COUNCIL DIRECTIVE

of 18 December 1984

extending Directive 81/363/EEC on aid to shipbuilding

(85/2/EEC)

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Articles 92 (3) (d) and 113 thereof,

Having regard to the proposal from the Commission (1),

Having regard to the opinion of the European Parliament (2),

Having regard to the opinion of the Economic and Social Committee (3),

Whereas Council Directive 81/363/EEC of 28 April 1981 on aid to shipbuilding (4), as amended by Directive 82/880/EEC (5), will expire on 31 December 1984;

Whereas the system of control of aid, both direct and indirect, set up by Directive 81/363/EEC has helped to reduce distortions of competition between the Member States; whereas that Directive has also enabled the Community to adopt a common position in talks with non-member shipbuilding nations;

Whereas, however, the restructuring measures for shipyards which have been operated by the Member States since 1979 in line with the objectives laid down in the Council resolution of 19 September 1978 on the re-organization of the shipbuilding industry (6) and Directives 78/338/EEC (7) and 81/363/EEC on aid to shipbuilding have, owing to the considerable delay in implementing them and the worsening of the industry's difficulties, the severity of which exceeded expectations, so far proved inadequate to achieve the objectives sought by the system of control of aid set up by the above Directives namely the restoration of the industry's competitiveness and withdrawal of aid;

Whereas it is advisable for the Community's shipbuilding industry to have a further two years in which to complete its restructuring so as to adjust to market conditions and raise its productivity by shedding the cost of maintaining the present overcapacity and by rationalizing its yards; whereas it will hence be appropriate to apply from 1 January 1987 a new Council Directive on aid to shipbuilding;

Whereas the system of control of aid to shipbuilding instituted by Directive 81/363/EEC should therefore be continued until 31 December 1986 in order to assist the industry's restructuring and return to viability,

HAS ADOPTED THIS DIRECTIVE:

Article 1

In Article 11 of Directive 81/363/EEC, '31 December 1984' is hereby replaced by '31 December 1986'.

Article 2

This Directive is addressed to the Member States.

Done at Brussels, 18 December 1984.

For the Council

The President

J. BRUTON

(1) OJ No C 86, 28. 3. 1984, p. 5.
(2) OJ No C 172, 2. 7. 1984, p. 187.
(3) OJ No C 307, 19. 11. 1984, p. 19.
(4) OJ No L 137, 25. 5. 1981, p. 39.
(5) OJ No L 371, 30. 12. 1982, p. 46.
(6) OJ No C 229, 27. 9. 1978, p. 1.
(7) OJ No L 98, 11. 4. 1978, p. 19.