

# ClientEarth's Public Consultation reply on the revision of the Energy Taxation Directive

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Public consultation reply to ETD

## Section 4

To what extent are you familiar with the following climate and energy related initiatives?

(a) Very familiar

- 1) The EU Energy Tax Directive (ETD) and its planned revision (b)
- 2) The EU Emissions Trading System (ETS) (d)
- 3) The EU Energy Union (d)
- 4) The EU policies on energy efficiency (d)
- 5) The revised Renewable Energy Directive (RED II) (a)

To what extent are you familiar with the following initiatives?

Brussels

Beijing

Berlin

London

Warsaw

Madrid

Los Angeles

Luxembourg



- 1) The European Green Deal (a)
- 2) The EU Climate Policy (a)
- 3) The Paris Agreement on climate change (a)

**To what extent do you agree with the following objectives?**

- 1) EU's plans to increase climate ambition for 2030 (a)
- 2) EU's economy and society becoming climate-neutral by 2050 (a)
- 3) EU's Green Deal zero-pollution ambition for a toxic-free environment (a)

**To what extent do you agree with the following statements about the EU Energy Taxation Directive (ETD)?**

- 1) The ETD should be revised in order to support the transition towards climate neutrality (a)
- 2) The ETD has to be revised in order to better tackle environmental concerns, like air pollution (a)
- 3) The ETD has to be revised in order to better ensure the smooth functioning of the internal market (d)
- 4) The ETD has to be revised in order to take into account the changed energy mix with higher share of renewables and electricity (a)
- 5) The ETD should better promote energy saving/efficiency (a)
- 6) The ETD de facto favours fossil fuels consumption (a)

**To what extent do you agree with the following statements?**

- 1) The recent sanitary and economic crisis increases the need to comply with the objectives of EU's Green Deal (a)
- 2) Fiscal reforms consisting in shifting taxation from labour to environment can contribute to the economic recovery (a)

**Which of the following priorities are important for the EU Energy Taxation Directive (ETD)?**

- 1) The ETD should ensure adequate amounts of tax revenues (e)
- 2) The ETD should not tax the energy use in sectors or companies which are at risk of carbon leakage (d)
- 3) The ETD revision should reduce the possibility of favouring fossil fuels via tax reductions, exemptions and rebates (d) (this answer is justified because we support the elimination of fossil fuel exemptions and not only the reduction of exemptions and favourable taxation.)



- 4) The tax system should ensure compensations for low income households when implementing energy taxation (b)
- 5) The ETD revision should take into account energy content in the definition of rates (a)
- 6) The ETD revision should take into account greenhouse gas emissions in the definition of rates (a)
- 7) The ETD should not tax greenhouse gas emissions if these are already subject to the carbon price of the EU Emissions Trading System (EU ETS) (d)
- 8) The ETD revision should introduce incentives for alternative energy sources (e.g. sustainable biofuels, clean hydrogen) (b)
- 9) The ETD revision should support the objective to minimise the use of whole trees and food and feed crops for energy production, whether produced in the EU or imported (a)
- 10) Other (a)

#### Section 4 – Box ‘Please specify’

ClientEarth believes that the polluter pays principle enshrined in Article 191 (2) of the Treaty on the Functioning of the European Union should apply to all economic activities. All energy products should be taxed according to their energy and carbon content. In our view, and as mentioned in the European Green Deal, the revised ETD should become one of the tools to achieve the climate objectives that the EU has set for itself. In line with this legal principle and the aforementioned objectives, the ETD should not include general exemptions from fuel taxation for certain sectors such as the maritime sector and in particular the fisheries sector. In addition to these internal constraints, international commitments such as the commitments agreed in the context of the Paris Agreement have to be taken into consideration: *“the remaining but still significant public support for oil, coal and other carbon-intensive fuels continues to distort the energy market, creates economic inefficiency and inhibits investment in the clean energy transition and innovation.”*

Similar commitments exist at international level for the fisheries sector. As per Sustainable Development Goal 14 (in particular SDG 14.6) on conservation and sustainable use of the oceans, seas and marine resources for sustainable development, we are to prohibit harmful fisheries subsidies by 2020 **and** refrain from introducing new ones in the future.

Subsidies are financial transfers from public entities to the benefit of private actors. There is enough theoretical and empirical evidence to define harmful subsidies as those that artificially increase profits by reducing the cost of fishing and/or increasing the revenue received by fishers which result in overcapacity and lead to overfishing.

Researchers (environmental researchers as well as economists) have analysed different subsidies and categorised them as “beneficial”, “ambiguous” or “capacity-enhancing/ harmful”. They categorise harmful fisheries subsidies as those that, for example, enable vessels to travel farther, stay at sea for longer, or have greater fishing capacity than they would otherwise. As a result, they enhance the capacity of fishing, contributing to overfishing and Illegal, Unreported and Unregulated (IUU) fishing. Subsidies that are widely recognised as harmful include those that fund engine replacement, the modernisation of fishing vessels or construction of new ones, or that artificially keep alive a sector by reducing the cost of fishing when it is not environmentally or economically sustainable. These subsidies exacerbate the imbalance between the fishing capacity of the EU fleet and the limited availability of fishing resources.

As noted by the United Nations Conference on Trade And Development (UNCTAD),<sup>3</sup> *“these subsidies effectively mean that taxpayers are paying [...] boats to degrade the environment and to destroy the food security and livelihoods of vulnerable coastal communities. By fuelling unfair competition between large fleets and individual artisanal fishermen, they are also fostering inequality.”*

De-taxation schemes for fuel consumption are indirect subsidies that have been identified by economists and scientists as harmful not only from an environmental perspective but from an economic perspective as well. Fuel exemptions are precisely those harmful subsidies that reduce the costs of fishing and therefore lead to an increase of fishing capacity in a situation where stocks are not at sustainable levels and therefore contribute to overfishing. By reducing the costs of fishing, fuel subsidies also contribute to artificially maintaining people in the sector. As described in the [Sunken Billions World Bank report](#):

*‘Many subsidies in the fisheries sector are pernicious because they foster overcapacity and overexploitation of fish stocks. By reducing the cost of harvesting, for example, through fuel subsidies or grants for new fishing vessels, subsidies enable fishing to continue at previously uneconomic levels. Subsidies effectively counter the economic incentive to cease fishing when it is unprofitable.’*

Fuel tax exemptions are indirect subsidies that benefit hugely those fishing industries that are more fuel consuming, namely large-scale fishers and super-trawlers. Despite the claims made by these fishing industries that their energy efficiency (ton of fish/litre of fuel) has increased, this ratio does not reflect the environmental and social externalities generated by large-scale fisheries. It is very difficult to control the impacts on the fish stocks targeted as well as the impacts on other marine species, other fish stocks and the wider marine environment. In addition, the social impacts that super-trawlers or large-scale fishers have on small-scale fishers in the EU or in third countries are not properly assessed. The 2019 Scientific and Technical report on fisheries (STECF) includes an analysis on fuel consumption. Here is a summary that is quite relevant to understand the differences in fuel consumption between large-scale (including super-trawlers) and small-scale fishing vessels: *“In 2017, the small-scale coastal fleet, excluding Greece, accounted for more than half (56%) of the total days-at-sea deployed while consuming just 6% of the fuel. The large-scale fleet on the other hand accounted for less than half of the days-at-sea (42%) and consumed more than three-fourths of the fuel while the distant-water fleet deployed less than 2% of days-at-sea and consumed 16.5% of the fuel.”* (from Section 3.1 Overview of the EU Fishing Fleet in 2017).

The report also notes that small-scale fishers landed 5% of the catch by volume and used 6% of the fuel, versus 81% of the catch and 75% of the fuel for the large-scale fisheries. This explains why there seems to be a better fish to fuel ratio for large-scale fisheries.

These fishing vessels are usually the ones that also use the most destructive fishing practices for the marine environment. This means that the problems of harmful fisheries subsidies highlighted above are further exacerbated by the technical ability of these fishing vessels (speed, power, ability to catch a lot of fish with destructive fishing techniques). Finally, large-scale vessels are economically less vulnerable, and more profitable. In particular, unlike small-scale vessels which have a limited range and limited access to quota species, larger scale vessels have the possibility to access an array of fishing grounds and species over a much wider area, and thus the possibility to spread risks across different species and grounds.

For all the above-mentioned reasons, we support the elimination of all exemptions to fuel taxation in particular in the fisheries sector. This is the time to pave the right direction for the Union and avoid a socio-economic and environmental disaster from repeating itself. This is the time to redirect fuel subsidies in ways that reduce our carbon footprint, and which will benefit fishers, the environment, coastal areas and their population.

## **Section 5 Social Impact and Compensation Measures**

**Which of the following accompanying measures do you consider as most relevant social policies?**

- 1) The reduction of other tax e.g. taxes on labour or social contributions (a)
- 2) Direct compensation to lower income groups via a lump sum (d)
- 3) Direct compensation to all households via lump sum (d)
- 4) Social welfare programs directed at poor households, reducing their energy costs for both home owners and rental dwellings (b)
- 5) Tax-free base/threshold for heating and electricity taxes for basis energy consumption. For instance, the first 1000 kWh and 100 GigaJoule for heating per year are not subject to energy taxation. (b)
- 6) The possibility for lower taxation for local public transport should be kept (b)
- 7) No accompanying social measures are needed (a)
- 8) Other (a)

**Section 5 – Box ‘Please specify’**

ClientEarth believes that fuel exemptions for the fisheries sector should be removed from the revised ETD as explained above. It is important to take into account that the biggest challenge that the fisheries sector faces, in the EU and in the rest of the world, is to fish at sustainable levels and with sustainable fishing practices. The fishing economy should not be supported by subsidies to the detriment of the resources, as is currently the case. The continuing flow of subsidies to the sector will mean that fish stocks will continue to be overfished and the marine environment will continue to be destroyed. Continuing fuel subsidies will not change the behaviour of the fishing sector in the way that it needs to be changed. The longer subsidies are injected, the longer fishing capacity will be kept alive and the longer overfishing will be exacerbated. As long as sustainable fishing practices are not in place, the fisheries sector will always struggle because the resource that underpins their economic activity is too scarce. Bearing this in mind, we are fully aware that some parts of the sector are particularly vulnerable and particularly vital to maintain the social fabric in our coastal areas.

Understanding this, we also believe that social schemes to support the most vulnerable fisheries actors can be financed and designed within existing aid schemes and EU funds. Small-scale vessels and fishers will be the most affected by the elimination of fuel exemptions as they face ongoing challenges such as accessing quotas, accessing beneficial subsidies through EU funds or national schemes or accessing markets.

As mentioned in section 4, fuel exemptions have disproportionately benefited fishing vessels that are heavy fuel consumers. These vessels use the most destructive fishing practices for the marine environment and for fish stocks. They access fishing quotas more easily because of their historic shares and have benefitted the most from EU subsidies. One way to protect the most vulnerable and less economically resilient fisheries actors is to implement the Common Fisheries Policy (CFP) to its full potential. In particular, Article 17 of the CFP Regulation on the distribution of quotas should be implemented at national level in such a way that small scale and more environmentally friendly fishers receive more quotas. Implementing these measures would also make the coastal communities more thriving and more resilient to economic hardship.

In order to achieve environmental sustainability in EU fisheries, financial support should be designed to target those small-scale fisheries that operate in a less impactful way for the environment.

Like the current European Maritime and Fisheries Fund (EMFF), the future fund (i.e. the post-2020 EMFF) will offer different ways to support fishers. However, the Commission recognises that 80% of EU funds, which are direct subsidies, benefit large-scale fishing vessels above 12 metres. Throughout the EU, small-scale fishers are the ones who need most support as they face various challenges, including accessing quotas, which to them means accessing the very resources that allow them to make a living. The first step that needs to be taken is to give favourable access to small-scale fishers. It is the responsibility of the Commission together with the Member States to better plan and design how these funds will be used and who will be the main beneficiaries of these funds. The post-2020 EMFF, which will enter into force in 2021, can be designed in such a way that the elimination of fuel exemptions is not perceived as a challenge but rather as an opportunity to achieve the important changes needed in the fisheries sector. Fishers should move towards less-consuming fishing practices with a lower impact on the environment. Aid will be available to increase the selectivity of fishing practices and the transition towards low impact fishing. In a situation where EU fish stocks are still overfished, it is economically unviable to maintain fishers artificially in the sector. Fuel de-taxation schemes have largely contributed to this economically unsustainable situation. Training and financial support for those fishers who want to transition towards another sector are already available under the EMFF and will continue to be available in the post-2020 EMFF. Promoting and supporting this transition would enable maintenance of the social fabric and vitality of the coastal regions affected. In this regard it is important to maintain social and economic diversity in the fishery, and a level playing field that does not benefit larger scale high impact fleets to the detriment of smaller-scale low impact fleets.

The fisheries sector also benefits from various forms of state aid at national level (fisheries state aid, de minimis aid and block exemptions). Under de minimis state aid, the amount that can be granted, according to the current Fisheries State Aid guidelines, is 30,000 EUR during a period of three fiscal years. Fishers also benefitted in 2020 from all the measures adopted to face the COVID crisis, with an increase of de minimis state aid up to 120,000 EUR. Fisheries state aid guidelines will also be revised in 2021 but will continue to offer support in the form of state aid, de minimis aid and block exemptions to the sector.

The external fleet of the EU also benefits from privileged access to certain non-EU fishing grounds through the Sustainable Fisheries Partnership Agreements that the EU concludes with third countries and which include financial support to those countries in exchange for access to fishing grounds. The fisheries sector has been heavily subsidised for decades and does not need additional financial support even if fuel exemptions are eliminated. The available subsidies simply need to be directed towards supporting the most vulnerable actors in the sector who operate in the most sustainable ways.

## **Section 6 Standard Rules for Taxation of Energy Products and Electricity X**

### **6.1 Minimum Tax Rates**

**Which options do you consider as relevant for minimum tax rates? Multiple options are possible**

- 1) The minimum tax rate of an energy product should be based on its energy content rather than on its volume or mass
- 2) The minimum tax rate of an energy product should be based on the amount of greenhouse gases emitted per Joule
- 3) The minimum tax rate of an energy product should be based on the cost on all their externalities such as greenhouse gases emissions, air polluting emissions and noise linked to their consumption
- 4) The minimum tax rates of energy products and electricity should be indexed yearly based on the average inflation of the EU

5) I do not know / I have no opinion

**Which option do you consider as most relevant for nominal tax rates.**

- 1) If a tax structure is introduced for minimum tax rates (e.g. tax structure based on energy content and/or on greenhouse gases emissions), then national nominal tax rates should follow the same structure
- 2) No constraint or restriction should apply to any national nominal tax rate beyond respecting the minimum rate threshold
- 3) I do not know / I have no opinion

**Section 7: Exceptions specific to some sector of activity**

**Please select the proposal in the list below that is most relevant to you for Agriculture and Forestry.**

- 1) No energy tax treatment exception, neither exemption nor differentiated rate, should be granted for any activity in agriculture and forestry
- 2) Energy tax treatment exceptions for agriculture and forestry should be granted but only for Heating use (e.g. heated greenhouses)
- 3) Energy tax treatment exceptions for agriculture and forestry should be granted but only for Motor fuel use
- 4) Energy tax treatment exceptions for agriculture and forestry should be granted for both Heating and Motor fuel uses
- 5) Energy tax treatment exceptions for agriculture and forestry should be kept as they are currently
- 6) I do not know / I have no opinion

**Please select the proposal in the list below that is most relevant to you for Fishery**

- 1) No energy tax treatment exception, neither exemption nor differentiated rate, should be granted for any activity in fishery
- 2) Energy tax treatment exceptions for fishery should be kept as they are currently
- 3) I do not know / I have no opinion

**7.2.1 Aviation**

**What is your opinion on the tax treatment of energy products and electricity for the aviation sector? Multiple options are possible.**

- 1) The current rules should be kept
- 2) There should not be a mandatory exemption for kerosene and other aviation fuels for flights between the EU and third countries, even if the possibility to tax them depends on the relevant bilateral Air

## Service Agreements

- 3) Kerosene and other aviation fuels for intra EU flights should be taxed with the standard rules on nominal and minimum rates for motor fuels
- 4) Kerosene and other aviation fuels for intra EU flights should be taxed as a motor fuel but at a lower rate
- 5) Taxing kerosene and other aviation fuels for intra EU flights would be counterproductive because of the risk of "tankering" (i.e. planes filling in their tank in third countries where fuel is not taxed)
- 6) Ticket taxes based on distance price should be introduced for Origin- Destination passengers (excluding transfer passenger)
- 7) Ticket taxes based on distance price should be introduced for all passengers (including transfer passengers)
- 8) The air transport of goods should be taxed in some other way, outside the scope of the Energy Taxation Directive, g. based on the airplane's weight ?
- 9) I do not know / I have no opinion

## 7.2.2 Waterborne Transport

### **What is your opinion on the energy tax treatment of energy products and electricity for maritime transport?**

- 1) The current tax treatment of fuels used for maritime transport in EU waters should be kept, in particular given the risk of "tankering" (i.e. vessels filling in their tank in third countries where fuel is not taxed)
- 2) Fuels used for maritime transport should be taxed as motor fuel
- 3) Fuels used for maritime transport should be taxed as motor fuel but at a lower rate
- 4) I do not know / I do not have an opinion

### **What is your opinion on the energy tax treatment of energy products and electricity for the navigation on inland waterways?**

- 1) The current tax treatment of fuels used for inland waterways transport should be kept
- 2) Fuels used for inland waterways transport should be taxed as motor fuel
- 3) Fuels used for inland waterways transport should be taxed as motor fuel but at a lower rate
- 4) I do not know / I have no opinion

**Shore Side Electricity (SSE) is an option for reducing environmental impact of ships using fossil fuels while in the port, i.e. greenhouse gas emissions, air pollutant emissions and noise pollution. In the current EU energy tax legislation, there are no general provisions for differentiated tax treatment for SSE, while at the same time there is a tax exemption for fossil fuels.**

**What is your opinion on the treatment of shore side electricity? (Multiple options are possible)**

- 1) SSE should be stimulated by regulation, for instance by an obligation to use shore side electricity in harbours when available
- 2) SSE should be stimulated by introducing the possibility to introduce a differentiated energy tax treatment (e.g. reduced tax rate) for shore side electricity
- 3) SSE should be stimulated by a mandatory zero rate (energy tax exemption) for shore side electricity
- 4) Instead of giving a special tax treatment for SSE, the use of fossil fuels on board of ship in harbours should be subject to energy taxation
- 5) I do not know / I have no opinion

### **7.2.3 Road Transport**

**What is your opinion on the tax treatment of diesel or other motor fuels used as a propellant for commercial purposes? Multiple options are possible.**

- 1) Any motor fuel used in road transport should be taxed with the standard rules, whether used for commercial purposes or not.
- 2) Gasoil used for commercial purposes should be taxed as a motor fuel, but at a lower rate
- 3) I do not know / I have no opinion

**What is your opinion on the tax treatment of electricity used in electric vehicles in road transport? Multiple options are possible.**

- 1) There is no need for a specific treatment under the ETD
- 2) A specific lower tax rate should be introduced for this use of electricity for electric vehicles
- 3) An exemption should be introduced for this use of electricity in the ETD
- 4) Any specific treatment for electricity propelled vehicles would need to be phased out over time to preserve MS revenues from energy taxation
- 5) Other
- 6) I do not know / I have no opinion

### **7.3 Industry**

**What is your opinion on the energy tax treatment of energy products in industry? Multiple options are possible.**

- 1) The current energy taxation system should be kept
- 2) Special tax treatment for energy products and electricity used by industry should be restricted to industries which are at risk of carbon leakage as defined in the EU ETS
- 3) Energy products and electricity in the Industry sector should not be exempted when used for heating (including Combined Heat & Power generation), motor fuels and industrial processes

- 4) Energy products and electricity in the Industry sector should not be differentiated when used for heating (including Combined Heat & Power generation) and motor fuels
- 5) I do not know / I have no opinion **X**

## **What is your opinion on the EU rules for the taxation of energy products and electricity used in the Industry sector? Multiple options are possible.**

- 1) Energy products and electricity consumption by industry should be taxed on the basis of the EU standard rules on nominal and minimum rates
- 2) Energy products and electricity consumption by industry should be taxed on the basis of the EU rules only for the energy content and not for the carbon content, because the latter is, for an important part, covered by the EU Emissions Trading System
- 3) The EU rules of energy taxation can depend on the quantitative consumption levels for electricity and energy products used for heating purposes, for example if you use more, you pay less per unity.
- 4) I do not know / I have no opinion

### **7.4 Production of energy products and of electricity**

#### **To what extent do you agree with the following statements taking into account environmental and efficiency goals and the functioning of the internal market?**

##### **a) Strongly agree - e) Do not know**

- 1) The relevant provisions of the Energy Taxation Directive (ETD) are sufficiently comprehensive also in relation to the new technologies (e.g. production of hydrogen, biofuels, synthetic fuels, e-fuels, etc.) **d)**
- 2) The provisions related to the tax exemption for energy products used to produce energy products and the uses of energy products and electricity considered out of scope (e.g. industrial processes such as chemical reduction, electrolytic, metallurgical, mineralogical processes, dual use, etc.) are sufficiently clear and comprehensive **d)**
- 3) The mandatory exemption for energy products for electricity production, which can be waived for reasons of environmental policy, is sufficiently clear and comprehensive **d)**
- 4) The ETD can play a significant role in supporting production of energy from renewable sources **a)**
- 5) The ETD should particularly support self-consumption and small producers of electricity coming from renewables **a)**
- 6) The possibility of granting tax exemptions or reductions related to combined heat and power generation (CHP) should be restricted **e)**

## 8 Lower Carbon products and applications

**In your opinion, should the Energy Taxation Directive ensure differentiated tax treatment for low-carbon fuels and applications that drive the EU's green transition?**

- 1) Yes
- 2) No
- 3) I do not know / I have no opinion

In the absence of a tax structure for minimum tax rates (including energy content and/or greenhouse gases emissions), do you think that the Energy Taxation Directive need differentiated tax treatment for selected fuels (e.g. advanced biofuels and synthetic fuels) and applications?

- 1) Yes
- 2) No
- 3) I do not know / I have no opinion

**As hydrogen will play an important role in achieving climate neutrality, which particular uses should be addressed in the Energy Taxation Directive? (Multiple options are possible)**

- 1) When used in mobile fuel cells in transport
- 2) When used as a fuel in transport
- 3) When used as a heating fuel in the building sector
- 4) When used in the production processes of e-fuels (electricity-based gaseous or liquid fuels which can be used in internal combustion engines)
- 5) When transported in pipelines
- 6) When used in industrial production processes
- 7) Only if it is clean hydrogen produced from renewable energy sources, e.g. from electrolysis with renewable electricity, in any of the above
- 8) I do not know / I have no opinion

**Liquefied Natural Gas (LNG) and Compressed Natural Gas (CNG) currently provide lower carbon alternatives to gasoline and diesel and coal/lignite. Yet, CNG and LNG are also fossil fuels and**



**their consumption produces significant amounts greenhouse gas emissions. In your opinion, would differentiated tax treatment to CGN and LNG be acceptable? (Multiple options are possible)**

- 1) Yes, without any constraint or restriction
- 2) Yes, but with a time limit to avoid lock- in
- 3) Yes, but the preferential treatment should be linked to the standard energy tax components (e.g. energy content and greenhouse gas emissions)
- 4) Yes, with some conditions to avoid lock-in
- 5) No **X**
- 6) I do not know / I have no opinion

**Please specify the conditions for a differentiated tax treatment of LNG/CNG to avoid lock-in**

### **Section 9 : Additional Information**

Are there other key aspects which you did not find reflected in the questions and you would like to comment upon?

The legal basis of the directive must change.

ClientEarth strongly believes that, as stated in the Green Deal, taxation must be aligned with climate objectives. Taxation should become one of the tools to achieve climate objectives. As the primary purpose of the Energy Taxation Directive will become an environmental fiscal objective, Article 192 of the Treaty of the Functioning of the European Union (TFEU) should become the new legal basis for this directive. Article 192(2) TFEU would allow, with the unanimous agreement of the Council, to adopt this crucial piece of legislation using the ordinary legislative procedure. It seems that this makes sense from a legal point of view. More importantly, it makes sense from a democratic perspective. Involving the European Parliament, which represents EU citizens, is a must when it comes to climate change, a matter that lies at the hearts of a vast majority of EU citizens throughout the EU.

The Commission should consider proposing that the taxation of fishing fuel can provide additional own resource for the Union, in accordance with paragraph 149 of the European Council conclusions of 21 July 2020.<sup>1</sup> Like other measures proposed (a contribution calculated on the weight of non-recycled plastic packaging waste and a carbon border adjustment mechanism), this measure has a strong environmental component: taxing fishing fuel is designed not only to generate revenue but also to deter unsustainable conduct. In this case, the fact that fisheries is an area of exclusive Union competence makes it even more logical for the taxation of fishing fuel to contribute to the Union's need for new own resource: since fisheries law and policy is in the hands of the entire Union acting in unison, the same should be true of taxation revenue the industry generates. This is all the more so when the tax at issue is designed not only to raise revenue but also to achieve one of the Common Fisheries Policy's principal aims: combating overfishing.

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<sup>1</sup> See : <https://www.consilium.europa.eu/media/45109/210720-euco-final-conclusions-en.pdf>.