EXECUTIVE SUMMARY

European Parliament

Research for PECH Committee – Workshop on impacts of the EU-UK TCA on fisheries and aquaculture in the EU - Part III: Fishing opportunities aspects

KEY FINDINGS

- The EU-27 fishing fleet catches approximately **1.3 million tonnes** of fish worth **EUR 1.6 billion** under total allowable catches (TACs) shared with the UK.
- Compared to 2019, the **EU-UK Trade and Cooperation Agreement (TCA) has reduced** the fishing opportunities by **66 400 tonnes in 2021** and **110 900 tonnes in 2025**. The corresponding values are estimated at respectively EUR 108.4 million and EUR 178.6 million.
- The **most direct effects** are to be **expected** for the **pelagic fleets** of Ireland, France and the Netherlands due to the reduction of the EU-27 share in TACs of mackerel and herring, which are (almost) **fully utilised**. The TCA may **not affect as heavily** the performance of the **demersal fleets** as many TACs on demersal stocks (e.g. anglerfish or sole) are **not fully utilised**.
- The **biological status of stocks** and the subsequent level of TACs has **greater impact** on the fishing opportunities **than the TCA**.
- **EU fleets** fishing in UK waters are **concerned about** the strict conditions imposed by the UK for their **future access** to these areas.

The present document is the executive summary of the study for a Workshop on impacts of the EU-UK Trade and Cooperation Agreement on fisheries and aquaculture in the EU – Part III: Fishing opportunities aspects. The full study, which is available in English can be downloaded at: https://bit.ly/3GDd1IU

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Background

The purpose of this study is to provide Members of the European Parliament with a broad assessment of the impacts of the **EU-UK Trade and Cooperation Agreement** (TCA) on fisheries and aquaculture in the EU from the perspective of **fishing opportunities** in the short and long term. An **EU-wide assessment** of the impacts of the TCA on fishing opportunities is complemented with **two case studies** on France and the Netherlands.

Main findings of the EU-wide assessment

The fleet of the EU-27 catches approximately **1.3 million tonnes** of fish worth **EUR 1.6 billion** under TACs shared with the UK. Compared to 2019, the **TCA resulted in a reduction of** fishing opportunities for the EU-27 in 2021 by **66 400 tonnes** and will result in a reduction in 2025 of **110 900 tonnes**. The corresponding values are estimated at respectively **EUR 108.4 million** and **EUR 178.6 million**. The real impact of these reductions depends on the **level of utilisation** of the quota and on the level of TACs fixed to respond to stock conservation objectives. The most direct effects will be experienced by the **pelagic** fleets of Ireland, France and the Netherlands due to the reduction of the EU-27 share in the TACs of **mackerel and herring**. The TACs of these species are almost fully utilised. Reductions of the fishing opportunities of most **demersal** species, e.g. **anglerfish or sole**, will have much less direct effect because of the low utilisation of the TACs. **Swaps** with the UK are expected to continue without major obstacles.

The **UK committed itself to sustainable exploitation** for fishing activities within its Exclusive Economic Zone (EEZ).

France and Germany have initiated support to their fishing sectors under the arrangements foreseen by the **Brexit Adjustment Reserve (BAR**). According to information available, other EU Member States significantly impacted by Brexit are still in the process of preparing their respective support programmes.

Case study on the Netherlands

Brexit affects the two main segments of the Dutch fishing fleet targeting demersal and pelagic species very differently. The impact of the reduction of the TACs on the **demersal fleet** will be relatively limited in the short term, because the quota for the two main species (plaice and sole) have not been fully utilised in recent years. However, this fleet is heavily dependent on access to the UK EEZ, which may become more difficult. The **pelagic fleet** operates mostly outside the UK EEZ. As the Dutch pelagic quota are fully utilised, the reduction of EU shares in pelagic TACs implies a real loss of annual turn-over of about EUR 5.4 million in 2021 and further EUR 3.6 million in 2025.

Case study on France

The **UK waters are a significant fishing area** for the French fleet, representing 25% of total catch from the North-East Atlantic in weight and 18% in value on average between 2018 and 2019. Catch was obtained in different areas around the British Isles, and in the waters adjacent to the Bailiwick of Guernsey and the Bailiwick of Jersey. Annex 35 of the TCA reduces French fishing opportunities on shared stocks by 15% (16 000 tonnes) based on TACs fixed for 2019. However, **adjustment of TACs** to ensure the conservation of the stocks may amplify or partly offset the effects of the quota transfers under the TCA. A key issue reported was the legal insecurity governing the issuance of fishing authorisations for French vessels to access the 6-12 mile zone of the UK and the waters adjacent to the Bailiwicks of Guernsey and Jersey. The late adoption of the TCA in 2020 prevented the implementation of **quota swaps** between France and EU Member States and between France and the UK, resulting in fishing restrictions being imposed on certain fishing vessels during the first half of 2021. However, it was hoped that the swapping mechanisms will resume to normal as from 2022. France managed to swiftly implement **compensation schemes** for fishing enterprises adversely affected by Brexit. Two schemes are now being implemented as compatible State aid measures, with an additional scheme for permanent cessation being considered. The public costs of the schemes are expected to be covered by the BAR.

Main conclusions

The **EU-wide study** and the two **case studies on the Netherlands and France** confirmed the general findings and pointed out several specific issues which are still of concern to the EU fishing sector, in particular:

- The quota transfers established by the TCA for stocks covered by its Annex 35 will lead to a **reduction of catches of (almost) fully utilised** quota by about **24 700 tonnes** in **2021** and **55 800 tonnes** in **2025**. The respective values are **EUR 30 million** and **EUR 51 million**. The most **affected Member States** are Ireland, the Netherlands, France and, Denmark. However, the impacts of the quota transfers established by the TCA will depend to a large extent on the levels of TACs set by the two parties to ensure the conservation of stocks.

- **Conditions of access** to the UK territorial waters (6-12 mile zone), are of particular importance to France and Belgium, and access to the waters adjacent to the Bailiwicks of Guernsey and Jersey is of particular importance to France. Conditions of access include the evidence required to establish the historical records of activities in UK waters for EU vessels active during the reference periods identified by the TCA, and for EU vessels acquired by the relevant EU operators after those reference periods in replacement of the vessels active during those reference periods (the replacement vessels).

- **Duration of TAC negotiations** and bilateral agreements with other coastal states. The timely achievement of an agreement (i.e. beginning of the year) is essential for a regular continuation of the fishing operations, particularly during the first months of the year.

- **Uncertainty about the continuation** of administrative arrangements in 2022, including the establishment of lists of vessels allowed to fish in the UK EEZ and quota swaps between the UK and the EU.

- **Lack of clarity** about the functioning of the Specialised Committee on Fisheries and the extent to which the European Commission will engage in consultations with EU Member States or representatives of the sector through their national representations or through the relevant Advisory Committees.

Policy recommendations

Three recommendations can be drawn from the review:

1. **The involvement of the relevant Advisory Councils in the negotiations held between the EU and the UK within the framework of the Specialised Committee on Fisheries should be clarified and established.** This would allow the Advisory Councils to make constructive contributions to the European Commission on matters under the competence of the Specialised Committee on Fisheries as appropriate, as it is the case for matters under the sole competence of the EU. A **detailed roadmap** for the negotiations should specify the topics and the timeline of the advices sought from the relevant Advisory Councils.

2. As exemplified by the case study on France, **an operational definition of a replacement vessel should be agreed upon** within the framework of the Specialised Committee on Fisheries to ensure continuity of access to the 6-12 mile zone of the UK for EU operators having acquired new fishing vessels after the reference period. **The possibility to obtain fishing authorisations for replacement vessels should be extended** for access to the waters adjacent to the Bailiwicks of Guernsey and Jersey.

3. Now as the **Brexit Adjustment Reserve** (BAR) is in force, more **EU Member States should be encouraged to develop national compensation plans** for their respective fishing sectors, with the compensation plans implemented already by Germany and France being potential examples to draw on.

Further information

This executive summary is available in the following languages: English, French, German, Italian and Spanish. The study, which is available in English, and the summaries can be downloaded at: https://bit.ly/3GDd1IU

More information on Policy Department research for PECH:
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