FISHERY COUNTRY PROFILE	Food and Agriculture Organization of the United Nations	FID/CP/FRO
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FAEROE ISLANDS

GENERAL ECONOMIC DATA

Area:	1 399 km^2
Shelf area (to 200 m):	approximately 20 000 km^2
Length of coastline:	1 117 km
Population (2003):	46 300
GDP at producers' price (2003):	US$ 1.7 billion

FISHERIES DATA

Commodity balance (2001):

	Production	Import	Export	Total supply	Per caput supply
	tons live weight				kg/year
Fish for direct human consumption	297 888	4 218	298 109	3 998	86.9
Fish for animal feed and other purposes	273 367	-	-	-	-

Source: FAO-FIDI Food balance sheet of fish and fishery products

Estimated employment (2002): Primary sector: Secondary sector: Aquaculture sector: Total:	 3 500 2 600 900 7 000
Gross value of fisheries output (Ex-vessel prices)(2002):	US$ 220 million
Trade (2002): Value of imports: Value of exports:	 US$ 4 471 000 US$ 525 643 000

FISHERIES SECTOR STRUCTURE

Overall fishery sector

The Faeroe Islands are located in the North Atlantic Ocean, north of the British Isles. The surrounding water masses are dominated by the North Atlantic drift, providing temperate water all year round and providing a robust biological environment with quite stable carrying capacity. The Faeroe Islands is a self-governed part of the Kingdom of Denmark. Fisheries policy and management of the Faeroese fishing territory is the responsibility of the Home Rule Government.

Faeroese fishing traditionally takes place in the immediate area of the Faeroe Islands, in middle areas and in distant waters. The introduction of the 200 nautical mile exclusive economic zone, which came into effect in 1977, changed the pattern from dependency primarily on the middle areas, to relatively more dependency on the national fishing territory and near area.

Farming of salmon and trout has grown in the last 20 years to represent almost a quarter of export value. Production levels are turbulent however, with disease negatively impacting salmon output in particular. Recreational fishing is practiced in inland and inshore waters on a small scale while there is no inland commercial fishery.

Marine fisheries

Catch profile

In 2001 the total Faeroese catch amounted to nearly 525,000 tonnes. The main demersal species were saithe (45,792 tonnes), cod (38,706 tonnes), capelin (32,110

tonnes) and haddock (16,061 tonnes). The main pelagic species caught by the Faeroese in 2001 were blue whiting (259,761 tonnes), herring (35,172 tonnes), mackerel (24,005 tonnes) and sand eel (6,030 tonnes).

Total landings increased steadily between 1985 and 2001 from 372,000 tonnes by 41 per cent. This increase is accounted for by blue whiting, herring and mackerel, which increased from 74,000 tonnes to 259,000 tonnes, 624 tonnes to 35,172 tonnes and 8,508 tonnes to 24,000 tonnes respectively. Although significantly higher than 1985 landings, both herring and mackerel landings are lower than they were in 1995 when they peaked at 61,000 tonnes and 29,428 tonnes respectively. The increase in landings also masks a fall in landings from cod, capelin and Norway pout.

Of the total landings in 2001, 122,500 tonnes were 'wetfish' (excluding pelagics and shellfish). Value data is only available for this group. The total value of wetfish was 1,347 millon dkk. Of this, cod, saithe and haddock were the most important in terms of volume and value. Saithe accounted for 37 per cent of the volume and 18 per cent of the value, cod 28 per cent of the volume and 40 per cent of the value and haddock 17 per cent of the volume and 20 per cent of the value.

Landing sites

Fishing vessels can only be unloaded at approved landing centres. There are 19 landing centres in the Faeroes especially approved by the Food, Veterinary and Environmental Agency:

Landing centre	City
Beta	Saltangará
Faeroe Seafood Processing P/F	Hvalba
Fiskamarknaður Føroya	Toftir
Fiskamarknaður Føroya	Klaksvík
Fløgan	Vágur
Føroya Fiskavirking	Vestmanna
Føroya Fiskavirking	Miðvágur
Føroya Fiskavirking	Runavík
Føroya Fiskavirking	Tvøroyri
Koldefjord Pelagic	Kollafjørður
Kósin P/F	Klaksvík
Hvilvtenni	Leirvík
P/F Landingarmiðstøðin	Tvøroyri
Landingarmiðstøð v. P. Joensen	Sørvágur
Norðís	Eiði
Sandoy Seafood	Sandur
Sandoy Seafood	Skopun
Snodd	Toftir
Tavan	Leirví

Fishing Units

There were 514 vessels in the Faeroese fishing fleet in 2002. 325 (63 per cent) of these were under 20 GRT, with the remainder 189 (37 per cent) over 20 GRT. Of these larger vessels, 126 were steel and 63 wooden. The fisheries on the Faeroe Plateau are conducted by seven different groups of vessels, as classified under the Fisheries Act. There is also an active distant water fleet.

1. Larger single trawlers – In total, 14 larger single trawlers are licensed to fish within Faeroese waters. These are moderate to large trawlers with an engine power over 1,000 HP. They operate as single trawlers and fish mainly on and off the shelf break targeting redfish, blue ling and saithe in addition to other deep water species. They are allowed a restricted bycatch of cod and haddock. In the period 1985-1997 they took around 23,000 tonnes of demersal fish per year, equating to 19 per cent of the total caught by Faeroese vessels in Faeroese waters.

2. Pair trawlers – Pair trawlers are the most numerous of the larger demersal fishing vessels. They use a trawl that is towed between two vessels acting as a pair. Their main target specie is saithe, constituting 70 per cent of their total catch in the period 1985-1997. They also take significant bycatch of cod in some years, as well as minor bycatches of a number of other species. In the period 1985-1999 the pair trawl fleet landed 19 per cent of the demersal fish caught by Faeroese vessels. During the summer two pairs target greater silver smelt.

3. Larger longliners – there are 19 larger longliners, all over 100 feet in overall length. They are equipped with baiting machinery, which automatically baits the longline during the setting, enable them to work in excess of 30,000 hooks every 24 hours. They fish both on the Plateau targeting cod and haddock, and off the shelf break targeting tusk and ling. In the period 1985-1997, they landed 7.5 per cent of the total demersal fish landings from the Faeroe area.

4. Larger coastal vessels – these vessels are up to 80-100 feet and target cod and haddock on the Plateau and occasionally on the Faeroe Bank during the summer. They fish almost exclusively in depths less than 200 m, although some vessels from Suðuroy may fish for tusk and ling in deeper water off the Islands during summer. Some are equipped with automatic jigging machinery for saithe and cod fishing, some use longline for cod and haddock, and some are equipped for trawling.

5. Smaller coastal vessels – a high number of smaller coastal vessels are used seasonally, typically for supplementary income. They fish almost exclusively in nearshore waters using longline and automatic jigging machines for cod and haddock. However, during the summer some of the more experienced and professional skippers may fish as far out as the Faeroe Bank.

6. Gill-netting vessels – these vessels are larger than 100 feet and have a special license to fish in deeper water using gill-net for either Greenland halibut or angler fish. The main fishing areas are off the shelf break down to 500-600 m and the vessels essentially allocate the fishable areas amongst themselves.

7. Pelagic trawl − large pelagic trawls target blue whiting off the Faeroe Plateau. The main fishing areas are in the Faeroe- Shetland Channel and in the Faeroe Bank Channel during the top season in late April to early June.

8. Distant water vessels −vessels used in distant water fisheries are large factory trawlers, special shrimp trawlers and large powerful purse seiners.

There are five factory trawlers of more than 2000 GRT equipped with automatic filleting machines, processing high quality cod and haddock fillets. These fisheries are in Norwegian and Russian waters in the Barents Sea. Trawlers also take redfish and Greenland halibut in international waters. One large factory trawler (3300 GRT) processes surimi and fishmeal from blue whiting.

The shrimp trawlers have rights to fish in East Greenland waters and the Svalbard area. However, the main catching area in recent years has been at Flemish Cap. The numbers of vessels have decreased from 10 to 5 in early 2000 due to a significant increase of shrimp in the global market, causing a drop in catch value of up to 50 per cent.

The old purse seine fleet has been replaced with new vessels that can fish with both trawl and seine. There are now 7 vessels of between 2000 and 3000 GRT and equipped with machinery of about 7000 HP. The main species fished are blue whiting, herring and mackerel. Fishing grounds outside the FFZ are Norwegian, Icelandic, EU and international waters.

Long liners mainly operate within the FFZ, but they have also bilateral rights to catch cod and other species in Icelandic waters for part of the year.

Main resources

The main fisheries in Faeroese waters are mixed-species, demersal fisheries and single-species, pelagic fisheries. The demersal fisheries are mainly conducted by Faeroese fishermen, whereas the major part of the pelagic fisheries is conducted by foreign fishermen licensed through bilateral and multilateral fisheries agreements. At present, only a few stocks are assessed among those currently exploited in Faeroese waters.

Both demersal and pelagic species are target by Faeroese vessels inside and outside of national waters. Cod is caught all around the Faeroes and in the Barents Sea. Saithe is caught around the Faeroes. Haddock is mainly caught around the Faeroes. Mackerel is caught to the west of Ireland, in Norwegian and Faeroese and in international waters to the north of Faeroes. Herring is caught to the north of the Faeroes, along the Norwegian coast and in the Barents Sea. Blue whiting is caught to the north of Faeroes, west of the UK and up to Svalbard. Cold Water Shrimp are mainly caught in the North Atlantic region. Shrimps are caught by Faeroese vessels all year around in Greenland, Flemish Cap and in Svalbard. Redfish is caught in water of depth 100-500 m.

Of the 524,000 tonnes landed in 2001, 253,000 tonnes (48 per cent) came from inshore waters, 237,000 tonnes (45 per cent) from middle distant waters and 34,000 tonnes (7

per cent) from distant waters. Since 1985 there has been an increase in landings from inshore and middle distant waters (from 169,000 tonnes and 156,000 tonnes respectively) and fall in distant water landings (from 47,000 tonnes).

Fishery areas

The Faeroese fishing limit is 200 nautical miles. The southern edge of the Faeroese Fisheries Zone (FFZ) roughly follows the 60N latitude. Iceland lies 450 km to the west, the Shetland Islands (UK) 300 km to the east, with the midlines to these countries determining the FFZ limits. To the north, in the Norwegian Sea, the 200 miles are in effect.

The FFZ comprises about 274,000 sqkm, with roughly 75,000 sqkm within the 1,000 m depth contour, where the greatest proportion of largest fishery takes place and most research has been done. Fishing rights with other countries are partly obtained through the negotiation of historical fishing rights, and in exchange for fishing rights in Faeroese waters. These include:

· Icelandic waters;

· East Greenland, Jan Mayen;

· Irming Sea, Hatton Bank, Rockall;

· Baltic Sea;

· North Sea, west of Britain, Skagerak (EU waters);

· Norwegian waters;

· International waters (NAFO), off East Canada, Flemish Cap;

· West Greenland;

· Barents Sea, North Norway (Norwegian waters);

· Russian Sea, Grey area; and

· Svalbard.

Marine mammals

Catch profile

Pilot whales are hunted for food in the Faeroe Islands. Records of whale catches in the

Faeroe Islands extend as far back as 1584, with the annual statistical record unbroken since 1709. The long-term annual average catch of pilot whales is around 850 animals, although since 1950 this has varied between 2909 animals in 1981 and 388 animals in 1970. The average annual catch over the period 1990-1999 represented less than 0.1 per cent of the stock.

Annual Average catch of pilot whales

Period	Number of whales
1709-1999	850
1900 - 1999	1,225
1980 - 1999	1,511
1990 - 1999	956

White sided and, to a much lesser extent, bottle nosed dolphins are also harvested. A total of 186 white-sided dolphins and 3 bottle-nosed dolphins were caught in 2003. The meat and blubber of the white sided dolphin is also used for food. The meat of bottlenose whales used locally for food when fresh, and the blubber, while not edible, is retained to render the oil for use as a traditional ointment for skin ailments.

Whales and dolphins are caught by 'driving', whereby they are driven onto beaches where they are slaughtered. This can take place at any time of the year, but catches are most common in July and August when the days are long and the weather is more stable.

Main resources

There are two species of pilot whales commonly known as the long-finned and the short-finned pilot whale. The pilot whales found in the North Atlantic are of the long-finned species (Globicephala melas), and are known to the Faeroese as grindahvalur. They occur widely in temperate, sub-arctic waters in both the Northern and Southern Hemispheres, with the pilot whale stock in the eastern and central North Atlantic is estimated to number 778,000. Based on ICES advice and information from the NASS-95 cetacean survey, the Management Committee of NAMMCO concluded at its 1997 annual meeting that the drive hunt of pilot whales in the Faeroes is sustainable.

Landing sites and Fishermen communities

National whaling regulations divide the Faeroes into 9 whaling districts with a total of 23 authorised whaling bays, all of which must meet the requirements for suitable beaching conditions. In each district the hunt is supervised by the district sheriff, and each authorised bay has 4 publicly elected whaling foremen. In addition, the Faeroese pilot whaler's association serves as a forum for public debates and discussions on issues related to the hunt.

Recreational fisheries

Recrational fishing is practised in coastal and inland waters. The main target species inland is salmon, seatrout, and charr, with very limited fishing for brown trout. Salmon are not native to the Faeroes but were introduced from Iceland in 1947. A breeding population has since been established, although ongoing stocking is used in some water ways. There are at least 500 recreational fishers. Because there is little to no regulation of recreational fishing there is no reliable catch data available.

Inland Fisheries

Inland waters on the Faeroes Islands are very limited and no commercial fishery take place. Most freshwater bodies are under riparian ownership.

Aquaculture

Production profile

The clean, temperate oceanic waters around the Faeroes are ideally suited to fish farming. The industry began in the early 1970s with the rearing of rainbow trout, then progressing to Atlantic salmon. Total production of farmed fish in 2003 was 65,517 tons. Nearly 56,000 tonnes of this was salmon, with the remainder being trout. The production of both species has grown since the early 1980s, with a drop in production during the mid 1990s because of a national recession and over-supply in the salmon markets. Total production in both sectors since grew from under 15,000 tonnes in 1996 to to 46,000 tonnes in 2001.

The slight drop in production in 2002 compared to 2001 was compensated to some extent from a growth in trout output. Trout production grew from a steady level of 1,000 to 2,000 tons to over 8,000 tonnes because of high trout prices in the Japanese market and an outbreak of ISA, which affects salmon but not trout. While production bounced back to a record level in 2003 of 62,000 tonnes, In 2004 a major outbreak of ISA hit the salmon industry in 2004 and production figures are expected to be significantly lower.

There is increasing interest in the production of other farmed species, with the first successful rearing of White Halibut in 2001.

Total production (export) value has increased since 1998 and has remained stable during the last 4 years at around 940 million Danish kroner. This increase in value is partly attributable to an increase in prices since 1998, as well as a production increase.

Farming Units

In the late eighties there was a large number of farmers and farms in the Faeroes. After the recession in the mid 1990s the fish farming industry was restructured so that the Faeroese fish farming industry now consists of a small number of farmers.

There are around twenty one companies engaged in twenty three freshwater sites in the islands raising smolts. Most fish are reared in tanks in land-based farms using recycling

systems, whilst a few sites operate freshwater cages on hydroelectric dams. Recycling systems are used because of water scarsity because there is only surface water in the Faeroes.

All fish for the market are produced in seawater cages. The number of companies actively involved in farming at sea sites are thirteen, operating twenty three sites. There is a fish farm in almost every suitable bay and fjord in the Islands. Significant structural changes have taken place in the fish farming industry, with a clear trend towards fewer companies controlling an increasing share of the licenses for salmon and trout farming. Most of the farms are vertically integrated controlling the process from egg to customer.

FISH UTILIZATION

Post harvest use

Fish and fish products are processed into canned seafood, dried fish, fresh and frozen fish products, ready made fish courses, saltfish and dried saltfish, smoked fish, wetsalted, dried products and animal feed, fishmeal and fishoil.

There are 81 approved plants, factory vessels and freezer vessels in the Faeroes which are engaged in the processing and storing of fish and fish products, food and non-food. There are cold stores in the towns of Klaksvík, Fuglafirði, Kollafirði, Tórshavn and Vági.

Most fish are either exported fresh or processed mainly into fresh or frozen fillets and portions and salted fish. A few plants process cooked shrimp and scallops, smoked salmon, and canned fish. One plant grades and freezes pelagic fish, one plant produces dried fish heads and other dried products, and one plant produces surimi.

Fish is also processed and frozen onboard modern factory trawlers. These products are mainly cod, haddock and saithe fillets, headed and gutted cod, haddock and Greenland halibut, surimi and shrimp.

An indicator of the relative importance of each processing form is provided by export statistics in the following table.

Export of fish and fish products by form in 2002

Form	Value, DKK million
Frozen fish	1,537
Chilled fish	1,451
Salted fish	653
Smoked fillets	29
Dried fish	220
Other production	71
Canned	127
Other	1
Total	4,089

Source: Statistical Bureau of the Faroes

Marine mammals

Whale meat and blubber is stored, prepared and eaten in a variety of ways. When fresh, the meat is boiled or served as steaks, with blubber and potatoes. The meat and blubber is frozen or preserved in the traditional way of salting or outdoor wind-drying. Thin slivers of the blubber are a popular accompaniment to dried fish.

Aquaculture

There has been a tendency towards increased processing of farmed fish to the extent that approximately 25 per cent of the salmon produced in the Faeroes is subjected to an added value process prior to export. Traditionally, farmed fish has been exported iced or frozen, but a growing share has been processed to smoked or dinner-ready portions. Only a small proportion of the salmon is smoked in the Faeroes.

Fish markets

The fish auction

Raw material can be bought at the auction (Faeroe Fishmarket) or directly from boats or fish farms. Faeroe Fishmarket (Fiskimarkaður Føroya) is the fish auction in the Faeroes. It is a joint-stock company, founded in 1992, trading in a substantial part of the total Faeroe landings, and is currently among the largest fish auctioners in the Nordic countries.

The company is owned by trade unions, fish-processing operators, vessel operators and other companies and individuals involved in fisheries. The company's main venue is Toftir, which is located at the opening of Skálafjørður. A subsidiary is located in Klaksvík.

The first auction was held in March 1993. In September 1993, Faeroe Fishmarket started a new method of auctioning fish products whereby customers can contact the company and place orders while vessels are still fishing.

FISHERY SECTOR PERFORMANCE

Economic role of fisheries

Fishing

Fish production forms the backbone of the Faeroese economy. Fishing has always been important, representing over 95 per cent of Faeroe exports since the 1920s. Not until the late 1990s did this share fall to around 80 per cent, due to the increase of fishfarming. The total value of the Faeroese wet fish from all waters in 2003 amounted to approximately 1.2 billion DKK, compared to approximately 0.8 billion DKK for 1997. The export value in this year was DKK 2.9 billion.

Aquaculture

Aquaculture has been important in stablising the national economy through diversification of economic activities, as well as generating additional income and employment. Fish farming is the second most important contributor to the Faeroese economy. In 2003 the export value was DKK 962 million, which corresponds to 26 per cent of total exports.

Marine Mammals

Pilot whale meat and blubber is a traditional staple part of the national diet. Catches of whales are typically shared without the exchange of money among hunt participants and residents of the local district where they are landed. As a result, the economic value of pilot whale meat and blubber does not appear as a part of the national GDP. For purposes of comparison however, an annual catch of 950 whales (the average annual catch over the past ten years, 1990-1999) is roughly equivalent to 500 tons of meat and blubber, some 30 per cent of all meat produced locally in the Faeroes.

Trade

Exports

Around 97 per cent of the registered export is in fish products. In 2002, 80 per cent of the export was with EU countries. Outside the EU, Norway is the main business partner. In 2002, the value of these exported goods was US$ 525.6 million.

The Faeroes are an independent customs area, meaning that import duties and the rules pertaining to import and export are determined by the Faeroese Government. In this respect, the other parts of the Danish Kingdom are considered ‘foreign’. When the Faeroe

Islands declined membership in the Common Market, of the now EU, in 1974, a trade agreement was instead concluded. This agreement was effectively a free trade agreement and as such reported to GATT by the EU. At the end of 1998, a new agreement was concluded between the Faeroese Government and the EU, invalidating the sections of the trade agreement relating to price arrangements, reference ceilings for export, restrictions on salmon, statistics control and other product specific agreements. Thus, some 95-97 per cent of all Faeroese exports are listed as free trade. The Faeroe Islands also has free trade agreements with Norway, Iceland and Switzerland. The trade with the rest of the world is based on WTO regulations.

Regarding its salmon exports to the EU, the Faeroe Islands have been accused together with other salmon producers such as Norway, of dumping, and may be subject to EU safeguard measures.

There is no trade in whale or dolphin products.

Imports

Iin 2002, US$ 4.5 million worth of fish were imported, representing 2.7 per cent of national imports. Forty per cent of this was fish for reduction, a third frozen fish, a fifth fresh fish and the remainder salt fish.

Food security

The apparent fish and fish products consumption in the Faeroe Islands averaged at 86.5 kg per capita per year (1999-2001).

Employment

Approximately a third of working population (10,000) of the Faeroes is employed in fisheries ot fisheries related industries. Of this over a third are employed in the capture sector (3,500), which is male dominated, with a quarter (2,500) employed in processing. Nine hundred people are employed through aquaculture.

The fishermen's wage system

Fishermen are paid according to the collective agreement between the Faeroese Fishermen's Association (FF) and the Shipowner's Association. Contrary to most other wage systems, the fisherman's compensation is directly related to the value of their production, ie. catch value. A typical collective agreement provides the fishermen with a 27 per cent share of the catch value, which is then equally divided among the crew members. Fishermen further receive vacation pay representing 12 per cent of one share. Shipowners also pay a bonus to the officers so that the total net share that a shipowner pays is between 35-40 per cent.

Because such a wage system can create variations in fishermen's incomes, it is required by law to provide fishermen with a guaranteed income, which is supplemented by public

funds. This minimum incomes system began in 1950. Currently, the wage system guarantees the fisherman a minimum wage equal to the daily pay of an unskilled labourer who works 8 hours a day.

FISHERIES SECTOR DEVELOPMENT

Constraints

The Faeroe Islands has a near mono-economy as regards exports, and with limited alternative foreign income earnings potential. This dependency makes the society vulnerable to any fluctuations in catch and landings, due to either natural conditions or improper management. An efficient management regime is consequently required to achieve stable economic conditions.

As most commercial species in home waters are considered fully- or over-exploited, and as there are limited possibilities for acquiring more fishing rights through bilateral agreements, there is little room for increased catch of traditional species.

Some of the key whitefish stocks are considered by ICES to be overfished. Fishing mortality for the Faeroe Plateau cod in 2003 is more than twice the level that is recommended based on precautionary principles. For haddock and saithe the present fishing mortality is also above the precautionary level. ICES therefore recommended in 2004 a reduction of the fishing effort directed at cod and haddock in the region of two thirds. For the saithe fisheries ICES recommended that effort be reduced by around 30 per cent.

Presently, the greatest challenge for the aquaculture industry is to overcome the problems of infectious salmon anemia (ISA). Comprehensive steps have been taken to combat the disease which has drained many companies financially, reducing production.

The major strength of Faeroe Islands fisheries is its highly skilled fishermen, combined with a well-educated, stable labour force and developed infrastructure. The main option to improve long-term conditions for the sector is more dynamic and coherent management of the fisheries complex, together with efficient research effort and strategic, targeted marketing.

Fisheries management and policies

The Faeroe Islands is a self-governing part of the Kingdom of Denmark. Fisheries policy and management of the Faeroe Islands' fishing territory is the responsibility of the Home Rule Government.

Following the introduction of the so-called 'wetfish fund' in 1975, the development of Faeroes fisheries management has been very turbulent. The fund was created to even out price fluctuations in the export markets, to be accomplished through a levy on prices in good years and subsidies in bad years. Additional responsibilities were gradually assigned to the fund, and accumulated debts in the fund were financed by the Home Rule

Government. Direct compensation to boat owners to defray the cost increases of the second oil crisis in 1979 further aggravated the situation. At its maximum, subsidies to the fishing industry were swallowing 30 per cent of the Home Rule Government's annual budget.

Up until 1988, public loans and guarantees led to overinvestment, both in the fleet and in the processing sector.

The economic consequences of the fisheries management policy led to large re-structuring in 1993-95. The Danish Government re-financed the foreign debt of the Faeroes Home Rule Government, upon condition that there were, inter alia, large changes in fisheries management, including the introduction of Total Allowable Catch (TAC) limits. A quota system was subsequently introduced in 1994. The transferability of quotas were very restricted, as they could only be leased for one year at a time, if the boat owner did not want to forfeit the fishing right entirely.

The quota management system with limited transferability was considered to have disadvantages, and furthermore would not lead to the necessary capacity adjustment. It was replaced by a 'fishing day per boat' system, introduced by law in 1996. The system of transferability was further changed, and fishing rights can now be rented out for up to ten years. The management system also includes seasonally closed areas and other technical regulations. The focus in the current management system is no longer solely on catch, but more on fishing effort.

Research

Faeroese marine and fisheries scientists participate actively in the work of the International Council for the Exploration of the Seas (ICES), which coordinates and promotes marine research in the North Atlantic, providing scientific advice on fisheries for governments and intergovernmental bodies.

The current national research focus in the Faeroes is on collaborative research and development projects between the fisheries and fish production sectors and Faeroese research and development institutes to develop new ways to generate more from the limited marine resources, both for food and other products. Examples include reducing wastage in production and relieving pressure on the natural resource base, while providing new economic opportunities.

In early 2004 the Ministry of Fisheries initiated a R&D-programme focusing on:

* fish by-products;
* gear and equipment; and
* processing technology.

A Research Fund for Fisheries is also used to support joint R&D projects initiated by institutions and companies. One example of this is the company JFK - an integrated cooperation within the fishing industry - which has employed a researcher in processing

technology with the aim of improving traceability.

Other fields of research related to fishing include:

* oceanography;
* fisheries biology;
* zoology, mainly marine mammals;
* equipment technology; and
* monitoring of the marine environment in fjords, sounds and at sea.

Fields of research within the fish farming industry are:

* the enhancement of broodstock;
* disease prevention;
* developing new species of rearing; and
* testing of localities and equipment.

The fish farming industry itself conducts research to improve the quality and efficiency of production. There is also ongoing research in the farming of other species, mainly halibut and cod.

In terms of marine mammals, the Faeroes conducts research and collaborates internationally through North Atlantic Marine Mammal Commission (NAMMCO) and the International Whaling Commission (IWC). This includes an observer programme whereby observers are used on all vessels.

AID

Formerly there was substantial domestic financial aid to the fisheries sector. Such aid was phased out, ending in 1998. Limited indirect subsidies remain in the form of minimum salary guarantees to fishermen and public interest rate guarantees on investments.

The Home Rule Government gets financial support from Denmark. Since 1993, it has been given as an en bloc grant. The grant is determined annually in negotiations between the Faeroe Islands Home Rule Government and the Government of Denmark.

LINKS

Ministry of Fisheries and Maritime Affairs www.fisk.fo

Faeroese Fisheries Laboratory www.frs.fo

Faeroese Fisheries Inspection www.fisk.fo

Faeroese Inspection and Rescue Service www.mrcc.fo

Information website on whaling www.whaling.fo

Ministry of Internal Affairs www.lmr.fo

Food, Veterinary and Environmental Agency www.hfs.fo

Statistical Bureau of the Faeroes www.hagstova.fo/