

COMMISSION OF THE EUROPEAN COMMUNITIES

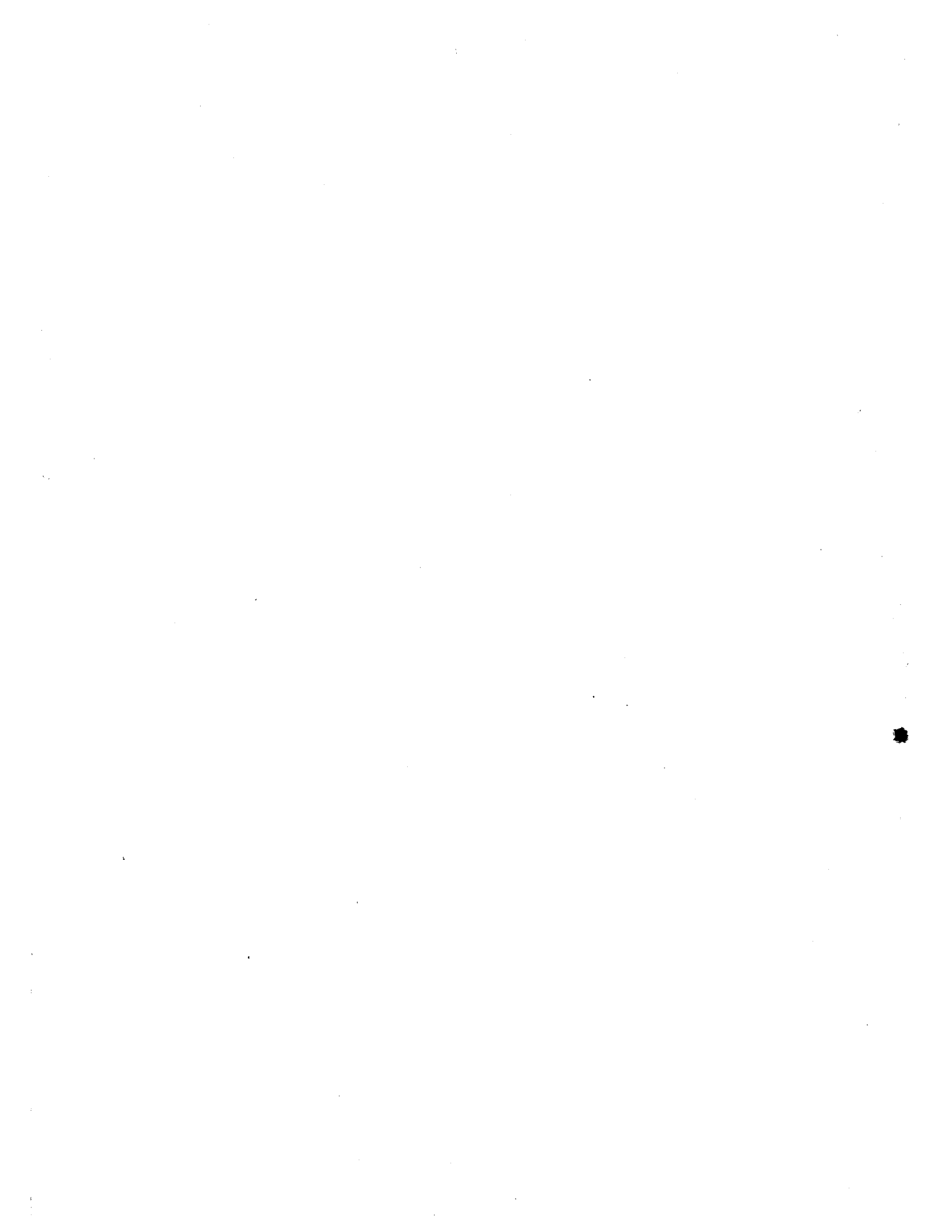
COM(80) 558 final

Brussels, 6 October 1980

Proposal for a
COUNCIL REGULATION (EEC)
introducing a tax on catches of salmon in the Baltic Sea by
Community vessels

(submitted to the Council by the Commission)

COM(80) 558 final



EXPLANATORY MEMORANDUM

1. The agreement concluded between the Community and the Swedish Government on measures to promote salmon breeding in the Baltic Sea provides for a Community contribution towards the cost of salmon stocking programmes implemented by the Swedish Government in return for salmon catch quotas for Community fishermen in the Swedish fishing zone.

2. It seems fair that the fishermen benefiting from the additional fishing possibilities thus acquired should bear some of the cost entailed.

If the Community decided to meet the full cost, it might be thought unfair that other Community fishermen must themselves pay the fees charged by some non-member countries for permission to fish in their waters.

The Danish fishermen, who are by tradition the most interested in salmon fishing in the Baltic Sea, have already contributed to these breeding measures through a tax charged by the Danish Government on salmon landings; the proceeds of this tax are paid to the Swedish authorities.

Naturally this tax would be abolished once the regulation proposed here had been adopted.

3. In its proposal for a Council regulation on the charging by the Community of a fee for permits authorizing a vessel flying the flag of a Member State of the Community to fish for salmon in the Swedish fishing zone (COM (79) 525 final of October 1979), the Commission took the view that the most appropriate way of having the fishermen in question contribute to the cost was to charge a fee for fishing permits granted by Sweden, such permits to be issued to fishermen through the Commission and the Member States.

4. In the resolution whereby the European Parliament delivered its opinion on the abovementioned Commission proposal at the part-session of 14 March 1980 and in the resolution adopted at the part-session of 23 May 1980, the European Parliament considered that the fishermen's financial contribution should be paid by all salmon fishermen in the Baltic Sea, depending on the landings made by each vessel.

5. In the attached proposal for a regulation, the Commission follows the advice of the European Parliament and proposes the introduction of a tax on landings of Baltic salmon intended for the Community. Consequently, the Commission withdraws its original proposal (COM (79) 525 final of 9 October 1979).

6. The Commission proposes that the amount of the tax (in ECU per kg) should be fixed annually according to the following formula: $\frac{k \times s}{q}$

where k = a coefficient which will be fixed annually by the Council and which may vary between 0.50 and 0.75

s = the sum to be paid (in ECU) by the Community to Sweden in respect of the year concerned, in accordance with the agreement

q = the quota of salmon (in kg) available to Community fishermen in the Baltic Sea (Swedish zone plus Community zone).

7. For example, the formula would apply as follows to the amounts agreed between the Community and Sweden for 1980 (SKR 2,920,000 or 491,000 ECU) and the salmon quota available to Community fishermen in 1980 (1,453 t, i.e. 200 t in the Swedish zone plus 1,233 t in the Community zone).

a. If the coefficient k is fixed at 0.50, the amount of the tax is:

$$\frac{0.5 \times 491,000}{1,453,000} = 0.25 \text{ ECU/kg (DKR 1.24/kg)}$$

b. If the coefficient k is fixed at 0.75, the amount of the tax is:

$$\frac{0.75 \times 491,000}{1,453,000} = 0.25 \text{ ECU/kg (DKR 1.94/kg)}$$

Since the market price for salmon in Denmark is about DKR 42 or 5.4 ECU, the tax is about 3% when calculated according to a. and about 4.6% when calculated according to b.

8. Revenue from the tax would be made over to the Community budget under the heading of "Other receipts", destined to offset in part the expenses incurred under the Agreement with Sweden. It would consequently be a receipt directly covered by Article 43 and Article 40(4) of the Treaty and should not, therefore, be considered as "own resources" within the meaning of the Decision of April 1970.

Proposal for a Council Regulation (EEC)
introducing a tax on catches of salmon in the Baltic Sea
by Community vessels

THE COUNCIL OF THE EUROPEAN COMMUNITIES

Having regard to the Treaty establishing the European Economic Community,
and in particular Article 43 thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament,(1)

Having regard to the opinion of the Court of Auditors,
Whereas the Council has approved the Agreement between the European Economic
Community and the Swedish Government relating to certain measures intended
to promote the reproduction of salmon in the Baltic Sea; (2)

Whereas under that Agreement the Community has undertaken to contribute
towards the cost of measures implemented by Sweden in order to promote salmon
breeding in the Baltic Sea; whereas such measures are likely to increase
the productivity of Community fishermen in this area;

Whereas it is fair that all fishermen benefiting from the additional fishing
opportunities provided by this Agreement should bear part of the cost entailed
by these measures, proportionately to the catches made, through a tax levied
on salmon landings on behalf of the Community and intended to offset in part
the expenses incurred,

HAS ADOPTED THIS REGULATION:

Article 1

1. A tax is hereby introduced on catches of salmon in the Baltic
Sea by Community vessels.

(1)

2. The tax shall be collected by the Member States at the time of landing.
3. The tax on quantities landed outside the Community shall be collected by the Member States when these quantities are declared in accordance with Article 3 of Regulation (EEC) No 753/80¹.
4. The amount of the tax shall be fixed each year, before 1 November for the coming year, by the Council acting by a qualified majority on a proposal from the Commission.
5. The tax shall be fixed at a level which ensures that the anticipated product of the tax in a given year constitutes 50-75% of the Community's financial contribution laid down for that year under the Agreement between the Community and Sweden on the reproduction of salmon in the Baltic Sea.
6. The Member States shall, within 60 days following the end of each quarter, pay over to the Commission the amounts collected during that quarter.

Article 2

This Regulation shall enter into force on the third day following its publication in the Official Journal of the European Communities.

It shall apply to landings made on or after 1 January 1981.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

(1) OJ No L 84, 28.3.1980, p. 33.

FINANCIAL STATEMENT

DATE :

1. BUDGET LINE CONCERNED : 999 revenue

2. ACTION : Proposal for a Council Regulation (EEC) on the collection, by the Community, of a tax on landings of salmon caught in the Baltic Sea

3. LEGAL BASIS : Article 43 of the EEC Treaty

4. OBJECTIVES : Tax to be collected on behalf of the Community by the Member States on landings of salmon caught in the Baltic Sea.

5. FINANCIAL CONSEQUENCE	FOR THE MARKETING YEAR	CURRENT FINANCIAL YEAR	FOLLOWING FINANCIAL YEAR
5.0 EXPENDITURE			
-CHARGED TO THE EC BUDGET (REFUNDS/INTERVENTIONS)			
-CHARGED TO NATIONAL ADMINISTR.			
-CHARGED TO OTHER NATIONAL GROUPS			
5.1 RECEIPTS			(1)
-OWN RESOURCES OF THE EC (LEVIES/CUSTOMS DUTIES)			
-NATIONAL			

YEAR YEAR YEAR

5.0.1 PLURIANNUAL PATTERN OF EXPENDITURE

5.1.1 PLURIANNUAL PATTERN OF RECEIPTS

5.2 METHOD OF CALCULATION

The amount of the fee is to be calculated each year by the following formula: $\frac{k \times s}{q}$

where k = a coefficient to be fixed every year by the Council between 0.50 and 0.75

s = the sum to be paid by the Community to Sweden for the year in question in accordance with the agreement

q = the quota of salmon (in kg) available to Community fisheries in the Baltic Sea

6.0 FINANCING POSSIBLE WITH CREDITS INSCRIBED IN RELEVANT CHAPTER OF CURRENT BUDGET ? YES/NO

6.1 FINANCING POSSIBLE BY TRANSFER BETWEEN CHAPTERS OF CURRENT BUDGET ? YES/NO

6.2 NECESSITY FOR A SUPPLEMENTARY BUDGET ? YES/NO

6.3 CREDITS TO BE WRITTEN INTO FUTURE BUDGETS ? YES/NO

(1) The yield from the tax cannot be estimated precisely as it is subject to unforeseeable elements. The revenue will be between 50 and 75% of the expenditure, to be fixed annually after consultations with Sweden. This revenue should be allocated to Article 999 (miscellaneous receipts) of the budget.