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CM 3202/20

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COMMUNICATION

WRITTEN PROCEDURE

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Subject:	Draft COUNCIL DIRECTIVE amending Directive 92/83/EEC on the harmonization of the structures of excise duties on alcohol and alcoholic beverages - End of written procedure - Adoption

Delegations are informed that the written procedure, opened by CM 3200/20 of 27 July 2020, was completed on 29 July 2020.

Delegations agreed, with the Czech Republic abstaining, to the adoption of the **COUNCIL DIRECTIVE amending Directive 92/83/EEC on the harmonization of the structures of excise duties on alcohol and alcoholic beverages**, as set out in document 9139/20.

Therefore, the COUNCIL DIRECTIVE amending Directive 92/83/EEC on the harmonization of the structures of excise duties on alcohol and alcoholic beverages, as set out in document 9139/20, is adopted.

The statements by the Commission are set out in the Annex to this communication and will be included in the summary of acts adopted by the written procedure as statements to be entered in the Council minutes, in accordance with the third subparagraph of Article 12(1) of the Council's Rules of Procedure.

STATEMENTS BY THE COMMISSION

**Statement by the Commission concerning the alternative structure of excise duty for wine,
other fermented beverages and intermediate products:**

“Alcohol related harm is a major public health concern in the EU and while Member States are mainly responsible for their national alcohol policy, the Commission notes that the current wording of Directive 92/83/CEE does not offer the possibility for Member States to levy excise duties on specific alcoholic beverages in accordance with their alcoholic strength.

In light of these growing concerns of some Member States, the Commission will analyse the impacts of this alternative method as part of the first review of the Directive.”

**Statement by the Commission concerning the extension of reduced rates for producers of wine
(Article 9a):**

“The Commission recalls that the specific objectives of the Directive include ensuring fair treatment for all businesses, including small producers of all alcohol types and preventing and correcting any distortions of competition in the application of the reduced rates for these small producers.

The Commission must remind the Council that when setting the threshold for defining small producers of any type of alcohol, this level should capture producers that, although numerous, represent only a small share of the market, to prevent market and trade distortions.

The Commission disagrees with the introduction of an increased threshold of 20 000 hectolitres of wine per annum for Malta due to the possible market and trade distortions risks and the difficulty to justify such a figure when the average annual EU wine production per holding is 70 hectolitres.”

Statement by the Commission concerning excise duty exemption or reduced rates for private production of ethyl alcohol for home consumption or sale:

"The Commission recalls that the general objectives behind this initiative include ensuring the protection of human health in Union policies and activities in line with Article 168 of the TFEU.

The Commission disagrees with the introduction of an excise duty exemption or reduced rates for private production of ethyl alcohol for home consumption or sale due to the health risks associated with methanol poisoning, the possible increase in the consumption of spirits with the liberalisation of private distillation.

Based on information from the Member States, the Commission will report to the Council about the impact of this provision within three years from the date of entry into application."
