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LEGISLATIVE ACTS AND OTHER INSTRUMENTS

Subject:	COUNCIL IMPLEMENTING DECISION authorising France to apply a reduced rate of taxation to unleaded petrol used as motor fuel and consumed in Corsican departments in accordance with Directive 2003/96/EC

COUNCIL IMPLEMENTING DECISION (EU) 2025/…

of …

authorising France to apply a reduced rate of taxation to unleaded petrol used as motor fuel and consumed in Corsican departments in accordance with Directive 2003/96/EC

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Council Directive 2003/96/EC of 27 October 2003 restructuring the Community framework for the taxation of energy products and electricity[1], and in particular Article 19(1) thereof,

Having regard to the proposal from the European Commission,

[1] OJ L 283, 31.10.2003, p. 51, ELI: http://data.europa.eu/eli/dir/2003/96/oj.

Whereas:

(1) By means of Council Decision 2007/880/EC[2] and Council Implementing Decisions 2013/192/EU[3] and (EU) 2019/372[4], France was authorised to apply a reduced rate of taxation to unleaded petrol used as motor fuel and consumed in Corsican departments in accordance with Article 19 of Directive 2003/96/EC.

(2) By letter dated 31 October 2024, France requested authorisation to continue to apply a reduced rate of energy tax to unleaded petrol used as motor fuel. The reduction amounts to EUR 1 per hectolitre. The authorisation was requested for the period from 1 January 2025 to 31 December 2028. In Corsica, the cost of supplying unleaded petrol to the forecourt is appreciably higher than in mainland France, final prices being over EUR 0,10 per litre higher than on the mainland.

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[2] Council Decision 2007/880/EC of 20 December 2007 authorising France to apply a reduced rate of taxation to unleaded petrol used as motor fuel and consumed in the Corsican departments in accordance with Article 19 of Directive 2003/96/EC (OJ L 346, 29.12.2007, p. 15, ELI: http://data.europa.eu/eli/dec/2007/880/oj).

[3] Council Implementing Decision 2013/192/EU of 22 April 2013 authorising the French Republic to apply a reduced rate of taxation to unleaded petrol used as motor fuel and consumed in the Corsican departments in accordance with Article 19 of Directive 2003/96/EC (OJ L 113, 25.4.2013, p. 13, ELI: http://data.europa.eu/eli/dec_impl/2013/192/oj

[4] Council Implementing Decision (EU) 2019/372 of 5 March 2019 authorising France to apply a reduced rate of taxation to unleaded petrol used as motor fuel and consumed in Corsican departments in accordance with Article 19 of Directive 2003/96/EC (OJ L 68, 8.3.2019, p. 5, ELI: http://data.europa.eu/eli/dec_impl/2019/372/oj).

(3) By reducing the tax on unleaded petrol borne by consumers in Corsica, the consumers concerned will be placed on a more equal footing with those on the mainland. The measure therefore meets regional and cohesion policy objectives.

(4) The tax reduction is no larger than what is necessary to allow for the additional transport and distribution costs borne by consumers in Corsica.

(5) The final level of taxation complies with the minimum rates laid down in Directive 2003/96/EC, currently EUR 359 per 1 000 litres (or EUR 35,90 per hectolitre).

(6) In view of the remote and insular nature of the departments to which it will apply and the moderate reduction in the rate – which is, moreover, very high compared to the minimum level set out in Directive 2003/96/EC – the measure requested will not give rise to any movement specifically linked to the supplying of fuel.

(7) Consequently, the measure is acceptable in terms of the proper functioning of the internal market and of the need to ensure fair competition and is not incompatible with the health, environment, energy and transport policies of the Union.

(8) France should therefore be authorised, pursuant to Article 19(2) of Directive 2003/96/EC, to apply a reduced rate of taxation to unleaded petrol used as motor fuel and consumed in Corsica.

(9) In order to avoid any disruption, it should be ensured that France can apply the specific reduction to which this Decision relates from 1 January 2025, following seamlessly on from the prior arrangements under Implementing Decision (EU) 2019/372. The authorisation requested should therefore be granted with effect from 1 January 2025.

(10) In accordance with Article 19(2) of Directive 2003/96/EC, each authorisation granted under that provision is to be limited in time. In order to provide the departments concerned with a sufficient degree of certainty, the authorisation should be granted for a period of four years. However, in order not to undermine future general developments of the existing legal framework, it is appropriate to provide that, should the Council, acting on the basis of Article 113 of the Treaty on the Functioning of the European Union, introduce a general system for the taxation of energy products to which this authorisation would not be adapted, this Decision should expire on the day on which that system becomes applicable.

(11) This Decision is without prejudice to the application of the Union rules regarding State aid,

HAS ADOPTED THIS DECISION:

Article 1

France is hereby authorised to apply a reduction in the rate of taxation not exceeding EUR 1 per hectolitre to unleaded petrol used as motor fuel and consumed in the Corsican departments. In order to avoid any overcompensation, the reduction shall not go beyond the additional costs of transport, storage and distribution borne in the Corsican departments compared to mainland France.

The reduced rate shall respect the minimum rates referred to in Article 7 of Directive 2003/96/EC.

Article 2

This Decision shall apply from 1 January 2025 until 31 December 2028.

However, in the event that the Council, acting on the basis of Article 113 of the Treaty on the Functioning of the European Union, or any other relevant provision of the Treaty, introduces a modified general system for the taxation of energy products, with which system the authorisation granted in Article 1 of this Decision would not be compatible, this Decision shall cease to apply on the day on which that modified general system becomes applicable.

Article 3

This Decision shall take effect on the date of its notification.

Article 4

This Decision is addressed to the French Republic.

Done at …, …

For the Council
The President