

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(81) 516 final

Brussels, 16 September 1981

Draft

COMMISSION DECISION

relating to the extension of the authorization concerning
the equalization fund established by the United Kingdom
Chamber of Coal Traders and the National Coal Board to
reduce the price of anthracite and anthracite briquettes
imported from Community and non-Community countries

COM(81) 516 final

DRAFT

COMMISSION DECISION

relating to the extension of the authorization concerning the equalization fund established by the United Kingdom Chamber of Coal Traders and the National Coal Board to reduce the price of anthracite and anthracite briquettes imported from Community and non-Community countries

(Explanatory memorandum)

1. By Decision 80/1252/ECSC of 19 December 1980 under Articles 53 and 65 of the ECSC Treaty the Commission authorized the establishment of an equalization fund by the National Coal Board and the Chamber of Coal Traders, which represents the UK wholesale trade. The purpose of the equalization fund is to align the price of more expensive anthracite and anthracite briquettes bought abroad with the lower selling price of similar domestically-produced fuel. The authorization expired on 31 March 1981. In 1980/81 the equalization fund was applied to 205 000 tonnes. The parties have requested that it be extended to 31 March 1982.
2. This financial operation was prompted by the shortfall of anthracite and anthracite briquettes in the UK which arose because the supplies of the major British coal producer, the National Coal Board, are reduced for operational reasons and also on account of the increasing interest shown by certain consumers in solid fuels following the rise in oil prices. The National Coal Board has taken steps to cover this shortfall by increasing production and a start has been made on additional capacity for this purpose, but it will be several years before it becomes fully operational. Until then the domestically-produced coal will be able to retain its market share thanks to the import of similar fuel, but this depends on the price of the considerably more expensive imported fuel being reduced to that of national products. The necessary resources will be raised from a pool constituted by a levy of 90 pence per tonne on the sale of all National Coal Board

smokeless domestic fuel, approximately 3 170 000 tonnes between 1 April 1981 and 31 March 1982. Financing will thus be provided for the import of 110 000 tonnes of solid fuel at an average price difference of UKL 26 per tonne.

3. The grounds on which the Commission based its approval of the agreements by the parties concerned from 1 April 1980 to 31 March 1981 still hold good. They comply with the objectives of the Treaty set out in Article 3(a) and (d) and the conditions required for application of Article 65(2).

COMMISSION DECISION

relating to the extension of the authorization concerning the equalization fund established by the Chamber of Coal Traders and the National Coal Board to reduce the price of anthracite and anthracite briquettes imported from Community and non-Community countries

Article 1

The validity of Decision 80/1252/ECSC is hereby extended to 31 March 1982. The resources of the equalization fund shall be used to reduce the price of 110 000 tonnes of anthracite and anthracite briquettes during the 12 months up to 31 March 1982.

Article 2

This Decision is addressed to the United Kingdom Chamber of Coal Traders and the National Coal Board.

Done at Brussels, 1981

For the Commission,

Member of the Commission