REPORT


Committee on Economic and Monetary Affairs

Rapporteur: Irene Tinagli

(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 [strikeout] 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


(Special legislative procedure – consultation)

The European Parliament,

– having regard to the Commission proposal to the Council (COM(2021)0817),
– having regard to Article 113 of the Treaty on the Functioning of the European Union, pursuant to which the Council consulted Parliament (C9-0016/2022),
– having regard to Rule 82 of its Rules of Procedure,
– having regard to the report of the Committee on Economic and Monetary Affairs (A9-0035/2022),

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

The Channel Fixed Link is a twin bored tunnel rail link, under the English Channel between Folkestone (Kent, United Kingdom) and Coquelles (Pas-de-Calais, France). It has an associated service tunnel and terminal areas at either end for control of access to, and egress from, the tunnels. It has the characteristics of a maritime link with border controls at the two access terminals. Both infrastructures allow a sea-crossing under the same conditions.

On 31 December 2020, following the United Kingdom’s withdrawal from the European Union, the Channel Fixed Link became a cross-border link between the Union and a third country.

As allowed by the Excise Directive[^1], ferry companies reintroduced tax-free sales of goods supplied on board their ships during the sea-crossing to the United Kingdom. Tax-free shops have also opened in the ports of Calais and Dunkirk. Moreover, the United Kingdom has already granted permission for an outlet at their terminal of the Channel Fixed Link in Folkestone.

However, the French terminal of the Channel Fixed Link cannot open tax-free shops under the current rules.

The proposal intends to provide to travellers using the Channel Fixed Link from France to the United Kingdom tax-free facilities which are comparable to those available to persons travelling from a Member State to a third country by sea.

The passengers of the Channel Fixed Link are in the same position as sea passengers leaving the Union’s fiscal territory. Once the passengers of the Channel Fixed Link have checked in for their trip and entered the terminal with tax-free shops, they would be in a similar position as those passengers in a port in the sense that those passengers are bound to continue their trip to a third country.

Therefore, the terminal of the Channel Fixed Link should be considered equivalent to a port within the meaning of Article 14 of Council Directive 2008/118/EC.

This proposal is a technical amendment of tax-free shops rules and as such does not constitute new policy or a substantial change to the existing policy. The proposal is restricted to the reintroduction of the special status exclusively for the Channel Fixed Link in the French terminal (Coquelles) and not railway terminals in general.

It is a direct consequence of the United Kingdom’s withdrawal from the European Union and the fact that the Channel Fixed Link has become a cross-border link between a third country and the Union. Moreover, the situation of the Channel Fixed Link is unique in Europe in that it is a tunnel under the sea between an EU country and a third country.

In light of the nature of the proposal and procedural-related content thereof, your rapporteur

proposes that Parliament approves the proposal without amendments pursuant to a simplified procedure (rule 52).
<table>
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<th>Title</th>
<th>Amending Directive 2008/118/EC and Directive (EU) 2020/262 (recast) as regards tax-free shops situated in the French terminal of the Channel Tunnel</th>
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<td>Committee responsible</td>
<td>ECON</td>
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<td>27.1.2022</td>
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<td>Rapporteurs</td>
<td>Irene Tinagli</td>
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<td>25.1.2022</td>
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<td>28.2.2022</td>
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