage and 62% of the engine power .

- The distant-water fleet, although comprising less than 1% of the number of vessels (298), represented 17% of the total gross tonnage and 6% of the engine power.







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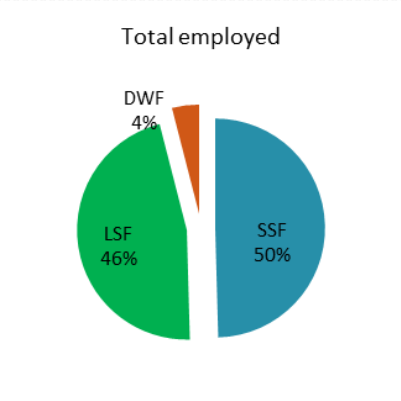
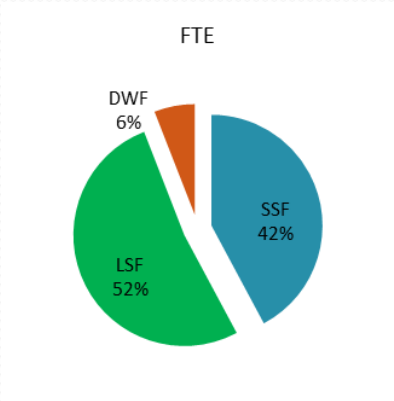
Economic performance (employment)

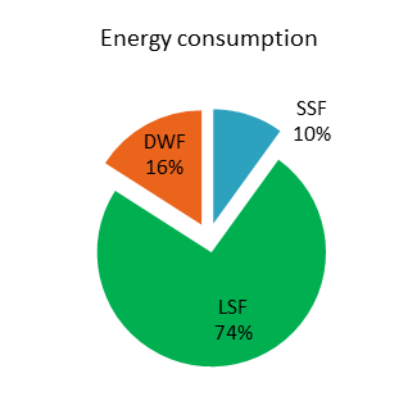
- The EU fishing fleet in 2013 directly employed 149,195 fishers => 110,096 FTEs (Cyprus excluded).





Economic Performance (landings and effort)

- Sea days reported was almost 4.8 million days in 2013.
- Energy consumed in 2013 was reported at 2.4 billion litres (excluding Bulgaria and Cyprus, due to missing data).



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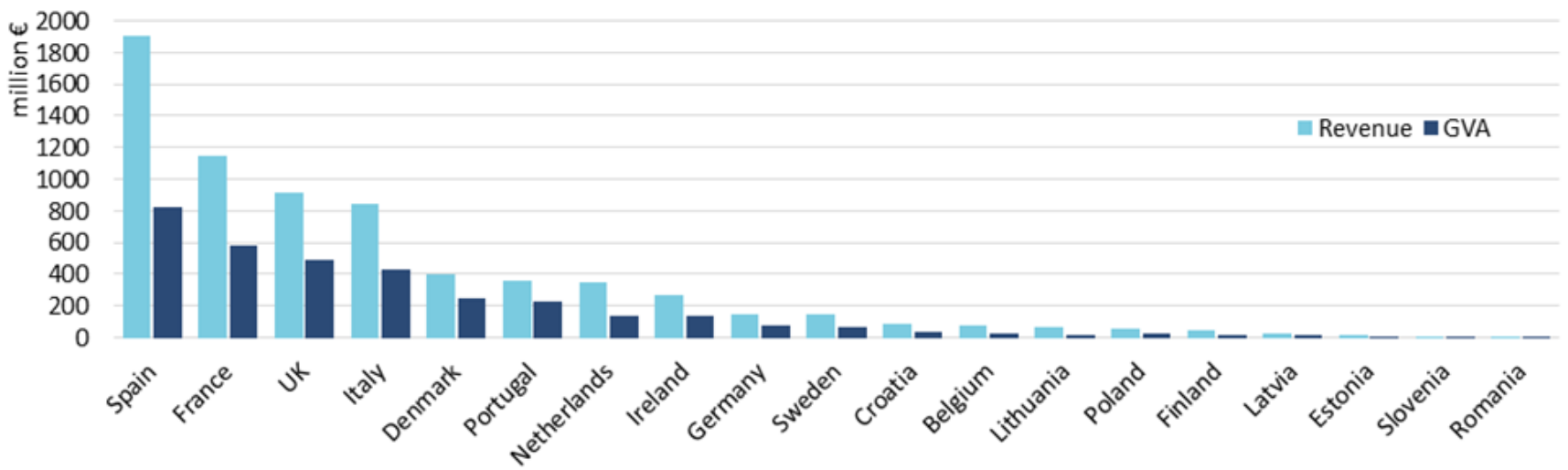
Economic Performance 2013 (Revenue and GVA)

- Revenue **€6.86 billion**
- Gross Value Added **€3.37 billion**

Results indicate that the Spanish fleet generated by far the highest revenue and GVA, followed by the French, UK and Italian fleets

All measures excluding subsidies.
Greece, Bulgaria, Cyprus and Malta excluded.



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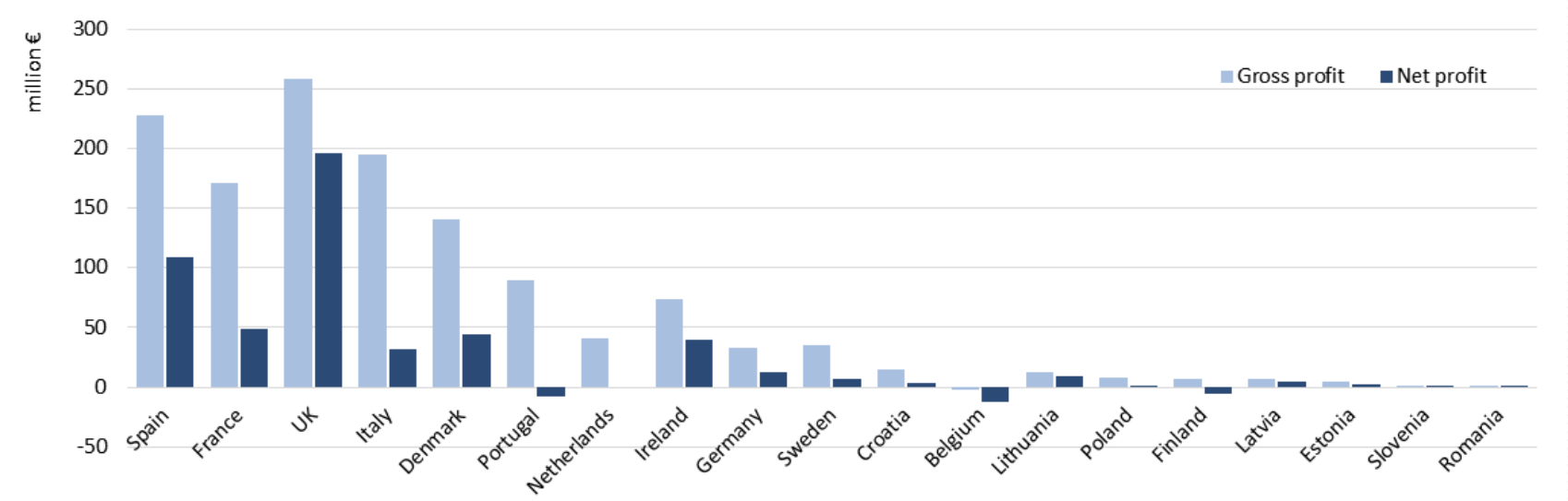
Economic Performance 2013 (Gross and Net profit)

- **Gross profit €1.3 billion**
- **Net Profit €506 million**

- **Reveals a mixed picture.**
- **16 out of 19 Member States generated net profits**
- **3 Member States made losses (Belgium, Finland and Portugal)**

Data for Greece, Bulgaria, Cyprus and Malta not included. All measures excluding subsidies.



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Fishing - An Economic Activity

-Production factors for fishing – labour, capital, resource

-Indicators for efficient use of these production factors

Labour	Capital	Resource
Employees,	vessels, permits, fishing rights	TAC, Available catch
-GVA/FTE	-ROI / ROFTA	-Resource Rent (proxi. net profit margin)

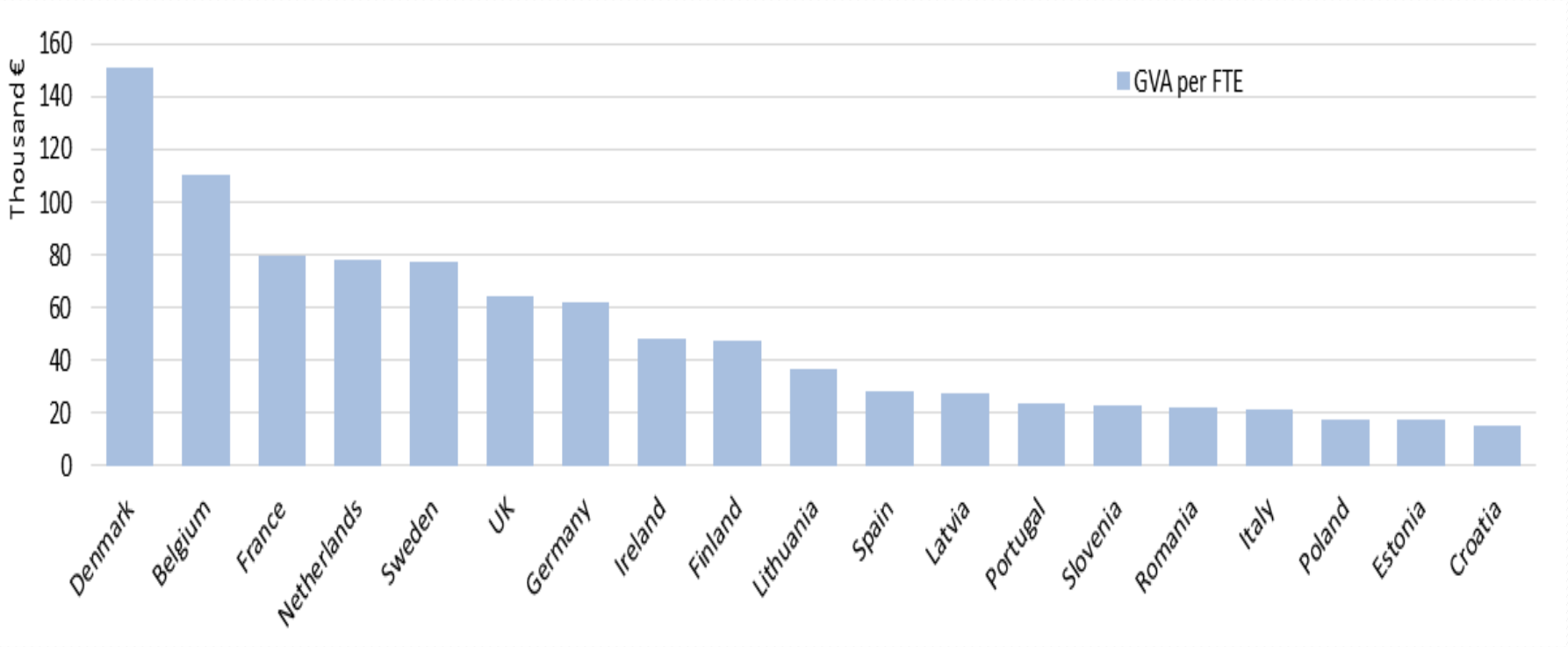
If "fishing" is an economic activity then economic performance in the long-run is the best indicator for the complete picture

=> Simply stating the <u>importance</u> of the content in the AER

Economic Performance (GVA/FTE)

"Labour productivity"

Data for Greece, Bulgaria, Cyprus and Malta not included. All measures excluding subsidies.



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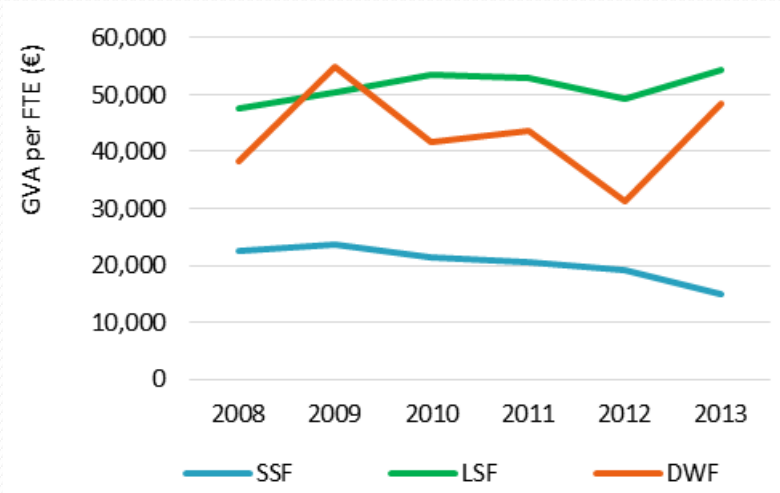
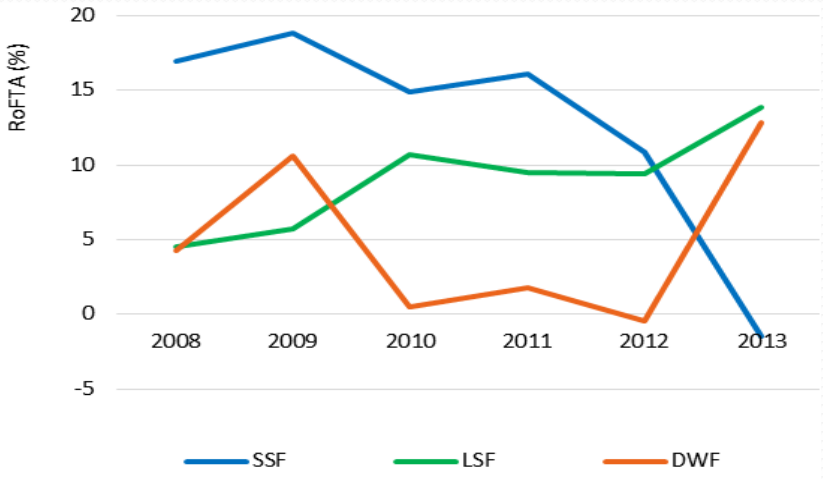
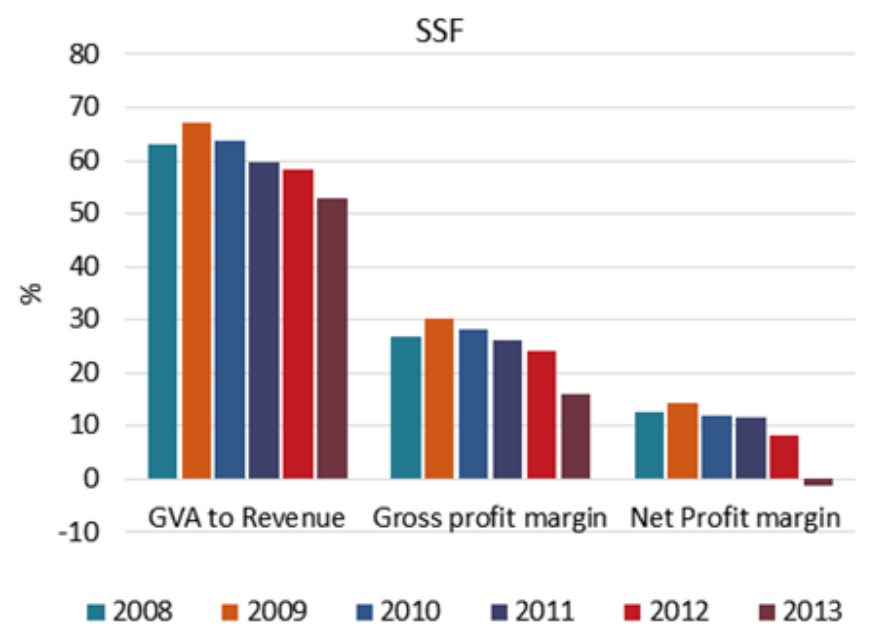
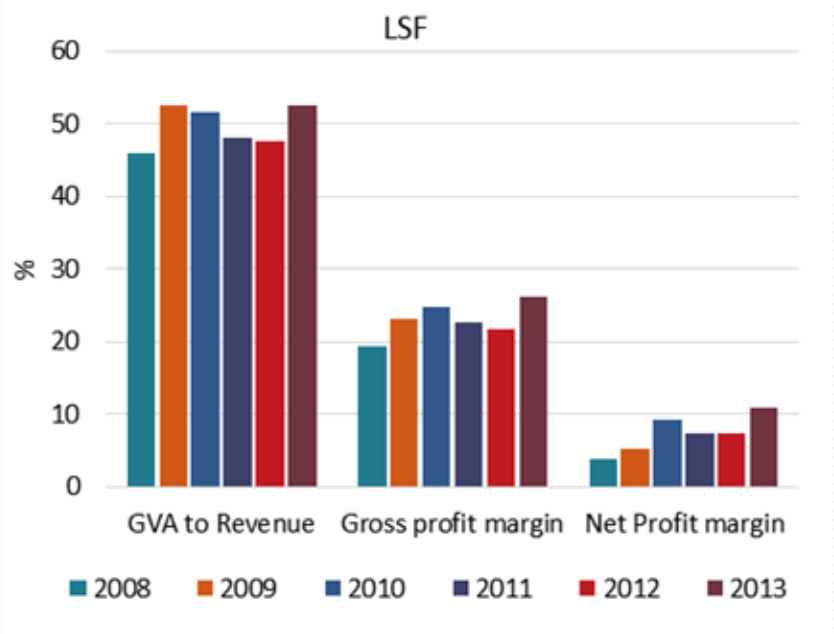
Economic performance (indicators on production factors)





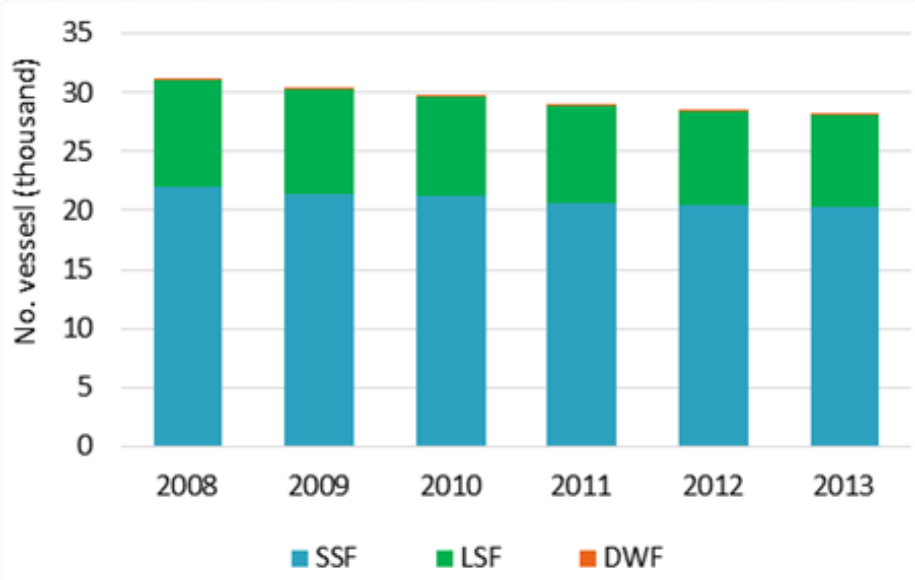


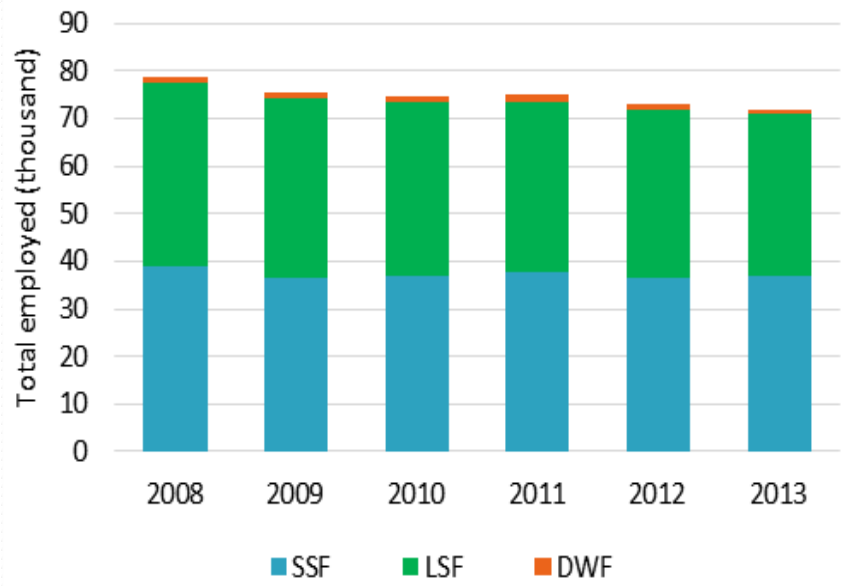


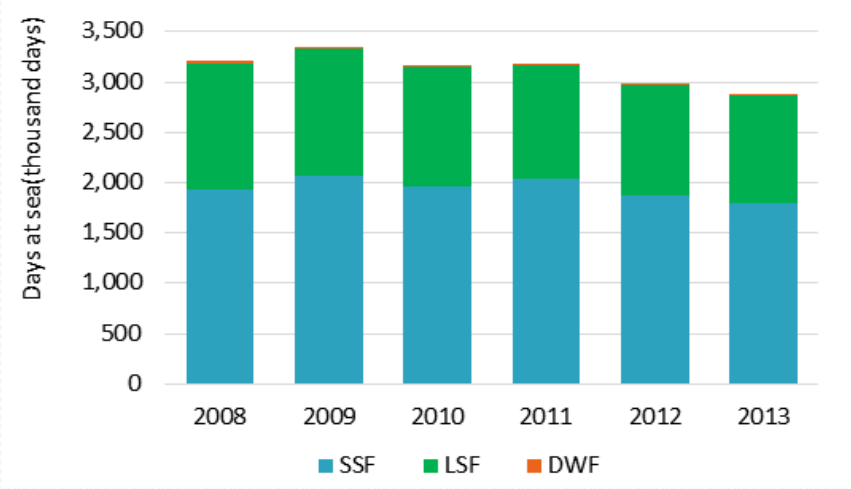
Trends

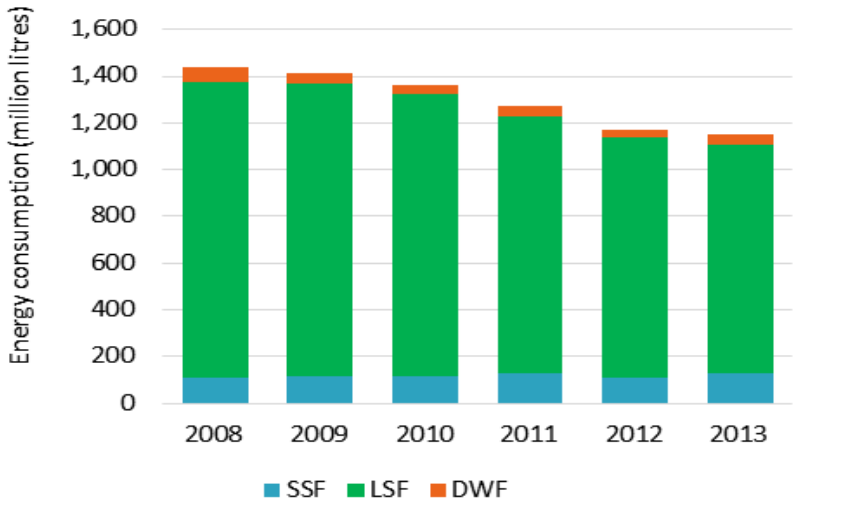
- A quick look on 16 MS
- Representing the EU Fleet quite well
- MS not included were Bulgaria, Cyprus, Croatia, France, Greece, Malta and Spain.
- Not a complete picture … but best possible for analyzing trends

Trends – a pick of 16 MS









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Seen so far…

Basic fact on Economic Performance

By trend (16 MS) over the period 2008-2013:

Revenue is decreasing (large variation)

Costs is decreasing (stable decrease)

Gross Value Added, GVA is slightly decreasing

Gross profit, is slightly increasing

Net profit, is increasing

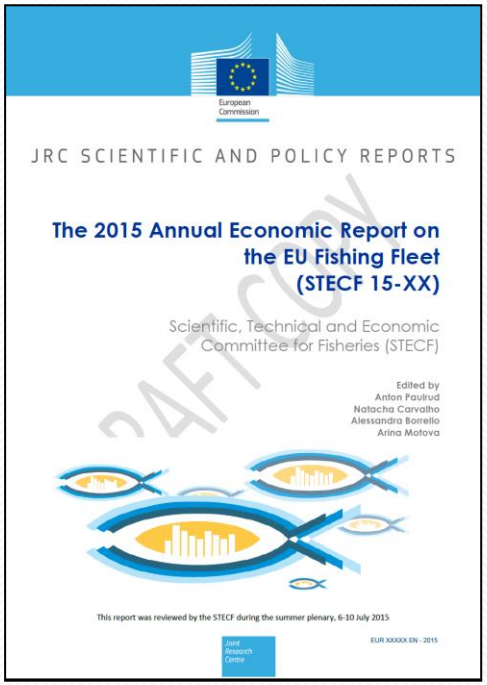
- Values on indicators for production factors (efficiency measures)

National chapters in the 2015 AER

- Now more concise without losing key information
- Usual evaluations of trends in capacity, employment, effort, landings, prices, costs and earnings, profitability for 2014 (where possible)
- Results broken down by small scale, large scale, and long distance fleets
- The MACRO approach to estimating economic performance
- More qualitative interpretation of results i.e. factors driving economic performance, assessment and future trends
- In addition Projections by BEMEF – 2014, 2015 and MSY (15 MS NE Atlantic, top 3 fleets) and Projections by HDA0.2 -2014 and 2015 (3 MS MED)

The Annual Economic Report 2015

- Data call (February / March 2015 DCF data call)
- Requested economic and transversal data for the years 2008 to 2013 (2014 voluntary)
- Still preliminary….in process to be published by STECF
- Presented at STECF Summer plenary…last week (6-10 July)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The 2015 Annual Economic Report on the EU Fishing Fleet (STECF 15-XX)

Scientific, Technical and Economic Committee for Fisheries (STECF)

Edited by
Anton Paulrud
Natacha Carvalho
Alessandra Borrello
Arina Motova

This report was reviewed by the STECF during the summer plenary, 6-10 July 2015

EUR XXXXX EN - 2015

Joint Research Centre

Reminder…

Fishing is an economic activity

- Economic Performance in the long run is the best indicator for the complete picture
- There can be other goals for Commercial fishing than clean economic profit – specially for small scale
- The general economic performance trend is a positive for large scale
- The general economic performance trend is a negative for small scale but they might have over goals (despite it's not sustainable to have negativ economic performance).
- There is large variation in Economic performance

The results can later be found in the AER

Thanks! Finally all Experts….

Invited Experts	
Paolo ACCADIA	Christos MARAVELIAS
Edo AVDIC MRAVLJE	Sebastien METZ
Douglas BEARE	Marin MIHANOVIC
Jörg BERKENHAGEN	Carlos MOURA
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