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## Legislation

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## I

(Acts whose publication is obligatory)

**COMMISSION REGULATION (EEC) No 1605/90****of 15 June 1990****fixing the import levies on cereals and on wheat or rye flour, groats and meal**

THE COMMISSION OF THE EUROPEAN COMMUNITIES,  
Having regard to the Treaty establishing the European Economic Community,

Having regard to the Act of Accession of Spain and Portugal,

Having regard to Council Regulation (EEC) No 2727/75 of 29 October 1975 on the common organization of the market in cereals<sup>(1)</sup>, as last amended by Regulation (EEC) No 1340/90<sup>(2)</sup>, and in particular Article 13 (5) thereof,

Having regard to Council Regulation (EEC) No 1676/85 of 11 June 1985 on the value of the unit of account and the exchange rates to be applied for the purposes of the common agricultural policy<sup>(3)</sup>, as last amended by Regulation (EEC) No 1636/87<sup>(4)</sup>, and in particular Article 3 thereof,

Having regard to the opinion of the Monetary Committee,

Whereas the import levies on cereals, wheat and rye flour, and wheat groats and meal were fixed by Commission Regulation (EEC) No 754/90<sup>(5)</sup> and subsequent amending Regulations;

Whereas, if the levy system is to operate normally, levies should be calculated on the following basis:

- in the case of currencies which are maintained in relation to each other at any given moment within a band of 2,25 %, a rate of exchange based on their central rate, multiplied by the corrective factor provided for in

the last paragraph of Article 3 (1) of Regulation (EEC) No 1676/85,

- for other currencies, an exchange rate based on the arithmetic mean of the spot market rates of each of these currencies recorded for a given period in relation to the Community currencies referred to in the previous indent, and the aforesaid coefficient;

Whereas these exchange rates being those recorded on 14 June 1990;

Whereas the aforesaid corrective factor affects the entire calculation basis for the levies, including the equivalence coefficients;

Whereas it follows from applying the detailed rules contained in Regulation (EEC) No 754/90 to today's offer prices and quotations known to the Commission that the levies at present in force should be altered to the amounts set out in the Annex hereto,

HAS ADOPTED THIS REGULATION:

*Article 1*

The import levies to be charged on products listed in Article 1 (a), (b) and (c) of Regulation (EEC) No 2727/75 shall be as set out in the Annex hereto.

*Article 2*

This Regulation shall enter into force on 16 June 1990.

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

Done at Brussels, 15 June 1990.

*For the Commission*

Ray MAC SHARRY

*Member of the Commission*

<sup>(1)</sup> OJ No L 281, 1. 11. 1975, p. 1.

<sup>(2)</sup> OJ No L 134, 28. 5. 1990, p. 1.

<sup>(3)</sup> OJ No L 164, 24. 6. 1985, p. 1.

<sup>(4)</sup> OJ No L 153, 13. 6. 1987, p. 1.

<sup>(5)</sup> OJ No L 83, 30. 3. 1990, p. 4.

## ANNEX

to the Commission Regulation of 15 June 1990 fixing the import levies on cereals and on wheat or rye flour, groats and meal

(ECU/tonne)

CN code	Levies	
	Portugal	Third country
0709 90 60	39,80	130,21 <sup>(2)</sup> <sup>(3)</sup>
0712 90 19	39,80	130,21 <sup>(2)</sup> <sup>(3)</sup>
1001 10 10	49,77	190,51 <sup>(1)</sup> <sup>(5)</sup>
1001 10 90	49,77	190,51 <sup>(1)</sup> <sup>(5)</sup>
1001 90 91	40,78	151,33
1001 90 99	40,78	151,33
1002 00 00	65,46	136,37 <sup>(6)</sup>
1003 00 10	56,71	130,91
1003 00 90	56,71	130,91
1004 00 10	48,11	123,39
1004 00 90	48,11	123,39
1005 10 90	39,80	130,21 <sup>(2)</sup> <sup>(3)</sup>
1005 90 00	39,80	130,21 <sup>(2)</sup> <sup>(3)</sup>
1007 00 90	56,71	143,97 <sup>(4)</sup>
1008 10 00	56,71	38,09
1008 20 00	56,71	105,69 <sup>(4)</sup>
1008 30 00	56,71	5,14 <sup>(7)</sup>
1008 90 10	(7)	(7)
1008 90 90	56,71	5,14
1101 00 00	71,56	226,48
1102 10 00	106,11	205,38
1103 11 10	91,98	310,25
1103 11 90	75,71	243,02

(<sup>1</sup>) Where durum wheat originating in Morocco is transported directly from that country to the Community, the levy is reduced by ECU 0,60/tonne.

(<sup>2</sup>) In accordance with Regulation (EEC) No 715/90 the levies are not applied to products imported directly into the French overseas departments, originating in the African, Caribbean and Pacific States or in the 'overseas countries and territories'.

(<sup>3</sup>) Where maize originating in the ACP or OCT is imported into the Community the levy is reduced by ECU 1,81/tonne.

(<sup>4</sup>) Where millet and sorghum originating in the ACP or OCT is imported into the Community the levy is applied in accordance with Regulation (EEC) No 715/90.

(<sup>5</sup>) Where durum wheat and canary seed produced in Turkey are transported directly from that country to the Community, the levy is reduced by ECU 0,60/tonne.

(<sup>6</sup>) The import levy charged on rye produced in Turkey and transported directly from that country to the Community is laid down in Council Regulation (EEC) No 1180/77 (OJ No L 142, 9. 6. 1977, p. 10) and Commission Regulation (EEC) No 2622/71 (OJ No L 271, 10. 12. 1971, p. 22).

(<sup>7</sup>) The levy applicable to rye shall be charged on imports of the product falling within CN code 1008 90 10 (triticale).

## COMMISSION REGULATION (EEC) No 1606/90

of 15 June 1990

fixing the premiums to be added to the import levies on cereals, flour and malt

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to the Act of Accession of Spain and Portugal,

Having regard to Council Regulation (EEC) No 2727/75 of 29 October 1975 on the common organization of the market in cereals<sup>(1)</sup>, as last amended by Regulation (EEC) No 1340/90<sup>(2)</sup>, and in particular Article 15 (6) thereof,Having regard to Council Regulation (EEC) No 1676/85 of 11 June 1985 on the value of the unit of account and the exchange rates to be applied for the purposes of the common agricultural policy<sup>(3)</sup>, as last amended by Regulation (EEC) No 1636/87<sup>(4)</sup>, and in particular Article 3 thereof,

Having regard to the opinion of the Monetary Committee,

Whereas the premiums to be added to the levies on cereals and malt were fixed by Commission Regulation (EEC) No 1916/89<sup>(5)</sup> and subsequent amending Regulations;

Whereas, if the levy system is to operate normally, levies should be calculated on the following basis:

- in the case of currencies which are maintained in relation to each other at any given moment within a band of 2,25 %, a rate of exchange based on their central rate, multiplied by the corrective factor provided for in the last paragraph of Article 3 (1) of Regulation (EEC) No 1676/85,

— for other currencies, an exchange rate based on the arithmetic mean of the spot market rates of each of these currencies recorded for a given period in relation to the Community currencies referred to in the previous indent, and the aforesaid coefficient;

Whereas these exchange rates being those recorded on 14 June 1990;

Whereas, on the basis of today's cif prices and cif forward delivery prices, the premiums at present in force, which are to be added to the levies, should be altered to the amounts set out in the Annex hereto,

HAS ADOPTED THIS REGULATION:

*Article 1*

1. The premiums referred to in Article 15 of Regulation (EEC) No 2727/75 to be added to the import levies fixed in advance in respect of cereals and malt coming from Portugal shall be zero.

2. The premiums referred to in Article 15 of Regulation (EEC) No 2727/75 to be added to the import levies fixed in advance in respect of cereals and malt coming from third countries shall be as set out in the Annex hereto.

*Article 2*

This Regulation shall enter into force on 16 June 1990.

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

Done at Brussels, 15 June 1990.

*For the Commission*

Ray MAC SHARRY

*Member of the Commission*

<sup>(1)</sup> OJ No L 281, 11. 11. 1975, p. 1.

<sup>(2)</sup> OJ No L 134, 28. 5. 1990, p. 1.

<sup>(3)</sup> OJ No L 164, 24. 6. 1985, p. 1.

<sup>(4)</sup> OJ No L 153, 13. 6. 1987, p. 1.

<sup>(5)</sup> OJ No L 187, 1. 7. 1989, p. 4.

## ANNEX

to the Commission Regulation of 15 June 1990 fixing the premiums to be added to the import levies on cereals, flour and malt

## A. Cereals and flour

CN code	(ECU/tonne)			
	Current 6	1st period 7	2nd period 8	3rd period 9
0709 90 60	0	0,57	0,57	0,50
0712 90 19	0	0,57	0,57	0,50
1001 10 10	0	3,73	3,73	3,73
1001 10 90	0	3,73	3,73	3,73
1001 90 91	0	2,83	2,83	2,05
1001 90 99	0	2,83	2,83	2,05
1002 00 00	0	0	0	0
1003 00 10	0	0	0	0
1003 00 90	0	0	0	0
1004 00 10	0	0	0	0
1004 00 90	0	0	0	0
1005 10 90	0	0,57	0,57	0,50
1005 90 00	0	0,57	0,57	0,50
1007 00 90	0	0	0	0
1008 10 00	0	0	0	0
1008 20 00	0	0	0	0
1008 30 00	0	0	0	0
1008 90 90	0	0	0	0
1101 00 00	0	3,96	3,96	2,86

## B. Malt

CN code	(ECU/tonne)				
	Current 6	1st period 7	2nd period 8	3rd period 9	4th period 10
1107 10 11	0	5,04	5,04	3,65	3,65
1107 10 19	0	3,76	3,76	2,73	2,73
1107 10 91	0	0	0	0	0
1107 10 99	0	0	0	0	0
1107 20 00	0	0	0	0	0

**COMMISSION REGULATION (EEC) No 1607/90**  
**of 15 June 1990**  
**fixing the import levies on rice and broken rice**

THE COMMISSION OF THE EUROPEAN COMMUNITIES,  
Having regard to the Treaty establishing the European Economic Community,

Having regard to the Act of Accession of Spain and Portugal,

Having regard to Council Regulation (EEC) No 1418/76 of 21 June 1976 on the common organization of the market in rice<sup>(1)</sup>, as last amended by Regulation (EEC) No 1806/89<sup>(2)</sup>, and in particular Article 11 (2) thereof,

Having regard to Commission Regulation (EEC) No 883/87 of 23 March 1987 laying down detailed rules for the application of Council Regulation (EEC) No 3877/86 on imports of rice of the long-grain aromatic Basmati variety falling within CN codes 1006 10, 1006 20 and 1006 30<sup>(3)</sup>, as amended by Regulation (EEC) No 1546/87<sup>(4)</sup>, and in particular Article 8 thereof,

Whereas the import levies on rice and broken rice were fixed by Commission Regulation (EEC) No 791/90<sup>(5)</sup>, as last amended by Regulation (EEC) No 1546/90<sup>(6)</sup>;

Whereas it follows from applying the detailed rules contained in Regulation (EEC) No 791/90 to today's offer prices and quotations known to the Commission that the levies at present in force should be altered to the amounts set out in the Annex hereto,

HAS ADOPTED THIS REGULATION:

*Article 1*

The import levies to be charged on the products listed in Article 1 (1) (a) and (b) of Regulation (EEC) No 1418/76 shall be as set out in the Annex hereto.

*Article 2*

This Regulation shall enter into force on 18 June 1990.

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

Done at Brussels, 15 June 1990.

*For the Commission*

Ray MAC SHARRY

*Member of the Commission*

<sup>(1)</sup> OJ No L 166, 25. 6. 1976, p. 1.

<sup>(2)</sup> OJ No L 177, 24. 6. 1989, p. 1.

<sup>(3)</sup> OJ No L 80, 24. 3. 1987, p. 20.

<sup>(4)</sup> OJ No L 144, 4. 6. 1987, p. 10.

<sup>(5)</sup> OJ No L 85, 31. 3. 1990, p. 6.

<sup>(6)</sup> OJ No L 146, 9. 6. 1990, p. 5.

## ANNEX

## to the Commission Regulation of 15 June 1990 fixing the import levies on rice and broken rice

(ECU/tonne)

CN code	Portugal	Arrangement in Regulation (EEC) No 3877/86	ACP or OCT ( <sup>(1)</sup> ) ( <sup>(2)</sup> ) ( <sup>(3)</sup> )	Third countries (except ACP or OCT) ( <sup>(3)</sup> )
1006 10 21	—	—	156,25	319,71
1006 10 23	—	230,36	149,97	307,14
1006 10 25	—	230,36	149,97	307,14
1006 10 27	—	230,36	149,97	307,14
1006 10 92	—	—	156,25	319,71
1006 10 94	—	230,36	149,97	307,14
1006 10 96	—	230,36	149,97	307,14
1006 10 98	—	230,36	149,97	307,14
1006 20 11	—	—	196,22	399,64
1006 20 13	—	287,94	188,36	383,92
1006 20 15	—	287,94	188,36	383,92
1006 20 17	—	287,94	188,36	383,92
1006 20 92	—	—	196,22	399,64
1006 20 94	—	287,94	188,36	383,92
1006 20 96	—	287,94	188,36	383,92
1006 20 98	—	287,94	188,36	383,92
1006 30 21	13,05	—	251,59	527,03
1006 30 23	12,97	459,41	294,38	612,54
1006 30 25	12,97	459,41	294,38	612,54
1006 30 27	12,97	459,41	294,38	612,54
1006 30 42	13,05	—	251,59	527,03
1006 30 44	12,97	459,41	294,38	612,54
1006 30 46	12,97	459,41	294,38	612,54
1006 30 48	12,97	459,41	294,38	612,54
1006 30 61	13,90	—	268,29	561,29
1006 30 63	13,90	492,49	315,97	656,65
1006 30 65	13,90	492,49	315,97	656,65
1006 30 67	13,90	492,49	315,97	656,65
1006 30 92	13,90	—	268,29	561,29
1006 30 94	13,90	492,49	315,97	656,65
1006 30 96	13,90	492,49	315,97	656,65
1006 30 98	13,90	492,49	315,97	656,65
1006 40 00	4,91	—	84,81	175,63

(<sup>(1)</sup>) Subject to the application of the provisions of Articles 12 and 13 of Regulation (EEC) No 715/90.

(<sup>(2)</sup>) In accordance with Regulation (EEC) No 715/90, the levies are not applied to products imported directly into the overseas department of Réunion of products originating in the African, Caribbean and Pacific States or in the overseas countries and territories.

(<sup>(3)</sup>) The import levy on rice entering the overseas department of Réunion is specified in Article 11a of Regulation (EEC) No 1418/76.

## COMMISSION REGULATION (EEC) No 1608/90

of 15 June 1990

fixing the premiums to be added to the import levies on rice and broken rice

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

HAS ADOPTED THIS REGULATION:

Having regard to the Treaty establishing the European Economic Community,

Having regard to the Act of Accession of Spain and Portugal,

Having regard to Council Regulation (EEC) No 1418/76 of 21 June 1976 on the common organization of the market in rice <sup>(1)</sup>, as last amended by Regulation (EEC) No 1806/89 <sup>(2)</sup>, and in particular Article 13 (6) thereof,

Whereas the premiums to be added to the levies on rice and broken rice were fixed by Commission Regulation (EEC) No 2638/89 <sup>(3)</sup>, as last amended by Regulation (EEC) No 1547/90 <sup>(4)</sup>;

Whereas, on the basis of today's cif prices and cif forward delivery prices, the premiums at present in force, which are to be added to the levies, should be altered to the amounts shown in the Annex hereto,

*Article 1*

1. The premiums to be added to the import levies fixed in advance in respect of rice and broken rice originating in Portugal shall be zero.

2. The premiums to be added to the import levies fixed in advance in respect of rice and broken rice originating in third countries shall be as set out in the Annex hereto.

*Article 2*

This Regulation shall enter into force on 18 June 1990.

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

Done at Brussels, 15 June 1990.

*For the Commission*

Ray MAC SHARRY

*Member of the Commission*

<sup>(1)</sup> OJ No L 166, 25. 6. 1976, p. 1.

<sup>(2)</sup> OJ No L 177, 24. 6. 1989, p. 1.

<sup>(3)</sup> OJ No L 255, 1. 9. 1989, p. 11.

<sup>(4)</sup> OJ No L 146, 9. 6. 1990, p. 7.

## ANNEX

to the Commission Regulation of 15 June 1990 fixing the premiums to be added to the import levies on rice and broken rice

CN code	(ECU/tonne)			
	Current 6	1st period 7	2nd period 8	3rd period 9
1006 10 21	0	0	0	—
1006 10 23	0	0	0	—
1006 10 25	0	0	0	—
1006 10 27	0	0	0	—
1006 10 92	0	0	0	—
1006 10 94	0	0	0	—
1006 10 96	0	0	0	—
1006 10 98	0	0	0	—
1006 20 11	0	0	0	—
1006 20 13	0	0	0	—
1006 20 15	0	0	0	—
1006 20 17	0	0	0	—
1006 20 92	0	0	0	—
1006 20 94	0	0	0	—
1006 20 96	0	0	0	—
1006 20 98	0	0	0	—
1006 30 21	0	0	0	—
1006 30 23	0	0	0	—
1006 30 25	0	0	0	—
1006 30 27	0	0	0	—
1006 30 42	0	0	0	—
1006 30 44	0	0	0	—
1006 30 46	0	0	0	—
1006 30 48	0	0	0	—
1006 30 61	0	0	0	—
1006 30 63	0	0	0	—
1006 30 65	0	0	0	—
1006 30 67	0	0	0	—
1006 30 92	0	0	0	—
1006 30 94	0	0	0	—
1006 30 96	0	0	0	—
1006 30 98	0	0	0	—
1006 40 00	0	0	0	0

## COMMISSION REGULATION (EEC) No 1609/90

of 15 June 1990

fixing the amount of aid for peas, field beans and sweet lupins

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to the Act of Accession of Spain and Portugal,

Having regard to Council Regulation (EEC) No 1431/82 of 18 May 1982 laying down special measures for peas, field beans and sweet lupins<sup>(1)</sup>, as last amended by Regulation (EEC) No 1104/88<sup>(2)</sup>, and in particular Article 3 (6) (a) thereof,

Having regard to Commission Regulation (EEC) No 3540/85 of 5 December 1985 laying down detailed rules for the application of the special measures for peas, field beans and sweet lupins<sup>(3)</sup>, as last amended by Regulation (EEC) No 1561/90<sup>(4)</sup>, and in particular Article 26a (7) thereof,

Whereas, as provided for in Article 3 (1) of Regulation (EEC) No 1431/82, aid is granted for peas, field beans and sweet lupins harvested in the Community and used in the manufacture of feedingstuffs where the world market price of soya cake is lower than the activating price; whereas this aid is equal to a proportion of the difference between these prices; whereas this proportion of the price difference was fixed in Article 3a of Council Regulation (EEC) No 2036/82<sup>(5)</sup>, as last amended by Regulation (EEC) No 1190/90<sup>(6)</sup>;

Whereas, in accordance with Article 3 (2) of Regulation (EEC) No 1431/82, aid is granted for peas and field beans harvested in the Community where the world market price for these products is lower than the guide price; whereas this aid is equal to the difference between the two prices;

Whereas the threshold price activating the aid for peas, field beans and sweet lupins for the 1990/91 marketing year was fixed by Council Regulation (EEC) No 1189/90<sup>(7)</sup>; whereas, as provided for in Article 2a of Regulation (EEC) No 1431/82, the activating price for the aid for peas, field beans and sweet lupins is increased monthly as from the beginning of the third month of the

marketing year; whereas the amount of the monthly increases in the threshold price was fixed by Council Regulation (EEC) No 1191/90<sup>(8)</sup>;

Whereas the abatement of the subsidy which arises, where appropriate, from the system of maximum guaranteed quantities for the 1990/91 marketing year, has not, to date, been fixed; whereas the amount of the subsidy for the 1990/91 marketing year has been provisionally calculated on the basis of the abatement applicable for the marketing year 1989/90;

Whereas the threshold price activating the aid, the guide price and the minimum price fixed by the Council are to be reduced in accordance with Article 2 of Commission Regulation (EEC) No 784/90 of 29 March 1990 fixing the reducing coefficient for agricultural prices in the 1990/91 marketing year as a result of the monetary realignment of 5 January 1990 and amending the prices and amounts fixed in ecus for that marketing year<sup>(9)</sup>;

Whereas, pursuant to Article 4 of Regulation (EEC) No 1431/82, the world market price for soya cake must be determined on the basis of the most favourable purchase possibilities, excepting offers and quotations which cannot be considered representative of the real market trend; whereas account must be taken both of all offers on the world market and of the prices quoted on exchanges that are important for international trade; whereas this price is adjusted under the conditions and in the manner specified in Article 1 (2) of Regulation (EEC) No 2036/82, in order to take account of the prices of competing products in the case of field beans intended for animal feed;

Whereas, pursuant to Article 1 of Commission Regulation (EEC) No 2049/82<sup>(10)</sup>, as last amended by Regulation (EEC) No 1238/87<sup>(11)</sup>, the price must be determined per 100 kilograms of bulk soya cake of the standard quality defined in Article 1 (2) of Council Regulation (EEC) No 1464/86<sup>(12)</sup> delivered to Rotterdam; whereas the necessary adjustments, notably those referred to in Article 2 of Regulation (EEC) No 2049/82, must be made for offers and quotations not of the type referred to above;

Whereas, if the aid system is to operate normally, refunds should be calculated on the following basis:

(<sup>1</sup>) OJ No L 162, 12. 6. 1982, p. 28.

(<sup>2</sup>) OJ No L 110, 29. 4. 1988, p. 16.

(<sup>3</sup>) OJ No L 342, 19. 12. 1985, p. 1.

(<sup>4</sup>) OJ No L 148, 12. 6. 1990, p. 9.

(<sup>5</sup>) OJ No L 219, 28. 7. 1982, p. 1.

(<sup>6</sup>) OJ No L 119, 11. 5. 1990.

(<sup>7</sup>) OJ No L 119, 11. 5. 1990.

(<sup>8</sup>) OJ No L 119, 11. 5. 1990.

(<sup>9</sup>) OJ No L 83, 30. 3. 1990, p. 102.

(<sup>10</sup>) OJ No L 219, 28. 7. 1982, p. 36.

(<sup>11</sup>) OJ No L 117, 5. 5. 1987, p. 9.

(<sup>12</sup>) OJ No L 133, 21. 5. 1986, p. 21.

- in the case of currencies which are maintained in relation to each other at any moment within a band of 2,25 %, a rate of exchange based on their central rate, multiplied by the correcting factor provided for in the last subparagraph of Article 3 (1) of Council Regulation (EEC) No 1676/85 <sup>(1)</sup>, as last amended by Regulation (EEC) No 1636/87 <sup>(2)</sup>,
- for other currencies, an exchange rate based on the arithmetic mean of the spot market rates of each of these currencies recorded over a given period in relation to the Community currencies referred to in the previous indent, and the aforesaid correcting factor ;

Whereas pursuant to Articles 121 (2) and 307 (2) of the Act of Accession the amount of the aid for products harvested and processed in either of these Member States should be reduced by the customs duty charged on importation of products from third countries ; whereas, moreover, in the case of sweet lupins harvested in Spain it must be reduced by the difference between the activating threshold price applied in Spain and the common price ;

Whereas the world market price for peas and field beans and the amount of aid referred to in Article 3 (2) of Regulation (EEC) No 1431/82 were fixed by Commission Regulation (EEC) No 1938/89 <sup>(3)</sup> ; whereas in terms of Article 2a of Regulation (EEC) No 1431/82 the guide price is increased monthly as from the beginning of the third month of the marketing year ;

Whereas, pursuant to Article 26a of Regulation (EEC) No 3540/85, the gross aid expressed in ecus that results from Article 3 of Regulation (EEC) No 1431/82 shall be

weighted by the differential amount referred to in Article 12a of Regulation (EEC) No 2036/82 and then converted into the final aid in the currency of the Member State in which the products are harvested using the agricultural conversion rate of that Member State ;

Whereas the abatement of the subsidy which arises, where appropriate, from the system of maximum guaranteed quantities for the 1989/90 marketing year, has been fixed by Regulation (EEC) No 2656/89 <sup>(4)</sup>,

HAS ADOPTED THIS REGULATION :

#### *Article 1*

1. The amounts of aid provided for in Article 3 of Regulation (EEC) No 1431/82 is indicated in the Annexes hereto.

2. However, the amount of the subsidy in the case of advance fixing for the 1990/91 marketing year for peas, field beans and sweet lupins will be confirmed or replaced as from 16 June 1990 to take into account, the application of maximum guaranteed quantities for the marketing year 1990/91.

#### *Article 2*

This Regulation shall enter into force on 16 June 1990.

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

Done at Brussels, 15 June 1990.

*For the Commission*

Ray MAC SHARRY

*Member of the Commission*

<sup>(1)</sup> OJ No L 164, 24. 6. 1985, p. 1.

<sup>(2)</sup> OJ No L 153, 13. 6. 1987, p. 1.

<sup>(3)</sup> OJ No L 187, 1. 7. 1989, p. 68.

<sup>(4)</sup> OJ No L 255, 1. 9. 1989, p. 71.

[illegible]

[illegible]

[illegible]

[illegible]

## ANNEX VIII

## Corrective amount to be added to amounts in Annex VII

(in national currency per 100 kg)

Use of products :	BLEU	DK	DE	EL	ES	FR	IRL	IT	NL	PT	UK
Products harvested in :											
— BLEU (Bfrs/Lfrs)	0,00	0,00	0,00	41,94	2,23	0,00	0,00	0,00	0,00	0,00	35,51
— Denmark (Dkr)	0,00	0,00	0,00	7,76	0,41	0,00	0,00	0,00	0,00	0,00	6,57
— Federal Republic of Germany (DM)	0,00	0,00	0,00	2,05	0,11	0,00	0,00	0,00	0,00	0,00	1,74
— Greece (Dr)	0,00	0,00	0,00	191,96	10,19	0,00	0,00	0,00	0,00	0,00	162,50
— Spain (Pta)	0,00	0,00	0,00	133,02	7,06	0,00	0,00	0,00	0,00	0,00	112,61
— France (FF)	0,00	0,00	0,00	6,69	0,35	0,00	0,00	0,00	0,00	0,00	5,66
— Ireland (£ Irl)	0,000	0,000	0,000	0,744	0,039	0,000	0,000	0,000	0,000	0,000	0,630
— Italy (Lit)	0	0	0	1 484	79	0	0	0	0	0	1 257
— Netherlands (Fl)	0,00	0,00	0,00	2,29	0,12	0,00	0,00	0,00	0,00	0,00	1,94
— Portugal (Esc)	0,00	0,00	0,00	173,51	9,21	0,00	0,00	0,00	0,00	0,00	146,88
— United Kingdom (£)	0,000	0,000	0,000	0,688	0,037	0,000	0,000	0,000	0,000	0,000	0,583

## ANNEX IX

## Exchange rate of the ecu to be used

	BLEU	DK	DE	EL	ES	FR	IRL	IT	NL	PT	UK
In national currency, ECU 1 =	42,1679	7,79845	2,04446	201,374	127,005	6,85684	0,763159	1 529,70	2,30358	180,683	0,722763

(1) Subject to the reduction from the maximum guaranteed quantities system and the prices and related measures for the 1990/91 marketing year.

**COMMISSION REGULATION (EEC) No 1610/90**  
**of 15 June 1990**  
**fixing the aid for soya beans**

THE COMMISSION OF THE EUROPEAN COMMUNITIES,  
Having regard to the Treaty establishing the European Economic Community,

Having regard to the Act of Accession of Spain and Portugal,

Having regard to Council Regulation (EEC) No 1491/85 of 23 May 1985 laying down special measures in respect of soya beans <sup>(1)</sup>, as last amended by Regulation (EEC) No 2217/88 <sup>(2)</sup>, and in particular Article 2 (7) thereof,

Having regard to Council Regulation 2286/88 of 19 July 1988 providing for the granting of special aid for soya beans produced and processed in Portugal <sup>(3)</sup>,

Whereas the abatement of the subsidy which arises, where appropriate, from the system of maximum guaranteed quantities for the 1990/91 marketing year, has not yet been fixed; whereas the amount of the subsidy for the 1990/91 marketing year has been calculated provisionally on the basis of the abatement for the 1989/90 marketing year;

Whereas the amount of the aid referred to in Article 2 (1) of Regulation (EEC) No 1491/85 was fixed by Commission Regulation (EEC) No 1478/90 <sup>(4)</sup>;

Whereas it follows from applying the rules and other provisions contained in Regulation (EEC) No 1478/90 to

the information at present available to the Commission that the amount of the aid at present in force should be altered as set out in this Regulation,

HAS ADOPTED THIS REGULATION:

*Article 1*

1. The amount of the aid provided for in Regulation (EEC) No 1491/85 and the amount of the special aid provided for in Article 1 of Regulation (EEC) No 2286/88 in the case of Portugal shall be as set out in the Annex hereto.

2. However, the amount of the subsidy in the case of advance fixing for the 1990/91 marketing year for soya beans, will be confirmed or replaced as from 16 June 1990 to take into account the application of maximum guaranteed quantities for the 1990/91 marketing year.

*Article 2*

This Regulation shall enter into force on 16 June 1990.

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

Done at Brussels, 15 June 1990.

*For the Commission*

Ray MAC SHARRY

*Member of the Commission*

<sup>(1)</sup> OJ No L 151, 10. 6. 1985, p. 15.

<sup>(2)</sup> OJ No L 197, 26. 7. 1988, p. 11.

<sup>(3)</sup> OJ No L 201, 27. 7. 1988, p. 2.

<sup>(4)</sup> OJ No L 140, 1. 6. 1990, p. 72.

## ANNEX

## to the Commission Regulation of 15 June 1990 fixing the aid for soya beans

(ECU/100 kg)

	Seed harvested in		
	Spain	Portugal	another Member State
Seed processed in current period			
— Spain	0,000	28,268	28,268
— Portugal	20,341	28,268 (*)	28,268
— another Member State	20,341	28,268	28,268
Seed processed in first period			
— Spain	0,000	28,375	28,375
— Portugal	20,448	28,375 (*)	28,375
— another Member State	20,448	28,375	28,375
Seed processed in second period			
— Spain	0,000	28,155	28,155
— Portugal	20,228	28,155 (*)	28,155
— another Member State	20,228	28,155	28,155
Seed processed in third period (*)			
— Spain	0,000	28,066	28,066
— Portugal	20,139	28,066 (*)	28,066
— another Member State	20,139	28,066	28,066
Seed processed in fourth period (*) :			
— Spain	0,000	27,440	27,440
— Portugal	19,513	27,440 (*)	27,440
— another Member State	19,513	27,440	27,440
Seed processed in fifth period (*)			
— Spain	0,000	27,440	27,440
— Portugal	19,513	27,440 (*)	27,440
— another Member State	19,513	27,440	27,440

(\*) Special aid.

(\*) Subject, in cases of advance fixing for the 1990/91 marketing year, to application of maximum guaranteed quantity arrangements for that marketing year.

## COMMISSION REGULATION (EEC) No 1611/90

of 15 June 1990

## fixing the sluice-gate prices and levies on pigmeat

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to the Act of Accession of Spain and Portugal,

Having regard to Council Regulation (EEC) No 2759/75 of 29 October 1975 on the common organization of the market in pigmeat<sup>(1)</sup>, as last amended by Regulation (EEC) No 1249/89<sup>(2)</sup>, and in particular Articles 8 and 12 (1) thereof,

Whereas a levy fixed quarterly in advance must be charged on imports into the Community for the products specified in Article 1 (1) of Regulation (EEC) No 2759/75;

Whereas, as the levies and sluice-gate prices were last fixed by Commission Regulation (EEC) No 768/90 of 29 March 1990<sup>(3)</sup>, for the period from 1 April to 30 June 1990, new levies and sluice-gate prices must be fixed for the period 1 July to 30 September 1990;

Whereas the levy on pig carcasses is made up of two components;

Whereas the first component must be equal to the difference between prices within the Community and on the world market for the quantity of feed grain determined in accordance with Article 1 of Council Regulation (EEC) No 2764/75 of 29 October 1975 laying down the rules for calculating a component of the levy on pig carcasses<sup>(4)</sup>, as last amended by Regulation (EEC) No 4160/87<sup>(5)</sup>, the composition whereof is indicated therein;

Whereas the value within the Community of that quantity of feed grain must be determined in accordance with Article 2 of Regulation (EEC) No 2764/75; whereas the value for the same quantity on the world market must be determined in accordance with Article 3 thereof;

Whereas Article 3 of that Regulation provides that the price of each cereal on the world market is to be equal to the average of the cif prices of that cereal; whereas the cif prices are recorded for the five-month period ending one month before the quarter in respect of which the said component is calculated; whereas that period is 1 January to 31 May 1990;

Whereas the second component must be equal to 7 % of the average of the sluice-gate prices applicable for the four quarters to 1 April in each year;

Whereas the levies on the products specified in Article 1 (1) (a) and (b) of Regulation (EEC) No 2759/75 other than pig carcasses must be derived from the levy on pig carcasses on the basis of the coefficients fixed for such products pursuant to Article 10 (4) of Regulation (EEC) No 2759/75 in Annex I to Commission Regulation (EEC) No 3944/87 of 21 December 1987 fixing coefficients for calculating levies on pigmeat products<sup>(6)</sup>, as amended by Regulation (EEC) No 1251/90<sup>(7)</sup>;

Whereas the levies on the products specified in Article 1 (1) (c) of Regulation (EEC) No 2759/75 are made up of two components;

Whereas the first component must be derived from the levy on pig carcasses on the basis of the coefficients fixed in Annex II to Regulation (EEC) No 3944/87;

Whereas the second component must be equal to 7 %, and for products falling within CN codes ex 1602 and ex 1902 to 10 % of the average offer prices for imports during the 12 months to 1 April; whereas those averages should be determined bearing in mind all the information available on imports into the Community from third countries, taking into account the representative character of prices;

Whereas, in the case of products falling within CN codes 0206 30 21, 0206 30 31, 0206 41 91, 0206 49 91, 1501 00 11, 1601 00 10, 1602 10 00, 1602 20 90 and 1602 90 10 in respect of which the rate of duty has been bound under the General Agreement on Tariffs and Trade (GATT), the levies must not exceed the amount resulting from that binding;

<sup>(1)</sup> OJ No L 282, 1. 11. 1975, p. 1.

<sup>(2)</sup> OJ No L 129, 11. 5. 1989, p. 12.

<sup>(3)</sup> OJ No L 83, 30. 3. 1990, p. 69.

<sup>(4)</sup> OJ No L 282, 1. 11. 1975, p. 21.

<sup>(5)</sup> OJ No L 392, 31. 12. 1987, p. 46.

<sup>(6)</sup> OJ No L 373, 31. 12. 1987, p. 25.

<sup>(7)</sup> OJ No L 121, 12. 5. 1990, p. 29.

Whereas, for pig carcasses and other products referred to in Article 1 of Council Regulation (EEC) No 2766/75 of 29 October 1975 establishing the list of products for which sluice-gate prices are to be fixed and laying down the rules for fixing the sluice-gate price for pig carcasses<sup>(1)</sup>, as last amended by Regulation (EEC) No 3909/87<sup>(2)</sup>, the sluice-gate prices must be fixed in advance for each quarter;

Whereas the sluice-gate price for pig carcasses is made up of three components;

Whereas the first component must be equal to the value on the world market of the quantity of feed grain equivalent to the quantity of feedingsuffs required for the production in third countries of one kilogram of pigmeat, such quantity being composed as provided in Article 2 (1) of Regulation (EEC) No 2766/75;

Whereas the value of that quantity of grain must be determined in accordance with Article 2 (2) and (3) of Regulation (EEC) No 2766/75;

Whereas the said Article 2 provides that the price for each cereal on the world market shall be equal to the average of the cif prices of such cereal; whereas the cif prices shall be determined for the period of five months ending one month before the quarter in respect of which the said amount is calculated; whereas that period is 1 January to 31 May 1990;

Whereas the second component, which represents the extra cost, in relation to feed grain of feedingsuffs other than grain required for the production of one kilogram of pigmeat, shall, in accordance with Article 3 (1) of Regulation (EEC) No 2766/75, be 15 % of the value of the quantity of feed grain;

Whereas the third amount, which represents overhead costs of production and marketing, shall, in accordance with Article 3 (2) of Regulation (EEC) No 2766/75, be ECU 38,69 per 100 kilograms of pig carcasses;

Whereas the sluice-gate prices of products referred to in Article 1 of Regulation (EEC) No 2766/75, other than pig carcasses, must be derived from the sluice-gate price for pig carcasses on the basis of the coefficients laid down by Regulation (EEC) No 3944/87;

Whereas, by Council Regulation (EEC) No 3899/89 of 18 December 1989 reducing for 1990 the levies on certain agricultural products originating in developing coun-

tries<sup>(3)</sup> and Council Regulation (EEC) No 715/90 of 5 March 1990 on the arrangements applicable to agricultural products and certain goods resulting from the processing of agricultural products originating in the African, Caribbean and Pacific States (ACP States) or the overseas countries and territories (OCT)<sup>(4)</sup>, special import arrangements were introduced involving a reduction to 50 % in levies within the framework of fixed amounts or annual quotas, in particular of certain pigmeat products;

Whereas Commission Regulation (EEC) No 616/86 of 28 February 1986 on the application of import levies on pigmeat products from Portugal<sup>(5)</sup> suspended the application of import levies on pigmeat products from Portugal owing to the minimal difference between the prices obtaining in the Community on the one hand and in Portugal on the other; whereas that situation still pertains;

Whereas the measures provided for in this Regulation are in accordance with the opinion of the Management Committee for Pigmeat,

HAS ADOPTED THIS REGULATION:

#### *Article 1*

1. For the period 1 July to 30 September 1990 the sluice-gate prices and levies provided for in Articles 12 and 8 respectively of Regulation (EEC) No 2759/75 for the products referred to in Article 1 (1) thereof shall be as set out in the Annex hereto.

2. Nevertheless, in the case of products falling within CN codes 0206 30 21, 0206 30 31, 0206 41 91, 0206 49 91, 1501 00 11, 1601 00 10, 1602 10 00, 1602 20 90 and 1602 90 10, in respect of which the rate of duty has been bound within GATT, the levy shall not exceed the amount resulting from that binding.

3. For imports from Portugal of products specified in paragraph 1 and in free circulation in that Member State, application of the levies set out in the Annex shall be suspended.

#### *Article 2*

This Regulation shall enter into force on 1 July 1990.

<sup>(1)</sup> OJ No L 282, 1. 11. 1975, p. 25.

<sup>(2)</sup> OJ No L 370, 30. 12. 1987, p. 11.

<sup>(3)</sup> OJ No L 383, 30. 12. 1989, p. 125.

<sup>(4)</sup> OJ No L 84, 30. 3. 1990, p. 85.

<sup>(5)</sup> OJ No L 58, 1. 3. 1986, p. 45.

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

Done at Brussels, 15 June 1990.

*For the Commission*

Ray MAC SHARRY

*Member of the Commission*

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## ANNEX

to the Commission Regulation of 15 June 1990 fixing the sluice-gate prices and levies on  
pigmeat

CN code	Sluice-gate price (ECU/100 kg)	Amount of levies (ECU/100 kg)	Conventional rate of duty bound within GATT (%)
0103 91 10	79,48	44,91	—
0103 92 11	67,59	38,20	—
0103 92 19	79,48	44,91	—
0203 11 10	103,35	58,40	—
0203 12 11	149,86	84,69	—
0203 12 19	115,75	65,41	—
0203 19 11	115,75	65,41	—
0203 19 13	167,43	94,62	—
0203 19 15	89,91	50,81	—
0203 19 55	167,43	94,62	—
0203 19 59	167,43	94,62	—
0203 21 10	103,35	58,40	—
0203 22 11	149,86	84,69	—
0203 22 19	115,75	65,41	—
0203 29 11	115,75	65,41	—
0203 29 13	167,43	94,62 (1)	—
0203 29 15	89,91	50,81	—
0203 29 55	167,43	94,62 (1)	—
0203 29 59	167,43	94,62	—
0206 30 21	125,05	70,67	7
0206 30 31	90,95	51,40	4
0206 41 91	125,05	70,67	7
0206 49 91	90,95	51,40	4
0209 00 11	41,34	23,36	—
0209 00 19	45,47	25,70	—
0209 00 30	24,80	14,02	—
0210 11 11	149,86	84,69 (1)	—
0210 11 19	115,75	65,41	—
0210 11 31	291,45	164,70	—
0210 11 39	229,44	129,66	—
0210 12 11	89,91	50,81 (1)	—
0210 12 19	149,86	84,69	—
0210 19 10	132,29	74,76	—
0210 19 20	144,69	81,77	—
0210 19 30	115,75	65,41	—
0210 19 40	167,43	94,62 (1)	—
0210 19 51	167,43	94,62	—
0210 19 59	167,43	94,62	—
0210 19 60	229,44	129,66	—
0210 19 70	288,35	162,95	—
0210 19 81	291,45	164,70	—
0210 19 89	291,45	164,70	—
0210 90 31	125,05	70,67	—
0210 90 39	90,95	51,40	—
1501 00 11	33,07	18,69	3
1501 00 19	33,07	18,69	—
1601 00 10	144,69	98,46 (2)	24
1601 00 91	242,87	170,93 (1) (2)	—

CN code	Sluice-gate price (ECU/100 kg)	Amount of levies (ECU/100 kg)	Conventional rate of duty bound within GATT (%)
1601 00 99	165,36	115,58 <sup>(1)</sup> <sup>(2)</sup>	—
1602 10 00	115,75	86,20	26
1602 20 90	134,36	122,53	25
1602 41 10	253,21	177,52	—
1602 42 10	211,87	144,88	—
1602 49 11	253,21	186,62	—
1602 49 13	211,87	159,39	—
1602 49 15	211,87	141,56 <sup>(1)</sup>	—
1602 49 19	139,52	96,47 <sup>(1)</sup>	—
1602 49 30	115,75	82,42	—
1602 49 50	69,24	57,93	—
1602 90 10	134,36	97,19	26
1602 90 51	139,52	95,13	—
1902 20 30	69,24	54,59	—

<sup>(1)</sup> The levy on products originating in the developing countries and listed in the Annex to Regulation (EEC) No 3899/89 is reduced by 50 % within the limits of the fixed amounts referred to in that Annex.

<sup>(2)</sup> The levy on products originating in the ACP States/OCT countries and listed in Article 8 of Regulation (EEC) No 715/90 reduced by 50 % within the limits of the quotas referred to in that Regulation.

**NB:** The CN codes and the footnotes are defined in amended Commission Regulation (EEC) No 2658/87 (OJ No L 256, 7. 9. 1987, p. 1).

## COMMISSION REGULATION (EEC) No 1612/90

of 15 June 1990

determining the extent to which applications lodged until 8 June 1990 for the issue of import licences in respect of frozen beef intended for processing may be accepted

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 805/68 of 27 June 1968 on the common organization of the market in beef and veal <sup>(1)</sup>, as last amended by Regulation (EEC) No 571/89 <sup>(2)</sup>, and in particular Article 14 (4) (a) thereof,

Whereas Commission Regulation (EEC) No 1493/90 <sup>(3)</sup> fixed the quantity of frozen beef intended for processing which may be imported under special terms in the first and second quarters 1990;

Whereas Article 15 (6) (a) of Commission Regulation (EEC) No 2377/80 <sup>(4)</sup>, as last amended by Regulation (EEC) No 1494/90 <sup>(5)</sup>, lays down that the quantities applied for may be reduced; whereas the applications lodged in conformity with the conditions of Commission Regulation (EEC) No 1136/79 <sup>(6)</sup>, as last amended by Regulation (EEC) No 817/89 <sup>(7)</sup>, relate to total quantities which by far exceed the quantities available in accordance with Article 1 of Regulation (EEC) No 1493/90, whereas, under these circumstances and taking care to ensure an equitable distribution of the available quantities, it is

appropriate, for the system referred to in Article 14 (1) of Regulation (EEC) No 805/68, to reduce proportionally the quantities applied for,

HAS ADOPTED THIS REGULATION:

*Article 1*

1. Every application for an import licence lodged in accordance with Regulation (EEC) No 1136/79 for the first and second quarters of 1990 shall be granted to the following extent, expressed as bone-in beef:

- (a) 1,767 % of the quantity requested for beef imports intended for the manufacture of 'preserves' as defined by Article 2 (5) of Regulation (EEC) No 1136/79;
- (b) 9,539 % of the quantity requested for beef imports intended for the manufacture of 'preserves' as defined by Article 2 (6) of Regulation (EEC) No 1136/79.

2. In conformity with Article 15 (3) of Regulation (EEC) No 2377/80, all applications from any one applicant shall be regarded as a single application.

*Article 2*

This Regulation shall enter into force on 18 June 1990.

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

Done at Brussels, 15 June 1990.

*For the Commission*

Ray MAC SHARRY

*Member of the Commission*

<sup>(1)</sup> OJ No L 148, 28. 6. 1968, p. 24.

<sup>(2)</sup> OJ No L 61, 4. 3. 1989, p. 43.

<sup>(3)</sup> OJ No L 140, 1. 6. 1990, p. 112.

<sup>(4)</sup> OJ No L 241, 13. 9. 1980, p. 5.

<sup>(5)</sup> OJ No L 140, 1. 6. 1990, p. 113.

<sup>(6)</sup> OJ No L 141, 9. 6. 1979, p. 10.

<sup>(7)</sup> OJ No L 86, 31. 3. 1989, p. 37.

## COMMISSION REGULATION (EEC) No 1613/90

of 13 June 1990

imposing a provisional anti-dumping duty on imports of ball bearings with a greatest external diameter not exceeding 30 mm originating in Thailand

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<sup>(1)</sup>, and in particular Article 11 thereof,

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

Whereas :

## A. PROCEDURE

- (1) In June 1988 the Commission announced, by a notice published in the *Official Journal of the European Communities*<sup>(2)</sup>, the initiation of an anti-dumping proceeding concerning imports into the Community of ball bearings with a greatest external diameter not exceeding 30 mm originating in Thailand (hereinafter referred to as ball bearings), and commenced an investigation.
- (2) The product investigated fell within CN code 8482 10 10.
- (3) The proceeding was initiated as a result of a complaint lodged in December 1987 by the Federation of European Bearing Manufacturers' Associations (FEBMA) on behalf of producers representing a major proportion of all Community production of ball bearings. This complaint contained evidence of dumping of this product originating in Thailand and of material injury resulting therefrom, which was considered sufficient to justify opening a proceeding.
- (4) The Commission officially advised the exporters and importers known to be concerned, the representatives of the exporting country and the complainants, and gave the parties directly concerned the opportunity to make their views known in writing and to request a hearing.

All the known exporters and importers, and the majority of Community producers, represented by

the complainant, made their views known in writing.

- (5) 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 premises of the following :

## (a) Community producers :

- FAG Kugelfischer Georg Schäfer KGaA, Schweinfurt, Germany,
- Georg Müller Nürnberg AG, Nürnberg, Germany,
- Gebrüder Reinfurt GmbH & Co. KG, Würzburg, Germany,
- SKF Industrie SpA, Turin, Italy,
- SKF Roulements Spécialisés (ADR), Thomery, France,
- SKF France, Clamart, France,
- ROL Rolamentos Portugueses SARL, Caldas da Rainha, Portugal ;

## (b) Thai producers/exporters :

- NMB Thai Ltd, Ayutthaya, Thailand,
- Pelmec Thai Ltd, Bang Pa-in, Ayutthaya, Thailand.

These two companies are wholly-owned subsidiaries of Minebea Co. Ltd, Tokyo, Japan, which was also visited by the Commission ;

## (c) Importers :

- NMB GmbH, Neu Isenburg, Germany,
- NMB Italia, Mazzo di Rho, Milan, Italy,
- NMB (UK) Ltd, Bracknell, United Kingdom.

- (6) The investigation of dumping covered the period 1 April 1987 to 31 March 1988 (the investigation period).

- (7) This investigation has exceeded the normal time period because of the volume and complexity of the data initially gathered and examined, and because the completion of the investigation has required the study of related issues which arose during the proceeding and which could not have been foreseen at its outset.

<sup>(1)</sup> OJ No L 209, 2. 8. 1988, p. 1.

<sup>(2)</sup> OJ No C 147, 4. 6. 1988, p. 6.

**B. PRODUCT UNDER CONSIDERATION**

- (8) The products concerned are ball bearings with a greatest external diameter not exceeding 30 mm; they fall within CN code 8482 10 10.
- (9) From a technical point of view, the definition of the products under consideration covers a large number of standard bearing types, all available with different accessories, plus many special types made to the specification of the customer. Within this product definition, a distinction is sometimes made between the so-called miniature and instrument bearings and the standard small-sized bearings. However, they have the same basic physical characteristics and therefore no clear dividing line can be made between them.
- (10) The major components of the bearings under consideration are an inner and outer ring (usually in chrome, but sometimes stainless steel), a cage and a variable number of balls. Metal shields or rubber seals can be added depending on the customer's requirements and a variety of greases are applied. Their function is to reduce friction and so enable machine parts to move faster and more smoothly. The main applications of the bearings in question are in consumer electronics, domestic appliances and office automation.
- (11) Ball bearings are an intermediate product used in the assembly of consumer and capital goods or for replacement purposes. The demand for ball bearings therefore depends directly on the demand for the final product (e.g. washing machines, vacuum cleaners, video recorders, fans, small electric motors). Small ball bearings generally account for only a tiny fraction of the cost of the final product.

**C. DUMPING****(i) Normal value**

- (12) The direct sales of the like product on the domestic market are extremely low: during the investigation period they amounted to only 62 650 pieces, against the 31,5 million pieces sold in the Community. This virtual abstention from domestic sales results from an agreement between Minebea Co. Ltd and the Thai Government, according to which NMB Thai and Pelmecc Thai are required to export almost 100 % of their output in order to qualify for subsidies. The domestic sales, representing only 0,20 % of the total sales in the Community, fall far below the threshold, established by the Commission in previous cases, of 5 % of the volume of exports to the Community. The Commission thus considered such sales to be insufficient to be representative and determined normal value for all models on the basis of constructed value. The constructed value was established on the basis of the costs, both fixed and variable, in the country of

origin of materials and manufacture for the types exported to the Community plus a reasonable amount for selling, administrative and other general expenses and profit.

- (13) Concerning the cost of materials and manufacture, the exporters provided information per type on an actual basis. This information has been checked and found to be in accordance with the companies' records. However, a comparative analysis of the costs incurred in the investigation period (1 April 1987 to 31 March 1988) and those incurred in each of the two financial years which fall partially within this period (1 October 1986 to 30 September 1987 and 1 October 1987 to 30 September 1988) shows a clear discrepancy in the case of Pelmecc. The cost per unit is almost the same in the first and in the second financial years, but in the investigation period, covering the second half of the financial year 1987 and the first half of the year 1988 (these six months accounts being unaudited), it falls to a substantially lower figure, the company's expenses being allegedly much higher during the two financial half years falling outside the investigation period.

The Commission examined whether these discrepancies can be considered as being 'in the ordinary course of trade' or whether they should be corrected in order to preserve the representativeness of the investigation period. In the latter case the cost of materials and manufacture would be increased by an amount representing the ratio between the cost per unit in the investigation period and the cost per unit in the financial years 1987 and 1988. However, it was felt appropriate to avoid any such change at the stage of the provisional calculations.

- (14) The selling, general and administrative expenses of the two companies have been established at 7 % of the selling price, according to their submission.
- (15) Concerning the profit margin, the two producers/exporters participating in the proceedings proposed to use the rate of 6 % on top of the cost of production, as had been done in a previous anti-dumping proceeding involving imports of the same product originating in Thailand<sup>(1)</sup>.

This position cannot be accepted. According to Regulation (EEC) No 2423/88, where there are no representative sales of the like product made by the exporters in the domestic market (as in this case), and in the absence of sales of other producers or exporters of the like product in the domestic market (which is also the case here), the profit margin should be calculated 'by reference to the sales made by the exporter or other producers or

<sup>(1)</sup> OJ No L 113, 30. 4. 1986, p. 113.

exporters in the same business sector in the country of origin or export or on any other reasonable basis' (Article 2 (3) (b) (ii) *in fine*).

During the investigation the exporters provided information about profit margins of other companies operating in Thailand, either with the like product or allegedly in the same business sector. This information cannot be considered relevant for the case under investigation, since none of the companies dealing in the like product were producers or exporters, and those producers or exporters of other products were not operating in the same business sector. Therefore, the only possibility left to the Commission is to use 'any other reasonable basis'.

Under these conditions, it seems appropriate to use, as 'reasonable basis', the profit realized on certain NMB Thai bearings, exported from Thailand but re-imported into this country by an independent company which incorporates them into disc-drives. Three bearing types produced by NMB Thai are re-imported into Thailand by this independent company. The goods are first shipped from NMB Thai to Minebea Singapore, then sold to the Singapore subsidiary of the independent company (the first independent customer), which then sells them back to its factory in Thailand. (Invoices and shipment follow the same route.) This sales route is necessary due to the provisions of the subsidy agreement between Minebea and the Thai Government described in recital 12. The major part of these bearings were already earmarked from the beginning for sale in Thailand. Furthermore the quantities involved are huge: combined sales of the three types concerned amounted to more than seven million units in the investigation period, i.e. almost a quarter of the total sales of the exporters in the Community.

The profit (unit cost/sale price) realized by the Minebea Group on the above transactions to an independent customer in Singapore, amounts, on a weighted average basis, to 96 %. However, this profit has been realized by NMB, which is normally more profitable than Peltec, while the big majority of bearings exported to the Community are Peltec bearings. It is therefore appropriate at this preliminary stage to apply a reduction to the above figure. In considering the reduction to be applied, the Commission took into account the fact that (the limited number of) Peltec Thai bearings sold in the Singapore market realized an average profit of 54 %, while Peltec bearings made in Singapore were, on a weighted average basis, exactly half as profitable as the NMB Singapore-made bearings sold in the Singapore market. In view of

the similarities between the Minebea companies in Singapore and Thailand, mainly with regard to the product range, the Commission has considered that this 50 % difference in profitability in Singapore is the appropriate basis for the establishment of the profit margin in the present case and has therefore decided that, for the provisional calculation (and subject to further evidence to be submitted by the companies concerned), this profit margin should be established at exactly 50 % of the above figure of 96 %, i.e. 48 % representing 32 % of the constructed normal value. The Commission is further satisfied that this level of profit could still be realized even in the absence of the subsidies granted to the exporters by the Royal Thai Government.

#### (ii) Export price

- (16) Since virtually all the sales in the Community have been made through companies wholly owned by Minebea Co. Ltd, export prices were constructed on the basis of prices to the first independent buyer. On these prices allowances have been made for all expenses (including the rebates given in Germany) incurred between importation and resale, and for a reasonable profit margin. The abovementioned costs include payment terms, freight, import charge, customs duty, insurance and SG&A, the allocation of the latter to the products under investigation being generally made on turnover basis. Generally speaking, the calculation of all expenses has been made in accordance with the information provided by the related importers, which has been checked during the verification and found correct.

Concerning the 'reasonable profit margin' it should be added that the rate used was 6 % on turnover, as in the importers' submission.

#### (iii) Comparison

- (17) Normal value and export price (brought to ex-factory level) were compared on a transaction-by-transaction basis at the same level of trade. All types compared had the same specifications and grade of precision. The comparison was made between the most important types, which accounted for 93 % of the exporters' Community sales.

#### (iv) Dumping margins

- (18) Since NMB Thai and Peltec Thai are both wholly-owned subsidiaries of Minebea Co. Ltd of Japan, they are related companies, and it is therefore appropriate to fix a single combined dumping margin calculated on a weighted-average basis. Expressed as a percentage of import value at the Community frontier, this proves to be 6,71 %.

**D. INJURY****(i) Like product**

- (19) The ball bearings produced in the Community have the same physical characteristics and uses as the bearings defined in recital 8.

**(ii) Community industry**

- (20) For the purpose of this investigation the Japanese-owned companies producing in the Community are not considered to be part of the Community industry pursuant to Article 4 (5) of Regulation (EEC) No 2423/88. This is because they are related to exporters of the same product from Japan who are currently subject to anti-dumping duties<sup>(1)</sup>. These are being reviewed in an investigation running concurrently with the present proceeding<sup>(2)</sup>. The Japanese-owned production companies sell all their production to the same Japanese sales subsidiaries who are involved in selling imported bearings from Japan at dumped prices, and they thus benefit from these unfair business practices. In these circumstances they cannot be considered to be behaving as normal Community producers but rather as a complementary source of supply for exporters practising dumping. After excluding the Japanese-owned companies from the scope of the proceeding, the Commission found that, during the period under investigation, the Community producers on behalf of whom the complaint was lodged manufactured about 85 % of Community production. This is clearly a major proportion of total production and these companies are therefore considered to form the Community industry.

**(iii) Preliminary observations**

- (21) In assessing injury, account has been taken of the fact that the present case has been investigated at the same time (and using the same investigation period) as a countervailing duty case concerning imports of the same product originating in Thailand<sup>(3)</sup>.

In this latter case it has been determined that the imports from Thailand were subsidized and that, without prejudice to any finding of dumping, this subsidization has caused material injury to the Community industry. Now that dumping has been established in this case, the combined effect of

subsidization and dumping of Thai imports will be examined, in order to determine whether the injury caused was material and, if so, whether the contribution of the dumping to this material injury was substantial or not.

**(iv) Volume and market shares of imports**

- (22) Between 1985 and the investigation period, total sales of ball bearings in the Community rose from 332,5 to 356,1 million pieces, an increase of 7,1 %.
- (23) The sales of bearings imported from Thailand increased from 3,1 million pieces in 1985 to 31,5 million pieces in the investigation period and their share of the Community market rose from 0,9 to 8,8 %.
- (24) The Community market share of imports from countries other than Thailand fell from 59 % in 1985 to 50 % in the investigation period.

**(v) Prices**

- (25) For the purpose of analysing price undercutting, a comparison was made between the selling price (net of all discounts and rebates) of Thai-made bearings and of bearings sold by Community manufacturers in the main Community markets.
- (26) Calculations always involved representative types of bearings, sold in reasonable quantities, usually exceeding 50 000 pieces. Only sales to industrial users who purchase bearings for incorporation into their final product (e.g. makers of vacuum cleaners, VCRs, etc.) have been taken into account, since these industrial users account for the great majority of the sales made by the Thai and Community producers and are almost the only customers who buy in sufficient quantities to enable a comparison to be made.
- (27) On a weighted-average basis, the bearings from Thailand undercut those sold by the Community producers by 17 %.

**(vi) Situation of the Community industry****(a) Market shares**

- (28) Although the EC sales of the Community industry rose by 3,5 %, from 112 to 116 million pieces, between 1985 and the investigation period, the 7,1 % increase in total demand in the Community market (see recital 22) meant that the Community industry's share dropped from 33,6 to 32,5 %.

<sup>(1)</sup> OJ No L 193, 21. 7. 1984, p. 1.

<sup>(2)</sup> OJ No C 159, 18. 6. 1988, p. 2.

<sup>(3)</sup> OJ No C 147, 4. 6. 1988, p. 4.

*(b) Price depression*

- (29) A considerable amount of price depression was found. The average unit selling prices of most Community producers to industrial users fell between 1985 and the investigation period.

For the major Community producers, the average decreases, in current terms, varied from 2,6 to 9 %.

*(c) Profitability*

- (30) The overall profitability of the Community producers in the sector of the bearings under investigation has declined by half since 1985, leading to a situation where current profits, as shown below, are clearly inadequate to finance the additional expenses required to keep the Community industry competitive. Indeed, at a time when the appropriate pre-tax profit margin for the bearings industry has been established to be 15 % (see recital 34), the Commission has found that the profitability achieved during the investigation period fell far below this figure. During this period, the profitability of the Community industry, on sales made in the ordinary course of trade in the Community, just reached 8 %.

*(d) Production, capacity utilization and employment*

- (31) Community production fell from 170,6 million units in 1985 to 153,9 million during the investigation period, a decline of 10 %.
- (32) Community production capacity, calculated as far as possible on a two-shift, five-day-week basis, expanded from 177,5 million units in 1985 to 185,5 million during the investigation period. Utilization of capacity therefore declined from 96 % in 1985 to 83 % in the investigation period.
- (33) Over the same period, employment in the sector declined from 2 304 to 2 033 — a net loss of 271 jobs and a fall of 12 %.

*(vii) Determination of injury*

- (34) An examination of the indicators described in recitals above leads the Commission to conclude that the Community industry has suffered material injury in this case. The Commission considers that the following factors constitute elements of injury:
- (a) Decline and shortfall of profitability: the fall in profitability since 1985 has led to a situation where the current pre-tax profit margin on sales to independent customers in the Community market of 8 % (see recital 30) is inadequate in view of the additional expenses required to

keep the Community industry competitive; these additional expenses are mainly related to investments in fixed assets, research and development, training and marketing. The Commission has concluded that a 15 % pre-tax profit margin is necessary for this purpose. The establishment of the adequate return on sales at 15 % also corresponds broadly to an empirical/historical approach to the profitability issue, i.e. the fact that there was an adequate level of profitability in 1985 when the overall profit margin stood at about 15 % of sales;

- (b) loss of market share (see recital 28 in conjunction with recitals 22, 23 and 24);
- (c) decline in production, capacity utilization and employment (see recitals 31, 32 and 33).

**E. CAUSATION OF INJURY***(i) Injury caused by dumping and subsidization*

- (35) In the market for high volume industrial users as opposed to the distributors/dealers market, the main competitors to the Community producers are the manufacturers in Thailand.

Eighty-five per cent of Community producers' sales in the Community are destined for the industrial users' market, while the corresponding figure for the exporters from Thailand is 90 %.

- (36) Since there are no real differences in quality, particularly in the case of standard types, price is the main consideration in sourcing supply of these products. Thus the price undercutting, which was caused by dumping and subsidization, practised by the producers and exporters concerned, has led to price depression, i.e. forcing the European companies to reduce their prices (and therefore their profits) or risk losing market share, thus depriving themselves of the benefits of economies of scale.
- (37) The sharp increase in the Thai exporters' sales in the Community (almost exclusively in the industrial users' sector) has given them an increased share of the Community market, usually at the expense of Community producers. In particular, they have prevented the Community industry from taking full advantage of the increase in demand since 1985.
- (38) The Commission considers that, had dumping and subsidization of Thai imports not taken place, the export prices would have been higher and, consequently, the price erosion and loss of profitability of the Community producers would not have occurred.

(39) In conclusion, the market conditions applying to this product and the factors listed above demonstrate that the price pressure resulting directly from dumping and subsidization of Thai imports, and the consequent rapid increase in import volumes from this source has led to injury to the Community industry, i.e. inadequate and reduced profitability, loss of market shares and decline of production, employment and capacity utilization.

(40) The Commission determines therefore that there is a causal link between these indicators of injury and the situation covered by the present Regulation i.e. the dumping of imports from Thailand.

(ii) **Other factors**

(a) *Fall in Community exports*

(41) The injury suffered by the Community industry is to a certain extent due to the fall in Community exports and an increase in capacity. Indeed these exports fell from 59 million to 38 million pieces and this fall has certainly had an effect on the level of production, employment and capacity utilization; it could furthermore be argued that the fall in exports and the consequent drop in capacity utilization (due in part to the increase in capacity) may have an impact on profitability, since it would result in an increase in fixed costs per piece.

However, the fall in production, employment, capacity utilization (and therefore profitability which, as will be seen below, is used for the establishment of the injury threshold), would have been less marked if the Community producers had been able to maintain their share of the Community market, where the demand was increasing; the reason for the Community producers being unable to do so is precisely that this increasing demand in the Community market has largely been satisfied by the unfairly low-priced imports under investigation.

However, this observation in no way invalidates the argument that the fall in exports is a cause of injury.

(b) *Imports from Japan*

(42) Bearings from Japan are being sold in the Community at dumped prices and compete in the industrial users' market. However, during the investigation period they were sold in lower volumes than the Thai bearings (21,7 million pieces compared to 31,5 million), and since 1985 their sales volume declined by over 30 %. In addition, their prices only undercut the Community producers by a small amount, compared to the 17 % undercutting found in the case of Thai bearings.

It should be borne in mind that the Japanese bearings have been subject to anti-dumping duties

since 1984, and that several Japanese exporters have transferred production to Europe.

However, without, for the purpose of this Regulation, considering the impact of modifying the existing anti-dumping duties imposed on Japanese imports, it is clear that while the level of Japanese bearing imports is still significant, and that the anti-dumping duties in force have not completely removed injury to the Community industry caused by imports from this source, the amount of current injury caused by imports from Japan is rather limited.

(c) *Imports from other sources*

(43) As far as imports from other countries are concerned, with the exception of a part of the high precision miniature bearing market, these are not competing directly with those types produced in the Community.

— Bearings from Eastern Europe and China are of lower quality than Community, Japanese or Thai products.

— Bearings from Switzerland are of specialized, often miniature, types.

(iii) **Conclusion**

(44) After taking account of the factors described in recitals 41, 42 and 43 the Commission concludes that the remaining injury, caused by dumping and subsidization, is material, and that the contribution of the dumped imports from Thailand to this material injury is substantial.

## F. COMMUNITY INTEREST

(45) In general, it is in the Community interest for there to be fair and workable competition and the purpose of measures in this case is to re-establish a situation of fair competition. In considering the Community interest in this case, the Commission has taken account of the interest of the Community ball bearing industry, the users of ball bearings and the final consumer of the end product.

In the absence of measures, a continuation of the trend observed would lead to negative consequences for the Community industry producing the ball bearings in question and endanger its viability. The loss of this industry would have serious consequences from the point of view of:

- employment and investment expenditure,
- research and development in high technology areas (particularly new materials),
- development of new products in fast-growing sectors (telecommunications, aerospace and vehicle electronics).

It is in the interest of the Community that such consequences do not occur.

As far as the purchasers of ball bearings (and implicitly the final consumers of their products) are concerned, it may be argued that they could derive some benefit from buying dumped or subsidized low-priced bearings. Any such benefit, however, would be minimal, since the bearings in question account for only a tiny fraction of the final price of most products. This is confirmed by the fact that no Community purchaser of ball bearings up to 30 mm external diameter has reacted to any of the proceedings.

- (46) The Commission has therefore concluded that on balance the interest of the Community in this case clearly lies in granting protection to its ball bearings industry against unfair competition caused by imports at dumped prices.

### G. DUTY

#### (i) Combination of anti-dumping and countervailing duties

- (47) In the anti-subsidy proceeding concerning the same product from Thailand (referred to in recital 21), the level of countervailing duty (eventually replaced by an undertaking), has been calculated at 13 %.

- (48) Article 13 (9) of Regulation (EEC) No 2423/88 states that no product shall be subject to both anti-dumping and countervailing duties for the purpose of dealing with one and the same situation arising from dumping or from the granting of any subsidy.

It is therefore necessary to consider whether an anti-dumping duty can be imposed in addition to the countervailing duty without there being any double counting.

- (49) In order to determine this, the impact of the countervailable subsidies on the normal value and the export price of the product has to be examined.

- (50) All the countervailable subsidies found are export subsidies, since they are granted on condition that virtually 100 % of output is exported. Two types of subsidy were found:

- (a) exemption from the payment of duties and taxes on imported machinery and essential materials (in addition, a small amount of the subsidy was accounted for by a rebate of electricity costs and of indirect taxes on domestic purchases);
- (b) exemption from the payment of corporate income tax.

- (51) It should be remembered that the normal value in this case is constructed and therefore consists of two components — cost of production and a reasonable profit margin.

- (52) The effect of the first type of subsidy, the duty and tax exemption on imports, is to reduce the cost of production element of the normal value, and this subsequently leads to a drop in the export price (since it is an export subsidy). Consequently, the fall in the export price cannot be greater than the reduction in the normal value. The effect of this subsidy is therefore neutral as regards the dumping margin.

- (53) The second type of subsidy, the corporate income tax exemption, affects the export price and consequently the profits on sales to all third countries. In the present proceeding, the 'reasonable margin of profit' element of the normal value has been calculated on bearings sold in Thailand, but via a first independent customer located in Singapore; it follows that this subsidy affects the 'reasonable margin of profit' part of the normal value by the same amount as the export price.

The Commission considers that the countervailable subsidies found affect the normal value in the same manner as the export price. Conversely, the elimination of these subsidies by the imposition of a countervailing duty or by an undertaking would have no effect on the dumping margin found. It is therefore appropriate to impose an anti-dumping duty in addition to the countervailing measures in this case.

#### (ii) Injury threshold

- (54) The Commission's view is that in order to eliminate injury to the Community industry, it would be necessary to:

— eliminate price undercutting, found to be 17 % (see recital 27),

— ensure that Community producers realize an adequate return on sales, i.e. cover the 7 % gap between the target profit (15 % — see recital 34) and the profit actually earned during the investigation period (8 % — see recital 30).

- (55) The addition of the price undercutting (17 %) and the profit shortfall (7 %), gives an injury threshold of 24 % on the basis of the resale price in the Community. The basis for using this method is that the prices of Thai bearings in the Community are so far below the prices of Community products mainly because the Thai exports have succeeded in capturing a number of very high volume customers by offering them extremely low prices. Community producers have for the moment retained customers who pay higher prices. Since the customers are different and since there are no quality differences between Thai and Community bearings, there is no guarantee that the mere elimination of 17 % Thai price undercutting would result in any appreciable increases in the prices paid to Community producers. Only by adding the 7 % profit shortfall is it

possible to reach a price level at which Community producers could earn the required level of profit to realize an adequate return on sales (see recital 54).

When converted to cif import value, the injury threshold becomes 34,8 %.

**(iii) Rate of duty**

- (56) The Commission considers that the imposition of the full amount of the dumping margin as an anti-dumping duty is required to fully remove the injury caused by dumping in this case. The rate of provisional duty for imports of ball bearings with a greatest external diameter not exceeding 30 mm, originating in Thailand, is set at 6,7 %.

**(iv) Combined effect of anti-dumping and countervailing duty**

- (57) The addition of the anti-dumping duty of 6,7 % to the countervailing duty of 13 % (replaced by an export tax of equivalent effect) results in a combined amount of 19,7 %. This is well below the injury threshold of 34,8 % (see recital 55).

**(v) Future procedure**

- (58) A period should be fixed within which the parties concerned may make their views known and request a hearing. Furthermore, it should be stated that all findings made for the purpose of this Regulation are provisional and may have to be reconsidered for the purposes of any definitive duty which the Commission may propose.

HAS ADOPTED THIS REGULATION :

*Article 1*

1. A provisional anti-dumping duty of 6,7 % of the net free-at-Community-frontier price before duty is hereby imposed on imports of ball bearings with a greatest external diameter not exceeding 30 mm falling within CN code 8482 10 10 originating in Thailand.
2. The provisions in force concerning customs duties shall apply.
3. The release for free circulation in the Community of the product referred to in paragraph 1 shall be subject to the provision of a security, equivalent to the amount of the provisional duty.

*Article 2*

Without prejudice to Article 7 (4) (b) of Regulation (EEC) No 2423/88, the parties concerned may make known their views in writing and apply to be heard orally by the Commission within one month of the date of entry into force of this Regulation.

*Article 3*

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

Subject to Articles 11, 12 and 13 of Regulation (EEC) No 2423/88, Article 1 of this Regulation shall apply for a period of four months, unless the Council adopts definitive measures before the expiry of that period.

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

Done at Brussels, 13 June 1990.

*For the Commission*

Jean DONDELINGER

*Member of the Commission*

**COMMISSION REGULATION (EEC) No 1614/90  
of 15 June 1990**

**amending Regulations (EEC) No 3126/89 and (EEC) No 105/90 concerning  
invitations to tender for the export refund on wholly milled medium-grain and  
long-grain A rice to certain third countries**

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

HAS ADOPTED THIS REGULATION:

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 1418/76 of 21 June 1976 on the common organization of the market in rice<sup>(1)</sup>, as last amended by Regulation (EEC) No 1806/89<sup>(2)</sup>, and in particular Article 17 thereof,

Having regard to Council Regulation (EEC) No 1431/76 of 21 June 1976 laying down general rules for granting export refunds on rice and criteria for fixing the amount of such refunds<sup>(3)</sup>, and in particular Article 4 thereof,

Whereas Commission Regulations (EEC) No 3126/89<sup>(4)</sup> and (EEC) No 105/90<sup>(5)</sup> open invitations to tender for the export refund on rice;

Whereas, in the present situation, those invitations to tender should be extended;

Whereas, in view of the present circumstances in the German Democratic Republic and their effects on the market situation, no refund should be fixed for products to be exported to that destination;

Whereas the measures provided for in this Regulation are in accordance with the opinion of the Management Committee for Cereals,

*Article 1*

1. Articles 1 (2) of Regulations (EEC) No 3126/89 and (EEC) No 105/90 shall be replaced by the following:

'2. The invitation to tender shall be open until 26 July 1990. During that period weekly invitations to tender shall be issued and the quantities and the date for submission of tenders shall be determined in the notice of invitation to tender.'

2. The second paragraph of Articles 8 of Regulations (EEC) No 3126/89 and (EEC) No 105/90 shall be replaced by the following:

'The final date for submission of tenders is hereby fixed at 26 July 1990.'

*Article 2*

Article 1 (1) of Regulation (EEC) No 105/90 is replaced by the following:

'1. An invitation to tender is hereby opened, for the export refund referred to in Article 4 of Regulation (EEC) No 1431/76, for Zones II (a) and III as specified in Annex I to Regulation (EEC) No 1124/77.'

*Article 3*

This Regulation shall enter into force on the day 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 Brussels, 15 June 1990.

*For the Commission*

Ray MAC SHARRY

*Member of the Commission*

<sup>(1)</sup> OJ No L 166, 25. 6. 1976, p. 1.

<sup>(2)</sup> OJ No L 177, 24. 6. 1989, p. 1.

<sup>(3)</sup> OJ No L 166, 25. 6. 1976, p. 36.

<sup>(4)</sup> OJ No L 301, 19. 10. 1989, p. 14.

<sup>(5)</sup> OJ No L 13, 17. 1. 1990, p. 6.

## COMMISSION REGULATION (EEC) No 1615/90

of 15 June 1990

amending Regulation (EEC) No 3665/87 laying down common detailed rules for the application of the system of export refunds on agricultural products

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 2727/75 of 29 October 1975 on the common organization of the market in cereals<sup>(1)</sup>, as last amended by Regulation (EEC) No 1340/90<sup>(2)</sup>, and in particular Article 10 (6) thereof, and to the corresponding provisions of the other Regulations on the common organization of the markets in agricultural products,

Having regard to Council Regulation (EEC) No 2746/75 of 29 October 1975 laying down general rules for granting export refunds on cereals and criteria for fixing the amount of such refunds<sup>(3)</sup>, and in particular the second subparagraph of Article 8 (2) and Article 8 (3) thereof, and to the corresponding provisions of the other Regulations laying down general rules for granting export refunds on agricultural products,

Whereas, for reasons of simplifying administrative procedures, the detailed rules concerning certain shipments covered by combined road-rail contracts should be added to Article 7 of Commission Regulation (EEC) No 3665/87<sup>(4)</sup>, as last amended by Regulation (EEC) No 354/90<sup>(5)</sup>;

Whereas, in order to make Article 33 of the said Regulation more intelligible, it needs to be reworded;

Whereas, in accordance with Article 36 of Regulation (EEC) No 3665/87, products which are intended to be consumed on board aircraft but which are prepared before being placed on board are deemed for the purposes of applying Article 34 to have been prepared on board the aircraft; whereas in order to take into account changes in maritime traffic and the use, for the purposes of victualling such means of transport, of prepared tray-type aircraft meals or the partial preparation of meals before they are placed on board, the scope of the said Article 36 should be extended to cover such preparations and means of transport for passengers;

Whereas the measures provided for in this Regulation are in accordance with the opinion of the relevant management committees,

HAS ADOPTED THIS REGULATION:

*Article 1*

Regulations (EEC) No 3665/87 is hereby amended as follows:

1. The following paragraph is added to Article 7:

'5. Where the export declaration for a product has been accepted in one Member State and, circulating under the external Community transit procedure, charge of the product is taken in another Member State by railway authorities in the framework of a combined transport contract for transport by road and by rail for carriage to a destination outside the customs territory of the Community, the customs office responsible for the railway terminal at which the product has been taken charge of by the railway authorities or the nearest customs office to that terminal shall fill in the section 'control of use and/or destination' on the back of the original of the T 5 control copy referred to in Article 6 by making one of the following entries under 'remarks':

— Salida del territorio aduanero de la Comunidad por ferrocarril, en transporte combinado por ferrocarril-carretera:

— Documento de transporte:

tipo: .....

número: .....

— Fecha de aceptación del transporte por parte de la administración ferroviaria: .....

— Udgang af Fællesskabets toldområde ad jernbane ved kombineret jernbane-/landevejstransport:

— Transportdokument:

art: .....

nummer: .....

— Dato for overtagelse ved jernbane: .....

— Ausgang aus dem Zollgebiet der Gemeinschaft mit der Eisenbahn zur Beförderung im kombinierten Straßen- und Schienenverkehr:

— Beförderungspapier:

Art: .....

Nummer: .....

— Zeitpunkt der Annahme zur Beförderung durch die Eisenbahnverwaltung: .....

— Έξοδος από το τελωνειακό έδαφος της Κοινότητας σιδηροδρομικώς, με συνδυασμένη μεταφορά σιδηροδρομικώς-οδικώς:

— Έγγραφο μεταφοράς:

είδος: .....

αριθμός: .....

— Ημερομηνία αποδοχής για τη μεταφορά από τη διοίκηση των σιδηροδρόμων: .....

<sup>(1)</sup> OJ No L 281, 1. 11. 1975, p. 1.

<sup>(2)</sup> OJ No L 134, 28. 5. 1990, p. 1.

<sup>(3)</sup> OJ No L 281, 1. 11. 1975, p. 78.

<sup>(4)</sup> OJ No L 351, 14. 12. 1987, p. 1.

<sup>(5)</sup> OJ No L 38, 10. 2. 1990, p. 34.

- Exit from the customs territory of the Community by rail under combined transport by road and by rail :
  - Transport document :
    - type : .....
    - number : .....
  - Date of acceptance for carriage by the railway authorities : .....
- Sortie du territoire douanier de la Communauté par chemin de fer, en transport combiné rail-route :
  - Document de transport :
    - espèce : .....
    - numéro : .....
  - Date d'acceptation pour le transport par l'administration des chemins de fer : .....
- Uscita dal territorio doganale della Comunità per ferrovia nell'ambito di un trasporto combinato strada-ferrovia :
  - Documento di trasporto :
    - tipo : .....
    - numero : .....
  - Data di accettazione del trasporto da parte dell'amministrazione delle ferrovie : .....
- Uitgang uit het douanegebied van de Gemeenschap per spoor, bij gecombineerd rail-/wegvervoer :
  - Vervoerdocument :
    - type : .....
    - nummer : .....
  - Datum van aanneming ten vervoer door de betrokken spoorwegadministratie : .....
- Saída do território aduaneiro da Comunidade por caminho-de-ferro, em transporte combinado rodo-ferroviário :
  - Documento de transporte :
    - tipo : .....
    - número : .....
  - Data de aceitação do transporte pela administração dos caminhos-de-ferro : .....

Where the transport contract for combined carriage by road and by rail is amended in such a way that the transport operation which should be terminated outside the Community is terminated within the Community, the railway authorities may execute the amended contract only with the prior agreement of the office of departure. In this case paragraph 3 shall apply *mutatis mutandis*.

## 2. Article 33 is replaced by the following :

### 'Article 33

1. Where entitlement to a refund and/or monetary compensatory amount is proved in respect of products

or goods permitted under the provision of this chapter, the sum due shall be set off against the amount paid in advance. In cases where the amount due for the exported quantity is higher than that which has been paid in advance, the difference shall be paid to the person concerned.

Where the amount due for the quantity exported is less than that paid in advance, in particular where paragraph 2 is applied, the competent authority shall initiate without delay the procedure laid down in Article 29 of Regulation (EEC) No 2220/85 with a view to payment by the operator of the difference between those two amounts, plus 20 %.

2. Notwithstanding Articles 48 and 17a of Commission Regulation (EEC) No 3154/85 (\*), without prejudice to paragraph 1, second subparagraph, of this Article, the refund and the MCA applicable to the export in question shall be corrected, except in cases of *force majeure*, where one or more of the time limits laid down in this Regulation is not complied with, as follows :

(a) in the case of the amount of the refund defined in accordance with the items listed in the second subparagraph of Article 29 (3) :

- it shall firstly be reduced by 15 % where one or more of the time limits laid down in Articles 27 (5), 28 (5) and 32 (1) are exceeded ; the refund thus reduced shall be further reduced by 2 % per day beyond the limits referred to in Articles 27 (5) and 28 (5), and by 5 % per day beyond the limit referred to in Article 32 (1),
- where the documents referred to in Article 47 (2) are produced within six months of the time limit laid down, the refund, where applicable determined following the application of the preceding indent, shall be reduced by an amount equal to 15 % of the refund which would have been paid if all the time limits had been met ;

(b) in the case of positive MCAs :

- any overrun in one of the time limits laid down in Articles 27 (5) and 28 (5) shall result firstly in a reduction of 15 % in the MCA. That reduced amount shall be further reduced by 2 % per day's overrun,
- where the documents provided for in Article 17 (2) of Regulation (EEC) No 3154/85 are produced within six months of the time limit laid down, the positive MCA, where application determined following the application of the preceding indent, shall be reduced by an amount equal to 15 % of the MCA which would have been paid if all the time limits had been met ;

(c) in the case of negative MCAs, any overrun in the time limits referred to in (b) shall not result in a change in the MCAs.

3. Where the minimum increase provided for in the second sentence of Article 31 (1) is applied, the 20 % shall be replaced by the percentage corresponding to the ratio between the minimum increase and the amount paid in advance.

4. Where, following a case of *force majeure*, the amount due is less than the amount paid in advance, the 20 % increase shall not apply.

(<sup>1</sup>) OJ No L 310, 21. 11. 1985, p. 9.

3. Article 36 (1) and (2) is hereby replaced by the following:

'1. For the purposes of Articles 34 (1) (a), products which are intended to be consumed on board aircraft or passenger boats, including ferryboats, but which are

prepared before being placed on board shall be deemed to have been prepared on board these means of transport.

2. This Article shall apply only on condition that the exporter furnishes sufficient evidence of the quantity, nature and characteristics of the basic product before preparation in respect of which the refund is claimed.'

#### Article 2

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

It shall apply to transactions for which the export declaration is accepted as from 1 July 1990.

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

Done at Brussels, 15 June 1990.

*For the Commission*

Ray MAC SHARRY

*Member of the Commission*

## COMMISSION REGULATION (EEC) No 1616/90

of 15 June 1990

fixing the accession compensatory amounts applicable to cereals for the 1990/91 marketing year and the coefficient to be used for calculating the amounts applicable to processed products

THE COMMISSION OF THE EUROPEAN COMMUNITIES,  
Having regard to the Treaty establishing the European Economic Community,

Having regard to the Act of Accession of Spain and Portugal,

Having regard to Council Regulation (EEC) No 467/86 of 25 February 1986 laying down general rules for the system of accession compensatory amounts for cereals on account of the accession of Spain<sup>(1)</sup>, and in particular Article 7 thereof,

Whereas, in accordance with Article 72 (1) of the Act of Accession, accession compensatory amounts are to be equal to the difference between the prices fixed for Spain and the intervention prices applying in the Community as constituted at 31 December 1985, those latter prices constituting the guarantee to the producer; whereas, however, following the amendments to the intervention arrangements provided for in Council Regulation (EEC) No 2727/75 of 29 October 1975 on the common organization of the market in cereals<sup>(2)</sup>, as last amended by Regulation (EEC) No 1340/90<sup>(3)</sup>, buying in is to be carried out at a level lower than the intervention price; whereas that level, which henceforward constitutes the actual guarantee to the producer, must accordingly serve as a basis for calculating the accession compensatory amounts;

Whereas, in view of the alignment from 1 July 1989 of Spanish prices on Community prices for all cereals with the exception of durum wheat, accession compensatory amounts should only be fixed for the latter cereal and for meal;

Whereas, in accordance with Article 111 (3) of the Act of Accession, the accession compensatory amounts applicable to processed products are to be derived from

those applicable to the products to which they are related, with the help of coefficients to be determined; whereas those coefficients must be fixed taking account of the fact that the accession compensatory amounts apply to imports, to exports and in trade between the Community as constituted at 31 December 1985 and Spain;

Whereas the measures provided for in this Regulation are in accordance with the opinion of the Management Committee for Cereals,

HAS ADOPTED THIS REGULATION:

*Article 1*

The accession compensatory amounts applicable to the products listed in Article 1 (b) and (c) of Regulation (EEC) No 2727/75 for the 1990/91 marketing year shall be as follows:

CN code	Accession compensatory amount (ECU/tonne)	Coefficient
1001 10 10	21,86	—
1001 10 90	21,86 <sup>(1)</sup>	—
1103 11 10	33,88	1,55

<sup>(1)</sup> For a batch of durum wheat comprising more than 5 % common wheat, the amount to be granted is to be reduced in proportion to the amount by which that percentage is exceeded.

*Article 2*

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

It shall apply from 1 July 1990.

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

Done at Brussels, 15 June 1990.

For the Commission

Ray MAC SHARRY

Member of the Commission

<sup>(1)</sup> OJ No L 53, 1. 3. 1986, p. 25.

<sup>(2)</sup> OJ No L 281, 1. 11. 1975, p. 1.

<sup>(3)</sup> OJ No L 134, 28. 5. 1990, p. 1.

## COMMISSION REGULATION (EEC) No 1617/90

of 15 June 1990

fixing the maximum moisture content of cereals offered for intervention in certain Member States during the 1990/91 marketing year

THE COMMISSION OF THE EUROPEAN COMMUNITIES,  
Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 2727/75 of 29 October 1975 on the common organization of the market in cereals <sup>(1)</sup>, as last amended by Regulation (EEC) No 1340/90 <sup>(2)</sup>, and in particular Article 7 (6) thereof,

Whereas Council Regulation (EEC) No 2731/75 of 29 October 1975 fixing standard qualities for common wheat, rye, barley, maize, sorghum and durum wheat <sup>(3)</sup>, as last amended by Regulation (EEC) No 2094/87 <sup>(4)</sup>, in particular fixes a maximum moisture content of 14 % for cereals other than durum wheat; whereas, under Commission Regulation (EEC) No 1569/77 of 11 July 1977 fixing the procedure and conditions for the taking over of cereals by intervention agencies <sup>(5)</sup>, as last amended by Regulation (EEC) No 1022/90 <sup>(6)</sup>, a maximum moisture content of 14,5 % was fixed; whereas Article 2 (4) of that Regulation also provides that the Member States may be authorized at their request and under certain conditions to apply a moisture content of 15 % for all cereals with the exception of durum wheat;

Whereas certain Member States have submitted requests to that end;

Whereas the measures provided for in this Regulation are in accordance with the opinion of the Management Committee for Cereals,

HAS ADOPTED THIS REGULATION:

*Article 1*

The Member States listed in the Annex hereto are hereby authorized to fix a maximum moisture content of 15 % for cereals listed therein and offered for intervention during the 1990/91 marketing year.

*Article 2*

This Regulation shall enter into force on the day 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 Brussels, 15 June 1990.

*For the Commission*

Ray MAC SHARRY

*Member of the Commission*

<sup>(1)</sup> OJ No L 281, 1. 11. 1975, p. 1.  
<sup>(2)</sup> OJ No L 134, 28. 5. 1990, p. 1.  
<sup>(3)</sup> OJ No L 281, 1. 11. 1975, p. 22.  
<sup>(4)</sup> OJ No L 196, 17. 7. 1987, p. 1.  
<sup>(5)</sup> OJ No L 174, 14. 7. 1977, p. 15.  
<sup>(6)</sup> OJ No L 106, 26. 4. 1990, p. 11.

## ANNEX

**Maximum moisture content of cereals offered for intervention during the 1990/1991 marketing year**

Member State	Cereal
Belgium	All cereals except durum wheat
Denmark	All cereals except durum wheat and rye
Federal Republic of Germany	All cereals except durum wheat
France	All cereals except durum wheat
Ireland	All cereals except durum wheat
Luxembourg	All cereals except durum wheat
Netherlands	All cereals except durum wheat

## COMMISSION REGULATION (EEC) No 1618/90

of 15 June 1990

fixing the number of young male bovine animals which may be imported on special terms in the first, second and third quarters of 1990, amending Regulation (EEC) No 2377/80 and derogating therefrom in respect of those quarters as regards the issue of import licences and their term of validity

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 805/68 of 27 June 1968 on the common organization of the market in beef and veal <sup>(1)</sup>, as last amended by Regulation (EEC) No 571/89 <sup>(2)</sup>, and in particular Articles 13 (4), 15 (2) and 25 thereof,

Whereas the Council has drawn up an estimated supply balance of 198 000 head under the new import arrangements applicable to young male bovine animals for fattening for the period 1 January to 31 December 1990; whereas, pursuant to Article 13 (4) (a) of Regulation (EEC) No 805/68, the number which may be imported each quarter and the rate of reduction in the import levy on such animals must be determined;

Whereas detailed rules for the practical application of these special arrangements were laid down in Commission Regulation (EEC) No 612/77 <sup>(3)</sup>, as last amended by Regulation (EEC) No 1121/87 <sup>(4)</sup>, and in Commission Regulation (EEC) No 2377/80 <sup>(5)</sup>, as last amended by Regulation (EEC) No 970/90 <sup>(6)</sup>;

Whereas the supply requirements of certain regions of the Community which have a serious shortfall in bovine animals for fattening must be taken into account; whereas those requirements are apparent in Italy and Greece and may be estimated for the first, second and third quarters of 1990 at 126 360 head and 19 305 head respectively in those Member States;

Whereas the supply requirements in young bovine animals for fattening justify, for the first, second and third quarters of 1990, a higher rate of reduction in the levy on animals weighing from 220 to 300 kilograms per head, originating in and coming from Yugoslavia, Hungary or Poland;

Whereas the partial reduction in the levy is intended in particular to help improve cattle rearing and beef and veal

production in Italy and in Greece; whereas appropriate measures must be taken to that end to ensure that producers can, as far as possible, benefit directly from the arrangements without traditional trade being excluded; whereas that objective can be achieved by giving agricultural producers or their organizations priority when issuing licences conferring entitlement under these arrangements;

Whereas, in accordance with Article 9 (1) of Regulation (EEC) No 2377/80, applicants are to undertake either to carry out themselves or to have carried out under their responsibility the fattening operations; whereas, in the case of agricultural producers or their professional organizations, it appears that the possibility granted to applicants not to carry out themselves the fattening operations could give rise to abuses in certain cases; whereas that possibility should accordingly be withdrawn for the quarter in question;

Whereas, in the case of import licence applications from agricultural producers, their professional organizations or the traditional trade, the maximum quantity which each application may cover must be limited in order to permit a more equitable distribution of the quantities available;

Whereas this estimated supply balance was only decided in May 1990 in respect of 1990 and a derogation must therefore be provided for from Regulation (EEC) No 2377/80 as regards the time limits for the submission of applications and the issue of import licences under these special arrangements;

Whereas, in order to permit regular imports, the term of validity of licences as referred to in Article 14 (b) of Regulation (EEC) No 2377/80 should be extended;

Whereas, owing to the implementation of these special import arrangements, Commission Regulation (EEC) No 3834/89 <sup>(7)</sup>, as last amended by Regulation (EEC) No 1494/90 <sup>(8)</sup>, must be repealed;

Whereas, following the granting of an additional reduction in the levy on young male bovine animals originating in Poland or Hungary, Regulation (EEC) No 2377/80 should be amended accordingly;

<sup>(1)</sup> OJ No L 148, 28. 6. 1968, p. 24.

<sup>(2)</sup> OJ No L 61, 4. 3. 1989, p. 43.

<sup>(3)</sup> OJ No L 77, 25. 3. 1977, p. 18.

<sup>(4)</sup> OJ No L 109, 24. 4. 1987, p. 12.

<sup>(5)</sup> OJ No L 241, 13. 9. 1980, p. 5.

<sup>(6)</sup> OJ No L 99, 19. 4. 1990, p. 8.

<sup>(7)</sup> OJ No L 372, 21. 12. 1989, p. 26.

<sup>(8)</sup> OJ No L 140, 1. 6. 1990, p. 113.

Whereas the measures provided for in this Regulation are in accordance with the opinion of the Management Committee for Beef and Veal;

HAS ADOPTED THIS REGULATION:

### Article 1

1. For the period 1 January to 30 September 1990, the maximum number referred to in Article 13 (4) (a) of Regulation (EEC) No 805/68 shall be 149 445 head of young male bovine animals for fattening of a live weight of 300 kilograms or less, of which 126 360 head must be imported into and fattened in Italy and 19 305 head must be imported into and fattened in Greece.

2. The levy charged on imports of the young bovine animals referred to in paragraph 1 shall be equal to the levy applicable on the day of acceptance of the application for release for free circulation, less 65 %. However, the levy applicable on the day of acceptance of the declaration of release for free circulation shall be reduced by 75 % in respect of a maximum of 130 110 young bovine animals weighing from 220 to 230 kilograms per head, originating in and coming from Yugoslavia, Hungary or Poland.

That maximum number may be imported up to a maximum of:

- 110 010 head in Italy,
- 16 800 head in Greece,
- 3 300 head in total in the other Member States.

3. Applications for licences and licences shall, in accordance with Article 9 (1) (c) of Regulation (EEC) No 2377/80, relate to:

- young bovine animals weighing not more than 300 kilograms per head, or
- young bovine animals weighing from 220 to 300 kilograms per head, originating in and coming from Yugoslavia, Hungary or Poland.

In the latter case, Sections 7 and 8 of applications for licences and licences shall include one of the following entries:

- Yugoslavia y/o Hungría y/o Polonia,
- Jugoslaviën og/eller Ungarn og/eller Polen,
- Jugoslawien und/oder Ungarn und/oder Polen,
- Γιουγκοσλαβία ή/και Ουγγαρία ή/και Πολωνία,
- Yugoslavia and/or Hungary and/or Poland,
- Yougoslavie et/ou Hongrie et/ou Pologne,
- Jugoslavia e/o Ungheria e/o Polonia,
- Joegoslavië en/of Hongarije en/of Polen,
- Jugoslávia e/ou Hungria e/ou Polónia.

Licences shall carry with them an obligation to import from one or more of the countries indicated.

4. In the information referred to in Article 15 (4) (a) of Regulation (EEC) No 2377/80, Member States shall specify the category of live weight and the origin of the products in the case referred to in the second indent of the first subparagraph of paragraph 3.

5. Of the number of head reserved for Italy:

- (a) 90% may be allocated directly to applicants who provide proof of having imported animals qualifying under the arrangements in question during the last three years.

Numbers covered by licences shall be allocated in proportion to the number of head imported in the three years concerned;

- (b) 10 % may be allocated to other applicants.

6. Of the number of head reserved for Greece:

- (a) 90% may be allocated directly to applicants who provide proof of having imported animals qualifying under the arrangements in question during the last three years.

Numbers covered by licences shall be allocated in proportion to the number of head imported in the three years concerned;

- (b) 10% may be allocated to other applicants.

7. The proof referred to in paragraphs 5 and 6 shall be provided by the customs document of release for free circulation.

8. Import licences shall only be issued for a number equal to or more than 10 head.

### Article 2

Applications for import licences may not cover more than 10 % of the numbers referred to in Article 1 (5) (b) and (6) (b).

### Article 3

For the purposes of Article 15 (3) of Regulation (EEC) No 2377/80, all applications from one applicant which relate to the same category of weight and the same rate of reduction in the levy shall be treated as one application.

### Article 4

For the first, second and third quarters of 1990, by way of derogation from Article 15 of Regulation (EEC) No 2377/90, as regards the arrangements referred to in Article 9 of that Regulation:

- (a) applications may only be lodged from 18 to 22 June 1990;
- (b) the information referred to in Article 15 (4) (a) of that Regulation shall be communicated on 27 June 1990;
- (c) licences as provided for in Article 15 (5) (a) of that Regulation shall be issued from 2 July 1990.

*Article 5*

By way of derogation from Article 4 (b) of Regulation (EEC) No 2377/80, the term of validity of licences issued under this Regulation shall be six months from 2 July 1990.

*Article 6*

Three weeks at the latest after import of the livestock referred to in this Regulation, importers shall inform the competent authorities which issued the import licences, of the number and origin of the animals imported. From August 1990 those authorities shall forward that information to the Commission at the beginning of each month.

*Article 7*

Commission Regulation (EEC) No 3834/88 is hereby repealed.

*Article 8*

Regulation (EEC) No 2377/80 is hereby amended as follows:

1. In Article 9 (1) (c), second indent and second subparagraph, and (f), first indent of the second subparagraph, 'and/or Poland and/or Hungary' is added after 'Yugoslavia'.
2. Article 9 (2) is deleted.

*Article 9*

This Regulation shall enter into force on the day 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 Brussels, 15 June 1990.

*For the Commission*

Ray MAC SHARRY

*Member of the Commission*

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## COMMISSION REGULATION (EEC) No 1619/90

of 15 June 1990

altering the export refunds on white sugar and raw sugar exported in the natural state

THE COMMISSION OF THE EUROPEAN COMMUNITIES,  
Having regard to the Treaty establishing the European Economic Community,

Having regard to the Act of Accession of Spain and Portugal,

Having regard to Council Regulation (EEC) No 1785/81 of 30 June 1981 on the common organization of the markets in the sugar sector <sup>(1)</sup>, as last amended by Regulation (EEC) No 1069/89 <sup>(2)</sup>, and in particular the second subparagraph of Article 19 <sup>(4)</sup> thereof,

Whereas the refunds on white sugar and raw sugar exported in the natural state were fixed by Commission Regulation (EEC) No 1522/90 <sup>(3)</sup>, as amended by Regulation (EEC) No 1585/90 <sup>(4)</sup>;

Whereas it follows from applying the detailed rules contained in Regulation (EEC) No 1522/90 to the infor-

mation known to the Commission that the export refunds at present in force should be altered to the amounts set out in the Annex hereto,

HAS ADOPTED THIS REGULATION:

*Article 1*

The export refunds on the products listed in Article 1 (1) (a) of Regulation (EEC) No 1785/81, undenatured and exported in the natural state, as fixed in the Annex to amended Regulation (EEC) No 1522/90 are hereby altered to the amounts shown in the Annex hereto.

*Article 2*

This Regulation shall enter into force on 16 June 1990.

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

Done at Brussels, 15 June 1990.

*For the Commission*

Ray MAC SHARRY

*Member of the Commission*

<sup>(1)</sup> OJ No L 177, 1. 7. 1981, p. 4.

<sup>(2)</sup> OJ No L 114, 27. 4. 1989, p. 1.

<sup>(3)</sup> OJ No L 144, 7. 6. 1990, p. 9.

<sup>(4)</sup> OJ No L 150, 14. 6. 1990, p. 15.

## ANNEX

to the Commission Regulation of 15 June 1990 altering the export refunds on white sugar  
and raw sugar exported in the natural state

(ECU)

Product code	Amount of refund	
	per 100 kg	per percentage point of sucrose content and per 100 kg net of the product in question
1701 11 90 100	29,42 <sup>(1)</sup>	
1701 11 90 910	29,42 <sup>(1)</sup>	
1701 11 90 950	<sup>(2)</sup>	
1701 12 90 100	29,42 <sup>(1)</sup>	
1701 12 90 910	29,42 <sup>(1)</sup>	
1701 12 90 950	<sup>(2)</sup>	
1701 91 00 000		0,3198
1701 99 10 100	31,98	
1701 99 10 910	31,98	
1701 99 10 950	30,98	
1701 99 90 100		0,3198

<sup>(1)</sup> Applicable to raw sugar with a yield of 92 % ; if the yield is other than 92 %, the refund applicable is calculated in accordance with the provisions of Article 5 (3) of Regulation (EEC) No 766/68.

<sup>(2)</sup> Fixing suspended by Commission Regulation (EEC) No 2689/85 (OJ No L 255, 26. 9. 1985, p. 12), as amended by Regulation (EEC) No 3251/85 (OJ No L 309, 21. 11. 1985, p. 14).

## COMMISSION REGULATION (EEC) No 1620/90

of 15 June 1990

altering the export refunds on syrups and certain other sugar sector products  
exported in the natural state

THE COMMISSION OF THE EUROPEAN COMMUNITIES,  
Having regard to the Treaty establishing the European  
Economic Community,

Having regard to the Act of Accession of Spain and  
Portugal,

Having regard to Council Regulation (EEC) No 1785/81  
of 18 June 1981 on the common organization of the  
markets in the sugar sector <sup>(1)</sup>, as last amended by Regula-  
tion (EEC) No 1069/89 <sup>(2)</sup>, and in particular Article 19 (4)  
thereof,

Whereas the refunds on syrups and certain other sugar  
products were fixed by Regulation (EEC) No 1468/90 <sup>(3)</sup>;

Whereas it follows from applying the rules, criteria and  
other provisions contained in Regulation (EEC) No  
1468/90 to the information at present available to the

Commission that the export refunds at present in force  
should be altered as shown in the Annex hereto,

HAS ADOPTED THIS REGULATION:

*Article 1*

The refunds to be granted on the products listed in  
Article 1 (1) (d), (f) and (g) of Regulation (EEC) No  
1785/81, exported in the natural state, as fixed in the  
Annex to Regulation (EEC) No 1468/90 are hereby  
altered to the amounts shown in the Annex hereto.

*Article 2*

This Regulation shall enter into force on 16 June 1990.

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

Done at Brussels, 15 June 1990.

*For the Commission*

Ray MAC SHARRY

*Member of the Commission*

<sup>(1)</sup> OJ No L 177, 1. 7. 1981, p. 4.

<sup>(2)</sup> OJ No L 114, 27. 4. 1989, p. 1.

<sup>(3)</sup> OJ No L 140, 1. 6. 1990, p. 41.

## ANNEX

to the Commission Regulation of 15 June 1990 altering the export refunds on syrups and certain other sugar products exported in the natural state

(ECU)

Product code	Basic amount per percentage point of sucrose content and per 100 kg net of the product in question <sup>(1)</sup>	Amount of refund per 100 kg of dry matter <sup>(2)</sup>
1702 40 10 100		31,98
1702 60 10 000		31,98
1702 60 90 000	0,3198	
1702 90 30 000		31,98
1702 90 60 000	0,3198	
1702 90 71 000	0,3198	
1702 90 90 900	0,3198	
2106 90 30 000		31,98
2106 90 59 000	0,3198	

<sup>(1)</sup> The basic amount is not applicable to syrups which are less than 85 % pure (Regulation (EEC) No 394/70).  
Sucrose content is determined in accordance with Article 13 of Regulation (EEC) No 394/70.

<sup>(2)</sup> Applicable only to products referred to in Article 3 of Regulation (EEC) No 1469/77.

**COMMISSION REGULATION (EEC) No 1621/90  
of 15 June 1990**

**altering the rates of the refunds applicable to certain products from the sugar  
sector exported in the form of goods not covered by Annex II to the Treaty**

THE COMMISSION OF THE EUROPEAN COMMUNITIES,  
Having regard to the Treaty establishing the European  
Economic Community,

Having regard to the Act of Accession of Spain and  
Portugal,

Having regard to Council Regulation (EEC) No 1785/81  
of 30 June 1981 on the common organization of the  
markets in the sugar sector <sup>(1)</sup>, as last amended by Regula-  
tion (EEC) No 1069/89 <sup>(2)</sup>, and in particular Article 19 (1)  
and (2) thereof,

Whereas the rates of the refunds applicable from 1 June  
1990 to the products listed in the Annex, exported in the  
form of goods not covered by Annex II to the Treaty,  
were fixed by Commission Regulation (EEC) No  
1482/90 <sup>(3)</sup>;

Whereas it follows from applying the rules and criteria  
contained in Regulation (EEC) No 1482/90 to the infor-  
mation at present available to the Commission that the  
export refunds at present applicable should be altered as  
shown in the Annex hereto,

HAS ADOPTED THIS REGULATION:

*Article 1*

The rates of refund fixed by Regulation (EEC) No  
1482/90 are hereby altered as shown in the Annex hereto.

*Article 2*

This Regulation shall enter into force on 16 June 1990.

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

Done at Brussels, 15 June 1990.

*For the Commission*

Martin BANGEMANN

*Vice-President*

<sup>(1)</sup> OJ No L 177, 1. 7. 1981, p. 4.

<sup>(2)</sup> OJ No L 114, 27. 4. 1989, p. 1.

<sup>(3)</sup> OJ No L 140, 1. 6. 1990, p. 83.

## ANNEX

to the Commission Regulation of 15 June 1990 altering the rates of the refunds applicable to certain products in the sugar sector exported in the form of goods not covered by Annex II to the Treaty

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Rate of refund in ECU/100 kg:

White sugar:	31,98	
Raw sugar:	29,42	
Syrups of beet sugar or cane sugar containing, in the dry state, 85 % or more by weight of sucrose (including invert sugar expressed as sucrose):	$31,98 \times \frac{S^{(1)}}{100}$	or
If those syrups are obtained by dissolving white or raw sugar in the solid state, whether or not the dissolving is followed by inversion:	The rate fixed above for 100 kg of white or raw sugar used for the dissolution	
Molasses:	—	
Isoglucose <sup>(2)</sup> :	31,98 <sup>(3)</sup>	

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(<sup>1</sup>) 'S' represents per 100 kilograms of syrup

- the sucrose content (including invert sugar expressed as sucrose) of the syrup in question, where the latter is not less than 98 % pure,
- the extractable sugar content of the syrup in question, where the latter is not less than 85 %, but less than 98 % pure.

(<sup>2</sup>) Products obtained by isomerization of glucose, which have a content by weight in the dry state of at least 41 % fructose and of which the total content by weight in the dry state of polysaccharides and oligosaccharides, including the di- or trisaccharides content, does not exceed 8,5 %.

(<sup>3</sup>) Amount of refund per 100 kilograms of dry matter.

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**COMMISSION REGULATION (EEC) No 1622/90**  
**of 15 June 1990**

**amending Regulation (EEC) No 3987/89 fixing for the period 1 January to 31 December 1990 the maximum quantity of certain products of the oils and fats sector to be released for consumption and imported into Spain and Portugal**

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to the Act of Accession of Spain and Portugal,

Having regard to Council Regulation (EEC) No 475/86 of 25 February 1986 laying down general rules for the system for controlling the prices and the quantities of certain products in the oils and fats sector released for consumption in Spain <sup>(1)</sup>, as last amended by Regulation (EEC) No 387/90 <sup>(2)</sup>, and in particular Article 16 thereof,

Whereas Article 1 (3) of Commission Regulation (EEC) No 1183/86 of 21 April 1986 laying down detailed rules for the system for controlling the prices and the quantities of certain products in the oils and fats sector released for consumption in Spain <sup>(3)</sup>, as last amended by Regulation (EEC) No 1581/90 <sup>(4)</sup>, makes provision for the forecast supply balance to be revised quarterly;

Whereas the Spanish market's demand for margarine and hydrogenated fats in 1990 is greater than expected; whereas Commission Regulation (EEC) No 3987/89 <sup>(5)</sup> should therefore be amended;

Whereas the measures provided for in this Regulation are in accordance with the opinion of the Management Committee for Oils and Fats,

HAS ADOPTED THIS REGULATION:

*Article 1*

Regulation (EEC) No 3987/89 is hereby amended as follows:

1. In Article 1 (1) (b), '72 000 tonnes' is replaced by '72 200 tonnes';
2. Article 2 (1) (b) is replaced by the following:  
'(b) 63 700 tonnes of other oils and fats for human consumption, including:
  1. 1 600 tonnes of hydrogenated fats falling within CN code 1516;
  2. 1 600 tonnes of margarine falling within CN code 1517;
3. the last subparagraph of Article 2 (1) is replaced by:  
'The quantities of margarine and hydrogenated fats are each divided as follows:  
— 750 tonnes for the first half of 1990,  
— 850 tonnes for the second half of 1990.'

*Article 2*

This Regulation shall enter into force on the day 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 Brussels, 15 June 1990.

*For the Commission*

Ray MAC SHARRY

*Member of the Commission*

<sup>(1)</sup> OJ No L 53, 1. 3. 1986, p. 47.

<sup>(2)</sup> OJ No L 42, 16. 2. 1990, p. 8.

<sup>(3)</sup> OJ No L 107, 24. 4. 1986, p. 17.

<sup>(4)</sup> OJ No L 150, 14. 6. 1990, p. 9.

<sup>(5)</sup> OJ No L 380, 29. 12. 1989, p. 37.

**COMMISSION REGULATION (EEC) No 1623/90****of 15 June 1990****fixing the import levies on white sugar and raw sugar**

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to the Act of Accession of Spain and Portugal,

Having regard to Council Regulation (EEC) No 1785/81 of 30 June 1981 on the common organization of the markets in the sugar sector <sup>(1)</sup>, as last amended by Regulation (EEC) No 1069/89 <sup>(2)</sup>, and in particular Article 16 (8) thereof,

Whereas the import levies on white sugar and raw sugar were fixed by Commission Regulation (EEC) No 1920/89 <sup>(3)</sup>, as last amended by Regulation (EEC) No 1604/90 <sup>(4)</sup>;

Whereas it follows from applying the detailed rules contained in Regulation (EEC) No 1920/89 to the information known to the Commission that the levies at present in force should be altered to the amounts set out in the Annex hereto,

HAS ADOPTED THIS REGULATION:

*Article 1*

The import levies referred to in Article 16 (1) of Regulation (EEC) No 1785/81 shall be, in respect of white sugar and standard quality raw sugar, as set out in the Annex hereto.

*Article 2*

This Regulation shall enter into force on 16 June 1990.

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

Done at Brussels, 15 June 1990.

*For the Commission*

Ray MAC SHARRY

*Member of the Commission*

<sup>(1)</sup> OJ No L 177, 1. 7. 1981, p. 4.

<sup>(2)</sup> OJ No L 114, 27. 4. 1989, p. 1.

<sup>(3)</sup> OJ No L 187, 1. 7. 1989, p. 13.

<sup>(4)</sup> OJ No L 151, 15. 6. 1990, p. 38.

## ANNEX

to the Commission Regulation of 15 June 1990 fixing the import levies on white sugar and raw sugar

*(ECU/100 kg)*

CN code	Levy
1701 11 10	33,81 <sup>(1)</sup>
1701 11 90	33,81 <sup>(1)</sup>
1701 12 10	33,81 <sup>(1)</sup>
1701 12 90	33,81 <sup>(1)</sup>
1701 91 00	37,18
1701 99 10	37,18
1701 99 90	37,18 <sup>(2)</sup>

<sup>(1)</sup> Applicable to raw sugar with a yield of 92 % ; if the yield is other than 92 %, the levy applicable is calculated in accordance with the provisions of Article 2 of Commission Regulation (EEC) No 837/68 (OJ No L 151, 30. 6. 1968, p. 42).

<sup>(2)</sup> In accordance with Article 16 (2) of Regulation (EEC) No 1785/81 this amount is also applicable to sugar obtained from white and raw sugar containing added substances other than flavouring or colouring matter.

**COMMISSION REGULATION (EEC) No 1624/90****of 15 June 1990****altering the basic amount of the import levies on syrups and certain other products in the sugar sector**

THE COMMISSION OF THE EUROPEAN COMMUNITIES,  
Having regard to the Treaty establishing the European Economic Community,

Having regard to the Act of Accession of Spain and Portugal,

Having regard to Council Regulation (EEC) No 1785/81 of 30 June 1981 on the common organization of the markets in the sugar sector <sup>(1)</sup>, as last amended by Regulation (EEC) No 1069/89 <sup>(2)</sup>, and in particular Article 16 (8) thereof,

Whereas the import levies on syrups and certain other sugar products were fixed by Commission Regulation (EEC) No 1467/90 <sup>(3)</sup>, as last amended by Regulation (EEC) No 1584/90 <sup>(4)</sup>;

Whereas it follows from applying the detailed rules contained in Regulation (EEC) No 1467/90 to the infor-

mation known to the Commission that the basic amount of the levy on syrups and certain other sugar products at present in force should be altered,

HAS ADOPTED THIS REGULATION:

*Article 1*

The basic amounts of the import levy on the products listed in Article 1 (1) (d) of Regulation (EEC) No 1785/81, as fixed in the Annex to amended Regulation (EEC) No 1467/90 are hereby altered to the amounts shown in the Annex hereto.

*Article 2*

This Regulation shall enter into force on 16 June 1990.

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

Done at Brussels, 15 June 1990.

*For the Commission*

Ray MAC SHARRY

*Member of the Commission*

<sup>(1)</sup> OJ No L 177, 1. 7. 1981, p. 4.

<sup>(2)</sup> OJ No L 114, 27. 4. 1989, p. 1.

<sup>(3)</sup> OJ No L 140, 1. 6. 1990, p. 39.

<sup>(4)</sup> OJ No L 150, 14. 6. 1990, p. 13.

## ANNEX

to the Commission Regulation of 15 June 1990 altering the basic amount of the import  
levies on syrups and certain other products in the sugar sector

(ECU)

CN code	Basic amount per percentage point of sucrose content and per 100 kg net of the product in question	Amount of levy per 100 kg of dry matter
1702 20 10	0,3718	—
1702 20 90	0,3718	—
1702 30 10	—	43,23
1702 40 10	—	43,23
1702 60 10	—	43,23
1702 60 90	0,3718	—
1702 90 30	—	43,23
1702 90 60	0,3718	—
1702 90 71	0,3718	—
1702 90 90	0,3718	—
2106 90 30	—	43,23
2106 90 59	0,3718	—

**COMMISSION REGULATION (EEC) No 1625/90**  
**of 15 June 1990**  
**fixing the amount of the subsidy on oil seeds**

THE COMMISSION OF THE EUROPEAN COMMUNITIES,  
 Having regard to the Treaty establishing the European Economic Community,

Having regard to the Act of Accession of Spain and Portugal,

Having regard to Council Regulation No 136/66/EEC of 22 September 1966 on the establishment of a common organization of the market in oils and fats<sup>(1)</sup>, as last amended by Regulation (EEC) No 2902/89<sup>(2)</sup>, and in particular Article 27 (4) thereof,

Having regard to Council Regulation (EEC) No 1678/85 of 11 June 1985 fixing the conversion rates to be applied in agriculture<sup>(3)</sup>, as last amended by Regulation (EEC) No 1536/90<sup>(4)</sup>,

Having regard to Council Regulation (EEC) No 1569/72 of 20 July 1972 laying down special measures for colza, rape and sunflower seed<sup>(5)</sup>, as last amended by Regulation (EEC) No 2216/88<sup>(6)</sup>, and in particular Article 2 (3) thereof,

Having regard to the opinion of the Monetary Committee,  
 Whereas the amount of the subsidy referred to in Article 27 of Regulation No 136/66/EEC was fixed by Commission Regulation (EEC) No 1574/90<sup>(7)</sup>, as amended by Regulation (EEC) No 1603/90<sup>(8)</sup>;

Whereas the abatement of the subsidy which arises, where appropriate, from the system of maximum guaranteed quantities for the 1990/91 marketing year, has not yet been fixed; whereas the amount of the subsidy for the 1990/91 marketing year has been calculated provisionally on the basis of the abatement for the 1989/90 marketing year;

Whereas it follows from applying the detailed rules contained in Regulation (EEC) No 1475/90 to the infor-

mation known to the Commission that the amount of the subsidy at present in force should be altered to the amount set out in the Annexes hereto,

HAS ADOPTED THIS REGULATION:

*Article 1*

1. The amount of the subsidy and the exchange rate referred to in Article 33 (2) and (3) of Commission Regulation (EEC) No 2681/83<sup>(9)</sup> are as set out in the Annexes hereto.
2. The amount of the compensatory aid referred to in Article 14 of Council Regulation (EEC) No 475/86<sup>(9)</sup> is as set out in Annex III for sunflower seed harvested in Spain.
3. The amount of the special subsidy provided for by Council Regulation (EEC) No 1920/87<sup>(10)</sup> for sunflower seed harvested and processed in Portugal is as set out in Annex III.
4. However, the amount of the subsidy in the case of advance fixing for the 1990/91 marketing year for colza, rape and sunflower will be confirmed or replaced as from 16 June 1990 to take into account prices and related measures for the 1990/1991 marketing year and the application of the system of maximum guaranteed quantities for colza and rape seed for this marketing year.

*Article 2*

This Regulation shall enter into force on 16 June 1990.

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

Done at Brussels, 15 June 1990.

*For the Commission*

Ray MAC SHARRY

*Member of the Commission*

<sup>(1)</sup> OJ No 172, 30. 9. 1966, p. 3025/66.

<sup>(2)</sup> OJ No L 280, 29. 9. 1989, p. 2.

<sup>(3)</sup> OJ No L 164, 24. 6. 1985, p. 11.

<sup>(4)</sup> OJ No L 145, 8. 6. 1990, p. 8.

<sup>(5)</sup> OJ No L 167, 25. 7. 1972, p. 9.

<sup>(6)</sup> OJ No L 197, 26. 7. 1988, p. 10.

<sup>(7)</sup> OJ No L 149, 13. 6. 1990, p. 11.

<sup>(8)</sup> OJ No L 151, 15. 6. 1990, p. 34.

<sup>(9)</sup> OJ No L 266, 28. 9. 1983, p. 1.

<sup>(10)</sup> OJ No L 53, 1. 3. 1986, p. 47.

<sup>(11)</sup> OJ No L 183, 3. 7. 1987, p. 18.

## ANNEX I

## Aids to colza and rape seed other than 'double zero'

(amounts per 100 kg)

	Current 6	1st period 7 (1)	2nd period 8 (1)	3rd period 9 (1)	4th period 10 (1)	5th period 11 (1)
1. Gross aids (ECU):						
— Spain	1,170	1,750	1,750	1,750	1,750	1,750
— Portugal	0,000	0,000	0,000	0,000	0,000	0,000
— Other Member States	28,750	23,642	23,734	24,012	23,453	23,213
2. Final aids:						
(a) Seed harvested and processed in:						
— Federal Republic of Germany (DM)	68,10	55,35	55,56	56,23	54,92	54,51
— Netherlands (Fl)	75,84	62,36	62,61	63,34	61,87	61,42
— BLEU (Bfrs/Lfrs)	1 388,25	1 141,60	1 146,04	1 159,47	1 132,47	1 120,89
— France (FF)	219,64	185,63	186,36	188,54	184,15	182,26
— Denmark (Dkr)	256,74	211,12	211,95	214,43	209,44	207,29
— Ireland (£ Irl)	24,445	20,661	20,741	20,984	20,496	20,284
— United Kingdom (£)	18,907	17,746	17,794	17,986	17,521	17,196
— Italy (Lit)	48 312	41 413	41 574	42 061	41 082	40 662
— Greece (Dr)	5 098,62	4 934,70	4 924,78	4 957,49	4 825,46	4 646,02
(b) Seed harvested in Spain and processed:						
— in Spain (Pta)	178,89	267,57	267,57	267,57	267,57	267,57
— in another Member State (Pta)	4 147,35	3 491,59	3 500,98	3 534,40	3 452,66	3 401,54
(c) Seed harvested in Portugal and processed:						
— in Portugal (Esc)	0,00	0,00	0,00	0,00	0,00	0,00
— in another Member State (Esc)	5 946,31	5 181,24	5 189,72	5 219,76	5 102,54	4 990,97

(1) Subject to the abatement resulting from the system of maximum guaranteed quantities for the 1990/91 marketing year.

## ANNEX II

## Aids to colza and rape seed 'double zero'

(amounts per 100 kg)

	Current 6	1st period 7 (1)	2nd period 8 (1)	3rd period 9 (1)	4th period 10 (1)	5th period 11 (1)
1. Gross aids (ECU):						
— Spain	3,670	4,250	4,250	4,250	4,250	4,250
— Portugal	2,500	2,500	2,500	2,500	2,500	2,500
— Other Member States	31,250	26,142	26,234	26,512	25,953	25,713
2. Final aids:						
(a) Seed harvested and processed in:						
— Federal Republic of Germany (DM)	74,00	61,20	61,42	62,08	60,78	60,37
— Netherlands (Fl)	82,43	68,96	69,20	69,94	68,46	68,01
— BLEU (Bfrs/Lfrs)	1 508,97	1 262,32	1 266,76	1 280,18	1 253,19	1 241,60
— France (FF)	238,88	205,26	205,98	208,17	203,78	201,89
— Denmark (Dkr)	279,06	233,45	234,27	236,75	231,76	229,62
— Ireland (£ Irl)	26,587	22,845	22,926	23,169	22,680	22,468
— United Kingdom (£)	20,667	19,694	19,743	19,935	19,470	19,145
— Italy (Lit)	52 562	45 792	45 953	46 440	45 461	45 041
— Greece (Dr)	5 578,55	5 478,06	5 468,14	5 500,84	5 368,81	5 189,38
(b) Seed harvested in Spain and processed:						
— in Spain (Pta)	561,13	649,81	649,81	649,81	649,81	649,81
— in another Member State (Pta)	4 529,59	3 873,83	3 883,22	3 916,64	3 834,90	3 783,78
(c) Seed harvested in Portugal and processed:						
— in Portugal (Esc)	499,40	517,26	517,26	517,26	517,26	517,26
— in another Member State (Esc)	6 445,71	5 698,49	5 706,98	5 737,01	5 619,80	5 508,22

(1) Subject to the abatement resulting from the system of maximum guaranteed quantities for the 1990/91 marketing year.

## ANNEX III

## Aids to sunflower seed

(amounts per 100 kg)

	Current 6	1st period 7	2nd period 8 (1)	3rd period 9 (1)	4th period 10 (1)
1. Gross aids (ECU):					
— Spain	6,890	6,890	8,600	8,600	8,600
— Portugal	0,000	0,000	0,000	0,000	0,000
— Other Member States	37,214	37,014	30,919	31,250	32,547
2. Final aids:					
(a) Seed harvested and processed in (2):					
— Federal Republic of Germany (DM)	88,11	87,65	72,39	73,18	76,21
— Netherlands (Fl)	98,16	97,64	81,56	82,43	85,85
— BLEU (Bfrs/Lfrs)	1 796,95	1 787,29	1 492,98	1 508,97	1 571,60
— France (FF)	284,55	282,98	242,77	245,37	255,55
— Denmark (Dkr)	332,32	330,54	276,11	279,06	290,65
— Ireland (£ Irl)	31,671	31,496	27,020	27,309	28,443
— United Kingdom (£)	24,678	24,512	23,271	23,500	24,580
— Italy (Lit)	62 621	62 271	54 160	54 740	57 012
— Greece (Dr)	6 663,95	6 606,04	6 445,42	6 484,86	6 791,20
(b) Seed harvested in Spain and processed:					
— in Spain (Pta)	1 053,45	1 053,45	1 314,91	1 314,91	1 314,91
— in another Member State (Pta)	4 757,14	4 728,06	4 096,13	4 135,82	4 325,46
(c) Seed harvested in Portugal and processed:					
— in Portugal (Esc)	0,00	0,00	0,00	0,00	0,00
— in Spain (Esc)	8 247,86	8 205,56	7 289,16	7 326,68	7 604,72
— in another Member State (Esc)	8 067,59	8 026,21	7 129,84	7 166,55	7 438,50
3. Compensatory aids:					
— in Spain (Pta)	4 732,57	4 703,49	4 070,74	4 110,43	4 298,85
4. Special aid:					
— in Portugal (Esc)	8 067,59	8 026,21	7 129,84	7 166,55	7 438,50

(1) Subject to the abatement resulting from the system of maximum guaranteed quantities for the 1990/91 marketing year.

(2) For seed harvested in the Community as constituted at 31 December 1985 and processed in Spain, the amounts shown in 2 (a) to be multiplied by 1,0223450.

## ANNEX IV

## Exchange rate of the ecu to be used for converting final aids into the currency of the processing country when the latter is a country other than the country of production

(value of ECU 1)

	Current 6	1st period 7	2nd period 8	3rd period 9	4th period 10	5th period 11
DM	2,055660	2,051790	2,048060	2,044390	2,044390	2,035470
Fl	2,312880	2,309080	2,305210	2,301290	2,301290	2,290420
Bfrs/Lfrs	42,278100	42,259100	42,237800	42,205300	42,205300	42,086300
FF	6,926830	6,923640	6,920780	6,919310	6,919310	6,913160
Dkr	7,832540	7,835570	7,838740	7,838790	7,838790	7,838820
£Irl	0,766937	0,767076	0,767662	0,767986	0,767986	0,770909
£	0,719512	0,722226	0,724934	0,727466	0,727466	0,734412
Lit	1 510,83	1 512,24	1 513,42	1 514,40	1 514,40	1 517,80
Dr	201,30800	203,29300	205,33800	207,49600	207,49600	214,83900
Esc	180,65500	181,34100	182,21800	183,98500	183,98500	187,57700
Pta	127,33900	127,79200	128,20700	128,62700	128,62700	129,60000

**COMMISSION REGULATION (EEC) No 1626/90**  
**of 15 June 1990**  
**amending Regulation (EEC) No 906/90 adopting exceptional support measures**  
**for the market in pigmeat in Belgium**

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 2759/75 of 29 October 1975 on the common organization of the market in pigmeat<sup>(1)</sup>, as last amended by Regulation (EEC) No 1249/89<sup>(2)</sup>, and in particular Article 20 thereof,

Whereas, because of the outbreak of classical swine fever in certain production regions in Belgium, exceptional support measures for the market in pigmeat have been adopted for that Member State by Commission Regulation (EEC) No 906/90<sup>(3)</sup>, as last amended by Regulation (EEC) No 1511/90<sup>(4)</sup>;

Whereas, for veterinary reasons, the restrictions on the free movement of live pigs and pigmeat products remain in force; whereas, therefore, the final date laid down for the buying of heavy pigs and heavy piglets pursuant to Regulation (EEC) No 906/90 should be extended;

Whereas, in order to take account of the adjustment of the market support arrangements with effect from 18 June 1990, it is necessary to fix the maximum numbers of animals which can be sold to the Belgian intervention agency during the period 9 to 17 June 1990;

Whereas because of the delay in the implementation of the support measures, provision should be made for all pigs for which applications were submitted up to and including 8 June 1990 to be taken over by the Community;

Whereas the measures to combat the disease have been revised so that in future the exceptional veterinary measures to eradicate it will be applied more selectively on the basis of absolute need around infected holdings;

whereas provision should be made therefore for exceptional market support measures in the entire surveillance zone defined in Annex II to Commission Decision 90/161/EEC<sup>(5)</sup>;

Whereas the measures provided for in this Regulation are in accordance with the opinion of the Management Committee for Pigmeat,

HAS ADOPTED THIS REGULATION:

*Article 1*

Regulation (EEC) No 906/90 is hereby amended as follows:

1. in Article 1, '8 June 1990' is replaced by '17 June 1990';

2. the following paragraphs are added to Article 1:

'From 9 to 17 June 1990 the Belgian intervention agency shall accept, at the expense of the Community, buying-in applications for pigs submitted during that period in respect of up to 55 000 heavy pigs and up to 18 000 heavy piglets.

However, purchases for which applications were submitted up to 8 June 1990 for a total of 109 000 heavy piglets and 330 000 heavy pigs shall be chargeable to the Community.'

3. in Article 2 (1), 'outside one kilometre from the infected holdings lying' is deleted.

*Article 2*

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

It shall apply with effect from 9 June 1990.

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

Done at Brussels, 15 June 1990.

*For the Commission*

Ray MAC SHARRY

*Member of the Commission*

<sup>(1)</sup> OJ No L 282, 1. 11. 1975, p. 1.

<sup>(2)</sup> OJ No L 129, 11. 5. 1989, p. 12.

<sup>(3)</sup> OJ No L 93, 10. 4. 1990, p. 27.

<sup>(4)</sup> OJ No L 141, 2. 6. 1990, p. 49.

<sup>(5)</sup> OJ No L 90, 5. 4. 1990, p. 26.

## COMMISSION REGULATION (EEC) No 1627/90

of 15 June 1990

amending Regulation (EEC) No 906/90 adopting exceptional support measures  
for the market in pigmeat in Belgium

THE COMMISSION OF THE EUROPEAN COMMUNITIES,  
Having regard to the Treaty establishing the European  
Economic Community,

Having regard to Council Regulation (EEC) No 2759/75  
of 29 October 1975 on the common organization of the  
market in pigmeat<sup>(1)</sup>, as last amended by Regulation  
(EEC) No 1249/89<sup>(2)</sup>, and in particular Article 20 thereof,

Whereas, because of the outbreak of classical swine fever  
in certain production regions in Belgium, exceptional  
support measures for the market in pigmeat have been  
adopted for that Member State by Commission Regula-  
tion (EEC) No 906/90<sup>(3)</sup>, as last amended by Regulation  
(EEC) No 1626/90<sup>(4)</sup>;

Whereas the exceptional measures have been in force  
since 12 April 1990; whereas, on the basis of the average  
figure for pigs for which applications were submitted  
between 12 April and 8 June 1990, the number of pigs  
concerned by the current measures can be fixed at up to  
46 000 heavy pigs and 15 000 heavy piglets per week;  
whereas, in view of the extent of the disease and, in parti-  
cular, of its duration, and consequently of the magnitude  
of the efforts needed to support the market, it would be  
appropriate for such efforts to be shared by the Commu-  
nity and the Member State concerned;

Whereas to that end provision should be made for the  
purchase by the Community of half the pigs presented,  
up to a maximum of 23 000 heavy pigs and 7 500 heavy  
piglets; whereas in return the Kingdom of Belgium  
should be authorized to buy at least the same number of  
animals at the same prices and on the same terms as  
those fixed for animals purchased at Community  
expense;

Whereas because of delays in the implementation of the  
support measures, provision should be made for all pigs  
for which applications are submitted up to and including  
8 June 1990 to be taken over by the Community;

Whereas the measures provided for in this Regulation are  
in accordance with the opinion of the Management  
Committee for Pigmeat,

HAS ADOPTED THIS REGULATION:

*Article 1*

Article 1 of Regulation (EEC) No 906/90 is hereby  
amended as follows:

*Article 1*

1. As from 18 June 1990 the Belgian intervention  
agency shall buy each week, at Community expense,  
half the pigs for which buying-in applications are  
submitted during a week, up to 23 000 live pigs  
weighing more than 110 kilograms on average per lot  
and up to 7 500 piglets weighing more than 25 kilo-  
grams on average per lot.

However, purchases for which applications have been  
submitted up to and including 8 June 1990 totalling  
109 000 heavy piglets and 330 000 heavy pigs shall be  
chargeable to the Community.

2. The Kingdom of Belgium is hereby authorized  
to buy, at its expense, at the prices fixed in Article 4  
of this Regulation and on the terms laid down in the  
preceding paragraph, at least the same number of  
animals as those Belgium buys at the expense of the  
Community pursuant to the preceding paragraph.

*Article 2*

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

It shall apply with effect from 18 June 1990.

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

Done at Brussels, 15 June 1990.

*For the Commission*

Ray MAC SHARRY

*Member of the Commission*

<sup>(1)</sup> OJ No L 282, 1. 11. 1975, p. 1.

<sup>(2)</sup> OJ No L 129, 11. 5. 1989, p. 12.

<sup>(3)</sup> OJ No L 93, 10. 4. 1990, p. 27.

<sup>(4)</sup> See page 57 of this Official Journal.

## II

(Acts whose publication is not obligatory)

## COMMISSION

## COMMISSION DECISION

of 13 June 1990

accepting an undertaking given by the Royal Thai Government in connection with the countervailing duty proceeding concerning imports of ball bearings with a greatest external diameter not exceeding 30 mm, originating in Thailand

(90/266/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<sup>(1)</sup>, and in particular Articles 10 and 11 thereof,

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

Whereas :

## A. PROCEDURE

- (1) In June 1988 the Commission announced, by a notice published in the *Official Journal of the European Communities*<sup>(2)</sup>, the initiation of a countervailing duty proceeding concerning imports into the Community of ball bearings with a greatest external diameter not exceeding 30 mm (hereinafter referred to as 'ball bearings') originating in Thailand, and commenced an investigation. The product investigated corresponds to the CN code 8482 10 10.

The proceeding was initiated as a result of a complaint lodged in December 1987 by the

Federation of European Bearing Manufacturers' Associations (FEBMA) on behalf of producers representing a major proportion of all Community production of the ball bearings. This complaint contained evidence of the subsidization of this product originating in Thailand and of material injury resulting therefrom, which was considered sufficient to justify opening a proceeding.

- (2) The Commission officially notified the Royal Thai Government of the initiation of the proceeding, and officially advised the exporters and importers known to be concerned, as well as the complainants, and gave all the parties directly concerned the opportunity to make their views known in writing and to request a hearing.

The Royal Thai Government, all the known exporters and importers and the majority of Community producers, represented by the complainant, made their views known in writing.

- (3) The Commission sought and verified all information it deemed to be necessary for the purpose of a preliminary determination and carried out investigations either at the premises or with representatives of the following:

(a) *Royal Thai Government*

Department of Foreign Trade,

Customs Department,

Bank of Thailand,

International Finance Corporation of Thailand (IFCT),

<sup>(1)</sup> OJ No L 209, 2. 8. 1988, p. 1.

<sup>(2)</sup> OJ No C 147, 4. 6. 1988, p. 4.

Electricity Generating Authority of Thailand (EGAT),

Board of Investment (BoI),

Ministry of Finance ;

(b) *Thai Exporters*

NMB Thai Ltd, Ayutthaya, Thailand,

Pelmec Thai Ltd, Bang Pa-In, Ayutthaya, Thailand,

Both companies are 100 % owned subsidiaries of Minebea Co. Ltd, Japan ;

(c) *Importers in the Community*

NMB GmbH., Neu Isenburg, Germany,

NMB Italia, Mazzo di Rho, Milan, Italy,

NMB (UK) Ltd, Bracknell, United Kingdom ;

(d) *Community producers*

FAG Kugelfischer Georg Schäfer KGaA, Schweinfurt, Germany,

Georg Müller Nürnberg AG, Nuremberg, Germany,

Gebrüder Reinfurt GmbH & Co., KG, Würzburg, Germany,

SKF Industrie SPA, Turin, Italy,

SKF Roulements Spécialisés (ADR), Thomery, France,

SKF France, Clamart, France,

ROL Rolamentos Portugueses SARL, Caldas da Rainha, Portugal.

- (4) Following this stage the Commission formulated some preliminary findings on subsidies and injury. The complainant, the exporters and the Royal Thai Government (hereinafter referred to as 'the Government' unless otherwise stated) requested and were granted an opportunity to be heard by the Commission. The Commission informed them in detail of the facts on which it based its findings. Upon their request, the parties were also informed of the essential facts and considerations on the basis of which it was proposed to recommend measures. The parties were granted a period within which to make representations on any of the above matters subsequent to the disclosure meetings. Where appropriate their comments were taken into consideration.
- (5) The investigation of subsidies covered the period 1 April 1987 to 31 March 1988 (the investigation period).
- (6) This investigation has exceeded the normal time period because of the volume and complexity of the data initially gathered and examined, and because the completion of the investigation has

required the study of related issues which arose during the proceeding and which could not have been foreseen at its outset.

## B. PRODUCT UNDER CONSIDERATION

- (7) The products concerned are ball bearings with a greatest external diameter not exceeding 30 mm ; they fall within CN code 8482 10 10.
- (8) From a technical point of view, the definition of the products under consideration covers a large number of standard bearing types, all available with different accessories, plus many special types made to the specification of the customer. Within this product definition, a distinction is sometimes made between the so-called miniature and instrument bearings and the standard small-sized bearings. However, they have the same basic physical characteristics and no clear dividing line can be made between them.
- (9) The major components of the bearings under consideration are an inner and outer ring (usually in chrome, but sometimes stainless steel), a cage and a variable number of balls. Metal shields or rubber seals can be added depending on the customer's requirements and a variety of greases are applied. Their function is to reduce friction and so enable machine parts to move faster and more smoothly. The main applications of the bearings in question are in consumer electronics, domestic appliances and office automation.
- (10) Ball bearings are an intermediate product used in the assembly of consumer and capital goods or for replacement purposes. The demand for ball bearings therefore depends directly on the demand for the final product (e.g. washing-machines, vacuum-cleaners, video recorders, fans, small electric motors). Small ball bearings generally account for only a tiny fraction of the cost of the final product.

## C.1 SUBSIDIES — BACKGROUND

### (i) Alleged subsidies and summary of findings

- (11) On the basis of the information contained in the complaint and the replies to the Commission's questionnaire, alleged subsidies under the following headings were investigated :
- (a) customs duty and indirect tax exemption on imports of machinery and essential materials ;
- (b) rebate on indirect taxes on domestically purchased inputs ;
- (c) exemption from corporate income tax ;
- (d) rebate on electricity charges to exporters ;

- (e) duty drawback and tax exemption on imported raw materials;
  - (f) special investment zones and other regional incentives;
  - (g) loans from financial institutions allegedly controlled or influenced by the Government;
  - (h) other tax benefits.
- (12) The Commission's investigation revealed that the exporters, NMB Thai and Pelmec Thai (hereinafter referred to as 'the companies') received countervailable subsidies under headings 11 (a), (b), (c) and (d). Alleged subsidies under headings 11 (e), (f), (g) and (h) were found either not to be countervailable or not to have been granted at all.

#### (ii) Certificates of Promotion

- (13) The companies have both been issued with 'Certificates of Promotion' by the board of Investment (BoI), a Government agency responsible for the administration of the Investment Promotion Act (IPA), which is the main legislative instrument for granting subsidies to Thai industries. Some of the incentives mentioned in the Act, albeit alleged by the complainant, have not been included in the Certificates of Promotion, and others have been included but have not been used by the companies. The most important feature of these certificates is that they make all the benefits granted to the companies conditional upon the export of almost all their production. Indeed only minimal sales are allowed on the domestic Thai market and the sales to other companies in the Minebea Group in Thailand have to be incorporated into other products destined for export.

#### (iii) Quantification of subsidies

- (14) All the countervailable subsidies are expressed in Thai baht for each of the companies separately. In cases where the subsidy rate is calculated first as a percentage, this is converted into Thai baht by multiplying it by the total exports of ball bearings of the companies.

### C.2 COUNTERVAILABLE SUBSIDIES

#### (i) Customs duty and indirect tax exemption on imports of machinery and essential materials

- (15) The companies have obtained from the BoI a full exemption from customs duties and indirect taxes payable on imported goods to be employed in their production. The exemption was granted, under

section 28 of the IPA, through the Certificates of Promotion issued to the companies, and therefore it is contingent upon export performance, as are all benefits granted through these certificates. The companies have benefited from the exemption since their establishment in Thailand; however, they have not used it for 'raw materials' (which correspond to physically incorporated inputs), for which they prefer to use the bonded warehouse system (see recital 33). They avail themselves of this exemption, instead, for capital goods ('machinery', 'machine parts' and 'essential materials'). There can be no doubt about the countervailability of the exemption of machinery and machine parts. As to the essential materials, the Commission's investigation established that this category consists of non-physically incorporated inputs, and therefore is similarly countervailable.

- (16) The following duty and indirect taxes are normally levied on products imported into Thailand:

- import duty levied on cif import value,
- business tax, which is calculated as a percentage of the gross receipt (the cif value plus duty plus a standard profit),
- municipal tax, equivalent to 10 % of the business tax.

- (17) Considerable problems arose in obtaining the reliable data required for quantifying this subsidy.

Data supplied by the Government (Customs Department and BoI) were not collected in a way that made them useable for the purposes of this investigation.

The companies provided data on a transaction-by-transaction basis for the investigation period, giving the amount of tax and duty exemptions on three categories of products:

- machinery,
- machine parts and tools,
- consumables (equivalent to essential materials).

After verification, the Commission was satisfied that the total amount of tax and duty exemptions recorded was correct and the companies had been able to isolate fairly accurately the exemptions on machinery. However, it was also clear that it had been impossible to make a distinction between machine parts and tools, on the one hand, and consumables on the other, so that the separate totals of each of these two categories were rendered meaningless, although the sum of both categories was correct.

- (18) On the basis of these data, it was possible to calculate the subsidy for each product category.

- (a) Machinery is entered into the balance sheet as a fixed asset and depreciated over time. Since the exemption data for this category is sufficiently reliable, the appropriate method of calculation is to spread the subsidy across a period which reflects the normal depreciation of such assets in the industry concerned (Regulation (EEC) No 2423/88, Article 3 (4) (c)). The part of the companies' total acquisitions of machinery (since establishment in Thailand) allocated to the investigation period is multiplied by the average duty rate to calculate the amount of the subsidy.

The total acquisitions of machinery (until 31 March 1988) were taken from the companies' balance sheet records.

As explained above, for the allocation of the subsidy, Regulation (EEC) No 2423/88 requires the use of a period reflecting 'normal depreciation ... in the industry concerned'. It has been established that the depreciation period for machines in the Japanese bearing industry is 10 years, while seven to 10 years is the standard period in Europe. The Commission therefore considers 10 years to reflect normal depreciation in this industry and has allocated the subsidy over this period. Therefore, 10 % of the companies' total acquisitions of machinery were allocated to the investigation period.

The average duty rate was calculated by dividing the amount of tax and duty exemption (recital 17) by the value of machinery acquired during the investigation period (again from balance sheet records).

- (b) Consumables (e.g. grinding stones, greases) are expenses in the company accounts and the value of the subsidy should therefore be calculated on an expense basis, i.e. the tax and duty exemptions of purchases made during the investigation period.
- (c) Machine parts and tools in principle are entered into the balance sheet as fixed assets and depreciated. They could at first sight be treated in the same way as machinery. However, in the companies' data on duty and tax exemptions, it is clear that products in this category have been confused with consumables on a very large scale. The main reason for this seems to be that many of such machine parts are replaced with such frequency that they are, in practice, difficult to distinguish from other consumables.

Another complicating factor is that machine parts valued below a certain amount are treated as expenses rather than being capitalized as fixed assets. Any calculation of an average duty rate is therefore bound to be inaccurate, and the appropriate solution is to deal with machine parts and tools in the same way as consumables, i.e. on an expense basis. This method also ensures that the combined total of duty and tax exemptions for machine parts, tools and consumables is accurate.

- (19) The depreciation calculation for machinery is slightly complicated by the fact that, before 1 February 1986, imports of goods employed by an importer for his own productive activity were exempt from business (and therefore municipal) tax, according to a general provision of law (section 79 ter (11) of the Revenue Code).

This exemption was generally available to all importers regardless of their export performance, and would not have been countervailable. It follows that for the purpose of calculating the effect of the exemptions on imported machinery, the acquisition of machines before February 1986 should only be taken into account for calculating import duty and not business and municipal tax.

- (20) On the basis of these calculations, the following amounts of subsidy (in millions of Thai baht), have been found under this heading:

NMB Thai	156,95
Pelmec Thai	157,83

**(ii) Rebate on indirect taxes on domestically purchased inputs**

- (21) Under the 1981 Tax and Duty compensation of Exported Goods Produced in the Kingdom Act, exporters may obtain rebates relating to customs duties, import sales taxes and domestic sales taxes incurred in respect of inputs used in the production of exported goods. Rebates are obtained by applying for 'tax coupons', which are freely transferable and can be used to pay any tax collected by the Revenue Department of the Government. For each product, there are two rates, the 'A' rate used by exporters who do not use any of the duty drawback systems, and the 'B' rate used by exporters who do use some form of duty drawback. The companies therefore use the 'B' rate, which is set at 0,59 % for products in the category which includes ball-bearings and which relates to the rebate of business and municipal taxes on domestically purchased inputs. The granting of this subsidy is contingent upon export performance, and it is therefore countervailable.

- (22) The rebate rates are calculated by the Government on the basis of an 'input/output' study, originally carried out in 1980 (based on 1975 data) and updated in 1985 (with 1980 data); a further update is being carried out, on 1985 data, to be published in 1990. Using this study, the Government calculates the value of all inputs and the incidence of customs duties and indirect taxes for each category of products, and determines the rebate rates on the basis of this. Chapter 111 of the input/output table, 'fabricated metal products', includes ball bearings.

After verification and discussion with the competent services of the Government, the Commission considers that the method applied by the Government is a reasonable one.

- (23) In the case of this subsidy, it is clear that only the rebate on non-physically incorporated inputs is countervailable. The Commission has calculated, on the basis of the input/output study, that 0,2 % of the 0,59 % rebate is given on non-physically incorporated inputs and thus constitutes the countervailable part of the subsidy.

- (24) However, the companies do not receive the whole of this 0,2 % rebate. They receive an equivalent amount in tax coupons and, since they pay no tax, they have to sell these at a discount of 34 %, therefore finally receiving only the equivalent of 0,13 % of their total export.

- (25) On the basis of these calculations, the following amounts of subsidy (in millions of Thai baht), have been found under this heading :

NMB Thai	2,28
Pelmec Thai	1,72.

(iii) **Exemption from corporate income tax**

- (26) The Certificates of Promotion issued to both companies grant them exemptions from the payment of corporate income tax for the eight years following the start-up of their operations. The exemption is in accordance with Section 31 of the investment Promotion Act.

This exemption constitutes a countervailable export subsidy since it has already been established that the privileges granted in the Certificates of Promotion are conditional on virtually all production being exported.

- (27) The following method is used to calculate the subsidy :

$$\text{Taxable income} \times \text{Tax rate (\%)}.$$

- (28) The calculation should be made on a fiscal year, since it is only for this period that fully audited accounts are available. In the case of the companies, the fiscal year runs from 1 October to 30 September.

The correct solution is to take the fiscal year 1987 (1 October 1986 to 30 September 1987), which is the last completed fiscal year within the investigation period.

- (29) On the basis of these calculations, the following amounts of subsidy (in millions of Thai baht), have been found under this heading :

NMB Thai	94,06
Pelmec Thai	124,49.

(iv) **Rebates on electricity rates for exporters**

- (30) The Electricity Generating Authority of Thailand (EGAT) has established a programme of rebates on electricity rates for exporters. Eligibility for this programme is dependent upon eligibility for rebates on indirect taxes on exports. The producer has to file an application with the electricity authority from which it receives its electricity, in this case the Provincial Electricity Authority (PEA), showing eligibility for the tax rebate and giving the elements which the PEA needs in order to calculate the amount of electricity used per unit of product and the cost charged to the producer. The electricity discount will be equivalent to about 20 % of this cost.

Once the producer has received PEA and EGAT approval, it has to apply to the PEA for an electricity rebate. Each application (which is made on the same form used to claim indirect tax rebates) must provide complete details of export transactions involving eligible products, to enable the PEA to calculate the rebate. This is then shown as an adjustment on a subsequent electricity bill.

- (31) The companies have received EGAT approval and are eligible for electricity rebates. However, Pelmec received approval only at the end of May 1988, and thus did not receive any benefit during the investigation period. The programme obviously constitutes a subsidy, is contingent upon export performance (since export performance is a condition for indirect tax rebates — Recital 21 — and the amount of the electricity rebate is calculated on the basis of units of product exported) and is therefore countervailable.

- (32) During the investigation period the total benefit received by NMB Thai amounted to 4,79 million baht. This figure therefore represents the total amount of subsidy found under this heading.

### C.3 SUBSIDIES FOUND NOT COUNTER- AVAILABLE OR NOT RECEIVED BY COMPANIES

#### (i) Duty drawback and tax exemption on imported raw materials

- (33) The companies used a bonded warehouse system to qualify for this exemption. Only raw materials and components which are physically incorporated into the final product can be imported through the bonded warehouse system, and therefore this is not a countervailable subsidy.

The bonded warehouse system allows duty and tax free entry, so that no question of countervailable over-rebate arises.

#### (ii) Special investment zones and other regional incentives

- (34) Regional incentives in Thailand are the responsibility of the BoI. Until 1988 the Investment Promotion Act empowered the BoI to grant investors who had been approved for investment promotion some additional privileges if they located in certain designated areas.
- (35) It was established that the companies were not located in any such areas at the time they received approval for investment promotion, and that subsequent changes in BoI policy on regional incentives and/or in designated areas were not retroactive, and did not apply to investors who had already established operations in Thailand.

In addition, verification of the original applications of the companies for investment promotion revealed that neither of them had ever requested any of the privileges related to special investment zones.

#### (iii) Loans from financial institutions allegedly controlled or influenced by the Government

- (36) The companies received two loans from the industrial Finance Corporation of Thailand (IFCT). The Government claimed that the interest rate on these loans was higher than the cost of long-term funds to the Government, represented by the interest rate on bonds issued by the Government on the domestic market. Given that the loans are denomi-

nated in baht, Government bonds are the appropriate benchmark, and the Commission was able to verify with representatives of the Bank of Thailand that the Government's claim was correct, and determined that no countervailable subsidy was involved. Thus, there was no need to decide the issue of whether the IFCT is controlled or influenced by the Government.

- (37) Secondly, the Commission considered the 'Packing Credits' programme (administered by the Bank of Thailand). It is a form of short-term export financing, and it certainly constitutes an export benefit, since it is conditional upon export and confers a benefit on the recipient (preferential interest rates in comparison with market rates). However, in this case the Government claimed that the interest charged to exporters, albeit lower than market rates, is still higher than the cost of short-term funds to the Government, represented by the interest rate on treasury bills issued by the Bank of Thailand on behalf of the Government. The Commission considered the choice of the benchmark appropriate, and the claim was verified with the Bank of Thailand and again found to be correct, leading to the conclusion that there was no countervailable subsidy.

- (38) Finally, it emerged that the Financial Institutions Development Fund (FIDF), a public agency of the Government, is responsible, among other things, for 'helping depositors of financial institutions whose licences have been revoked by issuing FIDF promissory notes in exchange for the promissory notes of those companies'. The Commission found that this was done in response to a recent crisis in the Thai banking sector, that FIDF notes were redeemable in 10 years and carried no interest, and that no such notes had been issued to the companies under investigation.

#### (iv) Other tax benefits

- (39) Under the Certificates of Promotion (in accordance with Section 34 of the Investment Promotion Act) dividends transferred back to Minebea in Japan are exempt from the normal 15 % withholding tax which is levied under the terms of the Japan-Thailand Tax Treaty of 1963.

This benefit is clearly contingent upon export and obviously involves a cost to the Government. However, it does not constitute a direct benefit to the companies, but rather to their parent company in Japan, which is not the subject of this investigation, and therefore the benefit is not countervailable.

- (40) It has been established that the companies did not receive any other tax benefits in connection with their promoted status.

#### C.4 TOTAL AMOUNT OF COUNTERAVAILABLE SUBSIDY

- (41) The total value of the countervailable subsidies granted to the companies during the investigation period was as follows:

*in baht (millions)*

Subsidy	NMB Thai	Pelmec Thai
Duty and tax exemption on imported machinery and essential materials	156,95	157,83
Exemption from corporate income tax	94,06	124,49
Indirect tax rebate on domestic purchases	2,28	1,72
Electricity rebate	4,79	—
Total	258,08	284,04

#### C.5 COMMENTS FROM THE COMPANIES ON THE SUBSIDIES

- (42) After being informed of the basic facts of the Commission's findings on subsidies, the companies submitted their comments, including a number of claims for adjustment to the calculations. These are listed below, accompanied by the Commission's reply in each case.

##### (i) Customs duty and indirect tax exemptions on imports (Recitals 15 to 20)

- (43) *Claim 1:* The subsidy concerning machinery should have been allocated by using the 20-year depreciation period used by the companies in Thailand in their accounts, instead of the 10-year period chosen by the Commission.

*Reply:* The Commission rejects this argument. Article 3 (4) (c) of Regulation (EEC) No 2423/88 requires the use of 'the normal depreciation of such assets in the industry concerned' when spreading the value of a subsidy based on the acquisition of fixed assets over time.

Having examined the situation in the Community and in Japan, the Commission concludes that a period of 10 years reflects the normal depreciation

of machinery and equipment in the ball-bearing industry.

- (44) *Claim 2:* Whether or not a 10- or 20-year period is used, the Commission should have calculated the subsidy concerning machinery on the basis of the total depreciation recorded during the investigation period.

*Reply:* The Commission cannot accept this method. It would mean that machinery acquired less than one year before the end of the investigation period (i.e. during it) would not be included in the subsidy calculation. The Commission considers that since the companies received the benefit of the subsidy on all machinery imported up to 31 March 1988, it is this amount (allocated over a period of 10 years), which is countervailable.

- (45) *Claim 3:* If a 10-year period is used to allocate the subsidy concerning machinery, this period should be reflected in a reduction of the corporate income tax exemption, since a 10-year depreciation period would result in a lower level of taxable profit.

*Reply:* The Commission does not agree. The 10-year period is appropriate for allocating the subsidy in this case, but has no relevance to the depreciation and tax calculations of the companies.

##### (ii) 'Double-counting' in corporate income tax exemption

- (46) *Claim 4:* Subsidies other than the corporate income tax exemption reduced tax-deductible expenses and therefore increased the value of the income tax exemption. Having countervailed these other subsidies, the Commission should adjust pre-tax expenses upwards and therefore reduce the income tax exemption, in order to avoid double-counting.

*Reply:* The Commission refuses to accept this argument. The companies have enjoyed the full benefit of the duty and tax exemption on imports, the electricity rebate and the tax rebate on domestic purchases. In the same way, they have pocketed the full amount of the corporate income tax exemption on their declared taxable profit. The Government has forsaken a corresponding amount of revenue. Therefore it is logical to countervail the full amount of all these subsidies.

It is not for the Commission to speculate on what may or may not have happened if one or more subsidies had not been available. This kind of approach would be entirely hypothetical and would ignore other factors which may have come into play in the absence of certain subsidies (e.g. changes in selling prices).

**D. INJURY****(i) Like product**

- (47) The ball bearings produced in the Community have the same physical characteristics and uses as the bearings defined in recital 7.

**(ii) Community industry**

- (48) For the purpose of this investigation the Japanese-owned companies producing in the Community are not considered to be part of the Community industry under Article 4 (5) of Regulation (EEC) No 2423/88. This is because they are related to exporters of the same product from Japan who are currently subject to anti-dumping duties<sup>(1)</sup>. These are being reviewed in an investigation running currently with the present proceeding<sup>(2)</sup>. The Japanese-owned production companies sell all their production to the same Japanese sales subsidiaries who are involved in selling imported bearings from Japan at dumped prices, and they thus benefit from these unfair business practices. In these circumstances they cannot be considered to be behaving as normal Community producers but rather as a complementary source of supply for exporters practising dumping. After excluding the Japanese-owned companies from the scope of the proceeding, the Commission found that, during the period under investigation, the Community producers on behalf of whom the complaint was lodged manufactured about 85 % of Community production. This is clearly a major proportion of total production and these companies are therefore considered to form the Community industry.

**(iii) Preliminary observations**

- (49) This case was investigated by the Commission at the same time as anti-dumping proceedings concerning imports of the same product originating in Thailand<sup>(3)</sup>. The Commission is still considering the latter proceeding and no decision has yet been taken. The following analysis of injury caused by subsidization is made without prejudice to any eventual finding of dumping.

**(iv) Volume and market shares of imports**

- (50) Between 1985 and the investigation period, total sales of ball bearings in the Community rose from 332,5 to 356,1 million pieces, an increase of 7,1 %.
- (51) The sales of bearings imported from Thailand increased from 3,1 million pieces in 1985 to 31,5 million pieces in the investigation period and their

share of the Community market rose from 0,9 % to 8,8 %.

- (52) The Community market share of imports from countries other than Thailand fell from 59 % in 1985 to 50 % in the investigation period.

**(v) Prices**

- (53) For the purpose of analysing price undercutting by the Thai exporters, a comparison was made between the selling price (net of all discounts and rebates) of Thai-made bearings and of bearings sold by Community manufactures in the German, Italian and United Kingdom markets.

Calculations always involved representative types of bearings, sold in reasonable quantities, usually exceeding 50 000 pieces. Only sales to industrial users who purchase bearings for incorporation into their final product (e.g. makers of vacuum-cleaners, VCRs, etc.) have been taken into account; these industrial users account for the great majority of the sales made by the Thai and Community producers and are almost the only customers who buy in sufficient quantities to enable a comparison to be made.

- (54) On a weighted-average basis, the bearings from Thailand undercut those sold by the Community producers by 17 %.

**(vi) Situation of the Community industry****(a) Market shares**

- (55) Although the Community sales of the Community industry rose by 3,5 %, from 112 to 116 million pieces, between 1985 and the investigation period, the 7,1 % increase in total demand in the Community market (see recital 50) meant that the Community industry's share dropped from 33,6 % to 32,5 %.

**(b) Price depression**

- (56) A considerable amount of price depression was found. The average unit selling prices of most Community producers to industrial users fell between 1985 and the investigation period.

For the major Community producers, the average decreases, in current terms, varied from 2,6 to 9 %.

**(c) Profitability**

- (57) The overall profitability of the Community producers in the sector of the bearings under investigation has declined by half since 1985, leading to a situation where current profits are clearly inadequate to finance the additional expenses required to keep the Community industry competitive. Indeed, at a time when the appropriate pre-tax

<sup>(1)</sup> OJ No L 193, 21. 7. 1984, p. 1.

<sup>(2)</sup> OJ No C 159, 18. 6. 1988, p. 2.

<sup>(3)</sup> OJ No C 147, 4. 6. 1988, p. 6.

profit margin for the bearings industry has been established to be 15 % (see recital 59), the Commission has found that the profitability achieved during the investigation period fell far below this figure. During this period, the profitability of the Community industry, on sales made in the ordinary course of trade in the Community, reached just 8 %.

(d) *Production, capacity utilization and employment*

- (58) Community production fell from 170,6 million pieces in 1985 to 153,9 million during the investigation period, a decline of 10 %.

Community production capacity, calculated as far as possible on a two-shift, five day per week basis, expanded from 177,5 million units in 1985 to 185,5 million during the investigation period. Utilization of capacity therefore declined from 96 % in 1985 to 83 % in the investigation period.

Over the same period, employment in the sector declined from 2 304 to 2 033, a net loss of 271 jobs and a fall of 12 %.

(vii) **Determination of injury**

- (59) An examination of the indicators described in the recitals above leads the Commission to conclude that the Community industry has suffered material injury in this case. The Commission considers that the following factors constitute the elements of injury.

(a) Decline and shortfall of profitability. The fall in profitability since 1985 has led to a situation where the current pre-tax profit margin on sales to independent customers in the Community market of 8 % (see recital 57) is inadequate in view of the additional expenses required to keep the Community industry competitive. These additional expenses are mainly related to investments in fixed assets, research and development, training and marketing. The Commission has concluded that a 15 % pre-tax profit margin is necessary for this purpose. The establishment of the adequate return on sales at 15 % also corresponds broadly to an empirical/historical approach to the profitability issue, i.e. the fact that there was an adequate level of profitability in 1985 when the overall profit margin stood at about 15 % of sales.

(b) A loss of market share has taken place (see recital 55 in conjunction with recitals 50 to 52).

(c) There has been a decline in production, capacity utilization and employment (see recital 58).

**E. CAUSATION OF INJURY**

(i) **Injury caused by subsidization**

- (60) In the market for high volume industrial users as opposed to the distributor/dealers' market, the main competitors to the Community producers are the manufacturers in Thailand.

85 % of Community producers' sales in the Community are destined for the industrial users' market, while the corresponding figure for the exporters from Thailand is 90 %.

- (61) Since there are no real differences in quality, particularly in the case of standard types, price is the main consideration in sourcing supply of these products. Thus the price undercutting, which was to a certain extent caused by subsidization, practised by the producers and exporters concerned, has led to price depression, i.e. forcing the Community producers to reduce their prices (and therefore their profits) or risk losing further market share, thus depriving themselves of the benefits of economies of scale.

- (62) The sharp increase in the Thai exporters sales in the Community (almost exclusively in the industrial users' sector) has given them an increased share of the Community market, usually at the expense of Community producers. In particular, they have prevented the Community industry from taking full advantage of the increase in demand since 1985.

- (63) The Commission considers that, had subsidization of Thai imports not taken place, the export prices would have been higher and, consequently, the price erosion and loss of profitability of the Community producers would not have occurred.

- (64) In conclusion, the market conditions applying to this product and the factors listed above demonstrate that the price pressure resulting directly from subsidization of Thai imports, and the consequent rapid increase in combined import volumes from Thailand, has led to injury of the Community industry, i.e. inadequate and reduced profitability, loss of market shares and decline of production, employment and capacity utilization.

- (65) The Commission determines therefore that there is a causal link between these indicators of injury and the subsidization of imports from Thailand.

(ii) **Other factors**(a) *Fall in Community exports*

- (66) The injury suffered by the Community industry is to a certain extent due to the fall in Community exports. Indeed these exports fell from 59 to 38 million pieces and this fall has certainly had an effect on the level of production, employment and capacity utilization; it could furthermore be argued that the fall in exports and the consequent drop in capacity utilization may have an impact on profitability, since this would result in an increase in fixed costs per piece.

The fall in production, employment, capacity utilization (and therefore profitability which, as will be seen below, is used for the establishment of the injury thresholds), would have been less marked if the Community producers had been able to maintain their share of the Community market, where the demand was increasing; the reason for the Community producers being unable to do so is precisely that this increasing demand in the Community market has largely been satisfied by the unfairly low-priced imports under investigation.

However, this observation in no way invalidates the argument that the fall in exports is a cause of injury.

(b) *Imports from Japan*

- (67) Bearings from Japan are being sold in the Community at dumped prices and compete in the industrial users' market. However, during the investigation period they were sold in lower volumes than the Thai bearings (21,7 million pieces compared to 31,5 million), and since 1985 their sales volume declined by over 30 %. In addition, their prices only undercut the Community producers by a small amount, compared to the 17 % undercutting found in the case of Thai bearings.

It should be borne in mind that the Japanese bearings have been subject to anti-dumping duties since 1984, and that several Japanese exporters have transferred production to Europe.

However, without, for the purpose of this Decision, considering the impact of modifying the existing anti-dumping duties, it is clear that while the level of Japanese bearing imports is still significant, and that the anti-dumping duties in force have not completely removed injury to the Community industry caused by imports from this source, the amount of current injury caused by imports from Japan is rather limited.

(c) *Imports from other sources*

- (68) As far as imports from other countries are concerned, with the exception of a part of the high-precision miniature bearing market, these are

not competing directly with those types produced in the Community.

- Bearings from Eastern Europe and China are of lower quality than Community or Thai products.
- Bearings from Switzerland are of specialized, often miniature, types.

(iii) **Conclusion**

- (69) After taking account of the other factors described in recitals 66, 67 and 68, the Commission concludes that the remaining injury, caused by the subsidization of imports from Thailand, is material.

**F. COMMUNITY INTEREST**

- (70) In general, it is in the Community interest for there to be fair and workable competition and the purpose of measures in this case is to re-establish a situation of fair competition. In considering the Community interest in this case, the Commission has taken account of the interest of the Community ball bearing industry, the users of ball bearings and the final consumer of the end product.
- (71) In the absence of measures, a continuation of the trend observed would lead to negative consequences for the Community industry producing the ball bearings in question and endanger its viability. The loss of this industry would have serious consequences from the point of view of:
- employment and investment expenditure,
  - research and development in high technology areas (particularly new materials), and
  - development of new products in fast-growing sectors (telecommunications, aerospace and vehicle electronics).

It is in the interest of the Community that such consequences do not occur.

- (72) As far as the purchasers of ball bearings (and implicitly the final consumers of their products) are concerned, it may be argued that they could derive some benefit from buying subsidized low-priced bearings. Any such benefit, however, would be minimal, since the bearings in question account for only a tiny fraction of the final price of most products. This is confirmed by the fact that no Community purchaser of ball bearings up to 30 mm external diameter has reacted to any of the proceedings.
- (73) The Commission has therefore concluded that on balance the interest of the Community clearly lies in granting protection to its ball bearings industry against unfair competition caused by imports at subsidized prices.

## G. MEASURES

## (i) General

- (74) Having established the existence of the countervailable subsidy, injury caused by the subsidized imports and Community interest in taking protective measures, the Commission would normally impose a countervailing duty. The rate of duty should not exceed the amount of subsidy, and it should be less if such lesser duty would be adequate to remove the injury.
- (75) Although, as explained in recitals 83 to 87, the Commission has decided to accept an undertaking offered by the Royal Thai Government and to terminate the proceeding rather than impose a duty, a full explanation of the choice of the type of duty and the calculation of the rate of duty that would have been imposed is given (recitals 79 to 82). This is because the undertaking takes the form of an export tax, to be levied at exactly the same rate as a specific countervailing duty.
- (76) It should be noted that, prior to the acceptance of the undertaking, the Commission had completed a full investigation of the case and in particular gave all parties concerned the opportunity to exercise their rights under Article 7 (4) of Regulation (EEC) No 2423/88.

## (ii) Injury threshold

- (77) The Commission's view is that in order to eliminate injury to the Community industry, it would be necessary to :
- eliminate price undercutting, found to be 17 % (see recital 54),
  - ensure that Community producers realise an adequate return on sales, i.e. cover the 7 % gap between the target profit (15 %, see recital 59) and the profit earned in the investigation period (8 %, see recital 57).
- (78) The addition of the price undercutting (17 %) and the profit shortfall (7 %) gives an injury threshold of 24 % on the basis of the resale price in the Community. The basis for using this method is that the prices of Thai bearings in the Community are so far below the prices of Community products mainly because the Thai exports have succeeded in capturing a number of very high volume customers by offering them extremely low prices. Community producers have for the moment retained customers who pay higher prices. Since the customers are different and since there are no quality differences between Thai and Community bearings, there is no guarantee that the mere elimination of 17 % Thai price undercutting would result in any appreciable increases in the prices paid to Community produ-

cers. Only by adding the 7 % profit shortfall is it possible to reach a price level at which Community producers could earn the required level of profit to realise an adequate return on sales (see recital 77).

When converted to cif import value the injury threshold becomes 34,8 %.

## (iii) Type of duty

- (79) The goods are shipped directly from Thailand to the Community but are invoiced to the parent company in Japan, which then invoices its Community subsidiary. This second invoice amount contains a considerable mark-up.

It cannot therefore be guaranteed in this case that an *ad valorem* duty calculated on the cif value would fully countervail the subsidy received, since the mark-up could be reduced in order to alter the cif price.

The appropriate way of countervailing the subsidy in Thailand would be by the imposition of a specific duty (i.e. expressed in value per piece), based on the value of the subsidy divided by the total number of ball bearings exported from Thailand in the investigation period.

## (iv) Rate of subsidy

- (80) Using the above method, the countervailable subsidy per piece for each company (in Thai baht), is calculated as follows :

NMB Thai	1,34
Pelmec Thai	1,91.

In calculating these rates of subsidy, the Commission accepted the companies' argument that those bearings sold in bond to other Minebea companies in Thailand, for incorporation into exported products, should be included in the denominator over which the total subsidy amount was divided.

- (81) However, since the companies are wholly-owned subsidiaries of the same parent company, it would not be appropriate to apply separate duties to them, but rather a single duty to both. This is calculated by weighting the subsidy per piece of each company according to their exports to the Community and would result in a duty of 1,76 baht per piece.
- (82) The specific duty rate would therefore be 1,76 baht per ball bearing exported, equivalent to an *ad valorem* rate of 13 % on import cif value determined during the investigation period, and therefore falling well below the injury threshold of 34,8 %. The Commission considers that this level of duty would be required to remove the injury caused by the subsidization of imports from Thailand.

**(v) Undertaking**

- (83) Having been informed of the findings of the Commission's investigation, the Royal Thai Government offered an undertaking to eliminate the effect of the subsidies found, in the form of a tax on exports to the Community of the product under investigation. This tax on exports will initially be levied at a rate of 1,76 baht per piece — exactly the same amount that would have been levied as a countervailing duty.
- (84) Regulation (EEC) No 2423/88 enables the Commission to accept undertakings whereby 'the subsidy is eliminated or limited, or other measures concerning its injurious effects taken, by the Government of the country of origin or export' (Article 10 (2) (a)). This provision reflects fully Article 4 (5) of the GATT subsidies/CVD code.
- (85) The Commission has decided to accept the Royal Thai Government's undertaking, being satisfied that it will fully eliminate the subsidy and that it includes sufficient provision for:
- (a) monitoring of the payment of the tax and export volumes;
  - (b) surveillance of the subsidy rate;
  - (c) notification of any changes in existing subsidy mechanisms and a commitment not to grant any new subsidies to the companies involved;
  - (d) verification of all information by the Commission;
  - (e) provisions for withdrawal of acceptance of the undertaking in the event of imports into the Community of ball bearings originating in Thailand for which the export tax has not been paid.
- (86) In accepting the undertaking, the Commission has taken account of the excellent relations that exist

between the Community and Thailand. Thailand is still a developing country and, although the Commission has found that countervailable subsidies were granted in this case, it does not wish to impose countervailing duties when a more amicable solution which fully eliminates the effect of the subsidy is proposed. Furthermore, the Commission notes that Thailand has an excellent record of abiding by trade agreements with the Community. Thus, although Thailand is not a signatory of the GATT subsidies code, the Commission is satisfied that it is appropriate to accept the Royal Thai Government's undertaking.

- (87) It is, of course, understood by both parties that any proven violation of or non-compliance with the undertaking will lead to a provisional countervailing duty being imposed immediately, in accordance with Article 10 (6) of Regulation (EEC) No 2423/88. In addition, a definitive countervailing duty may be imposed on the basis of the facts and arguments established before the acceptance of the undertaking.

**DECIDES:***Sole Article*

The Commission hereby accepts the undertaking given by the Royal Thai Government in connection with the countervailing duty proceeding concerning imports of ball-bearings with a greatest external diameter not exceeding 30 mm originating in Thailand.

Done at Brussels, 13 June 1990.

*For the Commission*

Jean DONDELINGER

*Member of the Commission*