

WESTERN UNION
TELEX SERVICE

EURCOM NYK
T
RCANY 131 1143
24365 EURCOM

MARCOM BRU

BRUSSELS, JUNE 24, 1965 TELEX NR. 13608

INFORMATION SERVICE WASHINGTON
33333333333333333333333333333333

P R E S S R E L E A S E - I P (65) 118

COMMISSION DECIDES ON INQUIRY INTO THE
MARGARINE SECTOR UNDER COUNCIL REGULATION 17

THE EEC COMMISSION HAS DECIDED TO UNDERTAKE A GENERAL INQUIRY
INTO THE MARGARINE SECTOR IN PURSUANCE OF ARTICLE 12 OF COUNCIL
REGULATION NO. 17 OF 6 FEBRUARY 1962.

THE COMMISSION HAS MADE THIS DECISION BECAUSE, DESPITE SHARP
PRICE DIFFERENCES IN THE INDIVIDUAL MEMBER COUNTRIES, TRADE IN
MARGARINE BETWEEN THEM HAS LAGGED STRIKINGLY BEHIND THE GENERAL
DEVELOPMENT OF TRADE IN OTHER PRODUCTS. THE COMMISSION WISHES TO
ASCERTAIN THE CAUSES OF THIS SITUATION AND THINKS THAT A GENERAL
INQUIRY IN ACCORDANCE WITH ARTICLE 12 OF REGULATION NO. 17 IS
CALLED FOR.

THE INQUIRY WILL EXTEND NOT ONLY TO MANUFACTURE AND TRADE BUT
ALSO TO THE DIFFERENCES IN MEMBER STATES LAWS AND REGULATIONS
REGARDING THE COMPOSITION AND PACKAGING OF MARGARINE AND ALSO TO
RULES ON PRICES.

THIS INQUIRY INTO THE MARGARINE SECTOR IS THE FIRST APPLICATION
BY THE COMMISSION OF ARTICLE 12 OF REGULATION NO. 17 THE
COMMISSION HAS THE POWER TO DECIDE ON SUCH A GENERAL INQUIRY INTO A
BRANCH OF THE ECONOMY WHEN THE TREND OF TRADE BETWEEN MEMBER STATES,
PRICE MOVEMENTS, RIGIDITY OF PRICES OR OTHER CIRCUMSTANCES SUGGEST
THAT IN THE SECTOR CONCERNED COMPETITION IS BEING RESTRAINED OR
DISTORTED WITHIN THE COMMON MARKET. THE INQUIRY WILL ENABLE THE
COMMISSION TO JUDGE WHETHER THE TREND NOTED CAN BE ATTRIBUTED TO
INFRINGEMENTS OF ARTICLES 85 AND 86 OF THE TREATY OR WHETHER THERE
ARE OTHER CAUSES. THE FACT THAT THIS INQUIRY IS BEING CONDUCTED
DOES NOT THEREFORE IMPLY ANY ASSUMPTION THAT THERE EXISTS A CARTEL
AGREEMENT OR ABUSE OF ECONOMIC POWER.