

COMMISSION DECISION

of 13 November 1981

accepting the undertaking given by the Government of Brazil in connection with the anti-subsidy proceeding concerning imports of certain kinds of women's shoes originating in that country and terminating the proceeding in respect of them

(81/901/EEC)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 3017/79 of 20 December 1979 on protection against dumped or subsidized imports from countries not members of the European Economic Community⁽¹⁾, and in particular Article 10 thereof,

After hearing the unanimously favourable opinions expressed by the advisory committee set up under that Regulation,

Whereas in August 1981 the Commission received a complaint lodged by the European Confederation of the Footwear Industry (CEC) alleging that imports of women's footwear with outer soles of leather, composition leather, rubber or artificial plastic material and uppers of leather⁽²⁾, originating in Brazil, were being subsidized and that this threatened to cause material injury to the Community industry;

Whereas the allegation of subsidization was based on the fact that the Brazilian authorities had re-introduced a direct export subsidy ('créditoprêmio de IPI') on exports of certain kinds of women's shoes with effect from 1 April 1981; whereas the amount of the subsidy is equal to 15 % up to 31 December 1981, 9 % in 1982 and 3 % from 1 January to 30 June 1983;

Whereas the said evidence was sufficient to justify initiating an investigation;

Whereas the Commission accordingly announced by a notice published in the *Official Journal of the European Communities*⁽³⁾ the initiation of an anti-subsidy proceeding concerning imports of certain kinds of women's shoes originating in Brazil and commenced the investigation at Community level;

Whereas the Commission officially so advised the exporters and importers known to be concerned and also notified the Brazilian authorities of the initiation of the proceeding;

Whereas the Commission has given the parties directly concerned the opportunity to make known their views in writing and to be heard orally;

Whereas some of the parties concerned have taken this opportunity;

Whereas the consultations with the Brazilian authorities which took place prior to the initiation of the proceeding were subsequently continued;

Whereas when these consultations were concluded the Brazilian authorities informed the Commission that Brazil would impose a tax on exports of the products covered by the proceeding; whereas the tax would apply to exports effected from 15 November 1981 onwards, irrespective of the country of destination, and that the amount would be equal to 15 % until 31 December 1981, 9 % in 1982 and 3 % from 1 January to 30 June 1983; whereas the basis of assessment for calculating the tax would be the same as that on which the subsidy was calculated, that is the fob value of the exports concerned, subject to certain adjustments; whereas the effects of the subsidy programme would therefore be completely neutralized;

Whereas, furthermore, the Brazilian Government informed the Commission that it did not intend to adopt any fiscal, monetary or other measures which would weaken the scope of the above measures;

Whereas the Commission has determined that implementation of this undertaking would neutralize the effects of the subsidy programme and the resulting threat of injury to the Community industry and that it is not now necessary, therefore, to take protective action in respect of the imports in question;

⁽¹⁾ OJ No L 339, 31. 12. 1979, p. 1.

⁽²⁾ Common Customs Tariff subheading ex 64.02 A; NIMEXE codes ex 64.02-32, 38, 49, 54, 59.

⁽³⁾ OJ No C 241, 19. 9. 1981, p. 10.

Whereas in these circumstances the undertaking offered is acceptable and the proceeding may be terminated without imposition of a countervailing duty,

HAS DECIDED AS FOLLOWS:

Article 1

The Commission hereby accepts the undertaking given by the Government of Brazil in connection with the anti-subsidy proceeding concerning imports of certain kinds of women's shoes originating in Brazil.

Article 2

The anti-subsidy proceeding is hereby terminated in respect of imports of certain kinds of women's shoes ⁽¹⁾ originating in Brazil.

Done at Brussels, 13 November 1981.

For the Commission

Wilhelm HAFERKAMP

Vice-President

⁽¹⁾ NIMEXE codes ex 64.02-32, 38, 49, 54, 59; Common Customs Tariff subheading ex 64.02 A.