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Committee on Regional Development

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DRAFT REPORT

on the proposal for a Council decision on the AIEM tax applicable in the
Canary Islands
(COM(2014)0171 – C7-0106/2014 – 2014/0093(CNS))

Committee on Regional Development

Rapporteur: Danuta Maria Hübner

(Simplified procedure - Rule 46(1) of the Rules of Procedure)

Symbols for procedures

- * Consultation procedure
- *** Consent procedure
- ***I Ordinary legislative procedure (first reading)
- ***II Ordinary legislative procedure (second reading)
- ***III Ordinary legislative procedure (third reading)

(The type of procedure depends on the legal basis proposed by the draft act.)

Amendments to a draft act

Amendments by Parliament set out in two columns

Deletions are indicated in ***bold italics*** in the left-hand column. Replacements are indicated in ***bold italics*** in both columns. New text is indicated in ***bold italics*** in the right-hand column.

The first and second lines of the header of each amendment identify the relevant part of the draft act under consideration. If an amendment pertains to an existing act that the draft act is seeking to amend, the amendment heading includes a third line identifying the existing act and a fourth line identifying the provision in that act that Parliament wishes to amend.

Amendments by Parliament in the form of a consolidated text

New text is highlighted in ***bold italics***. Deletions are indicated using either the ■ symbol or strikeout. Replacements are indicated by highlighting the new text in ***bold italics*** and by deleting or striking out the text that has been replaced.

By way of exception, purely technical changes made by the drafting departments in preparing the final text are not highlighted.

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DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

**on the proposal for a Council decision on the AIEM tax applicable in the Canary Islands
(COM(2014)0171 – C7-0106/2014 – 2014/0093(CNS))**

(Special legislative procedure – consultation)

The European Parliament,

- having regard to the Commission proposal to the Council (COM(2014)0171),
 - having regard to Article 349 of the Treaty on the Functioning of the European Union, pursuant to which the Council consulted Parliament (C7-0106/2014),
 - having regard to Rules 55 and 46(1) of its Rules of Procedure,
 - having regard to the report of the Committee on Regional Development (A7-0000/2014),
1. Approves the Commission proposal;
 2. Calls on the Council to notify Parliament if it intends to depart from the text approved by Parliament;
 3. Asks the Council to consult Parliament again if it intends to substantially amend the text approved by Parliament;
 4. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

EXPLANATORY STATEMENT

According to the Commission proposal explanatory memorandum, Council Decision 2002/546/EC of 20 June 2002, adopted on the basis of Article 299(2) of the EC Treaty (now Article 349 TFEU), authorises Spain, up to 30 June 2014, to apply exemptions from or reductions in the ‘Arbitrio sobre Importaciones y Entregas de Mercancías en las Islas Canarias’ (hereinafter ‘AIEM’) to a number of products produced locally in the Canary Islands, in order to enhance competitiveness and to compensate for the additional costs of production due to isolation, raw material and energy dependence, the obligation to build up stocks, the small size of the local market and the low level of export activity.

On 4 March 2013, Spain has requested the Commission to prepare a Council Decision authorising Spain to apply exemptions from or reductions in the AIEM to certain products produced locally in the Canary Islands for the period 2014-2020, modifying the list of products and the maximum rates applicable to some of them. On the basis of the information gathered, the Commission found that the special characteristics of the Canary Islands restrain their development and are responsible for additional costs for the operators situated there, and that it is justified to maintain the exemption of the AIEM to a list of locally produced industrial products, considering that this measure is necessary and proportionate and does not undermine the integrity and the coherence of the Union legal order.

Given that this measure is intended at continuing to stimulate economic activity and competitiveness in an outermost region, without distorting the legal order of the Union, the Chair proposes that this proposal be adopted without amendment, in accordance with Rule 46 of the Rules of Procedure.