



Council of the
European Union

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NOTE

From: General Secretariat of the Council

To: Delegations

No. prev. doc.: 13778/14

Subject: State aid in the Republic of Cyprus in the form of a tax exemption on motor fuel used for agricultural purposes
- *Additional information from the Cyprus delegation*

Delegations will find attached, in the Annex, additional information submitted by the Cyprus delegation on the above subject.

Request to the Council for the approval of state aid to Cypriot farmers (waiving of taxes on motor fuel used for agricultural purposes)

On 29 September 2014, Cyprus addressed a letter to the President of the Agriculture and Fisheries Council requesting unanimous approval by Council for a state aid scheme to be applied in Cyprus, i.e to continue exempting from taxes the fuel used for agricultural machinery and to extend this exemption to fuel used by agricultural vehicles as well. The request of Cyprus was based on Article 108(2), third subparagraph of the Treaty establishing the European Community, and Cyprus gave a full account of the exceptional circumstances affecting agriculture in Cyprus justifying the requested state aid.

According to this initial request, the period of application of the state aid was to be from 1 July 2014 until 31 December 2020. Following the discussions held so far at Council and SCA level and further consultations with the Commission Services, Cyprus would like to inform delegations that it is no longer requesting the application of this state aid scheme until 31 December 2020 but only until 30 June 2016.

Cyprus hopes that the Member States appreciate the gravity of the situation it is facing and that the request of it, as modified, meets the approval of the Council as soon as possible.
