COMMISSION OF THE EUROPEAN COMMUNITIES

COM(94) 11 final

Brussels, 28 January 1994

Proposal for a

COUNCIL DIRECTIVE

amending Council Directive 90/428/EEC of 26 June 1990
on trade in equidae intended for competitions and
laying down the conditions for participation therein

(presented by the Commission)

EXPLANATORY MEMORANDUM

On 26 June 1990 the Council adopted Directive 90/428/EEC on trade in equidae intended for competitions and laying down the conditions for participation therein.

According to the fourth subparagraph of the second indent of Article 4(2) of that Directive it is the responsibility of the Commission to draw up a report that takes account of progress made in terms of harmonization in connection with all problems raised by the conditions for the breeding of competition horses, for the purposes of a review of the rules governing the prize money or profits which may accrue from competitions.

The Commission has made a preliminary study of the problems arising in this industry.

It appears that the following matters are fundamental:

- the taxation of activities involving horses;
- the rules on betting;
- intellectual ownership of racing results.

They do not, however, fall within the scope of Directive 90/428/EEC. A report under the Directive is not required therefore.

On the other hand, the monitoring by the competent authorities of derogations from the conditions governing the organization of competitions raises practical problems. Similar difficulties have arisen also as regards the percentage of the prize money or profits to be reserved for the safeguard, development and improvement of breeding. It is suggested, therefore, solely for the purposes of improving monitoring by the competent authorities, that the percentage of the prize money or profits allocated to the various types of competitions be specified. It is proposed that 20% of the total prize money or profits accruing from all competitions be retained for competitions which qualify for a derogation.

The purpose of this draft proposal consequently is simply to make technical amendments to certain provisions of the basic Directive. It too is in the form of a Directive, which Member States are required to implement under Commission supervision.

The proposal has no implications for the Community budget.

proposal

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of

amending Council Directive 90/428/EEC of 26 June 1990 on trade in equidae intended for competitions and laying down the conditions for participation therein

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THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Articles 42 and 43 thereof,

Having regard to the opinion of the European Parliament,

Having regard to the opinion of the Economic and Social Committee,

Whereas according to the fourth subparagraph of the second indent of Article 4(2) of Council Directive 90/428/EEC of 26 June 1990 on trade in equidae intended for competitions and laying down the conditions for participation therein[1], it is the responsibility in particular of the Commission to draw up a report that takes account of progress made in terms of harmonization in connection with all problems raised by the conditions for the breeding of competition horses, for the purposes of a review of the rules governing the prize money or profits which may accrue from competitions;

Whereas the preliminary work undertaken by the Commission indicates that it is necessary, for the purposes of monitoring by the competent authorities, to make provision for a percentage of the prize money or profits accruing from all competitions to be retained for those competitions provided for in the first indent of Article 4(2) which qualify for a derogation from the obligations referred to in Article 3; whereas, however, in view of the exceptional difficulties which may arise in this sector, higher percentages should be authorized;

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(1) OJ No L 224, 18.8.1990, p. 60.

HAS ADOPTED THIS DIRECTIVE:

Article 1

Article 4(2) of Directive 90/428/EEC is hereby amended as follows:

1. The following subparagraph is added to the first indent:
   "The prize money or profits accruing from competitions shall not exceed 20% of the prize money or profits referred to in paragraph 1(c)."

2. The second indent is replaced by the following:
   "- for each competition or type of competition Member States shall be authorized to reserve, through the bodies officially approved or recognized for that purpose, not more than 20% of the prize money or profits referred to in paragraph 1(c) for the safeguard, development and improvement of the breeding of equidae".

3. The following indents are added:
   "- The general criteria for the distribution of the prize money and profits shall be communicated to the Commission and the other Member States within the Standing Committee on Zootechnics.

   - The Commission may, at the reasoned request of a Member State, authorize that Member State temporarily to adopt for certain types of competitions higher percentages than those referred to in the first and second indents above."

Article 2

1. Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with this Directive before 1 January 1994. They shall inform the Commission thereof.

   Where the Member States adopt these provisions, they shall contain a reference to this Directive or be accompanied by such reference on their official publication. Details of this reference shall be adopted by the Member States.

2. Member States shall notify the Commission of the fundamental provisions of national law which they adopt in the area governed by this Directive.

Article 3

This Directive is addressed to the Member States.

Done at Brussels, For the Council

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