The Norwegian Coastal fleet and Norwegian society

Conference on
Coastal fisheries and coastal communities in the N-Atlantic

Held at Smárinn in Kópavogur on 27.09.2014

Norway

Audun Iversen and Edgar Henriksen

norden

Working Group for Fisheries Co-operation (AG-Fisk)

Nofima

Content of the presentation

The presentation will focus on the following issues:

1. **The Norwegian coastal fleet**
2. **Significance of the coastal fleet for regional development**
3. **Strategies in place to support the coastal fleet and regional development**
4. **What is the future of the coastal fleet and coastal communities?**

The Norwegian coastal fleet

What is a coastal vessel?

The coastal fleet is defined by

- Vessel length:
  - Below 11m
  - 11-15m
  - 15-21m
- Fishing rights:
  - «Coastal fishing rights», individual vessel quotas
  - Structuring allowed for boats over 11m
  - The largest «coastal vessels» are now 50m long…

The Norwegian coastal fleet consisted in 2012 of 5809 boats

Coastal vessels by region and size

Region/vessel group	Below 11m	11-14,99.m	15-20.99m
North Norway	2729	452	132
Mid Norway	417	62	5
West Norway	1316	155	32
South Norway	252	32	8
East Norway	188	28	1
Total	4902	729	178

Qoutas are quite equally divided between the three groups

Catches from the coastal fleet

What do they catch?

- Cod, saithe, haddock, but also herring and mackerel

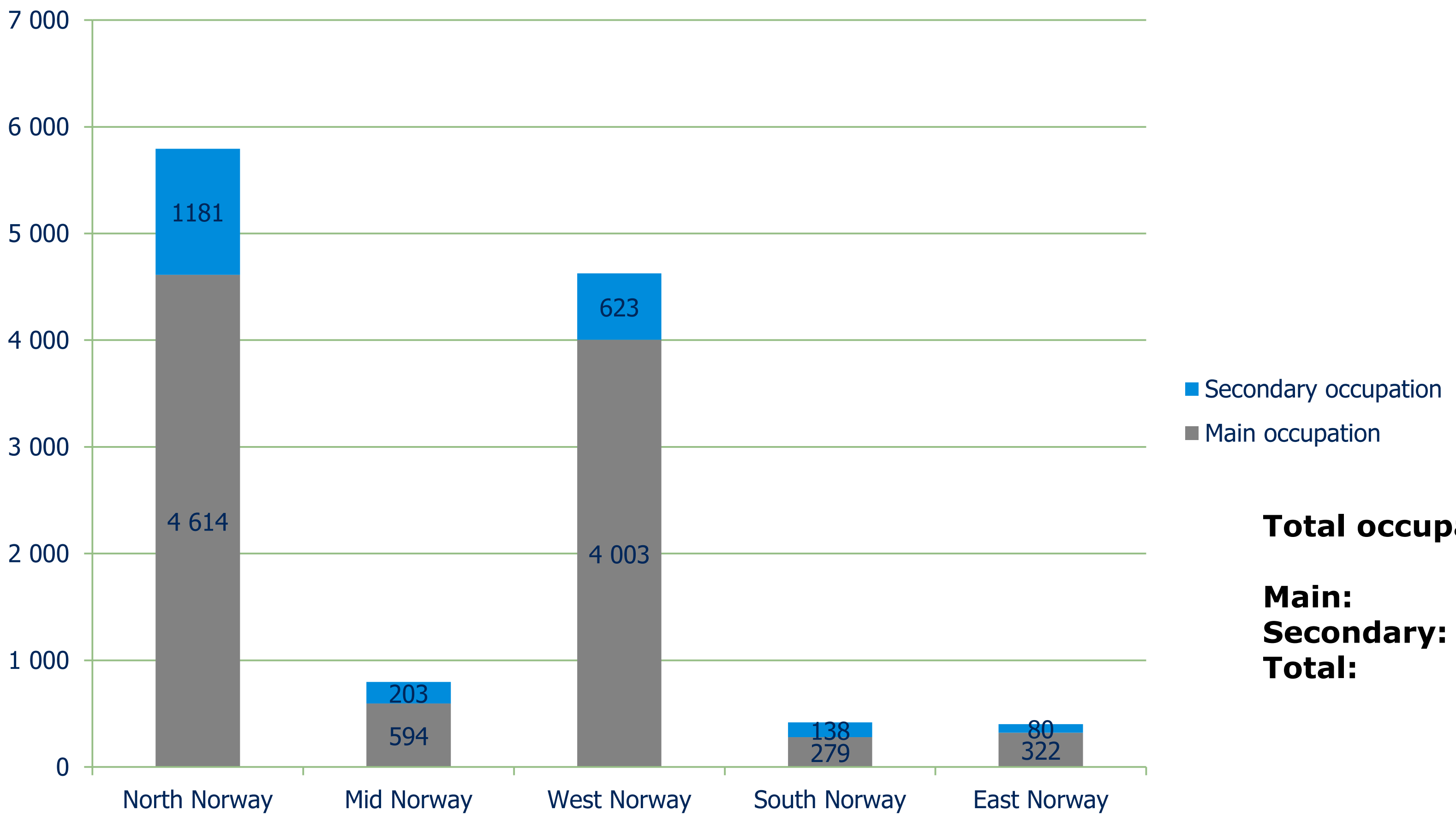
How much?

- About 25 % of total catch
- 70 % of cod, the most important species for the coastal fleet
  - 2014: 300.000 tonnes of cod, 54’ of haddock, 38’ of saithe

By what?

- Line, gillnet, danish seine, purse seine

Norwegian fishermen by region



Total occupation in 2012:

Main:	**9.812**
Secondary:	**2.225**
Total:	**12.037**

Significance for regional development

The size and distribution of the fleet makes it of great importance for many Norwegian coastal towns and villages

For many towns, employment in processing is of equal or greater importance

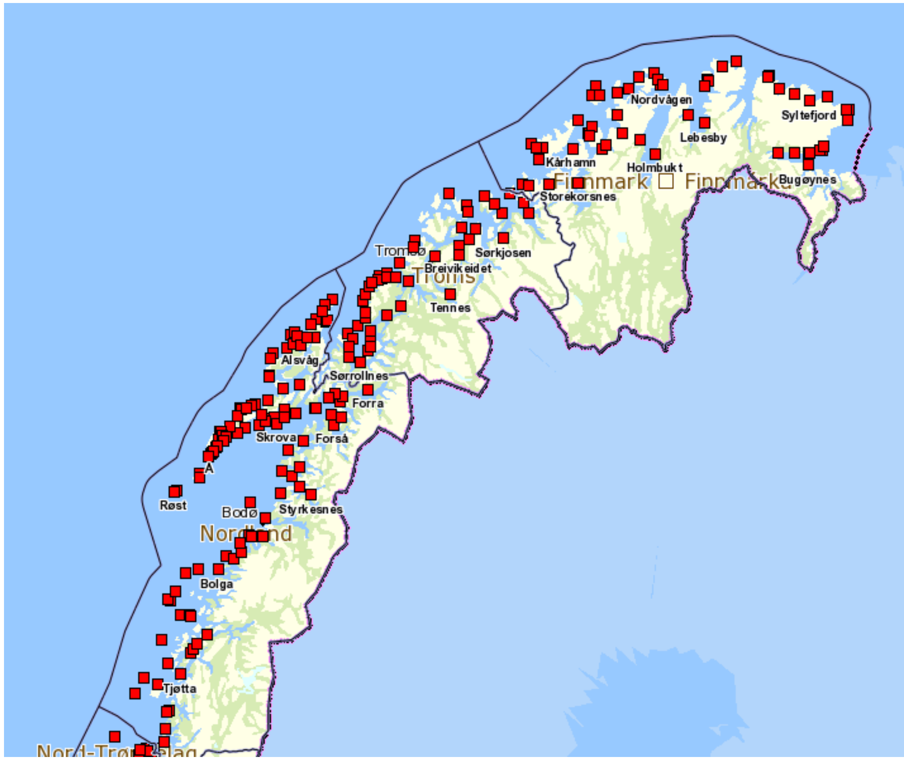
Continuing decline in employment:

1960:

- **50.000 fishermen (main occ.)**
- **40.000 boats**
- **30.000 in the industry**

Today:

- **9.000 fishermen**
- **6000 boats (halved in 12 years)**
- **9000 in the industry**



Fishing harbours in Northern Norway

Profitability in the coastal fleet

	Operating margin		
Vessel group	**2009**	**2010**	**2011**
less than 11 meters	-0.1	-0,7	6,2
11 – 14.99 meters	6	7,8	6,6
15 – 20.99 meters	5,5	6,5	8
Costal purse seiners less than 11 meters	16,8	-1,5	14,1
Costal purse seiners 11 – 21.35 meters	31,8	12,8	18,5

- Marginal profitability for the smallest vessels
- Somewhat better for the larger coastal fleet
- The group (also) doing purse seins do well

The coastal fleet and regional development

Regulations promoting regional development
(or more precisely: Methods of conservation, slowing down restructuring…)

From the Ministry:
"…to sustain a varied fleet along the coast"
"…facilitate a controlled restructuring, …to follow productivity development"

1. Ownership requirements
    1. Owners must be active fishermen
    2. Nationality or local attachment:
        1. Boats over 15m: must be at least 60 % Norwegian owned
        2. Boats under 15m: must live in Norway

2. Ownership change
    1. Licenses can not be rented
    2. Licenses may only be sold with boats (for now)
    3. Restrictions on sale by:
        1. geography
        2. vessel group

Strategies to support the coastal fleet and regional development

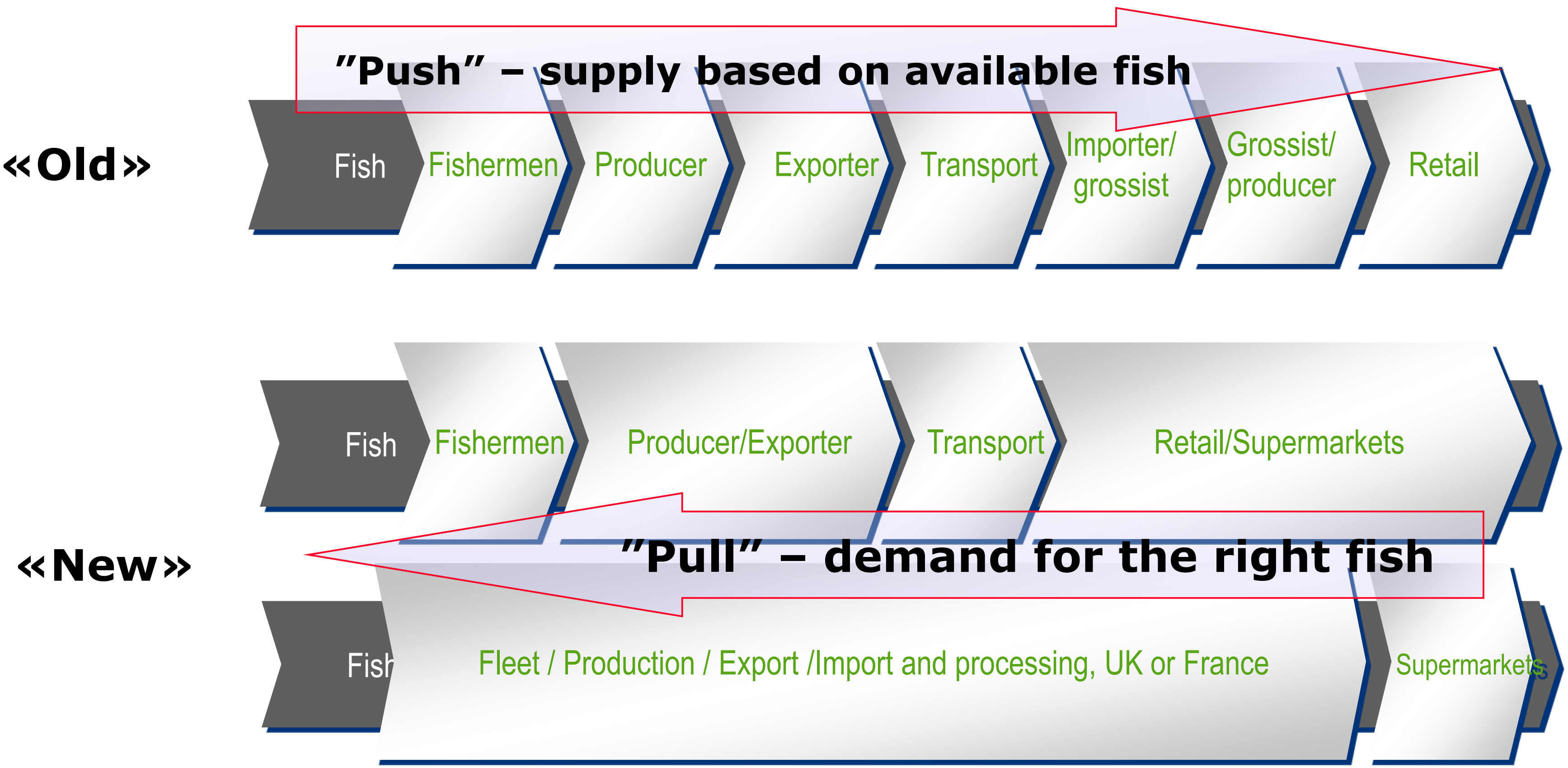
Measures supporting the processing industry

- Obligations for delivery
- Obligations for processing
- Fresh fish bonus (20-30 % of the qouta)
- Live storage
- New qouta year/partly transferable qouta year has been discussed…

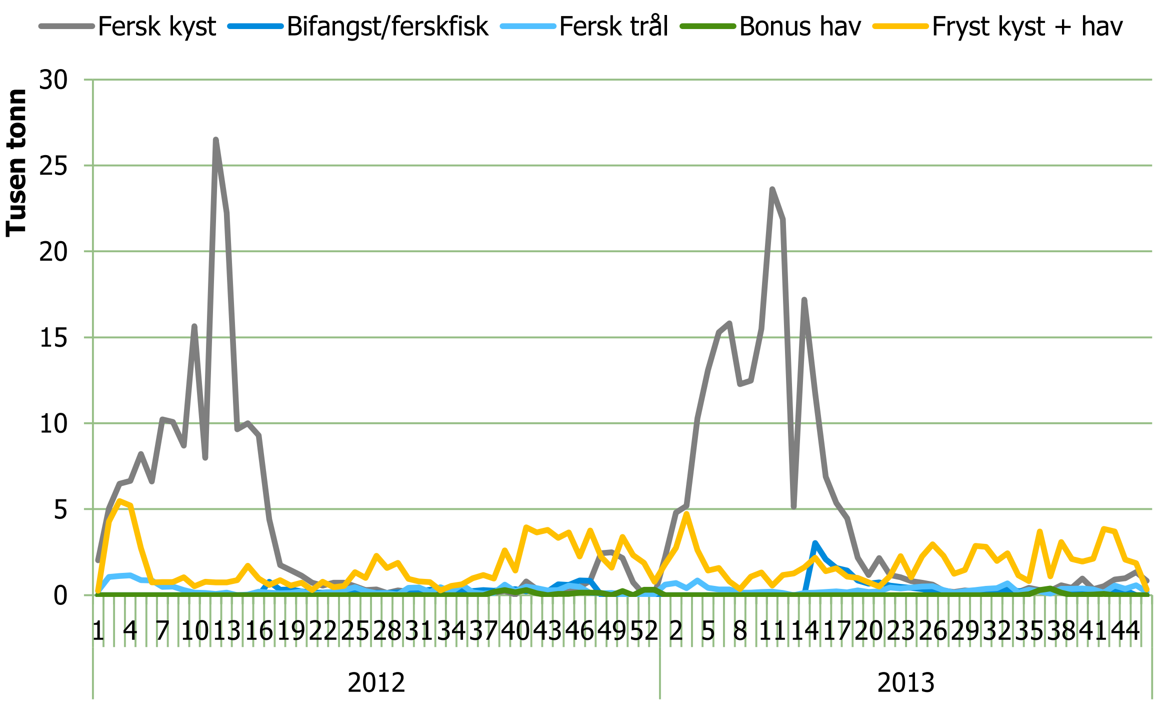
Are these measures effective?

- Predictable landings?
- Do we avoid quality issues?

The coastal fleet and the value chain



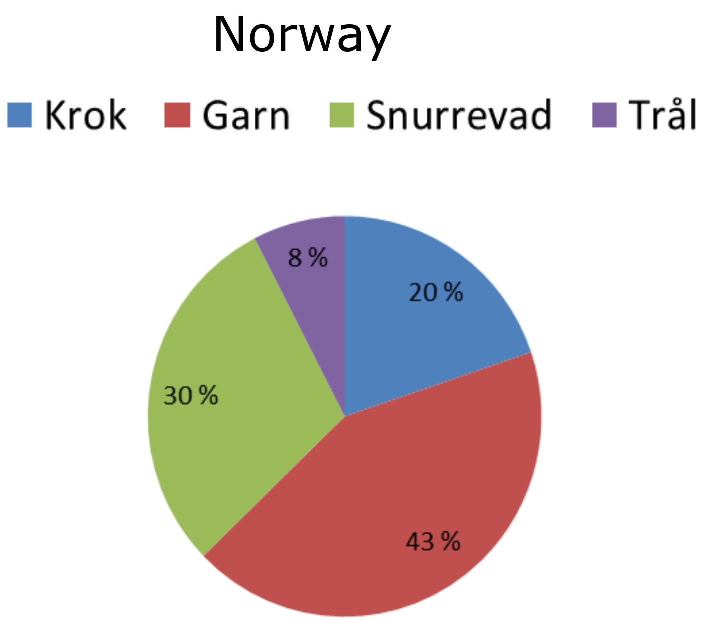
Industrial production based on landings from the coastal fleet?

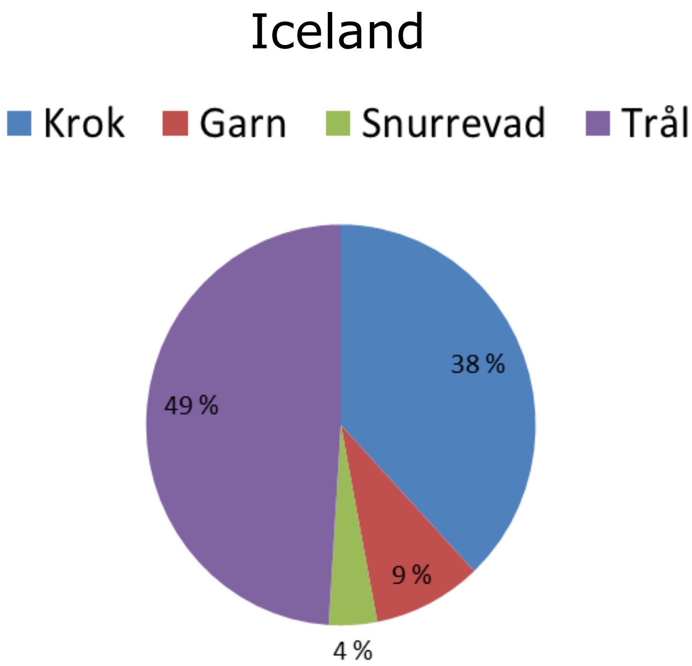


- Fishermen prioritize low cost
- No price incentive for delivering
    - Higher quality
    - Even supplies
- A lot of the cod is today exported fresh and unprocessed from Norway

Quality issues

- **Much of the catch has quality issues**
  - **Strengthened by strong seasonality**
- **Gear use is very different from Iceland**





Quality issues: 73 % caught with gill net or danish seine

In Iceland: 13 %

A new «social contract»?

There is a debate in Norway on what the society should expect from the fishing fleet

The fishing fleet is given access to a common, valuable resource

What should society expect in return?

- Employment?
- Raw material for processing industry?
- Resource tax?

- Debate is particularly strong in the north, and in connection to trawl licenses given to processing companies in the 70ies.

What is the future of the coastal fleet and coastal communities

We are
- harvesting a finite resource, with
- increasing productivity

This do and will present many communities with challenges
- Fewer boats/fishermen
- Fewer landings
- Less processing?

Coastal fisheries still have great potential
- Well suited to traditional value chains
- Can be more adapted to an demand-driven model
- Great potential for increased productivity
- ***So: How do we develop the coastal fleet?***

Cod is king!

Thank you for your attention!

For my contact details on SMS:
Send Nofima 26 til 2077