

COMMISSION OF THE EUROPEAN COMMUNITIES

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FOURTH REPORT ON THE APPLICATION OF THE RULES FOR AIDS TO THE STEEL INDUSTRY

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FOURTH REPORT ON THE APPLICATION OF THE RULES FOR AIDS TO THE STEEL INDUSTRY1. INTRODUCTION

- 1.1. In accordance with the provisions of Article 10 of Decision 2320/81/ECSC, the Commission shall regularly prepare reports on the implementation of this Decision for the Council and for the information of the European Parliament. The second report on the application of the rules for aids to the steel industry was made in February 1982¹. An addendum to this report was made available in June² and was referred to as the third report. The present report is therefore termed the fourth in order to avoid any ambiguity.
- 1.2. The Commission has considered necessary that this fourth report which covers the period up to 31 January 1983 will constitute both a stocktaking of the achievements of the two aid codes up to that date and as a statement of current policy. The practice adopted in the earlier reports of describing the positions taken by the Commission on each aid case has been abandoned as unmanageable - in 1982 the Commission took 92 positions on steel aid cases (see Annex 2).
- 1.3. Annex 1 gives details of the aids approved by the Commission since 1980 and of those still subject to an examination procedure.

2. CAPACITY REDUCTIONS

- 2.1. It is now possible to form a first view of the effect of the aids code on the restructuring of the steel industry and in particular on the achievement of a reasonable capacity reduction.

The aid plans notified to the Commission by 30 September 1982, the last date on which such notifications could be made, are associated with restructuring plans which would reduce hot-rolling capacity by some 14 million tonnes in the Community as a whole by 1985. The Commission did not find these plans satisfactory in many cases and has initiated the procedure provided for by Article 8(3) of Decision 2320/81/ECSC with respect to them.

It is likely that within the context of these procedures further reductions in capacity will be proposed by national Governments in the course of negotiations with the Commission in order to obtain the latter's final approval for their aid plans. A final judgment on the effectiveness of

¹COM(82) 34 final of 5.2.1982.

²COM(82) 344 final of 2.6.1982.

the aids code in reducing the capacity of the steel industry can therefore only be made once these negotiations have been completed, that is by 1 July 1983, which, as provided in the aids code, is the last date on which the Commission can authorise aid to the steel industry.

The additional capacity reductions should in the Commission's view be made principally by undertakings which require aid, and in particular by those undertakings using the most obsolete or least economic plant, registering the heaviest losses and receiving the most State aid. However, since all undertakings will benefit from the re-establishment of equilibrium, the Commission considers that all undertakings, including those receiving little or no aid, should contribute to the common effort towards reducing production capacity. In any event, the achievement of 30 to 35 million tonnes of capacity reduction presupposes the closure not only of obsolete plant but also of some more modern plant.

2.2. The aids authorized by the Commission up to the end of 1982 were associated with the following major net capacity reductions between 1980 and 1985 in millions of tonnes of hot-rolled products. (Reductions made by some other undertakings are not included because no aids have yet been authorised).

Belgium (Cockerill-Sambre, Forges de Clabecq and Laminoirs de Jemappes, ALZ and Antwerpse Walserijen) ...	2.2
Denmark (Det Danske Stålvalseværk)	0.1
Federal Republic of Germany (Arbed Saarstahl and Maxhütte)	0.9
France (Sacilor and Usinor)	4.7
Italy (Finsider)	0.1
Luxembourg (Arbed)	0.5
United Kingdom (British Steel Corporation)	<u>3.</u>
TOTAL	11.5

With the exception of a few cases involving smaller undertakings, the Commission has only approved part of the aids notified to it for these undertakings on the basis of the capacity reductions so far offered by them. The remaining capacity reductions (by other undertakings), which make up the 14 million tonnes figure referred to earlier, had not led to aid authorization by the end of 1982 since in general they had not been sufficiently specified as regards the identity of the plant to be closed or the timing of the closure, or had not yet been formally approved by the national authorities.

In order to avoid double-counting, the table does not include a number of reductions in cold-rolling capacity in respect of which the Commission has also authorized aids for certain undertakings (British Steel Corporation, Irish Steel Limited, Hoesch, Phénix Works and Sidmar in particular). Virtually, all the hot-rolling capacity reductions shown result from the permanent closure of specific plant, but in two cases the plants in question had yet to be specified (575,000 tonnes in respect of Cockerill-Sambre by 31 March 1983 and 500,000 tonnes in respect of Arbed Saarstahl by 30 April 1983), the Governments concerned having given undertakings to cut capacity by these amounts but being unable to identify the plants to be closed until synergy negotiations with other undertakings had been completed.

The Commission does not generally consider reductions in crude steel capacity alone as a justification for aid unless the undertaking in question has no ECSC rolling capacity. Thus, the Commission authorized an aid for Benteler AG, a producer of tubes (a non-ECSC product) on the basis of a reduction in its crude steel capacity. On the other hand, in the case of a producer of wire-rod, the Commission did not consider that a reduction in crude steel capacity unaccompanied by any reduction in rolling capacity could constitute a capacity reduction justifying aid, since it would always be possible for the undertaking to purchase semi-finished products for rolling in its mills. Similarly, in the case of the aids proposed for an integrated works, the Commission refused to take into consideration the part of the capacity reductions for hot-rolled products alleged to result from the closure of crude steel capacity and the resulting bottleneck at this stage. The Commission will only take account of bottlenecks on rolling capacity which are the

result of clearly defined technical factors; it excludes from consideration reductions resulting, for instance, from demanning (i.e. reducing the number of shifts worked), shortages in the supply of semi-finished products and changes in product mix, since such changes do not result in an irreversible adjustment of capacity to demand and cannot, therefore, be considered as contributing to the achievement of the Community's restructuring objectives.

3. FINANCIAL VIABILITY

3.1. The viability of Community steel undertakings in general will depend, inter alia, on their ability to achieve a reasonable rate of capacity utilisation, which in turn depends largely on the achievement of an adequate reduction in the Community's capacity. At the level of the individual undertaking viability in the future depends critically on the adequacy of its restructuring programme. The Commission has recognized that the adjustments required for many undertakings to become viable are so profound that their definition, approval and implementation can only be undertaken over a period of time. In these cases, restructuring plans usually consist of a series of adjustments, each of which brings the undertaking closer to the objective of viability.

Where Member States have proposed such "tranches" of restructuring to the Commission, the latter has been prepared to approve tranches of aid provided that the restructuring proposed leads to a reduction in capacity and represents a step towards viability. Authorization of such tranches has always been conditional on agreement by the Member State concerned to prepare a more radical restructuring plan.

3.2. The authorization of tranches of aid is, however, an interim measure. The Commission felt that, as the deadline for its final decisions approached, it should have available information enabling it to judge the viability of the various Community undertakings on a standard basis. The Commission, therefore, prepared a detailed financial questionnaire which it has required Member States to complete (or to have completed) and return to it in respect of undertakings whose viability appears to it to be in doubt and to which Member States have

proposed to grant aid. At the end of the period covered by this report the Commission had only received returns in respect of a few undertakings.

When it appraises the viability of an undertaking the Commission will continue to be particularly concerned to ensure that the forecasts submitted to it are not based on assumptions which, in the light of the forecasts contained in the General Objectives, appear overoptimistic. The questionnaire has been designed so as to make explicit the assumptions on which forecasts are based and to facilitate a sensitivity analysis to test the impact of introducing alternative assumptions.

4. THE RESTRUCTURING EFFORT

4.1. When deciding on the amount of aid to authorize in an individual case the Commission takes particular account of the restructuring effort made. This evaluation is qualitative rather than quantitative and is based on an analysis of a variety of factors including the following :

- (i) the size of the capacity reduction offered, its timing (the sooner the reduction is made the greater its impact) and the product concerned (overcapacity is greater for some products than for others);
- (ii) the modernization and other efficiency and cost-reducing measures adopted and their costs; and
- (iii) the location of the capacity reduction, its effects on employees and the difficulties that will result for the workers made redundant.

Since therefore, the restructuring effort is many-faceted, since the intensity of different forms of aid differs and since there are other criteria that must also be respected (for instance, the Commission must not authorize more aid than is required by the undertaking), the Commission has not accepted the proposal made to it from a variety of quarters that it should establish a fixed ceiling in monetary terms for aids per tonne of capacity reduction. This proposal is contrary both to the spirit and to the letter of the aids code.

- 4.2. The Commission has stressed to the Member States that employment and regional problems cannot be an argument for postponing the necessary adaptation of the industry. Where such problems exist action must be taken to assist the conversion of the steel areas concerned by creating alternative job opportunities. The Commission will contribute to the achievement of this objective by concentrating the use of its financial instruments in areas where such support is needed and will also look favourably on any aid plans submitted to it by Member States.

5. DISTORTIONS OF COMPETITION

- 5.1. The Commission seeks to ensure that unwarranted distortions of competition do not occur by rigorously applying the provisions of the aids code and in particular :

- (i) by limiting the amount and intensity of the aids it authorizes to what is fully justified by the restructuring effort made by an undertaking;
and
- (ii) by authorizing only the aid which it considers necessary to achieve the restructuring in question.

Thus, in a number of cases, the Commission has required a Member State to reduce the aids it proposes to give to an undertaking either because they were not justified by the restructuring effort or because the undertaking did not really require aid on this scale or for a combination of the two reasons. Such reductions were required, for instance, in the case of a regional investment aid to Sidmar for the construction of a continuous annealing plant. Given

the relatively limited scope of the capacity reduction offered and the strong competitive position of the undertaking, which would be reinforced by the investment project in question, the Commission required the Belgian Government to reduce the interest relief grant it had proposed to offer the company from 7 points for 5 years to 3 points for the same period.

- 5.2. Following the informal meeting of Industry Ministers at Elsinore (Denmark) in November 1982, the Commission decided to take measures to ensure that the payment of aids for investment was linked to investment expenditure so that these aids were not diverted to other purposes, in particular to cover operating losses. Its subsequent authorizations of investment aid therefore require Member States to inform the Commission at the beginning of each quarter of the aid payments they intend to make during the quarter and to justify these payments. The Commission reserves the right to oppose unjustified payments.
- The Commission was also concerned to ensure that aids to continued operation were not used by undertakings to finance disruptive price cutting. It therefore decided to make its authorizations of such aids conditional on the undertaking concerned respecting the Community price rules and to make frequent inspections to verify compliance with this condition. Approved aids to cover operating losses must be paid in monthly tranches and, if the Commission finds evidence of infringements of the price rules, payment must be interrupted until Commission has decided whether and to what extent payment may be resumed.

6. SCOPE OF THE AIDS CODE

- 6.1. The aids code subjects all aids to the same criteria, whatever the form of the aid in question, whatever its amount and whatever its purpose (whether general, regional or sectoral). Thus aids, usually of rather low intensity, for environmental protection or for energy saving, research and development aids, employment aids, and regional aids are all subject to the same criteria as purely sectoral aids.

In its examinations of aids the Commission makes no distinction between aids granted to the steel industry on the basis of the aid system that is used. Where an aid is justified on sectoral grounds the Commission in its appraisal of the intensity of the aid does take account of regional aspects of the case and of any contribution made to other Community objectives, such as the promotion of innovation or environmental protection.

6.2. The aids code specifies that it also applies to any aid elements contained in finance provided to public undertakings and indicates that the criteria for judging whether aid elements are present is whether the financial measure can count as the provision of risk capital according to standard company practice in a market economy. The Commission has taken the view that the financial circumstances of virtually all public sector steel undertakings and the market prospects for the industry as a whole are such that equity and quasi-equity finance to these undertakings inevitably contain aid elements. The procedures it has initiated and the aid packages it has approved therefore include such aid elements. Public undertakings concerned include the British Steel Corporation, Cockerill-Sambre, Finsider, Sacilor and Usinor.

6.3. The Commission has generally taken a similar position on proposed State participations in undertakings which are in private ownership. However, in the case of the Belgian Government's proposal to increase its shareholding in Sidmar, the Commission considered that no aid element would be contained in such a measure unless the price of acquisition was higher than would be paid by a private entrepreneur, and it acted to verify that this would not be the case. This position was consistent with its view, referred to above, that, as a highly competitive undertaking, Sidmar did not require any significant aid.

7. TRANSPARENCY

7.1. In accordance with the provisions of the aids code transparency is assured in a number of ways :

- (1) the Commission consults the Member States on all important cases before approving any aid either by initiating a procedure under Article 8(3) of the code or by putting the case on the agenda for discussion at a multilateral meeting of a national experts. For most major cases consultation is carried out in both ways. Eight multilateral meetings were held during 1982;

- (ii) whenever a procedure is opened, a notice is published in the Official Journal so as to give other parties concerned an opportunity to comment. The information published in the notice is inevitably rather limited, but efforts have been made to provide more complete data and, in case this is insufficient, the Commission is willing to supply additional information in response to a request from a party concerned;
- (iii) the Commission informs Member States of each decision taken by it on aid cases;
- (iv) the Commission makes regular reports to the Council on the implementation of the code. These reports are also transmitted to the Consultative Committee and to the European Parliament.
- (v) the Commission monitors aid payments by means of a questionnaire which is sent out to Member States twice a year. The replies will enable the Commission to check that aid levels are in practice progressively reduced as required by the code. On the basis of the returns made by the Member States the Commission will update the report it sent to the Council in May 1982 on aid payments to the steel industry during the period 1975-1980.

At the end of January 1983 the Commission was still awaiting returns for 1981 from France and from Italy (in respect of the private sector of the Italian industry).

TABLE 1

TOTAL AIDS TO THE COMMUNITY STEEL INDUSTRY APPROVED OR STILL SUBJECT TO EXAMINATION PROCEDURE BY THE COMMISSION UNDER THE FIRST AND SECOND AIDS CODES (in millions of ECU's) 1, 2
 - SUMMARY OF TABLES 2, 3 AND 4

COUNTRY	TOTAL NOTIFIED AID	% OF EEC TOTAL	TOTAL APPROVED	AS % OF EEC TOTAL APPROVED	APPROVED - AS % OF COUNTRY AID NOTIFIED	TOTAL SUBJECT TO EXAMINATION	AS % OF EEC TOTAL SUBJECT TO EXAMINATION	SUBJECT TO EXAMINATION - AS % OF COUNTRY AID NOTIFIED
1) BELGIQUE of which Cockerill-Sambre	3,029 <u>2,567</u>	11.5% <u>9.8</u>	1,572 <u>1,388</u>	17.4% <u>15.4</u>	51.9% <u>45.8</u>	1,457 <u>1,179</u>	8.4% <u>6.8</u>	48.1% <u>38.9</u>
2) DANMARK	81	0.3	81	0.9	100.0	-	0.0	0.0
3) DEUTSCHLAND of which Arbed Saarstahl of which Klöckner of which Peine-Salzgitter of which Ruhrstahl of which Thyssen	4,898 <u>1,164</u> <u>467</u> <u>333</u> <u>1,426</u> <u>942</u>	18.6 <u>4.4</u> <u>1.8</u> <u>1.3</u> <u>5.4</u> <u>3.6</u>	633 <u>495</u> <u>29</u> <u>-</u> <u>-</u> <u>-</u>	7.0 <u>5.5</u> <u>0.3</u> <u>0.0</u> <u>0.0</u> <u>0.0</u>	12.9 <u>10.1</u> <u>0.6</u> <u>0.0</u> <u>0.0</u> <u>0.0</u>	4,265 <u>669</u> <u>438</u> <u>333</u> <u>1,426</u> <u>942</u>	24.7 <u>3.9</u> <u>2.5</u> <u>1.9</u> <u>8.3</u> <u>5.5</u>	87.1 <u>13.7</u> <u>8.9</u> <u>6.8</u> <u>29.1</u> <u>19.2</u>
4) ELIAS	20	0.1	-	0.0	0.0	20	0.1	100.0
5) FRANCE of which Sacilor of which Usinor	4,991 <u>2,500</u> <u>2,491</u>	19.0 <u>9.5</u> <u>9.5</u>	3,670 <u>1,797</u> <u>1,873</u>	40.6 <u>19.9</u> <u>20.7</u>	73.5 <u>36.0</u> <u>37.5</u>	1,321 <u>703</u> <u>618</u>	7.7 <u>4.1</u> <u>3.6</u>	26.5 <u>14.1</u> <u>13.4</u>
6) IRELAND	232	0.9	66	0.7	28.4	166	1.0	71.6
7) ITALIA (almost 100% Finsider)	7,388	28.1	695	7.7	9.4	6,693	38.8	90.6
8) LUXEMBOURG	409	1.6	144	1.6	35.2	265	1.5	64.8
9) NEDERLAND (almost 100% Hoogovens)	593	2.3	94	1.0	15.9	499	2.9	84.1
10) UNITED KINGDOM (almost 100% BSC)	4,639	17.7	2,077	23.0	44.8	2,562	14.9	55.2
TOTAL EEC	26,280	100.0%	9,032	100.0%	34.4%	17,248	100.0%	65.6%

¹ Conversions made at ECU rates applying on 30.9.82 (see table opposite).

² The figures give an indication of the amounts budgeted rather than the intensity of aids.

Conversion rates

1 ECU = 45.6409 Bfrs/Lfrs
 = 8.23109 DKR
 = 2.35365 DM
 = 66.7793 DRA
 = 6.64257 FF
 = 0.690606 IRL

1 ECU = 1,323.77 LIT
 = 2.57309 HFL
 = 0.549768 UKL

TABLE 2

TOTAL AIDS TO THE COMMUNITY STEEL INDUSTRY APPROVED OR STILL SUBJECT TO EXAMINATION PROCEDURE BY THE COMMISSION UNDER THE FIRST AND SECOND AIDS CODES (in millions of ECU's)

	Grants/ interest relief grants	Capital/ participatory loans	Conversion of debts into capital	Reduced interest rate loans	Guarantees/ market rate loans	Others	TOTAL
<u>BELGIQUE</u>							
Boël	24	-	-	-	-	-	24
Cockerill-Sambre	28	730	987	125	697	-	2,567
Fabrique de Fer de Charleroi	18	-	-	-	-	-	18
Forges de Clabecq	-	-	-	-	77	-	77
SIDMAR	15	22	-	103	70	-	210
Others	20	35	-	39	39	-	133
TOTAL BELGIQUE	105	787	987	267	883	-	3,029
<u>DANMARK</u>							
Danish Steel	-	39	-	-	-	42	81
TOTAL DANMARK	-	39	-	-	-	42	81
<u>DEUTSCHLAND</u>							
Arbed Saarstahl	1,041	-	-	2	90	31	1,164
Benteler	7	-	-	2	-	-	9
Dillinger	11	-	-	-	-	-	11
Hoesch	83	-	-	53	-	6	142
Klöckner	292	-	-	4	171	-	467
Korf	110	-	-	2	109	-	221
Krupp	52	-	-	-	-	42	94
Mannesmann	37	-	-	-	-	-	37
Peine-Salzgitter	333	-	-	-	-	-	333
Ruhrstahl	703	-	-	-	723	-	1,426
Thyssen	662	-	-	4	-	276	942
Wuppermann	4	-	-	-	-	2	6
Others	21	-	-	8	2	15	46
TOTAL DEUTSCHLAND	3,356	-	-	75	1,095	372	4,898
<u>ELLAS</u>							
All companies	20	-	-	-	-	-	20
TOTAL ELLAS	20	-	-	-	-	-	20

<u>FRANCE</u>							
Sacilor	2	2,158	-	-	340	-	2,500
Usinor	2	2,136	-	-	353	-	2,491
TOTAL FRANCE	4	4,294	-	-	693	-	4,991
<u>IRELAND</u>							
Irish Steel	44	129	-	-	59	-	232
TOTAL IRELAND	44	129	-	-	59	-	232
<u>ITALIA</u>							
Falck	13	-	-	-	-	-	13
Finsider	1,582	5,237	-	307	-	-	7,126
Others	249	-	-	-	-	-	249
TOTAL ITALIA	1,844	5,237	-	307	-	-	7,388
<u>LUXEMBOURG</u>							
Arbed	151	2	-	28	226	2	409
TOTAL LUXEMBOURG	151	2	-	28	226	2	409
<u>NEDERLAND</u>							
Hoogovens	89	219	-	9	267	-	584
Widstaal	9	-	-	-	-	-	9
TOTAL NEDERLAND	98	219	-	9	267	-	593
<u>UNITED KINGDOM</u>							
Allied Steel & Wire	13	-	-	-	-	-	13
British Steel Corporation	458	3,438	688	-	-	-	4,584
Others	42	-	-	-	-	-	42
TOTAL UNITED KINGDOM	513	3,438	688	-	-	-	4,639
TOTAL EEC	6,135	14,145	1,675	686	3,223	416	26,280

TABLE 3

AMOUNT OF AID TO THE COMMUNITY STEEL INDUSTRY APPROVED UNDER THE FIRST AND SECOND AIDS CODES (in millions of ECU's)

	Grants/ interest relief grants	Capital/ participatory loans	Conversion of debts into capital	Reduced interest rate loans	Guarantees/ market rate loans	Others	TOTAL
<u>BELGIQUE</u>							
Cockerill-Sambre	-	493	548	77	270	-	1,388
Forges de Clabecq	-	-	-	-	44	-	44
SIDMAR	15	-	-	-	70	-	85
Others	18	-	-	-	37	-	55
TOTAL BELGIQUE	33	493	548	77	421	-	1,572
<u>DANMARK</u>							
Danish Steel	-	39	-	-	-	42	81
TOTAL DANMARK	-	39	-	-	-	42	81
<u>DEUTSCHLAND</u>							
Arbed Saarstahl	403	-	-	2	90	-	495
Benteler	7	-	-	2	-	-	9
Hoesch	39	-	-	53	-	-	92
Klöckner	29	-	-	-	-	-	29
Korf	-	-	-	-	2	-	2
Krupp	2	-	-	-	-	-	2
Others	2	-	-	2	-	-	4
TOTAL DEUTSCHLAND	482	-	-	59	92	-	633
<u>FRANCE</u>							
Sacilor	2	1,455	-	-	340	-	1,797
Usinor	2	1,518	-	-	353	-	1,873
TOTAL FRANCE	4	2,973	-	-	693	-	3,670
<u>IRELAND</u>							
Irish Steel	44	-	-	-	22	-	66
TOTAL IRELAND	44	-	-	-	22	-	66

<u>ITALIA</u> Finsider	123	265	-	307	-	-	695
TOTAL ITALIA	123	265	-	307	-	-	695
<u>LUXEMBOURG</u> Arbed	70	2	-	26	44	2	144
TOTAL LUXEMBOURG	70	2	-	26	44	2	144
<u>NEDERLAND</u> Hoogovens	15	-	-	-	79	-	94
TOTAL NEDERLAND	15	-	-	-	79	-	94
<u>UNITED KINGDOM</u> British Steel Corporation	103	1,799	153	-	-	-	2,055
Others	22	-	-	-	-	-	22
TOTAL UNITED KINGDOM	125	1,799	153	-	-	-	2,077
TOTAL EEC	896	5,571	701	469	1,351	44	9,032

TABLE 4

AMOUNT OF AID TO THE COMMUNITY STEEL INDUSTRY STILL SUBJECT TO EXAMINATION PROCEDURE BY THE COMMISSION UNDER THE FIRST AND SECOND AIDS CODES (in millions of ECU's)

	Grants/ interest relief grants	Capital/ participatory loans	Conversion of debts into capital	Reduced interest rate loans	Guarantees/ market rate loans	Others	TOTAL
<u>BELGIQUE</u>							
Boël	24	-	-	-	-	-	24
Cockerill-Sambre	28	237	439	48	427	-	1,179
Fabrique de Fer de Charleroi	18	-	-	-	-	-	18
Forges de Clabecq	-	-	-	-	33	-	33
SIDMAR	-	22	-	103	-	-	125
Others	2	35	-	39	2	-	78
TOTAL BELGIQUE	72	294	439	190	462	-	1,457
<u>DEUTSCHLAND</u>							
Arbed Saarstahl	638	-	-	-	-	31	669
Dillinger	11	-	-	-	-	-	11
Hoesch	44	-	-	-	-	6	50
Klöckner	263	-	-	4	171	-	438
Korf	110	-	-	2	107	-	219
Krupp	50	-	-	-	-	42	92
Mannesmann	37	-	-	-	-	-	37
Peine-Salzgitter	333	-	-	-	-	-	333
Ruhrstahl	703	-	-	-	723	-	1,426
Thyssen	662	-	-	4	-	276	942
Huppermann	4	-	-	-	-	2	6
Others	19	-	-	6	2	15	42
TOTAL DEUTSCHLAND	2,874	-	-	16	1,003	372	4,265
<u>ELLAS</u>							
All companies	20	-	-	-	-	-	20
TOTAL ELLAS	20	-	-	-	-	-	20

<u>FRANCE</u>							
Sacilor	-	703	-	-	-	-	703
Usinor	-	618	-	-	-	-	618
TOTAL FRANCE	-	1,321	-	-	-	-	1,321
<u>IRELAND</u>							
Irish Steel	-	129	-	-	37	-	166
TOTAL IRELAND	-	129	-	-	37	-	166
<u>ITALIA</u>							
Falck	13	-	-	-	-	-	13
Finsider	1,459	4,972	-	-	-	-	6,431
Others	249	-	-	-	-	-	249
TOTAL ITALIA	1,721	4,972	-	-	-	-	6,693
<u>LUXEMBOURG</u>							
Arbed	81	-	-	2	182	-	265
TOTAL LUXEMBOURG	81	-	-	2	182	-	265
<u>NEDERLAND</u>							
Hoogovens	74	219	-	9	188	-	490
Nedstaal	9	-	-	-	-	-	9
TOTAL NEDERLAND	83	219	-	9	188	-	499
<u>UNITED KINGDOM</u>							
Allied Steel & Wire	13	-	-	-	-	-	13
British Steel Corporation	355	1,639	535	-	-	-	2,529
Others	20	-	-	-	-	-	20
TOTAL UNITED KINGDOM	388	1,639	535	-	-	-	2,562
TOTAL EEC	5,239	8,574	974	217	1,872	372	17,248

STEEL AIDS - 1982

Listed on the following pages are steel aid cases examined by the Commission during 1982. Most cases were dealt with under Decision No 2320/81/ECSC; however some of the procedures closed had been initiated in the first instance under Article 6(2) of Decision No 257/80/ECSC or under Article 93(2) of the EEC Treaty in conjunction with Article 67 of the ECSC Treaty.

List 1 covers those cases in which the Commission approved aid either on first examination or following the initiation of a procedure.

List 2 covers those cases in which the procedure under Article 8(3) of Decision No 2320/81/ECSC was initiated.

1. Cases in which the Commission approved aid either on first examination or following the initiation of a procedure¹.

Federal Republic of Germany

13. 1.82	Iron and steel industry	Investment grant scheme
8. 2.82	Röchling-Burbach	Aid for continued operation
16. 2.82	Borzig and Becker	Aid for investment
19. 2.82	Hagener Gusstahlwerke Remy	Aid for investment
10. 3.82	Badische Stahlwerke	Aid for investment
18. 5.82	Saar steel industry	Rail support tariff ²
19. 5.82	Steel industry	Research and development scheme
2. 6.82	Maxhütte	Aids for investment and research and development
3. 6.82	Krupp Stahl	Aid for investment
22. 7.82	Arbed Saarstahl	Aid for continued operation (tranche)
10.11.82	Hoesch	Aid for an investment project
10.11.82	Arbed Saarstahl	Aid for continued operation (tranche)
24.11.82	Benteler	Aid for investment
24.11.82	Böhler	Aid for investment
8.12.82	Arbed Saarstahl	Aid for continued operation (tranche)

¹In most cases, the aid was approved subject to conditions and often to modification of the original notification, after discussions between the Commission and the Member State concerned.

²Authorized pursuant to Article 70, paragraph 4 of the ECSC Treaty.

Belgium

8. 2.82	SIDMAR	Aid for an investment programme
17. 3.82	Cockerill-Sambre and Phénix Works	Aids for investment and continued operation (tranche)
20. 9.82	ALZ and Usines à Tubes de la Meuse	Aid for investment
20.10.82	Laminoirs de Jemappes	Aids for investment and continued operation (<u>negative decision</u>)
15.12.82	Cockerill-Sambre	Aids for continued operation (tranche)
15.12.82	Forges de Clabecq	Aids for investment and continued operation

France

24.11.82	Compagnie Française des Aciers Spéciaux (CFAS)	Aid for investment
24.11.82	Ugine Aciers	Aid for investment
24.11.82	Usinor and Sacilor	Aids for investment and continued operation (tranche)

Ireland

26. 5.82	Irish Steel	Interim aid for continued operation
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Luxembourg

10. 2.82	Arbed	Aid for a research and development project
30. 7.82	Arbed	Aids for investments and closures (tranche)

United Kingdom

10. 3.82	Private sector steel scheme	Investment and closures scheme
10. 8.82	British Steel Corporation	Aids for continued operation and closures (tranche)
10. 8.82	Rigidized Metals	Aid for a closure
8. 9.82	Aurora Steels	Aids for investment, continued operation and a closure
24.11.82	{ Manchester Steel Queenborough Rolling Mill }	Aids for investment and closure
24.11.82	British Steel Corporation	Aids for investment, continued operation and closures (tranche)
24.11.82	Spear and Jackson	Aid for a closure
24.11.82	{ GKN Brymbo Hadfields Lilleshall }	Aids for investment and a closure

2. Cases in which the procedure under Article 8(3) of Decision No 2320/81/ECSC was initiated

Federal Republic of Germany

28. 4.82	Peine-Salzgitter	Aid for investment
22. 7.82	Arbed Saarstahl	Aid for continued operation
10.11.82	Hoesch, Krupp Stahl and P.W. Lenzen (Ruhrstahl concept)	Aids for investment and research and development
10.11.82	Dillinger Hüttenwerke	Aids for investment and research and development
24.11.82	Arbed Saarstahl	Aids for continued operation, closures, investment, and research and development
24.11.82	Peine-Salzgitter	Aids for investment and research and development
24.11.82	Hamburger Stahlwerke and Korf Stahl	Aids for investment and research and development
24.11.82	Klöckner and Maxhütte	Aids for investment and research and development
24.11.82	Thyssen Gruppe	Aids for investment and research and development
24.11.82	Badische Stahlwerke and Korf Industrie	Aids for investment and research and development
24.11.82	Wuppermann	Aid for investment
24.11.82	Becker Gruppe	Aid for investment
24.11.82	Mannesmann	Aids for investment and research and development
24.11.82	Dörrenberg Edelstahl	Aids for investment and research and development

24.11.82	Friedr. Lohmann	Aid for investment
24.11.82	Boschgotthardshütte	Aids for investment and research and development
24.11.82	Duisburger Kupferhütte	Aid for investment
24.11.82	Schmidt & Clemens	Aids for investment and research and development
24.11.82	Max. Aicher - Annahütte	Aid for investment
24.11.82	Halbergerhütte	Aid for investment
24.11.82	Moselstahlwerke	Aid for investment
24.11.82	Buderus	Aid for research and development
24.11.82	Eschweiler Bergwerkverein	Aid for investment
24.11.82	National and regional non-specific schemes	Energy saving, environmental protection and research schemes
<u>Belgium</u>		
24.2.82	Laminoirs de Jemappes and Laminoirs de St. Eloi	Aids for investment and continued operation
6.4.82	Cockerill-Sambre and Carlam	Aid for continued operation
22.9.82	Usines Gustave Boël and Fabrique de Fer de Charleroi	Aid for investment
22.9.82	Laminoirs du Ruau	Aid for investment
22.9.82	Forges de Clabecq	Aid for investment
24.11.82	Laminoirs d'Anvers	Aid for continued operation

24.11.82	SIDMAR	Aid for an investment project
24.11.82	Usines Gustave Boël and Fabrique de Fer de Charleroi	Aid for investment
24.11.82	Forges de Clabecq	Aid for continued operation
24.11.82	Cockerill-Sambre and Phénix Works	Aids for investment and continued operation
<u>France</u>		
24. 2.82	Compagnie Française des Aciers Spéciaux (CFAS)	Aid for investment
6. 4.82	Société Métallurgique de Normandie	Aid for investment
6. 4.82	Ugine Aciers	Aid for investment
24.11.82	Usinor and Sacilor	Aids for investment and continued operation
<u>Greece</u>		
24.11.82	Halyvourgia Thessalias	Aid for an investment project
24.11.82	Hellenic Steel,	Aid for an investment project
<u>Ireland</u>		
24.11.82	Irish Steel	Aid for continued operation

Italy

20. 1.82	Finsider	Aid for investment and continued operation
20. 1.82	Private sector	Aid for closures
24.11.82	SISMA	Aid for investment
	Lucchini	Aid for an investment project
	Sidermil	Aid for an investment project
	AFL-Falck	Aid for an investment project
	Bolzano	Aid for an investment project
	La Magona	Aid for an investment project
	Ilssa	Aid for an investment project
	Fit-Ferrotubi	Aid for an investment project
24.11.82	Crema	Aid for an investment project
	ICMI	Aid for an investment project
	Feroni	Aid for an investment project
	Ita-Tubi	Aid for an investment project
	Alto Adriatico	Aid for an investment project
	Seta	Aid for an investment project
	Valbruna	Aid for an investment project
	Bertoli	Aid for an investment project
	Tassara	Aid for an investment project

Luxembourg

24.11.82	Arbed and MMRA	Aids for investment and continued operation
24.11.82	Arbed	Aid for an investment project

Netherlands

24.11.82	Hoogovens	Aids for investment, continued operation, and research and development
24.11.82	Nedstaal	Aid for investment

United Kingdom

10. 8.82	British Steel Corporation	Aids for investment, continued operation and closures
8. 9.82	British Steel Corporation and the private sector	Regional and general aids for investment
24.11.82	British Steel Corporation	Aids for investment, continued operation and closures
24.11.82	{ Glynwed Steels Raine & Co Brookhouse District Thomas Walmsley }	Aids for investment and closure
24.11.82	Sheerness Steel	Aid for an investment project
24.11.82	Allied Steel & Wire	Regional aid for investment

24.11.82	(Neepsend)	
	(Sanderson Kayser)	
	(Rod Rolling International)	
	(Firth Brown)	
	(Barworth Flockton)	Aids for investment and closure
	(Bonar Langley Alloys)	
	(Spencer Clark)	
	(F.M. Parkin)	
	(Aurora Steels)	
24.11.82	(Joseph Gillott)	Regional aid for investment
	(Alloy Steel Rods)	Regional aid for an investment project
	(Martins (Dundyvan))	Regional aid for an investment project
	(Bedford Steels)	Regional aid for an investment project
	(Eaton & Booth)	Regional aid for investment