

Official Journal

of the European Communities

ISSN 0378-6978

L 1

Volume 44

4 January 2001

English edition

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I

(Acts whose publication is obligatory)

**COMMISSION REGULATION (EC) No 1/2001
of 3 January 2001
establishing the standard import values for determining the entry price of certain fruit and
vegetables**

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Commission Regulation (EC) No 3223/94 of 21 December 1994 on detailed rules for the application of the import arrangements for fruit and vegetables ⁽¹⁾, as last amended by Regulation (EC) No 1498/98 ⁽²⁾, and in particular Article 4(1) thereof,

Whereas:

- (1) Regulation (EC) No 3223/94 lays down, pursuant to the outcome of the Uruguay Round multilateral trade negotiations, the criteria whereby the Commission fixes the standard values for imports from third countries, in respect of the products and periods stipulated in the Annex thereto.

- (2) In compliance with the above criteria, the standard import values must be fixed at the levels set out in the Annex to this Regulation,

HAS ADOPTED THIS REGULATION:

Article 1

The standard import values referred to in Article 4 of Regulation (EC) No 3223/94 shall be fixed as indicated in the Annex hereto.

Article 2

This Regulation shall enter into force on 4 January 2001.

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

Done at Brussels, 3 January 2001.

For the Commission

Franz FISCHLER

Member of the Commission

⁽¹⁾ OJ L 337, 24.12.1994, p. 66.

⁽²⁾ OJ L 198, 15.7.1998, p. 4.

ANNEX

to the Commission Regulation of 3 January 2001 establishing the standard import values for determining the entry price of certain fruit and vegetables

(EUR/100 kg)

CN code	Third country code ⁽¹⁾	Standard import value
0702 00 00	052	100,9
	204	72,2
	624	211,3
	999	128,1
0707 00 05	052	104,3
	628	146,6
	999	125,4
0709 90 70	052	95,1
	204	41,5
	999	68,3
0805 10 10, 0805 10 30, 0805 10 50	052	45,6
	204	46,7
	388	27,4
	999	39,9
0805 20 10	052	63,2
	204	84,5
	999	73,8
0805 20 30, 0805 20 50, 0805 20 70, 0805 20 90	052	83,1
	624	105,6
	999	94,3
0805 30 10	052	72,9
	220	62,5
	600	74,9
	999	70,1
0808 10 20, 0808 10 50, 0808 10 90	400	89,0
	720	65,5
	728	84,3
	999	79,6
0808 20 50	400	91,8
	999	91,8

⁽¹⁾ Country nomenclature as fixed by Commission Regulation (EC) No 2032/2000 (OJ L 243, 28.9.2000, p. 14). Code '999' stands for 'of other origin'.

COMMISSION REGULATION (EC) No 2/2001
of 3 January 2001
fixing export refunds on fruit and vegetables

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EC) No 2200/96 of 28 October 1996 on the common organisation of the market in fruit and vegetables ⁽¹⁾, as last amended by Regulation (EC) No 2826/2000 ⁽²⁾, and in particular Article 35(3) thereof,

Whereas:

- (1) Commission Regulation (EC) No 2190/96 ⁽³⁾, as last amended by Regulation (EC) No 298/2000 ⁽⁴⁾, lays down detailed rules on export refunds on fruit and vegetables.
- (2) Article 35(1) of Regulation (EC) No 2200/96, provides that, to the extent necessary for economically significant quantities of the products listed in that Article to be exported, the difference between the international market prices for those products and their prices in the Community may be covered by export refunds.
- (3) Article 35(4) of Regulation (EC) No 2200/96 provides that refunds must be fixed in the light of the existing situation or the outlook for fruit and vegetable prices on the Community market and supplies available on the one hand, and prices on the international market on the other hand. Account must also be taken of the costs referred to in Article 35(4)(b) of that Regulation and of the economic aspect of the exports planned.
- (4) Pursuant to Article 35(1) of Regulation (EC) No 2200/96, refunds are to be set with due regard to the limits resulting from agreements concluded in accordance with Article 300 of the Treaty.
- (5) In accordance with Article 35(5) of Regulation (EC) No 2200/96, prices on the Community market are to be established in the light of the most favourable prices from the export standpoint. International trade prices are to be established in the light of the prices referred to in the second subparagraph of that paragraph.

- (6) The international trade situation or the special requirements of certain markets may call for the refund on a given product to vary according to its destination.
- (7) Tomatoes, lemons, oranges, apples, peaches and nectarines of classes Extra, I and II of the common quality standards, table grapes of classes Extra and I of the common quality standard, shelled almonds, hazelnuts and walnuts in shell can currently be exported in economically significant quantities.
- (8) The application of the abovementioned rules to the present and forecast market situation, and in particular to fruit and vegetable prices in the Community and international trade, gives the refund rates set out in the Annex hereto.
- (9) Pursuant to Article 35(2) of Regulation (EC) No 2200/96, the resources available should be used as efficiently as possible while avoiding discrimination between traders. Therefore, care should be taken not to disturb the trade flows previously induced by the refund arrangements. For those reasons and because of the seasonal nature of exports of fruit and vegetables, quotas should be fixed for each product.
- (10) Commission Regulation (EEC) No 3846/87 ⁽⁵⁾, as last amended by Regulation (EC) No 2849/2000 ⁽⁶⁾, establishes an agricultural product nomenclature for export refunds.
- (11) Commission Regulation (EEC) No 1291/2000 ⁽⁷⁾, lays down common detailed rules for the application of the system of import and export licences and advance fixing certificates for agricultural products.
- (12) Owing to the market situation, in order to make the most efficient use of the resources available and given the structure of Community exports, the most appropriate method should be selected for export refunds on certain products and certain destinations and consequently refunds under the A 1 and A 2 licence arrangements referred to in Article 1 of Regulation (EC) No 2190/96 should not be fixed simultaneously for the export period in question.

⁽¹⁾ OJ L 297, 21.11.1996, p. 1.

⁽²⁾ OJ L 328, 23.12.2000, p. 2.

⁽³⁾ OJ L 292, 15.11.1996, p. 12.

⁽⁴⁾ OJ L 34, 9.2.2000, p. 16.

⁽⁵⁾ OJ L 366, 24.12.1987, p. 1.

⁽⁶⁾ OJ L 335, 30.12.2000, p. 1.

⁽⁷⁾ OJ L 152, 24.6.2000, p. 1.

- (13) The quantities laid down for the various products should be distributed in accordance with the different systems for the grant of the refund, taking account in particular of their perishability.
- (14) The measures provided for in this Regulation are in accordance with the opinion of the Management Committee for Fruit and Vegetables,
2. Quantities covered by licences issued for food aid as referred to in Article 16 of Regulation (EC) No 1291/2000 shall not count against the eligible quantities covered by the Annex.
3. Without prejudice to the application of Article 4(5) of Regulation (EC) No 2190/96, the term of validity of A 1 and A 2 licences shall be two months.

HAS ADOPTED THIS REGULATION:

Article 1

1. The export refunds on fruit and vegetables shall be as set out in the Annex hereto.

Article 2

This Regulation shall enter into force on 10 January 2001.

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

Done at Brussels, 3 January 2001.

For the Commission
Franz FISCHLER
Member of the Commission

ANNEX

to Commission Regulation of 3 January 2001 fixing the export refunds on fruit and vegetables

Product code	Destination	System Application periods					
		A 1 10.1 to 9.3.2001		A 2 11 to 15.1.2001		B 17.1 to 16.3.2001	
		Refund amount (EUR/t net weight)	Scheduled quantity (t)	Indicative refund amount (EUR/t net weight)	Scheduled quantity (t)	Indicative refund amount (EUR/t net weight)	Scheduled quantity (t)
0702 00 00 9100	F08	18		18	1 907	18	3 887
0802 12 90 9000	A00	45	190	45		45	195
0802 22 00 9000	A00	103	727	103		103	1 519
0805 10 10 9100 0805 10 30 9100 0805 10 50 9100	A00	45		45	43 600	45	84 999
0805 30 10 9100	A00	45		45	16 339	45	15 343
0808 10 20 9100 0808 10 50 9100 0808 10 90 9100	F04, F09	36		36	6 807	36	6 313

NB: The product codes and the 'A' series destination codes are set out in Commission Regulation (EEC) No 3846/87 (OJ L 366, 24.12.1987, p. 1) as amended.

The numeric destination codes are set out in Commission Regulation (EC) No 2543/1999 (OJ L 307, 2.12.1999, p. 46).

The other destinations are defined as follows:

F04 Sri Lanka, Hong Kong SAR, Singapore, Malaysia, Indonesia, Thailand, Taiwan, Papua New Guinea, Laos, Cambodia, Vietnam, Uruguay, Paraguay, Argentina, Mexico, Costa Rica and Japan.

F08 All destinations except Slovakia, Latvia, Lithuania and Bulgaria.

F09 Norway, Iceland, Greenland, Faeroe Islands, Poland, Hungary, Romania, Albania, Bosnia and Herzegovina, Croatia, Slovenia, Former Yugoslav Republic of Macedonia, Federal Republic of Yugoslavia (Serbia and Montenegro), Malta, Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan, Turkmenistan, Uzbekistan, Ukraine, destinations referred to in Article 36 of Commission Regulation (EC) No 800/1999, African countries and territories except South Africa, countries of the Arabian Peninsula (Saudi Arabia, Bahrain, Qatar, Oman, United Arab Emirates (Abu Dhabi, Dubai, Sharjah, Ajman, Umm al Qalwain, Ras al Khaimah, Fujairah), Kuwait, Yemen), Syria, Iran, Jordan, Bolivia, Brazil, Venezuela, Peru, Panama, Ecuador and Colombia.

COMMISSION REGULATION (EC) No 3/2001**of 3 January 2001****amending Regulation (EC) No 2734/2000 amending Regulation (EEC) No 1627/89 on the buying-in of beef by invitation to tender and derogating from or amending Regulation (EC) No 562/2000 laying down detailed rules for the application of Council Regulation (EC) No 1254/1999 as regards the buying-in of beef**

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EC) No 1254/1999 of 17 May 1999 on the common organisation of the market in beef and veal ⁽¹⁾, and in particular Article 47(8) thereof,

Whereas:

- (1) Commission Regulation (EC) No 2734/2000 of 14 December 2000 amending Regulation (EEC) No 1627/89 on the buying-in of beef by invitation to tender and derogating from or amending Regulation (EC) No 562/2000 laying down detailed rules for the application of Council Regulation (EC) No 1254/1999 as regards the buying-in of beef ⁽²⁾ introduces a number of amendments to and derogations from Regulation (EC) No 562/2000 ⁽³⁾ to address the exceptional situation on the market resulting from recent events relating to bovine spongiform encephalopathy (BSE).
- (2) In view of this exceptional market situation and to improve the effectiveness of the intervention measures provided for in Regulation (EC) No 2734/2000, Article 4(2)(g) of Regulation (EC) No 562/2000 should be derogated from as regards the maximum weight of carcasses by not setting any weight limit for the second of the invitations to tender referred to in Article 6(1) of Regulation (EC) No 2734/2000, i.e. the first invitation to tender opened in January 2001.
- (3) Animals belonging to the bovine breeds listed in Annex I to Commission Regulation (EC) No 2342/1999 of 28 October 1999 laying down detailed rules for the application of Council Regulation (EC) No 1254/1999 on the common organisation of the market in beef and veal as regards premium schemes ⁽⁴⁾, as last amended by Regulation (EC) No 2733/2000 ⁽⁵⁾, are not deemed to

belong to meat breeds. These animals should not be subject to Article 7 of Regulation (EC) No 2734/2000 because they do not help to reduce production.

- (4) Regulation (EC) No 2734/2000 should accordingly be amended.
- (5) In view of the way the situation is developing, this Regulation should enter into force immediately.
- (6) The measures provided for in this Regulation are in accordance with the opinion of the Management Committee for Beef and Veal,

HAS ADOPTED THIS REGULATION:

Article 1

Regulation (EC) No 2734/2000 is amended as follows:

1. The last sentence of Article 6(1) is replaced by the following:
'However, for the first invitation to tender, the maximum weight shall be 430 kg and for the second invitation to tender no limit on the maximum weight of the carcasses shall apply.'
2. In the second subparagraph of Article 7, the following indent is added after the words 'To this end':
'— the animals shall belong to bovine breeds other than those listed in Annex I to Regulation (EC) No 2342/1999.'

*Article 2*This Regulation shall enter into force on the day of its publication in the *Official Journal of the European Communities*.

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

Done at Brussels, 3 January 2001.

For the Commission

Franz FISCHLER

Member of the Commission⁽¹⁾ OJ L 160, 26.6.1999, p. 21.⁽²⁾ OJ L 316, 15.12.2000, p. 45.⁽³⁾ OJ L 68, 16.3.2000, p. 22.⁽⁴⁾ OJ L 281, 4.11.1999, p. 30.⁽⁵⁾ OJ L 316, 15.12.2000, p. 44.

COMMISSION REGULATION (EC) No 4/2001
of 3 January 2001
fixing the import duties in the rice sector

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EC) No 3072/95 of 22 December 1995 on the common organisation of the market in rice ⁽¹⁾, as last amended by Regulation (EC) No 1667/2000 ⁽²⁾,

Having regard to Commission Regulation (EC) No 1503/96 of 29 July 1996 laying down detailed rules for the application of Council Regulation (EC) No 3072/95 as regards import duties in the rice sector ⁽³⁾, as last amended by Regulation (EC) No 2831/98 ⁽⁴⁾, and in particular Article 4(1) thereof,

Whereas:

- (1) Article 11 of Regulation (EC) No 3072/95 provides that the rates of duty in the Common Customs Tariff are to be charged on import of the products referred to in Article 1 of that Regulation; whereas, however, in the case of the products referred to in paragraph 2 of that Article, the import duty is to be equal to the intervention price valid for such products on importation and increased by a certain percentage according to whether it is husked or milled rice, minus the cif import price provided that duty does not exceed the rate of the Common Customs Tariff duties.
- (2) Pursuant to Article 12(3) of Regulation (EC) No 3072/95, the cif import prices are calculated on the basis of the representative prices for the product in question on the world market or on the Community import market for the product.

- (3) Regulation (EC) No 1503/96 lays down detailed rules for the application of Regulation (EC) No 3072/95 as regards import duties in the rice sector.
- (4) The import duties are applicable until new duties are fixed and enter into force; whereas they also remain in force in cases where no quotation is available from the source referred to in Article 5 of Regulation (EC) No 1503/96 during the two weeks preceding the next periodical fixing.
- (5) In order to allow the import duty system to function normally, the market rates recorded during a reference period should be used for calculating the duties.
- (6) Application of Regulation (EC) No 1503/96 results in import duties being fixed as set out in the Annexes to this Regulation,

HAS ADOPTED THIS REGULATION:

Article 1

The import duties in the rice sector referred to in Article 11(1) and (2) of Regulation (EC) No 3072/95 shall be those fixed in Annex I to this Regulation on the basis of the information given in Annex II.

Article 2

This Regulation shall enter into force on 4 January 2001.

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

Done at Brussels, 3 January 2001.

For the Commission

Franz FISCHLER

Member of the Commission

⁽¹⁾ OJ L 329, 30.12.1995, p. 18.

⁽²⁾ OJ L 193, 29.7.2000, p. 3.

⁽³⁾ OJ L 189, 30.7.1996, p. 71.

⁽⁴⁾ OJ L 351, 29.12.1998, p. 25.

ANNEX I

Import duties on rice and broken rice

(EUR/t)

CN code	Duties ⁽¹⁾				
	Third countries (except ACP and Bangladesh) ⁽²⁾	ACP ⁽¹⁾ ⁽²⁾ ⁽³⁾	Bangladesh ⁽⁴⁾	Basmati India and Pakistan ⁽⁵⁾	Egypt ⁽⁶⁾
1006 10 21	(7)	69,51	101,16		158,25
1006 10 23	(7)	69,51	101,16		158,25
1006 10 25	(7)	69,51	101,16		158,25
1006 10 27	(7)	69,51	101,16		158,25
1006 10 92	(7)	69,51	101,16		158,25
1006 10 94	(7)	69,51	101,16		158,25
1006 10 96	(7)	69,51	101,16		158,25
1006 10 98	(7)	69,51	101,16		158,25
1006 20 11	264,00	88,06	127,66		198,00
1006 20 13	264,00	88,06	127,66		198,00
1006 20 15	264,00	88,06	127,66		198,00
1006 20 17	226,18	74,82	108,75	0,00	169,63
1006 20 92	264,00	88,06	127,66		198,00
1006 20 94	264,00	88,06	127,66		198,00
1006 20 96	264,00	88,06	127,66		198,00
1006 20 98	226,18	74,82	108,75	0,00	169,63
1006 30 21	(7)	133,21	193,09		312,00
1006 30 23	(7)	133,21	193,09		312,00
1006 30 25	(7)	133,21	193,09		312,00
1006 30 27	(7)	133,21	193,09		312,00
1006 30 42	(7)	133,21	193,09		312,00
1006 30 44	(7)	133,21	193,09		312,00
1006 30 46	(7)	133,21	193,09		312,00
1006 30 48	(7)	133,21	193,09		312,00
1006 30 61	(7)	133,21	193,09		312,00
1006 30 63	(7)	133,21	193,09		312,00
1006 30 65	(7)	133,21	193,09		312,00
1006 30 67	(7)	133,21	193,09		312,00
1006 30 92	(7)	133,21	193,09		312,00
1006 30 94	(7)	133,21	193,09		312,00
1006 30 96	(7)	133,21	193,09		312,00
1006 30 98	(7)	133,21	193,09		312,00
1006 40 00	(7)	41,18	(7)		96,00

⁽¹⁾ The duty on imports of rice originating in the ACP States is applicable, under the arrangements laid down in Council Regulation (EC) No 1706/98 (OJ L 215, 1.8.1998, p. 12) and amended Commission Regulation (EC) No 2603/97 (OJ L 351, 23.12.1997, p. 22).

⁽²⁾ In accordance with Regulation (EC) No 1706/98, the duties are not applied to products originating in the African, Caribbean and Pacific States and imported directly into the overseas department of Réunion.

⁽³⁾ The import levy on rice entering the overseas department of Réunion is specified in Article 11(3) of Regulation (EC) No 3072/95.

⁽⁴⁾ The duty on imports of rice not including broken rice (CN code 1006 40 00), originating in Bangladesh is applicable under the arrangements laid down in Council Regulation (EEC) No 3491/90 (OJ L 337, 4.12.1990, p. 1) and amended Commission Regulation (EEC) No 862/91 (OJ L 88, 9.4.1991, p. 7).

⁽⁵⁾ No import duty applies to products originating in the OCT pursuant to Article 101(1) of amended Council Decision 91/482/EEC (OJ L 263, 19.9.1991, p. 1).

⁽⁶⁾ For husked rice of the Basmati variety originating in India and Pakistan, a reduction of EUR/t 250 applies (Article 4a of amended Regulation (EC) No 1503/96).

⁽⁷⁾ Duties fixed in the Common Customs Tariff.

⁽⁸⁾ The duty on imports of rice originating in and coming from Egypt is applicable under the arrangements laid down in Council Regulation (EC) No 2184/96 (OJ L 292, 15.11.1996, p. 1) and Commission Regulation (EC) No 196/97 (OJ L 31, 1.2.1997, p. 53).

ANNEX II

Calculation of import duties for rice

	Paddy	Indica rice		Japonica rice		Broken rice
		Husked	Milled	Husked	Milled	
1. Import duty (EUR/tonne)	(¹)	226,18	416,00	264,00	416,00	(¹)
2. Elements of calculation:						
(a) Arag cif price (EUR/tonne)	—	310,85	253,20	246,59	291,73	—
(b) fob price (EUR/tonne)	—	—	—	215,11	260,25	—
(c) Sea freight (EUR/tonne)	—	—	—	31,48	31,48	—
(d) Source	—	USDA and operators	USDA and operators	Operators	Operators	—

(¹) Duties fixed in the Common Customs Tariff.

II

(Acts whose publication is not obligatory)

COMMISSION

COMMISSION DECISION

of 15 February 2000

on the State aid implemented by the Federal Republic of Germany for Dessauer Geräteindustrie GmbH

(notified under document number C(2000) 515)

(Only the German text is authentic)

(Text with EEA relevance)

(2001/1/EC)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Communities, and in particular the first subparagraph of Article 88(2) thereof,

Having regard to the Agreement on the European Economic Area, and in particular Article 62(1)(a) thereof,

Having called on interested parties to submit their comments pursuant to the provisions cited above ⁽¹⁾ and having regard to their comments,

Whereas:

I. PROCEDURE

- (1) By letter dated 26 May 1998, registered on 29 May 1998 under NN 63/98, Germany informed the Commission of aid for Dessauer Geräteindustrie GmbH (DGI) pursuant to Article 88(3) of the Treaty. By letter dated 23 June 1998, the Commission asked supplementary questions which were answered by letters dated and registered on 7 August and 22 September 1998 respectively. Further information was submitted in letters dated 11 November 1998 (registered on 12 November), 6 December 1998 (registered on 7 December), 18 January 1999 (registered that same day) and 21 January 1999 (registered that same day) and 27 January 1999 (registered on 28 January).
- (2) On 18 February 1998 the Commission had received information from Germany, confirmed on 5 March 1999, that the company was facing impending insolvency.
- (3) By letter dated 18 May 1999, the Commission informed Germany of its decision to initiate the procedure under Article 88(2) of the EC Treaty in respect of those aid measures. By letter dated 25 June 1999, registered on 29 June, Germany replied to the initiation of the procedure and informed the Commission that insolvency proceedings (*Insolvenzverfahren*) for DGI had been opened on 30 March 1999.

⁽¹⁾ OJ C 213, 24.7.1999, p. 12.

- (4) The Commission decision to initiate the formal investigation procedure was published in the *Official Journal of the European Communities* ⁽²⁾. The Commission invited interested parties to submit their comments on the aid measures. The comments it received were forwarded by letters dated 22 September and 18 November 1999 to Germany, which was given the opportunity to react.

II. DETAILED DESCRIPTION

A. Recipient

- (5) DGI is the legal successor to Dessauer Gasgeräte GmbH. It develops, manufactures and distributes gas and electric stoves (both free-standing and built-in models), gas heating appliances and safety enclosures for electrical equipment. Since December 1994 it has operated as a holding company for four subsidiaries: Dessauer Umform-Oberflächentechnik GmbH, Dessauer Gasgeräte GmbH, Dessauer Schaltschrankbau GmbH and Dessanova Vermögensverwaltungs GmbH.
- (6) In 1998 DGI employed 234 people and recorded losses of some DEM 7 million on a turnover of DEM 33,48 million. It qualifies as an SME within the meaning of the Community guidelines on State aid for small and medium-sized enterprises ⁽³⁾.
- (7) Its main site is at Dessau, Saxony-Anhalt, where the unemployment rate is 23,7 %. Up to 99 % of the company's sales are in the German market and the remaining 1 % in other EU Member States.

B. Privatisation

- (8) In December 1994 DGI was privatised, with retroactive effect from 1 January 1994, after an open, transparent and unconditional competitive tendering procedure. The undertaking was sold for DEM 10 million to the highest bidder, Mr Michael Schröer.
- (9) By the end of 1994 turnover had fallen by 60 % and it was agreed that the purchase price would be reduced to DEM 1. In the context of the privatisation, the Treuhandanstalt (THA) took several measures in favour of the company amounting to DEM 71,05 million. These measures were covered by THA scheme E 15/92 ⁽⁴⁾, which had been approved by the Commission.
- (10) In addition, during the period from 1993 to 1995, the company received grants amounting to DEM 3,95 million under an approved Federal Government/*Länder* scheme for improving regional economic structures ⁽⁵⁾.
- (11) On 30 October 1996 Mr Schröer sold 45 % of the shares to Mr Jürgen Franz Berger and 35 % to Mr Lothar Karl Riegel for DEM 1 each, while keeping 20 % of the shares himself.

⁽²⁾ See footnote 1.

⁽³⁾ OJ C 213, 23.7.1996, p. 4.

⁽⁴⁾ E 15/92, SG (92) D/17613 of 8 December 1992. Under point 3 of the scheme, when no bidder is prepared to offer a positive price but the THA nevertheless decides to go through with the sale, aid may be granted if closure of the undertaking would be the cheaper solution. Such sales at negative prices must be notified to the Commission in cases where the firm employs more than 1 000 workers. DGI employed fewer than 1 000 people and did not exceed the scheme's threshold, so that the measures were covered by the scheme.

⁽⁵⁾ 21. Rahmenplan der Gemeinschaftsaufgabe zur Verbesserung der regionalen Wirtschaftsstruktur: Measures covered by this scheme qualify as regional investment aid under Article 87(1) of the EC Treaty and were approved under the exemption laid down in Article 87(3)(a) (N 292/92).

C. Restructuring

1. Difficulties

- (12) The expansion in turnover between 1991 and 1993 was the result of the conversion from city gas to natural gas in the new *Länder*. Turnover decreased considerably in 1994 as the conversion was completed. In 1995 it fell again by 30 % compared with the previous year. In 1996 the first measures were taken to increase productivity and reduce costs.
- (13) A further problem was a technical defect in production which had appeared in 1993, forcing the company to recall stoves it had manufactured ⁽⁶⁾. The defect in the stoves involved a serious health and safety risk, so remedial action had to be taken immediately. The overall cost of removing defective products comes to DEM 14,55 million. DGI's insurer, Colonia Versicherung AG, will cover 20 % of these costs ⁽⁷⁾.
- (14) In the past the company concentrated on the low-price segment of the market in the new *Länder*. Its traditional market is saturated and subject to strong competition from cheap suppliers in eastern Europe. DGI intends to establish itself as a supplier of higher-value products, which requires a shift towards the development of modern, high-quality products.
- (15) In order to obtain liquidity, DGI sold real estate which was bought by the Bundesanstalt für vereinigungsbedingte Sonderaufgaben (BvS - the successor to the Treuhand privatisation agency) on 13 March 1997 for DEM 5,4 million ⁽⁸⁾. Of this amount, DEM 4,45 million was paid out and the remaining DEM 0,95 million was used to offset an outstanding claim the BvS had on DGI amounting to DEM 2,88 million. Payment of the remaining debt of DEM 1,93 million was deferred ⁽⁹⁾. The Commission notes that, in the report on DGI's insolvency proceedings, the total amount of this deferred debt is given as DEM 2,66 million.

2. Restructuring plan

- (16) The restructuring plan covered the years 1997 to 2000. According to the information submitted by Germany, the overall restructuring costs amounted to DEM 27,1 million and concerned a number of different aspects:
- new product orientation and related product innovation
 - plant automation and modernisation
 - cost reductions;
 - increases in productivity.
- (17) The 'Herd 2000' programme was supposed to enable DGI to manufacture a wider range of modern-design gas and electric stoves. As regards safety enclosures for electrical equipment, the aim was to tailor production to demand, taking greater account of customers' wishes and reducing delivery times. Through this new product orientation in its main relevant markets, DGI expected to position itself at the upper end of the market.
- (18) Much of the existing production plant was not state-of the-art and therefore had to be modernised. The plan included the purchase, automation and modernisation of equipment and machinery in order to rationalise production and reduce costs.

⁽⁶⁾ By October 1998, 27 000 stoves had been checked. The company expects to complete the operation by the end of 2000.

⁽⁷⁾ As DGI assigned its claim against Colonia Versicherung AG to the BvS, the amount covered by Colonia will be transferred direct to the BvS.

⁽⁸⁾ This sale complies with the Commission communication on State aid elements in sales of land and buildings by public authorities (OJ C 209, 10.7.1997). The sale was made under market conditions and the market value was established by an independent asset assessor (architect Mr Heinz Spies, appointed by the Dortmund Chamber of Commerce and Industry) on the basis of generally accepted market indicators and valuation standards.

⁽⁹⁾ It was agreed that this amount should be paid back in two instalments, on 30 June 1999 and 30 June 2000, subject to interest (two points above the official discount rate of the Deutsche Bundesbank). The payment was covered by a personal guarantee given by Mr Schroer amounting to DEM 1 million and a further DEM 0,931 million secured by the company on inventory and stocks.

- (19) The closure of the site in Merenberg/Reichborn was the first measure taken to reduce costs. The company also intended to reduce the purchase price of materials by up to 10 % by renegotiating with suppliers, to cut staff costs through flexible working hours and to reduce debts by practising greater discipline in payments.
- (20) DGI intended to increase its productivity by introducing a series of measures: prospective payment system, daily control of stocks, demand-based product availability, cost projection principle, unit cost calculation system, optimisation of business processes, team work and bonuses, performance-related pay and a reorganisation of management and its objectives.
- (21) The information submitted by Germany attributing the company's collapse to, among other things, the inability to obtain additional finance implies that further restructuring steps were taken the details of which have not been communicated by Germany.

3. Restructuring costs

- (22) Overview:

		(million DEM)
Measures		Amount
Payment of deferred debt ⁽¹⁾		1,93
Removal of defective products		14,55
Investments:		
— Product innovation	'Herd 2000'	4,20
	Enclosures	0,40
— Factory automation	Hardware and software	0,98
	Communications	0,15
— Deformation technology	Machines and installations	0,40
	Tool production	1,25
— Surface engineering	Machines and installations	0,47
	Environment, waste disposal	0,35
— Assembly technology	Testing technology	0,36
— Storage and shipment	Lift trucks and vehicles	0,15
	Means of loading and transport	0,10
	Tools for component production	0,42
	Reconstruction/reorganisation	1,39
Total		27,10

⁽¹⁾ According to the report on the insolvency proceedings, this amount is effectively DEM 2,66 million.

- (23) The original restructuring costs, as notified by Germany, included the sum of DEM 13,2 million, for which a private bank loan and a guarantee by the *Land* of Saxony-Anhalt were required. In subsequent correspondence, Germany explained that neither the loan nor the guarantee had been granted. In its view, this implied that the original level of necessary restructuring costs had been overstated by DEM 13,2 million.

- (24) However, the statement attributing the company's collapse to, among other things, the failure to obtain a loan of DEM 13,2 million implies that the overall restructuring costs were considerably higher than those presented in the revised overview and totalled around DEM 40,3 million. This means that the information submitted by Germany in support of the revised account was either incomplete or misleading and in any case did not correspond to the economic reality.

D. Financial measures

- (25) The financial measures break down between the BvS, the *Land* of Saxony-Anhalt and the investors as follows:

Financial contribution by the BvS

		(million DEM)
Type		Amount
Costs of removing defective products not covered by Colonia Versicherung AG	Grant	5,00
	Loan	6,64
Deferral of payment ⁽¹⁾		1,93
Total		13,57

⁽¹⁾ According to the information provided to the Commission, the deferred payment amounts to DEM 2,66 million. In this case, the BvS's total financial contribution comes to DEM 14,3 million.

- (26) The BvS financed the costs of removing the defective products, which totalled DEM 14,55 million, through a grant of DEM 5 million and an interest-free loan of DEM 9,55 million. This loan was secured on DGI's claims against its insurance company, Colonia Versicherung AG, which were assigned to the BvS. After a settlement the insurance would cover 20 % of the total costs, some DEM 2,91 million. The loan would be reduced by that amount, which would consequently form part of the investor's own contribution.

Financial contribution by the *Land* of Saxony-Anhalt

		(million DEM)
Type		Amount
Investment grants ⁽¹⁾		3,38
Investment allowances ⁽²⁾		0,27
Total		3,65

⁽¹⁾ Investitionszuschüsse granted under the 27. Rahmenplan der Gemeinschaftsaufgabe zur Verbesserung der regionalen Wirtschaftsstruktur (1998-2001). Measures covered by this scheme qualify as regional investment aid under Article 87(1) of the EC Treaty and were approved under the exemption laid down in Article 87(3)(a)(N 100/98).

⁽²⁾ Investitionszulagegesetz: Measures covered by this Law qualify as regional investment aid under Article 87(1) of the EC Treaty and were approved by the Commission under the exemption laid down in Article 87(3)(a) (N 494/A/95).

Financial contribution by investors

(million DEM)	
Type	Amount
Credit from Commerzbank and Deutsche Bank ⁽¹⁾	2,52
Revenues from sale of real estate	4,45
20 % of costs of removing defective products ⁽²⁾	2,91
Total	9,88

⁽¹⁾ Repayment of the credit is secured against the registration of mortgage debts and the assignment of entitlements.

⁽²⁾ The DEM 2,91 million covered by Colonia Versicherung AG will be transferred direct to the BvS.

- (27) The above figures show that total assistance from the public authorities amounted to at least DEM 17,22 million, of which DEM 3,38 million was made available in the form of investment grants and DEM 0,27 million in the form of investment allowances, both approved aid schemes. Aid measures amounting to at least DEM 13,57 million, namely the payment deferral and the grant and loan for the removal of defective products, are not covered by approved aid schemes and must therefore be assessed by the Commission.

E. Market analysis*1. Gas and domestic electrical appliances*

- (28) The company's main relevant market is at least Europe-wide. There are no barriers to trade and, as far as technical harmonisation is concerned, Community legislation on electrical appliances is applicable in the EFTA countries which have signed the EEA Agreement. As a rule, large European manufacturers have a strong presence in their respective 'home' territories. However, the integration of EU and EFTA States and the resulting removal of barriers to trade mean that markets are no longer national in scope ⁽¹⁰⁾.
- (29) The Community remains one of the largest markets for manufacturers, but Europe's importance is declining in comparison with Asia. Competition from outside the Community, especially from Asian and east European producers, which is already having a negative effect on Community manufacturers' market share, is likely to increase. Because of the general market trend, concentration is proceeding apace, with a growing number of acquisitions and joint ventures and the emergence of pan-European products and operations.
- (30) Germany is the major European producer for both electrical and non-electrical heating appliances. Together with Italy, it has modestly optimistic consumption prospects, with expected growth rates of around 2,5 % for the next few years. The general trend is towards product innovation, end-user comfort, environmental protection and energy saving ⁽¹¹⁾.
- (31) This market is saturated and suffers from overcapacity ⁽¹²⁾. Modest growth rates of around 2 % to 3 % are expected in the European markets in the coming years.
- (32) According to the information submitted in response to the opening of the formal investigation procedure, the market for stoves has been declining for some years and is dominated by eastern European producers, who are able to offer much lower prices.

⁽¹⁰⁾ Commission Decision of 21 June 1994, Case No IV/M.458 (OJ C 187, 9.7.1994, p. 14).

⁽¹¹⁾ *Panorama of EU Industry 1997*, Vol.2, 13-60, NACE (Revision 1) 29.7.

⁽¹²⁾ Letter from DG III dated 17 February 1999 (ref. 01520).

2. Industrial safety enclosures

- (33) DGI's secondary activity is the production and distribution of enclosures constructed for indoor use to provide protection for personnel against incidental contact with the enclosed equipment and to provide a certain degree of protection to the equipment against dirt, dust and corrosion. This market is closely linked to that of the equipment it encloses (switching equipment). Growth in this market has slowed down in the past five years because of overcapacity in electricity generation and the decline in investment ⁽¹³⁾.

III. INITIATION OF THE FORMAL INVESTIGATION PROCEDURE

- (34) On 24 April 1999 the Commission initiated the formal investigation procedure. It requested information since a return to profitability seemed highly unlikely, mainly because the plan to restore the company's viability did not seem to be based on realistic assumptions. The information submitted by Germany on the overall restructuring costs was either incomplete or misleading and did not seem to correspond to the economic reality. Not least, the market was saturated and suffered from overcapacity, but the plan made no provision for any appreciable capacity reduction.

IV. COMMENTS FROM INTERESTED PARTIES

- (35) In response to the publication of the letter addressed to Germany in the *Official Journal of the European Communities* in July 1999, the Commission received comments from DGI's receiver and from the United Kingdom. These comments were forwarded to Germany, which was given the opportunity to react.

V. ASSESSMENT

- (36) On 18 May 1999 Germany was requested by means of an information injunction to provide the Commission within one month with enough information to assess the measures under investigation. The Commission regrets that the German authorities did not respond to the injunction. In accordance with Article 13(1) of Council Regulation (EC) No 659/1999 of 22 March 1999 laying down detailed rules for the application of Article 88 of the EC Treaty ⁽¹⁴⁾, the assessment will therefore be based on the information available.

A. Aid within the meaning of Article 87(1) of the EC Treaty

- (37) Financial measures from State resources taken in support of a company in difficulty in the abovementioned sector may tend to distort competition and affect trade between Member States. The individual measures must be examined under Article 87(1) of the EC Treaty.
- (38) The sale of real estate to the BvS cannot be regarded as aid because it was carried out under market conditions and in accordance with the Commission communication on State aid elements in sales of land and buildings by public authorities ⁽¹⁵⁾.
- (39) Investment grants amounting to DEM 3,38 million were made available under a scheme approved by the Commission and fell below that scheme's thresholds ⁽¹⁶⁾. Investment allowances amounting to DEM 0,27 million were also based on an approved aid scheme and fell below the corresponding thresholds ⁽¹⁷⁾. Consequently, the Commission need not assess these measures, although they will be taken into account in evaluating proportionality.

⁽¹³⁾ *Panorama of EU Industry* 1997, Vol.2, 15-8, NACE (Revision 1) 31.20.

⁽¹⁴⁾ OJ L 83, 27.3.1999.

⁽¹⁵⁾ OJ C 209, 10.7.1997.

⁽¹⁶⁾ Investitionszuschüsse granted under the 27. Rahmenplan der Gemeinschaftsaufgabe zur Verbesserung der regionalen Wirtschaftsstruktur (N 100/98): Under point 2.5 of the scheme, funds may cover up to 50 % of the necessary investments.

⁽¹⁷⁾ Under the Investitionszulagegesetz, up to 10 % of the eligible investments of SMEs made by the end of 1998 may be covered by investment allowances. From 1999 on, this limit is increased to 20 %.

- (40) The deferred payment of either DEM 1,93 million or DEM 2,66 million, the grant of DEM 5 million and the loan of DEM 6,64 million are considered to be new aid. State resources were used for these measures and there is a distortion or a threat of distortion of competition and a threat of trade between Member States being affected. The measures also conferred advantages on the company which, given its difficult situation, it would not have received from a private investor. The new aid for restructuring DGI which is not covered by approved aid schemes and must be assessed by the Commission totals at least DEM 13,57 million.

B. Exemptions under Article 87(3)(c) of the EC Treaty

- (41) Under Article 87(1) of the EC Treaty, State aid granted to certain undertakings is incompatible with the common market where it affects trade between Member States and distorts or threatens to distort competition in the common market. Such aid is generally incompatible with the common market unless it falls within the scope of the exemptions laid down in Article 87(2) or (3).
- (42) The exemptions in Article 87(2) do not apply in the present case as the aid does not have a social character, is not granted to individual consumers, does not make good the damage caused by natural disasters or exceptional occurrences, and is not granted to the economy of certain areas of the Federal Republic of Germany.
- (43) Further exemptions are laid down in Article 87(3)(a) and (c). In this case, Article 87(3)(c) is relevant because the main objective of the aid is not regional development but the restoration of the long-term viability of a company in difficulty. Under this provision, the Commission has the discretion to permit State aid granted to promote the development of certain economic sectors where such aid does not adversely affect trading conditions to an extent contrary to the common interest. The Commission spelled out the preconditions for exercising this discretionary power in its guidelines on rescue and restructuring aid⁽¹⁸⁾. It considers that none of the other Community guidelines or frameworks, such as those on research and development, small and medium-sized enterprises or employment and training, could apply here.

1. Restoration of viability

- (44) The granting of restructuring aid requires a feasible, coherent and far-reaching restructuring plan capable of restoring the firm's long-term viability within a reasonable timescale and on the basis of realistic assumptions. As regards DGI, the current plan was put into effect in 1997 and was to be fully implemented by 2000. The Commission notes that the expected results have not been achieved.
- (45) Overview

	(million DEM)			
	1997	1998	1999	2000
Turnover (net)	35,779	33,481	36,222	45,205
Personnel costs	13,767	13,684	10,176	11,000
Material costs	19,843	17,328	18,006	22,275
Depreciation	2,768	2,920	3,200	3,350

⁽¹⁸⁾ JO C 368 de 23.12.1994.

	(million DEM)			
	1997	1998	1999	2000
Other costs	10,694	9,450	7,977	8,415
Operating result	- 11,293	- 9,901	- 3,137	0,165
Extraordinary income	5,668	3,090	0,700	0,700
Extraordinary expenditure	2,349	0,150	0,050	0,050
Provisions	4,700	—	—	—
Interest	0,661	0,190	0,450	0,470
End-of-year result	- 13,335	- 7,151	- 2,937	0,345

- (46) An analysis of the figures shows that turnover decreased in 1998 and was supposed to recover in 1999 and then to increase by 25 % in the last year of the restructuring plan. The plan relied mainly on the success of the new stoves and custom-tailored safety enclosures to be developed by DGI, which were to give a considerable boost to turnover, thus restoring long-term viability. In view of the state of the market, this assumption did not seem realistic and was based on external factors over which the company had no influence.
- (47) The report on DGI's insolvency proceedings clearly states that the company's market strategy was wrong and that it was unrealistic to offset falling demand for stoves with the expected success of a new stove. As regards the custom-tailored safety enclosures, the report states that entry into this market, which was dominated by a competitor, was not based on realistic price assumptions ⁽¹⁹⁾.
- (48) The restructuring plan submitted in support of the revised account of the restructuring costs was either incomplete or misleading. Overall restructuring costs were considerably higher than those presented in the revised account, which were understated by DEM 13,2 million. The company's planned return to long-term viability was therefore not based on the economic reality.
- (49) The Commission concludes that the plan was not based on realistic assumptions and was therefore not suitable to restore DGI's long-term viability.

2. No undue distortions of competition

- (50) Under the restructuring plan, measures must be taken to offset as far as possible adverse effects on competitors; otherwise, the aid granted in the context of privatisation would be contrary to the common interest and ineligible for exemption under Article 87(3)(c).
- (51) Where an objective assessment of the demand and supply situation indicates structural overcapacity in a relevant market in the Community, the restructuring plan must make a contribution, proportionate to the amount of aid received, to the restructuring of the industry serving the relevant market by irreversibly reducing or closing capacity.

⁽¹⁹⁾ In this area, a turnover of DEM 15 million to DEM 18 million was expected for 1998, but a figure of only DEM 5 million was actually achieved.

- (52) Measures to adapt production were taken in the context of restructuring ⁽²⁰⁾. Germany states that, after implementation of the restructuring plan, the company's annual production would have been reduced by 8 500 units. This would have been achieved mainly by transferring part of production to the Czech Republic. Since the relevant market is at least Europe-wide, the Commission cannot consider a transfer of production to another European country as a permanent capacity reduction within the meaning of the guidelines. Moreover, according to Germany, total output after adaptation represents capacity utilisation of only 54 %. It is therefore clear that the company's potential capacity remains unaltered and that the reduction is by no means permanent.
- (53) The Commission notes that both the main and secondary markets in which DGI is active are saturated and suffer from overcapacity. Nevertheless, DGI did not plan any reduction in capacity and was expecting to increase turnover. Even allowing for the fact that DGI is an SME located in an assisted area under Article 87(3)(a) ⁽²¹⁾, the Commission cannot rule out the possibility that competitors may have been adversely affected in view of the manifest overcapacity on the relevant markets. It also notes that DGI employs 234 people and only just meets the criteria for an SME within the meaning of the Community guidelines on State aid for small and medium-sized enterprises ⁽²²⁾.

3. Aid in proportion to restructuring costs and benefits

- (54) The amount and intensity of the aid must be limited to the strict minimum needed to enable restructuring to be undertaken and must be related to the benefits anticipated from the Community's viewpoint. Therefore, the investors must make a contribution to the restructuring plan from their own resources. Moreover, the way in which the aid is granted must be such as to avoid providing the company with surplus liquidity which could be used for aggressive, market-distorting activities not linked to the restructuring process.
- (55) DGI was granted liquid resources totalling DEM 15,29 million. The payment deferral does not have any liquidity effect. However, the recipient benefits from aid measures amounting to at least DEM 17,22 million.
- (56) According to the revised account submitted by Germany, the restructuring costs amount to DEM 27,11 million. However, they seem to have been understated by some DEM 13 million and should total DEM 40,31 million. It is therefore impossible to determine whether the financial aid to cover these costs was sufficient for the restructuring exercise.
- (57) The investors have undertaken to contribute a total of DEM 9,88 million from their own resources. As the overall restructuring costs are uncertain, it is difficult to evaluate the proportionality of the investors' own contribution, which seems to cover 24 to 36 % of the restructuring costs.

4. Full implementation of the restructuring plan

- (58) The company must fully implement the restructuring plan submitted to the Commission. Germany has not informed the Commission to what extent the restructuring plan was implemented before insolvency proceedings were opened, although this was specifically required when the investigation procedure was initiated and the information injunction issued. In view of the missing information and the fact that the restructuring period was from 1997 to 2000 and the company filed for insolvency on 3 March 1999, the Commission considers that this condition of the guidelines has not been met.

⁽²⁰⁾ These included transferring production of spare parts to other companies, outsourcing maintenance activities and adapting several areas of production.

⁽²¹⁾ Case C 169/95 *Spain v Commission* [1997] ECR I-135.

⁽²²⁾ See footnote 3.

VI. CONCLUSIONS

- (59) The Commission finds that Germany has unlawfully implemented the aid for Dessauer Geräteindustrie GmbH in breach of Article 88(3) of the Treaty and that the aid is incompatible with the common market,

HAS ADOPTED THIS DECISION:

Article 1

The State aid which Germany has implemented for Dessauer Geräteindustrie GmbH, amounting to at least EUR 6,93 million (DEM 13,57 million), plus interest, is incompatible with the common market. According to the information available, the aid consists of the following measures:

- loan from the Bundesanstalt für vereinigungsbedingte Sonderaufgaben (BvS) amounting to EUR 3,39 million (DEM 6,64 million),
- grant from the BvS amounting to EUR 2,55 million (DEM 5 million),
- the repayment of a deferred debt to the BvS which amounts to EUR 0,98 million (DEM 1,93 million) according to Germany, or EUR 1,36 million (DEM 2,66 million) according to the report on DGI's insolvency proceedings, whichever sum is correct, together with the interest due thereon.

Article 2

1. Germany shall take all necessary measures to recover from the recipient the aid referred to in Article 1 and unlawfully made available to it.
2. Recovery shall be effected in accordance with the procedures of national law. The aid to be recovered shall include interest from the date on which it was at the disposal of the recipient until the date of its recovery. Interest shall be calculated on the basis of the reference rate used for calculating the grant equivalent of regional aid.

Article 3

Germany shall inform the Commission, within two months of notification of this Decision, of the measures taken to comply with it.

Article 4

This Decision is addressed to the Federal Republic of Germany.

Done at Brussels, 15 February 2000.

For the Commission

Mario MONTI

Member of the Commission

COMMISSION DECISION
of 27 December 2000
amending Decision 2000/418/EC regulating the use of material presenting risks as regards
transmissible spongiform encephalopathies

(notified under document number C(2000) 4147)

(Text with EEA relevance)

(2001/2/EC)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Directive 89/662/EEC of 11 December 1989 concerning veterinary checks in intra-Community trade with a view to the completion of the internal market ⁽¹⁾, as last amended by Directive 92/118/EEC ⁽²⁾, and in particular Article 9(4) thereof,

Having regard to Council Directive 90/425/EEC of 26 June 1990 concerning veterinary and zootechnical checks applicable in intra-Community trade in certain live animals and products with a view to the completion of the internal market ⁽³⁾, as last amended by Directive 92/118/EEC, and in particular Article 10(4) thereof,

Having regard to Council Directive 97/78/EC of 18 December 1997 laying down the principles governing the organisation of veterinary checks on products entering the Community from third countries ⁽⁴⁾, and in particular Article 22 thereof,

Whereas:

- (1) Commission Decision 2000/418/EC regulating the use of material presenting risks as regards transmissible spongiform encephalopathies and amending Decision 94/474/EC ⁽⁵⁾, provides for the removal and destruction of specified risk materials listed in its Annex I from 1 October 2000. This Decision also prohibits the use of certain bones of bovine, ovine and caprine animals for the production of mechanically recovered meat, as well as the use of certain slaughter techniques on bovine, ovine and caprine animals whose meat is destined to human and animal consumption. It also imposes restrictions on imports of specified risk materials and on certain products of animal origin containing or derived from these materials. Finally it proposes a regular review of its provisions following new scientific evidence.
- (2) In the light of the recent developments of the BSE situation in the Community, the Council has invited the Commission to request the Scientific Steering Committee (SSC) to evaluate the unilateral, temporary safeguard

measures taken by some Member States, and to take appropriate action accordingly.

- (3) The SSC adopted a scientific opinion on different topics relating to BSE on 28 November 2000. This opinion particularly addressed questions concerning additional specified risk materials. It concluded, in the light of new information that potentially contagious cell types could be found in prepared casings, that the entire intestine of bovine animals of all ages and derived products should therefore be removed.
- (4) The measures provided for in this Decision are in accordance with the opinion of the Standing Veterinary Committee,

HAS ADOPTED THIS DECISION:

Article 1

Decision 2000/418/EC is amended as follows:

1. Annex I(1) is replaced by the following:

- '1. (a) The following tissues shall be designated as specified risk material in all Member States and regions thereof:
 - (i) the skull including the brains and eyes, the tonsils, the spinal cord of bovine animals aged over 12 months, and the intestines from the duodenum to the rectum of bovine animals of all ages;
 - (ii) the skull including the brains and eyes, the tonsils and the spinal cord of ovine and caprine animals aged over 12 months or that have a permanent incisor erupted through the gum, and the spleen of ovine and caprine animals of all ages.
- (b) In addition to the specified risk material listed in point 1(a) the following tissues shall be designated as specified risk material in the United Kingdom of Great Britain and Northern Ireland and in Portugal with the exception of the Autonomous Region of the Azores:

⁽¹⁾ OJ L 395, 30.12.1989, p. 13.

⁽²⁾ OJ L 62, 15.3.1993, p. 49.

⁽³⁾ OJ L 224, 18.8.1990, p. 29.

⁽⁴⁾ OJ L 24, 30.1.1998, p. 9.

⁽⁵⁾ OJ L 158, 30.6.2000, p. 76.

(i) the entire head excluding the tongue, including the brains, eyes, trigeminal ganglia and tonsils; the thymus; the spleen and spinal cord of bovine animals aged over six months;

(ii) the vertebral column, including dorsal root ganglia, of bovine animals aged over 30 months.'

2. In Annex II, the following point (e) is added to the list of products subject to restrictions on import into the Community pursuant to Article 6(1):

'(e) "bovine intestines" as referred to in Article 2(b)(v) of Directive 77/99/EEC.'

Article 2

This Decision shall apply from 1 January 2001.

Article 3

This Decision is addressed to the Member States.

Done at Brussels, 27 December 2000.

For the Commission

David BYRNE

Member of the Commission

COMMISSION DECISION
of 3 January 2001
laying down specific measures in the beef sector for Denmark and the Netherlands under
Regulation (EC) No 2777/2000

(notified under document number C(2000) 4422)

(Only the Danish and Dutch texts are authentic)

(2001/3/EC)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EC) No 1254/1999 of 17 May 1999 on the common organisation of the market in beef and veal ⁽¹⁾, and in particular Article 38(2) thereof,

Whereas:

- (1) Commission Regulation (EC) No 2777/2000 of 18 December adopting exceptional support measures for the beef market ⁽²⁾ provides in Article 3(4) that a Member State may be authorised to stop the application of the purchase scheme concerned if it can prove that sufficient capacity is available for BSE testing of all animals above 30 months of age constituting a normal slaughter throughput. Denmark and the Netherlands have presented to the Commission such proofs and consequently, on their request, those Member States should be authorised to stop the application of the scheme.
- (2) The measures provided for in this Decision are in accordance with the opinion of the Management Committee for Beef and Veal,

HAS ADOPTED THIS DECISION:

Article 1

Denmark and the Netherlands shall be authorised to stop the application of the purchase scheme laid down in Regulation (EC) No 2777/2000.

Article 2

This Decision is addressed to the Kingdom of Denmark and the Kingdom of the Netherlands.

Done at Brussels, 3 January 2001.

For the Commission

Franz FISCHLER

Member of the Commission

⁽¹⁾ OJ L 160, 26.6.1999, p. 21.

⁽²⁾ OJ L 321, 19.12.2000, p. 47.

CORRIGENDA

Corrigendum to Commission Regulation (EC) No 2873/2000 of 28 December 2000 opening a tariff quota for the import of certain goods originating in Norway resulting from the processing of agricultural products covered by the Annex to Council Regulation (EC) No 3448/93

(Official Journal of the European Communities L 333 of 29 December 2000)

On page 50, in Article 3:

for: 'It shall be applicable from 5 January 2001.'

read: 'It shall be applicable from 1 January 2001.'

Corrigendum to Commission Regulation (EC) No 2875/2000 of 28 December 2000 opening a tariff quota for the import of certain goods originating in Iceland resulting from the processing of agricultural products covered by the Annex to Council Regulation (EC) No 3448/93

(Official Journal of the European Communities L 333 of 29 December 2000)

On page 53, in Article 3:

for: 'It shall be applicable from 5 January 2001.'

read: 'It shall be applicable from 1 January 2001.'

Corrigendum to Commission Regulation (EC) No 2876/2000 of 28 December 2000 opening a Community tariff quota for certain goods originating from Turkey (2001)

(Official Journal of the European Communities L 333 of 29 December 2000)

On page 55, in Article 3:

for: 'It shall be applicable from 5 January 2001.'

read: 'It shall be applicable from 1 January 2001.'

Corrigendum to Commission Regulation (EC) No 2891/2000 of 29 December 2000 fixing the export refunds on pigmeat

(Official Journal of the European Communities L 336 of 30 December 2000)

On page 18, in the Annex, in the column headed 'Product code':

for: '1601 00 91 9000',

read: '1601 00 91 9120'.
