

# **Canary Islands: temporary suspension of autonomous Common Customs Tariff duties on imports of certain industrial products**

2021/0209(CNS) - 05/10/2021 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 677 votes to 5, with 9 abstentions, under a special legislative procedure (Parliament's consultation), a legislative resolution on the proposal for a Council Regulation temporarily suspending autonomous Common Customs Tariff duties on import of certain industrial products into the Canary Islands.

Parliament approved the Commission proposal without amendments.

The Canary Islands belong to the Outermost Regions of the European Union, for which special measures can be adopted, pursuant to Article 349 of the Treaty on the Functioning of the European Union (TFEU), to overcome the economic disadvantages these regions suffer due to their geographical situation.

Against this background, Council Regulation (EU) No 1386/2011 provided for the temporary suspension of the autonomous Common Customs Tariff duties on imports of certain industrial products into the Canary Islands, with a view to strengthening the competitiveness of the local economic operators, thus securing more stable employment on these islands. These measures are due to expire on 31 December 2021.

In April 2021, the Spanish Government requested the prolongation of the suspension of the autonomous Common Customs Tariff duties for a number of products, on the grounds that the constraints faced by the region, linked to the small size of the market and its fragmentation, are of a structural and permanent nature. Due to those limitations, the Canary Islands incur higher production, transport and environmental costs and are unable to benefit from globalisation to the same extent as other European regions.

In addition to the product categories covered by Regulation (EU) No 1386/2011, the Spanish Government has requested the suspension of Common Customs Tariff duties for seven new product categories, which include machines for industrial use and raw materials.

The requested suspension regime will reduce the constraints affecting the economy of the Canary Islands.