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COUNCIL REGULATION (EC) No 299/2001

of 12 February 2001

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

(OJ L 44, 15.2.2001, p. 4)

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COUNCIL REGULATION (EC) No 299/2001

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imposing a definitive anti-dumping duty on imports of potassium permanganate 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 11(2) and (6) thereof,

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

Whereas:

1. PREVIOUS INVESTIGATIONS

1.1. Investigations concerning the People's Republic of China

(1) By Regulation (EEC) No 1531/88 ([2]) the Council imposed a definitive anti-dumping duty on imports of potassium permanganate originating in the People's Republic of China ('China'). The amount of the duty imposed was equal to either the amount by which the free-at-Community-frontier price per kilogram net, before duty, was less than ECU 2,25, or 20 % of that price, whichever was higher.

(2) In 1994, following a review under Articles 14(1) and 15(3) of Regulation (EEC) No 2423/88 ([3]), the Council, by Regulation (EC) No 2819/94 ([4]), imposed a definitive anti-dumping duty on imports of potassium permanganate originating in China of ECU 1,26 per kg.

1.2. Investigations concerning other countries

(3) An anti-dumping investigation on potassium permanganate imports originating in India and the Ukraine was initiated in April 1997. Definitive anti-dumping duties of 5,6 % and 36,2 % respectively were imposed on imports from these countries by Regulation (EC) No 1507/98 ([5]).

2. PRESENT INVESTIGATION

2.1. Request for review

(4) In April 1999, the Commission published a notice of impending expiry ([6]) of the anti-dumping measures in force on imports of potassium permanganate originating in China. On 12 July 1999, the Conseil Européen des Fédérations de l'Industrie Chimique (CEFIC) submitted a request to review these measures pursuant to Article 11(2) of Regulation (EC) No 384/96, ('the basic Regulation').

(5) The request was lodged on behalf of the sole Community producer, thus representing the totality of Community production of potassium permanganate. The request was based on the grounds that the expiry of the measures would be likely to result

([1]) OJ L 56, 6.3.1996, p. 1. Regulation as last amended by Regulation No 2238/2000, (OJ L 257, 11.10.2000, p. 2).
([2]) OJ L 138, 3.6.1988, p. 1.
([3]) OJ L 209, 2.8.1988, p. 1.
([4]) OJ L 298, 19.11.1994, p. 32. Regulation as last amended by Regulation No 1170/95 (OJ L 118, 25.5.1995, p. 6).
([5]) OJ L 200, 16.7.1998, p. 4.
([6]) OJ C 117, 29.4.1999, p. 3.

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in the continuation or recurrence of dumping and injury to the Community industry.

2.2. **Notice of initiation**

(6) Having determined, after consultation of the Advisory Committee, that sufficient evidence existed for the initiation of a review, the Commission initiated an investigation pursuant to Article 11(2) of the Basic Regulation ([1]).

2.3. **Period of investigation**

(7) The investigation of a likelihood of a continuation and recurrence of dumping covered the period from 1 October 1998 to 30 September 1999 ('IP'). The examination of trends relevant in the context of the aforementioned recurrence of injury covered the period from 1995 up to the end of the IP ('the period considered').

2.4. **Parties concerned by the investigation**

(8) The applicant Community producer, the exporters and exporting producers in China, the importers known to be concerned, and the representatives of the exporting country were officially advised of the initiation of the review. Questionnaires were sent to all these parties and to those who made themselves known within the time limit set in the notice of initiation. In addition, the cooperating producer in the United States, which was chosen as an analogue country, was advised and sent a questionnaire. Interested parties were given the opportunity to make their views known in writing.

(9) The applicant Community producer replied to the questionnaire, as well as one importer. In addition, two independent resellers made their views known in writing.

(10) The producer in the analogue country also replied to the questionnaire.

(11) With respect to the exporting country, no exporters or exporting producers cooperated in the investigation.

2.5. **Verification of information received**

(12) All information deemed necessary was sought and verified for the purpose of deciding the likelihood of a continuation or recurrence of dumping and injury as well as a determination of the Community interest. A verification visit was carried out at the premises of the sole Community producer, Industrial Química del Nalón SA-IQN, Oviedo, Spain.

(13) Interested parties were given the opportunity to request a hearing, but no such request was made.

3. **PRODUCT UNDER CONSIDERATION AND LIKE PRODUCT**

3.1. **Description of the product under consideration**

(14) The product under consideration is the same as in the previous investigations, i.e. potassium permanganate, which has the chemical formula $KMnO_4$. Potassium permanganate falls within CN code 2841 61 00, and is a compound of manganese, potassium and oxygen whose manufacture requires two basic raw materials: caustic potash (KOH) and manganese dioxide or pyrolusite ore (MnO_2). The product is manufactured in three grades: technical (97 % to 98 % purity of $KMnO_4$, in the form of crystalline powder), free flowing (containing an anti-caking agent) and pharmaceutical (minimum 99 % purity of $KMnO_4$ in the form of crystals). All grades show the same basic physical (crys-

([1]) OJ C 323, 11.11.1999, p. 5.

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talline) and chemical properties. It was therefore concluded that all grades should be considered as one product for the purpose of the investigation.

(15) Potassium permanganate is a strong oxidising agent used for potable water treatment, for waste water treatment, in the manufacture of chemicals and pharmaceuticals, in aqua culture, in metal refining, for metal surface cleaning, as a disinfectant in agriculture and veterinary practices, for gas purification, process gas deodorisation, for bleaching and special treatments in the textile industry, in radioactive decontamination, in gas turbine cleaning and for submarine air purification.

3.2. **Like product**

(16) Potassium permanganate produced and sold on the domestic market in the US and that exported to the Community from China as well as that produced and sold by the Community industry in the Community market had effectively identical physical characteristics and uses and were thus like Products within the meaning of Article 1(4) of the basic Regulation.

4. **CONTINUATION OR RECURRENCE OF DUMPING**

4.1. **General issues**

(17) Eurostat statistics show a very low level of imports of potassium permanganate from China, of 30 tonnes in 1998 and 23 tonnes during the IP. However, Chinese export statistics (recital 44) show a much higher volume of 450 tonnes in 1998 and in the previous year. With regard to this disparity, and in view of the total lack of cooperation by Chinese exporters or exporting producers, there is a strong possibility of circumvention of the existing duties, by declaring the Chinese product as originating in a number of other countries.

(18) In the context of the continuation of dumping, it was investigated whether dumping of exports from the country concerned to the Community was currently taking place. This was on the grounds that if dumping was taking place now, then it was reasonable to consider that it would continue in the future.

(19) As to the examination of the likely recurrence of dumping should the current measures be repealed, it was investigated both whether future dumping was likely and also whether any such dumping would take place in significant quantities. The likelihood of future dumping was assessed in relation to exports from the country concerned to third countries and the question of volume was addressed by examining all relevant market developments, both domestic and export.

(20) As the purpose of this type of review is to assess the likelihood of dumping should measures be removed, it was not considered necessary or appropriate to calculate dumping margins or allowances with the precision that would be necessary in an anti-dumping investigation carried out under Article 5 of the basic Regulation. Nevertheless, the investigation was carried out to a level of detail which would permit a finding as to whether significant dumping had occurred during the investigation period, irrespective of the precise price level of each export transaction, costs and allowances claimed or otherwise applied.

(21) It was noted that the US administration recently decided to maintain their existing anti-dumping measures against imports of potassium permanganate originating in China. However, it was not considered necessary or appropriate to draw conclusions from this fact, other than that it renders far less attractive one important market to which some Chinese production capacity could be redirected (see recital 40).

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4.2. **Likelihood of a continuation of dumping**

4.2.1. *Analogue country*

(22) In the absence of any cooperation on the part of Chinese exporters, normal value for the exports from China had to be established in accordance with Article 2(7)(a) of the basic Regulation, i.e. based on information obtained in a market economy third country where the product was produced and sold.

(23) In accordance with the Notice of Initiation, the applicant's suggestion to use the United States as an appropriate analogue country, as in the previous investigations, was accepted for a number of reasons:

The US is the largest world market for potassium permanganate and the second largest producer after China.

The US market is open to imports, which represent around a 10 % share of US consumption.

Potassium permanganate, from all sources, is a relatively homogeneous product.

In its major applications, potassium permanganate is subject to competition from other substitute chemicals.

(24) Other countries (e.g. India, Czech Republic) were considered less appropriate as reference countries in view of the scale of production and conditions of competition prevailing in these markets. Also, Indian producers, who were approached as a potential reference country, indicated that they would not be able to cooperate.

(25) Given the cooperation of the US producer, and the absence of comments from any other interested parties, the US remained the only appropriate and reasonable choice, as had already been the case in the 1988 and 1994 investigations.

4.2.2. *Normal value*

(26) Firstly, it was examined whether the domestic sales made by the cooperating US producer were representative when compared to the imports into the Community concerned by the investigation. This was considered to be the case as they were made in significant quantities, measured against the average volume of exports recorded as sold into the Community by the exporting producers in China during the IP.

(27) It was also established that the relevant sales could be considered as having been made in the ordinary course of trade, having compared the sales prices and costs of production for each grade of potassium permanganate sold by the US producer.

(28) Normal value was thus established as the weighted average of the prices of all grades of potassium permanganate sold on the US domestic market in the first quarter of 1999 by the cooperating US producer. Although the data supplied by the US producer does not cover the full IP, these prices were in line with the weighted average sales prices for the years 1997 and 1998 which were also provided and can therefore be considered representative for the IP.

(29) The figures submitted by the cooperating US producer were also verified where possible with other sources. Given the level of dumping found, and the fact that an exact calculation of these levels is not required as explained in recital 20, it was considered that the figures need not be further corroborated by an on-site verification.

4.2.3. *Export price*

(30) As no exporting producers cooperated, the export price was determined on the basis of the facts available. In this case this

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was by reference to Eurostat, and to information provided by an importer not related to the Chinese exporters.

(31) According to Eurostat, the weighted average value of imports from China on a cif European Community frontier basis, for all grades of potassium permanganate during the IP was 1 125 EUR/t. This is equivalent to approximately 960 EUR/t on a fob Chinese border basis.

(32) Based on evidence provided by the applicant, the average import price from China on a cif European Community frontier basis was around 970 EUR/t which is equivalent to approximately 810 EUR/t on a fob Chinese border basis.

(33) The only European importer which cooperated in the investigation provided price data which falls within the range of the above figures.

(34) Chinese export statistics (recital 44) show a unit value of 886 EUR/t for the year of 1998, which is also in line with the said price levels.

(35) In summary, information on export prices taken from several independent sources indicates that the export price ranges from approximately 800 to 1 000 EUR/t on a fob Chinese border basis.

4.3. **Comparison**

(36) Comparisons were made between export prices on a FOB Chinese border basis and the United States normal value, which was adjusted accordingly by adding the average US inland freight from factory to port (fob US border).

4.4. **Dumping margin**

(37) The analysis performed shows that exports to the Community have been dumped at a substantial margin during the IP. The dumping margins according to the different sources mentioned in recitals 30 to 35 range from 108 % to 174 %. These would correspond to specific duty rates of 1,308 and 1,543 EUR/kg respectively, a rate higher than the duty of 1,260 EUR/kg currently in force.

5. **LIKELIHOOD OF THE RECURRENCE OF DUMPING**

5.1. **Likelihood of recurrence of significant volumes**

(38) China is the world's largest producer and exporter of potassium permanganate and currently has a high level of unused production capacity which has been brought on stream in the last few years. This excess capacity is equivalent to 5 or 6 times the volume of the Community market.

(39) China has the potential to increase its exports to the Community market in very significant volumes, particularly as sales in the Chinese domestic market are not expected to increase in the foreseeable future.

(40) Furthermore, in the USA, the world's largest market in terms of consumption of potassium permanganate, Chinese exports, which have been subject to anti-dumping duties since 1983, have virtually ceased. Following a review in 1999, the level of anti-dumping duty in the USA has recently been maintained at 128,94 %.

(41) India, another important market, has also imposed a substantial anti-dumping duty (equivalent to 149 EUR/t) on Chinese origin imports, since 1995.

(42) These factors, together with relatively stable world consumption, can only increase the attractiveness of the Community market, the largest in the world after the US and China itself.

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5.2. **Likelihood of recurrence of dumping**

(43) Taking into account all the sources of information available during the proceeding, it can be seen that Chinese producers have continued to dump the product concerned into the Community market in the period after the present measures were imposed.

(44) Moreover, Chinese exports to third markets have also consistently been at very low and dumped prices, as confirmed by comparing the Chinese export statistics and the normal value determinations in this case:

Chinese exports of potassium permanganate	1996	1997	1998
World			
Quantity (t)	7 924	10 176	10 396
Unit value (EUR/t)	1 011	984	892
EC			
Quantity (t)	222	450	450
Unit value (EUR/t)	843	877	886

Source: Chinese export statistics

(45) In these circumstances there is every reason to believe that any increased volumes exported from China to the Community would be at dumped prices.

5.3. **Conclusion**

(46) The relatively stable consumption on the world market, the increase over the past five years of the level of unused capacities and the limited access to other key export markets indicate that there is a likelihood that the repeal of the current anti-dumping measures against imports of the product concerned from China would lead to a recurrence of significant volumes of dumped exports on to the Community market.

(47) In particular, the examination of dumping with regard to sales to the European Community during the IP and of sales to third country markets outside the European Community, showed a pattern of continued dumping by the Chinese exporters as well as evidence that any increased volume of exports from China would be at dumped prices.

6. DEFINITION OF THE COMMUNITY INDUSTRY

(48) The applicant (CEFIC) acts on behalf of the only Community producer of the product concerned. This producer (Industrial Química del Nalón SA-IQN) represents 100 % of potassium permanganate produced in the Community during the IP and constitutes, therefore, the 'Community industry' pursuant to Article 4(1) of the basic Regulation.

7. ANALYSIS OF THE SITUATION OF THE COMMUNITY INDUSTRY

7.1. **Consumption**

(49) Consumption in the Community was calculated using verified data of sales provided by the Community industry and import volumes obtained via Eurostat. Consumption decreased by 18 % during the period 1995 to the end of the IP, although consumption in 1995 was unusually high due to a severe drought in Spain. Consumption during the IP was close to that of 1996, following dips during 1997 and 1998.

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7.2. **Volume and prices of imports from the country concerned**

(50) Data from Eurostat suggests that imports from China remained low throughout the period considered, due to the existence of anti-dumping measures. However, as outlined in recital 44, export statistics provided by the Chinese Government suggests much higher exports to the Community of 222 tonnes in 1996 and 450 tonnes in both 1997 and 1998. This represents a market share during the IP of 10 % ([1]) which is well above *de minimis* levels. Even if the Eurostat figures were correct, and the volume of imports was very low during the IP, this is not relevant in the context of an expiry review as the low volume of imports is, at least in part, attributable to the measures already in force.

(51) Due to the low level of confirmed Chinese origin potassium permanganate sold on the Community market and the total non-cooperation from the producers/exporters in the country concerned, it is difficult to make any accurate price comparisons. However, the data available leads to the conclusion that Chinese prices remain at a level significantly below those of the Community producer. Eurostat figures show that during the IP, Chinese (duty-free) prices undercut Community producer prices by an average of 38 %. Similar data for Taiwan shows only slightly lower undercutting by an average of 33 %.

(52) The price of Chinese origin potassium permanganate is well below both the average market price and the price of the Community industry. Only in 1997 were prices close to those of the Community producer, but since then there has been a growing disparity. Having come into the Community market in 1997, Taiwanese prices have consistently undercut the Community producer by around 25 %. As there is apparently no production in Taiwan, there is reasonable cause to suspect that this product is of Chinese origin.

7.3. **Imports from other third countries**

7.3.1. *Volumes and market share*

(53) Total imports from other third countries increased by 54 % between 1995 and the IP, although imports from the Ukraine and India have decreased considerably due to the imposition of anti-dumping duties against these countries by Regulation (EC) No 1507/98 ([2]). Conversely, imports from the USA, the Czech Republic, and Taiwan have increased markedly. In the case of the Czech Republic, exports to the Community account for 69 % of its total capacity, estimated at around 1 000 tonnes per annum. Taiwan, who had no exports to the Community until 1997 has seen a doubling of volume year on year since then.

7.3.2. *Sales prices*

(54) The USA and the Czech Republic are the main importers into the Community against whom no anti-dumping measures are currently in place. The US prices are at a level close to, but slightly higher, than those of the Community producer. The Czech Republic prices are the lowest of all the main exporters to the Community. However, as explained in recital 53, the scope for further penetration of the market by Czech exporters is limited and at maximum would only represent a further 5 % increase in market share. There is no evidence that these imports are either causing injury to the Community industry, or that they are being made at dumped prices.

([1]) The figure includes a margin of +/-5 % to protect the confidentiality of the Community producer.

([2]) OJ L 200, 16.7.1998, p. 4.

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7.4. **Situation of the Community industry**

7.4.1. *Market share and sales volume*

(55) The Community industry represents 100 % of Community production in the IP, as there is only one Community producer of potassium permanganate. Until 1998, when it went out of business, there was another Community producer, Chemie AG based in Germany. However, this company has not been considered in analysing the situation of the Community industry, except for the indicator on employment.

(56) The volume of sales of the Community industry decreased by 21 %, during the period considered, whilst its market share fell by 2 %. However, consumption dropped by 18 % over the same period, so that the Community industry was able to maintain the majority of its market share in a declining market.

(57) As already indicated in recital 49, 1995 was exceptional due to a severe drought in the south of Spain and the exhaustion of water supplies. This led directly to an increase in the consumption of potassium permanganate for the treatment of heavily polluted river water. As the Community industry was best placed to meet this exceptional demand, its sales volumes and market share were correspondingly improved. A more meaningful and representative analysis would be to take the period from 1996 to the IP. Over this period, whilst both the volume of sales and the Community industry's market share have increased, there has been a reduction in both indicators during the IP from highs in 1997 and 1998.

7.4.2. *Production, capacity and capacity utilisation*

(58) Capacity utilisation of the Community industry increased by 15 % over the period considered. Capacity utilisation was low during 1997 due to the high stock levels at the end of 1996 (recital 65). Following the introduction of anti-dumping measures against India and Ukraine in 1998, the capacity utilisation during the IP returned to its 1996 level.

7.4.3. *Cost of production*

(59) Unit costs per tonne of potassium permanganate increased by 5 % over the period considered. There was a peak in 1997 explained by the low production levels that year and the ensuing effect of fixed costs on the unit price.

7.4.4. *Employment*

(60) Whilst the remaining Community producer maintained a stable employment situation throughout the period considered, it should be kept in mind that another Community producer completely shut down operations during the period considered, resulting in a loss of employment.

7.4.5. *Production and productivity*

(61) Production and productivity increased by 16 % and 21 % respectively over the period considered.

7.4.6. *Price development*

(62) An analysis of sales prices of the Community industry showed that sales prices increased by 12 % over the period considered. The largest increase occurred in 1998 when anti-dumping measures were imposed on imports of potassium permanganate from India and Ukraine. The unit price has been stable for the last two years.

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7.4.7. *Profits*

(63) During the period considered the Community industry showed a profit during 1995 followed by losses in 1996, 1997 and 1998. The Community industry returned to modest profitability during the IP. This is explained by the imposition of anti-dumping measures against India and the Ukraine in 1998, following which there was a marked recovery.

7.4.8. *Export sales of Community industry*

(64) Export sales are mainly directed to USA, Norway and Switzerland. Except for a loss in 1995, the Community industry showed a profit on its export sales between 1996 and the IP.

7.4.9. *Development of stocks*

(65) Stock levels were high at the end of 1996 due to increased production but since there was no repetition of the 1995 drought, they have been progressively reduced.

7.4.10. *Conclusions on the situation of the Community industry*

(66) Most of the indicators suggest that the situation of the Community industry is improving. This is particularly noticeable from 1998 onwards, when anti-dumping measures were imposed against India and Ukraine. Over the period considered output and productivity have increased, prices have risen and the IP saw a return to modest profitability. The decrease in consumption and sales volumes during the period considered should be seen in the light of the fact that the 1995 base level was inflated due to a drought in Spain. However, both indicators have shown improvement during 1997 and 1998, with some fall-off during the IP. At the same time, the Community industry has maintained its market share.

(67) During the period considered, the capacity of the Community industry did not change, whilst the utilisation of that capacity increased. However, the cost of production of potassium permanganate increased.

(68) Taken together, the indicators point to a situation where anti-dumping measures against China, India, and Ukraine have allowed the Community industry to compete on a fair footing. Prices of US exports to the Community market, where there is no suggestion of injurious dumping, are at a level close to those of the Community producer, suggesting these prices can be considered as those achievable in a fair and open market. With the imposition of measures against China, India and Ukraine, price increases have been possible. This has resulted in profitable trading during the IP, the first profitable trading since 1995.

8. **LIKELIHOOD OF RECURRENCE OF INJURY**

8.1. **Community industry**

(69) The situation of the Community industry is outlined in recitals 55 to 68.

8.2. **Likely exports from China**

(70) Although limited, there is evidence to show that prices charged by Chinese exporters, particularly to Chile and Australia, are at levels that would significantly undercut the Community industry. The information available from Eurostat and the Chinese authorities shows potassium permanganate coming from China to the Community significantly undercutting Community industry prices during the IP.

(71) There have been large capacity increases by Chinese manufacturers. This is against a background of no discernible future increases in domestic demand. Whilst China had only a small

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share of the Community market during the IP, its excess capacity alone could satisfy total Community consumption several times over.

8.3. **Conclusion**

(72) It was concluded in recitals 46 and 47 that there was a likelihood of a return to the dumping in significant quantities of Chinese potassium permanganate onto the Community market were anti-dumping measure allowed to lapse. The likely volume and prices of these imports would almost certainly have a profound negative effect on the Community market.

(73) With no ancillary increase in Community demand, the result would be to reduce significantly either the market share or the prices of the Community industry. In all probability, both would be affected resulting in a drop in profitability and ultimately in a threat to the future viability of the Community industry. It was therefore concluded that the removal of anti-dumping measure against potassium permanganate from China would be very likely to cause material injury to the Community industry.

9. COMMUNITY INTEREST

9.1. **Introduction**

(74) Pursuant to Article 21 of the basic Regulation, it was examined whether a prolongation of the existing anti-dumping measures would be against the interest of the Community as a whole. The determination of the Community interest was based on an appreciation of all the various interests involved.

(75) In order to assess the likely impact of continuation or non-continuation of the measures, information was requested from all interested parties mentioned above. Questionnaires were sent to the Community producer and all known unrelated importers of potassium permanganate. The Community producer as well as one importer replied to the questionnaire. Two independent resellers of potassium permanganate also made submissions.

(76) 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 are already in place. Consequently, this allows the assessment of any undue negative impact the current anti-dumping measures may have had in the past on the parties concerned to be taken into account.

(77) On this basis it was examined, whether, despite the conclusions on dumping, on the situation of the Community industry and the likely continuation and/or recurrence of injurious dumping, compelling reasons exist which would lead to the conclusion that it is not in the Community interest to maintain measures in this particular case.

9.2. **Interests of Community industry**

(78) It is considered that without maintaining the anti-dumping measures established in the previous investigation, injurious dumping is likely to continue/recur and that the situation of the Community industry, which is still fragile, will deteriorate. The Community industry has shown that it is able to compete on the Community market against competitors which do not sell at dumped prices. The Community industry has also shown that it has been able to benefit from the anti-dumping measures in place.

(79) During the period considered the Community industry showed that it is able to compete in the Community market, in the US market and in other third country markets where fair conditions prevail. In addition, the Community industry has shown that it is

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viable and indeed capable of benefiting from the anti-dumping measures in place. Improvements in productivity (recital 61) and capacity utilisation (recital 58), together with a return to profitability during the IP have shown that, in a market where measures exist to counteract injurious dumping, it is able to compete fully and effectively on the Community market.

(80) However, if measures against injurious dumping expire, the Community market would be open to large volumes of dumped imports from China. The situation of the Community industry would deteriorate to the extent that its viability would be put at risk, with detrimental effects on employment, consumer choice, etc.

9.3. **Interests of users and importers**

(81) Only one questionnaire response was received from an importer, two submissions from independent resellers, and no submissions were made by end users. The importer made no comments either supporting or opposing the continuation of measures, whilst the independent resellers were in favour of maintaining the existing measures.

(82) Given this situation, the implications of an anti-dumping duty on the overall costs of the users and importers appear to be limited. Other imports which are in competition with the Community industry will ensure the maintenance of a high level of competition. Since the new applications for the product include drinking water and waste purification, and the customers in this case are not big industries but municipalities or public utilities, stability of supply is an important objective. Therefore it is in the interest of the users and, more particularly, the general public that the Community industry remains as a reliable supplier of this product and is not forced out of the market. The lack of response from importers and users suggests that the measures currently in force have not had a significant impact on their business.

9.4. **Conclusion on Community interest**

(83) The expiry of measures would have a serious impact on the economic prospects of the Community industry, whereas importers would only be affected, if measures were extended, by continuing marginal increases in costs. After balancing the various interests involved, it is considered that maintaining the anti-dumping measures will allow the present situation of fair competition to continue, by eliminating the injurious effects of dumping practices. Therefore, there are no compelling reasons against the continuation of measures.

10. **FINAL CONCLUSION**

(84) It follows that, as provided for by Article 11(2) of the basic Regulation, the anti-dumping measures currently in force with regard to imports of potassium permanganate originating in China should be maintained,

HAS ADOPTED THIS REGULATION:

Article 1

1. A definitive anti-dumping duty is hereby imposed on imports of potassium permanganate, falling within CN code 2841 61 00, originating in the People's Republic of China.

2. The amount of the duty applicable to the net, free-at-Community-frontier price, before customs clearance, shall be 1,26 EUR/kg.

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

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4. In cases where goods have been damaged before entry into free circulation and, therefore, the price actually paid or payable is apportioned for the determination of the customs value pursuant to Article 145 of Commission Regulation (EEC) No 2454/93, the amount of the anti-dumping duty, calculated on the basis of the amounts set above, shall be reduced by a percentage which corresponds to the apportioning of the price actually paid or payable.

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Article 2

This Regulation shall enter into force on the day following that of 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.