WRITTEN QUESTION E-2152/99
by Piia-Noora Kauppi (PPE-DE), Ilkka Suominen (PPE-DE), Astrid Thors (ELDR) and Reino Paasilinna (PSE) to the Commission

(24 November 1999)

Subject: Interest subsidies for the purchase of maritime vessels

The Commission’s long-term objective has been to subsidise the European shipping fleet as being more environmentally friendly and safety-conscious (Community Guidelines on State Aid to Maritime Transport (1)). It was also stated in the minutes of the Finnish accession negotiations that it was not possible for the whole of Finland to continue with the tax-free trade. Instead the EU promised to take into account Finland’s remote situation and weather conditions in deciding on its objectives for maritime transport policy for the continent as a whole.

The Finnish transport ministry has notified the Commission of its interest subsidy programme for the purchase of maritime vessels, the aim of which is to promote the purchase and renovation of the safe and environmentally acceptable freight vessels, adapted to icy conditions, which are essential in the Nordic countries. There is a broad national consensus in the Finnish parliament on this matter, which is also shown by the fact that the parliament, on its own initiative, increased the appropriations for purchase orders in the 1999 budget.

The Commission’s officials are determined to interpret this programme as aid to shipyards, even though the programme has no effect on the shipyards’ competitiveness, because the ship which receives the subsidy may be ordered from any country. According to the letter of 4 August 1999 this was also stated by officials in the Commission’s DG VII, when drawing attention to the fact that this subsidy had no connection with EU shipyards.

How does the Commission propose to ensure the development of the environmentally friendly and safety-conscious Nordic maritime industry if it does not permit the use of the action framework it has itself set up? How can a Member State create a maritime policy if it cannot rely on the guidelines approved by the Commission? How has the Commission taken into account the comments on maritime policy in the minutes of Finland’s accession negotiations?


Answer given by Mr Monti on behalf of the Commission

(6 January 2000)

The Commission notes that under point 2.1. of the guidelines on state aid to maritime transport, mentioned by the Honourable Member, it is stated that the guidelines do not cover aid to shipbuilding within the meaning of the seventh directive (1) on aid to shipbuilding or any subsequent instrument. The Commission further notes that under point 5 of the guidelines regarding investment aid it is stipulated that any investment for new ships must comply with the rules on shipbuilding. Under the same point it is further stipulated that within the framework of the guidelines, investment aid may be permitted in certain restricted circumstances to improve equipment on board vessels or to promote the use of safe and clean ships, such as providing incentives to upgrade Community-registered ships to standards which exceed the mandatory safety and environmental standards laid down in international conventions and anticipating agreed higher standards, thus enhancing safety and environmental controls. However, such aid must comply with the shipbuilding provisions, as mentioned under point 2.1., when applicable.

The Council adopted on 29 June 1998 Regulation (EC) No 1540/98 (2) establishing new rules on aid to shipbuilding. Pursuant to the principle of direct applicability of the Community law, the Regulation is a binding legal instrument which is in its entirety directly applicable in Member States.

According to Article 2(1) of the Regulation, aid granted, whether directly or indirectly, for shipbuilding, ship repair and ship conversion, financed by Member States or their regional or local authorities or through state resources in any form whatsoever, may be considered compatible with the common market only if it complies with its provisions.
Article 2(2) of the Regulation states that aid granted indirectly includes all forms of aid to shipowners or to third parties which are available as aid for the building or conversion of ships such as credit facilities, guarantees and tax concessions.

The Commission notes that the interest subsidy scheme notified by the Finnish authorities, to which the Honourable Member refers, concerns an interest subsidy to be granted by the ministry of Transport so as to lower the interest costs of loans taken for the acquisition of new cargo vessels ordered by Finnish shipping companies in 1999.

Consequently, the notified scheme concerns an interest subsidy to be granted to shipowners for acquisition of new cargo vessels. Therefore, it falls under Article 2(2) of the Regulation and is considered as aid to shipbuilding under Article 2(1) of the Regulation. For this reason, the compatibility of the aid with the common market is to be assessed pursuant to the provisions of the Regulation.

The Commission underlines that it is indeed its aim to promote and support the Community maritime interests, including the Nordic maritime interests, by encouraging the development of safe and environmentally friendly ships in accordance with the principles expressed in the Community guidelines on state aid to maritime industry. However, this policy cannot override the Community rules on state aid. The state aid measures planned by Member States to promote this policy have to respect the Community rules adopted in this field. Consequently, since in the specific case mentioned by the Honourable Member, the applicable legal instrument is Council Regulation (EC) No 1540/98, it is this Regulation which defines the conditions under which the compatibility of the aid in question shall be assessed by the Commission.


(2000/C 219 E/133)

WRITTEN QUESTION E-2157/99

by Roberta Angelilli (NI) to the Commission

(24 November 1999)

Subject: Counterfeiting of ceramic goods produced in the Province of Viterbo

Several producers of ceramic goods in the Province of Viterbo have complained about the counterfeiting by Egyptian companies of some articles of sanitary ware. Copies of this kind are flooding the Italian and European markets, on which they are gaining a hold owing to extremely low production costs and, thereby, to unfair competition with Italian companies, to whom they are causing serious financial damage. They are therefore a potential threat to jobs.

Even the Egyptian Ambassador to Italy, who was alerted following a complaint which Italian producers made to the Rome police, has acknowledged that those producers have a case.

Given the above, would the Commission state:

1. whether it would not agree that such competition from Egyptian companies is extremely unfair;
2. whether it would not agree that such counterfeiting of Italian products is in breach of current legislation on the development and protection of intellectual property rights, including Directive 93/98 (1);
3. whether it would not agree that the above behaviour is in breach of the moral rights of the makers;
4. whether it would not agree that it should approach the Egyptian authorities with a view to obtaining further information on the above matter and, possibly, calling on them to ensure respect for international intellectual property law;
5. its general views on the matter.