

COMMISSION DECISION

of 23 October 1963

on the abolition of aid granted in respect of the transport in France of certain fruit and vegetable products

(63/641/EEC)

(Only the French text is authentic)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 92 and the first subparagraph of Article 93 (2) thereof;

Having regard to Article 7 of Regulation No 23¹ on the progressive establishment of a common organization of the market in fruit and vegetables;

Having given the parties concerned notice to submit their comments;

Whereas the French Government, in its letters of 10 July and 5 and 12 August 1963, notified the Commission of its decision to reimburse up to 50 % of the costs incurred in the transport (by SNCF and STEF) to the frontier of exports of cauliflowers, new carrots, melons, peaches, plums, summer pears and table grapes;

Whereas reimbursements relating to exports to other Member States constitute aid within the meaning of Article 92 of the Treaty, since French exporters can thereby offer the abovementioned products at the frontier of other Member States at a lower price than that which would be the case in the absence of such aid;

Whereas, in this respect, such aid distorts competition on the markets of other Member States and is prejudicial to trade between Member States;

Whereas the French Government gave as the grounds for such aid, on the one hand certain contractions,

delays and overlappings in the harvesting periods in different regions of France due to abnormal weather conditions, and on the other hand abundant crops;

Whereas the French Government has also drawn attention to the existence in another Member State of tariff measures having equivalent effect;

Whereas the facts mentioned by the French Government are not such as to fulfil the conditions laid down for the derogations listed in Article 92 (2) and (3) of the Treaty and such derogations have not, moreover, been invoked by the French Government;

Whereas this aid is accordingly incompatible with the common market under the terms of Article 92 of the Treaty;

HAS ADOPTED THIS DECISION:

Article 1

The French Republic shall, not later than 8 November 1963, abolish the partial reimbursement from State funds of the costs incurred in the transport (by SNCF and STEF) to the French frontier of cauliflowers, carrots, melons, peaches, plums, summer pears and table grapes, where such reimbursement is granted in respect of exports of those products to other Member States.

Article 2

This Decision is addressed to the French Republic.

Done at Brussels, 23 October 1963.

By the Commission

The President

Walter HALLSTEIN

¹ OJ No 30, 20.4.1962, p. 965/62.