

## II

*(Acts whose publication is not obligatory)*

## COMMISSION

## COMMISSION DECISION

of 22 July 1998

on a procedure relating to the application of Council Regulation (EEC)  
No 2408/92

(Case VII/AMA/10/97 — Access to Karlstad airport)

*(notified under document number C(1998) 2009)*

**(Only the Swedish text is authentic)**

**(Text with EEA relevance)**

(98/523/EC)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EEC) No 2408/92 of 23 July 1992 on access for Community air carriers to intra-Community air routes <sup>(1)</sup>, as amended by the Act of Accession of Austria, Finland and Sweden and in particular Article 8(3) thereof,

After consulting the Advisory Committee established under Article 11 of that Regulation,

Whereas:

authorities of 15 November 1994 to prohibit the operation of certain aircraft at the new Karlstad airport, alleging that the decision is contrary to Community law and, in particular, Council Directive 92/14/EEC of 2 March 1992 on the limitation of the operation of aeroplanes covered by Part II, Chapter 2, Volume 1 of Annex 16 to the Convention on International Civil Aviation, second edition (1988) <sup>(2)</sup>, as amended by Directive 98/20/EC <sup>(3)</sup>. Such aeroplanes are hereinafter referred to as 'Chapter 2 aircraft'. SAS argues that the Swedish decision negatively affects its operations on the routes Karlstad-Stockholm and Karlstad-Copenhagen, and requests the Commission to initiate proceedings against Sweden with a view to ending the alleged infringement of Community law.

## BACKGROUND

- (1) This Decision is concerned with certain noise-related restrictions affecting air carriers' access to the new Karlstad airport in Sweden.
- (2) By letter of 23 January 1997, Scandinavian Airlines System (SAS) lodged a complaint with the Commission against the decision of the Swedish

- (3) The new Karlstad airport was officially opened for traffic on 7 September 1997. It is located near Mellerudstorp in a sparsely populated area some 12 kilometres north-east of the city centre. At the same time, the old Karlstad airport, which was located three kilometres south of the city centre, was closed down, notably for safety and environmental reasons.

<sup>(1)</sup> OJ L 240, 24. 8. 1992, p. 8.

<sup>(2)</sup> OJ L 76, 23. 3. 1992, p. 21.

<sup>(3)</sup> OJ L 107, 7. 4. 1998, p. 4.

- (4) Under the Swedish Environmental Protection Act, the construction and operation of the new Karlstad airport was subject to an environmental authorisation, which was granted by the National Licensing Board for Environmental Protection on 15 November 1994 and subsequently published in six Swedish daily newspapers. That Decision became legally effective on 29 June 1995. It covers a traffic volume of up to 30 000 movements per year with a mix of different types of aircraft, including MD80, SF 340, Saab 340, Saab 200, Cessna 500 and Beech 1900, and includes the following conditions intended to limit the level of aircraft noise around the airport:
- scheduled air services may not be operated with aircraft which do not comply with the requirements of Part II, Chapter 3, Volume 1 of Annex 16 to the Convention on International Civil Aviation (hereinafter referred to as 'Chapter 3 aircraft'),
  - a maximum of 260 non-scheduled air services per year may be operated with aircraft not complying with the requirements of the above-mentioned Chapter 3 of the Convention on International Civil Aviation until the end of the year 2001,
  - take-offs between 22.00 and 07.00 hours are only allowed with Chapter 3 aircraft; however, in exceptional cases, the airport may grant a waiver from this requirement.
- (5) The Decision also includes other elements which are designed to improve the noise situation around the new Karlstad airport without, however, making any distinction between Chapter 2 and Chapter 3 aircraft. Thus, authorised noise levels may in total not exceed the levels indicated in the airport's application for the authorisation for the year 2000, and at least 90 % of all traffic at an altitude lower than 750 metres must be operated within specific geographical limits indicated in two annexes to the authorisation. Moreover, the homes of permanent residents in the vicinity of the airport who are repeatedly exposed to noise levels above 80 dB(A) are to benefit from noise abatement measures ensuring that the noise levels do not exceed 45 dB(A), provided that the implementation of such measures is economically feasible.
- (6) It is the first of those conditions to which SAS objected in its complaint of January 1997. In this context, it should be noted that SAS is presently the only air carrier providing scheduled air services to Karlstad (42 return flights per week from Stockholm and 20 return flights per week from Copenhagen). All those services are, in accordance with the Decision of 15 November 1994, presently operated with Chapter 3 aircraft.
- (7) At two meetings on 17 March and 18 June 1997, the Commission discussed the issues raised in the complaint of SAS with the Swedish authorities and asked them for further information on the situation at the new Karlstad airport. The Swedish authorities provided the Commission with the requested information by letters of 17 June and 29 July 1997, indicating that they intended to maintain the Decision of 15 November 1994, which they considered compatible with Community law.
- (8) By letter of 20 August 1997, the Commission formally transmitted a copy of the complaint of SAS to the Swedish authorities and summarised the reasons why it had doubts about the compatibility of the Decision of 15 November 1994 with Directive 92/14/EEC and with Regulation (EEC) No 2408/92, in particular Article 8(2) thereof. As far as the application of that latter provision is concerned, the letter explicitly recalled that the Commission has the decision-making powers contained in Article 8(3), and invited the Swedish authorities to provide the Commission with all information necessary for a final assessment of the case.
- (9) The Swedish authorities replied to the Commission by letter of 2 October 1997, providing full copies of the Swedish Environmental Protection Act and the Decision of 15 November 1994, which has been summarised above. Moreover, the letter set out, *inter alia*, the following arguments in support of the legality of that Decision:
- the construction of a new airport in Karlstad was motivated primarily by environmental considerations, since there was wide agreement in Sweden that the old airport had to be closed because of its proximity to the city centre,
  - the Decision prohibiting the operation of Chapter 2 aircraft at the new Karlstad airport was taken on 15 November 1994 and, thus, at a time when Sweden had not yet joined the European Union,
  - the exclusion of Chapter 2 aircraft was a condition for the construction and operation of the new Karlstad airport. If that condition were not honoured, the airport would have to be closed down altogether. Such a condition cannot be considered to constitute regulation of air traffic in accordance with Regulation (EEC) No 2408/92. Moreover, the Decision of 15 November 1994 provides for a limited exemption from the exclusion of Chapter 2 aircraft in favour of non-scheduled air services,
  - local or regional measures excluding Chapter 2 aircraft from an airport do not breach Directive 92/14/EEC, or Regulation (EEC) No 2408/92. Moreover, in the case of the new Karlstad

airport, the exclusion of Chapter 2 aircraft meets the requirements set out in Article 9 of the Regulation.

- (10) In a letter of 13 October 1997, SAS contested the arguments put forward by the Swedish authorities in their reply to the Commission and, in particular, pointed out that, as a result of the Decision of 15 November 1994, it was obliged to reduce its capacity at the new Karlstad airport and to redeploy its Chapter 2 aircraft to other Community airports.
- (11) On 3 November 1997, a further meeting took place between the Swedish authorities and the Commission to discuss the case.

#### LEGAL ASSESSMENT

- (12) Regulation (EEC) No 2408/92 lays down the rules on access for Community air carriers to intra-Community air routes. Article 3(1) lays down the general principle that:

‘subject to this Regulation, Community air carriers shall be permitted by the Member State(s) concerned to exercise traffic rights on routes within the Community’.

- (13) Article 2(f) defines the term ‘traffic right’ as ‘the right of an air carrier to carry passengers, cargo and/or mail on an air service between two Community airports’. It follows from Article 1 that, in general, that right covers both scheduled and non-scheduled air services. The Commission therefore takes the view that, subject to any limitations imposed by or in accordance with that Regulation, Community air carriers are free to operate scheduled and non-scheduled air services between the new Karlstad airport and other airports in the Community.

- (14) One of the provisions of the Regulation to which Article 3(1) refers is Article 8(2) which provides that:

‘the exercise of traffic rights shall be subject to published Community, national, regional or local operational rules relating to safety, the protection of the environment and the allocation of slots’.

- (15) The Decision of 15 November 1994, which is the subject of the complaint of SAS, was taken by the National Licensing Board for Environmental Protection under the Swedish Environmental Protection Act. The Decision was intended to address, as the Swedish authorities explicitly acknowledged in their submissions to the Commission, environmental issues raised by the construction and operation of the new Karlstad airport.

- (16) Moreover, the Decision of 15 November 1994 requires all scheduled and the vast majority of non-

scheduled air services to and from the new Karlstad airport to be operated with Chapter 3 aircraft. Exemptions can be granted for no more than 260 non-scheduled air services per year, but not beyond the year 2001. The Decision is therefore liable to affect actual and potential exercise of traffic rights by Community air carriers to and from the airport under Article 3(1) of Regulation (EEC) No 2408/92. An actual effect has already been shown on the operations of SAS on the routes Karlstad-Stockholm and Karlstad-Copenhagen which, according to the information provided by the air carrier, had to be reduced and carried out with aircraft other than the ones initially attributed to those routes as a result of the decision. Hence, the Commission cannot accept the argument of the Swedish authorities that, since the Decision of 15 November 1994 was addressed to the airport, it is not a measure regulating the exercise of traffic rights within the meaning of that Regulation. In fact, the Swedish authorities acknowledged themselves that their Decision affected not only the construction but also the operation of the new Karlstad airport.

- (17) Consequently, the Decision of the Swedish authorities of 15 November 1994 constitutes an operational rule relating to the protection of the environment for the purposes of Article 8(2) of the Regulation (EEC) No 2408/92.

- (18) As regards operational rules falling within the scope of Article 8(2) of that Regulation, the Commission is vested with the powers conferred upon it by paragraph 3 of that Article, the first sentence of which reads as follows:

‘At the request of a Member State or on its own initiative the Commission shall examine the application of paragraphs 1 and 2 and, within one month of receipt of a request and after consulting the Committee referred to in Article 11, decide whether the Member State may continue to apply the measure.’

- (19) In view of the complaint of SAS, the Commission considers it necessary to make use of those powers to examine the Decision of the Swedish authorities of 15 November 1994 and to decide whether Sweden may continue to apply that Decision in so far as it restricts the operation at the new Karlstad airport of Chapter 2 aircraft, as opposed to Chapter 3 aircraft. The Commission does so on its own initiative, as explicitly provided for in Article 8(3) of Regulation (EEC) No 2408/92, and its examination is not in any way limited to the complaint and the situation of SAS.

- (20) The fact that the Decision was adopted by the Swedish authorities on 15 November 1994 and, thus, prior to Sweden's accession to the Community does not affect the Commission's powers to examine the Decision. Member States are in fact obliged to comply with Community law from the first day of their accession to the Community, with the exception of those areas where they benefit from any derogations by virtue of their respective Acts of Accession. Sweden has not, however, been granted any such derogation which could possibly be applicable in the case in hand.
- (21) Moreover, it should be recalled that the Swedish authorities were already bound by the rules of Regulation (EEC) No 2408/92 when they adopted their Decision of 15 November 1994 since, by virtue of Decision No 7/94 of the EEA Joint Committee of 21 March 1994 amending Protocol 47 and certain Annexes to the EEA Agreement<sup>(1)</sup>, that Regulation and Directive 92/14/EEC were included in the scope of the EEA Agreement, to which Sweden was a contracting party prior to its accession to the Community, with effect from 1 July 1994<sup>(2)</sup>.
- (22) Article 8(2) of Regulation (EEC) No 2408/92 requires the publication of the operational rules to which the exercise of traffic rights granted under Article 3(1) is subject. The Swedish authorities published their Decision of 15 November 1994 in six Swedish daily newspapers. Since Article 8(2) of the said Regulation does not prescribe a particular method for the publication of operational rules adopted by the authorities of Member States, the Commission can accept the one chosen by the Swedish authorities in the case at hand.
- (23) Moreover, the Commission, when using the powers conferred upon it by Article 8(3) of Regulation (EEC) No 2408/92, must ensure that any measures taken by Member States' authorities are not contrary to other provisions of Community law. The Commission must therefore, in the context of its examination of operational rules under that Article, verify that those rules are compatible with the specific provisions of the Treaty, notably Title IV on the common transport policy, including any secondary legislation adopted under that Title. In this context, it should be recalled that the Court of Justice of the European Communities has followed the same reasoning in relation to the State aid procedure provided for in Articles 92 and 93 of the Treaty, stating that it is clear from the general scheme of the Treaty that that procedure must never produce a result which is contrary to any specific provisions of the Treaty<sup>(3)</sup>.
- (24) In addition, as the Commission has already indicated in relation to national measures adopted under Article 8(1) of Regulation (EEC) No 2408/92 (see, in particular, Commission Decision 95/259/EC of 14 March 1995 — French traffic distribution rules for the airport system of Paris<sup>(4)</sup>), any restrictions adopted under that provision must comply with the general principles governing the freedom to provide services as spelled out in the case-law of the Court of Justice<sup>(5)</sup>. Those principles go beyond the mere prohibition of any discrimination on grounds of nationality. Even if national measures restricting the freedom to provide services apply without distinction to national providers of services and to those of other Member States, they are still unacceptable if they are not warranted by mandatory requirements in the public interest, or if the same result can be obtained by less restrictive rules (the proportionality principle). The Commission considers that the same reasoning must be applied, *mutatis mutandis*, to any operational rules applied by Member States' authorities under Article 8(2) of that Regulation.
- (25) The Decision of the Swedish authorities of 15 November 1994 must therefore also be reviewed in the light of those considerations.
- (26) In the case at hand, it is necessary to examine whether the Swedish authorities' Decision of 15 November 1994 is compatible with their obligations under Directive 92/14/EEC.
- (27) Article 2 of that Directive reads as follows:
- '1. Member States shall ensure that, as from 1 April 1995, civil subsonic jet aeroplanes fitted with engines having a by-pass ratio of less than two cannot operate at airports situated in their territory unless granted noise certification either:
- (a) to the standards specified in Part II, Chapter 3, Volume 1 of Annex 16 to the Convention on International Civil Aviation, second edition (1988); or
- (b) to the standards specified in Part II, Chapter 2, Volume 1 of Annex 16 to the aforesaid Convention, provided that they were first issued an individual certificate of airworthiness less than 25 years previously.

<sup>(1)</sup> OJ L 160, 28. 6. 1994, p. 1.

<sup>(2)</sup> OJ C 208, 28. 7. 1994, p. 7.

<sup>(3)</sup> Case 73/79 Commission v. Italy (1980) ECR 1533 and Case C-225/91 Matra v. Commission (1993) ECR I-3206.

<sup>(4)</sup> OJ L 162, 13. 7. 1995, p. 25.

<sup>(5)</sup> Cases C-288/89 Mediawet (1991) ECR 4007 and C-76/90 Säger v. Dennemeyer (1991) ECR 4221.

2. Member States shall ensure that, as from 1 April 2002, all civil subsonic jet aeroplanes operating from airports situated in their territory comply with the provisions of paragraph 1(a).

3. The territory referred to in paragraphs 1 and 2 shall not include the overseas departments referred to in Article 227(2) of the Treaty.<sup>7</sup>

(28) The Directive then lists a limited number of exemptions from the provisions of Article 2(1), allowing the continued operation at Community airports of certain aeroplanes from developing nations (Article 3), aeroplanes which will soon be converted into or replaced by Chapter 3 aircraft (Article 5(1) and Article 6) and aeroplanes of historic interest (Article 5(2)). Moreover, Member States may grant temporary exemptions from the provisions of Article 2(1) of the Directive on certain well defined economic grounds (Articles 4 and 7) and in other exceptional cases (Article 8). Finally, Article 9 of the Directive requires any Member State to recognise the exemptions granted by another Member State in respect of aeroplanes on the register of the latter.

(29) By laying down precise rules for the gradual phasing-out of Chapter 2 aircraft within the Community over the years 1995 to 2002, Article 2 of the Directive is a measure of total harmonisation which does not allow Member States to require an accelerated withdrawal of those aircraft or to continue, outside the exceptions explicitly mentioned in the Directive, to authorise operations at their airports with aircraft which, under that Article, should have been withdrawn.

(30) In fact, Article 2 is intended to strike a balance between the need for a further reduction of aircraft noise and the legitimate economic interests of the operators and, at the same time, to ensure that competition within the Community's internal air transport market is not distorted by the introduction of different noise abatement regimes by different Member States. Those objectives are explicitly referred to in the sixth and seventh recitals in the preamble to the Directive, which state that '*common rules. ... should be introduced on a reasonable time-scale to ensure a harmonised approach throughout the Community*', that such a harmonised approach 'is particularly important in view of the recent trend towards progressive liberalization of European air traffic' and that 'airplane noise should be further reduced, taking into account environmental factors, technical feasibility and economic consequences' (emphasis added).

(31) It should further be noted in this context that with regard to Austria only, a derogation was accorded from the rules of the Directive in the EEA Agreement in the following terms (1):

'Council Directive 92/14/EEC of 2 March 1992 on the limitation of the operation of aeroplanes covered by Part II, Chapter 2, Volume I of Annex 16 to the Convention on International Civil Aviation, second edition (1988) (OJ L 76, 23.3.1992, p. 21), as corrected by OJ L 168, 23.6.1992, p. 30.

The provisions of the Directive shall, for the purposes of the present Agreement, be read with the following adaptation:

Austria may apply more stringent protective national legislation existing at the date of the entry into force of the EEA Agreement, concerning the limitation of the operation of aeroplanes covered by Part II, Chapter 2, Volume I of Annex 16 to the Convention on International Civil Aviation, second edition (1988) at Austrian airports until 1 April 2002.'

(32) Moreover, by harmonising the rules for the gradual phasing-out of Chapter 2 aircraft within the Community, the Directive also ensures that a Member State does not 'export' any possible noise problems around its airports to other Member States and that such Chapter 2 aircraft are not concentrated at a limited number of airports in the Community.

(33) The recent discussions on the revision of the Directive support this conclusion. Thus, by virtue of Directive 98/20/EC, the Council added the following paragraph to Article 2 of Directive 92/14/EEC, which would not have been necessary if that Article, in its present version, established only minimum rules and allowed Member States to require an accelerated withdrawal of Chapter 2 aircraft:

'4. Before the date referred to in paragraph 2, the operation of civil subsonic jet aeroplanes which do not comply with the provision of paragraph 1(a) may be restricted or excluded at the airports of Berlin Tegel and Berlin Tempelhof.'

(34) Moreover, it should be recalled that Directive 92/14/EEC was adopted by the Council as part of the common transport policy under Article 84(2) of the Treaty, which does not contain a provision such as that in Title XVI (Environment), Article 130t, which indeed allows Member States to maintain or introduce more stringent protective measures.

(1) OJ L 160, 28. 6. 1994, p. 145.

- (35) It follows from the preceding considerations that, since that Directive is a measure of total harmonisation, Member States must allow Chapter 2 aircraft which were first issued an individual certificate of airworthiness less than 25 years ago to operate at their airports until 31 March 2002. Therefore, it is not compatible with the Directive for a Member State not to permit such aircraft to operate at one or more of its airports.
- (36) The Swedish authorities' Decision of 15 November 1994 provides that all scheduled and the vast majority of non-scheduled air services to and from the new Karlstad airport must be operated with Chapter 3 aircraft. Thus, operators of Chapter 2 aircraft are denied access to Karlstad airport for scheduled flights and are seriously restricted for non-scheduled flights, which is not compatible with Directive 92/14/EEC.
- (37) Moreover, even if the infringement of that Directive through those restrictions on Chapter 2 aircraft could be disregarded, those restrictions would still be contrary to the principles of necessity and proportionality, as outlined in paragraph 24. In fact, the new Karlstad airport is located in a sparsely populated area away from the city centre and accounts for a rather low traffic volume. Moreover, the Commission notes that the Swedish authorities' Decision of 15 November 1994 includes, apart from the provisions on Chapter 2 aircraft which have been discussed above, several additional elements which are designed to improve the noise situation around the new Karlstad airport, including an overall noise quota, operational restrictions for take-offs and landings as well as noise abatement measures for homes of permanent residents. The Swedish authorities have not demonstrated to the Commission that, taking into account the location and traffic volume of the airport, those additional measures are insufficient to achieve an adequate level of protection against aircraft noise in its vicinity.
- (38) However, although Directive 92/14/EEC as a measure of total harmonisation requires Member States to permit those aircraft complying with the requirements of Article 2(1)(b) thereof to operate until 1 April 2002, it does not lay down detailed rules which such permission, and consequently any restrictions thereon, must respect. Member States may therefore apply certain restrictive operational measures provided that such measures respect the provisions and procedures of the Regulation (EEC) No 2408/92 and, in the present case, the principles in accordance with which Article 8(2) thereof must be interpreted, as recalled in paragraphs 23 and 24.
- (39) In this context, the Commission notes that the Swedish authorities' Decision of 15 November 1994 further introduces a night curfew for Chapter 2 aircraft between 22.00 and 07.00 hours for the new Karlstad airport. Such a night curfew can be considered a restrictive operational measure within the meaning set out above and, thus, is not excluded by the Directive. Moreover, such a night curfew can, in so far as it is intended to protect the population during the normal sleeping hours from the greater noise emissions of Chapter 2 aircraft, as compared with Chapter 3 aircraft, be regarded as complying with the principles of necessity and proportionality, which have been outlined in paragraph 24.
- (40) In conclusion, the Decision of the Swedish authorities of 15 November 1994 infringes Article 2 of Directive 92/14/EEC and, thus, also Article 8(2) of Regulation (EEC) No 2408/92 in so far as it restricts, outside the night curfew (22.00 to 07.00 hours), the exercise of traffic rights on air routes between the new Karlstad airport and other airports in the Community with Chapter 2 aircraft.
- (41) Finally, it is necessary to address the argument of the Swedish authorities that their Decision of 15 November 1994 can be justified under Article 9 of the Regulation (EEC) No 2408/92.
- (42) On this point, it should be noted that Article 9(3) of that Regulation provides that a Member State may only implement an action adopted under paragraph 1 of that Article if no other Member State concerned nor the Commission has contested that action within one month of receipt of the notification thereof from the first Member State. Such notification to the other Member States and to the Commission must take place at least three months prior to the entry into force of the proposed action. The Swedish authorities did not officially notify their Decision to the Commission three months before its entry into force, nor in fact at any time. Therefore, Article 9 does not apply to the Swedish authorities' Decision of 15 November 1994.
- (43) Moreover, even if the Swedish authorities had notified their Decision to the Commission prior to its entry into force, thus enabling the provisions of Article 9 to be applied, and without any need to examine in depth any other considerations, no approval could have been given thereunder since the Swedish Decision does not have a limited duration not exceeding three years, as required by the second indent of Article 9(2). Furthermore, any measures taken by Member States under Article 9 must, according to paragraph 2 thereof, not be

more restrictive than necessary in order to relieve the problems (the proportionality principle), and, under paragraph 4, be 'appropriate and in conformity with this Regulation and not in any other way contrary to Community law'. It has already been demonstrated in relation to Article 8 of Regulation (EEC) No 2408/92 that the Decision of the Swedish authorities of 15 November 1994 breaches the principle of proportionality as well as the rules of Directive 92/14/EEC.

- (44) Having regard to the foregoing considerations, the Commission concludes that the Decision of the Swedish authorities of 15 November 1994 is contrary to Article 8(2) of Regulation (EEC) No 2408/92 in so far as it restricts, outside the night curfew (22.00 to 07.00 hours), the exercise of traffic rights on air routes between the new Karlstad airport and other airports in the Community with aircraft not complying with the requirements of Part II, Chapter 3, Volume 1 of Annex 16 to the Convention on International Civil Aviation. The Swedish authorities may not therefore continue to apply the corresponding provisions of their Decision. However, it is necessary to allow the Swedish authorities a period in order to adapt the legal regime governing access to the new Karlstad airport to the consequences of the present Decision. That period should not extend beyond the next scheduling season, ending on 27 March 1999, so that the airlines have legal certainty when planning for the subsequent summer season 1999.
- (45) Since, as stated in paragraph 21, Regulation (EEC) No 2408/92 was included, with effect from 1 July

1994, in the scope of the EEA Agreement, the Commission's Decision cannot be confined to the situation within the Community, but must cover the whole of the European Economic Area,

HAS ADOPTED THIS DECISION:

*Article 1*

Sweden shall cease to apply the Decision of its National Licensing Board for Environmental Protection of 15 November 1994 in so far as that Decision restricts, outside the night curfew (22.00 to 07.00 hours), the exercise of traffic rights on air routes between the new Karlstad airport and other airports in the European Economic Area with aircraft not complying with the requirements of Part II, Chapter 3, Volume 1 of Annex 16 to the Convention on International Civil Aviation.

*Article 2*

Sweden shall comply with this Decision by 27 March 1999 at the latest.

*Article 3*

This Decision is addressed to the Kingdom of Sweden.

Done at Brussels, 22 July 1998.

*For the Commission*

Neil KINNOCK

*Member of the Commission*