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(Acts whose publication is not obligatory)

COMMISSION

COMMISSION DECISION

of 25 July 1991

accepting undertakings given in connection with the review of anti-dumping measures concerning imports of artificial corundum originating in the Soviet Union, Hungary, Poland, Czechoslovakia and the People's Republic of China and in connection with the anti-dumping proceeding concerning imports of artificial corundum originating in Brazil and Yugoslavia, and terminating the investigation

(91/512/EEC)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 2423/88 of 11 July 1988 on protection against dumped or subsidized imports from countries not members of the European Economic Community⁽¹⁾, and in particular Article 10 thereof,

After consultations within the Advisory Committee as provided for in the above Regulation,

Whereas :

A. PROCEDURE

- (1) The Commission received the following requests made by the European Council of Chemical Manufacturers' Federation (Cefic) on behalf of producers representing a major proportion of Community production of artificial corundum :

- a request for review of anti-dumping measures (Article 15 (3) of Regulation (EEC) No 2423/88) concerning imports of artificial corundum from

Czechoslovakia and the People's Republic of China imposed by Commission Decision 84/650/EEC⁽²⁾,

- a request for review of anti-dumping measures (Article 14 (1) of Regulation (EEC) No 2423/88) concerning imports of artificial corundum from the Soviet Union, Hungary and Poland imposed by Commission Decision 86/464/EEC⁽³⁾,
- an anti-dumping complaint concerning imports of artificial corundum from Brazil and Yugoslavia.

Pursuant to Article 15 of Regulation (EEC) No 2423/88 the Commission gave notification of the impending expiry⁽⁴⁾ of the anti-dumping measures concerning Czechoslovakia and the People's Republic of China. Cefic's request, as provided for by Article 15 (3) of Regulation (EEC) No 2423/88, showed that the expiry of the existing anti-dumping measures would lead again to injury or threat of injury. As a result the Commission announced its intention to carry out a review⁽⁵⁾ in accordance with Article 15 (3) of Regulation (EEC) No 2423/88. With regard to the request for review pursuant to Article 14 (1) of Regulation (EEC) No 2423/88 evidence of changed circumstances suffi-

⁽¹⁾ OJ No L 209, 2. 8. 1988, p. 1.

⁽²⁾ OJ No L 340, 28. 12. 1984, p. 82.

⁽³⁾ OJ No L 271, 23. 9. 1986, p. 26.

⁽⁴⁾ OJ No C 163, 30. 6. 1989, p. 5.

⁽⁵⁾ OJ No C 303, 2. 12. 1989, p. 11.

cient to justify the need for such a review was submitted. The Commission accordingly announced, by a notice in the *Official Journal of the European Communities*⁽¹⁾, the initiation of a review of anti-dumping measures concerning imports into the Community of artificial corundum falling within CN code ex 2818 10 00, originating in the Soviet Union, Hungary, Poland, Czechoslovakia and the People's Republic of China and subsequently commenced an investigation.

With respect to the new complaint, evidence was produced of dumping of the product concerned originating in Brazil and Yugoslavia and of contribution to the injurious situation of the Community industry resulting from these imports, which was considered sufficient to justify the initiation of this proceeding. Therefore the Commission announced, by a notice in the *Official Journal of the European Communities*⁽²⁾, the initiation of an anti-dumping proceeding concerning imports into the Community of artificial corundum falling within CN code ex 2818 10 00, originating in Brazil and Yugoslavia and subsequently commenced an investigation.

- (2) The Commission officially so advised the exporters and importers known to be concerned, the representatives of the exporting countries and the complainants and gave the parties concerned the opportunity to make known their views in writing and to request a hearing.

All exporters concerned had the opportunity to exercise their rights as provided for in Article 7 (4) of Regulation (EEC) No 2423/88 and most of them availed themselves of this opportunity.

- (3) The majority of the known producers and exporters made their views known in writing.

No submissions were made on behalf of producers and exporters from the People's Republic of China and the Soviet Union. However, Government representatives of both countries made representations on behalf of the exporters concerned and had an opportunity to inspect the information made available to the Commission and to comment thereon.

A considerable number of importers, dealers and an organization representing Community end-users and all complainant Community producers submitted a detailed response to the Commission's questionnaire.

All exporters, Government representatives from the People's Republic of China and the Soviet Union,

some importers and one complainant have requested and have been granted hearings.

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

Community producers:

- Hüls AG, Germany,
- Rhina Schmelzwerk GmbH, Germany,
- Universal Abrasives Ltd, United Kingdom,
- Pechiney Electrometallurgie, France,
- Samatec SpA, Italy,
- CIA Vascongada de Abrasivas SA, Spain.

These companies were all members of Cefic except for CIA Vascongada de Abrasivas SA, Spain.

Third country exporters:

Brazil

- Elfusa Geral de Eletrofusão Lda., São Paulo, Brazil,
- Carborundum SA, Vinhedo, Brazil,
- Norton SA, São Paulo, Brazil;

Yugoslavia

- Tovarna Dusika Ruse, Ruse, Yugoslavia.

Importers in the Community:

Related to one Brazilian exporter

- Norton GmbH, Wesseling, Germany,
- Norton plc Materials Division, Ipswich, United Kingdom;

Unrelated

- Smyris Abrasivi SRL, Pero, Italy.

The Commission requested and received detailed written submissions from the complainant Community producers, the abovementioned exporters and a number of importers, and verified the information therein to the extent considered necessary.

Because of the large number of interested parties involved, the number of hearings which had to be granted, the prolongation of time limits requested by some exporters and the extension of the investigation to imports from Brazil and Yugoslavia, the time for completion of the investigation exceeded a 12-month period.

⁽¹⁾ OJ No C 67, 17. 3. 1990, p. 7.

⁽²⁾ OJ No C 159, 29. 6. 1990, p. 5.

- (5) The investigation of dumping covered the period from 1 January 1989 to 31 December 1989 (investigation period) as far as the review proceeding is concerned (imports from Czechoslovakia, People's Republic of China, Soviet Union, Hungary and Poland). As regards the proceeding concerning Brazil and Yugoslavia, a prolonged period (1 January 1989 to 30 April 1990) was chosen in order to be in a better position to take account of the effects of extremely high inflation rates in these countries.

B. PRODUCT UNDER CONSIDERATION

- (6) The product concerned by these proceedings is fused aluminium oxide, also known as artificial corundum. Artificial corundum is crystalline aluminium oxide. While there are a number of different kinds of artificial corundum, it is effectively produced in two basic forms:

- brown artificial corundum, consisting of 94 to 97 % aluminium oxide (Al_2O_3),
- white artificial corundum, consisting of 97,5 to 99,5 % aluminium oxide (Al_2O_3).

Artificial corundum is produced by melting in electric-arc furnaces at temperatures above 2000 °C. Raw material for the production of brown artificial corundum is bauxite in natural or calcined form. White artificial corundum is produced from calcined alumina (a processed form of bauxite).

Artificial corundum is a crystalline powder with very specific characteristics (e.g. hardness 9.0 to 9.2), which is predominantly used as abrasive and refractory material by a processing industry for the production of:

- grinding wheels,
- sandpaper, abrasive paper,
- sand-blasting,
- plasma spraying,
- abrasive resistant material for certain floor coverings,
- refractory masses in furnaces and safes.

Artificial corundum is a major component for every kind of grinding, drilling or polishing material with frequent applications in the automobile, steel, energy generating industry etc.

- (7) The production process generates a certain amount of second quality artificial corundum containing

less than the abovementioned content of aluminium oxide (Al_2O_3) and a relatively high content of iron oxide (Fe_2O_3). The use of this by-product of regular artificial corundum is limited to so-called 'resin-bonded products' such as certain types of grinding wheels and to sand-blasting purposes.

The product is sold mainly in form of grains (crystalline powder). However, a certain amount of lumps (grain size 0 to 100 mm) were sold by Chinese, Polish and Yugoslav exporters during the investigation period. The grains are normally sold following international quality standards (FEPA in the Community) and depending on customer requirements they may undergo a special heating treatment (calcination) which improves the product durability.

Since the differences between these different types and qualities of artificial corundum are by far outweighed by their similarities, all these types and qualities are considered to form one product for the purposes of this proceeding.

- (8) The artificial corundum sold on the respective domestic markets by the exporters concerned and that produced by the Community industry is like in all respects to that imported from the countries in question. While there are minor quality differences between different types of the product, they are not such as to render these products unlike.

- (9) Certain exporters, importers, dealers and end-users have forwarded objections as to the comparability of imported and Community produced artificial corundum. They express the view that imported artificial corundum is generally of a poorer quality and that, due to these differences in quality, the Community production cannot be considered to be a like product to the imported artificial corundum.

- (10) The Commission, however, is of the opinion that the arguments advanced are unfounded. Mere quality differences between products which have the same basic physical characteristics and use are not such as to render these products unlike within the meaning of Article 2 (12) of Regulation (EEC) No 2423/88. This is corroborated by the fact that the imported material competes with the comparable material produced in the Community.

- (11) The customs classification under the CN code for both brown and white artificial corundum is ex 2818 10 00 (artificial corundum).

C. NORMAL VALUE

- (12) Czechoslovakia, the People's Republic of China, the Soviet Union, Hungary and Poland are to be considered as non-market economy countries within the meaning of Article 2 (5) of Regulation (EEC) No 2423/88. The Commission therefore had to base its determinations on the normal value in a market economy country.

- (13) The complainants alleged dumping on the basis of a comparison of export prices with the domestic prices of producers in the USA. This choice of an analogue country was not considered reasonable by the Commission services. As a more reasonable alternative, it was decided that normal value should be established on the basis of domestic prices on the Yugoslav market since this market offers close comparability in terms of the basic technical characteristics of the products supplied with those from Czechoslovakia, the People's Republic of China, the Soviet Union, Hungary and Poland. None of the exporters, importers or Community producers objected to this choice.

- (14) The producer of artificial corundum in Yugoslavia was found to operate normal profitability criteria. Sales of brown and white artificial corundum were made at a profit on the domestic Yugoslav market and therefore domestic prices were chosen to determine normal value. However, since there were no domestic sales of brown lumps and no price level could reasonably be established for this product, normal value was constructed in this case by adding a standard domestic market profit margin to the full cost of production.

The domestic sales prices were established on the basis of average sales prices for brown and white quality. For lumps, the constructed value was calculated on the basis of average figures for cost and profit. In both cases normal value was established on a monthly basis in order to take account of the effects of inflation.

- (15) Two of the three Brazilian exporters were found producing and selling profitably representative quantities of brown, and one of them also of white, artificial corundum on the domestic market. Normal value could therefore be determined on the basis of domestic sales prices. These prices were

determined on an average basis for both brown and white artificial corundum. In this case, normal value was also calculated on a monthly basis to take account of the effects of high inflation.

For one Brazilian producer, a substantial amount of domestic sales were made at a loss. In this case normal value was constructed by adding a reasonable profit margin to full cost of production.

D. EXPORT PRICES

- (16) The Czech, Hungarian and Polish export prices for every export transaction to independent customers in the Community were determined on the basis of the prices actually paid or payable.
- (17) With regard to the non-cooperating Chinese exporters, export prices had to be based on best evidence available. For this purpose the Commission used the information made available by importers of the Chinese products in Belgium, Germany and Italy, representing about 90 % of the Chinese exports during the investigation period. The export prices were derived from the purchase prices paid by the importers cif Community frontier adjusted for transport and ancillary costs to arrive at an ex-works level.
- (18) The export prices of the Soviet exporter which had refused to cooperate also had to be established on the basis of the best available evidence. All exports of artificial corundum from the Soviet Union had been made to Germany. Only one German importer accounting for about 25 % of Soviet exports cooperated during the proceeding. The Commission used its purchase prices as shown by export contracts and invoices adjusted by estimated transport cost to ex-works level. These prices were considered to be reasonably accurate in overall terms since official statistics gave similar results.
- (19) The Yugoslav export prices for every single export transaction to independent Community customers were determined on the basis of the prices actually paid or payable.
- (20) With regard to Brazilian export prices, in one case, where the exporter only sold to related Community importers, the export price was reconstructed on the basis of the first sales within the Community to independent purchasers, making due allowance for

all costs between importation and resale and a profit margin considered to be a reasonable operating profit in this branch taking account of independent importers profit experience.

In all other cases, the invoiced prices to independent importers within the Community were taken as a basis. Export prices for every export transaction were determined on the basis of the prices actually paid or payable.

E. COMPARISON

- (21) Normal values and export prices were adjusted to ex-works level in order to take account of conditions and terms of sale. The different normal values were compared with the export prices on a transaction by transaction basis. Allowances for transport, credit terms, ancillary costs, salesmen's salaries and agent's commissions were made, where applicable.

To take account of the effects of inflation on Brazilian and Yugoslav domestic prices, normal values were calculated on a monthly basis and compared to export prices for the corresponding product types transaction by transaction.

- (22) For the Chinese and Soviet exporters the normal values and the export prices were compared ex-works at the same level of trade. Adjustments were made on the basis of the best evidence available in accordance with Article 7 (7) (b) of Regulation (EEC) No 2423/88.

F. MARGINS

- (23) This comparison revealed, with regard to all exporters, that the prices for most export transactions were below normal value. The dumping amounts (difference between normal value and export price) were aggregated for all export transactions and for brown and white artificial corundum. The total weighted average dumping margins expressed as a percentage of the exporters' 'cif Community-border' export price, are outlined hereunder by exporter:

— Czechoslovak Ceramics Company Ltd, Prague, Czechoslovakia	39,1 %
— Machine Tool and Tool Branch Chamber of China Chamber of Commerce for Machinery and Electronic Products Import and Export, Beijing, China	47,4 %

— V/O Stankoimport, Moscow, USSR	9,8 %
— Hungarian Aluminium Corporation, Budapest, Hungary	31,3 %
— Inter-Vis Co. Ltd, Warsaw, Poland	24,5 %
— Elfusa Geral De Eletrofusão Lda, São Paulo, Brazil	20 %
— Carborundum SA, Vinhedo, Brazil	4,5 %
— Norton SA, São Paulo, Brazil	53,4 %
— Tovarna Dusika Ruse, Ruse, Yugoslavia	28,7 %

G. INJURY

- (24) The evidence available to the Commission shows that the combined imports into the Community from Czechoslovakia, the People's Republic of China, the Soviet Union, Hungary, Poland, Brazil and Yugoslavia of artificial corundum increased from 32 480 tonnes in 1986 to 39 220 tonnes in 1989, i.e. an increase of 20,75 %. The increase in imports for the individual countries ranged between 7,9 % (Soviet Union) and 145,7 % (China) during this period. Only imports from Brazil decreased by 25,2 %. There was a slight increase in the total market share held by all seven exporting countries concerned from 19,5 % in 1986 to 19,7 % in 1989, the individual market shares being increased over that period except for Brazil which shows a decrease from 5,3 % to 3,3 %.

The total sales of the main Community producers increased between 1986 and 1989 by 18,4 % which corresponds to a slight increase in market share from 62,3 % to 63,2 %. At the same time, consumption in the Community of artificial corundum increased by 19,7 % between 1986 and 1989.

- (25) The Commission established price undercutting by comparing the exporters' prices of artificial corundum with the corresponding weighted average prices for artificial corundum sold by the Community producers. Given the existing price transparency on the Community market, it was considered appropriate to carry out the comparison between the prices cif Community border, customs cleared for every transaction made by the exporters during the investigation period and the Community industry's ex-works prices. With regard to the non-cooperating Chinese and Soviet exporters average sales prices were used in accordance with

Article 7 (7) (b) of Regulation (EEC) No 2423/88 which was considered, in the absence of other information, to be the best evidence available.

Since some exporters, importers and the Association of German Producers of Abrasives (*Verein Deutscher Schleifmittelwerke eV*) pointed to quality differences between certain grades of imported artificial corundum and the Community product, the Commission based its undercutting calculation on comparable qualities excluding high priced specialities.

The weighted average price undercutting margins established by exporter are :

— Czechoslovak Ceramics Company Ltd, Prague, Czechoslovakia	25,7 %
— Machine Tool and Tool Branch Chamber of China Chamber of Commerce for Machinery and Electronic Products Import and Export, Beijing, China	30,8 %
— V/O Stankoimport, Moscow, USSR	32,0 %
— Hungarian Aluminium Corporation, Budapest, Hungary	12,0 %
— Inter-Vis Co. Ltd, Warsaw, Poland	29,4 %
— Elfusa Geral De Eletrofusão Ltda., São Paulo, Brazil	10,6 %
— Carborundum SA, Vinhedo, Brazil	27,7 %
— Norton SA, São Paulo, Brazil	14,9 %
— Tovarna Dusika Ruse, Ruse, Yugoslavia	25,9 %.

Cumulation

- (26) The Commission is of the opinion that for the determination of the impact on the Community industry, the cumulative effect of all the imports concerned has to be taken into consideration. In analysing whether cumulation was appropriate in each case, the Commission considered the comparability of the imported products and took further into consideration the extent to which each imported product competed in the Community with the like product of the Community industry. In addition, it was considered that the behaviour on the Community market of all exporters was similar (shown in considerable price undercutting) and that their market position was not negligible. The relatively low market share held by the Chinese product

has to be seen in the light of the measures already in force.

On the basis of this overall analysis, the Commission took the view that all exports from the countries concerned, i.e. Czechoslovakia, the People's Republic of China, the Soviet Union, Hungary, Poland, Brazil and Yugoslavia were made under such conditions, that should the Commission treat any exporter in isolation, it would be acting in a discriminatory manner against the others. Accordingly, the Commission concluded that regard should be paid to the effect of the dumped imports on the Community industry cumulated from all the exporters concerned.

Situation of the Community industry

- (27) (a) Production and sales of Community producers developed almost in line with the increase of apparent Community consumption, thus maintaining their market share at the level reached when anti-dumping measures were first introduced in 1984.
- (b) While no breach of the price undertakings has been found, it has to be borne in mind that production costs in the Community for artificial corundum increased between 1986 and 1989 so that the import prices could still have had a negative effect on prices without infringing the undertakings.
- (c) The continuous presence of low-priced dumped imports in substantial quantities in relation to increased production costs forced Community producers to align their prices downward in order to conserve their market share in a period of increasing demand. In many cases they were, as a consequence, prevented from recovering in full the rise in production cost following a dramatic increase in raw material prices.
- (d) As a result of the price depression combined with increasing costs, the main Community producers suffered financial losses or operated at marginal profit margins over the period 1986 to 1989.

This precarious profit situation persisted despite the increase of sales of the main Community producers by 18,5 % in a growing market with Community consumption being up 19,8 % during that period.

Causality

- (28) (a) The inspection of the Community industry's cost accounts and sales documents revealed that the industry in the investigation period was constantly confronted during sales negotiations with low price offers being made by importers of artificial corundum from all seven countries involved, leaving them the choice of either reducing their prices drastically or losing contracts. The industry produced evidence that, in numerous cases, they lost contracts despite reducing prices below variable production costs due to price offers from Czechoslovakia, the People's Republic of China, the Soviet Union, Hungary, Poland, Brazil and Yugoslavia, which were in no way related to the increased raw material costs and, thus, production costs.

The investigation has shown that the prices of dumped imports have undercut and suppressed the prices of the Community industry and prevented it from generating reasonable profits. The Commission has therefore concluded that the imports under consideration have, through the effects of dumping, considerably impaired the situation of the Community industry and hampered its recovery.

- (b) The Commission has also considered whether this situation might have been caused by factors other than the dumped imports, such as the volume and prices of imports originating in other third countries or by a drop in demand. It was found that imports from other third countries had also increased but distinctly slower than the imports under investigation. In addition these imports were made at considerably higher prices than in the case of Czechoslovakia, the People's Republic of China, the Soviet Union, Hungary, Poland, Brazil and Yugoslavia and there was also no indication of these imports being dumped.

Regarding demand it was found that Community consumption of artificial corundum had increased between 1986 and the investigation period by 19,8 % and that Community producers also extended their production and sales. This was, however, only possible through considerable price concessions and loss of profitability.

Conclusions

- (29) In these circumstances, the Commission considers that the anti-dumping measures in force with regard to the People's Republic of China and

Czechoslovakia cannot be allowed to lapse pursuant to Article 15 of Regulation (EEC) No 2423/88 because the expiry of the measures threatens to seriously aggravate, the injurious effects of these imports and would therefore lead to additional injury. Regarding imports from Poland, Hungary and the Soviet Union, the investigation has shown that in the light of changed circumstances in the market situation the anti-dumping measures taken have been insufficient to prevent further injury and to re-establish a healthy situation for the Community industry.

The Commission therefore considers that the anti-dumping measures in force concerning imports of artificial corundum from the People's Republic of China, Czechoslovakia, Poland, Hungary and the Soviet Union are to be maintained or revised in accordance with the findings of the investigation.

- (30) Concerning imports of artificial corundum from Brazil and Yugoslavia, the Commission is of the opinion that the volume and market share of these imports combined with significant price undercutting have considerably contributed to the injurious situation caused to the Community industry and that these effects cannot be isolated from those generated by the imports from the other five countries without discrimination. It is therefore considered that defensive action should also be taken in respect of the dumped imports in question originating in Brazil and Yugoslavia.

H. COMMUNITY INTEREST

- (31) In assessing whether it is in the interest of the Community to take measures against dumped imports, the Commission considers that because of the unsatisfactory profit situation over a very long period, the future existence of this industry is at risk. The production of artificial corundum with its final applications in vital industries like automobiles, steel etc., is of considerable technological, economic and strategic importance for the Community. Apart from being an important employer, the industry is highly innovative and competitive due to considerable investment (including exemplary investment in anti-pollution installations) in the last few years, this process only being jeopardized by unjustified low import prices from Czechoslovakia, the People's Republic of China, the Soviet Union, Hungary, Poland, Brazil and Yugoslavia.

- (32) The Commission also took account of the interests of users and processors of artificial corundum in the Community whose input prices might increase after the imposition of protective measures. It is considered that the necessary price increases, which are likely to restore the profitability of the Community producers of artificial corundum, will have only limited effects on the total cost of the final processed products.

Based on cost estimates provided by processors of artificial corundum, the Commission is of the opinion that the benefits accruing to Community producers will by far outweigh the disadvantages which in certain instances may occur for users and processors.

- (33) The Commission further notes that anti-dumping measures would remedy the distortion in competition brought about by unfair trading practices and that supplies from other non-dumped sources would not be affected. In this content it should be borne in mind that the price advantages, which certain buyers previously enjoyed, are the result of unfair business practices and that there is no justification for allowing them to persist.

In view of the difficulties facing the Community artificial corundum industry, the Commission has come to the conclusion that it is in the Community's interest that action be taken sufficient to protect the Community industry from unfair competition and to recover from an unhealthy situation.

I. LEVEL OF MEASURES REQUIRED

- (34) The Commission, having established that in the case of the non-existence of anti-dumping measures a recurrence of injury would be likely and that indeed the measures previously in force had been insufficient to eliminate the injurious effects caused by the dumped imports and having established that the dumped imports from Brazil and Yugoslavia contribute to these effects and prevented the recovery of the Community industry, considers that anti-dumping measures should be imposed on imports from all the countries concerned.

However, the measures should not exceed the margins of dumping found. Since the main cause of the injurious situation is the price undercutting of the Community industry's prices by the exporters, it is considered sufficient to eliminate, where possible, these price undercutting margins. Indeed,

without price undercutting the Community industry would be able to regain viability. Therefore, the prices of the exporters should be increased by their price undercutting margin or their dumping margin, whatever is the lower. On this basis the Commission considers that, if anti-dumping duties would have to be imposed, these should amount to the following rates:

Czechoslovakia	25,7 %
People's Republic of China	30,8 %
Soviet Union	9,8 %
Hungary	12,0 %
Poland	24,5 %
Brazil	
Carborundum	4,5 %
Elfusa	10,6 %
Norton	14,9 %
Yugoslavia	25,9 %

J. UNDERTAKINGS

- (35) Having been informed of the essential facts and considerations on the basis of which it was intended to take protective measures, all exporters concerned offered price undertakings.

The Commission regards these undertakings as acceptable because they will have the effect of bringing the prices of exports to the Community up to a level or keeping them at a level which the Commission considers sufficient to eliminate the injury suffered by the Community industry.

Moreover, the Commission notes that, in case of violation of these price undertakings, it can immediately impose provisional duties pursuant to Article 10 (6) of Regulation (EEC) No 2423/88 and the Council can subsequently impose definitive duties based on the facts established in the present investigations concerning dumping and injury resulting therefrom.

- (36) The Advisory Committee has been consulted on this course of action. The Representatives of France and the United Kingdom raised objections as to the proposed course of action. The Commission therefore submitted its proposal to the Council for approval in accordance with Articles 9 (1) and 10 (1) of Regulation (EEC) No 2423/88.

The Commission proposal has been accepted because the Council did not decide otherwise, acting by a qualified majority, within the one month period laid down in Article 9 (1) of Regulation (EEC) No 2423/88,

HAS DECIDED AS FOLLOWS:

Article 1

The undertakings offered by:

- Czechoslovak Ceramics Company Ltd, Prague, Czechoslovakia,
- Machine Tool and Tool Branch Chamber of China Chamber of Commerce for Machinery and Electronic Products Import and Export, Beijing, China,
- V/O Stankoimport, Moscow, USSR,
- Hungarian Aluminium Corporation, Budapest, Hungary,
- Inter-Vis Co. Ltd, Warsaw, Poland,
- Elfusa Geral De Eletrofusão Lda, São Paulo, Brazil,
- Carborundum SA, Vinhedo, Brazil,
- Norton SA, São Paulo, Brazil,
- Tovarna Dusika Ruse, Ruse, Yugoslavia,

in connection with the review of anti-dumping measures concerning imports of artificial corundum falling within CN code ex 2818 10 00 and originating in the Soviet Union, Hungary, Poland, Czechoslovakia and the People's

Republic of China and in connection with the anti-dumping proceeding concerning imports of artificial corundum falling within CN code ex 2818 10 00 and originating in Brazil and Yugoslavia are hereby accepted.

Article 2

The investigation in connection with the review of anti-dumping measures concerning imports of artificial corundum originating in the Soviet Union, Hungary, Poland, Czechoslovakia and the People's Republic of China and in connection with the anti-dumping proceeding concerning imports of artificial corundum originating in Brazil and Yugoslavia is hereby terminated.

Done at Brussels, 25 July 1991.

For the Commission

Frans ANDRIESEN

Vice-President