BRITTANY'S BREXIT BOUNTY

The scandal of French fisheries aid





The codes and data used to conduct this analysis are available at the following address:
https://github.com/association-bloom/Report-on-French-subsidies-allocated-as-part-of-the-Brexit-fleet-exit-plan

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TWO-PAGE SUMMARY

Following up on the blatant inequalities in the allocation of COVID aid in 2021,[1] BLOOM reveals a new financial scandal linked to public subsidies granted to the fishing industry in France. Our ground-breaking investigation, "Brittany's Brexit bounty", shows how the fishing industry based in Brittany got its hands on Brexit aid at the expense of other regions, which were on the front lines when it came to the closure of British waters. This once again illustrates the unacceptable joint management of public money and natural resources by the government and industrial fishing lobbies.

Our detailed analysis of how the decrees of 30 September and 14 November 2022 established a subsidy scheme in the context of Brexit,[2] shows the scandalous way in which a subsequent amendment to the original text lifted the restriction limiting aid to small and medium-sized businesses only, and opened the floodgates of public funding to industrial fishing vessels. As a result, around ten shipowners received half of the subsidies, and the industrial fleets of Brittany struck gold. Indeed, Brittany alone received three times as much public money as the Hauts-de-France region, proportionally to the size of their respective fleets. Intermarché's fleet, Scapêche, was the first to benefit from the amended decree, raking in €11 million, i.e. 19% of the fund.

Our work also shows the perverse mechanisms by which public aid is diverted from its intended purpose of reducing fleet capacity, which remains chronically excessive given the current state of the ocean. For example, the trawl company "La Houle" received €3.9 million to dismantle just four vessels, while at the same time committing to renewing its fleet, in a blatant circumvention of the rules on public subsidies. The Intermarché's fishing fleet has also publicly stated the same intention.

> **BLOOM has documented the scandalous way in which a retrospective amendment to the original text removed the restriction on aid to small and medium-sized businesses only and opened the floodgates of public funding to industrial arms companies.**

This exceptional financial aid to a sector that is already heavily subsidised should have helped to trigger the social and ecological transition of part of France's fishing industry, boosting the resilience of these businesses in the face of the ocean's deteriorating health, climate change, and an increasing number of crises. This was not the case.

On the contrary, a small number of industrial companies have captured most of the public resources, locking in the destructive trawling model, which goes against the general interest, environmental protection, and a genuine transition of the sector towards more socially and ecologically sustainable fishing practices. Moreover, such a transition can only take place if the fishing quotas of the decommissioned vessels are reallocated to small coastal vessels.

BLOOM stresses that the inevitable phasing out of trawlers in the fisheries sector must be carried out

1 BLOOM, 2021. Analysis of COVID fisheries subsidies : the davastating favouritisme of the French government.

2 Arrêté du 30 septembre 2022 relatif à la mise en œuvre d'un plan d'accompagnement individuel dans le cadre du retrait du Royaume-Uni de Grande-Bretagne et d'Irlande du Nord de l'Union européenne.

under a gradual transition plan with clear, transparent and jointly agreed rules, to support social justice and prioritise the most vulnerable fishers who are not backed by industrial fleets. Yet, as always, those who pull the political strings in Paris and Brussels are those who benefit most from public wealth. The industry lobbies that oppose protecting the ocean and the social and ecological transition of the sector are also those that are now calling for massive subsidies to renew the fleet, and for European regulations to be amended to allow an increase in fishing capacity.

As part of the Brexit Adjustment Reserve (BAR) adopted by the European Union, the French government introduced an Individual Support Plan (ISP) in 2022 to compensate fishers affected by the closure of British waters and the reduction in quotas as a result of Brexit, in return for dismantling one or more of their vessels.[3] The aim of this aid was to stop fishing for good, and therefore to reduce fleet capacity, which has been chronically excessive given the state of the ocean. **A total of 86 vessels were dismantled, at a cost of €58 million.**

Our analysis of this fund shows that the government subsequently amended the decree setting out the aid's eligibility criteria to open up access to the largest companies. As a result, it was able to subsidise as many vessels as possible, even those that had not necessarily been impacted by Brexit. This is how **one of France's top retailers, Intermarché, enabled its own fleet, Scapêche, to emerge as the big winner in this distribution of public wealth, receiving nearly €11 million to scrap seven vessels. Three of these vessels had been fishing in deep waters for years,[4] one of them in breach of the law.[5]**

Overall, around a dozen shipowners took half of the subsidies, i.e. €28.3 million out of a total budget of €58 million. Coming second on the list of companies from Brittany that have landed the lion's share of this financial windfall is **La Houle, a company that owns several trawlers. La Houle received nearly €3.9 million to scrap four of its vessels.[6]** In the months leading up to the introduction of this subsidy plan, this shipowner publicly announced its fleet renewal strategy in the press, in anticipation of public aid, and in full knowledge of the rules prohibiting beneficiaries of Brexit subsidies from registering or fitting out new vessels for five years. This strategy is also publicly endorsed by Intermarché's fleet, Scapêche.[7]

Although Brexit aid did facilitate the scrapping of around 50 trawlers, **it did not initiate the necessary social and ecological transition of the fishing industry. Not only did some fishing companies circumvent the rules in order to invest in new vessels, but the government made no real commitment to reallocating quotas from scrapped vessels[8] to vessels using more sustainable, non-trawling methods.**

Our study calls for a complete overhaul of the governance of the fishing industry, which is condemned to ruin by a management system that runs counter to the interests of French citizens and small-scale fishers. This system is characterised by collusion between the State and a minority of industrial stakeholders, with a fishing model that is entirely dependent on trawling and other fishing methods that are energy-intensive, destructive, loss-making, and propped up by public subsidies.

3 Arrêté du 30 septembre 2022 relatif à la mise en œuvre d'un plan d'accompagnement individuel dans le cadre du retrait du Royaume-Uni de Grande-Bretagne et d'Irlande du Nord de l'Union européenne.

4 The *Jean-Claude Coulon II*, the *Roselend* and the *Corail*.

5 Read our scientific paper revealing massive fraud by deep-sea trawlers (January 2025).

6 The *Horizon*, the *Buccin* and the *Jusant*.

7 Le Marin, 2023. « La Scapêche est un armement hauturier et ambitionne de le rester ».

8 Following a fleet exit plan, 70% of the historic fishing rights of the dismantled vessels are allocated to the reserves of producer organizations, and 30% are allocated to a national reserve managed by the Directorate-General for Maritime Affairs, Fisheries and Aquaculture (DGAMPA).

1. PREAMBLE

The fishing industry has suffered from a series of unprecedented crises over the last five years, including the COVID-19 pandemic, the United Kingdom's exit from the European Union (Brexit), and rising energy prices triggered by Russia's invasion of Ukraine. On each occasion, public authorities have responded with subsidies aimed at maintaining social stability, rather than resolving the structural problems facing the sector and implementing a socially and ecologically just transition.[9]

1.1. The Individual Support Plan: an exit plan designed to support fishers affected by Brexit

On 23 June 2016, in a national referendum held in the United Kingdom, 51.9% of British voters voted in favour of their country's withdrawal from the European Union (EU). The UK officially left the EU on 1 February 2020, and a transition period was established until 31 December of the same year, during which European law continued to apply. Since the end of that transition period, the UK is no longer subject to EU law and is no longer required to apply the rules of the Common Fisheries Policy.

Following long and turbulent negotiations, on the 24 December 2020 the two parties entered into the so-called "Trade and Cooperation Agreement" (TCA) which sets out the rules governing their future relations in a number of areas.[10] More specifically, **the fisheries part of this agreement provides for a transition period which includes the transfer of fishing quotas from the EU to the UK for a certain number of shared fish stocks.** It also sets out rules on access to British waters, involving in particular the issuing of fishing licences for European vessels so that they can continue to fish in British waters. This agreement runs until summer 2026 and will then be renegotiated on an annual basis.[11] The British government has already announced that it will fight to obtain exclusive fishing rights for its vessels in the 6-12 nautical mile zone.[12]

On the 6 October 2021, following a proposal by the European Commission, the European Parliament and the Council adopted a Regulation establishing the Brexit Adjustment Reserve to provide financial support to the sectors most affected by the UK's exit from the EU, including the fisheries sector.[13] In 2021, this reserve paid out €25 million in compensation for the temporary cessations of nearly 250 French vessels forced to remain docked.[14] **However, with a budget of €65 million, the vast majority of this reserve has been used to finance a fleet exit plan renamed the "Individual Support Plan" (ISP) (*Plan d'accompagnement individuel* or PAI in French) to compensate shipowners** whose **businesses** were **affected** by **Brexit, in return for dismantling their vessels.**

9 BLOOM, 2024. Against the current. How public action in Fance misses the challenges of transition : a summary of public subsidies allocated to the French fishing sector between 2020 and 2022.

10 Trade and Cooperation Agreement between the European Union and the European Atomic Energy Community, of the one part, and the United Kingdom of Great Britain and Northern Ireland, of the other part.

11 Toute l'Europe, 2021. Brexit : les principaux points de l'accord entre le Royaume-Uni et l'Union européenne.

12 Le Marin, 2023. Brexit : les navires sortis de flotte dans les Hauts-de-France.

13 Regulation (EU) 2021/1755 of the European Parliament and of the Council of 6 October 2021 establishing the Brexit Adjustment Reserve.

14 French Ministry for the Sea and Fisheries, 2023. Brexit : toutes les réponses à vos questions sur la pêche professionnelle.

In accordance with the law[15] on State aid, this draft aid scheme drawn up by the French authorities was examined by the European Commission, which declared it compatible with the single market in a decision dated 30 August 2022.[16] On November 14, 2022, an amending order was published, notably removing the reference to the status of small and medium-sized enterprises (SMEs) in order to make large fishing companies eligible for the ISP.[17]

1.2. Fleet exit plans: "Ambiguous" subsidies criticised by the European Commission and the European Court of Auditors

Subsidies for the dismantling of fishing vessels are considered "ambiguous" by the scientific community, because they may have positive or negative effects on the marine environment, depending on how they are implemented.[18] These exit plans were originally devised by the European Union to remedy a situation of chronic fishing overcapacity, i.e. the fact that there were too many vessels in relation to available resources, which threatened the sustainability of fish populations and the ecological balance of the seas. Therefore, they aim to reduce the number of vessels in operation in order to adapt the fleet to existing fishing opportunities.

However, their effectiveness is often called into question. In some cases, this aid has even helped to increase fishing capacity and exacerbate overfishing. A study on the use of the 2007-2013 European Fisheries Fund (EFF) revealed that 46% of beneficiaries of dismantling subsidies who owned several vessels had used them to modernise the rest of their fleet or buy new boats.[19] Furthermore, this aid was not always well targeted. Some was granted to vessels that were already inactive at the time of application, making it ineffective. Because of the high cost and limited impact of such aid, the European Commission and the European Court of Auditors have concluded that ***"permanent cessation is not a cost-effective tool to reduce excess capacity"*** and that the reduction in fishing activity is more closely related to ***"regulatory restrictions through quota and effort management"***.[20]

To prevent abuse, the rules for granting this aid have been tightened over time. Since the implementation of the European Maritime and Fisheries Fund (EMFF) 2014-2020, fishers who receive dismantling aid cannot register a new vessel for five years.[21] Moreover, each vessel dismantled using public funds leads to a permanent reduction in the country's fishing capacity equivalent to that of the scrapped vessel. EU legislators also introduced a phasing out of these subsidies from 2017,[22] before making a U-turn and reintroducing them in the European Maritime, Fisheries and Aquaculture Fund (EMFAF) which covers the 2021-2027,[23] period, under pressure from industrial fishing lobbies.[24]

In light of these findings and the controversies surrounding this aid, this groundbreaking study aims to question the effectiveness of dismantling subsidies and, more specifically, the way in which this public money has been paid out by the French public authorities in the context of Brexit.

15 European Commission, 2022. Letter from DG Competition authorising the Fleet Exit Plan proposed by France.

16 Arrêté du 30 septembre 2022 relatif à la mise en œuvre d'un plan d'accompagnement individuel dans le cadre du retrait du Royaume-Uni de Grande Bretagne et d'Irlande du Nord de l'Union européenne.

17 Arrêté du 14 novembre 2022 modifiant l'arrêté du 30 septembre 2022 relatif à la mise en œuvre d'un plan d'accompagnement individuel dans le cadre du retrait du Royaume-Uni de Grande-Bretagne et d'Irlande du Nord de l'Union européenne .

18 Sumaila *et al*., 2019. Updated estimates and analysis of global fisheries subsidies.

19 European Commission, 2016. Ex-post evaluation of the European Fisheries Fund (2007-2013).

20 European Court of Auditors, 2011. Have EU measures contributed to adapting the capacity of the fishing fleets to available fishing opportunities?.

21 Article 34, Regulation (EU) No 508/2014 of the European Parliament and of the Council of 15 May 2014 on the European Maritime and Fisheries Fund.

22 Regulation (EU) No 508/2014 on the European Maritime and Fisheries Fund (EMFF).

23 Regulation (EU) 2021/1139 on the European Maritime, Fisheries and Aquaculture Fund (EMFAF).

24 Client Earth, 2018. The post-2020 European Maritime and Fisheries Fund: how to ensure that EU financial aid serves the objectives of the Common Fisheries Policy?.

2. A MAJORITY OF TRAWLERS HAVE BEEN DESTROYED, WITH NO GUARANTEE THAT HISTORIC FISHING RIGHTS WILL BE REALLOCATED TO THE MOST SUSTAINABLE METHODS

2.1. €57.7 million awarded

This is the amount of public aid actually received in France by beneficiaries of the Brexit fleet exit plan, renamed the "Individual Support Plan" (ISP) in this case, from an initial budget of €65 million.

Almost a year after the deadline for ISP applications, set for 18 November 2022, the official and definitive list of beneficiaries was published on the website of the Secretary of State for the Sea and Biodiversity.[25] In 2023, vessel demolitions were divided between four yards located in Brest (Navaléo), Bordeaux (Paprec), Le Havre (Gardet et de Bézenac) and Lorient (Monier Environnement).

2.2. Nearly 50 trawlers dismantled

The Individual Support Plan mainly financed the destruction of offshore vessels, i.e. boats measuring between 12 and 24 metres, with more than €37 million allocated and around 50 vessels involved (→ Figure 1).

This represents **a marked 11.9% reduction in the total capacity of this fleet in France.** Most of these vessels are bottom trawlers from Brittany (25 units), but there are also boats from Aquitaine (6) and Normandy (3). **Industrial vessels measuring more than 24 metres were also included in this plan, which covered the scrapping of six bottom trawlers and one demersal seiner,** another highly destructive fishing method.

However, small-scale coastal fishers, defined by European regulations as those whose vessels measure less than 12 metres and who use passive gear, have made little use of this aid programme. **Only €4 million was spent on the withdrawal of 22 coastal vessels,** representing a reduction of less than 1% in the total capacity of the small-scale coastal fleet in France. These are mainly potting vessels and netters based in Normandy and Hauts-de-France.

25 French Government, 2023. Liste des bénéficiaires finaux du Plan d'accompagnement individuel au Brexit. Régime SA. 104347 – France.

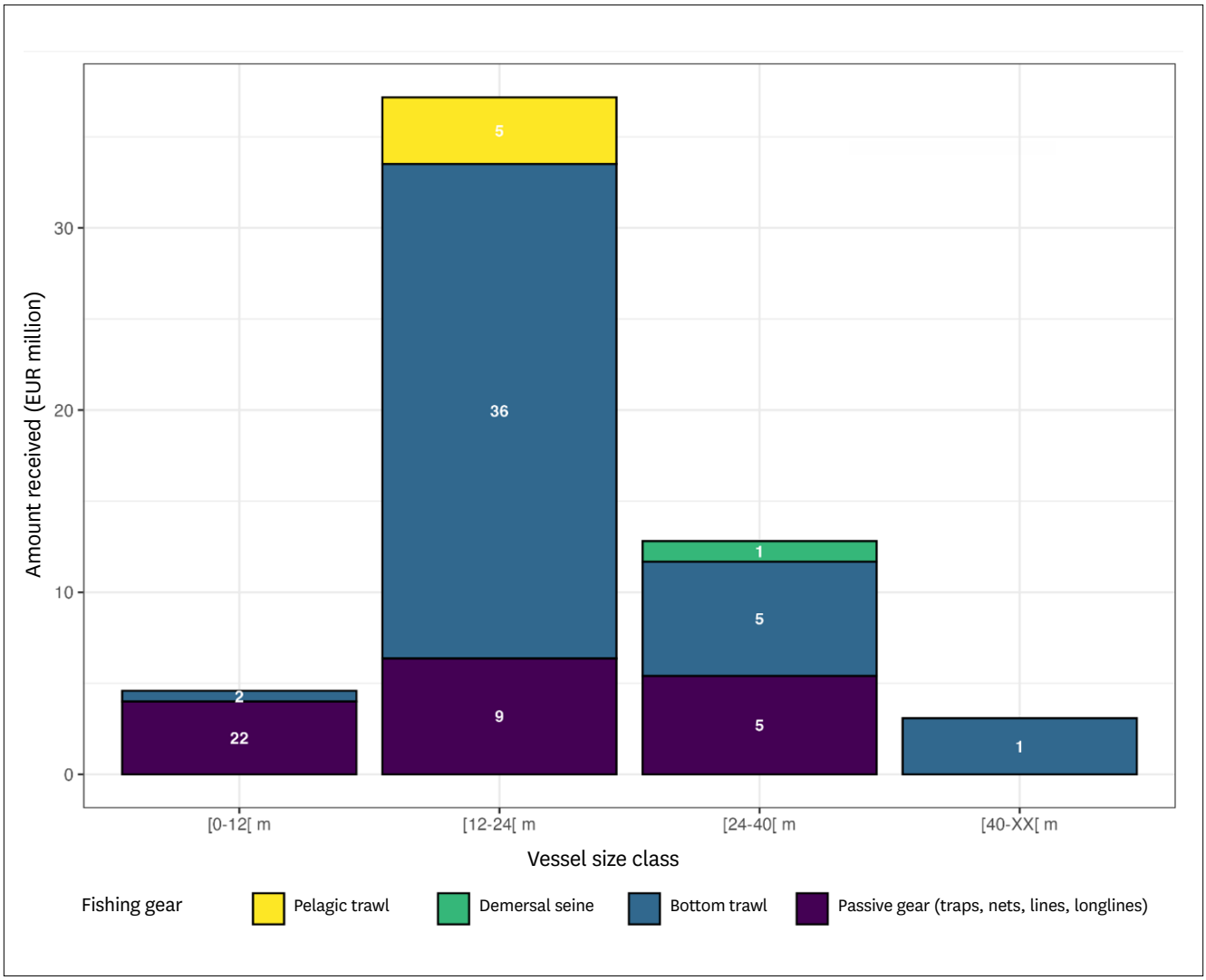


Figure 1 *Distribution of subsidies according to the size and fishing gear used by the vessels. The figures in white indicate the number of vessels dismantled in each category.*

A huge cost for public finance

Subsidies for vessel dismantling have a notable impact on public finance, as the costs involved are far higher than those for other subsidies granted to fishing vessels, such as aid for temporary cessations or modernisation. While the lowest subsidy granted under the ISP was €94,500 for a small 7-metre potting boat, the highest was €3,261,000 for the *Jean-Claude Coulon II*, a 46-metre bottom trawler.

The aid compensates the owner on a scale based both on the size of the vessel, and the compensation due to the owner for economic redundancy. Subsidies granted as part of the temporary cessation of fishing businesses impacted by Brexit have been deducted from the compensation paid under the ISP.

At a time when the social, economic, and ecological transition of the fishing industry is an absolute priority, it is tempting to see the ISP as a victory on the road to the phasing-out of trawlers, given that this plan has primarily enabled the scrapping of offshore and industrial vessels engaged in bottom trawling (a particularly devastating practice for marine ecosystems), while maintaining the capacity of small-scale coastal fishing.

Such a step is no substitute for the genuine deregistration of trawlers. This process requires a number of other conditions to be met:

1. **Reallocation of historic fishing rights from dismantled vessels to small-scale coastal fishing and vessels using passive gear.**

2. **Preventing any possibility of reinvestment in new vessels, including retroactively, in order to limit as far as possible, the anticipation of aid plans by shipowners (→ see section "Circumvention of Brexit aid by shipowners").**

2.3. A lack of transparency regarding the future reallocation of fishing rights for dismantled vessels

The effectiveness of fleet exit plans is inextricably linked to the issue of the redistribution of historic fishing rights[26] within producer organisations (POs) and the national reserve of historic rights. Inadequate rules for handling the historic rights of dismantled vessels are partly responsible for the lack of effectiveness of these plans.[27-28]

Following a fleet exit plan, the historic fishing rights of vessels scrapped using public money are reallocated as follows: 70% are allocated to the reserve of the producer organisation to which the vessel belonged[29] and the remaining 30% are allocated to a national reserve managed by the French Directorate-General for Maritime Affairs, Fisheries and Aquaculture (DGAMPA).[30-31] Ultimately, the key issue is therefore to know how to reallocate the historic rights from dismantled and reserve vessels. Will these historic rights be redistributed according to environmental criteria that favour small-scale coastal vessels, and therefore support the transition of the sector, or will they contribute to maintaining the *status quo* by favouring industrial vessels that use destructive gear?

The Code rural et de la pêche maritime (Rural and Maritime Fishing Code) stipulates that historic fishing rights placed in the national reserve may be allocated to ***"producers on the basis of environmental, social and economic criteria. [...] The allocation of historic rights from the national reserve is an incentive for vessels that use selective gear or fishing techniques that have a reduced impact on the environment, in particular low energy consumption and limited impacts on habitats".***[32]

However, due to the influx of historic rights into the national reserve due to the Brexit fleet exit plan, the historic rights reallocation regime had to be clarified at the end of 2024.[33] Although the criteria are fairly precise, they are insufficient and do not ensure a fair distribution that is targeted towards small-scale coastal fishing, which is more virtuous than industrial fishing from a social and ecological point of view.

26 A vessel's historic rights are calculated on the basis of its average catches over a baseline period (2001, 2002 and 2003 for most stocks) and are used as the basis for allocating sub-quotas within producer organisations. They are fixed and correspond to a percentage of the sub-quota allocated to the PO, which may vary from one year to the next.

27 Lagares et Ordaz, 2014. Fisheries structural policy in the European Union: A critical analysis of a subsidised sector.

28 Skerritt *et al.*, 2020. A 20-year retrospective on the provision of fisheries subsidies in the European Union.

29 If it did not belong to a PO, they are managed by the departments of the French Ministry for Fisheries.

30 French Ministry for the Sea and Fisheries, 2022. Plan d'accompagnement individuel Brexit (PAI). Foire aux questions.

31 Rural and Maritime Fishing Code. See Article R921-44 detailing the conditions for reallocating the historic rights of dismantled vessels.

32 Rural and Maritime Fishing Code. See Article R921-48 detailing the criteria for allocating historic rights from the national reserve.

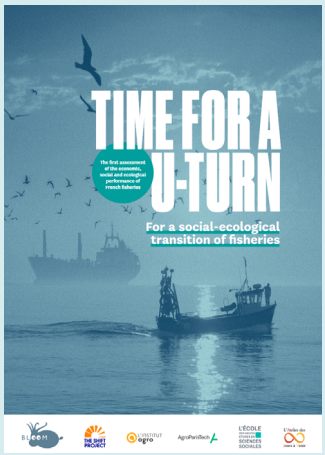
33 Arrêté du 4 décembre 2024 relatif à la mise en œuvre de l'article R. 921-48 du code rural et de la pêche maritime.

"Time for a u-turn" and "Breaking free from trawling"

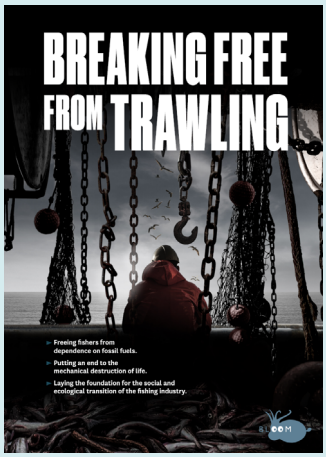
The "Time for a u-turn" and "Breaking free from trawling" reports, based on the work of a multi-disciplinary research group initiated by BLOOM, offer for the first time a multi-criteria assessment of France's fishing fleets, incorporating ecological indicators (bottom abrasion, catches of sensitive species and juveniles, carbon footprint, etc.), economic (added value, profitability, dependence on subsidies) and social (jobs created).

This analysis reveals that bottom trawling - scraping the seabed with weighted nets - is the most destructive and least efficient method. On the other hand, vessels using "passive gear" (lines, traps, nets) create 2 to 3 times more jobs and almost twice the added value for the same level of catch than offshore trawlers and industrial trawlers, despite receiving half as much subsidy. Researchers estimate that around 85% of current bottom trawler catch could be made by these more sustainable methods, of which 39% (or around 36,700 tonnes) are easily transferable.

BLOOM therefore calls for a reorientation of public policies and fishing rights to support an ecological and social transition of fishing. These studies demonstrate that a change of course is not only urgent, but also achievable.



"Time for a u-turn"
report available
→ here



"Breaking free from trawling"
report available
→ here

POs have complete freedom to distribute the reserved rights as they see fit.

For example, the environmental criterion only applies to vessels signed up to a decarbonisation project. However, the definition of sustainable fishing is complex, and cannot be solely limited to fishing using clean energy. The environmental impact must include additional criteria relating to biodiversity, such as the overexploitation footprint of stocks, the measurement of juvenile catch volumes, the surface area impacted by fishing gear, and the risk of accidental catches of sensitive species. With the aim of encouraging generational renewal, the other criterion for awarding historic rights includes the age of the applicant, with no account taken of the gear or the social benefits created by the fishery in terms of added value created, employment generated, profitability or non-dependence on subsidies.

Historic fishing rights from each PO's reserve can be used to set up new producers or to encourage producers who are not members of a producer organisation to join. These allocations are included in a broader list of uses that is neither restrictive nor binding.[34] In other words, POs have complete freedom to distribute the reserved rights as they see fit. However, within three years of the vessels being scrapped (i.e. by 2026), they must submit a plan for the use of historic rights from the ISP, which must be approved by the Minister responsible for fisheries. **Therefore, the applications are effectively a black box where detailed plans for the processes and allocation of fishing opportunities are kept confidential, with very few POs taking the voluntary step of publishing the plans they submit to the government.**

In June 2024, BLOOM asked lawyers to contact each of the POs and DGAMPA, asking them to inform us of their plans to use the historic rights they had put into reserve following the ISP. By 1 May 2025, nearly two years after the dismantling of the vessels, the producer organisations had still not provided this information, citing the three-year period granted to them by law. We have also received no information from the administration, which states that there is no deadline for the compulsory reallocation of the national reserve.[35]

Given this lack of transparency, there is every reason to be concerned about the way in which ISP historic rights will be allocated. Particularly when you consider that still today, France cites the main criterion for allocating fishing opportunities as the historical catch volumes of vessels in the early 2000s, a system that favours industrial fishing (→ see box on French quota management). **In order for these subsidies to have a positive impact, it is essential that the reallocation of historic rights be directed as widely as possible towards small-scale coastal fishing, to launch the transition of the sector towards practices that are more respectful of marine ecosystems and animals.**

34 Rural and Maritime Fishing Code. See Article R921-47 detailing the criteria for allocating historic rights from a producer organisation's reserve.

35 Letter from DGAMPA to BLOOM, 14 August 2024.

French quota management: an opaque system that is still largely based on historical catches from the beginning of the century

Within the EU, the Council sets Total Allowable Catches for the various fish stocks each year, on the basis of scientific advice, a process which involves the fisheries ministers of the various Member States.[36-38] They are then distributed between the States in the form of national quotas, based on a fixed distribution key by virtue of the principle of relative stability.

In France, the national quota for each species is distributed by DGAMPA into sub-quotas, among the 15 recognised producer organisations and vessels that are not members of producer organisations. This is still largely based on the principle of fishing history, which cites the 2001-2003 period.[39] In other words, the more a producer organisation's members have fished in the past, the more sub-quotas it will hold. This system rewards the industrial vessels that monopolised resources in the early 2000s and are responsible for overfishing. According to a report by the Scientific, Technical and Economic Committee for Fisheries (STECF), the main criterion used in France to decide on allocations in 2022 was past catches (96%), with very little account taken of environmental impacts (1%) or economic and social contributions to local coastal communities (3%).[40] And yet, Article 17 of the Common Fisheries Policy requires Member States to use transparent and objective criteria, including those of an environmental, social and economic nature, when allocating fishing opportunities. In practice, however, this Article is still very rarely applied.

The producer organisations are then responsible for allocating the sub-quotas among their members in accordance with the criteria set out in the Rural and Maritime Fishing Code.[41] However, the criteria for the actual allocation of fishing opportunities are opaque and very rarely published by the producer organisations, even though they have to draw up management plans that set the rules for allocating sub-quotas. Not all producer organisations manage their sub-quotas in the same way, and the management methods adopted by each of them tend to differ depending on whether the species in question is under pressure.

36 Oceana and BLOOM, 2024. How France allocates fishing opportunities to its fishers ?.

37 Larabi *et al.*, 2013. Quota management in a context of non-transferability of fishing rights: The French case study.

38 Autorité de la concurrence, Avis n°15-A-19 du 16 décembre 2015 relatif aux effets sur la concurrence du mécanisme de répartition des quotas de pêche en France.

39 Rural and Maritime Fishing Code. According to Article R921-35, catch quotas and fishing effort are divided into sub-quotas on the basis of a calculation made by the authorities, taking into account three factors: the historic rights of producers, market trends and economic equilibrium.

40 STECF, 2024. Social data in fisheries.

41 Rural and Maritime Fishing Code. See Articles R921-35 and R921-51 detailing the conditions for allocating catch and effort quotas and sub-quotas.

3. A DECREE THAT SETS VERY FLEXIBLE ELIGIBILITY CRITERIA TO OPEN THE SUBSIDY FLOODGATES

The least that can be said is that the Decree of 30 September 2022, which set out the eligibility criteria for the ISP and the methods for calculating the aid, was eagerly awaited by a large number of fishers hard hit by Brexit.

To be eligible for the ISP, a vessel must meet at least one of the three following criteria set out in the decree:[42-44]

1. **Dependency on the waters of the United Kingdom and the Channel Islands (hereinafter referred as the "geographical dependency criterion"). To have a dependency, they must demonstrate that at least 20% of the total value of their catches in 2019 or 2020 came from UK waters (whichever year is more favourable).**

2. **Not be the beneficiary of a fishing licence issued by the British authorities in the 6-12 nautical mile zone, the Bailiwick of Jersey or the Bailiwick of Guernsey ("loss of access to waters" criterion). If this is the case, it must have a fishing history in the 6-12 nautical mile zone over the 2012-2020 period, and in Channel Islands waters over the 2017-2020 period. It must also appear on a list drawn up by government departments as part of the implementation of the Trade and Cooperation Agreement.**

3. **Be dependent on a certain number of stocks shared with the United Kingdom and listed in the appendix to the decree (hereinafter referred to as the "stock dependency criterion"). For this criterion, they must demonstrate that they are dependent on these stocks, which should account for at least 20% of the total value of their catches in 2019 or 2020.**

While at first glance these eligibility criteria appear to target only vessels impacted by Brexit, scratch beneath the surface and it becomes clear they were actually written to open up access to subsidies as broadly as possible. What about the fishers truly affected by Brexit? They are not necessarily the main beneficiaries of these subsidies.

3.1. A criterion of dependency on fish stocks that allows vessels not affected by Brexit to receive aid

Some vessels have been affected by Brexit, even though they did not fish directly in British waters. This is due to the measures adopted as part of the post-Brexit trade agreement, primarily because the UK has recovered a share of the fishing quotas initially allocated to European Union vessels. These quotas set the maximum quantity of fish that can be caught for each species.

42 Article 5 of the Decree of 30 September 2022, as amended.

43 French Republic, 2022. Note technique du 26 décembre 2022 précisant les modalités de classement et de sélection des navires concernés par la mise en œuvre d'un plan d'accompagnement individuel dans le cadre du retrait du Royaume-Uni de Grande-Bretagne et d'Irlande du Nord de l'Union européenne.

44 On 18 November 2022, the deadline for submitting applications, 164 ISP Brexit applications had been submitted, totalling €95.4 million. The three eligibility criteria were supposed to reduce the number of vessels included in the scheme within the allocated budget, while prioritising the vessels hardest hit by Brexit. Nearly half of the vessels that submitted an ISP application were therefore refused, because of their position in this classification or their ineligibility.

The trade agreement signed between the EU and the UK provides for this transfer to take place gradually until 2025, enabling the UK to recover 25% of the value of catches made by the EU in its waters.[45] To take account of this situation, the authorities added an alternative criterion of stock dependency, in addition to the criterion of geographical dependency and the criterion of loss of access to UK waters.

> **Fishers who have not been directly affected by the redistribution of quotas following Brexit have still been able to benefit from the aid provided for in the fleet exit plan.**

Through a detailed analysis of these transfers, BLOOM reveals that the reduction in EU fishing quotas actually affects only a limited number of fish species **(→ Figure 2).**[46] Of the 100 species listed in the decree setting out the eligibility criteria for the Individual Support Plan, 54 have seen their quotas reduced by more than 1%, and only 15 have seen a reduction of more than 10%. The species most affected include hake in the North Sea (-35.5% for the EU), sprat in the Channel (-31.5%) and whiting in the Irish Sea (-22.3%).

In France, the impact varies according to the size of the quotas held for each species. For example, French fishers will lose 4,100 tonnes of mackerel, 2,200 tonnes of herring and pollock in the North Sea, and 1,400 tonnes of monkfish, representing nearly 19,800 tonnes of quotas being transferred to the United Kingdom.

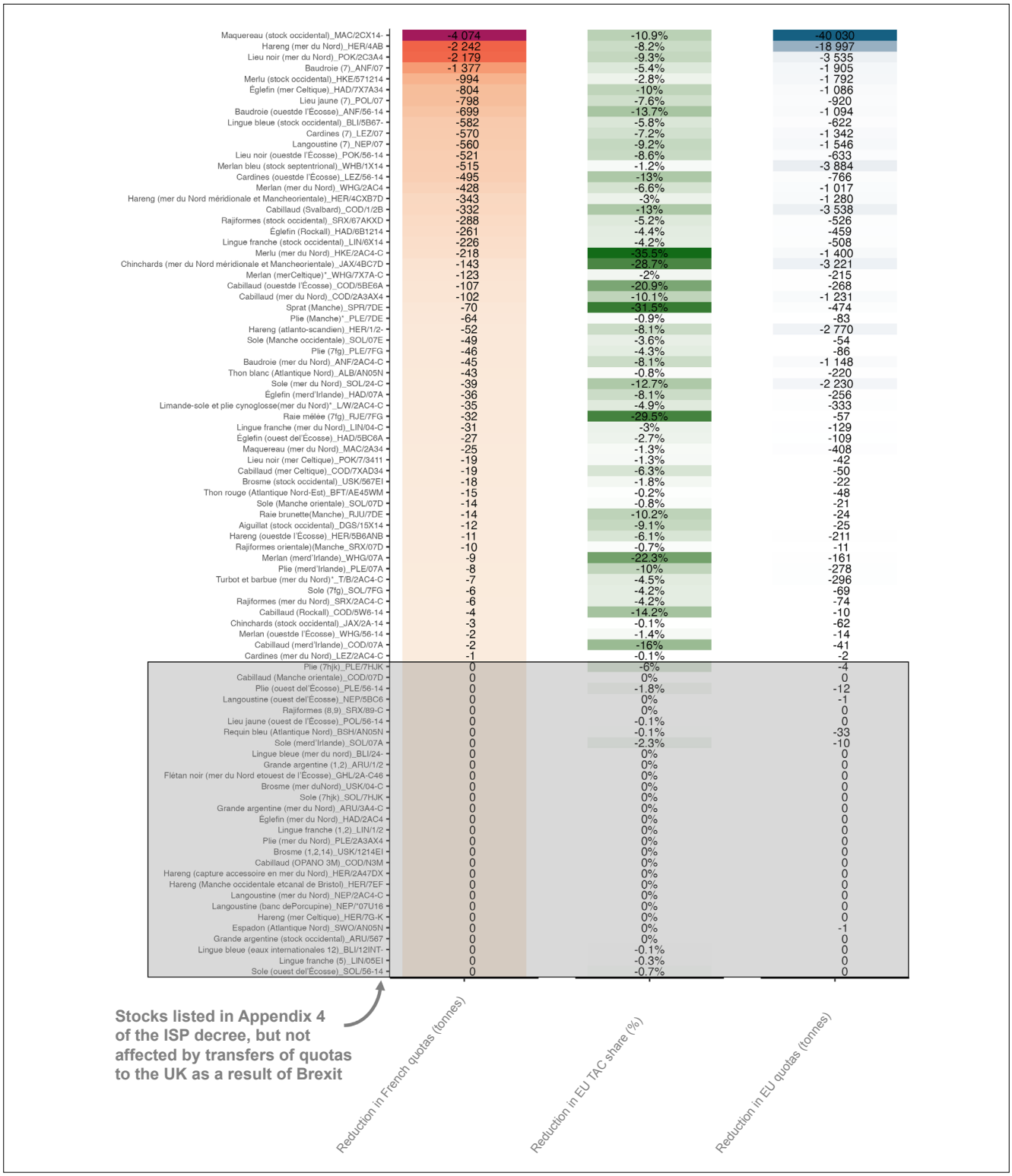
Yet the major problem is that almost 30 species on the list of stocks eligible for aid have suffered no loss of quota for France, and many others have been only marginally affected. This means that fishers who have not been directly affected by the redistribution of quotas following Brexit have still been able to benefit from the aid provided for in the fleet exit plan, which raises questions about the fairness and relevance of this eligibility criterion. Clearly, the French government has deliberately made eligible all the stocks shared between the EU and the UK, without withdrawing those not affected by the quota transfers **(→ see box "Surreal communications between the European Commission and the French administration").**

But the absurdity does not end there. **The list of eligible stocks also includes species that are not managed by quotas and have therefore not been affected by the new rules dictated by the trade agreement between London and Brussels.** In particular, edible crab is caught in area VIII as defined by the International Council for the Exploration of the Sea (ICES), which runs from the tip of Brittany to the Bay of Biscay and therefore does not overlap with British waters. **This last point has sparked outrage among some fishers genuinely affected by Brexit,** who have applied to the Council of State (Conseil d'État) to have the decree annulled. **According to the chairmen of the Hauts-de-France and Nouvelle-Aquitaine fishing committees, the criterion of dependency on stocks "makes no sense" and benefits shipowners that are "not directly affected".**[47]

45 ABPmer, 2021. EU-UK Trade and cooperation agreement. Thoughts on fisheries from a UK perspective.

46 Methodological note: We have estimated the reductions in quotas for European and French fishers that will result from the application of the trade agreement between the UK and the EU. Estimating precise volumes is complex, because the total allowable catches (TACs) for the stocks being transferred change each year and, as a result, the new sharing agreements apply to a moving baseline. The aim of this analysis is not to provide precise estimates of quota reductions, but rather to identify those that will have the greatest impact on fishers. For the sake of simplicity, we have therefore not taken into account the annual variability of the TACs (by basing our observations on the TACs for 2020, i.e. the year preceding the application of the agreement). The quota reductions for the EU and France have been estimated by applying the new EU TAC shares provided for in the trade agreement to the fixed base of TACs for 2020.

47 Sud Ouest, 2023. Pêche : après le Brexit, des bateaux à la casse et des remous.



	Reduction in French quotas (tonnes)	Reduction in EU TAC share (%)	Reduction in EU quotas (tonnes)
Maquereau (stock occidental)_MAC/2CX14-	-4 074	-10.9%	-40 030
Hareng (mer du Nord)_HER/4AB	-2 242	-8.2%	-18 997
Lieu noir (mer du Nord)_POK/2C3A4	-2 179	-9.3%	-3 535
Baudroie (7)_ANF/07	-1 377	-5.4%	-1 905
Merlu (stock occidental)_HKE/571214	-994	-2.8%	-1 792
Églefin (mer Celtique)_HAD/7X7A34	-804	-10%	-1 086
Lieu jaune (7)_POL/07	-798	-7.6%	-920
Baudroie (ouestde l'Écosse)_ANF/56-14	-699	-13.7%	-1 094
Lingue bleue (stock occidental)_BLI/5B67-	-582	-5.8%	-622
Cardines (7)_LEZ/07	-570	-7.2%	-1 342
Langoustine (7)_NEP/07	-560	-9.2%	-1 546
Lieu noir (ouestde l'Écosse)_POK/56-14	-521	-8.6%	-633
Merlan bleu (stock septentrional)_WHB/1X14	-515	-1.2%	-3 884
Cardines (ouestde l'Écosse)_LEZ/56-14	-495	-13%	-766
Merlan (mer du Nord)_WHG/2AC4	-428	-6.6%	-1 017
Hareng (mer du Nord méridionale et Manche orientale)_HER/4CXB7D	-343	-3%	-1 280
Cabillaud (Svalbard)_COD/1/2B	-332	-13%	-3 538
Rajiformes (stock occidental)_SRX/67AKXD	-288	-5.2%	-526
Églefin (Rockall)_HAD/6B1214	-261	-4.4%	-459
Lingue franche (stock occidental)_LIN/6X14	-226	-4.2%	-508
Merlu (mer du Nord)_HKE/2AC4-C	-218	-35.5%	-1 400
Chinchards (mer du Nord méridionale et Manche orientale)_JAX/4BC7D	-143	-28.7%	-3 221
Merlan (merCeltique)*_WHG/7X7A-C	-123	-2%	-215
Cabillaud (ouestde l'Écosse)_COD/5BE6A	-107	-20.9%	-268
Cabillaud (mer du Nord)_COD/2A3AX4	-102	-10.1%	-1 231
Sprat (Manche)_SPR/7DE	-70	-31.5%	-474
Plie (Manche)*_PLE/7DE	-64	-0.9%	-83
Hareng (atlanto-scandien)_HER/1/2-	-52	-8.1%	-2 770
Sole (Manche occidentale)_SOL/07E	-49	-3.6%	-54
Plie (7fg)_PLE/7FG	-46	-4.3%	-86
Baudroie (mer du Nord)_ANF/2AC4-C	-45	-8.1%	-1 148
Thon blanc (Atlantique Nord)_ALB/AN05N	-43	-0.8%	-220
Sole (mer du Nord)_SOL/24-C	-39	-12.7%	-2 230
Églefin (merd'Irlande)_HAD/07A	-36	-8.1%	-256
Limande-sole et plie cynoglosse(mer du Nord)*_LIW/2AC4-C	-35	-4.9%	-333
Raie mêlée (7fg)_RJE/7FG	-32	-29.5%	-57
Lingue franche (mer du Nord)_LIN/04-C	-31	-3%	-129
Églefin (ouest del'Écosse)_HAD/5BC6A	-27	-2.7%	-109
Maquereau (mer du Nord)_MAC/2A34	-25	-1.3%	-408
Lieu noir (mer Celtique)_POK/7/3411	-19	-1.3%	-42
Cabillaud (mer Celtique)_COD/7XAD34	-19	-6.3%	-50
Brosme (stock occidental)_USK/567EI	-18	-1.8%	-22
Thon rouge (Atlantique Nord-Est)_BFT/AE45WM	-15	-0.2%	-48
Sole (Manche orientale)_SOL/07D	-14	-0.8%	-21
Raie brunette(Manche)_RJU/7DE	-14	-10.2%	-24
Aiguillat (stock occidental)_DGS/15X14	-12	-9.1%	-25
Hareng (ouestde l'Écosse)_HER/5B6ANB	-11	-6.1%	-211
Rajiformes orientale)(Manche_SRX/07D	-10	-0.7%	-11
Merlan (merd'Irlande)_WHG/07A	-9	-22.3%	-161
Plie (merd'Irlande)_PLE/07A	-8	-10%	-278
Turbot et barbue (mer du Nord)*_T/B/2AC4-C	-7	-4.5%	-296
Sole (7fg)_SOL/7FG	-6	-4.2%	-69
Rajiformes (mer du Nord)_SRX/2AC4-C	-6	-4.2%	-74
Cabillaud (Rockall)_COD/5W6-14	-4	-14.2%	-10
Chinchards (stock occidental)_JAX/2A-14	-3	-0.1%	-62
Merlan (ouestde l'Écosse)_WHG/56-14	-2	-1.4%	-14
Cabillaud (merd'Irlande)_COD/07A	-2	-16%	-41
Cardines (mer du Nord)_LEZ/2AC4-C	-1	-0.1%	-2
Plie (7hjk)_PLE/7HJK	0	-6%	-4
Cabillaud (Manche orientale)_COD/07D	0	0%	0
Plie (ouest del'Écosse)_PLE/56-14	0	-1.8%	-12
Langoustine (ouest del'Écosse)_NEP/5BC6	0	0%	-1
Rajiformes (8,9)_SRX/89-C	0	0%	0
Lieu jaune (ouest de l'Écosse)_POL/56-14	0	-0.1%	0
Requin bleu (Atlantique Nord)_BSH/AN05N	0	-0.1%	-33
Sole (merd'Irlande)_SOL/07A	0	-2.3%	-10
Lingue bleue (mer du nord)_BLI/24-	0	0%	0
Grande argentine (1,2)_ARU/1/2	0	0%	0
Flétan noir (mer du Nord etouest de l'Écosse)_GHL/2A-C46	0	0%	0
Brosme (mer duNord)_USK/04-C	0	0%	0
Sole (7hjk)_SOL/7HJK	0	0%	0
Grande argentine (mer du Nord)_ARU/3A4-C	0	0%	0
Églefin (mer du Nord)_HAD/2AC4	0	0%	0
Lingue franche (1,2)_LIN/1/2	0	0%	0
Plie (mer du Nord)_PLE/2A3AX4	0	0%	0
Brosme (1,2,14)_USK/1214EI	0	0%	0
Cabillaud (OPANO 3M)_COD/N3M	0	0%	0
Hareng (capture accessoire en mer du Nord)_HER/2A47DX	0	0%	0
Hareng (Manche occidentale etcanal de Bristol)_HER/7EF	0	0%	0
Langoustine (mer du Nord)_NEP/2AC4-C	0	0%	0
Langoustine (banc dePorcupine)_NEP/*07U16	0	0%	0
Hareng (mer Celtique)_HER/7G-K	0	0%	0
Espadon (Atlantique Nord)_SWO/AN05N	0	0%	-1
Grande argentine (stock occidental)_ARU/567	0	0%	0
Lingue bleue (eaux internationales 12)_BLI/12INT-	0	-0.1%	0
Lingue franche (5)_LIN/05EI	0	-0.3%	0
Sole (ouest del'Écosse)_SOL/56-14	0	-0.7%	0

Figure 2 *Changes in quotas for France and the EU under the Trade and Cooperation Agreement for stocks eligible for the Individual Support Plan. For each stock, the table shows the reduction in the share of the total allowable catch (TAC) allocated to the EU in 2025 (i.e., the end of the transition period) compared with 2020 (i.e., the situation before Brexit), and the corresponding quota reductions for the EU and France. The stocks with the greatest impact in terms of quota reductions are not necessarily those with the greatest reduction in TAC shares, as TACs can vary greatly from one stock to another.*

Fishers' unions are up in arms, denouncing an eligibility criterion that undermines the principle of equality

Given the inconsistency of including species not subject to quotas and sometimes located outside British waters in the decree, a number of fishers referred the matter to the Council of State, seeking the annulment of the text.[48] They denounce a biased procedure and the arbitrary allocation of aid: ***"Some fishers in our union were not eligible, while others who did not meet the criteria were".***[49]

However, the Council of State rejected these appeals, ruling that the evidence provided was not sufficient to demonstrate that vessels targeting edible crab in ICES area VIII had not been affected by Brexit. This decision defends the government's position of broad eligibility. However, it is difficult to comprehend how vessels targeting a species not affected by the redistribution of quotas and operating outside British waters could have been affected by Brexit.

Surreal communications between the European Commission and the French administration

Any State aid project drawn up by France must be examined by the European Commission, to verify its compatibility with the internal market. The communications between these two institutions, which BLOOM obtained after requesting them from the French authorities, are staggering to say the least.

When the European Commission asked France about extending the dependency criterion to non-quota stocks, France justified its decision by citing the restrictions imposed by the United Kingdom, which would affect the activities of French fishers in general, and not just for species subject to quotas. This argument would logically make any species eligible for the ISP, regardless of its actual link with Brexit.

Even more surprisingly, **the French authorities added that the subject of non-quota stocks is "extremely sensitive" and that they had been "in consultation with the industry", thereby acknowledging that it had been under pressure from fishers for the criteria to be extended.** However, the European Commission did not take the discussion any further and quickly closed the debate in its subsequent letters.

The French administration is also arguing that the ban on fitting out a new vessel for five years should start from the moment the aid is received, whereas the Commission wanted it to take effect as soon as the aid application was submitted, since this is when the fisher decides to leave the market. **By postponing this deadline, the French government is giving shipowners a few extra months to invest before the restriction applies.** Once again, the Commission gave in and approved the French proposal.

These communications reveal a one-way negotiation, in which the French administration imposes its choices, and the Commission simply records the decisions, without really questioning the eligibility criteria or the terms and conditions for applying this aid.

48 Council of State decision, 2024. Proceedings no. 472812.
49 Sud Ouest, 2024. Pêche : le Conseil d'État rejette la requête des syndicats.

Since the criterion of dependency on stocks includes many species not impacted by the Brexit, it has automatically allowed for the eligibility of vessels which, logically, should not have received this aid. To assess the scale of the problem, BLOOM analysed the trajectories of 64 vessels – out of the 86 in receipt of the ISP – using data from the Global Fishing Watch platform.[50] This analysis identified the vessels which could not meet the geographical criterion, and which were therefore able to take advantage of the flexibility of the stock dependency criterion **(→ Figure 3).**[51]

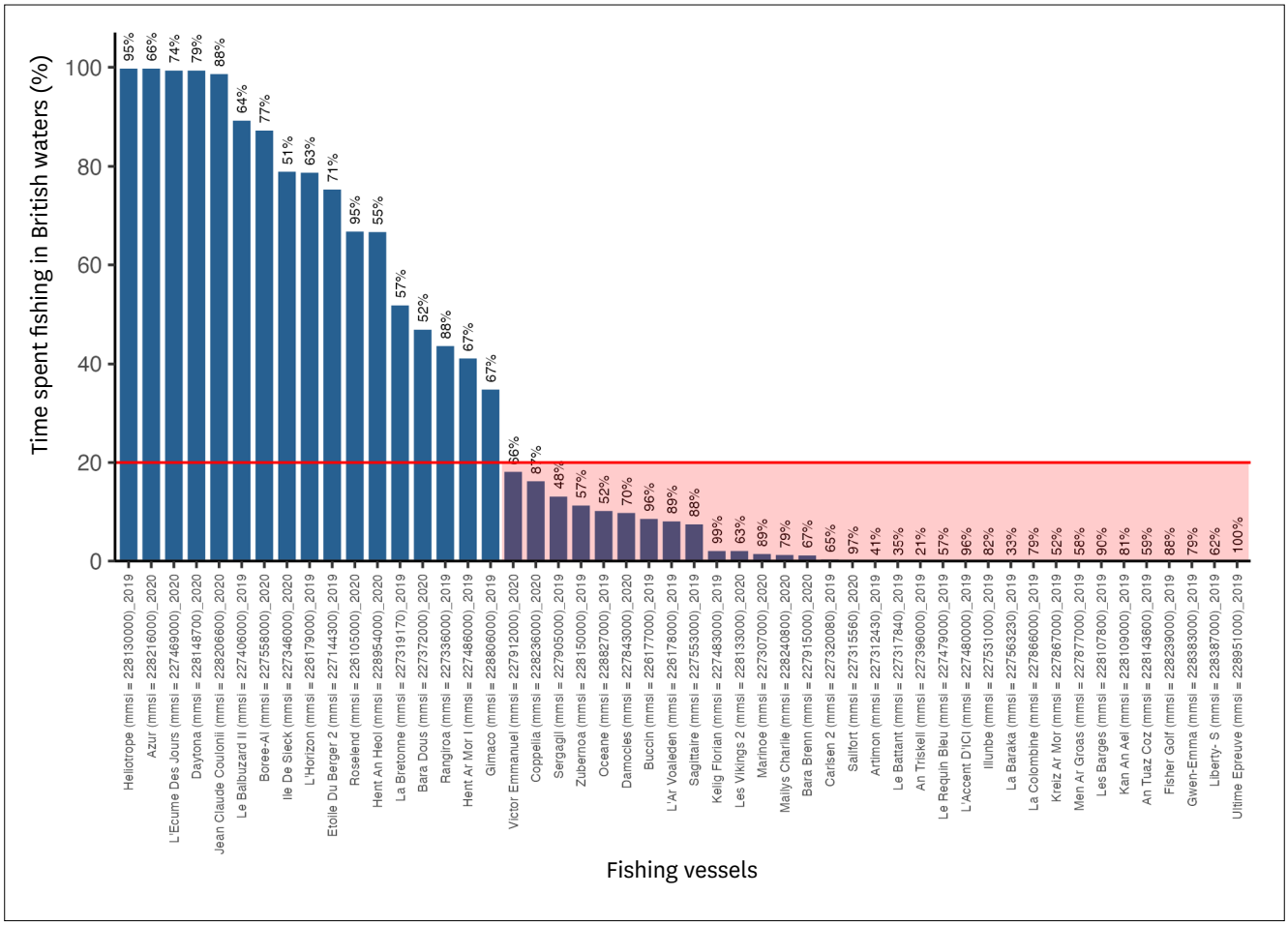


Figure 3 *Proportion of time spent by vessels covered by an ISP fishing in British and Channel Island waters (Jersey and Guernsey). The red area highlights the vessels that spent less than 20% of their time fishing in these waters and therefore do not meet the criterion of geographical dependency. For each vessel, only the baseline year (2019 or 2020) in which the proportion of time spent fishing in UK waters was greatest is represented. The year represented is indicated on the x-axis with the name of the ship. The percentages indicated above each bar refer to the coverage rate of the AIS record. The higher the rate, the more complete the AIS data.*

50 The data is based on data from the AIS (Automatic Identification System) geolocation system, a device installed on fishing vessels that automatically transmits their position, speed and direction using radio signals. This system helps to maintain maritime safety by avoiding collisions and facilitating vessel surveillance. The NGO Global Fishing Watch analyses this data to assess vessel activity using fishing event detection algorithms.

51 Methodological note: The authorities refused to provide us with the catch data for the vessels in receipt of aid, an unfortunately common example of the opacity that reigns in the fishing industry. This data would have enabled us to identify the vessels that were eligible on the basis of stocks, that were not impacted by the trade agreement between the UK and the EU. However, an analysis of trajectories shows that many vessels were eligible on the basis of the stock dependency criterion. These vessels may or may not depend on stocks impacted by the trade agreement and therefore Brexit. This is why the expression "may have benefited" is used in the body of the text, to reflect the uncertainty associated with the absence of catch data, and not to wrongly presume the exact basis of their eligibility.

An analysis of these trajectories shows that, among the 64 vessels with available tracking data, 22 have never operated and 17 others spent less than 20% of their time there between 2019 and 2020 (baseline years for the decree). As far as we know, therefore, these vessels were only eligible on the basis of the criterion of dependency on stocks.[52] Some vessels are active only in the Bay of Biscay, sometimes a long way from British waters **(→ Figure 4)**. Others, like the trawler *La Colombine*, cover a wider area, fishing in Spanish, French and even Irish waters, but never in British waters.

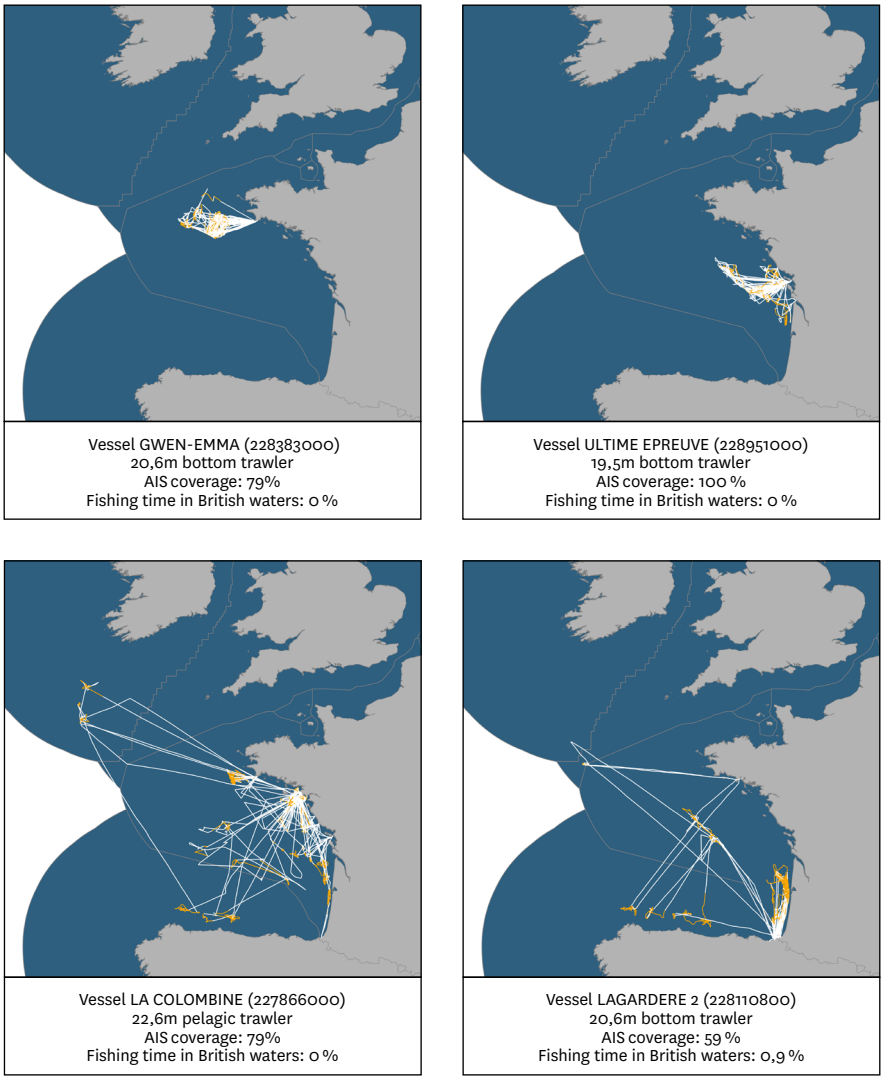


Figure 4 *Examples of trajectories of vessels that did not fish in UK and Channel Islands waters between 2019 and 2020. The white line corresponds to transit, while the orange line indicates fishing activity.*

52 Methodological note: Although vessels over 15 metres in length are required by law to carry a permanently lit AIS beacon on board, many vessels infringe the regulations by intermittently switching off their beacons to mask their fishing areas. They therefore have an incomplete AIS trajectory. Our estimates of the time spent by certain vessels in UK waters may therefore be partially biased, due to the incomplete nature of the data. The criterion of geographical dependency therefore takes into account the proportion of turnover generated by catches in UK waters, and not the proportion of time spent fishing in UK waters. We therefore assume that these two metrics (proportion of turnover and fishing time in UK waters) are correlated.

Therefore, the review of the criteria for granting an ISP reveals that the majority of eligible species have not been affected by the transfers of quotas from the EU to the UK under the post-Brexit agreement. Given the flexibility of this criterion, shipowners who have not been affected by the Brexit have been able to take advantage of these public subsidies, which can amount to several million euros.

3.2. A lax attitude that allows shipowners who flout European regulations to receive subsidies

To be eligible for the ISP, shipowners must also not have committed any serious infringement of the rules of the Common Fisheries Policy in the 12 months preceding the aid application.[53] **However, certain offences are excluded from this scope, such as failure to comply with obligations to declare fishing activities, the use of prohibited fishing gear or the landing of undersized fish – as long as all of these offences do not reach a severity threshold defined by the decree.**[54] This great flexibility raises questions **and potentially allows fraudsters, some of whom repeat offenders are, to claim public subsidies.** One therefore wonders whether this is not the case for the owner of the trawler *Marinoe*, owned by the Oléron shipping company and based in the port of La Cotinière, who is due to appear before the criminal division of the judicial court in La Rochelle.[55] At issue are several dozen alleged breaches of Fisheries Control Regulation 1224/2009[56] between 11 February 2020 and 12 February 2021, including quantities of fish declared that do not correspond to the quantities landed and sold, and a failure to make compulsory fishing declarations. **Despite this, the shipowner received €678,000 in subsidies under the ISP.**

However, he will not have to pay anything back, as the alleged offences were committed more than a year ago.

But that is not all.

Of the 86 vessels in receipt of this aid, only one appears to be complying with the European obligation to permanently switch on its AIS (Automatic Identification System) **geolocation beacon.** However, Article 10 of European Regulation No 1224/2009 is quite clear: ***"a fishing vessel exceeding 15 metres' length overall shall be fitted with and maintain in operation an automatic identification system".***

Although this practice is completely illegal, fishers often deactivate geolocation systems in EU waters, which can be used to conceal illegal fishing activities. For example, some Dutch vessels which received subsidies during the COVID crisis as compensation for the cessation of their activities continued to fish, while switching off their AIS geolocation system.[57]

In addition to non-compliance with European regulations, this system also allows compliance checking against one of the key conditions for ISP eligibility, which is to have ***"carried out fishing activities at sea for at least 90 days per year over the last two calendar years preceding the year in which the aid application is submitted".***

This criterion makes it possible to avoid compensating inactive vessels that would have ceased operating with or without public support.

53 See details in article 4 of the amended Decree of 30 September 2022.

54 The Fisheries Control Regulation provides for the implementation of a points system for serious infringements of the Common Fisheries Policy. Each type of offence is associated with a number of points. Vessels can be eligible for the ISP as long as they have less than nine points, which means that vessels that commit offences can still receive subsidies.

55 Sud Ouest, 2023. Oléron : la justice percera-t-elle les secrets du « Marinoe », chalutier de La Cotinière ?.

56 Council Regulation (EC) No 1224/2009 of 20 November 2009 establishing a Community control system for ensuring compliance with the rules of the Common Fisheries Policy.

57 BLOOM, 2022. BLOOM and Mediapart reveal massive European subsidies fraud by Dutch industrial fishers.

To verify that this criterion had been met, BLOOM analysed the AIS positioning data of the vessels.[58] It appears that **22 vessels are unable to prove from their AIS record that they have spent at least 90 days a year fishing,** because they turn off their beacons intermittently, and in some cases almost systematically **(→ Figure 5)**. In the absence of complete geolocation data, there is still some doubt as to whether these vessels were active in the two years preceding the aid application.

Vessels that receive public subsidies should behave impeccably, so it is all the more shocking to find that these recipients are potentially infringing European regulations. These unacceptable failings show that the rules for awarding public subsidies must be tightened, to ensure that no aid is granted to shipowners who do not comply with the law.

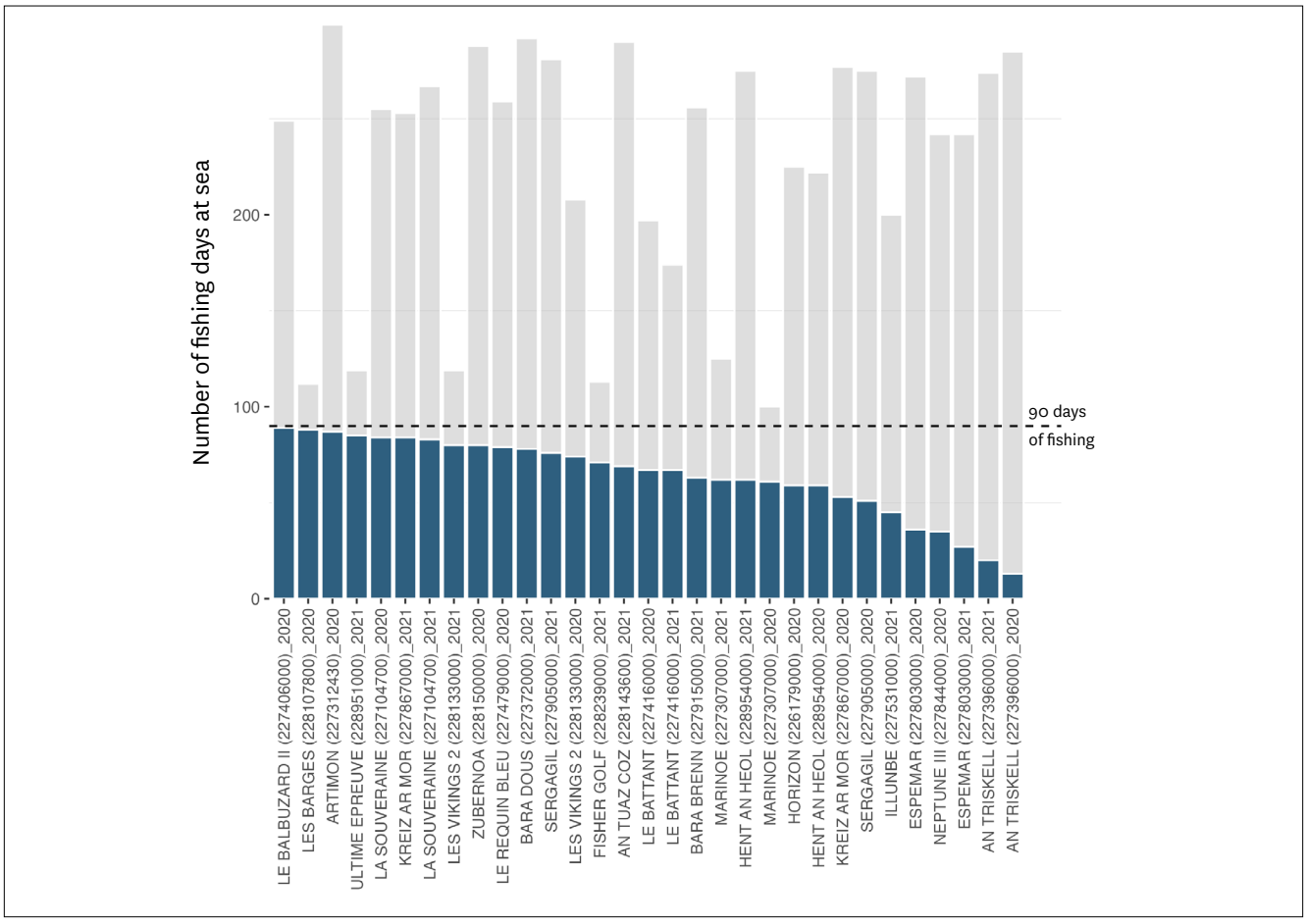


Figure 5 *List of vessels over 15 metres in length that spent less than 90 days per year fishing, according to available AIS data, during the two years preceding the aid application. The blue bars represent the number of days of proven activity based on the AIS data, while the grey bars represent the maximum number of fishing days likely to have been achieved by adopting the conservative approach whereby days on which the AIS is switched off are considered as fishing days. Even under this very conservative assumption, some vessels (Marinoe, Les Barges, Fisher Golf, etc.) are barely exceeding the 90-day mark.*

58 Methodological note: The absence of AIS signals does not necessarily mean that the geolocation system has been switched off intentionally. It may be linked to poor reception due to message interference in areas of heavy maritime traffic, reduced reception capacity by satellites in the open sea, or certain atmospheric conditions. In order to rule out these specific cases, we have adopted the following conservative approach: if no signal is emitted by a vessel for an entire day, we have assumed that the AIS beacon has been intentionally switched off.

4. UNFAIR AID ALLOCATION

4.1. Scapêche takes the prize

An analysis of the list of beneficiaries of the Individual Support Plan reveals that **a handful of large companies have bagged the majority of the subsidies.** At the top of the list is **Scapêche, which has obtained a fleet exit plan for seven of its 22 vessels, for the astronomical sum of €10.9 million, representing 18.9% of all of the subsidies (→ Figure 6).** The largest beneficiary vessel, the *Jean-Claude Coulon II*, a 46-metre-long bottom trawler, belongs to Scapêche.

Millions of euros for a loss-making and environmentally challenged company

Scapêche is the fleet belonging to the Les Mousquetaires group. It supplies certain supermarkets, including Intermarché. Three of its vessels (the *Jean-Claude Coulon II*, the *Roselend* and the *Corail*), which were covered by an ISP, have been practising deep-sea bottom trawling for years despite scientific advice,[59] before this method, which is extremely destructive for the seabed, was finally banned in 2016 at depths greater than 800 metres, and in 2022 at depths of between 400 and 800 metres in certain vulnerable marine ecosystems.[60]

These bans followed BLOOM's successful campaign, which revealed that the company was economically unviable. Indeed, the company's financial results show a persistent loss, despite receiving almost €9.3 million in public subsidies between 2004 and 2011.[61] Scapêche owes its existence to its affiliation with the Intermarché group, which gives it access to markets and end consumers, enabling it to offset the losses incurred by the shipowner as part of a more global commercial strategy.

Furthermore, since the ban on deep-sea bottom trawling came into force, analysis of the fishing activity of these three vessels – using data from the Global Fishing Watch platform cross-referenced with depth data – shows that they continued to operate at depths greater than 800 metres for more than 3,000 hours between 2017 and 2023, along the continental slope off the west coasts of Ireland and Scotland. However, it is important to point out that the European ban on deep-sea fishing does not apply to all species. Some crustaceans, for example, can still be caught at more than 800 metres. In the absence of data on the species targeted, it is therefore impossible to state with certainty that these vessels have breached the regulations. However, their activity raises very strong suspicions of circumvention.[62] It is therefore particularly regrettable that so many subsidies have been taken by this company, which represents a flagship case of misuse of public money.

59 Villasante *et al.*, 2012. Sustainability of deep-sea fish species under the European Union Common Fisheries Policy.

60 Regulation (EU) 2016/2336 of the European Parliament and of the Council of 14 December 2016

61 BLOOM, 2013. Analysis of the accounts of Scapêche Intermarché's fishing fleet.

62 BLOOM, 2025. Over 400 cases of suspected fraud : BLOOM files a complaint for illegal fishing in protected areas. In the scientific journal Science Advances, we identified the European vessels suspected of not complying with the regulation banning deep-water trawling. These vessels include those belonging to Scapêche.

Moreover, it is not always easy to identify the final beneficiaries of subsidies, especially in the opaque world of fishing. Some companies are actually subsidiaries of much larger holding companies. This is the case, for example, of the four shipowners Buccin, Ar Voaleden, Horizon and Jusant. They are in fact wholly owned by the holding company La Houle, which has netted nearly €3.9 million through its various subsidiaries. Ultimately, **11 shipowners (Scapêche, la Houle, Breton, Pêche Atlantique, Bigouden, Eouzan-Travadon, Moulu, Hent Ar Bugale, Celsan, Anai Arte and Cachudo France), representing 16% of the total number of companies, received almost €28.3 million or half of the subsidies.**

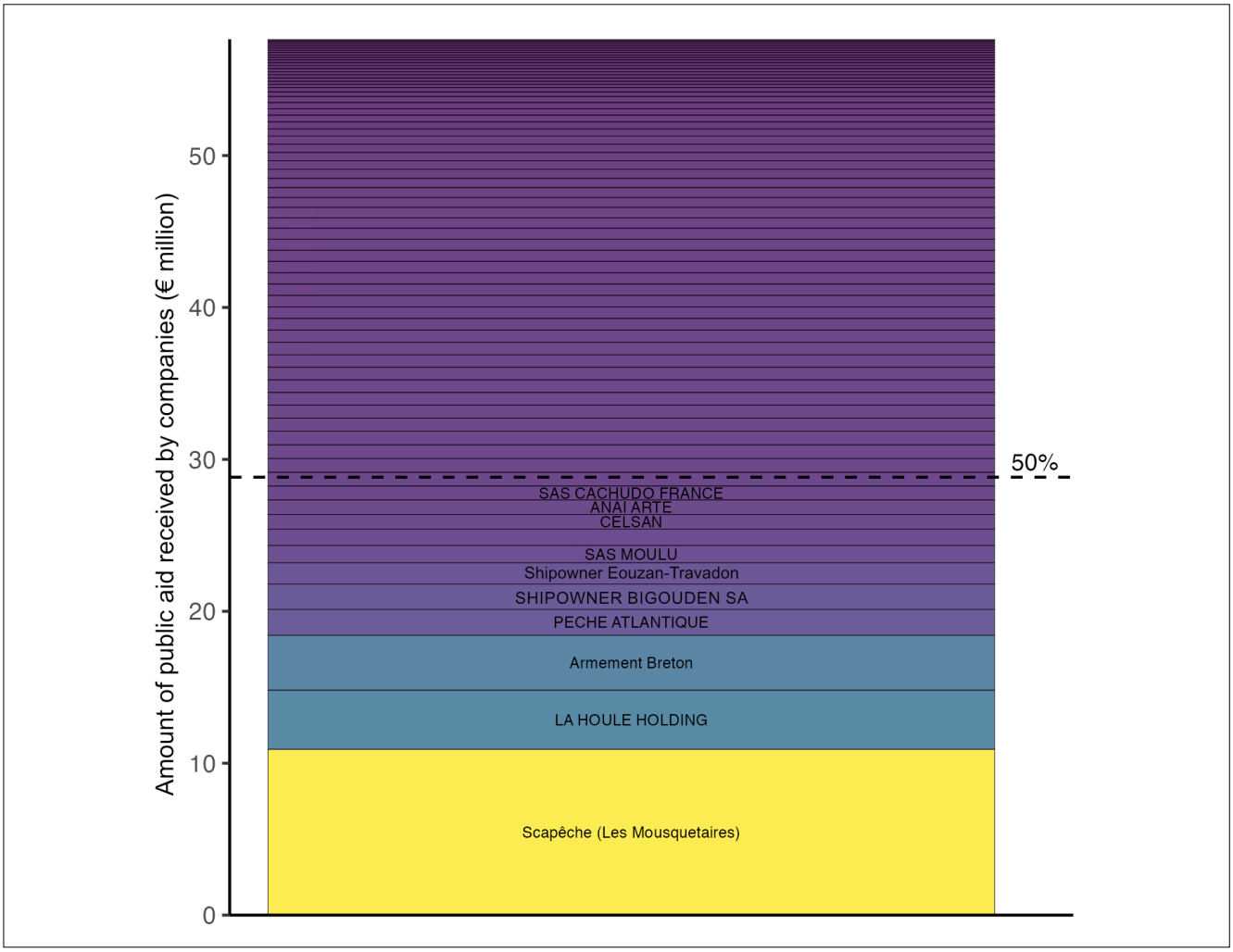


Figure 6 *Amount of subsidies received by companies. Only the names of the top eleven companies, which received almost half of the subsidies, are listed.*

The aim of these shipowners is crystal clear: to use public money to renew their fleets. A case in point is La Houle, which recently invested in two near-new trawlers, the latest of which joined the fleet exactly two days before the ISP results were announced. **The company has made it clear to the press that it intends to produce as much as before, but with fewer and more efficient vessels.**[63-65] And yet, the original aim of these aid mechanisms was to reduce fleet capacity, not to encourage fleet renewal.

But that is not all. **These large companies' access to public subsidies was facilitated by a subsequent amendment to the decree. The ISP Decree of 30 September 2022 initially intended to reserve subsidies for small and medium-sized businesses. However, this passage was deleted in a new version of the decree published a few weeks later,**[66] **opening up eligibility to subsidiaries of major groups such as Scapêche and La Houle.**[67]

This stranglehold on subsidies by a few large companies raises questions about the use of public money in the fisheries sector. This use seems to benefit mainly the largest industrial players, as we have already shown in a study on the allocation of subsidies for temporary cessations in the context of the COVID crisis.[68]

4.2. Unfair distribution of subsidies between regions

Despite the fact that many fishers were very hopeful about this fleet exit plan, especially in certain regions particularly affected by the consequences of Brexit, for some it was a cold shower.

The distribution of ISP subsidies between the regions has been deeply unfair, with Brittany receiving the vast majority of public subsidies (→ Figure 7 and Table 1).

Brittany received almost €36 million to dismantle around 40 ships, i.e. almost half of the ships in receipt of the ISP. With almost two thirds of applications accepted (40 of the 63 submitted), this fleet exit plan has reduced the capacity of the Breton fleet by 8.9%. The Guilvinec maritime district alone took the lion's share, receiving nearly €16 million to dismantle around 20 vessels **(→ Figure 7)**.

Conversely, the Hauts-de-France region, whose Cap Gris-Nez is located just 30 kilometres from the cliffs of Dover in England, is the big loser in this exit plan, even though its catches are heavily dependent on British waters. **Of the 18 applications submitted for Boulogne-sur-Mer, only six vessels were selected, totalling less than €2 million.**

In order to compare the differences in funding between the regions as objectively as possible, the amount received by the regions should be compared to their fleet capacity. **Brittany received almost three times more subsidies per unit of capacity than Hauts-de-France (expressed in GT).**

Olivier Leprêtre, Chairman of the Hauts-de-France Regional Fisheries Committee, has condemned this misappropriation of public money. ***"We were the first to ask for this plan"***, he says, ***"and in the end we are not benefitting from it. Boats were left by the side of the road"***, adding that when ***"you leave Boulogne, 30 minutes later you are in British waters"***.[69-70]

63 Le Marin, 2021. La Houle poursuit sa mue avec le chalutier « Danny Finn ».

64 Le Marin, 2022. Le chalutier « Astrid » rejoint la flotte de l'armement La Houle.

65 Le Marin, 2023. L'armement breton La Houle réceptionne enfin son chalutier « Astrid ».

66 Arrêté du 14 novembre 2022 modifiant l'arrêté du 30 septembre 2022 relatif à la mise en œuvre d'un plan d'accompagnement individuel dans le cadre du retrait du Royaume-Uni de Grande-Bretagne et d'Irlande du Nord de l'Union européenne.

67 Le Marin, 2022. Le plan de sortie de flotte d'après Brexit est paru.

68 Le Brenne *et al.*, 2021. Sustainable objectives and commitments deceived by fisheries subsidies for 'temporary cessations' in times of COVID.

69 Le Marin, 2023. Brexit : les navires sortis de flotte dans les Hauts-de-France.

70 Sud Ouest, 2023. Pêche : après le Brexit, des bateaux à la casse et des remous.

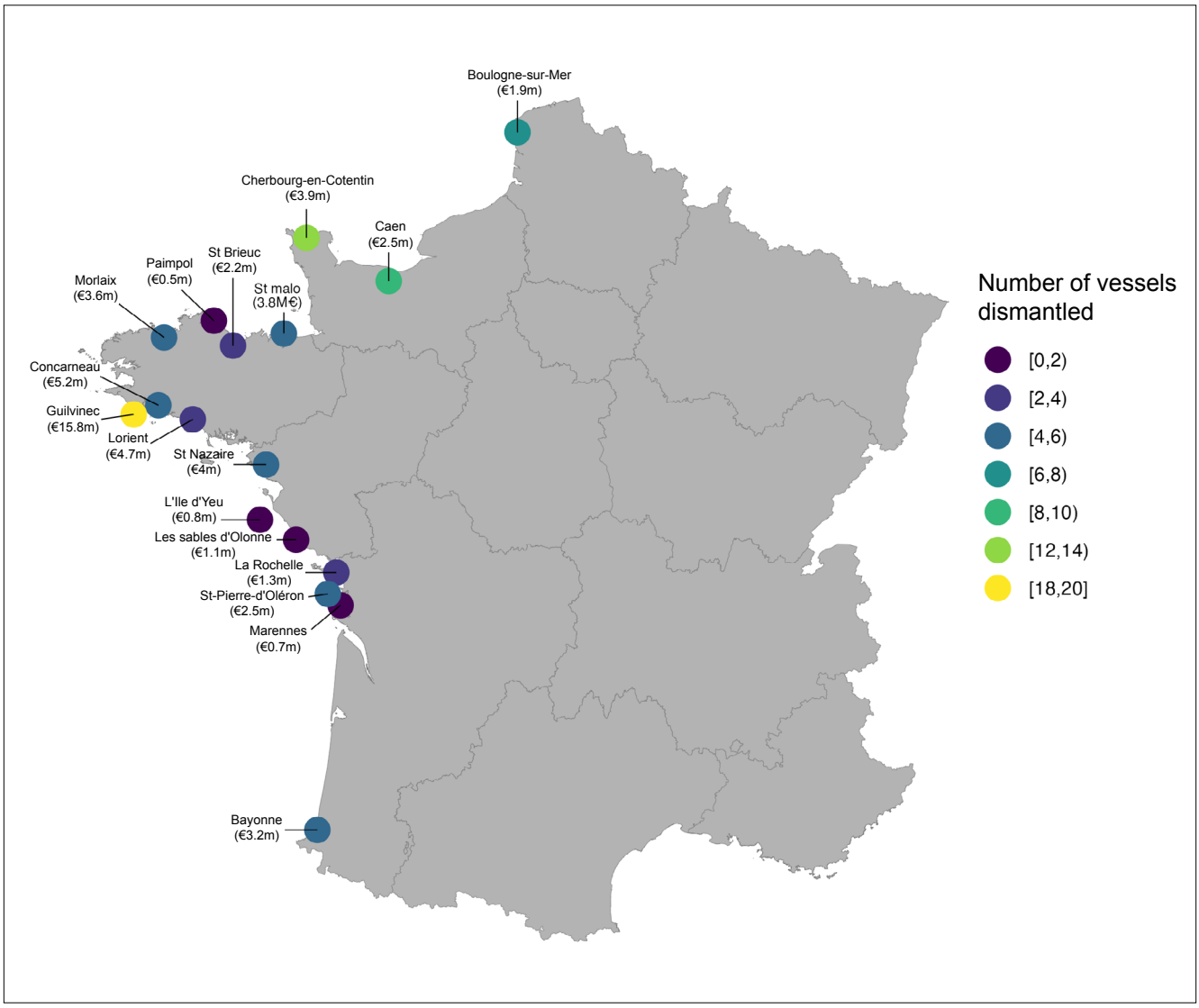


Figure 7 *Number of vessels dismantled and amount of subsidies granted under the ISP by maritime district.*

The Nouvelle-Aquitaine region, despite being much further from the British coast and the Channel Islands than the Hauts-de-France region (and therefore in any case less directly impacted by Brexit according to the criterion of geographical dependency), is the second most subsidised region, with almost €7.7 million received to finance the demolition of 12 vessels. The Bayonne maritime district alone received €3.2 million to dismantle five vessels, some of which do not fish in British waters, as we saw earlier.

	Category	Subsidies (€)	Vessels dismantled	Capacity reduction of fleet (%)	Amount of subsidies compared to initial fleet capacity (€/GT)
Region	Brittany	35,768,512	40	-8.9	471
	New Aquitaine	7,681,696	12	-4.6	337
	Normandy	6,343,426	21	-3.8	338
	Pays de la Loire	5,984,846	7	-10.7	653
	Hauts-de-France	1,877,184	6	-1.9	168
Vessel size	[0-12[m	4,582,872	24	-0.8	195
	[12-24[m	37,173,157	50	-11.9	753
	[24-40[m	12,810,855	11	-7.1	342
	[40-XX[m	3,088,781	1	-1.5	46

NB : The reduction in fleet capacity was calculated by dividing the capacity of the vessels dismantled by the total capacity of the corresponding fleet historic to the ISP. The amount of subsidies received was related to the capacity of the fleets (expressed in gross tonnage) in order to make an objective comparison of the differences in funding between regions and size classes.

Table 1 *Breakdown of subsidies allocated under the ISP by region and vessel size class and impact on the corresponding fleets.*

4.3. Vessels that depended on British waters were therefore excluded from the exit plan for no reason

Some fishers genuinely affected by Brexit have been excluded from the scheme for no good reason. This was the case for Loïc F., a potting fisher from the Boulogne-sur-Mer region, who spent nearly 82% of his fishing time in British waters in 2020 **(→ Figure 8)**. This shipowner, who was refused a licence to continue fishing in the UK's 6-12 nautical mile zone, saw his turnover fall by 60% after Brexit.[71] He therefore met at least two of the three criteria for eligibility: geographical dependency and the inability to obtain a licence from the UK authorities. A simple glance at the trajectory of his ship in 2020 shows how absurd this is. In this particularly narrow area of the Channel separating France and the United Kingdom, ships leaving the port of Boulogne-sur-Mer find themselves in British waters within half an hour. The French authorities reportedly rejected his application because they did not include the North Sea in the calculation of geographical dependency.[72] This is despite the fact that the fisher's activity is mainly concentrated in British North Sea waters. **This is a completely arbitrary choice on the part of the French administration, which is not based on any official document attesting to the fact that this area is not taken into account in the dependency calculations.**

> ***"My application was the strongest in the Hauts-de-France region and I met all the criteria. They really screwed up."*** [73]
> Loïc F. (fisher from Boulogne)

71 Nordéclair, 2021. Faute de licence, un patron de pêche contraint de vendre son bateau.
72 Nord Éclair, 2023. La situation ubuesque et dramatique d'un patron de pêche boulonnais.
73 Sud Ouest, 2023. Pêche : après le Brexit, des bateaux à la casse et des remous.

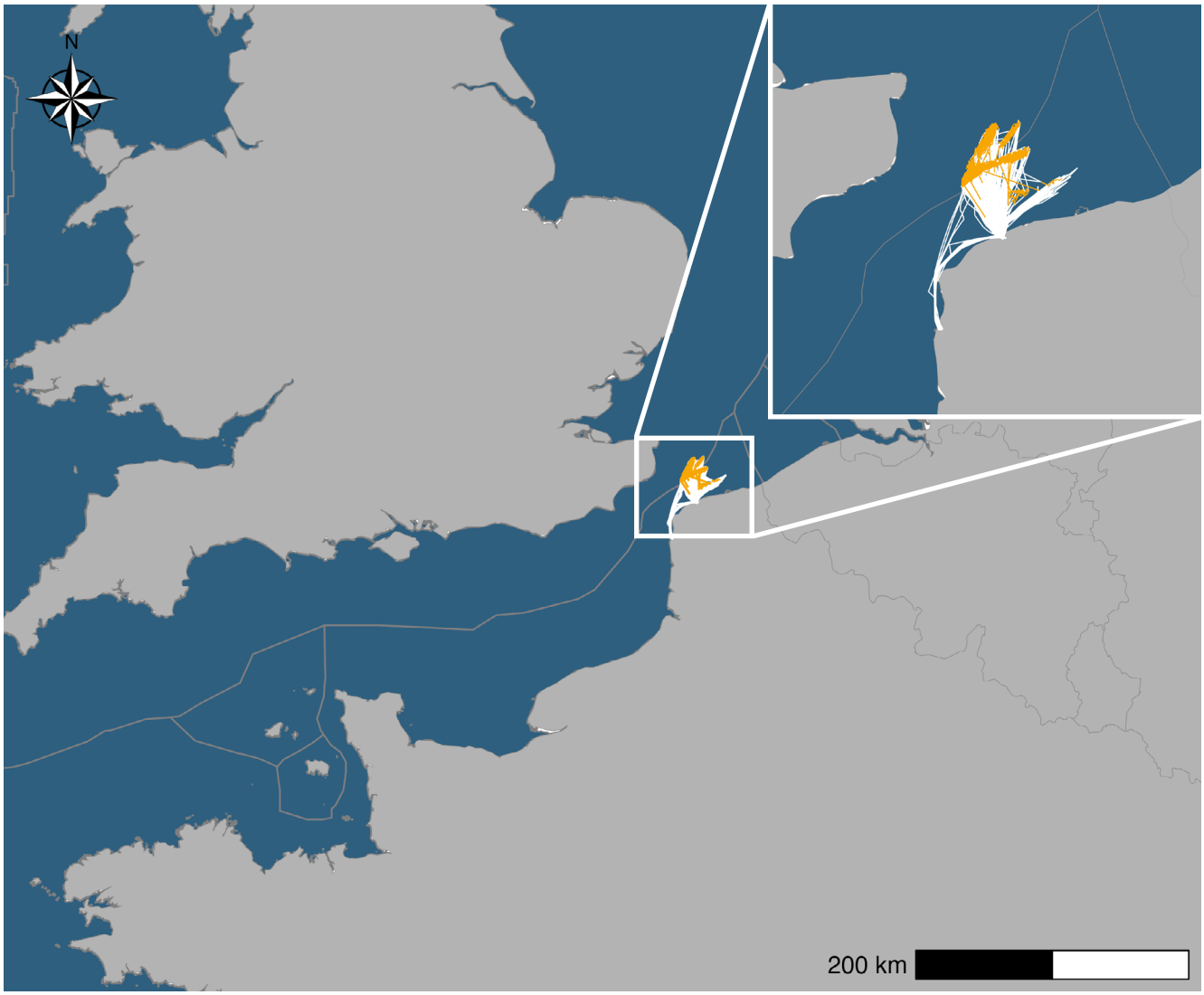


Figure 8 *Trajectory of the Sainte-Catherine-Labouré potting boat in 2020 (MMSI: 228124900). This vessel, based in Boulogne-sur-Mer, was excluded from the Individual Support Plan even though it spent more than 80% of its fishing time in British waters. The white line shows the boat in transit, while the orange line indicates fishing activity (Global Fishing Watch data).*

5. CIRCUMVENTION OF BREXIT AID BY SHIPOWNERS

5.1. Windfall effect

As both the decree and EU law stipulate, a shipowner covered by an exit scheme may not register or fit out a new vessel for five years ***"following payment of the aid".***[74]

So why opt for an exit plan that forces shipowners not to invest for five years rather than sell their vessels?

The answer is simple. These aid mechanisms are incentives for destruction, and as a result **the subsidy amounts are far more attractive than the resale price of the vessels.** Let's take a few concrete examples. An 18-metre whelk fishing vessel could have received aid of €850,000 under the ISP aid calculation scale, but was sold for €530,000, i.e. almost €300,000 less (after deduction of dismantling costs borne by the shipowner).[75-76] The company Hent ar Bugale, which received €1.2 million for destroying two ships, estimates that this is ***"twice the resale value of the old boats".***[77] While no one is particularly vocal about this **windfall effect,** everyone is aware of it.

Despite the regulatory obligation not to register or fit out new vessels for five years following payment of the aid, some fishers are finding all manner of ways to circumvent this obligation.

5.2. Renewing your fleet by anticipating the fleet exit plan

A shipowner may purchase a vessel even after submitting an application to leave the fleet, as long as the application has not been financially settled. With the French authorities announcing the introduction of this fleet exit scheme in January 2021[78] and the list of vessels selected being announced at the beginning of 2023, shipowners have had plenty of time to anticipate the scheme.

This has prompted a number of fishers to **to anticipate the ISP and increase their fishing capacity ahead of** the scheme. This race to invest helps to maintain or even increase fishing capacity, thereby considerably limiting the beneficial effects that could result from these dismantling plans, which are designed to reduce the number of vessels in operation.

Among these opportunists is the holding company La Houle, the owner of 14 subsidiaries and 10 ships, four of which have been covered by an ISP, which proudly advertises in the press its strategy of renewal.[79] After having a brand new 25-metre trawler built in 2021,[80] the shipping company acquired a second, nearly new trawler at the beginning of 2023, just two days before the government announced the results of the ISP.[81] This was a masterfully orchestrated plan. The shipowner's objective is to continue **"its transformation"** using public money to **"continue to produce almost as much tomorrow as we do today",** with fewer yet newer, more efficient vessels.

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74 Arrêté du 30 septembre 2022 relatif à la mise en œuvre d'un plan d'accompagnement individuel dans le cadre du retrait du Royaume-Uni de Grande Bretagne et d'Irlande du Nord de l'Union européenne.

75 Nordéclair, 2023. La situation ubuesque et dramatique d'un patron de pêche boulonnais.

76 The subsidy is also subject to capital gains tax.

77 Courrier international, 2023. Le blues des pêcheurs bretons qui voient leurs bateaux envoyés à la casse.

78 French Ministry for the Sea, 2021.

79 Le Marin, 2023. Le chalutier « Sister Clare », nouveau partenaire de l'armement La Houle.

80 Ouest France, 2021. Penmarc'h. Le Danny Finn, nouveau chalutier de La Houle.

81 Le Marin, 2023. L'armement breton La Houle réceptionne enfin son chalutier « Astrid ».

Examples of this practice are not limited to La Houle, which suggests that investing ahead of fleet exit plans is widespread. Such a gamble can, however, be risky. One example is the owner of the 18-metre potting boat *Sainte-Catherine-Labouré*, based in Boulogne-sur-Mer, who anticipated the fleet exit plan by investing in a smaller vessel in order to continue his business.[82] However, he was not selected even though he met at least two of the three eligibility criteria (see previous section). This shipowner now finds himself with two ships on his hands and a loan to repay.

> This type of strategic anticipation is illustrated by the account of Loïc F., a shipowner based in Boulogne-sur-Mer, who invested in a new vessel before the plan was implemented, in order to avoid being limited by the purchase ban imposed once the aid had been received: ***"I knew that once I'd received the state aid, I wouldn't be able to buy another boat for five years, so I bought a smaller 12-metre boat before the ISP".***[83]

In addition, the use of the remainder of the subsidy, i.e. the part which has not been spent once the costs of scrapping the vessel and the various charges linked to the cessation of activities have been deducted, is left to the discretion of the shipowner, provided that they do not register a new vessel within five years of receiving the subsidy or increase their fishing capacity. This money can therefore be used to improve the health of the company by repaying debts, creating cash flow or modernising equipment and on-board technology. However, for a fisher with a single vessel, accepting this aid means that they must close down their business. In other words, **the consequences of the exit plan are radically different depending on the size of the company, which aggravates inequalities between small and large shipowners.**

5.3. Renewing your fleet by creating a separate company

For fisher who had failed to anticipate the fleet exit plan, there is another way of getting round the regulatory obligation not to fit out a new vessel for five years. **Hent Ar Bugale – which owns six vessels, two of which have received an ISP – has in fact found a solution, consisting of selling one of its remaining vessels *"to a [third-party] company with the freedom to invest".***[84] The third-party company in question, Hent Ar Vag, was created on 15 October 2023, just ten days after the publication in the Journal Officiel of the decree specifying the obligations of shipowners in receipt of the ISP. There is little doubt that this is no coincidence. Although the new company, Hent Ar Vag, has separate shareholders – four legal entities and four individuals, who are none other than the skippers of three of Hent Ar Bugale's vessels and its director – the close and obvious relationship between the two companies is plain to see. Ironically, the vessel now owned by the new company Hent Ar Vag will continue to be chartered by Hent Ar Bugale. This arrangement, involving the creation of a legally separate company, avoids the regulatory obligation not to fit out a new vessel. **Hent Ar Vag has wasted no time in investing, acquiring a second-hand 22-metres trawler in 2024 and planning to build a brand-new vessel, partly financed by the private fund Breizh Up Pêche.**[85] BLOOM challenged the fund before the Rennes administrative court, because it would allow the Brittany region to finance the construction of new vessels, thereby flouting European regulations on state aid.[86]

82 Le Marin, 2022. Le Brexit pousse un Boulonnais à investir dans un bulotier plus petit.
83 Nordéclair, 2023. La situation ubuesque et dramatique d'un patron de pêche boulonnais.
84 Le Marin, 2024. Plan de sortie de flotte : un armateur breton trouve la parade pour investir.
85 Le Télégramme, 2024. Pêche : un fonds d'investissement pour soutenir le renouvellement de la flotte bretonne.
86 BLOOM, 2025. BLOOM attaque la région Bretagne en justice pour empêcher la création d'un fonds illégal.

Individual Support Plan or retirement savings plan?

The Brexit fleet exit plan benefited some shipowners close to retirement, who would have ceased operations in the short to medium term anyway. Against the backdrop of an ageing fleet, difficulties in handing down businesses and economic uncertainties, it is hardly surprising that these subsidies have represented a welcome opportunity for some fishers nearing the end of their careers.

As the regional press points out:[87] ***"This goes some way towards explaining why some professionals have signed up to the scheme."***

Une réalité qui explique en partie l'adhésion de certains professionnels à ce dispositif.

Olivier Leprêtre, Chairman of the Hauts-de-France Regional Fisheries Committee – the region that has benefited least from this aid despite its proximity to British waters – expresses his scepticism: ***"I call it a retirement savings plan."***[88]

For his part, Manuel Evrard, Director of the Normandy Producers' Organisation, adds: ***"Brexit is not the only reason why fishers are deciding to apply. There are those who want to retire and those who are worried about the future, particularly because of the installation of offshore wind farms."***[89]

Numerous press reports confirm this perception of a scheme to facilitate retirement rather than a genuine restructuring of the sector:

- Amélie Audonnet, from the Haliotika Information Centre in Le Guilvinec, mentions a specific case without explicitly naming the fisher: ***"Instead of retiring in November, he will leave in July, and the State will buy his boat back from him for more than he would have sold it for. For him, it's pretty cool."***[90]

- Éric Redon, 58, owner of the trawler *Le Battant* on Ile d'Oléron, is a good example of this windfall effect: ***"For this 58-year-old fisher, whose boat had been on sale for a year, the plan came at just the right time, given the rise in the price of diesel, fishing restrictions and the lack of staff."***[91]

- Patrick Folloroux, 53, owner of the potting boat *L'Île de Sieck* in Morlaix, confirms this logic: ***"This plan is a way out."***[92]

- Gwenaël Le Floc'h, 56 ans, armateur du chalutier de fond *Domoclès* au Guilvinec, exprime un dilemme partagé par de nombreux marins : ***"If in a year's time I decide to stop, because I'm already past retirement age, I won't be able to find anyone to buy my boat, because no one wants to go offshore."***[93]

While this windfall effect is problematic from the point of view of the effectiveness of public aid, it is also a reflection of the structural difficulties of the fishing industry and a symptom of the challenges facing the sector.

87 Ouest France, 2023. Plan de sortie de flotte. Pourquoi la Cornouaille est-elle tant impactée ?.
88 La Voix du nord, 2023. Plan de sortie de flotte : « On est en train de nous la faire à l'envers ».
89 Hook and net magazine, 2022. Un plan de sortie de flotte pour les pêcheurs impactés par le Brexit.
90 Courrier international, 2023. Le blues des pêcheurs bretons qui voient leurs bateaux envoyés à la casse.
91 Sud Ouest, 2023. Pêche : après le Brexit, des bateaux à la casse et des remous.
92 Le Télégramme, 2023. Quatre caseyeurs au Plan de sortie de flotte, à Morlaix : « C'est comme ça, j'ai choisi ».
93 Ouest France, 2023. Sortir leur bateau de la flotte ? À l'aube du choix, ces patrons pêcheurs bretons témoignent.

OUR PRIORITY REQUESTS

Request n° 1: reallocate historic rights to small-scale fishing

The historic fishing rights of vessels dismantled under a fleet exit plan and placed in reserve must be reallocated in accordance with the criteria set out in Article 17 of the Common Fisheries Policy (CFP) – **i.e. according to transparent and objective criteria, including environmental, social and economic criteria – in order to promote small-scale coastal fishing as far as possible and initiate a structural transition of the sector.** These historic rights must not be allocated to vessels using destructive fishing gear, particularly trawlers and seiners, and their reallocation should be published in detail by the competent authorities.

Request n° 2: strengthen the eligibility criteria

The eligibility criteria for fleet exit plans should be strengthened in order to:

- Ensure that the selected beneficiaries strictly meet the objectives of the legislative measure;
- Prevent any possibility of reinvestment in new vessels, including retroactively, to limit as far as possible shipowners' anticipation of aid plans;
- Exclude vessels involved in illegal activities, fraud and non-compliance with AIS activation obligations from these schemes.

Request n° 3: draw up aid plans transparently

To ensure that subsidies comply with social, economic and environmental criteria, broad and transparent consultations should be carried out when developing aid plans, including with small-scale fishers, scientists and civil society.



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