AIEM tax applicable in the Canary Islands in 2014-2020

2014/0093(CNS) - 02/04/2014 - 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 on the AIEM tax applicable in the Canary Islands.

To recall, Council Decision 2002/546/EC authorises Spain, up to 30 June 2014, to apply exemptions from or reductions in the ‘Arbitrio sobre Importaciones y Entregas de Mercancías en las Islas Canarias’ (AIEM) to a number of products produced locally in the Canary Islands, in order to enhance competiveness and to compensate for the additional costs of production due to isolation, raw material and energy dependence, the obligation to build up stocks, the small size of the local market and the low level of export activity.

On 4 March 2013, Spain requested the Commission to prepare a Council Decision authorising Spain to apply exemptions from or reductions in the AIEM to certain products produced locally in the Canary Islands for the period 2014-2020, modifying the list of products and the maximum rates applicable to some of them.

The Commission found that it is justified to maintain the exemption of the AIEM to a list of locally produced industrial products.

Given that this measure is intended at continuing to stimulate economic activity and competitiveness in an outermost region, without distorting the legal order of the Union, the committee proposed to that this proposal be adopted without amendment.