

ORAL QUESTION H-0145/04  
for Question Time at the part-session in April 2004  
pursuant to Rule 43 of the Rules of Procedure  
by Stephen Hughes  
to the Commission

Subject: State aid to steelworks in accession countries

In Slovakia US Steel Kosice was allowed to have state aid of \$500m (mainly in the form of tax benefits) over the period up to 2008 in exchange for caps on production and delivery quotas, which were based on 2001 levels. The production cap was allowed to increase by 3% but in 2002 production increased by 4.6%, thereby exceeding the Agreement levels. The EU is allowed to take safeguard action for up to three years after accession, if the quotas are being exceeded. The Commission has been in discussion with Slovakia about this infringement but nothing appears to have been resolved.

Is the EU planning to initiate safeguard action against Slovakia for exceeding the quotas agreed in the Accession Treaty?

Can the Commission clarify the current position on negotiations on this topic?

Tabled: 02.03.2004  
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