COMMISSION DECISION No 3060/79/ECSC

of 27 December 1979

fixing minimum prices for hot-rolled wide strip, and imposing certain requirements on undertakings and dealers in the iron and steel industry

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Coal and Steel Community, and in particular Articles 47, 61, 64, 86 and 95 thereof,

Having regard to High Authority Decisions No 30–53 and No 31–53 [1], as last amended by Commission Decisions 72/440/ECSC and 72/441/ECSC [2],

Whereas since May 1977 the Commission has taken measures in respect of prices; whereas it first fixed minimum prices for concrete reinforcing bars by Decision No 962/77/ECSC [3], and then at the end of 1977, by Decision No 3000/77/ECSC [4], it extended these prices into 1978 and in addition introduced minimum prices for merchant bars and hot-rolled wide strip; whereas this Decision was subsequently amended by Decisions No 656/78/ECSC [5] and No 1483/78/ECSC [6]; whereas at the end of 1978, by Decision No 3139/78/ECSC [7], as last amended by Decision No 1371/79/ECSC [8], the Commission extended minimum prices for these three products into 1979 ;

Whereas there has been an increase in the production of hot-rolled wide strip without a sufficient increase in the returns of steel firms; whereas the market in that product has failed to attain adequate stability; whereas the conditions for the application of Article 61 of the Treaty continue to be met in respect of the said product;

Whereas in order to secure the success of these measures it is essential that rebates be limited; whereas the limitation of rebates to a specified maximum considerably eases the task of effecting controls; whereas the limitation of rebates does not include rebates for indirect exports, so that a certain elasticity in price structure remains in those cases in which products are exported to non-member countries;

Whereas the price of hot-rolled wide strip constitutes a very substantial proportion of the production costs of re-rolled products, tubes and cold-rolled sections; whereas the price of these finished products is relatively low; whereas producers of hot-rolled wide strip must therefore be able to negotiate rebates for each sector with the processors concerned, to whom the general limitation referred to above does not apply; whereas the Commission must nevertheless reserve the right to limit such rebates in line with the objectives of its pricing policy for hot-rolled wide strip, while ensuring that processors do not suffer adverse structural consequences; whereas this benefit must be limited to the use of hot-rolled wide strip for the processing specified above;

Whereas Commission Decision No 3002/77/ECSC [9] as last amended by Decision No 3071/78/ECSC [10], required Community iron and steel dealers in their sales of concrete reinforcing bars, merchant bars and hot-rolled wide strip to charge for such products prices which were not lower than the Community producers' list prices, taking account of all reductions and extras included therein and of the conditions of sale; whereas Commission Decisions No 3002/77/ECSC and No 3003/77/ECSC of 28 December 1977 [11], as amended by Decision No 2870/78/ECSC [12], set up a system for monitoring the compliance, by means of certificates of conformity, of dealers and undertakings in the steel industry with the prices fixed;

Whereas for hot-rolled wide strip it is necessary to maintain the pricing rules for dealers, together with the

---

(1) OJ No C 29, 12. 5. 1973, pp. 30 and 32, for the updated version.
(2) OJ No L 297, 30. 12. 1972, pp. 39 and 42.
(3) OJ No L 114, 5. 5. 1977, p. 1.
(4) OJ No L 352, 31. 12. 1977, p. 1.
(5) OJ No L 87, 1. 4. 1978, p. 1.
(6) OJ No L 176, 30. 6. 1978, p. 44.
(7) OJ No L 370, 30. 12. 1978, p. 79.
(8) OJ No L 165, 3. 7. 1979, p. 7.
(9) OJ No L 352, 31. 12. 1977, p. 8.
(10) OJ No L 366, 28. 12. 1978, p. 20.
(11) OJ No L 352, 31. 12. 1977, p. 11.
(12) OJ No L 341, 6. 12. 1978, p. 5.

system of monitoring prices and quantities by means of certificates of conformity;

Having regard to studies carried out in conjunction with the undertakings and associations of undertakings, and after consulting the Consultative Committee and the Council both on the advisability of maintaining minimum prices for hot-rolled wide strip and on the level of these prices,

Having consulted the Consultative Committee and obtained the unanimous assent of the Council on compliance by dealers in iron and steel products with pricing rules and the monitoring of such compliance,

HAS ADOPTED THIS DECISION:

Article 1

1. The Commission hereby fixes the following minimum prices, per tonne, for sales of hot-rolled wide strip (1):

630	German marks,
166·50	pounds sterling,
1 475	French francs,
292 500	Italian lire,
700	Dutch guilders,
10 200	Belgian or Luxembourg francs.

2. These minimum prices shall be applied by undertakings in the iron and steel industry of the European Coal and Steel Community and their selling agencies and commission agents as referred to in Decisions No 30–53 and No 31–53.

3. In order to maintain a uniform minimum price level within the common market, the Commission may adjust these prices in accordance with fluctuations in exchange rates.

Without prejudice to this adjustment, the Commission may adjust the level of the minimum prices during the period of validity of this Decision if it considers that the development of the situation so requires.

Article 2

1. The minimum prices shall be basic prices ex points selected for establishing the price list.

2. Where published price lists show partial effective prices which take account of quality or size, the difference between such prices and the minimum prices shall be treated as extras for quality or size.

3. The minimum prices shall be compulsory for transactions effected after the entry into force of this Decision and shall replace lower list prices with effect from that date until such prices have been changed by undertakings in accordance with Article 4.

Article 3

1. Subject to the provisions of paragraph 2, rebates and discounts of any sort published in price lists and conditions of sale or notified to the Commission at the date of entry into force of this Decision may not be increased. The introduction of new rebates or discounts shall be prohibited. The sum of all discounts and rebates of any kind may not be such that the resultant price, plus any extras for qualities and dimensions and all other surcharges and price extras in accordance with paragraph 3, falls by more than:

30	German marks,
8	pounds sterling,
70	French francs,
13 500	Italian lire,
32·50	Dutch guilders,
475	Belgian or Luxembourg francs,

below the minimum price as specified in Article 1. Rebates allowed by iron and steel producing undertakings for indirect exports are not included in the abovementioned amounts.

2. The rebates granted by iron and steel undertakings for deliveries of hot-rolled wide strip for re-rolling or the production of tubes or cold-rolled sections are not included in the amounts listed in paragraph 1.

(1) 'Hot-rolled wide strip' means hot-rolled strip, not coated, coiled in regular turns and having a width of not less than 600 millimetres, including hot-rolled strip showing grooves, tears or any other pattern directly due to the rolling process. The steel shall be the basic steels and non-alloy quality steels defined in Euronorm 20/74, to the exclusion of magnetic steels irrespective of their watt-loss.

In order not to jeopardize the objectives of the steel pricing policy, the Commission may, where necessary, limit such rebates, which must be notified to it.

Furthermore, the iron and steel undertakings must stipulate by contract that the users concerned may not sell the product without further processing or in the form of hot-rolled strip or hot-rolled sheet or plate.

3. Surcharges or extras of any sort published in price lists and conditions of sale at the date of entry into force of this Decision may not be cancelled or reduced.

4. The terms and times allowed for payment published in the price lists at the date of entry into force of this Decision may not be changed so that they become more favourable to purchasers.

Article 4

Undertakings whose published prices are lower than the prices given in this Decision shall publish new prices in conformity with this Decision within 15 days following its entry into force.

Article 5

The minimum prices shall not preclude alignments on more favourable delivered prices based on the price lists of other producers in the Community.

Article 6

1. Community iron and steel dealers making direct or ex-stock sales, in their own name and on their own account, of

— hot-rolled wide strip,

— hot-rolled sheets or plates of a thickness of 1·50 mm to 10 mm inclusive and a maximum width of 2 000 mm inclusive and hot-rolled strip shall apply to such products prices which are not lower than the Community producers' list prices, taking account of all reductions and extras included therein and of the conditions of sale.

2. With regard to imports, rebates shall be allowed in the case of direct sales provided the transactions involve non-member countries and products for which alignments are prohibited. Such rebates may not exceed 3 % for EFTA countries or 6 % for other non-member countries.

3. The obligation under paragraph 1 of this Article shall apply to all direct or ex-stock sales of the products in question within the Community irrespective of their origin.

Article 7

Dealers and undertakings in the iron and steel industry shall issue, in respect of their deliveries of hot-rolled wide strip, a certificate of conformity in triplicate showing that the invoiced prices conform to the prices resulting from this Decision. One copy shall be retained by the undertaking or dealer and the other two shall accompany the delivery. This certificate of conformity must be drawn up in accordance with the annexed model certificate.

One copy of the certificate of conformity shall be taken by the national administration, which shall check deliveries. In the case of intra-Community trade, this copy shall be taken by the customs authorities when the products are released for home use.

The national administration shall send the copies of the certificates of conformity to the Commission within three working days following the week in which it receives the certificate. If the delivery is not accompanied by a certificate of conformity, the administration shall so inform the Commission within three working days after establishing this fact.

Article 8

The Commission shall check that the obligations under Articles 6 and 7 of this Decision are being observed by using its powers under Article 47 of the Treaty. The sanctions provided for in Articles 47 and 64 of the Treaty shall apply in the event of infringements.

Article 9

This Decision shall enter into force on 1 January 1980 and shall remain valid until 31 December 1980 unless repealed before that date. Decision 3003/77/ECSC is hereby repealed.

This Decision shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 27 December 1979.

For the Commission

Étienne DAVIGNON

Member of the Commission

CERTIFICATE OF CONFORMITY

1a Seller (1) Warehouse of	1b Invoice number and date Order number and date (seller's reference) Serial numbering by country of destination	
1c Consignee (user or merchant/stockholder) (1)	1d Producer (if other than the seller) (1) Plant of	
This certificate must travel with any delivery within the Community subject to minimum prices	2a Country whence consigned	2b Country of destination
3 Seller's comments		
4 Item number; commercial designation of products		

(1) Surname and forename, or business name, complete with name and country

5. Concordance between invoiced prices and minimum prices

	Item 1	Item 2	Item 3	Item 4	Item 5
5.0. Price list(s) used					
Basing point(s)					
Specification:					
product(s)					
quality (qualities)					
size					
length					
Tonnage:					
ordered					
delivered					
5.1. Basic price					
Extra:					
quality					
size					
quantity					
length					
pickling					
loading on truck/on board					
packing					
other					
Effective gross price per tonne					
5.2. Less total rebate					
5.3. Application of parity rules					
Plus:					
transport from basing point to destination ..... ☐ rail ☐ road ☐ sea/barge					
Less (according to case):					
transport from ..... to destination ..... ☐ rail ☐ road ☐ sea/barge					
5.4. Invoiced price per item and per tonne					
Currency					
According to case ☐ delivered ☐ Franco frontier ☐ ex works ☐ other					
Reserved to ECC					

5.5. Rebates granted, make-up and grounds ☐☐☐☐☐☐

5.6. Invoiced price ☐☐☐☐☐☐☐☐☐

5.7. Average invoiced price per tonne ☐☐☐☐☐☐☐☐☐

Drawn up at ....., on .....

Signed: Stamp:

Note: insert 'x' according to case.