Basic information

2013/0446(CNS) CNS - Consultation procedure Decision	Procedure completed
Reduced rate of excise duty on locally produced and consumed alcohol in the autonomous regions of Madeira and the Azores: period of application Amending Decision 2009/831/EC 2009/0075(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** Portugal	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
REGI Regional Development	HÜBNER Danuta Maria (PPE)	11/02/2014

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
Economic and Financial Affairs ECOFIN	3302	2014-03-11

European Commission

Commission DG	Commissioner
Taxation and Customs Union	ŠEMETA Algirdas

Key events

Date	Event	Reference	Summary

19/12/2013	Legislative proposal published	COM(2013)0930	Summary
03/02/2014	Committee referral announced in Parliament		
11/02/2014	Vote in committee		
17/02/2014	Committee report tabled for plenary, 1st reading/single reading	A7-0113/2014	Summary
26/02/2014	Decision by Parliament	T7-0139/2014	Summary
26/02/2014	Results of vote in Parliament		
11/03/2014	Act adopted by Council after consultation of Parliament		
11/03/2014	End of procedure in Parliament		
25/03/2014	Final act published in Official Journal		

Technical information

Procedure reference	2013/0446(CNS)
Procedure type	CNS - Consultation procedure
Procedure subtype	Legislation
Legislative instrument	Decision
Amendments and repeals	Amending Decision 2009/831/EC 2009/0075(CNS)
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	REGI/7/14891

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE528.099	31/01/2014	
Committee report tabled for plenary, 1st reading/single reading		A7-0113/2014	17/02/2014	Summary
Text adopted by Parliament, 1st reading/single reading		T7-0139/2014	26/02/2014	Summary

European Commission

Document type	Reference	Date	Summary
Legislative proposal	COM(2013)0930	19/12/2013	Summary

National parliaments

Document type	Parliament /Chamber	Reference	Date	Summary

Contribution	ES_PARLIAMENT	COM(2013)0930	07/03/2014	
Contribution	PT_PARLIAMENT	COM(2013)0930	14/03/2014	

Additional information		
Source	Document	Date
European Commission	EUR-Lex	

Final act	
Decision 2014/0161 OJ L 089 25.03.2014, p. 0001	Summary

Reduced rate of excise duty on locally produced and consumed alcohol in the autonomous regions of Madeira and the Azores: period of application

2013/0446(CNS) - 19/12/2013 - Legislative proposal

PURPOSE: to extend the period of application of Decision 2009/831/EC.

PROPOSED ACT: Council Decision.

ROLE OF THE EUROPEAN PARLIAMENT: the Council adopts the act after consulting the European Parliament but without being obliged to follow its opinion.

BACKGROUND: Council Decision 2009/831/EC, adopted on the basis of Article 299 of the EC Treaty, authorises Portugal, up to 31 December 2013, to apply a reduced rate of excise duty in the autonomous region of Madeira on locally produced and consumed rum and liqueurs and in the autonomous region of the Azores on locally produced and consumed liqueurs and eaux-de-vie.

The Commission confirms that the reduction of the rate of excise duty should continue to be authorised to offset the competitive disadvantage which distilled alcoholic beverages produced in Madeira and in the Azores face as a result of higher production and marketing costs.

On 28 June 2013, the Commission has adopted its Guidelines on regional State aid for 2014-20204, setting out how Member States can grant aid to companies in order to support the development of disadvantaged regions in Europe between 2014 and 2020. These Guidelines will enter into force on 1 July 2014.

The Commission considers that it is justified to extend the period of application of Decision 2009/831/EC, for six months, so that its expiry date coincides with the date of entry into force of the Guidelines on regional State aid for 2014-2020.

CONTENT: the proposal seeks to extend **until 30 June 2014 the period of application of Decision 2009/831/EC**, which authorises Portugal to apply a reduced rate of excise duty in the autonomous region of Madeira on locally produced and consumed alcoholic products as well as in the autonomous region of the Azores.

Reduced rate of excise duty on locally produced and consumed alcohol in the autonomous regions of Madeira and the Azores: period of application

2013/0446(CNS) - 17/02/2014 - 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 amending Decision 2009/831/EC as regards its period of application.

To recall, the Portuguese authorities have requested the renewal of the authorisation to apply a reduced rate of excise duty in the autonomous region of Madeira on locally produced and consumed rum and liqueurs and in autonomous region of the Azores on locally produced and consumed liqueurs and eaux-de-vie until 31 December 2020. The renewal needs to be approved both by a Council Decision under Article 349 TFEU and by a Commission Decision on State Aid.

On 28 June 2013, the Commission has adopted new regional aid guidelines for the period 2014-2020. Considering that these Guidelines will enter into force on 1 July 2014, it seems justified to extend the period of application of Decision 2009/831/EC, for six months, so that its expiry date coincides with the expiry date of the current Guidelines.

Given the urgency in adopting this measure, its limited duration (six months) and that it aims at stimulating the economy of outermost regions, the committee proposed that this proposal be approved without amendment.

Reduced rate of excise duty on locally produced and consumed alcohol in the autonomous regions of Madeira and the Azores: period of application

2013/0446(CNS) - 26/02/2014 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 554 votes to 63, with 8 abstentions, in the framework of a special legislative procedure (Parliament consultation), a legislative resolution on the proposal for a Council decision amending Decision 2009/831/EC as regards its period of application.

Parliament approved the Commission proposal without amendment.

To recall, the proposal seeks to extend until 30 June 2014 the period of application of Decision 2009/831/EC, which authorises Portugal to apply a reduced rate of excise duty in the autonomous region of Madeira on locally produced and consumed alcoholic products as well as in the autonomous region of the Azores.

It seems justified to extend the period of application of Decision 2009/831/EC, for six months, so that its expiry date coincides with the expiry date of the current guidelines on regional State aid for 2014-2020.

Reduced rate of excise duty on locally produced and consumed alcohol in the autonomous regions of Madeira and the Azores: period of application

2013/0446(CNS) - 11/03/2014 - Final act

PURPOSE: to extend the period of application of Decision 2009/831/EC which authorises Portugal to apply a reduced rate of excise duty in the autonomous region of Madeira on locally produced and consumed rum and liqueurs and in the autonomous region of the Azores on locally produced and consumed liqueurs and eaux-de-vie.

LEGISLATIVE ACT: Council Decision 2014/161/EU amending Decision 2009/831/EC as regards its period of application.

CONTENT: Council Decision 2009/831/EC authorised Portugal, up to 31 December 2013, to apply a reduced rate of excise duty in Madeira, as an outermost region, on locally produced and consumed rum and liqueurs and in the Azores, as an outermost region, on locally produced and consumed liqueurs and eaux-de-vie.

The application of a lower excise duty rate establishes differentiated taxation, benefiting the local production of some products. This constitutes State aid that requires the approval of the Commission.

On 28 June 2013, the Commission adopted its Guidelines on regional State aid for 2014-20. Those Guidelines will enter into force on 1 July 2014.

Since the specific structural, social and economic situation in those outermost regions still persists, this Decision further extends the period of application of Decision 2009/831/EC for six months (**until 30 June 2014**), so that its expiry date coincides with the date of entry into force of the Guidelines on regional State aid for 2014-2020.

ENTRY INTO FORCE: 11.03.2014. It shall apply from 1 January 2014.