

# **Dock dues in the French outermost regions: period of application**

2020/0174(CNS) - 06/10/2020 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 680 votes to 5, with 4 abstentions, (following a special legislative procedure - consultation), a legislative resolution on the proposal for a Council decision amending the period of application of Decision No 940/2014/EU concerning the dock dues in the French outermost region.

Parliament approved the Commission's proposal without amendment.

Dock dues are a tax which applies to imports, irrespective of their origin, and to sales in the French outermost regions. In view of the higher costs of production inherent in local production in those regions, Council Decision No 940/2014/EU provides for reduced rates of dock dues for certain locally produced goods in the outermost regions in order to offset the competitive disadvantage and maintain local production.

The French authorities intend to apply for a renewal of the dock dues exemption for the period 2021-2027, but this requires an impact assessment for each category of goods in each outermost region, to ensure that the goods in question qualify and that the internal market is not distorted. In view of the Coronavirus epidemic, which has hit certain outermost regions particularly hard, it has not been possible to carry out all these assessments.

The Commission therefore proposed that the current system, which expires on 31 December 2020, shall be extended by six months (from 31 December 2020 to 30 June 2021) in order to allow sufficient time to design a new system of tax exemptions for each region.

Once the relevant assessments have been carried out by the French authorities and reviewed by the Commission, the Commission shall submit a proposal for a new exemption system from dock dues for the period from 1 July 2021 to 31 December 2027, on which Parliament shall again be consulted.