





Procedure file

Basic information	
CNS - Consultation procedure Directive	2021/0418(CNS) Procedure completed
Tax-free shops situated in the French terminal of the Channel Tunnel	
Amending Directive 2008/118 2008/0051(CNS) Amending Directive 2020/262 2018/0176(CNS)	
Subject 2.70.02 Indirect taxation, VAT, excise duties	

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	 Economic and Monetary Affairs	 TINAGLI Irene	25/01/2022
		Shadow rapporteur  KELLEHER Billy	
		 VAN OVERTVELDT Johan	
Council of the European Union European Commission	Commission DG Taxation and Customs Union	Commissioner GENTILONI Paolo	

Key events			
16/12/2021	Legislative proposal published	COM(2021)0817	Summary
27/01/2022	Committee referral announced in Parliament		
28/02/2022	Vote in committee		
01/03/2022	Committee report tabled for plenary, 1st reading/single reading	A9-0035/2022	Summary
09/03/2022	Decision by Parliament	T9-0060/2022	Summary
05/04/2022	Act adopted by Council after consultation of Parliament		
06/04/2022	Final act published in Official Journal		

Technical information	
Procedure reference	2021/0418(CNS)
Procedure type	CNS - Consultation procedure
Procedure subtype	Legislation
Legislative instrument	Directive

	Amending Directive 2008/118 2008/0051(CNS) Amending Directive 2020/262 2018/0176(CNS)
Legal basis	Treaty on the Functioning of the EU TFEU 113
Other legal basis	Rules of Procedure EP 159
Stage reached in procedure	Procedure completed
Committee dossier	ECON/9/08000

Documentation gateway					
Legislative proposal		COM(2021)0817	16/12/2021	EC	Summary
Committee draft report		PE719.569	16/02/2022	EP	
Economic and Social Committee: opinion, report		CES0760/2022	23/02/2022	ESC	
Committee report tabled for plenary, 1st reading/single reading		A9-0035/2022	01/03/2022	EP	Summary
Text adopted by Parliament, 1st reading/single reading		T9-0060/2022	09/03/2022	EP	Summary

Final act
Directive 2022/543 OJ L 107 06.04.2022, p. 0013

Tax-free shops situated in the French terminal of the Channel Tunnel

PURPOSE: to authorise the opening of tax-free shops in the French terminal of the Channel fixed link.

PROPOSED ACT: Council Directive.

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 Directive 2008/118/EC](#) authorises Member States to exempt from payment of excise duty excise goods supplied in tax-free shops located in Union airports and ports for sale to travellers to a third territory.

The Channel Fixed Link is a twin bored tunnel rail link, under the English Channel between Folkestone (Kent, United Kingdom) and Coquelles (Pas-de-Calais, France). It has an associated service tunnel and terminal areas at either end for control of access to, and egress from, the tunnels. It has the characteristics of a maritime link with border controls at the two access terminals. Both infrastructures allow a sea-crossing under the same conditions.

The terminal of the Channel Fixed Link should therefore be considered equivalent to a port within the meaning of Council Directive 2008/118/EC.

On 31 December 2020, following the United Kingdoms withdrawal from the European Union, the Channel Fixed Link became a cross-border link between the Union and a third country.

As allowed by the Excise Directive, ferry companies reintroduced tax-free sales of goods supplied on board their ships during the sea-crossing to the United Kingdom. Tax-free shops have also opened in the ports of Calais and of Dunkirk. Moreover, the United Kingdom has already granted permission for an outlet at their terminal of the Channel Fixed Link in Folkestone. However, the French terminal of the Channel Fixed Link cannot open tax-free shops under the current rules.

CONTENT: following the withdrawal of the United Kingdom from the European Union, this proposal reintroduces into Council Directive 2008/118/EC on the general arrangements for excise duty an earlier provision of Directive 92/12/EEC recognising the specific status of the Channel Fixed Link and the similarity of its situation to that of a port.

The proposal restores a previous provision authorising the reopening of tax-free shops in the French terminal of the Channel Fixed Link at Coquelles, as is the case in the French ports of Calais and Dunkirk and in the UK terminal of the Channel Fixed Link (Folkestone).

To avoid any form of fraud, evasion or abuse, France should take the necessary control measures to ensure the proper application of the tax exemption in the tax-free shops of the French terminal at Coquelles.

Tax-free shops situated in the French terminal of the Channel Tunnel

The Committee on Economic and Monetary Affairs adopted, under a special legislative procedure (Parliaments consultation), the report by Irene TINAGLI (S&D, IT) on the proposal for a Council directive amending Directive 2008/118/EC and Directive (EU) 2020/262 (recast) as regards tax-free shops situated in the French terminal of the Channel Tunnel.

The committee responsible recommended that Parliament approve the Commission's proposal without amendments.

The proposal is a direct consequence of the United Kingdoms withdrawal from the European Union and the fact that the Channel Fixed Link has become a cross-border link between a third country and the Union.

As allowed by the Excise Directive, ferry companies reintroduced tax-free sales of goods supplied on board their ships during the sea-crossing to the United Kingdom. Tax-free shops have also opened in the ports of Calais and of Dunkirk. Moreover, the United Kingdom has already granted permission for an outlet at their terminal of the Channel Fixed Link in Folkestone. However, the French terminal of the Channel Fixed Link cannot open tax-free shops under the current rules.

The proposal intends to provide to travellers using the Channel Fixed Link from France to the United Kingdom tax-free facilities which are comparable to those available to persons travelling from a Member State to a third country by sea.

The passengers of the Channel Fixed Link are in the same position as sea passengers leaving the Unions fiscal territory. Therefore, the terminal of the Channel Fixed Link should be considered equivalent to a port within the meaning of Article 14 of Council Directive 2008/118/EC.

This proposal is a technical amendment to the rules on duty-free shops. It merely reinstates a previous provision authorising the reopening of tax-free shops in the French terminal of the Channel Fixed Link at Coquelles, as is the case in the French ports of Calais and Dunkirk and in the UK terminal of the Channel Fixed Link (Folkestone).

Tax-free shops situated in the French terminal of the Channel Tunnel

The European Parliament adopted by 688 votes to 3, with 6 abstentions, following a special legislative procedure (Parliaments consultation), a legislative resolution on the proposal for a Council directive amending Directive 2008/118/EC and Directive (EU) 2020/262 (recast) as regards tax-free shops situated in the French terminal of the Channel Tunnel.

The European Parliament approved the Commission's proposal without amendments.

The proposal is a direct consequence of the United Kingdoms withdrawal from the European Union and the fact that the Channel Fixed Link has become a cross-border link between a third country and the Union. It aims to provide to travellers using the Channel Fixed Link from France to the United Kingdom tax-free facilities which are comparable to those available to persons travelling from a Member State to a third country by sea.

Due to the withdrawal of the United Kingdom from the Union, which has led to the opening of duty-free shops in particular in the ports of Calais and Dunkirk, as well as in the UK terminal of the Channel fixed Link at Folkestone, the amending Directive allows the opening of duty-free shops in the French terminal of the Channel Fixed Link at Coquelles.