

Workshop on impacts of the EU-UK Trade and Cooperation Agreement on fisheries and aquaculture in the EU

Part III: Fishing opportunities aspects



Fisheries



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Abstract

This study is the third in a series of three, commissioned for a PECH Committee Workshop. It reviews the potential impacts of the EU-UK Trade and Cooperation Agreement (TCA) on the fishing opportunities aspects for the EU fishing industry in 2021 and 2025. An EU-wide assessment is complemented with two case studies on the Netherlands and France. In 2021, the adjustments of fishing opportunities for biological reasons for certain stocks had more impacts than the quota transfers foreseen by the EU-UK TCA. Several specific fleets are impacted by the EU-UK TCA.

This document was requested by the European Parliament's Committee on Fisheries.

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LIST OF ABBREVIATIONS

AIS	Automatic Identification System
BAR	Brexit Adjustment Reserve
CBC	Cross Border Cooperation
CFP	Common Fisheries Policy
EEZ	Exclusive Economic Zone
FDI	Fishery dependent information
HPMA	Highly protected marine areas
ICES	International Council for the Exploration of the Sea
IPCA	Indemnisation des Pertes de Chiffre d’Affaires (<i>Compensation of the loss of turn-over</i>)
ITQ	Individual Transferable Quota
JRC	Joint Research Centre
MoU	Memorandum of Understanding
MMO	(England’s) Marine Management Organisation
PECH	Committee on Fisheries
PO	Producer Organisation
SFPA	Sustainable Fisheries Partnership Agreement
TCA	EU-UK Trade and Cooperation Agreement
TAC	Total allowable catch
UK	United Kingdom
VMS	Vessel Monitoring System

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EXECUTIVE SUMMARY

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.

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. Timely achievement of agreement (i.e. beginning of the year) is essential for 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.

1. INTRODUCTION

KEY FINDINGS

- This study forms the third contribution of external research for a PECH Committee Workshop on the “Impacts of the EU-UK Trade and Cooperation Agreement (TCA) on fisheries and aquaculture in the EU”.
- It deals with fishing opportunities aspects, and informs the Members of the EP on the expected impacts of Brexit on the EU fisheries sector in 2021 and 2025.
- The study presents the consequences of the arrangements foreseen by the TCA in relation to transfers of fishing opportunities and arrangements regarding fishing authorisations to access the waters of the UK.
- The study is not a forecast of any future situation, but an analysis of the possible consequences of the TCA on fishing opportunities of EU-27 Member States.

This study is the third research paper in a series of three, commissioned for the European Parliament's (EP) Committee on Fisheries (PECH) to hold a Workshop on the “Impacts of the EU-UK Trade and Cooperation Agreement (TCA) on fisheries and aquaculture in the EU.” The PECH Workshop shall cover the following aspects:

- Part I: Legal aspects,
- Part II: Trade aspects, and
- Part III: Fishing opportunities aspects.

This report deals with the fishing opportunities aspects, and informs Members of the EP on the foreseeable shorter (2021) and longer (2025) term impacts of the Brexit on the EU fisheries sector.

Context

The EU Common Fisheries Policy (CFP) aims at achieving sustainable exploitation of marine resources. One of the main tools of this policy is the annual identification of the Total Allowable Catch (TAC). The TACs are divided among the EU Member States according to an agreed key, the so called ‘relative stability.’ Each Member State has a constant percentage of each TAC, which allows the calculation of the national quota in tonnes. In order to avoid overexploitation of the fish stocks, each Member State must ensure through monitoring and control that the catches of its fishing fleet do not exceed the national quota. The Brexit negotiations have resulted in an agreement on 105 shared stocks and related TACs of which the UK share was raised for 84 TACs. The quota transfers are laid down in Annex 35 of the “EU-UK Trade and Cooperation Agreement” (TCA). Article 500 of the TCA also established provisions governing the issuance of fishing authorisations to EU vessels for accessing the waters under the sovereignty of the UK.

Objective

The general objective of this study is to provide a broad assessment of possible “Impacts of the EU-UK Trade and Cooperation Agreement (TCA) on fisheries and aquaculture in the EU” on aspects of fishing

opportunities. The study presents the consequences of the arrangements foreseen by the TCA in relation to transfers of fishing opportunities and fishing authorisations to access the waters of the UK.

Box 1: Terminology¹

Total Allowable Catch (TAC) is a catch limit set for a particular fish stock, generally for a year or a fishing season. TAC is the maximum quantity (or more precisely, the weight) of fish that can be reasonably caught in order to ensure conservation of the stock.

Quota are the results of the distribution of the TAC between the different fishing entities involved in the fisheries. At EU level, quota are allocated to EU Member States by the Council based on the relative stability principle. At EU Member State level, there are different mechanisms for allocating the national quota to the different fishing fleet segments. One of these mechanisms is the **Individual Transferable Quota (ITQ)** system by which quota are allocated to individual fishermen or vessel owners and which can be sold or leased to others.

Quota swap is the mechanism by which fishing entities exchange all or part of the quota allocated to them. For EU Member States, quota swaps are implemented in accordance with Article 16(8) of the CFP Basic Regulation 1380/2013.

Fishing authorisations means a fishing authorisation issued in respect of an EU fishing vessel entitling it to exploit fishing opportunities available. Under the TCA, fishing authorisations to access the UK waters are based on the historical records of activity of the vessel, with a possibility to transfer historical records to a **replacement vessel** (i.e. a new vessel owned by the operator replacing the vessel previously active in UK waters).

Source: Own elaboration

Approach

The study is not a forecast of any future situation, but an analysis of the consequences of the TCA on fishing opportunities under the *ceteris paribus* assumption (i.e. all other things remaining equal). Methodological details are presented in Annex 1.

The EU-wide assessment compares quantity and value of quota and catches in 2019 to quantity and value of quota in 2021 (short term) and 2025 (long term). The assessment includes the quota swaps among EU Member States and with the UK. It also takes into account the utilisation of the TACs in 2019, which indicates the likelihood of actual reduction of catches after the reduction of the EU share in TACs as agreed in the TCA. Finally, the progress of implementation of the BAR in the six main affected Member States is presented.

The case studies are based on interviews with main national stakeholders and further quantitative analysis. In particular, the case studies present the concerns of the fishing industry about present and future arrangements with the UK.

¹ See also: CFP Basic Regulation: [Regulation \(EU\) No 1380/2013](#) of the European Parliament and of the Council of 11 December 2013 on the Common Fisheries Policy, amending Council Regulations (EC) No 1954/2003 and (EC) No 1224/2009 and repealing Council Regulations (EC) No 2371/2002 and (EC) No 639/2004 and Council Decision 2004/585/EC.

Structure

Following the executive summary and this introduction, the study is composed of four more chapters. Chapter 2 presents an assessment of general impacts of the TCA at EU-level, including some specific consequences for the 10 most affected Member States; the results of own calculations are based on several statistical sources. In addition, Chapter 2 addresses also the use of the Brexit Adjustment Reserve by Member States and Sustainable Fisheries Partnership Agreements (SFPAs).

In Chapters 3 and 4 case studies on the Netherlands and France, two of the most heavily affected countries, elaborate the practical consequences of the TCA in terms of fishing opportunities for their national fleets in greater detail.

The study is based on published statistical sources, specific information obtained from DG MARE and interviews with some of the main stakeholders (Annex II). Methodological details are presented in Annex I.

2. GENERAL CONSEQUENCES ON EU FISHERIES

KEY FINDINGS

- The EU-27 fleet catches approximately **1.3 million tonnes** of fish worth **EUR 1.6 billion** under TACs shared with the UK.
- Compared to 2019, the **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 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**.

In this chapter we are looking at **data from 2019** for the following two reasons:

- 1) only some preliminary data on 2020 are available, and
- 2) the year 2020 was atypical in terms of catches and prices because of the impact of the Covid-19 pandemic.

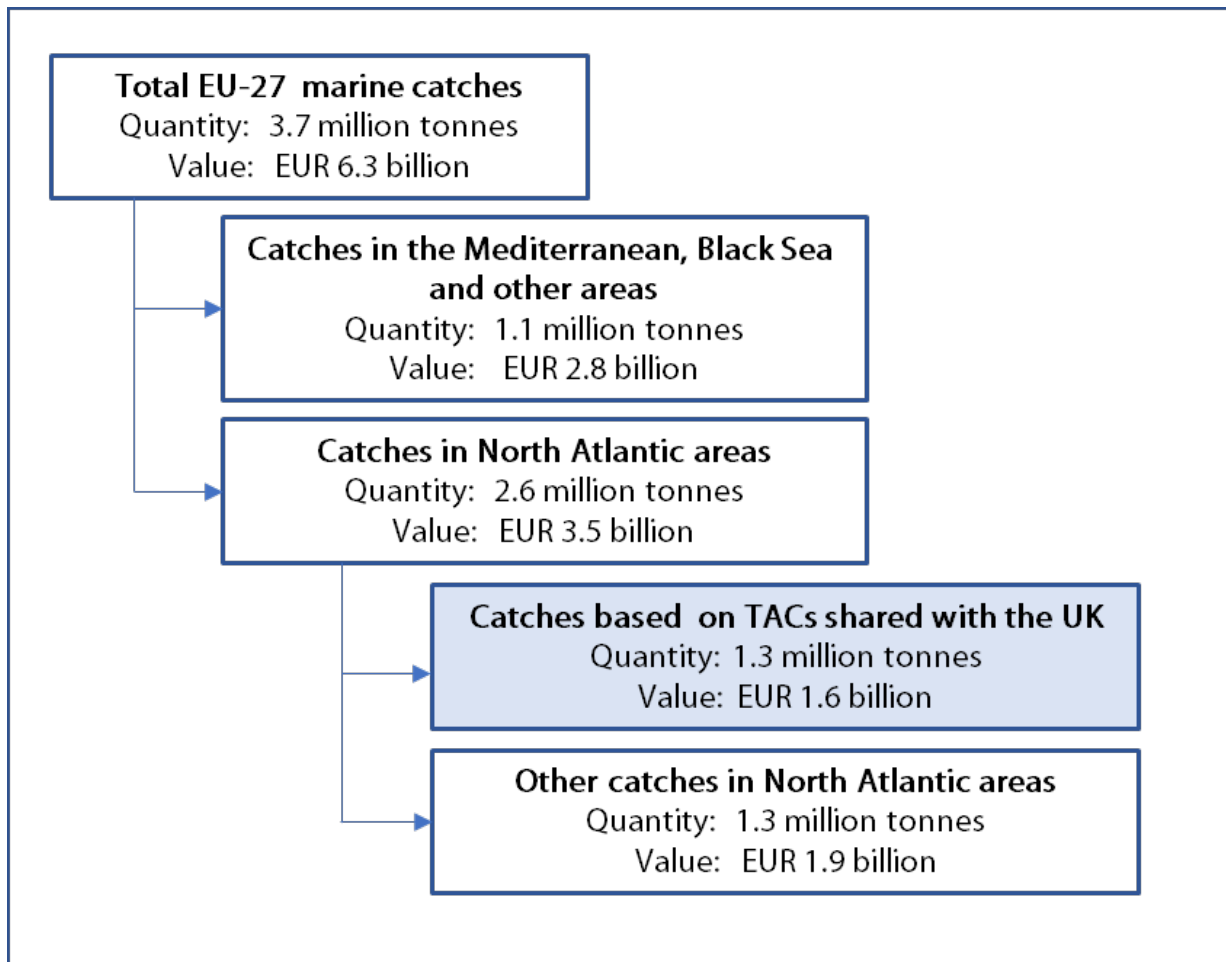
2.1. TACs and value of catches of the EU fleet

To appreciate the importance of EU-27 fisheries in the UK EEZ and the role of the TCA it is useful to place the EU production in UK EEZ in the context of the total EU-27 fisheries, as presented in the following Figure 1.

EU-27 produced in 2019 about 3.7 million tonnes of fish with an aggregate value of EUR 6.3 billion. About 70% of the quantity and 56% of the total value originated from the North Atlantic areas. Areas shared between the EU and UK are mainly the North Sea, the Irish Sea, English Channel and the Western Waters (FAO statistical areas 27.4, 27.6 and 27.7). About 80% of the catch realised in these areas is subject to TACs.

In 2019, the total TAC allocated to the EU-27 in waters shared with the UK amounted to about 1.7 million tonnes with an estimated value of EUR 2.4 billion². Catches amounted to 1.3 million tonnes (EUR 1.6 billion), which shows that some stocks remained underutilised. Details are presented below.

² This value is calculated using constant prices of 2019. It reflects correctly the composition of landings if the TACs of EU-27 would be fully utilised. However, it does not take into account the price elasticity, i.e. the extent to which prices would fall with higher landings. There is not enough information on this aspect. It is therefore an overestimate of the real value which could be realised.

Figure 1: Total marine catches of EU-27 fishing fleet and role of stocks under TACs shared with UK in 2019

Sources: Own calculations, based on JRC/STECF (2021) and DG MARE (2021)

Note: Other catches in North Atlantic areas include also catches of non-TAC species in UK EEZ. These catches are not restricted by TCA.

2.2. Effect on fishing opportunities in 2021 and 2025

2.2.1. Loss of fishing opportunities by species

Compared to 2019, the total loss of fishing opportunities in **2021** would amount to about **66 400 tonnes**, with an estimated value of **EUR 108.4 million**, all other things being equal, in particular TAC levels and prices of catch. The loss in quantity is particularly caused by reduction of EU-27 share in TACs of mackerel, herring. Loss in value is caused by mackerel, anglerfish, sole and hake. Utilisation rates for mackerel, herring are respectively 100% and 89%, which means that the losses directly affect the relevant fleets. The reduction of EU-27 share of the other species is relatively less important as the utilisation rates are around 60%.

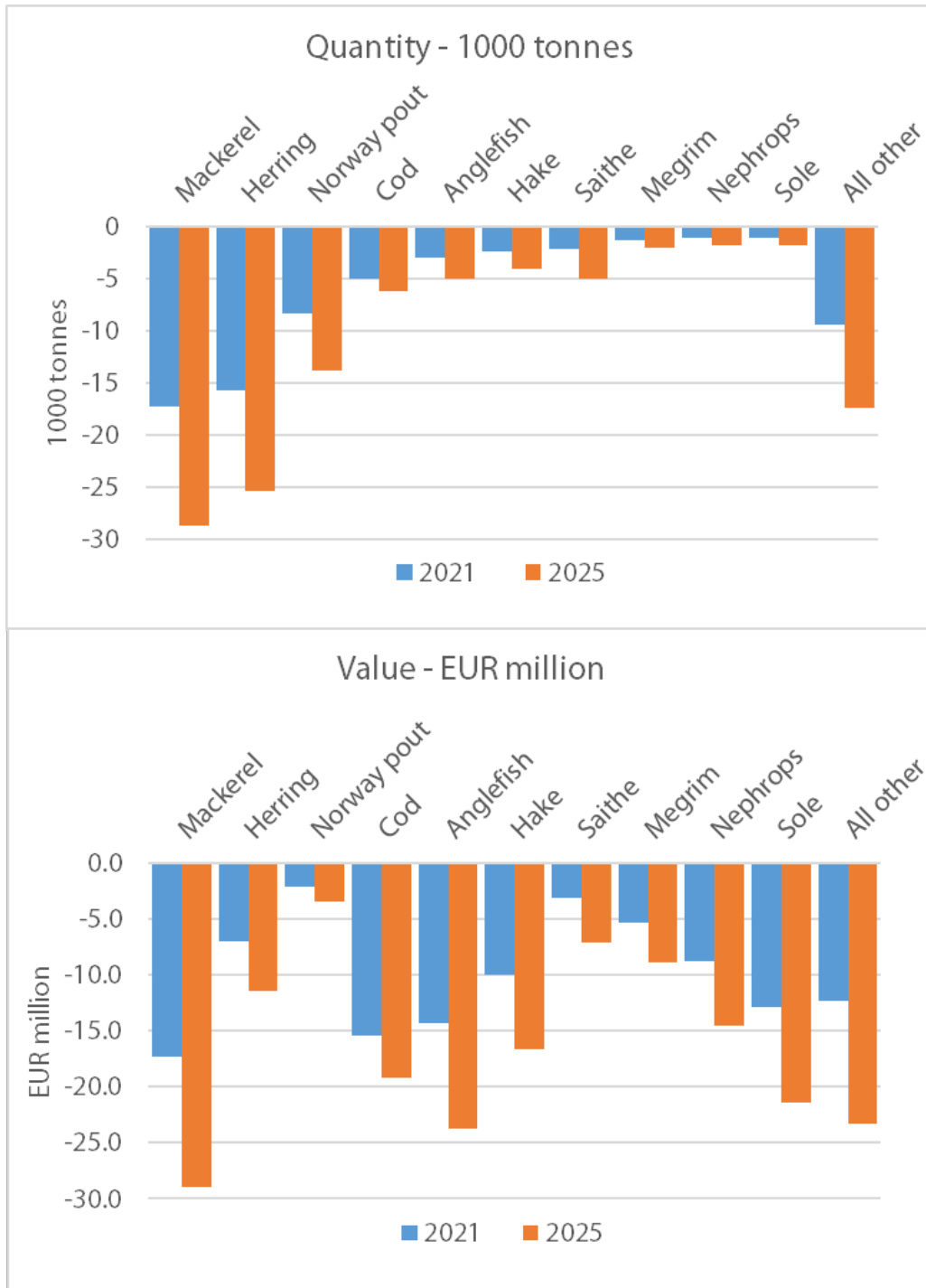
In **2025** the net loss of fishing opportunities, compared to 2019, mounts to about 110 900 tonnes, with an approximate value of EUR 178.6 million. The consequences are identical to those described above for 2021 in terms of species and their utilisation rates. Loss of fishing rights on mackerel, herring amounts to about 54 000 tonnes and EUR 40 million, which is about 50% of the total loss in quantity and 22% in value.

Table 1: Projected losses of fishing opportunities for EU-27 in 2021 and 2025 compared to 2019, by species

Species	TAC utilisation rate (%)	Quantity (1 000 tonnes)		Value (EUR million)		TAC lost (%)	
	2019	2021	2025	2021	2025	2021	2025
Mackerel	100	-17.2	-28.7	-17.4	-28.9	-13	-21
Herring	92	-15.7	-25.4	-7.0	-11.4	-5	-9
Cod	86	-8.3	-13.8	-15.4	-19.2	-10	-13
N. pout	69	-5.0	-6.2	-2.1	-3.4	-15	-25
Anglerfish	62	-3.0	-5.0	-14.3	-23.8	-7	-12
Sole	62	-2.4	-4.0	-12.8	-21.4	-6	-9
Saithe	59	-2.1	-4.9	-3.1	-7.1	-5	-11
Nephrops	59	-1.2	-2.1	-8.7	-14.6	-5	-9
Hake	57	-1.1	-1.8	-10.0	-16.7	-3	-5
Megrim	52	-1.0	-1.7	-5.3	-8.8	-6	-10
<i>All other species</i>	76	-9.4	-17.3	-12.3	-23.3	-1	-2
Total	78	-66.4	-110.9	-108.4	-178.6	-4	-7

Source: TAC utilisation rate is based DG MARE (2021), other columns are own calculation based on TCA and JRC/STECF (2021)

Figure 2: Projected losses of fishing opportunities for EU-27 in 2021 and 2025 compared to 2019, by species categories



Source: Own calculations according to data shown in [Table 1](#)

2.2.2. Losses of fishing opportunities by Member State

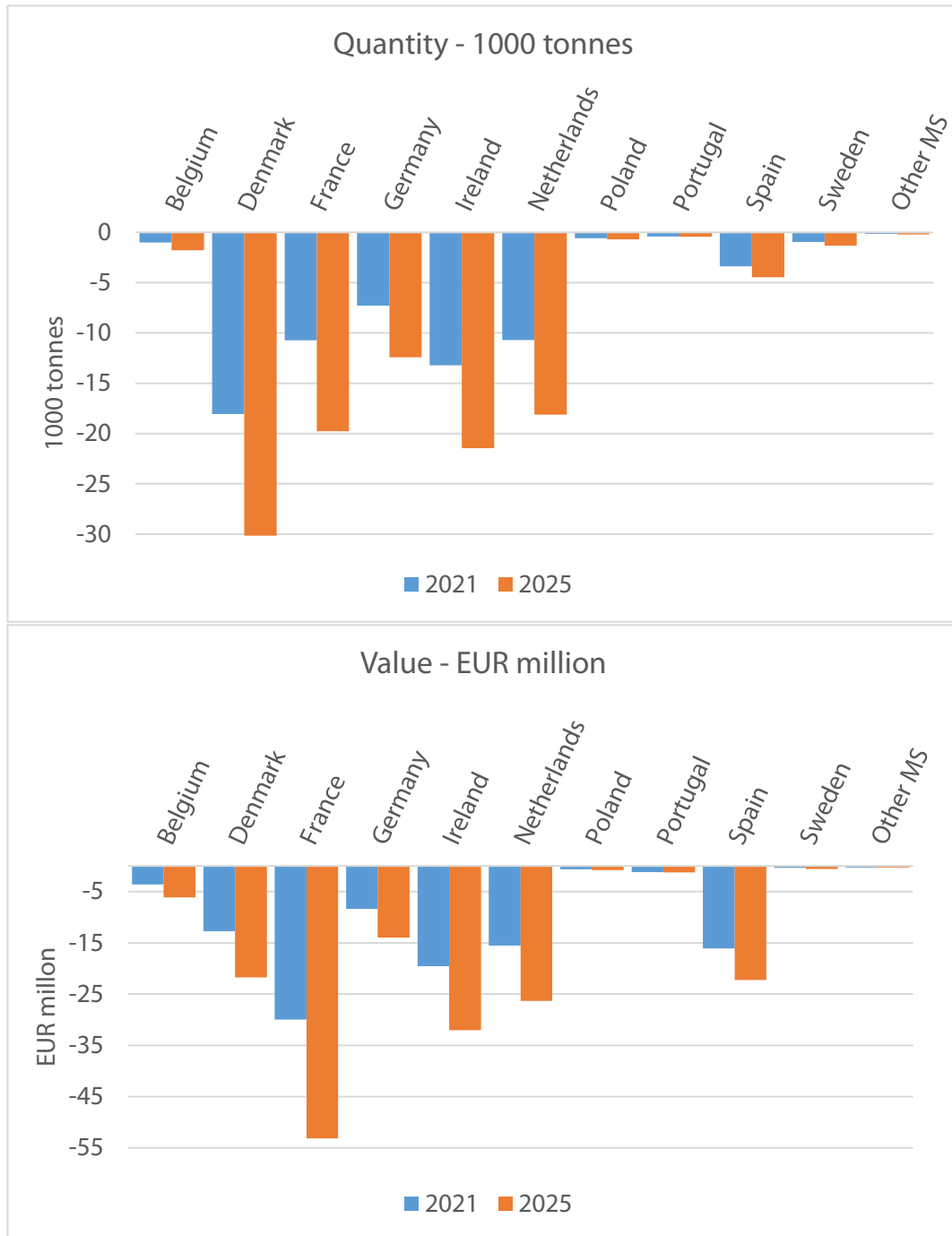
The EU Member States which are particularly negatively affected are those with fleets fishing on small pelagic species and cod, i.e. Denmark, France, Ireland the Netherlands and Spain. These five countries bear about 85% of the EU loss in quantity and 87% in value in 2021 and in 2025.

Table 2: Projected losses of fishing opportunities in 2021 and 2025 compared to 2019, by Member State

Member State	Quantity (1 000 tonnes)		Value (EUR million)	
	2021	2025	2021	2025
Belgium	-1.0	-1.8	-3.6	-6.1
Denmark	-18.1	-30.3	-12.6	-21.4
France	-10.7	-19.8	-30.0	-53.2
Germany	-7.3	-12.4	-8.3	-14.0
Ireland	-13.2	-21.4	-19.6	-32.0
Netherlands	-10.7	-18.1	-15.5	-26.3
Poland	-0.6	-0.7	-0.7	-0.8
Portugal	-0.4	-0.4	-1.2	-1.3
Spain	-3.4	-4.5	-16.1	-22.2
Sweden	-1.0	-1.3	-0.4	-0.6
<i>Other Member States</i>	-0.2	-0.2	-0.3	-0.3
Total (EU-27)	-66.4	-110.9	-108.4	-178.6

Source: Own calculations based on TCA, quota allocations and JRC/STECF (2021).

Figure 3: Projected losses of fishing opportunities in 2021 and 2025 compared to 2019, by Member State



Source: According to data shown in [Table 2](#).

2.3. Swaps of quota between the EU-27 and the UK

In 2019 the European Commission registered a total of about 2 000 swaps among the 28 EU Member States, representing a total transfer of 645 000 tonnes of fish. Considering that the EU-28 caught in 2019 in the Atlantic areas about 3.2 million tonnes of fish, the swaps represent about 20% of the total catch. This shows that the swaps are essential for the continuity of the fishing operations.

Out of this total, the UK was involved in about 400 swaps, receiving 53 000 tonnes of fish and giving away some 65 000 tonnes. Related to the 1 million tonnes of fish which the EU-27 fleet catches under the TACs shared with the UK, the swaps represent 5-6% of the total. It is certain that for specific fleet segments these swaps are much more important.

Table 3: Swaps between EU-27 and the UK in 2019, by species and in tonnes

Species	Transfer from EU-27 to UK	Transfer from UK to EU-27	Net transfer from EU-27 to UK
Cod	11 351	11 036	-315
Herring	8 589	7 633	-956
Saithe	6 540	1 493	-5 047
Hake	5 278	4 401	-877
Blue whiting	5 090	8 957	3 867
Mackerel	2 847	3 311	464
Nephrops	2 704	3 391	687
Horse mackerel	2 179	1 636	-543
Whiting	2 105	1 436	-669
<i>Other species</i>	<i>6 271</i>	<i>21 785</i>	<i>15 514</i>
Total (EU-27)	52 953	65 077	12 124

Source: DG MARE (2019)

2.4. TCA and quota utilisation

This section considers the consequences of the TCA taking into account the extent of the utilisation of the TACs. Reduction of EU-27 shares in TACs which are (almost) fully utilised implies real loss in short and long term. When EU-27 quota are underused, reduction of its share may not lead to lower losses in the short term. In the long term the losses would occur if the catchability would increase leading to higher utilisation of the quota. It is recalled that this study considers only changes due to the TCA, all other things remaining equal.

The assessment divides the quota into three groups of level of utilisation ($\geq 90\%$, 75-90% and $< 75\%$) and four levels of change due to the TCA (increase or constant, reduction by 5% or less, reduction by 5-10% and reduction by more than 10%). First, quota and catches are presented by level of utilisation. Second, the consequences of the TCA are aggregated into the four groups. Finally, the two criteria are combined. This combination allows to broadly distinguish three levels of impact, as presented in Table 4 below:

- **Green:** improvement or no impact, improvement may occur when the TAC share is increased for TACs utilised more than 75%. No impact can be expected when EU-27 share is reduced and the utilisation level is below 75%.
- **Yellow:** limited impact can be expected, particularly if catchability would increase.

- **Red:** substantial reduction of fishing opportunities because TAC reductions occur for already highly utilised TACs.

Table 4: Distinction of three levels of impact of TCA on fishing opportunities, by utilisation of TACs and extent of change of EU-27 TACs agreed in TCA

Change of EU-27 TACs agreed in TCA	Utilisation of the TACs		
	Level 1 ≥90%	Level 2 =75%-90%	Level 3 <75%
Constant/increase			
Decrease by ≤5%			
Decrease by 5% ≤10%			
Decrease by >10%			

Source: Own elaboration

According to data provided by the European Commission, the sum of the **105 TACs in 2019 shared with the UK** amounted to **1.7 million tonnes**, of which **1.3 million tonnes were fished**. These TACs can be divided into **three levels of utilisation of TACs**:

- **Level 1:** Stocks exploited for 90% or more (≥ 90%); Reduction of EU-27 TAC share implies direct short term loss, as the average utilisation level is 95%.
- **Level 2:** Stocks exploited for 75% of more and less than 90% (=75%-90%); with average utilisation of 79%, loss in some stocks will be experienced if catchability increases.
- **Level 3:** Stocks exploited for less than 75% (<75%). It is unlikely that reduction of the EU-27 share will lead to lower catches in short and medium term. A major increase in catchability would be required as the average utilisation level is only 51%.

Table 5: EU-27 TACs and catches in 2019, by utilisation level

EU-27	Utilisation of the TACs			Total
	Level 1 ≥90%	Level 2 =75%-90%	Level 3 <75%	
TACs* (1 000 tonnes)	904	290	520	1 714
Catches (1 000 tonnes)	856	229	264	1 349
Average utilisation (%)	95%	79%	51%	79%

Source: DG MARE (2021).

Note: * This is the final (adapted) TAC taking into account intra-annual changes and swaps.

If the total TACs and catch would be valued at average EU prices, the average **utilisation in value is only 67%**, i.e. 13 percentage points lower than the utilisation in quantity. This means that the exploitation level of stocks of low priced species such as small pelagic species is higher than the exploitation level of highly priced demersal stocks like sole or Nephrops.

Four levels of **changes of EU-27 share** under TCA can be distinguished:

- EU-27 share remains **constant or increases**. These are stocks which were not of interest to the UK due to low exploitation levels.
- EU-27 share is **reduced by 5% or less** ($\leq 5\%$). Relatively minor reduction, probably within range of natural fluctuations of catches and consequently with little or no real consequences.
- EU-27 share is **reduced by more than 5% and less than / equal to 10%** ($5\% < \leq 10\%$). Fleets targeting these stocks are likely to face some limitations when exploitation levels are high.
- EU-27 share is **reduced by more than 10%** ($> 10\%$). In this case major effects can be expected if exploitation levels are relatively high.

Table 6: EU-27 TACs in 2021 and 2025 compared to 2019, by change level due to TCA

Change of EU-27 TACs agreed in TCA	TAC change in 2021		TAC change in 2025	
	Quantity (1 000 t)	Value (EUR million)	Quantity (1 000 t)	Value (EUR million)
Increase	1.7	3.4	0.4	1.2
Decrease by $\leq 5\%$	-22.5	-35.1	-11.9	-19.7
Decrease by $5\% < \leq 10\%$	-28.6	-56.4	-38.5	-65.8
Decrease by $> 10\%$	-16.9	-20.3	-60.8	-94.2
Total	-66.4	-108.4	-110.9	-178.6

Source: TCA Annex 35, European Commission and own estimation of value based on JRC/STECF (2021)

Note: The 'Total' may be slightly different from the sum of the values due to the rounding of the figures

The above Table 6 shows that in **2021**, compared to 2019, a total **net loss** amounted to **66 400 tonnes** (EUR 108.4 million), composed of a loss of 68 100 tonnes (EUR 111.8 million) and a small gain of 1 700 tonnes (EUR 3.4 million). In **2025** the **net loss** would increase to a total of **110 900 tonnes** (EUR 178.6 million), which results from a loss of 111 300 tonnes (EUR 179.8 million). The gains would be further reduced to 400 tonnes (EUR 1.2 million).

The results of the combination of change in TACs and utilisation level for 2021 are presented in Table 7 below. The table assumes that the TACs of 2021 were only affected by the TCA and not by other external factors. The values are calculated with constant 2019 prices per species.

- **Total** reduction of fishing opportunities would amount to 66 400 tonnes and EUR 108.4 million.
- **Green / no effect:** This group represents a reduction of TACs by 25 800 tonnes / EUR 69.4 million. It is **unlikely** that this reduction of the TACs will lead to a **reduction** of catches.
- **Yellow / minor effect:** loss of fishing opportunities by 15 900 tonnes / EUR 9.0 million. It can be expected that some fleets involved in these fisheries will be adversely affected, but the **real loss** is **likely to be significantly less** than the calculated values.
- **Red / major effect:** about 24 700 tonnes / EUR 30 million of fishing opportunities were **lost for stocks which are (almost) fully exploited**, mainly the stock of *Atlantic mackerel* (MAC/2CX14), *cod in the northern Atlantic* (COD/1/2B) and *North Sea herring* (HER/4AB). This loss will be directly experienced by the involved fleets.

Table 7: Estimation of extent of gains and losses of fishing opportunities in 2021 compared to 2019, by utilisation of TACs and extent of change of TAC agreed in TCA

Change of EU-27 TACs agreed in TCA	Utilisation of the TACs			Total
	Level 1 ≥90%	Level 2 75-90%	Level 3 <75%	
TAC changes 2021 (1 000 t)				
Increase	0.4	0.6	0.7	1.7
Decrease by ≤5%	-14.1	-1.3	-7.2	-22.5
Decrease by 5%-≤10%	-20.1	-0.5	-8.0	-28.6
Decrease by >10%	-3.5	-1.1	-12.3	-16.9
Total	-37.4	-2.3	-26.8	-66.4
TAC changes 2021 (EUR million)				
Increase	1.1	1.2	1.0	3.4
Decrease by ≤5%	-6.7	-1.3	-27.1	-35.1
Decrease by 5%-≤10%	-18.6	-1.0	-36.8	-56.4
Decrease by >10%	-10.9	-0.5	-8.9	-20.3
Total	-35.0	-1.7	-71.7	-108.4

Source: Own calculation.

Similar assessments show further loss of fishing opportunities in 2025 in Table 8 below:

- **Green:** fishing opportunities increase by 46 600 tonnes / EUR 121.4 million. It is **unlikely** that this reduction of the TACs will lead to a **reduction of catches** unless catchability of these stocks would significantly increase.
- **Yellow / minor effect:** 8 500 tonnes / EUR 6.9 million. This group is smaller than in 2021 because further reductions move certain stocks to the 'red' group. The **real impact** on fleets will be **limited**.
- **Red / major effect:** by 2025 the EU fleet is **likely to lose** 55 800 tonnes / EUR 50.3 million in actual catch. More than 95% of this loss regards *Atlantic mackerel* (MAC/2CX14), *North Sea herring* (HER/4AB) and *cod in northern Atlantic* (COD/1/2B). The utilisation level of these stocks is in the range of 90-100%.

Table 8: Estimation of extent of gains and losses of fishing opportunities in 2025 compared to 2019, by utilisation of TACs and extent of change of TAC agreed in TCA

Change of EU-27 TACs agreed in TCA	Utilisation of the TACs			Total
	Level 1 ≥90%	Level 2 75-90%	Level 3 <75%	
TAC changes 2025 (1000 t)				
Increase	0.4	0.0	0.0	0.4
Decrease by ≤5%	-5.6	-1.5	-4.8	-11.9
Decrease by 5%-≤10%	-22.1	-1.4	-15.0	-38.5
Decrease by >10%	-31.9	-1.8	-27.1	-60.8
Total	-59.3	-4.7	-47.0	-110.9
TAC changes 2025 (EUR million)				
Increase	1.1	0.0	0.0	1.2
Decrease by ≤5%	-3.1	-0.8	-15.7	-19.7
Decrease by 5%-≤10%	-9.9	-2.9	-53.0	-65.8
Decrease by >10%	-39.5	-0.9	-53.8	-94.2
Total	-51.4	-4.6	-122.5	-178.6

Source: Own calculation

Utilisation of specific quota by specific Member States cannot be determined as only catch data for EU-27 in total could be obtained from the European Commission. Utilisation of national quota is confidential.

2.5. The BAR in relation to loss of fishing opportunities

In December 2020, the European Commission submitted a proposal for the establishment of a BAR³ to counter unforeseen and adverse consequences in Member States and sectors that are worst affected by the Brexit. The BAR is now implemented according to Regulation (EU) 2021/1755⁴ that entered in force in October 2021. The total resources available under BAR amount to EUR 5.5 billion, which has been allocated on the basis of three criteria:

1. Trade in goods and services with the UK,
2. Fish caught in the UK EEZ, and
3. Maritime CBC (Cross Border Cooperation) regions with the UK.

The total allocation based on the second criterion amounts to EUR 656.4 million, of which EUR 238.1 million has been earmarked for coastal communities, including fisheries. The following Table 9 shows the allocations to the main Member States impacted by the Brexit.

Table 9: BAR allocation related to fisheries, by Member State and in EUR million

Member State	Allocation of BAR funds for 'Fish caught in the UK EEZ'	Minimum amount to be spent in accordance with Article 4(4) for local and regional coastal communities ⁵
The Netherlands	140.0	62.0
Ireland	111.2	55.6
France	132.3	51.5
Germany	45.3	22.7
Belgium	57.2	27.1
Denmark	157.2	19.3
Other Member States	13.2	0.0
Total (EU-27)	656.4	238.1

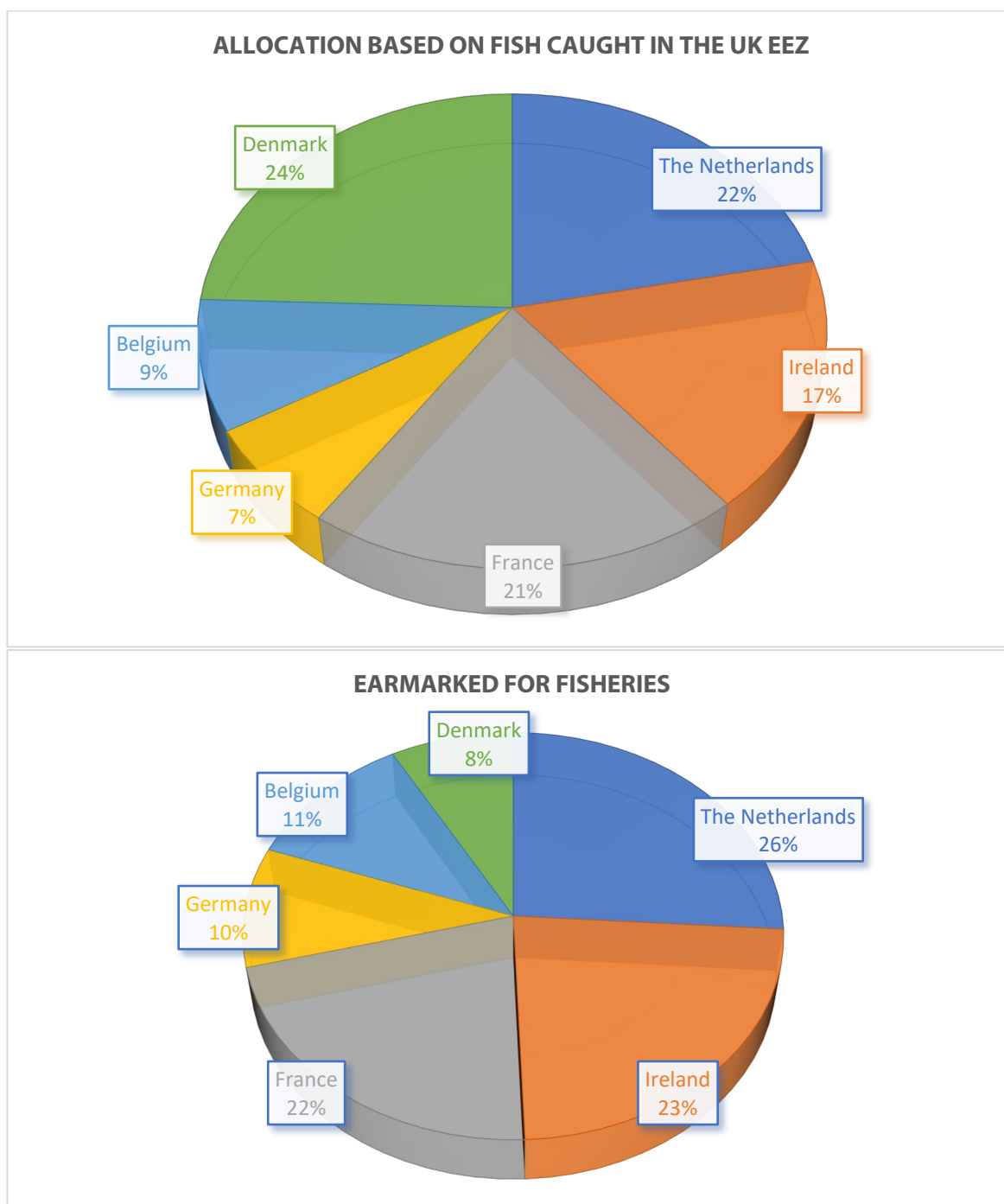
³ Proposal for a Regulation of the European Parliament and of the Council establishing the Brexit Adjustment Reserve. [COM/2020/854 final](#). 25.12.2020

⁴ [Regulation \(EU\) 2021/1755](#) of the European Parliament and of the Council of 6 October 2021 establishing the Brexit Adjustment Reserve. PE/59/2021/REV/1. OJ L 357, 8.10.2021, p. 1–26

⁵ Article 4(4) of [Regulation \(EU\) 2021/1755](#) states: "Member States whose provisional allocation from the resources of the Reserve includes an amount exceeding EUR 10 million determined on the basis of the factor linked to fish caught in the United Kingdom's exclusive economic zone shall spend at least 50% of that amount or 7% of their provisionally allocated amount, whichever is lower, to support local and regional coastal communities, including the fisheries sector, in particular the small-scale coastal fisheries sector dependent on fishing activities."

Source: [COMMISSION IMPLEMENTING DECISION \(EU\) 2021/1803](#) of 8 October 2021 setting out the provisional amounts allocated to each Member State from the resources of the BAR and the minimum amount of support to local and regional coastal communities

Figure 4: Allocation of the BAR to fisheries, shares by Member State



Source: According to [Table 9](#)

A general principle is that the State aid regime applies to the measures supported under the BAR. It is now up to the Member States to design national measures to compensate their fisheries sectors for the loss of fishing opportunities in the UK EEZ. By the end of September 2021, the six Member States were in different stages of implementation:

- **France** has designed two assistance schemes which were approved by the European Commission in March 2021⁶. The schemes are related to loss of turn-over and temporary cessation.
- **Germany** has introduced support scheme in the end July 2021 related to loss of turn-over⁷.
- **Ireland** is in the process of introducing a support scheme, containing temporary cessation and other measures⁸.
- **Denmark** has designed a scheme, which was apparently assessed as non-compliant with EU State aid rules.
- **Netherlands** and **Belgium** are preparing support schemes, but the details have not yet been published.

The extent to which the available budget will be utilised will evidently depend on the actual impact and the extent to which the fishing companies will be able to meet the conditions for obtaining support.

2.6. Sustainable management of stocks by the UK

This section considers whether there are indications that the UK would deviate from the sustainability principles pursued by the EU. This is viewed from two angles. First, UK's position vis-à-vis the International Council for the Exploration of the Sea (ICES) in terms of recognition of its role and management advice and second, UK's policy statements related to the environmental sustainability of the marine areas.

In December 2020 the UK signed a Memorandum of Understanding (MoU) with ICES⁹. The MoU clearly shows UK's future commitment to ICES' work and its wish to receive scientific management advice. UK will contribute to the funding of the organisation, collect and provide data and participate in the scientific assessments.

There is no indication that the UK would waiver from its commitment to promote marine sustainability. England's Maritime Management Organisation¹⁰ has published its policy intentions for the next 10 years¹¹:

- create a single, integrated marine **regulatory framework** to protect marine environment and enable effective development;
- ensure the highest degree of **protection** ever of the **UK's 'Blue Belt'**;
- manage a prospering, sustainable, and climate-friendly fishing **industry**;
- achieve net zero carbon **emissions** by 2030;
- contribute to protection of 30% of the world's seas by 2030.

⁶ See: https://ec.europa.eu/competition/elojade/iseef/case_details.cfm?proc_code=3_SA_62421 (loss of turnover) and https://ec.europa.eu/competition/elojade/iseef/case_details.cfm?proc_code=3_SA_62426 (temporary cessation)

⁷ See: https://www.ble.de/DE/Themen/Fischerei/Brexit/Liquiditaetshilfe_node.html, approval by DG Competition: https://ec.europa.eu/competition/state_aid/cases1/202137/295051_2312910_104_2.pdf

⁸ Personal communication from the Irish fisheries organisation.

⁹ See: https://www.ices.dk/about-ICES/Documents/Cooperation%20agreements/UK/UK_MOU.pdf

¹⁰ See: <https://www.gov.uk/government/organisations/marine-management-organisation>

¹¹ See: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/901328/mmo_the_next_10_years_web.pdf

UK's Department for Environment, Food and Rural Affairs has published in June 2021 the Policy paper 'Government response to the highly protected marine areas (HPMAs) review'¹². The paper recognises the importance of establishing HPMAs, although it also stresses that interests of the users (particularly fishing) must be taken into account.

2.7. Consequences of Brexit on fishing opportunities under SFPAs

In 2020, the UK had fishing opportunities for small pelagic species in the framework of the SFPAs implemented with Morocco between 2019 and 2024, and with Mauritania between 2015 and 2021. According to the European Commission, the UK share of the small pelagic quota available in the waters of Morocco (5 090 tonnes out of an EU quota of 90 000 tonnes) became unallocated as from 2021 and made available to top-up the quotas of the other relevant EU Member States as appropriate. The same mechanism applied in the framework of the SFPA concluded with Mauritania, with the UK share of the small pelagic quota (8 531 tonnes out of 235 000 tonnes) made available to the other Member States.

In 2020, the UK had also some limited fishing opportunities for certain demersal species in the framework of the SFPA implemented with Greenland. In 2021, these fishing opportunities were allocated to other Member States, in particular Germany, through the 2021 EU TAC and quota Regulation.

In conclusion, the Brexit increased the fishing opportunities available to EU Member States in the framework of the SFPAs concluded with Greenland, Mauritania and Morocco. However, the share of the EU fishing opportunities allocated to the UK was rather limited. The UK was not included in the allocation of fishing opportunities in the framework of the SFPAs concluded with other coastal states.

¹² See: <https://www.gov.uk/government/publications/government-response-to-the-highly-protected-marine-areas-hpmas-review>

3. CASE STUDY 1: IMPACTS ON FISHING OPPORTUNITIES AVAILABLE TO THE NETHERLANDS

KEY FINDINGS

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

3.1. Dependency of the Dutch fleet on an access to UK waters

The Dutch fishing fleet is **heavily dependent** on access to UK waters. Between **2006 and 2015**, on average **46% of total quantity** and **35% of total value** of the Dutch landings originated from the **UK EEZ**¹³. Sole and plaice were the most important species in terms of value caught in UK. The dependency on UK waters **increased** over this period¹⁴, in particular for the **demersal species**.

The dependency of the Dutch fleet on UK EEZ varies according to the fleet segment. Within the **demersal sector** it is mainly about **110 larger vessels** fishing for **sole and plaice** using beam trawls and flyshoot (Danish seine) nets. These vessels represent about **60% of Dutch demersal landings**, which means that about **70% of their production** originates from UK waters. The fleet of **seven pelagic freezer trawlers** depends significantly less on the UK EEZ, with **7-8% of its catches** in European waters (EU and UK) originating from the area¹⁵.

¹³ Own calculation.

¹⁴ More recent data are not available, as JRC ceased publishing data on special distribution of catch at the required level of detail.

¹⁵ See: JRC, FDI data 2016, average figures for 2006-2015, <https://datacollection.jrc.ec.europa.eu/data-analysis/fdi>.

3.2. Changes and utilisation of fishing opportunities in 2021

The Dutch quota in 2021 compared to 2020 changed for two reasons¹⁶:

- 1) change of TACs **due to Council decisions**, and
- 2) change of TACs **due to TCA**.

The following Table 10 shows the consequences of quota change from 2020 to 2021 and allocates them to their causes, namely the TCA and the change of TACs due to Council decisions¹⁷.

Table 10: Net effects of changes in quotas in 2021 compared to 2020 for the Netherlands, in tonnes and EUR 1 000

Changes from 2020 to 2021:		Demersal stocks ¹⁸	Pelagic stocks
Quantity (tonnes)	due to Council decisions on TACs	1 616	-9 842
	due to TCA	-1 674	-10 190
	Total net effect	-58	-20 032
Value (EUR 1 000)	due to Council decisions on TACs	25 127	-3 991
	due to TCA	-15 850	-5 419
	Total net effect	9 277	-9 410

Source: Own calculation based on published TACs and the TCA Annex 35

The fishing opportunities of the **demersal sector** have decreased in 2021 net by **58 tonnes** in quantity and increased by about **EUR 9.3 million** in value, which is the net effect of reductions due to 2021 division set in the TCA and an almost identical increase due to higher TACs. **In practice** these changes are **unlikely to have any noticeable effects** as the utilisation of the main demersal quota in the North Sea has been relatively low in the past few years. In 2019 **sole was utilised for 65%** and **plaice for 43%**.

¹⁶ The case studies compare the pre- and post-Brexit situation in 2020 to 2021 to distinguish precisely the consequences of Brexit and the consequences changes of TACs for management reasons (Council decision).

¹⁷ The distinction between the two effects was done as follows: (1) Change due to TCA: Theoretical NL TAC 2021 was calculated from EU-28 TAC 2021 (=EU-27+UK), as if Brexit would not take place. The theoretical NL TAC 2021 was subtracted from the actual NL TAC 2021 (obtained from the [Council Regulation 2021/92, consolidated version of 1.11.2021](#)). (2) Change due to Council decision = Total change 2021-2020 – Change due to TCA.

¹⁸ The fact that the fishing opportunities decrease by 58 tonnes, but increase by EUR 9.3 million is a consequence of the composition of changes. The Dutch TAC for North Sea sole increased by 1 372 tonnes. The average price of sole in 2019 was EUR 11 393 per tonne. This gives a total value of EUR 15.6 million. On the other hand, TACs of other demersal species decreased by 1 430 tonnes, with an average value of about EUR 4 400 per tonne, which represents a loss about EUR 6.3 million. Hence, the gain in sole exceeds the loss of other demersal species by about EUR 9.3 million.

The **pelagic sector** has lost over **20 000 tonnes** in fishing opportunities, with an estimated value of **EUR 9.4 million**. Approximately **50% of this loss** can be allocated to the **reduction of pelagic TACs** of herring, mackerel and blue whiting. The remaining **50% loss** is a consequence of the TCA. Considering that the Dutch pelagic quota are (almost) **fully utilised**, the TCA has reduced the turn-over of the Dutch fleet by about **EUR 5.4 million** (10 190 tonnes).

3.3. Quota swaps

Swapping is an important component of the fishing practices as illustrated by the following Table 11. The Netherlands received in total 126 274 tonnes against 99 899 tonnes of its quota. The swaps with UK represented little about 10% of these amounts, with 11 616 tonnes received and 10 071 tonnes given to the UK.

Table 11: Quota swaps between the Netherlands and other Member States in 2019, in tonnes

Swapping partner	Quantity received by the Netherlands	Quantity given by the Netherlands	Net quantity
Member States (EU-27)	114 658	- 89 828	24 830
UK	11 616	- 10 071	1 545
Total	126 274	- 99 899	26 375

Source: DG MARE (2019)

Note: Swaps related to fishing opportunities under the SFPAs concluded with Morocco and Mauritania are excluded.

After Brexit it was relatively uncertain whether and how the swapping practices with the UK could be continued. However, in July / August 2021 it was resumed with the Dutch Producer Organisations (POs) agreeing first with the UK POs about the desired swaps. The POs pass the information to the national ministries and the Dutch ministry informs subsequently the European Commission, which settles the swap with England's Marine Management Organisation (MMO)¹⁹. As of September 2021 the proposals could be submitted every three weeks and the first experiences with this practice were positive. The procedures went smoothly. It is expected that this practice will become part of the regular tasks of the EU-UK Specialised Committee on Fisheries.

The Dutch industry representatives were, however, concerned about two issues. First, they insisted that the three-weekly regularity should be maintained and not extended to longer periods as that would create further uncertainty about the short term fishing opportunities. Second, the swapping ratios between species were increasingly scrutinised by the authorities, which means that agreements achieved among the POs could be rejected in the process.

¹⁹ See: <https://www.gov.uk/government/organisations/marine-management-organisation>.

3.4. Access to the waters of the UK

In the beginning of 2021, access to UK waters was made possible by temporary permits established on the basis of a list of vessels provided by the Netherlands to the UK authorities. The temporary nature of these permits was extended to the whole year in January 2021.

In general, access to UK waters is affected by a number of issues and developments²⁰:

- As an 'independent coastal state' the UK is entitled to introduce its own management measures. This has occurred recently, when the UK imposed stricter conditions regarding the landing obligation of plaice in the North Sea. The UK withdrew the exemption from landing obligation of plaice for vessels of Member States implementing the roadmap for the Fully Documented Fisheries, which is applicable the EU. The exemption now applies only to vessels using specific escape panels. This has led to a number of warning from UK controllers to Dutch vessels.
- The access licenses are valid for 2021 and the conditions of their extension are not yet certain.
- After the EU prohibition of the pulse trawl, a new technological development has been initiated in the Netherlands to introduce so called 'water-jet trawl'. Sea trials of this gear are on-going in September 2021. However, UK legislation prohibits any kind of gear attached to an electrical cable. This means that this innovation could not be used in UK waters, while it is considered as an eco-friendly replacement of the traditional beam trawl.
- EU and UK will have to agree on over 100 TACs in the last few months of 2021, which will be highly demanding. Dutch industry is concerned that agreement will not be reached in time.
- UK government intends to establish 'highly protected marine areas' (HPMAs) in 2022²¹ which will be in principle no take zones. The consultations will evidently involve only UK stakeholders. The Dutch industry fears that these HPMAs will be established in areas of relatively less interest to UK fishermen, but possibly of importance to the Dutch fleet.
- In general there is some unease about fishing in UK waters due to changing rules and strict controls.

These concerns apply primarily to the demersal sector, which is highly dependent on fishing grounds in the UK EEZ. The pelagic sector is not fishing in the UK EEZ as much, but it depends on TAC shared with the UK.

3.5. Role and utilisation of the BAR

As of September 2021, the Netherlands is preparing an approach to the disbursement of its BAR budget. Consultations among the relevant institutions and stakeholders are on-going. The details of the Dutch scheme have not been published.

3.6. Other considerations

The Dutch fisheries are managed through allocation of ITQs, each vessel / company owning a share in the national quota. Many companies invested heavily in their ITQ, value of the fishing rights often

²⁰ See: Latest publications from the Marine management organisation of the UK: <https://www.gov.uk/search/all?organisations%5B%5D=marine-management-organisation&order=updated-newest&parent=marine-management-organisation>.

²¹ See: www.gov.uk; Policy paper: [Government response to the Highly Protected Marine Areas \(HPMAs\) review](#), published 8 June 2021.

exceeding the value of the vessels on their balance sheet. Reduction of the national quota due to Brexit reduces proportionately the value of the ITQ assets and consequently, it may have adverse consequences on the solvability of these companies.

Several Dutch fishing companies operate vessels under UK flag, owned by UK registered subsidiaries. These vessels were also members of a Dutch PO (PO Urk) and land their catch in the Netherlands. UK is expected to introduce new measures to strengthen the economic link between these operators and the UK territory.

3.7. Outlook for 2025

The real situation in 2025 will be determined by the level of TACs along with the parameters like fuel price and (restriction of) access to traditional fishing grounds due to environmental protection or construction of wind parks at sea. The hypothetical consequences of TCA are therefore assessed by applying the agreed reduction of EU shares to the quantity and theoretical value of 2019 quota.

By 2025 the demersal fleet will lose further 1 400 tonnes in fishing opportunities, with an approximate value of EUR 10.9 million, most of which is due to the reduction of the EU share in the TAC of North Sea sole. The extent to which this will represent a real loss depends on the development of catchability. If the catchability does not significantly improve, compared to the 2020 situation, the actual negative impact will be limited.

The pelagic fleet will lose by 2025 further some 6 800 tonnes, mainly of herring and mackerel. At 2019 prices, this loss represents about EUR 3.6 million in annual revenues. Unless the catchability would significantly deteriorate, which does not seem likely given the situation of the recent years, this will be a real loss for the pelagic fleet.

Table 12: Projected reduction of Dutch fishing opportunities in 2025 compared to 2021, by species

Species	Change 2021/2025 (tonnes)	Change 2021/2025 (EUR 1 000)
Demersal species		
Cod	-97	-281
Sole	-842	-9 595
Turbot / brill	-67	-449
<i>Other</i>	-432	-571
Sub-total demersal species	-1 438	-10 896
Pelagic species		
Herring	-2 599	-941
Horse mackerel	-507	-269
Mackerel	-3 304	-2 289
Sprat	-27	-6
Blue whiting	-329	-95
Sub-total pelagic species	-6 766	-3 600
Total	-8 203	-14 496

Sources: EC quota 2021, TCA Annex 35 and estimation of value based on Dutch prices per species in 2019.

4. CASE STUDY 2: IMPACTS ON FISHING OPPORTUNITIES AVAILABLE TO FRANCE

KEY FINDINGS

- The **UK waters** represented a **significant fishing area** for the **French fleet**, representing 24.9% of national catch from the Northeast Atlantic in weight and 18.4% in value (quota and non-quota species) on average between 2018 and 2019.
- The **quota transfer** schedule established by the **TCA decreases fishing opportunities** on stocks covered by Annex 35 of the TCA by 15% (16 000 tonnes) based on the levels of 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. For the latter, it was also raised that the absence of consideration of a replacement vessel by the TCA will lead to the **phasing out of the French fleet** from these waters over time.
- France managed to swiftly implement **compensation schemes** for fishing enterprises adversely affected by the Brexit. Two schemes are now being implemented as compatible **State aid** measures (one scheme for compensations for loss of turnover and another scheme for temporary cessation), with an additional scheme for permanent cessation being considered. The **costs** of the scheme are expected to be **covered by the BAR**.

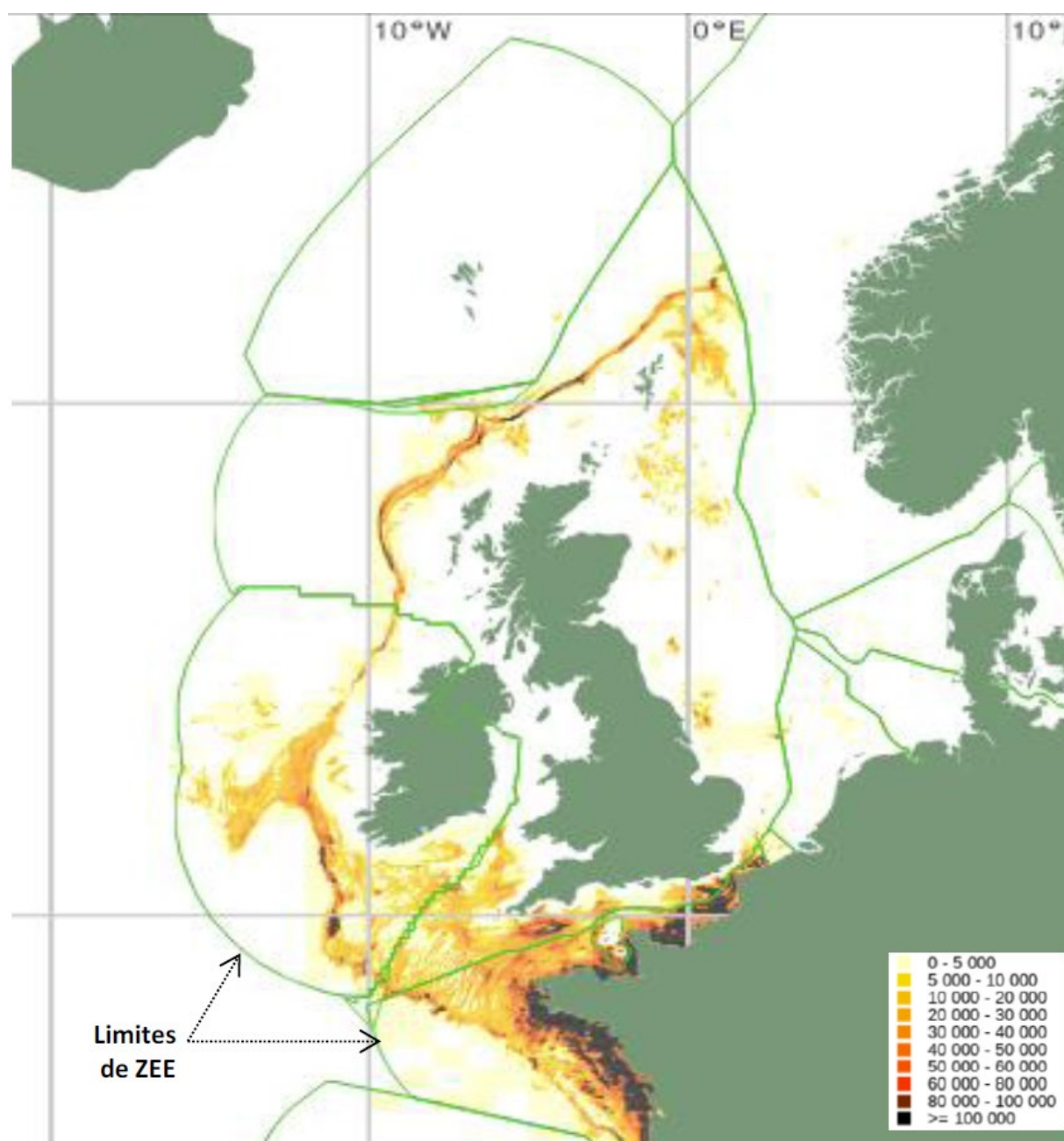
4.1. Overview of the dependency of the French fleet on an access to UK waters

According to IFREMER (2021), catch obtained by national fishing vessels in the waters of the United Kingdom represented 24.9% of national catch from the Northeast Atlantic in weight and 18.4% in value (all species included, average 2018-2019). The other important fishing zone for French vessels outside national waters in the Northeast Atlantic is the Irish EEZ which represented 10.6% in weight and 11.3% in value. The [Figure 2](#) shows that a large part of catch value was obtained in areas of the English Channel, Celtic Sea, west of Scotland and of the North Sea under jurisdiction of the UK. Another part of fishing activities took place in the waters adjacent to the Bailiwick of Guernsey and the Bailiwick of Jersey (not visible on [Figure 5](#)).

The number of French fishing vessels having accessed the UK waters in 2018 was estimated to be close to 440 units employing onboard about 2 500 fishers. The main region impacted are the Hauts de France (67% of regional vessels accessed the UK waters), Normandy (26% of the regional fleet) and Brittany (15% of the regional fleet). The fishing ports the most dependent on catch obtained in UK waters are Boulogne s/Mer, Cherbourg, Roscoff and Saint Malo (44%, 50%, 47% and 25% of catch landed respectively)²².

²² See: Assemblée Nationale (2020). Rapport d'information n°3081 sur la pêche européenne dans le contexte post-Brexit. https://www.assemblee-nationale.fr/dyn/15/rapports/due/l15b3081_rapport-information#.

Figure 5: Value of landings of the French fishing fleet in 2017, by fishing area, in EUR



Source: IFREMER (2021)

Note: Fishing areas are determined according to a 3' latitude x 3' longitude rectangle. 'Limites de ZEE' = 'Limits of EEZ'

Zoom on the waters adjacent to the Bailiwick of Guernsey and the Bailiwick of Jersey

The TCA superseded the bilateral agreement known as *Accord de la Baie de Granville*, concluded between France and the UK, as regards the access of fishing vessels to the waters of Jersey and France, first established in the nineteenth Century, and reviewed in 2000²³. For Guernsey, no such official bilateral agreement was signed, but the two parties operated under a gentleman agreement. The *Accord de la*

²³ See: The *Accord de la Baie de Granville* is published in the Official Journal of the French Republic n°18 dated 22.1.2004 <https://www.legifrance.gouv.fr/jorf/id/JORFTEXT000000600172>.

Baie de Granville had provisions for access conditions to the respective waters of the parties, including a zoning for exploitation of fishing opportunities.

According to IFREMER (2020)²⁴, total catch obtained by French vessels in the waters of Jersey represented close to 4 000 tonnes. Main species caught by French vessels in the waters of Jersey included bittersweet clam (*G. glycymeris*), scallops, spider crab, and whelk (the four species represented 84% of total catch). The number of fishing vessels deploying some activities in these waters was around 250 per year, including 90% of vessels of less than 12 metres. Income derived from the sale of catch obtained in the waters of Jersey represented between 10% and 20% of total sales of the relevant vessels.

4.2. Quota reductions

Compared to the quantity of fishing opportunities available in 2020 on shared stocks included in the scope of Annex 35 of the TCA, the quota transfers established until 2025 are estimated to represent a decrease of approximately 15% of fishing opportunities for the French fleet in the waters of the UK, representing around 16 000 tonnes in quantity based on TAC levels established for 2019. According to feedback from the industry, the fishing opportunities to be transferred to the UK are significant, but adaptation over time is manageable.

French stakeholders raised that the evolution of fishing opportunities available on stocks included in the scope of Annex 35 to the TCA will also depend to a large extent on the decisions made by the two parties in relation to the levels of TACs. The impacts of the quota transfers under the TCA may be offset if TAC increase, and conversely amplified if TAC decrease. Examples given included the 6% quota transfer to the UK agreed by the TCA for haddock in ICES areas 7 and 8 (TAC code HAD/7X7A34) being offset by the 38% increase of the TAC agreed by the two parties for conservation purpose, and the 3% quota transfer to the UK agreed by the TCA for rays in ICES areas 6 and 7 (TAC code SRX/67AKXD) being amplified by the 5% decrease of the TAC agreed by the two parties for conservation purpose. Consequently, the impacts of the TCA on the quantity of fishing opportunities cannot be assessed in the short and medium term in view of the uncertainties on TAC levels subject to the negotiations between the two parties.

Another uncertainty factor in relation to fishing opportunities available raised by French operators is the extent to which certain other Member States may obtain additional quotas compared to what they are entitled to receive under the relative stability arrangements in view of the impacts of the Brexit. For example, it was raised that Ireland may activate The Hague Preference, a CFP mechanism designed to adjust national fish quota allocations at the expense of other EU Member States to take account of the needs of certain fisheries dependent areas when quotas for certain stocks fall below determined trigger levels. Additionally, the intention of the European Commission to reduce some quota to factor in exemptions to the landing obligation (i.e. *de minimis*, high survivability) may further impact the levels of fishing opportunities available.

4.3. Quota swaps

According to the information published by the European Commission, France received in 2019 19 876 tonnes from other EU Member States through quota swaps, including 22% from the UK, and gave in exchange 50 785 tonnes to other EU Member States, including 11% to the UK. The main swapping

²⁴ See: IFREMER (2020). Réponse à la saisine de la Direction des Pêches Maritimes et de l'Aquaculture relative à l'activité des navires français en baie de Granville. Activité des navires français et diagnostic sur l'état des stocks exploités en baie de Granville. <https://archimer.ifremer.fr/doc/00620/73208/> (consulted 21.06.2021).

partner of France was usually Spain. Table 13 details the quantities involved in the swapping mechanisms implemented between France and the other EU Member States in 2019.

Table 13: Quota swaps of France with Member States in 2019, in tonnes

Swapping partner	Quantity received	Quantity given	Net quantity
Member States (EU-27)	15 419	- 45 371	-29 952
UK	4 457	- 5 415	-958
Total	19 876	- 50 785	-30 910

Source: DG MARE, 2019 Quota swaps for all Member States, status 06/02/2020, consulted 15/06/2021

According to feedback from the French fishing sector, the late decisions on the levels of TACs for shared stocks included in the scope of Annex 35 of the TCA prevented EU Member States to swap among them parts of their quota during the first months of the year 2021 in the absence of visibility on the quantity of fishing opportunities for the whole year. This led the French PO to impose fishing restrictions to their members, such as stopping directed fishing on horse mackerel between March and April while waiting for quota swaps with Spain, or limiting uptake on mackerel quota through decreased weekly catch ceilings, or implementation of rotations to limit landings and maintain first-sale prices.

Quota swaps between France and UK were also frozen during the first half of the year, with impacts on the visibility on quota available for species such as sole or whiting. Quota swaps between France and UK could resume in July 2021 through the procedures established by the European Commission.

The usual swaps implemented by the French fishing industry were further impacted by:

- i) the absence of fishing agreement between the UK and Norway which prevented Norway to swap part of its quota usually exploited in the waters of UK with EU Member States, and
- ii) the absence of fishing agreement between the EU and Faroes which provided to EU Member States some fishing opportunities used in the balance of some swaps.

The reasons for the difficulties encountered in 2021 for the organisation of swaps are believed to be mostly conjunctural, resulting from the late finalisation of the TCA in December 2020. It is hoped that the levels of TACs for 2022 and subsequent years will be agreed earlier in the year in view of the uncertainties that a delayed agreement raise on the quotas that may be subject to swaps, and hence of the fishing opportunities that may be exploited during the first few months of the year while waiting for a final agreement. In this respect, the calendar of the annual consultations for 2022 agreed by the two parties was seen as a positive signal²⁵.

²⁵ See: [Written record of fisheries consultations between the UK and the EU for 2021](https://ec.europa.eu/oceans-and-fisheries/news/sustainable-fisheries-commission-signs-first-ever-annual-agreement-fishing-united-kingdom-2021_en). In section 16 it is “agreed to work constructively to conclude, annual consultations for 2022 by 10 December 2021”, and DG MARE online news announcement of 11 June 2021: https://ec.europa.eu/oceans-and-fisheries/news/sustainable-fisheries-commission-signs-first-ever-annual-agreement-fishing-united-kingdom-2021_en. The two parties reached an agreement on fishing opportunities for 2022 on 20 December 2021. See also EC press release of 22 December 2021: https://ec.europa.eu/oceans-and-fisheries/news/eu-and-uk-reach-agreement-fishing-opportunities-2022-2021-12-22_en.

4.4. Access to the waters of the United Kingdom

The TCA prompted France to implement four different fishing authorisation regimes:

- Fishing authorisation to access the UK EEZ
- Fishing authorisation to access the 6-12 mile zone of Great Britain and Northern Ireland
- Fishing authorisations to access the territorial waters adjacent to the Bailiwick of Jersey
- Fishing authorisations to access the territorial waters adjacent to the Bailiwick of Guernsey

The two last fishing authorisation regimes result from the powers granted by the UK to the Bailiwick of Guernsey and the Bailiwick of Jersey in relation to management of fishing activities in their waters.

Feedback received through consultations suggest different situations in the implementation of the fishing authorisation regimes:

The fishing authorisations to access the UK EEZ have been issued swiftly by the UK competent authority. In June 2021, 739 French fishing vessels obtained their fishing authorisation. There is no evidence of applicant French fishing vessels being denied access to the EEZ.

For access to the 6-12 mile zone of Great Britain and Northern Ireland, issuance of fishing authorisations was problematic for fishing vessels not subject to the Vessel Monitoring System (e.g. vessels of less than 12 metres) and for some fishing vessels acquired recently. For vessels not subject to Vessel Monitoring System (VMS), evidence was lacking to demonstrate that the vessels fished in the areas in four of the years between 2012 and 2016 (Article 500.4 of the TCA). For some of them, it was possible to find some evidence of activities at the satisfaction of the relevant UK competent authority through for example purchase of Automatic Identification System (AIS) data but for some vessels, evidence presented were not accepted by the UK party. For certain fishing vessels built or purchased recently, fishing authorisations could not be obtained due to diverging interpretation of the definition of a direct replacement vessel between the parties. In June 2021, 88 fishing authorisations to access the 6-12 mile zone were issued to French vessels, and 86 submissions were still being reviewed.

For access to the territorial waters adjacent to the Bailiwicks of Guernsey and Jersey, evidence was also lacking for most fishing vessels of less than 12 m to demonstrate fishing activities for more than 10 days in any of the three 12-month period ending on, or between 1 February and 31 January 2020 (Article 502.2 of the TCA). However, the approach adopted by the competent authorities was more flexible with the issuance of temporary access arrangements to their waters while evidence of fishing during the reference period in line with the TCA is collated and reviewed. Provisional access was initially granted until end March 2021, then extended to 30 June 2021, and further extended to 30 September 2021. In June 2021, with regards to the Bailiwick of Guernsey, 47 firm fishing authorisations were issued, with issuance of 225 of a further 225 provisional fishing authorisations and 166 applications still being reviewed. As regards to the Bailiwick of Guernsey, 161 provisional fishing authorisations were issued, and 61 applications still being reviewed. Unlike access to the 6-12 mile zone of Great Britain and Northern Ireland, the TCA does not consider access opportunities for replacement vessels in the case of Jersey and Guernsey. This means that vessels leaving the fleet over the next few years cannot be replaced by new vessels, and thus a gradual phasing out of the presence of French vessels in the waters adjacent to the Bailiwicks of Guernsey and Jersey.

For the French fishing industry, the arrangements agreed in the TCA for accessing the waters adjacent to the Bailiwicks of Guernsey and Jersey are unsatisfactory. As a result, France requested the European Commission to trigger the revision clause foreseen in Article 500.4 of the TCA, in particular with the

ambition to introduce access opportunities for replacement vessels. The revision of the TCA based on the provisions of Article 500.4 is now on the agenda of the Specialised Committee for Fisheries.

4.5. Governance of the TCA

French stakeholders raised that the decision-making mechanisms for the fixing of fishing opportunities for stocks covered by Annex 35 of the TCA are different from the decision-making mechanisms implemented for stocks managed by the EU. An issue of concern is the extent to which advice and recommendations of the EU fishing sector, through national representations or through the Advisory Councils, will be taken into account by the Specialised Committee on Fisheries. Under its current format, the Specialised Committee on Fisheries is a platform for negotiation between the UK and the EU, with perceived unclear mechanisms for consultation of EU Member States and of representatives of the sector. French stakeholders call for more transparency, highlighting also that no record of the July 2021 meeting of the Specialised Committee on Fisheries has been published until now.

Some decisions made during the consultations between the UK and EU in June 2021 on fishing opportunities illustrate the influential role of the bilateral negotiations. Certain French POs mentioned examples of decisions made which were not expected based on scientific advice available, such as the decreased TAC for rays in the Celtic Sea for 2021 although ICES advice suggested improvements, and the relaxation of conservation measures for seabass through introduction of exemptions which were not foreseen in the TAC and quota Regulation adopted in January 2021.

4.6. Role and utilisation of the BAR

France implemented two aid schemes to mitigate the economic impacts of the Brexit on the fishing sector:

- i) a scheme known as '*Indemnisation des Pertes de Chiffre d'Affaires*' (IPCA, Compensation for the loss of turn-over), and
- ii) a support scheme for temporary cessation.

The IPCA is available for fishing enterprises dependent on an access to UK, Norwegian or Faroes waters, and fishing enterprises exploiting stocks included in the scope of the TCA, having lost at least 30% of their turn-over between 1 January and 31 March 2021 compared to the same period in 2019²⁶. The maximum budget for IPCA is EUR 12 million.

The temporary cessation scheme is available for fishing enterprises dependent on an access to UK, Norwegian or Faroes waters, and fishing enterprises exploiting stocks included in the scope of the TCA, prevented from carrying out their fishing activities between 1st January and 30th June 2021 for a reason stemming from the Brexit²⁷. The temporary cessation scheme may be extended until 31st December 2021. The maximum budget for this temporary cessation scheme is EUR 80 million.

The two aid schemes cannot be cumulated. However, a fishing enterprise having received support from the IPCA between 1 January and 31 March 2021 may receive support for a temporary cessation having occurred between 1 April and 30 June 2021.

²⁶ See: <https://www.franceagrimer.fr/Accompagner/Aides-Brexit> for details on the IPCA scheme.

²⁷ See: [JORF n°0103 du 2 mai 2021](#): Arrêté du 29 avril 2021 relatif à la mise en œuvre d'un arrêt temporaire aidé des activités de pêche dans le cadre du retrait du Royaume-Uni de Grande-Bretagne et d'Irlande du Nord de l'Union européenne. (Official Journal of the French Republic: "Order of 29 April 2021 relating to the implementation of a temporary assisted cessation of fishing activities in the context of the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union").

Both schemes are State aid regimes cleared by the European Commission²⁸. The intention of France is to submit an application to have these two aid schemes refunded by the EU through the BAR.

France is also considering the implementation of a specific permanent cessation scheme for fishing enterprises impacted by the Brexit, but no decision was made at the time of preparation of this study.

4.7. Outlook for 2025

The results of the case study in France show that the impacts of the Brexit until 2025 are difficult to establish. A first reason is the legal uncertainty on conditions governing the issuance of fishing authorisations to access to the 6-12 mile zone of the UK and to the waters adjacent to the Bailiwicks of Guernsey and Jersey. A second reason is that the impacts of the quota transfers established by the TCA for stocks covered by Annex 35 of the TCA depend to a large extent on the levels of TACs set by the two parties to ensure the conservation of the stocks. In summary, if the situation of certain stocks entails reductions of the TAC for conservation purpose, the effects of the quota transfers under the TCA will be amplified. Conversely, TAC increases allowed by improvements in the status of stocks will offset to some extent the effects of the quota transfers under the TCA. Another factor of uncertainty is the possible limitation of the operational capacities of the French fleet to catch its quota resulting from unilateral implementation by the UK of technical measures in its waters.

²⁸ DG COMP, State aid cases [SA.62421](#) on the IPCA scheme as regards fisheries, and [SA.62426](#) as regards the French temporary cessation scheme.

5. CONCLUSIONS AND POLICY RECOMMENDATIONS

5.1. Conclusions

In **2019**, the EU-27 fishing fleet produced about **2.6 million tonnes of fish** with a total **value of EUR 3.5 billion** in the North Atlantic. About **50%** of these **catches** originate from the **105 TACs shared** with the UK, which are exploited inside and outside the UK EEZ.

In **2021**, compared to 2019, the EU-27 fishing fleet lost about **66 400 tonnes of fishing opportunities** as a result of the TCA. This loss will gradually increase to **110 900 tonnes by 2025**. The **economic value** of these losses is estimated at **EUR 108.4 million** and **EUR 178.6 million** respectively. Some of the quota reductions regard (almost) **fully utilised** quota (e.g. mackerel and herring), while other reductions are related to quota which are significantly **underused** (e.g. anglerfish and sole). Consequently, it can be expected that catches of the first group will be directly affected while catches of the latter group will remain at historical levels, unless catchability increases. This study estimates that the TCA 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 and the Netherlands, Denmark.

Despite some initial administrative problems, the EU fleet could continue **fishing in the UK EEZ** in 2021, but access to the 6-12 mile zones of the UK and to the waters adjacent to the Bailiwicks of Guernsey and Jersey remained problematic for certain EU small-scale fleet segments. **Swapping quota** between EU-27 and UK POs resumed on regular basis in July 2021 so that the continuity of the fishing operations was not (seriously) compromised.

Within the **Brexit Adjustment Reserve (BAR)** EUR 656 million has been allocated to the Member States in relation to 'Fish caught in the UK EEZ' and **EUR 238 million** was specifically '**earmarked for fisheries**'. By September 2021 only **France, Germany** have introduced support programmes under the BAR which were approved by the European Commission. Other EU Member States have either not submitted any proposals yet or the proposals were assessed as non-compliant with EU State aid rules by the European Commission.

The **UK** has expressed its **commitments to pursue the sustainable management** of its waters and to support and recognise the scientific advice provided by ICES. Some industry representatives fear that the UK aims to establish a number of 'highly protected marine areas' (HPMAs), which could effectively reduce access to fishing ground in the UK EEZ.

Brexit somewhat **increased the fishing opportunities** available to EU Member States in the framework of the **SFPAs** concluded with **Greenland, Mauritania and Morocco**.

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:

- **Conditions of access** to the UK territorial waters (6-12 mile zone), of particular importance to France and Belgium, and to the waters adjacent to the Bailiwick of Guernsey and the Bailiwick of Jersey 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. Timely achievement of agreement (i.e. beginning of the year) is essential for regular continuation of the fishing operations, particularly during the first months of the year.
- **Uncertainty about the continuation** of administrative arrangements in 2022, including establishment of list 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.

5.2. Policy recommendations

The following policy 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 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 the waters adjacent to the Bailiwicks of Guernsey and Jersey.
3. Now as the **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.

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ANNEX I. METHODOLOGY

The study covers the EU as a whole with a specific geographic focus on eight Member States, which are primarily concerned by the EU-UK TCA provisions on fisheries and aquaculture: Denmark, the Netherlands, France, Ireland, Germany, Sweden, Belgium and Spain.

The TCA settles the division of TACs between the EU and the UK, i.e. it is related to tonnes of fish. The evaluation of the impact of the TCA must consider not only the physical (quantity) but also the monetary and economic consequences. Therefore it depends on the following aspects:

1. Baseline to which effects are compared;
2. level and EU share of TACs before and after Brexit;
3. level of utilisation of the TACs, including swaps;
4. prices of fish;
5. experiences with EU-UK waters in 2021;
6. required assumptions.

It must be stressed that the assessment is **NOT a forecast** of future results, as those depend on many external factors beyond the scope of this study. The assessment is based on the *ceteris paribus* assumption, all other things remain constant.

Baseline

The EU-wide assessment in chapter 2 related the consequences of TCA to the year 2019, used as a baseline for several reasons:

Data availability: detailed data on catches and prices for 2020 was not available in time;

In terms of catches and prices the year 2020 cannot be considered representative due to the effects of the Covid-19 pandemic.

The two case studies are based on national quota of 2020 and show separately the effects due to TCA and due to scientific advice, translated into Council decisions.

TAC

TACs are published in EU legislation, in some cases they are adapted in the course of the year to reflect conservation measures or because of swaps with third countries²⁹. The analysis is based in the amended quantities of EU-27 TAC, i.e. excluding the UK.

The changes of the EU-27 shares are based on the Annex 35 of the TCA.

Level of TAC utilisation

In practice it will make a significant difference if the TCA reduces the share of the EU-27 for stock which are or are not highly utilised. The fleets exploiting TAC to their limit will experience direct short term and long term restrictions. On the other hand, catches from TACs which are significantly underutilised may

²⁹ For example, "[Council Regulation \(EU\) 2019/124](#) of 30 January 2019 fixing for 2019 the fishing opportunities for certain fish stocks and groups of fish stocks, applicable in Union waters and, for Union fishing vessels, in certain non-Union waters", has been amended four times during 2019.

not be affected at all. Therefore, level of TAC utilisation is an important aspect to understand the implication of the TCA.

Data on amended TACs and total catches in 2019 were obtained from DG MARE (2021).

Swaps of national quota

In order to allow a higher utilisation of national quota, EU Member States exchange substantial amounts of their initial allocations between them (the quota swaps). Information on swaps is publicly available³⁰. Swaps with the UK are considered within the total quantity of swaps in 2019. The case studies address the experiences of swaps with the UK in 2021 to determine whether this aspect can become an additional constraint.

Prices

While the TCA settles the division of TACs in relative shares, it is the financial consequences which determine the extent of the impact on EU fishing fleets.

Specific prices per species and Member State have calculated for 2019, based on available data from JRC/ STECF (2021). All economic consequences are estimated using these constant prices, i.e. applying these prices to future losses of fishing opportunities in 2021 and 2025. This produces an appreciation of the impact of TCA under the *ceteris paribus* assumption, all other things remaining equal.

Changes of prices due to price flexibility have not been taken into account for two reasons:

- the impact of changes in quantities would not be clear;
- there is too little information on the price elasticities of different species;
- the prices on the EU market are influenced by imports and substitution effects and it is not likely that the total supply on the EU fish market will be affected.

Access to UK waters

At the beginning of 2021, there was some uncertainty about the conditions of access to the UK waters (EEZ and 6-12 mile zones) for EU fishing vessels.

Future access to UK waters will also be influenced by the UK policies, e.g. establishment of marine protected areas, technical measures or allocations of areas to other users, e.g. wind energy.

Whenever possible these issues have been discussed during the case study interviews.

Stakeholder consultation

Stakeholder consultation took place through interviews, either in person or by phone. The interviews were based on a set of broad topics, inviting the interviewee to elaborate on most important aspects of the topics relevant to them, which were:

- Quota reductions in 2021 and quota utilisation.
- Quota swaps.

³⁰ See: European Commission sharing platform 'CIRCABC' with restricted access to publicly available information to quota swaps: https://circabc.europa.eu/ui/group/9d6098eb-e128-45ae-a4ca-5703b31d8257/library/2bcbd1b1-521e-48a1-9f82-7d42ad72e475?p=1&n=10&sort=modified_DESC.

- Fishing authorisations to access the EEZ, the 6-12 miles in UK waters and the waters adjacent to the Bailiwicks of Guernsey and Jersey (relevant for French case study).
- Experiences and response of fishing firms related to:
 - UK administrative and technical requirements;
 - adaptation of fishing operations, e.g. related to consequences of landing fish in UK ports.
- Outlook for 2025.

ANNEX II. INTERVIEWED STAKEHOLDERS

Representatives of the following fisheries organisations were interviewed in the course of 2021:

1) List of fisheries organisations consulted in France:

- Association Nationale des Organisations de Producteurs (ANOP) – *no known public website*.
- Comité National des Pêches Maritimes et des Élevages Marins (CNPMEM) <https://www.comite-peches.fr/>.
- Fédération des Organisations de Producteurs à la Pêche Artisanale (FEDOPA) - <https://www.cooperationmaritime.com/structures-nationales/fedopa>.
- FROM Nord - <http://www.fromnord.fr/>
- Les Pêcheurs de Bretagne - <https://www.pecheursdebretagne.eu/>
- Union Nationale des Armateurs à la Pêche de France (UAPF) – *no known public website*.

2) List of fisheries organisations consulted in the Netherlands:

- Nederlandse Vissersbond - <https://www.vissersbond.nl/>
- Quotter fishing company, - *no known public website*
- Redersvereniging voor de Zeevisserij / PFA - <https://www.pelagicfish.eu/VisNed> - <https://www.visned.nl/>

This study is the third in a series of three, commissioned for a PECH Committee Workshop. It reviews the potential impacts of the EU-UK Trade and Cooperation Agreement (TCA) on the fishing opportunities aspects for the EU fishing industry in 2021 and 2025. An EU-wide assessment is complemented with two case studies on the Netherlands and France. In 2021, the adjustments of fishing opportunities for biological reasons for certain stocks had more impacts than the quota transfers foreseen by the EU-UK TCA. Several specific fleets are impacted by the EU-UK TCA.
