

# EUROPEAN COMMUNITY

## INFORMATION SERVICE

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BACKGROUND PRESS INFORMATION

COMMON MARKET • EURATOM • COAL & STEEL COMMUNITY

### RECENT COAL AND STEEL

#### DECISIONS OUTLINED

WASHINGTON, D. C., Nov. 9 -- The High Authority of the European Coal and Steel Community has made major decisions recently on publication of transport rates in the Community and on quotas for coal imports into Germany.

Other decisions include approval for mineral research projects in Africa and a redevelopment program in Belgium.

#### TRANSPORT RATES

The High Authority has informed the governments of Belgium, Italy, Luxembourg, and the Netherlands that they have failed, in its view, in their obligation under the Coal and Steel Community Treaty to introduce complete and effective publicity for transport rates for ECSC products.

In accordance with Article 88 of the Treaty, the High Authority has asked these governments to present before December 15 their views on measures necessary to achieve such publicity. The High Authority has previously contacted on several occasions the four governments regarding the matter.

A recommendation, issued by the High Authority in January 1961, outlined the Community's policy on publication or registration of price lists, rates and tariff regulations for transport of coal and steel. The Community Court of Justice gave judgment on July 12 of this year in the High Authority's favor in a case in which the principle of transport rate publication was involved. Following this judgment, the High Authority on August 2 asked the member states to describe measures they were taking to carry out its 1961 recommendation. Replies were due on October 1.

After considering the replies, the High Authority set the December 15 deadline.

#### GERMAN COAL IMPORTS

The High Authority has recommended that the Federal German Government maintain a duty-free quota of at least 6 million metric tons for import of coal from non-Community countries in 1963.

In making the recommendation, the High Authority stated that reasons for continuing present tariff protection for German coal were still valid, as German coal market conditions have not materially improved this year.

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The High Authority's recommendation came after the German Government had indicated its intention of presenting the Bundestag with a bill which would maintain the present duty of 20 Deutsch marks per metric ton of coal imported from non-Community countries throughout 1963 and 1964. The bill lays down a duty-free quota of 12 million tons for this period.

The High Authority pointed out to the German Government that, as the "Memorandum on Energy Policy" of June 25, 1962, proposes that the first measures for a Common Energy Policy should come into force on January 1, 1964, it cannot provide a recommendation that would remain valid for the two years of the German Government's bill. The High Authority was glad to note that this new tariff bill will allow the German Government to make any necessary changes required by the adoption of a Common Energy Policy during this period.

In considering the question of German coal imports, the High Authority also took note of the fact that the coal used by American troops stationed in Germany is entirely made up of duty-free imports from the United States and that these imports are not governed by the duty-free quota.

#### PROJECT FOR MINERAL PROSPECTING IN AFRICA

The High Authority has contributed the sum of \$80,000 to cover the cost of a program for prospecting by means of aerial surveys for iron and manganese ores in north Gabon. This contribution will be matched by an equivalent sum from the Bureau for Geological and Mineral Research and covers the period July 1, 1962 to June 30, 1963.

The contribution will be made from the general fund of \$5 million which the High Authority has set aside for prospecting and research of this kind in the Ivory Coast, the Congo (Brazzaville), Gabon, and the Cameroons.

#### REDEVELOPMENT PROGRAM IN BELGIUM

The High Authority will seek the approval of the ECSC Council of Ministers to contribute a loan of \$3 million for the establishment of new industry at Ghlin Baudour in the Borinage by the firm of Pirelli-Sacic of Brussels. The Borinage is one of the coal-producing areas that has been most severely affected by the coal crisis. Loans for redevelopment projects are awarded under Article 56 of the ECSC Treaty.

The High Authority intends to set aside the \$3 million from proceeds of its next loan. The new industry will manufacture rubber products other than tires and will employ about 450 workers in its initial stages. If the Council approves the project, the High Authority will ask the firm, as is usual in these cases, to hire a certain percentage of its male workers from among local miners who have lost their jobs because of mine closures.