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**COMMUNICATION FROM THE COMMISSION  
TO THE COUNCIL AND THE EUROPEAN PARLIAMENT**

**ON IMPROVING THE ECONOMIC SITUATION IN THE FISHING INDUSTRY**

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## **1. INTRODUCTION**

The importance of the fishing industry goes beyond its direct contribution to the European Union's GDP. Not only does it supply a substantial proportion of the protein needed for human consumption, but also it makes an important contribution to the economic and social fabric of many coastal communities across the EU.

In recent years this industry has been facing difficult adjustments as depleted fish stocks and unfavourable market conditions have eroded its profitability. The reform of the Common Fisheries Policy (CFP) has accelerated modernisation of management of the Union's fisheries and put them on the path towards sustainability. This will lead to an economically healthier fishing industry, but it is a painful process that has inevitably entailed measures to restrict fishers' catches, the time spent fishing and, hence, profits and will continue to do so for the foreseeable future.

The recent increase in operating costs due to higher fuel prices therefore comes at a sensitive time, creating unprecedented difficulties for many parts of the industry. The combination of depleted stocks, inevitably restrictive management measures, heavy increases in costs and static or decreasing income means that many vessels with high fuel consumption are operating at a loss.

In this Communication the Commission identifies the sources of the economic difficulties and suggests avenues for addressing both the short-term and the long-term challenges facing the fishing industry.

## **2. SOURCES OF ECONOMIC AND SOCIAL DIFFICULTIES**

Over the past few years the economic situation of many fishing enterprises has deteriorated, primarily because of decreasing income. The situation has recently been aggravated by a rapid rise in costs, due to increased fuel prices, which threatens the financial viability of many fishing enterprises. This rise in costs is also felt strongly by crew members whose wages are a share of the income from the catch (after deduction of all operating costs, including fuel costs); the loss of income for crew members can be as high as 25% in some cases<sup>1</sup>. There is also a risk that loss in profitability may result in less safety on board.

While these economic difficulties concern, to varying degrees, all segments of the fishing fleet, they particularly affect vessels using towed gear and targeting demersal species, i.e. bottom trawlers.

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<sup>1</sup> See Table 1.

## 2.1. Decreasing income

### 2.1.1. Stagnating market prices

Market factors have contributed to an erosion of income from fishing. Prices for many important commercial species have not followed production cost trends in recent years. For a number of whitefish species, for example, average first-sale prices stagnated or even decreased between 2000 and the first half of 2005<sup>2</sup>.

The increasing share of imports on the EU market for fish and the development of aquaculture are often blamed for stagnating or falling fish prices. However, their contribution to reducing fishers' income is probably less important than other factors, such as the concentration of sales in big distribution chains and greater competition between fish and other food products, putting considerable pressure on wholesalers to cut their prices and profit margins. This reverberates all along the market chain but hits primary producers, i.e. fishers, hardest. For species such as cod or saithe, the EU fishing industry can no longer provide the size or quantity needed and supplies are already almost exclusively imported.

### 2.1.2. Lower fishing yields

Heavy fishing, generally pushing levels of fishing mortality well above the maximum possible for sustainable fishing, has depleted fish stocks and drastically reduced the economic output for fishermen<sup>3</sup>.

For the North-East Atlantic and adjacent waters, the International Council for the Exploration of the Sea (ICES) evaluated the exploitation rate for fish stocks in relation to sustainability<sup>4</sup>. Out of 43 stocks assessed, 35 (i.e. 81%) were over-fished and only 8 were being fished at levels corresponding to the highest long-term yields (i.e. maximum sustainable yield, MSY)<sup>5</sup>. Over-fishing was running at two to five times the level that would generate the highest yields; it was particularly high for demersal species. But over-fishing is not confined to the North-East Atlantic; it occurs everywhere.

Consequently, fishers have had to face a significant reduction in their catch possibilities. The quotas allocated to vessels fishing in the west of Europe for the main demersal species (cod, haddock, whiting, saithe and hake) and benthic species (plaice, sole, anglerfish and nephrops) have been decreasing since the mid-1990s. For cod, for example, total allowable catches (TACs) were reduced by 54% between 1998 and 2005<sup>6</sup>. Stocks of other demersal species also show a downward trend. This reduction in catch possibilities for cod stocks has led to

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<sup>2</sup> See Graph 1.

<sup>3</sup> Other factors, such as climate change and pollution, possibly also contribute to stock depletion, although to a much lesser degree than over-fishing. The Commission's proposal for a Thematic Strategy for the Protection of the Marine Environment aims at achieving a healthy marine environment which, amongst other things, is conducive to healthy fish stocks.

<sup>4</sup> Report of the ICES Advisory Committees on Fishery Management (ACFM), on the Marine Environment (ACME) and on Ecosystems (ACE), 2005; ICES Advice, Volumes 1-11, 1418 pp. Copenhagen, 2005.

<sup>5</sup> See Table 2.

<sup>6</sup> See Graphs 2a, b and c.

restrictions of fishing for associated species in the context of mixed fisheries, which are particularly common in the North Sea.

In the meantime, fishing capacity (vessel tonnage and engine power) has decreased very slowly over the last ten years (by 2% per year in engine power)<sup>7</sup>. This small reduction has been totally offset by the steady increase in efficiency of fishing vessels<sup>8</sup>. Despite reductions in fishing capacity, scientific advice does not suggest any significant improvement in commercially important stocks<sup>9</sup>.

Excessive fishing puts greater pressure on stocks and accelerates depletion, which in turn forces vessels to increase their overall fishing effort and reduces incentives to comply with fishing management rules. This downward spiral, leading to lower yields and revenues for fishers, must be reversed. Fishing effort must return to levels compatible with higher and sustainable fishing yields. There are various ways of reducing it, but over-capacity is clearly a key factor conducive to over-fishing; removal of this excess capacity is, therefore, an important objective.

## **2.2. Rising costs**

The recent rise in fuel prices has significantly added to operating costs for fishing vessels. Between January 2003 and December 2005 prices for Maritime Bunker Fuels increased significantly<sup>10</sup>. Prices for the fuel used in long range fishing (380 CST) remained relatively stable in 2004; however, these prices nearly doubled in 2005. Prices for fuel used in coastal fishing (Marine Diesel Oil) showed steady price increases until September 2005, and then eased slightly. The profitability of fishing enterprises has been seriously affected by this development, although the impact on costs depends on the type of gear (towed and non-towed) and target species.

Between 2003 and 2005 fuel costs rose from approximately 18% to 36% of the value of landings for trawlers and from approximately 9% to 18% for fleets operating with static gear. This suggests that for most bottom trawlers - by far the biggest segment of the fishing fleet - net operational profit is negative<sup>11</sup>.

## **3. ADDRESSING THE ECONOMIC DIFFICULTIES**

Both short- and long-term action must be taken to address the current economic difficulties of the fishing industry.

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<sup>7</sup> See Graph 3.

<sup>8</sup> According to a report written for the Commission in June 2001 ("The impact of technological progress on fishing effort"), fishing vessels are becoming, on average, between 2 and 4% more efficient each year, depending on the kind of fishery.

<sup>9</sup> ICES report 2005.

<sup>10</sup> See Graph 4.

<sup>11</sup> Based on balance sheet figures for 2003 provided in "Economic Performance of Selected European Fishing Fleets - Annual Report 2004" (see previous footnote and Table 3).

In the short term, available instruments and resources must be mobilised to help rescue and restructure fishing enterprises capable of regaining profitability through structural changes. It is therefore necessary to examine how the existing instruments and the current State aid framework, based on the Community guidelines on State aid for rescuing and restructuring firms in difficulty<sup>12</sup> and the guidelines for the examination of State aid to fisheries<sup>13</sup>, can be applied to rescue and restructure fishing enterprises facing difficulties.

It is also crucial to put these rescue and restructuring measures in a longer-term perspective so that the fishing industry can adapt to the new situation marked by high fuel prices. Throughout this process, the Commission will invite Member States to use the Community's structural instruments for fisheries<sup>14</sup> to accompany the necessary adjustments and support fishing communities in the transition.

### **3.1. Short-term rescue and restructuring**

To the extent allowed by Community law, Member States might wish to come to the aid of fishing enterprises that appear to be close to bankruptcy. Possibilities exist to provide State aid to enterprises in difficulties under the conditions of the currently applicable Rescue and Restructuring Guidelines. This section clarifies how the Commission intends to apply the guidelines to the fishing industry.

#### *3.1.1. Rescue and restructuring aid*

With fuel prices likely to remain high, fishing enterprises must adapt to the new situation and restructure if they are to regain viability, particularly in the case of vessels using towed gear and targeting demersal stocks.

Rescue aid is to be seen as a short-term aid to keep an ailing enterprise financially afloat for the time necessary to work out a restructuring or liquidation plan. Such rescue aid, which may last no more than six months, must take the form of a reimbursable loan or guarantee. Where the rescue aid is followed by an approved restructuring plan, the rescue aid can be repaid with support received by the firm in the form of restructuring aid.

Further restructuring of fishing enterprises to restore economic viability will often imply investment to adapt fishing vessels. General rules on aid for such investment are set out in point 4.4 of the guidelines on State aid to fisheries. These allow aid for modernisation and equipment of fishing vessels subject to the rules laid down in the Financial Instrument for Fisheries Guidance (FIFG) Regulation. The conditions for granting national aid for these purposes are therefore the same as those applicable to Community aid under the FIFG Regulation.

However, national aid for certain types of modernisation and equipment of vessels that is not allowed under point 4.4. could be considered if it is aimed at restructuring fishing enterprises

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<sup>12</sup> OJ C 244, 1.10.2004, p. 2.

<sup>13</sup> OJ C 229, 14.9.2004, p. 5, in particular point 4.1.2.

<sup>14</sup> Financial Instrument for Fisheries Guidance (FIFG), OJ L 337, 30.12.1999, p. 10, Regulation, as last amended by Regulation 485/2005 (OJ L 81, 30.3.2005, p. 1); from 1 January 2007 on, the European Fisheries Fund (EFF) (COM/2004/0497 final).

as part of rescue and restructuring schemes authorised by the Commission<sup>15</sup>. Member States which decide to provide such aid need to obtain the Commission's approval for the general framework of their national “rescue and restructuring aid schemes” if these concern small or medium-sized enterprises, which are exempted from individual notification<sup>16</sup>. The Commission will assess these schemes on the basis of the Community guidelines on State aid for firms in difficulty, provided the restructuring of the firms is based on realistic economic assumptions in the present context, taking also into account the state and possible evolution of targeted stocks. Rescue aid should be limited to the minimum necessary. The purpose of restructuring must be to ensure the profitability of the enterprise within the meaning of paragraph 37 of these guidelines by reducing operational costs without increasing current overall fishing effort and capacity.

The Commission will examine State aid under these guidelines for the following investments in fishing vessels if they are made in the framework of such rescue and restructuring schemes and where these investments are necessary for the return to viability:

- a first change of fishing gear resulting in a less fuel-intensive fishing method,
- purchase of equipment to improve fuel efficiency, such as econometers, or
- one replacement of the engine provided that,
  - for vessels under 12 m in overall length and not using towed gear, the new engine has the same power as the old one or less,
  - for all other vessels up to 24 m in overall length, the new engine has at least 20% less power than the old one, or,
  - for trawlers of more than 24 m in overall length, the new engine has at least 20% less power than the old one and the vessel changes to a less fuel-intensive fishing method.

The power of the new engines of more than 130 kW covered by such State aid will be verified on the basis of the “NO<sub>x</sub> certificate”<sup>17</sup>. Any reduction in engine power linked to engine replacement with public aid will be deducted from the national reference levels and fleet capacity ceilings<sup>18</sup>.

In the case of individual enterprises operating several vessels, the Commission could accept, under the Community guidelines on State aid to fisheries, that the reduction of engine power mentioned under the second and third bullet points above could apply “globally” at the level of the enterprise. Decommissioning of a vessel without public aid would also be counted against the required reduction rate.

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<sup>15</sup> See point 4.1.2 of the Community guidelines on State aid to fisheries.

<sup>16</sup> See points 18 and 79 of the Community guidelines on State aid for firms in difficulty.

<sup>17</sup> EIAPP (Engine International Air Pollution Prevention) certificate issued in accordance with Annex VI to the MARPOL Convention (International Convention for the Prevention of Pollution from Ships, 1973, as modified by the Protocol of 1978 relating thereto) (MARPOL 73/78).

<sup>18</sup> Chapter III of Regulation 2371/2002 (OJ L 358, 31.12.2002, p. 59.)

Similarly, national schemes allowing a restructuring plan presented by a group of small and medium-sized enterprises (SMEs) could be acceptable<sup>19</sup>. In this case, the profitability of some members of the group (or of some of the vessels operated) could be improved by action taken by others, such as decommissioning, as mentioned in the previous paragraph.

In addition, following the same reasoning as for aid to modernisation and equipment, State aid for temporary cessation of activities for the time needed to carry out the abovementioned investment on board fishing vessels could also be acceptable under point 4.1.2 of Community guidelines on State aid to fisheries if it is granted as part of such rescue and restructuring schemes.

Any other public aid, including Community support, granted to a company in difficulty will have to be taken into account in the overall assessment of the restructuring plans and the long-term viability.

The Commission is ready to examine national “rescue and restructuring aid schemes” for SMEs set up by Member States to address the present economic difficulties as soon as possible. They should notify these schemes and, where appropriate, individual plans in case of bigger enterprises to the Commission within two years after publication of this Communication. The Commission will examine the schemes on the basis of relevant provisions of the structural funds applicable to fisheries and in particular in relation to aid intensity where aid concerns investments on board fishing vessels. Within two years after approval of the notified plan by the Commission Member States should issue the administrative decisions on the restructuring plans. Given that the current economic difficulties hit vessels using towed gear in particular, the Commission considers that such restructuring aid should primarily target trawlers.

### *3.1.2. Compatibility of certain operating aid*

The current difficulties in the fishing industry have been aggravated by the recent increase in fuel prices. This has led to calls from the fishing industry for public intervention to compensate for this sudden increase in costs. Such aid would constitute operating aid which is incompatible with the Treaty. The Commission would not approve any aid notified for this purpose.

As an alternative to direct aid for fuel costs, some stakeholders have advocated a guarantee scheme, at national or Community level, where money paid in by the industry in favourable times could be repaid as compensation in the event of sudden increases in operating costs (e.g. fuel price rises). The Commission could approve such a scheme only if it were to provide guarantees of reimbursement of all public aid under commercial conditions, which, in the current economic circumstances, seems very unlikely.

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<sup>19</sup> Such groupings could be based, for example, on the fishery conducted, the location of the vessels or commercial ties.



## 3.2. Longer-term measures and initiatives

It is clear that positive long-term prospects for the industry can be assured only in a context of recovered fish stocks and sustainable fishing practices. The Commission will continue to work towards these objectives on a number of fronts and invites Member States, the European Parliament and the Council to support these measures.

### 3.2.1. *Improving fisheries management*

#### 3.2.1.1. Moving towards maximum sustainable yields (MSY)

The reformed CFP has so far concentrated on the recovery of the most threatened stocks, which are also amongst those of greatest commercial importance, to bring them within safe biological limits as quickly as economic and social factors allow. This focus on the most endangered fish stocks is inevitable and necessary, since healthier stocks and sustainable fishing would yield considerably higher economic returns than at present.

At the Johannesburg World Summit on Sustainable Development the international community set itself the objective of managing fish stocks at MSY levels by 2015. For the Community, which has adopted an eco-system-based approach to fisheries management in the 2002 reform of the CFP, this is not only highly desirable for stock conservation reasons but also will contribute to rebuilding economic profitability in the fishing industry. A fisheries management system that delivers maximum sustainable yield would bring greater economic benefits in the form of more predictable supply, increased quantities of larger-sized and better-priced adult fish, and more plentiful fishing grounds that will yield more revenue per unit of effort. The challenge is to implement the measures that will achieve recovery of stocks, which is a prerequisite for making harvesting at MSY levels possible.

In the first half of 2006 the Commission intends to open a debate on a Community strategy for gradually lowering fishing mortality in all major fisheries with a Communication on the implementation of the MSY objective by 2015. At the same time, work on recovery and management plans will continue as they constitute necessary steps towards stabilising fisheries at risk before developing MSY exploitation strategies.

#### 3.2.1.2. Economic management of fisheries

While economic management of fishing rights is an exclusively national responsibility, the methods of allocating, sharing or transferring fishing opportunities between vessels at national level also have a bearing on the economic situation of the fleet. A debate at Community level on these issues on the basis of a Commission Communication is planned later this year.

#### 3.2.1.3. Improving governance of the fisheries policy

The 2002 reform of the CFP provided for setting up Regional Advisory Councils (RACs) to strengthen the involvement of stakeholders. So far three have been set up, another one is about to be and three more are being formed. By bringing together representatives of all stakeholders to advise the Commission on fisheries policy, RACs can play an important role in building trust and strengthening cooperation between stakeholders, scientists and public

authorities. This should lead to better compliance with the rules, which, in turn, will make rebuilding and protecting fish stocks more effective.

It is up to stakeholders to make a success of the RACs. The European Commission is prepared to make every effort to help in this process and, in 2007, will review the functioning of the RACs to optimise their contribution to improving fisheries management. Existing structures for consultation of stakeholders, such as the Advisory Committee for Fisheries and Aquaculture (ACFA) and the Social Dialogue Committee, will continue to provide valuable input for development and implementation of Community policies.

#### 3.2.1.4. Matching fishing effort to available resources

Fleet overcapacity is as much an economic as a conservation issue. From the conservation point of view, the desired balance between exploitation rates and resource availability could in theory be achieved by deploying a larger fleet for a shorter time or a smaller fleet for a longer time. However, overcapacity is clearly conducive to over-fishing and economic under-performance. Given the depletion of many fish stocks and the need for further reductions of fishing effort, the present size of many EU fleets is well above what it should be if every vessel in the fleet is to operate profitably, particularly in demersal fisheries.

This imbalance between excess effort and available resources needs to be addressed as a matter of urgency if the Community fishing industry is to regain profitability. Managed decommissioning of vessels will increase catch possibilities for the vessels that remain in operation.

A number of Member States have recently undertaken or are considering decommissioning schemes (e.g. Belgium, Denmark, France, Ireland, the Netherlands and the United Kingdom). Both national and Community aid is possible for decommissioning fishing vessels. The Member States and the Community should also look into ways of enhancing measures to reduce fleet overcapacity with the aid of the future European Fisheries Fund (EFF). Other measures to help to adjust fishing capacity, such as the premium for the reassignment of fishing vessels to activities other than fishing, can also be used.

#### 3.2.2. *Better compliance with fisheries management rules*

Non-compliance by some fishers poses a serious economic threat to those who abide by the rules and to the health of stocks. Unreported catches and landings often make up a significant percentage of overall catches. This in turn reduces the quality of the scientific advice, thus further endangering stocks. It is therefore crucial that the Commission, Member States and stakeholders work together to improve compliance.

##### 3.2.2.1. Improved enforcement and controls

Member States must ensure proper enforcement of CFP regulations. The Commission checks that the control framework set up by Member States is appropriate. The newly created Fisheries Control Agency in Vigo, which is set to start its activities in 2006, will provide the Community with a great opportunity to improve control of fishing activities and enforcement of fishing regulations across the Union. The Commission will work closely with the Agency

to this end. Where necessary, the Commission will take the appropriate action against Member States which fail to fulfil their enforcement obligations.

#### 3.2.2.2. Stepping up the fight against illegal, unreported and unregulated (IUU) fishing

IUU fishing is a source of unfair competition for the Community fleet. In line with the Community action plan for the eradication of IUU fishing<sup>20</sup>, the Commission intends to step up its fight against this practice in both Community and international waters. IUU fishing is highly profitable and an integral part of the commercial strategy of the operators involved; to tackle this problem, the Commission will focus on depriving the beneficiaries of IUU fishing of their expected gains.

#### 3.2.3. *Organisation and operation of fish markets*

The Commission intends to launch a comprehensive evaluation of the present market organisation to look, in particular, at the effectiveness and efficiency of existing mechanisms designed to improve financial returns from landing catches and, as appropriate, new tools to improve the marketing of fish and fishery products. It also intends to explore, with the professional organisations, all avenues to improve added value for fishers marketing their products.

A code of conduct on fish trade in the European Union would also be useful; this should be industry-driven. The Commission will invite the Advisory Committee for Fisheries and Aquaculture to draw up such a code.

Member States should make full use of the possibilities of Community assistance (FIFG, later the EFF) for investment in improving the quality and value added of fish products or marketing structures.

Eco-labelling schemes could also provide for differentiation of the product marketed and act as a commercial incentive for more sustainable and valuable fishing. The Commission would like to see greater use being made of the potential benefits of eco-labelling schemes for fisheries products and expects the debate launched by its recent Communication on this subject<sup>21</sup> to bear fruit.

#### 3.2.4. *Promote research on fuel-efficient and more environmentally friendly fishing methods*

The Commission will ensure that the needs of the fishing industry will be adequately covered in the annual work programmes to implement the Seventh Framework Programme for Community support to research and has proposed research on increased sustainability and competitiveness in fisheries and aquaculture and on means of reducing environmental impact. Development of new technologies, in particular improved fishing gear design, should be one of the priority areas.

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<sup>20</sup> COM (2002) 180 final.

<sup>21</sup> COM (2005) 275 final.

Special emphasis is being placed on the production of renewable energy, in particular the development and demonstration of new types of bio-fuels. Priority will also be given to energy efficiency and energy savings through optimisation, validation and demonstration of new concepts and technologies for the industry. The Commission intends to organise a workshop on energy savings in the fishing industry in spring 2006. This could lead to further initiatives by the Commission later this year.

### **3.3. Community support**

The Commission proposes that Member States use the Community financial instruments for fisheries throughout the adjustment process to accompany the necessary changes and help fishing communities adapt to the new situation. Both the FIFG (until the end of the programming period) and the EFF (from 1 January 2007 onwards) can support the restructuring measures adopted by Member States in their national rescue and restructuring schemes and help to finance the fleet adjustment measures in the longer term as well as support the necessary social changes in affected fishing communities.

If the EFF Regulation is adopted early in spring 2006, the Commission would consider amending the FIFG Regulation to harmonise some of its provisions with it so that remaining FIFG funds could be used to implement restructuring measures. In the meantime, the Commission will exceptionally accept requests already made by some Member States, outside the period fixed for the submission of modifications, to modify their 2005 FIFG programmes, with the aim to address the situation described in this Communication.

Member States are expected to ensure appropriate allocation of financial resources between the different EFF funding priorities. The level of financing allocated to measures to adjust and adapt the fishing fleet in Member States' operational programmes should reflect the seriousness of the current economic situation and the need to restore the profitability of the fishing industry.

## **4. CONCLUSIONS**

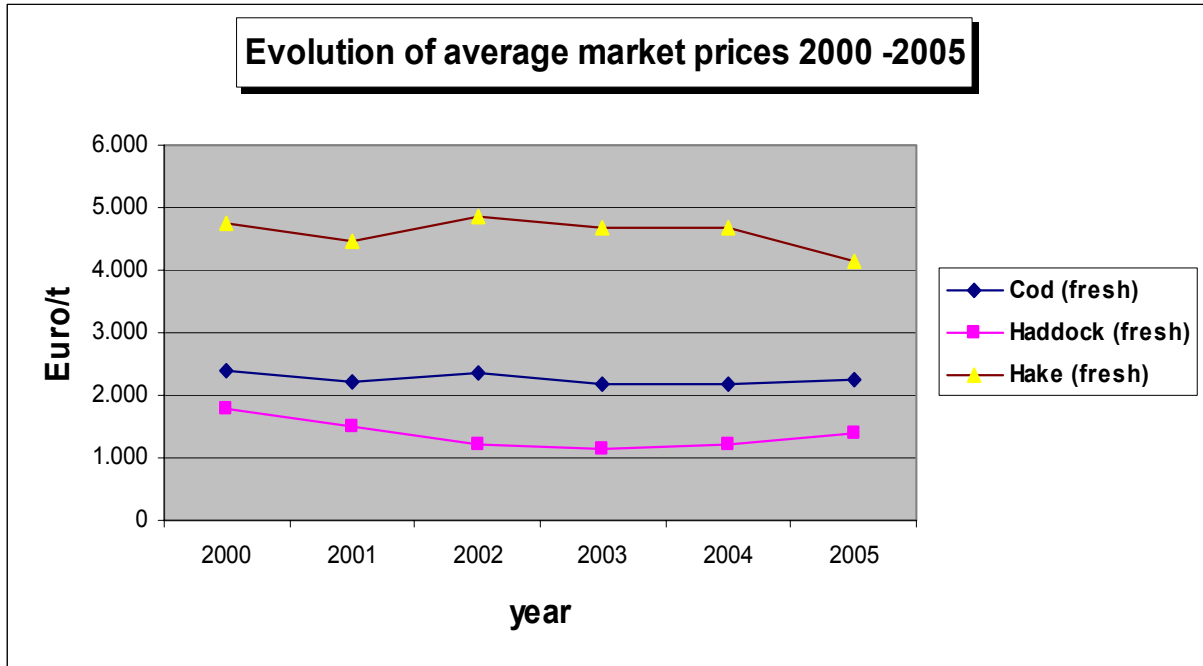
There is no easy way out of the current difficulties of the fishing industry. But restoring the industry to sustainability is possible and indispensable given its economic, social and cultural importance for coastal communities across the EU.

All concerned, at Community, national and local levels, should support the fishing industry in its restructuring efforts, focusing on the common objective of sustainable fisheries.

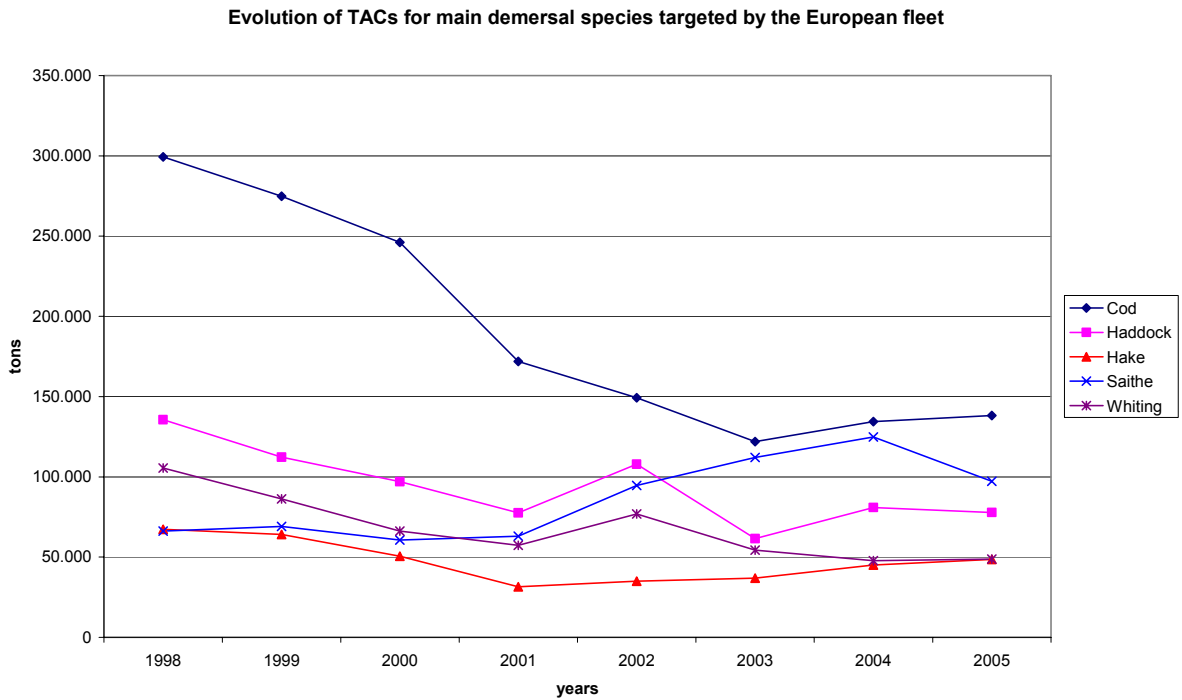
This Communication aims to set a framework for stakeholders, Member States and the Community institutions to participate in delivering both short-term rescue measures for fishing enterprises in difficulty and the structural adjustments in the fishing industry that are necessary for its long-term sustainability and prosperity.

**ANNEX**

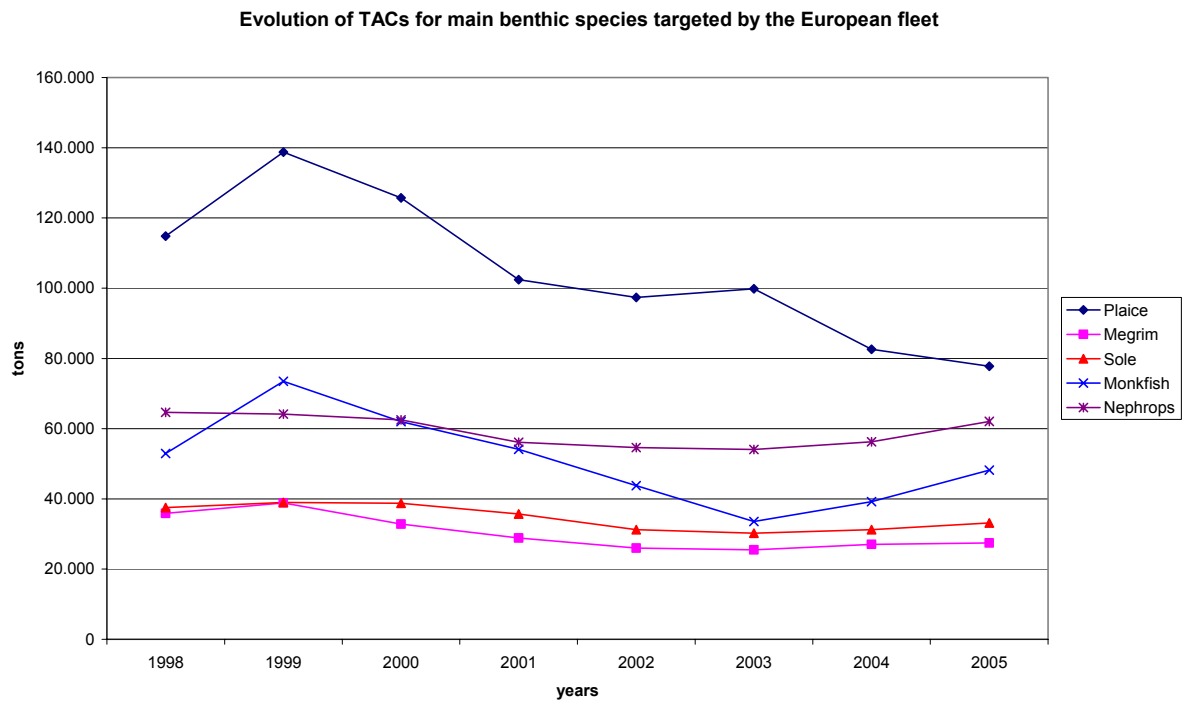
**Graph 1:** average market prices 2000 – 2005 for cod, haddock and hake (fresh)



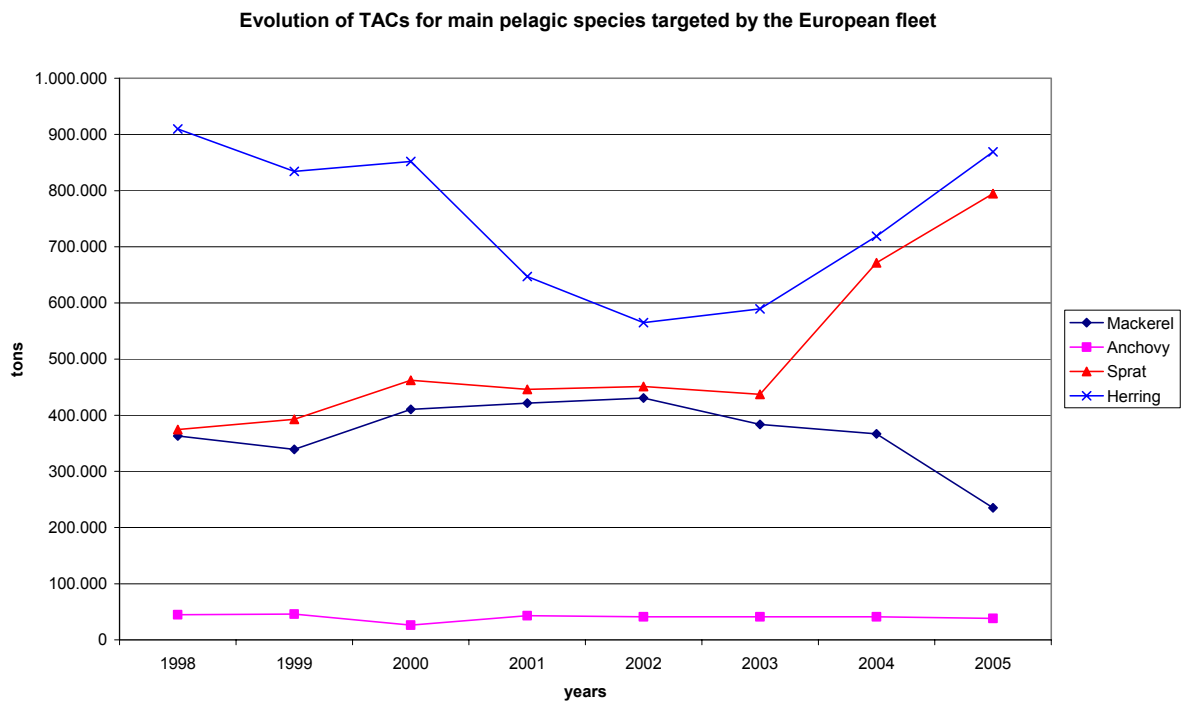
**Graph 2a:** evolution of TACs for demersal species



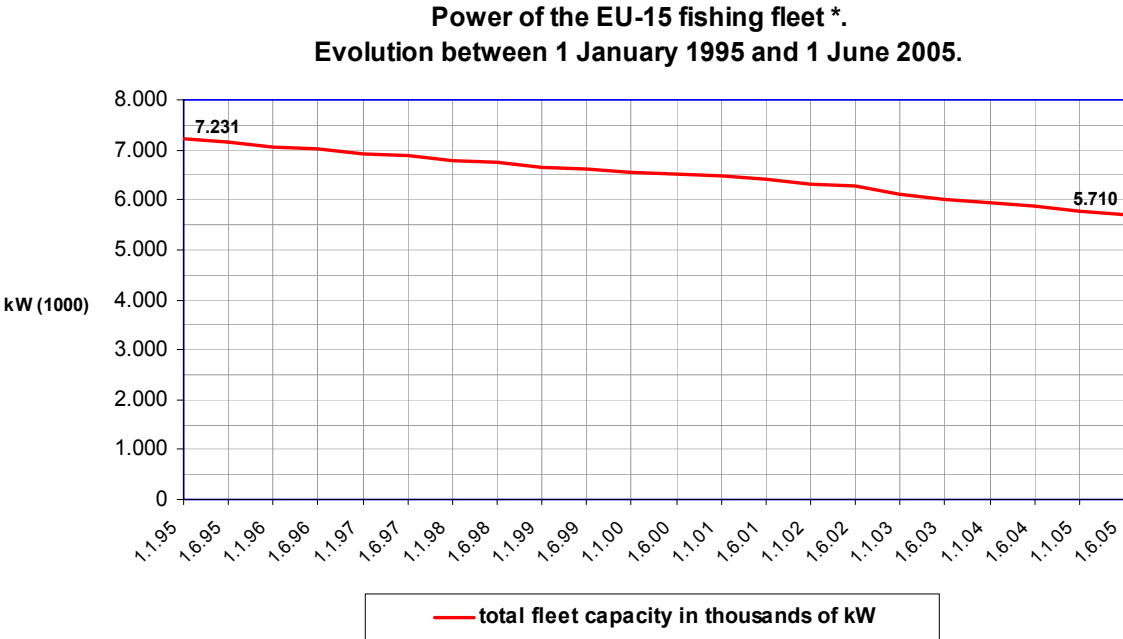
**Graph 2b:** evolution of TACs for benthic species



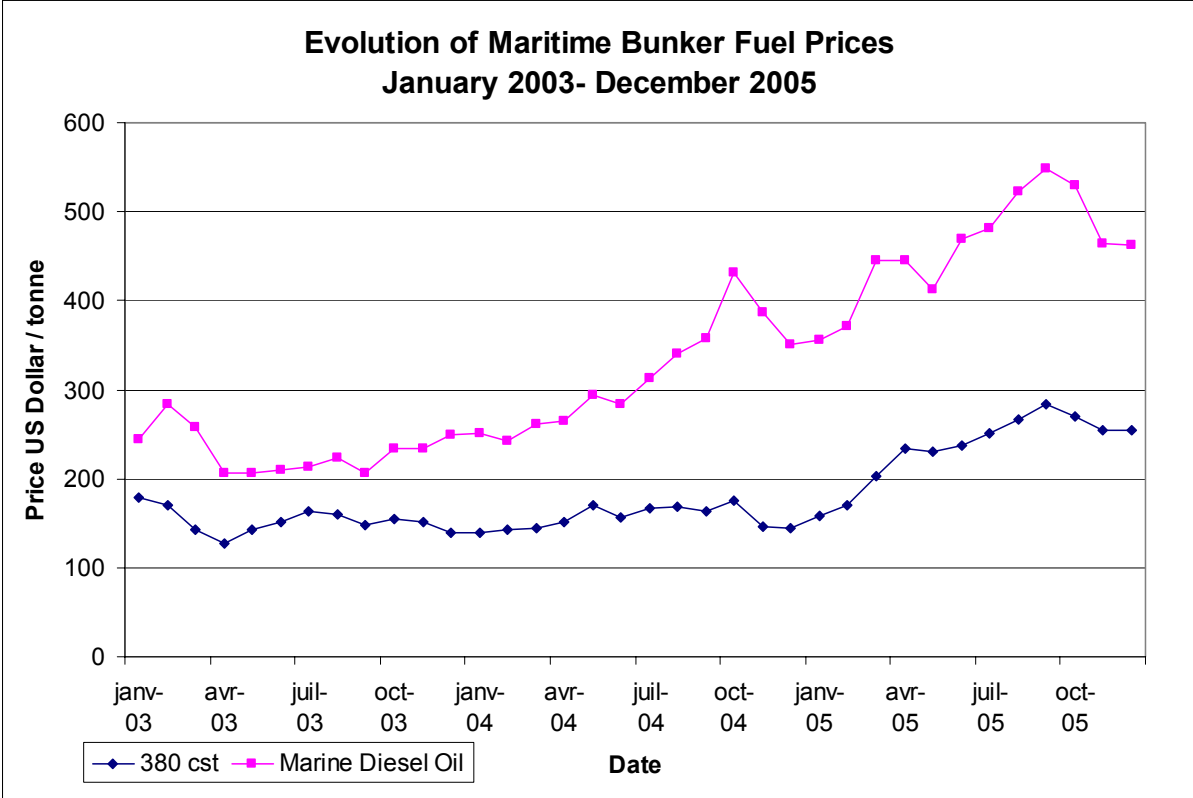
**Graph 2c:** evolution of TACs for pelagic species



**Graph 3:** evolution of fleet capacity (power)



**Graph 4:** Trend in fuel prices 2003-2005



Source: International Energy Agency (IEA)

**Table 1:** Estimated impact of increase of fuel costs on income of crew members ('share fishermen')

	2004	2005	Difference
	%	%	
Gross Value	100	100	
Taxes and Fees	10	10	
Operating Costs:			
- other than fuel.	15	15	
- fuel	15	30	
Total Operating Costs	30	45	
<b><u>Remainder to be shared</u></b>	<b><u>60</u></b>	<b><u>45</u></b>	
Share for the Ship-owner	30	22,5	-25%
Share for the Crew	30	22,5	-25%

**Assumptions:**

- (1) Marine fuel oil has doubled in price between 2003 and 2005, from 0,30€ to 0,60€/litre.
- (2) All other factors in income and costs function are supposed to have remained unchanged in % between 2003 and 2005.

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**Table 2:** ICES report 2005 – long-term high yields evaluation

Area	Number of stocks	Number of stocks evaluated	Number of stocks overfished
North Sea, eastern channel, Skagerrak and Kattegat	23	12	8
West of Scotland	10	3	2
Western waters	26	14	13
Iberian Atlantic	11	7	5
Baltic Sea	13	2	2
Widely distributed <sup>22</sup>	5	5	2
Total	91	43	35

<sup>22</sup> Including depleted pelagic shark stocks.



Table 3: Fuel cost as a percentage of the value of landings - some examples (data from 2003, i.e. before the recent price increases for fuel)

Member State	Segment	Number of vessels	Total kW	Type of gear	Target species	Value of landings M€	Fuel cost M€ and % of landing
LT	Baltic Trawlers < 24 m	48	9.900	T	BDP	3,40	1,00 29,4%
EL	Thermaikos Trawlers < 24m	14	4.100	T	D	2,00	0,50 25,0%
PT	NAFO Trawlers	14	28.100	T	BD	31,30	7,60 24,3%
SE	Pelagic trawlers purse seiners > 24 m	55	63.600	PO	P	41,30	9,40 22,8%
BE	Beam trawlers > 24 m	58	49.400	T	B	66,60	14,80 22,2%
FR	Mediterranean trawlers 18-25 m	140	41.700	T	DP	68,80	12,60 18,3%
LV	Gillnetters	60	9.500	P	D	5,60	1,00 17,9%
DE	Baltic Trawlers	93	18.200	T	DP	12,60	2,10 16,7%
IE	Polyvalent 18 -< 24m	133	43.200	PO	D	60,20	9,50 15,8%
ES	300 fleet	196	99.000	PO	D	201,40	29,70 14,7%
UK	Scottish nephrops trawlers	296	44.900	T	BD	69,70	10,10 14,5%
NL	Pelagic freezer trawlers	17	99.000	T	P	143,30	20,50 14,3%
NL	Beam trawlers <= 24 m	173	37.900	T	BD	56,70	7,90 13,9%
DK	Trawlers < 24m	375	85.500	T	DP	88,40	12,00 13,6%
UK	Scallop trawlers	237	47.400	T	B	70,60	9,40 13,3%
PT	Longliners	26	11.000	P	P	11,50	1,50 13,0%
FI	Coastal vessels	188	15.600	P	P	6,00	0,60 10,0%
DE	Shrimp Beam Trawlers	289	49.600	T	B	55,10	5,10 9,3%
SE	Gillnetters >= 12 m	49	7.800	P	D	3,80	0,30 7,9%
FR	Atlantic longliners	174	16.000	P	P	14,00	1,00 7,1%
DK	Danish gillnetters	380	37.300	P	D	49,10	2,70 5,5%
ES	Galician Purse Seiners	209	35.500	S	P	36,00	1,80 5,0%

Source: Economic Performance of Selected European Fishing Fleets ( Annual Report 2004 based on 2003 accounts )

Targeted species: D demersal, P pelagic, B benthic

Type of gear: T Trawler, S Seiner, PO Polyvalent, P Passive gear