FISHERY COUNTRY PROFILE	Food and Agriculture Organization of the United Nations	FID/CP/EST April 2005
PROFIL DE LA PÊCHE PAR PAYS	Organisation 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 ESTONIA

GENERAL GEOGRAPHIC DATA

Total area:	45 227 km^2
Land area:	43 200 km^2
Coastline:	3 780 km

GENERAL ECONOMIC DATA (2003)

Population:	1 356 000
GDP at current prices:	US$ 9.1 billion
GDP at current prices per capita:	US$ 5 380

FISHERIES DATA (2001)

	Production	Imports	Exports	Total supply	Per capita supply
	tons liveweight				kg/year
Fish for human consumption	105,634	69,730	153,643	33,720	20.5
Fish for animal feed and other purposes	–	–	–	–	–

Estimated total employment in fishery sector (2003):	2 300
Trade (2003)	
Value of fish exports:	US$ 142 127 000
Value of fish imports:	US$ 78 235 000

OVERALL FISHERY SECTOR

Distant-water fisheries

The number of distant-water fishing vessels has decreased from about 100 fishing vessels in 1991 to only 11 fishing vessels in 2004. The most important Estonian distant-water fishing possibilities are in the Regulatory Areas of the Northwest Atlantic Fisheries Organization (NAFO) − 1 667 fishing days for the shrimp fishery and quotas for some 2 700 t of various species. Fishing possibilities are also available in the Regulatory Area of the Northeast Atlantic Fisheries Commission (NEAFC) (total quota of 564 t of fish) and in the Svalbard area in the Northeastern Atlantic (377 fishing days for shrimp fishery). Estonian distant-water total catches have decreased in general from 90 904 t in 1992 to 16 008 t in 2003, while the shrimp catches have increased remarkably from 1 050 t in 1994 to 12 884 t in 2003.

Estonian distant-water fishing fleet consists exclusively of trawlers, with the catch of fish or shrimp processed on-board. The main export destinations for the shrimp production are Iceland, Norway, Japan and Canada.

Baltic fisheries

The Estonian Baltic Sea fishing fleet at the end of 2004 consisted mostly of trawlers (152 fishing vessels of over 12 m overall length, and 888 vessels of less than 12 m LOA), and the catches are predominately Baltic herring and sprat. At the same time, the Baltic coastal fishery is exploiting the local stocks of valuable brackishwater fishes like perch, pike-perch, flounder, eel, sea trout and salmon. Passive fishing gear is mainly used in coastal fisheries.

Estonian Baltic catches in 2003 amounted to 59 378 t in total. It is important to note that first-buyer fish prices have fairly stable from 1996 to 2003, while production costs have increased considerably. For economic reasons, companies have moved to integrating distant-water and Baltic fishing, and fishing and fish processing.

Inland water fisheries

Estonian inland water fisheries (total reported catch of 3 592 t of fish in 2003) are based mainly on Lakes Peipsi and Võrtsjärv, targeting primarily European smelt, pike-perch, silver bream, European bream, European perch and European eel.

Fishermen communities

Most of Estonian fishers are members of the Estonian Fishermen's Association, with its headquarters in Tallinn. The Estonian Fishermen's Association comprises 6 sections: distant-water fishery; Baltic cod fishery; open Baltic trawl fishery; coastal Baltic trawl fishery; Baltic coastal fishery; and the inland water fishery (Lakes Peipsi and Võrtsjärv). Estonian fishers are planning to establish a Producer Organization under EU regulations.

Recreational sub-sector

The recreational value of Estonian inland waters is comparatively high, and recreational and sport fishery have good prospects. There are no official statistics available on recreational fishery in Estonia. Recreational fishery on the Lake Peipsi is mainly in winter (angling for perch and whitefish).

Recreational fishing opportunities for tourists have been created widely on fish farms, similar to what has become common in Europe. In addition to the fishing fee, such enterprises also receive additional income from accommodation services and catering.

Recreational fishers have established the Estonian Sport Fishermen Federation, and that organization aims to join the European Anglers' Association.

Aquaculture sub-sector

Estonian aquaculture production has been changed considerably during the last decade. Total production of carp has fallen significantly, from 234 t 1992 to 51 t in 2003, while the production of rainbow trout has fluctuated somewhat, being 190 t in 2003.

There are currently about 25 commercial fish farms in Estonia, producing rainbow trout, carp and juvenile fish for stocking. Three or four crayfish farms are under construction. There is one eel breeding farm. About 50 registered fishing tourism farms provide pond angling facilities, and it is the main activity for about 10 of them.

The Estonian Fish Farmers' Association was established in 1989. Membership is not only professional fish farmers but also scientists and other aquaculture-related persons. The association promotes aquaculture-related education and information exchange. A non-profit association, Eesti Kalaturism [Estonian Fishing Tourism], was established to promote pond angling and represent the interests of owners of angling ponds, while small-scale producers of fish in farmstead ponds are active in the farmer's unions.

Post-harvest use

There were 92 Estonian fish processing companies registered at the end of 2003, 46 of which were authorized for exportation to EC member states.

In very general terms, the fish processing companies specializing in production of freshwater fish fillets are doing reasonably well. Companies focusing on the production of freshwater fish-fillet-based value-added ready-for-use fish meals are also showing good results.

The situation for the Estonian canning industry is lot more complicated. The recent difficulties for the canning industry are mainly related to problems in the Eastern European market caused by the weak US dollar, as well as to changes in Estonian value-added tax legislation adversely affecting some fish export operations. Canned fish production fell from 83 300 t ton in 1990 to 34 200 t in 2002, while the production of frozen fish, fillets and ready-for-use fish meals has increased.

Trade in fish

The recent and ongoing changes in the interactions of the value chain of international fish markets are clearly influencing the Estonian fish processing and trade, with fluctuations in raw material supply, caused *inter alia* by the depletion of fish stocks and the related quota reductions being transmitted downstream to the rest of the industry. In reaction, the Estonian fisheries industry is developing new strategic options to cope with the fluctuating raw material supply that is forcing organizational change within the whole sector.

Exports of fish in 2003 were 54 200 t, worth €60.3 million, with the main importers being the Russian Federation, Ukraine, the Netherlands, Switzerland and Denmark. At the same time, exports of prepared and processed fish were 58 300 t, worth €50.7 million, mainly to the Ukraine, United States of America, Germany and Lithuania.

Estonian imports of fish amounted to 38 700 t, worth €37.9 million in 2003. The main countries of origin were the Russian Federation, Norway, the Netherlands and United States of Ameica. Imports of prepared or preserved fish are mainly for the domestic market, and were 3 500 t, worth €6.6 million in 2003.

Demand and supply

Current consumer demand is increasingly turning to processed products with value-added. Estonian producers and processors face buyers, particularly retailers, that are much larger and have more market or bargaining power than was the case previously. At the same time, the buyer has also become more demanding with respect to product specifications, documentation, regularity and size of deliveries, and transaction costs. This has led to the development of larger, horizontally and vertically integrated companies, with direct ownership of all production activities from fishing to fish processing and exporting, accompanied by the emergence of long-term contractual supplier-customer relationships between producing companies and processors or supermarket chains. Net fish supply was 63 900 t in 2003, implying per capita fish and fishery product supply in Estonia of about 15 kg.

Employment in fisheries

The fishing companies and the fish processing plants in Estonia are generally located in coastal areas, with inadequate regional labour markets, and it is often difficult for employers to recruit and keep a stable workforce. Consequently there is a trend to replacing labour by mechanization. Modernization of the Estonian fisheries industry in general has been one of the main reasons that the number employed fallen in recent years, going from 2 900 in 2000 to 2 300 in 2003.

DEVELOPMENT PROSPECTS

The Estonian fisheries industry relies in general on the fishery resources of the Northern Atlantic, the Baltic Sea and Lake Peipsi. Catches, and consequently the development prospects of the Estonian fishing industry, are largely influenced and limited by the related fishery resources dynamics, availability of fishing quotas and the changing market situation.

Internationalization of Estonian fish processing and markets has expanded over the last decade, and now is mostly international. As a consequence, problems of raw product demand and supply cannot be discussed in the Estonian context alone, but Estonian fish trade must be considered in the context of integrated international markets.

The most successful companies in the Estonian fisheries industry having to meet changing circumstances and balance activities, integrating the fishers and aquaculture producers into the development of new market channels through contracts with their various partners.

The development of recreational fishery could be seen as an opportunity that has not yet been fully exploited, and could better use the limited fishery resources of the coastal areas and inland waters. The economic potential of recreational fishery is greater than of commercial fisheries, as, in addition to the relatively inexpensive fishing permit, a recreational fisherman also requires accommodation, catering and other services.

RESEARCH

The Estonian Marine Institute, University of Tartu, is a multidisciplinary scientific research institution, having International Council for Exploration of the Sea (ICES) work-related experience in fish stock assessment and management advice, marine and freshwater fish resources and biology, as well as marine systems modelling. Research focuses on fishery resource allocation problems, applying elements of game theory and decision analysis, and on development of ecosystem-based fishery management through the related environmental indicators.

The Department of Fish Farming, Institute of Animal Science, Estonian Agricultural University, Tartu, is studying the molecular genetics of salmonid fish; quality of farmed fish; development of new and improved technology for production of new species in Estonia (sturgeon, crayfish, salmon); and fish parasitology.

FOREIGN AID

The Estonian Rural Development Plan 2004–2006 has been developed in accordance with the programming requirements of Article 4 of Council Regulation (EC) No 1268/1999. The Regulation lays down the framework for pre-accession assistance to agriculture and rural development (Special Accession Programme for Agriculture and Rural Development, SAPARD) in the Central and Eastern European Countries for the period 2000–2006.

The main objective of the SAPARD programme is to support the adjustment of Estonia's agricultural and fisheries sector to that of the EU and to enhance rural development.

In the fish sector, there are many enterprises meeting EU requirements. SAPARD-supported investments are therefore likely to be mostly in product development, assisting producers adjust to new market orientations.

Important measures under the Financial Instrument for Fisheries Guidance (FIFG) include:

- *Regulation of the Fishing Capacity of the Fishing Fleet*. The general objective of the measure is to provide a balance between the fishing capacities of the fleet and the fish stocks available.
- *Modernization and Renewal of the Fishing Fleet*. This aims to improve technical conditions on fishing vessels; improve fish processing conditions, improve working conditions and occupational safety; and promote the introduction of selective fishing techniques.
- *Investment Support Measures for the Fisheries Production Chain.* General objectives are to develop and modernize fish and aquaculture processing; develop and modernize aquaculture; improve conditions for the reception of the fish in ports and fish landing sites; and facilitate investment in inland fisheries.
- *Other Fisheries-Related Measures.* These aim to provide opportunities to mitigate unfavourable social and economic impacts of restructuring of the fisheries sector, with identification of new markets for fish and aquaculture products.

Socio-economic measures are an essential part of the EU Common Fisheries Policy (CFP) implementation in Estonia. They will help to maintain social and regional equilibrium by mitigating the consequences associated with the adjustment of fishing capacity. Furthermore, promotion of new market outlets should enhance competitiveness of the sector and benefit the consumer by providing products in demand that comply with hygiene and food safety requirements. In view of the limited national financial possibilities and to maximize the effect of the above actions, a FIFG contribution of 80% should benefit the whole sector and implementation of the CFP in Estonia.