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(Acts whose publication is obligatory)

COUNCIL REGULATION (EC) No 2722/1999

of 17 December 1999

imposing a definitive anti-dumping duty on imports of furfuraldehyde originating in the People's Republic of China

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EC) No 384/96 of 22 December 1995 on protection against dumped imports from countries not members of the European Community [1], and in particular Article 9 thereof,

Having regard to the proposal submitted by the Commission after consulting the Advisory Committee,

Whereas:

A. PROCEDURE

1. Previous investigation

(1) In January 1995, the Council, by Regulation (EC) No 95/95 [2], imposed a definitive anti-dumping duty on imports of furfuraldehyde originating in the People's Republic of China (hereafter referred to as the 'PRC'). The amount of duty applicable was ECU 352 per tonne.

2. Request for a review

(2) A Chinese exporter, the China National Chemical Import and Export Corp. (hereafter 'Sinochem'), lodged a request for an interim review of the measures, pursuant to Article 11(3) of the Regulation (EC) No 384/96 (hereafter referred to as the Basic Regulation) on 5 July 1996. The grounds for the review application were based on the allegations that due to the increase in prices of imports originating in the PRC an anti-dumping duty was no longer necessary to offset dumping; that the volume of exports to the Community by the applicant was low; and that a substantial change in the structure in the Community industry had occurred as a result of the accession of Austria with the consequent appearance of a new Community producer, which improved the overall situation of the Community industry.

On the basis of the above elements, the Commission considered that sufficient evidence existed for the initiation of an interim review, in respect of dumping and injury as well as Community interest.

(3) In May 1997 the Commission, therefore, announced by a notice (hereafter referred to as 'notice of initiation') published in the *Official Journal of the European Communities* [3] the initiation of an interim review with regard to the measures on imports of furfuraldehyde originating in the PRC and commenced an investigation.

3. Present investigation

(4) The Commission officially advised the producers in the Community, producers/exporters, importers and user industries known to be concerned and their representative associations, as well as the representatives of the exporting country. All parties directly concerned were given the opportunity to make their views known in writing and to request a hearing within the time limit set in the notice of initiation.

(5) The Commission sought and verified all information it deemed necessary for the purpose of a determination of dumping and the analysis of the situation of the Community industry and carried out verification visits at the premises of the following companies:

(a) *Community producers*

— Furfural Español, Spain

— Lenzing AG, Austria

(b) *User industry*

— Repsol Petroleo, Spain

(6) The investigation of dumping covered the period from 1 May 1996 to 30 April 1997 (hereinafter referred to as the investigation period or IP). The analysis of the situation of the Community industry covered the period 1 January 1994 to 30 April 1997.

[1] OJ L 56, 6.3.1996, p. 1. Regulation as last amended by Regulation (EC) No 905/98 (OJ L 128, 30.4.1998, p. 18).
[2] OJ L 15, 21.1.1995, p. 11.
[3] OJ C 156, 24.5.1997, p. 3.

(7) Owing to the numerous difficulties encountered in establishing findings in the present investigation, notably the fact that simultaneously a proceeding was underway before the European Court of First Instance to clarify *ínter alia* the definition of the product under consideration, the investigation significantly exceeded the period of twelve months recommended for investigations under Article 11 (5) of the Basic Regulation.

B. **PRODUCT UNDER CONSIDERATION AND LIKE PRODUCT**

1. **Product under consideration**

(8) The product under consideration is furfuraldehyde (also known as 2-furaldehyde or furfural), a light yellow liquid with a characteristic pungent odour, which is obtained by processing different types of agricultural waste. Furfuraldehyde has two main applications; as a selective solvent in petroleum refining for the production of lubricating oils and as raw material for processing into furfural alcohol, which is used to make synthetic resin for foundry moulds.

The investigation has shown that the product exported from the PRC is produced principally from rice husks or maize loaf.

2. **Like product**

(9) Sinochem repeated its claim already made before the Court of First Instance [4] that the furfuraldehyde imported from the PRC is not a like product to the furfuraldehyde manufactured by the Community industry, since their applications are different, thus constituting two separate markets.

It has been claimed that one Community producer is the major supplier of furfuraldehyde for use in petroleum refining, whereas Chinese product is sold as a raw material for processing into furfural alcohol. It was therefore alleged that no injury could possibly be suffered by the Community industry, since the Chinese exporters are not competing on the same market.

(10) Furfuraldehyde produced in the Community and that produced in the PRC has the same physical characteristics and specifications and is not exclusively dedicated to one particular application. This means that, in accordance with the Judgment of the Court of First Instance on 29 January 1998, they are interchangeable and can be used for either application. This claim was therefore rejected and it was concluded that furfuraldehyde produced in PRC is, within the meaning of Article 1(4) of the Basic Regulation, alike to that produced and sold by the Community producers.

C. **DUMPING**

(11) Sinochem, the sole cooperating Chinese exporting producer, requested the initiation of a review investigation on the grounds that the circumstances on which existing anti-dumping measures were based, had changed significantly since the original investigation was carried out.

(12) It should be noted that as the PRC was considered a non-market economy country in the original investigation, a demonstration of changed circumstances would require evidence that all, or at least a representative volume, of the product concerned exported from the PRC, was currently being sold at a price which reflected a different level of dumping. Therefore, in order to be able to assess the alleged change in circumstances an analysis of all, or at least a representative volume, of the exports from the PRC should be possible and should be carried out.

(13) It was found in this case, however, that the level of exports of the product concerned reported by Sinochem, on the basis of available Eurostat statistics, accounted for only a minor proportion of total Chinese exports during the IP. Moreover, it is to be noted in this respect that it was not possible to establish the total actual volume of Chinese exports, given indications that the above Eurostat statistics concerning imports from the PRC for the IP were incomplete.

(14) Firstly, imports from Thailand, a third country not concerned by the current investigation, increased dramatically subsequent to the imposition of anti-dumping duties on imports from the PRC. At the same time, Chinese export statistics show a similar trend in exports from the PRC to Thailand. The above developments are particularly relevant in the present case as, on the basis of information available, it appears that there is no new production capacity in Thailand that could explain such an increase in exports and, in any event, the existing Thai capacity is not sufficient to produce the volume of the product concerned declared as being exported to the Community in the IP.

(15) Secondly, evidence has been made available to the Commission indicating that the declared Thai origin of imports of the product concerned into the Community during the IP is likely to be incorrect. There are grounds to believe that a considerable part of the Thai declared goods is in reality of Chinese origin. In these circumstances the Commission services consider that the level of imports of the product concerned into the Community of Chinese origin, as reported in Eurostat, is significantly understated with the result that the minor share of Sinochem's imports from the PRC understate the true extend of the level of non-cooperation.

(16) In the absence of any other reliable, data and in accordance with Article 18 of the Basic Regulation, findings for dumping have been based on the best information available. In the circumstances, it was considered that Eurostat data on Chinese imports could not be used, as there were strong indications that these statistics were incomplete. The Eurostat data was therefore disregarded for the purposes of establishing a dumping margin for the

[4] Case T-97/95, Sinochem v. Council, concerning an application for annulment of Council Regulation (EC) No 95/95 [1995] ECR II 85.

PRC. The information provided by Sinochem could also not be used for the purposes of establishing a country-wide dumping margin for the PRC as it was not possible to establish the representativity of these imports. Therefore, the best information available for the purposes of this investigation was considered to be the dumping margin established in the previous investigation.

(17) It was therefore concluded, as far as the dumping margin was concerned, that the alleged significant change in circumstances since the findings of the original investigation were not supported by the findings of the investigation.

(18) All interested parties have been provided with full and definitive disclosure of the findings and have been given the opportunity to make written comments and to be heard. No interested party came forward with any new information and no new substantiated arguments have been made such as to change the findings set out above.

(19) The dumping margin established for the PRC in the context of the current review investigation is therefore 62,6 %.

D. **INJURY**

1. **Community industry**

(20) During the previous investigation, the Community industry was composed of one producer. Following the accession of the three new Member States in 1995 another producer is now part of the Community industry. For the purpose of establishing a coherent comparison and meaningful trends the data given below includes information in respect of the second Community producer from 1994.

The Commission, in the course of the present review investigation requested and received information from the two producers in the Community. These two producers account for 100 % of total Community production and constitute the Community industry within the meaning of Article 4(1) and 5(4) of the Basic Regulation.

2. **Preliminary remark**

(21) As in the case of dumping, the investigation sought to establish whether the circumstances with regard to the situation of the Community industry had changed to such an extent that would warrant a conclusion different to that established during the previous investigation.

3. **Analysis of the situation of the Community market**

3.1. Community consumption

(22) The pattern of apparent Community consumption, that is sales by the Community industry on the Community market plus imports of all third countries as obtained from Eurostat shows that consumption of furfuraldehyde in the Community increased from 35 442 tonnes in 1994, to 46 474 in 1995, with a peak to 49 694 tonnes in 1996. Consumption decreased to 40 127 tonnes during the IP, which represents an overall increase of 13,2 % from 1994 to the IP

3.2. Volume and prices of imports into the Community

(23) As regards the volume and prices of the imports, the investigation, in the first instance, has used the data provided by Eurostat. However, given that there are strong indications that the statistics are incomplete for the reasons explained above, it was concluded that Eurostat could only provide a general guide to the trend of the imports under consideration.

(24) The volume of imports of the product concerned from the PRC decreased from 1 933 tonnes in 1994 to 413 tonnes in 1995, increased significantly to 5 650 tonnes in 1996 and remained at a similar level during the IP at 5,285 tonnes. The investigation has revealed that the exceptionally low volume of imports during 1995 is explained by a shortage of suitable agricultural waste in the PRC due to a particularly bad harvest in that year.

Imports from the PRC, based on Eurostat, represented at least 15 % of total imports during the IP and show an increase of 173 % over the period considered.

(25) The request for the review alleged that imports from the PRC had steadily decreased between 1994 and 1995 and that, therefore, no injury was being caused to the Community industry. However, the investigation has shown that, although imports decreased from 1 933 tonnes in 1994 to 413 tonnes in 1995, between 1993 and the IP imports increased significantly, to 5 285 tonnes. This increase has continued after the IP. In view of the allegations made in the request for a review with regard to the level of imports, data relating to the volume of imports subsequent to the IP was examined. In this respect it is noted that the volume of the imports under consideration in 1998 amounted to 10 502 tonnes, almost twice the recorded volume imported during the IP.

(26) The market share of imports from the PRC shows a similar increasing trend over the period considered, 5,5 % in 1994, 0,9 % in 1995; 11,4 % in 1996 and 13,2 % during the IP, a level similar to that reached in 1992 as established by the previous investigation. On the basis of the above, it is concluded that contrary to the review request submitted by Sinochem, the level of imports of the product under consideration originating in the PRC is not low.

(27) In terms of prices, their development at a CIF Community frontier level in ECU/tonne, as derived from Eurostat, shows an increase from 500 in 1994 to 1 300 in 1995, a decrease to 946 in 1996 and a further decrease to 919 during the IP. While the Chinese export prices increased by 83 % over the period considered, this increase was lower than that of the Community producers', which show an overall 90 % increase.

The prices of Chinese exports started to decline in 1996, a trend that continued during and after the IP. This price development from the end of 1995 onwards is in stark contrast to the allegations made in the request for a review where it was claimed that due to the high level of prices, the imports from the PRC could not cause injury to the Community industry.

3.3 Price undercutting

(28) The investigation has revealed the continued existence of significant margins of price undercutting, whether the prices of the Community industry are compared with those of the sole cooperating Chinese exporter or with the import prices as derived from Eurostat, the latter only providing a general guide.

4. **Economic situation of the Community industry**

4.1 General

(29) In the analysis of the economic situation of the Community industry account has been taken of the fact that there are only two Community producers of the product concerned and of the consequent need to protect the integrity of data provided on a confidential basis. Confidential information supplied is therefore presented, where necessary, in indexed format, with the year 1994 used as the basis for establishing trends.

4.2 Production

(30) Production of the product concerned by Community industry decreased continuously, from an index of 100 in 1994 to 91 in 1995, further decreased to 86 in 1996 and to 81 during the IP. This represents a decrease of 19 % over the period considered.

4.3 Capacity and capacity utilisation

(31) The production capacity of the Community industry remained stable during the period considered.

A significant decrease in the rate of capacity utilisation by the Community industry can be seen over the period considered. Capacity utilisation decreased from 81 % in 1994 to 74 % in 1995 to 70 % in 1996 and further decreased to 66 % during the IP. This represents an overall decrease of fifteen percentage points over the period.

4.4 Sales volume of the Community industry

(32) The volume of sales of the Community producers on the Community market shows a slight increase between 1994 and 1995 and thereafter a decline. Sales increased from an indexed level of 100 in 1994 to 106 in 1995, decreased to 86 in 1996 and to 80 during the IP. This represents a decrease of 20 % in sales volume over the period considered.

4.5 Stocks

(33) The level of stocks of furfuraldehyde held by the Community producers decreased from an indexed level of 100 in 1994 to 16 in 1995, which constitutes an exceptionally low level of stocks.

This low stock level is accounted for by the 'temporary disappearance' of Chinese imports from the Community market which occurred during 1995 and which allowed the Community producers to benefit from the situation. The level of stocks held increased thereafter to an indexed level of 72 in 1996 and to 90 during the IP.

4.6 Price evolution

(34) The selling prices of the Community industry increased sharply from an indexed level of 100 in 1994 to 129 in 1995, to 216 in 1996 and thereafter decreased to 194 during the IP.

These price increases coincided with sharp increases in the cost of raw materials. Raw material costs accounted for 46 % of variable cost in 1994, increasing to 56 % of variable cost during the IP.

4.7 Profitability

(35) The profitability of the Community industry during the period considered shows (in indexed form) the following trend: 100 in 1994, 105 in 1995, 109 in 1996 and 103 during the IP.

4.8 Employment

(36) The employment levels of the Community industry remained stable throughout the period considered, at an index of 100 in 1995 and decreasing slightly to 97 during the IP.

4.9 Conclusion on the situation of the Community industry

(37) On the basis of an overall assessment of the main economic indicators of the Community industry it was concluded that the allegations made in relation to the situation of the Community industry in the request for the review investigation are not confirmed by the results of the investigation. On the contrary, the investigation has shown that the Community industry continues to be in a weak situation.

5. **Factors having a bearing on the situation of the Community industry**

5.1 Impact of the imports concerned

(38) There is a clear coincidence between the low prices and the increasing imports from the PRC established during the period considered on the one hand, and the weak situation of the Community industry on the other. This is evidenced by the decrease in sales volume by the Community industry and a significant deterioration in profitability during the IP.

(39) The financial situation of the Community industry was poor at the beginning of the period considered and improved considerably thereafter. This improvement coincided with the imposition of anti-dumping measures and the temporary disappearance of the Chinese imports from the Community market during 1995. However, the re-emergence of the Chinese imports in considerable quantities and at low prices, in particular since 1996, forced the Community industry to reduce its prices, while sales volume also declined under pressure from the dumped imports with a consequent negative effect of the financial situation of the Community industry.

(40) Based on the above analysis there is clear evidence that the allegations stated in the review request were without foundation and that injury established during the previous investigation has not been removed and that there has been no significant change in circumstances.

5.2 Impact of other factors

(41) Other factors relevant to the situation of the Community market have also been assessed. In particular, the Commission services examined the evolution and impact of imports from other third countries and the effect of increases in the price of raw materials.

(42) With regard to imports from other third countries not concerned by this review investigation, it is to be noted that although these imports represented a significant share of the Community market, as during the previous investigation, the volume of imports from other third countries shows a decreasing trend during the period considered.

(43) With regard to imports from the Dominican Republic, reference is made to the claim by a Chinese exporter that imports from the Dominican Republic always held a dominant market position (over 60 % market share), and that the prices of these imports have always remained at a very low level. In this respect it was examined whether there has been any change in the circumstances with regard to the imports of the product concerned from the Dominican Republic.

In the first instance it is important to underline that the cooperating Chinese exporter has acknowledged in the present investigation that the position of the imports from the Dominican Republic has always been significant. It is equally important to stress that therefore any changes in respect of these imports would have to be particularly significant to conclude that any such changes concerning these imports would justify the termination of the present review investigation without the continuation of measures. An examination of the trend in volume of imports from the Dominican Republic reveals that the level of imports increased from 24 429 tonnes in 1994 to 33 209 tonnes in 1995 and thereafter decreased to 29 765 tonnes in 1996 and to 24 331 tonnes during the IP. The imports from the Dominican Republic (based on Eurostat) represented 82,6 % of total imports in 1994, 82,4 % in 1995, 66,6 % in 1996 and 68,6 % during the IP.

(44) With regard to the development of the import prices of furfuraldehyde originating in the Dominican Republic as derived from Eurostat, the weighted average CIF Community frontier prices in ECU/tonne shows the following development: 973 in 1993, 1 040 in 1994, 905 in 1995, 708 in 1996 and 599 during the IP.

(45) During the previous investigation it was established that the imports of the product concerned originating in the Dominican Republic were not the cause of the injurious situation of the Community industry.

(46) It should be noted that the findings made by the Council in the previous investigation as regards the significance of these imports as a factor relevant to the causation of injury formed part of one of the pleas raised against Regulation (EC) 95/95, which was rejected by the Court of First Instance as mentioned above [5].

The Court in issuing its findings stated that the Community Institutions did not commit a manifest error of assessment in considering that the imports of furfuraldehyde from the Dominican Republic, to which no dumping was attributed, were not such as to break the causal link between the dumped imports of furfuraldehyde from China and the injury suffered by the Community industry.

[5] Case T-97/95, Sinochem v. Council, see footnote 4 above.

(47) In relation to the present review investigation it was considered that the situation with regard to imports of the product concerned originating in the Dominican Republic had not changed since the previous investigation to a degree that could affect the findings with respect to the imports originating in the PRC. Indeed, the volume of imports of these imports shows a declining trend over the latter part of the period considered.

(48) With regard to imports from third countries other than the PRC and the Dominican Republic, only imports originating in Thailand were of any significant volume. It should be noted, however, that substantial doubt exists as to the true origin of the product imported from Thailand as explained above.

(49) It was found that the volume of imports from any other third countries increased from 2 705 tonnes in 1994 to 2 941 in 1995 and thereafter decreased to a level of 1 759 tonnes during the IP. In addition, the prices of these imports were found to be distinctly higher than the prices of the Chinese imports. It was therefore considered that the result of the analysis of the prices and volume of these imports, could not justify the termination of the present review investigation without the continuation of measures.

5.3 Conclusion

(50) The investigation has shown that the Community industry has suffered a decline in production and sales volume in the investigation period. This occurred at a time when the imports from the PRC were made in large volumes and at prices well below those of the Community producers.

E. **LIKELY EFFECT OF THE REMOVAL OF THE ANTI-DUMPING DUTIES**

(51) According to Article 11(7) of the Basic Regulation, since the present review was in progress at the end of the period of application of the measures imposed by Regulation (EC) No 95/95, the review has also covered the circumstances set out in Article 11(2) of the Basic Regulation.

(52) In the context of the investigation covering the circumstances set out in Article 11(2) of the Basic Regulation, it is particularly relevant to underline that no producer of the product under consideration cooperated in the course of the present investigation. Indeed, while one party has cooperated in the investigation, this party acted solely as an exporter. Consequently, it was not possible to obtain any production related data, such as capacity and capacity utilisation which are considered as key indicators in the course of investigations covering the circumstances set out in Article 11(2) of the Basic Regulation.

(53) Bearing this in mind and as established above, despite the existence of measures, the investigation has shown that dumping continues to exist. Furthermore, the Community industry was found still to be in a precarious situation. Indeed, it has suffered a reduction in production, capacity utilisation, sales volume and market share over the period considered. It is therefore concluded that the current investigation have shown that the circumstances as regards dumping and injury have not significantly changed.

(54) As to the likelihood of a continuation of injurious dumping should measures be allowed to lapse, firstly, the investigation has shown that a significant increase in production capacity in the PRC appears to have taken place during the period considered. Indeed, while the request for the interim review estimated the production capacity in the PRC at around 20 000 tonnes/year, information gathered in the course of the current investigation shows that the production of one Chinese producer alone amounted to 50 000 tonnes/year in 1998. Total capacity for the PRC on the basis of information collected in the course of the present investigation is around 90 000 tonnes/year.

(55) Secondly and as regards the prices of Chinese furfuraldehyde, information gathered in the course of the investigation shows that the prices of Chinese furfuraldehyde on several third country markets not subjected to anti-dumping measures, during the IP, was significantly lower than that of the Chinese imports into the Community.

(56) Thirdly, there are grounds to believe that a considerable part of the Thai declared furfuraldehyde during the IP is in reality of Chinese origin underlining the potential which continues to exist for exports originating in the PRC.

Taking all the above elements into consideration it is considered that, should anti-dumping measures not be maintained, Chinese exports of furfuraldehyde to the Community would continue to be made in considerable quantities and at dumped prices, significantly below the prices of the Community industry. The detrimental impact of the imports in question on the situation of the Community industry would not only continue but would in all likelihood increase, and thus cause further material injury to the Community industry.

F. **COMMUNITY INTEREST**

1. **General considerations**

(57) It was examined, on the basis of the information submitted, whether, despite the findings of the present investigation, compelling reasons exist which would lead to the conclusion that it is not in the Community interest to maintain measures in the present case.

In order to assess the impact of the measures in force, questionnaires were sent requesting information on Community interest to all parties known to the Commission at the time of initiation of the investigation.

(58) It should be recalled that, in the previous investigation, the adoption of measures was considered not to be against the interest of the Community. Furthermore, it should be noted that the present investigation is a review, thus analysing a situation in which anti-dumping measures have already been in place. Consequently, the timing and nature of the present investigation would allow the assessment of any negative undue impact on the parties concerned by the anti-dumping measures imposed.

2. **The Community furfuraldehyde industry**

(59) It has been found that, coinciding with the imposition of provisional anti-dumping duties in July 1994 and the temporary disappearance of the Chinese product from the Community market in 1995, the Community industry was able to increase its prices thus improving its profitability from a poor situation in 1994 to one considerably healthier in 1996. However, the high prices realised by the Community producers during 1996 must be considered as exceptional as they were the result of unusually high demand together with what turned out to be only a temporary decline in the imports of the product under consideration originating in the PRC. This was confirmed in the subsequent period during which the prices could not be sustained due to the presence of the Chinese imports on the Community market in considerable quantities and at low prices. Pressure from these imports forced the Community industry to reduce its prices with a consequent negative effect on the financial situation of the industry.

(60) In the light of the above, should measures be continued, it is likely that the Community industry could improve its financial situation. However, should measures not be imposed, it is expected that the situation of the Community industry would deteriorate leading, in the long term, to the closure of production facilities and the consequent loss of employment.

3. **The user industry**

(61) The Community user industry is comprised of two major sectors, which correspond to the two principal applications of furfuraldehyde i.e. as a selective solvent in the petroleum industry and synthetic resin for foundry moulds (chemical industry).

(62) Only one user in the petroleum industry cooperated in the investigation. The information reported by this user on the impact of the price of furfuraldehyde in the costs of lubricating oil, confirms the findings of the previous investigation, i.e. that furfuraldehyde when used as a catalyst has a negligible incidence on production cost. The continued imposition of measures will therefore have little or no impact on this sector of the user industry.

(63) With regard to the second major application, no information was received indicating that the findings of the previous investigation with respect to this application had changed. In view of the above, it is concluded that the impact of any measure on the situation of the chemical industry is not likely to be significant.

4. **Conclusion on Community interest**

(64) In the light of the above it is concluded that no compelling reasons exist, on grounds of Community interest, not to maintain the anti-dumping measures currently in force.

G. **ANTI-DUMPING MEASURES**

(65) Based on the above, and taking into consideration that it could not be established that circumstances with regard to dumping and injury have changed significantly as compared to the original investigation, it is concluded that measures should be maintained in their present form and at their present level.

The proposed anti-dumping duty, when related to the free at Community frontier price and expressed in the form a specific duty amounts to EUR 352 per tonne.

(66) It is also considered that the duration of the reviewed measures should be limited to four years. The numerous difficulties encountered in establishing the findings in the present investigation, notably the fact that simultaneously a proceeding was underway before the European Court of First Instance to clarify *inter alia* the definition of the product under consideration, has resulted in the normal twelve-month period of Article 11(5) of the Basic Regulation for completion of the investigation being significantly exceeded. In view of this exceptional situation, which is unrelated to the considerable absence of cooperation from Chinese exporters, it is appropriate to reduce the period of duration of the measures,

HAS ADOPTED THIS REGULATION:

Article 1

1. A definitive anti-dumping duty is hereby imposed on imports of 2-furaldehyde (also known as furfuraldehyde or furfural) currently classified within CN code 2932 12 00 and originating in the People's Republic of China.

2. The amount of duty applicable is EUR 352 per tonne.

3. In instances where the customs value is reduced pursuant to the second paragraph of Article 145 of Commission Regulation (EEC) No 2454/93 [6], the amount of the specific duty applicable, referred to in paragraph 2 of this Article shall also be reduced on a pro-rata basis.

Article 2

The anti-dumping duty shall be imposed for a period of four years from the date of entry into force of this Regulation.

Article 3

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

Article 4

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

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

Done at Brussels, 17 December 1999.

For the Council
The President
K. HEMILÄ

[6] OJ L 253, 11.10.1993, p. 1. Regulation as last amended by Regulation (EC) No 502/1999 (OJ L 65, 12.3.1999, p. 1).