Protection against injurious pricing of vessels

1995/0258(CNS) - 18/10/1995 - Legislative proposal

OBJECTIVE: to implement a first point in the OECD Shipbuilding Agreement (signed in December 1994 by the EU, the US, Norway, Japan and South Korea) by providing a means of combating unfair competition in the form of prices charged by shipbuilders in third countries. SUBSTANCE: - The proposal for a Council regulation incorporates a new instrument into Community law, the "injurious pricing code", adopted by the parties to the OECD Shipbuilding Agreement with a view to protecting shipbuilders against sales by third countries at abnormally low prices; - The procedure to be followed will take the same form as for the anti-dumping measures initiated by the European Union in respect of goods; - When an EU shipbuilder believes that a shipbuilder in a third country has won a contract purely as a result of injurious pricing, it may lodge a complaint with the Commission; - The Commission will conduct an investigation and, if it considers that unfair competition has played a role, may recommend to the Council that the third-country shipbuilder in question be fined; - If the fine is not paid within 180 days, or if no promise to pay has been made, the Commission may debar the vessel concerned and any other vessel built by the same shipbuilder from exercising loading and unloading rights at EU ports for a period of four years; - The EU's injurious pricing code may be enforced only in relation to signatories of the OECD agreement and countries that are not members of the WTO; - The Commission is called upon to adopt the first part of the measures involved. New, stricter rules on appropriations and export aids will be defined at the end of the year.