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(Acts whose publication is obligatory)

COUNCIL REGULATION (EC) No 1736/2004

of 4 October 2004

imposing a definitive anti-dumping duty on imports of synthetic fibre ropes originating in India

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] (the basic Regulation), and in particular Article 11(2) thereof,

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

Whereas:

A. PREVIOUS INVESTIGATION

(1) By Regulation (EC) No 1312/98 [2], the Council imposed definitive anti-dumping measures on imports of synthetic fibre ropes (SFR) originating in India.

B. PRESENT INVESTIGATION

(2) Following the publication of a notice of impending expiry [3] of the anti-dumping measures in force, the Commission received a request for an expiry review lodged by the Liaison Committee of EU Twine, Cordage and Netting industries (Eurocord) on behalf of ten producers, together representing a major proportion (53 %) of the total Community production of synthetic fibre ropes. The request alleged that injurious dumping of imports originating in India would be likely to recur if the measures expired.

(3) Having determined, after consulting the Advisory Committee, that sufficient evidence existed for the initiation of a review, the Commission initiated an investigation [4] pursuant to Article 11(2) of the basic Regulation.

(4) The investigation into the likelihood of a continuation or recurrence of dumping covered the period from 1 July 2002 to 30 June 2003 (IP). The examination of trends relevant for the assessment of a likelihood of a continuation or recurrence of injury covered the period from 1 January 2000 up to the end of the IP (the period considered).

(5) The Commission officially advised the applicant Community producers, the other Community producers, the exporters and exporting producers in India, importers/traders, users and suppliers of raw materials which were known to be concerned, of the initiation of the review.

(6) The Commission requested information from all the abovementioned parties and from those other parties who made themselves known within the time limit set in the notice of initiation. The Commission also gave the parties directly concerned the opportunity to make their views known in writing and to request a hearing.

(7) In particular, the Commission sent questionnaires to all parties known to be concerned, i.e. to four exporting producers located in India, six unrelated importers/traders located in the EU, 11 suppliers of raw materials in the EU and 23 users in the EU. No answer to the questionnaire was received from these interested parties.

[1] OJ L 56, 6.3.1996, p. 1. Regulation as last amended by Regulation (EC) No 461/2004 (OJ L 77, 13.3.2004, p. 12).
[2] OJ L 183, 26.6.1998, p. 1.
[3] OJ C 240, 5.10.2002, p. 2.
[4] OJ C 149, 26.6.2003, p. 12.

(8) In addition, the Commission sent questionnaires to five Community industry companies, which had been chosen as a representative sample of the Community producers supporting the request for this expiry review, and information was also requested from 11 non-complainant Community producers. All the five sampled companies replied to the questionnaire, whereas none of the non-complainant producers replied.

(9) The Commission sought and verified all the information it deemed necessary for the purpose of the determination of the likelihood of continuation or recurrence of dumping and injury and for the determination of the Community interest. Verification visits were carried out at the premises of the following Community producers:

— Bexco NV (Belgium),

— Companhia Industrial de Cerdas Artificiais, SA — Cerfil (Portugal),

— Companhia Industrial Têxtil, SA — Cordex (Portugal),

— Companhia de Têxteis Sintéticos, SA — Cotesi (Portugal),

— Cordoaria Oliveira, SA (Portugal).

C. PRODUCT CONCERNED AND LIKE PRODUCT

1. Product concerned

(10) The product concerned is the same as that in the investigation which led to the imposition of the measures currently in force on imports of synthetic fibre ropes from India (the original investigation) and is defined as follows: twine, cordage, ropes and cables, whether or not plaited or braided and whether or not impregnated, coated, covered or sheathed with rubber or plastics, of polyethylene or polypropylene, other than binder and baler twine, measuring more than 50 000 decitex (5 g/m), as well as of other synthetic fibres of nylon or other polyamides or of polyesters, measuring more than 50 000 decitex (5 g/m). It is currently classifiable within CN codes 5607 49 11, 5607 49 19, 5607 50 11 and 5607 50 19. The product concerned is used for a wide variety of naval and industrial applications, in particular for shipping (especially for mooring purposes), and the fishing industry.

2. Like product

(11) As shown in the previous investigation, and as confirmed in the present investigation, it has been established that the product concerned and the synthetic fibre ropes produced and sold by the Indian exporting producers on their domestic market as well as those produced and sold by the Community producers in the Community are in all respects identical and share therefore the same basic physical and chemical characteristics. Therefore they are considered to be like products within the meaning of Article 1(4) of the basic Regulation.

(12) One interested party has claimed that synthetic fibre ropes produced and sold by Indian exporting producers and those manufactured by the Community producers are not identical in all respects, as some quality differences exist between the two types of products.

(13) The fact that the product concerned imported from India has some quality differences compared to the product manufactured by the Community industry does not exclude the products from being considered as 'like', in so far as they share the same basic physical, technical and chemical characteristics or closely resemble each other.

(14) Furthermore, in the current investigation, and in the investigation which led to the imposition of the measures in force, it was found that synthetic fibre ropes manufactured by the Community industry and those susceptible of being exported from India are in competition with each other. The argument is therefore rejected.

D. LIKELIHOOD OF RECURRENCE OF DUMPING

(15) In accordance with Article 11(2) of the basic Regulation, it was examined whether the expiry of measures would be likely to lead to a recurrence of dumping. In the absence of cooperation from any of the Indian exporting producers, this examination had to be based on information available to the Commission from other sources.

1. Preliminary remarks

(16) Of the four Indian exporting producers named in the request for an expiry review, one stated at the beginning of the investigation that it had not exported the product concerned to the Community during the IP. The Commission services advised the company that it should nevertheless supply the remaining information requested in the questionnaire, which the company declined to do. Another company also stated that it had no exports to the Community during the IP, but only after the deadline for submission of the questionnaire reply had elapsed. A third company stated that it had not exported to the Community during the IP, and furthermore that it had ceased activity and therefore could not reply to the questionnaire. All companies in question were duly advised that failure to cooperate may result in the finding being based on facts available in accordance with Article 18 of the basic Regulation.

(17) Given that none of the Indian exporting producers replied to the questionnaire of the Commission services, use was made, in accordance with the provisions of Article 18 of the basic Regulation, of the facts available, including those submitted by the Community industry in its request for an expiry review.

(18) Imports of the product concerned from India dropped to insignificant levels subsequent to the imposition of anti-dumping duties in 1998. During the IP, these imports were less than 20 tonnes per year, i.e. less than 0,1 % of Community consumption.

(19) In the absence of significant exports to the Community market, it was examined how imports of SFR from India would develop should the measures be allowed to expire. This analysis covered both export prices and volume.

2. **Dumping of imports during the investigation period**

(20) It is recalled that, in the original investigation, dumping margins of 53,0 % for the cooperating company and 82,0 % for the remaining exporting producers were established. The elimination of such levels of dumping would therefore have required a substantial increase in export prices, or a diminution of the normal value, in the period since the original measures were imposed.

(21) The normal values in the original investigation were, for the most part, based on the domestic prices in the Indian market, as reported by the cooperating company. The information contained in the request for an expiry review indicates that those prices have decreased by between 10 % and 20 % in the five years subsequent to the original investigation. It is therefore concluded that, in the absence of cooperation by Indian exporters of the product concerned, normal value has also decreased by similar percentages in the five years subsequent to the original investigation.

(22) According to Indian export statistics, the average prices for Indian exports to all countries, of the two product groupings concerned, i.e. those classifiable under CN subheadings 5607 49 and 5607 50, declined respectively by 46 % and 51 % between 1997/98 and 2002/2003. Similar price declines over this period can be observed for each of the main markets for the Indian exports, such as Norway and the United States of America, when taken separately. Those declines are more pronounced than that of the normal value, as mentioned in recital 21, and therefore any dumping practices at the time of the original investigation are unlikely to have been reversed. In addition, Indian normal value of some types of the product concerned during the IP was higher than prices on the EU market during that period. It is likely, therefore, that in the event of resumption of exports by Indian exporters to the EU, these exports would be priced below the normal value, i.e. at dumped prices, at least for some types of the product concerned.

(23) More detailed calculations per tariff code, submitted by the Community industry for Indian exports to the United States of America and Norway, during the IP, take into consideration the differences in prices and normal values between different types of synthetic fibre ropes. These calculations indicate that Indian exports to third countries are still dumped at margins between 53,4 % and 222,2 %.

(24) In the absence of exports and of cooperation by Indian exporters of the product concerned in the investigation, the level of dumping during the IP has not been established. However, on the basis of the significant decrease in Indian export prices to other third countries in the five years subsequent to the original investigation combined with a smaller decrease in domestic prices over the same period, it is considered that the level of dumping of the product concerned to the Community during the IP would likely have been at a higher level than that found in the original investigation.

3. **Development of imports should measures be repealed**

(a) *Export sales to other countries (volume and prices) and prices on the Indian market*

(25) Overall, the Indian exports to other countries have increased during the five years since the original investigation. According to Indian export statistics, the volume of exports of the products classifiable under CN subheadings 5607 49 and 5607 50, the majority of which consist of the product concerned, increased by 104 % between 1997/98 and 2002/2003.

(26) The observed export prices from India to third country export markets are 17 % to 61 % lower than the Community industry prices. This suggests that Indian exporters would have a potentially large incentive to shift their exports to the Community market, should the measures be allowed to lapse.

(b) *Spare capacity and investments*

(27) As for production capacity, the one exporting producer who cooperated in the original investigation appears to have only slightly increased its capacity over the last five years. There is publicly available information, however, that indicates that some of the other major producers in India have increased their capacity more significantly, or intend to do so in the near future. In the request for an expiry review, the Community industry estimates that the total capacity of the Indian producers is above 110 000 tonnes, well above the current production level of about 40 000 tonnes and representing about 275 % of Community consumption. In the absence of cooperation from the Indian producers and more reliable information, this would indicate that a large excess capacity is available indicating a likelihood of a resumption of exports to the Community should measures lapse.

(28) No information was available to the Commission on recent or planned investments by Indian exporters with a bearing on production capacity.

(c) *Circumvention/absorption practices in the past*

(29) It is argued by the Community industry that, at the same time as the exports of the products subject to measures, under CN heading 5607 (Twine, cordage, rope or cables…) came to a halt, exports of products under CN heading 5609 (Articles of … twine, cordage, rope or cables…) increased sharply, from 200 tonnes to 800 tonnes between 1997 and 2002, while their average price decreased from EUR 2,51 to EUR 1,58 per tonne. Articles exported under CN heading 5609 are produced by the same industry as, and can be very similar to, the products subject to measures, to the point of raising problems of customs classification and inspection. This issue has been raised with the European Commission, the national customs authorities of Italy and those of the United Kingdom by the Community industry. As a result, some cases of wrong classification have been confirmed and steps have been taken by the EU Customs Administrations in order to avoid possible resulting circumventions of the existing anti-dumping measures.

(30) Independently of the alleged circumvention, this behaviour can be taken as indication that the Indian export producers have a significant interest in entering the Community market.

4. **Conclusion on the likelihood of a recurrence of dumping**

(31) The facts available to the Commission in the absence of cooperation from Indian exporting producers indicates that exports to third countries are still made at dumped prices, with dumping margins at higher levels than those found in the original investigation. The fact that average export prices have decreased faster than normal values, indicates that the dumping behaviour of Indian exporters has not ceased after 1997 but, if anything, has been accentuated on third country markets.

(32) The indications that Indian producers that keep a strategic interest in the European market, together with the huge spare capacity available, make it likely that they would resume exports to the Community in significant quantities should the measures lapse. Taking into account the facts available on the pricing behaviour of the Indian exporters on third country markets, on the decrease of normal value and the fact that the normal value of certain types of the product concerned is higher than prices on the EU market, it is highly probable that a resumption of exports would be at dumped prices. It is therefore concluded that the expiry of measures is likely to lead to a recurrence of dumped exports.

E. **DEFINITION OF THE COMMUNITY INDUSTRY AND SAMPLING**

(33) Ten Community producers on whose behalf the request for an expiry review was lodged by Eurocord cooperated in the investigation. During the course of the investigation, it became apparent that data provided by one Community producer were unreliable and the company was declared as non-cooperating according to Article 18(1) of the basic Regulation. Consequently this Community producer was excluded from the definition of the Community industry. The nine remaining companies account for 53 % of the Community production of SFR in the IP and therefore constitute the Community industry within the meaning of Article 4(1) and Article 5(4) of the basic Regulation.

(34) In view of the large number of Community producers supporting the request for an expiry review, and in conformity with Article 17 of the basic Regulation, the Commission decided to carry out its investigation on the basis of a sample of Community producers. The sample was selected on the basis of the largest representative production and sales volume that could reasonably be investigated within the time available.

(35) As previously mentioned in recital 8, five companies were initially selected for the sample, based on their production and sales volumes as submitted after initiation. For the reasons mentioned in recital 33, one Community producer which was disregarded as part of the Community industry had also to be taken out of the sample. The remaining four sampled companies cover 66 % of production and 62 % of sales of the Community industry composed of the nine complaining companies as indicated in recital 33. The final sample consisted of the following companies, all located in Portugal:

— Companhia Industrial de Cerdas Artificiais, SA — (Cerfil),

— Companhia Industrial Têxtil, SA — (Cordex),

— Companhia de Têxteis Sintéticos, SA — (Cotesi),

— Cordoaria Oliveira, SA.

(36) In the previous investigation the sample which was also established on the basis of production and sales volumes consisted of eight companies. With the exception of Cerfil, all the abovementioned companies formed part of the sample in the previous investigation.

F. SITUATION ON THE COMMUNITY MARKET

1. Consumption in the Community market

(37) Apparent Community consumption of SFR was established on the basis of sales volumes of the Community industry and of other Community producers on the Community market plus imports from India and other third countries into the Community, as based on Eurostat.

(38) Between 2000 and the IP, the apparent Community consumption decreased by 9,4 % from 39 825 tonnes in 2000 to 36 093 tonnes in the IP. One of the main reasons for the drop in consumption relates to a decline in demand for SFR by the fishing net industry which is a result of a reduction of fishing quotas in the Community. These fishing quotas have gradually been reduced in the period considered from approximately 4,99 million tonnes in 2000 to 4,12 million tonnes in 2003, i.e. by almost 17,4 %.

2. Imports from India

(39) After measures have been imposed in 1998, imports originating in India declined substantially and they were negligible throughout the period considered, with a market share below 0,1 %.

3. Imports from other third countries

(40) Imports from other third countries have increased throughout the period considered, by 44 % (i.e. from 8 280 tonnes in 2000 to 11 893 in the IP). This represents an increase in market share from 20,8 % in 2000 to 33,0 % in the IP. The most important exporting countries in the IP were the acceding countries Czech Republic, Poland, Hungary, followed by the People's Republic of China and Tunisia. Average prices from the mentioned countries declined from EUR 3,3/kg to EUR 2,8/kg over the period considered.

4. Economic situation of the Community industry

Preliminary remarks

(41) Since the original investigation, several complaining companies have completely stopped their activities and closed down, e.g. Ostend Stores (Belgium), Brindon Marine (UK), Irish Ropes (Ireland), Lima (Portugal) and Carlmark (Sweden).

(42) All injury indicators listed by Article 3(5) of the basic Regulation have been analysed in respect of the sampled companies. In addition, some of these injury indicators (i.e. production, sales, market shares, employment and productivity), have also been analysed in respect of the Community industry and not only in respect of the four sampled companies.

Data relating to the Community industry as a whole

(43) In line with the decline in Community consumption, the sales volume of the Community industry on the Community market decreased over the period considered, although not by the same magnitude. Whereas Community consumption went down by 9,4 %, the sales volume of the Community industry declined from 16 587 tonnes in 2000 to 15 457 tonnes in the IP, i.e. by 6,8 %.

(44) Production of the like product by the Community industry decreased during the period considered, by 3,9 %, from 18 782 tonnes in 2000 to 18 053 tonnes in the IP.

(45) Given the fact that the decline in consumption in the Community was more pronounced than the decline in sales of the Community industry between the years 2000 and the IP, the market shares of the Community industry improved slightly, from 41,6 % in 2000 to 42,8 % in the IP.

(46) The employment situation of the Community industry deteriorated during the period considered, as there were 1 076 persons employed in 2000 compared to 992 persons in the IP. However, at the same time productivity, measured as production per year per employee, improved from 17 454 kg to 18 194 kg during the same period.

Data relating to the sampled Community producers

(a) *Production, production capacity and capacity utilisation*

(47) Whereas the production capacity remained stable over the period considered, the production volume of the sampled companies decreased slightly by 1,7 % from 12 136 tonnes in 2000 to 11 928 tonnes in the IP leading to a slight decline in the capacity utilisation from 87 % in 2000 to 85 % in the IP.

(b) *Stocks*

(48) Regarding stocks, SFR producers keep, in general, the levels of their stocks below 10 % of the production volume as most of the production is made upon demand. Nevertheless, during the period considered, average stocks showed a negative tendency, increasing by 18 %, from 853 tonnes in 2000 to 1 007 tonnes in the IP.

(c) *Sales volume and market share*

(49) Sales volumes declined by 7,5 %, from 10 484 tonnes in 2000 to 9 699 tonnes in the IP. However, as in the case of the Community industry as a whole, the market share of the sampled companies improved, rising slightly from 26,3 % in 2000 to 26,9 % in the IP.

(d) *Sales prices, factors affecting Community prices and profitability*

(50) Average prices of the like product sold in the Community remained unchanged at EUR 2,2/kg throughout the period considered. Notwithstanding the stable price level, the pre-tax profit margin dropped significantly, from 9,8 % of turnover in 2000 to 0,7 % in the IP, mainly as a result of increased average costs.

(51) The main factors which caused these stagnating prices were, on the one hand, the deteriorated demand situation and, on the other hand, the impossibility, due to strong competition on the market, to raise the price level to the level before measures were put in place in 1998 when injurious dumping from India occurred.

(e) *Investments and ability to raise capital*

(52) Despite the negative development of the above injury indicators, investments increased, from EUR 809 432 in 2000 to EUR 1 768 029 in the IP, i.e. by 118,4 %. The sampled companies did not report any difficulties in accessing new capital.

(f) *Return on investments*

(53) In line with the negative profitability trend, the return on investments deteriorated from 12 % in 2000 to 3 % in the IP.

(g) *Cash flow*

(54) Among the characteristics of this industry are its capital intensiveness and consequent high depreciation amounts which have a direct impact on cash flow. Throughout the period considered cash flows remained positive, albeit declining from EUR 4,66 million in 2000 to EUR 2,23 million in the IP.

(h) *Employment, productivity and labour costs*

(55) As shown in the analysis of the Community industry as a whole, the employment situation also deteriorated in the case of the four sampled companies. Employment declined by 7,1 %, from 747 employees in 2000 to 694 in the IP. Productivity per employee improved by 5,8 % during the period considered. The improvement in productivity has to be seen as a result of the investments made in high technology rope-making machines during the period considered.

(56) While the number of employees in the sampled companies diminished between the year 2000 and the IP, total labour costs developed in the opposite direction by increasing from EUR 4,49 million to EUR 4,84 million, i.e. by 7,8 %.

Magnitude of the dumping margin

(57) Due to the fact that imports of the product concerned from India during the IP were negligible, no dumping margin could be established.

Recovery from past dumping

(58) It was analysed whether the Community industry is still in the process of recovering from the effects of past dumping. It was concluded that in view of the various negative economic indicators examined relating to the Community industry as a whole and to the sampled Community producers, it is likely that the situation of Community industry, albeit partly improving, has still not fully recovered from the injurious effects of past dumping.

Conclusion on the situation on the Community market

(59) Despite the fact that effective anti-dumping duties against imports from India are in place, the Community industry finds itself in a still vulnerable situation, albeit some indicators show an improvement in comparison with the original definitive findings (i.e. profitability) and some others show a significant positive evolution (i.e. market share, investments and productivity).

(60) With the exception of market shares and investments, which increased, and production capacity, average prices and the ability to raise capital, which remained stable, all other injury indicators showed a negative development. Those factors which have been analysed for both the whole Community industry and for the sampled companies show similar trends.

(61) The negative development of the industry described above cannot, in view of the effective duties in place, be attributed to the imports from India. Instead the cause of the weak financial situation of the Community industry can be attributed to (i) the declining demand situation resulting mainly from the reduction of the European fishing fleet and the decrease of fishing quotas, (ii) the remarkable increase of imports from and market shares of countries other than India (mainly from acceding countries) with a corresponding loss of sales volumes by the Community industry, (iii) prices which have never reached the pre-dumping levels due to the strong competition on the market resulting from the increase in imports from countries other than India and (iv) the downward trend in the economy as a whole as from the year 2001.

(62) On the other hand, it was found that the profitability of the Community industry followed a less favourable trend during the period considered in the original investigation (i.e. from January 1993 to May 1997) than during the period considered in this review. This indicates a relative improvement of the situation of the Community industry after duties have been imposed.

(63) As far as the viability of the Community industry in general is concerned, one important element are investments. Investments have more than doubled during the period considered indicating that the industry still considers itself as viable. Furthermore, the improved productivity and the increase in market share of the Community industry demonstrates that despite the fierce competition exerted by other third countries, the Community industry managed not only to maintain, but also to slightly strengthen its position on the Community market.

G. **LIKELIHOOD OF RECURRENCE OF INJURY**

(64) With regard to the likely effect on the situation of the Community industry of the expiry of the measures in force, a number of factors were taken into account in line with the elements summarised in recitals 31 and 32.

(65) As already indicated, in case the anti-dumping measures expired, dumping would resume for imports of the product concerned from India. In particular, in case anti-dumping measures expired there are clear indications that the volume of dumped imports into the Community would considerably increase due to the huge spare capacity held by Indian producers. As explained in recital 27, Indian exporting producers hold a spare capacity of approximately 70 000 tonnes, i.e. almost twice the size of the Community market in the IP (36 093 tonnes).

(66) An analysis of exports made at allegedly dumped prices by Indian exporters to third countries (United States of America and Norway) shows clear indications that the price of Indian exports, if they resumed into the Community, would undercut the Community industry's prices. Indeed, pursuant to official trade statistics in the United States of America and Norway, the weighted average export price of the product concerned was EUR 1,73/kg in the case of exports to the United States of America and EUR 1,70/kg in the case of exports to Norway. These average prices would undercut the Community industry's average price for the like product by 21 % and 22 %, respectively.

(67) The Community industry is still in a difficult situation, in particular as regards its profitability which markedly improved just after the imposition of the measures under consideration, but significantly deteriorated again thereafter, due to causes already explained in recital 51.

(68) On the basis of the above, it is concluded that in case the measures are allowed to expire, there is a likelihood of a recurrence of injury from renewed imports of the product concerned from India.

H. **COMMUNITY INTEREST**

1. **Preliminary remarks**

(69) In accordance with 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. This analysis was based on an examination of all the various interests involved, i.e. those of the Community industry, other Community producers, the importers/traders as well as the users and raw material suppliers of the product concerned.

(70) It should be recalled that, in the previous investigation, the adoption of measures was considered not to be against the interest of the Community. The present review therefore permits an analysis as to whether, following the introduction of the measures, the Community interest has been adversely affected by the introduction of these measures.

(71) On this basis, it was examined whether, despite the likelihood of a recurrence of injurious dumping should measures expire, compelling reasons exist which would lead to conclude that it is not in the Community interest to maintain existing measures in this particular case.

2. **Interests of the Community industry**

(72) In spite of the negative evolution of the financial situation of the Community industry during the period considered, this latter is structurally viable as it was able to maintain its substantial market share. Furthermore, the Community industry considers itself as viable as demonstrated by the sharp increase in its investments during the period considered. In view of the conclusions on the situation of the Community industry set out at recitals 59 to 61, especially in terms of the industry's extremely low level of profitability, and pursuant to arguments mentioned under section G, it is considered that in the absence of measures, the Community industry is likely to experience a worsening of its financial situation. Given the expected volumes and prices of imports of the product concerned from India subsequent to an expiry of the measures, the Community industry would be put at further risk, creating a decline in its market shares, depressing its prices and provoking an evolution of its profitability akin to the negative levels found during the period considered in the original investigation. Hence, it is concluded that the maintenance of existing measures would not be against the interest of the Community industry.

3. **Interest of other producers**

(73) The Commission requested information from 11 non-complainant producers in the Community. No answer to the questionnaire was received.

(74) Taking into account the likely quantities and prices of the product concerned which would be exported from India to the Community if measures expired, non-complainant producers of the like product would also see their market share and economic situation deteriorated.

(75) In these circumstances, and in the absence of any contrary indications, it is concluded that the continuation of measures would not negatively affect the non-complainant Community producers.

4. **Interest of unrelated importers/traders and suppliers of raw materials**

(76) The Commission sent questionnaires to six unrelated importers/traders and to 11 suppliers of raw materials.

(77) Only one of the six unrelated importers/traders, whose purchases of the product concerned during the IP represented 0,07 % of the Community consumption, submitted some arguments against the continuation of the duties. However, this company did not provide any information or evidence relating to the impact that the imposition of the measures in force has had on its business nor did it properly assess to what extent the continuation of the duties would prejudice its position as importer. The other five unrelated importers did not submit any comment or information.

(78) On the other hand, one supplier of raw materials expressly supported the continuation of the measures.

(79) In these circumstances, it is concluded that the continuation of measures would not negatively affect the unrelated importers/traders and the suppliers of raw materials.

5. **Interest of users**

(80) The Commission sent questionnaires to 23 users of the product concerned, mainly consisting of fishing and shipping industries. No user submitted a complete questionnaire reply. One user objected to the continuation of the measures, but did not further substantiate its position.

(81) Due to the almost total absence of cooperation by users, and to the fact that the impact of duties is negligible compared to the main costs incurred by the users' industry (i.e. depreciation of the vessels, fuel, insurance, labour and maintenance), it is concluded that the continuation of measures will not have a negative impact on such users.

6. **Conclusion**

(82) The effects of the continuation of measures can be expected to assist the Community industry to improve profitability, with consequent beneficial effects on the competitive conditions on the Community market and the reduction of the threat of further closures and reductions in employment. The beneficial effects are also expected to assist the Community producers to take full advantage of the investments made in recent years, to continue developing new products of higher technology for new and specialised applications.

(83) Given the above conclusions on the impact of the continuation of the measures on the different players on the Community market, it is concluded that the continuation of measures is not against the Community interest.

I. **ANTI-DUMPING MEASURES**

(84) All parties concerned were informed of the essential facts and considerations on the basis of which it is intended to recommend the maintenance of existing measures in their present form. They were also granted a period to make representations subsequent to this disclosure, but none made representations which would have justified altering the above findings.

(85) It follows from the above that, as provided for by Article 11(2) of the basic Regulation, the anti-dumping duties imposed by Regulation (EC) No 1312/98 should be maintained,

HAS ADOPTED THIS REGULATION:

Article 1

1. A definitive anti-dumping duty is hereby imposed on imports of twine, cordage, ropes and cables, whether or not plaited or braided and whether or not impregnated, coated, covered or sheathed with rubber or plastics, of polyethylene or polypropylene, other than binder and baler twine, measuring more than 50 000 decitex (5 g/m), as well as of other synthetic fibres of nylon or other polyamides or of polyesters, measuring more than 50 000 decitex (5 g/m) originating in India and classifiable within CN codes 5607 49 11, 5607 49 19, 5607 50 11 and 5607 50 19.

2. The rate of the definitive anti-dumping duty applicable to the net, free-at-Community-frontier price, before duty shall be as follows:

Products manufactured by

— Garware Wall Ropes Ltd: 53,0 % (additional TARIC code 8755),

— other manufacturers: 82,0 % (additional TARIC code 8900).

Article 2

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

Article 3

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

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

Done at Luxembourg, 4 October 2004.

For the Council
The President
A. J. DE GEUS