COUNCIL REGULATION (EC) No 318/94

of 7 February 1994

repealing Regulation (EC) No 317/94 of withdrawing tariff concessions in accordance with the provisions of Articles 23 (2) and 27 (3) (a) of the Free Trade Agreement concluded between the Community and Austria (Grundig Austria GmbH)

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 113 thereof,

Having regard to the proposal from the Commission,

Whereas the Free Trade Agreement between the European Economic Community and the Republic of Austria, signed in Brussels on 22 July 1972 [1], stipulates, in Article 23 (1) (iii), that any public aid affecting trade between the Community and Austria which distorts or threatens to distort competition by favouring certain undertakings or the production of certain goods is incompatible with its proper functioning and, in Article 27, that in the absence of agreement in the Joint Committee within three months of the matter being referred to it, the Contracting Party concerned may adopt any safeguard measures it considers necessary to deal with the serious difficulties resulting from the practices in question, including the withdrawal of tariff concessions;

Whereas, by Regulation (EC) No 317/94 [2] the Council reimposed a 14 % duty on television sets produced by Grundig Austria GmbH, so as to deal with the distortion of competition and the impact on trade between the Community and Austria created by the aid granted by the Vienna Municipal Council in May 1991 and June 1992 for investment in the factory producing such sets;

Whereas, on 21 December, the Commission was informed of the repayment of part (67 million schillings) of the aid by Grundig Austria GmbH to the City of Vienna, the sum repaid being the amount of aid deemed incompatible with Article 23 of the Free Trade Agreement;

Whereas such repayment means that the aid no longer entails any distortion of competition or any impact on trade that are incompatible with the Agreement,

HAS ADOPTED THIS REGULATION:

Article 1

Regulation (EC) No 317/94 is hereby repealed, with effect from the date of its publication.

Article 2

This Regulation shall enter into force on the day of its publication in the *Official Journal of the European Communities.*

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 7 February 1994.

For the Council

The President

Th. PANGALOS

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[1] OJ No L 300, 31. 12. 1972, p. 2.
[2] See page 18 of this Official Journal.