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Committee on Subsidies and Countervailing Measures

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SUBSIDIES**NEW AND FULL NOTIFICATION PURSUANT TO ARTICLE XVI:1 OF THE GATT 1994
AND ARTICLE 25 OF THE AGREEMENT ON SUBSIDIES
AND COUNTERVAILING MEASURES****URUGUAY**

The following communication, dated 7 February 2020, is being circulated at the request of the delegation of Uruguay.

The following notification contains information on the programme maintained in Uruguay solely concerning fisheries subsidies, in accordance with the commitment made under paragraph 2 of the Ministerial Decision of 13 December 2017, adopted at the Buenos Aires Ministerial Conference held from 10-13 December 2017 (WT/MIN(17)/64).

1 FISHERIES SECTOR**1.1 Tax relief on fuel for artisanal fishers****1. Title of programme**

Tax relief on fuel for holders of artisanal fishing permits.

2. Period covered by the notification

2016 and 2017.

3. Policy objective and/or purpose

This incentive aims to regularize and formalize more artisanal fishers in Uruguay. To benefit from the programme, artisanal fishers must have a valid fishing permit, start a business and be registered in the National Social Security System, to which they must pay contributions.

4. Background and authority

Article 38 of Law No. 13.833 of 29 September 1969.

Agreement between the Ministry of Livestock, Agriculture and Fisheries (MGAP) and the National Fuel, Alcohol and Portland Cement Authority (ANCAP) on tax relief on fuel consumption for holders of artisanal fishing permits, entered into on 12 December 2008.

Resolution No. 025/2019 by the National Directorate of Aquatic Resources (DINARA) of the MGAP.

5. Form of the subsidy

Tax relief on fuel for holders of artisanal fishing permits.

6. To whom and how the subsidy is paid

The subsidy is paid to holders of artisanal fishing permits whose records with DINARA are up to date and who are registered with the National Social Security System.

Beneficiaries of the subsidy must present the following documents to DINARA: (1) a valid fishing permit; (2) an identity document; (3) a valid seaworthiness certificate issued by the National Coastguard; (4) a valid vessel registration certificate issued by the National Coastguard; and (5) valid certificates issued by the Social Security Bank (BPS) and the Directorate-General of Taxation (DGI).

Once the permit holder has submitted fuel invoices that state the name of the permit holder, and records that state the name of the permit holder and that of the vessel, containing the stamp, signature and printed name of the National Coastguard concerned, the amount paid in tax on fuel shall be transferred to the permit holder's bank account.

7. Total amount

Annual tax relief on fuel for artisanal fishers totalled:

UYU 54,020,409 in the 2016 tax year;
UYU 43,296,227 in the 2017 tax year.

8. Duration of the programme

The programme has not been operational since Resolution No. 190/2019 was issued in September 2019 by the National Directorate of Aquatic Resources (DINARA) of the MGAP.

At present, no date has been set for reinitiating the programme.

9. Trade effects

It is not possible to determine what, if any, trade effects result from the use of these measures.
