COMMISSION DECISION

of 27 March 1979

extending for the second time Decision 75/356/ECSC authorizing the application of special tariff measures to the carriage by rail of iron ore from Lorraine and western France to Belgium, Luxembourg and the Saar

(Only the French and German texts are authentic)

(79/411/ECSC)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Coal and Steel Community, and in particular Article 70 thereof,

Whereas the application of reduced rates to the carriage by rail of French iron ore to Belgium, Luxembourg and the Saar has been authorized and extended by a number of Decisions of the High Authority of the ECSC and of the Commission (1), of which the most recent, dated 24 April 1975 and applicable until 31 December 1976, was extended to 31 December 1977 by the Commission Decision of 23 December 1977 (2);

Whereas, by letters dated 7 December 1978, 1 February 1979 and 15 February 1979, from the offices of the Permanent Representatives of France, Germany and Luxembourg respectively to the European Communities, the French, German and Luxembourg Governments addressed a request to the Commission to extend the special tariff measures until 31 December 1980, with the same tariff reductions as those applied until 31 December 1977;

Whereas in their requests the governments concerned pointed out that:

— the circumstances which gave rise to previous authorizations granted by the Commission still prevail today,

— the situation as regards French iron ore has worsened because of the crisis affecting the Community iron and steel industry,

— the restructuring of the iron and steel industry in Lorraine, Belgium, Luxembourg and the Saar, which is not yet complete, will mean considerable reduction in the capacity of the French iron mines, which will cause serious industrial, economic and social problems,

— the competition facing French ore sales persists and has even been intensified, particularly by the general drop in third country ore prices, chiefly of Swedish phosphorous ore,

— an extension of the tariff measures concerned would avoid a drastic slump in the sales of Lorraine ore and would thus contribute towards a more orderly restructuring of mining capacity in order to adapt it to foreseeable long-term requirements;

Whereas the circumstances invoked by the governments concerned appear to be beyond question;

Whereas, in the context of the supply of Community raw materials, it is clearly of interest to the Community iron and steel industry that the French iron mines should continue to be worked, so that its sources of supply are, to a certain extent, guaranteed against the

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(1) Lorraine — Saar:
Decision No 13-67 of 7 June 1967 (OJ No 116, 17. 6. 1967, p. 2249/67);
Decision 74/302/ECSC of 22 May 1974 (OJ No L 171, 27. 6. 1974, p. 2).
Lorraine — Belgium:
Decision 68/349/ECSC of 31 July 1968 (OJ No L 230, 19. 9. 1968, p. 8);
Decision 73/48/ECSC of 4 January 1973 (OJ No L 83, 30. 3. 1973, p. 36).
Lorraine — Luxembourg:
Decision 69/268/ECSC of 28 July 1969 (OJ No L 220, 1. 9. 1969, p. 5);
Decision 73/48/ECSC of 4 January 1973 (OJ No L 83, 30. 3. 1973, p. 36).
Western France to Belgium, Luxembourg and the Saar:
Decision 73/49/ECSC of 4 January 1973 (OJ No L 83, 30. 3. 1973, p. 38).

(2) Decision 75/356/ECSC of 24 April 1975 (OJ No L 159, 21. 6. 1975, p. 17);
Decision 78/103/ECSC of 23 December 1977 (OJ No L 38, 8. 2. 1978, p. 20).

risks associated with imports from non-member countries;

Whereas the extension of the tariff measures in question helps to avoid disturbances in the employment market, which is particularly affected by the restructuring already carried out and the further measures planned;

Whereas under these circumstances the measures are not contrary to the principles of the ECSC Treaty, as they do not disturb the common market in ore production, nor do they distort competition between the purchasers of ore, since the latter can always obtain ore supplies on at least equal terms from non-member countries;

Whereas the Commission must reserve the right to review its Decision whenever the circumstances giving rise to it change or no longer apply,

HAS ADOPTED THIS DECISION :

Article 1

In Article 1 of Decision 75/356/ECSC the dates '31 December 1977' and '31 December 1976' are replaced by '31 December 1980' and '31 December 1977' respectively.

Article 2

This Decision is addressed to the Federal Republic of Germany, the French Republic and the Grand Duchy of Luxembourg.

Done at Brussels, 27 March 1979.

For the Commission

Richard BURKE

Member of the Commission