
The business model in EU fisheries

Why EU fishing companies depend on governance, markets and innovation—not only on fishing opportunities

Brussels, 24 July 2026

Executive summary

- ❖ The viability of EU fishing enterprises cannot be assessed solely through the relationship between fleet capacity and fishing opportunities.
- ❖ Profitability depends on the full economic equation: catches and prices on the revenue side, and operating costs, innovation, regulatory framework on the cost side.
- ❖ The role of the European Commission is to establish a sustainable, predictable and competitive framework—not to prescribe private business models.
- ❖ The central policy question is whether EU rules enable sustainable fishing enterprises to remain competitive, resilient and able to invest.
- ❖ The cumulative regulatory burden has become a major determinant of competitiveness, thereby the need for simplification and reduction of bureaucracy.
- ❖ Economic performance is increasingly shaped by external factors beyond the control of fishing enterprises, including climate-driven ecosystem changes, invasive species, predation, spatial squeeze and conservation closures. Fleet reduction cannot address these pressures.
- ❖ Fishing opportunities are also the outcome of governance and political negotiation conducted by the European Commission.
- ❖ EU trade policies influence market prices and exposes European producers to competition from imports produced under different environmental, labour and control standards.
- ❖ Modern fleet renewal is central to business competitiveness, safety, occupational health and decarbonisation.

Background

Recent discussions on the future of the Common Fisheries Policy (CFP) increasingly suggest that the economic performance of the sector is primarily determined by the relationship between fishing opportunities and fishing capacity. Healthy fish stocks are of course a biological prerequisite for fisheries. They are not, however, a business model. Businesses are built on the ability to create and capture value. That depends not only on access to resources but equally on prices, costs, productivity, investment, innovation and the regulatory environment. In this paper, Europeche will reflect on these and other factors.

The Commission's role is to create a competitive framework, not to define business models

A fundamental principle of the European Union (EU) is that public authorities establish the legal and institutional framework within which businesses compete, innovate and invest. It is not the role of democratic governments to prescribe how private companies organise their business models.

This principle is well established in institutional economics¹, which shows that economic performance depends on the quality of institutions—defined as the ‘rules of the game’—while firms themselves determine how to organise production, invest and compete. In other words, governments establish incentives; entrepreneurs develop business models.

The same principle must apply to fisheries.

The role of the CFP and related policies governing fisheries, is therefore to establish sustainable harvesting rules, conservation objectives, enforcement mechanisms and a level playing field. It is not to determine how fishing enterprises create value, organise production or compete in the marketplace, without prejudice to the provisions of the Common Market Organisation (CMO) Regulation.

Rather than questioning the business model of fishing enterprises, the Commission should analyse the cost of complying with the regulatory framework, the costs of changes of the regulatory framework and whether it enables those businesses to remain competitive, resilient and innovative.

Ironically, some of the most successful and sustainable fishing business models have been undermined by unintended regulatory consequences. The closure of 87 fishing areas under the Deep-Sea Access Regulation is a clear example².

This case demonstrates how regulatory uncertainty and implementation have become one of the greatest threats to the profitability of fishing businesses. It also undermines investor confidence, making banks and private financiers increasingly reluctant to support fisheries projects due to the risk of abrupt regulatory changes.

¹ North, D.C. (1990). *Institutions, Institutional Change and Economic Performance*. Cambridge University Press.

² In the Mariña Lucense (northern Galicia), a traditional longline fleet had invested for years—with the support of the EMFF and Producer Organisations—in building a sustainable, high-value hook-and-line fishery. Overnight, this business model was severely disrupted by a rigid interpretation of the legislation, despite the lack of adequate scientific evidence and any meaningful socio-economic impact assessment. A provision primarily intended to address bottom trawling was applied to longlining, depriving the fleet of access to its traditional fishing grounds and forcing vessels either to leave the sector or revert to fishing methods that had been abandoned.

A business model depends on both revenues and costs

The current debate frequently equates the viability of fishing enterprises with the balance between fishing opportunities and fishing capacity. This overlooks a basic principle of economics.

Businesses do not survive because they generate revenues. They survive because revenues exceed costs.

For fishing enterprises, revenues depend on fishing opportunities, market prices, product quality and value creation. Costs include fuel, labour, maintenance, financing, insurance, investment, compliance, administration and regulatory obligations.

The FAO³ has long recognised that fisheries profitability depends simultaneously on catches, prices and operating costs. Likewise, the STECF Annual Economic Reports assess fleet performance using a broad range of economic indicators—including gross value added, operating costs, fuel expenditure and profitability—rather than fishing opportunities alone.

Consequently, evaluating the future business model of fisheries through quotas and fleet capacity alone ignores half of the economic equation.

Different fisheries, different business models

The European fishing sector is far from homogeneous. Each fishery and métier operates under distinct biological, geographical, operational and market conditions, resulting in fundamentally different business models. Cost structures, investment needs, profitability, seasonality, labour requirements and exposure to regulatory measures vary considerably between fleets.

Fishing opportunities are only one production factor

Fishing opportunities provide access to the resource. They do not determine profitability.

Modern fisheries economics increasingly recognise that production depends upon multiple interacting variables including market prices, management institutions, spatial allocation, technology, labour and investment incentives.

Available scientific research⁴ demonstrates that fisheries production cannot be understood solely through biological variables because management institutions fundamentally influence economic performance.

Similarly, two companies holding identical quotas may generate entirely different profits depending on production capacity, fuel efficiency, product quality, logistics, financing conditions and commercial strategy.

³ FAO. Fisheries Management – Technical Guidelines for Responsible Fisheries No. 4.

⁴ Reimer, M., Abbott, J.K., & Wilen, J.E. (2017). Fisheries Production: Management Institutions, Spatial Choice and the Quest for Policy Invariance. American Journal of Agricultural Economics.

Fishing opportunities therefore represent only one factor of production within a much broader business model.

Regulatory costs increasingly determine competitiveness

As recognized by the Communication *‘A Competitiveness Compass for the EU’*, regulatory burden has become a brake on Europe’s competitiveness. Despite the EU’s better regulation policy, for two out of three companies this burden is the key obstacle to long-term investment.

The fishing industry is no exception.

Unlike fuel prices or labour costs, regulatory costs are created directly by public policy.

Fishing enterprises today operate simultaneously under:

- International Regulation (e.g., RFMOs)
- CFP;
- Marketing standards;
- Fisheries Control Regulation;
- Marine Strategy Framework Directive;
- Maritime Spatial Planning Directive;
- Habitats and Birds Directives;
- sustainable finance legislation;
- tax policies;
- sanitary & waste legislation;
- labour legislation;
- funding conditionality;
- reporting obligations.

Each measure may pursue legitimate objectives individually. Businesses, however, experience their cumulative effect.

OECD research⁵ on regulatory quality consistently shows that excessive administrative complexity, regulatory uncertainty and unnecessary compliance costs discourage investment, innovation and productivity, whereas clear, predictable and proportionate regulation enhances competitiveness and long-term economic performance.

The relevant question is therefore no longer whether individual regulations are justified in isolation, but whether their cumulative economic impact remains proportionate.

Regulatory burden extends far beyond administrative costs

Regulatory burden is frequently associated with paperwork. In fisheries, it encompasses much broader economic impacts.

⁵ OECD (2025), *OECD Regulatory Policy Outlook 2025* – reinforces the need for proportionate, predictable and evidence-based regulation to foster investment and productivity.

Institutional approach

The challenge is not only regulatory but also institutional. For many years, EU fisheries policies have largely viewed the sector through the lens of environmental pressures to be reduced, rather than as a strategic provider of food, employment and resilience. This underlying approach has contributed to an increasingly complex regulatory framework focused primarily on restrictions and compliance, rather than enabling sustainable production and investment. Europêche has consistently argued that fishers are first and foremost providers of healthy, low-carbon food and should be recognised as such in EU legislation.

In this respect, the recent shift in the Commission's approach towards livestock is particularly noteworthy⁶. Whereas livestock was long considered mainly a source of emissions, it is now recognised as critical infrastructure for Europe's food security. Fisheries deserve the same strategic recognition. A genuine paradigm shift is needed—one that sees fishers not as part of the problem, but as essential partners in delivering food security, coastal resilience, strategic autonomy and the sustainable management of marine resources.

Administrative burden

Electronic reporting, inspections, certification, traceability, monitoring systems and compliance obligations generate significant operating costs, particularly for SMEs. The time required to complete administrative forms and comply with documentation requirements has often forced fishing enterprises to hire additional staff solely to manage regulatory compliance.

Spatial squeeze

Fishing grounds constitute the production space of fishing enterprises. Their progressive reduction through offshore renewable energy, marine protected areas, underwater infrastructure and competing maritime uses reduces productivity in exactly the same way that reducing the production floor of a factory lowers industrial output.

Scientific studies⁷ demonstrate that spatial allocation directly affects production efficiency, while the STECF identifies competition for maritime space as an emerging determinant of socio-economic resilience.

Legal instability

Fishing vessels typically represent investments with economic lifetimes exceeding thirty years.

Investment decisions require regulatory predictability. Institutional economics consistently shows that unstable legal environments discourage investment and reduce productivity. The increasing frequency of legislative revisions, changing environmental objectives and evolving funding conditions therefore constitute genuine economic costs that should be recognised in policy evaluations.

⁶https://www.politico.eu/article/eu-livestock-strategy-food-security-climate-policy/?utm_source=email&utm_medium=alert&utm_campaign=The%20EU%E2%80%99s%20paradigm%20shift%20on%20cows

⁷ Bastardie et al., 2015

Furthermore, when proposing legislation, the policy options selected by the European Commission for many regulatory proposals led to negative socio-economic consequences (e.g., common fisheries policy 2013, landing obligation, deep sea access regulation), thereby contributing to the decline of the sector.

Likewise, some legislative proposal such as the Nature Restoration Law have been advanced with an absolute lack of a socio-economic impact assessment. As highlighted in the tables attached below, the Commission has failed to provide any concrete data on the “costs and benefits” that this new law is expected to generate for Member States, marine ecosystems and the fisheries sector. Instead, the legislation primarily relies on theoretical gains and potential undocumented benefits. Such an approach is incompatible with the principles of Better Regulation and undermines confidence in evidence-based policymaking.

Overview of costs for the preferred option – until 2070 (present values)				
Action	One-off costs in EUR million	Annual costs in EUR million	Total in EUR million for scenario A (15-40-100% targets by 2030-2040-2050)	Total in EUR million for scenario B (30-60-100% targets by 2030-2040-2050) Comments
<i>Costs for restoration and maintenance per ecosystem type for both Member States and businesses</i>				
Peatlands			4 779	5 125
Marshlands			3 643	3 721
Coastal wetlands			5 141	5 852
Forests			50 082	53 850
Agro-ecosystems			26 559	27 732
Steppe, heath and scrub			3 051	3 111
Rivers, lakes and alluvial habitats			35 232	40 211
Sub-total			128 487	139 602
Marine, urban, pollinators			(na)	(na)

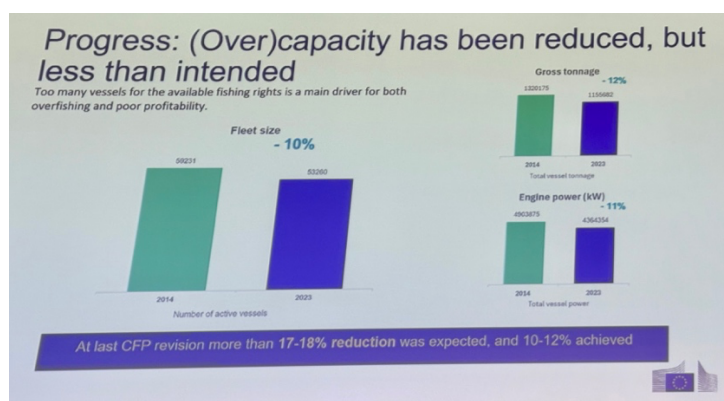
Ecosystem type / Species	Benefit to cost ratio (With Annex I targets: 15 % by 2030, 40 % by 2040, 100 % by 2050)	Benefit to cost ratio (With Annex I targets: 30 % by 2030, 60 % by 2040, 100 % by 2050)
Inland wetlands (for peatland only)	7.1 (2.2 if carbon only)	8.3 (2.5 if carbon only)
Forests	4.1 (0.1 if for carbon only*)	4.1 (0.1 if for carbon only*)
Heathland and scrub	6.9 (1.3 if carbon only)	8.2 (1.5 if carbon only)
Agro-ecosystems	8.6 (0.6 if carbon only)	9.2 (0.7 if carbon only)
Rivers, lakes and alluvial habitats	24	26
Coastal wetlands	35.3 (0.2 if carbon only)	38.1 (0.2 if carbon only)
Median cost-benefit ratio between ecosystem types	7.9	8.8
Marine	Quantitative/Qualitative estimates indicate benefits very likely to outweigh the costs, in particular, in the longer term.	Quantitative/Qualitative estimates indicate benefits very likely to outweigh the costs, in particular, in the longer term.

The CFP has primarily pursued structural adjustment through fleet reduction

Successive CFP reforms sought to reduce the number of vessels, gross tonnage and engine power through decommissioning schemes, capacity ceilings and strict entry-exit rules. The underlying economic rationale was clear: fewer vessels competing for the same fishing opportunities would improve profitability, increase resource availability per vessel and ultimately create a more resilient and competitive fleet. This logic remains embedded in Article

22 of the CFP Regulation 2013, which requires Member States to adjust fishing capacity to fishing opportunities with the objective of achieving a stable and enduring balance.

The Commission continues to describe the reduction in fleet capacity as a policy-driven structural adjustment aimed at improving efficiency, profitability and competitiveness, and concludes that the fleet reduction has not been as ambitious as expected (see chart below).



The EU fleet has undergone a substantial reduction in the number of vessels (>28% between the years 2000-2020, according to FAO), yet significant parts of the sector continue to experience declining profitability, ageing fleets, labour shortages and difficulties in attracting investment. This shows that after more than three decades of structural adjustment, the promised economic gains have not materialised.

This raises an important policy question. If the principal structural policy of the CFP has been implemented over several decades, yet many fleet segments continue to face economic difficulties, can poor economic performance still be attributed primarily to insufficient capacity adjustment? Or does this instead demonstrate that other determinants have become equally—or more—important?

The latter appears increasingly consistent with the available evidence.

Likewise, this raises the question of whether the EU fleet can realistically remain profitable if the underlying policy objective continues to be fleet reduction.

The challenge facing European fisheries today is no longer simply how many vessels exploit the resource, but whether those vessels operate within an economic and regulatory environment that allows them to remain competitive.

Consequently, it would be inappropriate to conclude that persistent economic difficulties are primarily the responsibility of Member States for failing to adjust fleet capacity. Such an interpretation overlooks the cumulative effect of other EU policy choices that increasingly shape the profitability of fishing enterprises.

Economic performance is increasingly determined by external factors beyond the control of fishers and fishing pressure

Many of the factors that determine the profitability of fishing enterprises today are external to fisheries management and cannot be addressed simply through further structural adjustments.

Environmental change and climate impacts

Marine ecosystems are undergoing profound changes as a result of climate change, biodiversity shifts and changing oceanographic conditions.

Many commercially important species are changing their distribution, while the rapid expansion of invasive or non-indigenous species is causing significant economic losses in several Member States.

Examples include:

- the spread of **blue crab** (*Callinectes sapidus*) in the Adriatic and other Mediterranean waters, causing severe damage to shellfish production and coastal fisheries in Italy;
- the expansion of **silver-cheeked toadfish** (*Lagocephalus sceleratus*) throughout the Eastern Mediterranean, particularly around Cyprus and Greece, damaging fishing gear and reducing catches;
- recurrent blooms of **macroalgae and jellyfish** affecting fishing operations and coastal fisheries in parts of Spain.

In international negotiations, especially with neighbouring countries, the EU has too often adopted an approach that accepts the loss of fishing opportunities as stocks shift into the waters of third countries, rather than securing continued access to those stocks through negotiated arrangements.

These developments directly affect catches, fishing costs and marketability but are largely unrelated to fleet capacity or fishing effort.

Increasing predation

In several European sea basins, fishers increasingly report significant economic losses caused by the exponential expansion of populations of protected predators.

Examples include:

- grey seals and harbour seals in the Baltic, Scotland or East of Canada (Namibia);
- cormorants in inland and coastal waters;
- dolphins in several sea basins;
- and other marine mammals whose populations have recovered successfully under EU conservation legislation.

These species consume commercially important fish, damage fishing gear and catches, reduce stock availability and increase operational costs.

In some fisheries, natural predation now exceeds fishing mortality for certain species or local stocks. Nevertheless, the Commission has failed to respond to the repeated requests from the sector and Member States to manage predator populations in a way that maintains ecosystem balance.

Spatial restrictions

Fishing opportunities are increasingly constrained not only by quotas but also by spatial management measures.

Temporary and permanent closures established to protect sensitive species or habitats, while justified by conservation objectives, have significant socio-economic consequences.

For example, the recurrent month-long closures in parts of the Bay of Biscay to reduce common dolphin by-catch have forced some fishing companies to cease operations entirely during the closure period, while displacing the remaining fleet to more distant fishing grounds, increasing fuel consumption, operational costs and economic losses.

Similarly, the closure of 87 areas to protect vulnerable marine ecosystems (VMEs) has substantially restricted access to traditional fishing grounds for the bottom fishing fleet, particularly bottom longliners, with limited or no consideration of the socio-economic consequences.

Similarly, the cumulative expansion of Marine Protected Areas, offshore renewable energy installations and other maritime uses continues to reduce access to productive fishing grounds.

These restrictions create conflicts between fishing gears, disrupt fishing patterns and force vessels to operate further from their home ports, increasing fuel consumption, operational costs and risks to the safety of life at sea. As a result, they directly affect business performance regardless of the biological status of the stocks.

In summary, fishing is only one of many human activities affecting the marine environment. Effective ecosystem-based management requires assessing the cumulative impacts of all maritime uses, including offshore renewable energy, shipping, ports, submarine cables, dredging, sand/mineral extraction, tourism and defence activities. Focusing regulatory efforts disproportionately on fisheries while overlooking other pressures undermines both environmental objectives and the competitiveness of the sector.

Scientific advice should inform policy—not predetermine the most restrictive outcome

Europêche fully supports management based on the best available scientific advice. However, scientific advice should inform policy, not automatically lead to the most restrictive management measures.

The Commission often appears to favour the most precautionary interpretation of scientific advice, while giving less consideration to the uncertainties, alternative management options and socio-economic implications that are also recognised by scientific bodies.

As a result, the Commission too often translates scientific advice into management decisions that are more restrictive than necessary. By systematically favouring the most precautionary option over the full range of scientifically sustainable outcomes, fishing opportunities are reduced beyond what is required to achieve conservation objectives, to the detriment of the competitiveness and resilience of the EU fishing sector.

In addition, increasing year-to-year fluctuations in scientific advice for some stocks raise concerns regarding data quality, assessment methodologies and uncertainty. Large and sudden changes in catch advice create significant uncertainty for businesses, investment decisions and long-term planning. Continued investment in fisheries science, improved data and greater transparency in stock assessments are therefore essential.

Finally, increasing sustainable catches is essential for strengthening Europe's food security and strategic autonomy. Sustainable EU fisheries do not threaten fish stocks; they contribute to their long-term management while ensuring high environmental, social, labour and safety standards. Strengthening domestic seafood production also reduces dependence on imports and prevents food security from becoming a geopolitical vulnerability.

Fisheries management shortcomings

Access to quota at the right time is as important as the overall volume of quota available. Delays or the inability to secure quota swaps can force vessels to stop fishing despite quota remaining available elsewhere in the EU. This reduces economic efficiency, generates avoidable choke situations and undermines the full utilisation of fishing opportunities established each year.

The current quota swap system is fragmented, slow and dependent on ad hoc bilateral negotiations, creating uncertainty for fishing businesses and often leading to the underutilisation of available quotas.

A more predictable and efficient mechanism for quota exchanges would improve quota uptake, enhance business planning and increase the value generated from existing fishing opportunities without increasing fishing pressure.

Likewise, the quota banking mechanism (the transfer of unused quotas from the previous year) continues to function poorly. In practice, transferred quotas often become available only after the relevant fishing season has largely passed, significantly limiting their usefulness to the fleet.

This illustrates a broader point: the economic performance of the sector depends not only on the quantity of fishing opportunities allocated under the CFP, but also on the efficiency and flexibility of the governance mechanisms through which those opportunities are managed.

The EU should also be willing to benchmark itself against successful international schemes. Rather than focusing solely on addressing the sector's shortcomings, it should examine fisheries management models that have delivered both environmental sustainability and economic prosperity. Norway, for instance, has maintained relatively stable catch levels for decades while fostering a profitable and innovative fishing industry that continues to attract younger generations. Its experience demonstrates that sustainable fisheries can coexist with business viability, fleet renewal and generational renewal⁸. While recognising the different legal and governance frameworks, the Commission should analyse the factors behind such success and assess whether elements of these approaches could inspire future reforms of the CFP.

⁸ <https://www.frontiersin.org/journals/sustainability/articles/10.3389/frsus.2025.1401587/full>
<https://thefishingdaily.com/norwegian-fishing-industry-blog/norwegian-industry-welcomes-more-and-more-young-fishermen/>

Excessive use of delegated acts

The increasing reliance on delegated and implementing acts has progressively shifted important policy decisions away from the ordinary legislative process. This reduces transparency and limits the influence of Member States, the European Parliament and stakeholders on measures with significant socio-economic consequences. Greater political oversight should be restored for decisions that substantially affect fishing opportunities, business conditions and access to fishing grounds.

Fishing opportunities are also shaped by EU external policy

The current debate often presents fishing opportunities as an external constraint to which the sector must simply adapt. This overlooks an important institutional reality: **many fishing opportunities are not given by nature but negotiated by the European Commission.**

Under the CFP, the Commission has exclusive competence to negotiate fishing opportunities through:

- Regional Fisheries Management Organisations (RFMOs);
- Sustainable Fisheries Partnership Agreements (SFPAs);
- consultations with neighbouring coastal States; and
- agreements on shared fish stocks.

The economic performance of many EU fleets therefore depends not only on the biological status of fish stocks but also on the Commission's ability to secure stable, predictable and equitable fishing opportunities.

Several recent examples illustrate this point. For instance, the continued failure to reach comprehensive sharing arrangements for Northeast Atlantic mackerel and other shared stocks has reduced fishing opportunities for EU operators.

Similarly, non-renewal or changes to SFPAs (e.g., Morocco, Mauritania) and access arrangements with third countries (e.g., UK, Norway) have immediate economic consequences for fleets that depend on those fisheries.

As regards Regional Fisheries Management Organisations (RFMOs), the example of ICCAT is particularly illustrative. The successive moratoria on the use of Fish Aggregating Devices (FADs) have contributed to the disappearance of nearly half of the European purse seine fleet operating in ICCAT waters. This has resulted in the loss of European businesses and jobs while weakening the EU's strategic capacity to supply sustainably sourced tuna.

By contrast, the successful increases of bluefin tuna quotas have delivered tangible environmental and socio-economic benefits for the sector. However, despite this biological success, the EU's share of the TAC has declined from 59.24% in 2015 to approximately 52% in 2026—a reduction of around 12%. This illustrates that stock recovery alone does not automatically translate into improved economic opportunities for the European fleet and highlights the importance of defending the EU's interests in international quota negotiations.

If fishing opportunities are considered a key determinant of the business model of EU fisheries, then the effectiveness of the Commission in securing and defending those

opportunities through international negotiations must equally be recognised as a determinant of the sector's competitiveness. Yet, while fishing enterprises bear the economic consequences of unsuccessful negotiations, they have no means of seeking accountability for those political outcomes.

Fishing opportunities are not solely a biological variable; they are also the outcome of governance and political negotiation. The evaluation of the CFP should have therefore assessed not only the availability of fishing opportunities, but also how effectively they are negotiated and maintained.

Furthermore, among the world's major economic and geopolitical powers—including the United States, China, India, Japan, Russia and the European Union—the EU stands out as one of the very few, if not the only one, to have experienced a long-term decline in its wild capture fisheries production⁹. While countries such as China and India continue to increase their catches, and others, including the United States and Norway¹⁰, have broadly maintained stable production over recent decades, EU catches have steadily decreased. This trend raises important questions about Europe's long-term food security, strategic autonomy and the competitiveness of its fisheries sector.

A sustainable increase in catches from healthy fish stocks should therefore be recognised as a legitimate policy objective alongside conservation, reducing dependence on imports and reinforcing the EU's resilience in an increasingly uncertain geopolitical context.

It should be reminded that the fishing sector is an integral part of Europe's wider maritime cluster, supporting ports, shipbuilding, equipment manufacturers, logistics, seafood processing and coastal services. Beyond its economic contribution, the sector also represents a strategic maritime asset. Fishing vessels and their highly skilled crews possess unique knowledge of European waters and can provide valuable support during emergencies (Covid-19), maritime surveillance, data to fight against climate change, search and rescue operations, environmental incidents and broader security or defence-related crises.

Finally, the business environment for fishing enterprises is increasingly shaped not only by EU legislation but also by a growing body of international rules and commitments. In addition to measures adopted by Regional Fisheries Management Organisations (RFMOs), international frameworks developed under the International Maritime Organization (IMO), the International Labour Organization (ILO), the World Trade Organization (WTO), the Agreement on Biodiversity Beyond National Jurisdiction (BBNJ), and the Convention on Biological Diversity (CBD) increasingly influence vessel operations, safety standards, labour conditions, access to fishing opportunities, environmental obligations and fisheries subsidies.

Ensuring coherence between these international commitments and EU legislation is essential to provide legal certainty and a level playing field, while avoiding the introduction of unilateral EU requirements that go beyond internationally agreed standards, such as the EU's 10% strict protection target.

⁹[https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Fisheries _catches_and_landings#:~:text=The%20total%20EU%20catch%20in,2001%20\(see%20Figure%203\)](https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Fisheries_-_catches_and_landings#:~:text=The%20total%20EU%20catch%20in,2001%20(see%20Figure%203))

¹⁰ <https://openknowledge.fao.org/server/api/core/bitstreams/a2090042-8cda-4f35-9881-16f6302ce757/content>

Trade policy increasingly determines profitability

The Commission's analysis largely ignores another major determinant of business performance: market prices. The profitability of fishing enterprises depends not only on catches but equally on the prices obtained for those catches.

Those prices are increasingly shaped by EU trade policy. Through Autonomous Tariff Quotas (ATQs), Free Trade Agreements (FTAs), GSP+, Economic Partnership Agreements and other preferential trade regimes, the European Union has progressively increased access for seafood imports.

While these policies pursue broader trade objectives, they inevitably influence the commercial environment within which European fishing enterprises operate.

Many imported seafood products compete directly with EU catches while being produced under environmental, labour and control standards that differ substantially from those applicable to European producers.

The OECD¹¹ has highlighted that global seafood markets increasingly determine the competitiveness of fishing enterprises through price formation, value chains and international competition.

See below extract from latest import barometer results for tuna species¹²:

Rank	Customs code	Description	YoY Change quantity	YoY Change price	Value; current period (EUR)	Quantity; current period (kg)	Price per kg; current period (EUR)	Value; period - 1 year (EUR)	Quantity; period - 1 year (kg)	Price per kg; period - 1 year (EUR)	Value; period - 2 years (EUR)	Quantity; period - 2 years (kg)	Price per kg; period - 2 years (EUR)
310	3048700	Frozen fillets of tuna "of the genus Thunnus", skipjack or stripe-bellied bonito "Euthynnus [Katsuwonus] pelamis"	22%	-7%	298 441 704 €	37 886 920	7,88	264 082 589 €	31 027 773	8,51	224 933 586 €	25 000 178	9,00
562	16041431	Prepared or preserved Yellowfin tuna "Thunnus albacares", whole or in pieces, in vegetable oil (excl. minced)	16%	-15%	125 170 276 €	21 017 966	5,96	126 483 701 €	18 118 446	6,98	113 393 429 €	16 817 240	6,74
762	3034220	Frozen yellowfin tuna "Thunnus albacares" for industrial manufacture of products of 1604	27%	-22%	68 969 029 €	30 211 470	2,28	69 797 614 €	23 765 706	2,94	60 902 121 €	21 267 313	2,86
844	16041446	Fillets known as "loins" of tuna, prepared or preserved, whole or in pieces (excl. such products in vegetable oil or minced, skipjack and Yellowfin tuna "Thunnus albacares")	37%	-6%	53 960 247 €	10 570 304	5,10	41 915 065 €	7 723 942	5,43	56 057 534 €	9 850 339	5,69

The future competitiveness of EU fisheries therefore depends not only on fisheries management but also on greater coherence between the CFP and the Common Commercial Policy.

¹¹ OECD (2025). OECD Review of Fisheries.

¹² https://policy.trade.ec.europa.eu/enforcement-and-protection/trade-defence/import-barometer_en

In this context, problems also stem from a lack of political will to use the EU's regulatory and market powers to ensure a level playing field—an approach that is routinely applied in other sectors. As a result, imported seafood is often cheaper than EU-caught fish, not because it is more efficient, but because it does not bear the costs associated with complying with the EU's extensive regulatory framework. The EU should ensure that all seafood placed on the EU market meets equivalent environmental, social and production standards. This is already the norm for many other products, such as toys, vehicles and electrical equipment, which must comply with EU standards before they can be marketed within the Union.

Public support enables policy implementation, not business profitability

EU fisheries support is often portrayed as a subsidy that artificially sustains the sector. In reality, most public funding is designed to help implement CFP objectives—such as improving selectivity, working conditions, safety, data collection, control, innovation and the energy transition—rather than covering the day-to-day costs of fishing businesses.

These funds are generally project-based, conditional and co-financed. They do not compensate for operating costs or guarantee profitability. If they did, the sector would not continue to face low margins, vessel decommissioning and business closures.

Similarly, claims that European fisheries benefit from ‘fuel subsidies’ are misleading. EU fishing vessels do not receive direct fuel subsidies; they benefit from the same excise duty exemptions applied to commercial fuel used in international shipping, aviation and other transport sectors. These tax exemptions avoid double taxation but do not reduce the market price of fuel, which remains one of the largest operating costs for fishing enterprises.

Public support should therefore be recognised as an investment in delivering public policy objectives and facilitating the transition towards more sustainable fisheries, not as a substitute for a viable business model.

Likewise, in cases of *force majeure*, the EU and Member States may adopt temporary support measures to partially offset exceptional increases in fuel prices. For example, during the recent fuel crisis triggered by the US-Iran conflict, extraordinary aid was made available only in some Member States and at varying levels. In all cases, however, this assistance compensated only a fraction of the additional fuel costs and was intended solely as a temporary emergency measure, not as a subsidy to operating costs or business profitability.

Competitive modern fishing vessels

Modern fishing vessels are also inherently more competitive. Advances in hull design, propulsion systems, automatization, engines and onboard technologies have significantly improved fuel efficiency, reduced greenhouse gas emissions and lowered operating costs. Newer vessels can catch the same amount of fish using less fuel, while offering safer and better working conditions, greater selectivity and improved product quality. Restricting fleet renewal therefore risks locking the sector into an ageing, less efficient and less competitive fleet, ultimately undermining both its economic and environmental performance.

In this context, the continuing emphasis on Gross Tonnage (GT) and engine power (kW) originates from an era of input-based fisheries management.

Today's fisheries are primarily managed through TACs, quotas, effort ceilings, technical measures and electronic control systems.

Under quota management, catches are determined by fishing rights rather than vessel dimensions. OECD analyses of fisheries management and numerous studies by Hilborn, Costello and others conclude that effective output controls largely decouple fishing mortality from vessel capacity. This is the system that a highly performing country in fisheries management such as Iceland, has used for decades with success.

Constraining fleet renewal through outdated capacity indicators therefore discourages investment without contributing significantly to conservation outcomes.

Balanced public communication

Negative public communication from the European Commission targeting certain fishing techniques, particularly bottom trawling (e.g., the *Action plan: Protecting and restoring marine ecosystems for sustainable and resilient fisheries*), as well as announcements of additional area closures¹³, have immediate economic consequences even before any new measure is adopted.

Such statements create regulatory uncertainty and reinforce the perception among banks, insurers and investors that the businesses concerned represent high-risk activities. This restricts access to credit, increase financing and insurance costs, and discourage investment in the company capital, safety, energy efficiency and more selective technologies.

Public communication should therefore be evidence-based, balanced and mindful of its broader economic impact on otherwise lawful and sustainably managed fishing enterprises.

The future debate should focus on competitiveness

The Commission's own scientific evidence no longer supports a simplistic "capacity versus opportunities" narrative.

The STECF identifies labour shortages, ageing workforces, declining attractiveness, market conditions, energy costs, spatial competition, climate change, governance quality and social acceptance as major determinants of the resilience of fisheries.

The evidence therefore points towards a different conclusion.

The future competitiveness of European fisheries will depend less on prescribing business models than on improving the institutional framework within which those businesses operate.

¹³ End to bottom fishing on protected deep-sea ecosystems in EU waters https://oceans-and-fisheries.ec.europa.eu/news/fisheries-end-bottom-fishing-protected-deep-sea-ecosystems-eu-waters-2022-09-15_en

The central policy question should therefore no longer be:

Is fleet capacity aligned with fishing opportunities?

but rather:

Does the European regulatory framework and decisions allow sustainable fishing enterprises to remain competitive or economically sustainable?