Basic information

2011/0248(CNS) CNS - Consultation procedure Decision	Procedure completed
Excise duty: reduced rate on rum produced in French overseas departments, period of application and annual quota Amending Decision 2007/659/EC 2007/0131(CNS) **Subject** 2.70.02 Indirect taxation, VAT, excise duties 3.10.06.08 Wine, alcoholic and non-alcoholic beverages 4.70.06 Outlying and outermost regions, overseas countries and territories **Geographical area** France	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
REGI Regional Development	HÜBNER Danuta Maria (PPE)	14/11/2011
	Shadow rapporteur PONGA Maurice (PPE) TIROLIEN Patrice (S&D) MĂNESCU Ramona Nicole (ALDE) GRÈZE Catherine (Verts /ALE)	

Committee for opinion	Rapporteur for opinion	Appointed
ECON Economic and Monetary Affairs	The committee decided not to give an opinion.	
AGRI Agriculture and Rural Development	The committee decided not to give an opinion.	

Council of the European Union

Council configuration	Meetings	Date
Environment	3139	2011-12-19

European Commission	Commission DG	Commissioner
	Taxation and Customs Union	ŠEMETA Algirdas

Key events

Date	Event	Reference	Summary
22/09/2011	Legislative proposal published	COM(2011)0577	Summary
12/10/2011	Committee referral announced in Parliament		
14/11/2011	Vote in committee		Summary
16/11/2011	Committee report tabled for plenary, 1st reading/single reading	A7-0382/2011	
01/12/2011	Decision by Parliament	T7-0529/2011	Summary
01/12/2011	Results of vote in Parliament		
19/12/2011	Act adopted by Council after consultation of Parliament		
19/12/2011	End of procedure in Parliament		
29/12/2011	Final act published in Official Journal		

Technical information

Procedure reference	2011/0248(CNS)
Procedure type	CNS - Consultation procedure
Procedure subtype	Legislation
Legislative instrument	Decision
Amendments and repeals	Amending Decision 2007/659/EC 2007/0131(CNS)
Legal basis	Treaty on the Functioning of the European Union TFEU 349-p1sub1-as1
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	REGI/7/06983

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE475.887	09/11/2011	
Committee report tabled for plenary, 1st reading/single reading		A7-0382/2011	16/11/2011	
Text adopted by Parliament, 1st reading/single reading		T7-0529/2011	01/12/2011	Summary

European Commission

Document type	Reference	Date	Summary
Legislative proposal	COM(2011)0577	22/09/2011	Summary

National parliaments

Document type	Parliament /Chamber	Reference	Date	Summary
Contribution	PT_PARLIAMENT	COM(2011)0577	23/11/2011	
Contribution	IT_SENATE	COM(2011)0577	23/01/2012	

Additional information

Source	Document	Date
National parliaments	IPEX	
European Commission	EUR-Lex	

Final act

Decision 2011/0896
OJ L 345 29.12.2011, p. 0018 Summary

Excise duty: reduced rate on rum produced in French overseas departments, period of application and annual quota

2011/0248(CNS) - 01/12/2011 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 535 votes to 83 with 13 abstentions, in the framework of a special legislative procedure (European Parliament consultation), on the proposal for a Council decision amending Decision 2007/659/EC as regards its period of application and the annual quota benefiting from a reduced rate of excise duty.

Parliament approved the proposal without amendment.

Excise duty: reduced rate on rum produced in French overseas departments, period of application and annual quota

2011/0248(CNS) - 19/12/2011 - Final act

PURPOSE: to amend Decision 2007/659/EC as regards its period of application and the annual quota benefiting from a reduced rate of excise duty.

LEGISLATIVE ACT: Council Decision No 896/2011/EU amending Decision 2007/659/EC as regards its period of application and the annual quota benefiting from a reduced rate of excise duty.

CONTENT: the Council decided to increase the quota for traditional rum produced in the French overseas departments, on which a reduced rate of excise duty may be applied, **from 108 000 hectolitres to 120 000 hectolitres. It also extended by one year until 31 December 2013 the period of application of the scheme of reduced excise duty**.

The information provided by the French authorities shows that quantities of 'traditional' rum coming onto the market at the reduced rate of excise duty have grown since the adoption of Decision 2007/659/EC, from 96 100 hectolitres of pure alcohol in 2007 to 105 700 hectolitres in 2010, i.e. an annual increase of 3.2%. If this trend continues, the quantities of 'traditional' rum coming onto the market should be around 109 100 hectolitres of pure alcohol in 2011, 112 600 hectolitres in 2012 and 116 200 hectolitres in 2013, thus exceeding the 108 000 hectolitre quota provided for by Decision 2007/659 /EC.

Underlining that since the competitiveness of "traditional" rum from the overseas departments needs to be supported on the market in mainland France in order to safeguard the activity of their sugar-cane rum sector, the quantities of traditional rum originating in the overseas departments eligible for a reduced rate of excise duty when released for consumption on that market should be reviewed, the 108 000 hectolitre annual quota established by Decision 2007/659/EC should be, therefore, increased to 120000 hectolitres, including the quota for 2011 in order to ensure continuity, taking into account the increase forecasted for that year. This increase would cover annual growth of 4.3%, i.e. a little more than the 3.2% increase witnessed in 2007-10.

ENTRY INTO FORCE: 19/12/2011.

Excise duty: reduced rate on rum produced in French overseas departments, period of application and annual quota

2011/0248(CNS) - 22/09/2011 - Legislative proposal

PURPOSE: to amend Decision 2007/659/EC as regards its period of application and the annual quota benefiting from a reduced rate of excise duty.

PROPOSED ACT: Council Decision.

BACKGROUND: Council Decision 2007/659/EC authorises France to apply to 'traditional' rum produced in its overseas departments and sold on the French mainland a reduced rate of excise duty which may be lower than the minimum rate of excise duty set by Directive 92/84/EEC but not more than 50% lower than the standard national excise duty on alcohol. The reduction in excise duty is limited to an annual quota of 108 000 hl of pure alcohol. The derogation expires on 31 December 2012.

On 29 June 2010, the French authorities sent the Commission the report provided for in Article 4 of Decision 2007/659/EC. The report contains two requests:

the French authorities ask that the annual quota be increased from 108 000 hectolitres to 125 000 hectolitres of pure alcohol to reflect developments on the market for rum in the EU;

they request an extension by one year, i.e. to 31 December 2013, of the period of application of Decision 2007/659/EC so as to bring it into line with that of the State aid decision on the same issue taken by the Commission on 27 June 2007 (State aid No N 530/2006).

IMPACT ASSESSMENT: there was no need for external expertise and no impact analysis has been carried out. The French authorities have provided statistics on the quantities of rum released for consumption, however, and these have been examined carefully.

The information provided by the French authorities shows that quantities of 'traditional' rum coming onto the market at the reduced rate of excise duty have grown since the adoption of Decision 2007/659/EC, from 96 100 hectolitres of pure alcohol in 2007 to 105 700 hectolitres in 2010, i.e. an annual increase of 3.2%. If this trend continues, the quantities of 'traditional' rum coming onto the market should be around 109 100 hectolitres of pure alcohol in 2011, 112 600 hectolitres in 2012 and 116 200 hectolitres in 2013, thus exceeding the 108 000 hectolitre quota provided for by Decision 2007/659 /EC.

LEGAL BASIS: Article 349 of the TFEU.

CONTENT: in line with the above findings, the Commission proposes:

- **that the 108 000 hectolitre quota established under Decision 2007/659/EC be increased to 120 000 hectolitres**. Increasingthe quota to 120 000 hectolitres would cover annual growth of 4.3%, i.e. a little more than the3.2% increase recorded in 2007-10;
- **extending by one year** the period of application of Decision 2007/659/EC so as to bring it into line with that of the State aid decision on the same issue.

BUDGETARY IMPLICATIONS: the proposal has no impact on the budget of the European Union.