Coal industry: State aid and security of energy supply

2001/0172(CNS) - 23/07/2002 - Final act

PURPOSE : lays down rules for the granting of State aid to the coal industry with the aim of contributing to the restructuring of the coal industry. COMMUNITY MEASURE : Council Regulation 1407/2002/EC on State aid to the coal industry. CONTENT : the Council adopted, with the Danish and Swedish delegations abstaining,, the Regulation establishing new rules for the granting of state aid to the coal industry. This Regulation aims at guaranteeing the support to this industry after the expiry of the ECSC Treaty and the previous aid system which was based on decision 3632/93/ECSC. The provisions are intended to be in line with the general trend toward the reduction of State aid in the Community. The Regulation, which provides for continued efforts to restructure and reduce mining activity in the framework of the EC Treaty, also taking account of social and regional factors, is intended to allow in future three categories of aid, namely aid for access to coal reserves - including initial investment aid and current production aid - aid for the reduction of activity and aid to cover exceptional costs. For a total period of eight years, until 2010, it aims to enable Member States progressively to allocate their funds to other energy sources, with aid for the reduction of activity being abolished by the end of 2007 at the latest. Moreover, the aid for the reduction of activity and for current production should overall follow a downward trend so as to result in a significant reduction. In addition, the entirety of the aid (except aid to cover exceptional costs) is subject to a ceiling for the whole period. ENTRY INTO FORCE : 02/08/2002.