Products eligible for exemption from or a reduction in dock dues

2018/0417(CNS) - 26/04/2019 - Final act

PURPOSE: to allow a greater number of local products to benefit from tax exemptions or reductions in the outermost regions of the EU of Guadeloupe, French Guiana, Martinique and Réunion.

LEGISLATIVE ACT: Council Decision (EU) 2019/664 amending Decision No 940/2014/EU as regards products eligible for exemption from or a reduction in dock dues.

CONTENT: the purpose of this Decision amending Council Decision No 940/2014/EU on dock dues in the French outermost regions is to adapt the list of products eligible for a tax differential to reflect the latest changes in local economies since the Decision was adopted.

The objective of the dock dues tax system is to compensate for the handicaps suffered by these territories (remoteness, dependence on raw materials and energy, small market size and underdeveloped export activity), to support their socio-economic development and to restore competitiveness to local companies by offsetting part of the additional production costs incurred by local production in the French outermost regions.

The amendments are adopted on the basis of the request submitted by the French authorities on 15 March 2018. The products for which the French authorities requested inclusion or reclassification on lists represent declared local production of EUR 225 million in 2016 and imports roughly equivalent to EUR 212 million. The categories represented by these products are very diverse.

The proposed measure aims to encourage economic activity and maintain the competitiveness of local products in the French outermost regions, while not undermining the coherence of the internal market and the legal order of the European Union.

ENTRY INTO FORCE: 29.4.2019.