



Table 2. Total fish farming output from 1996 to 2005, t

Species	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Total	355	255	312	177	360	464	340	373	258	493
Rainbow rout	194	227	285	147	313	412	287	304	194	405
Carp	61	28	23	30	47	52	53	51	47	43.9

Source: Estonian Statistical Office

Of the 493 t of fish bred, 428.1 t was sold in 2005; its estimated value was MEEK 24 870.24. Applications under NDP Measure 3.11.2, "Investment support for aquaculture" were received from 2 June to 14 October 2005. During this period, the Agricultural Registers and Information Board (ARIB) received 24 applications. Of these, 17 projects with a total amount of MEEK 28.7 were approved.

The largest amount was allocated to the establishment or renovation of aquacultural buildings and facilities: 92% of the total amount; 4% was allocated to fish farm cages and pools. The remaining 4% went for environmental protection, guarding systems, and project preparatory works.

The total output of fish farming was 493 t in 2005. Rainbow trout and carp formed the bulk of the fish farming products: 405 t and 43.9 t, respectively. In addition, 2.3 t of crayfish, 39.8 t of eel and less than 2 t of other species were produced. The total fish farming output from 1996 to 2005 is presented in Table 2.



In 2007–2013, fisheries will be supported by the independent European Fisheries Fund (EFF), which will replace the Financial Instrument for Fisheries Guidance of 2004–2006. As a precondition for being able to benefit from the new Fund, Estonia will have to draw up separate development and implementation plans. This requirement imposes greater liability on the Member States, while assuring greater opportunities for meeting Estonia's needs in the fisheries sector.

The European Fisheries Fund is focused on five priorities: measures for adapting the Community fishing fleet; aquaculture and processing, and marketing of fisheries and aquaculture products; measures of collective benefit (e.g. protection of water, flora and fauna, development of new markets, supporting producers' organisations); sustainable development of coastal fishing areas and technical assistance.

The new Fund will help to implement the measures adopted in the course of reform of the Common Fisheries Policy in order to deliver sustainability in fisheries. Preparations for using the Fund have begun. The Ministry of Agriculture is preparing a national fisheries strategy and has involved the social partners of the sector – various fisheries associations – in the drafting work.



ESTONIA

FISHERIES

caught on the open sea. Trawls are the main fishing gear. Many species of fish are caught by coastal fishing: economically, the most important are Baltic herring, perch, flounder, smelt, garfish, as well as pike-perch and Baltic vimba, and to a lesser extent eel, sea trout, pike and houting. Traps, nets and longlines are the main fishing gear.

Industrial fishing is carried out on a considerable scale on Lake Peipus and Lake Võrtsjärv. The main species caught are pike-perch, bream, perch, smelt, roach, white bream and lamprey. Nets, traps, pound nets and demersal seines are the main fishing gear.

Deep-sea fishing is carried out on the Atlantic Ocean. Shrimp is the main species caught. The major species caught are: redfish, hake, squid, Greenland halibut, ray, roundnose grenadier and rough rattail. Fishing is carried out by trawlers.

In order to modernise the Baltic Sea trawler fleet, and to renew the coastal and open sea fishing vessels and equipment, 259 applications for support and investment aid were received in 2004–2006 under Measure 3.10, "Modernisation and renewal of the fishing fleet", of the Fisheries Development Plan; more than E€K 37 million was paid out as support, including about MEEK 6 for deep-sea fishing vessels. The largest part of the support was used for hull work, the purchasing of vessels and

The amount of support related to the implementation of Measure 3.11.4, "Investment support for inland water fishing", of the Fisheries Development Plan, was over MEEK 6, most of which was granted for the purchasing of vessels.

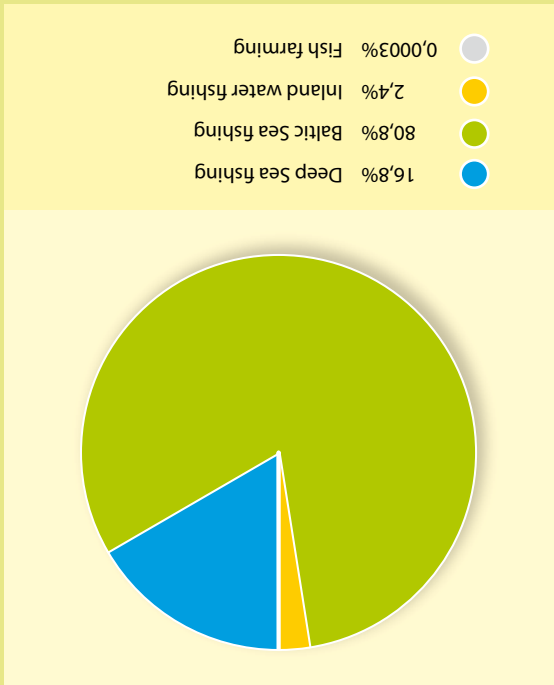


Figure 2. Structure of fishing and fish farming in 2005

In 2005 there were 148 fishing vessels on the Baltic Sea and 11 vessels on the Atlantic Ocean. A total of 886 coastal fishing boats and 350 inland fishing boats had been entered in the Fisheries Information System, as of 2005.

Baltic Sea fishing is divided into open sea fishing and coastal fishing. Brisling, Baltic herring and codfish are

Deep-sea fishing is very important for Estonia: although it accounts for only 17% of Estonia's total fishing capacity by quantity, it considerably exceeds Baltic Sea and inland waters' fishing in terms of value. The reason for this is the highly valuable fish species caught by deep-sea fishing; while the main species caught in the Baltic Sea – Baltic herring and brisling – are considered low-value species.

Fishing in the offshore part of the Baltic Sea is regulated by maximum allowed fishing quantities (quotas); fishing in coastal and inland waters is regulated by the amount of fishing gear. The fishing restrictions are established by the Minister of the Environment.

A total of 98 700 t of fish was caught in 2005, including 16 539 t by deep-sea fishing. The bulk of fish – 79 761 t or 81% – is caught from the Baltic Sea: 10% of this is caught from coastal areas. In addition, 2400 t of fish was caught from inland waters.

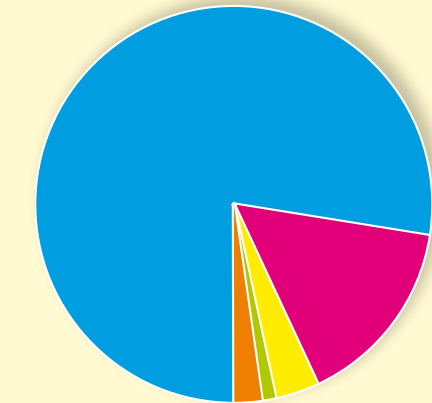


Figure 1. Fishing in inland waters in 2005 (t)

Source: Ministry of the Environment



assessments of fish resources become increasingly critical year to year and a reduction in the volume of fish caught is recommended. Deep-sea fishing, where the catches exceed those of the Baltic Sea and inland water bodies are forty fishing ports located on the Estonian coast. The Estonian fisher primarily brings in their catch from the Baltic Sea, as well as from the ocean and inland water bodies. Aquaculture, especially fish farms offering tourist-orientated angling services, is also developing well in Estonia.

The Estonian fisheries sector uses the Baltic Sea and inland waters' fish resources; Estonia also has access to north-west Atlantic (NAFO), north-east Atlantic (Spitzbergen and NEAFC) and south-west Atlantic fish resources to be good in Estonia's exclusive economic zone. The resources of codfish and salmon are considered unsatisfactory.



FISH PROCESSING

Freezing and filleting, producing canned fish, fish preserves and ready-to-eat foodstuffs are the main activities of the Estonian fish processing enterprises. Canned fish continues to be orientated to the Eastern market and Central and Eastern European markets, the rest of the products are exported to the Western market. Ready-to-eat foodstuffs are marketed on both the Eastern and Western

markets. A large part of the product range is represented on the domestic market.

The Veterinary and Food Board supervised 100 enterprises as of 22 March 2006 that process fish and produce fish products.

Table 1. Relative share of fish processing in the processing industry and food industry

	2000	2001	2002	2003	2004	2005
Share of fish processing in the processing industry, %	3.9	3.5	3.3	2.5	2.2	1.4
Share of fish processingin the food industry, %	15.3	14.2	14.8	12.3	11.9	8
Share in export of foodstuffs, %	44.4	43.1	36.9	31.9	24.9	22
Number of handling entities	135	109	97	95	96	100

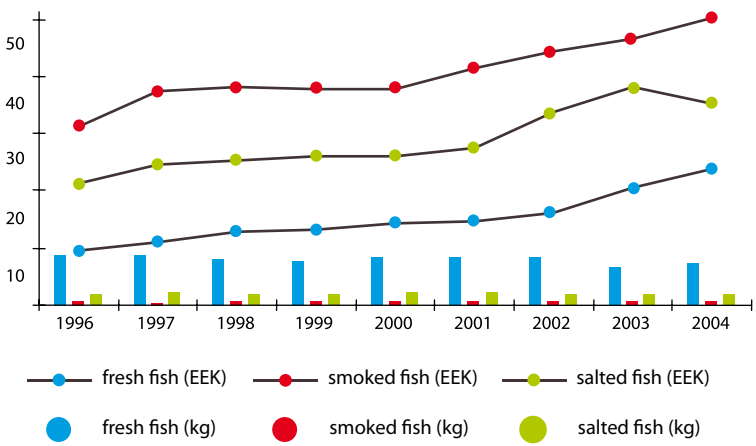
Source: Estonian Statistical Office, Veterinary and Food Board



CONSUMPTION

The share of fish in food rations tends to decrease rather than increase in many countries. The Estonian consumption level (17 kg of raw material per capita) is considerably lower than the Nordic countries' average. Consumption growth is restricted in Estonia because of the price increase, the poor availability of fresh fish, and the relatively low purchasing power of the population compared to the Nordic countries.

Figure 6. Average purchasing quantities and price of fishery products, 1996–2004



Source: Estonian Statistical Office

Fresh, chilled, and frozen fish form the bulk of fish consumed in Estonia, according to the Estonian Statistical Office. Salted fish, canned fish and smoked fish are also important products for Estonians.

Consumer surveys by the Estonian Institute of Economic Research have shown that more than one half (57%) of Estonia's inhabitants eat fish and fishery products at least once a week, and nearly one-fourth (26%) eat fishery products at least once every two weeks. Only 1% of Estonia's inhabitants do not eat any fish or fishery products. Inhabitants of larger cities, wealthier and older people eat fish more frequently than others.

Figure 3. Employees of the fish processing industry, calendar quarters from 1998 to 2005

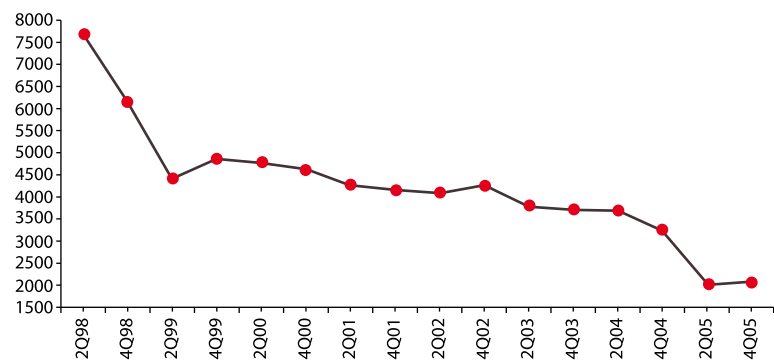
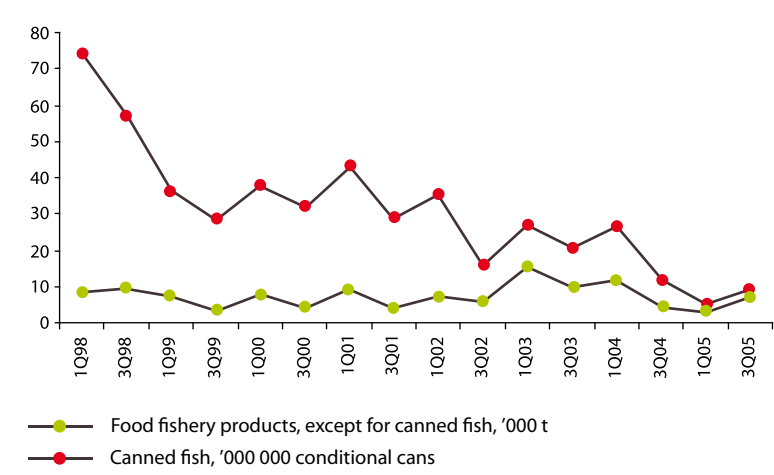


Figure 4. Production quantities



Source: Estonian Statistical Office

LABOUR FORCE

The number of persons employed in fish processing has constantly decreased. Fish processing enterprises employed 2042 persons at the end of 2005.

PRODUCTION AND SALES

The local Baltic Sea species of Baltic herring and brisling are the main raw material for Estonian fish processing enterprises; filleting businesses use freshwater fish like perch and pike-perch. Ready-to-eat foodstuffs are mainly made of imported raw material.

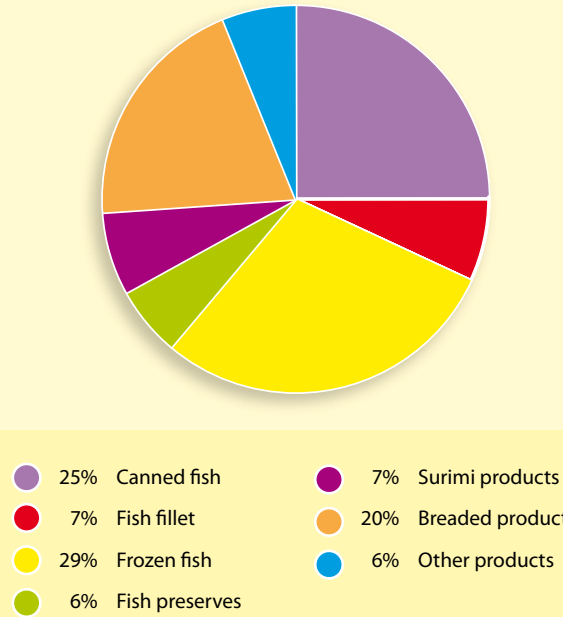
36 200 t of food fishery products (except for canned fish) and 7300 t of canned fish (20.9 million conditional cans) were produced in 2005.



Companies that were members of the Estonian Fisheries Association sold 44,682.8 t of fishery and marine products in 2004; this is nearly 37% less than in 2003.

MEEK 51 was granted as support under SAPARD Measure 2, "Investment support for improving the production and marketing of agricultural and fishery products", and the amount granted under Fisheries Development Plan Measure 3.11.1, "Investment support for processing fish and aquaculture products" was more than MEEK 52. The largest investment objects were the purchase and installation of processing equipment and technological lines for fishery and aquaculture products.

Figure 5. Quantities of fishery and marine products sold in 2004 (%)



Source: Ministry of the Environment

AQUACULTURE

According to the Statistical Office, there were 21 aquacultural enterprises in Estonia in 2005, for which fish farming was the main source of income. In addition, there are 20 enterprises that, amongst other activities, produce sufficient quantities of fish for sale to be regarded as fish farms. There were 38 enterprises only providing angling services, and nearly 30 new fish and crayfish farmers have made investments in 2004 to start aquacultural businesses. According to the Estonian Statistical Office, 70 persons had a principal job in aquaculture in 2005.

Two enterprises are engaged in the enrichment of water bodies, i.e. artificial reproduction of fish resources: the Põlula Fish Breeding Centre, and the Öngu Juvenile

Hatchery. In addition to these, about six other enterprises contribute to the enrichment of water bodies.

In order to enrich fish resources with pre-bred fry and juveniles, various inland and marine water bodies were restocked with a total of 11 species of aquatic organisms: perch, eel, pike, river trout, crayfish, carp, pike-perch, tench, salmon, sea trout and semi-migratory houting. Natural water bodies were restocked with 2.7 million juveniles in 2005, i.e. as much as in 2004. Pike was the main restocked species.

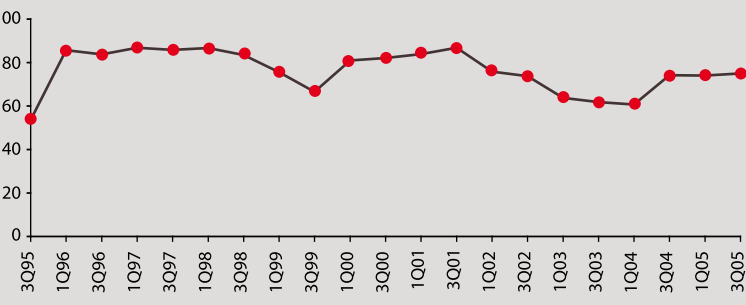
Based on the type of fish farming, fish are mostly bred in tanks (241) and ponds (173). Fish were also bred in rapid-flow channels (18), cages (100), and natural water bodies modified for fish farming (5).



EXPORT

The export share remained stable in 2005; it increased from 74% in 1Q to 76% in 4Q. More attention is being paid to the domestic market, where the prices obtained and the quantities sold are not high, but the market itself is relatively stable.

Figure 7. Share of export in sales (%)



Source: Estonian Statistical Office

Frozen fish is Estonia's highest fish export article, by volume, while fish fillets take first place in monetary terms. Canned fish was mainly exported to the Eastern market and Central and Eastern European markets in 2004. Fish fillets were mostly sold to the Western market.

The export volumes of fresh and frozen fish have significantly decreased in recent years (2001–2004), while signs of increased exports were noticeable in 2005 with respect to fishery products and canned fish (34%) as well as fresh and frozen fish (67%).

