COMMISSION DECISION

of 29 April 1988

authorizing the United Kingdom to grant aid to the coal industry during the 1988/89 financial year

(Only the English text is authentic)

(88/294/ECSC)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

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

Having regard to Commission Decision No 2064/86/ECSC of 30 June 1986 establishing Community rules for State aid to the coal industry [1],

Whereas :

I

By letter of 22 January 1988 the United Kingdom Government informed the Commission, pursuant to Article 9 (2) of Decision No 2064/86/ECSC, of the financial measures it intends to take during 1988/89 in order to give direct or indirect support to the coal industry. The following aid is submitted for the approval of the Commission under the above Decision :

	(million £)
— aid for changes of work and place of employment	14,5

The purpose of aid for changes of work and place of employment is to cover part of the costs to British Coal of restructuring in the coal industry.

This aid is a long-standing specific measure which is independent of the aid pursuant to Articles 3 to 5 of the Decision. The aid therefore conforms to Article 6 of the Decision.

The object of the measure is to facilitate the restructuring of the coal industry and to improve the industry's competitiveness in accordance with the first indent of Article 2 (1) of the Decision.

II

The following observations should be made on the compatibility of the proposed aid to current production with the proper functioning of the common market :

— there are unlikely to be supply difficulties in 1988/89 in view of the high level of coal and coke stocks,

— deliveries of United Kingdom coal to other Community countries are unlikely to rise during 1988/89.

— price alignment agreements with respect to Community producers are unlikely to arise in 1988/89,

— United Kingdom coal prices should not lead to indirect aid to industrial coal users in 1988/89.

Therefore, the aid proposed for current production by the United Kingdom coal industry for the 1988/89 financial year is compatible with the proper functioning of the common market.

III

Pursuant to Article 11 (2) of the Decision, the Commission must ensure that the direct aid to current production which it authorizes is used exclusively for the purposes set out in Articles 3 to 6 thereof. The Commission must therefore be informed of the amounts of the payments and the manner in which they are apportioned.

HAS ADOPTED THIS DECISION :

Article 1

The United Kingdom is hereby authorized to grant aid totalling £ 14 500 000 to the coal industry with effect from 1 April 1988 for the 1988/89 financial year, for changes of work and place of employment.

Article 2

The United Kingdom Government shall inform the Commission by 30 June 1989 of the actual amounts paid during the 1988/89 financial year.

[1] OJ No L 177, 1. 7. 1986, p. 1.

Article 3

This Decision is addressed to the United Kingdom.

Done at Brussels, 29 April 1988.

For the Commission

Nicolas MOSAR

Member of the Commission