

COMMISSION DECISION**of 3 July 1972****pursuant to Article 88 of the ECSC Treaty, establishing that the Italian Republic has failed to fulfil its obligations by not furnishing to the Commission certain information concerning the application of measures of aid to the iron and steel industry****(Only the Italian text is authentic)****(72/282/ECSC)****THE COMMISSION OF THE EUROPEAN COMMUNITIES,**

Having regard to the Treaty establishing the European Coal and Steel Community, and in particular the first paragraph of Article 88, and Articles 4, 46, 67 and 86 thereof;

Whereas by Laws No 614 of 22 July 1966, No 1419 of 15 December 1947, No 135 of 16 April 1954, No 623 of 30 July 1959, No 649 of 25 July 1951, No 38 of 15 February 1968 and No 1089 of 25 October 1968 and by Decree No 1523 of 30 June 1967, the Italian Republic has introduced certain measures of aid which include preferential credits, subsidies and tax concessions;

Whereas, under those laws, iron and steel undertakings are eligible for one or more measures of aid in certain circumstances;

Whereas Article 4 (c) of the ECSC Treaty prohibits aids to the iron and steel industry, such prohibition extending also to general measures of aid which favour the steel sector in particular;

Whereas State aids amount to actions by a Member State which are liable to have appreciable repercussions on conditions of competition in the steel industry; whereas Article 67 (1) of the ECSC Treaty provides that such actions must be brought to the knowledge of the High Authority by the State concerned;

Whereas the Commission is responsible for ascertaining whether aids granted by Member States for the iron and steel industry fall under the provisions of Article 4 (c) and, if not, how such aids must be looked upon having regard to the provisions of Article 67 (2) and (3) of the ECSC Treaty;

Whereas Articles 47, 67 and 86 of the Treaty place the Member States under the obligation to supply all

relevant information which the Commission needs to carry out its task in a particular sector;

Whereas, if information concerning the aids in question is provided in the form of an annual total, it is not possible to ascertain, for each grant of aid to the iron and steel industry, whether the conditions applied are identical to those applied in respect of other industries to which the same measures of aid are extended;

Whereas the Commission, by letter of 12 March 1970, No 70-22229, requested the Italian Republic to inform it of the measures already taken for the steel industry and of the aid proposed for the iron and steel industry under general aid measures;

Whereas on 13 May 1971 the Commission addressed a further letter, No 71-23837, to the Italian Republic, since the latter had not replied to letter No 70-22229 of 12 March 1970;

Whereas the letter of 13 May 1971 requested the Italian Republic to supply detailed information within two months on aids granted for individual iron and steel investments during 1970: amount of credit and/or subsidy, duration, rate of interest, deferred amortization, tax concessions;

Whereas the Italian Republic was also requested to provide within two months a list of aids granted to the iron and steel industry and to answer at the same time a number of questions;

Whereas that letter clearly reaffirmed that where general or regional measures of aid in favour of investment projects for the iron and steel industry are applied, the Commission has to be informed thereof; whereas the Member States cannot escape that obligation on the grounds that general rules cannot be subject to a specific examination having regard to the provisions of the Treaty of Paris;

Whereas the Italian Republic has failed to reply to the Commission's letters of 12 March 1970 and 13 May 1971;

Whereas the Commission had allowed two months for the provision of this information which should be sufficient time for the purpose;

Whereas the failure to communicate the information requested by the Commission in the letters of 12 March 1970 and 13 May 1971 constitutes a failure to fulfil the obligations which devolve upon the Italian Republic under Articles 47, 67 and 86 of the ECSC Treaty;

Whereas by letter No 72-20061 dated 6 January 1972 the Commission invited the Italian Republic in accordance with the first paragraph of Article 88 to furnish, within two months from the date of that letter, its comments with regard to the failure in question;

Whereas the Italian Republic has not replied to the Commission's letter of 6 January 1972;

Whereas Article 88 provides that the Commission

shall set the State concerned a time limit for the fulfilment of its obligation,

HAS ADOPTED THIS DECISION:

Article 1

The Italian Republic by not providing the information requested by the Commission in its letters No 71-23837 of 13 May 1971 and No 72-20061 of 6 January 1972 has failed to fulfil an obligation devolving upon it under Articles 47, 67 and 86 of the ECSC Treaty.

Article 2

The Italian Republic is hereby given a time limit of two months to fulfil the obligation in question.

Article 3

This Decision is addressed to the Italian Republic.

Done at Brussels, 3 July 1972.

For the Commission

The President

S. L. MANSOLT