COMMISSION

COMMISSION DECISION
of 11 December 2001
on the granting by Spain of aid to the coal industry in 2001

(notified under document number C(2001) 3975)

(Only the Spanish text is authentic)

(Text with EEA relevance)

(2002/241/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 3632/93/ECSC of 28 December 1993 establishing Community rules for State aid to the coal industry [1] and in particular Article 2(1) and Article 9 thereof,

Whereas:

I

(1) By letters of 21 November 2000 and 19 March 2001, a further letter of 21 March 2001 and a fax dated 20 September 2001, Spain notified the Commission, pursuant to Article 9(1) of Decision No 3632/93/ECSC, of the financial support it intended to grant to the coal industry in 2001. Following Commission requests in letters dated 23 November 2000, 24 April and 17 July 2001, Spain sent additional information in letters dated 29 June and 14 August 2001.

(2) On 30 March 2001, the Commission sent Spain a letter before a letter of formal notice requesting information about the situation as regards the installations of the former undertaking Minas de Lieres SA and its operating results from 1994 to 2000. Spain replied by letters of 14 May and 14 August 2001. The Commission requested further information on 13 September 2001.

(3) Spain also notified the Commission, by letter of 6 October 2000, of the production costs per undertaking for 1999.

(4) In a second letter dated 19 March 2001, Spain notified the Commission, pursuant to Article 9(2) of Decision No 3632/93/ECSC, of the amount of aid actually paid during the 2000 coal production year.

(5) Pursuant to Decision No 3632/93/ECSC, the Commission must rule on the following financial measures relating to 2001:

(a) aid of ESP 111 310 million (EUR 668 986 573,39) to cover operating losses by coal undertakings;

(b) aid of ESP 59 507 million (EUR 357 644 272,96) to cover exceptional welfare aid paid to workers who lose their jobs as a result of the measures to modernise, rationalise, restructure and reduce the activity of the coal industry;

(c) aid of ESP 19 664 million (EUR 118 183 020,21) to cover the technical costs of closing down mining installations as a result of the measures to modernise, rationalise, restructure and reduce the activity of the coal industry.

(6) The financial measures proposed by Spain for the coal industry fall within the provisions of Article 1 of Decision No 3632/93/ECSC. The Commission must therefore take a decision on such measures in accordance with Article 9(4) of the Decision. The Commission's assessment will depend on the compliance of the measures with the general criteria and objectives laid down in Article 2 and the specific criteria established by Articles 3 and 4 of the Decision, and on their compatibility with the proper functioning of the common market. Additionally, in accordance with Article 9(6) of the Decision, the Commission when conducting its assessment must check whether the measures conform with the modernisation, rationalisation, restructuring and activity-reduction plan which the Commission approved in its Decision 98/637/ECSC.

[1] OJ L 329, 30.12.1993, p. 12.

II

(7) By Decision 98/637/ECSC [1], the Commission gave an opinion as to the conformity of the 1998-2002 phase of the plan notified by Spain for the modernisation, rationalisation, restructuring and activity-reduction of the coal industry with the general and specific objectives of Decision 98/637/ECSC.

(8) The Commission finds that its request to Spain in Decision 98/637/ECSC that 'the mines taken over by Hunosa from Minas de Lieres SA will have to close down definitively by 31 December 1999' has not been complied with by the date given. By letter dated 30 March 2001, the Commission has started a pre-litigation procedure before a letter of formal notice in order to examine whether failure to comply with this closure date was the reason for paying aid to cover production costs between 1 January 1998 and the closure date.

(9) The Commission has analysed the measures taken to modernise, rationalise, restructure and reduce the activity in other Spanish coal undertakings during 2000 and those notified for 2001 and has found that, except for the analysis which has to be made of the measure referred to in recital 8, they correspond to the plans which it approved in Decision No 98/637/ECSC.

(10) At 14 678 000 tonnes (9 261 190 tonnes coal equivalent, (tce)), Spain's coal production in receipt of aid in 2000 is 9,3 % lower than in 1998. The production figure for 2001 is 13 910 000 tonnes (8 776 615 tce), i.e. 5,23 % lower than in 2000.

(11) The number of workers in the undertakings fell from 18 140 at the end of 1998 to 15 687 at the end of 2000. A further reduction of 1 000 workers is forecast for 2001.

(12) Installations with a total production capacity of 4 million tonnes per year have been stated to be in the process of closing down or reducing their activity during the 1998 to 2002 phase of Spain's modernisation, rationalisation, restructuring and activity-reduction plan.

(13) These reductions, which are larger than those initially envisaged, are due to the inclusion in the activity-reduction plans, in conformity with Article 4 of Decision No 3632/93/ECSC, of undertakings which were unable to meet the conditions which would entitle them to operating aid under Article 3 of the Decision.

(14) By letter of 6 October 2000, and as requested by the Commission in Decision 2001/162/ECSC [2], Spain notified the Commission of the undertakings' production costs in 1999. The Commission's analysis of the trend in the production costs of the undertakings or production units in receipt of operating aid in 1999 (Article 3 of Decision No 3632/93/ECSC) revealed a mean reduction in the cost of production, at 1992 prices, from ECU 92,62/tce in 1994 to EUR 73,37/tce in 1999. This mean reduction of 20,8 % between 1994 and 1999 breaks down into a reduction of more than 30 % for 14,7 % of production, between 20 % and 30 % for 36 % of production, between 10 % and 20 % for 31,6 % of production and between 0 % and 10 % for 17,7 % of production.

(15) The UTE Terrales-Ubeda SA undertaking and the following production units: the María Group of Minero Siderúrgica de Ponferrada SA, the Escandal Group of Coto Minero del Sil SA, the Picardín, Pontedo and Arbas Groups of UMINSA, and the Tres Amigos mine of Hunosa closed down in 2000. The Antracitas de Gillón SA, Coto Minero Jove SA (Jovesa), Industrial y Comercial Minera SA (Incomisa), Minas de la Camocha SA, Hulleras del Norte SA, Minas de Escucha SA, Promotora de Minas de Carbón SA, Mina Escobal SL, Minas de Valdeloso SL, and Virgilio Rieso SA undertakings and the underground production units of Endesa and Encasur have been included in a closure/activity reduction plan which provides for the closure, by 2005 at the latest, of these undertakings' production units equivalent to 2 825 000 tonnes per year out of a total capacity of 3 775 000 tonnes per year. The Commission has checked that the conditions laid down in Article 3(2) of Decision No 3632/93/ECSC cannot be achieved by these undertakings or production units, which do however qualify for activity reduction aid in accordance with Article 4 of the Decision.

(16) During the period 2001 to 2002, Spain will continue to monitor production cost trends at all coal undertakings in receipt of operating aid. Should they prove unable to achieve the downward trend in production costs stipulated in Article 3(2) of Decision No 3632/93/ECSC, Spain will propose the requisite corrective measures to the Commission.

(17) The aid notified by Spain to cover operating losses in 2001 provides for a reduction in production aid compared with 2000, at current currency values, of 4 %. These reductions will help achieve the objective of digression of aid. The aid under Articles 3 and 4 of Decision No 3632/93/ECSC is intended to cover all or part of the difference between the production costs and the selling price freely agreed between the contracting parties in the light of the conditions prevailing on the world market.

[1] OJ L 303, 13.11.1998, p. 57.
[2] OJ L 58, 28.2.2001, p. 24.

(18) In accordance with Decision No 3632/93/ECSC, all the aid which Spain plans to grant to the coal industry under the said Decision in 2001 has been entered in national, regional or local public budgets. Part of this aid to Hunosa could be channelled via SEPI (Sociedad Estatal de Participaciones Industriales), of which the undertaking is part.

(19) In view of the above, the Commission must examine whether Hunosa's failure to comply with the special conditions laid down for the installations it took over from Minas de Lieres SA constitutes an abuse of aid which would call into question the compatibility of aid previously granted under Decision No 3632/93/ECSC. The other measures notified by Spain for 2001 are deemed to be in line with the general objectives of the modernisation, rationalisation, restructuring and activity-reduction plans approved by the Commission in Decision 98/637/ECSC.

III

(20) The aid of ESP 111 310 million (EUR 669 046 674,60) which Spain plans to grant the coal industry in 2001 is intended to compensate in full or in part for operating losses sustained by coal undertakings.

(21) It is intended to cover the difference between the production costs and the selling price freely agreed between the contracting parties in the light of the conditions prevailing on the world market.

(22) The sum notified subdivides into operating aid of ESP 46 752 million (EUR 280 985 179,04) under Article 3 of Decision No 3632/93/ECSC, and activity reduction aid of ESP 64 558 million (EUR 388 001 394,35).

(23) The operating aid of ESP 46 752 million (EUR 280 985 179,04) is intended to cover the operating losses of 42 undertakings with a combined envisaged production of 10 706 900 tonnes in 2001.

(24) The Commission notes, after verifying the production costs of these undertakings, that the downward trend of production costs at 1992 prices observed in the period 1994-1999 will continue in 2001. The reduction envisaged for 2001, compared with 1994, will be 18,5 % at 1992 prices.

(25) The mean production cost in 1999, at 1992 prices, of the undertakings receiving aid under Article 3 of Decision No 3632/93/ECSC is EUR 73,37/tce, broken down as follows:

— 4,23 % of production at costs below EUR 60/tce,

— 52,72 % of production at costs between EUR 60 and 79/tce,

— 29,39 % of production at costs between EUR 80 and 99/tce,

— 13,66 % of production at costs above EUR 100/tce.

(26) The mean selling price to thermal power stations of the 10 706 900 tonnes (6 700 951 tce) of production envisaged in 2001 by the undertakings in receipt of operating aid (Article 3 of Decision No 3632/93/ECSC) is ESP 10 482/tce (EUR 63/tce). In the light of the envisaged mean cost of this production in 2001 of ESP 17 134,43/tce (EUR 102,98/tce), the Commission notes that the aid notified corresponds to the difference between the cost of production and the selling price freely agreed between the contracting parties in the light of the conditions prevailing on the world market.

(27) According to the notifications from Spain on aid actually paid, the Gonzalez y Díez SA undertaking received aid of ESP 651 908 560 and ESP 463 592 384 in 1998 and 2000, respectively, to cover exceptional costs resulting from reduction in activity in accordance with Article 5 of Decision No 3632/93/ECSC. Following the acquisition of that undertaking by Minas de la Camocha SA, the Commission has analysed the management reports of the two undertakings and has found that the aid could have been used for purposes other than those for which it was authorised and, in particular, as operating aid of the type provided for in Article 3 of Decision No 3632/93/ECSC. The Commission finds that the aid has been entered in the undertaking's accounts as 'Other operating revenue' without further identification of the costs which it is intended to cover. By letters of 25 October 1999, 17 December 1999, 24 April 2001 and 17 July 2001, the Commission has asked Spain for information to justify the activity-reduction costs. The Gonzalez y Díez SA undertaking has not justified these costs in the letters received from Spain dated 2 December 1999 and 29 June 2001. In this context, the Commission reserves its opinion in this Decision on an amount of operating aid equivalent to the amount of aid which is currently being examined by the Commission to cover that undertaking's exceptional costs in 1998 and 2000.

(28) Aid to reduce activity totalling ESP 64 558 million (EUR 388 001 394,35) is intended to cover the operating losses of the following undertakings which have been included in closure and/or action-reduction plans in conformity with Article 4 of Decision No 3632/93/ECSC: Hunosa ESP 53 513 million (EUR 321 619 607,42), Minas de la Camocha SA ESP 4 743 million (EUR 28 506 004,11), Endesa ESP 635 million (EUR 3 816 426,86), the underground workings of Encasur ESP 328 million

(EUR 1 971 319,70, Antracitas de Guillón ESP 782 million (EUR 4 699 914,66), Coto Minero Jove SA ESP 667 million (EUR 4 008 750,740), Industrial y Comercial Minera SA (Incomisa) ESP 144 million (EUR 865 457,43), Mina Escobal SL ESP 51 million (EUR 306 516,7), Minas de Escucha SA ESP 351 million (EUR 2 109 552,49), Minas de Valdeloso SL ESP 120 million (EUR 721 214,53), Promotora de Minas de Carbón SA ESP 298 million (EUR 1 791 016,07) and Virgilio Riesco SA ESP 186 million (EUR 1 117 882,51). The remaining sum of ESP 2 740 million (EUR 16 467 731,66) is intended for 13 undertakings which are reducing production capacity. The total production to be covered by the aid to reduce activity is 3 200 200 tonnes annual capacity.

(29) Of the aid of ESP 53 513 million (EUR 321 619 607,42) to Hunosa, ESP 36 106 million (EUR 217 001 430,41) will be granted via SEPI. However, following the consolidation of the balance sheets of the undertakings which form part of SEPI, Hunosa could be compensated by that group through any tax credit it might receive as a result of lower company tax. In such a case, the aid authorised for Hunosa for 2001 under this Decision will be reduced by any compensation it may receive as a tax credit on company tax following the consolidation of the balance sheets of the undertakings which are part of SEPI.

(30) By letter of 14 May 2001, Spain sent the Commission information about the Minas de Lieres SA undertaking taken over by Hunosa. In its letter, Spain enclosed a report from Hunosa showing that, in 1998, 1999 and 2000, it produced 33 000 tce, 54 000 tce and 52 000 tce, respectively, and that it has not received State aid to cover the operating losses, as the Commission had asked in its Decision No 98/637/ECSC of 3 June 1998. The Commission believes that Minas de Lieres's operating losses during the period 1998 to 2000 are higher than those notified since Hunosa does not include the cost of labour and capital services in its notification. The Commission is of the opinion that the operating losses for 1998, 1999 and 2000 and those foreseeable for 2001 could amount to ESP 6 000 million and has asked Spain for additional information. The Commission must analyse whether Hunosa's failure to comply with the conditions on the basis of which it took its decision for Minas de Lieres constitutes an abuse of aid which calls into question the compatibility of aid previously granted with Decision 98/637/ECSC.

(31) By letter of 14 August 2001, Spain informed the Commission that Minas de la Camocha SA had not repaid ESP 226 million out of the total of ESP 665 million which the Commission did not authorise for that undertaking in Decision 98/635/ECSC of 3 June 1998 [1] and which was paid in anticipation of authorisation from the Commission. In its letter dated 14 August 2001, Spain informed the Commission that it was still taking action to obtain repayment of the aid. In accordance with Article 9(5) of Decision No 3632/92/ECSC, any such payment must be considered to be an unjustified cash advance and, as such, must be liable to charges at the market rate payable by the recipient. The Commission considers that the amount to be reimbursed, at interest rates between 1996 and 2001, is ESP 287 million. If that amount is not repaid by Minas de la Camocha SA, the Commission reserves the right to take a decision, for 2001, on an amount of activity-reduction aid to that undertaking of ESP 287 million.

(32) The mean selling price to thermal power stations of the 3 200 000 tonnes (2 056 229 tce) of production envisaged in 2001 by undertakings in receipt of aid to reduce activity is ESP 9 400,80/tce (EUR 56,5/tce). In the light of the envisaged mean cost of this production in 2001 of ESP 46 052,30/tce (EUR 276,78/tce), the Commission notes that the aid notified corresponds to the difference between the cost of production and the selling price freely agreed between the contracting parties in the light of the conditions prevailing on the world market.

(33) The aid to cover the operating losses sustained by coal undertakings has been entered in the general State budgets for 2001. It is 4 % lower than the aid authorised by the Commission for 2000. Spain sent notification of the Spanish Council of Ministers' Resolution on the company-by-company allocation of this aid. This Resolution has been published in Spain's *Boletín Oficial del Estado español* [2].

(34) The inclusion of this measure in the modernisation, rationalisation, restructuring and activity-reduction plan notified by Spain, and the reduction in the aid and quantities envisaged for 2001, are in line with the objectives of the first and second indents of Article 2(1) of Decision No 3632/93/ECSC, and in particular the objective to solve the social and regional problems created by developments in the coal industry.

(35) Except for aid of ESP 287 million to Minas de la Camocha SA, ESP 1 115,5 million to González y Díez SA, and ESP 6 000 million to Hunosa, on the basis of the information provided by Spain the aid proposed for 2001 is compatible with Articles 3 and 4 of Decision No 3632/93/ECSC and the proper functioning of the common market. The Commission will decide at a later date on the balance of ESP 7 402,5 million once it has analysed the information it receives from Spain in reply to its questions.

[1] OJ L 303, 13.11.1998, p. 47.

[2] BOE No 83, 6.4.2001, p. 13055.

IV

(36) The aid of ESP 59 507 million (EUR 357 644 272,96) which Spain is proposing to grant is intended to cover, with the exception of the costs for the payment of social welfare benefits borne by the State as a special contribution pursuant to Article 56 of the Treaty, compensation paid to workers in Spanish coal undertakings who have lost their jobs or have had or will have to take early retirement under the modernisation, rationalisation, restructuring and activity-reduction plan for the Spanish coal industry.

(37) Part of this aid, totalling ESP 37 507 million (EUR 225 421 609,99), is to be granted to Hunosa to cover the cost of workers who took early retirement before 1 January 2001 and about 500 workers who will retire in 2001. This part of the aid will be granted to Hunosa via SEPI.

(38) The remaining ESP 22 000 million (EUR 132 222 662,96) is intended to cover compensation for some 7 200 workers in other undertakings in early retirement at the end of 2001 as a result of the modernisation, rationalisation, restructuring and activity reduction measures.

(39) This aid, designed to cover exceptional costs that have arisen or are due to arise from restructuring, has been entered in the general State budgets for 2001.

(40) These financial measures relate to action made necessary by the modernisation, rationalisation and restructuring of the Spanish coal industry and cannot therefore be considered to be related to current production (inherited liabilities).

(41) Pursuant to Article 5 of Decision No 3632/93/ECSC, the aid mentioned explicitly in the Annex to the Decision, namely the cost of paying social-welfare benefits resulting from the pensioning-off of workers before they reach statutory retirement age and other exceptional expenditure on workers who lose their jobs as a result of restructuring and rationalisation, may be considered compatible with the common market provided that the amount paid does not exceed the costs.

(42) In view of the above and on the basis of the information provided by Spain, this aid is compatible with Article 5 of Decision No 3632/93/ECSC and with the proper functioning of the common market.

V

(43) The aid of ESP 19 664 million (EUR 118 183 020,21) which Spain proposes to grant is intended to cover the loss of value of the fixed assets of coal undertakings which have to close down totally or partially, and other exceptional costs to enable undertakings to cover the costs that have arisen or are due to arise from the progressive closures connected with the restructuring of the coal industry.

(44) Part of this aid, totalling ESP 9 988 million (EUR 60 029 088,99), will be granted to Hunosa via SEPI. The remaining sum, totalling ESP 9 676 million (EUR 58 153 931,22), will be granted to the other undertakings that are restructuring or reducing their activity.

(45) The aid to cover exceptional costs arising or due to arise from restructuring has been entered in the general State budgets for 2001.

(46) These financial measures relate to action made necessary by the modernisation, rationalisation and restructuring of the Spanish coal industry and cannot therefore be considered to be related to current production (inherited liabilities).

(47) Pursuant to Article 5 of Decision No 3632/93/ECSC, the aid mentioned explicitly in the Annex to the Decision, namely exceptional intrinsic depreciation provided that it results from the restructuring of the industry (without taking account of any revaluation which has occurred since 1 January 1986 and which exceeds the rate of inflation) and other additional work and residual costs arising from closures of installations, can be considered compatible with the common market provided that the amount paid does not exceed the costs.

(48) Spain must ensure that the aid granted to undertakings to cover exceptional costs is in line with the categories of costs specified in the Annex to Decision No 3632/93/ECSC.

(49) The Commission has asked Spain for information about part of the ESP 9 988 million which it plans to grant to Hunosa and which could be intended to cover the cost of closing down the installations of the former Minas de Lieres SA undertaking. Spain granted aid in 1993 for the closure of these installations and may not grant new aid for that purpose. The Commission will decide at a later date on the amount of ESP 4 795 million (EUR 28 188 530,41), which it considers could be the amount proposed by Spain to cover the costs of closing down Minas de Lieres SA.

(50) Spain informed the Commission of its intention to grant ESP 393 971 600 (EUR 2 367 817,00) to González y Díez SA to cover the cost of reducing annual production capacity by 34 000 tonnes during 2001. González y Díez SA has not been able to show that the aid granted for the same purpose for 1998 and 2000 complied with Article 5 of Decision No 3632/93/ECSC and the Commission has asked Spain for information about the intended purpose of the aid which it plans to grant in 2001.

(51) Except for the sum of ESP 4 795 million to Hunosa and ESP 394 million to González y Díez SA and on the basis of the information provided by Spain, the aid is compatible with Article 5 of Decision No 3632/93/ECSC and the proper functioning of the common market. The Commission will decide on the balance of ESP 5 189 million at a later date once it has analysed the information it receives from Spain in reply to its questions.

VI

(52) The aid granted by Spain to the coal industry is restricted to coal production destined to be used for electricity production. Spain undertakes to ensure that coal sold to the industrial and domestic sectors is sold at prices (exempt from compensation) that cover the costs of production.

(53) Spain must ensure that the aid granted to current production under this Decision does not give rise to any discrimination between coal producers, between purchasers or between users on the Community coal market.

(54) Spain must ensure that, in accordance with the third indent of Article 3(1) of Decision No 3632/93/ECSC, aid to cover the difference between the cost of production and the selling price per tonne does not cause selling prices for Community coal to be lower than those for coal of a similar quality from non-member countries.

(55) Spain must ensure that, within the framework of the provisions of Article 86 of the Treaty, the aid is limited to that which is strictly necessary in the light of the social and regional considerations which characterise the decline of the Community's coal industry. The aid may not give any economic advantage, whether directly or indirectly, to productions for which no aid is authorised or to other activities distinct from coal production. In particular, Spain must ensure that aid granted to undertakings under Article 5 of Decision No 3632/93/ECSC to cover the technical costs of closure is not used by the undertakings as aid for current production (Articles 3 and 4 of the Decision) and that the closure of capacity for which the aid is intended is definitive and that it is carried out in optimum conditions of safety and environmental protection.

(56) In accordance with the second indent of Article 3(1) and with Article 9(2) and (3) of Decision No 3632/93/ECSC the Commission must verify that the aid authorised for current production responds exclusively to the objectives stated in Articles 3 and 4 of the Decision. Spain must notify the Commission, no later than 30 June 2002, of the amount of aid actually paid during 2001, and declare any corrections made to the amounts originally notified. When submitting this annual statement of aid paid, Spain must also supply the Commission with all the information necessary for verification of the criteria set out in the Articles in question.

(57) In approving the aid, the Commission has recognised the need to soften, as far as possible, the social and regional impact of the restructuring of the coal industry, given the economic and social situation surrounding the mines affected.

(58) In view of the above, and on the basis of the information provided by Spain, the aid and the measures proposed for the coal industry are compatible with the objectives of Decision No 3632/93/ECSC and with the proper functioning of the common market,

HAS ADOPTED THIS DECISION:

Article 1

Spain is hereby authorised to pay the following aid in respect of 2001:

(a) operating aid of ESP 45 636 499 056 (EUR 274 280 883,34) under Article 3 of Decision No 3632/93/ECSC; the Commission will decide at a later date on the outstanding amount of ESP 1 115 500 944 (EUR 6 704 295,70) paid to González y Díez SA;

(b) aid for the reduction of activity of ESP 58 271 000 000 (EUR 350 215 763,35) under Article 4 of Decision No 3632/93/ECSC; the Commission will decide at a later date on the outstanding sum of ESP 6 000 million (EUR 36 060 726,26) for Hulleras del Norte SA (Hunosa) and ESP 287 million (EUR 1 724 904,74) for Minas de la Camocha SA; the authorised aid of ESP 58 271 000 000 will be deducted from any compensation that Hunosa may receive as tax credit on company tax following the consolidation of the balance sheets of the undertakings incorporated in SEPI.

(c) aid of ESP 59 507 million (EUR 357 644 272,96) under Article 5 of Decision No 3632/93/ESSC to cover exceptional welfare aid for workers who lose their jobs as a result of the measures to modernise, rationalise, restructure and reduce the activity of the Spanish coal industry;

(d) aid of ESP 14 475 million (EUR 89 996 502,11) under Article 5 of Decision No 3632/93/ESSC to cover the technical costs of closing down mining installations as a result of the measures to modernise, rationalise, restructure and reduce the activity of the Spanish coal industry. The Commission will decide at a later date on the outstanding amount of ESP 4 795 million paid to Hunosa and the ESP 394 million paid to González y Díez SA.

Article 2

In accordance with Article 86 of the ECSC Treaty, Spain shall adopt all appropriate measures, whether general or particular, to ensure fulfilment of the obligations resulting from this Decision. It shall ensure that the aid authorised is used for the purposes intended and that any unspent, overestimated or incorrectly used aid for any item covered by this Decision is repaid to it.

Article 3

Spain shall notify the Commission, by 30 June 2002 at the latest, of the amount of aid actually paid in respect of 2001.

Article 4

This Decision is addressed to the Kingdom of Spain.

Done at Brussels, 11 December 2001.

For the Commission

Loyola DE PALACIO

Vice-President