




| Basic information   |                     |
|---|---------------------|
| <b>2007/0273(CNS)</b><br>CNS - Consultation procedure<br>Decision   | Procedure completed |
| Excise duties: reduced rate on locally produced beer in the autonomous region of Madeira<br><br><b>Subject</b><br><br>2.70.02 Indirect taxation, VAT, excise duties<br>3.10.06.08 Wine, alcoholic and non-alcoholic beverages<br>4.70.06 Outlying and outermost regions, overseas countries and territories |                     |

| Key players                   |   |  |   |                  |
|-------------------------------|---|--|---|------------------|
| European Parliament           | <b>Committee responsible</b>                  |  | <b>Rapporteur</b>                             | <b>Appointed</b> |
|                               | <b>REGI</b> Regional Development              |  | MARQUES Sérgio (PPE-DE)                       | 26/02/2008       |
|                               | <b>Committee for opinion</b>                  |  | <b>Rapporteur for opinion</b>                 | <b>Appointed</b> |
|                               | <b>ECON</b> Economic and Monetary Affairs     |  | The committee decided not to give an opinion. |                  |
|                               | <b>AGRI</b> Agriculture and Rural Development |  | CAPOULAS SANTOS Luis Manuel (PSE)             | 18/12/2007       |
|                               |   |  |   |                  |
| Council of the European Union | <b>Council configuration</b>                  |  | <b>Meetings</b>                               | <b>Date</b>      |
|                               | Economic and Financial Affairs ECOFIN         |  | 2872  | 2008-06-03       |
| European Commission           | <b>Commission DG</b>                          |  | <b>Commissioner</b>                           |                  |
|                               | Taxation and Customs Union                    |  | KOVÁCS László                                 |                  |

| Key events |   |  |         |
|------------|---|--|---------|
| Date       | Event   | Reference  | Summary |
| 06/12/2007 | Legislative proposal published                                  | COM(2007)0772<br> | Summary |
| 17/01/2008 | Committee referral announced in Parliament                      |  |         |
| 08/04/2008 | Vote in committee   |  | Summary |
| 11/04/2008 | Committee report tabled for plenary, 1st reading/single reading | A6-0146/2008   |         |
| 08/05/2008 | Decision by Parliament  | T6-0188/2008   | Summary |

|            |   |   |  |
|------------|---|---|--|
| 08/05/2008 | Results of vote in Parliament                           |  |  |
| 03/06/2008 | Act adopted by Council after consultation of Parliament |   |  |
| 03/06/2008 | End of procedure in Parliament                          |   |  |
| 06/06/2008 | Final act published in Official Journal                 |   |  |

| Technical information             |                                       |
|-----------------------------------|---------------------------------------|
| <b>Procedure reference</b>        | 2007/0273(CNS)                        |
| <b>Procedure type</b>             | CNS - Consultation procedure          |
| <b>Nature of procedure</b>        | Legislation                           |
| <b>Legislative instrument</b>     | Decision                              |
| <b>Legal basis</b>                | EC Treaty (after Amsterdam) EC 299-p2 |
| <b>Stage reached in procedure</b> | Procedure completed                   |
| <b>Committee dossier</b>          | REGI/6/57216                          |

| Documentation gateway   |  |                              |                         |                         |
|---|--|------------------------------|-------------------------|-------------------------|
| <b>European Parliament</b>                                      |  |                              |                         |                         |
| Document type   | Committee  | Reference                    | Date                    | Summary                 |
| Committee draft report  |  | <a href="#">PE402.492</a>    | 07/02/2008              |                         |
| Amendments tabled in committee                                  |  | <a href="#">PE402.898</a>    | 07/03/2008              |                         |
| Committee opinion   | <a href="#">AGRI</a>   | <a href="#">PE400.704</a>    | 01/04/2008              |                         |
| Committee report tabled for plenary, 1st reading/single reading |  | <a href="#">A6-0146/2008</a> | 11/04/2008              |                         |
| Text adopted by Parliament, 1st reading/single reading          |  | <a href="#">T6-0188/2008</a> | 08/05/2008              | <a href="#">Summary</a> |
| <b>European Commission</b>                                      |  |                              |                         |                         |
| Document type   | Reference  | Date                         | Summary                 |                         |
| Legislative proposal  | <a href="#">COM(2007)0772</a><br> | 06/12/2007                   | <a href="#">Summary</a> |                         |

| Additional information |                         |      |
|------------------------|-------------------------|------|
| Source                 | Document                | Date |
| National parliaments   | <a href="#">IPEX</a>    |      |
| European Commission    | <a href="#">EUR-Lex</a> |      |

| Final act   |
|---|
| <a href="#">Decision 2008/0417</a><br><a href="#">OJ L 147 06.06.2008, p. 0061</a> <span style="float: right;"><a href="#">Summary</a></span> |

# Excise duties: reduced rate on locally produced beer in the autonomous region of Madeira

2007/0273(CNS) - 03/06/2008 - Final act

PURPOSE: to apply a lower rate of excise to locally produced beer in the autonomous region of Madeira.

LEGISLATIVE ACT: Council Decision 2008/417/EC authorising Portugal to apply a reduced rate of excise duty on locally produced beer in the autonomous region of Madeira.

CONTENT: this Decision authorises Portugal to apply to beer produced in Madeira a rate of excise duty lower than the standard national excise duty rate. It provides that the Decision applies in the case of beer produced in the autonomous region of Madeira by independent breweries situated in that region, whose total annual production does not exceed 300000 hectolitres. Production in excess of 200000 hectolitres annually may benefit from the reduced rate only to the extent it is consumed locally in Madeira.

The term "independent brewery" means a brewery which is legally and economically independent of any other brewery, which uses premises situated physically apart from those of any other brewery and does not operate under licence. However, where two or more breweries cooperate, and their combined annual production does not exceed 300000 hectolitres, those breweries may be treated as a single independent brewery.

The reduced excise duty rate, which may fall below the minimum rate, will not be set more than 50 % lower than the standard national excise duty rate for Portugal.

By 31 December 2010, Portugal must send the Commission a report on the situation, to enable it to assess whether the reasons justifying the derogation still exist.

The Decision applies until 31 December 2013.

# Excise duties: reduced rate on locally produced beer in the autonomous region of Madeira

2007/0273(CNS) - 06/12/2007 - Legislative proposal

PURPOSE: to apply a lower rate of excise to locally produced beer in the autonomous region of Madeira.

PROPOSED ACT: Council Decision.

BACKGROUND: the Community framework concerning excise duty on alcohol and alcoholic beverages is laid down in two Directives: Council Directive 92/83/EEC and Council Directive 92/84/EEC. These Directives contain provision allowing for the application of reduced rates of excise duty, which is not allowed to be set more than 50% below the standard national rate, on beer produced by independent small breweries. Breweries to which these provisions apply are defined as breweries whose annual beer production does not exceed 200 000 hectolitres. Based on these defining provisions, the breweries located in Madeira already benefit from the full 50% reduced rate under the corresponding national provisions. However, mainly as a result of increased tourism, one of the two breweries located in Madeira is close to approaching the annual production of 200 000 hectolitres, whereupon its entitlement to reduced rates under existing provisions will cease.

To recall, Article 299(2) of the EC Treaty takes specific account of the special characteristics and constraints of the outermost regions without undermining the integrity and the coherence of the Community legal order, including the internal market and common policies. Within this context Portugal has requested a derogation from Article 90 of the Treaty in order to apply a rate of excise duty, lower than the national rate fixed in accordance with Council Directive 92/84/EEC on the approximation of the rates of excise duty on alcohol and alcoholic beverages to beer produced in Madeira. The request, if approved, will apply to cases where the annual production of the brewery concerned exceeds 200 000 hectolitres but not 300 000 hectolitres. However, this should apply only to the extent that it is consumed in Madeira in order not to undermine the single market.

Portugal points out that the continued application of a reduced rate of duty to beer locally produced in Madeira by breweries whose annual production does not exceed 3000 000 hectolitres is considered essential for the survival of the local brewing industry. The main disadvantages faced by the breweries in question arise from their remoteness, fragmented terrain and tight local markets. These problems are compounded by the strong competition that they face from beer imports stemming from other EU Member States. These breweries, upon reaching annual production of 200 000 hectolitres, cease to be "small" as defined by EU provisions. They will, nonetheless, continue to be small compared to the large national and multi-national breweries with whom they compete

CONTENT: the purpose of this proposal, therefore, is to authorise Portugal to apply until 31 December 2013 a reduced rate of excise duty, which may fall below the minimum rate but which will not be set more than 50% lower than the standard national excise duty rate for Portugal. It will apply to beer produced in the autonomous region of Madeira by independent breweries whose total annual production does not exceed 300 000 hectolitres. Thus, production in excess of 200 000 hectolitres will benefit from the reduced rate only to the extent that it is locally consumed.

# Excise duties: reduced rate on locally produced beer in the autonomous region of Madeira

2007/0273(CNS) - 08/05/2008 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted, by 569 votes to 12 and 15 abstentions, a legislative resolution approving, in the framework of the consultation procedure, the proposal for a Council decision authorising Portugal to apply a reduced rate of excise duty on locally produced beer in the autonomous region of Madeira. The report had been tabled for consideration in plenary by Sérgio MARQUES (PPE-DE, PT) on behalf of the Committee on Regional Development.