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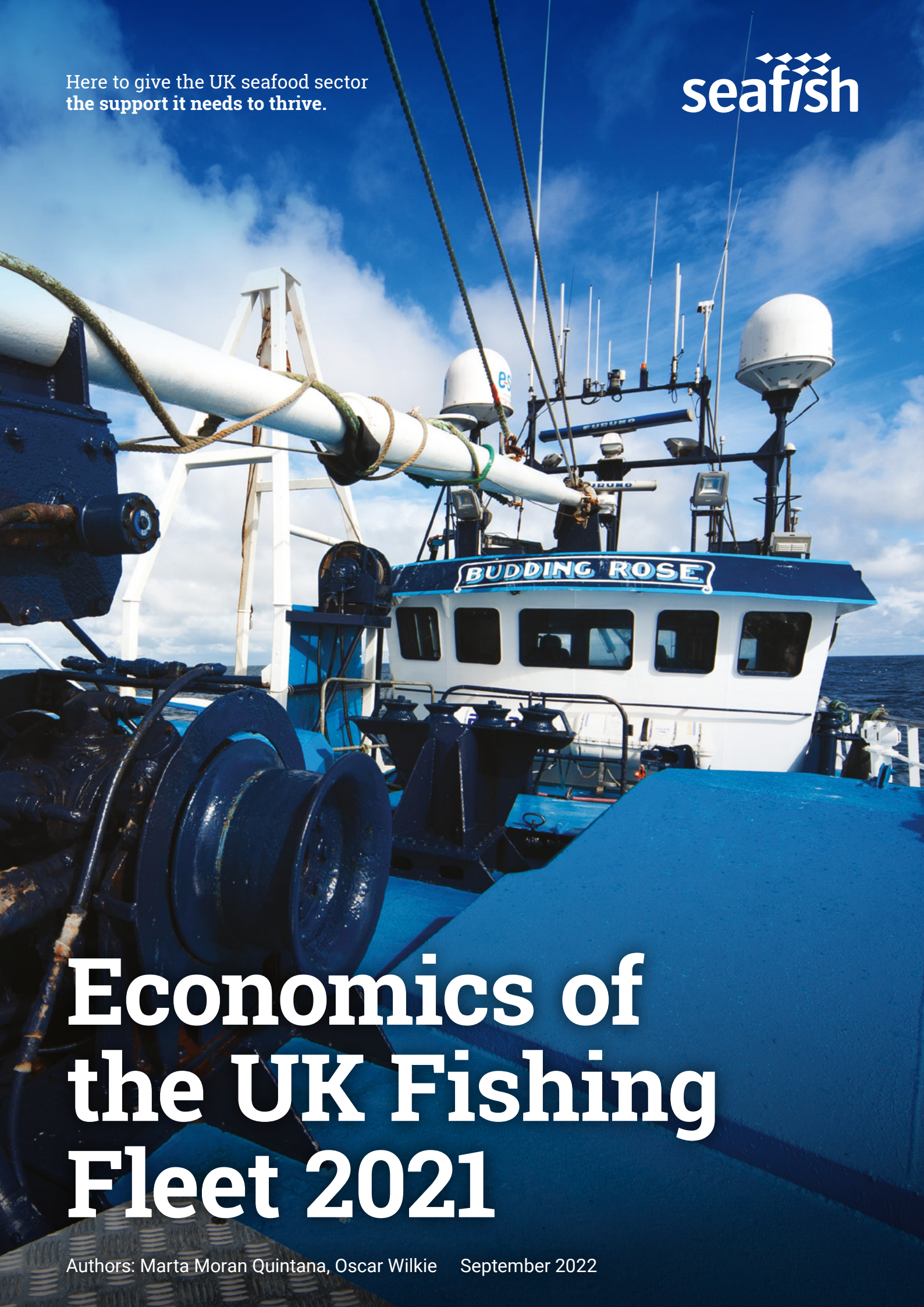

Economics of the UK Fishing Fleet 2021

Authors: Marta Moran Quintana, Oscar Wilkie September 2022

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Acknowledgments

The authors would like to thank the many people who contributed to this project and report. We are especially grateful to:

- The several hundred UK vessel owners and skippers who contributed their vessel accounts and took part in the 2021 fleet survey.
- The national fishermen's organisations for their support and the producer organisations, vessel agents and fishermen's associations throughout the UK who assisted.
- The UK government fisheries departments and the Marine Management Organisation, particularly Matt Elliott and his team.
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- Joe Cooper, Juan Carlos Paredes Esclapez, Nick Patience and Oscar Wilkie who co-ordinated and carried out the data collection phase of the research.
- Arina Motova who created the dataset for this report.
- Ana Witteveen, Arina Motova and Sheriene Murphy who reviewed the report.

Executive summary

- Coronavirus (COVID-19) and associated lockdown measures had a noticeable impact on UK fishing fleet operations and financial performance in 2020. In 2021, fishing activity, overall fishing income and profitability of the fleet recovered but were still below 2019 figures.
- Forecasted total operating profit was £240 million in 2021, a 5% increase from 2020 figures. For comparison, in 2019 the total operating profit of the fleet was £265 million. Not all fleet segments experienced an increase in profit, though: average operating profits per vessel continued to decrease in 2021 for approximately half of the fleet segments reported here.
- The total weight landed in 2021 was 631 thousand tonnes, which was similar to 2019 and 2020 figures. Landings of pelagic species represented 60% of all landings (by volume) in 2021, up from 50% in 2019.
- The total fishing income of the fleet in 2021 was £893 million. Total turnover of the UK fishing fleet was £923 million in 2021, a 7% increase compared to 2020; but lower than the £1,014 million achieved in 2019.
- Total operating costs of the UK fleet were £683 million in 2021, an 8% increase from 2020 but lower than the £749 million reached in 2019. The increase in operating costs in 2021 took place across most fleet segments and was due to higher levels of fishing activity, which in turn led to a higher fuel and crew expenditure.
- The fleet's total expenditure on fuel in 2021 was nearly £114 million, a 22% increase compared to 2020 as fishing activity and fuel prices increased. The average price of marine fuel by December 2021 was 49p per litre, up from 39p per litre at the beginning of the year.
- Crew costs were £243 million in 2021, compared to £230 million in 2020.
- The size of the active fleet has decreased at an average rate of 3% since 2019, from 4,546 active vessels in 2019 to 4,269 in 2021. The decrease in 2021 was due to a decrease in the number of low activity vessels (vessels with a fishing income of less than £10,000).

Introduction

This is the 15th edition of this annual report providing insights into the financial and operational performance of the UK fishing fleet in 2020 and 2021. 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 2021 Annual Fleet Economic Survey. The data does not include or reveal any individual vessel data, only totals and averages.

Estimates for 2020 are based on same year costs and earnings samples, official statistics on landings, capacity and effort, and fuel price. Figures for 2021 are based on 2020 cost and earning samples (as 2021 financial accounts will not be available until early 2023) and 2021 landings, effort, and fuel price data. Therefore, **2021 figures should be considered preliminary estimates based on the available administrative data sources and reviewed forecasting methodology.** Seafish will revise those estimates when 2021 cost and earnings data become available.

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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Telephone: 0131 558 3331 **Email:** economics@seafish.co.uk

Note: All financial figures in this report are nominal (not adjusted for inflation).

1 www.seafish.org/insight-and-research/fishing-data-and-insight

UK overview
The UK fishing fleet: 2019 to 2021

Fishing income

Turnover

Operating costs

Operating profit

GVA

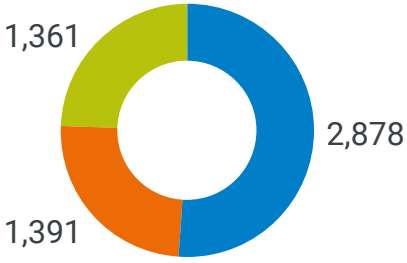
Fleet size

2,878

Active vessels

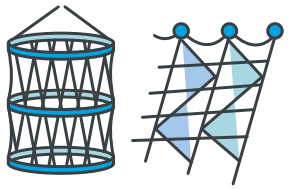
In 2021 there were 2,878 active fishing vessels in the UK fleet, approximately 250 fewer vessels than in 2019. In addition there were 1,391 vessels classed by Seafish as 'low activity', most of them under 10m in length. Low activity vessels are defined as those with annual fishing income under £10,000.

Numbers of vessels in 2021



Active · Low activity · Inactive (preliminary figure)

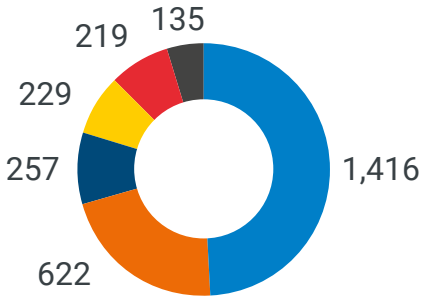
66%



Use static or passive gear

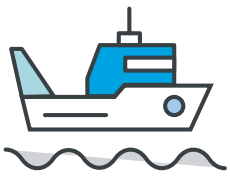
UK fishing vessels vary in the types of gears used. Approximately **66%** of active vessels (excluding low activity vessels) used mainly static or passive gear (mostly pots and traps but also hooks, drift and fixed nets).

Numbers of active vessels in 2021 by main gear used



- Pots and Traps
- Demersal trawl/seines
- Hooks
- Drift/fixed nets
- Dredges
- Other gears

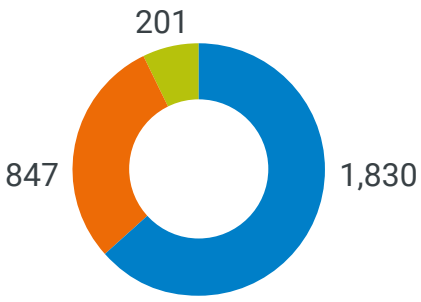
64%



of all active vessels in 2021 were under 10m in length

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

Numbers of active vessels in 2021

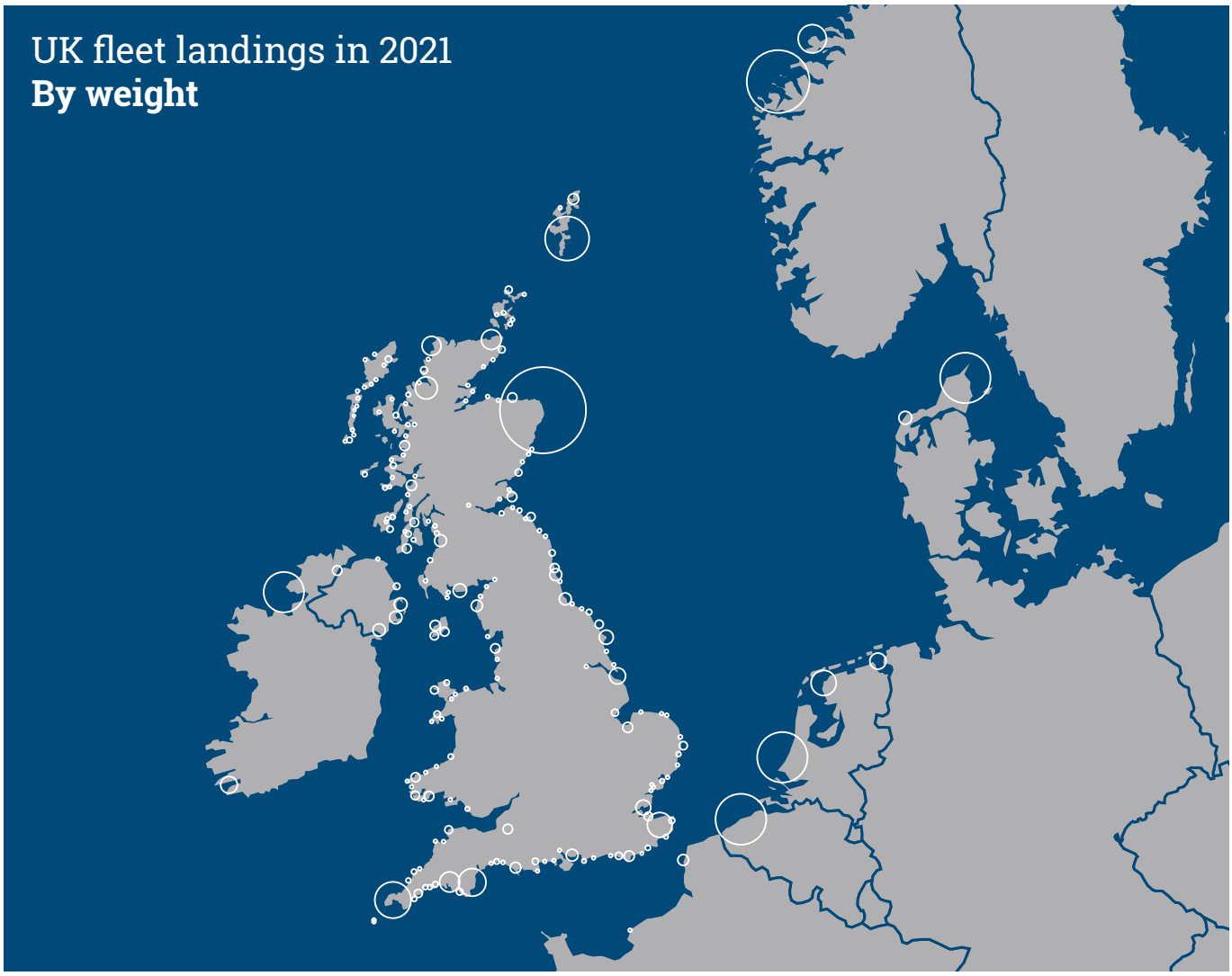


Under 10m · 10-24m · Over 24m

Landings

Map of weight of landings by port

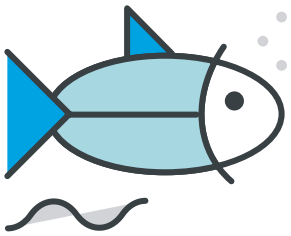
The UK fishing fleet landed 631 thousand tonnes of fish and shellfish in 2021. The majority of landings were made in the UK with Peterhead, Lerwick and Scrabster being the main UK landing ports by weight. Landings abroad took place mainly in Ireland, the Netherlands, Denmark and Norway.



Total UK Fleet

Landing location – Weight

Landing location – Value



Total weight of landings

631,000

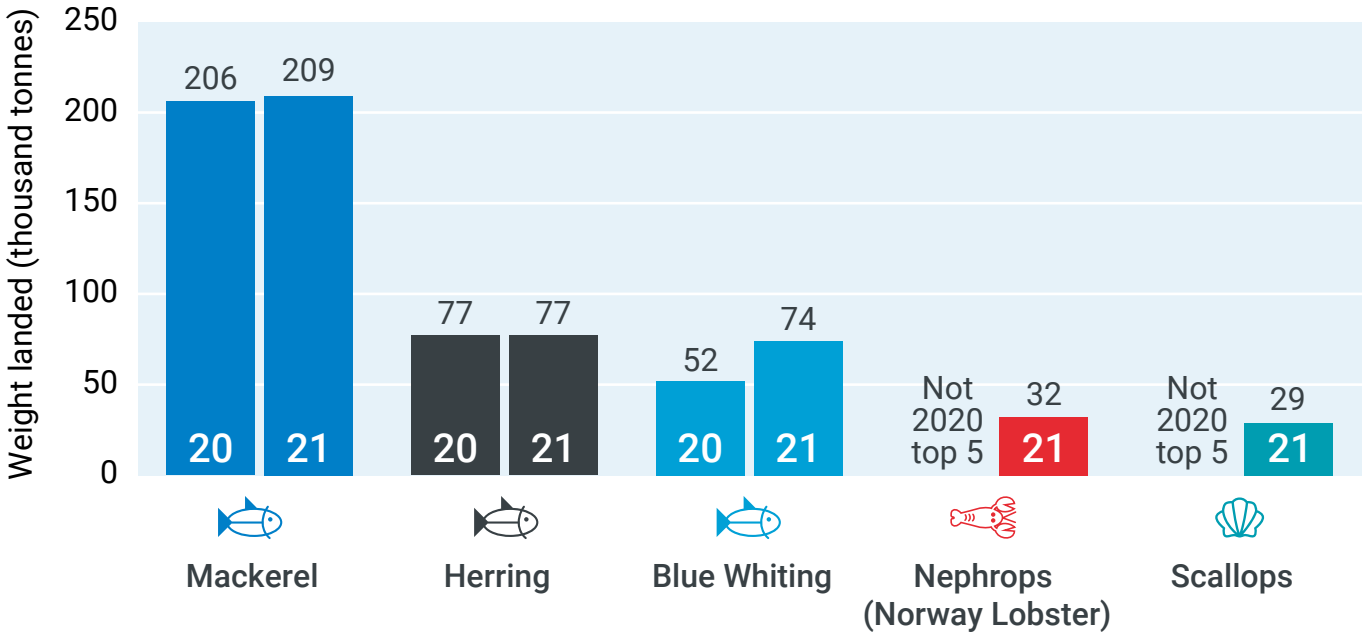
tonnes in 2021, which is a 1% increase from 2020.

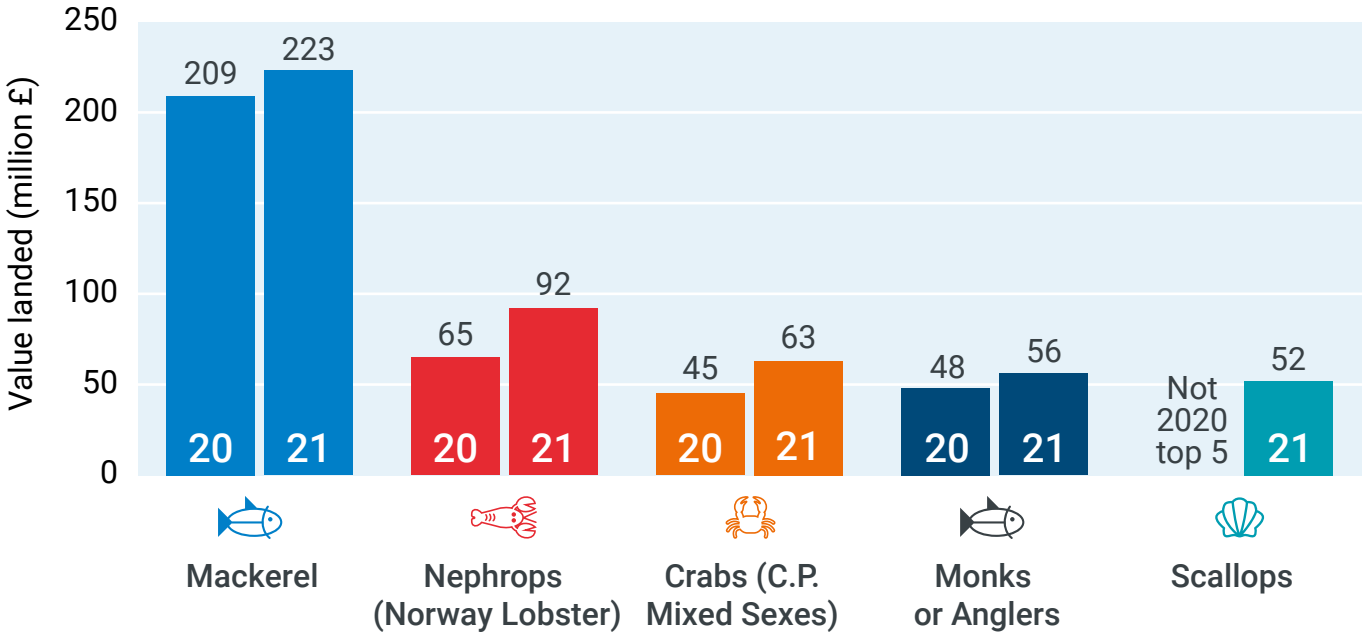
Total value of landings

£893m

in 2021, which is a 9% increase from 2020.

Top 5 species landed by weight and value (and comparison with 2020)





Employment and GVA

Employment by home nation

Seafish combines 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.

UK Overall (including Islands)

FTEs: 6,835 (6,559 in 2020)

Scotland

FTEs: 3,357
(3,153 in 2020)

England

FTEs: 2,683
(2,691 in 2020)

Northern Ireland

FTEs: 564
(481 in 2020)

Wales

FTEs: 105
(126 in 2020)

Employment by segment

Top segments by FTEs in 2021 (excluding low activity vessels)

911
Pots and traps over 12m

646
Under 10m pots and traps

610
NSWOS demersal over 24m

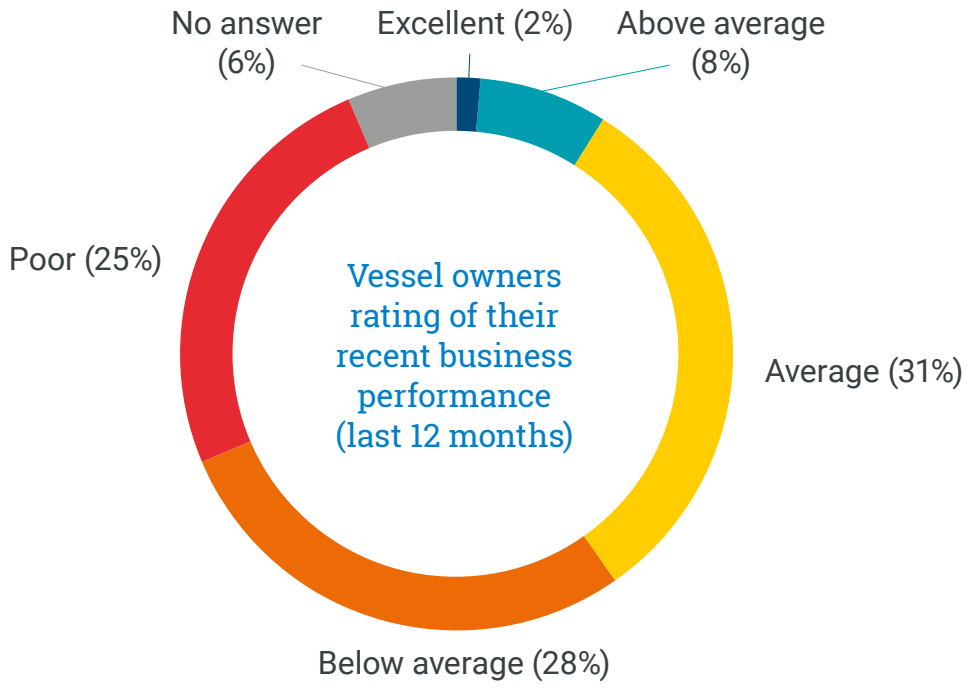
562
North Sea nephrops over 300kW

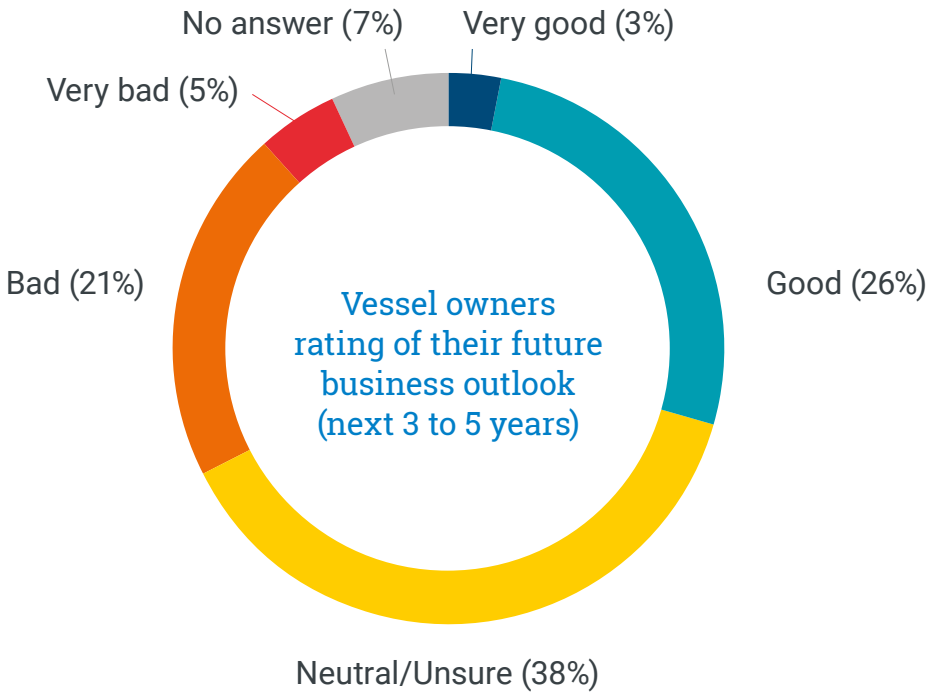
366
Pots and traps 10-12m

366
UK scallop dredge over 15m

Owners' views

As part of the 2021 Survey of the UK Fishing Fleet, we asked respondents (n=372) about their recent business performance and the future outlook for the next 3 to 5 years.






KINGFISHER
GOLDEN DAWN
FR.8

Home nations overview
Fleet size and activity

Fleet size decreased slightly (between 3% and 4%) in England and Scotland in 2020 and this trend continued into 2021. Days at sea decreased by 7% and 13% in 2020 respectively in these nations, as COVID-19 and lockdown measures reduced the activity of some fishing businesses. In 2021 days at sea recovered, particularly among Scottish 10 to 24m vessels which increased their average activity by 12%, up to 152 days at sea.

Fleet size decreased by 11% in Wales in 2020. This decrease was due to a drop in the number of under 10m vessels (the biggest part of the Welsh fleet). This reduction in the size of the Welsh fleet has been occurring since 2018 at an average rate of 6% per year, possibly the result of a combination of ageing workforce, high costs of entry and increasing regulation and monitoring negatively impacting small scale businesses. Average days at sea for Welsh vessels, however, did not change significantly in 2020 compared to 2019. In 2021 there was a noticeable decrease in numbers of low activity under 10m Welsh vessels as over 30 of these left the fleet register, possibly taking early retirement after COVID-19 disruptions to their businesses. The size of the more active under 10m fleet increased, though, so overall the number of Welsh under 10m vessels remained stable. The number of over 10m vessels fell from 28 to 22: most of the vessels that left (4) were deregistered. Days at sea by Welsh vessels increased by an average of 6% between 2020 and 2021.

In Northern Ireland, fleet size decreased by 12% in 2020 and remained around the same number (219 vessels) in 2021. Days at sea in 2020 decreased among the under 24m fleet but increased noticeably for the over 24m fleet due to higher levels of activity by some pelagic and large trawl vessels. In 2021 days at sea increased by 16% for Northern Irish vessels, mostly due to higher levels of activity by the over 10m fleet.

Income

A drop in fishing activity and market prices in 2020 resulted in reduced fishing income across all home nations in 2020, particularly for under 24m fleets.

These vessels saw an average reduction in fishing income of 23%. The reduction in fishing income was less pronounced for the over 24m fleets in England and Scotland, as it was offset by pelagic and large trawl vessels which did not experience the marked decrease in fishing income other vessels in this group did. The Northern Irish over 24m fleet increased its average fishing income by 46% due to a higher value of pelagic landings in 2020.

Fishing income recovered in 2021, with average incomes 22% higher than in 2020 for under 24m vessels in all home nations (although still 7% lower than in 2019). The over 24m fleet had mixed trends in 2021, with average incomes increasing for Scottish vessels but decreasing 7% for English and 13% for Northern Irish vessels.

Operating costs

Reduced levels of fishing activity in 2020 contributed to reduced operating costs in all nations and fleet segments, except for the Northern Irish over 24m fleet which spent more days at sea in 2020 than in 2019.

Costs then increased in 2021 as activity and fuel prices went up, especially for under 24m vessels in all nations which saw an increase of 17% on average. Under 24m vessels had the biggest increase in fishing income in 2021, which would have led also to a higher crew share expenditure.

Operating profit and GVA

Lower fishing activity, prices and income led to a drop in operating profit among English, Scottish and Welsh vessels in 2020.

Northern Irish vessels were the exception to this pattern, as average profit by vessels under 10m and over 24m increased in 2020 by 8% and 33% respectively. Northern Irish vessels over 24m had a noticeable increase in fishing income in 2020 due to a higher value of pelagic landings, which drove their profit up, while for under 10m vessels the drop in costs in 2020 helped offset the fall in fishing income.

Operating profit and Gross Value Added (GVA) trends were mixed in 2021. Average operating profit and GVA increased for Scottish and Welsh vessels as fishing income and crew shares recovered. In Northern Ireland the average profit of vessels under 10m and over 24m decreased by 21% and 17% respectively.

For English vessels, operating profit increased for vessels 10 to 24m. Average GVA also increased as profit and average number of FTE jobs on board and hence crew payments increased. For English vessels over 24m average GVA decreased by 40% as their fishing income and operating profit decreased.

Economics of the UK Fishing Fleet 2021

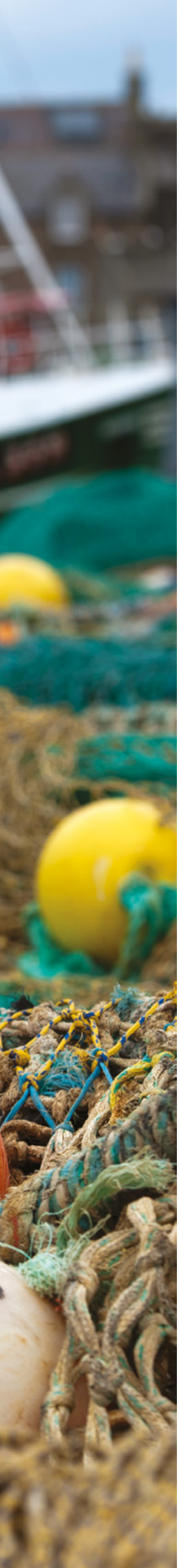
Table 1. Main economic indicators by home nation and vessel length group

Nation and length group	Number of vessels		Average days at sea		Average fishing income (£'000)		Average operating costs (£'000)		Average operating profit (£'000)		Average GVA (£'000)		2021 main stock/ species by value	Stock/ species status	% of fleet segment revenues	% of stock/ species landings caught by this fleet
	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021				
England	**2,044** →	**2,017** →														
Under 10m	1,610 →	1,594 →	43 ↓	46 ↑	28 ↓	33 ↑	23 ↓	27 ↑	10 →	10 →	19 ↓	20 ↑	Lobsters		29%	30%
10-24m	359 →	351 →	125 ↓	130 →	256 ↓	309 ↑	224 ↓	258 ↑	52 ↓	66 ↑	133 ↓	164 ↑	Crabs (C.P. Mixed Sexes)		25%	41%
Over 24m	75 →	72 →	225 →	220 →	1,739 ↓	1,626 ↓	1,466 ↓	1,465 →	291 →	174 ↓	789 →	594 ↓	Cod 2b Spitzbergen		11%	100%
Scotland	**1,740** →	**1,713** →														
Under 10m	1,207 →	1,202 →	51 ↓	54 →	36 ↓	42 ↑	30 ↓	34 ↑	12 ↓	12 →	24 ↓	25 ↑	Lobsters		27%	28%
10-24m	412 →	390 ↓	137 ↓	152 ↑	263 ↓	326 ↑	249 ↓	297 ↑	40 ↓	48 ↑	119 ↓	145 ↑	NS Nephrops	★	22%	67%
Over 24m	121 →	121 →	168 ↓	174 →	2,777 →	3,027 ↑	1,809 →	1,936 ↑	1,013 ↓	1,135 ↑	1,702 ↓	1,856 ↑	Mackerel 4a (flex box)	■	34%	84%
Wales	**262** ↓	**249** →														
Under 10m	234 ↓	227 →	24 →	26 ↑	19 ↓	23 ↑	16 ↓	19 ↑	6 ↓	7 ↑	13 ↓	14 ↑	Whelks		37%	9%
10-24m	25 →	20 ↓	101 →	103 →	157 ↓	188 ↑	129 →	149 ↑	44 ↓	47 ↑	93 ↓	103 ↑	Whelks		48%	7%
Over 24m	3 →	2 ↓	194 →	214 ↑	*	*	*	*	*	*	*	*	Anglers 7		59%	6%
Northern Ireland	**227** ↓	**219** →														
Under 10m	127 ↓	119 ↓	70 ↓	75 ↑	24 ↓	28 ↑	21 ↓	25 ↑	7 ↑	5 ↓	15 ↓	14 →	Nephrops 7	★	24%	5%
10-24m	95 ↓	94 →	116 ↓	141 ↑	189 ↓	252 ↑	177 ↓	219 ↑	40 ↓	40 →	110 ↓	130 ↑	Nephrops 7	★	54%	86%
Over 24m	5 ↓	6 ↑	125 ↑	149 ↑	4,752 ↑	4,146 ↓	2,682 ↑	2,426 ↓	2,086 ↑	1,722 ↓	3,108 ↑	2,608 ↓	Mackerel 4a (flex box)	■	37%	8%

* Data not shown for confidentiality purposes

Stock status (ICES advice):

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



Fleet segment analysis
Fleet size and activity

Overall, the UK fishing fleet has been decreasing in size since 2017 at an average rate of 2% each year. This trend continued in 2021, with number of active vessels going from 4,343 in 2020 to 4,269 in 2021.

The decrease in 2021 was driven by a 10% drop in the number of low activity vessels (those that landed less than £10,000) from 1,551 in 2020 to 1,391 in 2021. Meanwhile, the number of high activity vessels increased by 79 vessels from 2,799 vessels in 2020 to 2,878 in 2021, after having contracted (-7%) in 2020 due to COVID-19 and associated restrictions, which limited fishing activity.

Under 10m vessels and pots and traps vessels over 10m form the biggest UK fleet segments. Some segments experienced notable changes in size in 2020 as fishing patterns changed due to COVID-19, but in 2021 returned to a size similar to that of 2019. For example, there was a transfer of vessels from the North Sea Nephrops over 300kW segment to the NSWoS demersal under 24m over 300kW in 2020, as Nephrops prices decreased in 2020 and some Nephrops vessels turned to whitefish. In 2021, as Nephrops prices partially recovered, part of those vessels returned to the NS Nephrops over 300kW segment.

COVID-19 and lockdown measures in 2020 resulted in lower levels of fishing activity. Average days at sea per vessel decreased between 4% and 27% for all but three fleet segments. Loss of markets and an overall decrease in market prices also led to a decrease in fishing income in 2020. Average fishing income per vessel fell between 6% and 56% in all segments except three. Vessels reliant on shellfish catches were most negatively affected during COVID-19 as shellfish prices were the most adversely impacted by the overnight loss of foodservice and export markets.

In 2021 fishing activity and income improved, although most segments did not recover to 2019 performance levels. Average days at sea increased in most segments but were still between 4% and 34% lower than they had been in 2019. The average fishing income per vessel increased in most segments but was between 5% and 65% lower than 2019 figures, as average prices remained lower than they had been in 2019.

Economics of the UK Fishing Fleet 2021

Table 2. Main economic indicators by fleet segment

Segment	No. of vessels 2020		No. of vessels 2021		Avg. days at sea 2020		Avg. days at sea 2021		Average fishing income (thousand £) 2020		Average fishing income (thousand £) 2021		Main stock/species landed by value	Stock status	Stock/ species dependency % of fleet segment revenues	Fleet significance. % of stock/ species landings that is caught by this fleet	Second main stock/species landed by value	Stock status	Stock/ species dependency % of fleet segment revenues	Fleet significance. % of stock/ species landings that is caught by this fleet
Area VIIA demersal trawl	7	↓	8	↑	104	↓	165	↑	164	↓	263	↑	Haddock 7.a		41%	87%	Scallops		18%	1%
Area VIIA nephrops over 250kW	25	↓	29	↑	125	↓	155	↑	252	↓	320	↑	Nephrops 7		74%	56%	WC Nephrops	■	12%	5%
Area VIIA nephrops under 250kW	31	↓	29	↓	103	↓	115	↑	128	↓	137	↑	Nephrops 7		69%	22%	WC Nephrops	■	14%	3%
Area VIIBCDEFGHK 24-40m	12	↓	12	→	274	↑	279	→	1,285	→	1,408	↑	Anglers 7		51%	42%	Megrim 7		24%	77%
Area VIIBCDEFGHK trawlers 10-24m	48	↓	44	↓	127	↓	144	↑	151	↓	202	↑	Lemon Sole		14%	34%	Cuttlefish		14%	15%
North Sea beam trawl over 300kW	7	→	6	↓	243	→	247	→	711	↓	474	↓	NS Plaice	■	45%	31%	NS Sole	■	22%	64%
North Sea beam trawl under 300kW	20	↑	16	↓	79	↑	66	↓	93	↑	62	↓	Brown Shrimps		98%	78%	Scallops		4%	0%
North Sea nephrops over 300kW	53	↓	70	↑	167	↓	193	↑	441	↓	655	↑	NS Nephrops	★	64%	65%	NS Anglers 2.a(EC), 4(EC)		15%	27%
North Sea nephrops under 300kW	68	→	60	↓	99	↓	99	→	99	↓	116	↑	NS Nephrops	★	82%	17%	WC Nephrops	■	6%	2%
NSWOS demersal over 24m	41	→	39	→	193	↓	204	↑	1,514	↓	1,688	↑	NS Anglers 2.a(EC), 4(EC)		14%	32%	NS Haddock	■	11%	24%
NSWOS demersal pair trawl seine	27	↑	26	→	200	↓	161	↓	1,610	↓	1,275	↓	NS Haddock	■	29%	43%	NS Cod	◆	24%	35%
NSWOS demersal seiners	21	↑	21	→	189	→	201	↑	1,096	↓	1,002	↓	NS Whiting	■	19%	23%	NS Haddock	■	15%	14%
NSWOS demersal under 24m over 300kW	41	↑	25	↓	177	↓	206	↑	839	↓	1,083	↑	NS Anglers 2.a(EC), 4(EC)		23%	23%	NS Megrim 2.a(EC), 4(EC)		12%	48%
NSWOS demersal under 24m under 300kW	12	↓	10	↓	134	↓	94	↓	277	↓	199	↓	NS Anglers 2.a(EC), 4(EC)		17%	1%	WS Monks	●	13%	3%

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

Stock status (ICES advice):
- ● Unknown
- ■ Above MSY Btrigger
- ◆ Below MSY Btrigger
- ★ Mixture of above and below MSY Btrigger

Economics of the UK Fishing Fleet 2021

Table 2. Main economic indicators by fleet segment continued...

Segment	No. of vessels		Avg. days at sea		Average fishing income (thousand £)		Main stock/species landed by value	Stock status	Stock/ species dependency % of fleet segment revenues	Fleet significance. % of stock/ species landings that is caught by this fleet	Second main stock/species landed by value	Stock status	Stock/ species dependency % of fleet segment revenues	Fleet significance. % of stock/ species landings that is caught by this fleet
	2020	2021	2020	2021	2020	2021								
South West beamers over 250kW	24 ↓	23 →	213 ↑	214 →	902 ↓	1,079 ↑	Sole 7e	■	24%	45%	Anglers 7		15%	18%
South West beamers under 250kW	25 ↑	20 ↓	199 ↓	216 ↑	553 ↓	669 ↑	Sole 7e	■	27%	29%	Anglers 7		15%	10%
UK scallop dredge over 15m	69 ↓	64 ↓	136 ↓	171 ↑	397 ↓	551 ↑	Scallops		91%	64%	Queen scallops		4%	75%
UK scallop dredge under 15m	156 ↓	171 ↑	84 ↓	89 ↑	134 ↓	163 ↑	Scallops		53%	27%	Cockles		33%	94%
Under 10m demersal trawl/seine	172 →	170 →	69 ↓	72 →	52 ↓	62 ↑	NS Nephrops	★	23%	6%	WC Nephrops	■	11%	5%
Under 10m drift and/or fixed nets	177 ↓	203 ↑	64 ↓	62 →	41 →	40 →	Sea bass (Dicentrarchus labrax)*	◆	14%	22%	Sole 7d	◆	12%	43%
Under 10m pots and traps	1,087 ↓	1,139 →	77 ↓	77 →	60 ↓	67 ↑	Lobsters		39%	59%	Crabs (C.P.Mixed Sexes)		20%	26%
Under 10m using hooks	201 →	231 ↑	52 ↓	55 ↑	36 ↓	38 ↑	Sea bass (Dicentrarchus labrax)*	◆	32%	44%	Razor Clam		31%	42%
WOS nephrops over 250kW	27 ↑	29 ↑	142 ↓	157 ↑	196 ↓	257 ↑	WC Nephrops	■	89%	29%	NS Nephrops	★	4%	1%
WOS nephrops under 250kW	53 ↓	57 ↑	129 ↓	149 ↑	111 ↓	162 ↑	WC Nephrops	■	94%	38%	Nephrops 7		3%	2%
Gill netters	26 →	26 →	160 →	153 →	521 ↓	564 ↑	WS Hake incl 7		32%	39%	NS Anglers 2.a(EC), 4(EC)		17%	11%
Longliners	26 ↓	26 →	147 ↓	156 ↑	279 ↓	338 ↑	Razor Clam		31%	44%	WS Hake incl 7		26%	31%
Pots and traps 10-12m	178 →	171 →	135 ↓	145 ↑	134 ↓	173 ↑	Crabs (C.P.Mixed Sexes)		33%	13%	Lobsters		30%	17%
Pots and traps over 12m	109 →	106 →	176 ↓	182 →	407 ↓	537 ↑	Crabs (C.P.Mixed Sexes)		66%	59%	Lobsters		19%	19%

* 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)

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

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 between 620 and 630 thousand tonnes from 2019 to 2021, approximately 15% lower than in 2017 and 2018.

Although the total volume of landings remained stable from 2019 to 2021, its make-up by species group changed: landings of demersal species decreased, and landings of pelagic species increased during this period. Demersal species represented 26% of all landings (by volume) in 2019, but this percentage fell to 20% by 2021. This trend was primarily driven by lower landings of cod and haddock due to reductions in quota in 2020 to 2021 and the lack of an agreement with Norway which resulted in UK vessels not being able to catch cod in those waters in 2021. Landings of pelagic species went from 50% of all landings in 2019 to 60% in 2021 (by volume), due to higher landings of mackerel and blue whiting (the main pelagic species targeted by the UK fleet along with herring).

The total fishing income in the UK fleet decreased from £984 million in 2019 to £818 million in 2020, due to lower landings of more lucrative demersal and shellfish species and lower average prices in 2020. In 2021 total fishing income of the fleet was £894 million. This increase was mainly due to higher average prices and a higher value of shellfish landings (the volume of shellfish landings increased by 6% in 2021 but the value of these landings went up by 24% compared to 2020).

Figure 1. Weight of landings by the UK fishing fleet in the UK and abroad by species group, 2017-21

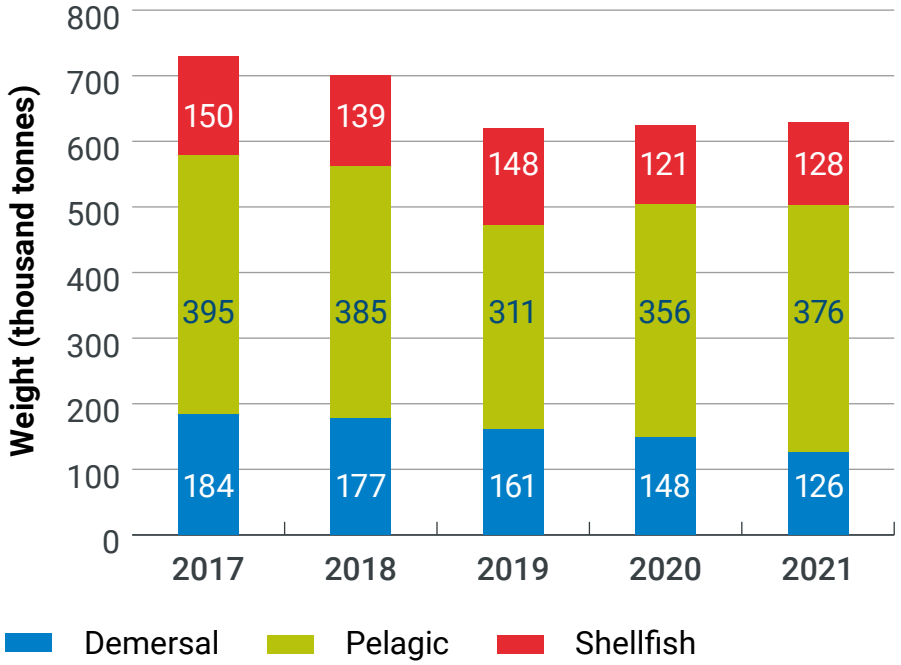
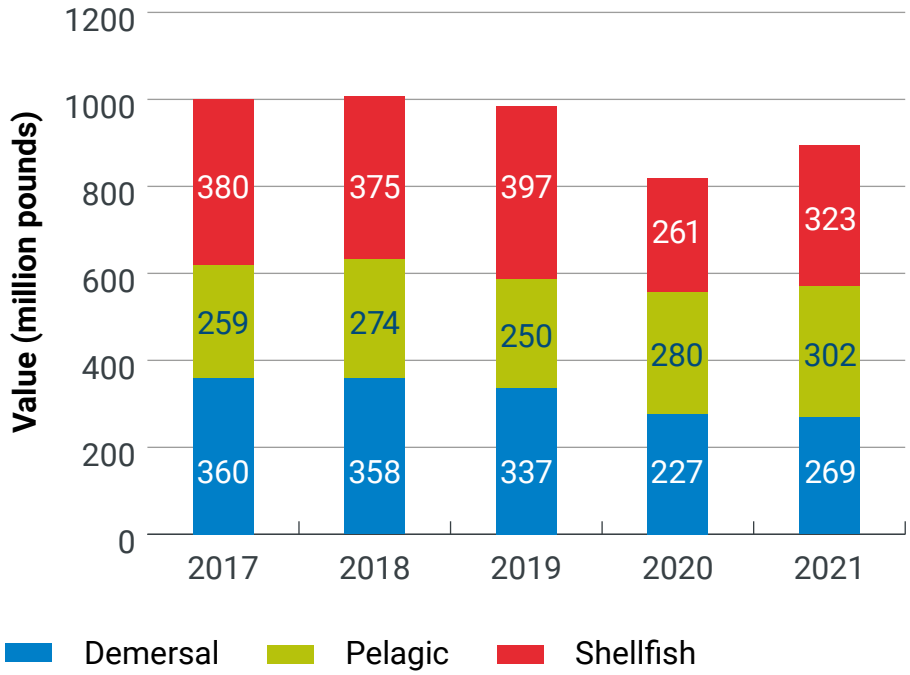


Figure 2. Value of landings by the UK fishing fleet in the UK and abroad by species group, 2017-21



Fish price

Average prices of most demersal and shellfish species decreased in 2020 as COVID-19 lockdown measures resulted in market closures and reduced demand for seafood. As restrictions relaxed and markets reopened, prices generally recovered in 2021 (although not for all species or to the same degree).

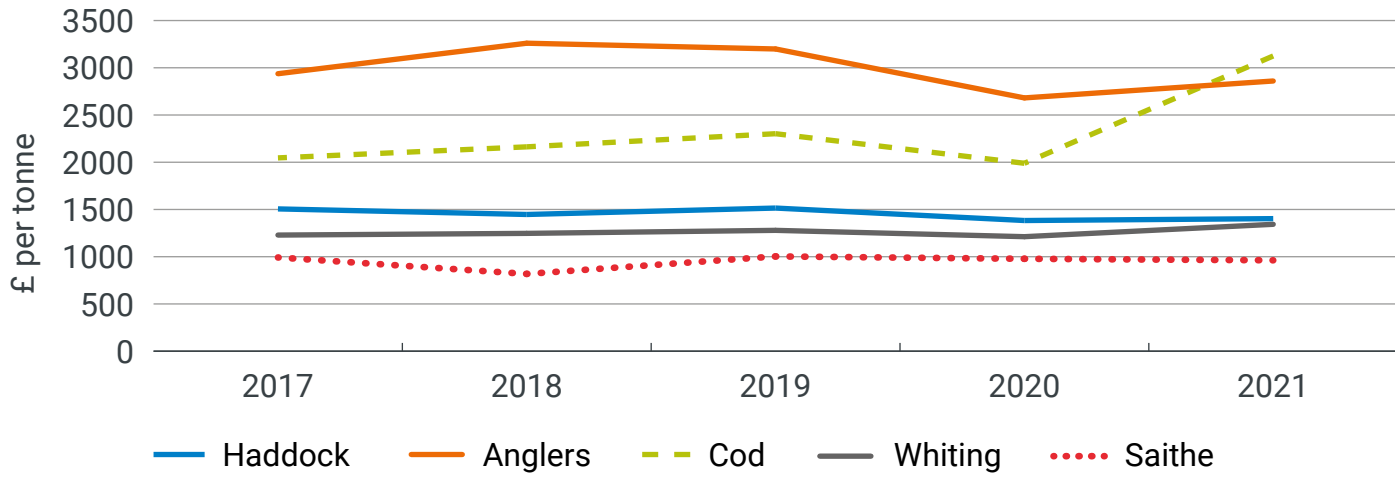
Average prices for cod and whiting increased in 2021 and the price of cod was up to 36% higher than in 2019. On the other hand, 2021 average prices for anglerfish and haddock (haddock being the main demersal species caught by the UK fleet by volume) remained similar to 2020 and were 11% and 7% lower respectively than 2019.

On shellfish, brown crabs and cockles had a 38% and 59% (respectively) increase in average prices in 2021, exceeding 2019 prices. The average price of Nephrops recovered partially but was still 14% lower than in 2019; while the average price of scallops and whelks continued to decrease in 2021.

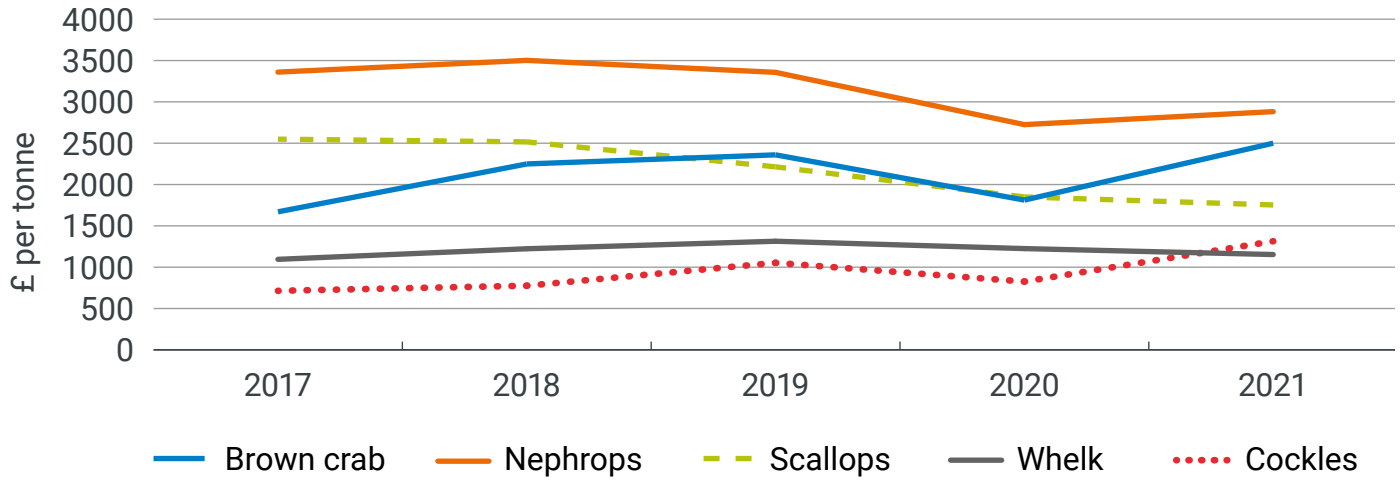
The average price of mackerel, the main pelagic species caught by the fleet (by volume and value) decreased by 15% in 2020 and recovered partially in 2021 (but still 11% lower than in 2019). The average price of herring, the second most important pelagic species for the fleet (by volume and value) increased by 8% in 2020 and 2021.

Figure 3. Average prices of landings of top species by UK registered vessels in the UK and abroad, by species type, 2017-21

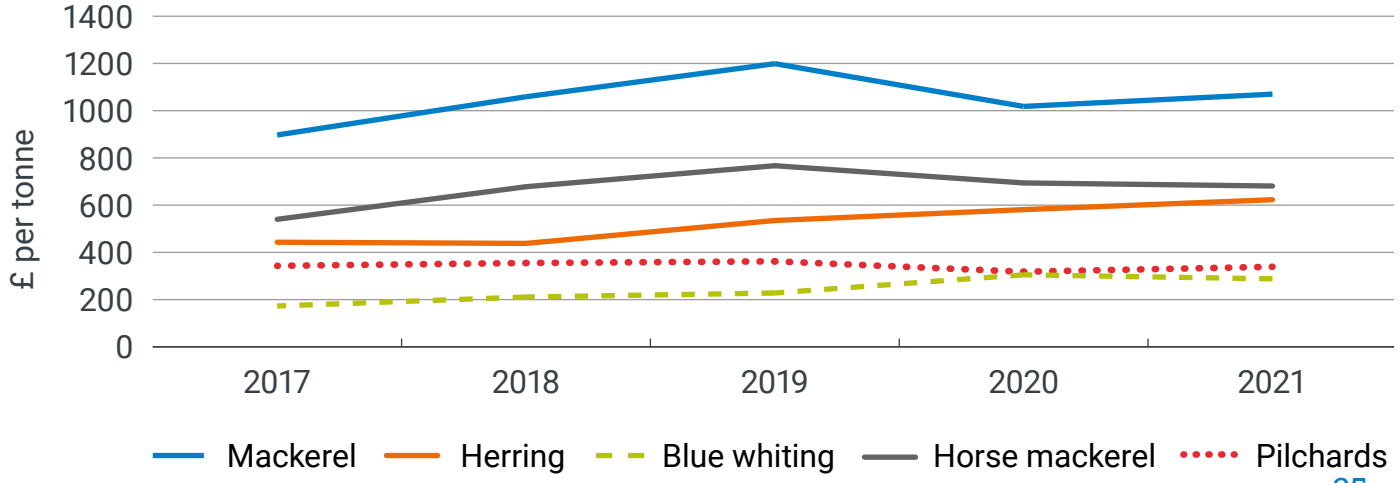
Demersal



Shellfish



Pelagic



COVID-19 relief measures in 2020

To support businesses through the COVID-19 pandemic and lockdown, UK and home nation governments funded several support schemes available to eligible UK businesses, including specific support measures for fishing businesses[2]. There was also some additional financial support available to fishing businesses via third-sector organisations such as Seafarers UK and the Fishmongers' Company.

In our 2020 survey of the UK fishing fleet, 57% of respondents (out of 154) reported benefiting from at least one government support measure between January and September 2020 (including UK and home nations governments, both generic and fishing sector specific support measures). The most used measures reported were the Income Support for Self-Employed and the Bounce-Back Loan scheme. Other measures, such as the Coronavirus Job Retention Scheme (commonly referred to as 'furlough') had much lower uptake as share fishermen on vessels are more likely to be self-employed[3].

The average amount of COVID-19 financial support received from home nations fisheries specific measures per vessel in 2020 (for those vessels that applied) is shown in Table 3.

Table 3. Average COVID-19 home nation, fisheries specific, financial support received per vessel, by vessel length, between January and September 2020.

	Number of vessels that received support	Total number of vessels in fleet	Coverage of support (% of vessels)	Total amount of support (£)	Average support amount per vessel (£)
Under 10m	1,566	3,216	49%	8,241,569	5,263
10-24m	801	923	87%	9,987,514	12,469
Over 24m	17	204	8%	394,444	23,203

2 An overview of all public support measures that were made available can be found at: https://public.tableau.com/app/profile/seafish/viz/COVID-19Support/COVID-19GovMeasures

3 COVID-19 impacts on the UK catching sector in 2020 (Seafish, 2021). Available at: www.seafish.org/insight-and-research/fishing-data-and-insight

Vessel owners' views on their 2020–21 business performance

Our 2021 fleet survey took place in late summer and early autumn 2021. During the survey we asked fishers about factors that affected their business over the last 12 months. A total of 372 vessel owners and skippers told us about their recent business performance and their expectations going forward.

During that period the UK fishing industry faced several challenges: on top of the usual demands of operating a commercial fishing vessel, there was ongoing disruption from the COVID-19 pandemic and the implementation of the new trade relationship between the UK and the European Union.

The five factors that vessel owners reported had the most influence over their recent performance were prices, abundance of catch, COVID-19, rules and regulations and political conditions (Brexit). All except abundance of catch were reported to be mostly negative influences.

As in the previous year's survey, the price of catch was the most commonly cited factor influencing performance. Nearly half of those surveyed mentioned market price, with two thirds of these respondents saying its impact was negative, a similar percentage to last year's responses. Over 80% of those who were happy with prices were operators targeting shellfish with pots and traps supplying live shellfish to local and international markets, while those unhappy with prices were predominantly owners of over 10m trawlers targeting whitefish species and Nephrops, scallop dredgers and under 10m vessels using hooks.

Abundance of catch was the second most mentioned factor influencing performance. Nearly a third (30%) of survey respondents discussed abundance, with responses evenly split between those thinking catches were more abundant, and those disappointed by the abundance of their target species. Nephrops vessels' operators were particularly pleased with the quantity of langoustine they were catching (though as previously mentioned, unhappy with the price they received). On the other hand, 64% of owners of pots and traps vessels who mentioned abundance felt the quantity of target species in their fishery was not good.

Vessel operators targeting whitefish were generally pleased with the number of fish around, however they were almost unanimously disappointed with their quota. This was particularly true of vessel owners based in Shetland who are primarily fishing for cod.

COVID-19, rules and regulations and political conditions (Brexit) were the third, fourth and fifth most mentioned factors affecting business performance. They were also seen as the three issues to impact businesses most negatively. COVID-19 was most frequently mentioned by operators fishing with pots and traps and those targeting whitefish; though to an extent all fisheries continued to be negatively impacted by the ongoing impacts of COVID-19 in 2021. Rules and regulations were most frequently mentioned by owners of under 10m vessels, while political conditions were seen as particularly negative amongst owners of whitefish and pots and traps vessels. Perhaps tied to political conditions, the relative devaluation of the pound was also seen to have a negative impact on business by more than 70% of respondents.

For the second year running, the demand for seafood was viewed positively by skippers and vessel owners, boding well for the future. More than 70% of those who discussed demand were pleased with its impact on their business. A large proportion of those happy with demand were under 10m vessel operators, particularly those fishing with pots and traps. Also in line with last year's answers, interviewees – particularly those in the under 10m fleet – were pleased with their previous investment decisions and thought these boded well for the future of their businesses.

Fishing efficiency

Fishing efficiency refers to the weight and value of landings relative to fishing costs and fishing effort (day at sea).

In 2020 there was considerable variation between segments in terms of weight landed per day at sea compared to 2019. For some segments, like scallop dredgers or under 10m drift and/or fixed net vessels, weight landed per day at sea increased by between 20% and 49% in 2020, depending on the fleet segment. On the other hand, WoS and NS Nephrops vessels experienced a decrease in landings per day at sea ranging between 6% and 28%. Trends in 2021 were equally varied: landings per day at sea increased for approximately a third of fleet segments, while they decreased for another third, and the rest remained at 2020 levels.

Value landed per day at sea decreased for most fleet segments in 2020 compared to 2019 (by between 7% and 44%). This decrease was due to lower average prices for most species in 2020. Scallop dredger segments were less affected by this trend as their fishing efficiency (landings volume per day at sea) increased by 22% in 2020, which compensated the decrease in scallop prices. Fishing costs fell in 2020 by an average of 16% 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 lower fishing expenses (see Figure 4).

Average fishing income and expenditure per day at sea increased for most segments in 2021, as fishing activity and some costs (crew and fuel) increased.

NS and WoS Nephrops vessels and pots and traps vessels benefited the most from an increase in income per day at sea in 2021. Approximately a third (11 people) of owners of NS and WoS Nephrops vessels interviewed during the 2021 survey reported good fishing in recent months. Fishing efficiency (landings volume per day at sea) for pots and traps vessels fell by between 4% and 10% across fleet segments in 2021. Approximately a fifth (33 people) of these vessel owners interviewed reported poor fishing in recent months, with some mentioning a late start to the season due to a cold winter negatively impacting stocks, especially crab. However, an increase in shellfish prices in 2021 helped improve fishing income despite this lower fishing efficiency.

Table 4. Landings, fishing income and expenditure per day at sea, 2020-21

Segment	Landings per day (tonnes)				Fishing income per day (£)				Fishing expenditure per day (£)			
	2020		2021		2020		2021		2020		2021	
Area VIIA demersal trawl	0.98	↓	1.10	↑	1,575	↓	1,588	→	1,214	↓	1,238	→
Area VIIA nephrops over 250kW	1.16	↑	1.13	→	2,014	↓	2,061	→	1,350	↓	1,407	→
Area VIIA nephrops under 250kW	0.71	↑	0.66	↓	1,243	↓	1,190	→	821	↓	795	→
Area VIIBCDEFGHK 24-40m	1.90	↓	1.89	→	4,683	↓	5,039	↑	3,586	↓	3,941	↑
Area VIIBCDEFGHK trawlers 10-24m	0.69	↓	0.59	↓	1,187	↓	1,404	↑	647	↓	769	↑
North Sea beam trawl over 300kW	1.80	↓	1.62	↓	2,930	↓	1,916	↓	3,874	↓	3,918	→
North Sea beam trawl under 300kW	0.55	↑	0.38	↓	1,172	↑	939	↓	1,144	↓	1,043	↓
North Sea nephrops over 300kW	1.38	↓	1.44	↑	2,643	↓	3,389	↑	2,031	↓	2,604	↑
North Sea nephrops under 300kW	0.46	↓	0.54	↑	1,001	↓	1,168	↑	724	↓	856	↑
NSWOS demersal over 24m	4.36	↓	4.54	→	7,834	↓	8,279	↑	5,625	↓	6,115	↑
NSWOS demersal pair trawl seine	4.92	→	4.58	↓	8,031	↓	7,897	→	5,481	↓	5,473	→
NSWOS demersal seiners	3.59	↓	3.22	↓	5,793	↓	4,995	↓	3,830	↓	3,515	↓
NSWOS demersal under 24m over 300kW	2.33	↓	2.33	→	4,751	↓	5,264	↑	3,205	↓	3,620	↑
NSWOS demersal under 24m under 300kW	0.99	↑	0.95	→	2,066	↓	2,123	→	1,350	↓	1,388	→
WOS nephrops over 250kW	0.70	↓	0.76	↑	1,385	↓	1,638	↑	926	↓	1,102	↑
WOS nephrops under 250kW	0.38	↓	0.48	↑	857	↓	1,092	↑	545	↓	694	↑
South West beamers over 250kW	1.32	→	1.34	→	4,237	↓	5,037	↑	3,183	↓	3,856	↑
South West beamers under 250kW	0.85	↓	0.83	→	2,780	↓	3,101	↑	1,860	→	2,107	↑
UK scallop dredge over 15m	1.79	↑	1.97	↑	2,924	→	3,226	↑	1,673	→	1,874	↑
UK scallop dredge under 15m	1.21	↑	1.11	↓	1,602	↓	1,841	↑	711	↓	833	↑

Segment	Landings per day (tonnes)				Fishing income per day (£)				Fishing expenditure per day (£)			
	2020		2021		2020		2021		2020		2021	
Under 10m demersal trawl/seine	0.33	→	0.35	↑	746	↓	860	↑	410	↓	476	↑
Under 10m drift and/or fixed nets	0.29	↑	0.20	↓	647	↑	648	→	328	↑	334	→
Under 10m pots and traps	0.26	↑	0.23	↓	782	↓	867	↑	425	→	476	↑
Under 10m using hooks	0.20	↑	0.18	↓	705	↓	698	→	310	↓	314	→
Gill netters	1.88	→	1.74	↓	3,257	↓	3,696	↑	2,082	↓	2,373	↑
Longliners	0.94	↓	1.01	↑	1,898	↓	2,167	↑	1,295	↓	1,374	↑
Pots and traps 10-12m	0.36	→	0.34	→	992	↓	1,193	↑	479	↓	578	↑
Pots and traps over 12m	1.22	→	1.17	→	2,312	↓	2,957	↑	1,560	↓	1,992	↑

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 (i.e. variable costs). Fishing costs cover several elements, of which crew share (wages), and fuel and oil are the most substantial. 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 (i.e. fixed costs). These costs include gear and vessel repairs, insurance, administration and the purchase, hire and maintenance of electronic equipment.

Total operating costs

In 2020 average operating costs fell by between 9% and 46%, depending on fleet segment, compared to 2019 due to a decrease in fishing activity and income, which in turn led to lower costs (such as fuel expenses and crew shares). In 2021 average operating costs increased, driven by higher fuel and crew expenditure as prices and fishing activity increased post-COVID-19. Area 7 demersal trawlers saw the biggest increase in operating costs between 2020 and 2021 (44%), as the average days at sea per vessel increased by 58%.

Despite this increase, for most segments' average costs per vessel were still on average 21% lower in 2021 than they had been in 2019.

Table 5. Average annual operating costs, 2020-21

Segment	Average annual operating costs (£)		Operating costs as % of income		Fuel costs as % of income	
	2020	2021	2020	2021	2020	2021
Area VIIA demersal trawl	187,821 ↓	271,159 ↑	97% ↑	103% ↑	17% →	23% ↑
Area VIIA nephrops over 250kW	240,112 ↓	290,026 ↑	82% ↑	87% ↑	13% →	17% →
Area VIIA nephrops under 250kW	106,279 ↓	114,689 ↑	72% ↓	83% ↑	10% →	13% →
Area VIIBCDEFGHK 24-40m	1,256,368 ↑	1,373,600 ↑	97% →	97% →	20% →	23% →
Area VIIBCDEFGHK trawlers 10-24m	137,991 ↓	173,414 ↑	83% ↑	83% →	13% →	14% →
North Sea beam trawl over 300kW	1,061,464 ↓	1,104,135 →	145% ↑	226% ↑	79% ↑	149% ↑
North Sea beam trawl under 300kW	132,728 ↑	117,043 ↓	131% ↑	189% ↑	31% ↓	54% ↑
North Sea nephrops over 300kW	483,287 ↓	649,847 ↑	100% ↑	94% ↓	22% →	22% →
North Sea nephrops under 300kW	102,190 ↓	119,887 ↑	83% ↓	91% ↑	23% →	26% →
NSWOS demersal over 24m	1,409,393 ↓	1,589,316 ↑	88% →	90% →	18% →	22% →
NSWOS demersal pair trawl seine	1,367,684 ↓	1,135,892 ↓	84% →	88% →	7% →	9% →
NSWOS demersal seiners	1,134,717 ↓	1,110,636 →	97% ↑	109% ↑	10% →	15% ↑
NSWOS demersal under 24m over 300kW	768,078 ↓	978,056 ↑	85% ↑	84% →	15% →	17% →

Table 5. Average annual operating costs, 2020-21 continued...

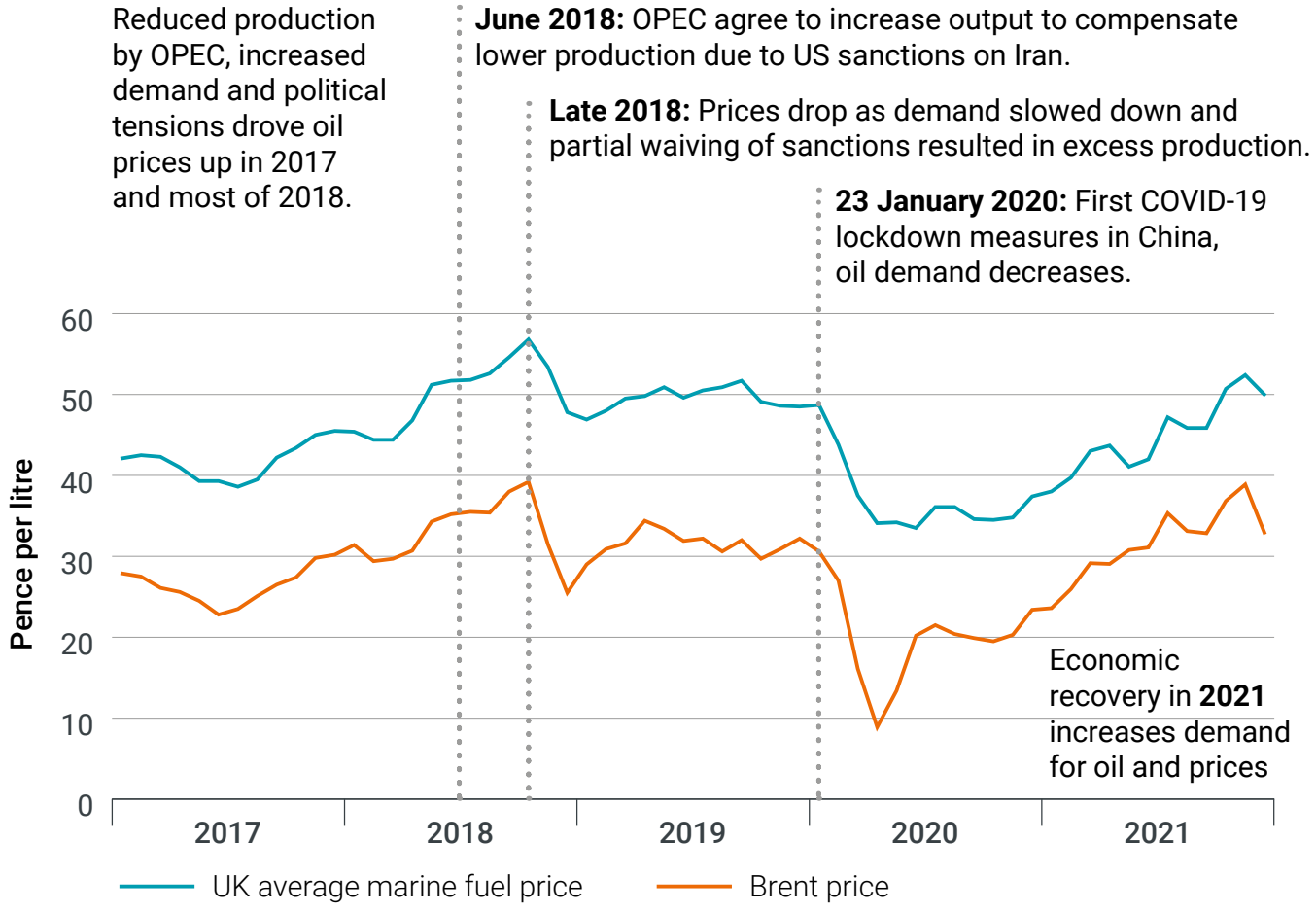
Segment	Average annual operating costs (£)		Operating costs as % of income		Fuel costs as % of income	
	2020	2021	2020	2021	2020	2021
NSWOS demersal under 24m under 300kW	271,436 ↓	225,599 ↓	81% →	89% ↑	11% →	13% →
WOS nephrops over 250kW	201,215 ↓	248,544 ↑	91% ↑	92% →	19% →	21% →
WOS nephrops under 250kW	104,601 ↓	136,535 ↑	86% →	83% →	16% →	18% →
South West beamers over 250kW	886,046 →	1,052,038 ↑	98% ↑	98% →	25% →	27% →
South West beamers under 250kW	450,891 ↓	545,677 ↑	80% →	82% →	15% →	17% →
UK scallop dredge over 15m	361,312 ↓	460,557 ↑	86% →	81% ↓	14% →	16% →
UK scallop dredge under 15m	116,460 ↓	127,527 ↑	79% ↓	74% →	12% →	13% →
Under 10m demersal trawl/seine	39,987 ↓	45,560 ↑	68% ↓	72% →	9% →	10% →
Under 10m drift and/or fixed nets	28,693 ↑	28,524 →	58% ↓	65% ↑	5% →	7% →
Under 10m pots and traps	48,986 ↓	52,146 ↑	71% →	72% →	6% →	7% →
Under 10m using hooks	29,430 ↓	27,943 →	70% →	68% →	3% →	5% →
Gill netters	474,922 ↓	507,753 ↑	90% →	90% →	6% →	7% →
Longliners	289,846 ↓	318,044 ↑	100% ↑	92% ↓	25% →	27% →
Pots and traps 10-12m	104,480 ↓	123,969 ↑	70% →	69% →	5% →	6% →
Pots and traps over 12m	358,798 ↓	448,239 ↑	80% →	78% →	9% →	9% →

Fuel

The price of marine fuel closely follows trends in oil price. 2020 was characterised by low prices of fuel (around 37p per litre on average) due to the sudden and sharp decrease in global oil demand as travel restrictions and business closures were implemented to slow the spread of COVID-19.

Oil prices returned to 2019 levels in 2021 as restrictions eased and oil demand increased, going from an average of 39p per litre in January 2021 to 49p in December 2021.

Figure 4: Oil price and marine fuel price
(source: Seafish, U.S. Energy Information Administration)



The fuel costs of the UK fishing fleet reflect changes in fuel price. Overall fuel costs fell in all fleet segments by an average 32% in 2020 (compared to 2019) due to the low prices of fuel and reduced levels of fishing activity. The trend reversed in 2021 as activity and fuel prices increased again. Average fuel expenditure per vessel increased by 32% in all segments except NSWoS demersal trawlers under 24m under 300kW, which did not increase its level of activity in 2021.

Table 6. Average annual and daily fuel costs per vessel, 2020-21

Segment	Average annual operating costs (£)				Operating costs as % of income				Fuel costs as % of income			
	2020		2021		2020		2021		2020		2021	
Area VIIA demersal trawl	33,647	↓	59,742	↑	322	↓	361	↑	880	↑	802	↓
Area VIIA nephrops over 250kW	38,516	↓	56,903	↑	307	↓	366	↑	829	→	829	→
Area VIIA nephrops under 250kW	14,156	↓	17,579	↑	138	↓	152	↑	379	→	344	↓
Area VIIBCDEFGHK 24-40m	255,367	→	323,641	↑	931	↓	1,158	↑	2,536	↑	2,560	→
Area VIIBCDEFGHK trawlers 10-24m	21,290	↓	29,391	↑	167	↓	204	↑	457	→	448	→
North Sea beam trawl over 300kW	581,485	↓	729,744	↑	2,394	↓	2,950	↑	6,500	→	6,500	→
North Sea beam trawl under 300kW	31,494	↓	33,366	↑	398	↓	506	↑	1,087	→	1,088	→
North Sea nephrops over 300kW	104,124	↓	154,730	↑	624	↓	800	↑	1,674	→	1,776	↑
North Sea nephrops under 300kW	27,883	↓	34,995	↑	282	↓	353	↑	750	→	777	→
NSWOS demersal over 24m	279,274	↓	381,809	↑	1,445	↓	1,873	↑	3,904	→	4,135	↑

Segment	Average annual operating costs (£)				Operating costs as % of income				Fuel costs as % of income			
	2020		2021		2020		2021		2020		2021	
NSWOS demersal pair trawl seine	113,084	↓	115,661	→	564	↓	716	↑	1,539	→	1,575	→
NSWOS demersal seiners	110,965	↓	148,913	↑	587	↓	743	↑	1,587	→	1,638	→
NSWOS demersal under 24m over 300kW	132,387	↓	197,138	↑	749	↓	958	↑	2,022	→	2,118	↑
NSWOS demersal under 24m under 300kW	36,424	↓	31,822	↓	271	↓	340	↑	746	↑	752	→
WOS nephrops over 250kW	40,765	↓	55,306	↑	288	↓	353	↑	779	→	781	→
WOS nephrops under 250kW	19,863	↓	29,030	↑	154	↓	195	↑	415	→	433	→
South West beamers over 250kW	221,082	↓	295,675	↑	1,039	↓	1,380	↑	2,808	→	3,046	↑
South West beamers under 250kW	81,864	↓	111,619	↑	412	↓	518	↑	1,117	→	1,142	→
UK scallop dredge over 15m	57,810	↓	88,750	↑	426	↓	519	↑	1,149	→	1,152	→
UK scallop dredge under 15m	16,930	↓	22,598	↑	202	↓	255	↑	550	→	562	→
Under 10m demersal trawl/seine	5,110	↓	6,642	↑	74	↓	92	↑	201	→	202	→
Under 10m drift and/or fixed nets	2,384	↓	2,867	↑	37	↓	46	↑	103	↑	102	→
Under 10m pots and traps	4,124	↓	5,157	↑	54	↓	67	↑	148	→	147	→
Under 10m using hooks	1,454	↓	2,021	↑	28	↓	37	↑	78	→	80	→
Gill netters	32,026	↓	37,563	↑	200	↓	246	↑	541	→	544	→
Longliners	73,486	↓	91,592	↑	500	↓	587	↑	1,346	→	1,288	→
Pots and traps 10-12m	7,650	↓	10,169	↑	57	↓	70	↑	155	→	155	→
Pots and traps over 12m	41,908	↓	54,115	↑	238	↓	298	↑	652	→	654	→

Crew costs

The total number of FTE employees in the fleet decreased by 6% in 2020 compared to 2019 (from 6,992 to 6,559), reflecting lower levels of activity due to COVID-19 lockdown measures. This decrease may not necessarily mean that jobs were lost and may also reflect that crews worked fewer hours or fewer trips during lockdown. Total FTE employees increased again in 2021 by 4% (up to 6,835) as activity increased again.

Crew share is strongly linked with fishing income and costs. Many fishers 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. The average crew cost per vessel decreased noticeably for most segments in 2020 (by between 6% and 53%) as fishing income in those segments decreased. In 2021 the average crew cost increased for most segments as days at sea, fishing income and number of FTEs increased post-COVID-19. However, crew expenditure in 2021 was still 24% lower than in 2019, on average.

Table 7. Average annual crew costs and FTEs, 2020-21

Segment	Average crew cost per vessel (£)				FTE (total)				Crew cost per FTE (£)			
	2020		2021		2020		2021		2020		2021	
Area VIIA demersal trawl	58,296	↓	89,424	↑	18	↓	29	↑	22,804	↓	24,646	↑
Area VIIA nephrops over 250kW	90,763	↓	110,892	↑	142	↓	204	↑	15,994	↓	15,739	→
Area VIIA nephrops under 250kW	53,715	↓	56,259	↑	103	→	106	→	16,103	↓	15,388	→
Area VIIBCDEFGHK 24-40m	268,794	↓	273,796	→	204	↑	204	→	15,800	↓	16,069	→
Area VIIBCDEFGHK trawlers 10-24m	37,405	↓	49,858	↑	135	↓	142	↑	13,281	↓	15,443	↑
North Sea beam trawl over 300kW	155,456	↑	103,534	↓	171	↓	147	↓	6,356	↑	4,223	↓
North Sea beam trawl under 300kW	50,118	↑	32,944	↓	31	↑	20	↓	32,512	↑	25,953	↓

Segment	Average crew cost per vessel (£)		FTE (total)		Crew cost per FTE (£)	
	2020	2021	2020	2021	2020	2021
North Sea nephrops over 300kW	131,761 ↓	195,647 ↑	353 →	562 ↑	19,761 ↓	24,361 ↑
North Sea nephrops under 300kW	29,519 ↓	33,393 ↑	138 ↓	120 ↓	14,580 ↓	16,723 ↑
NSWOS demersal over 24m	437,144 ↓	451,551 →	567 ↓	610 ↑	31,630 ↑	28,881 ↓
NSWOS demersal pair trawl seine	483,441 ↓	370,216 ↓	268 ↑	201 ↓	48,737 ↓	47,970 →
NSWOS demersal seiners	305,903 ↓	229,882 ↓	148 ↑	158 ↑	43,519 ↓	30,578 ↓
NSWOS demersal under 24m over 300kW	236,610 ↓	293,032 ↑	255 ↑	192 ↓	38,117 ↓	38,074 →
NSWOS demersal under 24m under 300kW	62,467 ↓	44,859 ↓	50 ↓	28 ↓	14,982 →	16,038 ↑
WOS nephrops over 250kW	60,371 ↓	78,240 ↑	115 ↓	139 ↑	14,186 ↓	16,354 ↑
WOS nephrops under 250kW	33,921 ↓	49,747 ↑	142 ↓	183 ↑	12,644 ↓	15,495 ↑
South West beamers over 250kW	232,179 ↓	261,974 ↑	167 ↑	165 →	33,462 ↓	36,476 ↑
South West beamers under 250kW	147,908 ↓	173,378 ↑	143 ↓	128 ↓	25,789 ↑	27,150 ↑
UK scallop dredge over 15m	126,929 ↓	172,518 ↑	304 →	366 ↑	28,849 ↓	30,195 ↑
UK scallop dredge under 15m	29,536 ↓	35,402 ↑	197 ↓	232 ↑	23,394 ↓	26,124 ↑
Under 10m demersal trawl/seine	15,738 ↓	18,735 ↑	130 ↑	136 ↑	20,854 ↓	23,392 ↑
Under 10m drift and/or fixed nets	13,629 ↓	13,020 →	48 ↓	51 ↑	50,424 ↑	52,074 →
Under 10m pots and traps	19,440 ↓	21,530 ↑	627 ↓	646 →	33,681 ↓	37,941 ↑
Under 10m using hooks	8,733 ↓	9,046 →	86 ↓	103 ↑	20,483 ↓	20,194 →
Gill netters	196,771 ↓	211,252 ↑	174 →	154 ↓	29,404 ↓	35,579 ↑
Longliners	89,803 ↓	100,365 ↑	212 ↓	214 →	11,027 ↓	12,183 ↑
Pots and traps 10-12m	39,737 ↓	51,243 ↑	358 →	366 →	19,739 ↓	23,921 ↑
Pots and traps over 12m	156,917 ↓	207,660 ↑	902 ↑	911 →	18,959 ↓	24,170 ↑

Economic performance

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

Profit

The reduction in fishing activity, income and market prices in 2020 had a largely negative impact on fleet profits. Average operating profit in 2020 decreased between 5% and 64% depending on the fleet segment. Eighteen segments saw reductions in average operating profit greater than 25% compared to 2019 and four segments (NS beam trawlers over/under 300kW, NS Nephrops over 300kW and longliners) had average negative operating profits in 2020. Only five segments saw an increase in average operating profit per vessel in 2020 due to increased fishing efficiency and in some cases to higher non-fishing income, sometimes in the form of COVID-19 relief grants. As these are average figures, individual vessels in these segments may have had losses in 2020, while individual vessels in other segments may have had increased profits.

Trends in 2021 were mixed: approximately half of the segments saw their average operating profits increase compared to 2020, while the rest continued to decrease. NS Nephrops vessels over 300kW and longliners recovered after experiencing losses in 2020 and went back to positive figures, although their average profit was still up to 70% lower than it had been in 2019. Average profits for Area 7 demersal trawlers and NSWOS demersal seiners continued to decrease and were negative in 2021, as operating costs exceeded their turnover, despite a higher volume of landings in 2021.

For those segments that increased their average profits in 2021, they were 20% lower than they had been in 2019, on average. Pots and traps vessels over 10m had average operating profits in 2021 very similar to those of 2019. Four segments (scallop dredgers, under 10m drift and/or fixed netters and WoS Nephrops vessels under 250kW) had higher average profits in 2021 than in 2019.

The average operating profit margin across the whole fleet was 12% in 2020, a decrease of seven percentage points compared to 2019. Average operating profit margin decreased for most segments in 2021 to 6% on average.

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 retained by the company and/or distributed as dividends to shareholders in the company. For smaller businesses operating as sole traders, owner's income often reflects the wages for their labour and the return on their capital invested in the business. Net profit margins in 2020 were an average of 1% across all segments and were negative for nine segments, which experienced particularly large drops in profit in 2020.

Table 8. Average annual operating profit per vessel and net profit margin, 2020–21

Segment	Operating profit (£)		Operating profit margin		Net profit margin
	2020	2021	2020	2021	2020
Area VIIA demersal trawl	6,160 ↓	-8,368 ↓	3% ↓	-3% ↓	-28% ↓
Area VIIA nephrops over 250kW	53,239 ↓	42,078 ↓	18% ↓	13% ↓	4% ↓
Area VIIA nephrops under 250kW	40,453 ↑	23,317 ↓	28% ↑	17% ↓	9% ↓
Area VIIBCDEFGHK 24-40m	38,301 ↓	38,244 →	3% ↓	3% ↓	3% ↑
Area VIIBCDEFGHK trawlers 10-24m	27,857 ↓	35,792 ↑	17% ↓	17% ↑	9% ↓
North Sea beam trawl over 300kW	-328,293 ↓	-615,838 ↓	-45% ↓	-126% ↓	-45% ↓
North Sea beam trawl under 300kW	-31,657 ↓	-55,075 ↓	-31% ↓	-89% ↓	-51% ↑
North Sea nephrops over 300kW	-522 ↓	43,032 ↑	0% ↓	6% ↑	-10% ↓
North Sea nephrops under 300kW	20,383 ↑	12,436 ↓	17% ↑	9% ↓	3% ↑
NSWOS demersal over 24m	185,160 ↓	185,760 →	12% ↓	11% ↓	4% ↓
NSWOS demersal pair trawl seine	265,713 →	157,216 ↓	16% ↑	12% ↓	0% ↓
NSWOS demersal seiners	31,367 ↓	-89,687 ↓	3% ↓	-9% ↓	-10% ↓
NSWOS demersal under 24m over 300kW	139,216 ↓	182,502 ↑	15% ↓	16% ↑	5% ↓

Table 8. Average annual operating profit per vessel and net profit margin, 2020–21 continued...

Segment	Operating profit (£)		Operating profit margin		Net profit margin
	2020	2021	2020	2021	2020
NSWOS demersal under 24m under 300kW	63,743 ↑	29,175 ↓	19% ↑	12% ↓	16% ↑
WOS nephrops over 250kW	18,865 ↓	20,328 ↑	9% ↓	8% ↓	-6% ↓
WOS nephrops under 250kW	17,802 ↓	28,142 ↑	15% ↑	17% ↑	-1% ↓
South West beamers over 250kW	16,100 ↓	26,926 ↑	2% ↓	3% ↑	-4% ↓
South West beamers under 250kW	110,521 ↓	123,062 ↑	20% ↓	18% ↓	15% ↓
UK scallop dredge over 15m	59,405 ↓	109,571 ↑	14% ↓	19% ↑	1% ↓
UK scallop dredge under 15m	31,104 ↑	44,563 ↑	21% ↑	26% ↑	3% ↓
Under 10m demersal trawl/seine	18,962 ↓	18,187 →	32% ↑	29% ↓	14% ↓
Under 10m drift and/or fixed nets	20,655 ↑	15,727 ↓	42% ↑	36% ↓	26% ↑
Under 10m pots and traps	19,838 →	20,021 →	29% ↑	28% ↓	12% ↓
Under 10m using hooks	12,915 ↓	13,449 →	31% ↓	33% ↑	12% ↓
Gill netters	52,823 ↓	55,926 ↑	10% ↓	10% ↓	4% ↓
Longliners	-917 ↓	26,266 ↑	0% ↓	8% ↑	-19% ↓
Pots and traps 10-12m	44,779 ↓	56,438 ↑	30% ↓	31% ↑	12% ↓
Pots and traps over 12m	87,427 ↓	128,171 ↑	20% ↓	22% ↑	10% ↓

Gross Value Added (GVA)

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.

Average GVA per vessel decreased in most segments in 2020 compared to 2019 because of lower fishing revenues and crew shares. Only two segments (NS beam trawl under 300kW and under 10m drift and/or fixed nets) saw an increase in average GVA per vessel between 2019 and 2020 as their average operating profit or crew shares per vessel increased in 2020.

In 2021 most segments experienced an increase in average GVA per vessel ranging between 6% and 82% (compared to 2020 figures) as crew shares and in some cases, operating profits, increased. The greatest increase occurred for NS Nephrops vessels over 300kW, which went from experiencing losses in 2020 to positive average profits in 2021, which explains the noticeable increase in GVA in this fleet segment.

Average GVA per FTE decreased in 2020 for all segments except four (NS beam trawlers under 300kW, NSWoS demersal trawlers under 24m, under 300kW, SW beamers under 250kW and under 10m drift and/or fixed nets). In these segments the number of FTEs decreased noticeably in 2020, which allowed GVA per FTE to increase despite some of these segments experiencing a decrease in GVA per vessel. Trends in 2021 were mixed and approximately half of the segments saw a decrease in average GVA per FTE, linked to drops in average profit per vessel in 2021.

Table 9. Average annual GVA per vessel and GVA per FTE, 2020-21

Segment	Gross value added (£)		GVA as % of total income		GVA per FTE (£ per FTE)	
	2020	2021	2020	2021	2020	2020
Area VIIA demersal trawl	64,456 ↓	81,056 ↑	33% ↓	31% ↓	25,214 ↓	22,340 ↓
Area VIIA nephrops over 250kW	144,002 ↓	152,970 ↑	49% ↓	46% ↓	25,375 ↓	21,712 ↓
Area VIIA nephrops under 250kW	94,168 →	79,577 ↓	64% ↑	58% ↓	28,230 ↓	21,765 ↓
Area VIIBCDEFGHK 24-40m	307,094 ↓	312,040 →	24% ↓	22% ↓	18,051 ↓	18,313 →
Area VIIBCDEFGHK trawlers 10-24m	65,262 ↓	85,651 ↑	39% ↓	41% ↑	23,171 ↓	26,530 ↑
North Sea beam trawl over 300kW	-172,837 ↓	-512,304 ↓	-24% ↓	-105% ↓	-7,067 ↓	-20,897 ↓
North Sea beam trawl under 300kW	7,152 ↑	-32,454 ↓	7% ↑	-52% ↓	4,640 ↑	-25,568 ↓
North Sea nephrops over 300kW	131,240 ↓	238,678 ↑	27% ↓	34% ↑	19,683 ↓	29,719 ↑
North Sea nephrops under 300kW	49,902 ↓	45,830 ↓	41% ↑	35% ↓	24,648 ↓	22,951 ↓
NSWOS demersal over 24m	622,304 ↓	637,311 →	39% ↓	36% ↓	45,028 ↓	40,761 ↓
NSWOS demersal pair trawl seine	749,153 ↓	527,432 ↓	46% ↑	41% ↓	75,525 ↓	68,342 ↓
NSWOS demersal seiners	337,270 ↓	140,195 ↓	29% ↓	14% ↓	47,981 ↓	18,648 ↓
NSWOS demersal under 24m over 300kW	375,826 ↓	475,534 ↑	41% ↓	41% ↓	60,545 ↓	61,786 →
NSWOS demersal under 24m under 300kW	126,209 →	74,034 ↓	38% ↑	29% ↓	30,271 ↑	26,468 ↓
WOS nephrops over 250kW	79,235 ↓	98,568 ↑	36% ↓	37% ↑	18,619 ↓	20,604 ↑

Segment	Gross value added (£)		GVA as % of total income		GVA per FTE (£ per FTE)	
	2020	2021	2020	2021	2020	2020
WOS nephrops under 250kW	51,723 ↓	77,889 ↑	42% ↑	47% ↑	19,279 ↓	24,260 ↑
South West beamers over 250kW	248,279 ↓	288,900 ↑	28% ↓	27% ↓	35,783 ↓	40,225 ↑
South West beamers under 250kW	258,429 ↓	296,440 ↑	46% ↓	44% ↓	45,059 ↑	46,420 →
UK scallop dredge over 15m	186,334 ↓	282,088 ↑	44% ↑	50% ↑	42,351 ↓	49,372 ↑
UK scallop dredge under 15m	60,639 ↓	79,965 ↑	41% ↑	47% ↑	48,031 ↓	59,008 ↑
Under 10m demersal trawl/seine	34,699 ↓	36,922 ↑	59% ↑	58% ↓	45,980 ↓	46,099 →
Under 10m drift and/or fixed nets	34,284 ↑	28,748 ↓	70% ↑	65% ↓	126,841 ↑	114,973 ↓
Under 10m pots and traps	39,278 ↓	41,551 ↑	57% ↓	58% ↑	68,052 ↓	73,223 ↑
Under 10m using hooks	21,648 ↓	22,495 →	51% ↓	54% ↑	50,773 ↓	50,217 →
Gill netters	249,594 ↓	267,178 ↑	47% ↓	47% ↑	37,298 ↓	44,999 ↑
Longliners	88,887 ↓	126,631 ↑	31% ↓	37% ↑	10,914 ↓	15,372 ↑
Pots and traps 10-12m	84,517 ↓	107,681 ↑	57% ↓	60% ↑	41,983 ↓	50,267 ↑
Pots and traps over 12m	244,344 ↓	335,831 ↑	55% ↓	58% ↑	29,521 ↓	39,088 ↑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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

Seafish gathers 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, in that we survey enough vessel owners from each segment who choose to participate in the survey.

The questionnaire allows vessel owners to share information about their fishing businesses, such as employment, fuel use or capital value indicators. The questionnaire also allowed owners to grant Seafish permission to access their financial data.

In 2021 Seafish Economics collected 332 sets of 2020 financial accounts (8% of the active UK fleet). It is not possible to collect an adequate sample for 2020 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 units (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 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.

2021 estimates

Figures presented for the year 2020 are estimates based on government data and data collected by Seafish. Figures for 2021 are estimates using provisional official statistics on landings, numbers of vessels and effort, along with actual annual average 2021 fuel prices and previous years' cost structures. Therefore the 2021 values should be considered preliminary estimates. Seafish will revise these estimates when final government data and 2021 vessel accounts are available.

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Table 10. Segmentation Criteria Table

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

Economics of the UK Fishing Fleet 2021

Table 10. Segmentation Criteria Table continued...

Seafish Segments	Main Area	Main DASGear	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	>= 40m	
UK pots and traps 10m-12m		Pots and Traps			>= 10m & <12m	>= 10m & <12m	
UK Pots and traps over 12m		Pots and Traps			>= 12m	>= 12m	
South West beam trawl under 250kW	VIIDE, VIIFG, VII other	Beam Trawl			>= 10m	>= 10m	
South West beam trawl over 250kW	VIIDE, VIIFG, VII other	Beam Trawl			>= 10m	>= 10m	
UK demersal trawls and seines under 10m		Demersal trawls and seines			< 10m	< 10m	
UK drift and fixed nets under 10m		Drift Nets and Fixed Nets			< 10m	< 10m	
UK pots and traps under 10m		Pots and Traps			< 10m	< 10m	
UK hooks under 10m		Gears using hooks			< 10m	< 10m	
West of Scotland nephrops trawl over 250kW	WoS	Demersal trawls and seines	Nephrops		>= 10m	>= 10m	
West of Scotland nephrops trawl under 250kW	WoS	Demersal trawls and seines	Nephrops		>= 10m	>= 10m	
UK scallop dredge over 15m		Dredges	Scallops, queen scallops, cockles		>= 15m	>= 15m	
UK scallop dredge under 15m		Dredges	Scallops, queen scallops, cockles		<= 15m	<= 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

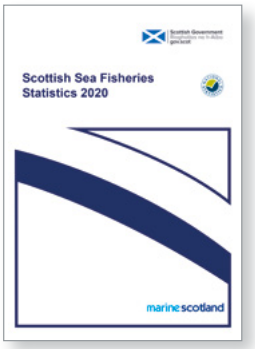
FTE	Full-Time Equivalent
GDP	Gross Domestic Product
GVA	Gross Value Added
ICES	International Council for the Exploration of the Sea
MMO	Marine Management Organisation
MSY	Maximum Sustainable Yield
NS	North Sea
NSWoS	North Sea and West of Scotland
TAC	Total Allowable Catch
VCU	Vessel Capacity Unit
WC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

Further reading

Fisheries statistics

Marine Management Organisation: UK Sea Fisheries Statistics 2020

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



Marine Scotland: Scottish Sea Fisheries Statistics 2020 and provisional 2021 statistics

A detailed overview of landings of sea fish, the Scottish fishing fleet and the number of fishers employed in 2020. Preliminary 2021 statistics are also available as an Excel file on the Marine Scotland website.

Employment

Seafish – 2021 Employment in the UK Fishing Fleet

This report presents data on nationality, age, gender, professional qualification, work and remuneration patterns of workers in the UK catching sector. The data was collected during the 2021 Economic survey of the UK fleet.

Impacts of Covid-19

Seafish – Covid-19 impacts on the UK catching sector in 2020

This report discusses the impacts of the Covid-19 pandemic and lockdown measures on the UK catching sector based on the insights collected during the 2021 Economic survey of the UK fleet.

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