

EUROPEAN PARLIAMENT

Working Documents

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DOCUMENT 1-985/81

Report

drawn up on behalf of the Committee on Energy
and Research

on the draft decision of the Commission of
the European Communities amending Decision
No. 73/287/ECSC concerning coking coal and
coke for the iron and steel industry in the
Community (Doc. 1-654/81)

Rapporteur: Mr D. ROGALLA

By letter of 21 October 1981 the Vice-President of the Commission of the European Communities, Viscount DAVIGNON, asked the European Parliament for its opinion on the draft decision of the Commission of the European Communities amending Decision No. 73/287/ECSC concerning coking coal and coke for the iron and steel industry in the Community.

On 3 November 1981 the President of the European Parliament referred this draft to the Committee on Energy and Research as the committee responsible and to the Committee on Budgets for its opinion.

On 25 November 1981 the Committee on Energy and Research appointed Mr ROGALLA rapporteur.

The committee considered the draft report at its meeting of 27 January 1982 and adopted it unanimously.

The following voted: Mrs WALZ, chairman; Mr GALLAGHER, vice-chairman; Mr NORMANTON, vice-chairman; Mr ROGALLA, rapporteur; Mr ADAM, Mr BEAZLEY, Mr K. FUCHS, Mr GALLAND, Mr LINKOHR, Mr MARKOPOLOUS, Mr MORELAND, Mr PETERSEN, Mr PETRONIO, Mrs PHLIX, Mr SÄLZER, Mr SASSANO, Mr SELIGMAN, Mr VERONESI and Mrs VIEHOFF (deputizing for Mr PATTISON).

The opinion of the Committee on Budgets is attached.

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The Committee on Energy and Research hereby submits to the European Parliament the following motion for a resolution, together with explanatory statement:

MOTION FOR A RESOLUTION

embodying the opinion of the European Parliament on the draft decision of the Commission of the European Communities amending Decision N° 73/287/ECSC concerning coking coal and coke for the iron and steel industry in the Community

The European Parliament,

- having regard to the draft decision of the Commission of the European Communities amending Decision No. 73/287/ECSC concerning coking coal and coke for the iron and steel industry in the Community (COM(81) 424 final),
 - having been consulted by the Commission (Doc. 1-654/81),
 - having regard to its earlier resolutions on the energy policy sector, particularly those
 - on the draft from the Commission of the European Communities for a decision concerning coal and coke for the iron and steel industry for the Community (IBRÜGGER report, Doc. 69/79)¹, and
 - on aspects and requirements of coal supplies for the European Communities (RINSCHÉ report, Doc. 1-662/81),
 - having regard to the report of the Committee on Energy and Research and the opinion of the Committee on Budgets (Doc. 1-985/81),
1. Stresses the importance it attaches to consultation by the Commission in cases where such consultation is not defined as obligatory in the Treaties;
 2. Welcomes the fact that the Commission is abiding by its 1973 undertaking;
 3. Notes that in this case there have been delays in the consultation procedure to which the Commission committed itself, as a result of which the Commission has referred the matter to the Council before the opinion of the European Parliament has been delivered;
 4. Considers that the aim of effective participation by Parliament in the legislative process of the European Community is seriously prejudiced if Parliament is consulted at so late a stage that its opinions cannot be taken into account in practice by the Council and Commission;
 5. Demands to be consulted in future on cases coming within the terms of the Commission's and the Council's undertakings at a stage early enough to enable its opinion to be delivered before the matter is referred to the Council
 - allowing a suitable period for parliamentary scrutiny and taking into account any amendments proposed by Parliament;

¹ OJ No. C 127, 21.5.1979, p. 39

6. Notes with satisfaction that the Commission too appears now to have decided on the long called-for complete revision of coal policy as part of coherent energy policy; the European Parliament assumes that a decision will be taken on this revision in consultation with the European Parliament during the period of validity of Decision N° 73/287/ECSC which has now been extended;
7. Approves, therefore, the proposed prolongation of the subsidy scheme for coking coal for a limited period to enable the time to be used for the announced revision;
8. Trusts that when the Commission is drawing up a comprehensive coal policy it will combine the interests of the coal-producing Member States with those of the coal-less Member States.

EXPLANATORY STATEMENTI. The consultation procedure

1. The legal basis for the coking coal subsidy scheme is laid down in Article 95 of the ECSC Treaty. This states that the High Authority (i.e. the Commission) may take a decision, or make a recommendation, with the unanimous assent of the Council and after consulting the Consultative Committee. There is no provision in Article 95 for the involvement of the European Parliament. As part of the endeavours in the early 1970s to increase the role of the European Parliament and in view of the unsatisfactory nature of this provision in the Treaty, an informal agreement was reached in 1973 between the Commissioner responsible at the time, Mr Haferkamp, and the then chairman of the Committee on Energy and Research, Mr Springorum. The Commission voluntarily undertook to consult Parliament in the case of all measures based on Article 95 of the ECSC Treaty.
2. This informal agreement was taken up in the Communication from the Commission to the European Parliament on practical measures to strengthen the powers of control of Parliament and improve relations between Parliament and the Commission (COM(73) 999, 30 May 1973). Point 8 states: 'The Commission is prepared, as regards the coal and steel sector, to extend consultation with Parliament beyond the fixing of the ECSC levy to all other important decisions'.
3. The Commission has in practice regularly carried out this voluntary consultation process as agreed. However, the procedure has not always been observed to the satisfaction of Parliament. For instance, the request for an opinion in 1978 on amendment of the decision concerning coal and coke for the iron and steel industry of the Community (COM(78) final) was received only after the President of the European Parliament had made representations to the President of the Commission (see Doc. 576/78). Similarly, the present draft decision amending Decision No. 73/287/ECSC concerning coking coal and coke for the iron and steel industry in the Community was not submitted to Parliament in time to enable its opinion to be properly taken into account in the Community's legislative process.
4. The present draft Commission Decision (COM(81) 424 final) dates from 28 July 1981. The Commission's request for an opinion, which had been announced internally long before, is dated 21 October 1981 (see Doc. 1-654/81) and reached Parliament on 26 October 1981 (see Bull. EP, PE 75.960). In the period from 28 July to 21 October the Council was actually asked for its assent pursuant to Article 95 of the ECSC Treaty. If the Commission wants to provide the European Parliament, through its own undertaking to consult Parliament, with a genuine opportunity to influence Community legislation, it must consult Parliament early enough to ensure that the latter's opinion - bearing in mind the normal timetable for parliamentary business - is available

before the Council is requested for its assent under Article 95. The view taken by Parliament in its opinion and proposed amendments to the Commission draft can realistically be taken into account only before the Council has made up its mind on the draft.

5. In the specific case of the draft decision (COM(81) 424 final) the Council of Energy Ministers gave its assent at a meeting on 27 October 1981 (the French delegation reserving its position), i.e. one day after the request for consultation had reached the European Parliament.

6. In principle - and as defined in Article 95 - the ECSC legislative process reserves the final decision to the Commission. However, the ECSC Treaty has been adapted in practice to bring it into line with procedure under the EEC and Euratom Treaties, so that the real power of decision in this case rests with the Council. The Committee on Energy and Research accordingly insists, in the interest of consolidating Parliament's role as a consultative body and hence as an institution of the European Communities effectively participating in the legislative process, upon the following improvements in the procedure to be observed by the Commission in future: After preparation of a draft decision under Article 95 of the ECSC Treaty the European Parliament shall first be consulted in accordance with the undertaking given by the Commission. The Commission shall not refer the matter to the Council, requesting its assent under Article 95 of the ECSC Treaty, until a suitable period for parliamentary consideration has elapsed and it has taken into account any amendments proposed by the European Parliament.

II. AMENDMENTS PROPOSED BY THE EUROPEAN PARLIAMENT IN 1979

7. In its resolution on the last draft amendment of the coking coal subsidy of 25 April 1979¹ the European Parliament proposed a number of amendments. One of these concerned the duration of the prolongation then being requested for the subsidy scheme, which was itself to be maintained as a matter of principle. Largely because the method of financing was practically beyond the reach of parliamentary scrutiny, deriving from three different sources, of which the ECSC budget accounted for the smallest share, Parliament called for the operational period to run only to 31 December 1980. In the remaining one-and-three-quarter years the Commission was to devise a new subsidy scheme based on the EEC budget, to be integrated into a new approach for a comprehensive coal policy as part of the Community energy policy. The then Commissioner, Mr Brunner, rejected the proposed amendment on behalf of the Commission².

¹ OJ No. C 127, 21.5.1979, p. 39

² Debates, Annex to OJ 242, p. 64

8. In the present draft calling for a further extension in principle up to 31 December 1983 the Commission itself comes to the conclusion that it should '... re-examine, in the context of a coherent energy policy, all the problems related to a common coal strategy including those of the supply of coking coal and coke for the steel industry' (p. 17 of the Commission document).

This view is by no means premature, in view of the fact that Parliament has since 1973 constantly demanded the elaboration of a common energy policy, calling in particular for an overall approach for a new coal policy (see most recently the Rinsche report, Doc. 1-662/81).

III. THE DRAFT COMMISSION DECISION

9. For an exposition of the Commission draft and its conclusions the reader is referred to the Commission document. The draft is approved subject to the foregoing comments.

OPINION OF THE COMMITTEE ON BUDGETS

Letter from the Chairman of the Committee on Budgets to Mrs WALZ, chairman of the Committee on Energy and Research

Subject: Draft decision of the Commission of the European Communities amending Decision N° 73/287/ECSC concerning coking coal and coke for the iron and steel industry in the Community

Dear Mrs Walz,

The Committee on Budgets considered the above draft Commission decision (ECSC) at its meeting of 28 January 1982.

The committee endorsed the proposals, particularly since the Commission, as requested by the European Parliament on the occasion of the last extension, has now announced that it is prepared in principle to propose that the coking coal fund be financed from the General Budget of the European Communities, 'once the requisite pre-conditions are fulfilled'. The Commission therefore recommends that the present subsidy scheme should only be extended by two years.

The committee also urged the Commission to monitor such Community subsidies closely and ensure that no covert national aid of any kind is granted.

Yours sincerely,

Erwin LANGE

Present: Mr LANGE, chairman;
Mr NOTENBOOM, vice-chairman;
Mr ABENS, Mr ANSQUER, Mrs BOSERUP, Mr GEORGIADIS, Mr GOUTHIER,
Mr LOUWES, Mr NEWTON DUNN, Mr PFENNIG, Mr SABY and Mr SIMMONDS.

