

WRITTEN QUESTION P-0945/02  
by Francesco Fiori (PPE-DE)  
to the Commission

Subject: Foal Levy imposed on breeders of thoroughbred horses

The purpose of the European agricultural model which was laid down in Agenda 2000 and which is currently being revised by the European Union is to create an agricultural sector which is competitive and not over-subsidised. There is no justification for making the breeders of thoroughbred horses pay a levy which has been introduced by the Irish Government in order to provide exclusive support for Irish breeders (and to favour those in the UK), in so far as it will apply to all EU Member States except the UK.

EU breeders of thoroughbred horses are of the opinion that the largest number of the highest-quality stallions are to be found in Ireland, for which reason a seasonal transfer trade has developed, involving mares belonging mainly to Italian, French and German breeders which are sent to Ireland for breeding purposes.

Once they have given birth in Ireland and been mounted again, most mares are returned to their country of origin, and if they remain in Ireland the foal to which they have given birth is exported at the latest by 31 December of the year in which it was born, so that it can acquire the nationality of its owner's country of origin. This arrangement is adopted on account of the fact that it is impossible for breeders of thoroughbred horses to practise artificial insemination, a procedure which is banned by the international equine authorities even though, if it were allowed, animals would not have to travel. This would solve the Foal Levy problem and also many other, health-related ones.

The Irish Government has introduced a levy (the Foal Levy) which is directly proportionate to the cost of making available the stallion by which the mare becomes pregnant. The levy is charged on foals born in Ireland with the exception of UK-owned ones, which for some unfathomable reason are exempt.

Does the Commission not consider that this levy undermines the principle of free competition laid down in Article 88 and 89 of the Treaty, in that it increases production costs for some breeders though not for others?

How does the Commission justify Ireland's protectionist laws, which are nothing but a way of discriminating against breeders who are not from that country or from the UK?

Does the Commission not think that, since a sizeable proportion of the revenue generated by the levy is invested by the Irish in the marketing of their own foals at auction, unfair competition is being practised vis-à-vis the other Member States who have no access to such revenue?