



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 20.06.2000
COM(2000) 373 final

Proposal for a

COUNCIL DECISION

**authorising France to apply an exemption from excise duty for certain mineral oils,
when used for specific purposes, in accordance with the procedure provided for in
Article 8(4) of Directive 92/81/EEC**

(presented by the Commission)

EXPLANATORY MEMORANDUM

Under Article 8(4) of Council Directive 92/81/EEC on the harmonisation of the structures of excise duties on mineral oils¹, the Council, acting unanimously on a proposal from the Commission, may authorise any Member State to introduce exemptions from, or reductions in, excise duties on grounds of specific policy considerations.

The French authorities have informed the Commission that they wish to introduce an exemption from excise duty for gases used as engine fuel in gas powered refuse collection vehicles from 1 January 2000.

This measure extends the coverage of a previously authorised derogation for an exemption from duty for gases used as engine fuel for public transport vehicles. It forms part of a programme to reduce atmospheric pollution and serves as an incentive for increasing the number of vehicles running on LPG or natural gas. It makes it possible to replace the vehicles which are the greatest source of pollution and which in many cases are old and run on diesel. The measure will affect some 50 vehicles at the end of 1999 and about 100 planned for 2000.

The exemption will be applied by a reimbursement system that will commence in 2001 but will apply to fuel used in gas powered refuse vehicles from 1 January 2000.

In accordance with Directive 92/81/EEC, the other Member States have been informed of this request.

The Directive provides for the Commission to review such exemptions and reductions periodically. If the Commission considers that they may no longer be applied because they distort competition or the operation of the internal market or are incompatible with Community policy on protection of the environment, it is to present appropriate proposals to the Council. In any event, this derogation must be reviewed no later than 31 December 2002, when the authorisation granted by the Decision expires. The Council will review the situation on the basis of a Commission proposal and decide whether the authorisation should be withdrawn, amended or extended.

¹ OJ L 316, 31.10.92, p. 12, Directive as last amended by Directive 94/74/EC (OJ L 365, 31.12.94, p. 46).

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THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community,

Having regard to Council directive 92/81/EEC of 19 October 1992 on the harmonisation of the structures of excise duties on mineral oils², and in particular Article 8(4) thereof,

Having regard to the proposal from the Commission,

Whereas:

- (1) Pursuant to Article 8(4) of Directive 92/81/EEC, the Council, acting unanimously on a proposal from the Commission may authorise any Member State to introduce exemptions or reductions in the excise duty charged on mineral oils for special policy considerations.
- (2) The French authorities have informed the Commission that they wish to introduce an exemption from excise duty for gases used as engine fuel in gas powered refuse collection vehicles from 1 January 2000.
- (3) This measure extends the coverage of a previously authorised derogation³ for an exemption from duty for gases used as engine fuel for public transport vehicles and forms part of a programme to reduce atmospheric pollution by providing an incentive for increasing the number of vehicles running on LPG or natural gas.
- (4) The other Member States have been informed thereof.
- (5) The Commission and Member States consider that, on the basis of the currently available information, there are no indications that the introduction of an exemption from excise duty for gases used as engine fuels in gas powered refuse collection vehicles is likely to give rise to distortions of competition or hinder the operation of the internal market.
- (6) This decision does not prejudice the outcome of any state aid procedures that may be undertaken in accordance with Articles 87 and 88 of the Treaty.

² OJ L 316, 31.10.92, p. 12, Directive as last amended by Directive 94/74/EC (OJ L 365, 31.12.94, p. 46).

³ Council Decision 1997/91/EC of 27.1.97 (OJ L 29, 31.1.97, p.53).

- (7) The Commission regularly reviews reductions and exemptions to check that they are compatible with the operation of the internal market or with Community policy on protection of the environment.
- (8) France has requested authorisation to introduce an exemption from excise duty for gases used as fuel in gas powered refuse collection vehicles with effect from 1 January 2000.
- (9) The Council will review this decision on the basis of a proposal from the Commission no later than 31 December 2002 when the authorisation granted by this decision expires.

HAS ADOPTED THIS DECISION:

Article 1

In accordance with Article 8(4) of Council Directive 92/81/EEC and notwithstanding the obligations imposed by Council Directive 92/82/EEC of 19 October 1992 on the approximation of the rates of excise duties on mineral oils⁴ and in particular the minimum rates laid down in Article 7 thereof, France is hereby authorised to introduce an exemption from excise duty for gases used as engine fuel in gas powered refuse collection vehicles from 1 January 2000 until 31 December 2002.

Article 2

This Decision is addressed to France.

Done at Brussels,

*For the Council
The President*

⁴ OJ L 316, 31.10.92, p. 19, Directive as last amended by Directive 94/74/EC (OJ L 365, 31.12.94, p. 46).