

# Procedure file

Basic information		
CNS - Consultation procedure Decision	<a href="#">2013/0446(CNS)</a>	Procedure completed
Reduced rate of excise duty on locally produced and consumed alcohol in the autonomous regions of Madeira and the Azores: period of application  Amending Decision 2009/831/EC <a href="#">2009/0075(CNS)</a>		
Subject 2.70.02 Indirect taxation, VAT, excise duties 3.10.06.08 Wine, alcoholic and non-alcoholic beverages 4.70.06 Outlying and outermost regions, overseas countries and territories		
Geographical area Portugal		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	<b>REGI</b> Regional Development		11/02/2014
		PPE <a href="#">HÜBNER Danuta Maria</a>	
	Committee for opinion	Rapporteur for opinion	Appointed
	<b>ECON</b> Economic and Monetary Affairs	The committee decided not to give an opinion.	
	<b>AGRI</b> Agriculture and Rural Development	The committee decided not to give an opinion.	
Council of the European Union	Council configuration	Meeting	Date
	<a href="#">Economic and Financial Affairs ECOFIN</a>	<a href="#">3302</a>	11/03/2014
European Commission	Commission DG	Commissioner	
	<a href="#">Taxation and Customs Union</a>	ŠEMETA Algirdas	

Key events			
19/12/2013	Legislative proposal published	COM(2013)0930	Summary
03/02/2014	Committee referral announced in Parliament		
11/02/2014	Vote in committee		
17/02/2014	Committee report tabled for plenary, 1st reading/single reading	<a href="#">A7-0113/2014</a>	Summary
26/02/2014	Results of vote in Parliament		
26/02/2014	Decision by Parliament	<a href="#">T7-0139/2014</a>	Summary
11/03/2014	Act adopted by Council after consultation		

	of Parliament		
11/03/2014	End of procedure in Parliament		
25/03/2014	Final act published in Official Journal		

### Technical information

Procedure reference	2013/0446(CNS)
Procedure type	CNS - Consultation procedure
Procedure subtype	Legislation
Legislative instrument	Decision
	Amending Decision 2009/831/EC <a href="#">2009/0075(CNS)</a>
Other legal basis	Rules of Procedure EP 159
Stage reached in procedure	Procedure completed
Committee dossier	REGI/7/14891

### Documentation gateway

Legislative proposal		COM(2013)0930	19/12/2013	EC	Summary
Committee draft report		<a href="#">PE528.099</a>	31/01/2014	EP	
Committee report tabled for plenary, 1st reading/single reading		<a href="#">A7-0113/2014</a>	17/02/2014	EP	Summary
Text adopted by Parliament, 1st reading/single reading		<a href="#">T7-0139/2014</a>	26/02/2014	EP	Summary

### Additional information

European Commission	<a href="#">EUR-Lex</a>
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### Final act

<a href="#">Decision 2014/161</a> <a href="#">OJ L 089 25.03.2014, p. 0001</a> Summary
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## Reduced rate of excise duty on locally produced and consumed alcohol in the autonomous regions of Madeira and the Azores: period of application

**PURPOSE:** to extend the period of application of Decision 2009/831/EC.

**PROPOSED ACT:** Council Decision.

**ROLE OF THE EUROPEAN PARLIAMENT:** the Council adopts the act after consulting the European Parliament but without being obliged to follow its opinion.

**BACKGROUND:** Council Decision 2009/831/EC, adopted on the basis of Article 299 of the EC Treaty, authorises Portugal, up to 31 December 2013, to apply a reduced rate of excise duty in the autonomous region of Madeira on locally produced and consumed rum and liqueurs and in the autonomous region of the Azores on locally produced and consumed liqueurs and eaux-de-vie.

The Commission confirms that the reduction of the rate of excise duty should continue to be authorised to offset the competitive disadvantage which distilled alcoholic beverages produced in Madeira and in the Azores face as a result of higher production and marketing costs.

On 28 June 2013, the Commission has adopted its Guidelines on regional State aid for 2014-2020, setting out how Member States can grant aid to companies in order to support the development of disadvantaged regions in Europe between 2014 and 2020. These Guidelines will enter into force on 1 July 2014.

The Commission considers that it is justified to extend the period of application of Decision 2009/831/EC, for six months, so that its expiry date

coincides with the date of entry into force of the Guidelines on regional State aid for 2014-2020.

**CONTENT:** the proposal seeks to extend until 30 June 2014 the period of application of Decision 2009/831/EC, which authorises Portugal to apply a reduced rate of excise duty in the autonomous region of Madeira on locally produced and consumed alcoholic products as well as in the autonomous region of the Azores.

## Reduced rate of excise duty on locally produced and consumed alcohol in the autonomous regions of Madeira and the Azores: period of application

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The Committee on Regional Development adopted, in the framework of a special legislative procedure (Parliament consultation), the report by Danuta Maria HÜBNER (EPP, PL) on the proposal for a Council decision amending Decision 2009/831/EC as regards its period of application.

To recall, the Portuguese authorities have requested the renewal of the authorisation to apply a reduced rate of excise duty in the autonomous region of Madeira on locally produced and consumed rum and liqueurs and in autonomous region of the Azores on locally produced and consumed liqueurs and eaux-de-vie until 31 December 2020. The renewal needs to be approved both by a Council Decision under Article 349 TFEU and by a Commission Decision on State Aid.

On 28 June 2013, the Commission has adopted new regional aid guidelines for the period 2014-2020. Considering that these Guidelines will enter into force on 1 July 2014, it seems justified to extend the period of application of Decision 2009/831/EC, for six months, so that its expiry date coincides with the expiry date of the current Guidelines.

Given the urgency in adopting this measure, its limited duration (six months) and that it aims at stimulating the economy of outermost regions, the committee proposed that this proposal be approved without amendment.

## Reduced rate of excise duty on locally produced and consumed alcohol in the autonomous regions of Madeira and the Azores: period of application

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The European Parliament adopted by 554 votes to 63, with 8 abstentions, in the framework of a special legislative procedure (Parliament consultation), a legislative resolution on the proposal for a Council decision amending Decision 2009/831/EC as regards its period of application.

Parliament approved the Commission proposal without amendment.

To recall, the proposal seeks to extend until 30 June 2014 the period of application of Decision 2009/831/EC, which authorises Portugal to apply a reduced rate of excise duty in the autonomous region of Madeira on locally produced and consumed alcoholic products as well as in the autonomous region of the Azores.

It seems justified to extend the period of application of Decision 2009/831/EC, for six months, so that its expiry date coincides with the expiry date of the current guidelines on regional State aid for 2014-2020.

## Reduced rate of excise duty on locally produced and consumed alcohol in the autonomous regions of Madeira and the Azores: period of application

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**PURPOSE:** to extend the period of application of Decision 2009/831/EC which authorises Portugal to apply a reduced rate of excise duty in the autonomous region of Madeira on locally produced and consumed rum and liqueurs and in the autonomous region of the Azores on locally produced and consumed liqueurs and eaux-de-vie.

**LEGISLATIVE ACT:** Council Decision 2014/161/EU amending Decision 2009/831/EC as regards its period of application.

**CONTENT:** Council Decision 2009/831/EC authorised Portugal, up to 31 December 2013, to apply a reduced rate of excise duty in Madeira, as an outermost region, on locally produced and consumed rum and liqueurs and in the Azores, as an outermost region, on locally produced and consumed liqueurs and eaux-de-vie.

The application of a lower excise duty rate establishes differentiated taxation, benefiting the local production of some products. This constitutes State aid that requires the approval of the Commission.

On 28 June 2013, the Commission adopted its Guidelines on regional State aid for 2014-20. Those Guidelines will enter into force on 1 July 2014.

Since the specific structural, social and economic situation in those outermost regions still persists, this Decision further extends the period of application of Decision 2009/831/EC for six months (until 30 June 2014), so that its expiry date coincides with the date of entry into force of the Guidelines on regional State aid for 2014-2020.

**ENTRY INTO FORCE:** 11.03.2014. It shall apply from 1 January 2014.