COMMISSION DECISION

of 4 January 1973

extending the authority for the application of two special tariff measures to the rail carriage of Lorraine iron ore to Belgium and Luxembourg

(Only the French text is authentic)

(73/48/ECSC)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Coal and Steel Community and in particular Articles 2 to 5 and 70 thereof;

Having regard to the Decision of the Commission of the European Communities No 68/349/ECSC of 31 July 1968 authorizing a special tariff for the rail carriage of Lorraine iron ore to Belgium (OJ No L 230, 19. 9. 1968, p. 8);

Having regard to the Decision of the Commission of the European Communities No 69/268/ECSC of 23 July 1969 authorizing a special tariff for the rail carriage of Lorraine iron ore to Luxembourg (OJ No L 220, 1. 9. 1969, p. 5);

Whereas, by a letter (ref. 1757) dated 31 December 1971 from the Office of the Permanent Representative of France to the European Communities, the French Government requested that the authority given by the Commission Decisions cited above in respect of the Franco-Belgian Tariff No 3232, Part III and of the Franco-Luxembourg Tariff No 3530, Part III A, be extended; and whereas, by a letter (ref. 17. 2. 31) dated 30 November 1971, the Luxembourg Government made a similar request in respect of Tariff No 3530, Part III A;

Whereas the Commission of the European Communities by the above-cited Decisions, taken pursuant to the fourth paragraph of Article 70 of the ECSC Treaty, authorized the two special tariff measures under reference for the rail carriage of Lorraine iron ore to Belgium and Luxembourg, after having ascertained that they were consistent with the Treaty; whereas its conclusion was based on the particular benefit which the railways concerned could derive from a reduced tariff and on the trifling effect which the tariff might have on normal conditions of competition in the relevant coal and steel markets; whereas the social policy objectives of the ECSC Treaty were also being met in that the tariff measures would bring about an improvement in the living and working conditions of mineworkers in Lorraine;

Whereas these two measures have helped to halt the drop in exports of Lorraine iron ore to Belgium and Luxembourg and to stabilize the rail traffic at the level it was when the special tariff measures were applied;

Whereas the French and Luxembourg Governments support their request for extending the authority covering the two tariffs by stressing the importance which reduced tariffs, despite their adjustment as a result of a general tariff increase which took place in the meantime, still have for both the SNCF and the CFL;

Whereas Lorraine iron ore faces continuous competition from ores of better quality and at lower price which could be consigned to users in Belgium and Luxembourg by other routes and other means of transport;

Whereas the competition has recently become more acute; whereas, therefore, it will be more and more difficult to sell Lorraine ore within the Community unless the burden of transport costs is alleviated;

Whereas the circumstances which prompted the Commission to grant authority are still present, and whereas the effects of the tariff measures are not contrary to the principles of the Treaty; whereas, in particular, the application of the tariffs is beneficial to the carrier and does not affect the functioning of the common market;

Whereas the Commission must reserve the right to review its decision whenever the circumstances giving rise to it vary or no longer apply; whereas it feels that these measures and the authority to apply them should be reviewed within two years at most even if no such change has taken place; whereas they should therefore be authorized for a limited period only;

HAS ADOPTED THIS DECISION:

Article 1

The authority given for the application to the rail carriage of Lorraine iron ore to Belgium and to Luxembourg of special tariff measures, namely the Franco-Belgian Tariff No 3232, Part III, and the Franco-Luxembourg Tariff No 3530, Part III A, shall continue to be effective until 31 December 1974.

Article 2

This Decision may be amended or repealed if the Commission considers that it is no longer warranted.

Article 3

This Decision is addressed to the French Republic and, as regards its application to the Franco-Luxembourg Tariff No 3530, Part III A, to the Grand Duchy of Luxembourg.

Done at Brussels, 4 January 1973.

For the Commission

The President

S. L. MANSHOLT