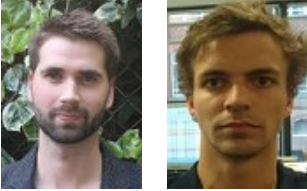


EU Common Fisheries Policy is bound for a Brexit shake-up



*Under the EU's Common Fisheries Policy, each Member State decides how to allocate its national fishing quota to its fishing fleet. **Griffin Carpenter** and **Richard Kleinjans** explain that many issues in fisheries policy are the result of these decisions around access and distribution, and there are ripe opportunities for reform.*

Policy on fishing limits can be thought of in two parts: there is the total amount of fish that is allowed to be caught (the size of the pie) and the allocation of those rights to fishing vessels (how it is divided). The setting of quota limits attracts much attention, as fishing ministers negotiate 'a good deal' by frequently setting quota limits above scientific advice, a problem we have previously analysed on [EUROPP](#). How Member States determine access and distribution is often poorly understood, but lies at the heart of many current fisheries issues.

Whether it is the disappearance of fishing communities around the coast, the controversy over larger and larger factory trawlers, or the alarm over the privatisation of a public resource, many of the concerns about contemporary fisheries management are about how the resource is divided, not just the total amount. The systems in place vary significantly. For example, while fishers in Belgium and the Netherlands fish many of the same species in the same waters, the government-rationed quotas of the former, and market for ownership rights in the latter, are worlds apart in management approach. These are designed with different priorities in mind and lead to very different socio-economic outcomes for the fishing industry, fishing communities, and wider society.



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Our [new report](#), analyses the systems of fishing rights in 12 EU Member States (Belgium, Denmark, France, Germany, Ireland, Italy, the Netherlands, Poland, Portugal, Spain, Sweden and the UK) by providing the first comprehensive descriptive account of the systems, evaluating the success of the systems in use, and prescribing policy recommendations for each Member State.

To assess whether the systems of fishing rights are successful, we have developed a framework of 12 objectives. These objectives are based around ensuring that the system of fishing rights is good for fishers (secure, flexible, accessible, viable, equitable and fair), good for society (publicly owned, meets government objectives, limited public expense, and captures resource rent), and has a good process (transparent and accountable, objective, and at the right governance level and representative). These 12 objectives are considered foundational to any fishery, while the objective for 'meets government objectives' allows for additional outcomes that are nationally specified (e.g. maintaining coastal employment, maximising output, minimising environmental damage).

Figure: Overview of fishing in 12 EU Member States (click to enlarge)

PERFORMANCE OF MEMBER STATES' SYSTEMS OF FISHING OPPORTUNITIES

| CATEGORY | OBJECTIVES | DESCRIPTION | BELGIUM | DENMARK | FRANCE | GERMANY | IRELAND |
|------------------|---|---|----------|-----------|----------|----------|----------|
| GOOD FOR FISHERS | Secure | Fishing opportunities provide fishers with a sustained, long-term share of fish stock(s) | LOW | HIGH | MIXED | MID-HIGH | LOW |
| | Flexible | Fishers can access new fishing opportunities or exchange existing ones | LOW | MID-HIGH | LOW | MIXED | HIGH |
| | Accessible | Newly eligible fishers are granted fishing opportunities upon entry to the industry | LOW | MID-HIGH | MID-LOW | LOW | MID-LOW |
| | Viable | Operations are financially viable and employees are decently paid | MIXED | MIXED* | MIXED | MID-HIGH | MIXED |
| | Equitable and Fair | Fishing opportunities are distributed fairly and unique needs are prioritised | HIGH | MID-LOW** | MID-LOW | MID-LOW | MID-HIGH |
| GOOD FOR SOCIETY | Publicly owned | Fish stocks and fishing opportunities remain publicly owned | HIGH | MIXED | MID-HIGH | MID-LOW | MID-HIGH |
| | Meets government objectives | Governments use fishing opportunities to meet national and EU policy objectives | MID-HIGH | MID-HIGH | MID-LOW | MID-LOW | MID-HIGH |
| | Limited public expense | The cost of managing the system of fishing opportunities is covered by the fishing industry | MID-LOW | LOW | LOW | LOW | LOW |
| | Captures resource rent | As a public resource, some of the resource rent is captured | LOW | LOW | LOW | LOW | LOW |
| GOOD PROCESS | Transparent and accountable | Decision making on the allocation of fishing opportunities is transparent and accountable | MID-HIGH | HIGH | LOW | LOW | MIXED |
| | Objective | The allocation of fishing opportunities follows a systematic and fair process | MID-HIGH | MID-HIGH | MID-LOW | MID-LOW | MID-LOW |
| | Right governance level and representative | Governance empowers local institutions and involves inclusive stakeholder representation | MID-HIGH | MID-LOW | MID-HIGH | MID-LOW | MID-LOW |

* IN FLUX ** INCREASING

Note: See the authors' [longer report](#) for more details.

Using a series of indicators to measure each objective, a ranking is assessed for each of the 12 objectives across the 12 Member States. Our results reveal varied, though frequently poor, performance across the Member States analysed. As the table shows, some conclusions stand out:

- Most fisheries operate at a significant public expense (particularly with costs of research and management as well as implicit fuel subsidies) with little revenue generation from the fishing industry;
- New fishers face additional barriers to entry with few Member States implementing measures to accommodate them;
- There is frequently a lack of transparency and accountability surrounding the method of allocation and the final recipients of fishing quotas;
- The financial viability of fleets is often mixed, most frequently because the large-scale fleet is highly profitable while the small-scale fleet is unprofitable;
- The allocation of fishing opportunities often do not meet many government objectives, such as wider social and environmental outcomes;
- In a few Member States, there is a risk of lost public control over allocation where fishing opportunities have been gradually privatised.

Fortunately, there are clear opportunities for improvement. There are best practices from some Member States to address some of these problems. In Denmark, a government-controlled quota reserve is used to loan quota to new fishers and allocate a portion of quotas based on social and environmental considerations. In France, a quota reserve is populated by recovering a portion of quotas when vessels are exchanged (along with their quota). In Denmark and the UK, information on quota ownership is available in a public register, and in Belgium fishers are directly informed about the outcomes of its allocation decisions.

There are also some bold policy ideas whose time has come. A tax on landed value would generate revenues to help cover management costs, following from the fact that limits on entry (fishing licences) have generated above-normal profits and grant a select group of fishers exclusive and largely free access to the public resource, all while requiring public expense to prevent smooth operation and the prevention of overfishing. Where there are concerns about national quotas providing little national benefit, an additional component would be to deduct port fees and other expenses from the landings tax, thus providing an incentive to land quota in the country that has allocated the quota.

A policy that could improve flexibility in quota systems is an online peer-to-peer exchange where fishers can swap fishing quotas for different species to better align with their specification and sometimes unexpected abundance and scarcity of various quotas. This is particularly important as a ban on discarding fish is being phased in across Europe (i.e. fish can no longer be thrown overboard when fishers catch fish that they do not have quota for).

As we near the 2020 deadline for ending overfishing in the EU's Common Fisheries Policy, and the possibility of a shake-up around Brexit, no doubt focus will remain on how much fishing quotas ministers can secure for their fleet in the face of these challenges. Yet how Member States allocate quotas at a national level lies behind many issues in fisheries management, and despite issues in performance, there are available options for reform.

This article first appeared on the [EUROPP blog](#) and it gives the views of the author, and not the position of LSE Brexit, nor of the London School of Economics.

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