



Brussels, 18.6.2020  
COM(2020) 240 final

ANNEX

**ANNEX**

**to the**

**Proposal for a Council Decision**

**authorising Portugal to apply a reduced rate of excise duty on certain alcoholic products  
produced in the autonomous regions of Madeira and the Azores**

{SWD(2020) 108 final}

## ANNEX

### **Information to be included in the monitoring report referred to in Article 6**

1. Estimated additional costs. Information shall be provided for each product benefiting from the reduced rate of excise duty. The Portuguese authorities shall complete Table 1 with at least the following information, where such information is available. The information provided in the table shall be sufficient for determining whether there is additional cost, which increases the cost of products produced locally in comparison to products produced elsewhere.

Table 1.

	MADEIRA (euros)	AZORES (euros)	Notes <sup>2</sup>
Sugar cane price (per 100 kg)			
Passion fruit price (per 100 kg)			
Lime fruit price (per 100 kg)			
Alcohol price (per hlpa <sup>3</sup> - excluding taxes)			
Freight cost (per kg)			
Other costs <sup>1</sup>			

Notes to the Table:

1. Provide information on water, energy and waste-related costs, costs in case of multiple establishments and other relevant costs.
2. Provide information on all the specifications and clarifications underpinning the calculation methods.
3. Hectolitres of pure alcohol.

2. Other subsidies. The Portuguese authorities shall complete Table 2 for each region listing all other aid and support measures addressing the additional operating costs of economic operators linked to the outermost status of the regions of Madeira and of the Azores.

Table 2.

Aid support measure <sup>1</sup>	/	Period <sup>2</sup>	Target sector <sup>3</sup>	Budget amount in EUR <sup>4</sup>	Annual expenditure, in EUR (2019-2024) <sup>5</sup>	Share of the budget attributable to additional costs compensation <sup>6</sup>	Estimated number of beneficiary firms <sup>7</sup>	Notes <sup>8</sup>
[list]								

Notes to the Table:

- (1) Provide the denomination and the type of measure.
- (2) Provide information on years covered by the measure.
- (3) Provide information only for sector-oriented measures.
- (4) Provide information on the overall budget of the measure and the sources of funding.
- (5) Provide information on actual expenditure year by year in the monitoring period (2019-2024), where available.
- (6) Provide approximate estimation, in % of the overall budget.
- (7) Provide approximate estimation, where feasible.
- (8) Provide any comments and clarifications.

3. Impact on public budget. The Portuguese authorities shall complete Table 3 providing the estimated total amount (in EUR) of tax not collected because of the tax differentials applied.

Table 3.

	2019	2020	2021	2022	2023	2024
Foregone tax revenue						

4. Impact on overall economic performance. The Portuguese authorities shall complete Table 4 for each region providing any data demonstrating the impact of the reduced excise duties on the socio-economic development of the regions. The indicators required in the Table refer to the performance of the supported sector compared to the general performance in the economy of Madeira and in the economy of the Azores. If some of the indicators are not available, alternative reporting data shall be included on the impact on overall economic performance allowing analysis of the socio-economic impact.

Table 4.

Year <sup>2</sup>	2019	2020	2021	2022	2023	2024	Notes <sup>3</sup>
Regional gross value added							
- <i>In the supported sector<sup>1</sup></i>							
Overall regional employment							
- <i>In the supported sector<sup>1</sup></i>							
Number of active producers							
- <i>In the supported sector<sup>1</sup></i>							
Price level index – mainland Portugal							

Price level index of the region							
Number of tourists of the region							

Notes to the Table:

- (9) Provide information on producers of rum, liqueurs and eaux-de-vie.
- (10) The information may not be available for all the years listed.
- (11) Provide comments and clarifications as deemed relevant.

5. Specifications of the regime. The Portuguese authorities shall complete Table 5 for each product and for each of the regions of Madeira and of the Azores.

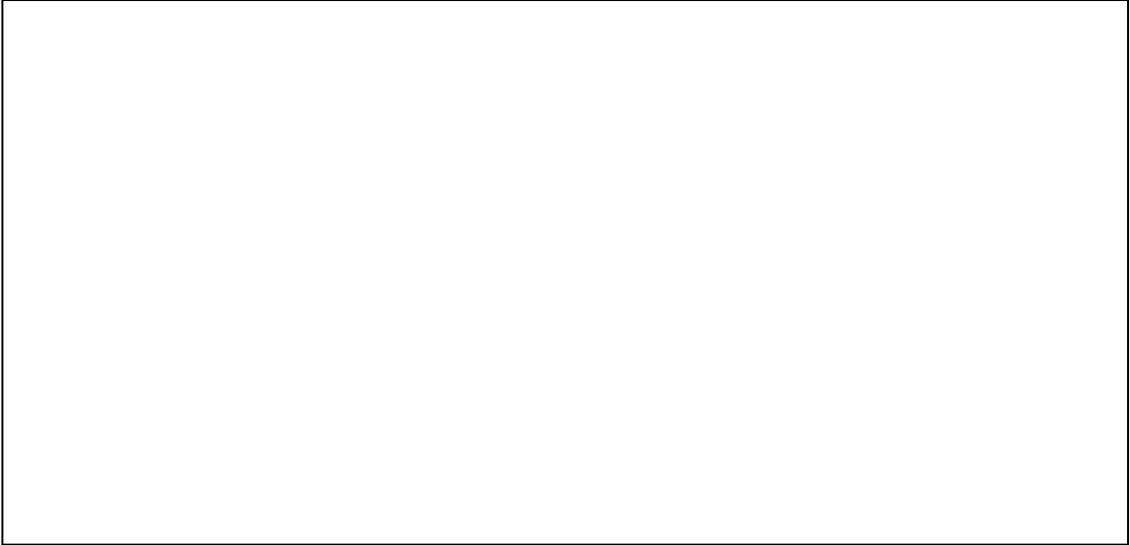
Table 5.

Quantity (in hlpa <sup>1</sup> )	2019	2020	2021	2022	2023	2024
Liqueurs production						
Eaux de vie production						
Rum production						
Liqueurs dispatched to the mainland Portugal						
Liqueurs dispatched to other Member States						
Liqueurs exported to third countries						
Eaux de vie dispatched to the mainland Portugal						
Eaux de vie dispatched to other Member States						
Eaux de vie exported to third countries						
Rum dispatched to the mainland Portugal						
Rum dispatched to other Member States						
Rum exported to third countries						

Notes to the Table:

- 1. Hectolitres of pure alcohol.

6. Irregularities. The Portuguese authorities shall provide information on any investigations on administrative irregularities, in particular, on evasion from taxes or smuggling, in the context of the application of the authorisation. They shall also provide detailed information, including at least information on the nature of the case, value and time period.



7. Complaints. The Portuguese authorities shall provide information on whether the local, regional, or national authorities have received any complaints concerning the application of the authorisation, either by beneficiaries or by non-beneficiaries.

