COMMISSION DECISION No 307/2000/ECSC

of 10 February 2000

imposing a provisional anti-dumping duty on imports of certain hot-rolled flat products of non-alloy steel originating in the People's Republic of China, India and Romania

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Coal and Steel Community,

Having regard to Commission Decision No 2277/96/ECSC of 28 November 1996 on protection against dumped imports from countries not members of the European Coal and Steel Community [1], as amended by Commission Decision No 1000/1999/ECSC [2], and in particular Articles 7 and 8 thereof,

After consulting the Advisory Committee,

Whereas:

A. **PROCEDURE**

(1) On 13 May 1999, the Commission announced by means of a notice (hereinafter referred to as the 'notice of initiation') published in the *Official Journal of the European Communities* [3] the initiation of an anti-dumping proceeding with regard to imports into the Community of certain hot-rolled flat products of non-alloy steel originating in the People's Republic of China (hereinafter referred to as 'China'), India and Romania, and commenced an investigation pursuant to Article 5 of Commission Decision No 2277/96/ECSC (hereinafter referred to as the 'basic Decision').

(2) The proceeding was initiated as a result of a complaint lodged by Eurofer on behalf of Community producers representing a major proportion of the total Community production of the product concerned within the meaning of Articles 4(1) and 5(4) of the basic Decision. The complaint contained evidence of dumping of the product concerned and of material injury resulting therefrom, which was considered sufficient to justify the initiation of a proceeding.

(3) According to Article 5(11) of the basic Decision, the Commission officially advised the complaining Community producers, the exporting producers, importers, suppliers and users known to be concerned as well as their representative associations and the representatives of the exporting countries of the initiation of the proceeding. Pursuant to Article 6(5) of the basic Decision, the Commission also gave the parties directly concerned the opportunity to make their views known in writing and to request a hearing.

(4) All exporting producers, as well as most complaining Community producers and importers made their views known in writing.

All interested parties who requested a hearing within the time limit set and who indicated that they were likely to be affected by the result of the proceeding and that there were particular reasons why they should be heard, were granted a hearing.

(5) In order to allow exporting producers in China to submit a claim for market economy status or individual treatment if they so wished, the Commission sent market economy status/individual treatment claim forms to the Chinese exporting producers known to be concerned.

(6) The Commission sent questionnaires to all these parties and to those who made themselves known within the time limit set in the notice of initiation.

The Commission received replies to its questionnaires:

— from eleven complaining Community producers,

— from eight exporting producers in the countries concerned,

— from one unrelated importer in the Community,

— from one Community importer related to the exporting producers, and

— from four user companies in the Community.

(7) The Commission sought and verified all the information it deemed necessary for the purpose of a preliminary determination and carried out verification visits, where appropriate, at the premises of the following companies:

Complaining Community producers

— Aceralia Corporación Sid., Madrid, Spain

— British Steel Plc, London, United Kingdom

— Dillinger, Dillingen, Germany

— GTS, Dunkerque, France

— ILVA SpA, Genova, Italy

— Palini and Bertoli, San Giorgio di Nogaro, Italy

— Salzgitter, Salzgitter, Germany

— Thyssen Krupp Stahl AG, Duisburg, Germany

— Trametal, Genova, Italy

— Voest Alpine, Linz, Austria

[1] OJ L 308, 29.11.1996, p. 11.
[2] OJ L 122, 12.5.1999, p. 35.
[3] OJ C 133, 13.5.1999, p. 17.

Exporting producers

(a) China

— Angang New Steel Company Ltd, Anshan City

— Jinan Iron & Steel Group Corporation, Jinan

— Maanshan Iron & Steel Co. Ltd, Maanshan

— Qinhuangdao Shougang Plate Mill Co. Ltd, Qinhuangdao

— Shanghai Pu Dong Iron & Steel Co. Ltd, Shanghai

— Wuyang Iron and Steel Co. Ltd, Wugang City

(b) India

— Steel Authority of India Ltd, New Delhi

(c) Romania

— Sidex SA, Galati

Unrelated importer(s) — user(s) in the Community

— Olan SA, Araia, Spain

Importers in the Community related to the exporting producers

Romania: Sidex International plc, London, United Kingdom

(8) The investigation of dumping covered the period from 1 January 1998 to 31 March 1999 (hereinafter referred to as the 'investigation period' or 'IP'). The examination of injury covered the period from 1995 up to the end of the dumping investigation period (hereinafter also referred to as the 'period examined').

B. PRODUCT CONCERNED AND LIKE PRODUCT

1. Product concerned

(9) The product concerned is flat products of non-alloy steel, not in coils, not further worked than hot-rolled, without patterns in relief, with a thickness of more than 10 mm and a width of 600 mm or more falling within CN codes ex 7208 51 30 (TARIC code 7208 51 30*10), ex 7208 51 50 (TARIC code 7208 51 50*10), ex 7208 51 91 (TARIC code 7208 51 91*10) and ex 7208 51 99 (TARIC code 7208 51 99*10), or with a thickness of 4,75 mm up to 10 mm and a width of 2 050 mm or more falling within CN code ex 7208 52 91 (TARIC code 7208 52 91*10) and originating in China, India or Romania.

Quarto plates are generally produced by hot-rolling slabs and can be of various grades and dimensions. The majority of imports from third countries into the Community consist of standard grades such as 'structural steels' (e.g. S235, S275 and S355 according to 'Euronorm' EN 10025), shipbuilding grades and boiler grades (according to EN 10207).

The investigation has shown that, although imports from the countries in question are concentrated in certain CN codes, imports cover all different types of quarto plates as described above.

2. Like product

(10) The investigation has shown that not only the basic physical, technical and chemical characteristics and uses, but also the grades and the range of dimensions of the product concerned imported from the countries concerned are identical or comparable to the Community-produced products. The same is true when the product exported to the Community is compared to that sold on the domestic markets in India and Romania.

(11) On this basis, it was concluded that quarto plates produced in the countries concerned and sold on the Indian and Romanian domestic markets, or exported to the Community from all three countries, or produced and sold by the Community industry on the Community market, are alike within the meaning of Article 1(4) of the basic Decision.

C. DUMPING

1. Normal value

1.1. *China*

1.1.1. Market economy treatment

(12) Pursuant to Article 2(7)(b) of the basic Decision, in anti-dumping investigations concerning imports from China, normal value shall be determined in accordance with paragraphs 1 to 6 of the said Article for those producers which can show that they meet the criteria laid down in Article 2(7)(c), i.e. that market economy conditions prevail for them.

(13) Six Chinese companies applied for market economy treatment. The investigation at their premises showed, however, that all were operating under significant State influence. In fact, it was found that with regard to raw materials sourcing, State interference, auditing of the accounts, barter trade and land ownership, the criteria in Article 2(7)(c) of the Basic Decision were not met. More specifically, the criteria of the first indent of Article 2(7)(c) were not met by five companies, those of the second indent were not met by two companies, those of the third indent were not met by four companies and those of the fourth indent were not met by three companies. In addition, all these companies were either completely or majority State-owned.

For these reasons, it was concluded that none of these companies could be granted market economy treatment.

(14) The companies concerned and the Community industry were informed of the conclusions and were given the possibility to submit comments.

1.1.2. Analogue country

(15) In accordance with Article 2(7) of the basic Decision, in order to establish normal value for the Chinese companies not operating under market economy conditions, an analogue market economy country had to be selected for the establishment of normal value. For this purpose, the complainant suggested Taiwan or Mexico and the Commission proposed Taiwan. Within the time limit specified in the notice of initiation, the Chinese companies objected to this approach and suggested using India instead. They underlined that India was a large steel producer with production characteristics similar to those in China. India had production costs comparable to those in China because, like China, it had its own coal and iron ore mines.

(16) Since the producers in Taiwan and Mexico did not agree to cooperate, the Commission considered India and Romania. Of these two countries India was considered to be the more appropriate choice since the Indian domestic market was the largest in size and was characterised by a significant number of competing local producers. Moreover, as explained in more detail below, the domestic sales in India were representative for exports from China to the Community, both in terms of volume and in terms of product types.

1.1.3. Determination of normal value

(17) As explained above, normal value was established on the basis of the domestic prices of the Indian exporting producer.

(18) In accordance with Article 2(2) of the basic Decision, domestic sales of the like product by the Indian exporting producer during the investigation period were made in sufficient quantities since they accounted overall and per type for more than 5 % of the quantities of the product concerned exported from China to the Community.

(19) The Commission further assessed on a type-per-type basis whether Indian sales of the like product had been made in the ordinary course of trade in accordance with Article 2(4) of the basic Decision. For this purpose the full cost of production per unit during the investigation period was compared with the unit price of each domestic sales transaction made during that period. Where, per product type, the volume of domestic sales above unit cost represented at least 80 % of sales and where the weighted average price was equal to or higher than the weighted average cost, normal value was established on the basis of the weighted average prices actually paid for all domestic sales. Otherwise, normal value was established on the basis of the weighted average prices actually paid for the remaining profitable domestic sales, since the volume of profitable transactions was not lower than 10 % of sales. Subsequently, a weighted average normal value per CN code was calculated.

1.2. ***India and Romania***

(20) In order to establish normal value, it was first determined for each of the cooperating exporting producers whether the total volume of the domestic sales of the product concerned was representative in accordance with Article 2(2) of the basic Decision, i.e. whether these sales represented 5 % or more of the sales volume of the product concerned exported to the Community. It was found for all cooperating exporting producers that their volumes of domestic sales represented more than 5 % of export sales.

(21) It was then examined for each exporting producer whether total domestic sales of each product type constituted 5 % or more of the sales volume of the same type exported to the Community.

(22) For those product types meeting the 5 % test, it was established whether sufficient sales had been made in the ordinary course of trade in accordance with Article 2(4) of the basic Decision.

(23) Where, per product type, the volume of domestic sales above unit cost represented at least 80 % of sales and where the weighted average price was equal to or higher than the weighted average cost, normal value was established on the basis of the weighted average prices actually paid for all domestic sales. Otherwise, normal value was established on the basis of the weighted average prices actually paid for the remaining profitable domestic sales, provided that the volume of profitable transactions was lower than 80 % but not lower than 10 % of sales.

(24) For those product types where the volume of domestic sales was lower than 5 % of the volume exported to the Community, or where the volume of profitable domestic sales was less than 10 %, domestic sales of those product types were considered insufficient within the meaning of Article 2(4) of the basic Decision and were therefore disregarded. In these cases, as there were no representative domestic sales by other producers in the country concerned, normal value was constructed on the basis of the costs of manufacturing incurred by the exporting producer concerned for the exported product type in question plus a reasonable amount for SG&A costs and profits in accordance with Article 2(3) and (6) of the basic Decision. For each exporting producer, the SG&A were based on its representative domestic sales and the profit margin based on its representative domestic sales made in the ordinary course of trade.

(25) As to the Indian exporting producer, its domestic sales of the product concerned were divided into so-called 'direct sales' and 'stockyard sales'. Direct sales are dispatched directly from the plant to the unrelated customer while stockyard sales are dispatched from a network of branches located all over India.

During the on-spot investigation it was found that the quality of the product deteriorated during its stay in the stockyard and a large number of discounts were granted on these sales for various reasons, one of the most frequent being for second quality. Moreover, as these discounts were granted in different ways, the company was not able to identify the transactions for which a quality discount had been given. Furthermore, export sales covered only first quality products.

For these reasons it was decided to provisionally establish normal value on the basis of the direct sales since it was found that they were comparable with the export sales in terms of quality and were sold in sufficient quantities.

2. **Export price**

2.1. ***China***

(26) The investigation showed that all export sales of the product concerned were made to unrelated customers in the Community. The export prices were therefore calculated in accordance with Article 2(8) of the basic Decision, i.e. on the basis of the prices actually paid or payable by these independent customers.

(27) As the comparison of the data concerning exports to the Community provided by the cooperating Chinese exporting producers and Eurostat statistics indicated that these exports represented only 74 % of those reported by Eurostat, it was concluded that the remaining sales should be established on the basis of Eurostat data which were considered representative for this purpose.

2.2. ***India and Romania***

(28) Where export sales to the Community were made directly to independent importers export prices were established on the basis of the prices actually paid or payable by these importers in accordance with Article 2(8) of the basic Decision.

(29) Where export sales were made to importers in the Community which were related to the exporting producer, the export prices were constructed on the basis of the prices at which the imported products were first resold to independent buyers in the Community, in accordance with Article 2(9) of the basic Decision. Adjustments were made for all costs incurred between importation and resale, including a reasonable margin for SG&A plus a profit margin of 5 % considered provisionally on the basis of the information available.

3. **Comparison**

(30) For the purposes of a fair comparison due allowance, in the form of adjustments, was made for differences claimed under Article 2(10) of the basic Decision and demonstrated to affect price comparability. On this basis, adjustments were made with regard to rebates, transport, insurance, handling, loading and ancillary costs, credit and commissions.

(31) The company in India claimed an allowance for import charges. Pursuant to Article 2(10)(b) of the basic Decision this request was refused since it was not proven that the materials on which import duties were payable had been physically incorporated into the products concerned sold on the domestic market and that the import duties had not been collected or refunded in respect of the product exported to the Community.

4. **Dumping margins**

4.1. ***General method***

(32) In accordance with Article 2(10) and (11) of the basic Decision, the dumping margins were established on the basis of a comparison between the weighted average normal value per product type and the weighted average export price at ex-factory level for the same product type and at the same level of trade. With regard to India and Romania the comparison was made at an ex-factory level and for China at fob level.

(33) In order to ensure the effectiveness of the measures, a residual dumping margin had to be determined for each country concerned. For this purpose, the Commission compared for each country concerned the volume of imports represented by the cooperating exporting producers with the total volume of imports originating in the exporting countries as shown in Eurostat import statistics. As a result, for India it was found that the level of cooperation was high (86 %). The Commission therefore considered it appropriate to set the dumping margin for the non-cooperating companies at the level of the highest individual dumping margin established for the cooperating exporting producer in the country concerned. Since for Romania the export volume of the only cooperating exporting producer was only 27 % compared to Eurostat data, the residual anti-dumping margin was set at the level of the highest quarterly dumping margin found in that country for a single product type sold in representative quantities. The above approach was also considered necessary in order to avoid creating a bonus for non-cooperation and an opportunity for circumvention.

(34) All six Chinese exporting producers claimed individual treatment, i.e. the determination of an individual dumping margin on the basis of the individual export prices of the companies.

The Commission verified whether these companies enjoyed in fact and in law the necessary degree of independence from the Chinese State.

None of the companies concerned showed to the satisfaction of the Commission that they fulfilled all the criteria. In particular, the absence of interference by the State could not be guaranteed. Some companies failed to demonstrate that they had full control over their supply of raw materials and inputs in general. In addition, all companies were either wholly or majority State-owned. Consequently, it was decided not to grant individual treatment to any of these companies.

(35) The dumping margins, expressed as a percentage of the CIF price at Community frontier level, are:

4.2. ***China***	34,3 %

(36) As the six cooperating exporting producers were not granted market economy status nor individual treatment, their export prices were taken together with Eurostat in order to cover China's total exports to the Community. Consequently, the comparison could only be made by customs code (CN code).

4.3. ***India***

(37)	Steel Authority of India Ltd	51,1 %
	Residual	51,1 %

4.4. ***Romania***

(38)	Sidex SA	14,4 %
	Residual	52,6 %

D. INJURY

1. Definition of the Community industry

1.1. *Total Community production*

(39) Within the Community, the product concerned is manufactured by:

— 12 producers which lodged the complaint,

— five Community producers supporting the complaint, and

— one Community producer which did not support the complaint.

(40) Some exporting producers argued that certain complaining Community producers had imported hot-rolled flat products of non-alloy steel from the countries concerned by the proceeding during the 'investigation period'. The Commission therefore examined whether any of them should be excluded from the definition of the Community production.

It was found that none of the producers cited had itself imported the product in question. One trading company belonging to the same corporate group as a complaining Community producer had, however, made such imports during the investigation period. This company which purchased steel throughout the world, including from the producer belonging to the same group, and sold mainly in third countries on its own account was found to act independently. In fact, the structure of the grouping to which both companies, belong is such that each maintains its own financial accounts, submits separate annual reports, and has no profit and loss transfer agreement with the holding company. Furthermore, separate income tax returns are filed, each has its own board of directors, and business relations with other companies in the group are carried out at arms length on identical terms to those applicable to other companies where no legal relationship exists. These purchases could not, therefore, affect the status of the producer concerned, and it was considered that there were no grounds for excluding any producer of hot-rolled flat products of non-alloy steel from the definition of the Community production.

(41) The 18 Community producers of hot-rolled flat products of non-alloy steel mentioned above, therefore, constitute the Community production within the meaning of Article 4(1) of the basic Decision.

1.2. *Community industry*

(42) Of the 12 producers who lodged the complaint, ten replied to the Commission's questionnaires, allowed on-spot investigations and provided the Commission with additional information when requested; they were therefore considered as cooperating in the investigation.

These 10 Community producers are: Aceralia (Spain), British Steel (United Kingdom), Dillinger (Germany), GTS (France), ILVA (Italy), Palini and Bertoli (Italy), Salzgitter (Germany), Thyssen (Germany), Trametal (Italy), Voest Alpine (Austria). These companies accounted for more than 75 % of total Community production in the IP, and thus represented a major proportion of the Community production within the meaning of Article 5(4) of the basic Decision, and are hereinafter referred to as 'the Community industry'.

(43) Eight of these companies are fully integrated, i.e. they produce or buy within the group they belong to, the steel slabs used for rolling the product concerned. The two remaining companies are so-called re-rollers, which buy steel slabs on the free market for manufacturing the product concerned.

For the purpose of the provisional findings, on-spot investigations were carried out at the premises of seven complaining producers. The total production of these seven companies represented about 80 % of the total output of the Community industry.

1.3. ***Other Community producers***

(44) The two remaining complainant producers, with production accounting for less than 2 % of the total output of the 12 complaining producers, did not reply to the Commission's questionnaires; they were therefore considered not to be cooperating in the framework of the current investigation and thus not part of the Community industry.

Of the six other producers, one supporter replied partially to the Commission's questionnaires and in principle allowed on-spot investigations, while the other five companies did not reply at all to the Commission's questionnaires.

These eight companies are referred to hereinafter as 'other Community producers'.

2. **Consumption**

(45) Community consumption was calculated on the basis of the cumulated volume of sales destined for the Community market by the Community industry and by the other Community producers, as well as of total import volumes.

The volume of sales of the other Community producers was estimated on the basis of the information contained in the complaint and of the reply to the Commission's questionnaire submitted by the other producer mentioned in recital 44. Imports were assessed on the basis of data obtained from Eurostat or contained in the reply to the Commission's questionnaire for exporting producers.

(46) On this basis, Community consumption expressed in tonnes per month, developed from 573 097 in 1995 to 522 349 in 1996, 558 569 in 1997 and 604 929 in the IP.

In 1995, the Community market for the product concerned was marked by strong demand and a sustained level of prices. In 1996, consumption decreased by 8,9 % and then increased by 10,7 % in 1997 and a further 7,9 % in the investigation period, a level above that reached in 1995 (+ 5,2 %).

As far as consumption during the IP is concerned, the investigation has shown that it was particularly strong during the first six months of 1998 as compared with both the same period in 1997 and the second six months of 1998. In detail, six-monthly apparent consumption expressed in tonnes per month developed as follows: 577 795 in the second half of 1997, 660 000 in the first half of 1998, 571 000 in the second half of 1998.

3. **Imports from the countries concerned**

3.1. ***Cumulation***

(47) Romanian authorities and some exporting producers alleged that their imports should not be cumulated with those from the other countries subject to the proceeding, because the level of prices or the trends in the volume of their sales were not similar. In particular, the Romanian exporting producer argued that it decreased its exports to the Community in the course of the IP.

(48) Having carefully examined these allegations and taking into account the conditions laid down in Article 3(4) of the basic Decision, the Commission recalls that the dumping margins found for China, India and Romania were 34,3 %, 51,1 % and 52,6 % respectively, i.e. well above the *de minimis* level.

In addition, between 1995 and the IP, imports from the three countries concerned all showed an upward trend, and, above all, hold a significant share of the Community market. Indeed, despite a slight decrease in the course of the IP, the volume of imports from each of the three countries and corresponding market shares found during the IP were significantly above the *de minimis* level. Furthermore, the prices of these imports were all in the same range.

Finally, the Commission's analysis revealed that the products concerned imported from the countries under investigation were entirely interchangeable between themselves and with those produced and sold by the Community industry. All imported products were also sold with similar pricing policies to the same customers.

It was therefore concluded that a cumulative assessment of the effects of the imports from China, India, and Romania was appropriate, in accordance with Article 3(4) of the basic Decision.

3.2. ***Volumes, market shares and prices***

(49) Data on volumes, market shares and prices were extracted from Eurostat imports statistics and replies to Commission's questionnaires:

Total imports from countries concerned	1995	1996	1997	Investigation period (1/1998-3/1999)
Volume in tonnes per month	49 709	53 374	61 243	80 045
Market shares in %	8,7	10,2	11	13,6
Average price in ECU per tonne	288	298	315	321

During the period under consideration the cumulated volume of the dumped imports increased by more than 66 %, the corresponding cumulated market shares increasing by 4,9 percentage points over the period. Over the same period, prices increased by 10,1 % reaching a level of 321 EUR per tonne.

On a per semester basis, volumes (expressed in tonnes per month) and prices (expressed in ECU per tonne) of cumulated dumped imports developed as follows:

	1995 1-6	1995 7-12	1996 1-6	1996 7-12	1997 1-6	1997 7-12	1998 1-6	1998 7-12	1999 1-3
Volumes	46 313	53 105	62 904	43 843	52 392	70 095	116 754	66 190	45 656
Prices	267	305	307	286	296	330	340	311	249

3.3. ***Price undercutting***

(50) For the purposes of determining price undercutting, the Commission analysed data referring to the IP. In view of the wide range of hot-rolled flat products under investigation, the product concerned sold by the Community industry and imported from the exporting countries was classified into categories, according to three criteria: the width, the thickness and the quality of steel.

Comparison was then made on a quarterly basis between the weighted average selling prices of imported products per category with the weighted average sales prices of the Community industry in the same category. Prices used were those charged to the first independent customer, free of all rebates, and where appropriate, adjusted in terms of transport cost to ex-works for Community industry products and to CIF Community frontier level, duty paid for imported products. In addition, the import prices were adjusted to include customs clearance costs and post importation costs. The latter were determined on the basis of the results of the investigation carried out with respect to unrelated importers.

(51) The levels of price undercutting were found to be as follows:

India:

Steel Authority of India Limited	12,6 %
China	15,4 %
Romania	
Sidex	11,4 %
Other	19,0 %

4. **Situation of the Community industry**

4.1. ***Production***

(52) During the 'period examined', production (expressed in tonnes per month) remained almost stable, decreasing slightly from 407 320 in 1995 to 397 647 in 1996, peaking at 428 761 in 1997 and decreasing again by 6,7 % thus reaching 400 015 in the IP.

4.2. ***Capacity and utilisation rate of capacity for all hot-rolled flat (product concerned and other steel products)***

(53) Given that the production facilities used in the manufacturing of the product concerned are also used for the production of a wide variety of hot-rolled plates not concerned by this proceeding, it was not possible nor meaningful to establish capacity and utilisation of capacity figures specific to the product concerned.

Production and capacities declared to the Commission for all hot-rolled flat products (product concerned and other steel products) in the framework of the ECSC Treaty were therefore taken into consideration. The other steel products represent around 25 % of total production and are destined for different, sizeable markets not subject to the same conditions applying on the market for the product concerned. Information was only available on a yearly basis until 1998.

(54) Development of the capacity utilisation rate (ratio between production and capacity) showed a significant increase between 1996 and 1997, from 71,6 % to 80,8 %, a level maintained in 1998 at 80,3 %.

(55) In addition, as the steel industry is capital intensive, producers need to keep capacity utilisation as high as possible, in order to reduce the effect of the high-fixed costs. Eight of the 10 producers constituting the Community industry are integrated. The major part of the steel they use is produced from blast furnaces, a process that can not easily be adapted to the fluctuations of the market. In any case, the rate of capacity utilisation achieved in 1997 and 1998 can not be considered as high for an industry of this type and it is clear that the Community industry had large reserves of capacity available in the 'period examined'.

4.3. ***Stocks***

(56) The Community industry's closing stocks decreased from 559 293 tonnes in 1995 to 549 598 tonnes in 1996 and to 535 812 tonnes in 1997. During the IP, they sharply increased, reaching a level of 565 697 tonnes in 1998 and of 568 890 tonnes at the end of March 1999.

4.4. ***Volume of sales in the Community and corresponding market shares***

(57) The volume of sales on the Community market, expressed in tonnes per month, decreased from 340 757 in 1995 to 315 323 in 1996 and then increased to 344 855 in 1997, in line with development of consumption. However, in the IP it decreased by 2 % to reach a level of 337 841, while consumption increased by 7,9 % in the same period. Between 1995 and the IP, this represents overall a decrease of 0,9 % of Community industry's sales on the Community market, while consumption rose by 5,2 %.

(58) The corresponding market share of the Community industry increased regularly during the first three years of the 'period examined' from 59,5 % in 1995, to 60,4 % in 1996 and to 61,7 % in 1997 before dropping in the IP by 5,9 percentage points, reaching a share of 55,8 %. This represents an overall loss of market share of 3,7 % between 1995 and the IP while, as mentioned above, dumped imports increased their market share by 4,9 percentage points.

4.5. ***Average sales prices in the Community and profitability***

(59) It became apparent during the investigation that an examination of prices and profitability of the Community industry confined to the IP as a whole (a period of 15 months) would lead to inappropriate conclusions, as the Community market experienced pronounced changes over this period.

Therefore, in order to assess the development of sales prices in the Community and corresponding profitability, data were analysed first on a yearly basis, between 1995 and the overall IP, then on a half-yearly basis between 1995 and the IP and finally on a quarterly basis during the IP.

4.5.1. *Year-by-year analysis*

(60) Weighted average prices (expressed in ECU per tonne) slightly decreased from 381 in 1995, to 367 in 1996, 366 in 1997 and increased to 382 in the IP, the level of 1995.

(61) On the same annual basis, profitability decreased from 13,3 % in 1995 to 6,4 % in 1996 and 6,1 % in 1997, before improving to 8,5 % in the IP, without reaching however its level of 1995.

4.5.2. *Half-yearly analysis*

(62) An analysis of weighted average prices and profitability half year by half year for the years 1995 to 1998 and for the last six months of the IP, corresponding to the period from the fourth quarter 1998 to the first quarter 1999, was made.

(63) With regard to the weighted average prices of the Community industry, it was found that between 1995 and 1997 prices fluctuated around an average of ECU 378 per tonne, with a maximum variance of 9 %.

In the first half of 1998, an exceptionally high level of ECU 412 per tonne was achieved followed by a sharp decrease to ECU 384 per tonne in the second half of 1998 and to ECU 332 per tonne in the last six months of the IP.

(64) During the same period, profitability followed similar trends varying from a minimum of + 2,7 % in the second half of 1996 to a maximum of 15 % in the first half of 1998. In the last six months of the IP, the Community industry suffered losses of – 4,3 %.

4.5.3. *Quarterly analysis in the IP*

(65) The weighted average prices and profitability in the IP were also examined on a quarter-by-quarter basis.

(66) During the first three quarters of 1998, the high prices observed for Community products allowed profits higher than 13 %, a level only achieved in 1995 when the market was characterised by very high levels of demand and similar levels of prices.

However, during the third and, more pronounced, during the fourth quarter of 1998, prices started to decrease sharply to ECU 361 per tonne, a level noticeably below the average price of ECU 378 per tonne observed during the period from 1995 to 1998. In the first quarter of 1999, prices decreased by a further 15,5 % as compared to the prices of the fourth quarter of 1998. A comparison of prices between the first quarter 1998 and the first quarter 1999 shows a decrease of more than 25 %.

In parallel, profitability decreased by 9,7 percentage points between the third and the fourth quarter 1998 and by a further 11,6 percentage points in the first quarter 1999. Profitability between the first quarter 1998 and the first quarter 1999 shows a decrease of more than 22,1 percentage points.

Detailed quarterly data on prices and profitability are contained in the following table:

	I/1998	II/1998	III/1998	IV/1998	I/1999
Prices in ECU per tonne	407	417	406	361	305
P/L in %	+ 14,1	+ 15,9	+ 13,3	+ 3,6	– 8

4.6. ***Employment***

(67) Employment fell from 6 943 employees in 1995, to 6 708 in 1996, to 6 290 in 1997 and to 6 008 in the IP, which represents an overall decrease of more than 13 %.

4.7. ***Conclusion on injury***

(68) The investigation has shown that the Community industry was subject to significant price undercutting from the dumped imports which increased substantially in terms of volumes and market shares.

At the same time, in a market which expanded significantly since 1996 and despite the reserves of capacity available, the Community industry was not able to increase its production between 1997 and the IP. On the contrary, it was forced to reduce production and increase the level of stocks.

Between 1995 and the IP, the volume of the Community industry's sales on the Community market remained almost stable while consumption increased by more than 5 %. Between 1997 and the IP, the volume of sales decreased by 2 % while consumption expanded by more than 7,9 %. This resulted in an overall decrease of the Community industry's market share in the period considered (– 3,7 %). Between 1997 and the IP, the Community industry's market share dropped by 5,9 percentage points.

Up to the middle of 1998, as a result in particular of high demand, the Community industry experienced high prices and high profits. However, thereafter and in particular in the fourth quarter 1998 and the first quarter 1999, i.e. in the last six months of the IP, the situation of the Community industry significantly deteriorated, in particular as regards prices and financial results. In this period, prices dropped sharply by about 18 % below the average price observed during the preceding quarter and financial results were at a loss-making level (– 4,3 %). In the first quarter 1999, prices decreased by – 25 % as compared to prices in the first quarter 1998 and financial results deteriorated to about – 8 %.

In the light of the foregoing analysis, it is therefore provisionally concluded that the Community industry suffered material injury within the meaning of Article 3(1) of the basic Decision.

E. **CAUSATION**

1. **Introduction**

(69) In accordance with Article 3(6) and 3(7) of the basic Decision, the Commission examined whether the material injury suffered by the Community industry had been caused by the dumped imports from India, China and Romania; it also examined other known factors in order to ensure that injury caused by these factors was not attributed to the dumped imports.

(70) In any analysis of the steel market, it has to be borne in mind that steel is a major commodity product and that its base price, which is published in specialised media, is well known by all market operators. The product concerned by this investigation, either produced or sold by the Community industry or imported from the countries concerned, is therefore highly price sensitive and fluctuations in price are rapidly transmitted throughout the market.

(71) It should also be recalled that the market for product concerned by this investigation is order-driven, in that the production of a range of products which differs widely in qualities, widths and thicknesses requires that products are produced on demand. The impact of any factor, including dumping, on the sales in the Community by the Community industry can, therefore, only be assessed by taking into account a certain time lag.

2. **Effect of the dumped imports**

2.1. ***Volume of dumped imports***

(72) In 1995, 49 709 tonnes per month were imported from the three countries concerned, representing about 38 % of total imports in the Community. The tonnage of dumped imports increased sharply in the following years (+ 7,3 % between 1995 and 1996, + 14,7 % between 1996 and 1997, + 34,4 % between 1997 and the IP). In the latter period, dumped imports represented more than 47,5 % of total imports.

(73) Volumes of dumped imports were also analysed in absolute terms as well as compared to the production of the Community industry, on a half-yearly basis.

(74) From a level of 52 392 tonnes per month in the first half of 1997 volume of dumped imports increased sharply to 70 045 tonnes per month in the second half of 1997, then peaked at 116 754 tonnes per month in the first half of 1998 (i.e. more than doubling the level of the first half of 1997). In the second six months of 1998, imports dropped to 66 190 tonnes per month, a level still well above the average observed in the period 1995 to the first half of 1997 and dropped again in the first quarter of 1999, falling to 45 656 tonnes per month, a level close to the volumes imported between 1995 and the beginning of 1997.

(75) A comparison of the volumes of the dumped imports with the production of the Community industry reveals a ratio between imports from the three countries concerned and the total average production of the Community industry varying between 11 % in the second half of 1996 and 16,5 % in the second half of 1998 with the exception of the first six months of the IP, in which imports represented more than 29,2 % of the total average production of the Community industry.

(76) In relation to consumption, which averaged around 570 000 tonnes per month between 1995 and 1997, the level of dumped imports in the first half of 1998, at 116 754 tonnes per month was more than 46 000 tonnes per month higher than the figure of the previous six months, representing an exceptional additional penetration of more than 8,5 % of the market. These imports fed a particularly strong apparent consumption during the same period. However, during the remaining IP when it became apparent that users where not able to absorb this increase in apparent consumption, prices and profits deteriorated significantly.

(77) It is clear from the above that this increased volume of dumped imports contributed disproportionately to the increase in apparent consumption as the Community industry lost orders and was forced to increase stocks from 535 812 tonnes at the end of 1997 to 565 697 tonnes at the end of 1998 and 568 890 tonnes on the 31 March 1999 and progressively reduce output from 428 761 tonnes per month in 1997 to 400 015 tonnes per month in the IP.

2.2. *Prices of dumped imports*

(78) In 1997, the price differential between the prices of the dumped imports and those of the Community industry ranged about ECU 50 per tonne. However, this price differential widened to more than ECU 70 per tonne in 1998 and then reduced to about ECU 56 per tonne in the first quarter of 1999.

The large increase in import volumes during the first semester of the IP, given the economics of the steel industry which operates with a certain time lag, caused a swift destabilisation of the market depressing the prices during the remainder of the IP. In this respect, the Community industry was obliged, in an attempt to cover fixed costs, to maintain output levels and sell at these dumping-induced prices. As a result, profitability in first quarter of 1999 fell well below the break-even point. Indeed, the movement in profits in the IP is remarkable; from a return on sales of more than 14 % in the first quarter of 1998 to a loss of 8 % in the first quarter of 1999, a turnaround of more than 22 percentage points.

2.3. *Conclusion*

(79) Taking into account the considerable inflow of dumped imports which were disproportionate to what, in the long run, the market could absorb and the consequent increased price differential between the prices of dumped imports and those of the Community industry together with the deterioration of the situation of the Community industry, it is concluded that dumped imports from China, India and Romania caused material injury to the Community industry, within the meaning of Article 3(6) of the basic Decision.

3. **Effect of other factors**

3.1. *Consumption*

(80) The Commission analysed whether the development of consumption affected the situation of the Community industry. In this respect, it is recalled that between 1995 and the IP, consumption increased by 5,2 % while Community indusfry's sales slightly decreased.

(81) The development of consumption cannot therefore be considered as having had any adverse effect on the situation of the Community industry.

3.2. *Situation of the other Community producers*

(82) The situation of the other Community producers was also taken into consideration. For this purpose, it is recalled that the Commission had at its disposal the information contained in the complaint; partial cooperation from one of the other Community producers had also been obtained.

On the basis of this information, the development of the tonnage sold by other Community producers was calculated, thus allowing the establishment of consumption and market shares during the period in consideration.

(83) Tonnage sold by other Community producers on the Community market, expressed in tonnes per month, decreased from 102 778 in 1995 to 91 210 in 1996 to 65 470 in 1997 and increased to 93 662 in the IP. The corresponding market shares varied from 17,9 % in 1995 to 17,5 % in 1996 to 11,8 % in 1997 and to 15,5 % in the IP.

The drop in tonnage sold and in market share observed between 1996 and 1997 was due to the withdrawal from the market of one producer in the Community. The reappearance of this producer in the investigation period did not permit however other Community producers to regain their previous market share which in fact fell by 2,4 percentage points between 1995 and the IP.

3.3. ***Oversupply***

(84) Some exporting producers in the countries concerned argued that the market in the IP was characterised by oversupply and overcapacity which were responsible for any fall in performance experienced by the Community industry.

The Commission found that the market was indeed saturated in the IP and that this was due to the exceptional increase of dumped imports between 1997 and 1998 (+ 34,4 %). This caused Community industry to reduce production and to lose market share. Indeed, it was the increasing dumped imports that caused oversupply on the market and led to material injury for the Community industry.

3.4. ***Anti-competitive behaviour of the Community industry***

(85) Some exporting producers alleged that the Community industry's involvement in anti-competitive activity made injury assessment impossible, as the market situation had been completely distorted by such activity.

(86) Their argumentation referred first to a Commission Decision (98/247/ECSC of 28 January 1998, alloy surcharge case), which condemned anti-competitive behaviour in the stainless steel sector. In this respect, it is recalled that the current investigation concerns a product made of non-alloy steel, which is destined for a market different from that of stainless steel. This argument is therefore not relevant.

(87) Secondly, they argued that an information exchange system used by the German steel trade association existed. This assertion was based on a Commission Decision of 26 November 1997 relating to a proceeding pursuant to Article 65 of the ECSC Treaty (case of Wirtschaftsvereinigung Stahl). In this Decision, the Commission concluded that, although the information exchange system in question infringed the anti-competition rules, it was not implemented by the parties concerned following the warning letter which the Commission sent to them on 8 July 1996. Taking into account the time that has elapsed (two years before the investigation period) and the fact that no documented/substantiated information was submitted in this investigation contradicting the earlier findings of the Commission, it can be concluded that the second argument is also not relevant.

3.5. ***Imports from other third countries***

(88) The Commission also analysed the effect on the situation of the Community industry of imports from other countries not subject to the current investigation. Some exporting producers argued that Poland, the Czech Republic, the former Yugoslav Republic of Macedonia, Bulgaria and the Ukraine were causing injury to the Community industry and that any measure imposed only on imports from India, China and Romania would be discriminatory.

3.5.1. *Imports from other third countries considered as a whole*

(89) The volume of such third country imports and corresponding market shares increased during the 'examined period' from 13,9 % in 1995 to 15,1 % during the IP. However, between 1997 and the IP, at a time when the highest volume of dumped imports from the countries subject to investigation penetrated the Community market, increasing their market share by 2,3 percentage points, the market share of other imports decreased by 0,4 percentage points.

(90) Over the period in consideration, the price of other imports remained almost stable, varying between ECU 306 per tonne in 1996 and ECU 325 per tonne in the IP. In 1997, price of dumped imports, having progressively increased since 1995, reached the level of price of other third countries in that period (ECU 313 against ECU 315 per tonne). However, in the IP, the price of dumped imports decreased again, thus undercutting the price of other imports (ECU 317 against ECU 325 per tonne).

(91) Concerning imports originating in individual countries, the following was determined:

3.5.2. *Poland and the Czech Republic*

(92) The volume of imports from Poland decreased by 24,5 % between 1995 and the IP, and imports from the Czech Republic rose from 16 234 tonnes per month in 1995 to 25 175 tonnes per month in 1997 and then sharply fell to 19 955 tonnes per month in the IP. In the latter period, market share of imports from Poland and the Czech Republic were respectively 1,8 % and 3,3 %, with prices below those of the Community industry, but higher than those of dumped imports.

3.5.3. *The former Yugoslav Republic of Macedonia (FYROM)*

(93) On the basis of the information available from Eurostat, the former Yugoslav Republic of Macedonia increased its exports to the Community during the period in consideration. In the IP, its market share was 1,9 % and its prices were lower than those of the Community industry, but higher than those of dumped imports.

3.5.4. *Bulgaria and the Ukraine*

(94) Exports from Bulgaria decreased between 1995 and the IP, while those from the Ukraine increased regularly over the same period. Their respective market shares were 2 % and 1,5 % in the IP, while their prices remained below those of Community producers and at a level similar to that of dumped imports.

3.5.5. *Cumulated market share of Poland, the Czech Republic, the FYROM, Bulgaria and the Ukraine*

(95) The cumulated market share of Poland, the Czech Republic, the FYROM, Bulgaria and Ukraine peaked at 12,6 % in 1997. However, it dropped by 2,1 percentage points in the IP, thus reaching a level of 10,5 %.

3.5.6. *Conclusion*

(96) Based on the above analysis, it cannot be excluded that the imports from Poland, the Czech Republic, the former Yugoslav Republic of Macedonia, Bulgaria and the Ukraine may have contributed to the injury suffered by the Community industry. This alone however is not sufficient to break the causal link between the dumped imports subject to this investigation and the injury suffered by the Community industry, particularly in view of the fact that dumping margins were substantial, as were the quantities of these imports throughout the period under consideration, gaining a market share of 13,3 % in the investigation period.

3.6. ***Export activity of the Community industry***

(97) During the period in consideration, the Community industry's exports, represented on average about 20 % of its total sales. Exports expressed in tonnes per month, increased from 62 548 in 1995 to 83 132 in 1996, to 85 055 in 1997 and then dropped to 59 969 during the IP.

Over the same period, export prices expressed in ECU per tonne varied from 390 in 1995, to 347 in 1996, to 379 in 1998 and 412 in the IP, i.e. always higher, except in 1996, than prices in the Community market.

(98) Analysis of the available data on a half yearly basis, in 1997 and in the IP, shows however that the difference between Community and export prices of the Community industry progressively increased over the period.

(99) Although export prices decreased in the IP, they dropped in proportion by far less than Community prices. In the first quarter of 1999, export prices were still at a level of ECU 370 per tonne, a level in the vicinity of the average Community price observed between 1995 and 1998 (ECU 378 per tonne) which still allowed Community industry to make profits.

Despite a fall in volumes, the Community industry's exports continued to be made at relatively sustained prices during the investigation period.

Based on the above, it is therefore concluded, that the deterioration of the situation of the Community industry was not used by its export activity.

3.7. ***Situation of the world market***

(100) Some exporting producers argued the overall instability of the world steel market in 1998 was the main cause of any fall in the performance of the Community industry. In particular, it was claimed that the Asian crisis had disrupted international trade, with former net importer countries becoming net exporters. This resulted in a general oversupply and a consequent fall in prices.

(101) It is recalled that the steel industry is capital intensive, and changes in demand in a region often result in rapid changes in geographical sales patterns. Steel producers seek to maintain high rates of capacity utilisation and when demand levels in one part of the world market do not allow this, producers tend to increase sales to other parts of the world to achieve desired levels of production. International steel trade being very developed, rapid changes in quantities traded result in equally rapid movements in price levels. It is not contested, therefore, that fluctuations in world prices and general over supply, in particular in 1998, influenced the Community market for hot-rolled plates and had a negative effect on the situation of the Community industry. Indeed, such negative effects were worldwide and not confined to the Community market.

This cannot, however, explain the sharp price depression and consequent fall in profitability suffered by the Community industry in respect of its sales in the Community. As established above, the Community industry's prices dropped more sharply in the IP than its export prices, with the consequent deterioration in profitability observed in respect of Community sales.

In addition, the deterioration of the situation on the world steel market cannot justify the increase in imports from China, India and Romania at unfairly set prices.

4. **Conclusion on causation**

(102) It cannot be excluded that certain factors other than dumped imports, such as the worldwide instability of the steel market, imports from Poland, the Czech Republic, the former Yugoslav Republic of Macedonia, Bulgaria and Ukraine or the behaviour of other Community producers may have contributed to the difficult condition of the Community industry. This however does not detract from the fact that imports of hot-rolled steel plates of non-alloy steel originating in India, China and Romania, taken in isolation, have caused material injury to the Community industry. This conclusion is drawn in particular in view of the loss of market share and the price depression and consequent deterioration in profitability experienced by the Community industry, coinciding with the significant increase in the quantities of dumped imports, which gained market share and constantly undercut the prices of the Community industry.

F. **COMMUNITY INTEREST**

1. **Preliminary remarks**

(103) The Commission also examined whether, despite the injurious effects of dumped imports, there were compelling reasons to conclude that it would not be in the Community interest to impose measures in this case. Pursuant to Article 21(1) of the basic Decision, the impact of possible measures on all parties involved in this proceeding, and the consequences of taking or not taking measures, were therefore examined.

(104) For this purpose, the Commission had at its disposal the replies to the Commission's questionnaires submitted by the Community producers and the importers identified in the complaint, or which made themselves known in the course of the investigation. In addition, on initiation of the proceeding, Community producers were invited to provide a list of their main customers in the Community, i.e. users of the product concerned. Each of the latter subsequently received a questionnaire especially drawn up for their activity. Although questionnaires were sent to a large number of companies (about 90 companies), very few responses were received.

(105) Finally, to complete its analysis, the Commission examined data submitted in the framework of the ECSC Treaty, in particular as regards the importance of the production of the product concerned in the total steel activity of the Community industry. Data on deliveries made by Community producers on their national markets were also considered in order to identify the main consumer industries.

2. **Impact on the Community industry and its related activities**

(106) To recapitulate, the Community industry is composed of 10 producers, eight of them are medium-sized, belonging to larger steel groups, while the two remaining are fully independent small-sized companies. They are located in six Member States, Austria, France, Germany, Italy, Spain and the United Kingdom.

The investigation has shown that the Community industry faced difficulties linked to the massive inflow of dumped imports from the three countries concerned.

In the absence of protective measures, the Community industry would continue to be confronted by price undercutting and subsequent price depression that led to a marked deterioration in its financial situation. Companies would therefore be obliged to close down certain production lines, thus putting in danger the steel groups to which they belong. The Community industry is a significant consumer of crude steel, and any reduction in its production has a direct negative impact on upstream steel production, and consequently on the employment situation in the Community. It is therefore vital for the steel sector to maintain the viability of the Community industry.

The imposition of anti-dumping measures is expected to restore fair competition and allow Community industry to benefit from the strong efforts already undertaken to improve efficiency.

3. **Impact on users**

(107) As mentioned above, the few responses to the questionnaires from users of the product concerned revealed a lack of interest in the proceeding.

The analysis of available data in the framework of the ECSC Treaty showed that deliveries of the Community industry are mainly destined for merchants, which resell the product concerned after recutting. The rest is sold to user industries such as, in decreasing order of importance in terms of volume, shipbuilding, the steel tube industry, structural steel work, or boilers and other metal containers.

Companies that resell the product after recutting complained about the unfair prices practised by the exporting countries concerned, which led to a serious deterioration of prices and lowered their margins. They clearly expressed themselves in favour of protective measures that would restore fair competition.

Other users did not express their views, but, due to the price sensitivity of the market, it is likely that the imposition of measures would result in a price increase. The nature of these user industries, however, is such that the product concerned represents a low proportion of their total costs, which may explain their lack of cooperation in the present proceeding. Any increase in price resulting from imposition of measures would therefore be marginal for these industries.

4. **Impact on importers/traders**

(108) The Commission sent out questionnaires to a large number of importers (about 25) in the Community; few usable questionnaire responses were received, and no comment was made on the impact on importers of any protective measures.

In any event, the product concerned, which is in general imported by specialised steel importer/traders, represents only a small part in the diverse range of the steel products they handle. Given the number of alternative sources of supply not subject to antidumping measures, including the product concerned manufactured by the Community industry, it is considered that the imposition of anti-dumping measures would have no more than a minimal impact on the overall situation of the importer/traders in question.

5. **Conclusion on Community interest**

(109) Given the increase of dumped imports in the period considered, and the significant price undercutting found, it is likely that this trend would continue and that the absence of measures would lead to a further deterioration of the Community industry situation.

Imposition of measures, on the other hand, would help to restore fair competition and assist the Community industry to restore profitability and limit the threat of closures and staff reductions.

As regards recutters, adoption of protective measures would lead to the re-establishment of reasonable margins.

In respect of user industries and of importer/traders, any expected price increase would only have a limited impact.

It is therefore concluded, that in the present circumstances, there are no compelling reasons, why it would not be in the Community interest to impose measures.

G. **PROVISONAL DUTIES**

(110) Having established that the dumped imports have caused material injury to the Community industry and that there are no compelling reasons not to take action, provisional anti-dumping measures should be adopted.

1. **Injury elimination level**

(111) For establishing the level of duty, account has been taken of the dumping margins found and of the amount of the duty necessary to eliminate the injury caused by dumped imports to the Community industry. The necessary price increase was determined on the basis of a comparison of the weighted average import price, as established for the price undercutting calculations, with the non-injurious price of the different categories of quarto plates sold by the Community industry on the Community market.

(112) It was considered that the amount of duty necessary to remove the effects of injurious dumping should allow the Community industry to cover its costs of production and obtain a reasonable profit on sales. In this respect, it was considered that the profit margin before tax of 8 % on turnover was an appropriate basis, regard being given to the need for long-term investments and for a rate of return, which the Community industry could reasonably expect in the absence of injurious dumping.

Accordingly, injury elimination levels were determined by comparison between the weighted average non-injurious price per category of the Community industry with the weighted average selling prices of imported products for the same category on a per quarter basis. In the case of Romania, due to the low level of cooperation, the residual injury margin was calculated by reference to the category of products which was exported in representative quantities and for which the highest margin was found. The difference was then expressed as a percentage of the CIF import price at the Community frontier customs duty unpaid:

Country/Company		Injury margin (%)
China		13,2
India:	SAIL	21,8
Romania:	Sidex	9,6
	Others	18,1

2. **Level of provisional duties**

(113) In the light of the foregoing, it is considered that a provisional anti-dumping duty should be imposed at the level of the dumping margin found, but should not be higher than the injury margin set out above in accordance with Article 7(2) of the basic Decision.

The rates of duty applicable to the free-at-Community-frontier price before duty shall be:

Country/Company	Dumping margin (%)	Injury margin (%)	Proposed anti-dumping duty (%)
China	34,3	13,2	13,2
India	51,1	21,8	21,8
— SAIL	51,1	21,8	21,8
Romania	52,6	18,1	18,1
— Sidex	14,4	9,6	9,6

(114) The individual company anti-dumping duty rate specified in this Decision was established on the basis of the findings of the present investigation. Therefore, it reflects the situation found during that investigation with respect to this company. This duty rate (as opposed to the countrywide duty applicable to 'all other companies') is thus exclusively applicable to imports of products originating in the country concerned and produced by the company and thus by the specific legal entity mentioned. Imported products produced by any other company not specifically mentioned in the operative part of this Decision with its name and address, including entities related to those specifically mentioned, cannot benefit from this rate and shall be subject to the duty rate applicable to 'all other companies'.

(115) Any claim requesting the application of this individual company's anti-dumping duty rate (e.g. following a change in the name of the entity or following the setting up of new production or sales entities) should be addressed to the Commission [1] forthwith with all relevant information, in particular any modification in the company's activities linked to production, domestic and export sales associated with e.g. that name change or that change in the production and sales entities. The Commission, if appropriate, will, after consultation of the Advisory Committee, amend the Decision accordingly by updating the list of companies benefiting from individual duty rates.

H. **FINAL PROVISIONS**

(116) A period should be fixed during which the interested parties may make their views known in writing and request a hearing. Furthermore, it should be emphasised that all findings made for this Decision are provisional and may have to be reconsidered for the purpose of any definitive measures which the Commission may propose,

HAS ADOPTED THIS DECISION:

Article 1

1. A provisional anti-dumping duty is hereby imposed on imports of flat products of non-alloy steel, not in coils, not further worked than hot-rolled, without patterns in relief, with a thickness of more than 10 mm and a width of 600 mm or more falling within CN codes ex 7208 51 30 (TARIC code 7208 51 30*10), ex 7208 51 50 (TARIC code 7208 51 50*10), ex 7208 51 91 (TARIC code 7208 51 91*10) and ex 7208 51 99 (TARIC code 7208 51 99*10), or with a thickness of 4,75 mm up to 10 mm and a width of 2 050 mm or more falling within CN code ex 7208 52 91 (TARIC code 7208 52 91*10) and originating in China, India or Romania.

2. The rates of duty applicable to the net free-at-Community-frontier price, before duty, for products produced by the following exporting companies, shall be:

[1] European Commission
Directorate-General of Trade
Directorate C
DM 24 — 8/38
Rue de la Loi/Wetstraat 200 B-1049 Brussels/Bruxelles.

Country	Company	Rate of anti-dumping duty (%)	TARIC additional code
China	All companies	13,2	—
India	All companies	21,8	—
Romania	Sidex SA, Smârdan Street 1, 6200 Galati	9,6	A069
	All other companies	18,1	A999

3. Unless otherwise specified, the provisions in force concerning customs duties shall apply.

4. The release for free circulation in the Community of the product referred to in paragraph 1 shall be subject to the provision of a security equivalent to the amount of the provisional duty.

Article 2

Without prejudice to Article 20 of Decision No 2277/96/ECSC interested parties may request disclosure of the essential facts and considerations on the basis of which this Decision was adopted, present their views in writing and request a hearing from the Commission within one month of the date of entry into force of this Decision.

Pursuant to Article 21(4) of Decision No 2277/96/ECSC, the parties concerned may request a hearing concerning the analysis of the Community interest and may comment on the application of this Decision within one month of the date of its entry into force.

Article 3

This Decision shall enter into force on the day following its publication in the *Official Journal of the European Communities*.

Article 1 of this Decision shall apply for a period of six months.

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

Done at Brussels, 10 February 2000.

For the Commission

Pascal LAMY

Member of the Commission