

Grundig now intends to introduce a uniform, Europe-wide, contractual comprehensive warranty within the Community and has begun building up an appropriate technical network. At the Commission's instigation, Grundig has also undertaken, pending the full introduction of the comprehensive European warranty, to ensure that consumers can claim their warranty rights in the Member State in which they are resident even where they have acquired the relevant appliance in another Member State, and has given appropriate instructions to all its subsidiaries and sole distributors in the various Member States. The scope of the warranty is determined by the warranty rights allowed in the country of purchase.

The Commission proposes to extend the exemption. Before doing so, it invites all interested parties to send their comments within one month of the publication of this notice to the following address, quoting the reference IV/29.420 — Grundig's EEC distribution system:

Commission of the European Communities,
Directorate-General for Competition,
Directorate for Restrictive Practices, Abuse of Dominant Positions and other Distortions of Competition I,
200 rue de la Loi,
B-1049 Brussels.

STATE AID

C 27 and C 28/90 (ex NN 71 and NN 73/89)

Italy

(92/C 181/04)

(Articles 92 to 94 of the Treaty establishing the European Economic Community)

Commission notice pursuant to Article 93 (2) of the EEC Treaty to other Member States and interested parties concerning interest subsidies on loans to small and medium-sized industrial and commercial enterprises (C 27/90) and works projects and miscellaneous assistance schemes (C 28/90)

In the letter reproduced below, the Commission informed the Italian Government of its decision to terminate the procedure initiated on 25 July 1990 (1).

'By letter Nos 27599 and 27595 dated 27 September 1990, the Commission informed your Government of its decision to initiate the procedure provided for in Article 93 (3) of the EEC Treaty in respect of a series of aid measures referred to in the official publication "Relazione generale sulla situazione economica del Paese (1988), Volume II, la Finanza Pubblica".

At the same time, the Commission asked your Government to submit its comments and any information enabling the Commission to assess the compatibility of the aid measures with the Treaty.

The other Member States and interested parties were informed by two notices published in *Official Journal of the European Communities* No C 266 of 12 October 1991 with regard to Cases C 27/90 and C 28/90.

The Office of the Italian Permanent Representative sent the comments and information requested by the Commission by telex dated 22 October 1990 and by letters of 16 September and 18 December 1991. Further documents were also handed over to the Commission by the Italian authorities at a meeting on 13 February 1992.

On examining the two cases, it emerged that a number of the budget items concerned related to activities within the immediate remit of the public administration, such as the building of schools, prisons and public offices, etc.; in one particular case, the measures concerned had already been approved by the Commission.

The other measures relate to:

— several schemes to assist small and medium-sized enterprises under laws enacted in 1959, 1975 and 1976 but no longer in force,

(1) OJ No C 266, 12. 10. 1991.

- various arrangements relating to the textile and mining industries and to unemployment aid, based on provisions adopted in the 1970s and 1980s but no longer in force,
- a provision of Law No 95/1979, more commonly referred to as the “Prodi Law” and still in force, concerning the taking over by the State of loans obtained by enterprises under “amministrazione straordinaria”.

As a general preliminary remark, the Commission regrets that the Italian authorities failed to notify the above aid schemes, in breach of the obligation imposed on Member States pursuant to Article 93 (3) of the EEC Treaty.

Having examined the measures pursuant to Article 92 (1) of the EEC Treaty, the Commission has drawn the following conclusions:

- as regards the schemes concerning SMEs (Case C 27/90), since the aid intensities are not likely to have upset the equilibrium of the market, since the budgets appear to have been used for purposes consistent with Community policy in this area and since the aid was aimed at reducing regional disparities, the Commission has decided to consider that the aid in Case C 27/90 is compatible with the common market as it was aimed at facilitating the development of certain activities or certain economic areas without adversely affecting trading conditions to an extent contrary to the common interest pursuant to Article 92 (3) (c) of the EEC Treaty. It has, therefore, decided to terminate the Article 93 (3) procedure as regards the aid in Case C 27/90,
- as regards Case C 28/90, the Commission has decided, in line with the Community framework adopted in 1971 ⁽¹⁾, not to object to the aid granted under Law No 1101/1971 since its chief aim was to

promote restructuring of the textile industry at a time when the industry was suffering from a structural crisis,

- as regards the arrangements for the mining industry, the Commission has decided to apply the derogation under Article 92 (3) (c) of the EEC Treaty to the aid for mining research (Article 17 of Law No 752/1982) on the grounds that it affected production only indirectly, if at all, and was aimed at facilitating the development of certain activities without adversely affecting trading conditions to an extent contrary to the common interest. The measures provided for in Articles 14 and 15 of Law No 752/1982 were subsequently incorporated into an overall plan for the mining industry that was examined by the Commission in 1989 ⁽²⁾ and approved on the basis of undertakings given by the Italian Government. I should therefore remind you of the obligation pursuant to Article 93 (3) of the EEC Treaty to notify any plans for restructuring mines receiving aid; such plans should enable the mines to become economically viable once again by 31 December 1992,
- as regards Law No 464/1972, the Commission is conducting a survey of the various unemployment protection schemes existing in Member States in order to assess their compatibility with Community law: Accordingly, it has decided not to take any decision on this matter until the survey has been completed,
- as regards Article 2a of Law No 95/1979 (the “Prodi Law”), since the Law is still in force although the Italian authorities have stated that it has not been applied since 1985, the Commission requests your Government to submit a detailed report on its application to date and has, therefore, decided to hold over its decision on this matter until the information requested has been provided.⁷

⁽¹⁾ Commission communication to Member States (SEC(71) 363 final).

⁽²⁾ State aid No C 17/89.