



Brussels, 24.7.2020
COM(2020) 332 final

ANNEX

ANNEX

to the

Proposal for a Council Decision

**authorising France to apply a reduced rate of certain indirect taxes on 'traditional' rum
produced in Guadeloupe, French Guiana, Martinique and Réunion**

{SWD(2020) 141 final}

ANNEX

Information to be included in the report referred to in Article 4

1. Estimated additional costs. Information shall be provided for each type of rum ('agricole rum' and 'sucrierie rum') benefiting from the reduced rate of concerned indirect taxes. The French 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 to evaluate the additional cost faced by the producers in the French outermost regions.

Table 1

	Guadeloupe (EUR)	French Guiana (EUR)	Martinique (EUR)	Réunion (EUR)	Notes ²
Sugar cane price (per 100 kg)					
Molasses price (per 100 kg)					
Freight cost (per kg)					
Workforce (per hectolitre of pure alcohol (hpla))					
Other inputs (per hpla)					
Depreciation costs					
Compliance costs					
Other costs ¹					

Notes to the Table:

- (1) Provide information on water, energy and waste-related costs, other relevant costs.
- (2) Provide information on all the specifications and clarifications underpinning the calculation methods.

2. Other subsidies. The French authorities shall complete Table 2, listing all other aid and support measures addressing the additional operating costs of economic operators linked to the outermost region status.

Table 2

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

Notes to the Table:

- (1) Provide information on the identification and the type of measure (programme, State aid number etc.).
- (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 French authorities shall complete Table 3 providing the 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 French authorities shall complete Table 4 providing any data demonstrating the impact of the reduced rate of concerned indirect taxes on the socio-economic development of the outermost regions. The indicators required in the Table refer to the performance of the rum sector compared to the general performance in the regional economy. If some of the indicators are not available, alternative reporting data shall be included on the overall socio-economic performance of the outermost regions.

Table 4

Year ¹	2019	2020	2021	2022	2023	2024	Notes ²
Regional gross value added							
In the rum sector							

In the cane-sugar-rum sector							
Employment in local distilleries							
Employment in the cane-sugar-rum sector							
Unemployment rate							
Number of active enterprises							
Number of rum producers (including SMEs)							
Sugarcane cultivation area (ha)							
Price level index – mainland France							
Price level index - regions							
Number of tourists - regions							
Number of tourists - distilleries							

Notes to the Table:

- (1) the information may not be available for all the years listed
- (2) provide comments and clarifications as deemed relevant

5. Specifications of the regime. The French authorities shall complete Table 5 for each type of rum ('agricole rum' and 'sucrierie rum') and by region (Guadeloupe, French Guiana, Martinique and Réunion). If some of the indicators are not available, alternative reporting data shall be included on the specifications of the regime.

Table 5

Quantity (in hlp)	2019	2020	2021	2022	2023	2024
Rum production						
Traditional rum production						
Local sales of rum						
Rum dispatched to the mainland						

Traditional rum dispatched to the mainland France						
Traditional rum dispatched under the derogation						
Rum dispatched to other Member States						
Rum exported to third countries						
Rum as a percentage of total extra OR-exports (%)						
Share of French traditional rum in the French mainland rum market (%)						
Rum market growth rate in the French mainland (%)						
Spirits market growth rate in the French mainland (%)						

6. Irregularities. The French authorities shall provide information on any investigations on administrative irregularities, evasion of the indirect taxes concerned, smuggling of the alcoholic products concerned in the context of the application of the authorisation. Provide detailed information, including at least information on the nature of the case, value and time period.

7. Complaints. The French 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.

