

Title: **Profit Or Loss? the Extent of Subsidisation in the Eu Fishing Fleet**

Authors: John Anderson, JRC (Italy)  
Jordi Guillen, Joint Reserach Centre - European Comission (Italy)

Abstract: The 2010 Annual Economic Report (AER) on the European Union (EU) fishing fleet, due for publication in the summer of 2010, will provide the most comprehensive overview to date on the structure and economic performance of the EU Member States fishing fleets.

For the first time, the data used to compile all the various analyses contained within the report will be collected under the Data Collection Framework (DCF). The economic component of the new DCF is a significant improvement compared to its predecessor (the Data Collection Regulation (DCR)), at least in terms of parameter definitions and suggested calculation methodologies, which in turn should improve the quality of the analyses undertaken.

In addition to presenting the key findings of the 2010 AER, this paper will pay particular attention to the impact of income subsidies on the profitability of the sector. In 2007, the EU fleet (excluding Portuguese and Spanish fleets) is reported to have generated combined profits of around 865 million Euros (cf. 2009 AER). However, the recent EC green paper on the future of the Common Fisheries Policy (CFP) reform states that most of Europes fishing fleets are either running losses or returning low profits.

As a result of the introduction of the DCF, the 2010 AER should, for the first time, include new data on the amount of direct subsidies received by each Member States fishing fleet. The availability of this information will give a much clearer picture of the real level of profitability in the EU fleet and will undoubtedly have significant policy implications.