

(b)

COUNCIL DECISION

of 19 December 1960

on the system of aid in existence in France for certain types of paper pulp

THE COUNCIL OF THE EUROPEAN ECONOMIC COMMUNITY,

Having regard to the Treaty establishing the European Economic Community, and in particular the third subparagraph of Article 93 (2) thereof;

Whereas the French Government has introduced a parafiscal charge of one per cent on paper and paper-board whether manufactured in France or imported, the proceeds of which would go towards paying subsidies to the French paper pulp industry and for research and afforestation work by the *Fonds forestier national*;

Whereas the French Government has requested the Council to decide, pursuant to the third paragraph of Article 93 (2) of the Treaty, that such aid should be considered compatible with the common market;

Whereas, during intergovernmental negotiations concerning the adoption of the Common Customs Tariff relating to the products in List G annexed to the Treaty, the Representatives of the Member States noted the statement by the French Representative that his Government could agree to the tariff treatment agreed upon in respect of paper pulp, in view of the existence in France of a system of aid to the paper pulp industry;

Whereas, therefore, exceptional circumstances justify the temporary extension of this existing system of aid;

Whereas the operation of the system must be subject to review since it is in the common interest that the aid should be degressive and granted with due regard for the development of the common market;

Having received a favourable Opinion from the Commission,

HAS DECIDED AS FOLLOWS:

Article 1

The French Government is hereby authorized to pay the subsidies provided for under the system of aid to the paper pulp industry introduced by *Ordonnance No 58.881* and *Decret No 58.883* of 24 September 1958 (*Journal officiel de la République Française* of 26 September 1958). The authorization shall expire on 31 December 1966.

Article 2

1. The French Government shall, once a year beginning in 1961, forward to the Commission for examination draft implementing orders relating to that aid.

2. If, after examining those drafts with the Member States concerned, the Commission finds that they might alter the conditions of trade within the Community to an extent contrary to the common interest, the Commission shall refer the matter to the Council for decision as provided in the third and fourth subparagraphs of Article 93 (2) of the Treaty.

Article 3

This Decision is addressed to the French Republic.

Done at Brussels, 19 December 1960.

For the Council

The President

J. M. A. H. LUNS