

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(77) 348 final.

Brussels, 19 July 1977

Draft

DECISION

OF THE REPRESENTATIVES OF THE GOVERNMENTS OF THE MEMBER STATES
OF THE EUROPEAN COAL AND STEEL COMMUNITY
MEETING WITHIN THE COUNCIL

concerning Community surveillance of imports of coal originating
in third countries

(submitted by the Commission)

COM(77) 348 final.

EXPLANATORY MEMORANDUM

The Commission¹⁾ indicated in its Communication to the Council of 1 March 1977¹⁾ that the recent downward trend on the coal market had affected only the Community's coal industry, imports from non-member countries having grown in relative and absolute terms. The Commission therefore expressed its intention to keep the situation under close review and to issue detailed annual reports on coal imports from third countries. With these reports it is proposed to submit an assessment of future market developments, taking account of probable requirements in the individual markets, of the Community coal industry's production plans and of developments in intra-Community trade and imports from non-member countries.

At its meeting of 29 March 1977,²⁾ the Council agreed on the need to collect information in the member states on coal imports from third countries and automatically to forward this to the Commission to enable it to produce reports and forecasts of the development of the common market in coal. It invited the Commission to study with each member state appropriate methods of operating this information system in the best possible way.

The Commission is already conducting studies on the state of the coal market, based partly on information on coal imports from non-member countries periodically supplied to it. However, the current information system is inadequate, particularly as regards import prices, for the completion of the aforementioned new tasks. It must, therefore, be broadened into a system of Community import surveillance to allow a well-founded assessment of developments in all important coal market sectors.

1) Doc. COM (77) 41 final

2) Doc. T/318/77 (ENER) of 4.4.1977

The information currently available to the Commission must be supplemented in particular by price information on imports of steam coal to assist the formation of clearer views of the competitive positions of Community coal, imported coal and hydrocarbons for electricity generation. The price aspect is of special significance in the context of considerable pressure on the price level of all coals frequently exerted by marginal import tonnages. This phenomenon applies equally to imports of coking coal and steam coal and can endanger a proportion of Community coal production through its financial impact.

In the light of contacts with representatives of member states, the Commission considers it adequate for the required information to be provided to it on a quarterly basis and for several countries of origin to be grouped in certain cases.

DECISION

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THE REPRESENTATIVES OF THE GOVERNMENTS OF THE MEMBER STATES OF
THE EUROPEAN COAL AND STEEL COMMUNITY, MEETING WITHIN THE COUNCIL

in agreement with the Commission -

HAVE DECIDED AS FOLLOWS :

Article 1

Without prejudice to the provisions of the Treaty establishing the European Coal and Steel Community, this Decision shall apply to the import of hard coal (reference No. 3.100 in Annex 1 to the Treaty) into the Member States.

Article 2

Imports of hard coal from third countries into the Member States of the Community shall be subject to Community surveillance in order that the Commission may be able regularly and better to judge developments in all Community coal markets with particular regard to hard coal imports from third countries.

Article 3

1) With a view to the provisions of Article 2 and in order to supplement the information which the Commission receives from Governments concerning hard coal imports from third countries and from undertakings concerning coking coal imports under Decision 73/287/ECSC of 25 July 1973¹⁾, Member States shall inform the Commission of the following for each quarter of the calendar year :

- hard coal imports in tonnes c.e. (hard coal equivalent) for use in electric power stations or installations for the combined production of heat and electricity;
- average quarterly cif free-at-frontier prices of these hard coal imports per tonne c.e.

(1) O J No L259, 15.9.1973, p. 36.

(2) The above information shall be communicated to the Commission within forty days of the end of each quarter, broken down as follows :

- by country of origin
- by length of contract (one year or longer and less than one year)

Where the quantities referred to in paragraph 1 for a particular country of origin have been obtained by a single importer from a single exporter, the information on prices for that county of origin may be combined with the corresponding information for another county of origin in accordance with the groupings set out in the Annex hereto.

(3) Where necessary, Member States shall, on request, also supply the Commission with information on hard coal imports, divided by use in cokeries and other sectors and broken down as in paragraphs 1 and 2.

Article 4

Member States shall take all necessary measures for the application of this Decision.

Done at Brussels,

The President

ANNEX

In the cases referred to in the last sentence of Article 3(2), the information on prices for one country of origin may be combined with the information on prices for another country of origin in the same region. In this context, the following areas are considered regions of origin:

- 1) Europe, except the European Community
- 2) North America
- 3) Central and South America
- 4) Africa
- 5) Asia and Oceania