



European  
Commission

# EWG 23-14

## The EU Fish Processing Sector.

## Economic Report

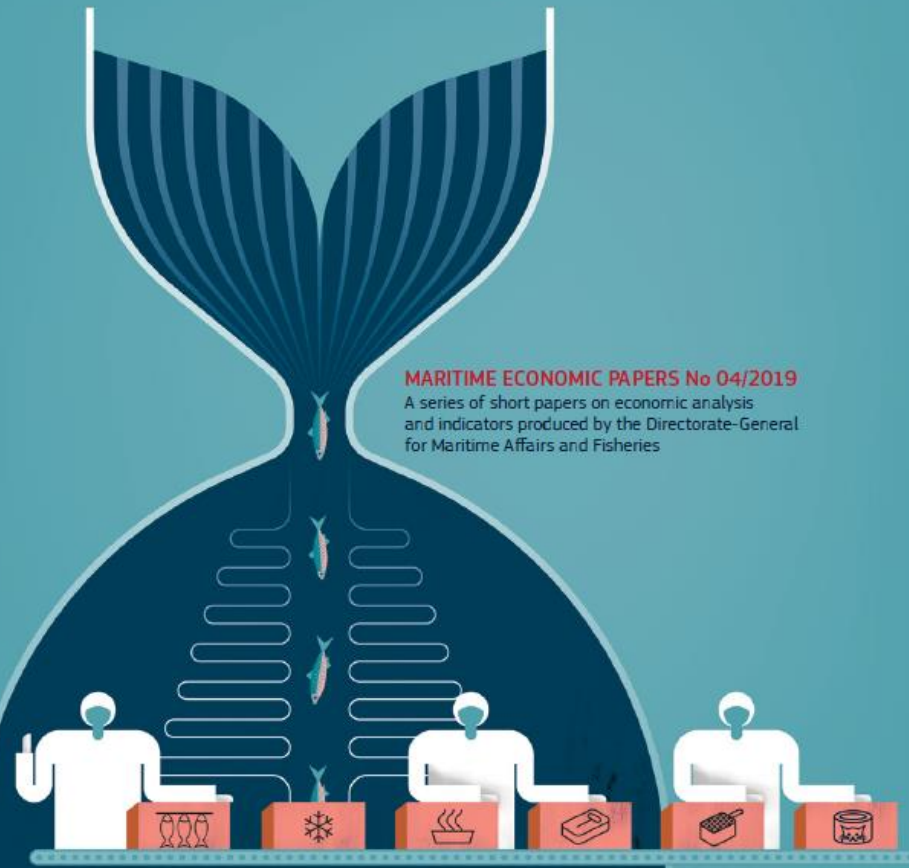
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MARE A4

### The EU fish processing industry: An economic analysis

**MARITIME ECONOMIC PAPERS No 04/2019**

A series of short papers on economic analysis  
and indicators produced by the Directorate-General  
for Maritime Affairs and Fisheries

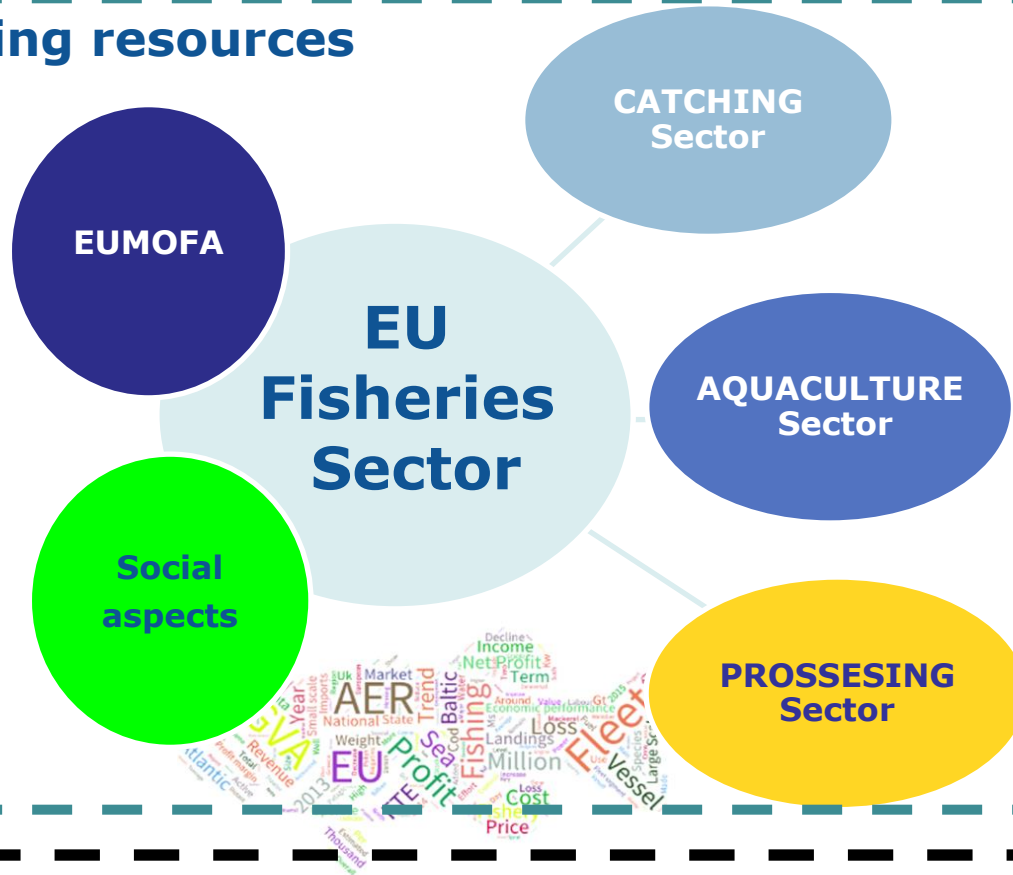


Fisheries

# • *What we do*

**Blue economy:**  
EU Blue Economy Report

## Living resources



Economic Report on the **EU Fishing Fleet**

Economic Report on the **EU Aquaculture Sector**

Economic Report on the **EU Fish Processing Industry**

## Report objectives

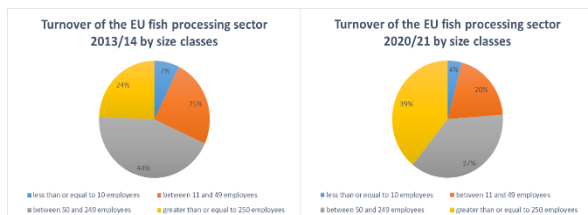
- in-depth look at **factors affecting the economic performance**
- special **focus on spike in energy costs** that is associated with the Russian invasion of Ukraine and the **following inflation** along the value chain
- **trends in performance, social aspects** and other aspects of **policy relevance** based largely on the scientists' expert knowledge.

## Report's structure

- An **executive summary** containing the key findings (abstract).
- An **overview** of the economic performance of the **EU fish processing industry**:
  - **Recent developments**
  - **Economic data and performance indicators** (e.g. **revenue** items, **cost** items, **earnings**, **profitability**, etc.), including contrasting company size (e.g. SMEs vs. non-SMEs), when possible.
  - **Employment and social indicators** (e.g. employment by gender, labour productivity and average salaries, education level, nationality, etc.).
  - **Outlook for 2022, nowcast 2023**
- **National chapters** on the economic performance of the fish processing industry

## Main findings – trend until 2021

- In 2021, there were around **3,200 fish processing enterprises** with a turnover of €29.4 billion and employing over 111 thousand people.
- **98%** of these enterprises **are SMEs**, with 86% being small-sized and over half being micro-enterprises.
- From **2013-2021**, there has been a decrease in micro-enterprises and an **increase in larger enterprises**, leading to a concentration of turnover in businesses with more than 50 employees.
- Despite increasing production costs, EU fish processing enterprises generated a positive **GVA** of around **EUR 5.7 billion** and **Operating Cash Flow** of **EUR 2.7 billion** in 2021.
- Economic performance indicators show a trend toward **good performance** from 2013-2021.



Productivity and performance Indicators	2013	2014	2015	2016	2017	2018	2019	2020	2021
Capital productivity (%)	23%	26%	28%	23%	30%	29%	28%	34%	29%
GVA margin (%)	19%	19%	17%	14%	18%	19%	18%	22%	20%
EBIT margin (%)	6%	6%	7%	3%	9%	8%	7%	11%	12%
Net profit margin (%)	3%	3%	5%	3%	6%	5%	4%	7%	7%
Return on Investment (%)	8%	10%	12%	6%	15%	13%	12%	17%	18%
Financial position (%)	3%	3%	6%	7%	16%	15%	16%	16%	16%

## Main trends and drivers

- The EU fish processing industry has **managed the impacts of the pandemic** well, despite some negative effects on individual fish processors supplying the food service.
- In 2021, **increased demand for fishery and aquaculture products**, along with higher prices and increased raw material costs, led to an overall increase in turnover.
- The Russian aggression of Ukraine and the consequent inflation, has raised global energy prices, but its **impact** on the industry's economic performance is **relatively small**, as **energy costs account for only 2% of total** production costs.
- Projections for **2022 and 2023 suggest varying impacts of the energy crisis** on different countries, with Italy experiencing a significantly higher increase in energy prices.
- Energy crisis is not the sole cause of the price increase for imports, as some countries of origin do not face the same energy supply restrictions as those in Europe.

## Main findings – social aspects

- In relation to the **social aspects**, the analysis revealed once again the relevance of the female labour force in the fish processing sector (56% on average).
- The **40-64 age class** made up the largest proportion (58%) of people employed in the processing industry and most employees hold a **medium** education level
- As far as nationality, the vast majority (87%) of people employed in the sector are **EU nationals** of their own country, being the rest **mainly workers from other EU MSs**.



# Main findings – raw material by volume

- **Cost Dominance:** Purchase of **fish** and **raw material** accounts for over **70%** of **total production** costs in the fish processing sector.
- **Importance of Species Knowledge:** Species used as raw materials origin is crucial to comprehend the sector's dependency on specific species or lines of business (e.g., imports, local fisheries, aquaculture).
- **Limited Information Availability:** Unfortunately, there is a scarcity of information about raw materials, with **only 9 out of 15 Member States** collecting data.
- **Key Species:** Based on data from 9 Member States, they were **Salmon, Pollock, and Herrings, representing 15.8%, 14.6%, and 7.3% of total raw materials**, respectively. **Tuna** also held significance, representing **5.8%** of total materials used in 2020.





# Thank you!

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& Fisheries*