

Empowering EU Fisheries Policy to Restore Marine Health, Tackle Climate Change and Create Jobs

EXECUTIVE SUMMARY

The European Union's common fisheries policy primarily aims to ensure the sustainability of fisheries and to guarantee stable income and jobs for fishermen. This mission is reflected in the management of the impact of fisheries on fish stocks through the establishment of Total Allowable Catches (TAC) that determine the number of landings that can be made in a year. These TACs are allocated among member countries, then within these countries among fishers.

To reduce the environmental impacts of fisheries, fishing ought to be guided towards low impact fishing practices, whilst securing jobs in the sector. This balancing act requires looking at socioeconomic impacts of incorporating environmental and social criteria in quota allocation.

Through case studies, this analysis investigated the socioeconomic impacts of environmentally driven reallocation scenarios. The focus was on two fisheries, haddock in France and Ireland, and plaice in Poland, Germany, Sweden, and Denmark. The results investigate how favouring artisanal fleets equipped with passive gears would impact the sector's revenues, contribution to GDP through added value, and number of jobs.

Using a peer-reviewed method based on input-output models, Vertigo Lab computed the socioeconomic impacts of specific fishing activities at the European Union level. The indicators of interest were jobs, gross added value which indicated the sector's contribution to the European Gross Domestic Product (GDP), and turnover which is the sum of revenues generated by the sector. The method not only evaluated the direct impacts generated by the sector, but also the indirect impacts and the induced impacts.

Two scenarios are analysed. The first scenario assesses the transfer of 50% of the quota from vessels equipped with active gears to vessels equipped with passive gears of the same size. The second scenario looks at the impacts of transferring 50% of the quota from vessels equipped with active gears to smaller vessels equipped with passive gears. In the second case, there is the double impact of favouring more artisanal fisheries *and* passive gears.

Results, as addressed by Figure 1, demonstrate that **quota reallocations to semi-industrial and artisanal fleets lead to job creation** across all fisheries, which is consistent as both scenarios favour job intensive fishing techniques. In haddock fishing, scenario 1 generates a 14% increase in number of jobs, whilst the increase is 25% for scenario 2. Similarly, for plaice fishing, scenario 1 generates a 9% increase and scenario 2 a 25% increase in the sector's number of jobs.

The value added generated by haddock fishing increases by 3% with scenario 1 and by 4% with scenario 2. For plaice fishing, the respective decrease is by 5% and 8%, mainly located in Denmark. Scenarios are positive for GDP contribution in the haddock fishing sector, whilst negative for plaice fishing although the impacts are mainly located in Denmark. Furthermore, haddock fishing, quota reallocation **leads to fewer wealth leakages and therefore more wealth retention within the European Union**. For plaice fishing, wealth leakages remain stable.

The revenue generated by haddock fishing increases by 1% with scenario 1 and decreases by 3% with scenario 2. The latter decrease is observed in Ireland. For plaice fishing, the respective decreases are 7% and 6%, mainly located in Denmark. The lower revenue stream is generated by

lower prices of haddock and plaice fished by fleets equipped with passive gears. **The turnover downturn could be solved by reevaluating positively the prices of fish sold by smaller fleets equipped with passive gears.**

Overall, the method provides an opportunity to fine tune and optimize quota reallocation across the European Union member states to balance lowering environmental impacts and maximizing socioeconomic benefits.

Figure 1. Haddock fishing in the Celtic Sea total impacts for employment (FTE), gross value added (k€), and turnover (k€) before and after applying the environmentally driven quota reallocation scenarios in both France and Ireland (top). Plaice fishing in the Baltic Sea total impacts for employment (FTE), gross value added (k€), and turnover (k€) before and after applying the environmentally driven quota reallocation scenarios in Poland, Germany, Sweden, and Denmark (bottom). Scenario 1: Transfer 50% of the quota from vessels equipped with active gears to vessels equipped with passive gears of the same size. Scenario 2: Transfer 50% of the quota from vessels equipped with active gears to smaller vessels equipped with passive gears.

