

COMMISSION DECISION

of 18 February 1974

on the application to the United Kingdom of Great Britain and Northern Ireland of Article 37 of the Treaty establishing the European Coal and Steel Community

(74/134/ECSC)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Coal and Steel Community and in particular Article 37;

Having regard to the application of 8 February 1974, by which the United Kingdom notified the Commission of the serious and exceptional difficulties existing in the United Kingdom coal and steel sectors and which, in the opinion of that Government, are such as to present an actual risk of engendering fundamental and continuing disturbances in the United Kingdom economy;

Having consulted the Council of the European Communities;

Whereas the events that have taken place in the United Kingdom since the last months of 1973, have brought about a sharp fall in the production of coal and coke such as to endanger normal supplies to the United Kingdom economy and to engender fundamental and continuing disturbances; whereas the world energy situation does not permit alternative sources of supply to be found at short notice for the United Kingdom economy; whereas these events involved a considerable reduction in the United Kingdom industrial steel production;

Whereas in such conditions the economic situation in the United Kingdom would be aggravated by deliveries of coal and steel products to other Member States in accordance with the system of free circulation of goods such as is provided for by the ECSC Treaty and the Act annexed to the Treaty of Accession;

Whereas in order to diminish the consequences of the situation it is necessary to envisage appropriate measures to cover the serious and exceptional difficulties which the United Kingdom coal and steel production is currently experiencing; whereas, taking into account the normal means of action provided for in the Treaty, the situation is such as to engender fundamental and continuing disturbances in the United Kingdom economy if the Commission does not intervene by means of measures taken under Article 37 of the Treaty;

Whereas in order to meet the situation a licensing system to limit deliveries to other Member States as well as to third countries should be established; whereas the regime to be applied with regard to other Member States must under no circumstances be more restrictive than that relating to third countries;

Whereas the measures taken under Article 37 are justified only while the special and exceptional situation referred to above remains in existence; whereas, moreover, to assume the responsibility falling on it under Article 37 of the Treaty and to ensure the least disturbance to the operation of the common market, the Commission must be able to control the application of this Decision and to revoke or alter the measures taken if they exceed that which is necessary to deal with the situation referred to in Article 37 or if they are contrary to essential interests of the Community or to certain parts of it particularly affected;

Whereas, finally, the measures taken under Article 37 must be of an absolutely exceptional kind and of limited duration and whereas, consequently, this Decision must cease to remain in operation on 15 July 1974 at the latest,

HAS ADOPTED THIS DECISION:

Article 1

1. The Commission recognises that the serious and exceptional difficulties facing the United Kingdom in the coal and steel sectors are such as to induce fundamental and continuing disturbances in the United Kingdom economy if the Commission does not intervene under Article 37 of the Treaty.

2. In order to bring this situation to an end, the Commission considers it necessary to apply the measures defined in the following Articles.

Article 2

The United Kingdom shall establish, in respect of those products referred to in Article 81 of the Treaty, with the exception of those under heading No 73.03 of the ECSC unified tariff, a licence system in order to:

- limit exports of such products to third countries;
- control and, in so far as is necessary, limit deliveries of such products to other Member States — such system may however under no circumstances be more restrictive as far as each product is concerned than that applied to exports to third countries.

Article 3

1. The United Kingdom shall notify the Commission immediately of those measures taken in application of Article 2 and shall inform the Commission regularly concerning the application of such measures.
2. The United Kingdom shall inform the Commission of the development of the situation referred to in Article 1 and particularly of the position with regard to stocks, production and imports.

Article 4

1. The Commission shall ensure that the provisions of this Decision are applied, in particular with regard to the drawing-up and use of licences.
2. The Commission shall, as appropriate, adopt the provisions necessary for the application of this Decision.

Article 5

1. The Commission may alter or revoke this Decision if it determines that

- the situation referred to in Article 1 has altered or ceased to exist;
- the measures taken in application of the provisions of this Decision exceed what is necessary to deal with the situation referred to in Article 1;
- application of this Decision is contrary to essential interests of the Community or to certain parts of it particularly affected.

2. The Commission shall review the whole position three months after this Decision has entered into force.

Article 6

Without prejudice to the application of Article 5, this Decision shall remain in operation until 15 July 1974.

Article 7

This Decision is addressed to the Member States.

Done at Brussels, 18 February 1974.

For the Commission

The President

François-Xavier ORTOLI
