# Doc dues tax: implementation in Mayotte

2014/0010(CNS) - 24/02/2014 - Committee report tabled for plenary, 1st reading/single reading

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 2004/162/EC with regard to its implementation in Mayotte from 1 January 2014.

To recall, Council Decision 2004/162/EC authorises France, until 1 July 2014, to apply exemptions or reductions to the dock dues tax for the products listed in the Annex of that Decision which are produced locally in the French overseas departments of Guadeloupe, Guyana, Martinique and Réunion.

By Decision 2012/419/EU amending the status of Mayotte with regard to the European Union, the European Council decided that Mayotte would have the status of an **outermost region** within the meaning of Article 349 TFEU from 1 January 2014, rather than that of an overseas country or territory.

With Mayotte being added to the list of outermost regions, the French authorities informed the Commission of their intention to introduce the dock dues tax in Mayotte, under similar conditions to those for Guyana, and requested authorisation from the Commission to apply a differentiated tax system according to whether or not products are produced locally.

This proposal for a Council Decision thus amends the Decision 2004/162/EC by making it applicable to Mayotte, authorising the application of a differentiated tax system for 59 products produced locally in Mayotte, for which the French authorities have provided evidence that additional costs are incurred as required by the Commission, and proposing a maximum differential for each product limited to what is necessary to offset the lower competitiveness and additional costs of the local products.

As regards the substance, the proposed modification appears to be justified by objective reasons as it stems necessarily from the Mayotte status change as decided by the above-mentioned Decision of the European Council, and granting therefore an identical treatment to all the French ORs.

The proposed decision has a precise and well-defined scope, given that it applies to a limited number of identified products, and is subject to a short duration, as the authorisation granted to France expires on 1 July 2014.

Moreover, given that this measure will be effective from 1 January 2014, it is all the more important to adopt it swiftly for reasons of legal security.

Taking account of these elements, the committee proposed that Parliament to adopt, unamended, the Commission proposal.