

Proposal for a Council Regulation amending Regulation (EEC) No 1911/91 on the application of the provisions of Community law to the Canary Islands

(2001/C 154 E/27)

COM(2001) 76 final — 2001/0038(CNS)

(Submitted by the Commission on 12 February 2001)

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community,

Having regard to the Act of Accession of Spain and Portugal, and in particular the first subparagraph of Article 25(4) thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament,

Having regard to the opinion of the Economic and Social Committee,

Having regard to the opinion of the Committee of the Regions,

Whereas:

- (1) Article 5(1) of Council Regulation (EEC) No 1911/91 of 26 June 1991 on the application of the provisions of Community law to the Canary Islands established a transitional period which authorised the Spanish authorities to impose a tax on production and imports (APIM) on all products entering or produced in the Canary Islands.
- (2) Article 6(1) of Regulation (EEC) No 1911/91 established a transitional period to introduce progressively the Common Customs Tariff (CCT) on the Canary Islands.
- (3) Both transitional periods expire on 31 December 2000.
- (4) In October and November 2000 the Spanish authorities requested that the transitional periods and the measures introduced on the basis of Regulation (EEC) No 1911/91 shall be extended.
- (5) The request contained documentation which indicated that even though the economic situation on the Canary Islands

has improved during the transitional period, the full integration of the region would lead to a decline in industrial and commercial activity and employment in the different sectors concerned.

- (6) However, in the short period available it was not possible to determine the full impact of the termination or modification of the existing measures on the economic and social situation of the Canary Islands.
- (7) It is therefore appropriate in order to ensure for the economic operators concerned a certain continuity in the legal framework affecting their business to extend the transitional periods by one year.
- (8) After the completion of the abovementioned evaluation the Commission will make, if necessary, a new proposal taking hereby into account the aims of Article 299(2) of the Treaty,

HAS ADOPTED THIS REGULATION:

Article 1

In Article 5 paragraph 1 and 6 and Article 6 paragraph 1 of Regulation (EEC) No 1911/91 the date '31 December 2000' shall be replaced by '31 December 2001'.

Article 2

This Regulation shall enter into force on the day of its publication in the *Official Journal of the European Communities*.

It shall apply from 1 January 2001.

This Regulation shall be binding in its entirety and directly applicable in all Member States.
