

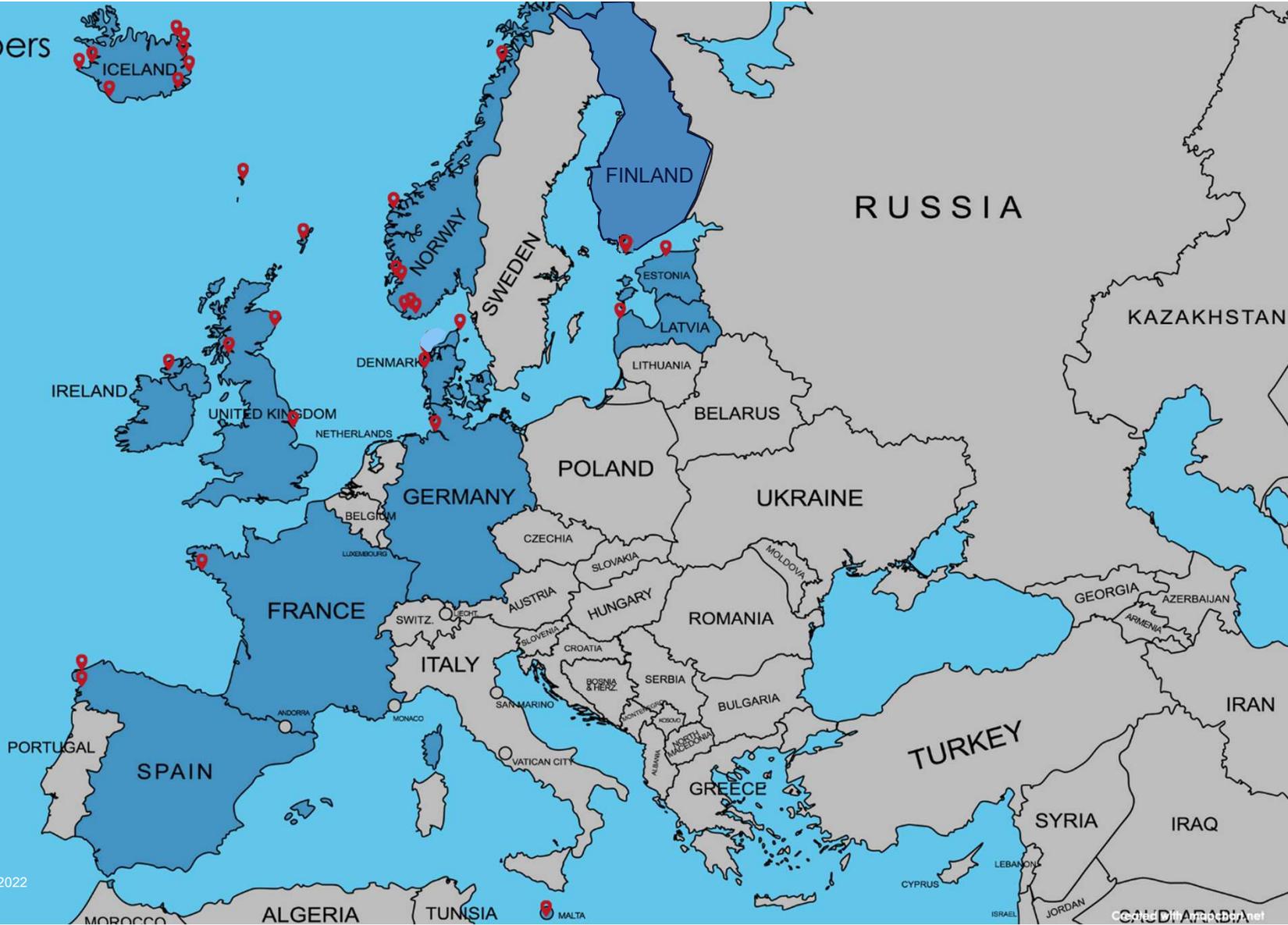
Update on Europe

IFFO Market Forum Supply perspective

Anne Mette Bæk

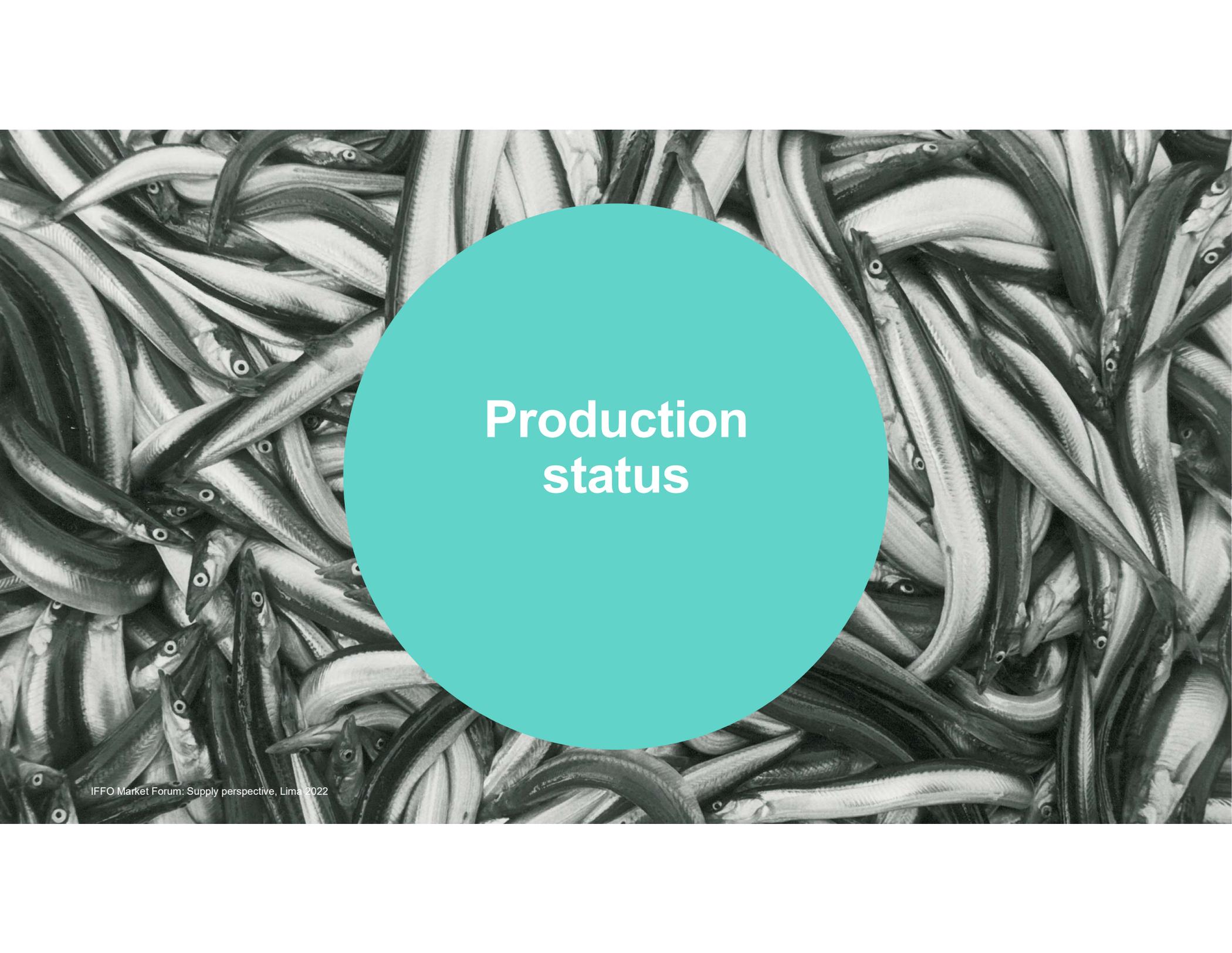


EFFOP Members



EFFOP 2022 biennial conference, Skagen, Denmark





Production status

European fishmeal and fish oil production

Average 2017-2021:

575,000 tonnes of fishmeal

170,000 tonnes of fish oil

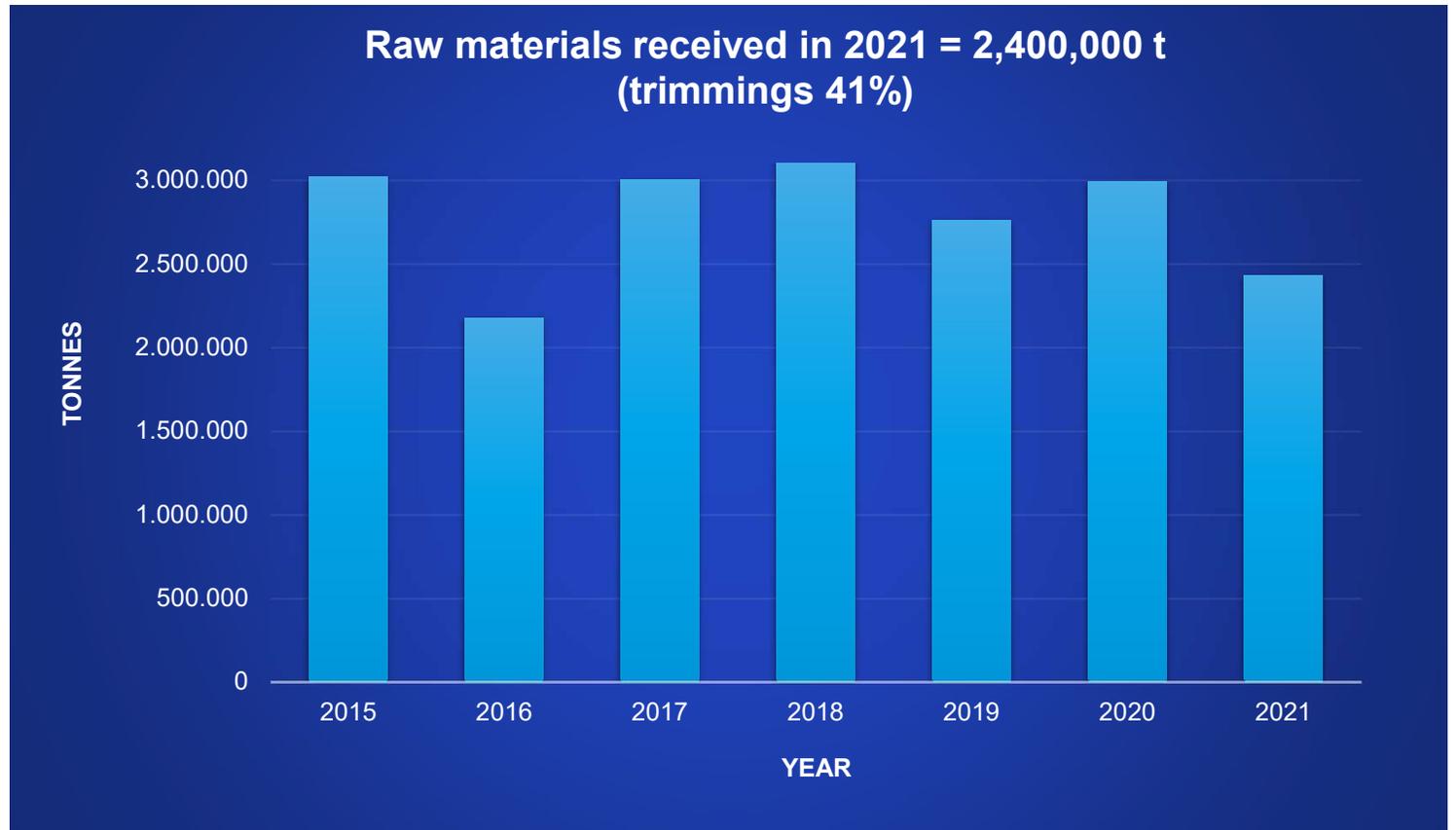
Total raw material received:

2.860.000 tonnes

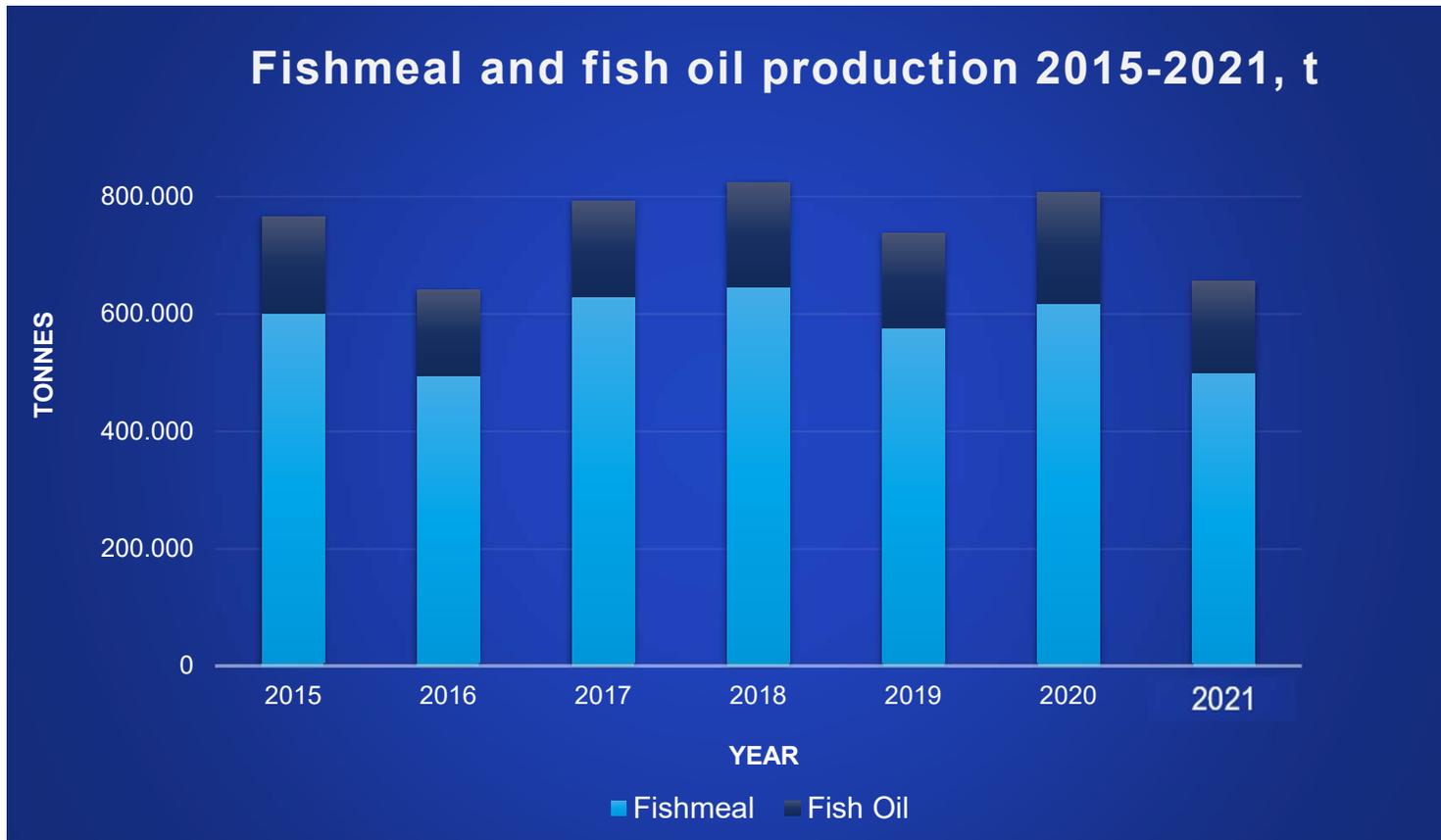




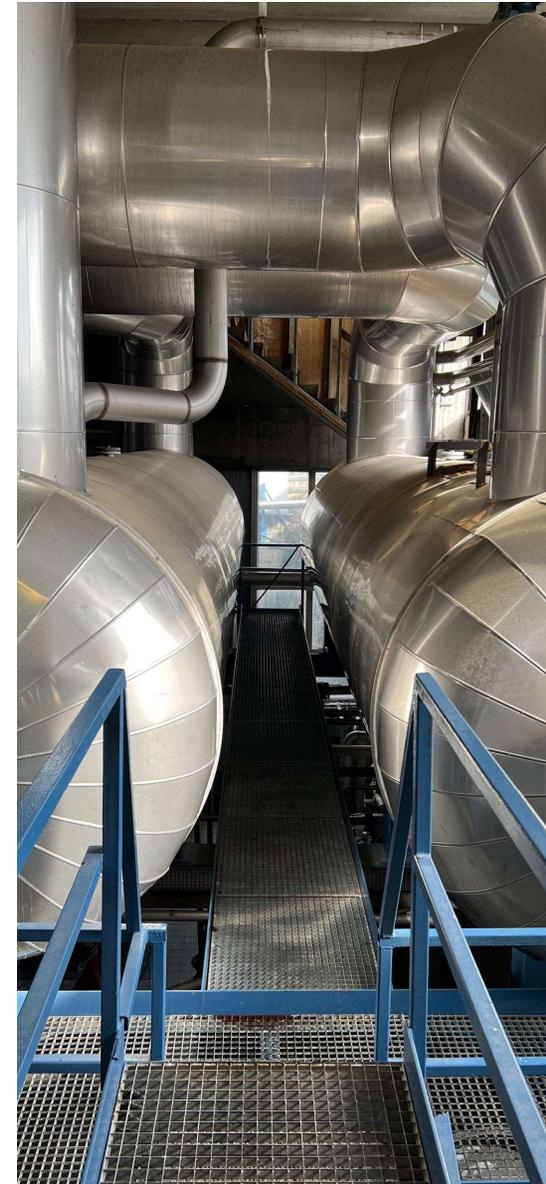
EFFOP production status



EFFOP production status



IFFO Market Forum: Supply perspective, Lima 2022





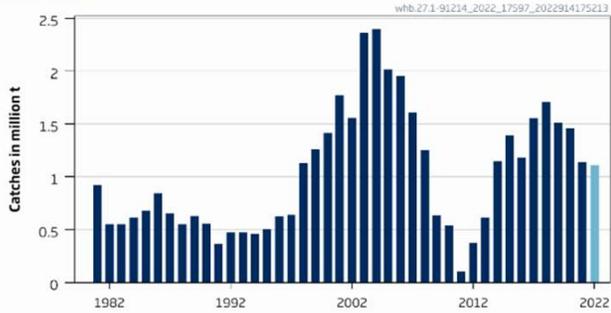
Expectations to supply 2023

ICES catch recommendations
major fish stocks

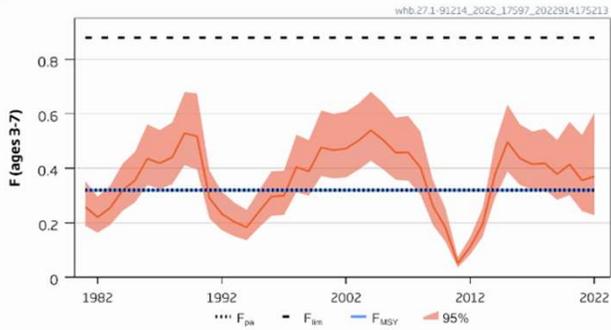
Blue whiting - Northeast Atlantic

Advice for 2023: 1.359.629 t
 +81% compared to 2022 advice
 +23% compared to 2022 catches

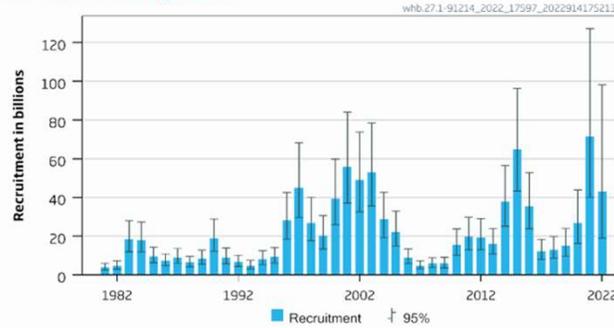
Catches



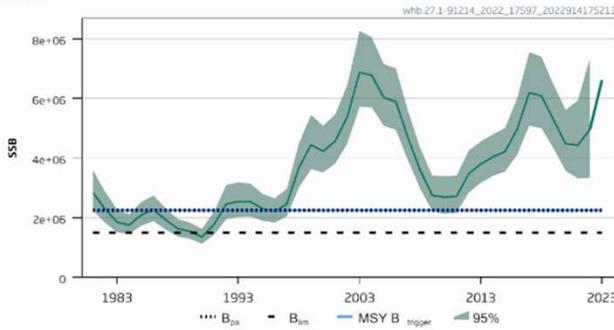
F



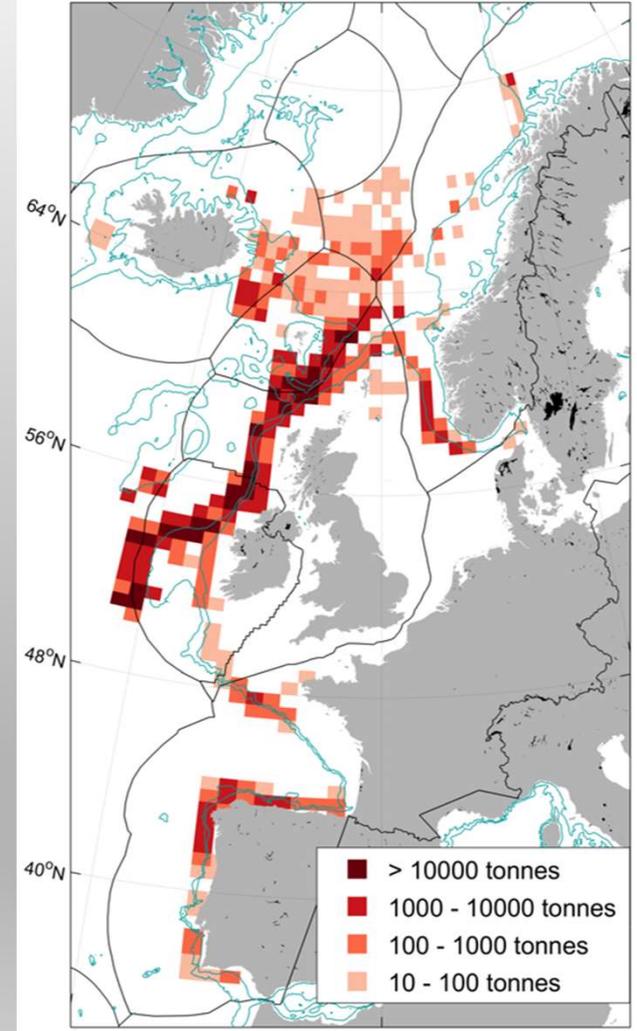
Recruitment (age 1)



SSB

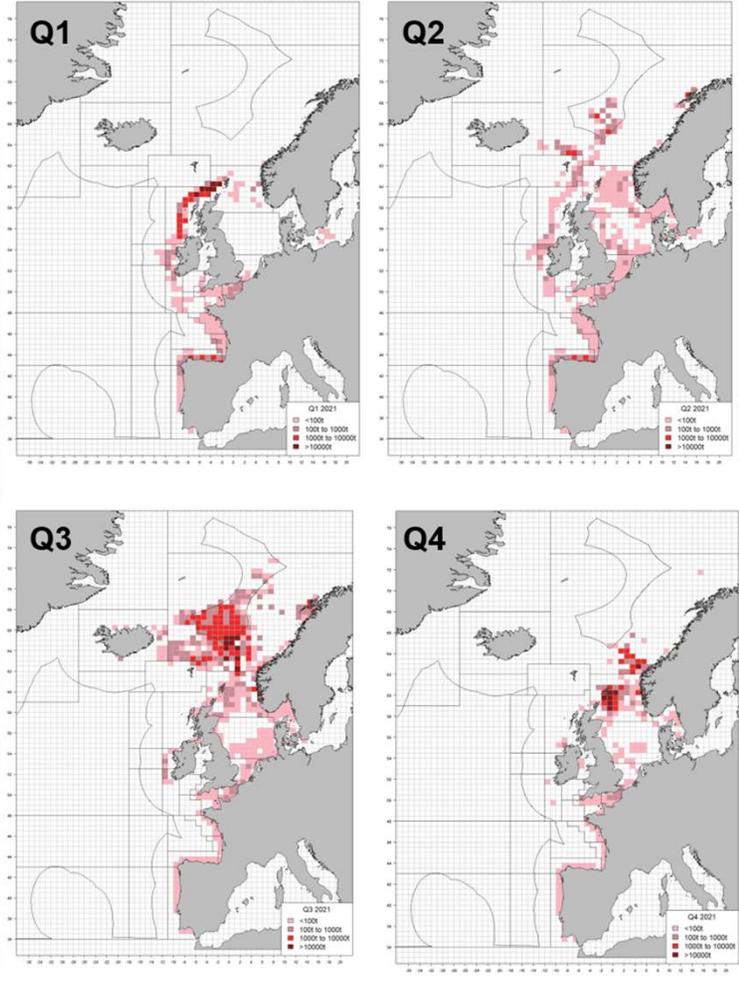
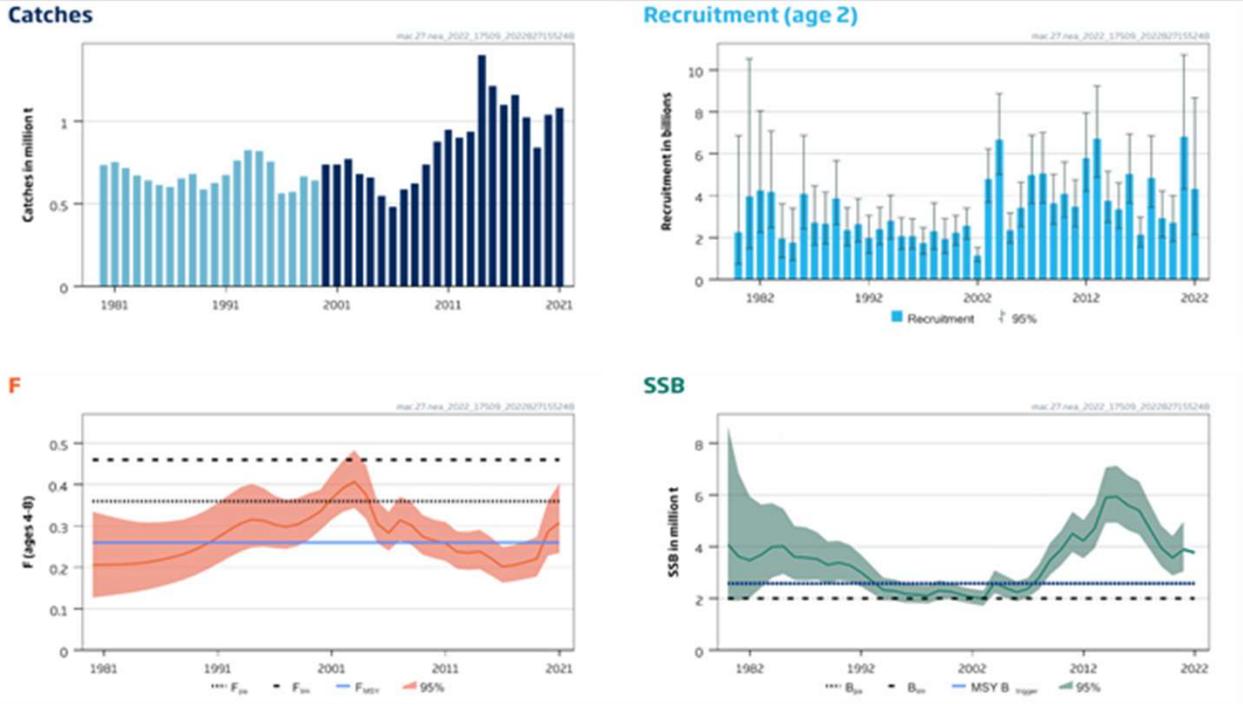


WHB catch 2021
 (Excl. Russian catches)
 980498 tonnes in total



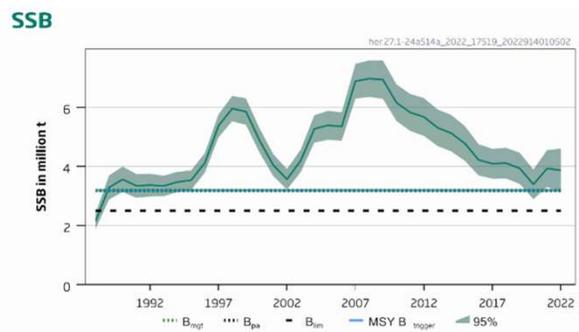
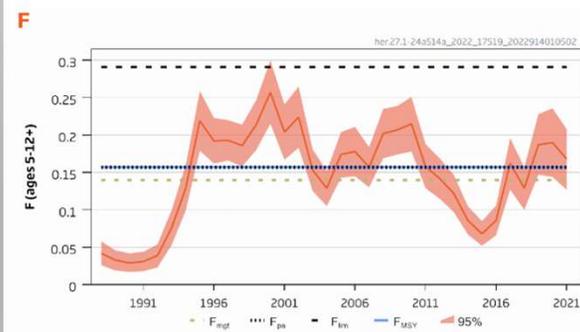
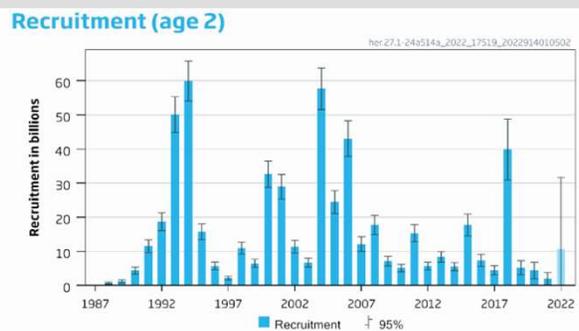
Mackerel - Northeast Atlantic

Advice for 2023: 782.066 t
 -2% compared to 2022 advice
 -31% compared to 2022 catches

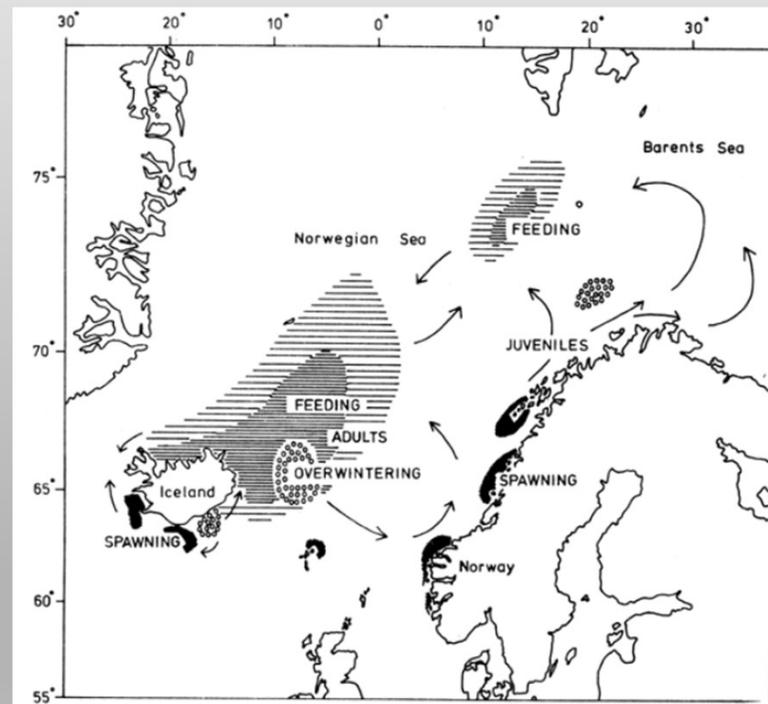


Norwegian spring-spawning herring - Northeast Atlantic and Arctic Ocean

Advice for 2023: 511.171 t
 -15% compared to 2022 advice
 -38% compared to 2022 catches



Spawning grounds and migration routes



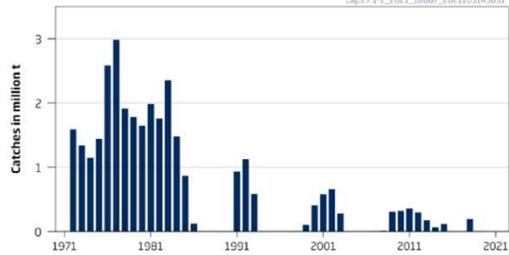
Capelin - Northeast Arctic (Barents Sea)

Advice for 2023: A temporary suspension on participation of all Russian Federation delegates, members, and experts in ICES activities, ICES faces a temporary loss of expertise, therefore no advice.

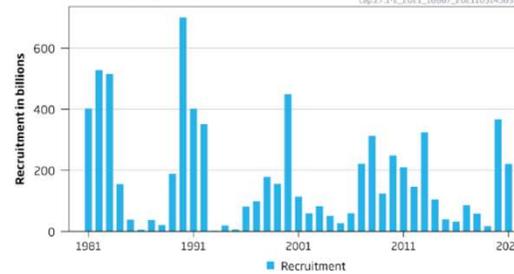
Advice for 2022: 70.000 t

Advice for 2021: zero

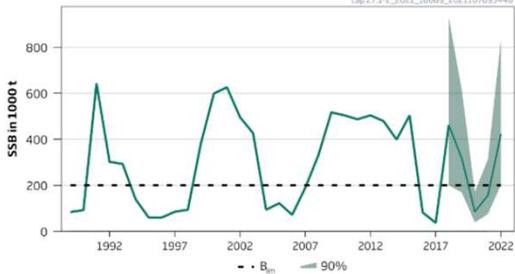
Catches



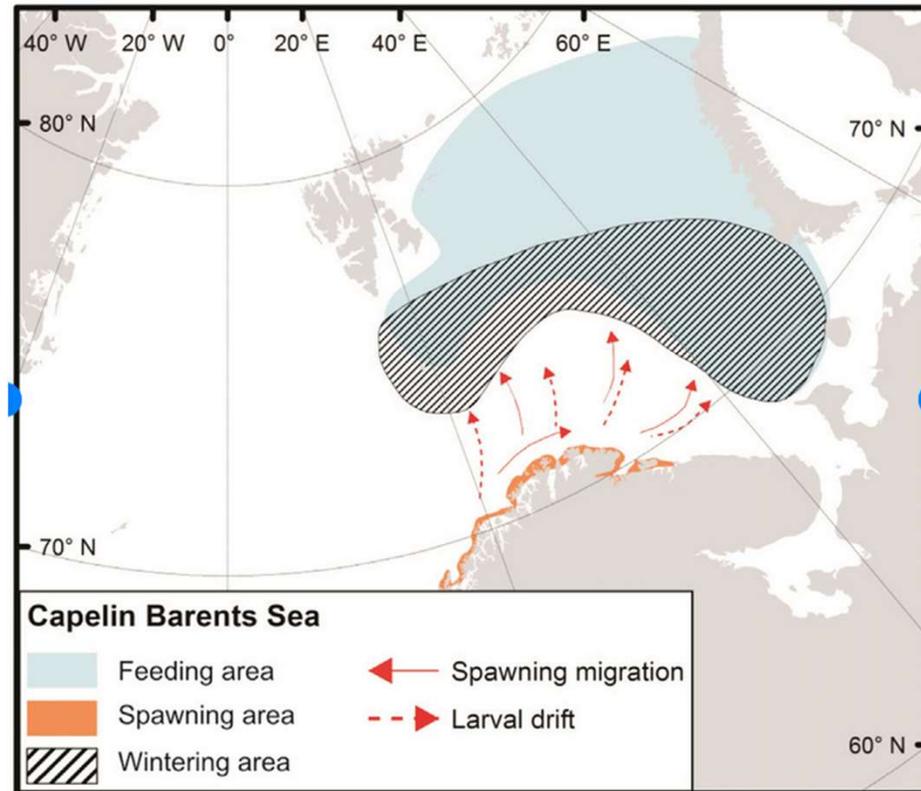
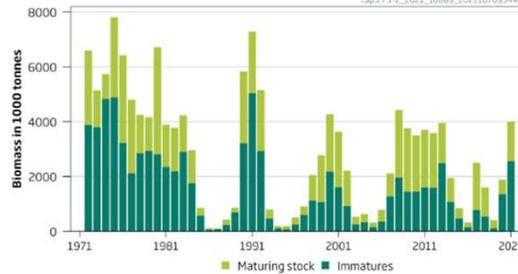
Recruitment (age 1)



SSB on April 1



Survey biomass on October 1



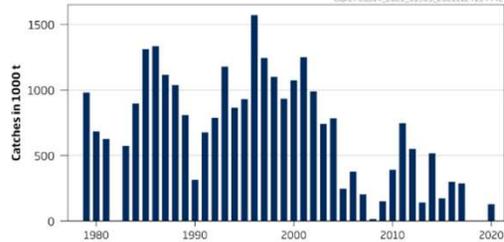
Capelin Barents Sea

- Feeding area
- Spawning area
- Wintering area
- Spawning migration
- Larval drift

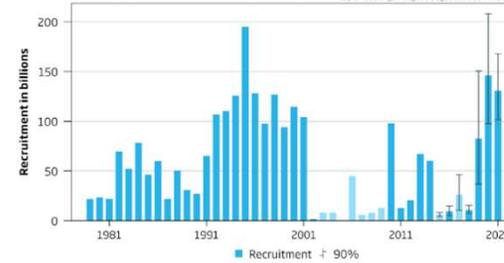
Capelin - Iceland and Faroes grounds, East Greenland, Jan Mayen

Advice for 2023: will be released November 29
 Preliminary Icelandic TAC 2022/2023: 218.400 t

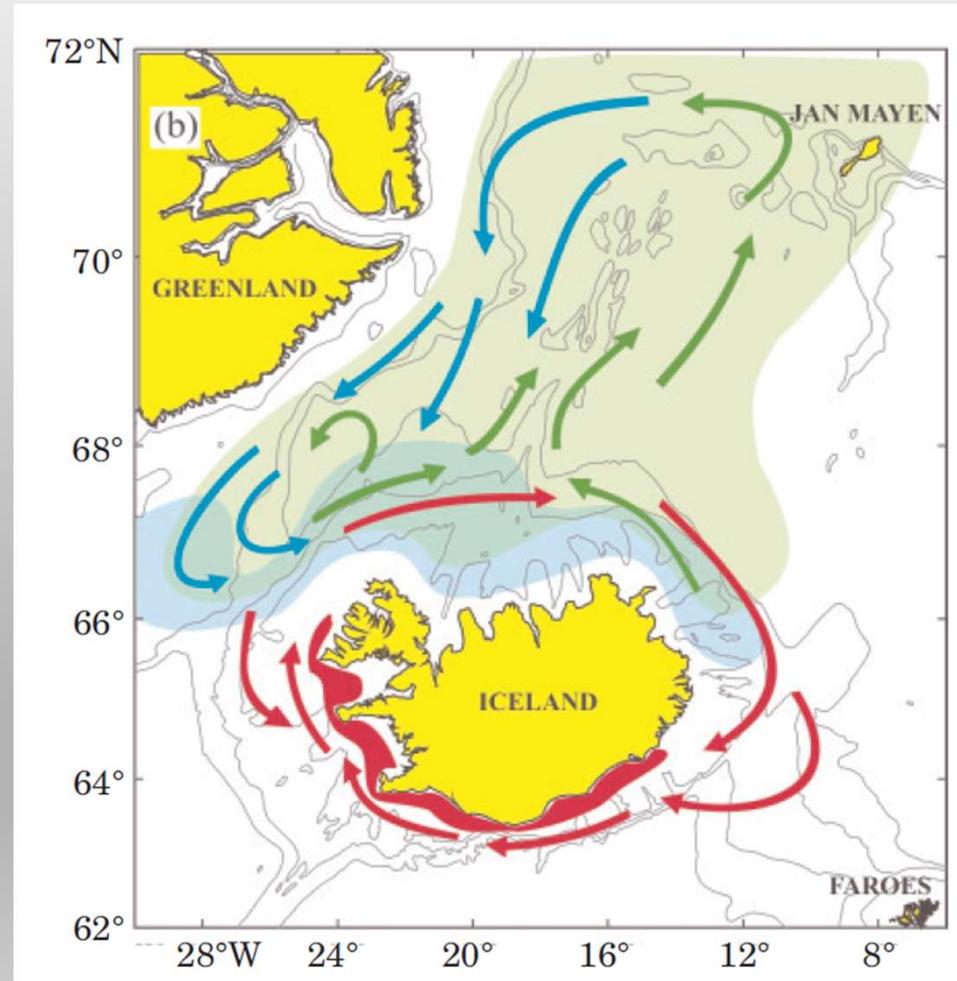
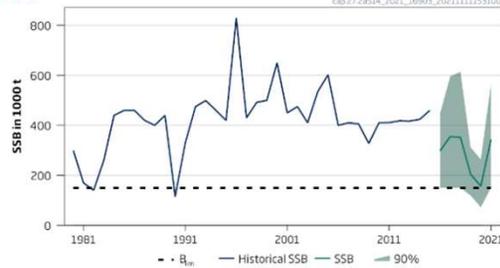
Catches by fishing season



Recruitment index (Immature age 1 and 2)



SSB

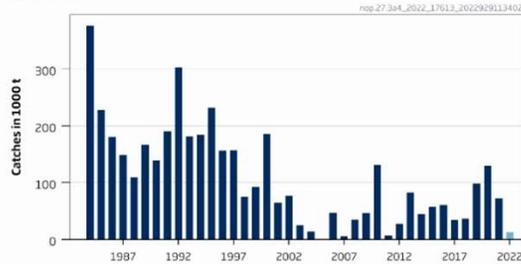


Norway pout - North Sea, Skagerrak and Kattegat

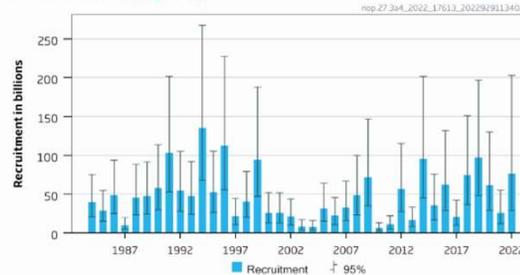
Advice for 2022-2023: 116.823 t
 -1% compared to 2021-2022 advice

Areas for the Norway pout fishery

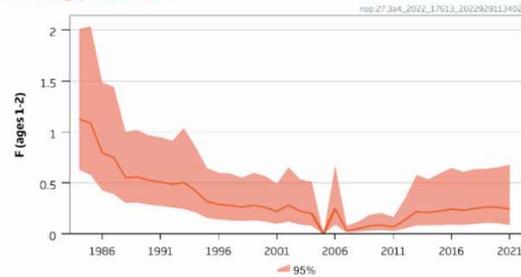
Catches



Recruitment (age 0)



Fishing pressure



SSB

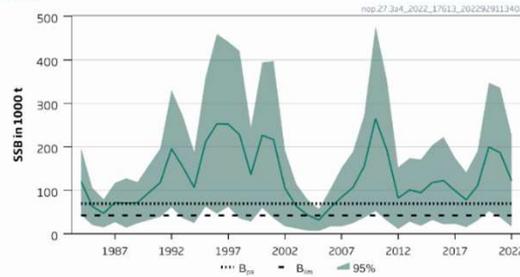
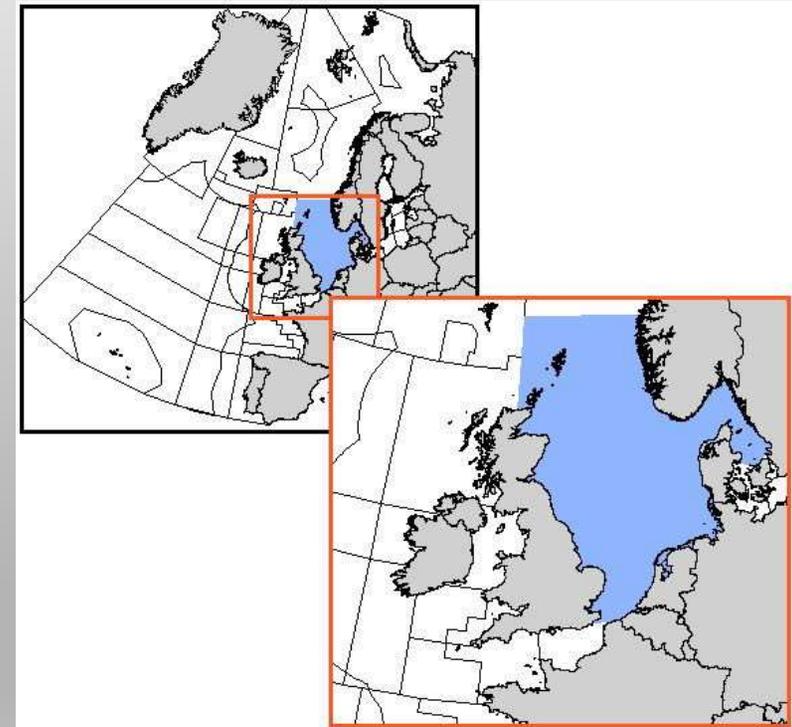


Figure 1 Norway pout in Subarea 4 and Division 3.a. Summary of the stock assessment. Catches in 2022 (unshaded) are up to mid-September. SSB is estimated at the beginning of quarter 4.



Sprat in Skagerrak, Kattegat and North Sea

Advice for 2022-2023: 68.690 t (1 July 2022 – 30 June 2023)

-36% compared to 2021-2022 advice

TAC = 56.120 t (North Sea) and TAC = 12.570 t (Skagerrak)

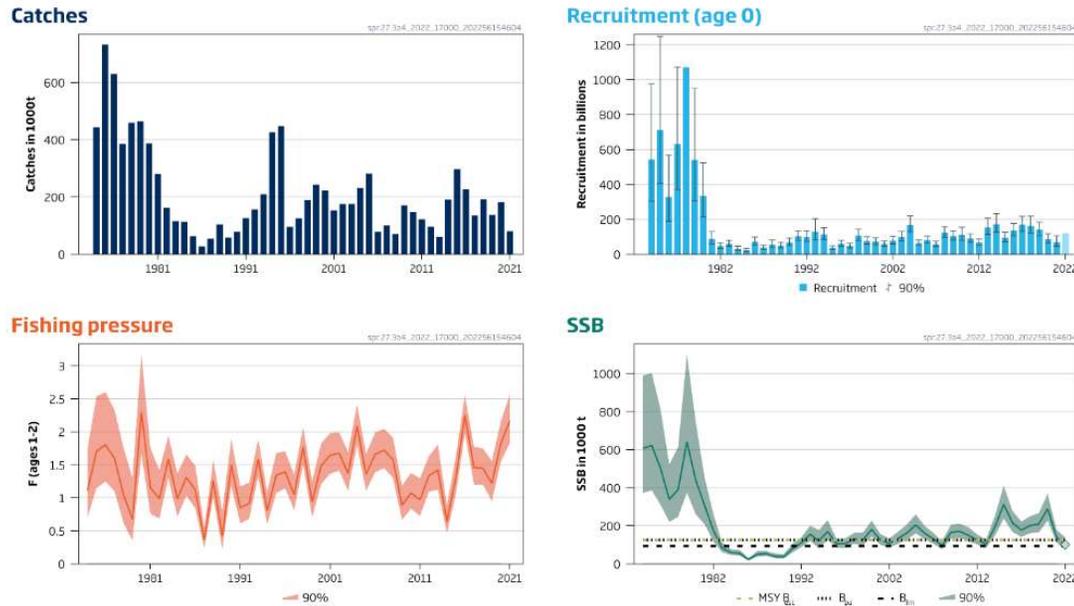
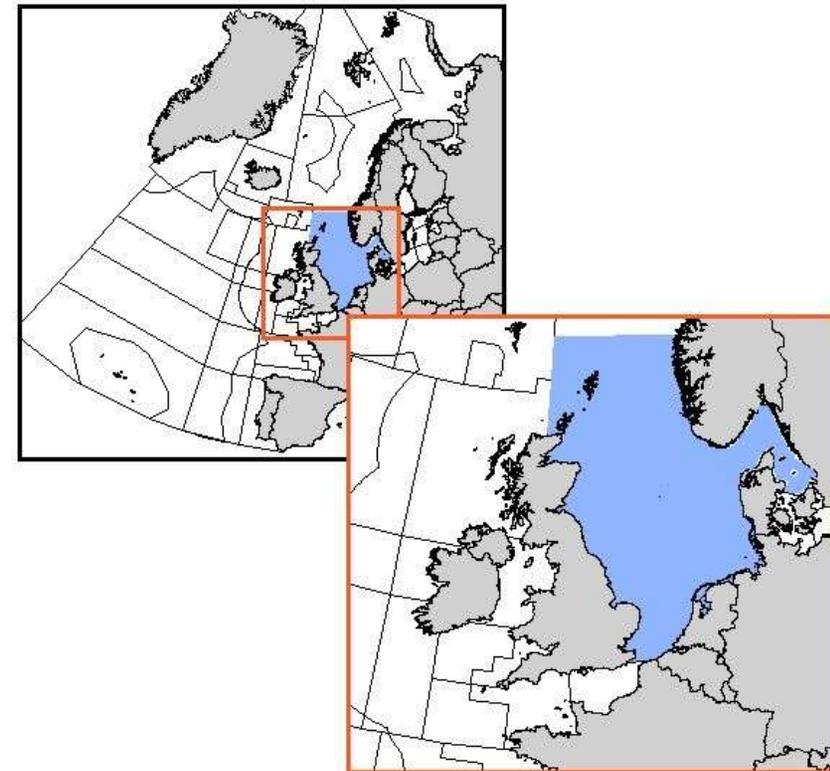


Figure 1 Sprat in Division 3.a and Subarea 4. Summary of the stock assessment. Years refer to the modelled year July to June; recruitment and SSB as of 1 July. The paler shaded recruitment value 2022 is assumed, and the diamond SSB value is predicted.

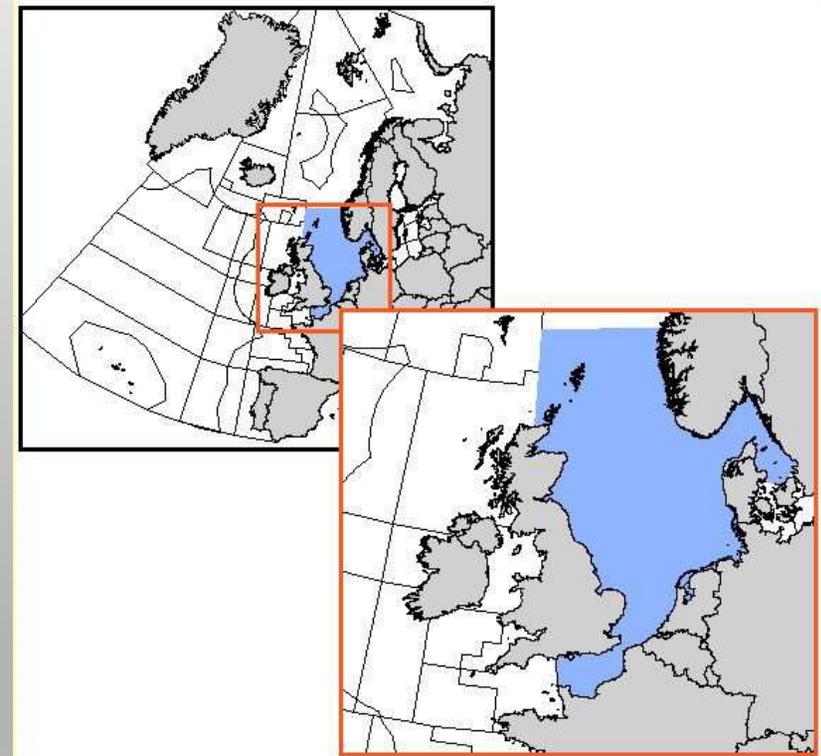
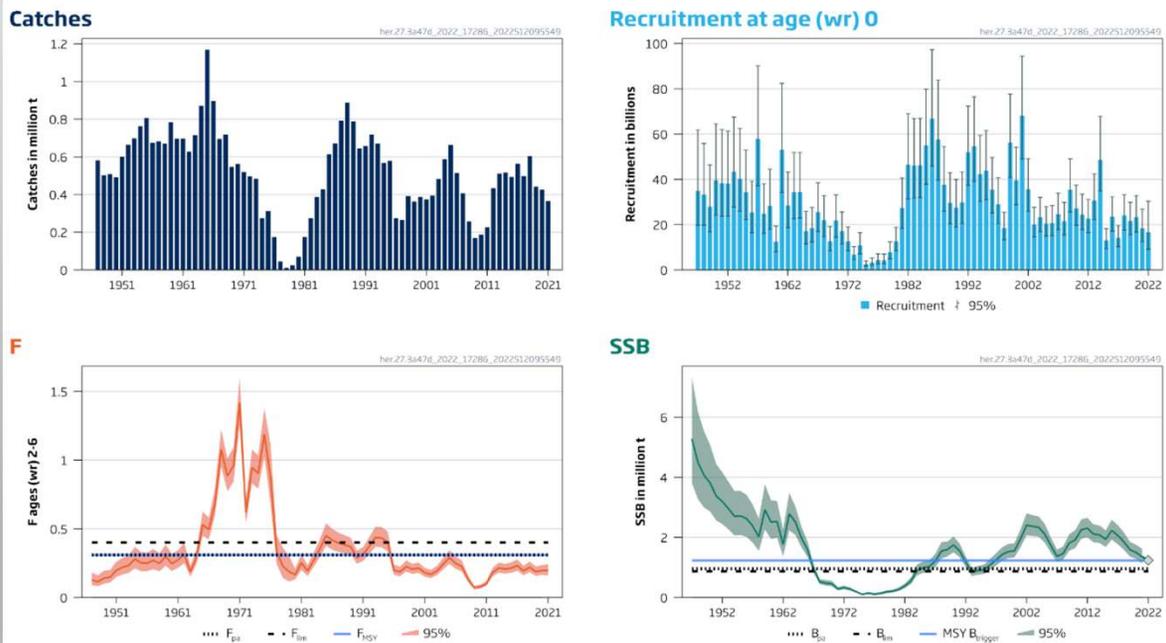
Areas for the NS sprat fishery



Herring - North Sea, Skagerrak and Kattegat, Eastern English Channel

Advice for 2023: 414.886 t
 -22% compared to 2022 advice

Areas for the NS herring fishery



Sprat - Baltic Sea

Advice for 2023: 183.749 - 317 095 t
 -15% compared to 2022 advice

EU TAC for 2023: 201.554 t (Russian share not included)
 -20% compared to 2022 TAC

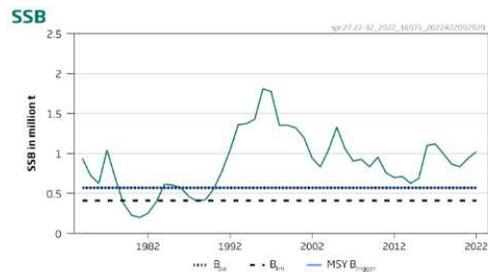
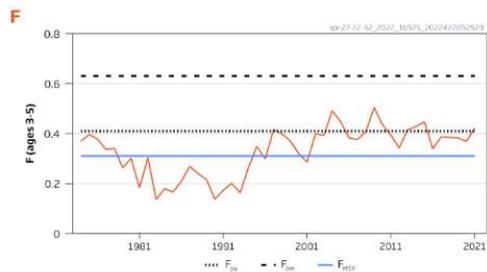
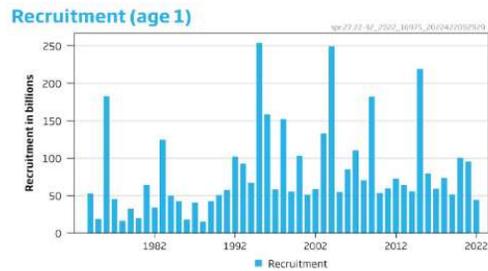
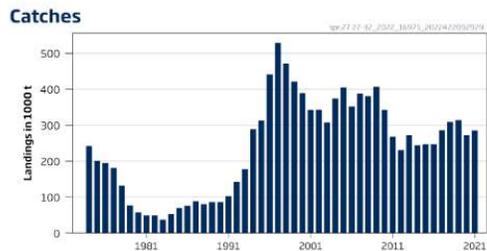
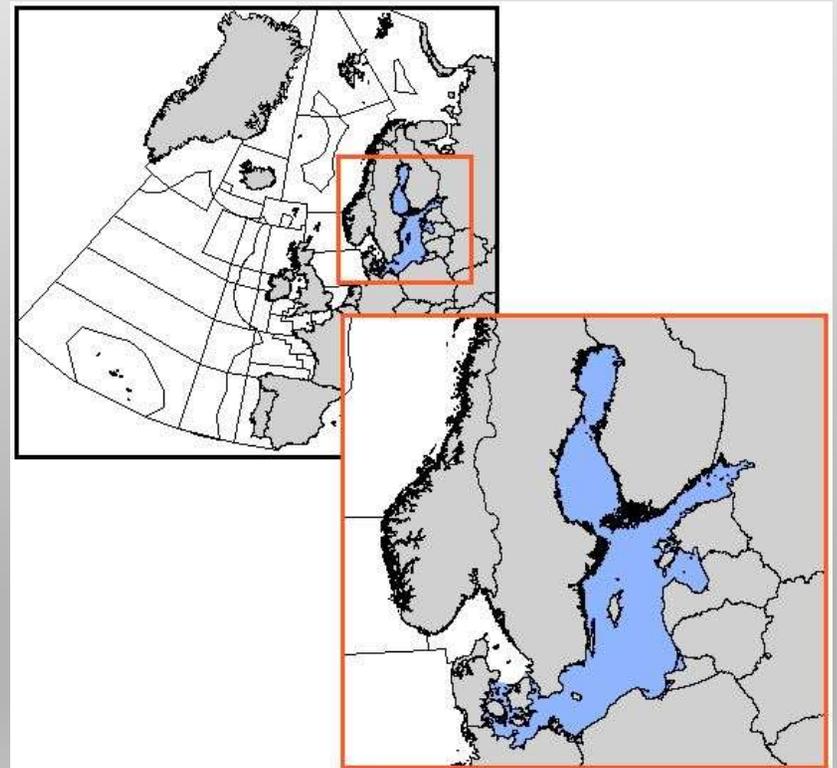


Figure 1 Sprat in subdivisions 22–32. Summary of the stock assessment. SSB at spawning time is predicted for 2022.

Areas for BS sprat fishery

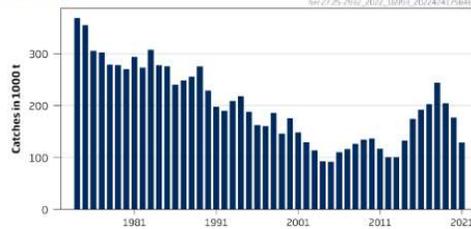


Central Baltic Sea Herring

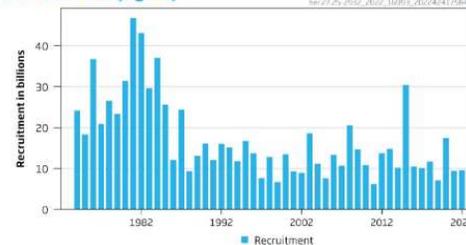
Advice for 2023: 70.130 – 95.643 t
 +33% compared to 2022 advice

EU TAC for 2023: 61.051 t
 +14% compared to 2022 TAC

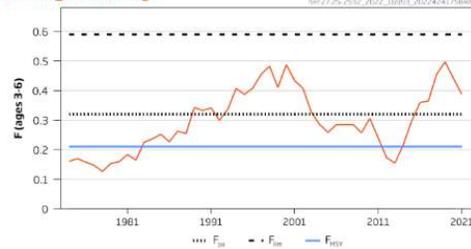
Catches



Recruitment (age 1)



Fishing Mortality



SSB

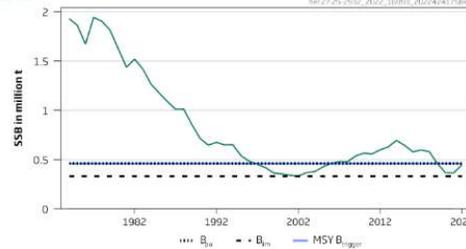
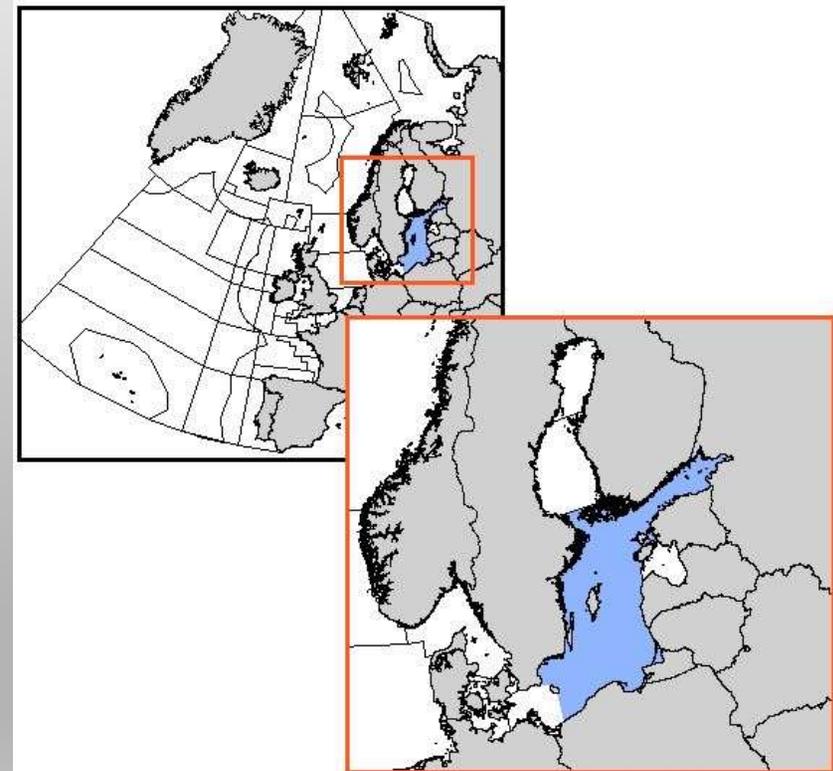


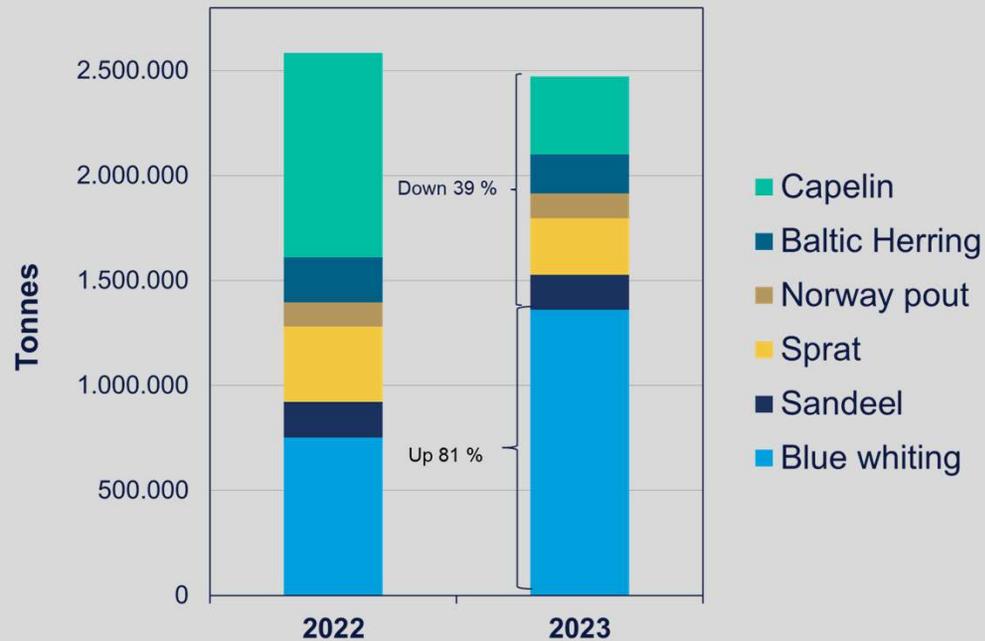
Figure 1 Herring in subdivisions 25–29 and 32, excluding the Gulf of Riga. Summary of the stock assessment. SSB at spawning time in 2022 is predicted.

Areas for the central BS herring fishery

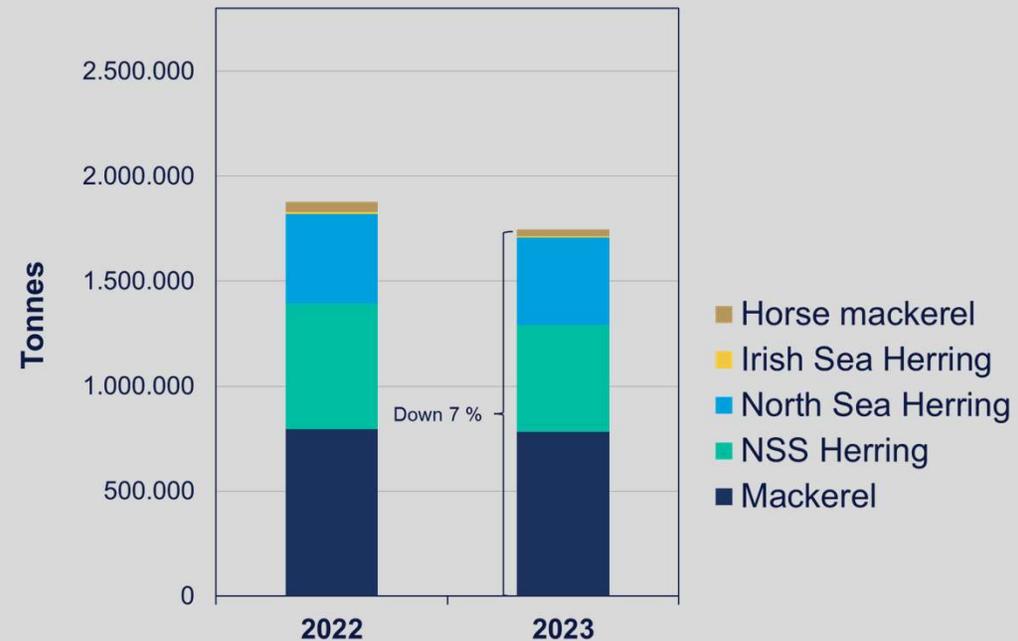


Expectations Europe 2023 - major species and trimmings

Major whole fish quotas and expectation, 2022-2023



Major byproduct fish quotas and expectations, 2022-2023





Regulations and geopolitics



IFFO Market Forum: Supply perspective, Lima 2022

Regulatory and political issues - fisheries

- Brexit still have major implications on trade/fisheries negotiations.
- Direct impact of lost fishing rights
- UK becoming an independent coastal state has led to disruption within EU and between coastal states
- Environmental protection and marine protected areas
- Increased protectionism and no allocation agreement between Coastal states on mackerel, atlantoscandian herring and blue whiting expected for 2023
- Unclear position on Russian fishing shares and participation in negotiations

BREF - Best Available Techniques (BAT) Reference Documents

EFFOP negotiating on behalf of European fishmeal producers

EU legal framework setting direct limits for all emissions across EU and EES. Directly binding for factories

Emission limits can force expensive investments and be difficult for factories to fulfil

Data collection of emissions of each factory and asses the best available abatement technique for each emission.

Now entering into final negotiations in Sevilla, November



Europe 'feeling the squeeze'

High inflation rates and consumer prices increasing

The EU annual inflation rate was at 8,9% in July 2022, up from 8,6% in June 2022. A year earlier, the rate was 2,2%.

Inflation: lowest rates in July 2022, compared with June 2022.



Inflation: highest rates in July 2022, compared with June 2022.

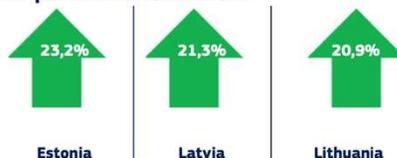


Table 33. HARMONISED INDEX OF CONSUMER PRICES IN THE EU (2015 = 100)

	Jul 2020	Jul 2021	Jun 2022	Jul 2022	Change from Jun 2022	Change from Jul 2021
Food and non-alcoholic beverages	109,30	110,98	123,88	125,21	↑ 1,07%	↑ 12,82%
Fish and seafood	112,66	114,9	126,78	128,18	↑ 1,1%	↑ 11,56%

Source: Eurostat.



The perfect storm – energy prices and security of supply

Energy dependency rate - Total

(% of net imports in gross available energy, based on terajoules)

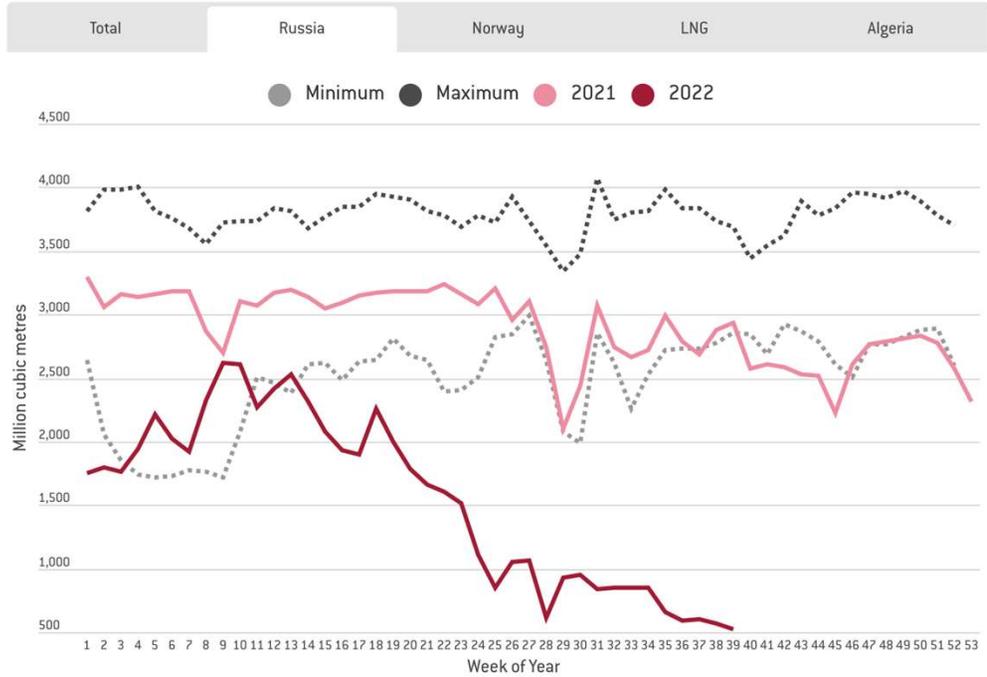
Total ▾



The perfect storm – Energy prices and security of supply

Figure 1: EU + UK Natural Gas Imports (by source)

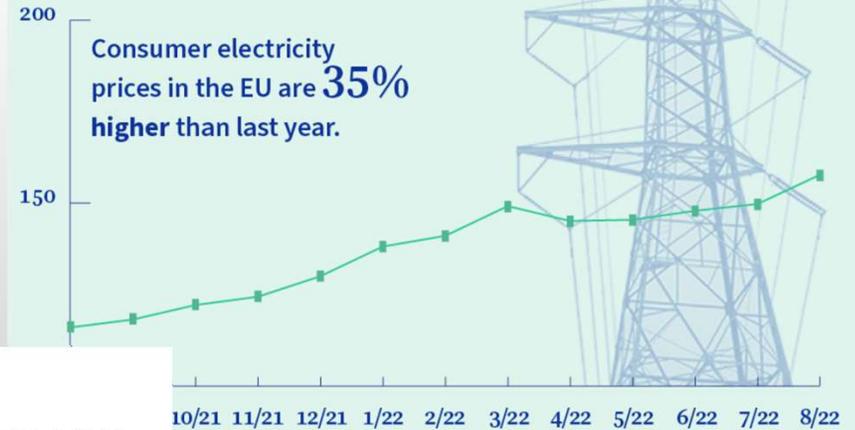
Last updated: 04/10/2022 (updated every Tuesday)



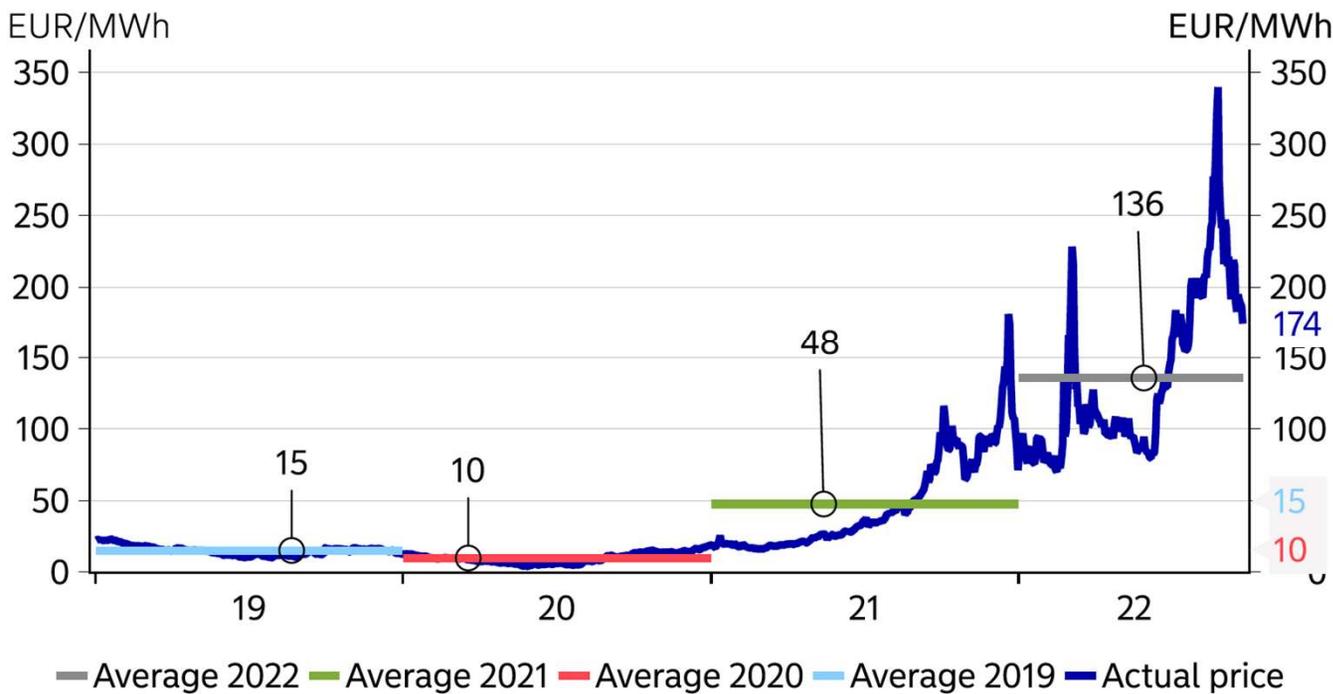
Source: ENTSO-G, <https://transparency.entsog.eu/#/map>



Energy prices and security of supply



Natural gas price in Germany



Source: Macrobond and Nordea

Data: Eurostat, September 2022

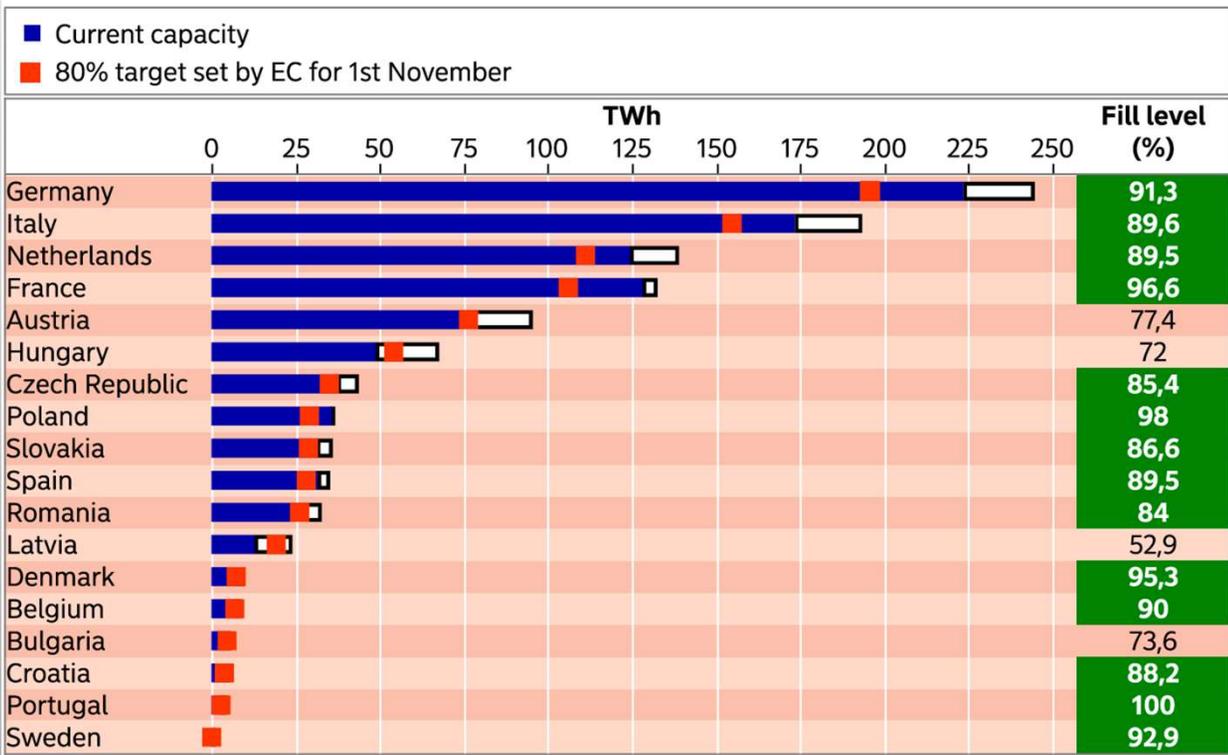
Energy prices and security of supply

Emergency measures taken by the EU. Gas inventories full, but...

Timeline

- 07/10/2022 **EU leaders discuss measures to reduce energy demand, ensure security of supply and guarantee affordable prices**
- 06/10/2022 **Council formally adopts emergency measures to reduce energy prices**
- 30/09/2022 **Council agrees on emergency measures to reduce energy prices**
- 09/09/2022 **Ministers discuss options to mitigate energy prices and review progress on winter preparedness**
- 05/08/2022 **Council adopts regulation on reducing gas demand by 15%**

Natural gas inventory in Europe, september 2022



Source: Gas Infrastructure Europe (GIE)

Nordea Markets and Macrobond

Energy prices and security of supply

Putin intensifying his war in Ukraine and increasing aggressions in Europe - hybrid warfare

Sabotage on Nord Stream pipelines (not in operation) in Baltic Sea being investigated



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Thank you

