

**Strategic Plan  
in the Fisheries  
Sector**

**2007 - 2013**

The Republic of Latvia  
Ministry of Agriculture  
Riga, 2006

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## **Executive Summary**

The Ministry of Agriculture has elaborated a mid-term document of policy planning „Strategic Plan in the Fisheries Sector for years 2007 – 2013” (hereinafter – the Strategic Plan) in accordance with Article 15 of the Council Regulation (EC) No 1198/2006 of 27 July 2006 on the European Fisheries Fund (hereinafter – the Regulation on the European Fisheries Fund).

In the Strategic Plan all development directions and activities within the sector are included, for which corresponding level of the public funding support will be provided in Latvia as the Convergence I region country. On the basis of the Strategic Plan, the Operational Programme for the Implementation of the European Fisheries Fund Support in Latvia for 2007 – 2013 (hereinafter – the Operational Programme) elaborated by the Ministry of Agriculture provides a detailed description of the provisions to implement the relevant measures and activities in the mentioned time period taking into account the requirements set in the new European Union legislation framework, i.e., the Regulation on the European Fisheries Fund. The elaboration of the Strategic Plan is based on:

1. Long-term national development priorities, which are stipulated in the State Strategic Framework Document and in the Latvian National Development Plan 2007 – 2013;
2. SWOT analysis of social and economic situation of the sector (strengths, weaknesses, opportunities and threats);
3. Analysis of use of financial support provided by the Financial Instrument for Fisheries Guidance;
4. European Union basic principles and realised policies in the areas of competitiveness, employment, information society, equal opportunities, agriculture, environment protection and sustainable development - and especially on the Lisbon Strategy approved in the summit of the European Union Member Countries and Governments in 2000 and the Goteborg Strategy adopted in 2001 and revised in 2006.

## Abbreviations

CIS – Commonwealth of Independent States

CFP – Common Fisheries Policy

CSB – Central Statistical Bureau

EAFRD - European Agricultural Fund for Rural Development

EFF – European Fisheries Fund

ERDF - European Regional Development Fund

ESF – European Social Fund

EU-15 – European Union before enlargement on 1 May 2004

EU-25 – European Union after enlargement on 1 May 2004

FIFG – Financial Instrument for Fisheries Guidance

GT – gross tonnage

kW – kilowatts

LATFRA – Latvian Fish Resources Agency

LEADER – determined and mutually coordinated activities for rural development, which motivates society to look for new solutions for the existing rural problems. The goal of LEADER is to improve quality of life for people in rural areas, thinking of economic and social improvements and environment preservation opportunities.

MC – Monitoring Committee

NAFO – Northwest Atlantic Fisheries Organization

NEAFC – North East Atlantic Fisheries Commission

NBF – National Board of Fisheries

RSS – Rural Support Service

## I General description of the fisheries sector

### 1. Common contribution of the fisheries sector in the national economy

1. The fisheries sector is related to rational and sustainable use of natural alive resources of the economic area of Latvia, territorial waters and inland waters, including the preservation of biological diversity. Fisheries sector represents three main business areas – fishing, fish processing and aquaculture. Fisheries sector in Latvia has longstanding traditions and history. Due to the number of engaged producers, acquired production experience and territorial expansion, the sector has internal self-development potential.
2. During the last years the contribution of sector into gross domestic product (GDP) has decreased, forming 1.1 % in 2005 (Table 1 of Annex 1). This drop is mostly related to more rapid development of other sectors of national economy instead of the decline of fish production, because in terms of the absolute value the amounts of production output and realisation both in local and export markets. The value of fish production produced in 2005 was 94956 thousand Latvian lats, which is more than 36 % in relation to year 2004<sup>1</sup>. Fisheries is one of the few sectors of Latvian national economy (apart from timber and manufacturing of wooden articles, textile and textile goods), which has a considerably positive external trade balance. In 2005 fish export essentially increased, reaching 52.3 million Latvian lats in the external trade balance.
3. The most important product of fisheries – fish and their processed products - nowadays is evaluated as one of the most high-valued sources of protein in our daily consumption. In Latvia the fish consumption is comparatively high - 16 kg per inhabitant in a year on average (above the average European Union level). Besides, as the level of incomes of inhabitants increases, the demand for qualitative fisheries products also grows. The consumption of fish products also increases in export markets. The increase of market demand constitutes grounds of the sector development opportunities.
4. The fisheries sector plays important role in the region development of Latvia and in the employment provision field. In the seashore regions sea fishing and fish processing are important business activities. In certain regions their specific weight in the total employment forms 4 – 21 %<sup>2</sup>, and in these regions local inhabitants have restricted opportunities of alternative employment. In inland rural areas aquaculture develops as an alternative for agriculture. In total 1.1 % out of all employed

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<sup>1</sup> Source: NBF

<sup>2</sup> Estimate in accordance with CSB manpower survey and NBF data concerning the number of employed persons in fisheries per regions

inhabitants in the state were employed in the sector in 2005, which is one of the highest indicators in the European Union Member States.

## **2. Areas important to fisheries**

5. The total length of the sea coastline in Latvia is 494 km. Also, Latvia has a lot of inland waters, which take 2543 km<sup>2</sup> or around 4.1 % from the terrestrial territory. The long coastal area and the amount of inland waters have left an impact to the development of fisheries enterprises in almost entire territory of Latvia. Taking into account the number of fisheries enterprises, currently areas around Kurzeme and Vidzeme seashores, as well as in Latgale district may be considered to be as important to fisheries (Table 2 and 3 of Annex No 1). Due to the narrowing of sector, in these areas the risk of social tension increase is possible. To prevent it, special attention and measures need to be taken in the areas, where more than 1 % of the persons employed in fisheries and the number of enterprises are located (Picture 1 of Annex No 2). The areas important to fisheries covers 49.5 % from the total territory of the state.
6. Local action groups elaborating and implementing the local development strategies of areas could provide an essential contribution for the facilitation of development of the areas important to fisheries. Within the framework of LEADER type measures, currently there are 31 partnerships or local action groups established in rural areas. These groups are registered in the Register of Enterprises of the Republic of Latvia as societies or foundations. 15 out of these partnerships act in the areas important to fisheries. Establishment process of new action groups more and more continues.

## **3. The state of fish stocks**

7. Fish are valuable, renewable natural resource, which to great extent determines the fisheries capacity and economic potential. Certain fish stocks important for the sector are over-fished, thus failing to ensure the recovery and sustainability of these stocks. Thus, the fisheries administration in general should be orientated to the recovery of fish stocks. At the moment, the administration of fish resources takes place annually, not in long-term, on the basis of the changes in fish stocks, thus business planning of fishing and fish processing is burdened, for example, in relation to the production amount, power and technologies.
8. Cod is one of the most marketable fish obtained in the Baltic Sea and intensively used in the fish processing. Although in the fish processing sector cod production forms only 3.9 % from the total amount of produced production, almost 59 % of the total number of vessels fishing in the Baltic Sea, have engaged in specialized cod fishing. Cod stocks in the Eastern part of the Baltic Sea are assessed as endangered,

as the fish mortality rate caused by fishing to this stock currently exceeds biologically safe level, therefore, special administration measures need to be taken to recover the cod stock and ensure stability – decrease of catch quota, artificial fish breeding in the marine aquaculture, extension of fishing prohibition period and areas, increase of fishing gear selectivity, effective prevention and fight against illegal fishing etc. The climatic conditions of Latvian waters are not suitable for artificial cod breeding. Thus, restrictions imposed on fishing are the only way, how to facilitate the stability of cod stocks in Latvia. Simultaneously, effective prevention and combating measures against illegal cod fishing should also be taken in order to prevent the drain of marketable fish stock. The catch of this fish stock, taking into account the state of fish stocks, is to be assessed as the most exposed to risk, as there are still concerns regarding the stipulation of considerable fishing restrictions or even fishing suspension for several years.

9. For the fishermen of Latvia and fish processing companies the preservation of stability of herring and sprat catch quota is also important, as in the fishing of these fish around 47 % of all vessels fishing in the Baltic sea and the Gulf of Riga have engaged. For the herring the fish mortality rate in the Gulf of Riga is in a biologically safe level and during last years provided stable fishing opportunities for the Latvian fishermen. Similar situation occurs also in relation to sprat fishing, whose stocks lately have reached record-high levels. However, the herring stocks in the central part of the Baltic Sea are in a low level. The risk factor, which may influence the fishing of herring and sprat, is the possible high pollution above the norm with consistent toxic substances – dioxins and similar organic toxicants for certain age groups of these fish. The presence of cancerogenic substances in the smoked fish is a threat for the use of herring and sprat in daily consumption, and it leaves a negative impact to the fish yield and processing economics. In the coastal fishing the herring catch is the biggest, thus, even a minimal decline of fishing opportunities of this fish stock negatively influences the coastal fishing. Furthermore, the production of herring and sprat in the fish processing forms 67 % from the total production.
10. Around 15 % of all vessels fishing in the Baltic Sea are engaged in the fishing of the Baltic Sea salmon. The fishing of salmon has considerably decreased not only in Latvia, but also in other countries of the Baltic Sea seashore, which respectively restricts the fish mortality rate caused by fishing and for many years has allowed to maintain a stable level of fishing opportunities. Important issue concerning the salmon fishing in the Baltic Sea is the ban on drifting gill nets in the Baltic Sea beginning with year 2008, and other additional measures for the protection of harbour porpoise from by-catch in the industrial fishing. The implementation costs



of the respective nature protection requirements are very high both in relation to the hiring of observers on the fishing vessels and the introduction of technical adjustments stipulated for the fishing gear (acoustic frightening devices, change of fishing gear). However, the most important factor, which leaves an impact to the salmon fishermen in long-term, is the fact that salmon fishing with hooks is less favourable and suitable fishing mode for the circumstances of Latvia. Besides, in accordance with the estimates carried out by the scientists, salmon fishing with hooks in the waters of Latvia is effective only for 6 - 8 weeks per year, therefore for local fishermen it is more favourable to terminate the salmon fishing completely instead of switching over to other fishing gears of these fish. On the other hand, the ban on drifting gill nets in the Baltic Sea will essentially decrease the salmon mortality rate during their life span in the sea, because it will not be possible to replace the total fishing effort of the nets with the fishing with hooks, thus, it may be anticipated that as a result the salmon resources and catches in the coastal waters of Latvia will considerably increase. The risk factor, which is related to salmon fishing is the high content of dioxin in this fish stock. News about this fact leaves a negative impact to the fish demand in the market. The situation is made worse by the high ever-increasing competition of Norwegian salmons in the European Union market.

11. Flounder fishing is also important in the fishery of Latvia. In 2005 around 60 % of fisheries companies were engaged in fishing of this fish stock in the Baltic Sea and the Gulf of Riga beyond the offshore waters. Flounders are mostly fished with dragnets and trawls. In the offshore waters their annual catch is the second biggest after herring catch (Table 10 of Annex No 1). Till joining the European Union, the fishing of this fish stock in Latvia was limited. Due to the fact that the European Union does not have the restrictions of total allowable catch, the restrictions were also cancelled in Latvia.
12. In accordance with intergovernmental agreements fishing vessels of Latvia perform fishing activities or plan to commence these activities in the fishing regions of the Atlantic Ocean, where fishing adjustment takes place in accordance with NAFO and NEAFC provisions, as well as in Mauritania and Morocco fishing regions. Mostly golden redfish and shrimps are caught in NAFO and NEAFC fishing regions, but horse mackerels, pilchards, mackerels and other mid-water fish are caught in Mauritanian fishing regions. Since the middle of 2006 the Latvian fishing vessels have been granted access to the fishing regions of the Kingdom of Morocco. In these regions mostly sardinella, pilchards and mackerels will be fished.
13. Commercial fishing in inland waters has remained only in the vicinity and regions of Riga, where the biggest lakes of Latvia can be found. 42 fish species and 3 lamprey species can be found in the Latvian inland waters. In terms of caught fish stocks in

inland waters, breams, pikes and lampreys are caught most in inland waters. As a result of intensive human activities and economic influence, the state of inland fish stocks has remarkably deteriorated. To improve it, it is necessary to implement recovery measures of valuable fish stocks, as well as spawning grounds and habitats.

## **4. Description of the fisheries sector**

### **4.1 Fishery**

14. The fishing fleet of Latvia consists of more than 900 fishing vessels. 747 vessels fish in the offshore waters of the Baltic Sea and the Gulf of Riga. Almost one half from the fleet fishing in coastal waters is formed by boats without engines. The average engine power of other boats is 20.9 kW. For almost one half of the boats fishing in coastal waters the average length does not exceed 5m (Table 4 of Annex No 1). In the coastal fishing mostly stationary fishing gear is used – different nets and pots. The biggest catch in the coastal waters of the Baltic Sea and the Gulf of Riga is constituted by herring, flounder, vimba, as well as salmon. The economic indicators of fleet operation are important indicators, which are used to assess the current eligibility of the Latvian fishing capacity in relation to fishing opportunities (catch quota). Unprofitable fishing, when incomes from fishing due to insufficient catch quota per one vessel do not cover the exploitation costs of the vessel, causes socially economic tensions in fishery and does not ensure the sustainability of use of fish resources. In 2005 the total catch amount in the coastal waters was 2664 tons of fish, on average 3.57 tons per one unit of fleet, which proves of low efficiency in the coastal fishing (Table 10 of Annex No 1). However, coastal fishing provides the market with valuable migratory and freshwater fish, which can also be found in the coastal waters of the sea.
15. 171 vessels fish in the Baltic Sea and the Gulf of Riga beyond offshore waters. As regards the length of the offshore fishing vessels, 29 % of them are 12-24 m in length, all the rest – above 24 metres (Table 5 of Annex No 1). 118 vessels fishing beyond the offshore waters mostly fish with trawls such fish as sprats, herrings, as well as cods, but 53 vessels with anchored gill nets – cods, flounders, as well as salmons. Drifting gill nets and long lines are also used in fishing.
16. When assessing development opportunities of different fishing segments in Latvia (coastal fishing, fishing in the Baltic Sea and the Gulf of Riga and high seas fishing), the coastal fishing must be considered as sensitive. In the coastal waters around 4 % are caught from the total catch of the Baltic Sea and the Gulf of Riga. It is related to comparatively small allowable number of fishing days, part time employment in the sector, as well as to the use of stationary fishing gears in fishing. However, in the coastal fishing one fourth part is engaged out of the persons employed in fishing.

Taking into account the social and economic sensitivity of the coastal fishing, since 2006 the breakdown of quota allocated to Latvia between coastal and sea fishing segments is stipulated by the Law on Fishery. As in 2004 and 2005 the coastal fishermen were most affected by the decline of allocated cod and herring catch quota, the law stipulated certain guarantees for this sensitive fishing segment, which consists of very big number of fishermen and small vessels. Lately the coastal fishing is more and more influenced by the rapid increase of Baltic seals, because seals damage the fishing gears and the fish being therein.

17. High seas fishing opportunities depend on the possibilities of the European Union to maintain or renew the fishing agreements signed previously with the third countries (especially with Mauritania and Morocco), where the Latvian fishing vessels are fishing at the moment or plan to commence fishing activities. 10 vessels are operated in high seas fishing fleet, their gross tonnage and total engine power of these fishing vessels constitute 22.6 thousand GT and 22.7 thousand kW (Table 6 of Annex No 1). The tonnage and power of these vessels constitute 58.6 % GT and 35.2 % kW from the total fishing fleet tonnage and power in Latvia. The fish caught by these vessels are unloaded in ports outside Latvia in the vicinity of the corresponding fishing areas. (in 2005 it was 57 347 tons in total, on average 5 734.7 tons per one fleet unit) (Table 8 of Annex No 1).
18. The amount of fishing opportunities available for the Latvian fishermen each year decreases also in NAFO and NEAFC fishing areas. The number of fishing licences is also restricted for the Latvian fishing vessels in the fishing areas of the Islamic Republic of Mauritania. Thus, the extension of Latvian high seas fleet may not be expected. However, the modernisation of vessels engaged in the high seas fishing fleet is planned.
19. If the fishery breakdown is analyzed per engaged fishing mode, trawling is the segment affected most negatively, as the production costs per 1 trawler, which is longer than 24 m, are for 17 % higher than per average in the fleet, but fuel costs – even for 27 % higher (date of 2005). Trawling mostly takes place in the Baltic Sea and the Gulf of Riga. By engaging in this fishing mode with outdated vessels and obsolete devices, there is very high fuel consumption and high other costs related to fishing. Thus, the competitiveness of fishery products suffers. Besides, if the growth of fuel prices continues in long-term, the technological modernisation of the applied fishing mode is even more essential.
20. The catch quota allocated to Latvia in the Baltic Sea for herrings, sprats and cods is acquired in almost 100 % amount. Besides, in the Baltic Sea fishing of fish stocks, which are not restricted by quota, like flounders, flatfish, sea trouts, eel-pouts,

vimbas etc. is carried out (Table 9 and 10 of Annex No 1). However, fishing quotas allocated to Latvia currently do not provide the profitability of fishing vessels.

21. The total catch yield of the Latvian fishery companies has increased during the last three years (Table 8, 9, 10 of Annex No 1), reaching 150.4 tons in 2005, i.e., for more than 17 % in 2004 with the total value of 22 542.9 thousand Latvian lats. 71 % of the fish caught in the Baltic Sea and the Gulf of Riga are realised for the fish processing companies of Latvia<sup>3</sup> and become the raw material for the production of local processed products. Each year the amount of fishery products increases, which from the fishing vessels immediately is sold to the foreign fish processing companies.
22. The average age of vessels fishing in high seas, the Baltic Sea and the Gulf of Riga beyond offshore waters exceeds 26 years. The average age of boats fishing in the coastal waters of the Baltic Sea and the Gulf of Riga exceeds 18 years. Use of outdated vessels and boats in fishing increases the risk of fuel leakage. The high depreciation level of fishing gears deteriorates the efficiency of fishing in Latvia (high fuel consumption, more manual labour, higher losses), thus decreasing the general competitiveness of the sector and each company separately within the European Union scale.
23. The profitability of fishing in the coastal waters of the Baltic Sea and the Gulf of Riga, as well as beyond offshore waters is negatively affected by the outdated engines of vessels. The average age of engines for these vessels exceeds 17 years (Table 7 of Annex 1). In order to increase fishing efficiency and profitability, as well as to decrease the risk of environment pollution, the reduction of Latvian fishing fleet and the modernisation of remaining vessels must be continued.
24. Latvian fishing fleet adapts to always changing, mostly declining, available fish resources. By using FIFG support for scrapping of the fishing vessels in the time period from 2004 till 2006<sup>4</sup>, the fishing fleet of Latvia has decreased for 31 vessel (for 3 %) with the total power 4660 kW and gross tonnage 1929 GT. The catch yield in the Baltic Sea and the Gulf of Riga beyond offshore waters in 2005 was 90 424 tons, on average 529 tons per one unit of fleet. The catch per one unit of fleet has increased for 81 % in comparison with 2003 (Table 9 of Annex No 1). However, work productivity in fishery in the new European Union Member States fishing in the Baltic Sea, including Latvia, is for 58 % lower than the average indicator in Finland and Sweden according to the data of year 2004<sup>5</sup>.

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<sup>3</sup> Source: NBF

<sup>4</sup> Source: RSS, data on 1 January, 2006

<sup>5</sup> Source: Employment in the fisheries sector: current situation (FISH/2004/4), Final Report, April 2006.

25. For the vessels fishing in the Baltic Sea, in the Gulf of Riga and coastal waters, the development of maritime affairs both in Latvia and the European Union is a very important issue. Shipbuilding, navigation, sailing safety, marine environment protection requirements refer and affect fishery business opportunities. In total, 14 companies are engaged in shipbuilding, modernization and repairs. Besides, there are specialized companies, which are engaged in designing of shipbuilding and modernisation, maintenance and repair works of life devices and fire-extinguishing equipment, as well as repair works and modernization of radio and navigation equipment. The repair works of vessel underwater parts is possible to perform in Riga, Liepaja, Ventspils and Roja by using docks.
26. Availability and quality of services provided by the Latvian ports is especially important for fishery development. The location of ports and wharfs, their capacity to ensure catch discharge, storage and realisation for the first customers – fish processing and trade companies - is also essential. The location and quality of port driveways is as important. There are ten ports in Latvia, out of which seven are small ports. The small ports focus their activities mostly on service providing for fishing vessels. Port infrastructure and buildings, which are intended to ensure fishery activities, are outdated. By using FIFG co-financing, in the time period 2004 – 2006<sup>6</sup> twelve projects are implemented to improve the infrastructure necessary for fishermen servicing – fish cooling and storage premises are constructed, fish discharge and ice production facilities are obtained. The total amount of investments for improvement of port infrastructure till 30 May 2006 was 3.3 million Latvian lats. However, not in all ports suitable wharfs for fishing vessels are built up, neither there are fish discharge and storage premises equipped with modern technologies.
27. Up to now there has not been solved the issue regarding fish selling places, where the fish could be realised straight after discharge in the port. In order to realise the catch, fishery companies sign agreements with fish processing companies and trade companies, which very often act as mediators, reducing the possible incomes of the fishermen. To improve the realisation of fish caught in the Baltic Sea and the Gulf of Riga and to adjust fish demand and supply in the market, most owners of the vessels fishing beyond offshore waters have united in producer organisations of fishery products. Two producer organisations were established in 2005. It will be possible to assess the efficiency of their activities in organisation of fishery product production and market organisation, as well as in solving other common problems only in further years. Producer organisations could also facilitate the introduction of new technologies in fishing provision.

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<sup>6</sup> Source: RSS, data on 30 May, 2006

28. Commercial fishing in Latvia is permitted in most of the inland waters - in around 300 lakes, 15 reservoirs, in more than 20 rivers or sections thereof, but fishing of lampreys – in 16 rivers. Upon the increase of the number of inland water reservoirs, where fishing is banned, as well as due to the restrictions in the realisation of the caught production, the number of employed persons decreases in the fishing of inland waters. In 2005 the catch in internal waters formed 356 tons of fish (Table 11 of Annex No 1), which is for more than 3 % less than in 2004 and for more than 37 % less than in 2003. However, one third of the persons employed in the fishery are engaged therein. In the beginning of 2005, sixty one fishermen society of inland waters was registered and 139 fishing boats were engaged in the commercial fishing. Out of these boats, 45 % were equipped with engines. Similarly as the age of fishing vessels engaged in marine fishing, the age of fishing boats engaged in fishing activities in inland waters is comparatively high – 17 years on average<sup>7</sup>. The fishermen of inland waters use approximately 100 wharfs designed for fishing boats in the biggest water reservoirs accessible for commercial fishing. This fishing mode does not have the necessary infrastructure developed sufficiently enough (boat wharfs, discharge places etc.), neither an updated technical equipment is used in fishing, because the small catch yields in comparison to marine fishing and low incomes – 320 Latvian lats per year per one person employed in fishing of inland waters – do not allow contributing investments in development.
29. Wage for the persons employed in fishery in 2005 still was lower than the average wage in the state (65 % from the average level of the state). Low wage, as well as work with outdated technologies, which burden work conditions and reduce labour productivity, have influenced the increase of average age of the persons employed in the fishery. 19.1 % from the employed persons in 2005 were more than 54 years old. The total number of employed persons also decreases – for 13 %<sup>8</sup> from 2001. The most rapid fall of the employed persons was in fishery. 51.9 % from the persons employed in the fisheries sector were engaged in fishery in 2000, but in the beginning of 2006 the number of persons employed in fishery has declined for almost one half and their specific weight is 32.3 % from the total number of persons employed in fisheries sector.
30. The situation is made worse by the low education level of the persons employed in the sector. At the moment there are 4.9 % employed persons with the higher education, 62.5 % - with the secondary education, 31.0 % - with the elementary education<sup>9</sup>. To compare, in 2005 in Latvia in general there were 23.4 % with the higher education, 63.1 % - with the secondary education, but 12.7 % with the

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<sup>7</sup> Source: NBF research

<sup>8</sup> Source: MA yearbook „Agriculture and Rural Areas of Latvia” 2002 and 2006

<sup>9</sup> Source: NBF

elementary education from the total number of employed persons<sup>10</sup>.

31. To facilitate the sector development during the coming years, complex measures must be carried out, which would facilitate the decrease of average age of the persons employed in the sector and increase the education level.
32. The situation is burdened by the restricted possibilities to acquire professional education in the fisheries sector in Latvia. Secondary vocational education currently in Latvia may be acquired only in fish processing sector – to become the technician of freezing facilities and food production technician – and in fish processing technologies specialty and in fishing sector – to become a vessel captain, mechanic, small vessel captain and sailor. The higher education may be obtained only in partially related specialties (biology and chemistry, food technology, vessel pilotage and mechanics). Also adult learning and possibilities of qualification raise are restricted. Courses in aquaculture are available – fish farming and crayfish farming. For successful and managed development of fisheries sub-sectors, the lack of experience in business planning and development sphere of employed persons may be observed. Fishermen lack knowledge in sustainable management of fish resources.

## 4.2 Aquaculture

33. Latvia has a good location of inland waters (rivers, lakes) and a stable, ecologically pure environment, which facilitates the development of aquaculture.
34. The main operational directions of aquaculture in Latvia are market fish breeding or organisation of charged angling in ponds and breeding of fish fries for releasing in natural waters reservoirs to re-stock and replenish fish resources.
35. Production amount of aquaculture products are not restricted with quota or other restrictions, thus, in comparison to fishing, the initiation of business in this sector is simpler.
36. The number of registered private aquaculture companies in 2005 reached 98<sup>11</sup>. In Latvia there are 250 ponds registered with the total area of 3049.2<sup>12</sup> ha. Aquaculture, in comparison to other fisheries sectors, has good development opportunities. When using FIFG co-financing, till October 2006 twenty five projects have been realised in the value of more than 1 million Latvian lats. However, the insignificant amount of realised aquaculture production provides evidence that only a part from the companies produces goods for market. Production arrival to market is burdened by

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<sup>10</sup> Source: CSB

<sup>11</sup> Source: LATFRA

<sup>12</sup> CSB data

small production amount of each separate aquaculture company. 516 tons of fish were bred and realised in 2005. Carps form 74 % from the production amount. Apart from carps, also goldfish, trouts, pikes, sturgeons and broad-fingered crayfish are caught in small amounts (Table 12 of Annex No 1). At the moment in Latvia further industrial processing of fish caught in aquaculture has not developed, as the production amount for the realisation in market is fragmented and insignificant, neither there is a trade system of aquaculture production established. The biggest part of the production is sold fresh to the customers.

37. Despite the small amount of aquaculture production for the time being, experts indicate to the increase of losses caused by wild predators especially by cormorants or gannets.
38. Sector experts estimate that the climatic conditions for development of aquaculture in Latvia are worse than in neighbouring countries, which leaven an impact to the formation of production costs and in future might reduce the competitiveness of Latvian aquaculture production in the single European Union market. In order to decrease the dependence of aquaculture production on the price competition, it is necessary to think of allocating a special value (qualitative properties) to the production. One of the possibilities – application of biological management methods, which has been initiated by certain companies. However, none of them has been certified up to now.
39. The number of employed persons in aquaculture each year increases, the specific weight of the total number of persons employed in fisheries has increased from 1.9 % in 2000 up to 2.9 % in the beginning of 2006. Upon the decrease of employed persons in agriculture number-wise, the sector may have additional manpower resources available. The development of sector is also facilitated by organised specialised workshops and seminars in aquaculture. However, work productivity in aquaculture is comparatively low. Pursuant to the data of 2003 it is evaluated as one of the lowest in the European Union and in terms of value it forms only 17.8 % from the EU-25 indicator per average. Work productivity in aquaculture in the European Union Member States increases for 3 % on average per year<sup>13</sup>.
40. Angling is closely related to aquaculture in Latvia. By the development of angling, the demand for carps in local market has increased from 300 tons in 1990 up to 600 tons in 2003<sup>14</sup>. The companies, which operate in the aquaculture sector, organise a licensed angling in the water reservoirs owned by them. This recreation mode together with the development of eco-tourism becomes more and more popular in

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<sup>13</sup> Employment in the fisheries sector: current situation (FISH/2004/4), Final Report, April 2006.

<sup>14</sup> Source: „Sustainable development and management strategy of aquaculture in Latvia”, 2006



Latvia. According to the performed research, anglers obtain around 1660 tons of fish on average per year in the public water reservoirs, where the fish fries grown in the aquaculture are actively let in. Roach, perch, pike and bream are fish obtained in the natural water reservoirs most.

### 4.3 Fish processing

41. In fish processing in the beginning of January 2006, one hundred and ten companies operated. These companies have longstanding experience and traditions in fish processing field. Percentage-wise the biggest part (41.8 %) of them is formed by small companies, where 10 up to 49 employed persons are engaged. They produce the fifth part of fish production. Middle companies (23 % from the total number of companies) ensure the biggest specific weight in the amount of the fish production, i.e., 47 %. Big fish processing companies have the smallest specific weight (8.2 %). The proportion of production produced by them forms 26 % from the total amount. Small and micro companies mostly produce unprocessed canned fish or preserves, smoked and frozen fish. However middle and big companies, in their turn, focus on the production of processed canned fish.
42. The comparatively high investments, which are necessary for the introduction of new products, as well as the traditional technologies, create obstacles for the fish processing companies. When attracting the available FIGG and state co-financing, Latvian fish processing companies have arranged the production process in accordance with the European Union requirements of hygiene and food safety, modernised production technologies, invested in the increase of efficiency and product quality. However, the biggest investments have been made in the capital assets, basing the production on the existing technologies. Output per one employee engaged in fish processing (labour productivity) in 2005 was 10 764.3 Latvian lats, which is for around 60 % lower than on average in the Latvian food industry. This may be justified by low technological equipment and high specific weight of manual labour in the production. The low labour production threatens the engagement possibilities of new employees.
43. Due to the work specifics and comparatively low salaries, it may be observed that fish processing companies has a lack of the necessary specialists and qualified manpower. This is one of the factors burdening the extension possibilities of the companies. In the beginning of 2006, the biggest part of the persons employed in the fishery industry, i.e., 63.7 %, out of which 71.3 % were women, were engaged in fish processing. However, when the level of unemployment and available manpower in the country decreases, the companies face the difficulty to attract employees. As a result, the increase of salaries in the sector is more rapid than the increase of

productivity.

44. The total amount of produced fish production in 2005 was 211 thousand tons with the total value of 95 million Latvian lats of the sold production. Since 2003, the increase of production produced in the sector has been observed. The assortment of fish production produced in fish processing companies is wide; however, there are more than 50 % of fresh, chilled and frozen fish in the production structure. Although lately the specific weight of production of canned fish has been observed in the total amount of the produced production, the most significant fish production mode in Latvia is processed canned fish, which can be stored for a longer time period and are easier to transport. However, these fish have a historically established status of a cheap product in the main outlets. Their specific weight in the totally produced fishery production is 34 %. The biggest part from the prepared canned fish is formed by canned sprats and herrings (Table 14 of Annex No 1). The production of these canned fish is a traditional processing mode in Latvia of the fish caught in the Baltic Sea.
45. Naturally smoked fish – the technology used by the Latvian companies – can create an increased content of the toxic substance benzopirene in the fish production. Thus, the fish processing companies face the difficulties of different production quality requirements in external markets, for example, the differences in legislation in relation to the allowable amount of benzopirene in the fish production in the European Union markets is five micrograms per one kilogram of production, but in the Russian market – one microgram per one kilogram. As in Latvia only 2-5 % of the produced canned fish are realised, observation of export market requirements is an essential factor to ensure the production stability. The companies have to provide technological processes complying with the production requirements to produce high quality products. Further on, the involvement of public authorities is necessary to adjust the legislation and prove the necessity of such adjustment.
46. Upon the decrease of the catch amounts available to the Latvian fishermen, the competition amongst the producers concerning the local raw materials also grows. Thus, fish import from abroad has increased. As the small and middle producers have comparatively insignificant amount of purchase of raw materials, in order to make separate orders from foreign suppliers, the companies perform common purchase of raw materials or are forced to purchase them for a higher price from mediators.
47. In order to ensure the production of fish products, as well as the diversity of fishery products, fish processing companies import up to 20 % of raw materials (50 % in the European Union countries on average). When compared to the previous year, the

import of fishery production in 2005 has increased for 16.4 %. In Latvia mostly fish raw materials are imported – frozen herrings and their fillets, mackerels, sardinella, as well as production demanded in the local market – frozen blue whiting, pollack, haddock, marine golden redfish, fish of salmon kin and hake.

48. The situation in fish and fish product market mostly is affected by the tendencies and changes in the international markets of the industry. The total turnover of the local companies depends on the amount of export and import.

#### **4.4 Marketing of fishery products**

49. The realisation of fishery products is organised both by fishery processing companies and trade companies. Upon the increase of fish processing amount, fish realisation amounts also grow. The fish production produced in 2005 in Latvia, including canned fish production, was realised for 95 million Latvian lats. The local fish production consumption is stable and growing. In the local market the offered production assortment is always increasing. The consumption of processed canned fish in Latvia traditionally is small – around 3-5 % from the total amount of canned fish production per year. Smoked and salted fish, in their turn, as well as fish preserves and ready-to-serve-food forms 50 – 90 % respectively from the total produced amount in the local market. Taking into account the restrictions imposed by the local market, almost 90 % from the total fish production produced (including canned fish) are exported each year.
50. In 2005 fish production was exported to 49 countries. The main export production products were frozen fish – sprat, horse mackerel, sardinella, pilchard, mackerel, as well as fillets of the frozen fish – cod and marine golden redfish, and frozen shrimps, as well as canned fish. In comparison to the previous year, the amount of fish production export increased for 16.4 %, reaching 84.2 thousand tons and 83.7 million Latvian lats in terms of value. CIS and European Union countries take an important place in the total fish production export of Latvia, with the specific weight 36 % and 27 % respectively. In comparison to year 2004, the specific weight of the European Union countries has decreased from 47.6 % down to 27.4 % from the total fish production export. The specific weight of CIS countries, in its turn, has increased from 33.8 % up to 36.2 %. Especially high increase may be observed in the amount of fish production export to Byelorussia and Ukraine (1.7 times), whereas the export amount to Russia decreased for 30.4 %. In 2005 the prices of canned fish export increased for 10 %. The amount of canned fish export in 2005 decreased for 17 % in comparison to previous years. In terms on money it constituted 88.7 % from the amount of all prepared and canned fish production. In 2005 the canned fish export to European Union countries (EU-15) increased for 2.2

times, mostly increasing to Denmark (5 times), Great Britain (3 times), Greece (2.5 times) and Germany (2 times). In 2005 the canned fish export to CIS countries continued to decrease, reaching 54.6 %. In 2005 the price of exported canned fish grew, which was related to the increase of export prices in the Russian market for 14 %, in Lithuanian – for 18 %, in Moldova – for 41 % and in Czech Republic – for 1.6 times, as well as to the increase of export to the USA, which grew up to six times. Aforesaid provides evidence on the increasing capacity of fish processing companies to compete, as well as intention to adjust the production export among markets of CIS and other countries. Thus, dependence on the possible unfavourable situations in fish production realisation would be diversified. Participation in the World Trade Organisation could also facilitate the prevention of discrimination in relation to the exporters of Latvian fish production in the markets of third countries.

51. Another positive aspect is the fact that big and medium fish processing companies participate in local and international exhibitions. It provides an opportunity to popularize the produced production, as well as to enter into agreements with the fish production marketing companies in other countries. Active marketing is necessary, because the trade marks of Latvian fish processing companies are comparatively poorly recognized in the European Union internal market. It is necessary to find a solution to strengthen their recognition as the producers of qualitative, safe and original production.
52. Fish production of inland waters forms less than 1 % from all fish production sold in the market. It is related to the insignificant catch yield – in comparison to sea fishing – as well as to restrictions imposed to anglers and to self-consumption fishermen to sell the caught fish in the market.

## **5. Fisheries and environment protection**

53. The influence of fisheries sector to the environment is mostly related to the fish resources, their spawning areas and habitats, as well as to the quality of the water in the Baltic Sea and the Gulf of Riga, and inland overground waters, collection and recycling of waste produced within the fisheries sector, air quality – emissions of harmful substances and smells, and also to the preservation of biological diversity.
54. In order to provide sustainable use of natural resources and the growth of the sector would not become a restriction for further development in future, as well as to adjust the development interests of the sector and preservation aspects of human habitat environment, by performing economic activities, environment protection requirements should be taken into account.

## 5.1 Sustainable preservation of fish stocks

55. In the Baltic Sea, due to the low salt content in the water, most of the fish stocks are on the border circumstances of their spread. Therefore, their spread and productivity is influenced by natural changes in environment, as well as changes occurred due to human activities and intensive fishing. As a result, several fish populations living in the sea environment and their spread decrease. Also, upon the increase of water pollution in the Baltic Sea, the population and spread of certain fish stocks is decreasing. In order to adjust the preservation of these stocks and economic use, the catch opportunities of these fish stocks are restricted.
56. Latvia provides annual data concerning fish resources, fishing and economic indicators thereof in the common fishing area of the European Union and waters under the Latvian legislation. In accordance with the requirements of the European Union laws and regulations and on the basis of the existing research in the fisheries sector, for each year the National Fisheries Data Collection Programme of Latvia is being elaborated, in the framework of which it is anticipated to collect and summarize economic data of fishing, aquaculture and fish processing companies. This would help follow-up and adjust a rational use of resources.
57. From the point of view of water environment preservation and renewal, considerable problems are related to the harm done to the environment due to economic activities. Artificially made (flooded) water reservoirs and their mode of use, for example, small hydroelectric stations leave a negative impact to the biological diversity. When constructing dikes, the migration ways of fish are blocked and thus natural spawn populations of certain rivers are extinguished. In these water reservoirs, aquatoriums with slow water change are formed - this deteriorates the water quality. The changes in water quality may be especially felt in water reservoirs with a big shallow water zone, where more rapid eutrophication takes place. Already now, overgrown water reservoirs may be found in places, where the operation of hydroelectric stations has been started before year 2000. Essential spawning areas, for example, in the River Daugava have been lost for the salmon, trout, vimba and river lamprey.
58. In order to reduce the negative influence of human activities in fisheries, LATFRA performs fish resource and aquaculture research and implements National Fish Resource Restocking Programme for 2001 – 2010, ensuring compensational releases of fish fries in inland waters to adjust the fish stock losses influenced by economic activities. LATFRA branch offices – 7 fish fries hatcheries breed the fries and larvae of salmon, trout, vimba, pike, bream, lamprey and other fish, which are released in rivers, their water reservoirs and public lakes on a regular basis. All together around 3 million fries and 10 million larvae are released per year. Certain private fish

hatcheries breed fish fries and larvae – mostly of pike, zander, tench and crayfish – for release in natural water reservoirs (see Table 13 of Annex No 1).

## 5.2 Nature protection and preservation of biological diversity

59. In Latvia there are 336 *Natura 2000* territories – 4 natural preserves, 3 national parks, 250 restricted areas, 38 country parks, 9 districts of protected landscape, 9 natural sites and 23 micro restricted areas. All together they take 11.9 % from the territory of Latvia. In some places the protected nature territories encircle the coastal area and more than 80 % from the territories of hatcheries of registered aquaculture companies in the interior of the state. The basic principle for the establishment of such territories is the protection of rare and endangered plant and animal species and their living places (biotopes) in the entire territory of Europe. Stock and biotope protection in these and other protected nature areas is ensured by the Law on Stock and Biotope Protection, the Law “Especially Protected Areas of Nature” and the Cabinet Regulations resulting from this Law, as well as the Council Directive (79/409/EEC) of 2 April 1979 on the Conservation of Wild Birds and the Council Directive (92/43/EEC) of 21 May 1992 on the Conservation of Natural Habitats and of Wild Fauna and Flora, and the Directive (2006/60/EC) of the European Parliament and of the Council of 23 October 2000 establishing a framework for Community action in the field of water policy (hereinafter – the Water Framework Directive) and the respective national legislation.
60. On 1 August 2005 the elaboration of the European Commission project LIFE – Nature programme „Marine Protected Areas in the Eastern part of the Baltic Sea” was initiated. The scientific information obtained in the framework of the project will be used to choose and establish marine *Natura 2000* places in the Baltic States (Estonia, Latvia, Lithuania). In Latvia the territories in the West and East coastlines of the Gulf of Riga, Irbes strait, Akmeņrags – Pāvilosta and Nīda – Pērkone territories are investigated. In the framework of the project, the inventory of benthic biotopes, water birds, water mammals, and fish population, as well as the evaluation of the consequences of the economic activities in the respective territories is anticipated. When evaluating the impact of economic activities, special attention will be paid to the assessment of cross-border pollution, port extension, by-catch (water birds, water mammals). Planning of nature protection and management within the framework of the project will be performed for the three territories subjected to the research. The operation of this project is intended till 31 July 2009, and after its implementation it may be anticipated that probably coastal fishing opportunities will be reduced.
61. In order to preserve the natural eco-system of coastal area, construction works – and

thus the port development opportunities – are restricted in the coastal area of Latvia.

62. From the point of view of nature protection and biological diversity preservation, when implementing fisheries development measures, it is important to prevent getting of such foreign fish and other water organisms in the natural environment, which would negatively influence the existence of local stocks.

### **5.3 Water quality**

63. Water quality in the Baltic Sea and the Gulf of Riga is influenced by the composition of waste waters, marine traffic and economic activities in ports.
64. Mismanagement of water resources may cause over-pollution of water, thus deteriorating the state of fish habitats.
65. Fishing influence on water quality in the Baltic Sea and the Gulf of Riga is related to the age of vessels and outdated technological devices, which increase fuel consumption and leakage risk.
66. Purification of waste waters is an essential problem of aquaculture and fish processing sector. Solving of this issue requires considerable investments, as the production processes should be improved with technologies, which would improve the efficiency of water consumption and purification of waste waters, thus decreasing water pollution.

### **5.4 Waste management**

67. National Waste Management Plan for 2006 – 2012 provides possible restrictions of waste generation and reduction of buried waste amount by waste utilization and recycling.
68. Waste utilization is an issue to be solved in fishery (by-catch utilization) and fish processing (utilization of processing remains) sectors, to reduce waste generation and bad smell of emissions in the air.
69. It is planned that by observing the environment protection requirements contained in the existing laws and regulations and by introducing the new laws, the condition of surrounding environment will generally improve from different points of view. However, reinforcement of environment protection requirements is related to additional financial investments in companies. In the circumstances of limited financial resources it causes a threat for the fisheries development.

## **6. Sector management**

70. Structured sector administration and control system has been developed in fisheries

with the following core elements:

- 1) Elaboration and management of policy and strategy;
- 2) Fish resource administration and use control;
- 3) Vessel and sailor monitoring;
- 4) State and European Union support administration.

71. General management of the fisheries sector is in the competency of the Ministry of Agriculture. The Ministry of Agriculture provides the documents of national policy and strategy, as well as elaborates laws and regulations in the fisheries sector. It is responsible for the implementation of the European Union support policy in the fisheries sector. The Ministry of Agriculture in cooperation with NBF represents the interests of Latvian fisheries in different European Union institutions.
72. NBF, which operates under the Ministry of Agriculture, implements the national policy in the fisheries sector and administrates the resources of internal waters of the Republic of Latvia, as well as fish resources of territorial and economic area waters. It also administrates the use of national catch quota in the fishing areas of international organisations (NAFO, NEAFC) and in the waters of those countries, with which the European Union has signed agreements for cooperation in fishing. NBF enters into lease agreements of fishing rights with the fishermen, issues special fishing authorisations to the fishing vessels, registers the first customers of fish and is responsible for the maintenance and monitoring of the list of fishing vessels.
73. State Agency *Latvian Fish Resources Agency* (LATFRA), is an institution operating under the monitoring of the Ministry of Agriculture, provides research on the state of fish resources, eco-system and environment in the Baltic Sea, the Gulf of Riga, coastal and inland waters, as well as evaluates and forecasts the state of fish stocks and fishing influence to fish resources and biological diversity. It also prepares the scientific advice for the elaboration of annual plans of fishing adjustment and stock recovery. LATFRA is responsible for breeding fish fries to release them in natural water reservoirs, i.e., for re-stocking and replenishment of fish stocks, and also for research in aquaculture. LATFRA represents the fisheries research of Latvia in the International Council for the Exploration of the Sea and in the respective committees and ad hoc groups of the European Commission.
74. Although the provision of research and scientific advice related to fish resources in order to adjust fishing in Latvia has stable traditions with perennial scientific data base and the necessary technical provision, in long-term perspective the strengthening of human resource capacity should be performed in this field. Also, engagement of new employees and the improvement of scientifically technical research base should be carried out. To use biological and economic data efficiently



for the administration needs of the sector, contributions are necessary to process data electronically and improve fisheries data exchange.

75. Marine and Inland Waters Administration of the State Environmental Service of the Ministry of Environment controls the implementation of law requirements of fisheries and environment protection in fishermen activities, fishing in waters of the Baltic Sea, inland waters, as well as in international waters and waters of the third countries; issues fishing licences and fishing log-books for fishing in the waters of the Baltic Sea and in inland waters; ensures twenty-four hours satellite observation of fishing vessels and control of discharge of caught fish in the Latvian ports.
76. Fishing control measures are organised both in the national and international level, however, in this field it would be necessary to intensify fishing control in marine waters beyond offshore waters. In order to improve the efficiency of sector administration, additional financial resources are necessary to improve control functions, consolidate the capacity of human resources necessary for fish resource research, engage new employees and modernise research infrastructure and scientifically technical base.
77. Marine affairs are in the competency of the Maritime Administration of the Ministry of Transport in Latvia. As regards the fisheries in this sector, the most essential issues are related to the establishment and maintenance of shipping register and sailor register, acceptance of navigation safety (compliance of fishing vessels to the navigation safety requirements), shipbuilding and modernisation of technical projects, issue of ship certificates and organisation of maritime traffic, especially the port administration field.
78. Veterinary issues related to fish, hygiene requirements of fish processing and standard compliance of fish market are in the competency of the Food and Veterinary Service of the Ministry of Agriculture.
79. The Rural Support Service of the Ministry of Agriculture implements the European Union and national support policy in agriculture and fisheries, including administration of resources of FIFG and the European Fisheries Fund. It also approves and evaluates the proposals for support receipt, takes a decision concerning the allocation of financing or provides a refusal, and performs the accounting and usage control of the allocated support.

## **7. Cooperation between the state and non-governmental organisations**

80. Cooperation between state administration and different non-governmental organisations is well-organised on a satisfactory level, however, there are still many opportunities to improve and develop it. Operation of Fisheries Advisory Council

must be considered as the most important cooperation mode. The meetings of the Fisheries Advisory Council are held on a regular basis once in a term and they are led by the Minister of Agriculture. Issues essential for the fisheries sector of Latvia and the persons employed therein are considered in these meetings, for example, regarding fisheries policy and strategy, European Union support measures, fishery provisions, necessary amendments in the legislation etc. Representatives of public authorities as of the National Board of Fisheries, Ministry of Environment, Rural Support Service, Food and Veterinary Service, as well as representatives of non-governmental organisations as of Latvian Fish Farmer Association, Latvian Fishermen Federation, Crayfish and Fish Breeders Association and other organisations participate in the Fisheries Advisory Council.

## **8. Summary. Fisheries sector SWOT analysis (strengths, weaknesses, opportunities and threats)**

### **8.1 Summary**

81. The fisheries sector of Latvia may be characterized in the best way, taking into account its breakdown in separate areas of activity. This principle has been obeyed also when characterising the strengths, weaknesses, opportunities and threats of the sector. Representatives of the public organizations, municipalities and regions, as well as other stakeholders evaluated the mentioned factors for each business area in specially organised seminars and meetings. The summary of fisheries sector has been elaborated in cooperation with economic, social and environment partners.

82.

#### **Strengths**

83. By using the co-financing of the European Union Structural Funds and the state in the time period from 2004 till 2006, the adjustment of fishing fleet has been started in accordance with the available fish resources, certain fish processing companies have invested in the modernisation of fish processing, the port infrastructure and suitability for fishing services has been improved, investments have been contributed in the development of aquaculture companies.

84. Structured sector administration and control system comprising all production

phases has been developed in fisheries.

85. Cooperation among stakeholders interested in the development of fisheries sector (authorities of public sector and companies of private sector, non-governmental organisations) has been developed to discuss and solve development issues important for the sector.

## Weaknesses

86. Production of fishery products has a low efficiency and low labour productivity (production output per one employee) both in fishery and fish processing.
87. Insufficiently developed cooperation among fishermen and fish processing companies. Engagement of mediators in the production chain causes partial value drain of the production produced in fisheries from the sector, thus decreasing fishermen incomes and unproductively raising the costs of final product.

## Opportunities

88. Fisheries in Latvia historically developed as one of the most important industries of the national economy, which comprises all production chain phases. Due to the great number of producers engaged in the sector, acquired production experience and territorial expansion, the sector has internal self-development potential.
89. Fish production has a stable consumption both in the local and export markets. In general, fish are considered to be a healthy food product, thus the increase of fish consumption may be anticipated leaving a positive impact to the demand thereof.
90. Availability of public support in future years would facilitate further investment inflow for the sector in general, fleet capacity and catch yield adjustment, increase of fishing, aquaculture and fish processing competitiveness, cooperation among producer organisations and sector's public organisations both in terms of market research and in common organisation of procurement and supply of raw materials, provision of environment protection requirements observance, as well as increase of fishing administration, science and control efficiency.
91. Local action groups already established (LEADER type groups) could provide their contribution to the areas important to fisheries sector.

## Threats

92. Upon reduction of coastal fishing and fish processing, social tensions may be expected especially in those areas, where currently there is a high number of persons employed in the sector.

93. From the point of view of fishing and fish processing, at the moment restricted catch quotas are stipulated for the most important fish stocks. Their administration takes place annually instead of long-term, on the basis of the changes in fish stocks, thus the planning of fishery and fish processing business is burdened, for example, in relation to production amount, capacity and technologies.
94. Strengthening of environment protection requirements upon intensification of problems in the sector of natural resources and conservation of genetic diversity, as well as fluctuation of water quality, utilization of production waste, sanitary, hygiene and technical requirements is related to additionally necessary financial resources to ensure the implementation thereof.
95. In the education system of Latvia are no opportunities to obtain vocational education in certain fisheries sectors.

## 8.2 Fishery

### Strengths

96. Latvian fishermen have access to fishing opportunities in the Baltic Sea and the Gulf of Riga, as well as in the waters of international conventions and third countries waters on the basis of bilateral agreements entered into by the European Union.
97. The location of ports in the coastal area of Latvia is convenient, they are accessible for fishing needs.
98. The specialists of state institutions and fishery non-governmental organizations have the necessary information, experience and capacity to defend national interests (catch quotas etc.) in the European Union institutions and international organisations.
99. Latvia has long-term experience in the research of fish resources, fishing adjustment and organisation of fishing control measures both at national and international level.
100. To solve common problems related to the realisation of fresh fish, fishery companies have united in producer organisations.

### Weaknesses

101. Fishery in Latvia has a low production efficiency and productivity of labour, which is negatively influenced by:

1. low catch yield per one unit of vessels;
  2. use of outdated technologies and fishing gears;
  3. aging of the vessels engaged in the fleet;
  4. inadequacy of fishing fleet capacity to the allocated catch quota.
102. Low adequacy of ports' infrastructure to provision of fishing services and direct fish realisation opportunities.
103. Wages of the persons employed in fishery is a number of times lower than the average wage in the state.
104. Fishermen have deficient knowledge and experience in planning of fishery business and sustainable management of fish stocks.
105. Insufficient financial resources, in order to provide a complete and efficient fishing control in all waters under the Latvian legislation, as well as to improve data exchange system among intermediate authorities in the fishing administration sector.
106. Insufficient financial resources to strengthen the capacity of human resources necessary to perform the research of fish resources, engage new employees and update the research infrastructure and scientifically technical base.
107. Aging of persons employed in the fishery sector and numerical decrease.

## Opportunities

108. As a result of fishing fleet adjustment measures and modernisation the average catch will increase per one fishing vessel and the economic viability of the fishing fleet and the competitiveness of the fishing companies will increase.
109. Infrastructure of ports and quaysides and the increase of the quality of provided services there will ensure fishery development opportunities.
110. Uniting of fishermen in groups could facilitate the solution process of common problems in future.

## Threats

111. Upon deterioration of the state of fish stocks due to different reasons (global warming, water pollution), the decline of allocated catch quota may be anticipated. Due to the protection of dolphins, seals, marine birds etc. a complete fishing ban is possible in relation to the threatened fish stocks or the ban towards use of certain fishing gears, thus deteriorating or completely crushing fishermen fishing opportunities.

112. Termination or failure to prolong the fishery agreements entered into by the European Union with the third countries would negatively affect the high seas fishing opportunities of Latvia.

### **8.3 Aquaculture and inland waters**

#### **Strengths**

113. A special programme concerning stocking of fries of valuable fish stocks in public water reservoirs is being implemented in the state.
114. Aquaculture product production has been initiated, using biological management methods.
115. Educational measures to acquire production methods of aquaculture.

#### **Weaknesses**

116. Production of aquaculture products for realization in the market is small (private fish farms develop as an additional form of agricultural farms) and fragmented, thus, it is very hard to provide constant and fixed amount and quality of the production supply.
117. There is no aquaculture production trade system, which would comprise and efficiently organize the realisation of products from small private producers.
118. Aquaculture products are too uniform (mostly carps).
119. Processing of aquaculture products in Latvia is poorly developed.
120. Losses caused by wild predators to aquaculture increases all the time.
121. Insufficient development of fishing gears of inland waters and infrastructure.

#### **Opportunities**

122. Latvia has good location of inland waters (lakes, rivers) and a stable, ecologically pure environment.
123. Amount of aquaculture production is not restricted by quota or other restrictions, thus, in comparison to fishery, this sector offers more convenient initiation of business.
124. Availability of manpower leaving agricultural sector.
125. International scientific recommendations can be used to improve aquaculture business.

126. Opportunity to realize National Fish Resource Restocking Programme for 2001 – 2010 improves the state of fish habitats and stocks in inland waters and prevents the possibly negative influence of another economic operation.

### Threats

127. In comparison to neighbouring countries, Latvia does not have so good climatic conditions for production of aquaculture products (too warm conditions for the fish of cold waters and too cold - for the fish of warm waters). In future it may negatively affect the compatibility of the industry in terms of production costs in international level.
128. Due to improper economic activities, the pollution level of water will increase and the condition of environment necessary for provision of aquaculture activities will deteriorate.

## **8.4 Fish processing and marketing**

### Strengths

129. Latvia has longstanding traditions and extensive working experience in fish processing.
130. Fish processing enterprises are compatible with hygiene and food safety requirements set in the European Union legislation.
131. In certain fish processing companies by using opportunities of public support, technologies used in the production are modernised and labour productivity is increased.

### Weaknesses

132. The sector has low labour productivity, outdated technological devices are used in the production, as well as high specific weight of manual labour.
133. Trade marks of the Latvian fishery products are comparatively unrecognizable in the European Union market.
134. Third part of the production is formed by canned fish and their positioning in the market historically established does not correspond to their production costs (status of a cheap product with high production costs).

### Opportunities

135. Participation of Latvia in the World Trade Organisation can facilitate the prevention

of discrimination in relation to the exporters of the Latvian fish production in the markets of third countries.

136. Participation of companies in local and international scale exhibitions facilitate the recognition of products produced in Latvia in fishery production outlets.

### Threats

137. Information on increased dioxin presence in the fish of the Baltic Sea and the presence of cancerogenic substances in smoked fish could decrease consumers' interest in them, thus negatively influencing the demand.
138. Production of uniform products in fish processing companies decreases the general flexibility of the industry when reacting to the situation – new provisions, bans and requirements advanced in the international level.
139. Political and administrative instability in external markets and the markets of CIS countries, negatively influencing the realisation of company production.

### 140. II Objectives and priorities of the fisheries sector

## 9. Contribution of fisheries sector in the national strategy of the state

141. When determining the objectives and priorities of fisheries sectors, the following documents related to the sector policy and strategy are taken into account:
- 1) The basic principles of the European Union Common Fisheries Policy;
  - 2) The Lisbon Strategy and the National Lisbon Strategy Programme of Latvia for 2005 – 2008;
  - 3) Latvian National Development Plan 2007 – 2013;
  - 4) Strategic Framework Document for Latvia;
  - 5) Latvian Rural Development National Strategy Plan 2007 - 2013;
  - 6) Operational Strategy of the Ministry of Agriculture for 2007 – 2009;
  - 7) National Fish Resource Restocking Programme for 2001 - 2010;
  - 8) Annual National Fisheries Data Collection Programme of Latvia.



142. The objective and priorities of the Strategic Plan correspond to the objectives of the Lisbon Strategy, including the conclusions of the European Council drawn at the spring meeting in 2006, and the National Lisbon Strategy Programme of Latvia for 2005 – 2008, i.e., to facilitate the economic development and employment, at the same time considering social improvements and sustainable development issues. The implementation of the Strategic Plan will facilitate the development of economy in the fisheries regions, transmission of knowledge and technologies to production and the adjustment of fishing fleet with the available fish resources, thus increasing the competitiveness of the fisheries sector. Establishment of new aquaculture and fish processing companies will be facilitated in the fisheries sector, anticipating special advantages for micro and small companies. Also, the introduction of innovative technologies and knowledge will be facilitated in the production, economic activities will be facilitated in the territories important for the fisheries, as well as lifelong learning and motivation of inhabitants will be supported in this sector.
143. The planned development of fisheries sector in Latvia, the same as the Common Fisheries Policy of the European Union, determines general orientation to sustainable development and it is in accordance with Goteborg conclusions (June 2001) of the European Council. The objectives and priorities of the fisheries sector development are based on the available natural resources and provision of sustainable use. The stress is laid on Goteborg conclusions in relation to environment protection, preliminary risk assessment and achievement of more sustainable development model. Sector development is focused on general satisfaction of growing needs of the society in relation to food safety, food quality, product diversification, environment quality and environment protection of human habitat environment.
144. In the elaboration of the Strategic Plan the main principles of the Common Fisheries Policy were observed, especially:
- 1) Facilitate efficient fishing activities to achieve economically sustainable and competitive fishing and aquaculture, providing sufficiently high standard of living for those who are dependent on fishing activities, as well as taking into account the interests of costumers;
  - 2) Gradually implement an approach based on ecosystem in relation to the fisheries management;
  - 3) Elaborate and implement efficient fishing control programmes on a regular basis;
  - 4) Supplement fisheries data continuously and to improve the credibility thereof;

- 5) Ensure that subsidiary principle on division of responsibilities between the European Union institutions and Member States in the fisheries management field are realized.
145. The development of the fisheries sector is in accordance with the objectives and priorities set in the National Strategic Framework Document - to facilitate more rapid state development and approaching the average level of the European Union Member States, developing and using human resources efficiently, increasing the competitiveness of the companies, using the natural and power resources in a sustainable and efficient way.
146. As a horizontal priority in the implementation measures of the Strategic Plan the integrated approach of equality between men and women will be used. It is a principle, which will be ensured in all planned activities, all decision taking and introduction levels, taking into account the different roles of gender and experience in society, providing the representation of both genders and compliance of measures to the different needs, interests and opportunities of men and women, as well as preventing gender discrimination.
147. The Strategic has been elaborated in accordance with the Latvian National Development Plan 2007 – 2013, which stipulates the strategic objective of state development – education and knowledge for the growth of national economics and technological distinction, as well as for the achievement of priorities:
- 1) Educated and creative people;
  - 2) Technological distinction and flexibility of companies;
  - 3) Development of science and research.
148. Although in the National Development Plan of Latvia for 2007 – 2013 there are no particular objectives advanced in the breakdown per different sectors of national economic, the fisheries objectives and priorities advanced in the Strategic Plan of the sector are directed to the provision of contribution in the achievement of common strategic aim of the state.
149. The task of the objective of the Strategic Plan and the set priorities is to facilitate the implementation of the priorities described in the development programmes and strategies of the local governments and planning regions in relation to the fisheries sector and to take into account the specifics of the region development. The measures taken have to decrease the negative differences of the socially economical development amongst various territories of Latvia.
150. Objectives and priorities of the fisheries sector development provide their contribution in the achievement of the aim advanced by the Latvian Rural

Development National Strategy Plan for 2007 – 2013 - prosperous people in sustainably populated countryside of Latvia - due to the fact that great part of fisheries companies are located in rural regions.

151. In the time period from 2007 up to 2013 in Latvia there is a real opportunity to adjust the available fishing resources and the capacity of fishing fleet, simultaneously facilitating the formation of social and economic stability in fishery. Also, an opportunity to carry out the change of generations and to engage new people in the fishery seems optimistic, as it would provide further existence of the sector and continuation of traditions, at the same time supporting the opportunity for the aged fishermen to leave the sector.

152. Public support could facilitate the inflow of investments to the sector in general, the adjustment of fleet capacity and catch yields and the modernisation of applied technologies, creation of alternative opportunities for the persons leaving the fisheries sector, as well as the increase of fishing administration and the efficiency of science and control.

153.

## **10. Strategy of fisheries sector development**

154. On the basis of the SWOT analysis and the objectives stipulated in the National Development Plan of Latvia for 2007 – 2013, the main aim of the fisheries sector is:

**sustainable use opportunities of fish resources for the next generations and welfare of the persons engaged in fisheries.**

155. In order to achieve the main aim advanced for the fisheries sector, the following fields and objectives are stipulated:

1. Fishery – Adjusted and competitive fishing companies and Latvian fishing fleet;
2. Aquaculture, fishing in inland waters, fish processing and marketing – Aquaculture, inland waters fishing and processing companies producing qualitative products with high added value and corresponding to the market demand;
3. Development of areas and skills of the people engaged in the sector – Integrated and sustainable development of areas important to fisheries and human resources dependant on the fisheries;

4. Administration of the fisheries sector – Efficient control in all fish circulation phases and wise administration of sustainable use of fish resources and implementation of environment protection requirements.

156. The tasks for achievement of objectives are arranged according to their priority.

## **10.1 Fishery**

157. Adjusted and competitive fishing companies and Latvian fishing fleet.

158. The following tasks are stipulated to achieve the advanced objective:

1. adjustment of fishing fleet capacity with the fish resources available to Latvia;
2. modernisation of fishing fleet, by increasing its economic viability without increasing the total fishing capacity;
3. improvement of port infrastructure to ensure the operation of fishing vessels.

### **10.1.1 Adjustment of the fishing fleet capacity with the fish stocks available to Latvia**

159. The implementation of the task is determined by the necessity to improve the total efficiency of the Latvian fishing, as well as by the necessity to reduce the dependence of companies and their employees on the increasing fishing bans and technical provisions restricting and regulating fishing.

160. The following actions are planned in the framework of task implementation:

1. delivery of the fishing vessels fishing in the Baltic Sea and the Gulf of Riga beyond offshore waters and in coastal waters for the scrapping;
2. reassignment of the vessels fishing in the Baltic Sea and the Gulf of Riga beyond offshore waters and in coastal waters for activities outside fishing;
3. compensation measures due to temporary cessation of fishing activities in the framework of fish stock administration, recovery plans or other protection measures or when suspending or terminating fishery agreement of the European Union with any of the third countries, in the waters of which the Latvian fishing vessels fish;
4. compensations to crew concerning permanent or temporary cessation of vessel operation and fishing activities;
5. provision of early retirement from the fishing sector.

161. It is planned that a part of the resources paid in compensations will return to fishery through private contributions in the modernisation of the vessels remaining in the fishing fleet; provide an opportunity to start business alternative to fishery or will help the owners of vessels and fishermen to obtain resources, in order to improve their social circumstances. Provision of early retirement from the fishing sector will facilitate the decline of age of the persons employed in the fishery and the increase of educational level.

162. The planned activities will be performed on the basis of the indicators foreseen in the National Adjustment Plan of Latvian Fishing Fleet and in the scheme of permanent cessation of vessel exploitation, as well as in accordance with the criteria and support amount included in the Operational Programme and national legislation.

### **10.1.2 Modernisation of the fishing fleet by increasing its economic viability without increasing the total fishing capacity**

163. The implementation of the task is determined by the necessity to reduce the negative impact to environment caused by the fishing vessels in the Latvian fishing fleet, as well as the necessity to improve essentially the efficiency of vessels remaining in the fleet after the adjustment of fishing fleet has taken place without increasing the total efficiency of the fleet.

164. The following actions are planned in the framework of task implementation:

1. modernisation of fishing vessels to improve navigation safety, work conditions, hygiene and quality requirements and change of engines with the aim to improve the eligibility of fishing vessels to environment requirements and to increase their fuel economy and other indicators;
2. introduction of more selective fishing gear and methods, including the measures in order to protect fishing gear and catch from wild predators;
3. facilitation of development of coastal fishing fleet.

165. It is planned that the investments in vessel modernisation will reduce the level of emissions caused by vessel engines and fuel consumption; improve work safety conditions; ensure longer and more qualitative storage and shipping possibilities of the caught fish, which would positively impact the economic activities of fishery companies and the quality of fishery products to be supplied to the customers. Procurement of modern vessel equipment and devices based on information technologies will be one of the means, how to engage young people in the sector.

166. The planned actions will be performed in accordance with the criteria and support

amount included in the Operational Programme and national legislation.

### **10.1.3 Improvement of port infrastructure to ensure the operation of fishing vessels**

167. The implementation of the task is determined by the necessity to improve the infrastructure of Latvian ports in order to ensure vessel operation therein. In the greatest part of the ports reloading of different freights, operation of passenger terminals and yacht-clubs is the most important activity. However, favourable circumstances for fishery business and service provision related to that are very important in the small ports.

168. The following actions are planned in the framework of task implementation:

1. improvement of port infrastructure to provide the operation of fishing vessels, fish discharge and storage, as well as to ensure the implementation of environment protection requirements;
2. infrastructure improvement of fish discharge places in the ports and beyond for the needs of coastal fishermen.

169. It is anticipated that the implementation of measures will improve the port infrastructure to ensure successful operation of fishermen. Also the implementation of the ever-increasing environment requirements in the use of ports and quaysides will be ensured. Furthermore, investments beyond the ports will improve the catch discharge opportunities for coastal fishermen.

170. The planned actions will be performed in accordance with the criteria and support amount included in the Operational Programme and national legislation.

### **10.2 Aquaculture, fishing in inland waters and fish processing and marketing**

171. Aquaculture, inland waters fishing and processing companies producing qualitative products with high added value and corresponding to the market demand.

172. The following tasks are stipulated to achieve the advanced objective:

1. improvement of fishing gear for inland waters;
2. preservation of water environment, fauna and flora;
3. facilitation of operation of competitive, technologically modern aquaculture companies;
4. increase of competitiveness of fish processing companies;

5. facilitation of market research and extension of production outlets.

### **10.2.1 Improvement of fishing gear in inland waters**

173. The implementation of the task is determined by the necessity to improve the fishing infrastructure of inland waters, as well as to modernise the equipment of fishing boats and fishing.

174. The following actions are planned in the framework of task implementation:

1. modernisation or construction of infrastructure necessary for the provision of operation of fishing boats (vessels) and preservation of quality of the caught fish;
2. modernisation of fishing vessels (boats), improving the hygiene and work safety conditions;

175. It is anticipated that the investments will facilitate the renewal of the existing boat quaysides and construction of new quaysides, thus providing the circumstances necessary for the discharge of caught fish; investments in the modernisation of fishing boats and fishing gear will improve the state of fishing in inland waters.

176. The planned actions will be performed in accordance with the criteria and support amount included in the Operational Programme and national legislation.

### **10.2.2 Preservation of water environment, fauna and flora**

177. The implementation of the task is determined by the necessity to perform environment protection measures in aquaculture and management of inland waters in accordance with laws and regulations of the European Union and Latvia in the field of environment protection, as well as the National Programme of Biological Diversity Preservation. Also, there has occurred a necessity to cover the additional costs or even losses caused to the companies as a result of legislation implementation.

178. The following actions are planned in the framework of task implementation:

1. restocking measures of fish stocks and protection measures, recovery of fish spawning areas, as well as construction and improvement of fish migration routes;
2. support to aquaculture companies which subject or ground their operation on the preservation principles of natural resources and genetic diversity;

3. support to aquaculture companies, whose operation is restricted by the determination and establishment of *Natura 2000* territories;
4. support to aquaculture companies for breeding the biological production.

179. It is anticipated that the implementation of the state programme to restock fish stocks (Fish Stock Restocking National Programme for 2001 – 2010) and investments in other protection measures will reduce the economic activities in the environment in general and especially the harm done to the fish spawning areas. It will also provide fish migration opportunities. There will be support to aquaculture companies which are included in *Natura 2000* territories, thus compensating the costs occurred due to environment protection. The support will also facilitate the focus of aquaculture companies to the use of biological management methods.

180. The planned actions will be performed in accordance with the criteria and support amount included in the Operational Programme and in national legislation.

### **10.2.3 Facilitation of competitive and technologically modern aquaculture enterprises**

181. The implementation of the task is determined by the necessity to modernize the existing technological production process of the existing aquaculture companies, increase the number of aquaculture companies focused on market and extend the range of aquaculture products offered in the market.

182. The following actions are planned in the framework of task implementation:

1. modernisation of companies, in order to improve the implementation of work conditions, hygiene requirements, health of aquaculture animals and products, as well as to reduce the impact of the company's activities to environment;]
2. introduction of new breeding technologies, in order to facilitate the breeding of different fish (crayfish) demanded in the market;
3. provision of protection measures against the harm done by wild predators to hatcheries.

183. It is anticipated that investments in the modernisation of aquaculture companies and introduction of new technological solutions will increase the total number of aquaculture companies focused to the market, raise the quality and safety of the produced production, as well as will facilitate the extension of assortment of the produced production; investments in the protection measures will compensate losses



caused by the wild predators, thus the production produced by the company will remain competitive in the market.

184. The planned actions will be performed in accordance with the criteria and support amount included in the Operational Programme and national legislation.

#### **10.2.4 Competitiveness increase of fish processing enterprises**

185. The implementation of the task is determined by the necessity to improve the efficiency of fish processing companies, as well as by the necessity to facilitate the extension of the assortment of the produced fish production, engaging new raw materials in the fish processing process and increasing the flexibility of fish processing companies and the capacity to react to the events and changes in the outlet of raw materials and production

186. The following actions are planned in the framework of task implementation:

1. improvement measures of fish processing premises and equipment, in order to improve the implementation of work conditions and hygiene requirements;
2. modernisation of technological devices and improvement of production technologies, in order to provide application of environmentally friendly technologies;
3. introduction of innovative technologies, in order to develop new products demanded in the market;
4. facilitation of fish species little used in fish processing, as well as facilitation of use of production by-products and waste.

187. It is anticipated that the investments in the improvement of fish processing premises and equipment, modernisation of technological devices and improvement of production technologies will allow fish processing companies implementing the increasing quality, hygiene and environment protection requirements set for the fish production both in the European Union internal and external market. It will also extend the range of raw materials used in the processing, improve work conditions for the employed persons and raise the efficiency of fish processing, quality and safety of the produced production, thus positively influencing the competitiveness of the produced production.

188. The planned actions will be performed in accordance with the criteria and support amount included in the Operational Programme and national legislation.

### **10.2.5 Facilitation of market research and extension of production outlet in the market**

189. The implementation of the task is determined by the necessity to find new outlets, by extending the assortment of the produced production and decreasing production dependence on the CIS market, as well as by the necessity to strengthen the positions in already existing markets with the existing production, thus facilitating its recognition.

190. The following actions are planned in the framework of task implementation:

1. support for the implementation of market research measures and popularisation of fish production in the market;
2. support for the promotion of the use of fishery products in daily consumption;
3. support for the establishment of branding for the production produced in environmentally friendly way.

191. It is anticipated that the support for the implementation of market research and promotion of fishery production will facilitate the operation of companies in the local level, as well as in the existing and future export markets. The support for the establishment of branding for the production produced in environmentally friendly way will facilitate the establishment of recognition of the products produced in Latvia as qualitative, safe and original and the transfer from price competition to quality competition.

192. The planned actions will be performed in accordance with the criteria and support amount included in the Operational Programme and national legislation.

### **10.3 Development of skills of persons employed in the sector and improvement of areas important to fisheries**

193. Integrated and sustainable development of territories related to the fisheries and human resources dependant on the fisheries.

194. The following tasks are stipulated to achieve the advanced objective:

1. facilitation of development of areas important to fisheries;
2. facilitation of qualification raise of the persons employed in the fisheries sector and the development of cooperation skills.

#### **10.3.1 Facilitation of development of areas important to fisheries**

195. The implementation of the task is determined by the necessity to solve social and

economic problems in the areas important to fisheries.

196. The following actions are planned in the framework of task implementation:

1. facilitation of diversification of economic activities in fisheries areas;
2. facilitation of development measures and preserving of working places;
3. facilitation of the implementation of measures of collective interests;

197. It is anticipated that as a result of the implementation of the planned activities, the economic activities related to the fisheries sector and alternative business modes with the areas important to fisheries sector will be facilitated, thus supporting the preservation of density of population in these areas and the increase of people well-being.

198. The planned actions will be performed in accordance with the criteria and support amount included in the Operational Programme and national legislation.

### **10.3.2 Facilitation of qualification raise and development of cooperation skills among the persons employed within the fisheries sector**

199. The implementation of the task is determined by the necessity to increase the educational and qualification level of the persons employed in the sector, as well as cooperation skills, which is a precondition for provision of valuable and efficient use of available natural and material resources.

200. The following actions are planned in the framework of the task implementation:

1. support for the establishment and re-structuring of fishing and aquaculture producer organisations;
2. implementation of education and qualification raising measures in the fisheries sector, as well as diversification of skills in other fields of operation, in order the persons employed in the fisheries sector could compete in the labour market, if necessary.

201. It is anticipated that the results of education and qualification raising measures and the development cooperation skills will become the most essential resource of sector's development and will facilitate the increase of wellbeing of the persons employed in the sector.

202. The planned actions will be performed in accordance with the criteria and support amount included in the Operational Programme and national legislation.

## **10.4 Administration of fisheries sector**

203. Efficient control in all fish circulation phases and wise administration of sustainable

use of fish resources and implementation of environment protection requirements..

204. The following tasks are stipulated to achieve the advanced objective:

1. strengthening of sector's administration and research skills development of fisheries;
2. improvement of the sector's control and monitoring system.

#### **10.4.1 Strengthening of sector administration and development of fisheries research skills**

205. The implementation of the task is determined by the necessity to improve the data collection system necessary for the fisheries sector and to facilitate the development of research related to the sector, thus strengthening the sector's administration efficiency.

206. The following actions are planned in the framework of task implementation:

1. implementation of The Data Collection Programme within the sector;
2. facilitation of research skills development related to the sector.

207. The Data Collection Programme will be used when collecting and administrating data, as well as by performing research and experimental projects, which are necessary for the development of common fisheries policy and obligatory and extended programme of data collection stipulated by the Community in the fisheries sector in accordance with the regulations of the European Commission and European Council. The development of research will provide the research of fish resources, as well as the research of pollution and economic influence to fish resources; will allow Latvia participating in interstate cooperation concerning scientific research in fisheries, in elaboration and implementation of compensation projects concerning the losses caused to fish resources. Fisheries data collection and research allow precise evaluation of the state of fish stocks and the necessity and efficiency of different measures applied in inland waters coastal waters of the sea.

#### **10.4.2 Improvement of the sector's control and monitoring system**

208. The implementation of the task is stipulated by the necessity to reduce the level of illegal catch in the waters of the European Union, which causes excessive exploitation of fish resources, paying special attention to the use of those fish stocks, which are evaluated as threatened, for example, cod stocks in the Eastern part of the Baltic Sea.

209. In the framework of task implementation, the following activities are planned:

1. strengthening of fishing control and monitoring and traceability development of the circulation of the caught fish;
  2. implementation of the catch control programme.
210. It is anticipated that the number of fishing control measures will essentially increase and they will become more efficient, using the latest technical methods, such as satellite monitoring system of the vessel location determination (VMS), electronic fishing log-books, integrated data information systems etc. The support measures to be performed in the fishing control field each year are included in the respective programme of fishing control, which is submitted to the European Commission. The involvement of regions and local governments in the preservation measures of fish resources is also supported by the state budget, including the implementation of fishing monitoring measures.

## 11. Impact indicators characterizing the implementation of strategy objectives

211. To characterise the implementation of the strategy objectives, such indicators have been chosen as to follow the changes, which will take place in the fisheries sector in the time period from 2007 up to 2013, and to assess the achievement level of the advanced sector development objectives. In the choice of the indicators the working document (FISH/C/AAD(2005) on the National Strategic Plan) elaborated by the European Commission concerning the preparation of the Strategic Plan and quantitative and qualitative indicators in achievement of objectives is used. From the list of indicators offered in the mentioned document, the most suitable indicators were chosen in Latvia in terms of information and data availability, which characterize the sector development strategy in the best way. In the framework of strategy, it is anticipated to achieve the following indicators:

Indicator No	Indicator mode	Reference period (year/period)	Index level in the reference period	Attainable index level in 2013	Increase / decrease in 2013 in comparison to the reference period, %
<b>Fishery</b>					
1	Catch yield per one unit of fleet, (t):				
1.1	The Gulf of Riga, trawlers 12 - 24m	2005	344	520	151,2
1.2	The Baltic Sea, trawlers > 24m	2005	999	1270	127,1
1.3	The Baltic Sea, net fishing vessels	2005	64	140	2,2 times
1.4	Coastal fishing vessels	2005	11	25	2,3 times
2	Produced production per one person employed in fishing, (LVL per year):				
2.1	The Gulf of Riga, trawlers 12 - 24m	2005	15046	28630	190,3
2.2	The Baltic Sea, trawlers > 24m	2005	24642	41340	167,8
2.3	The Baltic Sea, net fishing vessels	2005	13814	39780	2,9 times
2.4	Coastal fishing vessels	2005	1166	3320	2,8 times
3	Modernised ports and wharfs suitable for fish discharge, number	2005	4	15	3,7 times
<b>Aquaculture, management of inland waters, fish processing and marketing</b>					
4	Amount of realised aquaculture production, (t)	2005	516,2	750	145,3
5	Specific weight of aquaculture companies engaged in the biological production in % from the total number of aquaculture companies	2005	0	15	...
6	Territory of recovered fish spawning areas in rivers, (ha)	2004 – 2006	8	38*	4,7 times
7	Produced production per one	2005	2741	2953	107,7

	person employed in aquaculture, (LVL per year)				
8	Produced production per one person employed in fish processing, (LVL per year)	2005	10536	12450	118,2
9	Proportion of the local fish production in the total fish consumption in the local market, (% from the total amount)	2005	50	52	104,0
10	Fish production not corresponding to food harmless requirements, number of results for 100 investigations	2005	6	2	33,3
Development of skills of people engaged in the sector and regions important for fisheries					
11	Engagement of companies in professional organisations – in producer groups, associations of vessel owners, (%)	2005	43	50	116,3
12	Number of persons employed in the fisheries sector, (thousand)	2005	11,6	11,6**	100,0
13	Fishermen, fish breeders, fish processors educated in courses and seminars, (number)	2004 - 2005	96	800*	8,3 times
14	Distribution of persons employed in the fisheries sector per educational levels, (%): elementary education secondary vocational education higher education	2005	32,6 62,5 4,9	21 71 8	64,4 113,6 163,3
Administration of the fisheries sector					
15	Number of fishing violations from the total number of fishing control measures, (%)	2005	6,8	1	64,4
16	Fish stock evaluated as a result of research in the Baltic Sea, (% from the totally necessary)	2005	67	92	113,6

\* In the period from 2007 - 2013

\*\* The number of employees will remain in the level of base period – it will decrease in the fishery, but will grow in other sectors

212. The indicators to be achieved till 2013 shall be stipulated in the Operational Programme.

## 12. Synergy of the Strategic plan with the European Fisheries Fund and other instruments of financial support

213. The European Fisheries fund is planned as the most essential source of finances for the implementation of the Strategic Plan in the time period 2007 – 2013 (providing the national co-financing in almost 25 % amount). The measures to be supported in the framework of the European Fisheries Fund, as well as the distribution of the provided financing and the intensity of the public support in the level of priority axes will be stipulated in detail by the Operational Programme. The provisions of support declaration and receipt, the range of support recipients and other necessary requirements, which will be anticipated in the implementation legislation of the European Fisheries Fund, will be included in the Operational Programme. During the elaboration process of the Strategic Plan, a link is created with other Community policies: regional development policy, common agriculture policy, innovation policy etc. To provide additionality and avoid from overlapping among the financial instruments foreseen for the implementation of the Strategic Plan and other funds of the European Union (European Social Fund, European regional Development Fund, European Agricultural Fund for Rural Development), as well as other financial sources to be engaged in the implementation of the Strategic Plan, the following core criteria are stipulated:

a) elaboration of new products and technologies in the fisheries sector will be financed on behalf of ERDF, and further production of these products will be supported by the EFF;

b) in the framework of aquaculture and inland waters, as well as environment protection measures the activities in relation to the Water Framework Directive, management of *Natura 2000* territories and protection in relation to aquaculture will be carried out, thus ensuring the additionality with the EAFRD, in the framework of which the measures concerning the land to be used in agriculture will be supported;

c) investments in the processing will be focused on the production and processing of aquaculture and fisheries products in the companies where there are less than 750 employees or with the turnover less than EUR 200 million, thus ensuring the additionality with the EAFRD, in the framework of which the support will be provided for the processing of agriculture products, but investments in bigger companies will be provided by ERDF;

d) improvement of skills and competencies of the persons employed in the fisheries sector in order to ensure the additionality with the ESF, ERDF and EAFRD – the



fisheries subjects will be in the centre of attention. Training opportunities, when moving over from fisheries to other alternative modes of economic activities, will be financed by the ESF, ERDF and EAFRD;

e) in the field of port infrastructure to ensure the additionality with the ERDF and Cohesion Fund – in the framework of the EFF only those activities will be financed, which are related to service providing to fishing vessels and their catches, but it will not touch upon the general improvement of port infrastructure – improvement and modernisation of access roads and port territories;

f) for the development of skills of the people engaged in the sector and for fisheries areas, similarly as in the framework of the 4<sup>th</sup> axis of the EAFRD, the support for local development strategies is anticipated in the respective territory. Therefore in the Operational Programme detailed provisions will be defined to ensure additionality and to prevent useless bureaucratic procedures;

g) preservation and protection measures of fish resources in the coastal waters, but especially in inland waters, which are carried out by local governments and which are not included or not supported in the framework of the Common Fisheries Policy, avoiding overlapping with the new EFF measure, which will affect the preservation of water environment, fauna and flora, will be covered by the financial resources from the national state budget or in case of project application approval - the co-financing of programme LIFE+ Nature;

h) restocking and multiplying of fish resources will be supported from the state financial resources;

i) to provide the collection of fisheries biological and economic data, financial resources from the state budget will be allocated. Also, financial resources from the financial support instrument, which is provided for the implementation of the Community financial measures within the CFP and marine legislation;

j) to implement fishing control programmes, financial resources from the financial support instrument, which is provided for the implementation of the Community financial measures within the CFP and marine legislation, will be allocated. Also, financial resources from the state budget will be allocated, thus facilitating the achievement of objective in the administration field of fisheries sector.

214. Additionality and avoidance of overlapping among the sector's Strategic Plan,

Latvian Rural Development National Strategy Plan for 2007 – 2013 and the Strategic Framework Document will be achieved through the inter-ministry coordination process. All legal documents related to the use of European Union funds are approved by the Cabinet of Ministers. Besides, the coordination process is facilitated by the meetings of the secretaries from the Ministries, meetings of different monitoring committees of the European Union funds and intensive coordination work among the experts of the respective ministries.

### 13. Indicative breakdown of the available financial resources to implement the Strategic Plan

Area	Indicatively planned financing (million Latvian lats) *															
	2007***		2008		2009		2010		2011		2012		2013		TOTAL	
	Community co-financing	State budget	Community co-financing	State budget	Community co-financing	State budget	Community co-financing	State budget	Community co-financing	State budget	Community co-financing	State budget	Community co-financing	State budget	Community co-financing	State budget
<b>Operational Programme to implement the European Fisheries Fund for 2007 – 2013 (million Latvian lats)**</b>																
Fishery																
Aquaculture, fishing in inland waters and fish processing and marketing																
Development of skills of persons employed in the sector and development of areas important to fisheries	9,6	3,2	10,5	3,5	11,5	3,8	12,4	4,1	13,5	4,5	14,6	4,8	15,8	5,3	87,9	29,0
Technical assistance to implement the Operational Programme																
<b>Financial Instrument for implementation of the Common Fishery Policy and marine legislation (million Latvian lats)</b>																
Administration of fisheries sector	0,1	0,3	0,1	0,2	0,2	0,3	0,2	0,3	0,2	0,3	0,2	0,3	0,2	0,3	1,2	1,5
including:																
Implementation of the national data collection programme; code of sub-programme: 25.01.00 (Adjustment, reproduction and research of the use of fish)	0,1	0,2	0,1	0,1	0,2	0,2	0,2	0,2	0,2	0,2	0,2	0,2	0,2	0,2	1,2	1,5
Implementation of the fishing control programme; code of sub-programme: 25.02.00 (Fish fund)	0,0	0,1	0,0	0,1	0,0	0,1	0,0	0,1	0,0	0,1	0,0	0,1	0,0	0,1	0,0	0,0
Provision of fishing control measures; Code of sub-programme: 21.00.00 (Environment protection fund)	0,0	0,3	0,0	0,2	1,5	1,7	0,0	0,2	0,0	0,2	0,0	0,2	0,0	0,2	1,5	3,0
<b>State budget programmes (million Latvian lats)</b>																
Aquaculture, fishing in inland waters and fish processing and marketing	0,0	0,3	0,0	0,3	0,0	0,3	0,0	0,3	0,0	0,3	0,0	0,3	0,0	0,3	0,0	2,0
including:																
Fish resource reproduction; Code of sub-programme: 25.01.00 (Adjustment, reproduction and research of the use of fish)	0,0	0,1	0,0	0,1	0,0	0,1	0,0	0,1	0,0	0,1	0,0	0,1	0,0	0,1	0,0	0,0
Educating and informing society concerning the sector administration issues; code of sub-programme: 25.02.00 (Fish fund)	0,0	0,1	0,0	0,1	0,0	0,1	0,0	0,1	0,0	0,1	0,0	0,1	0,0	0,1	0,0	1,0
Activities in regional scale or performed by local authorities in research, preservation and protection of fish resources; code of sub-programme: 25.02.00 (Fish fund)	0,0	0,1	0,0	0,1	0,0	0,1	0,0	0,1	0,0	0,1	0,0	0,1	0,0	0,1	0,0	0,0
<b>TOTAL:</b>	9,7	3,8	10,6	4,0	11,7	4,3	12,6	4,6	13,7	5,1	14,8	5,4	16,0	5,9	90,6	36,0

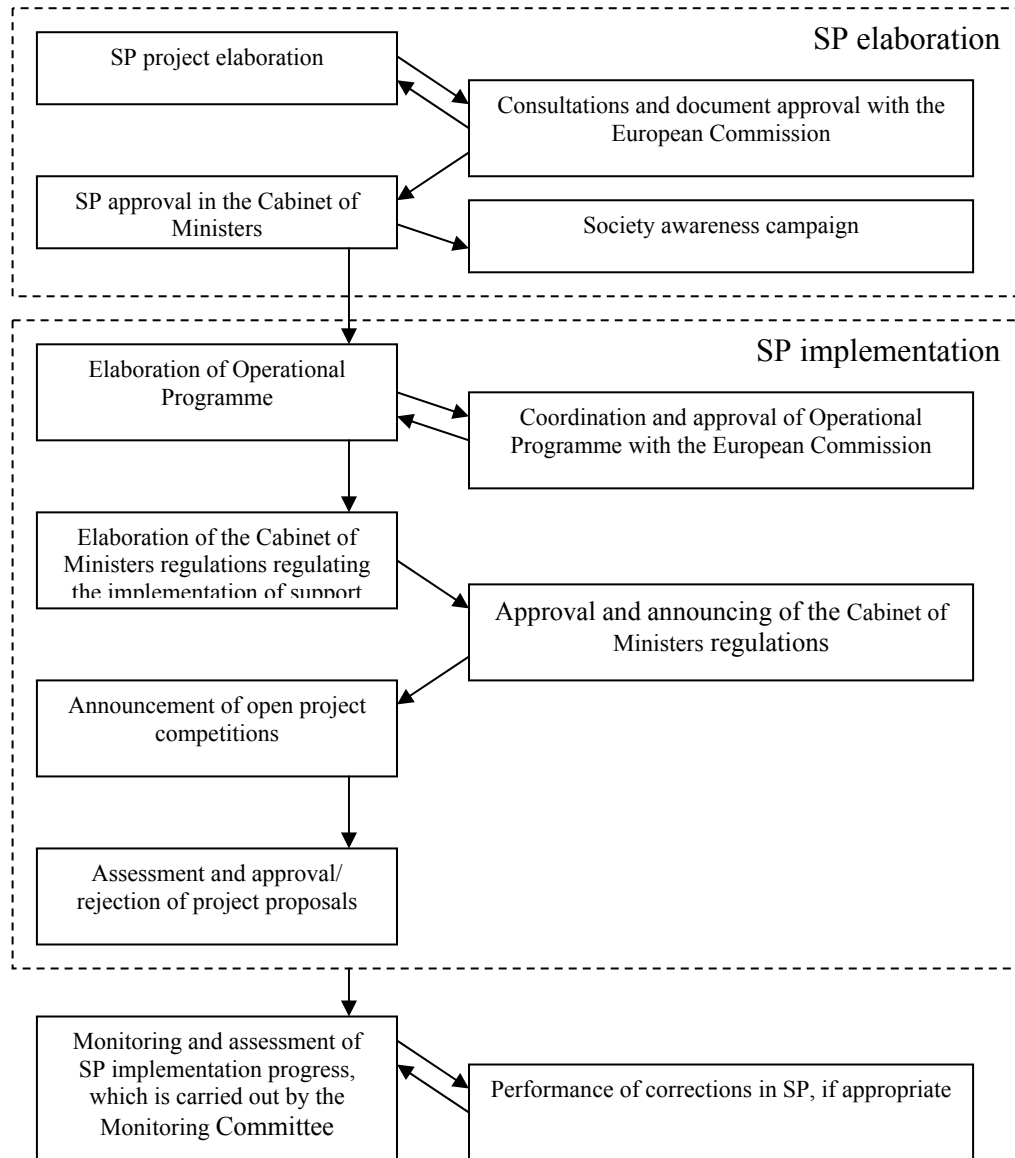
\* for re-calculation the currency exchange rate EUR 1 = LVL 0.702804 is applied

\*\* The resources available for EFF commitment will not exceed the resources indicated in the Commission Decision No 0043(2006) 4332 concerning the European Fisheries Fund breakdown per years

\*\*\* Financing for the implementation of the European Fisheries Fund of the Operational Programme for 2007 – 2013 will be indicated as the possible commitment for the respective year and it is not foreseen in the state budget for 2007. It will be requested after all necessary documents are approved and in accordance with the planned cash flow plan for projects and measures implementation.

## 14. Elaboration, implementation and monitoring procedure of the Strategic Plan

Elaboration, implementation and monitoring procedure of the Strategic Plan (in the picture - SP) is schematically reflected in Picture 1.



**Picture 1. Scheme of elaboration, implementation and monitoring procedures of the Strategic Plan**

### 14.1. Elaboration process of the Strategic Plan

215. The elaboration of the Strategic Plan was initiated in 2006, when with the help of polls and conferences on national scale the priorities and action directions were found out. The elaboration and coordination process of the Strategic Plan is carried out in several levels. The elaboration of the Strategic Plan is provided by the representatives of the policy elaboration level – the Ministry of Agriculture and the

authority under its subordination – the National Board of Fisheries. The coordination process takes place with the representatives from the policy implementation level – the administrative level – and the level of non-governmental organisations and potential beneficiaries in the Management group of elaboration of the Strategic Plan and Operational Programme established especially for this purpose, as well as in the Fisheries Advisory Council and other certain working groups, thus ensuring the implementation of partnership principle.

216. Simultaneously with the discussions on the Draft of the Strategic Plan in the aforementioned institutional establishments or working groups founded especially for this purpose, or in seminars with more extensive participation of the public, the Ministry of Agriculture and the National Board of Fisheries consult with the European Commission regarding the elaboration of the Strategic Plan, as well as discuss the contents of the elaborated Strategic Plan in a detailed way.
217. After the Strategic Plan is coordinated with the social partners involved in its elaboration and the European Commission, it is submitted for approval in the Cabinet of Ministers.
218. In order to facilitate the awareness of representatives of fisheries sector concerning the activities of the European Union in relation to fisheries, the Ministry of Agriculture and the National Board of Fisheries use different instruments to inform the society. Society awareness is implemented with the help of the EFF support opportunities for the time period 2007 - 2013, by using mass media, organising informative and work seminars, as well as engaging local governments and other cooperation partners in information dissemination.

## **14.2 Implementation process of the Strategic Plan**

219. In accordance with the Strategic Plan and the order stipulated in the European Union regulations, the Ministry of Agriculture elaborates and approves the Operational Programme and laws and regulations where the implementation provisions of the respective measures and activities are specified in the mentioned time period.
220. The Strategic Plan basically is implemented with the help of the EFF. The EFF management in Latvia is stipulated by the Council Regulation (EC) No 1198/2006 of 27 July 2006 on the European Fisheries Fund and other European Union laws and regulations, which stipulate detailed provisions for applying the Council Regulation (EC) No 1198/2006 of 27 July 2006 on the European Fisheries Fund.
221. For the provision of the EFF management of 2007 – 2013, a new institutional framework will be implemented, which, insofar as not restricted by the European

Union laws and regulations, will comprise succession elements of 2004 – 2006 planning period. In accordance with the European Union laws and regulations, the EFF management, monitoring and control should be provided by the structures appointed by the Member State – the managing authority, certifying authority and auditing authority.

222. The functions of managing authority in relation to the EFF support in the new planning period, on the contrary of the planning period 2004 -2006 – will be carried out by the Ministry of Agriculture. The functions of the certifying and audit authority in the new planning period will also be carried out by the Ministry of Agriculture. The function distribution will be ensured by dividing the responsibilities amongst the deputies of the State Secretary of the Ministry of Agriculture and departments subjected to them. Further on, the functions of the competent body, which receives payments from the European Commission, similarly as in the planning period 2004 – 2006, will be continued to be performed by the Treasury. Also, the body, which is responsible for the payments to the beneficiaries, will be the Rural Support Service, similarly as in the planning period 2004 - 2006.

223. When establishing a new institutional system, the transfer of human resources and administrative capacity should be ensured. Additional strengthening of administrative capacity mostly is necessary for the structural units of the Ministry of Agriculture, which in the previous period did not perform the functions of the leading, certifying and audit authority of the European Union fund, as well as for the Rural Support Service, which has a considerable rotation of employees, though they have an experience of the previous period. In the strengthening of the administrative capacity it is important to ensure the independence of human resources, attracting new employees with competitive salary and training possibilities. Also, planning and provision of assessment research and other measures are necessary.

224. To introduce the EFF for the planning period of 2007 – 2013, the managing authority will elaborate the regulations of the Cabinet of Ministers, which will stipulate the EFF management in Latvia, insofar as it is not governed by the European Union laws and regulations.

### **14.3 Monitoring procedure of the Strategic Plan**

225. Monitoring of the Strategic Plan in relation to the measures, which are financed by the EFF, will be provided by the Monitoring Committee of the European Fisheries Fund, which will be established within 3 months after the Operational Programme is approved in the European Commission. The MC will be founded, taking into

account partnership and gender equality principles, including in the composition the representatives from the EFF institutional framework, as well as from other institutions of the European Union funds and structure funds engaged in guidance, monitoring and control – the European Agricultural Fund for Rural development, European Regional Development Fund, European Social Fund and Cohesion Fund, thus providing the coordination mechanism. In the MC composition the representatives from the fisheries sector and authorities and organisations related to fisheries sector, as well as the representatives of other non-governmental, economic and social partners will be included. The functions and tasks of the MC will be stipulated by the laws and regulations of the Republic of Latvia and the European Union.



### Annex No 1. Detailed information characterising the situation

**Table 1. Economic indicators of Fisheries sector in 2001 - 2005**

	2001	2002	2003	2004	2005
Specific weight GDP (%)	1.8	1.5	1.2	0.9	1.1
Specific weight of the employed persons in the total employment (%)	n.d.	n.d.	n.d.	1.4	1.0
Specific weight in the total export value (%)	4.1	3.7	3.2	2.8	2.4
External trade balance, million LVL	34.5	34.6	35.2	40.5	52.3
Consumption of fishery products (kg/per capita per year)	n.d.	17.6	17.0	16.2	n.d.

Source: CSB, NBF

n.d. – no data are available

**Table 2. Number of companies in breakdown per fisheries sub-sectors and regions of Latvia in 2005**

	Fishing in the sea		Fishing in inland waters		Fish processing		Aquaculture		Total	
	Number	%	Number	%	Number	%	Number	%	Number	%
<b>Kurzeme</b>	140	65.4	15	24.6	41	37.3	20	20.4	<b>216</b>	<b>44.7</b>
<b>Zemgale</b>	28	13.1	0	0.0	17	15.5	12	12.2	<b>57</b>	<b>11.8</b>
<b>Vidzeme</b>	46	21.5	33	54.1	47	42.7	58	59.2	<b>184</b>	<b>38.1</b>
<b>Latgale</b>	0	0.0	13	21.3	5	4.5	8	8.2	<b>26</b>	<b>5.4</b>
<b>Total</b>	<b>214</b>	<b>100.0</b>	<b>61</b>	<b>100.0</b>	<b>110</b>	<b>100.0</b>	<b>98</b>	<b>100.0</b>	<b>483</b>	<b>100.0</b>

Source: NBF

**Table 3. Number of employed persons in breakdown per fisheries sub-sectors and regions of Latvia 2005**

	Fishing in the sea		Fishing in inland waters		Fish processing		Aquaculture		Total	
	Number	%	Number	%	Number	%	Number	%	Number	%
<b>Kurzeme</b>	1441	57.8	240	19.0	3450	46.6	78	23.2	<b>5209</b>	<b>45.3</b>
<b>Zemgale</b>	247	9.9	123	9.7	1155	15.6	37	11.0	<b>1562</b>	<b>13.6</b>
<b>Vidzeme</b>	805	32.3	540	42.8	2674	36.1	191	56.8	<b>4210</b>	<b>36.6</b>
<b>Latgale</b>	0	0.0	359	28.4	124	1.7	30	8.9	<b>513</b>	<b>4.5</b>
<b>Total</b>	<b>2493</b>	<b>100.0</b>	<b>1262</b>	<b>100.0</b>	<b>7403</b>	<b>100.0</b>	<b>336</b>	<b>100.0</b>	<b>11494</b>	<b>100.0</b>

Source: NBF

**Table 4. Latvian fishing fleet in the coastal waters of the Baltic Sea and the Gulf of Riga (2005)**

Fishing vessels per size groups, m	Number of vessels	Average length, m	Gross tonnage, GT	Total power, kW	Average age, years
< 5	373	4,2	181,7	1121,0	20,3
5- 10	355	7,0	943,2	5538,3	17,0
> 10	19	11,1	150,6	757,0	16,8
<b>Total</b>	<b>747</b>	<b>5,7</b>	<b>1275,5</b>	<b>7416,3</b>	<b>18,6</b>

Source: Register of Latvian fishing vessels

**Table 5. Latvian fishing fleet in the Baltic Sea and the Gulf of Riga beyond offshore waters (2005)**

Fishing vessels per size groups, m	Number of vessels	Average length, m	Gross tonnage, GT	Total power, kW	Average age, years
< 12	-	-	-	-	-
12- 24	49	17.1	1628.6	6930.0	26.0
> 24	122	26.4	13083.0	27420.5	26.5
<b>Total</b>	<b>171</b>	<b>23.8</b>	<b>14711.6</b>	<b>34350.5</b>	<b>26.4</b>

Source: Register of Latvian fishing vessels

**Table 6. Latvian fishing fleet in high seas (2005)**

Fishing vessels per size groups, m	Number of vessels	Average length, m	Gross tonnage, GT	Total power, kW	Average age, years
<60	4	52.2	5339.0	6137.0	26.3
60-100	4	69.9	8920.0	8591.0	26.5
>100	2	103.0	8341.0	8005.0	19.5
<b>Total</b>	<b>10</b>	<b>69.4</b>	<b>22600.0</b>	<b>22733.0</b>	<b>25.0</b>

Source: Register of Latvian fishing vessels

**Table 7. Breakdown of the fishing fleet in the Baltic Sea and the Gulf of Riga beyond offshore waters per engine power and age**

No	Engine type	Number of vessels	Power, kW		Average age of engines, years
			Total	Average	
1.	3D6	18	1980	110	22.2
2.	8NVD36	4	892	223	27.8
3.	8NVD48A-V	1	736	736	22
4.	6NVD26A-2	75	15268.5	203.6	20.8
5.	6NVD24	7	880	125.7	29.4
6.	6ČNSP18/22	12	2091	174.3	19.1
7.	6ČSP 18/22	6	660	110	22.0
8.	Valmet 612DSIM	10	1858	185.8	5.0
9.	Valmet 645DSBIM	2	412	206	2.5
10.	Iveco 8281SRM50	9	3312	368	2.7
11.	Iveco 8210SRM45	5	1103	220.6	3.2
12.	Iveco 8210SRM22	2	324	162	3.0
13.	ScaniaDI1643M01P	3	1122	374	1.0
14.	ScaniaDI1241	1	221	221	4
15.	ScaniaD1960M	1	220	220	2
16.	TAMD 120A	1	220	220	32
17.	Deutz SBV6M628	1	700	700	17
18.	Deutz TVD616V12	1	353	353	2
19.	DSI14-02VMO3	1	310	310	6
20.	427EOT575	1	500	500	20
21.	SBA16M816	1	441	441	32
22.	SRM45	1	294	294	3
23.	Others	8	453	56.6	22.6
<b>Total / average</b>		<b>171</b>	<b>34350.5</b>	<b>200.9</b>	<b>17.9</b>

Source: NBF

**Table 8. Catch dynamics of the Latvian fishermen per tons in high seas in 2003 – 2005**

Fish stock	2003	2004	2005	
	tons	tons	tons	Thousand LVL
Hake	143	45	201	134.7
Sea bass	1269	1117	967	802.6
Porgies	-	-	471	146.0
Mulletts nei	-	-	46	11.5
Leer fish	230	75	167	13.4
Bluefish	53	10	125	3.7
Atlantic bonito	462	218	382	49.7
Bream	163	8	27	4.3
Sardinella	8714	6986	9726	1264.4
Pilchard	-	-	5529	829.3
Mackerel	10537	8999	4620	831.6
Horse mackerel	8674	13838	25689	4367.1
Tuna fish	182	604	648	64.8
Dentex	65	221	58	2.9
Other mid-water fish	8040	7342	6335	316.8
Shrimps	3677	3202	2356	1507.8
Squid	162	-	-	-
<b>Total</b>	<b>42371</b>	<b>42735</b>	<b>57347</b>	<b>10350.6</b>

Source: CSB and NBF data

**Table 9. Catch dynamics of the Latvian fishermen per tons in the Baltic Sea and the Gulf of Riga beyond offshore waters in 2003 – 2005**

Fish stock	2003	2004	2005	
	tons	tons	tons	Thousand LVL
Herring	21210	21231	20189	2422.7
Sprat	41737	52386	64643	5817.9
Flounder	470	626	1415	283.0
Flatfish	3	1	-	-
Cod	4590	4982	3967	3173.6
Eel-pout	3	8	58	14.5
Salmon	35	18	12	14.4
Smelt	45	-	140	23.8
<b>Total</b>	<b>68093</b>	<b>79476</b>	<b>90424</b>	<b>11749.9</b>

Source: NBF

**Table 10. Catch dynamics of the Latvian fishermen per tons in the coastal waters of the Baltic Sea and the Gulf of Riga in 2003 – 2005**

Fish stock	2003	2004	2005	
	tons	tons	tons	Thousand LVL
Herring	2977	2328	2013	241.6
Sprat	6	13	4	0.4
Flounder	203	143	298	59.6
Flatfish	6	7	7	4.2
Cod	44	45	29	23.2
Eel-pout	21	21	17	4.2
Salmon	14	13	8	9.6
Sea trout	6	7	7	8.3

Whitefish	3	5	4	3.2
Smelt	30	53	47	8.0
Vimba	62	53	71	22.7
Bream	58	52	67	19.4
Roach	8	6	8	1.1
Zander	9	7	8	3.4
Perch	42	36	39	7.8
Eel	2	3	4	16.6
Garfish	18	23	27	8.1
Other fish	5	5	6	1.0
<b>Total</b>	<b>3514</b>	<b>2820</b>	<b>2664</b>	<b>442.4</b>
Source: Latvian Fish Resources Agency				

**Table 11. Catch dynamics of the Latvian fishermen per tons in inland waters in breakdown per fish stocks in 2003 - 2005**

Year	2003	2004	2005	
	tons	tons	tons	Thousand LVL
Vimba	17	7	8	2.2
Tench	47	28	29	14.6
Bream	134	82	55	11.0
Dace	1	1		-
Roach	38	33	18	2.5
Smelt	1	1	6	1.0
Zander	41	26	24	17.1
Perch	28	18	16	4.7
Pike	71	48	39	24.1
Goldfish	36	12	15	3.4
Eel	9	9	13	71.3
Lamprey	109	72	110	242.9
Other fish	33	23	23	13.8
<b>Total</b>	<b>565</b>	<b>360</b>	<b>356</b>	<b>408.6</b>
Source: CSB and Latvian Fish Resources Agency				

**Table 12. Dynamics of the fish yield (tons) obtained and realised in aquaculture and value (LVL) in 2003 – 2005**

Fish stocks	2003			2004			2005		
	yield, tons	value, thousand LVL	LVL/t	yield, tons	value, thousand LVL	LVL/t	yield, tons	value, thousand LVL	LVL/t
Perch	-	-	-	1.7	2.006	1180	0.5	0.380	821
Carp	601	444.74	740	526	399.76	760	513.9	480.5	935
Tench	1	0.4	400	0.3	0.396	1320	0.8	0.488	610
Goldfish	22	4.4	200	4.2	1.239	295	8.9	2.875	323
Pike	6	4.2	700	4.4	3.784	860	4.7	4.68	995
Trout	7	22.4	3200	1.6	4.688	2930	2.5	9.1	3640
Sturgeon	-	-	-	-	-	-	2.5	13.451	5488
Other fresh water fish	-	-	-	6.6	21.582	3270	15.0	49.440	3296
Crayfish	-	-	-	0.5	6	12000	0.6	11.926	19877
<b>Total</b>	<b>637</b>	<b>476.14</b>	<b>X</b>	<b>545.3</b>	<b>439.455</b>	<b>X</b>	<b>516.2</b>	<b>572.84</b>	<b>XX</b>
Source: NBF									

**Table 13. Dynamics of fish fries production released in natural reservoirs of state fish farms in 2003 – 2005**

Fish stock	Age	Actually released number of fries, thousand pieces		
		2003	2004	2005
Salmons	One-summer-olds	295	10	-
Salmons	One-year-olds	11.6	-	-
Salmons	Smolts (one-year-olds)	826.3	776.5	644.7
Salmons	Smolts (two-year-olds)	33.5	38.3	168.1
Trouts	Smolts (two-year-olds)	67.4	60.2	115.9
Trouts	Smolts (one-year-olds)	140.8	107.7	62.9
Trouts	One-summer-olds	125	10	53.3
Trouts	One-year-olds	17	-	-
Lampreys	Larvae	21667	15681	14990.4
Pikes	Larvae	1051	1328	750.1
Pikes	One-summer-olds	6.7	10.3	-
Breams	One-summer-olds	400.1	1445.4	1544.6
Vimbas	One-summer-olds	563.1	466.8	5.0
Zanders	One-summer-olds	837.6	560.2	385.2
<b>Total</b>	<b>X</b>	<b>26042.1</b>	<b>20494.4</b>	<b>18623.0</b>

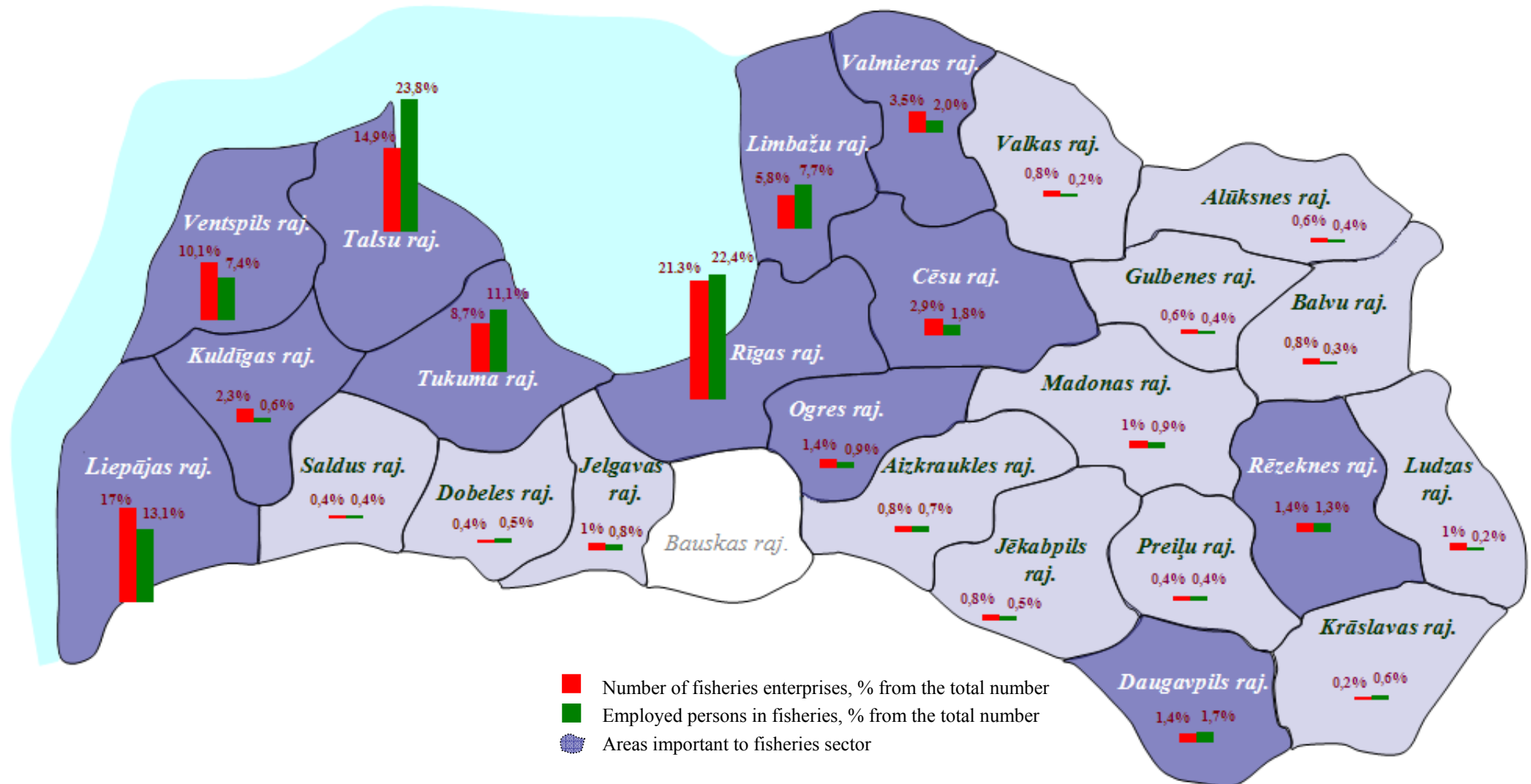
Source: NBF

**Table 14. Dynamics of the produced fish production in 2004 – 2005**

	2004				2005			
	Amount of produced fish production, t	Amount of sold production, t	Value of the sold production excl. VAT, thousand LVL	Price excl. VAT, LVL/kg	Amount of produced fish production, t	Amount of sold production, t	Value of the sold production excl. VAT, thousand LVL	Price excl. VAT, LVL/kg
<b>Fish production</b>	<b>109690</b>	<b>108638.74</b>	<b>29075.39</b>	<b>0.27</b>	<b>141611.22</b>	<b>138542.31</b>	<b>33605.627</b>	<b>0.24</b>
Fresh or frozen fish – in total	57401.944	57187.331	8851.412	0.15	74612.611	74250.782	12136.188	0.16
Fish fillets – in total:	3458.659	3545.504	7916.559	2.23	2271.55	2124.738	5489.384	2.58
Frozen fish – in total	38177.869	37944.258	5577.869	0.15	52409.754	51261.445	8078.373	0.16
Smoked, salted fish or fish in brine, including herrings	7592.144	6902.265	4492.641	0.65	9961.359	8549.392	6397.596	0.75
<b>Prepared or canned fish</b>	<b>56813.467</b>	<b>56478.009</b>	<b>40546.496</b>	<b>0.72</b>	<b>72099.156</b>	<b>72442.87</b>	<b>61350.756</b>	<b>0.85</b>
incl. herrings	1988.127	1887.739	2350.112	1.24	2416.598	2505.933	3353.798	1.34
Pilchards, sardinellas, sprats	49325.604	49181.309	34351.382	0.70	60742.553	60880.74	50717.615	0.83
Mackerels	1146.614	1103.131	1073.597	0.97	1976.401	2016.402	2162.727	1.07
Other fish or other prepared or canned fish	4290.244	4245.71	2647.923	0.62	6870.45	6919.912	4778.399	0.69

Source: CSB, NBF

Picture 1. Map of areas important to fisheries



**Financial resources assigned by the FIG in the programming period from 2004 till 2006 in breakdown per support measures  
as of 30 May 2006**

Activity	Public funds available	Number of approved projects	Public funds for the approved projects, LVL
Adjustment of fishing intensity	10 212 507	37	6 873 069
Fleet renewal and modernisation of fishing vessels	364 658	59	313 743
Improvement of processing and marketing of fishery and aquaculture products	4 815 482	37	4 489 311
Provision of equipment to fishing ports	4 168 593	12	3 312 603
Aquaculture	1 952 787	22	1 114 307
Development of coastal fishing	434 923	0	0
Social and economic measures	1 056 824	85	587 554
Facilitation of new market development	304 114	3	122 086
Support for producer organisations	70 000	0	0
Support for temporary cessation of fishing activities and other financial compensations	62 000	0	0
<b>Total</b>	<b>23 441 888</b>	<b>255</b>	<b>16 812 673</b>

Source: RSS data