

Madeira and Azores: temporary suspension of autonomous Common Customs Tariff duties on imports of certain industrial products

2009/0125(CNS) - 25/10/2010 - Final act

PURPOSE: temporarily suspend the autonomous Common Customs Tariff duties on imports of certain industrial products into the autonomous regions of the Azores and Madeira.

LEGISLATIVE ACT: Council Regulation (EU) No 973/2010 temporarily suspending the autonomous Common Customs Tariff duties on imports of certain industrial products into the autonomous regions of the Azores and Madeira.

CONTENT: The Council adopted a regulation temporarily suspending, from 1 November 2010 to 2 November 2020, tariff duties on imports of certain industrial products into the autonomous regions of Madeira and the Azores

In August and December 2007 the regional authorities of the Azores and Madeira requested, with the support of the Portuguese Government, an autonomous suspension of the Common Customs Tariff duties for a number of products. They justified their requests on the grounds that, in view of the remoteness of those islands, economic operators in the Azores and Madeira are at a severe commercial disadvantage, which has negative effects on demographic trends, employment and social and economic developments.

The local economies of the Azores and Madeira are to a large extent dependant on national and international tourism, a fairly volatile economic resource, which is determined by factors on which the local authorities and the Portuguese Government have hardly any influence. As a result, the economic development of the Azores and Madeira is severely restrained. In these circumstances it is necessary to support those economic sectors which are less dependent on the tourist industries in order to compensate the fluctuations of the tourist sector and thus to stabilise local employment.

Council Regulation (EEC) No 1657/93 temporarily suspending the autonomous Common Customs Tariff duties on certain industrial products intended to equip the free zones of the Azores and Madeira did not have the desired effect in the last years before its expiry on 31 December 2008. The scope of commercial sectors benefiting from the suspensions should therefore cover the fishery, agricultural, industrial and service sectors.

In order to ensure that the suspensions laid down in this Regulation have an economic impact, it is appropriate to extend the range of products benefiting from the suspensions to finished goods for agricultural, commercial or industrial use, as well as to raw materials, parts and components used for agricultural purposes, industrial transformation or maintenance.

In order to give a long-term perspective to investors and enable economic operators to reach a level of industrial and commercial activity which stabilises the economic and social environment in the regions concerned, it is appropriate to **suspend in full the Common Customs Tariff duties for certain goods for a period of 10 years as from 1 November 2010.**

In order to allow efficient operation of the suspensions, the authorities of the Azores and Madeira should take the necessary implementing measures and inform the Commission thereof. The Commission is permitted to adopt, if necessary, temporary measures designed to prevent any speculative movement of deflection of trade until a definitive solution for that movement will be adopted by the Council.

ENTRY INTO FORCE: 02/11/2010.

DATE OF APPLICATION: 01/11/2010.