

COUNCIL REGULATION (EC) No 821/94

of 12 April 1994

imposing a definitive anti-dumping duty on imports of silicon carbide, originating in the People's Republic of China, Poland, the Russian Federation and Ukraine

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European 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 Articles 12, 14 and 15 thereof,

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

Whereas :

A. PROCEDURE

(1) In October 1986, the Commission, by Decision 86/497/EEC⁽²⁾, accepted price undertakings offered by the exporters in Norway, the People's Republic of China (hereinafter referred to as 'China'), Poland and the former USSR, in connection with the anti-dumping proceeding concerning imports of silicon carbide. The measures concerning Norway were suspended by Council Regulation (EC) No 5/94⁽³⁾ with effect from 1 January 1994.

(2) Following the publication in April 1991⁽⁴⁾ of a notice of the impending expiry of the measures in force, the Commission received a request for a review lodged by the European Chemical Industry Council (CEFIC), on behalf of producers allegedly representing a major part of total Community production of silicon carbide.

Subsequently, in a notice published in the *Official Journal of the European Communities*⁽⁵⁾, the Commission announced a review of the anti-dumping measures in force.

(3) The Commission notified the exporters and importers known to be concerned, the representatives of the exporting countries and the complainant

Community producers, and gave the parties directly concerned the opportunity to make their views known in writing and to request a hearing.

(4) All complainant Community producers replied to the questionnaire and made their views known in writing. CEFIC requested and was granted a hearing by the Commission.

(5) The Polish exporter, Intervis Co. Ltd, Warsaw, replied to the questionnaire and made its views known in writing. The Norwegian exporters listed in recital 7 replied to the questionnaire only in relation to their export transactions covered by the measures in force. Three Chinese corporations, the China Minerals Import and Export Corporation, the China Abrasives Export Corporation and the China Metallurgical Import and Export Corporation, Jiangu Branch, representing a minor portion of total imports of silicon carbide originating in China, replied to the questionnaire. Three export organizations of the former USSR were sent questionnaires, but did not reply.

The original investigation covered the whole of the former USSR. Since information at the disposal of the Commission indicates that the silicon carbide concerned originates only in the Russian Federation (hereinafter referred to as 'Russia') and Ukraine, this review investigation is limited to imports of silicon carbide originating in these two countries of the former USSR.

(6) Four importers replied to the questionnaire.

(7) The Commission sought and verified all information it deemed necessary for the purposes of a determination and carried out investigations at the premises of the following companies :

— complainant Community producers :

- Pechiney Electrometallurgie (France),
- Elektroschmelzwerk Kempten GmbH (Germany),
- Samatec, Società Abrasivi e Materiali Ceramic SA (Italy),
- Navarro SA (Spain) ;

⁽¹⁾ OJ No L 209, 2. 8. 1988, p. 1. Regulation as last amended by Regulation (EC) No 522/94 (OJ No L 66, 10. 3. 1994, p. 10).

⁽²⁾ OJ No L 287, 10. 10. 1986, p. 25.

⁽³⁾ OJ No L 3, 5. 1. 1994, p. 1.

⁽⁴⁾ OJ No C 100, 17. 4. 1991, p. 17.

⁽⁵⁾ OJ No C 279, 26. 10. 1991, p. 11.

— *producers/exporters* :

- Arendal Smelteverk A. S. (Norway),
- Norton A. S. (Norway),
- Orkla-Exolon A. S. (Norway);

— *importers* :

- Frank and Schulte GmbH (Germany),
- Ferrocabon GmbH (Germany);

— *reference country* :

- Exolon ESK Company, Tonawanda, USA,
- Norton Company, Worcester, USA.

(8) The investigation of dumping covered the period from 1 July 1990 to 30 June 1991 (investigation period).

(9) Owing to the complexity of the investigation and the volume of data gathered, the investigation could not be concluded within the normal time limit of one year as provided for at that time in Article 7 (9) (a) of Regulation (EEC) No 2423/88 (hereinafter referred to as 'the basic Regulation').

B. PRODUCT UNDER CONSIDERATION AND LIKE PRODUCT

(10) The product covered by the complaint and for which the review investigation was initiated is silicon carbide falling within CN code 2849 20 00. It is identical to the product which was the subject of the previous investigation and for which price undertakings were accepted.

(11) The production process of silicon carbide is such that output automatically comprises a variety of qualities of silicon carbide. These qualities can be segregated into two main grades, crystalline and metallurgical. The crystalline grade is normally used, depending on the quality, in the manufacture of abrasive tools, grinding wheels, high quality refractory products, ceramics, plastic materials etc., while the metallurgical grade is normally used in foundry and blast furnace operations as a silicon carrier.

The various qualities of silicon carbide do not entail any significant differences in basic physical characteristics, although in use, differences occur.

Given that both main grades result from the same production process — one cannot be produced without the other — and that the metallurgical grade can technically be replaced by the crystalline grade, both grades of silicon carbide and their different qualities should be considered as forming one product for the purpose of this proceeding.

(12) The investigation showed that the product produced and sold by the Community producers on the Community market is identical in its particular characteristics to the silicon carbide imported from the five countries in question. It should therefore be considered as a like product within the meaning of Article 2 (12) of the basic Regulation.

C. COMMUNITY INDUSTRY

(13) The complainant producers continue to manufacture more than 90 % of Community output of silicon carbide. It was therefore considered that these producers constitute a major proportion of total Community production of this product.

Account was taken of the fact that some Community producers imported small quantities of silicon carbide from the countries under investigation. Since these imports were test purchases in order to analyse the products produced by competitors and represented, in any event, negligible quantities, there appears no reason to exclude these Community producers from the 'Community industry', in accordance with Article 4 (5) of the basic Regulation. Indeed, these importing Community producers were neither participating in, nor benefiting from, nor shielded from dumping by the countries concerned.

D. THE PRESENT SITUATION IN THE COMMUNITY MARKET

(14) In order to establish whether the expiry of the measures in force would lead again to dumping and injury or threat of injury, it was first necessary to examine the present economic situation of the Community industry.

(a) Production, capacity utilization and stocks

- (15) The production of silicon carbide by the Community industry showed a brief upturn between 1988 and 1989, from 101 500 tonnes to 107 500 tonnes, but then gradually declined to 101 700 tonnes in 1990 and to 95 000 tonnes during the investigation period. This represented a decrease of 6,4 % when compared to 1988, 11,6 % when compared to 1989 and 6,5 % when compared to 1990.

Since the production capacity of the Community industry remained stable at 129 000 tonnes, its utilization rate which stood at 79 % in 1988 increased to 83 % in 1989 to decline to 74 % in the investigation period.

During this period the stocks of the Community industry rose gradually from 17 000 tonnes to 20 500 tonnes, i.e. by 20,6 %.

(b) Sales

- (16) Between 1988 and the end of the investigation period, the quantity of silicon carbide sold on the Community by the Community industry gradually decreased by 15 % from 93 419 tonnes to 79 385 tonnes.

(c) Profitability

- (17) It was found that the Community industry on the whole suffered a considerable deterioration in profitability after 1988. In 1990, although some Community producers were still profitable, the industry on average incurred losses, while during the investigation period all Community producers incurred losses.

(d) Employment

- (18) The workforce of the complainant producers has generally declined and one plant in Italy was closed during the investigation period.

(e) Community consumption

- (19) Between 1988 and the investigation period the total estimated consumption in the Community of the product concerned increased from 152 977 tonnes to 185 400 tonnes, i.e. an increase of 21 % since 1988.

(f) Market share of the Community industry

- (20) The Community market share of the Community industry recovered as a result of the anti-dumping measures adopted in 1986 from 52,5 % in 1984 to

61,1 % in 1988. However, after 1988 this market share declined to 42,8 % at the end of the investigation period.

(g) Conclusion

- (21) It was accordingly concluded that, in spite of the price undertakings in force, the Community industry continues to show clear signs of economic difficulties. This situation has consistently deteriorated since 1988, demonstrated on the one hand by a decline of production, capacity utilization and sales, and, on the other, by increasing stocks, loss of employment, financial losses and a declining market share, notwithstanding the increase in Community consumption.

E. THE BEHAVIOUR OF THE EXPORTERS CONCERNED

- (22) It was also necessary to examine the behaviour of the exporters concerned.

(a) Volume and market share of imports from the exporting countries concerned

- (23) The volume of Norwegian imports increased from 42 035 tonnes to 49 185 tonnes between 1988 and 1989, but decreased thereafter to 45 288 tonnes in the investigation period. The market share of the Norwegian imports increased slightly between 1988 and 1989 from 27,5 % to 28,8 %, but eroded over 1990 to 25,7 % and in the investigation period to 24,4 %.

Imports from China increased between 1988 and the investigation period from 1 758 tonnes to 28 295 tonnes; imports from Poland rose over the same period from 1 276 tonnes to 3 497 tonnes and from Russia and Ukraine from 5 078 tonnes to 12 921 tonnes. This corresponds to an increase in market share over the same period from 1,1 % to 15,3 % for China, 0,8 % to 1,9 % for Poland and from 3,3 % to 7 % for Russia and Ukraine. The total volume of imports from China, Poland, Russia and Ukraine has accordingly increased by more than four and a half times in the period. The market share of the four countries taken together increased from 5,2 % to 24,2 % between 1988 and the investigation period.

The volume of imports from China, Norway, Poland, Russia and Ukraine has, taken together, increased from 50 147 tonnes in 1988 to 90 001 tonnes in the investigation period corresponding to an increase in market share from 32,7 % to 48,6 %.

(b) Prices

- (24) It was investigated whether the exporting producers were undercutting the prices of the Community producers during the investigation period. A price comparison was made on the basis of sales by both the Community industry and the exporters to unrelated customers at the same level of trade on the most important markets of the Community. In order to ensure a fair comparison, prices of similar qualities were compared.

This comparison showed significant price undercutting on the part of the exporters in all countries involved with the exception of Norway. Norwegian prices were found to oscillate around the prices charged by the Community industry.

For the Polish exporter, the Community producers' prices were found to be undercut by margins of up to 29 %. Exports from Russia and Ukraine were undercutting Community producers' prices by margins from 23 % to 49 %, and exports from China by margins from 50 % to 71 %.

(c) Price undertakings

- (25) This price examination also revealed that the exports from China, Russia and Ukraine were consistently sold in violation of the undertakings agreed in the previous proceeding with the Commission. Although the Polish exporter was found to be undercutting, it did not violate its price undertaking. The Norwegian exporters also respected their price undertakings.

(d) Conclusion

- (26) The increased market penetration of imports from China, Poland, Russia and Ukraine, taken together in combination with the price undercutting established for these countries and the violation of the price undertakings by all but Norway and Poland, led to the conclusion that it was necessary to examine whether dumping is occurring which contributed to the deteriorated situation of the Community industry and whether the expiry of protective measures would lead to a recurrence of dumping and injury.

F. RECURRENCE OF DUMPING**I. Reference country**

- (27) The countries covered by this proceeding, with the exception of Norway, were, during the period of

investigation, non-market economy countries (hereinafter referred to as 'NMEs'). Normal value for these NMEs had therefore to be based on data obtained in a market economy country (in accordance with Article 2 (5) of the basic Regulation). Interested parties suggested several countries including Norway as an analogue market for that purpose. Since the Norwegian exporters did not supply information relating to domestic prices, cost of production or export prices for all grades of the product concerned, Norway could not be used.

It was determined that the market of the United States of America (USA) (hereinafter referred to as 'the US market') would in this respect be an appropriate and not unreasonable choice due to the easy access to raw materials, the availability of competitively priced energy, its open and competitive nature and the fact that, in terms of volume and range of qualities of silicon carbide, it is considered to be representative in comparison with the exports from each individual NME.

Furthermore, the product manufactured in the USA has the same basic physical and chemical characteristics as the product manufactured by all NMEs concerned and can therefore be considered a like product.

II. Normal value**(a) NMEs**

- (28) Normal value was determined on the basis of prices in the ordinary course of trade at which the silicon carbide was actually sold for consumption on the US market. All sales transactions were to unrelated purchasers and involved quantities considered to be representative.

Account was taken of the fact that the companies investigated in the reference market were directly or indirectly related to certain silicon carbide producers in the Community or in Norway. It was examined whether their relationship had an influence on the determination of normal value. Since normal value was determined on the basis of sales prices to independent customers on the US market and these prices were subject to normal competitive forces, it was concluded that the relationship had no influence on the normal value thus determined.

(b) *Norway*

- (29) No normal value based on prices or costs in Norway could be established as the Norwegian producers did not fully cooperate. In view of the similarity of the production processes, costs of raw materials, in particular energy costs, and other economic circumstances, between Norway and the USA for this product, and the fact that in both countries producers are operating on a competitive market, it was considered that the prices for this product in the USA constituted the best facts available as a basis for prices in Norway.

Normal value for all qualities was therefore established, pursuant to Article 2 (3) (a) of the basic Regulation, on the basis of the weighted average of the US sales prices. The information concerning the production costs of silicon carbide in the USA — increased by a reasonable margin for profit (as explained in recital 49) — confirmed the reasonableness of the use of the US sales price on the US market.

For the qualities covered by the undertakings accepted from the Norwegian exporters concerned, separate normal values were established on the basis of the weighted average of the sales prices on the US market of the corresponding qualities.

III. Export prices(a) *Poland*

- (30) Exports by the Polish exporting producer were made directly to independent importers in the Community. The export prices were therefore determined on the basis of prices actually paid or payable for the products sold.

(b) *China*

- (31) The export volume of the cooperating Chinese export corporations represented 22 % of total Chinese silicon carbide imports into the Community during the investigation period. It was considered whether individual company findings should be made for the three Chinese export corporations referred to in recital 5. Since they are all State-owned corporations, individual determinations were not made in accordance with the established prac-

tice of the institutions, especially since the State can at any time interfere in their economic operations. In addition, the percentage of 22 % was deemed to be too small to be representative of total Chinese silicon carbide exports. Export prices of the Chinese export sales were therefore based on the facts available in accordance with Article 7 (7) (b) of the basic Regulation. Consequently, the data supplied by Eurostat was used, from which all costs incurred between the Chinese port of loading and CIF Community frontier were deducted.

(c) *Norway*

- (32) Since the Norwegian producers supplied information for only part of their exports, an average export price for silicon carbide from Norway, irrespective of quality, was established on the basis of Eurostat figures.

(d) *Russia and Ukraine*

- (33) The exporters in Russia and Ukraine, did not cooperate: export prices had therefore to be based on the facts available. In this respect, export prices for Russia and Ukraine were established on the basis of purchase prices of an independent importer which was considered appropriate since it imported during the investigation period more than 50 % of total imports of silicon carbide originating in the countries concerned. These purchase prices were at franco destination level. Freight and insurance costs incurred were deducted in order to establish an ex-national border price. The data supplied by this importer did not permit a distinction to be made between the silicon carbide originating in Russia and Ukraine.

IV. Comparison

- (34) For all countries, with the exception of China and Norway, the normal value was compared with the export price for comparable qualities, transaction-by-transaction, and on an ex-works basis. For the NMEs, ex-works was taken as ex-national border in accordance with normal practice for these countries. No adjustments were claimed or deemed necessary in respect of different levels of trade (Article 2 (9) (a) of the basic Regulation) since the investigation showed that no different price patterns existed on the reference market for different types of customers of silicon carbide.

For the product originating in Russia and Ukraine an adjustment based on detailed information supplied by the importer referred to in recital 33 was made to the normal value in order to take account of the difference in physical characteristics in accordance with Article 2 (9) (a) of the basic Regulation.

- (35) The average price of all Norwegian export transactions of silicon carbide, based on Eurostat figures, was compared on an ex-works basis with the normal value for silicon carbide established on the basis of the average price of all transactions on the US market, all qualities taken together.

The export prices for certain qualities reported under the Norwegian producers' undertakings were also compared with the sales prices on the US market for the comparable qualities. These findings confirmed the results found in the comparison of all Norwegian export transactions.

- (36) In the case of China, the three exporters which replied to the Commission's questionnaire claimed several adjustments for differences in physical characteristics and certain selling expenses. Since, as previously mentioned, these exporters were deemed to be unrepresentative of total Chinese exports of silicon carbide to the Community, it was not possible to determine, on the basis of the evidence available, whether such adjustments were applicable to all exports to the Community. However, since it became known from different sources during the investigation that China exports predominantly metallurgical silicon carbide, it was considered that in applying the provisions of Article 7 (7) (b) of the basic Regulation (facts available), it would be unreasonable to use an average normal value based on both crystalline and metallurgical grades. A normal value based on the average price for metallurgical grade only was therefore used. The comparison was made between this normal value and the export price as determined above. In so doing, adjustments warranted for differences affecting price comparability, in respect of the volume of exports by the three Chinese cooperating exporters, have been taken into account.

Claims for adjustments for differences in cost factors, such as labour, between the US producers on the one hand and the Chinese producers on the other were rejected since no adjustments other than those resulting from comparative natural advantages

can be granted. Cost differences, if any, due to the economic system existing in the exporting country cannot be taken into consideration as this would negate the purpose of Article 2 (5) of the basic Regulation of determining normal value on the basis of prices or costs in a market economy; however, cost differences resulting from comparative natural advantages are not due to the economic system existing in an exporting country.

V. Dumping margins

- (37) These comparisons showed the following weighted average dumping margins, expressed as a percentage of the net free-at-Community frontier price before duty:

China :	72,5 %
Norwegian exporting producers :	0,0 %
Poland :	8,3 %
Russia :	23,3 %
Ukraine :	23,3 %

G. RECURRENCE OF INJURY

- (38) In the light of the above analysis and in order to assess the effect of the expiry of measures in force, the following was considered:

I. Norway

- (39) Although the Norwegian exporters did not fully cooperate, evidence available clearly indicates that the Norwegian product is mostly present in the high quality market segment, where higher prices prevail.

In the light of the past pricing behaviour of Norwegian producers which has led to prices being kept generally in line with those of Community producers, even at the expense of loss of market share, it appeared unlikely that the expiry of the undertakings would lead to an imminent recurrence of dumped imports and injury caused by Norwegian exporters.

II. China, Poland, Russia and Ukraine

- (40) Exporters in these countries sold silicon carbide at high undercutting prices to the Community in increasing quantities, without respecting, except for the Polish exporter, the conditions of the undertaking agreed with the Commission.

Since these imports continued to injure the Community industry, it can be expected that the expiry of measures would only lead to a further deterioration of an already weakened Community industry.

III. Effect of the cumulated, low-priced imports

- (41) For this examination, it was considered appropriate to cumulate the imports from China, Poland, Russia and Ukraine because the exporters in these countries followed largely the same low-pricing behaviour and the imports have the same basic physical characteristics, are interchangeable, have the same channels of distribution and were sold in the same geographical market during the same period.
- (42) In considering the relationship between these low-priced imports and the weak situation of the Community industry, it was found that the increase in volume and market share of these imports in combination with their undercutting prices, coincided with the deterioration of the situation of the Community industry.

Since this is a price-sensitive product in a transparent market which consists mainly of industrial users, sales at low prices inevitably have substitution effects as customers choose to be supplied at the lowest price offered. It was therefore concluded that these low-priced imports can be clearly associated with the deteriorating situation of the Community industry.

IV. Effect of other factors

- (43) It was examined whether factors, other than the low-priced imports from these four countries, might have led to or contributed to the weak situation of the Community industry and especially whether imports from countries other than the four mentioned, may have contributed to this situation. This examination was based on 'Eurostat' figures.

(a) Norway

- (44) Regarding imports from Norway, it has to be noted that Norwegian prices of silicon carbide imported into the Community were, in general, in line with those of the Community producers. Furthermore, the Norwegian market share has declined from 1989 to the investigation period. Therefore, it was considered unlikely that Norwegian imports have contributed to the deteriorating situation of the Community industry.

(b) Other third countries

- (45) A certain quantity of imports (7,7 % market share during the investigation period) originates from third countries other than Norway. It was found that prices of imports from these countries were on average below those charged by the Community producers.

No evidence has been supplied to the Commission as to whether these prices were low in respect of low-quality silicon carbide or whether these products were actually being sold at dumped prices.

Conclusion

- (46) It was considered *arguendo* that, even if the imports from other countries had contributed to the difficult state of the Community industry, it would not affect the conclusion that the cumulated imports from the four countries in question taken in isolation have been a cause of this difficult state.

V. Conclusion on recurrence of injury

- (47) In the light of the new dumping and injury findings, it was concluded that a continuation of measures for all countries, except Norway, would be warranted but that the nature of such measures should be reconsidered in the light of the new dumping and injury findings. With regard to Norway, the findings of no dumping for all grades of silicon carbide exported to the Community and not only for those grades covered by the undertakings confirms that the pricing behaviour of the Norwegian exporters is such that there is nothing to suggest that the expiry of the measures would lead to an imminent recurrence of injury caused by dumping.

H. COMMUNITY INTEREST

- (48) The purpose of anti-dumping measures is, in general, to eliminate distortion of competition arising from dumping practices and thus to re-establish open and fair competition on the Community market. In considering the Community interest, account has been taken of the effectiveness of the existing measures in addition to the interest of the Community silicon carbide industry, the users of silicon carbide and the final consumers of the end product. In this respect it is also recalled that in the previous investigation, the adoption of measures was considered to be in the interest of the Community.

Leaving the Community industry without adequate protection against the unfair competition as established would add to the difficulties of this industry and could lead to its disappearance with the consequent negative effect on employment and investment. One plant in Italy had already closed during the investigation period and a further plant in France has subsequently had to close. Such closures, resulting in reduced competition for the supply of silicon carbide, have a negative impact on users. As far as these purchasers of silicon carbide are concerned, it may be argued that they could derive some benefit from buying silicon carbide at dumped prices. Any such benefit, however, would be minimal, since the silicon carbide in question accounts for only a fraction of the price of most end-products.

In these circumstances, it is in the Community interest to maintain definitive anti-dumping measures to eliminate the injurious effects of dumped imports and that these measures should take the form of anti-dumping duties.

I. DUTY

- (49) When calculating the amount of duty necessary to provide adequate protection to the Community industry from continued injurious dumping, it was considered that any measures should allow the Community industry to cover its costs of production and to obtain a reasonable profit.

In this respect and based on the findings in the reference country, it was found that a profit margin of 5 % of the cost of production for this sector could be regarded as an appropriate minimum taking into account the need for long-term investment.

- (50) In order to calculate the amount of duty, a price level established which would permit the Community industry to achieve this result.

Since silicon carbide consists of two main grades, crystalline and metallurgical, two different price levels were calculated, consisting of the weighted average cost of production of the Community producers for each main grade and the profit margin.

- (51) It was considered that the duty should cover the difference between this price and the actual selling prices of the exporters in the Community.
- (52) In order to determine the level of the duty, price increases thus established have been expressed as a

percentage of the weighted average free-at-Community frontier value of the imported goods.

- (53) For Russia and Ukraine, an injury margin of 51,1 % was found. Since this margin was higher than the dumping margin, the rate of duty should be established on the basis of the latter.
- (54) The net, free-at-Community-frontier price, before duty established for exports originating in China was compared with the injury level determined for the Community industry in respect of metallurgical grade silicon carbide. This comparison results in an injury margin of 52,6 %, which is lower than the dumping margin. Therefore, the duty should be established on the basis of the injury margin.
- (55) For Poland, an injury margin of 27 % was found. Since this margin is higher than the dumping margin determined, a duty should be established on the basis of the latter.

The undertaking accepted in 1986 from the only Polish exporter is no longer apt to prevent injury. This exporter has not offered a revised undertaking, despite having been given the opportunity to do so by the Commission.

Notwithstanding the acceptance of an undertaking from the Russian government (see recital 56), a residual duty should be imposed on imports originating in Russia in view of the rapid changes taking place in that country's economic system which may lead to the emergence of new producers and exporters of silicon carbide operating independently of the State.

Undertakings

- (56) Having been informed of the essential facts and considerations on the basis of which it was intended to recommend the imposition of definitive duties, certain exporters in China and Russia offered undertakings.

For China, these exporters are those mentioned in recital 5 which responded to the Commission's questionnaire. They offered undertakings in respect of their individual circumstances as to dumping and injury caused thereby. It has been deemed inappropriate to determine individual company findings for these State-owned corporations for the reasons set out in recital 31. The Commission has therefore considered the undertakings offered by the Chinese exporters unacceptable and have informed the three Chinese exporters accordingly.

The Russian government, in conjunction with the State-trading organization V/O Stankoimport, offered undertakings which would remedy the injurious effects of the dumped exports. The Commission consulted the Advisory Committee on acceptance of these undertakings and, since some objections were raised, sent a report on these consultations to the Council. These undertakings were accepted by Commission Decision 94/202/EC⁽¹⁾,

HAS ADOPTED THIS REGULATION:

Article 1

1. A definitive anti-dumping duty is hereby imposed on imports of silicon carbide falling within CN Code 2849 20 00 originating in the People's Republic of China, Poland, the Russian Federation and Ukraine.

However, the duty shall not apply to silicon carbide exported by V/O Stankoimport, Moscow, Russia (Taric additional code 8746).

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

Country	Rate of duty (%)	Taric additional code
People's Republic of China	52,6	—
Poland	8,3	—
The Russian Federation	23,3	8747
Ukraine	23,3	—

3. The provisions in force concerning customs duties shall apply.

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.

Done at Luxembourg, 12 April 1994.

For the Council
The President
 F. CONSTANTINOU

⁽¹⁾ See page 32 of this Official Journal.