COMMISSION

COMMISSION DECISION

of 27 November 1991

approving additional aid from Belgium to the coal industry in 1990

(Only the French and Dutch texts are authentic)

(92/115/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

In its letters of 4 July and 13 September 1991 the Belgian Government informed the Commission, pursuant to Article 9 (3) of Decision No 2064/86/ECSC, of additional aid to the coal industry. Under that Decision, the Commission must give a ruling on an increase in aid totalling Bfrs 56,62 million to cover operating losses in 1990.

On 13 March 1990 the Commission adopted Decision 90/236/ECSC authorizing aid from Belgium to the coal industry in 1990 [2].

In this Decision the Commission authorized aid not exceeding Bfrs 2 922,48 million to cover operating losses, with production estimated at 918 100 tonnes.

In its letters of 4 July and 13 September 1991 the Belgian Government informed the Commission that the amount of aid to cover operating losses stated in that Decision would be insufficient to cover the difference between costs and returns with actual coal production of 1 035 800 tonnes.

Compared with the amount of aid authorized by the Commission, the increase for 1990 would be Bfrs 56,62 million, thereby increasing total aid to cover operating losses in the coal industry to Bfrs 2 979,1 million.

The increase in the amount of aid is the result of an increase in production of about 12 % as compared with the volume estimated at the beginning of the year. In view of the improvement in the rate of utilization of the available production capacity, the aid per tonne produced has fallen by 10 % compared with aid authorized.

The aid concerned will have dropped by about 55 % by 31 December 1990 compared with the 1989 figure.

The decreasing levels of aid which the Belgian Government intends to grant, its temporary nature and the implementation of a clearly defined restructuring plan are in accordance with the conditions of application of Decision No 2064/86/ECSC.

The aid to cover operating losses will facilitate continuation of the restructuring programme for the Campine coalfield, as decided by Ministerial Decree in January 1987. The total aid will cover no more than 85 %, for each tonne produced in 1990, of the difference between costs and returns and therefore complies with the provisions of Article 3 (1) of the Decision.

This aid contributes to solving the social and regional problems related to the developments in the coal industry, in accordance with the third indent of Article 2 (1) of the Decision.

II

The additional aid to be granted by the Belgian Government to the coal industry for 1990 is therefore compatible with the proper functioning of the common market.

[1] OJ No L 177, 1. 7. 1986, p. 1.
[2] OJ No L 133, 24. 5. 1990, p. 89.

This Decision is without prejudice to the compatibility with the Treaties of the rules governing sales of Belgian coal to electricity producers.

Pursuant to Article 11 (2) of the Decision, the Commission must ensure that the direct aid to current production which it approves is used exclusively for the purposes set out in Articles 3 to 6 thereof. The Commission must therefore be informed of the amount actually paid,

HAS ADOPTED THIS DECISION:

Article 1

The Belgian Government is hereby authorized to grant additional aid totalling Bfrs 56,62 million to the Belgian coal industry for the year 1990, to cover operating losses, increasing the total amount of aid for 1990 to Bfrs 2 979,1 million.

Article 2

The Belgian Government shall inform the Commission not later than 31 December 1991 of the actual amount of aid paid in 1990.

Article 3

This Decision is addressed to the Kingdom of Belgium.

Done at Brussels, 27 November 1991.

For the Commission

António CARDOSO E CUNHA

Member of the Commission