

FISHERY COUNTRY PROFILEFood and Agriculture
Organization of the United
Nations

FID/CP/LVA



April 2005

PROFIL DE LA PÊCHE PAR PAYSOrganisation des Nations Unies
pour l'alimentation et
l'agriculture**RESUMEN INFORMATIVO
SOBRE
LA PESCA POR PAISES**Organización de las Naciones
Unidas para la Agricultura y la
Alimentación**THE REPUBLIC OF LATVIA****GENERAL ECONOMIC DATA**

Area:	64 589 km ²
Length of coastline:	531 km
Population (2003):	2.3 million
GDP at purchasers' value (2003, current prices):	US\$ 11.1 billion
GDP <u>per caput</u> (2003):	US\$ 4 400
Agricultural GDP (2003):	4.5% of GDP
Fisheries GDP (2003):	1.15% of GDP

FISHERIES DATA**Commodity balance (2001):**

	Production	Import	Export	Stock variations	Total supply	<u>Per caput supply</u>
	tons live weight					kg/year
Fish for direct human consumption	125 896	47 254	164 653	29 488	22 683	9.7

Fish for animal feed and other purposes	15 303					
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Estimated employment (2003):	13 900
Primary sector:	6 000
Secondary sector:	6 000
Total output of fish production (2003):	US\$ 134 million
Trade (2003):	
imports:	US\$ 55 668 000 31 968 t
exports:	US\$ 131 119 000 108 353 t

General geographical data

The Republic of Latvia is situated in the northeast of Europe, on the eastern coast of the Baltic Sea. It shares a land border with Estonia in the north, with Russia in the east, with Belarus in the southeast and with Lithuania in the south. The Baltic Sea forms the western border of Latvia, with a coastline of 531 km. There are major ice-free ports at Ventspils, Liepaja and Riga, the capital. The country has a land area of 64 589 km², with a total population of about 2.3 million.

Role of the fisheries sector in the country's economy

Latvia has well developed fishing and fish processing traditions. Inhabitants of the coastal region have traditionally been involved in coastal fishing, and production of canned fish was started in Riga in 1884. The strong fishery tradition reflects the state's geographical position in the Baltic Sea and the Gulf of Riga.

The Exclusive Economic Zone (EEZ) of Latvia extends to over 10% of the Baltic Sea. There are 2 543 km² of inland waters, equal to 3.9% of national territory.

The fisheries sector forms a substantial part of the national economy. Marine catches are

one of the few natural resources, and consequently of great importance. This is reflected in the national coinage: following independence in 1991, the new one-*Lats* coin has a salmon on it, symbolizing the king of fish.

As other sectors of the national economy (including timber and textiles) have developed dynamically, the relative importance of fisheries in GDP has decreased, from 3.4% in 1996 to 1.15% in 2003, and as a proportion of exports, fisheries have fallen from 9% to 3.2%. However, despite the decreased ratio of fish products in exports, the foreign trade balance in fish products has been positive since the early 1990s. The sector employs 13 900 people, which is 1.2% of the total economically active population of Latvia.

Structure of fisheries sector

The fisheries sector has three main sectors: fishing, aquaculture and fish processing. The sector is closely aware of rational and sustainable use of wildlife resources, including the preservation of biodiversity in the economic and territorial waters of Latvia.

Latvia has a fleet of 951 vessels (2004) totalling 42 670 GRT. The fleet is divided into three: the high seas fleet; the Baltic Sea and Gulf of Riga fleet; and coastal vessels.

The Baltic Sea and the Gulf of Riga are the main fishing grounds for Latvian vessels, with 196 fishing vessels of >12 m LOA fishing ICES 3D subdivisions 22–32. The main gear used is mid-water and bottom otter trawls for fishing sprat and Baltic herring, drift gillnets for salmon, and set gillnets for cod. Baltic herring, sprat, cod and salmon are sought beyond the coastal waters as well as in the EEZ, and are the main catch in value terms, comprising almost 99% of the total catch in the EEZ. Catch from the Gulf of Riga and the Baltic Sea has been the main input for Latvia's fish processing industry. The degree of utilization of the fishing quotas allocated to Latvia has been increasing during recent years, and was 99.6% in 2003.

In the coastal fleet there are 742 fishing boats of <12 m LOA, targeting Baltic herring, salmon, trout, vimba, flounder, eel and pike perch, and also sprat and cod in smaller quantities. Nevertheless, coastal catches comprise only 4–6% of total catches in the Baltic Sea and the Gulf of Riga (3 500 t in 2003, out of a total Baltic Sea and Riga Gulf catch of 71 566 t). However, coastal fishery is crucial for coastal regions, especially in socio-economic terms.

In 2003, Latvia's total catches were 114 505 t, consisting of: high seas – 42 376 t; Baltic Sea and Riga Gulf – 71 566 t; and inland waters – 563 t.

Landing of fish is mainly through the ports of Liepaja, Ventspils and Roja, as well as Salacgriva, Skulte, Mersrags, Engure, Riga and Pավilosta.

Latvian vessels can also fish in the areas of international conventions – the Northwest Atlantic Fisheries Organization (NAFO) and the North East Atlantic Fisheries Commission (NEAFC). Redfish, Greenland halibut and shrimp are fished in NAFO fishing areas, and redfish in NEAFC areas. Latvian vessels also use the fishing possibilities provided within the EU and Mauritanian agreement, and fish for horse mackerel, sardinella, mackerel and other species, using of mid-water and bottom otter trawls. There are 13 Latvian fishing vessels which are engaged in high-seas fishery, with catches mostly landed in the markets nearest to the respective fishing grounds.

The main fish resources of inland waters in Latvia are concentrated in about 800 major water bodies (>10 ha each) that in total cover 91 500 ha, together with major rivers and reservoirs. The commercial fish harvest from inland waters is 500–600 t/year, with bream and lamprey the dominant commercial species. Commercial fishery is orientated to increasing the yield of pike, tench, pike perch, eel, crucian carp, trout and carp. However, more fish is obtained in inland waters by angling than by commercial fishery. Of the species caught in inland waters, mainly lamprey and eel are used in fish processing.

Aquaculture

The number of commercial aquaculture enterprises has quintupled in three years. The main fish species bred are carps, with less popular species such as tench, crucian carp and trout. Crayfish juveniles production and commercial crayfish production is increasing. The total area of the ponds used for fish and crayfish production is some 4 300 ha, with a recorded yield of 637 t in 2003.

A large number of aquaculture companies focus on angling tourism, and this is important for the development of the rural landscape and overall development of rural regions. Fish and crayfish production in rural areas is expected to become an important alternative business alongside the traditional agricultural sector.

Many agricultural companies have entered aquaculture as an adjunct to their core businesses in agriculture. Such movement was encouraged by the availability of support from the special EU programme of pre-accession measures for agriculture and rural development (SAPARD), within the framework of which the diversification of rural economy was a priority measure in 2002–2003.

Fish processing sector

The fish processing sector is among those few sectors of the national economy that are based fully on national resources. The sector has undergone significant change since the early 1990s. There are more than 100 fish processing enterprises in Latvia, most of whom are located on the Baltic Sea and Gulf of Riga coasts, close to the fishing ports in the districts of Riga, Tukums, Talsi, Liepaja and Limbazi. In recent years, many new fish processing enterprises have been established countrywide.

Nevertheless, the general trend is for increased investment in the fish processing sector. Investments are mainly used for enterprise renovation and new construction. Since 2002, the support from SAPARD has stimulated fish processing enterprises to implement activities related to enterprise modernization, introduction of new technologies, and increase in value-added products.

The total output of fish production in 2003 was 115 200 t, worth € 134 million. Although the range of products is wide, most Latvian processing enterprises produce canned fish, the share of which in total fish production output is around 53%. Baltic herring and sprat are the main raw material. However, reflecting changing market demand and the need to broaden the product range, imported fish – mostly mackerel and Atlantic herring and their fillets – are also being used for processing.

However, the structure of fish production is changing. The share of canned fish has decreased, while chilled and frozen fish products have increased. This means that export volumes have a greater proportion of low-added-value products, and a considerable part of locally available fish resources is being exported.

Foreign trade

Latvia exports almost 95% of its production of fish and canned fish products. However, after a peak in 2001 in volume of fish products exported, there was a fall in 2002, with both less volume and less value.

In 2003, Latvian fish products, including canned fish, were exported to 46 countries world – 108 353 t worth US\$ 131.1 million. The major export markets (other than canned fish) are the EU Member States, Belarus, Russia and Lithuania, while canned fish is mainly

exported to Russia, Lithuania, Belarus, Ukraine and other Eastern European countries, and to South Asia. The raw material is mainly imported, principally from Norway (24.6%), Sweden (11.8%) and Lithuania (27.1%), with some imports from Mauritania, USA, Iceland and Russia.

Internal fish market

Fish and fish products have been and are very popular national food products. Fish is mostly from the sea, and only a negligible part of home-consumed fish is freshwater. In 2001, fish consumption was 9.7 kg per capita.

The consumption of fish products in urban and rural areas differs because the retail sale system in cities and towns is more developed than in the countryside. Fresh and frozen fish products are most in demanded in local markets, together with salted, smoked and other processed fish. The consumption pattern for fish products also differs between rural and urban areas, and increases with increasing age of the consumer.

With the development of supermarkets in Latvia, there is an increasing demand for prepared fish products in local market, such as crabsticks, fillets coated with butter or breadcrumbs, canned tuna and molluscs. Currently, local producers are unable to meet the market's demands for such products.

Fisheries administration

The fisheries administration in Latvia is through the National Board of Fisheries of the Ministry of Agriculture, which is responsible for overall management of the fisheries sector, quota management, sector development, strategies and legislation.

The National Board of Fisheries deals with issues related to fisheries science and restocking of fish resources, fish processing and trading issues, and represents Latvian fisheries interests in the various EU institutions and international organizations (FAO, NAFO, etc.).

The Marine Environmental Board of the Ministry of Environment carries out fishing control in marine waters under Latvian jurisdiction, issues fishing licences, operates a vessel monitoring satellite centre and monitors fish landing at ports.

Research

The Latvian Fish Resources Agency undertakes specific research on fish resources, and participates in internationally coordinated surveys, provides scientific background for the protection and rational use of fish resources in Latvian waters, and ensures implementation of the fisheries data collection programme. Data are regularly collected on composition of commercial catches, fishing effort and fisheries economics, as well as scientific surveys on hydrologic conditions, zooplankton, spawning grounds, ichthyoplankton, larvae and young fish abundance, hydroacoustics, size and distribution of the spawning stocks, feed, growth, maturation, research on aquaculture and artificial restocking.

Management system

In conformity with the EU Pre-accession Agreement, the Latvian fisheries are controlled on the basis of the fishing quota distribution principle that was into force before EU accession. Latvian vessels may fish all over the Baltic Sea outside the Russian fishing zone, the Gulf

of Bothnia, the Gulf of Finland and the territorial waters of the EU Member States. Based on historical fishing rights, Latvia and Estonia have fishing rights in the Gulf of Riga.

The Council of Europe sets annual total allowable catches (TAC) for regulated fish species for all EU Member States, Latvia included.

Based on the national legislation, fishing opportunities are allocated to companies on the basis of historical fishing rights. The National Board of Fisheries allocates quotas to the vessels fishing outside coastal waters and controls their utilization. The companies are entitled to decide themselves which vessels to use, and have to pay for use of a fishing allocation (the fee for fishing rights lease).

The National Board of Fisheries regulates fishing effort in Latvia's EEZ through engine capacity, vessel tonnage and allowable days at sea.

Local municipalities are responsible for the management of fish resources and the lease of fishing rights in the Baltic Sea coastal waters and in inland waters.

Main development trends

The geographical location of Latvia, the coastal infrastructure and location of ports give good opportunities for development of national fisheries in the future.

The main objective of the fisheries sector is to balance the capacity of the fishing fleet against the fish resources available, ensuring efficient utilization of the resources for production of competitive fish products for domestic and international markets. To reach this objective, greater attention should be paid to improving the competitiveness of the fisheries sector, to restructuring and modernization of the fleet, fish processing and aquaculture enterprises, whilst ensuring job creation and developing the infrastructure of fishing ports.

The European Community structural fund – Financial Instrument for Fisheries Guidance (FIFG) – for 2004–2006 is one of the most important and valuable possibilities for developing Latvia's fisheries sector. A Latvian Development Plan has been elaborated, and one of the priorities is *Promotion of Development of Rural Areas and Fisheries*, which foresees the utilization of the EU structural funds, including FIFG. FIFG provides support for achieving a better balance between fishing fleet capacity and available fish resources, and includes premiums for boat owners who want to withdraw their vessels from the active fishing fleet. Investments in the modernization of fishing vessels, processing and aquaculture enterprises and fishing port facilities, as well as the development of coastal fisheries, socio-economic measures and market support initiatives, have also been included in the support scheme. In general, during 2004–2006 Latvia will receive € 24.34 million from FIFG and will provide co-financing of € 7.85 million EUR from the national budget for the implementation of the various measures.

Main fishery regulations

- "Fishing Law" (12.04.1995) sets the basis for fisheries legislation in Latvia and institutions responsible for fisheries management and control, as well as rules on fish resources management.
- Regulation of the Cabinet of Ministers (11.01.2005) "Regulations on commercial fishing in the territorial waters and economic zone waters" sets out commercial fishing rules, including technical requirements.
- Regulation No. 85 of the Cabinet of Ministers (27.02.2001) "On control of fish landing and fish sales, transport, storehouses and production premises" sets landing

requirements for fishing vessels, including landing declaration and sales note submission requirements.

- Regulation No.89 of the Cabinet of Ministers (17.03.1998) "On hygiene and freshness and size criteria for the production and placing on the market of fishery products" lays down common marketing standards (size and freshness categories), as well as hygiene requirements on board vessels and for fish processing enterprises.
- Regulation No. 433 of the Cabinet of Ministers (12.12.2000) "Regulations on the lease of water bodies and commercial fishing rights" sets down the lease conditions for public water bodies, and rules on fish resources and management.

Internet links

The National Board of Fisheries - <http://www.vzp.gov.lv>

The Latvian Fisheries Marketing and Information Centre – <http://www.zic.lv>

The Ministry of Agriculture - <http://www.zm.gov.lv>