

## COUNCIL DECISION

of 12 March 2001

**authorising the French Republic to apply a differentiated rate of excise duty to certain mineral oils, when used for specific purposes, in accordance with the procedure provided for in Article 8(4) of Directive 92/81/EEC**

(2001/227/EC)

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<sup>(1)</sup>, 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 specific policy considerations.
- (2) As public transport is more environmentally friendly than transport in private vehicles, the French authorities have informed the Commission that they wish to introduce a differentiated rate of duty on diesel fuel used in local public passenger transport vehicles by refunding a proportion of future annual rises in duty on diesel fuel.
- (3) The other Member States have been informed thereof.
- (4) The Commission and all the Member States accept that the application of differentiated rate of excise duty on diesel fuel used in local public passenger transport vehicles will not give rise to distortions of competition or hinder the operation of the internal market.
- (5) This Decision does not prejudice the outcome of any future State aid procedures that may be undertaken in accordance with Articles 87 and 88 of the Treaty, nor does it override the requirement for Member States to notify instances of potential State aid to the Commission under Article 88 of the Treaty.
- (6) The Commission regularly reviews reductions and exemptions to check that they do not distort competition or the operation of the internal market or

are incompatible with Community policy on protection of the environment.

- (7) The French Republic has requested authorisation to introduce the differentiated rate of duty on diesel fuel used in local public passenger transport vehicles from 1 January 2001.
- (8) The Council will review this Decision on the basis of a proposal from the Commission no later than 31 December 2005 when the authorisation granted by this Decision expires,

HAS ADOPTED THIS DECISION:

*Article 1*

In accordance with Article 8(4) of Directive 92/81/EEC, the French Republic is authorised to apply a differentiated rate of excise duty on diesel fuel used in local public passenger transport vehicles from 1 January 2001 until 31 December 2005 provided that the differentiated rates are in accordance with 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<sup>(2)</sup>, and in particular the minimum rates laid down in Article 5 thereof.

*Article 2*

This Decision is addressed to the French Republic.

Done at Brussels, 12 March 2001.

*For the Council**The President*

B. RINGHOLM

<sup>(1)</sup> OJ L 316, 31.10.1992, p. 12. Directive as last amended by Directive 94/74/EC (OJ L 365, 31.12.1994, p. 46).

<sup>(2)</sup> OJ L 316, 31.10.1992, p. 19. Directive as amended by Directive 94/74/EC.