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the support it needs to thrive.

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Economics of the UK Fishing Fleet 2020

Contents

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Executive summary

- After two years of stability in terms of economic performance, 2020 was a challenging year for the UK fleet. Covid-19 and associated lockdown measures had a considerable impact on fleet operations.
- Total turnover of the UK fishing fleet was £843 million in 2020, a 17% decrease compared to 2019. Forecasted overall operating profit was £217 million in 2020, an expected 19% fall from 2019 figures. The reduction in profit was caused by a drop in fishing income as both fishing activity and prices fell in 2020.
- Total fishing income of the fleet was almost £990 million in 2019 but it decreased to £806 million in 2020 according to preliminary Marine Management Organisation (MMO). Total weight landed in 2020 was largely similar to 2019 figures (620 thousand tonnes) due to higher landings of mackerel compared to 2019.
- Total operating costs of the UK fleet were £757 million in 2019. In 2020 we forecast that operating costs decreased to £626 million due to lower levels of activity and reduced fuel prices.
- The average price of fuel decreased in 2020 to 37.1 pence per litre, compared to 49.5 pence per litre in 2019. The fleet's total expenditure on fuel in 2020 was an estimated £91 million, 31% lower than in 2019.
- Crew costs were £272 million in 2019, decreasing to £216 million in 2020. It is likely that the decrease in fishing income reduced the amount of money available to distribute among the crew. Available information does not allow us to account for the possible contribution of furlough schemes and Covid-19 support for self-employed.
- The total number of active fishing vessels was 4,548 in 2019, decreasing to 4,301 in 2020. Around 1,500 of those vessels were classed by Seafish as low activity vessels (with a fishing income of less than £10,000).
- Due to the Covid-19 pandemic the 2020 Annual Economic Survey of the UK fishing fleet was conducted as a postal survey. Approximately 175 skippers and vessel owners provided data on the main factors impacting the financial performance of their businesses. Covid-19 and lockdown measures, fish prices, weather or the abundance of fish were some of the factors discussed.

Introduction

This is the fourteenth edition of this annual report providing insights into the financial and operational performance of the UK fishing fleet in 2019 and 2020. Accurate fleet economic data and analyses help inform decisions and enhance fisheries management.

The report presents economic estimates at UK, home nation and fleet segment level. The estimates are calculated based on samples of fishing costs and earnings gathered by Seafish as part of the 2020 Annual Fleet Economic Survey. The data does not include or reveal any individual vessel data, only totals and averages.

Due to the Covid-19 pandemic the 2020 Annual Fleet Economic Survey was carried out as a postal survey instead of face-to-face interviews. This change on format of the survey impacted the response rate and composition of the sample of vessel owners who participated.

Estimates for 2019 are based on same year costs and earnings samples, official statistics on landings, capacity and effort, and fuel price. Figures for 2020 are based on 2019 cost and earning samples (as 2020 financial accounts will not be available until early 2022) and 2020 landings, effort, and fuel price data. Therefore, **2020 figures should be considered preliminary estimates based on the available administrative data sources and reviewed forecasting methodology.** Seafish will revise those estimates when 2020 cost and earnings data become available in early 2022.

The dataset presented in this report is downloadable from the Seafish website[1]. The website also offers access to our full suite of publications covering the economic performance of the UK seafood catching and processing sectors. Bespoke analyses are available upon request, dependent on sufficient data being available to ensure business anonymity.

If you have any comments about this report, would like to suggest improvements or would like more detailed information, please contact us at:

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NOTE: all financial figures in this report are nominal (i.e., not adjusted for inflation).

[1] https://www.seafish.org/insight-and-research/fishing-data-and-insight/

The UK fishing fleet in 2019/20
Overview

All figures in million £

Total UK Fleet
Fishing income

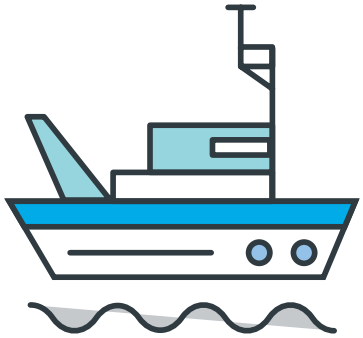
Total UK Fleet
Turnover

Total UK Fleet
Operating costs

Total UK Fleet
Operating profit

Total UK Fleet
GVA

Fleet size

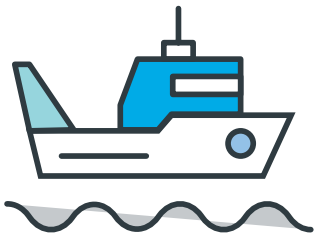


4,301

Active vessels

In 2020 there were **4,301** active fishing vessels in the UK fleet, approximately 250 fewer vessels than in 2019. In addition there were **1,692** inactive vessels, most of them under 10m in length.

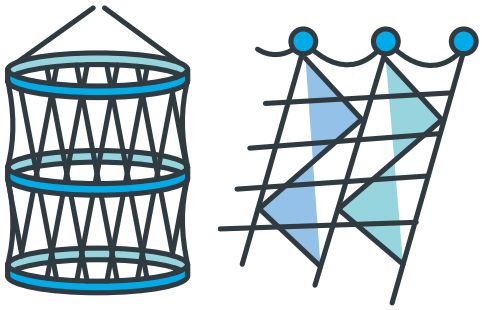
Approximately a third (**36%**) of the vessels active in 2020 were classed by Seafish as "low activity". Low activity vessels are defined as those with annual fishing income under £10,000.



61%

of all active vessels in 2020 were under 10m in length

These vessels tend to operate in inshore waters of the UK.



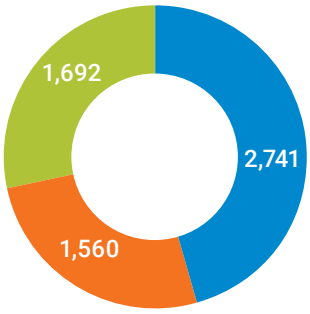
64%

Use static or passive gear

UK fishing vessels vary in the types of gears used. Approximately **64%** of active vessels (excluding low activity vessels) used mainly static or passive gear (mostly pots and traps but also hooks, drift and fixed nets).

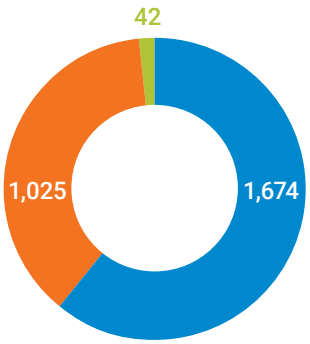
Numbers of vessels in 2020

- Active
- Low activity
- Inactive



Numbers of active vessels in 2020

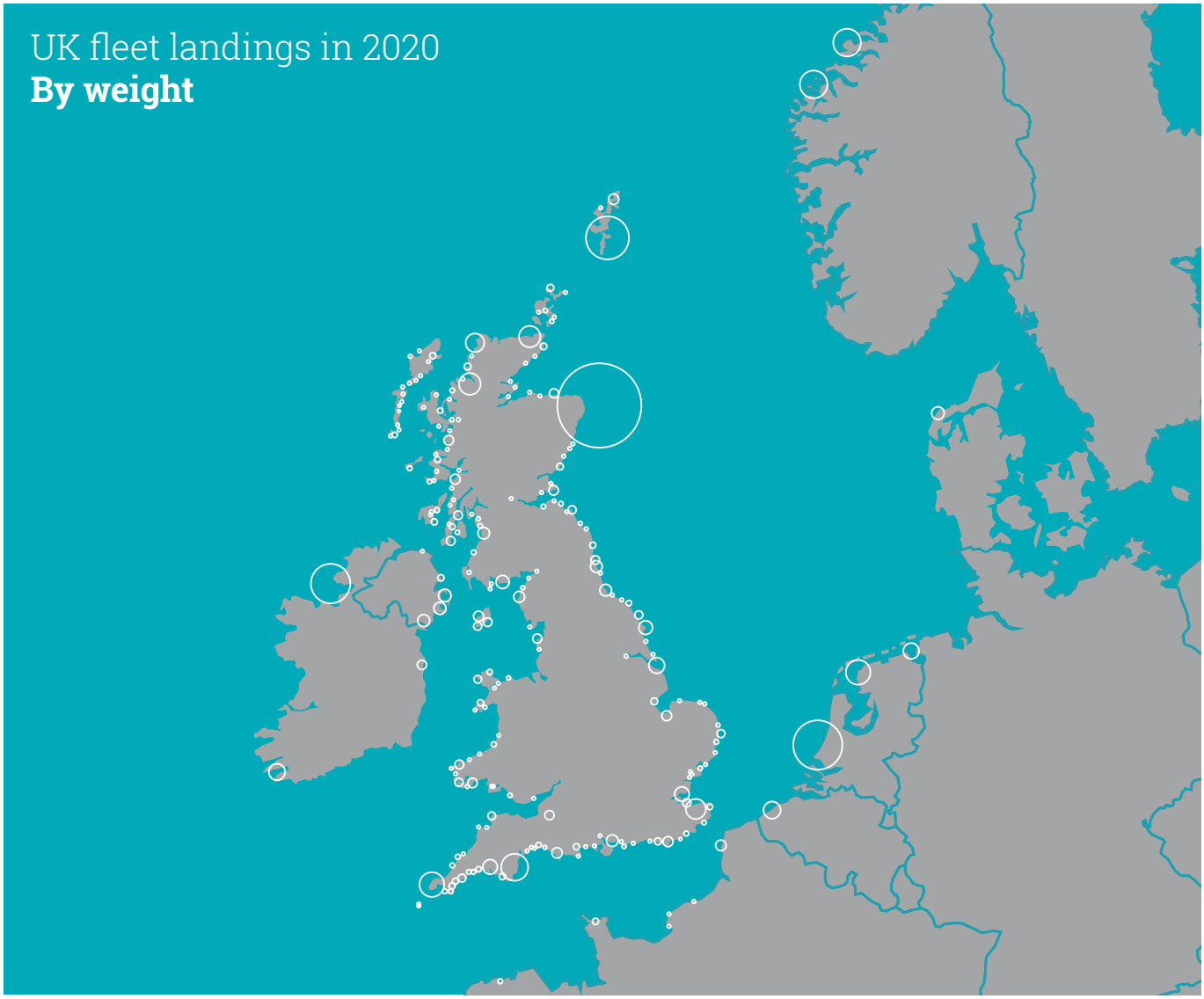
- Under 10m
- 10-24m
- Over 24m



Landings

Map of weight of landings by port

The UK fishing fleet landed 620 thousand tonnes of fish and shellfish in 2020. The majority of landings were made in the UK with Peterhead, Lerwick and Newlyn being the main UK landing ports by weight. Landings abroad took place mainly in Norway, Denmark, the Netherlands and Ireland.



Total UK Fleet

Landing location – Weight

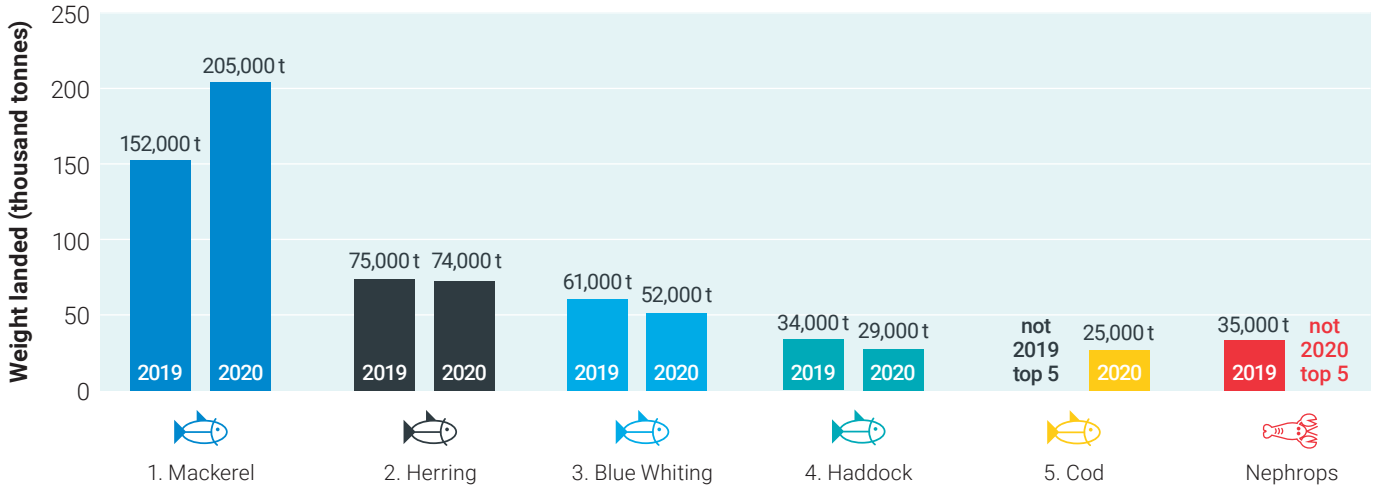
Landing location – Value

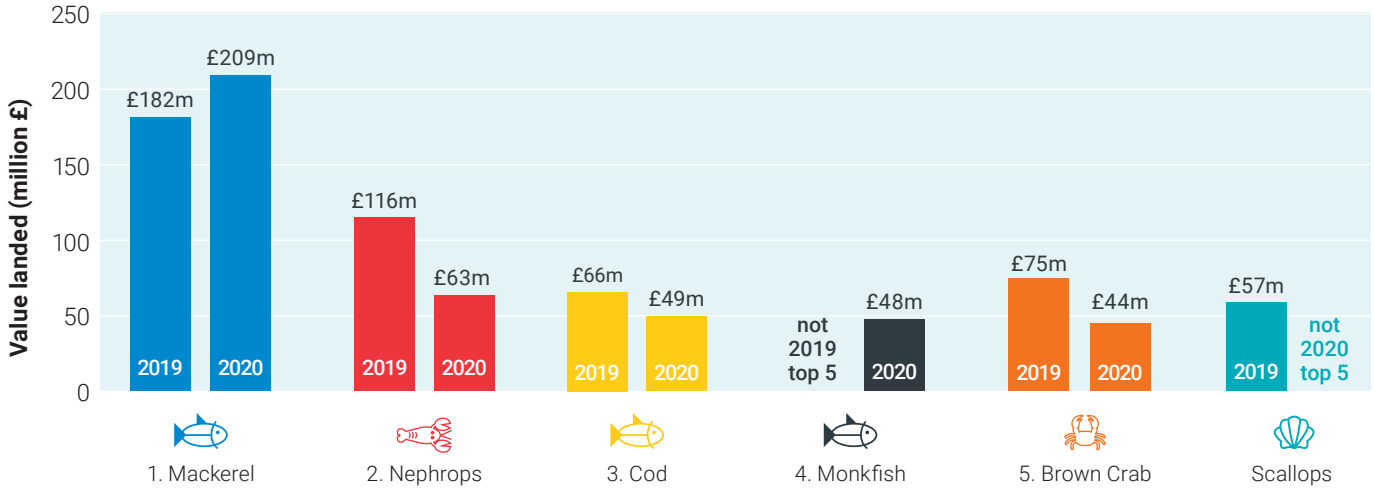
£806m

Value of landings

Total value of landings in 2020 was £806 million, a 19% decrease from 2019 due to a decrease in average prices.

Top species landed by weight and value (and comparison with 2019)





Employment and GVA

Employment by home nation

Seafish combine data on hours worked by crew as reported by skippers with MMO employment data to estimate Full Time Equivalent (FTE) jobs on board UK vessels. **These estimates do not take into account furloughed employment due to Covid-19 and lockdown measures**.

In 2020 there were an estimated **5,986** FTE jobs generated by UK registered fishing vessels.

UK Overall (including Islands)

FTEs: **5,986** (7,027 in 2019)

Scotland

FTEs: **2,919** (2,886 in 2019)

Northern Ireland

FTEs: **397** (533 in 2019)

England

FTEs: **2,481** (3,381 in 2019)

Wales

FTEs: **103** (115 in 2019)

Top segments by FTEs in 2020 (excluding low activity vessels)

689
NSWOS demersal over 24m

675
Pots and traps over 12m

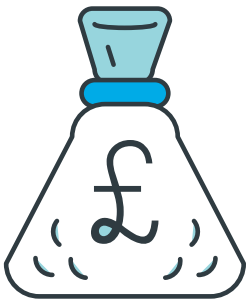
526
Under 10m pots and traps

436
Longliners

312
Pots and traps 10-12m

£433m
Gross Value Added (GVA)

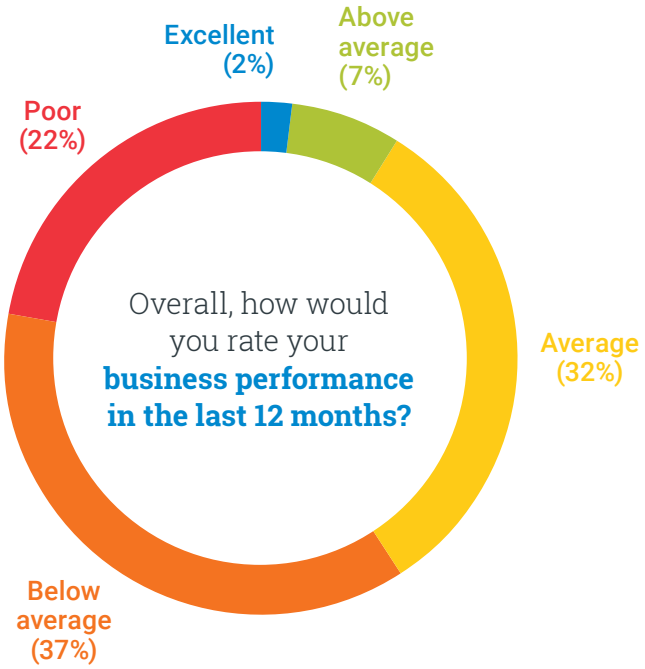
The Gross Value Added (GVA) of the UK fleet in 2020 is estimated at £433 million, a 19% decrease compared to 2019.

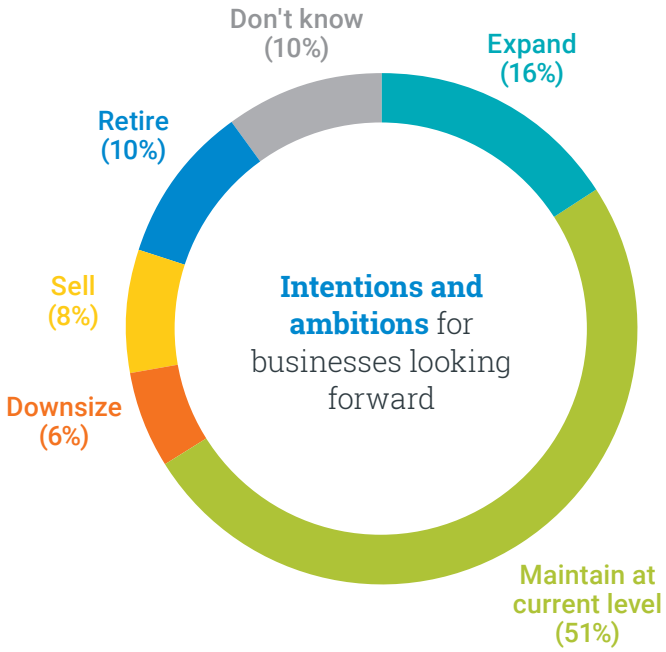


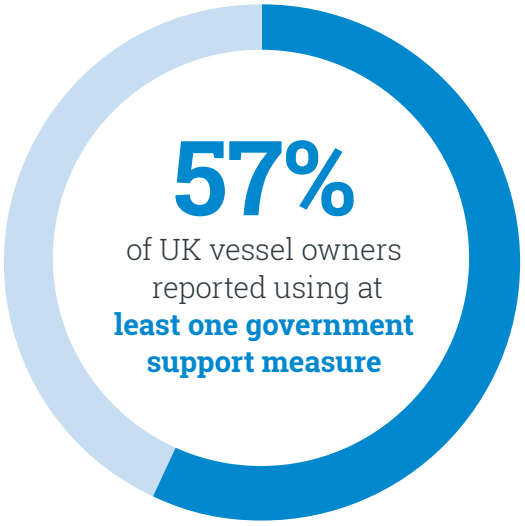
Impacts of Covid-19

As part of the 2020 Survey of the UK Fishing Fleet, we asked respondents about their recent business performance and their outlook for the future of their business amid the Covid-19 pandemic. We also asked about uptake of Government support measures to see their businesses through lockdown.

For more information please see our report on the impacts of Covid-19 on the UK fishing fleet[2].







[2] https://www.seafish.org/insight-and-research/fishing-data-and-insight/

Home nations overview
2020 Overview

The impacts of Covid-19 and lockdown were felt across all home nations with reduced levels of fishing activity and landings compared to 2019. In general terms 2020 saw a reduction in fleet size, days at sea and weight landed. The value landed by the fleet further decreased because of lower demand and average prices on the market. Impacts were not felt the same across all nations or vessel groups.

Fleet size was largely unchanged in Scotland and England, but days at sea decreased by an average of 18% in both nations. The weight landed by under 24m vessels decreased (by 11% in England and 21% in Scotland) but increased for over 24m vessels by approximately 4%. All vessels groups in both nations experienced a decrease in value landed due to lower prices, a decrease more pronounced for under 24m vessels that are more reliant on export markets.

Fleet size decreased in Northern Ireland by 12% in 2020 but vessels under and over 24m followed different trends. Days at sea, weight and value landed by vessels under 24m decreased by between 23 and 34%. For vessels over 24m, days at sea and weight landed rose by 18%. This increase in volume landed resulted in a 4% increase in value landed due to lower prices.

In Wales vessels under 10m experienced a 13% reduction in fleet size, days at sea and weight landed, and a 28% decrease in value landed. Vessels 10-24m on the other hand were stable in terms of capacity and effort and saw a 13% increase in weight landed. However due to lower prices they also experienced a 9% decrease in value landed.

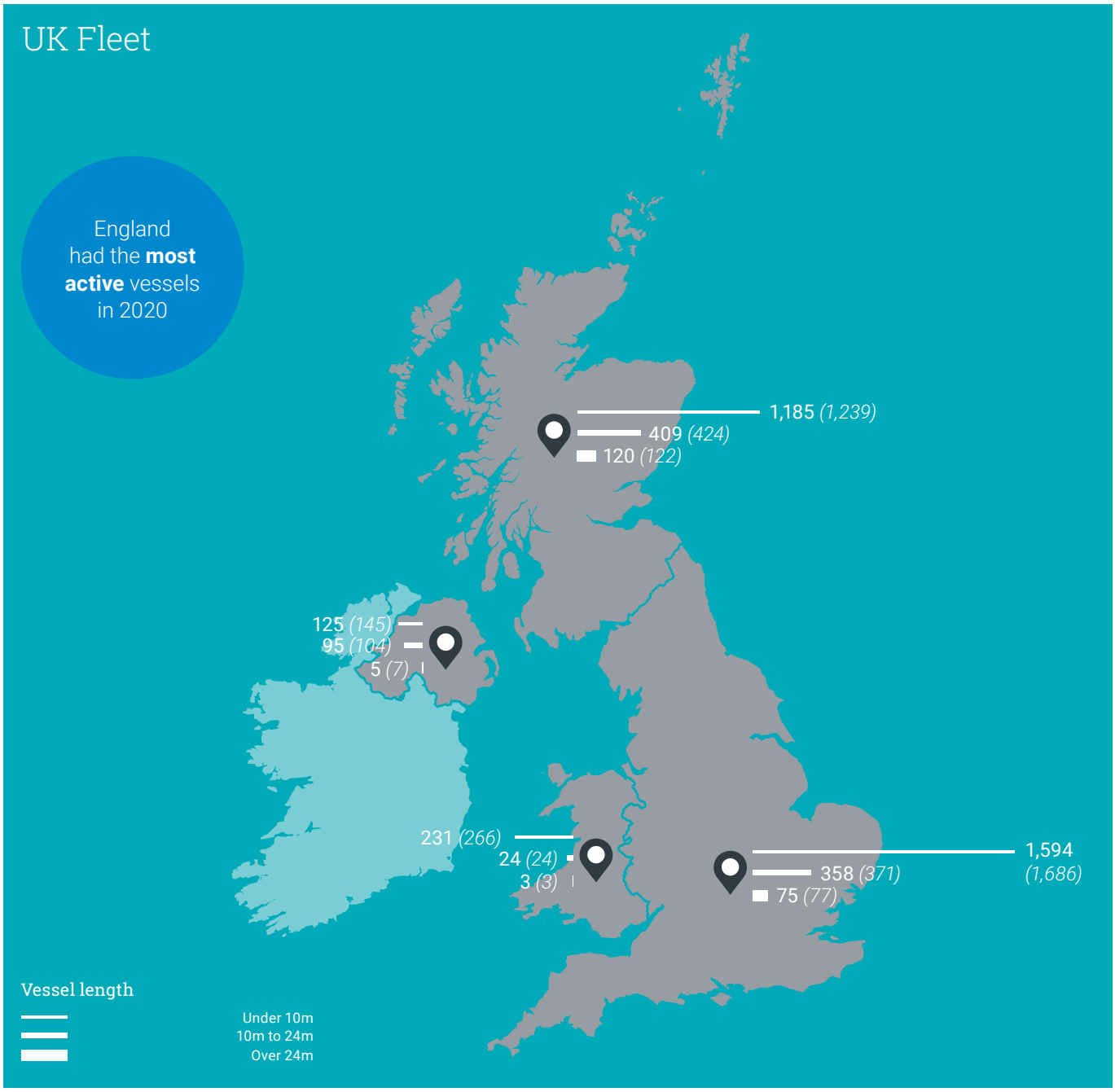
Home nations overview
Fleet

Fleet size

Vessels registered in England represented nearly half (48%) of the active UK fishing fleet in 2020, with 2,027 vessels. The second highest number of registered vessels was in Scotland with 1,714 vessels (41% of the fleet). The Welsh and Northern Irish fleet were of similar size (258 and 225 vessels respectively).

All four fleets were mostly comprised of under 10m vessels, but particularly so the Welsh fleet where 90% of all vessels were under 10m. In England and Scotland approximately one third of the fleet was over 10m, whereas in Northern Ireland this figure was 45%.

Figure 1. Number of active fishing vessels by registered home nation of vessels in 2020 *(and 2019)*

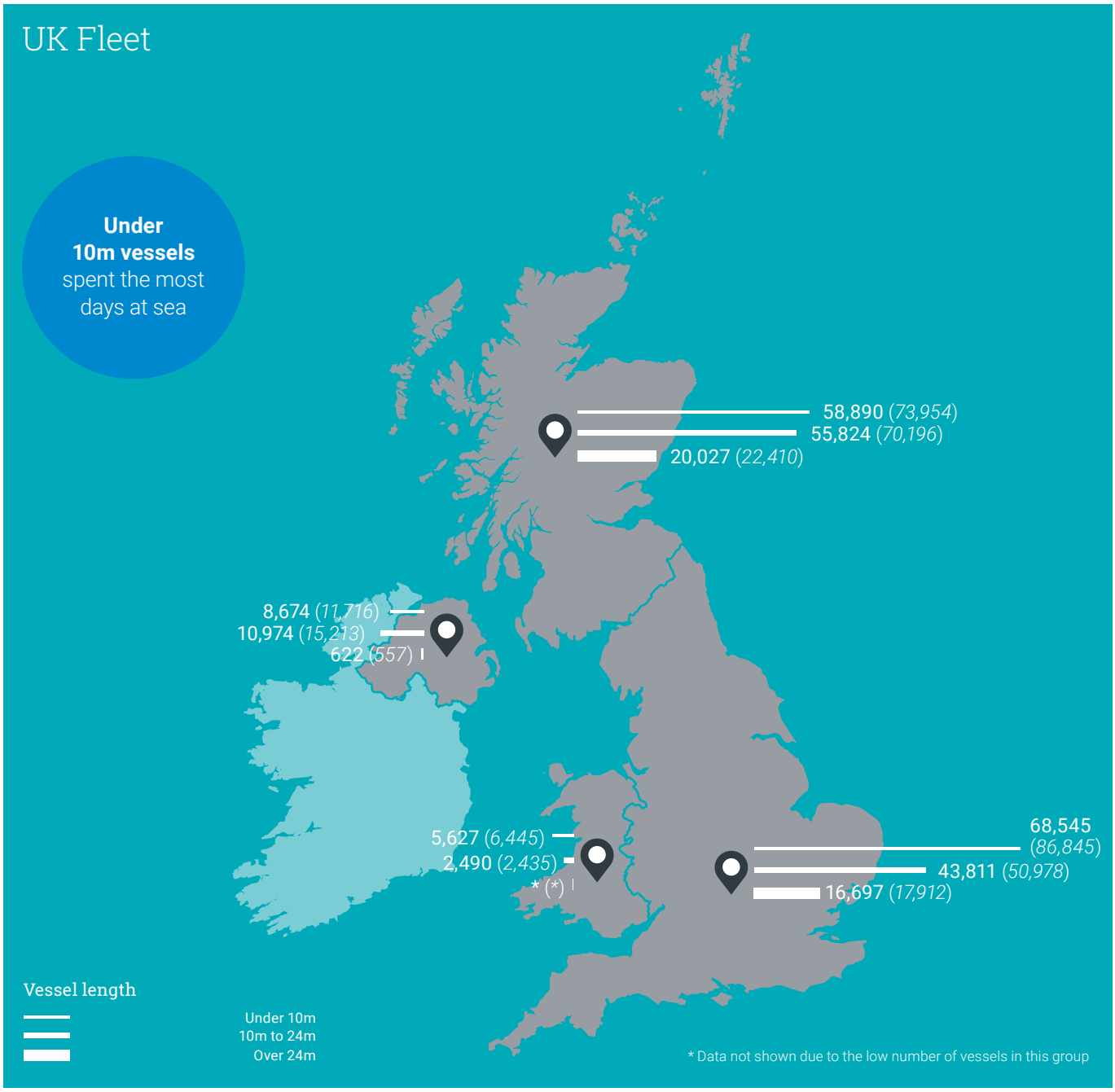


Days at sea

Although England has the highest number of registered vessels, Scotland has the highest registered numbers of over 10m vessels and thus the highest effort figures. Vessels registered in Scotland spent nearly 135,000 days at sea in 2020, or 19% less days at sea compared to 2019.

In England, Scotland and Wales, under 10m vessels spent the most days at sea (53%, 44% and 66% of all days at sea respectively). In Northern Ireland it was vessels between 10 and 24m that spent most days at sea (54% of total days at sea). This length group represents nearly half of all vessels in the Northern Irish fleet.

Figure 2. Days at sea by registered home nation of vessels in 2020 *(and 2019)*

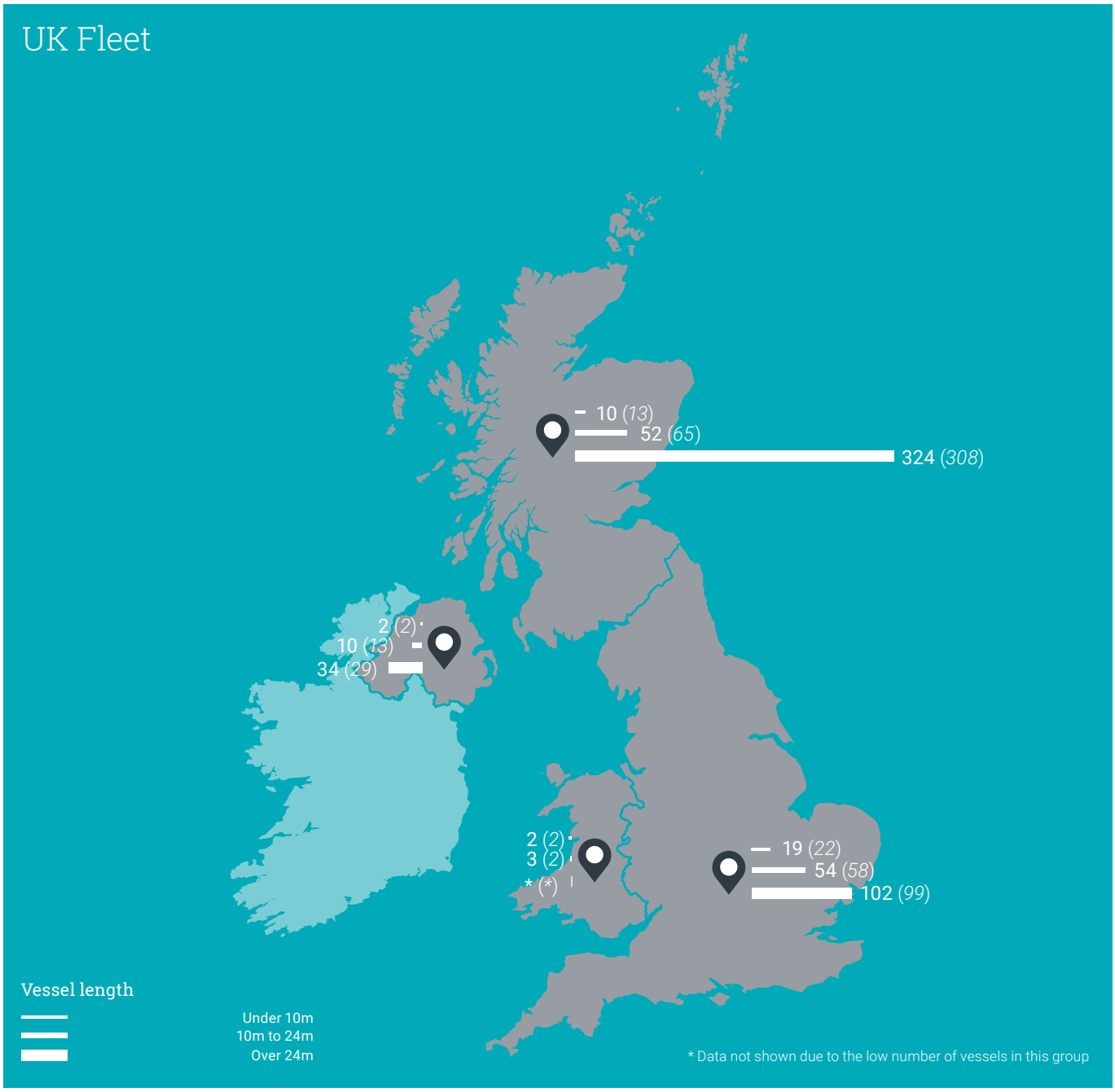


Landings

Scotland-registered vessels landed the largest weight and value in 2020 with 387 thousand tonnes, worth £479 million. In all nations vessels over 24m landed the majority of volume and value despite being the smaller fleet in terms of numbers of vessels.

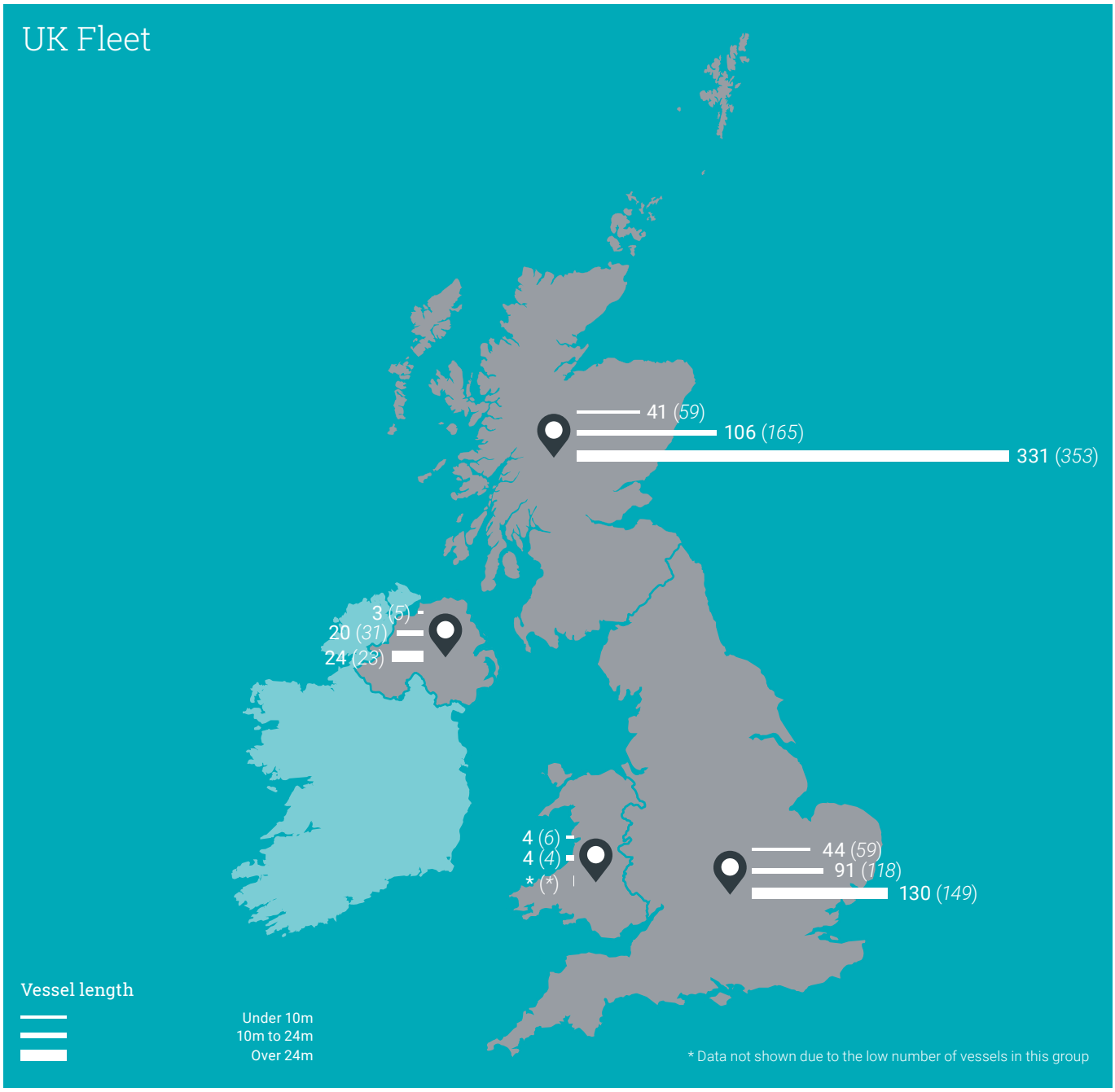
Compared to 2019 landings weight increased in all home nations for over 24m vessels, however the value decreased due to lower price on the market in 2020 and change in composition of landings.

Figure 3. Weight of landings by registered home nation of vessel in 2020 *(and 2019)*
Figures per thousand tonnes



Landings

Figure 4. Value of landings by registered home nation of vessel in 2020 *(and 2019)*
Figures per million £

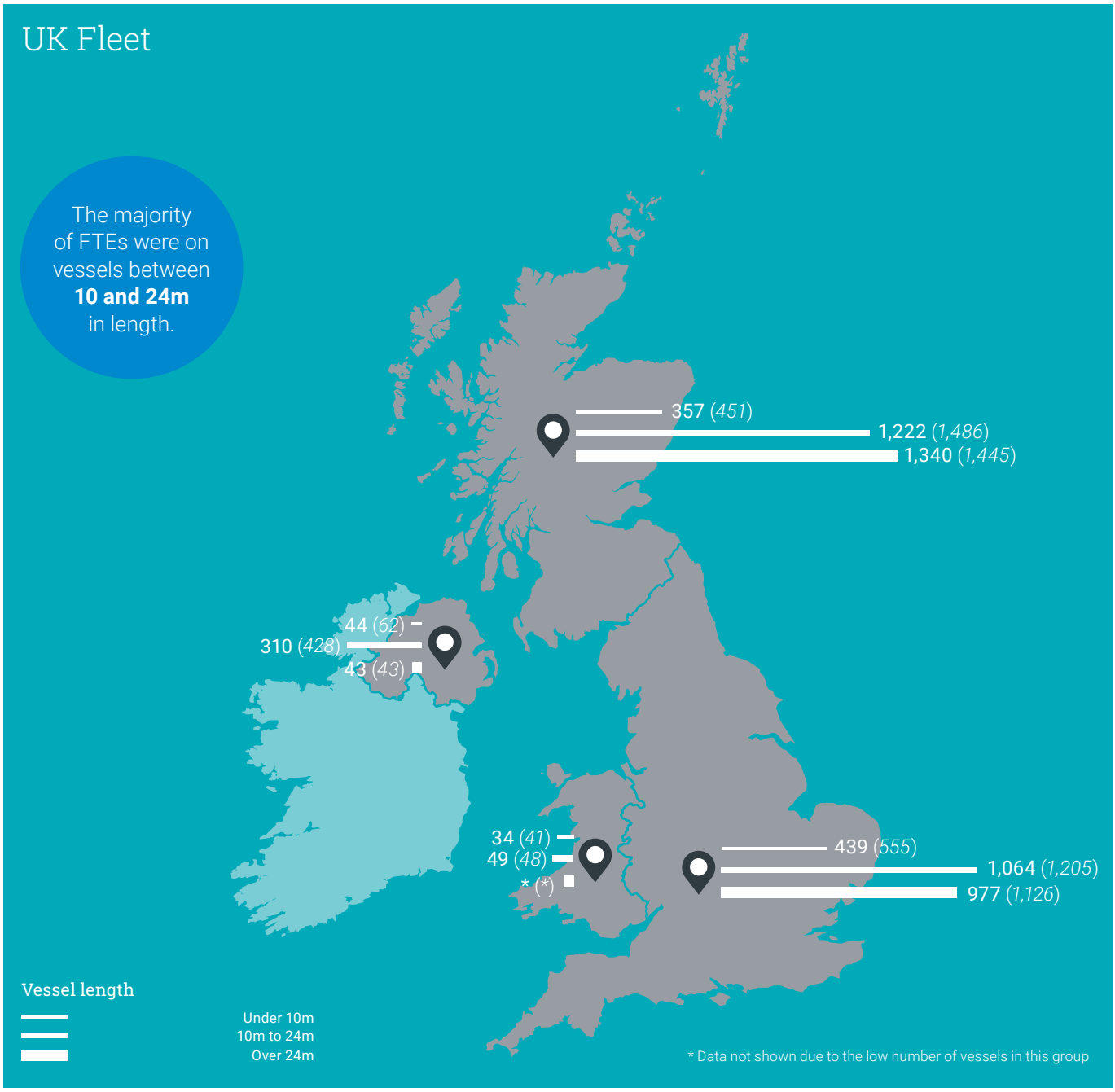


Employment

Scottish-registered vessels employed the most people in full time equivalent jobs (FTE) in 2020 (2,919 FTEs). Most of the FTEs were on vessels between 10m and 24m in length. These vessels employ more crew than under 10m vessels and are more numerous than the over 24m vessels, hence the higher number of FTEs.

Employment is estimated based on data on hours worked as reported by vessel owners during the Fleet Survey and days at sea provided by MMO. The data does not account for furloughed schemes contribution.

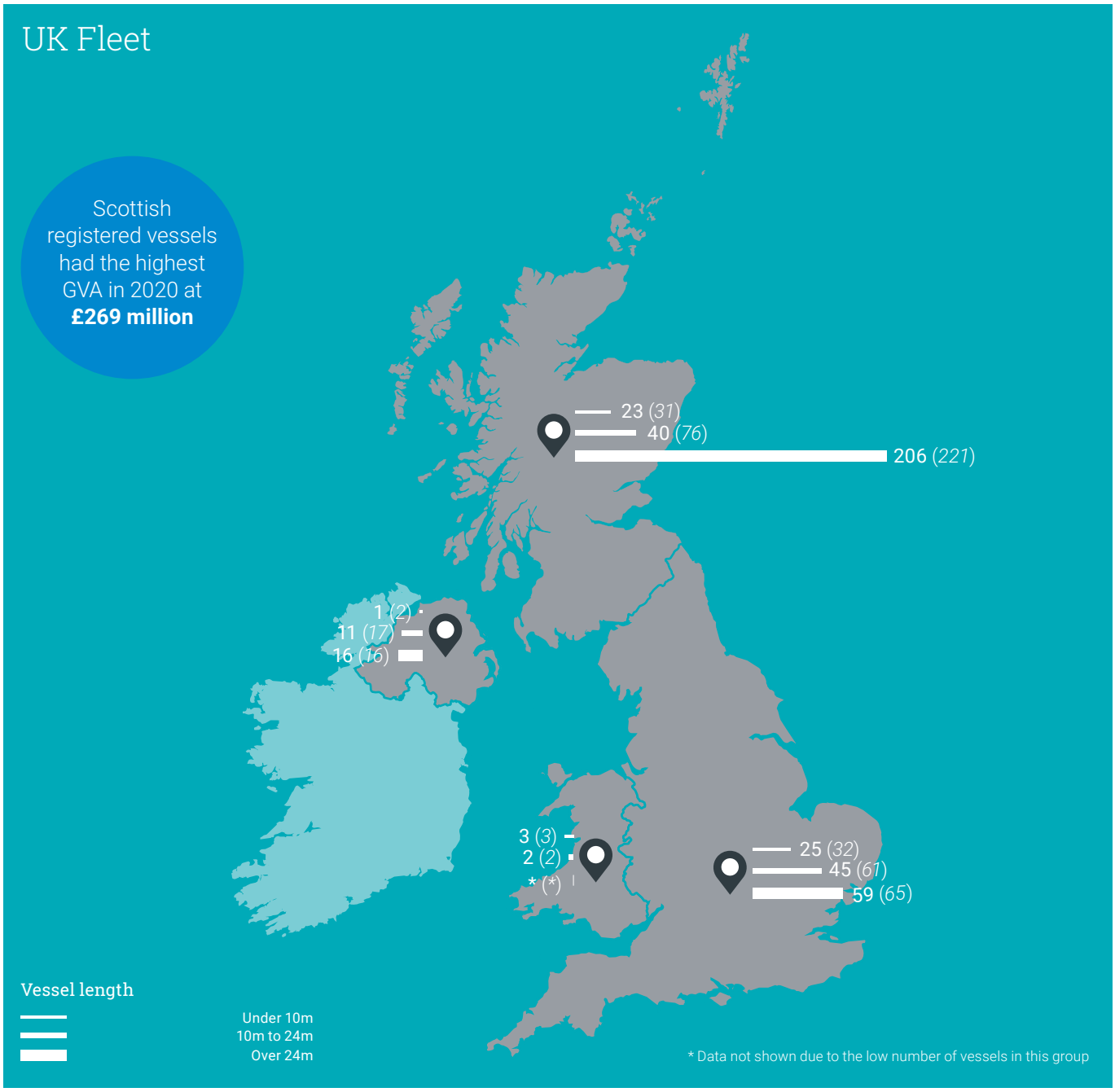
Figure 5. FTEs by registered home nation of vessels in 2020 *(and 2019)*



Gross Value Added (GVA)

Larger vessels (over 24m) had the highest GVA in all home nations. The difference was particularly noticeable in Scotland, where GVA by over 24m vessels was up to 4 times higher than GVA of under 24m vessels in 2020. This difference was mainly driven by a reduction of GVA in under 24m fleets due to reduced demand for fresh high-quality seafood on internal and international markets driven by the Covid-19 pandemic.

Figure 6. GVA by registered home nation of vessels in 2020 *(and 2019)*
Figures per million £



Fleet segment analysis
Fleet size and activity

The biggest segment in 2020 was the under 10m pots and traps segment with 1,052 vessels. The smallest were the Area 7A demersal trawl and the North Sea (NS) beam trawlers over 300kW, with 7 vessels each.

The UK fishing fleet got smaller in 2020. Most segments saw a decrease in terms of effort and vessel numbers by an average of 15% as some vessels owners decided not to fish in 2020. The under 10m fleet was particularly affected by this decrease in fleet size.

In the over 10m fleet there was a change in main species landed. Market conditions led owners of Nephrops and scallop vessels to diversify into demersal trawling for whitefish and flatfish, species historically in higher demand. Therefore three segments saw a noticeable increase in size: NS beam trawlers under 300kW, North Sea and West of Scotland (NSWoS) demersal seiners and NSWoS demersal vessels under 24m over 300kW.

The impacts of Covid-19 and lockdown in 2020 manifested in lower levels of fishing activity and lower fishing income across the fleet. All but three segments saw a decrease in average days at sea and fishing income per vessel in 2020 compared to 2019.

On average days at sea across decreased by 11% in 2020, while fishing income fell by 24%. The decrease in fishing income was a result of not only lower fishing effort and volume of landings, but lower average prices on the market (see Figures 7 and 8). Shellfish prices experienced the highest fall. Therefore segments reliant on shellfish income such as pots and traps or Nephrops trawlers experienced the greatest fall in revenue in 2020.

Table 1 shows numbers of vessels, average days at sea, fishing income per vessel and stock dependency by fleet segment.

Table 1. Fleet size, activity, fishing income and main stocks, 2019/20

Segment	Number of vessels				Average days at sea				Average fishing income (£'000)			
	2019		2020		2019		2020		2019		2020	
Area VIIA demersal trawl	11	↑	7	↓	139	↑	104	↓	344	●	164	↓
Area VIIA nephrops over 250kW	29	↓	25	↓	155	↑	125	↓	367	↑	252	↓
Area VIIA nephrops under 250kW	36	↑	31	↓	124	↓	104	↓	176	●	128	↓
Area VIIBCDEFGHK 24-40m	14	●	12	↓	224	●	274	↑	1,248	↓	1,276	●
Area VIIBCDEFGHK trawlers 10-24m	54	↓	48	↓	150	●	120	↓	213	↑	151	↓
North Sea beam trawl over 300kW	7	●	7	●	255	↑	243	●	1,337	↓	713	↓
North Sea beam trawl under 300kW	14	↓	20	↑	67	↓	79	↑	46	↓	92	↑
North Sea nephrops over 300kW	72	↑	53	↓	205	●	165	↓	748	↑	439	↓
North Sea nephrops under 300kW	66	●	66	●	123	●	102	↓	190	●	99	↓
NSWOS demersal over 24m	42	↓	41	●	217	●	196	↓	2,179	●	1,496	↓
NSWOS demersal pair trawl seine	23	↓	27	↑	230	●	199	↓	2,069	↑	1,574	↓
NSWOS demersal seiners	14	↓	20	↑	196	↑	187	↓	1,717	↑	1,098	↓
NSWOS demersal under 24m over 300kW	26	↓	41	↑	214	↑	175	↓	1,349	↑	833	↓
NSWOS demersal under 24m under 300kW	18	↓	12	↓	142	↑	135	●	335	↑	277	↓
South West beamers over 250kW	26	●	23	↓	201	●	220	↑	954	●	935	●
South West beamers under 250kW	22	↓	25	↑	224	●	198	↓	700	↑	552	↓
UK scallop dredge over 15m	76	↓	70	↓	170	●	134	↓	495	●	418	↓
UK scallop dredge under 15m	188	↓	156	↓	100	●	85	↓	171	↑	133	↓
Under 10m demersal trawl/seine	167	↑	168	●	94	●	67	↓	83	↑	51	↓
Under 10m drift and/or fixed nets	203	●	176	↓	70	↓	63	↓	40	↓	41	●
Under 10m pots and traps	1,220	●	1,052	↓	86	●	76	↓	72	↑	59	↓
Under 10m using hooks	198	●	199	●	62	●	51	↓	48	↑	36	↓
WOS nephrops over 250kW	25	↓	27	↑	178	●	141	↓	392	↑	196	↓
WOS nephrops under 250kW	60	●	53	↓	163	●	129	↓	201	↑	110	↓
Gill netters	27	●	26	●	167	●	159	●	737	↑	519	↓
Longliners	31	●	25	↓	162	↓	149	↓	431	↓	311	↓
Pots and traps 10-12m	181	●	174	●	156	↑	134	↓	178	●	132	↓
Pots and traps over 12m	105	↑	109	●	189	●	173	↓	545	●	401	↓

Trend:

↓ Indicates a decrease of >5% compared to previous year
● Indicates a change in the range of +/-5% compared to previous year
↑ Indicates an increase of >5% compared to previous year

Main stock by value	Stock status	Stock dependency % of fleet segment revenues	Fleet significance % of stock landings caught by this fleet	2nd main TAC stock	Stock status	Stock dependency % of fleet segment revenues	Fleet significance % of stock landings caught by this fleet
Had VIIa	■	52%	81%	Cod VIIa	●	16%	64%
Nephrops VII	★	80%	52%	Nephrops WS	★	7%	4%
Nephrops VII	★	74%	30%	Nephrops WS	★	13%	4%
Anglers VII	■	47%	43%	Megrim VII	■	26%	79%
Cuttlefish		16%	13%	Lemon Sole		12%	30%
NS Plaice	■	44%	34%	NS Sole	◆	36%	82%
Brown Shrimps		97%	75%	Whelks		2%	0%
NS Nephrops	★	58%	51%	NS Anglers IIa(EC),IV(EC)	●	13%	15%
NS Nephrops	★	82%	21%	NS Anglers IIa(EC),IV(EC)	●	3%	1%
NS Haddock	■	12%	23%	NS Cod	◆	11%	26%
NS Haddock	■	28%	42%	NS Cod	◆	23%	37%
NS Haddock	■	21%	17%	NS Whiting	◆	16%	21%
NS Anglers IIa(EC),IV(EC)	●	19%	29%	NS Cod	◆	13%	17%
Squid		18%	6%	NS Anglers IIa(EC),IV(EC)	●	13%	2%
Sole VIIe	■	23%	45%	Cuttlefish		18%	45%
Sole VIIe	■	25%	32%	Cuttlefish		14%	22%
Scallops		94%	66%	Queen scallops		4%	77%
Scallops		52%	25%	Cockles		33%	89%
NS Nephrops	★	19%	5%	Nephrops WS	★	11%	5%
Sea bass*	◆	13%	22%	Sole VIIe	■	11%	6%
Lobsters		33%	56%	Whelks		18%	41%
Razor Clam		30%	55%	Sea bass*	◆	27%	40%
Nephrops WS	★	82%	28%	NS Nephrops	★	6%	1%
Nephrops WS	★	90%	35%	NS Nephrops	★	3%	1%
WS Hake incl VII	■	28%	41%	NS Anglers IIa(EC),IV(EC)	●	24%	19%
WS Hake incl VII	■	31%	33%	NS Hake	■	30%	29%
Lobsters		32%	20%	Crabs (C.P.Mixed Sexes)		25%	13%
Crabs (C.P.Mixed Sexes)		59%	59%	Whelks		24%	37%

*Sea bass (Dicentrarchus labrax) in divisions 4.b–c, 7.a, and 7.d–h (central and southern North Sea, Irish Sea, English Channel, Bristol Channel, and Celtic Sea)

Stock status (ICES advice):

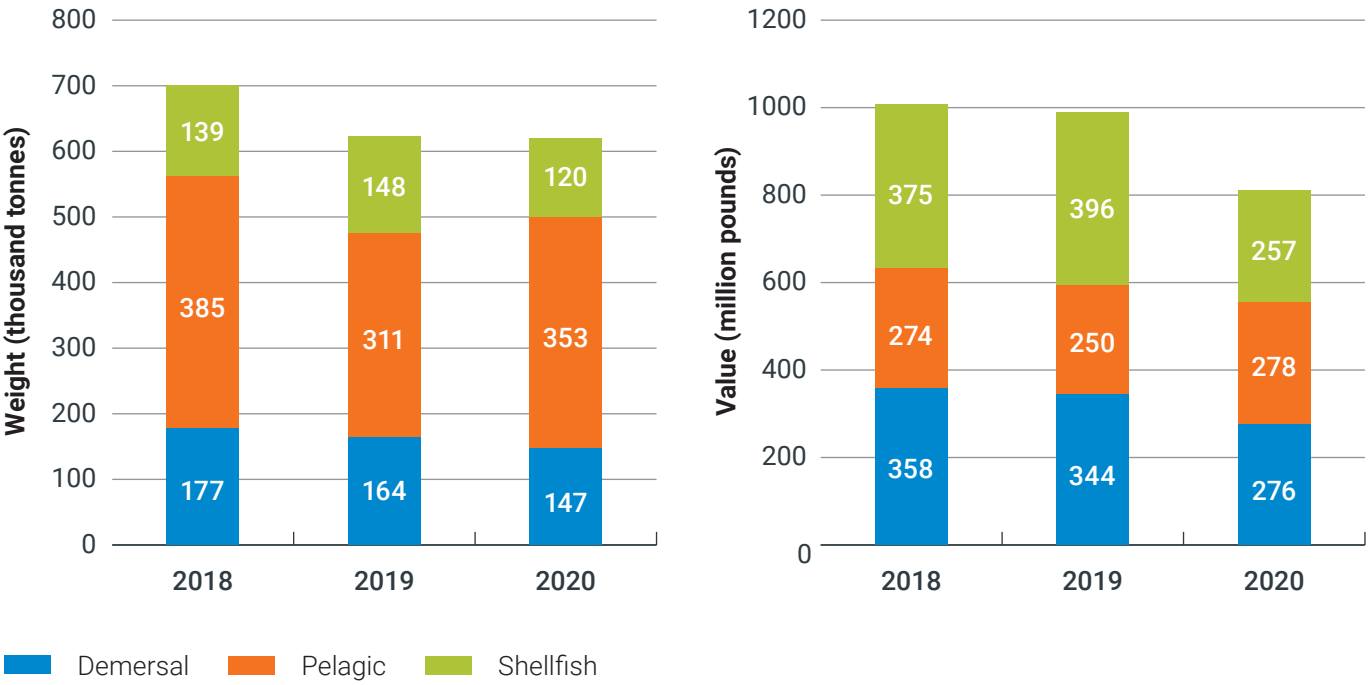
- ● Unknown
- ■ Above MSY Btrigger
- ◆ Below MSY Btrigger
- ★ Mixture of above and below MSY Btrigger

Landings

The total volume of landings by UK vessels was around 620 tonnes in both 2019 and 2020. The make-up of landings by species group changed in 2020. Landings of demersal and shellfish species decreased by 10% and 19% respectively, while landings of pelagic species increased by 13%.

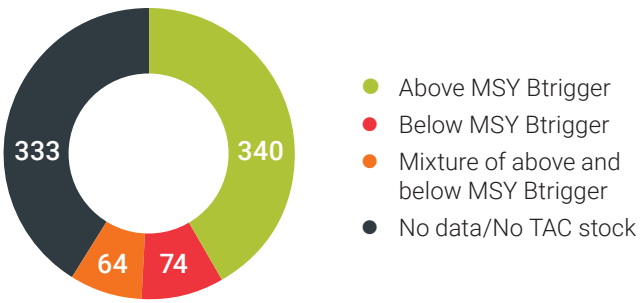
The total fishing income of the UK fleet decreased from £990 million in 2019 to £806 million in 2020 (a 19% fall). This fall in revenue was a result of lower landings of demersal and shellfish species (more valuable to the fleet than pelagic species) and lower average prices in 2020. This is the lowest total fishing income of the fleet since 2015, when the total value landed by the fleet stood at £777 million.

Figure 7. Weight and value of landings by the UK fishing fleet in the UK and abroad by species type, 2018-20



By stock status, most landings in 2020 (by value) were from stocks exploited sustainably (above the Maximum Sustainable Yield (MSY) Btrigger reference point) or stocks with insufficient data/non-TAC stocks, such as most shellfish species.

Figure 8. Value landed in 2020 by stock status (million £)



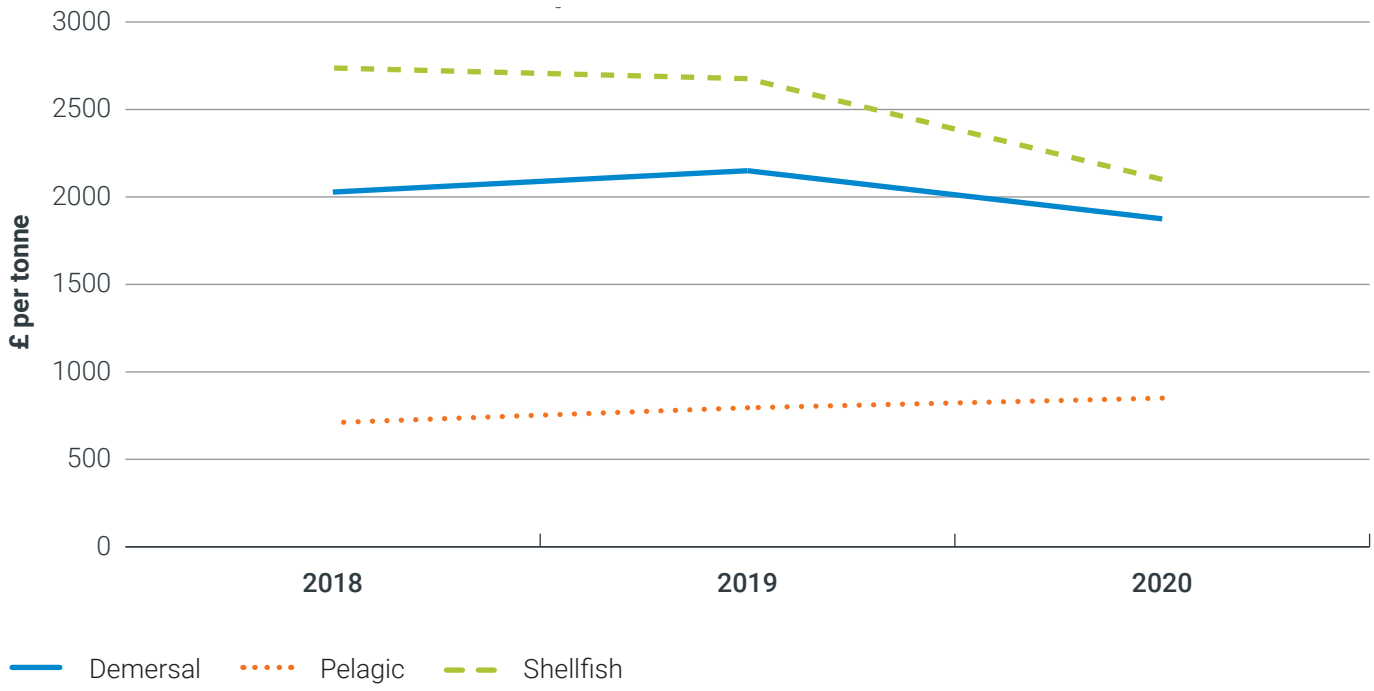
Fish price

After several years of increases, average nominal prices per tonne of demersal and shellfish species decreased in 2020 by 11% and 20% respectively, returning to prices similar to those of 2016. The average price of pelagic species did not change significantly in 2020.

The fall in fish prices in 2020 was a result of lockdown measures in the UK and abroad. These measures caused a closure of the food service sector that is the main channel of seafood sales, although there was an increase in consumption of frozen and ambient seafood products.

Limited demand for seafood caused market prices to fall. Average prices across all species fell by 9% in March (against March 2019 numbers), 22% in April, and 38% in May. Strict lockdowns in Italy, France and Spain, the main markets for UK shellfish, were particularly damaging for the UK fleet's economic performance.

Figure 9. Average price of landings in the UK and abroad by species type, 2018-20



Vessel owners' views on their 2019/20 business performance

There are several factors that can influence vessel operators' choices about where, when, and how much to fish. During our 2020 Annual Survey of the UK fishing fleet conducted in summer 2020 we asked fishers about their business performance over the last 12 months.

The main factor reported was the Covid-19 pandemic: 72% of survey respondents said Covid-19 had negatively impacted their business. Follow-up qualitative interviews showed that as well as direct effects, Covid-19 also had knock-on effects on supply chains or crew availability. From survey answers it is difficult to differentiate factors that impacted fishers in the second half of 2019 from those linked to Covid-19 in 2020.

Fish price was another frequently discussed factor affecting business performance. Just over half of participants (99 owners) said that poor prices for their catch contributed negatively to their performance in 2020. Most of these respondents also reported having been negatively impacted by Covid-19, suggesting the influence of Covid on unsatisfactory prices. Follow-up interviews showed that poor prices were not limited to certain species or fishing types but impacted the entire industry. The impacts of low prices were particularly severe in the second quarter of 2020 when markets collapsed as Europe entered lockdown. Several interviewees had been positive about the prices for their catch in the second half of 2019 before prices plummeted in spring 2020.

"The price was great until December [2019], then in January it started to creep out of control and by March it was right down."
(Owner of a Nephrops trawler, NE England)

Access to fishing grounds was an area in which fishers were generally positive: 40% of respondents were happy with their access to grounds. On the other hand, 22% of respondents felt access issues hampered their fishing. Respondents satisfied with access to fishing grounds represented a wide variety of gear types and target species. Most of them were happy with rules and regulations more generally. They also noted good relationships with other local vessel operators and of operating in areas with little conflict with other static or mobile gear. Those unhappy with access to grounds were largely operators of under 10m vessels, particularly potters, although it was also an important issue for scallop dredgers and Nephrops trawlers.

"There's no markets because of [Covid] so people are trying to catch more and putting more pots down because they're getting less money for their catch."
(Owner of under 10m potting vessel, East of England).

There was a mix of opinions surrounding the abundance of target catch. Most respondents (42%) felt that catch abundance was detrimental to their business while a further 25% felt it was beneficial. Owners of demersal fishing vessels were generally optimistic about the volume of fish available. Owners of shellfish vessels, particularly those targeting crab, lobster and Nephrops, were less happy. Their main concerns focused around the numbers of vessels and pots in their area.

"There's definitely a downward trend in the shellfish sector in terms of the stock available. Personally, I think it's been over-exploited."
(Owner of 10-12m potting vessel, East of England).

More than half of participants said the weather had negatively impacted their business performance in the 12 months preceding summer 2020. Poor weather prevents vessel operators from going to sea whilst rough seas increase fuel consumption and can damage gear. Several interviewees observed that weather seemed to be worse in recent years, particularly in autumn and winter. There were concerns that severe winter storms can decimate local populations of some species by disturbing the seabed.

"Winters aren't dry and cold and crisp anymore, they are wet and windy and torrential."
(Owner of under 10m potting vessel, Wales).

A third of participants described climate change and/or sea temperature as impacting on their business negatively and noted changing migratory patterns and behaviour.

"When we caught lobsters in pots 40 years ago it was nearly all hens, it might be ten hens to one cock. Now it's the other way round."
(Owner of potting vessel, South West England).

A closer look at the impacts of Covid-19

The initial lockdown introduced on 23 March 2020 had immediate effects on the fleet. In our 2020 survey 78% of fishing vessels reported becoming inactive or operating at reduced levels. Some vessels were still inactive or operating at reduced levels three months after lockdown began. Furthermore, 6% of vessel owners reported they expected never to be able to return to business-as-usual.

In our survey responses scallop dredgers were the most negatively affected sector. The closure of markets and lockdown measures across Europe and Asia impacted on scallop dredgers and across shellfish vessels more generally.

"Coronavirus has impacted us massively […] We only had a quarter of the gear out, there wasn't much market and you were fearful of catching it."

(Owner of 10-12m potting vessel, East of England).

Businesses showed a range of adaptation measures to survive the impacts of Covid 19. In our survey 40% of respondents reported having changed fishing patterns, e.g., coordinating between local vessels to enable a collective management of landings. This coordination enabled prices to recover to the point of business viability. Greater use of technology and new quayside-to-customer sales allowed other businesses to survive.

Only 7% of respondents rated their business performance as above average in the 12 months preceding summer 2020. These tended to be fishers securing local market opportunities following the easing of quayside selling restrictions in spring 2020. In a difficult year for the industry, demand for seafood was one point of optimism. Some fishers reported an increase in local demand created by a public desire to support local producers.

"I was shocked, I was real[ly] surprised, the first time I landed there must have been 300 people queuing for fish."

(Owner of beam trawler, NW England).

Notwithstanding, 71% of vessel owners expected lower profits in 2020 compared to 2019. Most respondents (57%) reported using at least one government Covid-19 support measure to see their business through lockdown. The uptake of nation-specific measures was mixed. Most owners considered support easy to access.

Business outlooks for the future were mixed among respondents, with most business owners intending to maintain activity at current levels in the next 3 to 5 years. Seafood demand and access to markets were expected to be mostly positive influences in the medium term.

Fishing efficiency

Fishing efficiency refers to the average weight and value of landings as well as the average fishing costs per vessel per day at sea.

On average across the fleet, fishing efficiency and costs per day at sea in 2019 were largely similar to 2018 figures, although for some segments efficiency and costs increased or decreased in that period.

In 2020 there was considerable variation in trends between segments in terms of weight landed per day at sea compared to 2019. For some segments, like scallop dredgers or under 10m vessels, weight landed per day at sea increased as fleet size got smaller. Nephrops vessels saw a decrease in average weight landed per day at sea in vessels operating in West of Scotland and North Sea, but an increase for those operating in Area VII. This difference occurred despite all of them experiencing similar trends in reduction of fleet size and fewer days at sea in 2020.

Regardless of performance in terms of weight landed per day at sea, value landed per day at sea decreased for all but three segments in 2020 (compared to 2019). Value landed per day at sea fell by an average of 15% across the fleet due to lower average prices for most species in 2020. Segments dependent on shellfish, such as Nephrops or pots and trap vessels, experienced the largest decrease in income (up to 37% in some cases) as shellfish prices fell by 20% in 2020.

Fishing expenditure fell in 2020 by an average of 15% because of businesses' lower fishing activity and income, leading to lower fuel and crew expenses. The price of fuel decreased in 2020 which also helped to further lower fishing expenses (see figure 10).

Table 2. Landings, fishing income and expenditure per day at sea, 2019/20

Segment	Landings per day (tonnes)		Fishing income per day (£)		Fishing expenditure per day (£)	
	2019	2020	2019	2020	2019	2020
Area VIIA demersal trawl	1.26 ↓	0.98 ↓	2,478 ↓	1,576 ↓	1,574 ↓	964 ↓
Area VIIA nephrops over 250kW	1.02 ↑	1.16 ↑	2,370 ↑	2,009 ↓	1,508 ↑	1,270 ↓
Area VIIA nephrops under 250kW	0.63 ↑	0.70 ↑	1,417 ↑	1,228 ↓	826 ●	709 ↓
Area VIIBCDEFGHK 24-40m	2.02 ●	1.90 ↓	5,571 ↓	4,661 ↓	4,198 ↓	3,555 ↓
Area VIIBCDEFGHK trawlers 10-24m	0.73 ↓	0.73 ●	1,424 ↑	1,262 ↓	716 ↓	706 ●
North Sea beam trawl over 300kW	2.52 ↓	1.80 ↓	5,249 ↓	2,935 ↓	4,991 ↓	4,008 ↓
North Sea beam trawl under 300kW	0.38 ↓	0.55 ↑	691 ↓	1,168 ↑	865 ↓	1,304 ↑
North Sea nephrops over 300kW	1.46 ↑	1.38 ↓	3,654 ↑	2,654 ↓	2,698 ↑	1,983 ↓
North Sea nephrops under 300kW	0.64 ↑	0.45 ↓	1,549 ↑	975 ↓	1,184 ↑	767 ↓
NSWOS demersal over 24m	5.07 ●	4.29 ↓	10,029 ●	7,629 ↓	7,106 ●	5,425 ↓
NSWOS demersal pair trawl seine	4.93 ●	4.87 ●	9,014 ●	7,900 ↓	6,338 ●	5,520 ↓
NSWOS demersal seiners	4.83 ↓	3.60 ↓	8,739 ●	5,886 ↓	6,039 ↑	3,634 ↓
NSWOS demersal under 24m over 300kW	2.58 ↑	2.32 ↓	6,297 ↑	4,753 ↓	4,009 ↑	3,057 ↓
NSWOS demersal under 24m under 300kW	0.82 ↓	0.99 ↑	2,360 ↓	2,056 ↓	1,534 ↓	1,319 ↓
WOS nephrops over 250kW	0.81 ↑	0.70 ↓	2,209 ↑	1,386 ↓	1,216 ↑	802 ↓
WOS nephrops under 250kW	0.45 ↑	0.38 ↓	1,234 ↑	853 ↓	711 ↑	501 ↓
South West beamers over 250kW	1.39 ↑	1.32 ●	4,735 ●	4,242 ↓	3,434 ↑	3,003 ↓
South West beamers under 250kW	0.93 ↑	0.85 ↓	3,121 ●	2,782 ↓	1,917 ●	1,673 ↓
UK scallop dredge over 15m	1.44 ↑	1.86 ↑	2,908 ●	3,107 ↑	1,749 ↓	1,788 ●
UK scallop dredge under 15m	1.01 ↑	1.18 ↑	1,709 ↑	1,553 ↓	876 ●	774 ↓
Under 10m demersal trawl/seine	0.34 ↑	0.33 ●	887 ↑	749 ↓	509 ↑	426 ↓
Under 10m drift and/or fixed nets	0.20 ↓	0.29 ↑	579 ●	651 ↑	335 ●	367 ↑
Under 10m pots and traps	0.24 ↑	0.26 ↑	840 ↑	780 ↓	498 ↑	456 ↓
Under 10m using hooks	0.19 ↑	0.20 ↑	774 ↑	704 ↓	417 ↑	376 ↓
Gill netters	1.84 ●	1.88 ●	4,407 ↑	3,261 ↓	2,731 ↑	2,029 ↓
Longliners	1.07 ↓	0.95 ↓	2,658 ●	2,091 ↓	1,822 ●	1,629 ↓
Pots and traps 10-12m	0.36 ↓	0.36 ●	1,139 ●	984 ↓	494 ↓	423 ↓
Pots and traps over 12m	1.25 ↓	1.23 ●	2,886 ↓	2,323 ↓	1,755 ●	1,410 ↓

Trend:

↓ Indicates a decrease of >5% compared to previous year
● Indicates a change in the range of +/-5% compared to previous year
↑ Indicates a increase of >5% compared to previous year

Operating costs

Definitions

Fishing vessels incur a range of operating costs which are split into two groups: fishing costs and vessel costs.

Fishing costs vary depending on the amount of vessel activity and the value and weight of landings. Fishing costs cover several elements, of which crew share (wages), and fuel and oil are the most significant. Other items grouped under fishing costs include boxes, ice, food and stores, sales commissions, harbour dues, subscriptions and levies, shore labour, travel costs and quota leasing.

Vessel costs are independent of, or not directly related to, the level of vessel activity during the year. These vessel costs include gear and vessel repairs, insurance, administration and the purchase, hire and maintenance of electronic equipment.

Total operating costs

Total operating costs of the fleet remained largely similar in 2018 and 2019. In 2020 operating costs fell by an average of 16% compared to 2019 due to a decrease in fishing activity, which led in turn to lower costs (such as fuel expenses and crew shares). However, fishing income also decreased in 2020 and costs represented a higher proportion of turnover than in 2019. Total expenditure represented on average 92% of total turnover in 2020, an increase in six percentage points compared to 2019.

Fuel costs as a proportion of turnover remained largely stable at 17% of total turnover in 2020.

Table 3. Average annual operating costs, 2019/20

Segment	Average annual operating costs (£)				Operating costs as % of income				Fuel costs as % of income			
	2019		2020		2019		2020		2019		2020	
Area VIIA demersal trawl	330,197	●	215,165	↓	81%	●	105%	↑	14%	●	17%	●
Area VIIA nephrops over 250kW	329,232	↑	263,795	↓	73%	↓	78%	●	14%	●	12%	●
Area VIIA nephrops under 250kW	146,739	●	121,499	↓	83%	●	83%	●	13%	●	10%	●
Area VIIBCDEFGHK 24-40m	1,165,088	↓	1,239,450	↑	93%	●	96%	●	21%	●	19%	●
Area VIIBCDEFGHK trawlers 10-24m	159,241	●	140,953	↓	73%	●	82%	↑	15%	●	12%	●
North Sea beam trawl over 300kW	1,498,107	↓	1,200,129	↓	109%	↑	163%	↑	60%	↑	84%	↑
North Sea beam trawl under 300kW	79,033	↓	120,112	↑	171%	↑	119%	↓	77%	↑	33%	↓
North Sea nephrops over 300kW	688,988	↑	470,807	↓	88%	↓	99%	↑	22%	●	23%	●
North Sea nephrops under 300kW	203,250	↑	134,657	↓	107%	↑	123%	↑	25%	●	28%	●
NSWOS demersal over 24m	1,892,139	●	1,396,873	↓	82%	●	88%	↑	18%	●	18%	●
NSWOS demersal pair trawl seine	1,815,040	↑	1,446,455	↓	88%	●	92%	●	8%	●	8%	●
NSWOS demersal seiners	1,570,783	↑	1,001,930	↓	88%	↑	86%	●	9%	●	10%	●
NSWOS demersal under 24m over 300kW	1,078,146	↑	747,181	↓	78%	↓	86%	↑	15%	●	16%	●
NSWOS demersal under 24m under 300kW	317,817	●	303,060	●	86%	●	85%	●	13%	●	11%	●
WOS nephrops over 250kW	356,676	↑	219,948	↓	87%	↓	101%	↑	17%	↓	20%	●
WOS nephrops under 250kW	175,421	↑	121,221	↓	87%	●	101%	↑	17%	●	17%	●
South West beamers over 250kW	873,357	●	865,505	●	92%	●	93%	●	28%	●	25%	●
South West beamers under 250kW	538,685	●	438,354	↓	77%	↓	78%	●	18%	●	15%	●
UK scallop dredge over 15m	432,941	↓	389,845	↓	85%	↓	88%	●	18%	●	14%	●
UK scallop dredge under 15m	145,053	↑	125,679	↓	82%	●	88%	↑	15%	●	12%	●
Under 10m demersal trawl/seine	70,740	↑	51,355	↓	82%	●	88%	↑	11%	●	9%	●
Under 10m drift and/or fixed nets	27,530	↓	30,818	↑	66%	●	66%	●	8%	●	5%	●
Under 10m pots and traps	57,909	↑	49,971	↓	76%	●	75%	●	8%	●	6%	●
Under 10m using hooks	35,085	↑	28,486	↓	72%	●	71%	●	5%	●	4%	●
Gill netters	641,977	↑	516,729	↓	87%	●	98%	↑	6%	●	6%	●
Longliners	380,010	↓	336,825	↓	87%	●	106%	↑	24%	●	25%	●
Pots and traps 10-12m	114,615	●	95,785	↓	63%	●	66%	●	7%	●	6%	●
Pots and traps over 12m	433,034	●	342,691	↓	77%	●	81%	●	11%	●	10%	●

Trend:

↓ Indicates a decrease of >5% compared to previous year
● Indicates a change in the range of +/-5% compared to previous year
↑ Indicates a increase of >5% compared to previous year

Fuel

After several years of increasing fuel prices and a sudden drop towards the end of 2018, fuel prices stabilised in 2019 at an average of 49.5p per litre. In 2020 the average price of marine fuel in the UK fell to 37.1p per litre, a 25% decrease compared to 2019. The main factor behind this fall in price was a sudden and sharp decrease in oil demand as widespread travel restrictions and business closures were implemented to slow the spread of Covid-19.

The decrease in average price of marine fuel was particularly pronounced in the first half of 2020 when it reached 33.5p per litre (June 2020). By the second half of 2020 many lockdown measures were eased and OPEC (Organization of the Petroleum Exporting Countries) agreed to cuts in oil production which helped oil prices increase slightly. By the end of 2020 the average price of marine fuel in the UK was around 40p per litre.

The fuel costs of the UK fishing fleet follow changes in fuel prices. Fuel consumption remained largely unchanged across fleet segments in 2018, 2019 and 2020. The lower price of fuel in 2020 combined with lower levels of activity across most of the fleet meant that fuel costs decreased across all fleet segments by an average of 30% compared to 2019.

Figure 10: Oil price and marine fuel price (source: Seafish, U.S. Energy Information Administration)

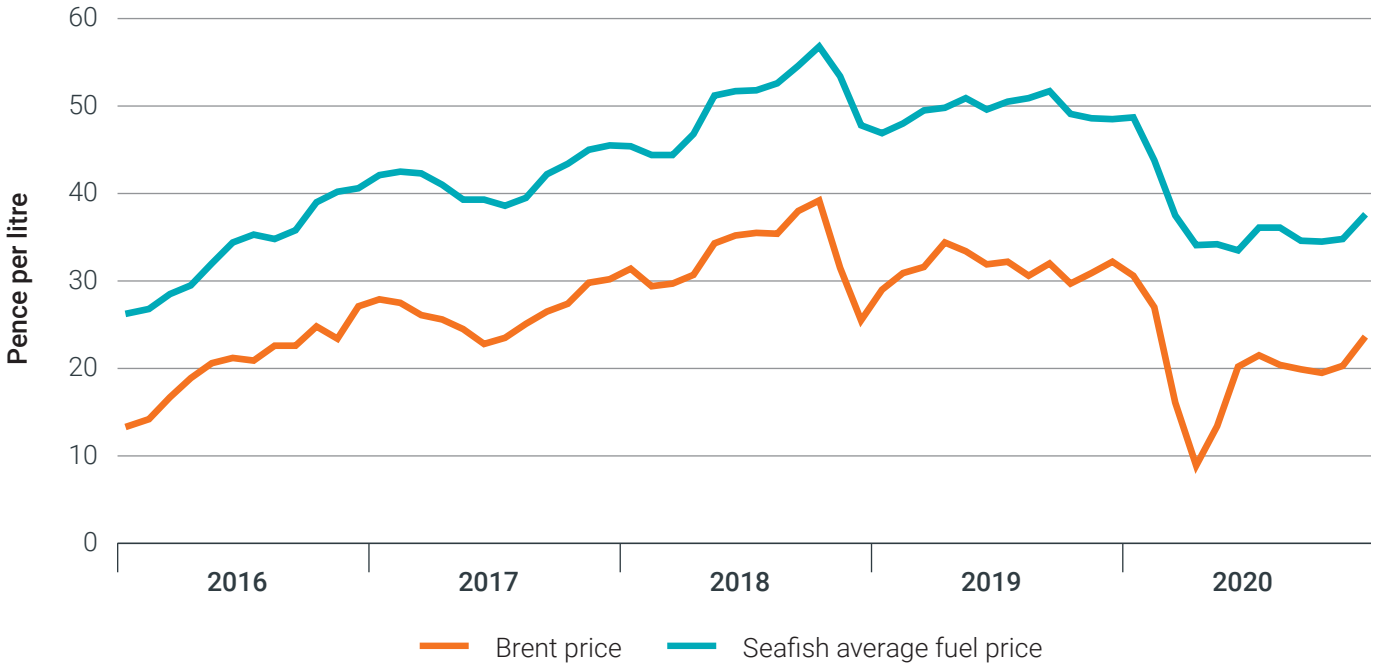


Table 4. Average annual and daily fuel costs per vessel, 2019/20

Segment	Fuel costs (£)				Fuel cost per day (£)				Litres per day			
	2019		2020		2019		2020		2019		2020	
Area VIIA demersal trawl	55,373	●	35,445	↓	399	↓	340	↓	803	●	880	↑
Area VIIA nephrops over 250kW	61,999	↑	40,505	↓	401	●	323	↓	808	●	829	●
Area VIIA nephrops under 250kW	22,720	↓	15,042	↓	183	↓	145	↓	368	●	377	●
Area VIIBCDEFGHK 24-40m	260,401	↓	246,400	●	1,163	●	900	↓	2,350	●	2,317	●
Area VIIBCDEFGHK trawlers 10-24m	33,313	●	21,087	↓	223	●	176	↓	449	●	455	●
North Sea beam trawl over 300kW	820,705	●	613,400	↓	3,222	●	2,526	↓	6,500	●	6,500	●
North Sea beam trawl under 300kW	35,784	↓	33,191	↓	535	●	420	↓	1,094	●	1,087	●
North Sea nephrops over 300kW	171,780	●	108,572	↓	839	●	657	↓	1,695	●	1,675	●
North Sea nephrops under 300kW	47,529	●	30,449	↓	387	●	300	↓	782	●	758	●
NSWOS demersal over 24m	404,278	●	284,785	↓	1,861	●	1,453	↓	3,757	●	3,724	●
NSWOS demersal pair trawl seine	174,427	●	118,550	↓	760	●	595	↓	1,532	●	1,538	●
NSWOS demersal seiners	152,690	↑	115,288	↓	777	↑	618	↓	1,569	↑	1,583	●
NSWOS demersal under 24m over 300kW	209,585	●	138,524	↓	978	●	790	↓	1,976	●	2,024	●
NSWOS demersal under 24m under 300kW	46,558	↑	38,648	↓	328	↓	287	↓	662	↓	747	↑
WOS nephrops over 250kW	67,506	●	42,742	↓	380	●	303	↓	768	●	779	●
WOS nephrops under 250kW	34,342	↑	20,857	↓	211	↑	162	↓	425	↑	416	●
South West beamers over 250kW	269,653	●	233,080	↓	1,339	●	1,057	↓	2,708	●	2,708	●
South West beamers under 250kW	124,771	●	86,153	↓	556	●	435	↓	1,125	●	1,117	●
UK scallop dredge over 15m	92,802	●	59,766	↓	546	●	444	↓	1,102	●	1,139	●
UK scallop dredge under 15m	26,076	●	17,483	↓	261	●	205	↓	527	●	527	●
Under 10m demersal trawl/seine	9,266	●	5,257	↓	99	●	78	↓	199	●	201	●
Under 10m drift and/or fixed nets	3,332	↓	2,412	↓	48	↓	38	↓	96	●	99	●
Under 10m pots and traps	6,102	●	4,274	↓	71	●	56	↓	142	●	147	●
Under 10m using hooks	2,405	●	1,517	↓	39	●	30	↓	78	●	77	●
Gill netters	44,269	●	33,518	↓	265	●	211	↓	535	●	541	●
Longliners	105,849	↓	78,531	↓	652	●	528	↓	1,319	●	1,349	●
Pots and traps 10-12m	11,937	↑	8,002	↓	76	●	60	↓	154	●	154	●
Pots and traps over 12m	59,713	●	43,070	↓	316	●	250	↓	637	●	647	●

Trend:

↓ Indicates a decrease of >5% compared to previous year
● Indicates a change in the range of +/-5% compared to previous year
↑ Indicates a increase of >5% compared to previous year

Crew costs

The total number of FTEs in the fleet decreased by 15% in 2020 compared to 2019, reflecting lower levels of activity due to lockdown measures and Covid-19. This decrease may not necessarily mean that jobs were lost. It also reflects that crews worked fewer hours or fewer trips during lockdown, as the total number of days at sea decreased for the fleet.

Crew share is strongly linked with fishing income and costs. Many fishermen are paid a share of the vessel earnings, usually after deducting some direct costs such as fuel. Crew costs (i.e., total expenditure in crew, including crew shares, salaries and agency payments) across segments therefore reflect the variability in vessel earnings. In 2019 crew costs per vessel were largely similar to 2018 figures. Average crew costs per vessel decreased by 18% in 2020 compared to 2019, following the decreasing trend in fishing income across the fleet and reflecting fewer days at sea.

Table 5. Average annual crew costs and FTEs, 2019/20

Segment	Average crew cost per vessel (£)				FTE (total)				Crew cost per FTE (£)			
	2019		2020		2019		2020		2019		2020	
Area VIIA demersal trawl	100,965	●	37,131	↓	30	●	16	↓	36,793	↑	15,829	↓
Area VIIA nephrops over 250kW	125,153	↑	86,923	↓	169	↓	122	↓	21,453	↑	17,795	↓
Area VIIA nephrops under 250kW	60,640	●	44,678	↓	110	↓	76	↓	19,840	↑	18,138	↓
Area VIIBCDEFGHK 24-40m	309,321	↓	270,148	↓	148	↓	150	●	29,287	●	21,570	↓
Area VIIBCDEFGHK trawlers 10-24m	48,632	↓	42,788	↓	145	↓	94	↓	18,085	●	21,845	↑
North Sea beam trawl over 300kW	67,562	↓	155,720	↑	183	↑	171	↓	2,583	↓	6,367	↑
North Sea beam trawl under 300kW	22,121	↑	49,765	↑	22	↓	38	↑	14,165	↑	26,465	↑
North Sea nephrops over 300kW	215,869	↑	122,384	↓	114	↓	85	↓	136,767	↑	76,184	↓
North Sea nephrops under 300kW	72,020	↑	33,983	↓	153	↓	124	↓	31,001	↑	18,035	↓
NSWOS demersal over 24m	583,985	↑	397,327	↓	819	↑	689	↓	29,945	↓	23,648	↓
NSWOS demersal pair trawl seine	623,843	↑	481,768	↓	234	↓	230	●	61,237	↑	56,480	↓
NSWOS demersal seiners	477,462	↑	312,123	↓	116	●	173	↑	57,663	↑	36,178	↓
NSWOS demersal under 24m over 300kW	339,742	↑	205,992	↓	184	↓	223	↑	48,112	↑	37,840	↓
NSWOS demersal under 24m under 300kW	73,550	↑	64,827	↓	91	↑	58	↓	14,480	↓	13,409	↓
WOS nephrops over 250kW	115,450	↑	53,959	↓	156	↓	126	↓	18,548	↑	11,589	↓
WOS nephrops under 250kW	61,850	↑	32,865	↓	232	↓	152	↓	15,998	↑	11,497	↓
South West beamers over 250kW	246,224	●	256,618	●	156	●	151	●	40,970	●	39,018	●
South West beamers under 250kW	186,979	↑	152,226	↓	194	↑	192	●	21,242	↓	19,826	↓
UK scallop dredge over 15m	144,365	●	129,768	↓	309	↓	222	↓	35,522	●	40,895	↑
UK scallop dredge under 15m	43,102	↑	34,432	↓	222	↓	157	↓	36,497	↑	34,109	↓
Under 10m demersal trawl/seine	29,106	↑	17,825	↓	97	↓	67	↓	50,303	↑	44,554	↓
Under 10m drift and/or fixed nets	13,017	↓	13,729	↑	111	●	87	↓	23,815	↓	27,745	↑
Under 10m pots and traps	19,516	●	16,268	↓	670	↓	526	↓	35,556	↑	32,550	↓
Under 10m using hooks	17,103	↑	13,099	↓	97	↓	76	↓	34,765	↑	34,231	●
Gill netters	259,135	↑	181,247	↓	173	↓	169	●	40,512	↑	27,906	↓
Longliners	112,289	↓	27,395	↓	583	↑	436	↓	5,968	↓	1,570	↓
Pots and traps 10-12m	44,230	●	33,129	↓	370	↓	312	↓	21,649	↑	18,462	↓
Pots and traps over 12m	190,914	↑	140,752	↓	713	↓	675	●	28,132	↑	22,744	↓

Trend:

↓ Indicates a decrease of >5% compared to previous year
● Indicates a change in the range of +/-5% compared to previous year
↑ Indicates an increase of >5% compared to previous year

Economic performance

The economic performance of the UK fishing fleet is measured here in terms of Gross Value Added (GVA), operating profit and net profit.

GVA is a measure of the value of goods and services produced by an industry. In this report we calculate GVA as the sum of operating profit and crew share.

Gross Value Added (GVA)

Overall, the average GVA per vessel decreased by 38% in 2020 compared to 2019 because of lower fishing revenues. Lower fishing income led to lower profits (despite a decrease in fishing expenditure) and reduced crew share expenditures. Only two segments (NS beam trawl under 300kW and under 10m drift and/or fixed nets) saw an increase in average GVA per vessel as their average operating profit per vessel increased in 2020. These segments did not experience a decrease in average fishing income per vessel in 2020 despite fewer days at sea as their fishing efficiency (landings per day at sea) increased in 2020.

Table 6. Average annual GVA per vessel and GVA per FTE, 2019/20

Segment	Gross value added (£)				GVA as % of total income				GVA per FTE (£ per FTE)			
	2019		2020		2019		2020		2019		2020	
Area VIIA demersal trawl	180,669	↑	27,654	↓	44%	↑	13%	↓	65,837	↑	11,789	↓
Area VIIA nephrops over 250kW	246,071	↑	163,645	↓	55%	↑	48%	↓	42,180	↑	33,502	↓
Area VIIA nephrops under 250kW	91,154	↓	69,860	↓	51%	↓	48%	↓	29,823	↑	28,362	●
Area VIIBCDEFGHK 24-40m	394,578	●	315,848	↓	32%	↑	25%	↓	37,359	↑	25,219	↓
Area VIIBCDEFGHK trawlers 10-24m	108,552	↑	73,510	↓	50%	↑	43%	↓	40,368	↑	37,531	↓
North Sea beam trawl over 300kW	-52,782	↓	-309,990	↓	-4%	↓	-42%	↓	-2,018	↓	-12,674	↓
North Sea beam trawl under 300kW	-10,659	↓	30,281	↑	-23%	↓	30%	↑	-6,825	↓	16,104	↑
North Sea nephrops over 300kW	310,835	↑	127,303	↓	40%	↑	27%	↓	196,934	↑	79,247	↓
North Sea nephrops under 300kW	59,665	↓	8,549	↓	31%	↓	8%	↓	25,683	↑	4,537	↓
NSWOS demersal over 24m	998,188	↑	585,413	↓	43%	↑	37%	↓	51,184	↓	34,842	↓
NSWOS demersal pair trawl seine	884,066	↑	614,967	↓	43%	↑	39%	↓	86,781	↑	72,095	↓
NSWOS demersal seiners	692,669	↓	470,211	↓	39%	↓	41%	↑	83,654	↓	54,501	↓
NSWOS demersal under 24m over 300kW	649,636	↑	323,426	↓	47%	↑	37%	↓	91,997	↑	59,413	↓
NSWOS demersal under 24m under 300kW	125,704	●	118,759	↓	34%	↑	33%	↓	24,748	↓	24,565	●
WOS nephrops over 250kW	167,786	↑	52,894	↓	41%	↑	24%	↓	26,957	↑	11,361	↓
WOS nephrops under 250kW	88,354	↑	31,878	↓	44%	↓	27%	↓	22,853	↑	11,152	↓
South West beamers over 250kW	326,649	↓	326,804	●	34%	↓	35%	↑	54,351	↓	49,690	↓
South West beamers under 250kW	349,023	↑	274,584	↓	50%	↑	49%	↓	39,651	↓	35,762	↓
UK scallop dredge over 15m	221,944	↑	180,802	↓	44%	↑	41%	↓	54,611	↑	56,977	●
UK scallop dredge under 15m	74,384	↑	52,039	↓	42%	●	36%	↓	62,985	↑	51,552	↓
Under 10m demersal trawl/seine	44,593	↑	24,734	↓	52%	↑	43%	↓	77,071	↑	61,823	↓
Under 10m drift and/or fixed nets	27,239	●	29,381	↑	65%	↑	63%	↓	49,835	↓	59,377	↑
Under 10m pots and traps	37,400	●	32,815	↓	49%	↓	49%	●	68,139	↑	65,658	●
Under 10m using hooks	30,641	↑	24,490	↓	63%	↑	61%	↓	62,283	↑	63,999	●
Gill netters	353,972	↑	189,507	↓	48%	↑	36%	↓	55,339	↑	29,177	↓
Longliners	171,744	↓	9,782	↓	39%	↑	3%	↓	9,129	↓	560	↓
Pots and traps 10-12m	111,095	●	81,911	↓	61%	↑	57%	↓	54,378	↑	45,648	↓
Pots and traps over 12m	320,080	●	220,714	↓	57%	↑	52%	↓	47,164	↑	35,665	↓

Trend:

↓ Indicates a decrease of >5% compared to previous year
● Indicates a change in the range of +/-5% compared to previous year
↑ Indicates a increase of >5% compared to previous year

Profit

The reduction in fishing activity, income and fish prices in 2020 had a largely negative impact on fleet profits.

Average operating profit decreased by 56% across the fleet. Only two segments saw an increase in average operating profit per vessel in 2020 (NS beam trawl under 300kW and under 10m drift and/or fixed nets) due to an increased fishing efficiency although NS beam trawlers still had a negative average operating profit per vessel. For one segment (NSWoS demersal vessels under 24m under 300kW) average operating profit per vessel in 2020 was similar to 2019 figures. Seven segments (as opposed to three in 2019) had negative average operating profits per vessel after the decrease in income meant that costs exceeded total income. It should be noted however that individual vessels in those segments may have had profits above zero. Similarly, individual vessels in other segments may have had experienced losses in 2020.

The average operating profit margin was 8% in 2020, a decrease of six percentage points compared to 2019.

Net profit is another useful measure of economic performance, calculated as operating profit less cost of finance. Net profit is the amount subject to taxation. Profits after tax are the amount retained by the company and/or distributed as dividends to shareholders in the company. For smaller businesses operating as sole traders, owner's drawings often reflect the wages for their labour and the return on their capital invested in the business. Net profit margins in 2019 were an average of 7% across all segments.

Table 7. Average annual operating profit per vessel and net profit margin, 2019/20

Segment	Operating profit (£)		Operating profit margin		Net profit margin
	2019	2020	2019	2020	2019
Area VIIA demersal trawl	79,704 ↑	-9,476 ↓	19% ↑	-5% ↓	16% ↑
Area VIIA nephrops over 250kW	120,918 ↑	76,723 ↓	27% ↑	23% ↓	23% ↑
Area VIIA nephrops under 250kW	30,513 ↓	25,182 ↓	17% ↓	17% ●	13% ↑
Area VIIBCDEFGHK 24-40m	85,257 ↑	45,700 ↓	7% ↑	4% ↓	1% ↓
Area VIIBCDEFGHK trawlers 10-24m	59,920 ↑	30,722 ↓	27% ↑	18% ↓	25% ↑
North Sea beam trawl over 300kW	-120,344 ↓	-465,710 ↓	-9% ↓	-63% ↓	-9% ↑
North Sea beam trawl under 300kW	-32,780 ↓	-19,483 ↑	-71% ↓	-19% ↑	-102% ↓
North Sea nephrops over 300kW	94,966 ↑	4,920 ↓	12% ↑	1% ↓	5% ↑
North Sea nephrops under 300kW	-12,355 ↓	-25,434 ↓	-7% ↓	-23% ↓	-11% ↓
NSWOS demersal over 24m	414,203 ↑	188,085 ↓	18% ↑	12% ↓	13% ↑
NSWOS demersal pair trawl seine	260,222 ●	133,199 ↓	13% ↓	8% ↓	8% ↓
NSWOS demersal seiners	215,208 ↓	158,087 ↓	12% ↓	14% ↑	7% ↓
NSWOS demersal under 24m over 300kW	309,894 ↑	117,434 ↓	22% ↑	14% ↓	16% ↑
NSWOS demersal under 24m under 300kW	52,154 ●	53,932 ●	14% ●	15% ↑	9% ●
WOS nephrops over 250kW	52,337 ↑	-1,065 ↓	13% ↑	-1% ↓	6% ↑
WOS nephrops under 250kW	26,504 ↑	-988 ↓	13% ↓	-1% ↓	7% ↓
South West beamers over 250kW	80,424 ↓	70,186 ↓	8% ↓	8% ↓	4% ↓
South West beamers under 250kW	162,044 ↑	122,358 ↓	23% ↑	22% ↓	20% ↑
UK scallop dredge over 15m	77,579 ↑	51,033 ↓	15% ↑	12% ↓	7% ↑
UK scallop dredge under 15m	31,282 ↑	17,607 ↓	18% ↑	12% ↓	7% ↓
Under 10m demersal trawl/seine	15,488 ●	6,909 ↓	18% ↓	12% ↓	13% ↑
Under 10m drift and/or fixed nets	14,222 ●	15,652 ↑	34% ↑	34% ↓	26% ↑
Under 10m pots and traps	17,884 ●	16,547 ↓	24% ↓	25% ↑	17% ↓
Under 10m using hooks	13,538 ↑	11,391 ↓	28% ↑	29% ↑	19% ↓
Gill netters	94,837 ↑	8,260 ↓	13% ↑	2% ↓	9% ↑
Longliners	59,455 ↓	-17,613 ↓	14% ↓	-6% ↓	0% ↓
Pots and traps 10-12m	66,865 ●	48,782 ↓	37% ↑	34% ↓	27% ↓
Pots and traps over 12m	129,166 ●	79,962 ↓	23% ↑	19% ↓	19% ↑

Trend:

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Methods

The collection of economic data on the UK fishing fleet is a staged process involving government administrations, vessel owners, accountancy firms and Seafish.

Government administrations data collection

Government administrations gather data on vessel numbers and characteristics, catch, landings, sales, gear type and fishing effort (days at sea). This information is transmitted to a central UK database which retains logbook, sales notes and fleet register data.

Seafish data collection

We gather a sample of vessels financial data via our Annual Survey of the UK Fishing Fleet. To ensure an adequate sample size we use a self-selecting stratified sampling approach, ie, we survey enough vessel owners from each segment who choose to participate in the survey.

Due to the Covid-19 pandemic and travel restrictions the 2020 Survey of the UK Fishing Fleet was not done face-to-face as usual. The survey questionnaire was mailed to all owners of fishing vessels in the UK. The questionnaire allowed vessel owners to share information about their fishing businesses, such as employment, fuel use, capital value indicators, impacts of Covid-19, lockdown and support measures. The questionnaire also allowed owners to grant Seafish permission to access their financial data.

Response rates to the 2020 Survey were affected by the lack of face-to-face engagement and were lower than in previous years. The follow-up financial data collection stage was also negatively affected by this decrease in the response rate. Furthermore, deadlines for UK accountancy firms to submit tax returns were extended in 2020, clashing with the vessel financial accounts collection period. This negative impact was however partially compounded as many owners' permissions from previous surveys were still valid in 2020 and their accounts were received.

In late 2020 and early 2021 we collected 354 sets of 2019 financial accounts (8% of the active UK fleet). It is not possible to collect an adequate sample for 2019 earlier than this because vessel owners do not finish their annual accounts until around 10 months after the end of tax year being reported.

Fleet segmentation

The Seafish economic database includes all vessels recorded in the UK fishing fleet register that are active during the year considered. This includes all vessel types, gear types and activity levels. We define groups or fleet segments of relatively similar vessels so we can provide information on the operational and financial performance of groups of comparable vessels.

Each fleet segment has a set of mutually exclusive criteria that define which vessels are included in it for each year. Every single active vessel will fit into only one segment each year. Criteria are based on the physical characteristics of the vessels, activity level, the gear used, species targeted and areas fished. For this report we have defined 32 Seafish segments to categorise the UK fleet as shown in the Segmentation Criteria table. Individual vessels may be included in different segments in different years depending on their activity and gear use. Segments must contain at least five vessels so that reliable data can be collected, robust estimates of costs and profits can be produced and confidentiality is protected. If fewer than five vessels fit into one segment in a given year they are instead included within the 'Miscellaneous' fleet segment.

Costs and earnings estimation

Declared fishing income is available from the government data set for every active vessel in the fleet. Hence fishing income is the most reliable financial figure we produce.

We allocate costs structure and non-fishing income data from the sampled vessel accounts to particular fleet segments. We then extrapolate costs and non-fishing income to all vessels in the segment using official statistics on effort and fishing income covering every vessel.

Within each fleet segment we add individual costs items from the collected vessel financial accounts (the segment sample) to create a 'combined segment sample cost structure'.

We then calculate for all vessels in a segment the sum of each cost item in the 'combined segment sample cost structure' as a proportion of the sum of fishing income. For example:

a) The sum of gear costs is 10% of the sum of fishing income for this group of vessels;

b) The sum of sales commission is 3% of the sum of fishing income, etc.

Fuel costs and crew share costs are calculated differently from other costs. To calculate fuel costs we use the vessel capacity (VCUs) and days at sea for the year to estimate the vessel's fuel consumption. This figure is then multiplied by the average annual red diesel price (excluding duty) to estimate total annual fuel costs. To calculate crew share costs we use a system resembling how crew share is estimated in practice. Fishing costs are deducted from fishing income and the remainder is split between the crew and the vessel. We allocate a minimum of £100 per day where the actual observed amount within the 'combined segment sample cost structure' is lower to reflect the market value of the labour.

We then apply the proportions from all other costs within the 'combined segment sample cost structure' to the official declared fishing income for each vessel. This enables us to calculate Gross Value Added, operating profit and net profit for all vessels in each fleet segment.

Employment data

Employment estimates are based on the data collected from vessel owners during the fleet survey combined with MMO employment data. This process provides details of the number of engaged crew, both full-time and part-time.

With this sample information we estimate total engaged crew based on the physical characteristics of each individual vessel and the vessel's level of activity. Once the total engaged crew is estimated for all vessels in the UK fleet we estimate Full Time Equivalent (FTE) jobs based on hours worked by crew as reported by skippers. One full time job is assumed to be 2,000 hours worked a year.

2020 estimates

Figures presented for the year 2019 are estimates based on Government data and data collected by Seafish. Figures for 2020 are estimates using provisional official statistics on landings, numbers of vessels and effort, along with actual annual average 2020 fuel prices and previous years' cost structures. Therefore the 2020 values should be considered preliminary estimates. We will revise these estimates when final government data and 2020 vessel accounts are available.

Table 8. Segmentation Criteria Table

Seafish Segments	Main Area	Main DAS Gear	Main Species by value	Main Gear Type	Power Main Engine	Vessel Length	Value of landings
Area VIIA demersal trawl over 10m	VIIA	Demersal trawls and seines				>= 10m	
Area VIIA nephrops over 250kW	VIIA	Demersal trawls and seines	Nephrops		>= 250 kW	>= 10m	
Area VIIA nephrops under 250kW	VIIA	Demersal trawls and seines	Nephrops		<250 kW	>= 10m	
Area VIIb-k trawlers 10-24m	VIIDE, VIIFG, VII other	Demersal trawls and seines	Not Nephrops			>= 10m & <24m	
Area VIIb-k trawlers 24-40m	VIIDE, VIIFG, VII other	Demersal trawls and seines	Not Nephrops			>= 24m & <40m	
UK Gill netters over 10m		Drift Nets and Fixed Nets	Not Nephrops			>= 10m	
UK Longliners over 10m		Gears using hooks	Not Nephrops			>= 10m	
Low activity vessels over 10m						>= 10m	< £10,000
Low activity vessels under 10m						< 10m	< £10,000
Miscellaneous vessels over 10m						>= 10m	
North Sea beam trawl over 300kW	NS	Beam Trawl	Not Nephrops		>= 300 kW	>= 10m	
North Sea beam trawl under 300kW	NS	Beam Trawl	Not Nephrops		< 300 kW	>= 10m	
North Sea nephrops trawl over 300kW	NS	Demersal trawls and seines	Nephrops		>= 300 kW	>= 10m	
North Sea nephrops trawl under 300kW	NS	Demersal trawls and seines	Nephrops		< 300 kW	>= 10m	
North Sea and West of Scotland demersal trawl over 24m	NS, WoS		Not Nephrops			>= 24m	
North Sea and West of Scotland demersal pair trawls and seines	NS, WoS	Demersal trawls and seines	Not Nephrops	Paired Trawl		>= 10m	
North Sea and West of Scotland demersal seiners	NS, WoS	Demersal trawls and seines	Not Nephrops	Scottish Seiner		>= 10m	
North Sea and West of Scotland demersal trawl under 24m, over 300kW	NS, WoS	Demersal trawls and seines	Not Nephrops		>= 300 kW	>= 10m & <24m	
North Sea and West of Scotland demersal trawl under 24m, under 300kW	NS, WoS	Demersal trawls and seines	Not Nephrops		< 300 kW	>= 10m & <24m	

Seafish Segments	Main Area	Main DAS Gear	Main Species by value	Main Gear Type	Power Main Engine	Vessel Length	Value of landings
UK pelagic trawl over 40m		Pelagic: Trawl, Seiner / Purse Seiner	Mackerel			>= 40m	
UK pots and traps 10m-12m		Pots and Traps				>= 10m & <12m	
UK Pots and traps over 12m		Pots and Traps				>= 12m	
South West beam trawl under 250kW	VIIDE, VIIFG, VII other	Beam Trawl			< 250 kW	>= 10m	
South West beam trawl over 250kW	VIIDE, VIIFG, VII other	Beam Trawl			>= 250 kW	>= 10m	
UK demersal trawls and seines under 10m		Demersal trawls and seines				< 10m	
UK drift and fixed nets under 10m		Drift Nets and Fixed Nets				< 10m	
UK pots and traps under 10m		Pots and Traps				< 10m	
UK hooks under 10m		Gears using hooks				< 10m	
West of Scotland nephrops trawl over 250kW	WoS	Demersal trawls and seines	Nephrops		>= 250 kW	>= 10m	
West of Scotland nephrops trawl under 250kW	WoS	Demersal trawls and seines	Nephrops		< 250 kW	>= 10m	
UK scallop dredge over 15m		Dredges	Scallops, queen scallops, cockles			>= 15m	
UK scallop dredge under 15m		Dredges	Scallops, queen scallops, cockles			<= 15m	

Glossary and acronyms

Glossary

Active vessel Any UK registered fishing vessel that recorded any amount of landings in the year considered.

Fishing costs Costs incurred by vessel owners because of their fishing activity. Fishing costs include fuel costs, crew shares, ice and boxes, sales commissions, harbour dues, subscriptions and levies, quota leasing, days at sea purchases, food and stores, travel costs and shore labour.

Fleet segment A group comprising vessels of similar characteristics in terms of level of activity, main gear used and/or area of operation.

FTE (Full-Time Equivalent) A standardised measure of employment, based on an employee working 37 hours per week, 52 weeks a year.

GDP (Gross Domestic Product) An indicator of the economic performance of a country.

GVA (Gross Value Added) A measure of the value of goods and services produced by an industry. In this report, GVA is calculated as the sum of operating profit and crew share.

Low activity vessel Any vessel that recorded a total value of landings under £10,000 in the year considered.

MSY Btrigger A biomass reference point that triggers a cautious response within the ICES MSY framework.

Net profit The result of subtracting finance costs, depreciation and interest costs from operating profit.

Operating costs Costs incurred by vessel owners. Operating costs comprise fishing costs, which are dependent on the level of fishing activity; and vessel costs, which tend to be fixed regardless of the level of activity.

Operating profit The difference between total income and operating costs.

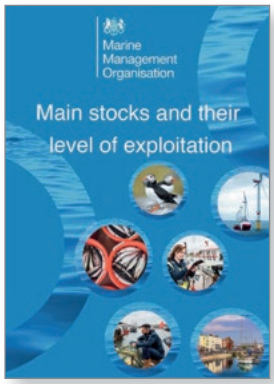
Vessel costs Costs incurred by vessel owners regardless of the level of fishing activity. Vessel costs include gear and vessel repairs, insurance, electronic equipment and administration costs.

Acronyms

FTE	Full-Time Equivalent
GDP	Gross Domestic Product
GVA	Gross Value Added
ICES	International Council for the Exploration of the Sea
MMO	Marine Management Organisation
MSY	Maximum Sustainable Yield
NS	North Sea
NSWoS	North Sea and West of Scotland
TAC	Total Allowable Catch
VCU	Vessel Capacity Unit
WC	Western Channel
WoS	West of Scotland

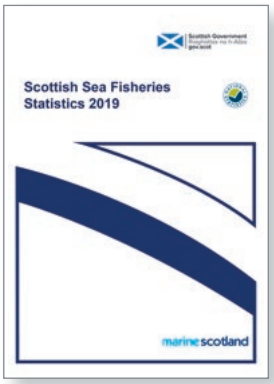
Further reading

Fisheries statistics



Marine Management Organisation: UK Sea Fisheries Statistics 2019 & Main stocks and their levels of exploitation

The Sea Fisheries Statistics and its supplementary report on main stocks include data on the structure, activity and landings of the UK fleet, overseas trade, the world's fishing industry and exploitation and status of stocks. This report uses the same underlying dataset as the Sea Fisheries Statistics.



Marine Scotland – Scottish Sea Fisheries Statistics 2019

A detailed overview of landings of sea fish, the Scottish fishing fleet and the number of fishers employed in 2019.

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