



2015 EU-Faroe Bilateral Agreement

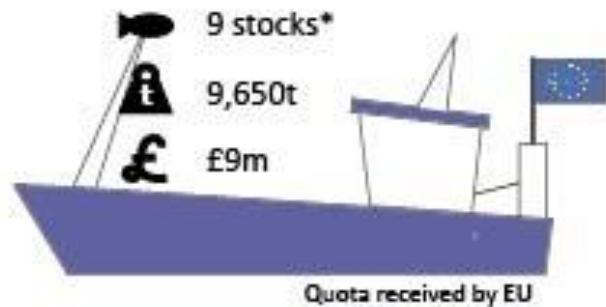
Presentation to NESFDP, 10 February 2017

Jennifer Russell, Anderson Solutions (Consulting) Ltd

Overview: Quota Exchange 2015


Quota Exchange


Each party in the agreement provided quota from its own 2015 quota allowance to the other party.




Landings from Quota Exchange in 2015



 number of stocks

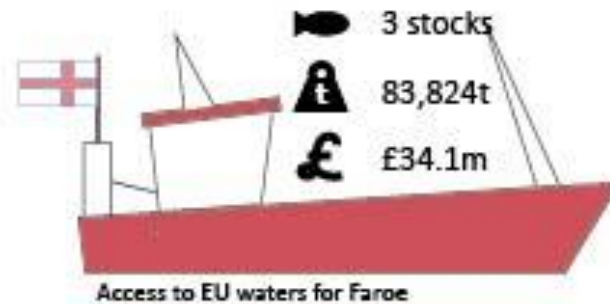
 total weight of all stocks

 estimated sales value**

Overview: Access Entitlement 2015

Access Entitlement

Each party in the agreement could fish for some of their own quota in the other party's waters.




Landings under Access Entitlement in 2015

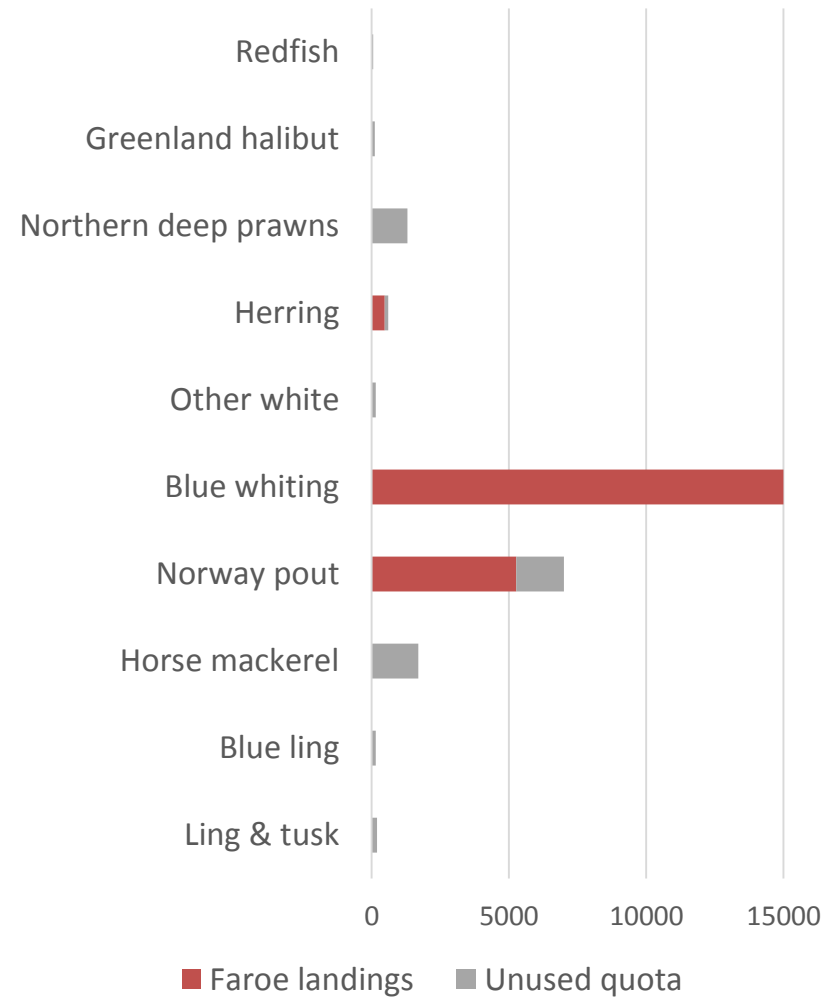
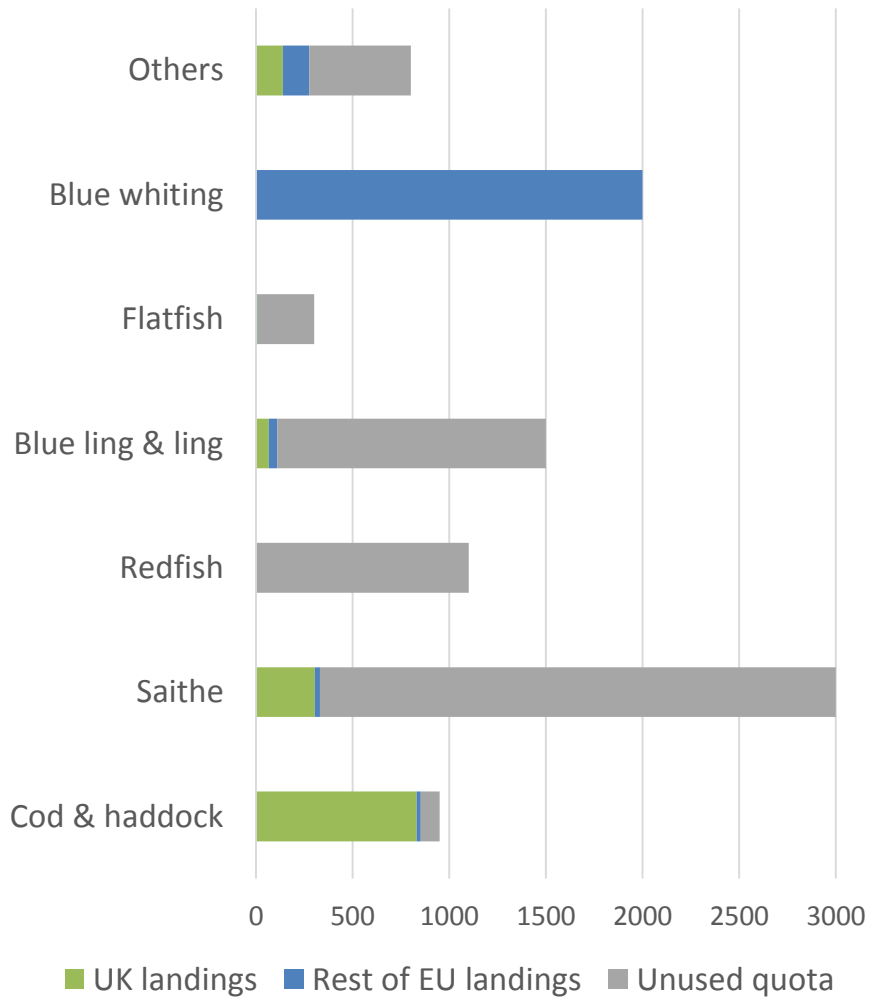


 number of stocks

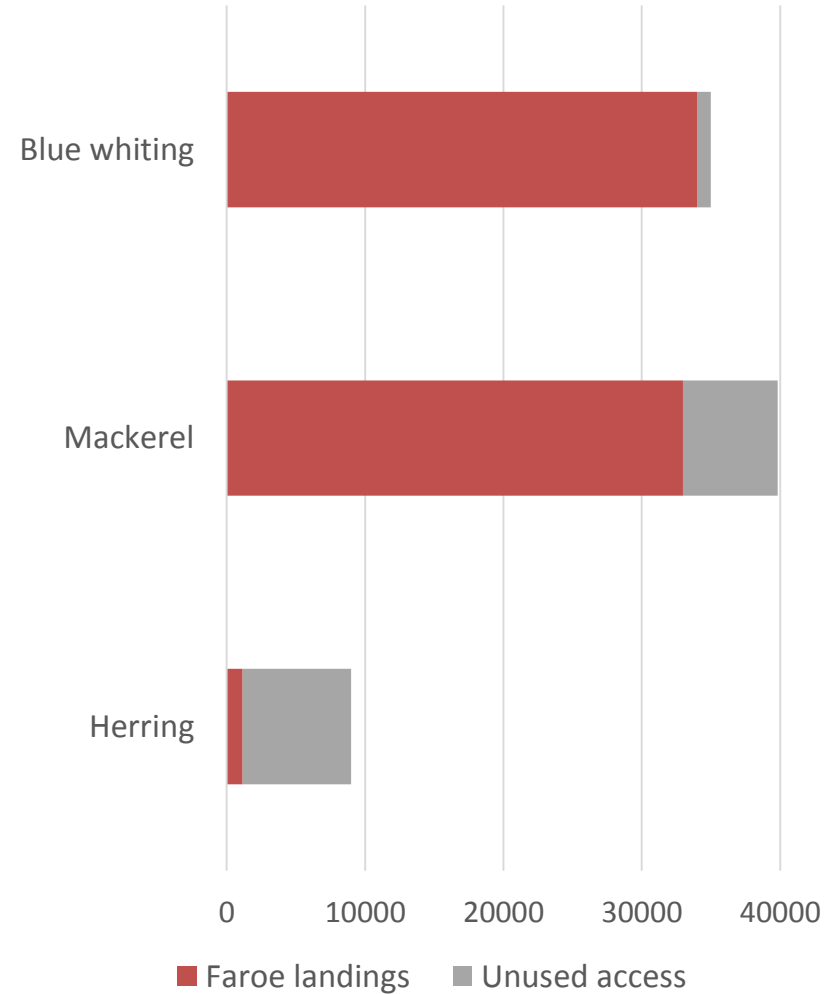
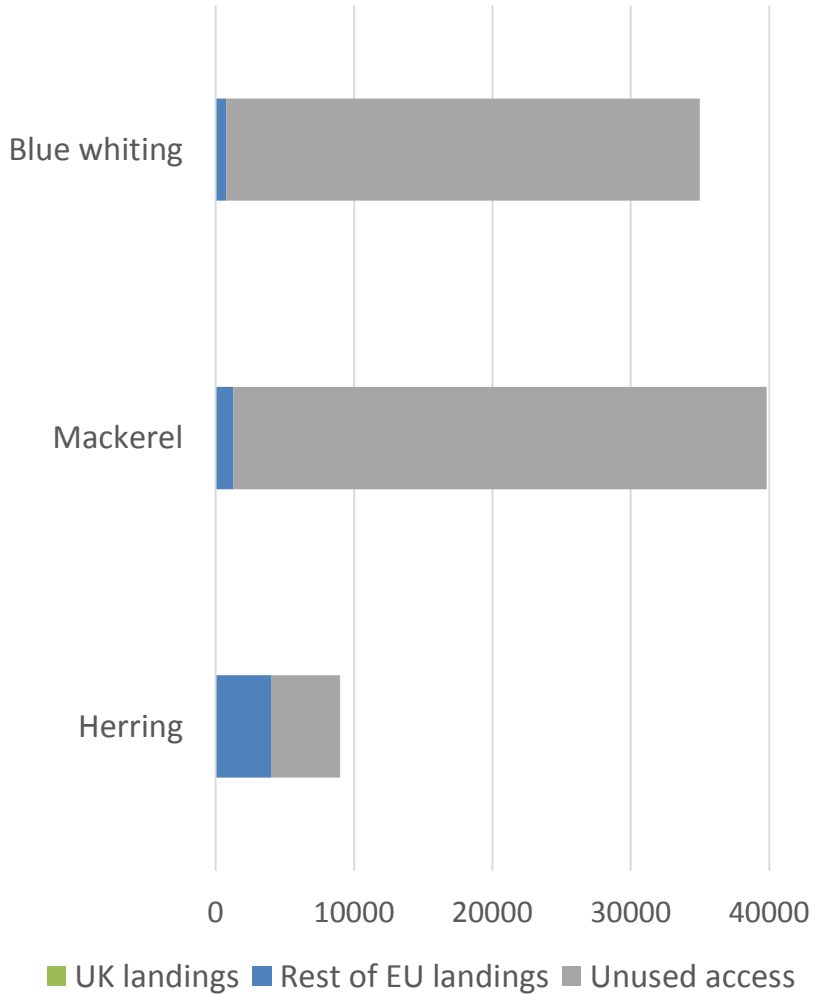
 total weight of all stocks

 estimated sales value**

Use of Quota Exchange by Stock



Use of Access Entitlement by Stock



Estimated sales value

Estimated sales value of landings made under the agreement in 2015:

- UK - £1.9 million
- EU - £4.8 million (incl. UK)
- Faroe - £30.5 million

Assumptions and Sources of Information

- European Commission provided information on 2015 landings by both parties in the agreement.
- Information on UK landings is from MMO data.
- Valuation of quota, access and landings is the estimated sales value of the fish based on UK prices in 2015. This does not represent net benefit to either party.
- Landings of blue whiting is allocated to exchange agreement first and then to access entitlement.

Summary of Industry Feedback

- Fleet
 - Value of access arrangement is much greater to Faroe because of fish quality in EU waters
 - No benefit to UK from access arrangement yet costs incurred by Government
- Pelagic processing sector
 - Barrier to achieving benefit from agreement because of landings tax on Faroese vessels
 - Unfair competition in markets for mackerel and blue whiting from EU waters because of equal quality, lower cost Faroese product (supported by landings tax)



Thank you

jennifer@andersonsolutions.co.uk

Report available:

http://www.seafish.org/media/publications/Seafish_Report_2015_EU-Faroe_Bilateral_Agreement_FINAL_231116.pdf