

EUROPEAN COAL AND STEEL COMMUNITY

HIGH AUTHORITY

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PRESS RELEASE

HIGH AUTHORITY DECISIONS ON COAL

Luxembourg, March 21: The High Authority of the European Coal and Steel Community has decided to consult the Council of Ministers on the possibility of financial aid to the Community's coal industries in order to lighten the cost of the stocking of coal. It has taken this action under Article 53b of the Community Treaty, which enables it to set up "financial mechanisms common to several enterprises".

The High Authority has also decided to permit a limited degree of price cutting for competitive purposes in trade in coal in the European Coal and Steel Community from April 1. From that date onwards, the Community's coal producers are authorized to align their prices on the price lists of the major enterprises and selling agencies, which include the Ruhr sales agencies, various coalfields in the French nationalized industry, and the Belgian coal sales agency.

The right of alignment is, however, submitted to a double restriction:

- (a) Sales effected by means of alignment must not in any given coal year exceed 20% of the tonnage sold in the Common Market by the enterprise or selling agency in the previous coal year.
- (b) In each of the major sales regions listed in the High Authority's decision, the tonnages covered by alignment sales must not exceed the total tonnage sold in that region in the previous coal year.

Moreover, enterprises or selling agencies intending to align their prices on those of a competitor must notify the High Authority of the general conditions under which the alignment is planned. The High Authority will pass on these communications to interested enterprises.

Every three months firms will have to supply full statistical information to the High Authority on the alignment sales they have effected.

Competitive pricing by alignment on the price lists of an enterprise in a different region, although the normal practice for steel since the start of the Common Market, has hitherto been banned for coal throughout the transition period.