Question for written answer E-010287/2012
to the Commission
Rule 117
Frank Engel (PPE)

Subject: Unfair competition between Italy and Greece in maritime transport

In 1998, Italy adopted Law 30/98 creating the Italian second register for vessels, which institutes a partial exemption from social security contributions for vessels flying the Italian flag. Those taxes are covered by the Italian State and account for approximately 33% of the seafarer's gross salary, which is withheld by the ship owner himself to reduce his costs.

Both Italian and Greek vessels operate in the Adriatic Sea, providing ferry and other services. Greece does not grant tax relief similar to that afforded by Italy. Therefore Greek vessels suffer an unfair distortion of competition regarding operational costs.

Article 107 of the Treaty on the Functioning of the European Union forbids state interference generating a distortion of competition between Member States. Furthermore, Commission communication C (2004) 43 stipulates (under point 2: Scope and General Objectives of the Revised State Aid Guidelines) that state aid to maritime transport should not be conducted at the expense of other Member States' economies.

1. What is the Commission's assessment regarding the compatibility of divergences between national fiscal regimes in maritime transport with the aforementioned provisions of Union law and practice?

2. Does the Commission consider that the divergence between the respective fiscal regimes of Italy and Greece described above is justified in the light of the need to ensure fair competition and the undistorted functioning of the Single Market?