

COUNCIL DECISION

of 12 March 2001

authorising the Italian Republic to apply a reduced 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

(2001/226/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 ⁽¹⁾, 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) The Italian authorities have informed the Commission that they wish to apply reduced excise duty to water/diesel emulsions and water/heavy fuel oil emulsions. The water/diesel emulsion will be used as motor fuel and also as heating fuel. The water/heavy fuel oil emulsion will be used as heating fuel and also for industrial purposes.
- (3) In so far as the water content of water/mineral oil emulsions does not contribute to energy release but simply aids fuel combustion, thus reducing pollutant emissions, the Italian authorities wish to apply reduced duty to these emulsions.
- (4) The other Member States have been informed thereof.
- (5) The Commission and all the Member States accept that the application of reduced excise duty to water/diesel emulsions and water/heavy fuel oil emulsions will not give rise to distortions of competition or hinder the operation of the internal market.
- (6) 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.

- (7) 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.
- (8) To ensure fair and equitable duty charging and to encourage the use of more environmentally friendly fuels, the Italian Republic has requested authorisation to apply a reduced rate of excise duty to water/diesel and water/heavy fuel oil emulsions from excise duty from 1 October 2000.
- (9) The resultant differentiated rates of excise duty on these fuels will all respect the minimum rates of excise duty set out in Council Directive 92/82/EEC of 19 October 1992 on the approximation of the rates of excise duties on mineral oils ⁽²⁾.
- (10) 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 Italian Republic is authorised to apply a reduced rate of excise duty to water/diesel emulsions and water/heavy fuel oil emulsions from 1 October 2000 until 31 December 2005 provided that the reduced rate is in accordance with the obligations laid down in Directive 92/82/EEC, and in particular the minimum rates of excise duty provided for in Articles 5 and 6 thereof.

Article 2

This Decision is addressed to the Italian Republic.

Done at Brussels, 12 March 2001.

For the Council

The President

B. RINGHOLM

⁽¹⁾ 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).

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