

COMMISSION DECISION No 533/82/ECSC

of 3 March 1982

amending for the third time Decision No 1831/81/ECSC establishing for undertakings in the iron and steel industry a monitoring system and a new system of production quotas in respect of certain products

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Coal and Steel Community,

Having regard to Commission Decision No 1831/81/ECSC of 24 June 1981 ⁽¹⁾, as last amended by Decision No 2804/81/ECSC ⁽²⁾, and in particular Article 16 (1) thereof,

Whereas :

1. By Decision No 532/82/ECSC ⁽³⁾ the Commission laid down the abatement rates for the second quarter of 1982 in the context of the new system of production quotas established by Decision No 1831/81/ECSC.
2. In the case of concrete reinforcing bars, which belong to Category V of the new system of quotas, the downturn in demand, which has continued and become more marked during the last two quarters as a result of the worsening of the slump in the construction sector, together with the high level of stocks, has required very high abatement rates to be granted. This reduction in demand has been reflected during the last few weeks by a slump in market prices, which in certain regions of the Community have fallen well below the level corresponding to the Commission's guidance prices; this reduction in demand is also affecting, although less severely, products in Categories IV (wire rod) and VI (merchant bars), which are marketed in the same sectors and often produced by the same undertakings.
3. There are in the Community a substantial number of small and medium-sized undertakings whose production depends almost exclusively on products in Categories IV, V and VI and to a considerable extent on the production of concrete reinforcing bars; such undertakings are clearly different both from undertakings that also produce several other categories of products and can consequently benefit from the more favourable market conditions for

their other products and from undertakings that produce other categories of products only.

4. By Decision No 1831/81/ECSC, the Commission recognized that the system of quotas could create exceptional difficulties for certain undertakings 'both because of the size of their plants and because of their dependence on a limited range of products' ⁽⁴⁾ and included Article 14 in that Decision in order to be able to adjust the reference productions of such undertakings should the abatement rate exceed a certain level.

In view of the extremely high abatement rate in respect of concrete reinforcing bars for the second quarter of 1982, the system of quotas will clearly create exceptional difficulties for the undertakings referred to in point 3 above. Less stringent quotas should therefore now be established for these undertakings.

5. Since point 3 above concerns a large number of undertakings, it should be stipulated that for these producers a reduction in the abatement rates for the establishment of quotas will be made by general decision.
6. The worsening of the slump in the construction sector and the increased downturn in demand and prices for concrete reinforcing bars constitute a radical change in the iron and steel market within the meaning of Article 16 (1) of Decision No 1831/81/ECSC.

HAS ADOPTED THIS DECISION :

Article 1

The following Article 14b shall be inserted in Decision No 1831/81/ECSC after Article 14a :

'Article 14b

For producers whose total production of the products referred to in Article 1 did not exceed

⁽¹⁾ OJ No L 180, 1. 7. 1981, p. 1.

⁽²⁾ OJ No L 278, 1. 10. 1981, p. 1.

⁽³⁾ See page 5 of this Official Journal.

⁽⁴⁾ Second paragraph of point 7 of the statement of reasons for Decision No 1831/81/ECSC.

700 000 tonnes in 1981 and whose production of Categories IV, V and VI accounts for at least 90 % of their total production, the abatement rates in respect of Category V for the purpose of establishing production quotas and the proportion of the production quotas that may be delivered to the common market laid down in Article 1 of Decision No 532/82/ECSC ⁽¹⁾ for the second quarter of 1982 shall be reduced by five percentage points if

production of Category V represents at least 30 % of production of Categories IV, V and VI in 1981.

⁽¹⁾ OJ No L 65, 9. 3. 1982, p. 5.

Article 2

This Decision shall enter into force on the day of its publication in the *Official Journal of the European Communities*.

This Decision shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 3 March 1982.

For the Commission

Étienne DAVIGNON

Vice-President
