



# Better use of public money: the end of fuel subsidies for the EU fishing industry

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## The end of fuel tax exemption for the EU fleet

- Unsustainable subsidies in fisheries are widespread
- EU fleet is exempted from paying fuel taxes, tax exemption is a form of subsidy
- EC is now proposing to change the Energy Transition Directive to include a fuel tax
- Here we:
  - Estimate lost revenue from fuel taxation in EU fleet & case studies (3 scenarios of taxation),
  - Compute alternative subsidies that help environment & society & economy



#### EU fleet fuel subsidies in 2019

- Large scale fleet: 71 million Euros in the lowest tax scenario (EC proposal of 36 cents Euro per litre),
- 653 million at 0.33 Euro per litre and 1.3 billion at 0.67 Euro per litre Small scale fleet: 2.8 million Euros, 28 million and 57 million

Estimated CO2 emissions, 5 million tonne in 2019 LSF, 230 thousand tonne SSF



Fisher assistance, Fisheries management, Protection of aquatic species, Vessel transactions, Temporary cessation of activities, Self-governance, Energy reduction & decarbonisation, Rural fisher communities, Early retirement, Safety at sea, Education & awareness, Food quality & health, Fishery R&D, Certification & traceability, Professional initiatives, Regenerative practices, Low-impact practices

	Impact Scores				
Subsidy category	Environmental	Social	Economic	Total	
Fuel subsidies	1	2	1	4	150%
Energy reduction & decarbonisation	2	2	2	6	better
Low-impact fishing	3	2	3	8	







#### Spain alternative uses for exempted tax payments

2019 generated revenue for €0.33 in tax per litre: €193 million

= 3% salary of all employed fishers & 9% of all fishers trained

invested in decarbonization, regenerative practices, and low-impact fishing measures for 1% - 4% of fleet

= 69 Fisheries management projects

+ 191% impact score improvement





### France alternative uses for exempted tax payments

2019 generated revenue for €0.33 in tax per litre: **€109 million** 

= 7% salary of all employed fishers & 19% of all fishers trained

invested in decarbonization, regenerative practices, and low-impact fishing measures for 1% - 3% of fleet

+ 39 Fisheries management projects





#### Germany alternative uses for exempted tax payments

2019 generated revenue for €0.33 in tax per litre: **€12 million** 

= 6% salary of all employed fishers & 16% of all fishers trained

invested in decarbonization, regenerative practices, and low-impact fishing measures for 1% - 2% of fleet

+ 4 Fisheries management projects





## Conclusions Our Fish report

- Major loss in EU fuel taxes & revenues for beneficial subsidies
- > Fuel subsidies support the big  $CO_2$  emitters and the small-scale fleet is more resilient to increasing taxes
- Redirect money to improve the environmental, social, and economic performance of EU subsidies by 188%
- > Invest in a just transition to low-impact and low-carbon EU fisheries

