



A9-0159/2020

18.9.2020

REPORT

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 regions

(COM(2020)0371 – C9-0281/2020 – 2020/0174(CNS))

Committee on Regional Development

Rapporteur: Younous Omarjee

(Simplified procedure – Rule 52(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 amending the period of application of Decision No 940/2014/EU concerning the dock dues in the French outermost regions (COM(2020)0371 – C9-0281/2020 – 2020/0174(CNS))

(Special legislative procedure – consultation)

The European Parliament,

- having regard to the Commission proposal to the Council (COM(2020)0371),
 - having regard to Article 349 of the Treaty on the Functioning of the European Union, pursuant to which the Council consulted Parliament (C9-0281/2020),
 - having regard to Rule 82 of its Rules of Procedure,
 - having regard to the report of the Committee on Regional Development (A9-0159/2020),
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

A. Legal background

Article 349 TFEU allows for derogations from EU rules in the outermost regions, in order to partly compensate for the permanence and combination of a large range of constraints affecting their economic and social development. This proposal aims to apply such derogations in the area of taxation. However, in this specific case, the decision does not cover the entire duration of the next Multiannual Financial Framework, i.e. 2021-2027, but merely extends the existing specific measures on dock dues by six months.

B. Dock dues in the French outermost regions

Dock dues ('octroi de mer') 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 objective of the measures is to mitigate the additional costs faced by companies in the outermost regions, which impede their full participation in the Single Market.

These goods concerned are identified by their Common Customs Tariff nomenclature classification as listed in the annex to Decision No 940/2014/EU, and may benefit from preferential tax rates which are 10% to 30% lower than those for imported goods. Different categories of goods and rates are set for Guadeloupe, French Guiana, Martinique, Mayotte and Réunion, depending on the local economic conditions. No exemptions currently apply to the sixth French outermost region, Saint Martin.

C. Extension of the tax derogation for dock dues by six months

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 proposes that the current system, which expires on 31 December 2020, should be extended by six months in order to allow sufficient time to design a new system of tax exemptions for each region, and to engage a dialogue with citizens and local socio-economic actors. Decision No 940/2014/EU should therefore be extended so as to apply until 30 June 2021.

D. New system from 1 July 2021

Once the relevant assessments have been carried out by the French authorities and reviewed by the Commission, the Commission will 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 will again be consulted.

E. Assessment of the rapporteur

Your rapporteur considers that this derogation from taxation rules is justified by its extremely limited scope, and by the economic difficulties inherent in production in the outermost regions, and fully complies with Article 349. He therefore suggests that this proposed decision should be approved by Parliament without amendment, under the simplified procedure set out in Rule 52(1) of the Rules of Procedure.

PROCEDURE – COMMITTEE RESPONSIBLE

Title	Docks dues extension in the French outermost regions
References	COM(2020)0371 – C9-0281/2020 – 2020/0174(CNS)
Date of consulting Parliament	2.9.2020
Committee responsible Date announced in plenary	REGI 14.9.2020
Rapporteurs Date appointed	Younous Omarjee 13.8.2020
Simplified procedure - date of decision	7.9.2020
Date adopted	7.9.2020
Date tabled	18.9.2020