



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 25.06.1996
COM(96) 299 final

Proposal for a

COUNCIL DECISION

authorising the French Republic to apply or
to continue to apply reductions in, or exemptions from, excise duties on
certain mineral oils 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/EEC¹ on the harmonisation of the structures of excise duties on mineral oils, 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 the grounds of specific policy considerations.

The French authorities have informed the Commission that they wish to exempt, within the limits of an annual quota, liquefied petroleum gas and natural gas from excise duty when they are used as fuel for public transport under a programme for reducing pollution, to which the procedure provided for in Article 8(4) should apply.

The Member States have been informed of this request in accordance with the Directive.

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 presents appropriate proposals to the Council. In any event, the derogation shall be reviewed before 31 December 1998. The Council will examine the situation on the basis of a proposal from the Commission and decide whether to abolish, modify or extend the derogation.

¹ OJ No L 316, 31.10.1992, p. 12.

**Proposal for a
COUNCIL DECISION**

authorising the French Republic to apply or
to continue to apply reductions in, or exemptions from, excise duties on
certain mineral oils used for specific purposes, in accordance with the procedure
provided for in Article 8(4) of Directive 92/81/EEC

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 oils, and in particular
Article 8(4) thereof,

Having regard to the proposal from the Commission,

Whereas, under 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 from, or reductions in, excise duties on mineral oils on the grounds of
specific policy considerations;

Whereas the French authorities have informed the Commission that they, as of 1
January 1997, wish to exempt liquefied petroleum gas and natural gas from excise
duty when they are used as fuel for public transport under a programme for reducing
pollution, to which the procedure provided for in Article 8(4) should apply;

Whereas the other Member States have been informed of this notification;

Whereas the Commission and all the Member States accept that such exemption is
justified on the grounds of specific policy considerations and that it would not give rise
to distortions of competition or hinder the operation of the internal market;

Whereas 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;

Whereas, under Article 8(6) of Directive 92/81/EEC, the Council is to review the
situation no later than 31 December 1996 on the basis of a report from the
Commission,

Whereas, the French Republic authorities have asked the derogation to apply from 1 January 1997, the Council shall, on the basis of a report from the Commission review this specific derogation before 31 December 1998;

HAS ADOPTED THIS DECISION:

Article 1

Until 31 December 1998, in accordance with Article 8(4) of Directive 92/81/EEC and without prejudice to the obligations laid down in Council Directive 92/82/EEC of 19 October 1992 on the approximation of the rates of excise duties on mineral oils,² France is hereby authorised to apply an exemption from excise duty to liquefied petroleum gas and natural gas when used as fuel for vehicles used for local public transport, within the limits of an annual quota.

Article 2

This Decision is addressed to the French Republic.

Done at Brussels,

For the Council
The President

² OJ No L 316, 31.10.1992, p. 19.

DOCUMENTS

EN

02 09 12

Catalogue number : CB-CO-96-308-EN-C

ISBN 92-78-05765-7

Office for Official Publications of the European Communities

L-2985 Luxembourg