COUNCIL DECISION

of 19 January 1987

accepting undertakings given in connection with imports of binder and baler twine originating in Brazil and Mexico, and terminating the investigations

(87/66/EEC)

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 2176/84 of 23 July 1984 on protection against dumped or subsidized imports from countries not members of the European Economic Community [1], and in particular Article 10 thereof,

Having regard to the proposal submitted by the Commission after consultations within the Advisory Committee as provided for by the above Regulation,

Whereas :

A. Procedure

1. In September 1977 the Commission terminated [2] the anti-dumping/anti-subsidy proceedings initiated on 14 April 1977 [3] concerning imports of binder and baler twine originating in Brazil and Mexico on the grounds that the Brazilian and Mexican producers concerned gave undertakings that satisfied the Commission.

   In March 1985 the Commission gave notice [4] of the impending expiry of these undertakings pursuant to Article 15 of Regulation (EEC) No 2176/84.

2. The Commission then received a review request from the Liaison Committee of EEC Twine and Cordage Industries (EUROCORD) representing substantially all production of the product concerned in the former Community of Ten Member States. In view of the enlargement of the Communities the Portuguese producers associated themselves with the request.

   In December 1985 the Commission, having decided that there was sufficient evidence to warrant a review, published [5] a notice of the re-opening of the anti-dumping/anti-subsidy proceedings concerning imports of binder and baler twine falling within heading No ex 59.04 of the Common Customs Tariff, corresponding to NIMEXE code ex 59.04-31, originating in Brazil and Mexico and commenced an investigation.

3. The Commission officially so advised the exporters and importers known to be concerned, the representatives of the exporting countries and the Community producers and gave the parties directly concerned the opportunity to make known their views in writing and to request a hearing.

   The Brazilian producers/exporters and their main agent in the Community made their views known in writing and requested and were granted hearings. The Mexican producer/exporter's agent for sales in the Community also requested and was granted a hearing. The Mexican producer/exporter did not, however, make its views known in writing and did not complete the Commission's questionnaire.

   The Brazilian authorities made their views known in writing. The Mexican authorities made their views known in writing, but did not complete the Commission's questionnaire.

4. The Brazilian producers/exporters and their main agent in the Community requested and were granted the opportunity to meet representatives of Eurocord for the purpose of presenting their opposing views.

5. No submissions were made on behalf of Community purchasers or processors of binder and baler twine.

6. The Commission sought and verified all information it deemed to be necessary for the purposes of a preliminary determination and carried out investigations at the premises of the following :

   (a) *EEC producers*

   Belgium :

   Ostend Stores and Ropeworks SA (Ostend),

   Denmark :

   L P Weideman & Sønner (Rudkøbing),

   France :

   Bihr Frères SA (Xertigny),
   Cie Boussac Saint Frères (St Quen),
   Vert Gazon (Valenciennes),

   Ireland :

   Irish Ropes Ltd (Kildare).

(1) OJ No L 201, 30. 7. 1984, p. 1.
(2) OJ No C 216, 9. 9. 1977, p. 2.
(3) OJ No C 89, 14. 4. 1977, p. 5.
(4) OJ No C 80, 28. 3. 1985, p. 3.
(5) OJ No C 315, 6. 12. 1985, p. 2.

(b) *Brazilian producers/exporters*

Brascorda, João Pessoa (Paraíba),
Cisaf, Natal (Rio Grande do Norte),
Cisal, João Pessoa (Paraíba),
Cosibra, João Pessoa (Paraíba),
Fibrasa, João Pessoa (Paraíba),
Sisalana, Salvador (Bahia),
Stella Azzurra, Salvador (Bahia).

(c) *Agent of Brazilian producers/exporters*

Vendcord Ltd, Farnham (United Kingdom)

7. After publication of the notice of re-opening of the proceeding the Brazilian authorities requested consultations with the Commisison before an on-the-spot investigation was undertaken. The Commission did not, however, grant such a request because the GATT anti-dumping code does not provide for consultations with the authorities of the exporting country involved in an anti-dumping proceeding. With regard to the anti-subsidy aspects of the proceeding, Article 3 (1) of the Agreement on Interpretation and Application of Articles VI, XVI and XXIII of the General Agreement on Tariffs and Trade provides that a reasonable opportunity for consultations shall be afforded when a proceeding is initiatied. In the present case, however, the Commission did not decide to initiate a new anti-subsidy proceeding, but to review measures already in force as provided for by Article 15 of Regulation (EEC) No 2176/84 and Article 4 (7) and (9) of that Agreement. Consequently, there is no obligation to proceed to consultations as provided for by Article 3 (1) of the Agreement.

The Brazilian authorities were given the opportunity to discuss with the Commission the legal framework within which the re-opening took place.

8. The investigation of dumping, subsidies and price undercutting covered the period from 1 July 1983 to 30 November 1985.

B. Dumping

(a) *Brazil*

(i) Normal value

9. In the absence of sales in significant quantities of the product concerned on the domestic market of the exporting country, the Commission established normal value on the basis of the constructed value, determined by adding cost of production and a reasonable margin of profit.

10. For each of the companies concerned the cost of production was computed on the basis of all costs, in the ordinary course of trade, both fixed and variable, in the country of origin, of materials and manufacture.

11. In seeking to compute a reasonable amount for selling, administrative and other general expenses as well as for profit, the Commission asked the companies to suggest a product as similar as possible to binder and baler twine produced and marketed in Brazil. Most of the companies considered that they could not make such a proposal in view of the absence of a like product. However, the Commission was provided with details of the selling, administrative and other general expenses of a company related to one of the producers/exporters concerned producing cotton yarn, which they considered in 'some ways' similar to binder and baler twine, particularly in its marketing. The Commission did not accept this suggestion because it considered that no satisfactory evidence concerning the similarity of cotton yarn and binder and baler twine had been submitted. Furthermore, marketing is only one of many items entering into the category of selling, administrative and other general expenses incurred on the domestic market by this producer of cotton yarn was exceptionally low, i.e. approximately 2 % of the turnover.

12. Alternatively it was suggested that the Commission take the actual amount of selling, administrative and other general expenses incurred by each of the Brazilian companies on their exports to the Community, i.e. approximately 3,5 %. The Commission did not accept this proposal because it is in contradiction with Article 2 (3) (b) (ii) of Regulation (EEC) No 2176/84, which requires the use of data relating to the domestic market of the country of origin when calculating normal value.

13. As far as the profit margin was concerned, the Brazilian producers/exporters considered 5 to 8 % to be a reasonable amount, given the competitiveness of the market in the Community and the pressure exerted there on users to buy synthetic twine, which is significantly cheaper than sisal twine. However, these arguments relate to the situation outside the exporting country and cannot be taken into consideration for determining normal value.

14. In these circumstances, the Commission considered it appropriate to use the data submitted by the Brazilian companies during the on-the-spot investigation showing the actual selling, administrative and other general expenses incurred and the actual profit realised with regard to the manufacture and sale in Brazil of the same general category of products, i.e. of all sisal products such as wrapping twine, ropes and carpets.

This method was contested by the Brazilian companies on several grounds. It was claimed that the accounts submitted by these companies relating to domestic sales should be adjusted in order to take account of the extremely high inflation rate in Brazil. However, it is not considered necessary to take account separately of inflation when calculating, on the basis of the data relating to the same general cate-

gory of products, the amount of selling, administrative and other general expenses and profits to be added on to the costs of materials and manufacture of the products concerned. These data, which are drawn from the accounts covering entire financial years during the period under investigation, normally reflect inflation since the effects of the inflation are normally reflected not only in higher sales prices, but also in the costs incurred by the manufacturers, whether these refer to raw material, wages or general expenses.

Furthermore, the Brazilian companies argued that the data available to the Commission did not make it possible to take account of items which should normally be excluded when determining normal values for the product in question and which related to a number of products including some which they considered to be very different from the product concerned. It was argued that it was not, therefore, possible to calculate for each of the companies what the normal value would have been if the Brazilian producers had made sales on their domestic market, since the provisional findings of the Commission showed extraordinary differences between the normal values.

Subsequently, supplementary data relating to a narrower category of products were submitted by the Brazilian companies after the disclosure of the provisional findings with a view to constructing, selling, administrative and other general expenses as well as profits for the product concerned only. New evidence was also submitted concerning direct selling expenses and profits.

However, the new evidence submitted was only partial and could no longer at this stage of the investigation be fully verified. In addition, even if this evidence were taken into account, significant discrepancies would remain in the normal value, thus constructed for each of the companies.

The Commission suggested to the companies concerned the possibility of determining normal value in conformity with Article 2 (3) (b) (i) of Regulation (EEC) No 2176/84, i.e. by comparing export prices to the Community with the prices charged for exports to third countries, in particular to the United States of America, where the situation appeared to be such as to make it unlikely that dumping had taken place. However, the companies concerned appeared not to be ready for the new investigation that this would have required.

Under these circumstances the Commission decided to determine normal value on the basis of the cost of production plus selling, administrative and other general expenses and profit for the same general category of products, i.e. all sisal products.

(ii) Export price

15. Export prices were determined on the basis of the prices actually paid for the products sold for export to the Community.

(iii) Comparison

16. In comparing normal value with each export transaction the Commission took account, where appropriate, of differences affecting price comparability, in particular of differences in conditions and terms of sale such as credit terms, commissions, transport, storage, handling and customs clearance.

All comparisons were made at ex-works level.

(iv) Margins

17. The above preliminary examination of the facts shows the existence of dumping in repect of Cisaf, Cisal, Cosibra, Fibrasa, Sisalama and Stella Azzurra, the margin of dumping being equal to the amount by which the normal value as established exceeds the export price to the Community.

The weighted average margin for each of these exporters, as calculated prior to the disclosure of the provisional findings, varies for each of the companies as follows :

— Cisaf	14,9 %
— Cisal	4,8 %
— Cosibra	0,2 %
— Fibrasa	30,9 %
— Sisalana	7,3 %
— Stella Azzurra	14,3 %

(b) *Mexico*

(i) Normal value

18. Normal value was provisionally determined, in accordance with Article 7 (7) (b) of Regulation (EEC) No 2176/84, on the basis of the facts available i.e. certain domestic prices charged by Cordemex.

(ii) Export price

19. The export price was determined in accordance with Article 7 (7) (b) of Regulation (EEC) No 2176/84 on the basis of the facts available, i.e. certain prices actually paid for the product sold for export to the Community.

(iii) Comparison

20. Normal value was compared with the export price charged during the corresponding time period.

All comparisons were made at ex-works level.

(iv) Margin

21. The above preliminary examination of the facts shows the existence of dumping in respect of Cordemex, the margin of dumping being equal to the amount by which the normal value as established exceeds the export price to the Community. The margin so established amounts to 11,7 %.

C. Subsidies granted by the Brazilian authorities

(i) Concessionary financing system for exports of binder and baler twine

22. (aa) Under the terms of this financing system, between 21 January 1981 and 1 January 1984, producers/exporters could obtain working capital for the production of manufactured goods intended for export on the basis of Resolution No 674 of the Central Bank of Brazil of 21 January 1981, amended by resolution No 832 of 10 June 1983. The amount of the loans at preferential rates obtainable at a particular moment depended on the value of the exports of the product concerned by the Brazilian manufacturers during the previous year.

In paragraph 5.3 of Commission Decision 85/233/EEC of 16 April 1985 terminating the anti-subsidy proceeding concerning imports of soya meal originating in Brazil [1], it was determined that the financing facility provided under resolution No 674 constituted an export subsidy, since the financial benefits conferred on the Brazilian producers represented a charge on Brazil's public account. The banks administering the programme on behalf of the government obtain refinancing from the Central Bank at rates lower than the rate of increase in the value of variable treasury bonds, representing the cost of money to the Brazilian Government.

(bb) By resolutions Nos 882 and 884 of 21 December 1983 the financing programme was reformulated so that between 2 January 1984 and 20 August 1984 the companies paid not only the full monetary correction compensating for the high rate of inflation but also an interest rate of 3 % on the amount of the loan.

Consequently, the financing under the terms and conditions of these resolutions do not constitute a subsidy during the period involved, since there was no charge on the public account involved.

(cc) By resolution No 950 of 21 August 1984 the programme was again changed and provided that from 21 August 1984 to 2 May 1985 companies had to pay the full monetary correction plus the market interest rate minus the 10 % equilization rate allegedly introduced in order to make domestic loans competitive with foreign loans. By resolution No 1009 of 2 May 1985 the equalization rate was increased to 15 %. On the basis of the information available this system is at present still in force.

It was found during the investigation that Finex, a fund for the financing of exports set up as part of the Central Bank of Brazil on the basis of Law No 5025 of 10 June 1966, paid the amount of the equalization rate to the commercial banks granting the loans to the companies. It is therefore considered that this financing of the equalization constitutes an export subsidy.

(dd) On the basis of the data collected during the investigation, it was found that the producers/exporters concerned benefited from the concessionary financing system with regard to their exports of binder and baler twine to the Community. In 1983/1984 and 1984/1985 the amounts of export subsidy expressed as a percentage (weighted average) of the value of the product exported to the Community on a cif Community frontier basis were as follows:

— Brascorda	5,00 %
— Cisaf	6,05 %
— Cisal	4,20 %
— Cosibra	1,99 %
— Fibrasa	1,55 %
— Sisalana	2,44 %
— Stella Azzurra	1,12 %

(ii) Income tax relief on profits from exports

23. Decree Law No 1158 of 16 March 1971, extended by Decree Laws No 1598 of 26 December 1977 and No 2134 of 26 June 1986, provides that companies may benefit from tax relief on profits made on their exports by deducting from the profit subject to income tax a percentage equal to that represented by the value of the manufactured goods exported divided by the firm's total revenue. Such benefit constitutes an export subsidy falling under item (e) of the Annex 'Illustrative List of Export Subsidies' to Regulation (EEC) No 2176/84.

The argument put forward by the Brazilian authorities that this tax exemption is not an export subsidy because it reduces the overall tax payable by the recipient is unsound. In this respect the determining factor is not the method applied by the authorities for calculating the benefit to the recipient, but a question of whether the benefit is specifically related to income from exports as opposed to income from domestic sales.

[1] OJ No L 106, 18. 4. 1985, p. 19.

It was found that the producers/exporters concerned benefited in 1983/1984 and 1984/1985 from this export subsidy the amounts of which, expressed as a percentage (weighted average) of the value of the product exported to the Community on a cif Commuity frontier basis, were the following:

— Brascorda	0,90 %
— Cisaf	0,07 %
— Cosibra	2,33 %
— Fibrasa	1,23 %
— Sisalana	2,21 %
— Stella Azzurra	5,07 %

(iii) Fiscal benefits granted to exports of manufactured products (called IPI tax credit premium)

24. Pursuant to Decree Law No 491 of 5 March 1969, Brazilian exporters of manufactured goods could benefit from a tax credit of which the amount was calculated on the basis of the adjusted fob invoice value of the exported goods. Such credit was to be deducted in the first place from the amount of the 'Tax on Industrialized Products' (IPI) assessed on operations conducted in the domestic market. It could also be deducted from the payment of other federal taxes or be used in other ways to be established by special regulations. The nominal rate was gradually reduced from 11 % in 1982 and the credit premium system was terminated on 1 May 1985 by Portaria MF No 176 of 12 September 1984. This tax credit constituted a subsidy since it conferred a financial benefit on the recipient and constituted a charge on the public account. Neither the authorities nor the companies concerned denied that this benefit constituted an export subsidy.

It appeared from the data collected during the investigation that the producers/exporters concerned benefited from this tax credit during the period under investigation. The amounts of export subsidy expressed as a percentage (weighted average) of the value of the product exported to the Community on a cif Community frontier basis, were the following:

— Brascorda	3,87 %
— Cisaf	2,86 %
— Cisal	5,86 %
— Cosibra	3,28 %
— Fibrasa	4,62 %
— Sisalana	5,10 %
— Stella Azzurra	3,91 %.

(iv) Total amounts of export subsidies received

25. The total amounts of export subsidies received by the Brazilian companies concerned and expressed as a percentage of the value of the product concerned exported to the Community, on a cif Community frontier basis, were as follows:

— Brascorda	5,90 %
— Cisaf	6,12 %
— Cisal	4,20 %
— Cosibra	4,32 %
— Fibrasa	2,78 %
— Sisalana	4,65 %
— Stella Azzurra	6,19 %.

These amounts do not include the export subsidy granted in the form of the IPI tax credit premium, since it was terminated on 1 May 1985. Furthermore, no account has been taken of export subsidies which may have been received by the Brazilian producers of sisal twine during 1985/1986 since only part of that year fell under the period under investigation and, therefore, no representative figures were available.

D. Injury and threat of injury

26. With regard to the injury caused by the dumped and subsidized imports the evidence available to the Commission shows that imports of binder and baler twine into the Community as constituted on 31 December 1985 from Brazil and Mexico amounted to 20 732 tonnes in 1981/1982. After a reduction in 1982/1983 to 16 914 tonnes, they increased again to 20 416 tonnes in 1983/1984 and decreased to 19 464 tonnes in 1984/1985, i. e. a level 6,1 % lower than in 1981/1982.

This development corresponds to an increase in the market share held by these products from 25,0 % in 1981/1982 to 29,4 % in 1984/1985, whereas consumption decreased from 83 078 tonnes to 66 053 tonnes, i. e. by 20,5 % in the same period.

27. As far as imports of the product concerned originating in Brazil are concerned, it was found that they increased from 12 611 tonnes in 1981/1982 to 18 390 tonnes in 1984/1985, i. e. by 45,8 %. Imports originating in Mexico, however, decreased during the same period from 8 121 tonnes to 1 074 tonnes, i. e. by 86,7 %.

This development corresponds to an increase in the market share held by Brazilian imports from 15,2 % in 1981/1982 to 27,8 % in 1984/1985, but to a decrease in the market share held by Mexican imports from 9,8 % in 1981/1982 to 1,6 % in 1984/1985.

28. It was found that after 1978 most of the remaining Community producers had imported significant quantities of the product concerned originating in Brazil in order to reduce pressure from their Brazilian competitors on their customers. It was also found

during the investigation that all the producers resold the imported product at the same price as their own product. Since the Community producers made these imports in an attempt to defend their position in extremely difficult market conditions and given the fact that despite these efforts several producers were forced to close plants, it is considered appropriate not to exclude them from the injury assessment.

However, as far as price undercutting and price depression are concerned, it is considered appropriate to make determinations primarily with regard to the situation in that part of the Community market where the Community product was supplied almost exclusively by a producer which did not itself import the product originating in Brazil.

29. When examining the impact of the dumped and subsidized imports on the Community industry it was found that Community production declined from 42 365 tonnes in 1981/1982 to 31 772 tonnes in 1984/1985, i. e. by 25,0 %, and that there was significant under-utilization of the production capacity (approximately 30 % spare capacity). Furthermore, the market share of the Community industry decreased form 43,6 % in 1981/1982 to 36,5 % in 1984/1985, in contrast to the increase in the combined market share held by the products originating in Brazil and Mexico.

30. With regard to the prices charged by the Community industry it was found that the prices of the sole producer, which did not import into the Community the product originating in Brazil, were undercut by 11 % and that it had to reduce its list prices in 1984/1985 by an average of 9 %, so that it was not able to cover its increased costs of production.

31. As far as the profitability of the Community producers is concerned, a significant negative development between 1981/1982 and 1984/1985 was found, in particular with regard to producers in Belgium and France. It was also found that five plants had had to close in Belgium, Germany, Ireland and the Netherlands and that the number of people employed in the production of sisal twine in the Community was reduced by half during this period. Consequently the Commission determined that imports of the product originating in Brazil caused material injury to the Community industry.

32. Furthermore, the Commission examined in the light of the criteria laid down in Article 4 (3) of Regulation (EEC) No 2176/84 whether these imports would also constitute a threat of injury. It was found that the rate of increase of the dumped and subsidized imports from Brazil was significant between 1982 and 1985 and that the Brazilian producers/exporters concerned in this investigation have significant spare production capacity (approximately 26 %). It was also found that another company had started manufacturing and exporting binder and baler twine. No special facilities are required in Brazil or in the Community should the producers/exporters decide to export larger quantities to the Community.

However, with regard to the product concerned originating in Mexico, the Commission determined that these imports did not cause material injury given the sharp decrease in volume and market share.

33. The Commission has considered whether injury has been caused by other factors such as the decline in consumption in the Community due, amongst other reasons, to the replacement of sisal twine by synthetic twine. It has been established, however, that this decline has affected Community production more than it has affected the dumped and subsidized imports.

The amount of dumped and subsidized imports from Brazil and their impact on the Community industry led the Commission to determine that the effects of imports originating in this country taken in isolation have to be considered as constituting material injury to the Community industry concerned. Furthermore, it is considered that the expiry of the measures taken in 1977 will again lead to injury or threat of injury, in particular in the light of the facts mentioned under paragraph 32.

E. Community interest

34. On behalf of the Brazilian producers/exporters and their main agent in the Community, it was argued that it was not in the Community's interest to take action, mainly because the region in Brazil where the industry concerned is situated is highly dependent on the production of sisal fibre and twine and should therefore be given preferential treatment.

The Commission considered that this argument is to be examined in the light of Article 13 of the GATT anti-dumping code providing that special regard must be given by developed countries to the special situation of developing countries when considering the application of anti-dumping measures. In particular, it is provided that possibilities of constructive remedies shall be explored before applying anti-dumping duties where they would affect the essential interests of developing countries.

It results from this Article that the stage of development of exporting countries should be taken into account when examining what measures are most appropriate in a particular case, but should not determine whether or not it is appropriate to take protective measures at all. That interpretation is also considered to be in line with Article 14 of the Agreement on Interpretation and Application of Articles VI, XVI and XXIII of the GATT.

35. It was also stated that any duty or remedy would either eliminate Brazilian twine from the Community market or would lead to increased prices to the detriment of Community farmers.

This argument cannot be accepted in general terms because the adoption of protective measures is not designed to exclude the imported products from the Community market but only to remove the injury caused by unfairly traded imports. In addition, no supporting evidence whatsoever was submitted to show that in this case a measure designed to remove the injury would eliminate the Brazilian product from the Community market. As far as the alleged cost increase for farmers resulting from any measures is concerned, such increase is negligible in comparison with their total expenses. In this respect it should be underlined that no submissions were made to the Commission on behalf of users of the product concerned.

Therefore, in view of the serious difficulties facing the Community industry, the Commission has come to the conclusion that it is in the Community's interests that action be taken, with regard to the imports from Brazil, at least as long as the conversion of the Community industry from signal twine to synthetic twine has not been completed. In view of the findings with regard to injury caused by the dumped and subsidized imports from Brazil, such injury, would be sufficiently offset by neutralizing the price depression which was found to be in the order of 9 % (see paragraph 30).

With regard to the imports originating in Mexico, it is considered appropriate to maintain the existing measures, given the fact that in the past the Mexican producer exported significant quantities to the Community and the likelihood that it is still capable of resuming such supplies. Since the Mexican producer/exporter did not cooperate with the Commission during the investigation, no evidence to the contrary is available. Therefore, it is considered that the renewal of the undertaking is in the interests of the Community since it will eliminate the threat of injury.

F. Acceptance of undertakings

36. The Brazilian producers/exporters of binder and baler twine were informed of the main findings of the preliminary investigation and commented on them. Despite objections, mainly to the dumping calculations, they were prepared to offer undertakings with regard to their exports to the Community. The Commission considered the new terms and conditions of these undertakings acceptable. In these circumstances the investigation concerning imports of binder and baler twine originating in Brazil may be terminated without imposition of anti-dumping and countervailing duties.

With regard to the imports of the product concerned originating in Mexico, the Commission was informed that Cordemex does not intend to denounce the undertaking given in 1977.

Objections to this course were raised in the Advisory Committee,

HAS DECIDED AS FOLLOWS:

Article 1

The undertakings given by:

— Brascorda, João Pessoa (Paraíba)
— Cisaf, Natal (Rio Grande do Norte)
— Cisal, João Pessoa (Paraíba)
— Cosibra, João Pessoa (Paraíba)
— Fibrasa, João Pessoa (Paraíba)
— Fisalplast, Salvador (Bahia)
— Sisalana, Salvador (Bahia)
— Stella Azzurra, Salvador (Bahia)

in connection with the anti-dumping/anit-subsidy investigation concerning imports of binder and baler twine of sisal for agricultural machines falling within heading No ex 59.04 of the Common customs Tariff, corresponding to NIMEXE code ex 59.04-31, originating in Brazil, are hereby accepted.

Article 2

The acceptance of the undertaking offered by Cordemex (Mexico) in 1977 in connection with the anti-dumping/anti-subsidy investigation concerning imports of binder and baler twine of sisal for agricultural machines falling within heading No ex 59.04 of the Common Customs Tariff, corresponding to NIMEXE code ex 59.04-31, originating in Mexico, is hereby renewed.

Article 3

The investigations referred to under Articles 1 and 2 are hereby terminated.

Done at Brussels, 19 January 1987.

For the Council
The President
P. de KEERSMAEKER