COMMISSION

COMMISSION DECISION

of 1 October 1986

authorizing Spain to adopt protective measures in respect of imports of certain steel products

(86/518/ECSC)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Coal and Steel Community,

Having regard to the Act of Accession of Spain and Portugal, and in particular Article 379 thereof,

Whereas, by Decision 86/97/ECSC (1), Spain was authorized by the Commission to adopt protective measures to restrict up to 31 December 1986 deliveries of certain steel products originating in the other Member States as listed in Article 2 of the Decision;

Whereas, by letter of 18 September 1986, the Spanish Government applied to the Commission for authorization to adopt, pursuant to Article 379 of the Act of Accession of Spain and Portugal, additional protective measures in the steel products sector, for wire rod and galvanized sheets and plates;

Whereas in their application the Spanish authorities provided the Commission with information enabling the latter to establish that the difficulties in the steel sector which had led to the adoption of the protective measures referred to in the abovementioned Decision had worsened;

Whereas, according to the figures provided by the Spanish Government, deliveries of wire rod and galvanized sheets and plates to Spain from steel undertakings in the other Member States rose from 21 168 and 2 593 tonnes respectively in the first half of 1984 to 54 342 and 18 821 tonnes in the corresponding period of 1986; whereas deliveries of the products concerned have thus risen sharply by about 156 % and 626 % respectively since accession;

Whereas Spanish steel undertakings are currently in the process of restructuring and hence highly vulnerable; whereas the rise in deliveries of steel products from the other Member States is liable to jeopardize this process of restructuring; whereas the volume of deliveries of products from the other Member States is one of the main reasons for the difficulties indicated by the Spanish authorities in their application; whereas, if no immediate action is taken, these difficulties are likely to persist;

Whereas, under the circumstances, a quantitative restriction on deliveries from the other Member States should allow Spanish steel undertakings to continue their process of restructuring, along the lines of the plans referred to in Protocol No 10 attached to the Act of Accession, and to redress the situation; whereas this measure should allow the sector, and in particular the undertakings concerned, to adapt to the economy of the common market, taking into account the undertaking given by the Spanish Government in the abovementioned Protocol to reduce the capacity of the Spanish steel industry to 18 million tonnes by the end of 1988;

Whereas, under the circumstances, the protective measures authorized so far by the Commission have only partially had the desired effect and hence, in order to ensure that they are fully effective, they should be extended to cover wire rod and galvanized sheets and plates originating in the other Member States, so that effective restructuring may continue;

Whereas authorization of a quantitative restriction up to 31 December 1986 will serve the desired purpose;

Whereas the tonnages used for the restrictions have been worked out for the last three months of 1986 on the basis of figures obtained by the Commission from the Spanish authorities for imports already effected in 1986 and cannot under any circumstances prejudge the future;

(1) OJ No L 80, 25. 3. 1986, p. 57.

Whereas, in addition to these restrictions on deliveries, there is the system of surveillance of products originating in non-member countries established by Commission recommendation No 3658/85/ECSC (1); whereas this system should be reinforced by more rapid provision of information to the Commission;

Whereas, to achieve an equitable distribution of the authorized quantities both among the Member States and among the operators concerned the existing patterns of trade must be respected, yet account must also be taken of the interests of any new operations;

Whereas the situation is so grave that the protective measures must apply even to current contracts; whereas, to avoid additional prejudice to the operators concerned, this Decision must not affect goods already in shipment;

Whereas, however, the Spanish authorities should be allowed to take into account the total volume of these shipments for the purposes of distribution of total quantities;

Whereas proper application of the provisions of this Decision requires the establishment of specific implementation and management rules; whereas, to allow adjustment to demand, it should also be possible to transfer authorization between the categories stipulated by this Decision up to 5 % of the limit established for each category;

Whereas the proper application of this Decision requires the establishment of joint information and consultation procedures by the Commission and the Spanish authorities;

Whereas, since this Decision can only be justified if the conditions of application referred to in Article 379 of the Act of Accession are still met, the Commission may have to amend or rescind it; whereas the Commission must therefore keep a constant check on the facts underlying this Decision, and in particular the efforts made by the Government to restructure this sector;

Whereas, the Commission is obliged to take, in the first place, measures which least disrupt the functioning of the common market; whereas, in the light of the examination that the Commission has conducted of the economic difficulties, the restrictions adopted constitute measures which, while enabling the desired result to be obtained, least disturb the functioning of the common market,

HAS ADOPTED THIS DECISION:

Article 1

Spain is hereby authorized under the condition specified below to restrict up to 31 December 1986 deliveries to Spain of products originating in the other Member States as listed in Article 2 and defined in the Annex.

(1) OJ No L 348, 24. 12. 1985, p. 32.

Article 2

1. The restricted quantities established in accordance with Article 1 shall not be lower than:

— wire rod (NIMEXE codes 73.10-11 and 73.63-21): 9 000 tonnes,

— galvanized sheets and plates (NIMEXE codes 73.13-68 and 73.13-72): 1 500 tonnes.

2. For the purposes of the administration of the import restrictions provided for by this Decision, the Spanish authorities shall respect existing trade patterns both in respect of the countries of origin of the products concerned and in respect of the operators involved.

Article 3

1. For the purpose of implementing the system of import restrictions referred to in Article 2, the Spanish authorities shall issue the authorization free of charge within five days of submission of the application up to the limit of the share of each operator.

2. The Spanish authorities shall set aside 3 % of the total restricted quantities of each product for any operators not having so far made deliveries to Spain.

3. The Spanish authorities shall carry forward for distribution in the following month the quantities corresponding to all the shares not used in each month.

4. For quantities not exceeding 5 % of the permitted total in each category, the Spanish authorities may agree that authorizations issued for one of the categories listed in this Decision may be used for the delivery of products in one of the other categories.

5. The Spanish authorities may not require the authorization provided for in paragraph 1 for the delivery of goods referred to by this Decision that were already in the process of shipment on the day it took effect. However, the Spanish authorities may deduct these deliveries from the quantities provided for by this Decision for each of the categories in question.

Article 4

1. The Spanish authorities shall communicate to the Commission, not later than 15 October 1986, the national measures for implementing this Decision.

2. The Spanish authorities shall also transmit on the 30th of each month the data relating to deliveries from the other Member States for the previous month. These data, which shall be broken down by Member State, shall relate both to the quantities of products actually delivered and to the authorizations issued in accordance with Article 3.

Article 5

1. The Spanish authorities shall transmit to the Commission each week the data concerning imports from non-member countries broken down by country, which have been collected in accordance with recommendation No 3658/85/ECSC. They shall also transmit on the 30th of each month a summary statement of the imports in question in the preceding month.

2. The Spanish authorities shall inform the Commission immediately of any marked change in the imports of products listed in Article 2 from non-member countries.

Article 6

1. The Commission shall monitor the application of this Decision and reserves the right to amend or repeal it.

2. In addition, on the basis of the results observed and verification of the data relating to the sector concerned, the Commission shall if necessary revise the restrictions of deliveries fixed pursuant to this Decision.

3. Any difficulties which may arise in the application of this Decision shall be examined jointly by the Spanish authorities and the Commission.

Article 7

1. This Decision shall take effect on the day of its notification to the Spanish Government and shall expire on 31 December 1986.

2. This Decision is addressed to the Kingdom of Spain.

Done at Brussels, 1 October 1986.

For the Commission

Karl-Heinz NARJES

Vice-President

ANNEX

Definition of products

Category	NIMEXE Code	
IC	73.13-68	73.13-72
IV (ex)	73.10-11	73.63-21