VIRA '18

# CHALLENGES
## FOR FLEMISH FISHERIES

DEPARTMENT
**OF AGRICULTURE & FISHERIES**

Flanders
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# CHALLENGES FOR FLEMISH FISHERIES

The third edition of the Flemish Fisheries Report (LARA) was published in 2018.

The report deals with the challenges for Flemish fisheries. At the same time, it provides a detailed description of the sector. A SWOT analysis (strengths, weaknesses, opportunities, threats) also takes place.

This is a translation of the summary of the report.

You'll find the entire report in Dutch on www.vlaanderen.be/visserijrapport.



Van Bogaert T., Platteau J., Luypaert G. & Merckaert B. (eds.) (2019) Challenges for Flemish fisheries, Fisheries Report 2018, Summary, Department of Agriculture and Fisheries, Brussels. D/2019/3241/076

## 1 CURRENT SITUATION

The professional Flemish fishing fleet has almost halved in fifteen years. At the end of 2017, the sea fishing fleet consisted of 71 commercial vessels, representing an overall capacity of 45,051 kilowatts in terms of engine power and 13,712 gross tonnage in terms of tonnage. 33 vessels are part of the large fleet segment and 38 vessels of the small fleet segment. The first category are mainly large beam trawlers, which mainly fish for flatfish, the second category includes coastal vessels and so-called Eurokotters, small beam trawlers. Of the 71 vessels, 55 are 20 years or older. The Flemish fishing fleet operates both in its own sea areas and in EU waters, of which the North Sea, the Eastern Channel, the Bristol Channel, the Celtic Sea and the Bay of Biscay are the most important ones. The fleet also has historical rights in Norwegian waters. Belgium has a quota for 64 fish stocks.

The total landings of the commercial Flemish sea fishery in 2017 amounted to 22,142 tons. The port of Zeebrugge is the undisputed number one with 10,718 tons. Ostend accounted for 5,706 tons. Nieuwpoort is a smaller player with 304 tons, mainly shrimp. The Flemish Fish Auction operates the two main auctions. The main foreign ports for our fleet are located in the Netherlands. The total supply value comes to 88.2 million euros.

The Flemish fishery is a mixed fishery, and therefore fishes several stocks simultaneously. In 2017, plaice and sole accounted for 34% and 10% of the fish volume landed. Squid and tub gurnard follow at a distance, with a share of about 6% each. The top ten also include ray, Norway lobster, scallops, shrimps, cod and dogfish. Sole represents 28% of the value creation; in 2011 this was still 47%. The share of plaice rose from 11% to 17% in the same period. Norway lobster, squid, anglerfish, turbot, shrimps, lemon sole, ray and scallops complete the top ten.

The average price of all fish sold in Belgian ports rose in 2017 on an annual basis from 3.89 euros per kg to 4.02 euros per kg (+3%). Prices have been rising since 2013. Sole is a strong holder with 11.47 euros per kg. Plaices and shrimps also performed well in 2017 with 1.93 euros per kg and 7.30 euros per kg.

An analysis of 70 accounts shows that the fishing fleet had excellent operating results in 2016. The average gross operating profit for the small fleet segment was 223,926 euros and for the large fleet segment 580,385 euros. Compared to 2015, this represents a sharp increase of 69% for the small segment and 27% for the large segment. The quay-side value rose by 19% and 17%, respectively. Costs increased as well, but to a lesser extent (5% and 13%, respectively). The net operating proft, which also takes depreciation with the matching principle into account, comes to an average of 178,209 euros for the small fleet segment and 400,630 euros for the large fleet segment.

Belgium is a net importer of fishery products. The import value in 2017 is 2.0 billion euros. Exports of fishery products amounted to 1.1 billion euros. The Belgian trade deficit amounts to 917 million euros. While 38% of imports come from outside the EU, 97% of the exports focus on the EU.

Flanders has 382 approved sea fishermen. The average age is 38.5 years. The danger of the profession is reflected in the number of accidents at work. Since 2012, the number of registered accidents has fluctuated between 30 and 40 per year. In 2013, 2015 and 2016 there were 1, 4 and 2 fatalities.

Fishing has an impact on its environment, first and foremost on fish stocks. The stocks of plaice in the North Sea are currently doing very well, but for sole and cod in particular there is still work to be done. Beam trawlers use tickler chains to drive flatfish out of the seabed.. Seabed disruption can disturb marine environment, although caution is needed when drawing conclusions for the whole beam trawl fleet and all its areas and subtle differences in fishing practices. Vessels use fuel and emit greenhouse gases. At the same time, fisheries are also threatened by the presence at sea of residues, such as mercury and PCBs, as well as plastics and waste. Backfilling materials, which 'protect' fishing nets when towed across the seabed, end up in the sea as a result of wear and tear and illegal dumping.

Despite our strong tradition in aquaculture research at our universities, the Belgian aquaculture industry is very limited in economic terms. Eurostat estimates that total Belgian production in 2015 will be 32 tons of live weight worth 0.3 million euros. Based on figures from the federal authorities in 2016, the FAO mentions 44 tons of freshwater species for human consumption worth 0.5 million euros.

In recent years, a number of innovative projects have been started on 'omegabaars' and prawns, and pilot projects are also being run at sea on the production of seaweed, mussels and other shellfish. The combination of vegetable and fish farming in urban agricultural projects offers perspectives. The ambition is to expand in order to fit in with the international growth of aquaculture.

## 2 CHALLENGES FOR THE FISHERIES

### ECONOMIC VIABILITY

Since 2000, the number of professional fishing vessels has fallen by almost half. The annual decrease in the number of vessels may be due to high operating costs, but also to the lack of a suitable successor within the shipping companies.

Often because successful companies can no longer grow in their own country due to European capacity limitations, there is a great foreign interest in Belgian vessels. For example, 26 of the 71 Flemish shipping companies have Dutch shareholders. It is possible that the Belgian home ports and the supply industry suffer from this situation. Nevertheless, the operating results of recent years show that ship owners are currently doing well economically. Revenues are rising sharply and fuel costs are falling.

### INFLOW INTO THE SECTOR

The young generation shows less interest in working in the fisheries sector. In the past, within the fishing community, the whole family was involved in the fishing profession. Now, family succession is no longer assured. Various factors play a role, such as economic uncertainty, the sector's poor image, the risk of accidents at work and the hard work.

Diversification of the fleet is possible by giving interested recreational fishermen access to professional fishing. A new small-scale fleet segment for vessels less than 12 meters in length could be added to the existing professional sea fishing fleet. However, a number of legal obstacles remain.

### ECOLOGICAL SUSTAINABILITY

Over the last decade, the fishing industry has made efforts to become more ecologically sustainable. For example, it has switched to energy-efficient fishing techniques and is experimenting with alternative energy sources. Adjustments to the fishing gear help achieve the maximum sustainable yield. Yet, low fuel prices in the last years have reduced the pressure on ship owners to reduce energy consumption.

The gradual introduction of the landing obligation requires the sector to fish selectively and avoid by-catches. In 2019, the problem of the 'choke species' (or bottleneck species) will become pertinent. These are species for which the ship owner has only a limited quota and which are often not the real target species, such as brill and dab. Under future legislation, the whole fishing activity must stop when the quota of these species has been exhausted, even though the quota of the other species caught has not yet been exhausted. The fear is that this will push vessels back to the quayside after just a few months.

### SPACE FOR FISHING

The activities that are carried out on the coast and in the sea are very diverse, going from shipping, fishing, nature, energy extraction, dredging, sand and gravel extraction, tourism, pipelines and cables, up to use for military purposes. Therefore, activities must be well coordinated. The increasing spatial pressure on fishing applies in most sea areas where Flemish fishing vessels operate. For example, the draft of the new marine spatial plan for the Belgian part of the North Sea (2020-2026) reserves space for a second wind energy zone along the French border and an artificial island off the coast of Knokke as an extra defense against the expected rise in sea level and the millennial storm. For aquaculture, however, the plan does offer new opportunities, as there will be zones for marine innovation, including the cultivation of seaweed, oysters and mussels.

## INNOVATION

No new or replacement vessels are added to the Flemish fishing fleet due to the large financial impact. The Common Fisheries Policy does not support the replacement or new construction of fishing vessels.

The fishery has to look at the opportunities in the field of automation, the use of robotics and the latest developments in genetics. Sustainability aspects such as less damage to the seabed and less emission of greenhouse gases will remain an important motivation to innovate. Pulse fishing has a lot of potential to make different fisheries more sustainable, but there are still open research questions about possible side effects.

## BREXIT

Belgian fisheries are highly dependent on British waters and could therefore be severely affected by the United Kingdom's exit from the European Union. Half of Belgium's landings come from British water, if we look at the effective quota after swap. The hard brexit scenario could lead to reduced growth in Belgian fish production, rising fish prices and falling fish consumption. The UK is also an important trading partner for fish, crustaceans and mollusks.

## COOPERATION WITHIN THE CHAIN

The fisheries chain is strongly demand-driven. Smooth communication among ship owners and with other chain links, such as processing and trade, can help better match supply and demand. Belgian fishermen sell their fishery products mainly in the Flemish Fish Auction, a private fish auction with branches in Zeebrugge and Ostend.

The bottlenecks within the Belgian fish processing sector are linked to market-related factors (such as foreign competition), operational bottlenecks (such as high costs and an acute shortage of filleters) and product characteristics (such as short shelf life). The fish processing industry often opts for imported species. Local supply is considered less attractive due to the large seasonal variation in supply, volume, quality and price. Certain species are also difficult to process. However, the trend towards local products may possibly play into the hands of the Belgian supply.

## CONSUMPTION OF LOCAL FISH

Salmon and cod together account for half of the sales of fresh fish in our country. The vast majority of these fish species are imported. Few consumers understand the wide diversity of species and the seasonality of fish. Hence the choice of the most accessible, always available fish species.

Fish has the image of a healthy food product among consumers. The Flemish Health Institute recommends eating fish once a week, but at the same time points out that one portion per week is sufficient because caught fish can contain heavy metals such as mercury, and there are problems with overfishing and biodiversity. The Flemish fishery has difficulties to meet the criteria of existing sustainability labels and focusses on its own sustainability recognition.

## CLIMATE CHANGE

Climate change affects the oceans, their organisms and their habitats all over the world. Oceans acidify due to the absorption of $CO_2$ and global warming. Fish stocks will migrate following the example of plankton, the basis of the food chain. In the North Sea, the stocks of herring, mackerel, cod and sole are expected to decline. Other stocks, however, will increase, such as sardines, anchovies, sunfish and lesser weever.

Fisheries can reduce their energy consumption and thus their greenhouse gas emissions by testing more energy-efficient alternative equipment.

## DEVELOPMENT OF A FULLY-FLEDGED AQUACULTURE SECTOR

The Flemish aquaculture entrepreneur faces hard times. He has to compete against international competitors who have lower production costs and are less bound by sustainability concerns. He has to learn to control a complex production process of a delicate product. Finally, he has to find his way in the complex legislation in the field of spatial planning and the environment and obtain the necessary permits to establish himself in a densely populated region that has to be economical with its scarce water resources.

It is possible to build on a number of interesting projects with an economic added value such as sturgeon for caviar, prawns and 'omegabaars' in combination with tomatoes. Aquaculture can respond to the demand for local, sustainably produced, healthy products, through the careful use of raw materials, water, space and energy.